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

HEADQUARTERS ALLIED COMMISSION
APO 394

M O N T H L Y R E P O R T

FEBRUARY - 1946

Ref: 824/EC

15 April 1946

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

Declassified E.O. 12065 Section 3-402/NND No. 785020

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APO 394

M O N T H L Y R E P O R T

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Declassified E.O. 12065 Section 3-402/NND No. 785020

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

HEADQUARTERS ALLIED COMMISSION
APO 394

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M O N T H L Y R E P O R T

FEBRUARY - 1946

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POLITICAL SUMMARY.

1. Decisions of the highest importance were taken by the Council of Ministers during the month in regard to the Convocation of the Constituent Assembly and the powers that body will wield. As regards the appointment of the members of the Cabinet the Prime Minister offered two solutions: either to empower the Assembly directly to make the choice or to form the Cabinet by distributing the portfolios among the six parties in accordance with the results of the elections. Some progress was made in examining a plan which entailed the submission of a draft law defining the powers of the Constituent Assembly to the electors in order that they might express their opinions by a simple "yes" or "no."

2. The Liberals, Labour Democrats and Christian Democrats were in favour of a referendum on the institutional question but the Socialists and Communists were not. The latter two parties held the same view, were in favour of a civil regency and were apparently not opposed to a referendum for the setting up of a three-member civil regency. However, when the full Council of Ministers met it approved a referendum on the institutional question to be held at the same time as the elections for the Constituent Assembly. The Council completed its discussions on the law for the political elections and on the law on the powers of the Constituent Assembly. The formula of the Referendum was altered and it was definitely decided that the question to be asked should be "Monarchy or Republic?".

3. Earlier in the month the Council of Ministers met and discussed the provisions for "reduci" (war veterans). Funds were approved for housing construction for "reduci" and provision is now under study for their employment in the Government.

4. The Consulta reopened on 11 February when the delegates were asked by DE GASPERI to concentrate their discussions principally on the political election law in view of the necessity of early political elections. The President of the Council, referring to earlier Government pronnuncements, said it was realised that amendments and amplifications of this earlier legislation were necessary. The discussions of the Consulta touched principally on the problem of the compulsory vote, proportional representation and the necessity for a referendum on the institutional question.

5. The resignation of the Action Party Ministers from the Government followed the passing of a motion proposing to dissolve the CLN's with the Costituente and to call the Costituente before the Peace Treaty. The motion included proposals regarding the sovereignty of the Costituente, the adoption of more efficient social and trade union policies, immediate and far reaching changes in the high ranks of the Armed forces, internal administration and diplomatic corps and the achievement of international solidarity. It is open to speculation as to whether Signor PARRI will merge his dissident Action Party bloc with the Republican Party though PARRI himself denied that

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6. The Minister of the Treasury speaking on the various aspects of ITALY's relations with the Allies dwelt particularly on the issue by them of AM Lire. He expressed the hope that the British Government would accede to the repeated requests of the Italian Government to grant the sterling equivalent.

7. The Uomo Qualunque Movement was much in prominence during the month and it announced that it will act together in concert with the Italian Democratic Party during the coming elections. It would appear that the heads of the various political parties had made a "Gentlemen's" Agreement that the elections and the campaign preceding them should be conducted without violence or disorder.

8. There was close interest and considerable pessimism displayed in the press regarding the drafting of the Italian peace treaty in LONDON. The

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pessimism is due to the slow progress of the Committee and fear has been expressed that the draft peace treaty will not be ready by May for the PARIS Peace Conference. The plan for UNO Administration of Italian Colonies has been received with mixed feelings. The Prime Minister in an interview stated that the Italian Government was opposed to the resolution of frontier problems by plebiscite and favoured the adoption of the WILSON Line as a basis for the settlement of the VENEZL. GIULI. question. He declared that ITALY would never recognise JUGOSLAVL.'s claim to TRIESTE or Austrian pretensions on the Upper ADIGE. Commenting on the above, the press interpreted DE GASPERI's statements as meaning not that ITALY voluntarily gave up her claims to FIUME and ZARA. but the loss of these two represented the maximum sacrifice acceptable to the Italian Government.

9. Satisfaction was expressed that RUSSIA had agreed with the American and British position which assured ITALY that MOSCOW's decisions in no way altered those taken at POTSDAM. The press has repeatedly stressed the opinion that a definite Italian peace treaty will be postponed for the time being and a revision of the armistice terms will regulate ITALY's international position. This impression was reinforced by the information that MOSCOW has replied favourably to the UNITED STATES and BRITISH note proposing a modus vivendi for ITALY.

10. It was reported that a commercial agreement between ITALY and BELGIUM was signed in ROME during February and that negotiations will be completed with the conclusion of a financial agreement.

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PART I - LIAISON GROUP REPORTS

LIGURIA LIAISON GROUP.

1. A calm political atmosphere persisted despite the undercurrent of discontent which permeated the working classes.

2. Questura, CC. RR., Guardia Finanza and Municipal Guards functioned as efficiently as could be expected in view of their lack of transport and arms. The Guardia Finanza, who have a serious problem to tackle in the "Black Market" and contraband from Allied ships in the Port of GENOA are at a loss to deal with the offenders (many of whom are Allied seamen) who use small boats and meet ships whilst they are awaiting to enter the port. No serious crimes were, however, reported.

3. February was the most successful month since the Liberation both for the port of GENOA and SAVONA, and increased tonnages covered the following: coal, grain, cotton, steel and phosphates for agricultural purposes. The condition of the warehouses damaged by the bombardment, however still left much to be desired. Mine sweeping in the port of GENOA was completed, and additional berths were made available. The Darsena dry dock which was urgently needed for schooners and small coasters is now functioning. The main cargo discharged at SAVONA was coal and as long as the port can maintain an average of 200,000 tons no further reconstruction work is likely in the near future. It was agreed that no sea going vessels would enter the port of LA SPEZIA. During the month about 5,000 tons of cargo was discharged by small steamers and coastal vessels.

4. The grain and flour supply for the Region has been assured until about 15 March. The present season promises well, the weather has been good and the crops are coming along very well.

5. Refugees of French nationality continued to be sent to FRANCE and the number increased slightly towards the end of the month.

6. The labour situation was generally calm, although the MEDUCI presented a problem. A strike of State employees in IMPERIA lasted 5 days, and was ended when they were informed that their request (an increase of the bonus for high cost of living similar to the one granted to larger cities) would be satisfied at the end of the month. There were 3 other strikes by employees in the Banco di NAPOLI, Insurance companies and theatres and cinemas, but they were all settled after prolonged discussions.

6. Both telegraph and telephone services were improved as work was carried out on routes and exchanges. A number of circuits have been resumed and traffic is being cleared with less delay than usual. During the first fifteen days of February all bids for haulage by road were successfully carried out, and the Italian Government Truck Pool "ASAL" was able to carry out port clearance in spite of the P.O.L. shortage. No difficulties were encountered with movements by rail into XIII Corps Area and traffic South of BOLOGNA. During the month a percentage of coal received was despatched to SWITZERLAND. Work continued on the reconstruction of

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LOMBARDIA LIAISON GROUP.

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7. On the eve of local municipal elections the political front was calm due to the skilful handling of such issues as the referendum on the institutional question and the compulsory vote. The outspoken claim for the integrity of Italian territory probably helped to create a more peaceful atmosphere among the political parties and the populace.

8. On the part of the Socialists there was a growing tendency to become autonomous. In most Communes and especially where Socialists hoped to obtain the majority, Socialists and Communists are submitting two separate lists of candidates.

9. The outstanding feature of the month was the remarkable successes achieved by the MILAN Police - particularly the Carabinieri - which earned for them the very high esteem of the public. There was little improvement in the supply of clothing,

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equipment, transport, arms, ammunition and P.O.L. during the month. Relations with all Allied Military Police and Security formations were very satisfactory. The Carabinieri and Agents were very active in dealing with unlawful possession of arms, and forty-one raids were made during the month resulting in the arrest of thirty seven persons. The crime situation slowly improved except in the City and Province of MILAN where there were 72 armed hold-ups or raids.

10. Cost of living generally decreased. The tendency was for prices of goods and commodities to sag and both wholesalers and retailers complained of bad trade. The bread situation was difficult owing to delay in the arrival of imported grain, and the deficiency was met by withdrawals from reserve stocks and from MILAN.

11. The Labour situation remained unchanged; unemployment appeared to be a dread to both employers and employed who sensed the lurking danger in its growth. Industry generally was faced with the same difficulties as for the previous month. The enforced retention of unproductive labour was still great, and the limited possibility of dismissing excessive personnel on a monthly scaled rate is of serious concern from the financial standpoint.

12. The cotton spinning and wool combing and spinning industries were generally better off, and it was reported that some 100 million tons of textiles are still in store in North ITALY, but high prices and inferior autarchic production are obstacles to selling. It was reported that during the first fortnight of February the Pirelli works produced 8500 car and 500 truck tyres.

13. Drastic reductions in power supplies were enforced throughout the Region and the rest of North ITALY, along the lines of AFG orders issued in November and December 1945. In spite of demonstrations and threatened strikes, especially in the entertainment world, the rationing of light and power was ultimately accepted as inevitable. It is now felt that the peak of the crisis is past, and that it will be possible to carry on without further restrictions until the Spring thaw sets in to refill the mountain reservoirs.

14. Public Works during the month to the extent of 2,829,965.00 lire employing 16,307 workers were carried out.

15. A total of 2568 displaced persons passed through the refugee camps during the month. The general state of the refugees was deplorable. The standard of personal hygiene was very low and there were many cases of Scabies.

16. Repatriation of Italian miners and families to BELGIUM and FRANCE from NOVARA and MILAN to GENOA and then to MARSEILLE still proceeded. A considerable financial saving was made by using group transportation for repatriation to FRANCE.

17. Work continued satisfactorily on the railways. Closest liaison was maintained with the I.C.R. and settlement of any difficulty was promptly effected. Owing to trucking difficulties, delay was experienced in carrying goods by air.

PRISONER LIAISON GROUP.

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PIEMONTE LIAISON GROUP.

18. Better use was made by Italian agencies of Italian channels of communication during the month, and the tendency to consider the liaison groups as successors to AMG began to disappear. There was considerable political activity, and allegations were made that Left Wing groups had purchased arms for use at election time. Electoral lists are being completed and administrative elections will begin in March. Local government was satisfactory and there was no tension at the French border, although some propaganda from French newspapers was observed.

19. The food situation was reasonably good except for a shortage of pasta, rice, and fats. A shortage however, is anticipated by the middle of March unless imports of grain arrive.

20. The FIAT factory in PIEMONTE was in operation, although work was seriously handicapped by lack of fuel and power. The electric power shortage continued to cause concern, but as a result of economy measures a 15% decrease over November consumption was made.

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21. Wheat planting was almost negligible, and fertilisers were in short supply.

22. The basis for a closer association of capital and labour was created by an agreement between the FIAT management and its workers for the creation of a "Consultative Works Council", and the wage contract for Northern ITALY was completely applied and minimum wages fixed.

23. Public works projects, instituted by AMG before the handover, were carried out, thus giving much useful employment.

24. The situation regarding public order remained unchanged, and there were no mass demonstrations of any magnitude and no instances of mob violence. Crime however appeared to be increasing, although police agencies generally were successful in dealing with it. Incidents of highway robbery diminished although there continued to be numbers of cases of serious robberies from private houses. A certain amount of clandestine arms were also recovered by the police during the month. The Carabinieri however did not show much initiative, chiefly through fear of offending the political parties, and the severity of, and delay in, epuration also affected their morale.

25. Public health was satisfactory and schools functioned well, bearing in mind the difficulties of communications, housing and shortage of teachers..

26. With the opening of the GENOA - PISA railway line a more direct route to ROME was made available, and highways were in a satisfactory condition except for the lack of bridges.

VENEZIA GIULIA LIAISON GROUP.

27. Generally the political situation was quiet in the VENETO; it appeared that the Christian Democrats were in the majority, except in the large towns. In the opinion of the party leaders, the administrative elections will reveal party strengths, but only the political elections can define the role of each party in the national life.

28. Career Prefects have now taken up office in four out of eight provinces.

29. As far as can be judged from reports, all the provinces except TRENTO, are well advanced in their preparation for the elections. In TRENTO, however, out of 127 Communes, only 62 will be voting on the prescribed days. The remaining 65 communes are all affected by a strong movement for autonomy among many of the fractions of which they are composed. According to the Prefect, these claims for communal autonomy cannot be settled until after the political elections, and therefore the administrative elections must be postponed until a later date.

30. Several demonstrations took place in the region during the month, in protest against food, unemployment and the general economic situation, but in the

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30. Several demonstrations took place in the region during the month, in protest against taxes, unemployment and the general economic situation, but in the great majority of cases there was no disorder.

31. Agents of Public Security and the C.C.RR. continued to work with increasing confidence and the number of crimes compared favourably with that of last month.

32. The health of the population was satisfactory, but a few cases of small 147 occurred in VENICE.

33. Prospects for crops were excellent, and the recent change to mild wet weather was welcomed.

34. The rising tide of unemployment continued to cause serious concern, and between 90,000 to 99,000 are out of work in the 5 provinces most seriously affected. To cope with this problem there is widespread desire heard on all sides that facilities be granted without delay for Italian workers to emigrate to FRANCE and thirteen million lire have already been allotted for the repair of war damaged houses in order to provide work.

35. During the last days of February grain stocks for the bread ration were sufficient to last only to the end of the month and the provision of pasta also caused increasing anxiety. There were no stocks of sugar available for the month of March; prices however showed a reduction of from 30% to 40%.

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NAPLES LIAISON GROUP.

36. February was a quiet month politically; there was the usual large number of small political meetings, but none of them was important. The Commune elections will begin on 10 March and will continue on successive Sundays thereafter. Elections in the large centres such as NAPLES and CASERTA will take place in April.

37. The stock of grain on 28 February was under 200 tons at CASTELLAMARE and TORRE ANNUNZIATA. In the other provinces the stock varied between 32.735 quintals (NAPLES) and 5.482 quintals (BENEVENTO). The pasta ration had been distributed in the province of COSENZA up to August 1945, CATANZARO up to November 1945 and REGGIO CALABRIA up to December 1945. However it was noticed that bread, pasta, flour and sugar (all rationed commodities) could be bought freely and openly without a ration card. More wheat was sown during the winter than in 1944/1945 and harvest prospects are good provided rain comes in March.

38. There was some labour unrest during the month and in the last week 3 strikes were called simultaneously. Employees of an electric concern struck against the terms of a new agreement, but after 6 days of negotiation a settlement was obtained and a stoppage of electric power avoided. There were five other strikes or lockouts in NAPLES Area and two in CAMPOBASSO during February.

39. There was a small decrease in crime, and and increase in the already high proportion of arrests. The most serious disturbance occurred on the night of the 23rd when there was a fight and an exchange of shots between French soldiers and Italian sailors. It resulted in the death of one Italian civilian and injury to 6 persons. Carabinieri mobile squads continued to work well; combined raids by MPs and Carabinieri resulted in the seizure of fire arms, tyres and fuel oil. The latter were however still short of equipment and transport.

40. No serious epidemics were reported during the month and smallpox decreased.

LIVORNO LIAISON GROUP.

41. There was wide spread political activity throughout the Region, and the Communist Party appeared to lose considerable ground. The several political parties were quite cordial and the fight over obligatory voting did not arouse much interest in the man in the street. Preparations for the administrative elections were nearly completed.

42. The Security situation during the month was excellent and there were no violent political up-heavals, strikes or lockouts and as a result public morale improved. Although there was no widespread crime of a serious nature pilferage of PBS installations continued on a wide scale. Many thieves were killed and others badly wounded by Military Police and Military Guards. Carabinieri and Questura P.S. Agents cooperated with Military Police authorities, and appeared to be more active and more sure of themselves especially in areas where Military Police were also

[illegible] in LIVORNO Province, took over

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43. Lack of raw materials, fuel, power and tools continued to harmer industry, and transport of materials to the factory and of the furnished product was another difficulty which has not yet been overcome. The process of re-building or repairing war damaged factories was slow and all provinces were in need of additional funds for road repairs particularly on provincial and communal highways.

44. In FLORENCE, APUANIA, LUCCA, PISTOIA, AREZZO and LIVORNO Provinces the shortage of food was most acute, and little reserve was on hand to last more than the month of March. The more pronounced shortages were in flour, oil, fats and the generally rationed items. In SIENA, PISA and GROSSETO Provinces however the shortages were not so great, but the black market continued to be patronized by people who could ill afford it.

45. There was a gradual decline of displaced persons in the Region, and the C.L.M. handled the problem most efficiently.

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46 There were no epidemics and public health was generally satisfactory.

47. There was a vast amount of unemployment everywhere and the returning ex-prisoners of war swelled the ranks of the already large army of unemployed. Public service employees demanded increase of pay in order to meet the ever increasing cost of living.

BARI LIAISON GROUP.

48. A very appreciable percentage of the population in the BARI Area appeared to be apathetic to the forthcoming administrative elections; the UOMO QUALUNQUE party seemed to be gaining strength and was far more in evidence than it was a short time ago. The Communist party in ANDRIA was very active but in adjoining towns such as TRANI, BARLETTA etc. the Christian Democrats and the Uomo Qualunque were more in evidence.

49. Much trouble was experienced in the LECCE camps for displaced persons where large numbers of the hooligan type of refugee made themselves objectionable to the Italian civil population.

50. Public health was generally good although there were four fresh cases of smallpox.

51. All provinces have begun to carry out repairs to roads etc., and much has already been achieved in the province of FOGGIA where the percentage of war damaged buildings is very high.

52. Dock clearance by road transport proceeded satisfactorily during the month and rail traffic to the north increased. There was a serious shortage of tyres and tubes for public transport services.

SICILY LIAISON GROUP.

53. No important changes in general conditions were noticed; tension on the part of the population in PALERMO and TRAPANI provinces eased as the centre of bandit activity shifted from those provinces to CATANIA and CALTANISSETTA. Although it was generally known that the Communist Party had lost prestige in the island, it was clear that they are still well organised and active.

54. Roads in the PALERMO - TRAPANI area became comparatively safe during the month owing to a notable decrease in holdups of cars, trains, and buses. There were however several clashes between bandits, troops and police in CATANIA and CALTANISSETTA; mass arrests were made and the drive by the Government on that area was prosecuted vigorously.

55. Prices for commodities fell, although food prices rose. The grain shortage was still severe. Isolated agitation and strikes by small groups continued, but there was no widespread agitation. Public health was generally satisfactory.

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BOLOGNA LIAISON GROUP.

56. All political parties intensified their activities, and the news of the compulsory vote was well received by all parties except the Communists. Some Neo-fascism literature was circulated in FERRARA Province, attacking the church and family life; the distribution was small and no special significance is attached to it. Local Provincial Government functioned satisfactorily and the population appeared to be gaining confidence in the officials.

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57. The food situation deteriorated during the month; all official local resources of grain were finished and the ration of bread and pasta can only be made from grain or flour shipped into the country, and the ships are arriving behind schedule. If all ships arrive, the Region will have sufficient grain until the end of March. There was no distribution of fats, and the sugar ration was reduced to 150 grammes. Meat however was plentiful, although the prices were so high as to be beyond the reach of all except the very rich.

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58. Unemployment continued to be a grave problem. In BOLOGNA on 28 February there was a total of 12,198 unemployed and in the 6 other provincial capitals the figure varied between 1,279 and 4,768. There were no strikes of any consequence, but one or two stoppages of work by groups of about 50 people in the smaller communes occurred.

59. Less money was in circulation, but bank deposits remained high. Communal budgets showed deficits in every case.

60. Public works programmes were carried out, but much delay was caused by the slow machinery for obtaining the necessary funds. Electric power was in very short supply, and it was cut off for two days per week.

61. Italian Courts functioned satisfactorily but very slowly; prisons were overcrowded but no effort was made to try cases more speedily in order to endeavour to reduce the number of inmates.

62. There was great improvement in the Public Safety situation and serious crimes dropped by nearly 50% over the figure for January. CC.RR. continued to improve and their activities against the criminals were most praiseworthy.

63. There were no disorderly demonstrations during the month, although some neo-Fascist activity was noted.

64. Public Health remained good, with no reports of serious outbreaks of infections, or contagious diseases.

65. An improvement was noted in all communications, particularly telephone services.

BOLZANO LIAISON GROUP.

66. The South TYROL Volkspartei has started collecting signatures demanding annexation to AUSTRIA. Autonomist movements also increased and two more were formed during the month. It was decided that the names of streets, shops, notice-boards etc. are to be written in both German and Italian.

67. The Italian lawcourts were in arrears with their work, chiefly owing to the shortage of personnel; of 52 civil cases only 11, and of 62 penal cases only 24, were tried. The control of the BRENNER Pass is now in the hands of the Italian authorities. Four murders and several armed robberies took place during the month, but on the whole the state of public safety was satisfactory. Road blocks were controlled competently by the Carabinieri.

68. The export of wine to AUSTRIA and SWITZERLAND continued, but wood which was to have been imported from AUSTRIA in exchange for fruit was blocked by the French Military Government, owing to shortage of wood throughout AUSTRIA. Grain was scarce and as a result there was a shortage of pasta. The general food situation was, however, satisfactory and meat was plentiful. There was a shortage of

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69. There was some 2,050 unemployed registered on 28 February 1946.

70. 27,523 children have been enrolled in German speaking schools, and 9,214 in Italian speaking schools. 350 Germans were moved to MUNICH from BOLZANO during the month, and a further 210 are awaiting deportation.

71. Plans for reducing the consumption of electricity worked satisfactorily.

ARMG 'UDINE.

72. The public was much concerned over the intensified Yugoslav propaganda which has been going on for some time in VENEZIA GIULIA and the eastern frontier of FRIULI. This propaganda, which has at times assumed forceful methods, and is supported by a lavish expenditure of money for facilities to show the Yugoslav Flag, is generally subtle and carried on in the province mainly underground.

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73. The administrative elections have set the propaganda machines of the various political parties in action and many meetings were held.

74. It has been reported that the Communist and Socialist Parties have agreed to collaborate, while the Christian Democratic party continued to gain ground by its subtle but efficient propaganda, and also by the support it receives from the Church.

75. Local government continued to be too dependent on AMG and too apt to refer to it matters which could very easily be settled by the department concerned. It is hoped, however, that after the elections, the newly elected administrators will feel in a stronger position than the present ones. General lists of male and female electors have been completed in 144 communes; the male lists have been approved in 35 and the female lists in 36 communes. Administrative elections will be held on 24 March, 31 March and 7 April 1946.

76. The morale and efficiency of the Carabinieri, Guardia Finanze and Questore continued to improve and a number of trucks obtained on loan from the Military Authorities will be most useful. Clothing and equipment gradually arrived although more is needed and automatic arms and pistols are in constant demand. By comparison with normal standards the public safety situation was still unsatisfactory, mainly owing to the continued prevalence of armed robberies, but the position is reliably reported as being much better in the Province itself than in many other parts of ITALY and this is unquestionably due in large measure to the presence of Allied Forces in the area. The number of armed robberies reported was 31 which is an average figure over the past few months. A firmer attitude on the part of police generally has been observed, and it appears that the public are regaining some of their former confidence in the ability of the police services to maintain law and order and are becoming more willing to co-operate by denouncing offenders, giving information etc., which is of the utmost importance under any police system.

77. Apart from one or two minor demonstrations against difficult economic and living conditions, there was no disturbance to public order and no large strikes. Unemployment caused anxiety but it is hoped that this may shortly be relieved by the commencement of public works schemes.

78. The Italian Courts worked satisfactorily. AMG Courts tried 43 summary court cases.

79. The food situation during the first ten days of the month was very serious but it improved considerably later owing to an arrival of imported grain. Another allocation of 4013 tons of wheat has been made to the Province so that the normal ration of bread can be maintained up to about the 26th of March. It has been necessary to issue corn flour for about three days a week instead of bread.

80. Fish, eggs, rabbits and poultry can be found easily, though at prices beyond the capacity of anyone except the rich. Up to the end of February 137.566 quintals of wheat and 45.580 quintals of maize had been amassed.

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81. Despite the lack of fertilizers no difficulties are foreseen for the Spring sowing. The mild winter has left the soil in good condition and ploughing and harrowing are well ahead.

82. During the month 1490 Italians and 478 non-Italian passed through the Refugee Centre. Half of these displaced persons arrived from VENEZIA GIULIA and the remainder from AUSTRIA and UDINE Area.

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83. The overall supply of essential commodities for commerce and industries improved, except for tyres and P.O.L. and the allocation of 6,000 tons of imported coal a month was also insufficient.

84. An allocation of 18,000 square meters of flat-bed glass including 1342 sq.meters of printed glass was received during the month, but the need for glass was still large.

85. The principal work of the month was the drawing up of provisional combined

Declassified E.O. 12958, Section 3.4(b)/NND No. 785020

programme for reconstruction and unemployment relief during the next three months.

86. A start will be made immediately on the most obviously necessary works but this programme will require considerable revision as time goes on since only about one third of the work proposed will be able to be financed.

87. The German speaking minority in the TARVISIO area requested extra curriculum German classes, which will therefore be instituted in 2 schools with the Commune paying the teachers appointed by the Provveditore. No similar request has, however, come from the Slavic minority since permission to set up German and Slavic schools was refused.

AMG VENEZIA GIULIA.

88. There was a considerable amount of political activity, with both sides preparing for the visit of the Foreign Ministers' delegates. Throughout the month, reports of a steady influx of Slovenes from Zone 'B' continued to come in, causing some apprehension on the part of the Italian population, and reported Jugoslav troop movements in Zone 'B' did little to ease a situation which by the end of the month was becoming tense. Red starred Jugoslav flags were being placed in the most prominent positions and triumphal arches and numerous pro-Tito road and wall signs appeared everywhere. Local Government was satisfactory.

89. Progress in all matters connected with the VENEZIA GIULIA Police Force was extremely satisfactory; each day showed an improvement in the morale, discipline and efficiency of all officers and men. It is now 2,788 strong. Mounted units of the VENEZIA GIULIA Police Force (without Allied escorts) have appeared on the streets of TRIESTE and GORIZIA. The prisons in TRIESTE were still overcrowded and efforts are being made to transfer long-term prisoners elsewhere.

90. During the month final arrangements were made to set up control of movement of goods across the Morgan Line. A system of import, export and transit licenses had proved most useful in controlling movement of goods into and out of the territory. Supplies of foodstuffs under the maintenance programme failed to arrive in the month of February, but, with the exception of fats, it was possible to issue the normal rations by borrowing from the Army and the Italian Government. The amassing of wheat has practically finished for the season, although 50 quintals were collected during the month.

91. 24,058 tons were shipped into the area during the month, and 23,906 tons out of the area.

92. The 2,000,000 trees requested from ROME, were found to be available in state nurseries throughout ITALY, and digging and transportation are being arranged. Due to drainage, irrigation repairs, the filling in of tank-traps and reclamation schemes etc., it is expected that the acreage planted in the spring will be nearly double that of the past season.

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93. There was no actual stoppage of work in the shipyards during the month, and work continued on all ships.

94. In the absence of fresh supplies of raw cotton, the Cotonificio mill at GORIZIA had to cut working hours from 48 to 32 per week. Output in all departments averaged about 60% and approximately 420,000 metres of cloth were produced. Electricity remained in short supply and restrictions will have to continue. The TRIESTE economy measures were most successful, and amount to 30% on November figures. It was agreed, from the economic point of view, and in particular as far as trade is concerned, that AMG VENEZIA GIULIA territory should be linked up with the Italian Government programmes of imports and exports; such an arrangement is the only practical one to allow merchants of this territory to trade. POL consumption was on a rather low level in February; firewood was distributed slowly and 16,927 quintals only were issued during the month.

95. All public works progressed satisfactorily, and every effort was made to absorb the maximum number of unemployed on the various projects; the rebuilding of distressed villages proceed well.

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96. General public health continued to be extremely good, and steady progress was made with hospital rehabilitation and rebuilding schemes.

97. The flow of displaced persons continued and 687 civilians and 81 ex Ps.W. passed through the area. The total number of unemployed for the territory was 29,436, an increase of 886 over the previous month. Several strikes were rumoured but none took place. In the Superior Court, TRIESTE, 38 cases were disposed of (as compared with 21 in January), on 42 charges (as compared with 27 in January). A sharp increase was noted in the number of cases for theft and illegal possession of Allied property (February 23, January 6). No Superior Court cases were tried in POLA Area, and only 2 in GORIZIA Area. The Civil Courts continued to function with reasonable satisfaction.

98. Slovene elementary school programmes were distributed to all the Slovene and Croat elementary schools. The Slovene Communist paper "Primorki Dnevik" continued to attack Allied Military Government's education policy, and is requesting complete autonomy for the Slavic schools of VENEZIA GIULIA. In many sectors of the region, Slovene parents held demonstrations against the dismissal of a number of Slovene teachers "on security grounds".

99. A telegraph circuit between TRIESTE and LUBLIANA was opened during the month. The new postal tariffs will be implemented on 1st March.

100. Bonuses to next of kin and wounded partisans continued and up to 28th February 152 claims by next of kin were paid.

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Declassified E.O. 13563 Section 3-402/NARC NO. 785020

PART II.

CIVIL AFFAIRS SECTION.

Local Government Sub-Commission.

1. The Consulta approved the Draft Law for the National elections but with several notable amendments, i.e. compulsory voting, a different system of proportional representation and smaller constituencies. The Law was again under consideration by the Council of Ministers.

2. A total of 5,311 Communes will be ready to hold their elections for Communal Councils on the dates indicated:

Sunday, 10 March	432	(including 6 Provincial Capitals)
Sunday, 17 March	1,072	(including 3 Provincial Capitals)
Sunday, 24 March	1,470	(including 12 Provincial Capitals)
Sunday, 31 March	1,425	(including 22 Provincial Capitals)
Sunday, 7 April	912	(including 17 Provincial Capitals)

3. A total of 10,923 (male and female) lists have now been approved. This is 75% of the total lists required. The corresponding figure for the end of January was 2[illegible].

4. The new policy of the Ministry of the Interior is to appoint career Prefects whenever possible and to retain non-career men only if they are of proved capacity or willing to become career officials.

5. In view of the imminence of Municipal elections to be held in most of the Communes in ITALY, a directive was issued to all AC Liaison Officers stating that the policy of the Allied Commission is that the conduct of elections is strictly a matter for the Italians to settle. They should therefore on no account enter polling stations, or any place where votes are being counted. Within the aforementioned policy it was left to the discretion of the Liaison Officers to determine how they should inform themselves about the elections. For the purpose of making a closer technical survey of the elections, it was arranged for the officers of the Local Government Sub-Commission, accompanied by Inspectors-General of the Ministry of the Interior, to go on tour visiting various Communes on the dates fixed for Communal elections, their visits to be as casual and inconspicuous as possible.

LEGAL SUB-COMMISSION.

6. Allied Military Courts were in session in VENEZIA GIULIA and UDINE Province, and a General Court was held at NAPLES. In VENEZIA GIULIA there was an increase of 37 cases over January, the majority being for the unlawful possession and theft of Allied property. There was an increase of 12 cases for possession of arms and ammunition. UDINE tried only summary court cases [illegible] January.

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7. Italian Courts in NAPLES function adequately, encouraged by the fact that public confidence in the Courts has been restored.

8. Reports on Italian Courts in LIVORNO were not entirely satisfactory where cases of Allied interest were concerned, especially those dealing with the theft and possession of Allied property. 51 of the 85 accused were acquitted.

9. In UDINE Province a Special Court of Assize tried 23 cases and dismissed 40. In VENEZIA GIULIA 22 accused were tried, resulting in 13 convictions and 9 acquittals. The work of reviewing the cases of all persons confined in prisons progressed steadily and showed worthwhile results.

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EDUCATION SUB-COMMISSION.

10. In BOLZANO the text books in the German language for both elementary and secondary schools were distributed to the children; the German-speaking schools appeared to function quite satisfactorily.

11. The PNOO (Partisans Committee) continued to issue orders to schools contrary to Allied Military Government orders and succeeded in placing Partisan Propaganda text books in a number of schools. Lack of transportation made it impossible for adequate supervision to be carried out by superintendents and inspectors. School buildings were still requisitioned in the TRIESTE area and there appeared to be little hope of derequisitioning them. New Slovene primers, approved by Allied Military Government, were printed and distributed. Despite vicissitudes the actual schools in VENEZIA GIULIA ran fairly smoothly and teachers and pupils worked earnestly and with good spirit.

12. Arrangements were completed during the month for Polish troops to enrol as students in Italian Universities. This will enable young men and women who commenced their studies before the war to continue and will provide the opportunity for others to commence. The majority of the students will study in ROME.

PUBLIC HEALTH SUB-COMMISSION.

13. The Public Health situation for the month was satisfactory. No major outbreaks of communicable diseases occurred. The TARANTO epidemic of plague completely subsided and no cases of typhus were notified. Owing to reports of plague in North AFRICA, the High Commissioner for Public Health adopted stringent control measures at all ports.

14. While smallpox can be considered endemic in ITALY at the present time, the incidence was not in any way alarming. The NAPLES figures continued to show a highly satisfactory decrease; only one case occurred in NAPLES City and fourteen in NAPLES Province. Sporadic cases occurred in other provinces, the only noteworthy figure being eighteen in SALERNO.

15. The work of the Malaria Control Branch in the TIBER Delta was in abeyance during February.

16. An outbreak of measles in PIEMONTE area which reached a peak in January was steadily declining, while diptheria, also prevalent in Northern ITALY, was decreasing.

17. The number of patients admitted to the MERANO Repatriation Hospital [illegible] sick and wounded prisoners of war

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17. The number of patients admitted to the MERANO Repatriation Hospital Command diminished due to the clearance of sick and wounded prisoners of war from various German zones. The Italian Red Cross, however, reported the necessity of evacuating sick Italian personnel from areas in CZECHOSLOVAKIA. The decrease in the admission list permitted the closure of three hospitals during the month. Between 29 July 1945 and 31 January 1946, 12,137 patients were admitted and 10,484 patients discharged.

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18. It may be said with assurance that the state of public health in ITALY was satisfactory and no outbreaks of grave communicable diseases are anticipated.

PUBLIC SAFETY SUB-COMMISSION.

19. Conditions generally in both AMG and Italian Government territory remained calm.

20. The morale and efficiency of the police services continued to improve slowly and it is hoped that within a reasonable time the various forces will be adequately clothed and equipped. Application has recently been made for authority to increase the strength of the CC.RR from 65,000 to 75,000.

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21. The number of serious crimes still remained fairly high, but in EMILIA where conditions have been most unsatisfactory, a reduction of fifty per cent. in major crimes for the month of February was reported. The chief reason for this reduction is the energetic action taken by the CC.RR and agents of Public Safety. In SICILY also the position was improved due to punitive action and to the Italian Government sending reinforcements of CC.RR to the Island.

22. The prison situation still remained acute, owing to overcrowding and lack of discipline among prison guards. Six prison breaks occurred during the month in EMILIA resulting in the escape of 39 prisoners. Efforts were being made by the Italian authorities to recruit additional guards but the wage scale failed to attract the better types.

23. To make matters worse the Ministry of Grace and Justice introduced a wage scale which became effective as from 1 October 1945. This causes considerable discontent as some guards were asked to repay substantial sums which they had unknowingly overdrawn.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

24. The Library of the German Archeological Institute and the Herziana Library were brought back to ROME during the month.

25. The Codex Aesinus MS. of Tacitus has been reported by the Ministry of Public Instruction to be safe.

26. The Sub-Commission's photographic record of damage to Italian monuments has been completed, and copies consigned to the Roberts and Macmillan Commission in USA and UK.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

27. Discussion continued on the transfer of responsibilities for Displaced Persons in ITALY to UNRRA. Difficulties arose over UNRRA's inability to accept full financial responsibility for Camps and it was agreed that the Italian Government would continue payments through Prefects until the end of March 1946. Few complaints were received regarding the scale of rations although there was an acute shortage of clothing.

28. Three of the Allied Military Missions from U.S.S.R., NORWAY and BELGIUM accredited to the Sub-Commission have been reducing their staffs or handing over their duties to their Embassies.

29. Two uncompleted moves were handed over to the UNRRA Repatriation Branch. The long outstanding move of Ethiopian and other East African natives was still in abeyance and seemed no nearer materialising than it

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29. Two uncompleted moves were handed over to the UNRRA Repatriation Branch. The long outstanding move of Ethiopian and other East African natives was still in abeyance and seemed no nearer materialising than it was nearly two years ago. Technicalities, such as acceptance at SINGAPORE and lack of transit facilities in the Middle East, were responsible for delaying the Chinese move.

30. The return of Italians to LIBYA and ERITREA was the cause of a certain amount of speculation. A telegram was received to the effect that no Italians, including children, would be accepted by B.M.A. TRIPOLITANIA until further instructions were received from B.M.A. A telegram was sent requesting that these 900 odd Italian children who had previously been accepted be permitted to proceed to TRIPOLITANIA.

31. It was also thought that there had been a certain amount of inconsistency of policy governing the return of 300 Italians to their former homes in ERITREA on compassionate grounds in exchange for 5,000 Italians at present in ERITREA. The Foreign Office finally agreed to the move and about 100 "Old Eritreans" have already left for ASMARA under their own financial arrangements.

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32. There was much speculation in Jewish circles over the further allotment of 4,400 Certificates of Immigration to PALESTINE. In view of the large number of illegal immigrants, many from ITALY, and the fact that emigration to PALESTINE from this country had already been greater than from the rest of EUROPE it has been assumed in these Jewish circles that the allotment of the few remaining certificates would be made mostly to countries other than ITALY.

33. The Albanian authorities continued their policy of expelling Italians from ALBANIA. Italian expulsees were allowed to leave with only 5,000 Lire, a small handbag and the clothes they stood up in. The rest of their goods and chattels, sometimes the fruit of a life's work, were confiscated. RHODES expressed its willingness to accept a small number of Jews, who had been deported from the Island to GERMANY for racial reasons. A further 350 Greeks were to be repatriated through ITALY from AUSTRIA.

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PART III.

ECONOMIC SECTION.

FOOD DIVISION.

1. Movement of stocks from Warehouse already assigned to the Italian Government was adequate to meet current requirements, except for the NAPLES area where a shortage of wagons existed.

2. February arrivals of cereals for both FEA and UNRRA programmes totalled 165,690 tons and the estimated stock position at February was 119,245 tons. This includes 14,182 tons of wheat which are for repayment to the Allied Armed Forces and to UNRRA Welfare Programme.

3. Arrivals of imported foodstuffs other than wheat and flour, and including FEA and UNRRA programmes totalled approximately 14,500 tons. Assistance was given to the Purchasing Services in order to facilitate direct relations with Italian authorities and suppliers of fresh fruit and vegetables.

4. Assistance was given to the Italian Army in order to overcome difficulties which interfered with the supply of fodder for the Italian Army.

5. The salt situation in February was reasonably good with 10,136 tons of salt moved from MARGHERITA DI SAVOIA to Northern, Central and Southern ITALY by the daily salt train and almost 12,000 tons moved by coaster to NAPLES and ports in the North.

6. In order to reduce the high price of jams, proposals of the Italian Government were approved to modify the production plan of jam, adjusting sugar to 40%. Consequently, the production programme in Northern ITALY was reduced to 10,000 tons (in addition to 8,000 tons in Southern ITALY) and no further production is expected until October 1946, when the new sugar harvest is available.

7. During the month the Italian Government was warned by Governor Lehmann to expect large reductions in the UNRRA Italian programme within the next few months compared with what had been hoped might be sent this north; and that the Italian Government must enforce every possible measure to control food-stuffs and reduce to a minimum national consumption.

AGRICULTURE.

8. Crop conditions were generally good during February, although lack of moisture in Central, Southern and Insular ITALY gave rise to a fear that the drought conditions of last year may be repeated [illegible]

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3. Arrivals of imported foodstuffs other than wheat and flour, and including FEA and UNRRA programmes totalled approximately 14,500 tons. Assistance was given to the Purchasing Services in order to facilitate direct relations with Italian authorities and suppliers of fresh fruit and vegetables.

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AGRICULTURE.

8. Crop conditions were generally good during February, although lack of moisture in Central, Southern and Insular ITALY gave rise to a fear that the drought conditions of last year may be repeated. General rains in these regions are badly needed not only for immediate needs but for reserve supplies of water for irrigation next summer.

9. Further shipments of agricultural supplies were received from abroad during the month, notably farm machinery, seed potatoes and nitrate fertilizers. Unloading and distribution of these supplies proceeded satisfactorily under the supervision of the Italian Government.

10. Final reports on the plantings of autumn and winter sown cereals showed little changes from last year's acreages. The only exception was horse beans (fava), the acreage of which was 15% larger than that of a year ago.

11. Collection of critical foodstuffs under the amassing programme were very small during the month. The 12,000 tons of wheat, barley and rye received detracted from rather than added to the success of the programme, as these grains were harvested some eight months ago and the amounts received last month were long overdue. Again the Government postponed the announcement of the details of the plan for amassing the rice, which was harvested early last fall. Only 20 per cent. of the estimated total production of olive oil was

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amassed.

12. Considerable progress was made during February in providing the Fishing Industry with needed supplies and equipment. A shipment of 70,000 trout eggs was received by Air from the UNITED STATES in perfect condition and was placed in appropriate waters for hatching.

13. February production of fuel wood was approximately 20% greater than the production goal. Stocks now on hand should be sufficient to meet future demands.

FINANCE BRANCH.

14. The main task of the Sub-Commission during the month was in working out the details necessary to give effect to the Currency Agreement which came into force on 1 February 1946.

15. During the month letters were received from the President of the Council of Ministers and from the Bank of ITALY requesting that the gold discovered at LA FORTEZZA by U.S. Army Units be handed over to the Bank of ITALY.

16. The Ministry of Finance was informed that it was the opinion of the Allied Commission that no obstacle should be placed in the way of legal tender currencies carried by persons between Zone "A" and ITALY proper.

17. As of 6 February the Italian Government extended the "Conguaglio" rate of 225 lire to 1 dollar - 900 lire to 1 pound to several additional classes of transactions.

COMMERCE SUB-COMMISSION.

18. On 15 February 1946 private trade was reestablished between ITALY and all countries except GERMANY, JAPAN, MANCHURIA, KOREA and FORMOSA. The restrictions and control exercised by the Ministry of Foreign Trade and required by the General Foreign Exchange position, the Italian supply position and by the terms of commercial and payment agreements, still remain for the private trade so resumed.

19. The Italian Government now has complete control over ITALY's foreign trade except in the case of items listed by the Combined Boards in WASHINGTON. For these it is still necessary for allocation requests to be channelled through Allied Commission until an alternative method can be devised.

20. A commercial and clearing agreement between ITALY and FRANCE was signed in ROME on 9 February. The agreement covers the current year up to 31 December 1946, is renewable annually, and subject to three months notice of termination by either party.

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21. The commodities to be exported from ITALY to FRANCE include chiefly fruit, essential oils, raw hemp and hemp yarn, pyrites, machine tools, typewriters and mineral ores. The most important items to be imported from FRANCE under the agreement are phosphates, cocoa, hides, kaolin and various chemical and pharmaceutical products.

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22. A trade agreement was negotiated with DENMARK during the month. The main items to be sent to DENMARK would be citrus fruit and textiles. In return ITALY would receive chiefly fish, machinery and cheese.

23. Cottons continued to be commodity of largest demand in connection with the re-export of finished products. At present cotton textiles are still a Reserved Commodity and so far as ITALY is concerned the finished product resulting from the working of the raw cotton imports cannot yet be exported to EGYPT or to countries in the Western Hemisphere. It is hoped that this restriction may be modified as a result of the next meeting of the International Textile Committee. At the moment there are a very large number of requests for imports of cotton from EGYPT involving a re-export

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of cotton textiles to that country. To date it has not been possible to approve any. The main items covered by the month's import applications are: cotton (25,500 tons), greasy or washed wool (4,600 tons), rayon, raw and fiocco (370 tons), tin plate (2,600 tons), collophony (212 tons), phosphates (50,000 tons), oats (6,500 tons), chemical products (850 tons), flax (100 tons), cellulose (515 tons), vegetable oils (1,000 tons), animal fats (210 tons), glycerine(75 tons), paraffin (150 tons), penicillin (510,000 phials), lead (230 tons), "corozo" nuts (2,000 tons) and 5.000 oxen.

INDUSTRY AND UTILITIES SUB-COMMISSION.

24. The main activities of the division during the month were concerned with handing over the main supply functions of the Department to the Sub-Bureau of Industrial Rehabilitation, UNRRA..

25. Lack of electrical power continued to be an obstacle in industry but coal arrivals improved considerably. It was announced at the meeting of the Central ITALY Advisory Committee that two generating units at the SAN GIACOMO plant totalling 132,000 KW are expected to be in operation by the end of this year. An improvement was noted in the stream flow plants in Central ITALY due to the February rains. Since control and rationing measures became effective in Northern ITALY the power situation has improved. Allocations for Central and Southern ITALY for the month of March were reduced.

26. 4,244 tons of cotton under the YT programme were imported during the month together with 1,746 tons of wood and 14,900 tons of phosphate rock.

27. The production of Sardinian coal in January was 54,589 tons; it is estimated that 75,000 tons will be produced during February. According to the available figures at the end of the month imported coal discharges on all accounts for the month totalled approximately 550,000 tons. On 1 March UNRRA assumed the responsibility for coal supplies to ITALY excluding VENEZIA GIULIA and UDINE.

28. During the month VENEZIA GIULIA received supplies of BCI from military sources and UDINE from UNRRA stocks by arrangement with C.C.I.P. Tankers arriving in February restored the weak stock position.

LABOUR SUB-COMMISSION.

29. Activities of Labour Sub-Commission during February centered round preparations for anticipated closure on 1 March and on revision of the Armed Forces Wage Scale.

30. Following a request made by the Deputy Director of Labour, G.H.Q.,

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28. During the month VENEZIA GIULIA received supplies of BCS from military sources and UDINE from UNRRA stocks by arrangement with C.C.C. Tonnage arriving in February restored the weak stock position.

LABOUR SUB-COMMISSION.

29. Activities of Labour Sub-Commission during February centered round preparations for anticipated closure on 1 March and on revision of the Armed Forces Wage Scale.

30. Following a request made by the Deputy Director of Labour, G.H.Q., C.M.F., the Sub-Committee appointed by the Labour and Wages Committee to consider simplification of the wage system for Allied Force employees, formulated wage scales in collaboration with the Italian Government and Italian labour.

31. These proposals which set out basic wage rates for five categories of daily paid workers and an appropriate variable cost of living bonus, were accepted by the Labour and Wages Committee.

32. Little industrial unrest occurred during the month; only two strikes of importance were reported, one affecting workers in NAPLES and one affecting clerks in TURIN.

33. Discussions between the Italian Government and Fiat representatives on the question of Works Management Committees resulted in the establishment of a General Consultative Council and an Arbitration Board within the Fiat concerns on which the workers will have representation.

TRANSPORTATION AND SHIPPING.

34. All remain[illegible] control over the movement of [illegible] traffic by rail and

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road was turned over to the Italian Ministry of Transport during the month. Repair of damage to Port and Warehouse installations, progressed faster than was expected during the month.

35. During the month of February, the provision of rail facilities continued to improve, and new lines were reopened, the most notable being the L. SPEZIA - GENOA line, which was reopened to traffic on 16 February. This now provides an alternative rail route between North and South ITALY, relieving the BOLOGNA bottleneck. To a certain extent, the failure to move traffic was due to excessive loadings and to shortage of engine power.

CAPTURED ENEMY MATERIALS.

36. The work during the month was noted for the release and handover to the Italian Government of the Pharmaceutical Plant and Stores at MERANO. The value of the contents of the Depot runs into millions of pounds sterling and included 3,000 tons of raw materials, large quantities of Cocaine, Morphine, Caffein and Opium, together with other manufactured drugs. Amongst the machinery and instruments handed over were special storehouses covering 360 acres.

37. The release of the automobile spare parts dump at LEGHORN took place on 14 February and the contents, amounting to some 6,345 tons (in most cases new spares), were handed over to AMG.

38. In addition 92 Ammunition, 23 Vehicle and 88 dumps (Consumer goods etc.) were released to the Italian Government during the month. Vehicle hulks to the value of 1,611,947 lire were disposed of.

39. The CEM Offices at TURIN and GENOA were closed down as at 23 and 26 February respectively.

40. The detailed reports of vehicles held by the Ufficio Autotrasporti were collected and checked. The number of vehicles involved is approximately 12,000, all of which are operating. The Italian Government have requested that the release and handover be done direct with the Ministry of Transport and not through AMG. The action will be completed during March.

REQUISITION BRANCH.

41. Allied Commission's responsibility for screening requisitions purchased with YT dollars was terminated, effective 1 February 1946. Only requisitions of RCL items now pass through Allied Commission.

42. Requisition Branch interest in YT requisitions continued despite the [illegible] of its screening activities. Numerous conferences with Italian

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43. The Branch continued to keep records of ships' arrivals and tonnages transferred to the Italian Government. All but about 30 shiploads of the YB program were received or on the high seas.

44. The Requisition Branch prepared for the transfer of AC's Italian supply responsibility to UNRRA. To that end, its functions were expended to include Program Coordination and Statistical Analysis as well as Supply Accounting and Requisitions proper.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS.

PUBLIC RELATIONS BRANCH

1. Press releases and the Weekly Bulletin were continued. The publication of "Economic Notes" was handed over to U.N.R.R.A. after the first four issues. Relay of news of VENEZIA GIULIA to the Italian press continued.

NAVY SUB-COMMISSION

2. British minesweepers have completed a clearance sweep of the area between GENOA and SAVONA and then proceeded inshore of the minefields between SAVONA and SAN REMO, carrying out a check sweep as they went, thus confirming the safety of the inshore channel for navigation. Before long the work of mine clearance in Italian waters will be carried out entirely by the Italians themselves; the work of the minesweepers, which was hampered in the winter months by bad weather, will begin intensively in the Spring.

3. The Italian cruisers Montecuccoli, Abruzzi and the S.S. Toscana operated throughout the month repatriating prisoners from the MIDDLE EAST, TRIPOLITANIA and MOROCCO.

4. During the month a survey was made with regard to the military state of the islands of PANTELLERIA and LAMPEDUSA.

LAND FORCES SUB-COMMISSION (ARMIA)

5. The Italian Army strength as at 1 February 1946 was 134,403, excluding 62,419 Carabinieri. The Garibaldi Regiment (FOLGORE Division) was sent to SICILY at the beginning of the month to take part in anti-bandit drives. The Carabinieri remained seriously deficient of transport, and mobile battalions were still in most cases in fact not mobile. The supply of foodstuffs improved.

ITALIAN PRISONER OF WAR DIVISION

6. 995,015 prisoners in all had been repatriated up to 24 February 1946, 124,576 from the British Empire and the Middle East, and 41,743 from AMERICA. Approximately 360,000 are still to be repatriated.

7. Four Italian cruisers and a passenger ship ran a ferry service from ports in French North AFRICA to NAPLES repatriating Italian Ex. W and a total of 3,941 were returned during the month. It was arranged that of the 40,000 prisoners in French North AFRICA 6,500 must be replaced by German PW (the number was previously 12,000).

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8. 17,127 Italian prisoners arrived in ITALY from the U.K. during the month. Remittances forwarded from prisoners in British hands totalled 20,338.

9. All prisoners have now been repatriated from MALTA.

AIR FORCES SUB-COMMISSION

10. Training facilities during the month were limited in most phases and were handicapped by lack of equipment and no plan to secure the required equipment. There was a definite lack of classrooms and accomodation. Instructors, though capable individually, were few and out of date compared to those of Anglo-American Airforces. It was felt that all systematic training and organization must remain in abeyance until the strength and organization of the Italian Airforce is definitely established.

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11. Training of radio operators and maintenance personnel was being carried out for the purpose of taking over operating and maintaining USAAF, AACS and weather installations throughout ITALY when USAAF personnel are withdrawn. The instruction of English was introduced into the syllabus of the Flying School, and the Italian Army agreed to undertake the training of 1000 recruits for the I.A.F.

12. The serviceability of aircraft was fairly high for the month, and the allocation of tyres was increased as a result of representations made to the Italian Tyre Committee.

13. Authority was granted for the Italian Airforce to revert to the use of International W/T call signs for all radio communications and this was put into effect. A number of depots were handed over to AFAR who now control releases of material.

14. Aircraft industry in North Italy was almost completely inactive. Some firms, basing their policy on a hope that light aircraft construction might be permitted soon, had draughtsmen and designers at work on projects for small 'turismo' planes and helicopters. No prototypes of such aircraft have been completed.

15. There was a revival of interest by young flying and gliding enthusiasts and there were meetings held by clubs and sporting societies.

16. Plans were completed for transportation by air of foodand UNRRA EVDSI medical and relief supplies between ROME and SARDINIA.

17. During the month 2,748 passengers were carried and 177, 172 lbs of freight transported.

COMMUNICATIONS SUB-COMMISSION

18. Mail and telecommunication services continued to be expanded and improved although irregular sea transport was one of the biggest obstacles to the improvement of mails to countries overseas.

19. A considerable improvement in long distance telephone service was effected during the month and international services were opened to VIENNA, WARSAW and PRAGUE. A telephone service between VENEZIA GIULIA, Zone A and JUGO-SLAVIA was also opened, and other circuits were established. For the first time in ITALY a long lines office was set up in ROME to allocate and coordinate all long distance circuits. With a few exceptions all provincial telegraph offices cleared their traffic with pre-war speed, and the work of connecting up all village offices in time for elections proceeded.

20. The Commander in Chief, Mediterranean authorised the resumption by the Italian Government of ship-to-shore radio-telegraph service during the month.

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21. The distribution of the large accumulation of gift parcels received at NAPLES continued, and thanks to a better supply of railway vehicles good progress was made. In collaboration with the British Army Post Office a service was introduced to provide communications between surrendered enemy personnel and prisoners of war in ITALY and their relatives in various European countries.

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Brigadier,
Acting Chief Executioner.

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 794

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MONTHLY REPORT

APRIL - 1946

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POLITICAL SUMMARY

1. The month was notable mainly for the holding of the Socialist Party and Christian Democratic Party National Congresses and for a serious crisis in the food situation. The 24th National Congress of the Socialist Party opened in Florence on April 11th and lasted until April 17th. The principal topic of discussion was the question of fusion with the Communist Party linked with which to a certain degree was the future position of the Secretary General of the Party, Signor Nenni. Signor Togliatti, the Communist leader opened the proceedings and ridiculed the idea that his Party wished to absorb the Socialists. He pleaded for a permanent union in domestic and foreign affairs of the two left-wing parties. Speeches followed by representatives from SWITZERLAND, POLAND, AUSTRIA, BULGARIA and SAN MARINO. Prof. Laski, the Chairman of the British Labour Party spoke next and declared that British Labour stood shoulder to shoulder with Italian Socialism; he went on to predict that in May Italians would be sitting side by side on equal terms with their British comrades at the Peace Conference table. Signor Nenni claimed that the Socialist Party had been the most intrepid and consistent champion of the Constituent Assembly and outlined the Party's programme - a democratic Republic; a united State with local autonomies; a single legislative Chamber supported by a Chamber of Economic Councils; a President elected by the Chamber; a government responsible to the Chamber; a constitution guaranteeing freedom of conscience, thought, speech, press and organisation; definition of the right to work, to a home, to existence and to education; limitation of the right of ownership with socialisation of the public services and monopolies and repudiation of war. The Party's foreign policy was that it could not afford to side with any bloc, whether Russian or Anglo-American. She needed to make regional ententes with FRANCE, SPAIN, JUGOSLAVIA, and GREECE. The just frontier with JUGOSLAVIA was that of 1919 and other claims to Italian territory were inadmissable. The Socialists wanted trusteeship for the colonies, access to raw materials and freedom of emigration. As regards the Church, the Party accepted the Lateran Treaty as a fact, but thought it was necessary to define powers more clearly. Signor Nenni then broached the topic of greatest interest - the position of the Party. The Socialists would tackle the political struggle on the basis of unity brought about either by the " pact of united action" or by " fusion". Polemics on the subject of "fusion" with the Communists were artificial. The important point was unity of action and that the Socialists and Communists should gain the majority in the Constituent Assembly. Signor Nenni's report was the subject of lively debate on successive days and the delegates were often hostile in attitude in the early stages.

2. The results of the voting on the four motions submitted for discussion showed the "mozione di base" (inspired by Signor Nenni) to be in the lead by a slight majority. Generally it reaffirmed that the Socialist Party is, and remains, a class Party inspired by the Economic and social Principles of Marxism, having as its ultimate aim the destruction of capitalism, and as its immediate objectives the creation of the Republican and democratic State and the gradual application of substantial reforms in the sphere of land, industry and credit, which will free all the working classes from political oppression and economic exploitation; declares that there is no incompatibility between the members of the Socialist Party on proletarian unity and their religious belief. The Congress reaffirmed

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Republic; a united State with local autonomies; a single legislative Chamber supported by a Chamber of Economic Councils; a President elected by the Chamber; a government responsible to the Chamber; a constitution guaranteeing freedom of conscience, thought, speech, press and organisation; definition of the right to work, to a home, to existence and to education; limitation of the right of ownership with socialisation of the public services and monopolies and repudiation of war. The Party's foreign policy was that it could not afford to side with any bloc, whether Russian or Anglo-American. She needed to make regional ententes with FRANCE, SPAIN, JUGOSLAVIA, and GREECE. The just frontier with JUGOSLAVIA was that of 1919 and other claims to Italian territory were inadmissable. The Socialists wanted trusteeship for the colonies, access to raw materials and freedom of emigration. As regards the Church, the Party accepted the Lateran Treaty as a fact, but thought it was necessary to define powers more clearly. Signor Nenni then broached the topic of greatest interest - the position of the Party. The Socialists would tackle the political struggle on the basis of unity brought about either by the " pact of united action" or by " fusion". Polemics on the subject of "fusion" with the Communists were artificial. The important point was unity of action and that the Socialists and Communists should gain the majority in the Constituent Assembly. Signor Nenni's report was the subject of lively debate on successive days and the delegates were often hostile in attitude in the early stages.

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3. The final day of the proceedings of the Congress was taken up with the election of the new Party Executive, Signor Nenni being elected Chairman.

4. The Christian Democratic Party Congress opened in Rome on April 24th. Signor De Gasperi, the President of the Council and Secretary General of the Party, spoke on the opening day. He said that the programme of the Christian Democrats, having been carefully studied and drafted by the technical committees working under the Party Executive, had been drawn up and developed in full detail as shown by the resolutions of the Party's National Council. He reviewed the vast and complete record of Christian Democracy and the activities of its youth and women's organisations. He stated that loyalty to Trade Union unity must be maintained but subject to the condition that unity within the CGIL was not subordinate to Party programmes and directives. He gave a warning that the

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Christian Democrats w[illegible] not prepared to yield to brow[illegible]ating and intimidation, and in this connection added, " if there is still something that disturbs our hope of a serene and free decision by the Italian people in the elections, it is the rumors of arms and armed men and of intimidation from the Left and Right." It was absolutely necessary, he went on, that all Parties and citizens should disarm. He declared that the position of the Christian Democrat Party was clear and definite, it was neither Socialist nor Communist but favoured solidarity in the sense of the solidarity of groups in the interests, and for the purposes, of helping in the rehabilitation of the country, and through the system in which work has ensured pre-eminence over everything. As regards industrial reform it was not possible to think that in ITALY two or three million organised workers should presume to decide, unaided, the fate of the working classes when there were still many workers who were not centrally organised. " We are afraid that Marxism, as a tendency, may transform the economic sphere into a political one leading, at a certain point, to intervention with coercion which will be capable of making us lose our freedom. Marxism is permeated by the dialectical materialism which denies the conception of life affirmed by the Church, and we cannot be tranquil and rest content with the accomodating statements made by this or that Party in dealing with Catholics and believers; we do not in fact know the extent to which those statements are a continuation of the tactics often affirmed by Lenin in his writings."

On April 25th delegate Piccioni spoke on the institutional question. The reception of this speech revealed that its topic was the one which interested the delegates most. Debates were extremely lively and it was often difficult to maintain order. Voting by secret ballot was held on the question and resulted in 740,000 in favour of the Republic, 254,000 in favour of the Monarchy and 68,500 abstentions.

The Council of Ministers did not transact much business during the month. Its attention was chiefly occupied by the food problem. In meetings over Easter week-end, it became clear that, unless further Allied support were forthcoming, the bread ration would have to be cut from 200 to 150 grammes on April 24th if the total stocks of wheat held in the country were not to be reduced to 10,000 tons by May 15th. The Council approved a measure on April 17th for the supplementary amassing of 6% of the legal retentions held by producers. This programme is supposed to produce approximately 75,000 tons by May 15th or 30th (as against the UNRRA target of 158,000), but it was felt that it would be largely ineffective if at the same time the Council decided to cut the ration. On April 23rd the Council authorized Signor De Gasperi to cut the ration, if absolutely necessary. The President of the Council held his hand, however, until he could consult Mr. La Guardia, the Director General of UNRRA. He accordingly spoke to Mr. La Guardia on the trans-Atlantic telephone on the same evening and learnt that two ships with a cargo of 8,000 tons of wheat each had been diverted from [illegible]AT BRITAIN to ITALY. There was a possibility of a third. In view of this information, Signor De Gasperi decided not to reduce the bread ration for the present, but to concentrate on the supplementary amassing programme. The immediate crisis had ceased, therefore, but the situation remained extremely grave. It is, however, rather optimistically hoped that the May and June arrivals (which will also include shipments of gift wheat from the Argentine) will suffice to see the country through the next few critical months.

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PART I - LIAISON GROUP REPORTS

LIGURIA LIAISON GROUP

1. Conditions improved slightly in the Port of GENOA in spite of the abundance of "festas". There was an increase in the number of arrivals and a slight increase in the number of passengers carried. There still remains a considerable amount of repair work to be done to bring the Port installations back to their peacetime basis. On 28th April ANSALDO Works launched a motor ship "GIOSUE' BORSI", tonnage app. 3,200 at LA SPEZIA. A tanker "PUNTA VAGNO" (dead weight 9,500) was also launched at GENOA on the same date. The British Director of Merchant Ship Repairs, Western Mediterranean, reported that he had lodged a complaint with Higher Authority, submitting that the increasing number of local and National Holidays was interfering seriously with urgent ship repairs.

2. Agriculture was the only work that offered any employment. There was very little unemployment amongst farm workers, the majority of these being engaged on flower-growing which was at its peak during the month. The great mass of unemployment existed among industrial workers. In this class there were 12,000 unemployed with little hope of employment, the lack of jobs being mainly due to the irregular supplies of coal and scrap iron coupled with a scarcity of Governmental and civilian orders for goods; increased unemployment seemed a foregone conclusion. Supplies of cotton stimulated the fishing net industry and smaller shipyards were working, mainly building vessels up to 200 tons. There were over 10,000 unemployed sailors, stewards and other sea-going categories. Future prospects seemed reasonably bright although the likelihood of immediate employment was small. The number of office workers out of work was slightly under 3000 with the prospect of their employment in the near future practically nil. Those who had jobs were badly paid, particularly state employees and consequently there was considerable discontent. The High prices in the shops, which led to an almost complete stagnation of trade, produced some 2,736 out of work. Those who deal in authorized goods suffered far more than the black-marketeers. Paradoxically the unblocking of many goods and the general easing of controls increased unemployment since many people who managed to make a living by dealing in black market goods can now no longer do so. The legal profession was the only one which flourished at all. Doctors, chemists and engineers found work very difficult to obtain and Governmental aid for this type of worker is non-existent. The total of unemployed in the Region approached 60,000, and the feeling is that the Government is not paying enough attention to the unemployment problem. There was no great danger of trouble due to the fact that the unemployed are not organized. Should they become organized there is every possibility of disturbances.

3. General condition of Public Safety in the Region was satisfactory, and the various police agencies functioned efficiently, bearing in mind the present difficulties. The Carabinieri are better equipped and disciplined than at any time since the liberation, and are winning for themselves their former prestige and public esteem. Due to indifferent clothing, lack of arms and transports,

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3. General condition of Public Safety in the Region was satisfactory, and the various police agencies functioned efficiently, bearing in mind the present difficulties. The Carabinieri are better equipped and disciplined than at any time since the liberation, and are winning for themselves their former prestige and public esteem. Due to indifferent clothing, lack of arms and transports, Pubblica Sicurezza did not operate efficiently and the Ministry of the Interno appeared to do little to improve conditions. There was a preponderance of partisan personnel in GENOA and SAVONA Questure, most of whom are members of the Communist Party. They are in most instances inefficient and unsuitable agents. Guardia di Finanza, an efficient force, were sadly hampered by lack of motor-patrol boats to patrol the harbours of GENOA, SAVONA and LA SPEZIA. A great deal of black market activity results from small boats, conversing on cargo ships waiting outside the harbours, and with the connivance of ships' crews, they take away cigarettes, coffee, sugar, etc. The Vigili Urbani were well equipped, efficiently administered and well versed in traffic control. The Fire Brigades of the Region are efficient and well equipped . The general picture for offences was satisfactory, no serious crimes were recorded, and the number of general

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crimes less than in March. Public order was well maintained.

4. No security problems were apparent. All political parties appeared to be behaving correctly with a view to influencing favourable public opinion for the forthcoming constituente elections. "Liberation Day" and "Labour Day" passed without incidents in the Region; the processions in each case consisted mainly of Communist Party Sections and the public response was apathetic. Many rumours continued to circulate about the future movements of the Communist Party, particularly that an attempted "Coup d'Etat" may be attempted after the elections should the Communist Party not be successful in obtaining a majority. From normal FSS/CIC sources, there was no concrete evidence of any such possibility. No apparent activity by pro-French sympathisers in the VENTIMIGLIA Italo-French frontier zone was observed. No problems arose from prisons in the Region. Following the revolt in S.Vittore Prison, MILAN, more stringent security measures were taken by Italian Prison Authorities.

5. The arrival of 1,014 Jewish refugees by allegedly military lorries at LA SPEZIA on 4th April 46 caused considerable interest. Details of their story will be found on page 24 under Displaced Persons. Their detention was effected spontaneously by the Italian Local Authorities and not by the Allies.

6. The average number of Displaced Persons repatriated to FRANCE and N.W. EUROPE dropped, as anticipated, to one hundred and twenty per week. This may be explained partly by the fact that repatriation to BELGIUM was postponed during half of the month. This postponement was ordered by the Belgian Authorities who sent a special Mission to investigate future procedure for transit through FRANCE.

7. There were days when the flour situation approached a critical point, but the danger always failed to materialize. All provinces hold sufficient stocks to ensure the bread ration until 5th May, LA SPEZIA until the 9th May. Four ships were expected to arrive within the next week, which would give enough flour to last until 23 - 24 May.

8. Weather conditions were very good and all kinds of cultivation benefited.

The Olive crop continued to show excellent promise as the trees flowered abundantly and early. Grass crops were very good and some of the grain crops, especially wheat, were already in ear. The fresh potato crop began, together with bread beans and peas. Cattle conditions were better but concentrated fodder was scarce and the price of bran remained very high. Agriculture in LIGURIA could be much improved by irrigation, better stock cattle, better distribution of technical information, and the increased use of mountain pastures.

9. During the month, grossly exaggerated reports of an epidemic of smallpox were circulated in the Province of GENOA. Official sources give the figures as six since January 1946. The Medico Provinciale having taken energetic measures to encourage mass vaccination, this "scare" had the good effect of a remarkable increase in the number of persons who presented themselves for vaccination.

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10. On 15th April, both the A.C Rail and Port Offices were closed. Rail movements for the month dropped in relation to March, but no difficulties were encountered by I.S.R. either in the North or in the 13th Corps area. The 136
doubling of the line between BIVIO POLCEVERA and MIGNANEGO was finished and will officially open on 4 June, thus the bottleneck between GENOA and the North which has existed since the liberation will be eliminated. Work was also started on the doubling of the line from CAMPOBASSO to BIVIO SUCCURSALE. A large increase in the arrival of colliers during the first 25 days of April resulted in bunching at GENOA and SAVONA ports. It was impossible to handle the unloading of these ships within the lay-days even working at full pressure, and a certain amount of delay was caused. The Coal Branch experienced difficulties in the distribution of coal, the reason being that they wished to store all coal at SAN GIUSEPPE and retain it there until June; the May distribution being made from GENOA. However the present monthly distribution will end within a week, thus diverting all

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colliers to SAVONA as per programme. The result will be a further bunching of colliers at that port and possibly heavy demurrage. The main items discharged in April at the ports of GENOA and SAVONA were coal, grain, P.O.L. nitrates, salt, cotton, pyrites, steel, metals and sulphur; cargoes for Switzerland numbered 28 vessels. During the month 106 vessels arrived in GENOA and 36 in SAVONA and the total tonnage arriving was 246,243 tons. As from 1 April, ENIC in GENOA officially closed down; haulage by road is now uncontrolled, trip tickets having been abolished. P.O.L., however continued to be issued to trucks by ENIC on a basis of litres per carrying capacity. The distribution of tyres was also carried out by ENIC in the case of trucks and for these purposes a skeleton staff continued to be employed.

11. Telegraph service improved within the Region as a result of further repairs and overhauling of several routes. GENOVA-PARIS international circuit was connected and is now clearing traffic. More telephone circuits were put into operation with ROME, MILAN and TURIN and trunk dialling systems worked efficiently. In the Provinces of LA SPEZIA and SAVONA all Telegraph Offices were resumed. Teams were very active all over the Region, carrying out their work quickly and efficiently.

LOMBARDIA LIAISON GROUP

12. The month of April produced many incidents in Lombardia and particularly in MILAN. The end of the first week saw the Municipal elections in MILAN which managed to hold its elections in the allotted time limit. The actual elections on April 7 passed off in good order and resulted in a definite win for a well-organized autonomous Socialist party. Professor Laski, of the British Socialist Party spoke at a meeting in MILAN where he advocated a definite anti-dictatorial and autonomist policy for the Socialist Party of Italy, his emphatic statements being supported enthusiastically by the crowd. There was evidence during the month that the republican feeling was growing among the people and even among moderate circles there appeared to be no doubt as to the result of the referendum. The international situation continued to occupy considerable space in the Italian press.

13. There was a serious riot in S.Vittore Prison Milan which commenced on Easter Sunday and for various reasons was not quelled till April 24. (See Page 24 Public Safety Report). As a consequence about 950 prisoners had to be transferred to other prisons which in their turn were already crowded and their administration was thus made still more difficult. The Ministry of Grace and Justice held an enquiry into the reasons of this riot and in the meantime repairs were in progress but it is likely to be many months before this damage can be made good. Subsequently a new director took over S.Vittore Prison. In consideration of the current conditions the crime situation was fairly satisfactory. The behaviour of Allied troops was excellent. This month all Police Forces returned to arm raids again and obtained some excellent results. Considerable controversy and publicity were evidenced when the graves of Mussolini was opened and the body

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14. Alternate sunshine and rain were very favourable to the crops and the prospects for the harvest were excellent although the lack of fertilizers and tractors is a serious problem. The amassing of rice was disappointing only 1,980,000 quintals being collected instead of the 5,000,000 quintals expected. It is hoped that a further 450,000 quintals might be obtained by the end of June. The fat situation remained serious no ration having been given for 2 months, but the fresh milk position improved as is customary this time of year. The prices of unrationed foodstuffs remained high although vegetables and fruit, being plentiful, were cheaper. It is interesting to note that although prices

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of certain articles came down the cost of living continued to go up. There was a considerable tightening up of discipline and restaurants were forbidden to sell white bread, certain types of pasta and cakes and sweets made with flour and sugar.

15. There was a good deal of unemployment and considerable industrial maladjustment. The same causes do not operate in the same way throughout every section of Lombard industry but generally there is available machinery, manpower and horsepower. The inability to put these into operation arises from lack of capital, outlet, and raw materials. Textile warehouses were choked with goods which they were unable to dispose of due to the fact that the shops are carrying large stocks of goods which the public is unwilling to buy owing to the high prices. The reluctance of the public to buy is due to the fact that the prime necessities of life, food and lodging are practically absorbing the whole of the Italian income. Industries previously connected with armaments are going through a period of crisis due to the complete cessation of war production and comparative inability to get going on peace-time industry. Whatever eventual manufacturing activity is decided upon, it appeared clear that only a limited proportion of the present manpower can be absorbed in the near future. In BERGAMO the situation was somewhat relieved by the fact that a high proportion of the work was carried out in very small units, almost private house production. Many of the workers own a small plot of land on which they raise not sufficient to maintain a decent standard of living, but enough to break the shock of unemployment.

16. The Milan Camp was concerned with the coming and going of refugees chiefly of Jewish Nationality. It was decided to use the camp to stage these people in transit before being routed on to Static Camps, south. 730 were despatched to REGGIO EMILIA and 170 were despatched to LECCE; further moves will take place next month.

17. Public Health in the Region was normal.

18. A second Milan-London telephone line was put through during the month which was notable also for the re-establishment of the ITALY-AUSTRIA service; one cct. connecting MILAN with VIENNA. Of the 4800 numbers requisitioned on the Milan Auto System by the military only 700 were in actual use. It should be possible to hand back to STIPEL some 3000 of the remainder early in May.

PIEDMONT LIAISON GROUP

19. Following the local elections the newspapers of this Region took up the question of the bread rationing and kept the subject in the limelight until it was announced that no cut in the ration would be made as yet. Communist papers continued their propaganda against what was termed the Exploitation of Italy by the Allies; that some success was gained by these articles was evidenced by the trend of conversations heard in the [illegible]

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PIEMONTE LIAISON GROUP

19. Following the local elections the newspapers of this Region took up the question of the bread rationing and kept the subject in the limelight until it was announced that no cut in the ration would be made as yet. Communist papers continued their propaganda against what was termed the Exploitation of Italy by the Allies; that some success was gained by these articles was evidenced by the trend of conversations heard in the streets and other public places. The Monarchists' morale seemed to be at a low ebb, they complained of the lack of funds provided to carry on their pre-election propaganda. Turin Socialists were against union with the Communists and were quick to state that Prof.LASKI's visit to this country was primarily to boost the antifusionist trend. The Republican Democrat Movement recently opened local Headquarters in TURIN. Several arrests were made following the demonstration in AOSTA, 26 March 1946, but during the month things seemed to be fairly quiet. The big demonstration of 25 April 1946 was quiet, at least 50,000 people took part in the celebration in TURIN city; other demonstrations took place without incidents of a serious nature. Local government continued to function in a satisfactory manner. The six prefects of the Region are all career men. Career Questori were also being brought in when available. The last of the local elections, for the time being, were held on 7 April 1946. The TURIN local election is scheduled to come up

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during June, according to best information available. There are 1,021 communes in PIEMONTE, [illegible] elections have been held in 8[illegible] of them, leaving 213 for the future. While some rumors were heard of attempts to influence voters illegally, as well as cases of persons being illegally denied the right of franchise, not one concrete case was uncovered. Neither did any incidents of a serious nature occur during the actual elections. In all, the elections in the Region were conducted in a manner as to reflect credit on the responsible authorities and the voters.

20. The situation regarding Public Safety showed a considerable improvement; there were no crimes of a political nature and no political disorders or demonstrations involving violence. The police in general and the Carabinieri in particular, continued to improve and effected some useful arrests. Highway robberies practically ceased - probably attributable in part to lighter evenings but also due to the fact that the gangs have nearly all been broken up by police action. There were reported a number of crimes "in the house", burglaries and shop-breakings, but these also appeared to be diminishing. The morale of C.C.R.R. continued to rise rapidly, with transport now beginning to be made available and also supplies of automatic weapons which were received and distributed. Political activity on the international boundaries continued to be lively, but there was no recurrence of disturbances in the Aosta Valley nor any incidents on the border in general. The prison situation since the redistribution of prison population quietened considerably, and since the recent troubles in neighbouring Regions the officials generally apparently decided on a stronger policy in the future.

21. Prices for rationed commodities showed very little variation from the March figures, but the monthly cost of items obtained in the "free" market showed an upward trend, especially in ASTI and TURIN Provinces. A study of the daily requirements for a family revealed that more than half, about 60%, of the calorific requirements had to come from other than rationed commodities. Stores continued to be well stocked and those with the necessary means had little difficulty in obtaining their requirements. Supplies of grain and flour continued to arrive at GENOA and were distributed throughout the Region; in all cases the grain went to the mills immediately to be made into flour. Normal consumers did not get any rationed sugar in April. The much heralded cut in the bread ration did not take place, much to the satisfaction of all concerned.

22. Unemployment figures showed that as of 20th April 1946, there were slight increases in all of the Provinces but two, AOSTA and TURIN. In AOSTA the numbers decreased at least one-half from the 20th March 1946 figures, while in TURIN there was a forty percent increase, part of which included the 3,000 decrease shown for AOSTA. The latest figures given show the present number of unemployed as being 75,799. No major labor troubles came up during the month; there were, however, the usual individual and collective cases, the latter being settled and a large proportion of the individual cases adjusted.

23. The prime needs of the manufacturers are well known, coal and raw materials. The large FIAT works employed about 50,000 people, and the numerous

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23. The prime needs of the manufacturers are well known, coal and raw materials. The large FIAT works employed about 60,000 people, and the numerous smaller firms producing parts etc. for FIAT employed an additional like number. This plant produced approximately 20% of its full capacity, namely about 40 trucks and passenger cars per day. Tires were recently made available and the vehicles were being turned out equipped with them. A large Industrial Exhibition was opened the first part of April, where everything from coffee grinders to farm tractors were on display. It is stated that this Industrial Exhibition is to be made permanent. A Building Exhibition is being planned for opening in September. And a Spring Fashion Fair is scheduled from 12 to 29 May 1946. Signs of industrial rehabilitation were many and bright.

24. Heavy rainfall in April was generally very beneficial. Weeding of wheat, preparations for the sowing of corn, hemp, potatoes and oats were begun and the planting of vines and fruit trees was completed. Phosphates, azotised fertilizers and spray materials continued to be scarce. The superphosphate factory at NOVARA (capacity 15,000 qls/month) started production and another at FOSSANO can start as soon as phosphate rock from AFRICA is available. There was a continued shortage of sulphurous products, except that found on the black market at very stiff prices. Cereals promised well but owing to the meagre fertilisation of the soil for the past five years, it's very optimistic to predict a bumper crop. Nut trees were infested with insects and required treatment. Cattle were reported to be in very good condition.

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25. Delay in rebuilding bridges was attributed to shortage of cement. Repairs to buildings were being done to the limit of supplies and other matters cropping up to hinder the progress. The hydro-electric plants were all well supplied with power as the result of the melting of the show and the spring rains. The prior planning done by AMG before the hand-over resulted in effort well spent.

26. The Displaced Persons Camp operated in TURIN was being used to full capacity and continued to operate along the lines that made it one of the best Displaced Persons Camps in Italy.

27. The local medical authorities reported that conditions of health were normal. They reported that there were no epidemics of a serious nature prevalent.

28. During the month the Ministry of Transport abolished the trip ticket formerly required for all transport haulers, and now POL is distributed twice per month according to the load capacity of the truck, etc. Many of the truck owners did not like the new system and claimed that they had to go to the black market in order to make daily trips, and complained that owners who are not busy all of the time can take allotted P.O.L. and sell it on the black market. Just how the new system will eventually work out remains to be seen. In spite of the pros and cons there appeared to be ample P.O.L. available. The projects on reestablishing telegraph and telephone facilities continued to make some progress. The shortage of coal was blamed as the reason for some of the rail facilities not being operated to greater capacity.

VENEZIA LIAISON GROUP

29. A very noticeable decrease in Political activity throughout VENEZIA Region was observed during the month of April, due largely to lack of party funds and enthusiasm expended in the communal elections. The press generally was more occupied with the Paris peace conference and the general economic and food situation. The only groups expressing any great concern over the June elections appear to be the supporters of the monarchy; they seriously urged that the vote on the referendum be postponed for at least a minimum of three or four months. This being their first experience in resorting to electoral processes to maintain their existence they seemed to be at a loss to organize their strength and conduct an effective campaign. It was interesting to observe that the newly elected Communal Council and Giunta generally attempted to cooperate in tackling local problems, irrespective of party affiliations. The Right, particularly the Christian-Democrats, were in many instances surprised and disillusioned by defeat; this did not seem to have reached the point of apathy, but interviews with public officials made it clear that the Italians have

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30. In general the Public Safety situation throughout the Region declined slightly during April, particularly due to several instances of highway robberies in the Rovigo area; however this entire gang was apprehended. "Reduci" and unemployed were responsible for some demonstrations and minor demonstrations by unemployed were also staged in BELLUNO but all demonstrations were reasonably orderly. The prisons throughout the region continued to be overcrowded. General Military Security was good and no actual acts of sabotage were reported, although

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telephone lines were occasionally interrupted. Recent troop movements into VENEZIA GIULIA with their display of strength evidently had a deterrent effect upon the public.

31. It was most difficult to obtain an accurate and true picture of the food situation in this Region. During April there was no suspension of rationed cereals, and although there was a shortage of oils and fats as well as sugar, these commodities were available to mothers, children and the indigent. All restaurants and shops appeared to be well stocked with foodstuffs. The average cost of living for a family of three was generally estimated at 18,000 lire in VENEZIA and this allowed nothing for luxuries. The average office worker's salary was from 5 to 10,000 lire and the factory worker's from 5 to 9,000 lire monthly. The Italian officials were finally aroused to the necessity of devising ways and means of encouraging the farmers to bring in more grain to the ammassi but at least 70% of grain requirements was being met by UNRRA. Present visible stock supplies of grain are sufficient to meet requirements (ration 200 gr.) in the Region until the 10th of May, with two UNRRA ships scheduled to arrive during the month, which should be sufficient to meet requirements providing continuous pressure is put on the farmers to make up the balance. The situation from June 1st until harvest is much more serious but if UNRRA can continue its present allocations it is believed there is sufficient grain in the area to make up the balance irrespective of what the Italian officials contend. The agricultural outlook was exceptionally good throughout the Region due to recent rains and it is expected that the grain harvest will be approximately normal, the prospects being also extremely good for the fruit and vegetable crops.

32. Industry continued to be handicapped by lack of coal, in fact the glass industries of VENICE have never been able to operate. The wool, silk and cotton industries in VICENZA were operating full time due to arrival of raw materials. Total unemployment throughout the eight provinces of the Region rose from 166,000 in March to 190,000 in April. BELLUNO province sent some 500 miners to Belgium and Poland and the public works programme should be in full operation in May which may decrease the above figures. At the end of April public works projects in the total value of 313,000,000 lire employing 16,200 men were in progress. Approval was received from Rome for two sections of the Venice port improvement project totalling 1,200,000,000 lire. Reconstruction of a silo and warehouses will comprise the first goals in this programme.

33. There was little movement of Displaced Persons within the Region and the situation remained unchanged; the camp at PADOVA contained approximately 1200 persons and at VERONA 500 persons.

34. Public Health continued good; oil and DDT for use in malaria control were available in VENICE and UNRRA is making extensive plans to combat malaria commencing May 1st.

35. Telegraph service was practically back to pre-war status. Prior to the war 386 offices were operating throughout this area and at present there are 376. The situation [illegible]

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36. The Preture and Tribunali were still sadly lacking in personnel. The Corti Straordinarie d'Assise, treating the most urgent and serious cases, borrowed personnel from other courts which only served to make a bad situation worse; cases pending in some districts were well over a thousand.

37. In the field of education, bomb damage and requisitions by Allied Units have to some extent reduced the teaching programme, but nowhere in the Region is any child being deprived of schooling because of these conditions. In fact a

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survey of BELLUNO, TREVISO and VENEZIA provinces shows that in 1945, 827 Public schools were in operation against 1056 in 1946.

38. The matter of military requisitions, particularly in VENICE and the LIDO areas is becoming increasingly difficult. Civilians are naturally anxious to reestablish their pre-war business activities but with present military commitments this is at times impossible. Considerable pressure is being put on Prefects and Sindaci to obtain derequisitions and although 86 Area has been most cooperative where possible, this situation will continue to be a source of irritation as long as military occupation continues.

NAPLES LIAISON GROUP (covering Calabria)

39. The number of political meetings increased considerably during the month but no incidents occured. Administrative Elections were held again on the 7th of April which completed the first series, and the results showed the Christian Democrats to be the largest single party everywhere except in Benevento where they were slightly outnumbered by the Liberals. There were many independents, but Communists and l'Uomo Qualunque had few followers. Communists, however, appeared on the Demp-Christian lists and the system of proportional representation is resulting in a weak mixture of many small parties. There was universal good order and interest with heavy polls, amounting to 60% to 90% of eligible voters in many cases. The women voted in strength and in one small Commune 100% of the women voted. Preparations for the Costituente Elections and Referendum on the 2nd of June were in hand and official party signs for 61 parties, for the benefit of illiterate electors were issued. A slight political turn was given to activities of returned POWs by the election of an ex-senior officer of Fascist Militia as President of the Naples Section of the National Union of Italian ex-POWs.

40. Conditions as regards Public Safety continued to be reasonably satisfactory. "Reduci" or returned POW showed menacing activity which alarmed the local authorities as the men did not consider that sufficient was bein done to provide them with employment; they demonstrated 7 times in the first half of the month. On the 8th there was a clash between POW returned from Russia and the Communists; labour sided with the Communists in protest and a general strike was only averted by the Prefect taking action to have the Communist Offices guarded. Cases in which Allied troops were involved in theft from or conflict with, civilians numbered 8 as against 14 in March. Two explosions occured in the NOLA area of British ammunition; a total of 20 people were killed and two injured.

41. Further rain made harvest prospects good and a high yield is expected. The free, or so-called black market, for grain and other foodstuffs flourished in all provinces and was particularly in evidence in Naples. Food conditions were discussed with many employees and workmen and all without exception readily admitted that they supplement their bread and pasta rations by purchases on the

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42. There was little labour unrest. The employees of the San Carlo Opera were on strike with a demand for a pre-war pension liability incurred by the Fascist management to be accepted by the present Impresario. Apart from this, there were a few small disputes in pasta and preserve factories and the gas company clerical staff. The causes of the disputes were failure to pay bonuses and demands for more wages and were quickly settled. 133

43. Extreme slowness in starting reconstruction is a feature of the Administration in NAPLES. In TORRE ANNUNZIATA, 3 sets of huts for persons rendered homeless by the munition explosion, were nearing completion. One North

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of the railway, consisting of four reconstructed buildings and 19 huts on a very crowded site, and two South of the railway consisting of 16 and 10 Nissen type huts respectively. Each hut was designed to give accommodation to two families and the whole scheme to about 500 persons. The accommodation will be very primitive with communal latrines and outside kitchens.

44. Public Health was good but the measles epidemic continued to be in evidence. Venereal disease reports were much the same as last month. 1400 infected women treated as against 1600 in March and 1500 in February.

45. The increasing activity of civilian motor vehicles of all sorts, which seemed to suffer from no petrol shortage was noticeable.

46. Italian Courts continued to function satisfactorily. War crimes trials by British military authorities were held at AFRAGOLA in which A.C. arranged legal assistance for the accused.

LIVORNO LIAISON GROUP

47. Since April 7th, the date of the last local administrative election, a marked tranquillity existed in TOSCANA politics. Meetings continued to be held, but these, for the most part, were of small groups planning strategy for the Constituente elections. That the month of May will bring forth an intensive campaign, there can be little doubt. However, no serious disorders are anticipated during the campaign, nor at the polls on June 2nd, in this Region and there existed an unexpected and unusual cordiality amongst the various party adherents. Local government administration was good.

48. An improvement in law enforcement was reported throughout the Region and a decrease of all types of serious crimes was noted in all of the provinces, with the exception of APUANIA. Robberies continued to be prevelent, however, and the robberies recently reported involve foodstuffs. In APUANIA E.N.D.S.I. Depots were robbed and in PISTOIA food store thefts became a real problem. P.S. Agenti functioned in some provinces better than others, obviously according to the efficiency of the Questore, but they lacked proper police training and arms. The CC.RR. showed marked improvement in its proper functioning, but increased personnel was required in PISA, LIVORNO, APUANIA and SIENA. The prison, however, in the City of LIVORNO was not only dreadfully overcrowded, but dirty, unsanitary, and poorly managed. All protestations and advice were unavailing.

49. Unemployment caused unrest in some of the provinces and orderly demonstrations by those out of work were held in the Provinces of LIVORNO, FLORENCE, PISA and AREZZO. The unemployment situation improved in SIENA and in FLORENCE and LIVORNO the numbers of unemployed were high, but not either serious or higher than during February or March. The situation in APUANIA, PISA, AREZZO and PISTOIA became worse all the time but an improvement was looked for in LUCCA with the start of a new public works programme. Returning POWs [illegible]

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50. In general, the over-all agricultural situation appeared satisfactory and the people were optimistic on the success of this year's crops of every descripti but there was a complaint from every Tuscan province, because of the lack of promised fertilizer. The existing cereal supply should last through the ensuing month; sugar is scarce and in most provinces was issued only to the sick and aged, and for children. Oil was scarce in AREZZO, PISTOIA, PISA and LIVORNO: inefficient distribution seemed to be a partial cause. However, meat, fish and green vegetables were available in fairly large quantities although they were too highly priced. Food prices were exorbitantly high and available unrationed foodstuffs were beyond the reach of the very poor who need extra nutrition the most; prices of living necessities, other than food, while very high, continued on the decline. The black market flourished mostly on foodstuffs, bread being readily

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obtainable at 120 lires per kilo - proof of lax amassing. Oil was always obtainable, also at outrageous prices.

51. Commercial establishments showed initiative, enterprise and confidence, and appeared to be on the road to a successful recovery. Many industries began to thrive, but generally lack of raw materials, operational space, and funds jeopardized a normal development of reconstruction and rehabilitation.

52. Public works progressed and results were noticeable, water supply was sufficient and in fact quite normal except for LIVORNO. Electricity was also sufficient except in LIVORNO and APUANIA. The people of LIVORNO protested that the Allied troops and German POWs used too much of their limited supplies of water and electricity.

53. Transportation and communications were both still a long way from normal, but obviously improving although coal shortage had reputedly curtailed railroad traffic, and industrialists in APUANIA complained of insufficient railway wagons.

54. Complaints were general regarding lack of hospital supplies but the state of public health was good, although T.B. continued on an upward trend.

55. Many Displaced Persons passed through FLORENCE and LIVORNO, but they are constantly decreasing in numbers.

56. General opinion seemed to be that the Italian Courts functioned efficiently but too slowly and there continued to be dissatisfaction on the part of Allied Officers with the manner in which cases involving Allied interests were handled in the Italian Courts. Investigation disclosed that this dissatisfaction and resultant criticism, was due to a missunderstanding of the powers of the Court under existing Italian law. Certain offenses under Allied Proclamations are not offenses in the same light under the Italian Penal Code. This is particularly so insofar as possession of military property is concerned, the mere possession not being a crime under Italian law. It was noted that where an Allied accusation comes within the Civil Code, and where the Allied witness appears and offers testimony so that the required evidence proves the guilt of the accused, the Italian penalties have been generally stiffer than they would ordinarly have been in the previous Allied Military Courts.

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BARI LIAISON GROUP. (covering the area of APULIA and MARCHE).

57. The discussion and decisions of the Paris Conference together with the Russian demands in regard to the Italian Fleet and indemnities had a very depressing effect on the people, and a lowering of morale was evident. However in spite of this the pre-election atmosphere became keener every day and party convocations were almost a daily affair. The leaning appeared to be strongly towards a Monarchy. The Leftist Parties, particularly the Communists, lost ground and the popularity of the Uomo Qualunque increased considerably.

58. Disorders continued to break out in different towns such as NARDO (Lecce), GALATONE (Lecce), TARANTO, BRINDISI, TORCHIAROLO (Brindisi) and SAVA near Taranto; these disorders were mainly due to unemployment of the "Reduci" and demonstration against the black marketeers. In all cases the CC.RR. soon had the situation under control. Public opinion of both CC.RR. and Civil Police was favourable and morale in these forces improved accordingly.

59. The prospects of a good grain crop were very bright. There continued to be a lack of fertilizers but there was an adequate supply of fresh vegetables and cereals and a bumper harvest is expected. Swarms of locusts made their appearance in many small towns in the area, but prompt action on the part of the local authorities soon had the situation under control. Four ships containing 146,610 quintals of wheat arrived in BARI during the month and there was sufficient grain in stock to last until the 29th May. All children under 18 years of age received a free ration of 500 grams of sugar, but evaporated milk for children fell far short of requirements. Prices of clothes and household commodities showed a decrease although food prices remained unchanged. Shops appeared to flourish everywhere with no lack of customers in spite of the high prices.

60. Derequisitioning continued and a total of 47 warehouses, schools and other premises were derequisitioned during the month. Courts still functioned slowly - due to the shortage of magistrates on the Tribunals.

61. Freight traffic increased and the number of passengers carried steadily rose. There was a marked improvement in the situation in regard to tyres and tubes for road transport which were supplied from the Pirelli Factory Milan. The owners of cars and trucks made strong representations to be given permits for free circulation but were told that there were far more urgent calls to be met before pleasure trips could be indulged in.

62. There was a very large number of unemployed "Reduci" and the number increased as repatriated POW arrived in the country; the situation gave cause for anxiety. The Central Government promised necessary financial help to this Province, but the promise has not yet materialised. Some 300 "Reduci" were given employment in Public Parks and local Authorities did what they could to find these men employment. It is thought that local Authorities will be kept up to the mark in this respect as the "Reduci" are continually staging demonstrations and sending delegates to interview the Prefect and Sindaci .

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62. There was a very large number of unemployed "Reduci" and the number increased as repatriated POW arrived in the country; the situation gave cause for anxiety. The Central Government promised necessary financial help to this Province, but the promise has not yet materialised. Some 200 "Reduci" were given employment in Public Works and local Authorities did what they could to find these men employment. It is thought that local Authorities will be kept up to the mark in this respect as the "Reduci" are continually staging demonstrations and sending delegates to interview the Prefect and Sindaci.

63. The Central Government granted a subsidy of 540 million lire to the "Acquedotto Pugliese" and there was normal activity in re-construction throughout the Provinces. Some of the bad roads were at a long last receiving attention, on the whole the main roads were in excellent condition.

64. Public Health was satisfactory, though a further 28 cases of small-pox were reported during the month. There was a serious shortage of disinfectants and quinine.

65. No. 1 Displaced Persons Camp at BARI was being handed over to UNRRA and the handing over is expected to be completed about the middle of May. During the month 367 Displaced Persons arrived in the Camp and 291 left the Camp at BARI.

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SICILY LIAISON GROUP

66. There was little change in the general situation. Demonstrations during the month were on the whole short lived and without incident and the elections proceeded in an orderly fashion. All parties intensified their propaganda activity, the Communist Party being especially active in the organization and preparation for elections. Student groups carried out organized but orderly demonstrations, the subjects being Trieste and the Institutional issue.

67. Security, law and order, on the whole greatly improved. Incidence of ordinary crime in the PALERMO Area seemed high, but was not considered alarming by the local authorities. Strikes and demonstrations generally were conducted in an orderly fashion .

68. Food shortage and prices continued to be the main source of complaint. Several strikes by different groups and categories of workers resulted in some adjustments and wage agreements. The local authorities expressed possibilities of serious disorders and riots if the cost of living continued to rise and the food shortages, notably pasta, could not be supplemented. There was some improvement in the unemployment situation due to an increase in public works in the PALERMO district, mainly road and utility repairs. Returned soldiers did not appear to be particularly interested in manual labour; however, there was no island wide agitation.

69. The general picture as regards health was satisfactory, and repairs to water mains reduced the danger of contamination.

BOLOGNA LIAISON GROUP. (EMILIA Region)

70. Following the holding of the administrative elections, political activity became less intense. Even the success of the left wing parties did not cause any increase in the activities of the right wing and moderate parties, and apparently the Socialist and Communist Parties, satisfied with their success, were content to rest on their laurels. The general consensus of opinion, however, was that this was a superficial calm. The meeting of foreign ministers in Paris evoked much interest, while the proposals made by the British Foreign minister caused some dismay and resentment. The general opinion was that the Allies are not keeping their promises of generous treatment to Italy and do not recognise the aid given by Italians to final victory; the more philosophic have the view that Italy lost the war and so must be prepared to pay. Resentment was shown in the attitude of the people who were inclined to increase their already somewhat anti-Allied sentiments. Even the well-to-do asked why the Allies did not get out of Italy and leave her in peace. Summed up briefly, the extremists feel they would have a freer hand if we left, while the others feel that we are doing nothing to prevent Communism. A serious state of affairs came to light in the Questura at REGGIO EMILIA during the month: a Lieutenant employed as an auxiliary agent was dismissed, he then called a meeting of the auxiliary ex-partisan elements and told them that on the 2nd June they would not take orders from the Prefect or Questore but from a "special commission to be set up by the Communist Party". Provincial administration continued to be

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71. During the month of April there was little change in the situation from regard to crime and public order, murders, armed robberies, and cases of extortion continued unabated. There were 11 murders and woundings for political reasons, 6 murders and woundings for non-political reasons, 86 armed robberies and attempts and 24 arrests for these types of crime. Steady improvement in the work of the Carabinieri was noted. Unfortunately, this force was sadly under strength. It was noted that the Press and even public officials, consistently attack the force whenever arrests of ex-partisans are made, even for such serious offences as murder and robbery. The Questure as police agencies were worse than useless, all being riddled with the infiltration of undesirable, untrained and violent elements. There were no serious demonstrations during the month. The prison situation showed little or no sign of improvement, five minor breaks or mutinies being reported in MODENA and BOLOGNA.

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72. The grain situation became more acute in the Region and decrees, ordering the amassing of 6/8 of producers ration, were issued. There were signs that private stocks of grain and flour were becoming exhausted, and the amount of black market bread is getting steadily less; supply of fats from LEGHORN was held up by maladministration. Shops were full of other forms of food but prices have risen again and it was reported that the turn over of such shops was limited. An order was issued that only bread for the day concerned would be distributed as many people have used their bread ration cards for May and June. It was reported however, that bakers were afraid to comply with this order. Industry was, if anything, in a worse state than before owing to lack of coal and raw materials. There was also a great reluctance on the part of business men to buy in the present unsettled state of the country. It was stated that all pending allotments of coal were suspended and the small amount of coal available was distributed only to industries of importance. Many brick-kilns and cement plants were, as a consequence, practically idle. Unemployment increased, due to the number of "reduci"; this is undoubtedly becoming a major problem; some demonstrations, all quite orderly, were held and more can be expected. Agriculture work proceeded satisfactorily and recent rains increased the prospects of a good crop.

73. Public works projects were carried forward where possible, but delays were caused by shortage of materials, obstruction by some Chambers of Labour and the tardiness of the release of funds by the Provveditore Regionale alle Opere Pubbliche. The supply of water was adequate and electricity improved, but with the advent of the hot weather, this improvement may not be maintained. There was some shortage of copper. No increase in the supply of gas was possible owing to shortage of coal.

74. In camps in this Region, 560 persons entered and 671 were evacuated. On the 20 April there were 1,698. The health of the camps during the month was excellent; the epidemic of measles in Reggio No.43 subsided and there were no deaths. Chief disease found, except for minor ailments, were T.B.C. and venereal disease; it became increasingly difficult to find beds for tubercular refugees in Italian Sanatorio. The public health in the Region remained good, and no epidemics were reported during the month. A slight improvement in all spheres of Transport and Communications was noted but there continued to be a shortage of P.O.L.

BOLZANO LIAISON GROUP

75. On the surface the decision from Paris was calmly accepted by the South Tyroleans, but there were indications of resentment, which, it was believed, would increase and might be accompanied by outbreaks of violence. The Option Commission (a locally organized body) submitted its recommendations to the Prefect and its members agreed that Italian citizenship should be granted to all those optants who had remained in the country whether they had received emigration papers or not. There were certain categories, still under discussion, to be excluded from Italian citizenship. The Commission recommended that certain optants now in Germany should be allowed to return to the Province. A decree defining this complex question

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76. Security throughout the Province was satisfactory; the CC.RR. were working well and apart from two murders there was little crime. Frontier control was not satisfactory during the month as the French Authorities were rather light-hearted in the issue of passes into Italy. This matter was taken up with the head of the French Security, who promised to abide by the regulations and it is hoped this control will now be more satisfactory.

77. Following a visit to ROME by the Chamber of Commerce of BOLZANO, decisions were obtained to supply surplus food stuffs to the British Army in Austria. It was understood that efforts were being made to obtain the same facilities for American Troops who meanwhile are excluded from this arrangement.

78. There was sufficient grain and flour to last only to the middle of May, but this was being rectified by the provincial UNRRA representative, who borrowed grain from other Provinces to make up the deficiency in BOLZANO. Apart from this the food situation throughout the Province was most satisfactory.

79. There were 2,500 unemployed shown in April as compared to 2,000 in March. Reports were received that public appointments were filled by Italians to the detriment of the South Tyroleans. In one Commune the number of Italians holding such appointments was nearly double that of the Tyroleans.

80. General health was satisfactory and a wagon load of medicines arrived in BOLZANO. Displaced Persons from Camp No 23 numbered 814 Germans, 27 Austrians, and 38 others; authority to repatriate them was urgently awaited. The Italian Red Cross repatriated some 47 families to Germany in the Red Cross train which left Merano on the 26th of April. These families were selected by the Medical Officers on the grounds that further detention was detrimental to their health.

81. Conditions in hydro-electric works was satisfactory; there was however, a shortage of raw material in the Industrial Zone with the result that full output could not be effected.

REGION OF ABRUZZI AND LAZIO. (This covers the area of the eleven Provinces of ANCONA, ASCOLI, PICENO, FROSINONE, LATINA, MACERATA, PESARO, PERUGIA, RIETI, ROME, TERNI and VITERBO).

82. Party activity increased due to the impending national elections and prefects throughout the area appealed to local political leaders to ensure respect for freedom of opinion and the maintenance of public order.

83. No disturbances or disorders were reported during the month and law and order showed a slight improvement as did the organization of police forces. Shortage of petrol was a serious disadvantage to police agencies greatly hampering their mobility and in the Province of RIETI stations were seriously understaffed.

84. Cost of living showed an increase of 10% over the period January to [illegible] maintained throughout the month and

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84. Cost of living showed an increase of 10% over the period January to March. The bread ration of 200 grams was maintained throughout the month and distribution of other rationed foods averaged the same as last month. The order for the conferring to the "Amasei" of 6% of cereals which producers had previously been allowed to retain for their own consumption was strictly enforced and gave some results which however were not deemed sufficient without outside help, to cover the gap until the harvest. The order was highly unpopular with the producers.

85. The recovery of industry continued to be hampered by lack of raw materials, electric power, transport etc., and the situation deteriorated owing to the hold up in coal imports. There was no improvement in the unemployment situation. Public Works schedules were carried out in all Provinces while public utilities showed a further slight improvement, particularly in ROME.

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86. Public Health was generally good although in the Province of TERNI the measles epidemic continued, 423 cases out of 511 being in the city of TERNI. 72 cases of measles were registered in VITERBO while 2 cases of small-pox, imported from NAPLES were registered in FROSINONE.

87. Railway functions were curtailed somewhat due to a shortage of coal.

ROME CITY AND PROVINCE

88. Public opinion during the month focussed particularly on the Abdication of Victor Emanuel III and the political tension for the forthcoming elections was high. The Paris conference attracted much attention and anxiety was felt over the revised armistice terms and the lack of agreement between the 3 Big Powers. However, generally speaking, the feeling was that the contributions made by Italy to the Allied Cause and the widespread destruction of the country would not be ignored and confidence was voiced in the Allied sense of justice.

89. Public safety was satisfactory due to the general efficiency of the Police Forces. The number of larcenies was considerably lower than in previous months and cases of juvenile delinquency decreased. The need for automatic weapons and ammunition continued. Morale of the police forces was low owing to the small wages and high cost of living, discontent being mainly due to the inequality between allowances granted to the Civilian Staffs of other government branches and those of the Police, the latter in addition being constantly exposed to considerable risk and danger. The position was considerably improved by a sizeable allotment of uniforms.

90. The economic situation deteriorated; money was scarce and the Government's policy to quell inflation drove the steady-income categories into ever increasing sacrifices. The cost of living rose during the month due to news and rumours of the serious situation as regards the wheat supply.

91. The industrial situation was difficult due to lack of raw materials and coal; the actual allotment of coal is too low to effect recovery on any large scale.

92. Farming activities progressed satisfactorily and a good cereal crop is anticipated. Much doubt was expressed as to the system of control of threshing machines and it was also felt that the Government price offered to farmers for wheat was much too low to be an inducement for them to bring their grain to the Ammassi. Recent rains improved the crop outlook considerably. Mowing was hindered because of the tardy distribution of POL due to a strike of the Petrol Workers. A good crop of potatoes, corn, rice and beans is forecast. Livestock within the Province showed an increase compared with 1944 figures and it is estimated that in 1947 sheep raising will average the 1939-40 figures. Breeders do not slaughter heads under two years but retain them for breeding purposes.

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93. The stock exchange after six months decrease showed a brighter tendency and stocks began to gain quotations. The most active branch was the textile trade but an optimistic outlook was maintained for all industries. The rates on the official market for dollars and sterling rose and it was the general opinion that an increase in the price of wheat might bring about a general increase and therefore a further devaluation in the Lira.

94. Unemployment figures showed an increase due to inactivity of the building trade which in turn was due to the high cost of raw materials. The ranks of the local unemployed were swelled by numerous refugees from the colonies, Greece, Roumania and other countries, these latter being billetted at Cinecitta. The recent Franco-Italian Agreement on the shipment of Italian workers to France raised the hope of future emigration, at least within Europe.

95. The recent reactivation of several tram-lines in the city was greeted with satisfaction by workers who had found transportation an expensive item. The electricity and water supply also improved. There was confidence that all school buildings might be derequisitioned before next year thus permitting full use.

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96. General health was good and there were no occurrences of an epidemic of contagious nature. Medical supplies were inadequate.

A.M.G. UDINE PROVINCE

97. All political parties showed increased activity and the population generally was more confident regarding the outcome of the Peace Treaty. The Communal elections for 66 Communes held during the month showed the Christian Democrats to be in the lead followed by the Republican Concentration and with the Communists 5th down the list. The latter were obviously disappointed with the results which were undoubtedly due to the Pro-Slav tendencies of certain of their leaders and the opposition by the women voters to Communist principles. It was felt that a divorce of Socialists from Communists was imminent. The Allied Boundary Commission completed its survey of the Eastern part of the Province on the 2nd April, 1946, without incident, and was everywhere received with cordiality, though many expressed surprise at their visit to a territory which has been repeatedly described as not in dispute. The anniversary of Liberation was celebrated by a Mass Meeting of ex-partisans in the Castle grounds on 25th April, 1946. Speeches were on the whole moderate and the conduct of the crowd then and throughout the day was very orderly. Statal and para-statal employees commenced a strike on the 5th May, for an increase in the "carovita" allowance. The proximity of VENEZIA GIULIA, where a higher allowance has been authorised, was partly responsible for this, but Left-Wing political influence was contributory factor. Some of the grounds for complaint were the different conditions in VENEZIA GIULIA where statal employees received higher wages, an increased ration scale and where there was speedier approval of Public Works thus relieving unemployment. It was also felt that in this Province there was a lack of appreciation of accommodation difficulties in devasted areas combined with military requisitioning which lead to extortionate demands for civil accommodation. Public opinion continued to be preoccupied with high prices and incommensurate wages, particularly amongst black-coated workers and requisitioning of the resources of the Province gave rise to many unfavourable comments against the Allies as did the alleged bad treatment of POWs.

98. No serious disorders of any kind occurred during the month although there were a few minor unemployment demonstrations, and in general, public safety conditions in the Province reached a very fair standard which could be improved by an increase in the strength of CC.RR. The improvement in morale and efficiency of Police Forces was maintained and there was only one murder and seven robberies during the month. Automatic arms, pistols and items of clothing were still required for the police services although some uniforms and equipment did arrive. Transport alloted by 13 Corps contributed greatly to the improvement in efficiency. Demands for higher wages were put forward by Guardia di Finanza and Questura agents and they also asked for better facilities for the purchase of adequate civilian food rations. Repair work in Udine gaol was hastened which should improve internal security, sanitation and general housing conditions. General Order No. 1 resulted in the surrender of only 14 rifles and 39 cartridges.

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99. Lack of an adequate supply of coal and tyres gravely hampered normal progress. 3,300 tons of coal were received, minimum requirement being 6,000 tons a month. Unemployment was over 50,000, largely due to the delay in approval and financing of public works projects, and emigration schemes were fervently desired as a solution to the unemployment problem. A.C. Austria repeatedly asked for Italian labour, which was available and the Italian Government have been urged to make a speedy decision to this matter. Further ammunition dumps were taken over from the Army but stock-taking was slow owing to the danger of scattered fuses.

100. Food prices continued to be very high, but regular distribution of rationed foodstuffs proceeded with the exception of sugar of which no allocation was received during the month, a great disappointment to the people at Easter. Hospital patients and other special classes received normal supplementary rations as did all heavy workers. There was no change in the Ammassi figures but recent deliveries of fertilizers assisted agricultural prospects. Vines showed no signs of disease but fruit trees were infested with aphides, although otherwise they showed good promise. A census of livestock was completed and over 600 head distributed to other provinces. Except for foodstuffs, prices began to show a decline

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101. The cash position of the Bank showed an increase of a quarter of a million lire on last month's figures; statal, para-statal and communal financing continue normally. The Cassa di Risparmio deposits show approximately 100% increase since the Council was formed and a new director assigned. A renewed confidence in the banks was noticed amongst the population generally during the past six months.

102. During the month a total of 4,456 refugees passed through the Centre, of which 1,132 were aliens. Half of the Italian were ex-POWs, many of whom came from Russia. The Communists attempted to win their confidence on arrival, but had a nasty shock when they were repulsed by the ex-POWs who were promptly styled "fascists" by their would-be friends.

103. The Minister of Post War Assistance helped considerably since his visit to the Province, and allotted a further 85 million lire for the relief of devastated areas. Some 60,000 American blankets were received and were being distributed on a priority basis and CAO medical supplies also received during the month were distributed. The health of the Province continued to be good.

104. P.O.L. was insufficient to meet requirements and the tyre situation got steadily worse. Total quantity of goods carried was Qli. 166,606 over 582,476 kilmetres. A total of over five million lire was deposited with AFA/I ACC Rome for sales of ex-enemy vehicle scrap.

105. Italian Courts worked satisfactorily. 22 cases were tried by the special session of the Court of Assise, 9 cases were dismissed leaving 120 for trial Only seven cases were tried by AMG Courts.

AMG VENEZIA GIULIA

106. Political activity continued at high pressure during the month though the departure of the Four Power Commission on April 8th was followed by a short period of calm. Italian elements showed signs of increased confidence, mainly as a result of the success of their March demonstrations. Pro-Slav propaganda intensified its efforts and the spirits of its supporters were revived by a campaign against the civil police and AMG. However, Pro-Slav elements showed signs of internal domesti trouble which the resignation of the President of the Sindaci Unici did nothing to conceal. Attempts to induce voluntary restriction of the number of persons entering zone "A" from zone "B" for the May Day celebrations caused intensified attacks on AMG from the Jugoslav adherents. The news of the deadlock in the meetings of Foreign Ministers did not cause surprise but hopes were cherished for the reopening of the discussions and the reaching of an agreement.

107. All reports, statistical and otherwise, indicated a further improvement in the public safety situation in Zone "A" this month , attributable in a major degree to the increased activities of all ranks of the Venezia Giulia Police Force. Satisfactory progress was maintained in improving the efficiency, morale and general welfare of the Force and in this connection much was owed to the

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104. P.O.L. was insufficient to meet requirements and the tyre situations got steadily worse. Total quantity of goods carried was Qli. 166,606 over 582,476 kilometres. A total of over five million lire was deposited with AFA/I ACC Rome for sales of ex-enemy vehicle scrap.

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107. All reports, statistical and otherwise, indicated a further improvement in the public safety situation in Zone "A" this month, attributable in a major degree to the increased activities of all ranks of the Venezia Giulia Police Force. Satisfactory progress was maintained in improving the efficiency, morale and general welfare of the Force and in this connection much was owed to the Allied Military authorities for their continued support and assistance. Following intensive examination before Selection Boards, 30 serving Guards and NCOs of the VGPF out of a total of 130, entered an Officers' Training Course in TRIESTE on 23 April 1946. There were a number of incidents arising out of "differences of opinion", some cases of intimidation of V.G. Police and, although to a lesser degre press attacks on the V.G. Police. There was a slight decrease in the number of crimes committed during the month, and the number of detections was very satisfacto This was no doubt due to the increasing mobility of the Force rendered possible by additional transport. In GORIZIA Zone, 47 reports of crime were received - a slight decrease as compared with the figures for the previous month. The conduct of Allied Service Personnel continued to be very satisfactory and a credit to all ranks. During the month the prison population returned to a normal figure due to the large number of cases dealt with by Allied Military Government Courts (over 250 117 releases following the granting of amnesty and pardon under General Order No.46, and the transfer of 31 long-term prisoners to Italian Penal establishment. A school for juvenile detainees was opened during the month at the Via Nizza Prison, TRIESTE.

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108. Normal rations were distributed during April with the exception of pasta and fats which had to be cut due to non-availability. Deficiencies, however, will be made up for in May. Edible salt stocks will last approximately 2 months and the Monopolio authorities were asked to renew their monthly shipments. In order to counteract high restaurant prices discussions were being held with a view to setting up popular restaurants at controlled prices. Cooperation of some of the more public-spirited restaurant owners was being sought. The harvest for VENEZIA GIULIA still depends on rainfall, but given a fair break in the weather the crops will far exceed last years production. This is due to the larger acreage planted as well as better natural conditions and a good start this spring. The fruit trees blossomed well, and despite some vandalism, a good crop is expected. Last year the quota for the Territory was 10,000 quintals of wheat, of which 12,000 quintals was amassed. This year the quota has been set at 20,000 quintals and might be exceeded. Italian amassing decrees will be followed here, modified only in such manner as to encourage voluntary consigning of the wheat. Bonificas in the MONFALCONE and GRADO area were under way, and vast tracts of land never cultivated andnow under water will be drained and brought into production. Much of this land will be ready for fall planting. As the season progressed catches of fish increase daily, and the food supply of the Territory was augmented in proportion. Although canning has not yet got under way, due to lack of cans and olive oil, this handicap helped the general supply on the market, resulting in prices dropping again this month.

109. A total of 14,527 tons of shipping were received during the month and 34,136 tons were transported by rail. The sharp decrease from figures of March were due to a drop in the coal imports from U.S. because of the coal strike there. A total tonnage of 59,519.2 was transported by road by civilian vehicles (autotrasporti) and AMG Truck Pool vehicles carried 4,666 tons. The great increase in local movement was accounted for in the tremendous increase of work being done by Genio Civile under Public Works contracts.

110. There was less unrest among industrial workers and General Order No.106 unblocking the dismissal of surplus workers was accepted without any outward signs of serious opposition. Nevertheless it is known abroad that political influences were having an adverse effect on output and orders were more difficult to secure in consequence. Large industries depending upon supplies and markets outside Zone "A" made slow progress but medium and small industries steadily improved. One large industry showing improvement was the Cotonificio Triestino of GORIZIA which increased to 76% capacity. Good progress was made with Port Reconstruction. The distribution of the cloth made at the Cotonificio from the first 800 imported bales of cotton proceeded slowly and 12 million lire worthof goods were taken over by wholesalers to date out of a total of 400 million lire worth of cloth made or to be made out of the first and second lots of cloth to be delivered. A total of 16,304 tons of coal arrived during the month. With the break in the weather, the roads and bridge programme picked up and is now proceeding at its maximum. On this programme alone there were in round numbers 2900 men working, a big increase from the 500 during the winter months. TRIESTE Commune employed nearly 900 men on the roads. The building supply position was very good, the territory being now able to produce about 90% of all its needs. It is hoped that by the end of June

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111. General health continued to be very good except for an outbreak of measles at GORIZIA. About 50 tons of drugs and dressing arrived during the month and a quantity of captured enemy supplies, mainly laboratory equipment, found at the Marine Hospital Pola, was taken over and given to the Hospital at Pola. There continued to be a good deal of political intrigue among the hospital staffs in TRIESTE where personal animosities accentuated by Party bias were apt to interfere with medical administration. The Ente Comunale di Assistenza continued its welfare activities. The ECA's work increased rather then decreased, due to the

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fact that many ex-internees, POWs etc., have returned home and because the recent unblocking order has been put in effect. ECA's estimated quarterly budget showed an increase of about 7,230,000 lire. The number of war orphans enlisted in the Opera Orfani di Guerra was 2,000 and a plan for the appointment of local civilian representative of this organization in each Commune of Trieste, was under consideration.

112. The increase in movements of Displaced Persons noted during the last few months was maintained during the month of April: 1573 entered and 1524 were evacuated. The responsibility for payments to Greek and Czech nationals will be undertaken in the very near future by their respective Governments. British nationals are already being paid by arrangements with this Division from British Foreign Office funds. Attempts were made during the month by Jewish nationals to enter the Territory illegally in order to get to PALESTINE. These persons were ultimately despatched to Displaced Persons Camps in ITALY and all have now left VENEZIA GIULIA.

113. The cost of living index figure in North ITALY was increased to 130, and the question of amendment in VENEZIA GIULIA was under consideration. Owing to the lack of security in the Port, Insurance Companies were refusing to insure goods, and this constituted a serious matter.

114. In the Summary Courts during April 1946, a total of 82 accused were tried on 89 charges. These figures compare with 518 accused on 546 charges in March 1946. The comparatively small number of cases in the Summary Courts in April was further due to the large number of cases transferred to Superior Courts and consisted mainly of the cases arising out of the demonstrations at TRIESTE and GORIZIA in the latter part of March. This was reflected in the increase of Superior Court cases, which were greater than in any other month due to the fact that all cases arising out of the demonstrations at TRIESTE and GORIZIA were disposed of in Superior Courts. During April 1946, Superior Courts disposed of cases involving 139 accused as compared with 35 in March and 214 charges as compared with 53 charges in March. No General Court cases were tried during the month of April. The Ordinary Civil Courts continued to function with reasonable satisfaction although the problem of adequate personnel was a cause of some concern.

115. Labour Agencies worked satisfactorily in the face of many handicaps but unemployment in the Territory was on the upward trend. The records at TRIESTE, GORIZIA and POLA showed an increase of nearly 2,000 men, 1,200 women and 300 juveniles. This increase would have been more marked if Public Works had not catered for another 5,000 workers. When the gradual unblocking of dismissals becomes effective, figures are likely to increase further unless even more Public Works projects are provided. The margin between wages and cost-of-living is gradually narrowing down and though it is quite correct to say that the gap is still marked, the sweeping statement of the Sindacati Unici that living costs were higher in TRIESTE than in other North Italian Regional Capitals is quite unfounded. Only one strike (and that of a political nature) was staged during April. An attempt by the Sindacati Unici to organize an Industrial agitation

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116. The Month of April was a quiet one as regards the schools of the Territory, and the political situation remained stationary. School administration functioned smoothly except for minor political incidents which occured in both the Italian an Slovene schools. In all towns and villages the work of reactivation of school buildings continued and the number of school buildings being derequisitioned increased. On 10 April the 6 Months Training Course for the preparation of Slovene elementary school teachers was started and proved very popular.

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On 11 April the Division, through its "Sovraintendenze Scolastiche" started the distribution of the newly printed 4th and 5th Class elementary school reader - "Slovensko berilo" but the school section of the PNOO is placing considerable pressure on teachers, parents, and even children not to purchase this text book. In TRIESTE area where it was estimated 2,000 books would be distributed only 200 have been purchased. The possibility that Allied Military Government will have to subsidise this text book is being planned for, and the number of schools to be officially recognized may have to be decreased. Both the Slovene School Inspector and the Superintendent of Schools of GORIZIA have received anonymous intimidatory letters threatening death for treason to the Jugoslav cause. Strong opposition to our Slovene Schools, including intimidation of teachers, is reported at COMENO, SESANA, S.DORLIGO DELLA VALLE, in the district of AURISINA, in the towns of DOMBERG, RIFEMBERGO and above all at SALCANO - suburb of GORIZIA - where the teaching of religion in the elementary school is opposed by the Communist leaders of the Community (this Community is almost 100 percent Communist). In the same manner, religion has been taken out of the school syllabus at PLANIE near MUGGIA. A thorough inspection tour of all Slovene schools is now in course in order to establish which ones are to be granted recognition for having functioned within the established Allied Military Government directives and according to the proper Programme of Studies. The University of TRIESTE functioned regularly and other institutions of higher learning conducted their work quite satisfactorily, though hampered as usual by restricted premises and shortage of laboratory equipment of which much was taken by Jugoslav and German occupation troops.

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PART II

CIVIL AFFAIRS SECTION

LOCAL GOVERNMENT SUB COMMISSION

1. The official figures for the 115 Communes which voted according to the proportional representation system showed a definite majority for the Left (2,138,988 votes; 2,234 seats) followed by the Centre (1,673, 844 votes; 2,152 seats). It was noted that out of an electoral roll of 5,064,150 over 80% exercised their vote. Seats won in all 5,723 Communes including those 115 voting on the proportional representation system were:- Left 43,550 seats; Centre 47,062; Right 3,148; and Others 12,613 seats. Only 3 communes did not have their electoral lists ready at 30 April. The Ministry of the Interior had taken special steps to insure that these lists were ready in time for the national elections. The above figures do NOT include VENEZIA GIULIA and the Province of BOLZANO. The Italian Government has not yet appointed the Special Commission which has to decide on the cases of German speaking inhabitants and their right to be registered as electors. For this reason, the Province of BOLZANO cannot participat in the national elections on 2 June. Copies were received of two communiques issued by the Italian Government on 5 and 8 March as to steps taken to ensure the use of German as well as Italian in schools, courts, public offices etc. and as to local discussions for working out a scheme of autonomy. Copies of these communiqu were forwarded to the British and United States Governments through the Embassies.

LEGAL SUB-COMMISSION

2. In VENEZIA GIULIA the ordinary Civil Courts continued to function with reasonable satisfaction although the problem of adequate personnel was a cause of some concern. LIVORNO reports showed an effort by Italian Courts to cooperate in those cases involving Allied interests and a general improvement in the entire zone as to criminal situation was noted. The work of reviewing the cases of all persons confined in prisons progressed steadily.

PUBLIC HEALTH SUB-COMMISSION

3. The position regarding communicable diseases in Italy during the month was extremely satisfactory. The only diseases requiring notification were small-pox and poliomyelitis. Small-pox showed a sporadic incidence, only isolated cases appearing throughout the country, with the exception of the Province of BARI, where a small outbreak comprising 39 cases occurred. In the Province of NAPLES the number fell from 18 in March to 10 in April. The greatest number of cases of poliomyelitis reported during the month was 5 from the Province of FLORENCE, while the total for the whole of ITALY was 40. The infant mortality rate for ROME Commune for the month of March showed a considerable decrease compared with the February figure, being 66.9 as against 84.8. In the same Commune deaths from all forms of tuberculosis declined from 312 in February to 188 in March.

PUBLIC SAFETY SUB-COMMISSION

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PUBLIC SAFETY SUB-COMMISSION

4. Generally, the month was reasonably good both from the point of view of serious crime and public order, apart from a determined attempt by the inmates of the prison in MILAN to overpower their guards and escape, and a case of stealing a truck load of hand grenades and other explosives from a dump of munitions at PONTE RONCA, ZOLA PREDOSA, BOLOGNA Province. It was obvious the motive behind the crime was not that of the ordinary thief, but was committed for some political objective. The morale of the Civil Police continued to improve. The CC.RR. made definite strides forward now that they were being better clothed, equipped, and were being given some transport although they were not receiving all that was required. One retarding feature was that in the case of a large number of officers and N.C.O.s their position as regards "epuration" is still undecided. The Italian Government seemed to be extremely slow in deciding cases and a good and efficient service cannot be expected from men whose future careers are undecided. The Pubblica Sicurezza was also gradually improving. One good feature was that of 91 Questori in service as such throughout ITALY, only six were non-career men. These it is hoped will soon be replaced by career officers. A school for recruits in ROME, and one in NETTUNO, was in full operation and should help much towards improving the efficiency of this Force. Several instances during the month have

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occurred where Fascist leaflets and writings appeared in various towns, and Fascist flags were hoisted in FLORENCE and VERONA by unknown persons. This small wave of Fascist enthusiasm was apparently resurrected when the body of Mussolini was taken from its grave in MILAN. Enquiries by the Civil Police are still in hand to trace the body and the persons responsible but so far without success. The hoisting of the Fascist flags was apparently done in commemoration of Mussolini's death. On 30th April 5 armed men entered the Radio Station at Monte Mario, ROME, overpowered two employees and then broadcast by means of a gramophone disc a few bars of the Fascist hymn "Giovinezza". Enquiry to trace the men has met with a negative result. The prison situation showed no signs of improvement. Several attempted breaks were made during the month, the most serious being the outbreak which occurred at San Vittore Prison, MILAN, on 21st April 1946. In this case some prisoners surprised and disarmed 4 prison guards holding them as hostages and after a short time the prisoners gained complete control of the interior of the prison. CC.RR. and troops were called and prevented escapes. A state of siege ensued and the prisoners were not finally overcome until the afternoon of 24th April. Casualties were 4 killed, 56 wounded. Later an enquiry by the Italian authorities into the circumstances of the outbreak was held. The seriousness of this episode may bring home to the authorities the inadequacy of the prison guard service. Other attempted outbreaks took place in LIGURIA Region but none was comparable to the MILAN outbreak.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION

2. The difficulties which are being experienced during the interim period between take-over of Camps and assumption by UNRRA of financial responsibilities in regard to certain supplies and stores issued from Military Sources for UNRRA operated Camps, were the subjects of much discussion; solutions were achieved. UNRRA screening teams completed their tour of all UNRRA Camps and the Commission returned to ROME. It is too early yet to say what the final results will determine but it would appear that some 10,000 camp inmates will again become the responsibility of D.P.R.S.C., in addition to the 8,000 which D.P.R.S.C. still hold. UNRRA will be left with Jews and perhaps 1,000 others. A reconnaissance was made of the NAPLES area to find suitable accomodation for Displaced Persons Camps in that area. This accomodation is required to take the place of MODENA and possibly BOLOGNA No. 2, which are required by the Italian Army. The main event of the month was the unauthorized arrival of 1,014 Jewish refugees at the Port of LA SPEZIA. The party consisted of 611 Men, 400 Women and 3 Children who, on arrival, boarded a small coastal vessel named "EXODE" which had been partially converted to take passengers, and in which a considerable quantity of rations had been stored. Accomodation was offered to the Jews on arrival at LA SPEZIA, in a specially prepared Camp in CHIAVARI, but this was flatly declined. On the refusal of the Italian Government to allow them to sail, the refugees went on hunger strike at dawn on 8th April. The hunger strike was terminated on 10 April as a result of an address given to them by Prof. Harold Laski, who promised to take up their case and endeavour to obtain permission for their entry into PALESTINE. About this time, they had threatened to stage a mass suicide if the required permission to enter PALESTINE was not granted. On 26 April a representative of the Inter-Governmental Committee for Refugees stated that he had received information from the British Embassy on the evening of the 25th that 769 Jewish subjects would be

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PART III.

ECONOMIC SECTION.

FOOD DIVISION

1. In Italian Territory the current cereal ration of 200 grams of bread daily and 500 grams pasta monthly was maintained in April. Rice was substituted for pasta in much of the North. Grain arrivals in April amounted to 176,994 tons or about 85,000 tons below the monthly maintenance requirements. Because of insufficient arrivals and small amassing of local grain, Italian wheat stocks were reduced far below the danger level. As of May 1st only 3 days supply remained in the port warehouses. In addition there was roughly 10 or 12 days supply held in the distributing system (mills pasta factories etc.) These figures are estimates as official inventories are not yet reported.

2. The Italian Government has not reconciled itself to reducing further the bread and pasta ration. It plans to make an all-out campaign to increase local amassing sufficiently to enable a reduction to be permanently avoided. Under the Government's plan cereal producers, who were permitted to retain in their future rations out of production will be required to surrender a portion of their retentions, thereby causing them to make sacrifices in the same way that the non-producers sacrificed when the pasta ration was reduced from 2000 to 500 grams per month about the first of the year. A bonus of 1200 lire per quintal for soft grain and 1600 lire per quintal for hard grain in addition to the former price of 900 lire and 1000 lire respectively will be paid for the grain turned in. Producers will be permitted to turn in larger amounts than those asked for which they will also be paid the bonus. Bonuses will also be paid for barley, rye, maize and rice. The purpose of the bonuses is of course to bring the amassing price more in line with black market prices.

3. Cereal collections during April were the smallest of any month since last harvest and totalled less than the equivalent of one small shipment of grain. On the basis of official figures, 672000 metric tons, or more than a third of the total estimated deliveries are still outstanding. It is doubtful that the Government decree for supplementary amassing will be effective in obtaining large deliveries of grain as the prices offered, although increased, are still less than half the prices offered on the free market.

4. The sugar situation was better than at the end of March, 1700 tons of imported sugar being expected in April and May. Sufficient sugar arrived in April to permit a distribution of 100 grams per person to normal consumers and it is expected that this ration will be repeated in May.

5. Central and Southern Italy have sufficient olive oil to permit the distribution of the ration through June and Northern ITALY is securing its fats from locally produced butter and lard. The fat situation in the North is precarious but the High Commissioner for Food hopes to be able to give sufficient lard and refined oils to assure the distribution until the end of June.

6. Stocks of meat and fish in Italy will meet the rations and a special distribution of 100 grams of fish per person in addition to [illegible]

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their future rations out of production will be required to surrender a portion of their retentions, thereby causing them to make sacrifices in the same way that the non-producers sacrificed when the pasta ration was reduced from 2000 to 500 grams per month about the first of the year. A bonus of 1400 lire per quintal for soft grain and 1600 lire per quintal for hard grain in addition to the former price of 900 lire and 1000 lire respectively will be paid for the grain turned in. Producers will be permitted to turn in larger amounts than those asked for which they will also be paid the bonus. Bonuses will also be paid for barley, rye, maize and rice. The purpose of the bonuses is of course to bring the amassing price more in line with black market prices.

3. Cereal collections during April were the smallest of any month since last harvest and totalled less than the equivalent of one small shipment of grain. On the basis of official figures, 672000 metric tons, or more than a third of the total estimated deliveries are still outstanding. It is doubtful that the Government decree for supplementary amassing will be effective in obtaining large deliveries of grain as the prices offered, although increased, are still less than half the prices offered on the free market.

4. The sugar situation was better than at the end of March, 1700 tons of imported sugar being expected in April and May. Sufficient sugar arrived in April to permit a distribution of 100 grams per person to normal consumers and it is expected that this ration will be repeated in May.

5. Central and Southern Italy have sufficient olive oil to permit the distribution of the ration through June and Northern ITALY is securing its fats from locally produced butter and lard. The fat situation in the North is precarious but the High Commissioner for Food hopes to be able to give sufficient lard and refined oils to assure the distribution until the end of June.

6. Stocks of meat and fish in Italy will meet the rations and a special distribution of 500 grams of fish per person in cities over 30,000 population was made in April continuing through May. Stocks of dried vegetables were very low and it is not expected that May committments will be fully met.

7. Large quantities of soup and milk were on hand in the various warehouses throughout the country. Means of utilizing the large stocks of milk were being discussed by UNRRA and the Italian Government. No decision as to the use of the soup was made because it was felt it would provide a useful substitute for pasta should it be necessary to reduce the pasta ration further.

AGRICULTURAL DIVISION.

8. The weather during the first three weeks of April was very dry over practically all of Italy. However, during the last few days of the month the drought was broken by good rains in practically all areas except the extreme Northern provinces, including VENEZIA GIULIA and UDINE. The crop outlook was improved considerably by the recent rains which came before many crops were

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14. It was learned that the occupation troops in AUSTRIA and GERMANY were in the habit of buying supplies from Italian merchants, paying in lire and it appeared that these payments were debited against the cost of occupation for Allied Forces in ITALY. It being obviously unjust that such an arrangement should continue, Finance Branch took the matter up to obtain a clarification and directive from the Combined Chiefs of Staff.

15. B.M.A. TRIPOLITANIA and the Allied Commission discussed trade between ITALY and TRIPOLITANIA and it was suggested that a Clearing Account be set up together with two control offices, one by B.M.A. and the other by the Italian Government.

INDUSTRY DIVISION.

16. The general industrial situation was overshadowed by the American coal strike and anxiety and apprehension existed through all the industrial areas of the country regarding its consequences. Confidence which was beginning to return, suffered a sharp setback. On the other hand the improvement in the power situation helped the big users of electric power. Difficulty was experienced by the Italian industries in the dispensing of manufactured products, especially textiles due to large stocks held and lack of export markets. The number of requests received from the Italian Government for the derequisition of industrial premises continued to increase and successful representations were made in several cases. There was also evidence on the part of the Military authorities to cooperate fully on these cases, especially so in connection with food processing plants, state monopoly concerns and plants specialising in reconstruction. The timber plan submitted by the Italian Government through AC to AFHQ was rejected by them on the grounds that it involved too many small firms and would be difficult to operate. An alternative plan was submitted and agreement reached between the Italian Forestry representatives, the Italian Government and the Military. Timber requirements were reduced to a minimum and will be drawn from two areas instead of one, thus spreading the load: agreement on prices was also reached and it is hoped that this problem is now settled

17. The amount of imported coal discharged in ITALY and SICILY during the month of April totalled approximately 722,600 tons and in addition to this some 82,394 tons of Sardinian coal were discharged during the month. Production of Sardinian coal totalled approximately 90,400 tons during the month showing a small increase of 2,000 tons over that for March.

18. A joint meeting of the Southern and Central Italy Advisory Committees was held in ROME to make arrangements for transmitting 110,000 KW of capacity, of which 30,000 KW was to be sent to SOUTHERN ITALY. In June it is expected to transmit 130,000 KW of capacity, of which 50,000 KW will be for SOUTHERN ITALY. Very little change in power allocations was made for SOUTHERN ITALY for May. For CENTRAL ITALY an increase of 19,000 KW of demand and 15,000,000 KWh of energy was allowed for May, most of the increase to be furnished by power to be transmitted from NORTHERN ITALY. Electrical Division was asked to have a representative present at the discussions on renewal of the wholesale power contract between the CIELI Co. of ITALY and the S.C.D.E. Co. of FRANCE, which expired on 30 June. The French Co. desires to renew the contract for a period of one year.

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18. A joint meeting of the Southern and Central Italy Advisory Committees was held in ROME to make arrangements for transmitting 110,000 KW of capacity, of which 30,000 KW was to be sent to SOUTHERN ITALY. In June it is expected to transmit 150,000 KW of capacity, of which 50,000 KW will be for SOUTHERN ITALY. Very little change in power allocations was made for SOUTHERN ITALY for May. For CENTRAL ITALY an increase of 19,000 KW of demand and 15,000,000 KWh of energy was allowed for May, most of the increase to be furnished by power to be transmitted from NORTHERN ITALY. Electrical Division was asked to have a representative present at the discussions on renewal of the wholesale power contract between the CELLI Co. of ITALY and the S.C.D.E. Co. of FRANCE, which expired on 30 June. The French Co. desires to renew the contract for a period of one year.

TRANSPORTATION AND SHIPPING BRANCH.

19. A total of 223 kilometres of Italian State Railway Steam Lines were re-opened to traffic during March and as of 31 March there was a total of 14,504.9 kilometres of Italian State Railway lines in operation, including steam and electric and both single and double track; 17 kilometres of double tracking were completed during March. There were 5063 steam and 1900 electric, making a grand total of 6963 locomotives in stock at the end of March; this was an increase of 22 over the number in stock as of 28 February. 48,658,479 ton kilometres were run daily during March which was an increase of 4,094,840 over February and a total of 33,617,200 passenger kilometres daily were run during March which was a decrease of 1,207,339 over February. 6,946 passengers were carried by the various services run by the "Wagon Lits" or "Pullman" during March. 119,355 tons of coal and 5,853,354 gallons of fuel oil were consumed during the month. The supply of materials for rehabilitation of the track and for repair of wagons was fairly satisfactory. Cement required was available

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appreciably damaged by the dry weather. The condition of the wheat is unusually good, considering the dry winter and the lack of fertilizers. Present prospects indicate a somewhat larger yield than was earlier estimated. Grasshoppers threatened to cause serious damage to crops in Southern and Insular Italy, especially in SALERNO Province and in SARDINIA, where large numbers of the insects were reported to be hatching in late April. Control measures devised in anticipation of such a plague were being applied in so far as was possible. Agricultural supplies imported during April consisted principally of fertilizers and farm machinery. Approximately 20,000 tons of nitrogenous fertilizers were imported against FT requisition and some 500 ploughs, 500 grain binders and 600 mowers were received. Two hundred tons of flax seed were imported by UNRRA from INDIA for seeding in Northern Italy. Deliveries of grain to the Ammasso during April were insignificantly small compared with the need for cereal, but larger amounts were expected in the future as a result of a new directive requiring producers to deliver at least 6% of authorized with-holdings. Prices for such grain were to be more than double former prices.

9. Reforestation of areas denuded during the war constituted the major problem of the Forestry Corps. A small start was made this year, but the planting season was considerably shortened by the very dry weather. The fishery industry during April surpassed all previous post-war monthly catches of fish. As a result retail prices of fresh fish declined during April. Ocean fishing was resumed and is expected to increase in importance by mid-summer.

FINANCE BRANCH

10. The supply of Metropolitan lire to the Allied Forces in Italy under the terms of the Currency Agreement proceeded without any difficulties or delays. During April the Italian Government submitted to the Council of Foreign Ministers in LONDON a document entitled "Memorandum of the Economic and Financial Question Connected with the Peace Treaty", the main purpose of the memorandum being to counter any claims for reparations from ITALY that may be advanced by way of the United Nations. The main lines of argument were: (a) as a co-belligerent, fighting at the side of the Allies, ITALY suffered extensive material losses and damages; (b) the present state of the Italian economy is such that Italy needs all of her industrial equipment and current output to rebuild her economic structure and increase her exports in order that she may buy in the world market her essential imports.

11. During the month it was widely reported in the American and Italian press that the U.S. Government had under consideration the granting to ITALY of that portion of the Suspense Account which is the dollar equivalent of the lire expended in Italy by the U.S. Army for the purchase of local goods and service. The net troop expenditure portion of the Suspense Account has already been made available to the Italian Government as a credit. It was unofficially estimated that the amount involved, were the credit to be granted, would be some 110-120 million dollars.

COMMERCE (FOREIGN TRADE) BRANCH

12. Another major change in the functions of Commerce (Foreign Trade)

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COMMERCE (FOREIGN TRADE) BRANCH

12. Another major change in the functions of Commerce (Foreign Trade) Branch was that AMGOT was no longer responsible for the screening of Reserved Commodity list items. Negotiations took place with representatives of the Military Government of the American Occupied Zone in GERMANY, for the exchange of goods.

13. Representatives of the U.S. Group of Military Government U.S. Zone GERMANY, visited this Headquarters to discuss the possibility of exchanges of goods between the occupied American Zone in GERMANY and ITALY; the imports into this zone from ITALY are intended for the civilian population. The Representatives had a meeting with the Minister of Foreign Trade which the Director of this Branch attended. The Italian Government wanted to know whether GERMANY could supply certain goods normally imported from that country prior to the war and it was agreed that a certain limited amount of reciprocal trade could be done. The system as to how this trade could be carried out was discussed and it was decided that the Italian Government would be credited in dollars, this account to be used as a type of "clearing" and ITALY would have to undertake to use the dollar credit to offset imports from GERMANY.

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but steel was in short supply and while timber was available, it was not sufficient either for ties or wagon repairs.

20. 44,037 load carrying vehicles and 3,340 buses were in circulation at the beginning of the month. This was an increase of 1,417 load carrying vehicle and 30 buses over the February figures. These figures did not include the three wheel and small motor cars adjusted for goods transport. Fuel was in short supply, only 225,000 gallons of gasoline or petrol and 182,000 gallons of diesel oil being allotted monthly for the operation of motor transport. Tyres were also in short supply; the PIRELLI and MICHELLIN Tyre Factories were in production but their output could not meet demands as both raw rubber and coal were in short supply.

21. A total of 152,101 tons of coastwise shipping moved during the month which was a decrease of 52,045 tons from March 1946 but an increase of 92,101 tons over April 1945. The decrease was due to non-availability of commodities at ports for loading. 127 ships with UNRRA and Italian Program cargoes of 964,127 tons arrived in Italian ports during April. Ship repairs progressed satisfactorily, 28 ships of different kinds being repaired and put back into operation during the month. 65 Italian cargo, tanker and passenger ships of over 500 tons carrying capacity each were being used for civilian traffic, and the capacity of ports greatly improved during the month as a result of both increase in number of piers available and repair of quay fittings and tracks as well as additional dredging.

CAPTURED ENEMY MATERIALS BRANCH.

22. The numbers of releases made to the Italian Government increased during the month and a considerable quantity of material which was no longer required for military purposes was declared surplus and made available for handing over to the Italian Government. A total of 293 releases were made to AMAR and 438 signed and completed release notes were received from AMAR. This reduced the outstanding release notes to 109 and a promise was received from AMAR that the position would be brought up to date during the month.

23. 8 dumps containing scrap vehicles were handed over to AMAR, the total number involved being 334 vehicles. Vehicles hulks reported and found were disposed of in accordance with 2 District instructions and a total of 1,752,000 lire was paid into No. 1 A/C, A.F.H.Q. 4,201,145 lire accrued through the dumps of horse flesh prior to 30 December 1945 was also paid to A.F.H.Q. The Italian Government commenced breaking down ammunition in accordance with AFHQ directive and two dumps were cleared and the contents passed to factories for breaking do

24. Lists and schedules showing inter alia source and destination of Italian equipment and material sent out of ITALY by the Germans were prepared from the RUK records and arrangements were made to locate this equipment with for the interrogation of a number of former RUK personnel. The situation of the DAI/DU ...ance was investigated and a decision awaited regarding their disposal. A ...mary of the complicated M.S.A.G liquidation was undertaken and a full report ...garding ... of RUK orders for blankets in North ITALY were ... OF. Supreme

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CAPTURED ENEMY MATERIALS BRANCH.

24. The numbers of releases made to the Italian Government increased during the month and a considerable quantity of material which was no longer required for military purposes was declared surplus and made available for handing over to the Italian Government. A total of 295 releases were made to ARAR and 438 signed and completed release notes were received from ARAR. This reduced the outstanding release notes to 109 and a promise was received from ARAR that the position would be brought up to date during the month.

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War Ministry has promulgated a decree calling back into service, CC.RR. of the 1915-22 Classes, at present in "Congedo"; many of these men have expressed a desire to return to service. It was estimated that 7,000-8,000 extra men will be available for duty by the end of May and there was a total of 1,905 recruits in training. 168 Staghound Armoured Cars, released to Mobile Bns were in actual possession of the units to which they had been allotted; the distribution of ammunition for the Staghounds was arranged and in progress and the translation and printing of instructional handbooks respecting the vehicles was in hand. 43 M/Cs and 3 Jeeps were released to Mobile Bns during the month. Distribution was made to Legions of 7,000 new automatic rifles from the BERETTA Arms Factory but delay was occasioned with the remaining 3,000 promised, owing to lack of cartridge magazines. Reports continue to be received from COs and other sources, of the improved efficiency and morale of the CC.RR.

11. A public relations organization was set up by the Ministry of War and a P.R. Officer at each Terr. HQ was envisaged. It was hoped that this organization will quickly improve both morale in the army itself and the esteem with which the army is held by the public.

12. The preparations for the provisioning of the Italian Navy and Air Force by the Italian Government w.e.f. 1 June 46 are well under way and no difficulties are anticipated. To date some 170 railway truckloads of medical machinery have been received at FLORENCE from MERANO. Notification was received from GHQ that medical stores in short supply could not be supplied from Allied sources.

POW Division

13. Progress continued with the repatriation of Italian POW, figures for the month of April being: - from British hands 43,627; from US hands 533; from other sources 14,160 thus making a total of 58,120.

AIR FORCE SUB-COMMISSION

14. During the month the Italian Air Force despatched a Commission composed of experts to participate in the PARIS Conference on Civil Aviation. They discussed International Civil Air Lines and the problems of bases. From April 5th all IAF Nucleus Commands were disbanded, this being part of the general plan to revert to the normal peace-time organization. Commissions were set up by the Italian Air Ministry to review the retirement of senior officers. These Commissions were generally unpopular with the Italians because they feel that a stable government should/ be in power before work of this nature is carried out. A three day Congress was held in MILAN to discuss the technical and economical aspect of air transport in ITALY. Subjects discussed were the inception of air lines, aircraft and organization.

15. The activity of Aviation Firms slowed down owing to the lack of new contracts from the Italian Air Force Administration. The new Italian SM95 made its

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15. The activity of Aviation Firms slowed down owing to the lack of new contracts from the Italian Air Force Administration. The new Italian SM95 made its debut in the military courier service on the 27th of April. This aircraft is a four engined aircraft which can carry a maximum of 50 passengers and has a top speed of 390 kilometres per hour. Aeronautical inventions studied during the month included principle for the gradual and automatic variation in flight of airscrew pitch and a mounting for piston-shafts designed to increase efficiency. The Italian Air Ministry received applications from MILAN Polytechnic for permission to resume study and research in the Laboratorio di Aeronautica. Permission was granted for experiments to be continued into the structure of parachutes to withstand high-speed operation.

16. A great deal of prominence was given by Allied and local newspapers to the mysterious dropping of wireless sets by unknown aircraft in various parts of ITALY. In fact no wireless transmitters were dropped by aircraft in ITALY, but a number of "Radio Sonde" were despatched for meteorological purposes, and it was these instruments that were found and started the spate of rumours.

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17. Two LAF Officers are to be attached to the American A.T.C. - Ciampino Airfield. They will undertake a 30 days course in the study of A.T.C.'s system of radio communication and meteorology.

18. During April the CAVs at ROME and BRINDISI took over Aircraft Safety duties in Southern Italy from the RAF. The change-over appeared to have been made satisfactorily, but landline difficulties were still being experienced between the central CAV at ROME and the subsidiaries at BOLOGNA and BRINDISI. This trouble was being covered by the Italian W/T point to point system.

19. All but a very few sub-depots were concentrated into GALLARATE and NOVARA and the equipment from these few remaining depots will be transferred within thenext few weeks to these central depots.

20. About 1000 Prisoners of War were repatriated during the month, amongst whom were officers from INDIA. The morale of POWs arriving from British and American Camps was high and their physical condition good.

COMMUNICATIONS SUB-COMMISSION

21. Telephone Services were opened to AUSTRIA with one line each from MILAN, BOLOGNA and TRIESTE to VIENNA, and a second MILAN - LONDON line was complete. A few important internal inter-urban circuits were provided including a second GENOA - ROME cct and a TRIESTE - MILAN cct. Considerable headway was made with the new switchboard installations at FLORENCE and NAPLES, two of the most congested centres.

22. With the completion of the 12 channels voice frequency telegraph system MILAN-PARIS via the MODANE tunnel new circuits were brought into operation including MILAN - PARIS; (2), ROME - PARIS; GENOA - PARIS; TURIN - PARIS; MILAN - LONDON. In addition a GENOA - LONDON and a ROME - LONDON channel were ready to be brought into use and a considerable number of small offices in the areas round BOLOGNA and TURIN cut off by war damage were restored. Arrangements were made for the Army to pass traffic over the Italcable ROME - MILAN radio link should civil disturbance cut all land routes. Sabotage in VENEZIA GIULIA dropped slightly lately but is still bad, particularly the TRIESTE - FIUME service.

23. By Ministerial Decree dated 7th March 1946, the Italian Government increased the rates of postage to foreign countries as from 1st April 1946 to approximately three times those in force since 1st April 1945. With the commencement on 4th April of the bi-weekly Trans-World Air Service from CAIRO to the U.S.A. via ROME a direct route for the ITALY U.S.A. Air Mail despatches became possible. Unfortunate the capacity available for Italian Air Mails by this service (about 100 Kilos per flight) was insufficient to accommodate all the traffic, which amounts to about 60 Kilos per day. The overflow is being sent to PARIS (for connection with the FRANCE-U.S.A. service) utilising Italian internal and SWISS air services with rail links. It is hoped that an increased frequency of the Trans-World service will soon take effect and provide for the direct transmission of all correspondence Air Mails to GREAT BRITAIN, EGYPT, and [illegible]

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24. Inspection at NAPLES revealed that serious difficulty was still being experienced by the Post Office in obtaining prior information regarding various ships under British control. It was possible to make arrangements which should improve the system of obtaining shipping information. As regards the acceptance of mails on British controlled ships it is still not practicable for the Post Office to make formal mail contracts with shipping Companies but temporary arrangements were made with Sea Transport A.F.M.O. for the mails to be accepted by S.T. ships against non-negotiable receipt. Proposals were submitted to the G.P.O. LONDON advocating a

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special system to be adopted until normal liner berth working is resumed. So far as American shipping is concerned the Post Office was pressed to come to an agreement with W.S.A. to operate a similar system to that suggested in the case of British shipping and so terminate the present undesirable arrangement by which the mails for AMERICA are sent to LEGHORN for despatch with U.S.Army mails. A considerable part of the despatches to the U.S.A. consists of empty mail bags due to be returned for use in the gift parcel service.

Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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Chief of Communications

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 794

MONTHLY REPORT

MAY - 1946

Ref.: 624/EC

July 1946

CONFIDENTIAL

Declassified E.O. 12065 Section 3-402/5(D)(2) NO. 185020

HEADQUARTERS ALLIED COMMISSION
APO 794

MONTHLY REPORT

MAY - 1946

Ref.: 824/EC

July 1946

CONFIDENTIAL

Declassified E.O. 12065 Section 3-402/NNEC NO. 785020

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

HEADQUARTERS ALLIED COMMISSION
APO 794

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M O N T H L Y R E P O R T

MAY - 1946

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POLITICAL SUMMARY.

1. The month was notable mainly for the abdication of King Victor Emanuel III in favour of his son Prince UMBERTO on May 9th. King Victor Emanuel signed the instrument of abdication and, according to custom, left ITALY as a voluntary exile. The President of the Council stated to the press on the same evening that the essential point was that any change should not affect the solemn and unequivocal pledge given by the Crown to entrust its fate to the decisions of the referendum and the Constituent Assembly. He said he had no reason to doubt this. The King's abdication was the subject of bitter comment in the Left Wing press, particularly the Communist organ; the Royal Family was accused of having violated the truce on the Institutional question.

2. At its meeting on May 10th, the Council discussed the situation arising out of King Victor Emanuel's abdication and Signor de GASPERI read to the assembled ministers a letter from the new King UMBERTO II in which he reaffirmed that his father's action in no way altered the constitutional powers exercised by him (UMBERTO) in his capacity as Lieutenant-General; nor did it modify in any way the pledge he took concerning the referendum and the Constituent Assembly.

3. Signor de GASPERI proposed that in view of these assurances the Council of Ministers should accept King UMBERTO's succession. Signor TOGLIATTI formerly protested against what he termed a "violation of the institutional truce". Eventually after many hours of discussion, the Council approved a decree law of one single article providing that all the regulations on the limits of the powers of the Crown in accordance with Decree No. 98 of March 6 1946 should remain in force and that decrees and judgements should be issued in the name of "UMBERTO THE SECOND, KING OF ITALY" only. On the same day the new King made a proclamation to the Italian people in which he swore before God that he would loyally respect the fundamental laws of the State as ratified and perfected by the people's will and he confirmed his pledge to respect, like all other Italians, the free decisions of the imminent elections which he was certain would be taken bearing in mind the best interests of the country.

4. King VICTOR EMANUEL's abdication was inevitably the cause for numerous demonstrations all of which passed off without serious incident.

5. The abdication was generally interpreted, especially in Left Wing political circles, as an astute move on the part of the Monarchist Party to improve its chances in the forthcoming elections. Certain sections of the monarchical supporters campaigned vigorously for a postponement of the elections, or at least of the holding of the referendum, on the grounds that the country had not been allowed sufficient time to settle down in order to take a calm decision on this important matter and that, moreover, many hundreds of thousands of Italians would be unable to express their opinion on June the 2nd. This campaign took the form of approaches to various Allied officers, including the Chief Commissioner Allied Commission. In order to remove any form of misconception on the responsibility of the Allies in this matter a

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6. Political activity reached its peak during the month and every party entered the ring with energy and vehemence. The gloves were truly down and political polemics filled the pages of every newspaper. Not until May 25th was the Italian Government officially informed that the Allied Governments regarded the institutional truce as terminated but long before that both ministers and other supporters of the Monarchy and Republic had been attacking each other harder and tougher in preparation for the referendum. It was remarkable how quickly and extensively the Monarchists developed their campaign and the betting changed from long odds against the Monarchy at the beginning of the month to even chances and indeed short odds for the Monarchy during the last week. The KING himself was the principle protagonist in this eleventh hour rally of his supporters. He was ubiquitous, and comporting himself everywhere with dignity and energy, did much to swing a great number of voters towards the Monarchist cause. It was, however, generally realized both by him and his followers that the Monarchist campaign had opened too late and with insufficient organization and stimulus to achieve victory at the polls.

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7. Throughout the month there was a constant flow of rumours that a coup d'etat would be attempted before or during the elections. It was pointed out that the political parties would take advantage of the enormous amount of arms and ammunition illegally held by the population and diverted into political channels to gain their ends by force rather than by the will of the people. It was reported that Communists had organized their coup to gain power down to the last detail including the arrest of members of the Royal Family and of their political opponents. The supporters of the Monarchy were equally accused of intentions to use force rather than suffer defeat. The Socialist Minister of Interior was said to have at his disposal a vast number of arms and armoured cars which he intended to distribute amongst the civil police agencies supported by partisans as auxiliary police in order to overcome the allegedly Monarchist C.C.R.R. and so sway the will of the people, if not to usurp the power for the Republicans. As election day came nearer, so the reports became more numerous and more colourful and a perusal of them might have led a stranger to believe that there would be no free elections and that June 2nd and the days following would see widespread disorders, extensive arrests, with coups d'etat by several of the parties and certainly little chance of free elections. Enquiries made, however, by the Allied Commission from their Liaison Groups throughout the country proved that these reports, as is so often the case in Italy, were without real foundation. It appeared that some members of each of the main parties, in their anxiety and in their suspicion of their opponents' intentions to resort to force, had prepared defensive measures. These measures were sometimes little more than plans based on paper but which had little chance of implementation even if there was any real desire amongst the leaders of the parties who considered them. It seemed to the observer that a certain number of the Italian political hotheads would not believe that countrymen could go to the polls and peacefully elect a Constituente Assembly and give their choice for their institutional future. This clamour of rumours died down during the last days of the month when it became apparent that at any rate the elections would be held.

8. Numerous important political speeches were made, notably one by Sig. de GASPERI in ROME on May 11th. He appealed for greater unity within the Christian Democrat Party and expressed his belief that in spite of the mud and disaster, Italians would save themselves and would save ITALY.

9. On the same day, Signor NENNI spoke in MILAN; he called again for the maintenance of the alliance between the Socialists and Communists. He referred to the dangers of any foreign policy which should be attacking ITALY to any so-called bloc of great powers.

10. Sunday, May 12th, was noted for numerous political speeches throughout the country. The President of the Council spoke in NAPLES where he disclosed that there had been attempts to induce the Government to postpone the election that there had been attempts to induce the Government to postpone the election while on the other hand exaggerated fears had been expressed on the subject of a possible coup d'etat. These difficulties, he said, had been overcome without affecting the formal pledge on the part of the KING and the nation to submit to the arbitration of the people on June 2nd. Signor de GASPERI

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11. During the month the Council of Ministers transacted a certain amount of business other than that arising out of the abdication and the preparations for the holding of the national elections. At their meeting on May 10th, Signor de GASPERI made a full report on his mission to PARIS. He stated that the JUGOSLAV representatives had adopted an extremely rigid attitude. He, for his part, had made it clear that no Democratic Italian Government could accept the loss of TRIESTE and he had refused the RUSSIAN offer of colonial compensations. He had also expressed the hope that ITALY might be allowed to retain her Navy as an international force in the services of the UNO. As regards the Colonies he had suggested a form of mandate in which ITALY would take part as soon as she was admitted to the UNO.

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12. Meeting on May 15th, the Council of Ministers discussed public order in relation to the forthcoming elections. At the end of the discussion the Council formally reconfirmed its determination to hold the political elections and the referendum on June 2nd. The request of King UMBERTO for the publication of an amnesty decree was examined and approved. The amnesty decree will not be published until after the elections of June 2nd. A draft statute for the SICILIAN REGION which provides for a very wide autonomy of the Island with a large measure of decentralization within the framework of the United State was examined and approved and a similar statute for SARDINIA was also in preparation.

13. A declaration was approved at the Council's meeting on May 23rd regarding public order during the elections in which everyone was called upon to respect the decision of the referendum and stating that the Government was firmly determined to forestall and repress any acts of violence or intimidation.

14. It became known on May 16th that the four Foreign Ministers, having failed to reach agreement on the conclusion of a peace treaty with ITALY had agreed on an immediate revision of the armistice terms. The revision included the abolition of the Allied Commission and the creation in its place of a military commission attached to the Mediterranean Military Command; the drawing up of civil affairs agreements between GREAT BRITAIN and the UNITED STATES OF AMERICA on the one hand and ITALY on the other; the immediate repatriation of all ITALIAN POWs; the confirmation of the declaration that the armistice would leave ITALY's territorial position unprejudiced; an undertaking on the part of ITALY to hand over war criminals; an undertaking on the part of the Italian Government and of the Allies to allow free elections. There was no forecast as to when the revised armistice would be signed.

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PART I - LIAISON GROUP REPORTS

LIGURIA REGION.

1. The month was fraught with rumours of every sort resulting in a "war of nerves" among the political parties and infecting the general public who were so dazed that calm prevailed. In the early stages of the electioneering, the Communist Party flooded the countryside with posters and the usual writings on the walls. The Socialist Party was not far behind in this respect with the Christian Democrats a very bad third. Towards the end, the Monarchists came very much to the fore with meetings and propaganda. Since the abdication of Victor Emanuel and the assumption of the crown by Umberto, the Monarchist Part showed much greater activity. (These were their first public meetings). A surprise visit to GENOA was made by King Umberto II at the end of the month. He received a mixed reception and minor scuffles occurred although there was nothing of a serious nature. All political parties behaved excellently throughout the month. Many electoral speeches were made in each Province, all without disorder.

2. Railway traffic was suspended on the Italian French frontier for 3 days following a refusal by the Italian authorities to extend a permit to a French railway inspector to remain in ITALY. French railway personnel protested to the Italian authorities and afterwards returned to FRANCE. Apparently the Italians ejected the French inspector for political activities on the frontier. However, the difficulties were sorted out reasonably quickly and rail traffic was resumed.

3. Public Safety was satisfactory in view of the prevailing difficulties and Police Agencies functioned well against the obstacles of political interference and lack of public faith. The CC.RR. were efficiently equipped, better disciplined than any of the other agencies and did excellent work. Guardia di Finanza, although handicapped by lack of motor patrol boats for work in the harbours of GENOA, SAVONA and LA SPEZIA, performed their duties very well. Crimes violence and serious offences decreased and public order was excellent in spite of the polemics and politics of the month. The prison situation was satisfactory and no incidents were reported. The number of clandestine Casinos which have sprung up increased. Fishermen complained of the lack of fuel for their fishing craft and quoted the numbers of luxury cars and motor coaches which come considerable distances to serve the Casinos. The Italian Authorities were aware of this situation and so far have taken no action.

4. Unemployment in the Region increased, there being 29,867 unemployed, 5,948 of whom were women. The total showed an increase of 6,502 over April figures. There were in addition several thousand non-registered unemployed.

5. The food situation remained unchanged. Black market bread was notic-

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5. The food situation remained unchanged. Black market bread was noticeably scarce, but vegetables and fresh fruits were plentiful as was fresh fish; these have helped the poorer classes to eke out their rations. The general shortage was reflected in the fact that thousands fed at the Mensa Popolare in spite of the generally poor quality and small quantity of the food. There were sufficient flour stocks to maintain the bread ration until 11/12 June at which date a grain ship was expected. The excessive rainfall for the past few weeks was of benefit only to the vegetable and forage crops. Grain crops, except those on the high ground were beaten down, a fact which will increase harvesting difficulties. The humid conditions together with strong winds resulted in the loss of a great amount of immature fruits. Fruit trees and vines were also affected by disease. Anti-fungicides such as copper sulphate and sulphur were increasingly available and their price was reduced but fertilizers remained scarce and the need for them was great. The crop situation however, was good, and a return to normal weather conditions within the next few weeks would restore much of the damage that has been done.

6. The handover of 71 Displaced Persons Camp in GENOA to UNRRA was completed. General health in the Region was extremely good, the only instance of prevalent diseases being measles.

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7. Rail movements for the month dropped below those of April, partly due to the diminished number of vessel arrivals. Movements into 13 Corps Area and the rest of ITALY were met successfully and without difficulty. Work on the doubling of the line between BIVIO POLCEVERA and MIGNANEGO was commenced; this is one of the most important lines leading to the North. Doubling of the track on the GENOA-LA SPEZIA line between LAVAGNA and RIVA TRIGOSO was completed. During the first 20 days of May only 6 colliers arrived in the ports of GENOA and SAVONA carrying a total of 49,051 tons of UNRRA coal. This resulted in practically a complete stoppage of labour. The usual varied items of cargo continued to arrive with an increase over April. The warehouse situation was again critical and complete cargoes of cotton were back-piled on the docks. Every effort was being made to obtain storage space away from the port areas and contracts were drawn up with the Italian Military Authorities to lease barracks not in use by the Army.

8. A total of 190,067 tons for Genoa and 151,885 tons for SAVONA were handled during the month.

9. Reinstallations and repair of telephone and telegraph facilities continued satisfactorily.

LOMBARDIA REGION.

10. On the eve of the national elections a complete calm was maintained all over LOMBARDIA, and no incidents whatsoever occured during the election-eering. The electoral campaign, mainly posters, was not so intense as that for communal elections. It was reported that the amount spent by the different parties for such propaganda was only half that spent for the elections in March and April. The delivery of electoral certificates took place satisfactorily. In MILAN a special office was opened for distribution of undelivered certificates. The average percentage of which throughout the whole Region was calculated from 3 to 5%.

11. The re-organization of the MILAN Questura proceeded quietly but satisfactorily. In all the provinces the auxiliaries were being systematically reduced. So far as the CC.RR. were concerned there was a decided improvement in the situation as regards clothing, weapons and transport. There was still however a great shortage of personnel. The morale of the CC.RR. was good but the poor rate of pay was causing dissatisfaction. The Guardia di Finanza functioned almost normally but were badly handicapped by a serious shortage of clothing, transport, arms and ammunition. In every province the CC.RR. showed both zeal and initiative in searching for hidden arms. Two big dumps were found in the mountainous region of SONDRIO. One was buried under 6 feet of earth and the other was underneath the cement bottom of an irrigation channel. Two other substantial deposits were found in the mountainous region of [illegible]

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12. Food prices showed a certain decrease, mainly due to the seasonal production. 73,400 quintals of wheat were expected to be consigned in LOMBARDIA to the Ammassi in the period before the new crop. A dispute regarding wages between the "Associazione Produttori Agricoli" and the "Mondariso" seemed to be seriously affecting the coming rice harvest; this situation already caused some damage as the harvest is usually already commenced at this time of the season.

13. In order to help the critical financial situation still present in the heavy industries of NORTH ITALY, the Government granted a loan of 3 billion Li

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to be divided among the most important plants of which: 550 million went to BREDA and 200 million to ISOTTA FRASCHINI.

14. In MILAN Province a plan of public works was approved (civil buildings, roads, etc.) for an amount of 790 million lire. The Ministry of Post-War Relief granted an amount of 50 million to the Province of SONDRIO for the reconstruction of living houses burnt by the Nazi-fascists for reprisal.

15. Owing to lack of coal, 38 trains from and to MILAN had to be withdrawn during the Holidays.

PIEMONTE REGION.

16. The national elections in PIEMONTE, as in the rest of ITALY, spurred the politically minded to feverish activity. Meetings of all parties were held during the month and in most cases the speakers were heard with patience, if not always with enthusiasm. There was, however, a continual refusal to afford "free speech" to the Uomo Qualunque candidates and the clever left wing device of identifying, in the public mind, this movement with Fascism prevented the party from making much propaganda. The abdication of Victor Emanuel caused a swing towards the Monarchy, and the visit of King Umberto II to TURIN during the month made a strong appeal to the sentiments of the loyalists. The last minute proclamation offering another referendum after the establishment of the Costituente was probably responsible for attracting many waverers from the Republic to the Monarchy. The situation in the border towns of BRIGA and TENDA, remained stationary, with the inhabitants a little tired of waiting for a decision as to their future status. The AOSTA Valley was quiet during the month and there was no repetition of the violence of two months ago, due doubtless to the energetic action taken by the CC.RR. at that time. Rumours of French claims on MONCENISIO caused a certain perturbation in the VAL DI SUSA and strong demonstrations of protest were staged in SUSA itself. There were no disorders and the situation was satisfactory. Despite the activity of the politically minded, the mass of the population appeared to be much more concerned with the cost of living and the immediate day-to-day problems than with politics. There were no signs of Neo-Fascist activities. Some concern was expressed over reports from PARIS as to the intentions of the Allies with regard to the Italian fleet and the Italian Colonies. Local Government functioned reasonably well and the lately elected local municipal officials appeared to be giving a good account of themselves.

17. The situation with regard to Public Safety continued to improve There was a complete absence of political crime during the month and no disorders or demonstrations involving violence. There were a few isolated cases of highway robbery and police were taking energetic means to deal with these and other crimes. Public confidence in the police was much improved. A considerable improvement was effected in Carabinieri equipment but some groups The morale of the CC.RR.

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18. The cost of living remained approximately the same with a slight decrease in the price of bread, pasta, flour and vegetables in the more agricultural provinces. The price of fruit remained very high and was the cause of much unfavourable comment. Rationed bread was said to be of very poor quality, but despite regulations and restrictions, white bread could be freely bought and sold - especially in small towns. Heavy rains retarded the harvesting of hay, delayed the ripening of corn and grain and caused considderable damage to fruit. It is anticipated that the harvest will be about a month later than in normal years, this month having been the wettest May in many years. Chemical fertilizers were more plentiful but were said to have arrived too late. Some delay was caused in rice cultivation by wage disputes among the agriculturalists and the rice workers.

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After prolonged discussions wage rates were settled and work proceeded. There was an increasing amount of unemployment. Industrialists complained bitterly of the continued demands of the workers for increased wages; the workers on the other hand stated that the increased wages were more than absorbed by the increased cost of living. A certain amount of goods were exported, notably wines and liqueurs, plastic utility goods and some cloth goods. The home market was, however, practically stationary and factories and shops remained full of manufactured articles awaiting purchasers.

19. Heavy rains were responsible for retarding public works, flooded rivers in some parts carrying away bridges and interfering with road movement. Cement was more easily available and enabled certain works to be carried out. Transportation and distribution of cement was one of the principal difficulties. In the zone of BIELLA and S.D'ALBAZZO DI TENDA work commenced on rebuilding the bridge over the ROJA River which will cost 10,770,000 lire. Work on bridges and other projects of a like nature proceeded slowly. The abundance of water relieved all anxiety in the hydro-electric installations which functioned at full spped.

20. The Displaced Persons Camp PT 17 at TURIN was taken over by UNRRA during the month.

21. No serious epidemics were reported during May in the Region but some anxiety was expressed by the authorities regarding the increasing incidence of diseases arising from malnutrition and particularly tuberculosis. This was noticeable in prisoners returning from GERMANY. These diseases however, were not confined to "Reduci" but were manifesting themselves in the Agents of Public Security, who had to be out in all weather, underfed and badly clothed.

22. Telegraph and telephone services continued to improve rapidly. There was considerable dissatisfaction voiced regarding the refusal of UNRRA to accede to the abolition of circulation permits for automobiles and the unrestricted use of motor fuels. There was still obviously much mis-use of petrol etc. and hundreds of vehicles circulated without permits, finding their petrol on the black market.

23. The pace of legal processes continued to be very slow, numbers of prisoners in the jails having been awaiting trial for six months. The shortage of judicial personnel was the cause of this.

VENEZIA REGION

24. In the early part ofMay most newspapers and public attention was focused on the PARIS Peace Conference, with particular emphasis on the future disposition of the Italian Fleet. The situation in this area finally climaxed with the demonstration instigated by members of the Italian Royal Navy in St. [illegible] on 9 May during a hoist ceremony staged by the British

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VENEZIE REGION

24. In the early part ofMay most newspapers and public attention was focused on the PARIS Peace Conference, with particular emphasis on the future disposition of the Italian Fleet. The situation in this area finally climaxed with the demonstration instigated by members of the Italian Royal Navy in St. Mark's square VENICE on 9 May 46 during a band ceremony staged by the British Navy in the presence of Lieut. Gen. Harding, Admiral Kinahan and other Allied Officials. The band ceremonies were admirably executed and completed in perfect order but immediately thereafter the demonstrators closed in on the reviewing party and considerable disorder but no violence occurred. Each political party accused the others of being responsible for the demonstration. However it was generally believed that the entire affair was staged by outsiders, for the local Venetians of all classes resented the demonstration. About the middle of May attention was once more focused on the coming elections - buildings were covered with political posters - speakers and leaders of all parties visited the region and addressed meetings, and the newspapers carried on an extensive campaign but throughout it all, the atmosphere was unusually orderly and no incidents occured. The most immediate source of irritation to the civilians was caused by the Military requisitions in the VENICE and LIDO areas. The Italians found much cooperation from the Allied Military Authorities in this matter, but military committments for ports, warehouses, offices and rest areas were such that many normal activities must of necessity be curtailed. This particularly applied to civilian tourist trade and accommodations on the LIDO. Neo-fascist activities in VENEZIA appeared to be more rumor than actual fact and this applied to many alleged activities of other

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parties.

25. The crime situation throughout the Area was normal. Questura and CC.RR. made quite a number of good arrests in connection with armed robberies and the collection of arms. There was a considerable decrease in the number of cases of Military telephone lines being cut. Relations between the civilians and Allied Military were reasonably good with only a few isolated incidents being reported. The prisons were still crowded both with prisoners convicted as well as those awaiting trial. In VERONA 774 political prisoners were still being held awaiting trial. The difficulty lay in the courts not having adequate personnel to try the cases. Inadequate equipment for all civilian police agencies continued to create a problem. 1000 bush shirts dyed green were issued to auxiliary agents of the Public Safety Units in VENICE and PADOVA. The Mobile Battalion of Carabinieri stationed in PADOVA with the detachment of 200 stationed at TREVISO were well trained and armed. Recently, after many inquiries, they received ammunition for use in their armoured car weapons. They are under the control of the Legion Commander in PADOVA, but may not be utilized without orders from ROME.

26. Due to plenty of rain and warm weather all crops throughout the Region were good. The wheat crop was estimated to be near normal and was ripening so rapidly that most of the grain will be cut by the 15th of June. Fruits of all types were in abundance and growers were making every effort in cooperation with UNRRA to transport the crop to other sections of ITALY and even to AUSTRIA and GERMANY. The food situation during May was reasonably good with prices remaining approximately the same as those of April. It was estimated that visible wheat stocks would be exhausted in this Region by the 10th June and UNRRA is doubtful whether they could supply any additional grain or flour. Sugar rations were cut to 100 gr. most of which came from local sources. An additional shipment of sugar is due in from LEGHORN about June 10th. Oil and fats supplies continued scarce and were uncontrolled. The Regional Inspector of Alimentazione stated that no fats would be available for issue to the public during June. Total requirements of fats and oil for this region on the basis of 180 gr. per person would amount to 7000 qls. per month. However the "black market" will continue to supply oils and fats to those who can pay prices of 700 lire per Kg. Coal allotments were received and while the amount was far from sufficient yet there was enough coal on hand to meet allocations for the next thirty to sixty days. The general labour situation did not improve, there being 190,000 persons unemployed during April in the eight provinces of this Region as against 195,000 at the close of May. While extensive public works projects were approved there appeared to be considerable delay in getting under way with construction. There were a few scattered strikes and demonstrations for higher wages but generally the labour situation remained quiet. The silk industry anticipated a considerable increase in production this year due to the good weather and favourable growing conditions.

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27. The Genio Civile of all provinces were active in submitting projects and a high percentage were approved in ROME but there continued to be a delay in actual construction, which seemed to be due to lack of materials in many cases. The construction of "popular houses" was getting well under way in most provinces. The majority of projects consist of road repair, bridges, hydraulic works, repairs to Public buildings, slum clearance and Port improvements.

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28. The refugee camp at PORTA S. GIORGIO near VERONA had 468 refugees, mostly from VENEZIA GIULIA, GREECE and TUNISIA. The number was 47 less than last month. The D.P. situation is gradually diminishing in this Region.

29. Public Health remained good. The T.B. situation has always presented quite a problem in this area and due to the destruction of many Sanatori there is a lack of adequate facilities to care for the patients. The UNRRA anti-malaria campaign was well under way and no great malarial problem is anticipated.

30. The Bridge over the PO at FERRARA was scheduled for completion on May 1st but due to defects in construction it will not be opened for traffic

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until about the middle of June. The lack of direct Railway Service between VENICE and BOLOGNA seriously handicapped the transportation service of NORTH EAST ITALY. Military control was relinquished over the VERONA-BOLOGNA, and the PADOVA-PIACENZA Lines. Total tonnage moved by trucks continued to increase throughout the Region; Uffici Autotrasporti moved 215,977 tons and Truck Pools moved 6,611 tons. POL allocation was quite satisfactory. Inland water transportation moved 23,173 tons for industry and 2,664 tons of foodstuffs. Tonnage entering the port of VENICE showed a considerable decrease for May over the previous months. Coastwise schooners for BARI and ANCONA continued to increase their tonnage. A new telegraph line was completed between PADOVA and VENICE and another between VENICE and FERRARA. Telegraph service was re-established on 22 May between VENICE and TRIESTE. A total of 4 telegraph Offices were re-opened within the Region during the month, with 6 additional scheduled for re-opening in June, bringing the numbers practically up to the pre-war level. Seven long distance telephone circuits were added during the month, including three from VERONA to BOLZANO. Prior to the war the TELVE Company had 31 telephone exchanges and the TEMO 197 exchanges in operation in this area. TELVE is now back to normal with 31 exchanges and TEMO has 103 with 9 more to be opened in June.

32. The courts continued to be over burdened with cases and understaffed personnel, all of which prevented the administration of speedy justice, encouraged the goals and created a general disrespect for law in the minds of the average citizen. The fault appeared to lie in the antiquated court system which badly needs modernization.

REGION OF CALABRIA-CAMPANIA AND NAPLES.

33. The big event of the month was the abdication of King Victor Emanuel III on the 9th of May. He left NAPLES the same evening on the Italian cruiser DUCA DEGLI ABRUZZI for EGYPT. There were no demonstrations and city life was normal. The King's presence in NAPLES during the past year has given rise to no incidents. Political activity increased with the approach of the national elections. Numerous meetings were held by leaders and outstanding personalities of the various parties. The new King Umberto II visited NAPLES on the 19/20 and the Monarchists held meetings and a procession. Good order was maintained throughout except in one case on the 15th involving clashes between several parties, including Communists, and 2 small hand grenades were thrown which caused a panic resulting in injury to 30 persons. In the country districts there were also many meetings, with a few minor incidents but no disorders.

34. Public Safety conditions remained normal but cases of theft were very high. There were nine cases involving Allied personnel in clashes with civilians against eight the previous month. Apart from the clash in NAPLES between the various electioneering factions, the election campaign, though it [illegible] was remarkably free from violence. CC.RR. Mobile

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35. There was extensive rain during the month but no rust has been reported in the wheat crop and prospects are good for the coming harvest. In NAPLES Province the official estimate for the wheat crop is 18 quintals to the hectare. Stocks of flour for CAMPANIA were reported to be low with only sufficient to maintain the rations for the first week in June. The position in CALABRIA was about the same.

36. Owing to redeployment of units, employment by Allied Forces decreased. Exclusive of the NAF, civilians employed by the Allies in the NAPLES Area amounted to approximately 40,000.

37. A strike of CIP workers took place and by the 15th May was nation wide. It ended on the 16th with an assurance of increased wages. There were other mine stoppages and a grain ship was delayed for a day as a result of a strike in a general warehouse against the dismissal of two workers.

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37. Public Health remained good and winter epidemics of small-pox and measles subsided.

TOSCANA REGION.

38. With the exception of the political situation there were really no major changes noticeable in conditions, in TOSCANA, for May, from those reported in April. After a lull of some weeks, following the local administrative elections, political activities re-opened throughout TOSCANA on about the 15th of May. From the 15th of May to 1st of June every means of political propaganda and guile was used to influence the public, and to garner votes. The Region was literally covered with posters and leaflets; public meetings and parades were held. Every caffe and trattoria was the scene of political discussion and loudspeakers and sound trucks were plentiful. All of which made for an intensive, but nevertheless, informative campaign. Until Saturday evening, the first of June, the excitement and tension on the part of officials and party leaders, in particular, and of all the population, in general, was very noticeable, but there were no serious disorders.

39. A continued improvement in law enforcement was noted in TOSCANA. The local prisons were in a disgraceful condition. D.D.T. was badly needed for the vermin which in most cases were out of control.

40. Unemployment continued to be a pressing problem, but the situation was no worse during the month. Optimism prevailed regarding all crops, but there did exist some apprehension over the possibility of too much rain; fertilizer remained scarce. The maintenance of the cereal ration scales depends on the success of the cmassing campaign and on the extent of UNRRA imports. Other foodstuffs became more plentiful, but still were priced beyond the reach of those who need the extra food the most. Prices were definitely on a downward trend; even food prices lowered during the month. Progress in industrial and commercial rehabilitation was necessarily slow.

41. Public works continued to progress and headway was made in the clearing up of the Port harbors; the water supply was sufficient, except in LIVORNO and the electric supply improved during May.

42. In transportation and communications improvement was under way and results were noticeable.

43. Public Health was normal for this season of the year except that there was an increase of T.B. and V.D.

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43. Public Health was normal for this season of the year except that there was an increase of T.B. and V.D.

44. The courts functioned capably, but very slowly; Italian Tribunals officials, excepting Pretori, did not appear to work very hard or put in many hours.

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BARI AND PUGLIE MARCHE REGION.

45. Great interest in the elections was shown by all Parties. There were no disturbances, although at TARANTO when Togliatti, the Minister for Justice and leader of the Communist Party made a speech, he was howled down by the Italian sailors and a few individuals engaged in an exchange of fisticuffs. Again, addressing a crowd at BARI later in the month Signor TOGLIATTI was obliged to give up owing to the noisy conduct of the populace. There was no disturbance other than this. On the 27th May DE GASPERI visited BARI and made a speech. The square in which he spoke was thronged by a very obviously pro-Monarchist crowd, who exhibited Monarchist Banners and slogans and welcomes to the Prime Minister. One Party representin[illegible] a town which in early March last, the Communist Party seized by force of arms, exhibited pro-monarchy placards. Throughout the elections there were no party clashes and the undertaking given by all the Party leaders who were called together by the Prefect of BARI, that there would be no disturbances, was honoured.

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46. The Public Safety situation greatly improved and there was no trouble during the month. On two occasions a small crowd of Veterans assembled outside the Prefettura BARI demanding employment. The CC.RR. and Civil Police showed a steady increase in efficiency and turnout.

47. Harvesting began at the end of the month. The locusts which were reported in T.R.NTO, BARI and FOGGIA Provinces at the beginning of the month were brought under control and no extensive damage was done. Fuel and lubricants were generally insufficient for agricultural needs but a good production of wheat and other cereals is expected, also of leguminous plants. Production of fodder was satisfactory. The condition of tobacco in LECCE Province was excellent and a good production of wine and olive oil is also expected.

48. Two ships with 53,24 tons of wheat arrived during the month. 100 grms of sugar and 200 grms of olive oil were distributed in May. No pasta was distributed; the price of pasta on the black market increased (250 lire per kilo at the end of May). An exhibition of wines and liquors manufactured in APULIA and LUCANIA Regions took place in BARI and created considerable public interest.

49. Further premises were dorequisitioned during May including 93 apartments and 8 W/houses.

50. Public Health was satisfactory in BARI Province and generally speaking the population in this area looked well fed and fit. 59 cases of smallpox were reported during the month.

51. Traffic both by rail and road was still on the increase and the railway organisation steadily increased in efficiency. Tyres were very scarce, this being the main reason why road transport could not progress to any appreciable extent.

52. The delays to cases under trial showed no improvement for the same reasons as before, a lack of Magistrates on the Tribunals.

53. Cases of unemployment were still high. Every effort was being made by the Prefect th employ as many "reduci" and veterans as possible, but there continued to be a strong tendency on the part of these people to select their jobs and not to take what was offered.

54. 285 millions lire was granted for Public Works in BARI Province, 80 millions for TARANTO. More and more road repair was to be seen throughout the area and an increase in general repair work was also in evidence.

55. No. 1 Transit Camp was handed over to UNRRA on the 15th May. During the first fortnight of May, 1035 persons arrived in the Camp and 340 left BARI.

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ISLAND OF SICILY

56. Political excitement was increased in the last few days of the month by visits from ORLANDO, DE GASPERI and the King, all of whom had very good receptions. TOGLIATTI on the other hand was whistled at almost continuously at PALERMO. Chief interest appeared to be in the institutional question rather than the party situation, for the Sicilians have a strong leaning towards the Monarchy and were trying to poll every monarchist vote possible in order to counter-balance northern republican votes. On the party issue the strongest parties were the Democratic Christians (easy first), followed by the UDN, Sicilian Independence, Uomo Qualunque and Socialists. Electioneering was more bitter in the PALERMO area than in the east of the Island and there were a few minor clashes without, however, grave consequences. Great anxiety was felt by the Authorities in PALERMO for the days immediately following the announcement of the result of the referendum and the usual rumours of insurrections and violence all without proof were rife. The distribution of election certificates varied considerably; in ENNA and CALTANISSETTA Provinces over 95% were distributed whereas in PALERMO the distribution was less than 90%; the PALERMO authorities blamed this on deaths, removals etc.

57. Public Safety conditions varied a great deal. In CATANIA, ENNA and SIRACUSA there was little serious crime and no banditry was reported; in PALERMO and TRAPANI banditry flourished; in AGRIGENTO and CALTANISSETTA there were a lot of crimes in the sulphur mine areas, and also banditry; in MESSINA the general state was good but there were still a few small bands of brigands in the hills. The police everywhere were grossly overworked and cannot be blamed for the prevalence of crime. Firstly the police have had to work very long hours, with very few men in reserve to control political meetings, processions and elections for several months, and have not been able to concentrate forces against the bandits; secondly the food ration of 200 grams of bread is insufficient for SICILY, where the diet of the people does not include meat, fish, rice, butter, polenta etc., as in the North, and in fact forces many men to crime in order to obtain sufficient money to feed their children on the black market. The police will be further handicapped in the new drive against banditry by the fact that they are just starting the amassi season for wheat.

58. Agricultural prospects were uniformly good, though the wheat crop was about ten days later than usual. Estimates on the wheat crop varied enormously. The acreage sown was down but the best land has been chosen. Estimates varied from 7 million to 5 million quintals (the latter a more reasonable figure based on acreage - an average production of eight quintals per hectare). Grasshoppers threatened the crop in CATANIA but thanks to help from UNRRA the danger appeared to have been averted.

59. The situation in the sulphur industry was not good. The production is on primitive lines and if the owners pay reasonable wages they cannot hope to compete in the world market with others. This industry was in need of capital and modernisation in technique; it has the advantage of producing very high quality sulphur close to Europe. The workers were dissatisfied with the present wages and food scales, and the position gave continual anxiety to the

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60. Progress was being made with proposals for new aqueducts. A great de of work in this field remains to be done before SICILY can be anything except a poor Island.

61. Illegal emigration of Displaced Persons continued by night along the Eastern and Southern coasts.

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62. Public Health remained remarkable good in view of the obvious under-nutrition of large sections of the population.

63. Transport and communications were not bad. The railways functioned well and were very good in distributi . quickly any wheat or other UNRRA supplies. There was a shortage of freight trucks, but for essential deliveries UNRRA gave valuable help. The telephone services were improved.

EMILIA REGION

64. Political activity during the month increased in intensity as the elections in which all classes took the greatest interest approached. As before, the meetings of Communists, Socialists and Republicans were the more numerous; such attempts as were made by other parties were frequently interrupted. During the only attempt of the Monarchists to hold an open air meeting, the speaker was shouted down and a Socialist leader who afterwards addressed those assembled stated that it was not undemocratic to prevent the Monarchists from speaking. A Monarchist meeting at IMOLA was also abandoned in similar circumstances. However, as far as the meetings were concerned, there were no violent incidents or serious disorder. A definite "war of nerves" was conducted during the month, and there were strong rumours, that the extremists were prepared to carry out a coup d'etat, if the referendum should be in favour of the Monarchy. Three incidents of an obviously political character were reported during the month; on 24 May at RAVENNA, two hand grenades were thrown into the premises of Italian Partisan Association; on 16 May at S. MARCO, RAVENNA Province, five hand grenades were thrown through the windows of a house in which were the secretaries of the local Communist and Socialist Parties; on 31 May in BOLOGNA, two bombs were thrown, one near the Camera del Lavora and the other one at the entrance of the Casa del Popolo. Some damage was done but no one was hurt. The abdication of King Victor Emanuele was expected and caused little comment beyond the fact that it was considered to be well timed. Some disappointment was expressed at the lack of progress towards a Peace Treaty with ITALY. Provincial administration continued to be fairly satisfactory The financial position of the Communes continued to be bad.

65. The month showed little change in the Public Safety situation. While there was a reduction in the number of armed robberies, holds-up, extortions etc., the number of murders for both political and non-political reasons increased, in fact, it was the highest since November 1945. There were 17 murders, woundings and attempts for political reasons, 17 murders, woundings and attempts for non-political reasons, and 69 armed robberies and attempts. The work of the CC.RR. improved during the month. There was nothing fresh to report about the Questure and other police agencies. The Questure remained as inefficient and unreliable as ever; Questori were all faced with the same difficulties, untrained personnel, unreliable ex-partisan elements, and the "go slow" policy of most regular officials and agents who were all to a greater or lesser degree comprised during the Fascist/Fascist Republican period. The Questure appeared to be as corrupt as they were under Fascism and much less efficient. During the month there was complete absence of escapes from the prisons in the Region.

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66. The grain situation in the Region did not improve during the month, but the bread ration was maintained. There was no distribution of pasta rations in some Provinces. The [illegible] amassing programme yielded some 33,000 quintali of grain up to the end of May. This was not considered to be satisfactory by the Prefects. Undoubtedly, there was still a fairly strong black market in grain and flour, despite the firm action of the Prefects and police agencies in stopping vehicles and impounding such grain. Pasta and bread was still on sale in all civilian restaurants. There was plenty of meat - at high prices; indeed, every form of food could be bought by those who had the money. Cheese of all varieties, was in good supply; vegetables were abundant, and there was plenty of fish on sale. Industry was still in the same sad state due, as usual, to lack of raw materials and coal, and to a reluctance on the part of business men to buy. In addition the unsettled political situation in the country hampered any progress in this field; it was obvious that many business men hesitated to finance industrial enterprises with the possibility of an extreme Left-wing Government being elected. Unemployment remained a major problem. While the seasonal increase in agricultural work will absorb some, and public works, some more, the ranks of the unemployed are being swelled by returning "reduci". Agricultural work was carried on satisfactorily; there was much rain during the month and

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some damage to crops caused by strong winds and hail storms. A very good grain crop is expected, provided the weather remains good until the harvest.

67. There was an increase in the amount of money released for public works, and some progress was made. Delay was still occasioned however, by the lack of raw materials; a good deal of building was being carried out in the Provinces of FORLI and RAVENNA. Water and electricity supplies were satisfactory. The gas position remained the same as previously reported, due to shortage of coal.

68. There were 1,698 Displaced Persons on hand on 20 April and an intake during the month of 1,691; evacuations during the month totalled 2,752. Following a conference in ROME it was decided that all camps in this Region would become A.C. Before this decision was made, refugees were being moved about a good deal and a clash occurred in REGGIO EMILIA between two different groups of people resulting in two deaths and bloodshed. Jews were moved to other camps in MILAN and ROME, and REGGIO EMILIA camp is now empty. The health in all the camps was excellent, there was some whooping cough among children, and the prevelant diseased continued to be venereal and tuberculosis.

69. Generally, public health in the Region was good. Measles were prevelant in all Provinces and there was some whooping cough. Hospitals were getting supplies of medicines and no further complaints were received on that score.

70. In transport and communications the improvement already reported continued. Despite a shortage of FOL, transportation appeared to be adequate.

71. Italian Courts operated as slowly and laboriously as ever. It was noted that as the elections approached there was a very definite slowing up in the fixing of trials of persons with definite political attachments. This applied particularly to the trials of Communist partisans for such offences as murders armed robberies etc. This appeared to have been the policy of the Procuratore Generale in BOLOGNA who has since been replaced.

BOLZANO

72. On every Sunday during May the South Tyrol Party held meetings in various centres either demanding the annexation of the South Tyrol to Austria or protesting against the decision of the Big Four not to discuss their question. All meetings were orderly and the three speakers were usually Baron STERNBACH, Dr. F. VOLGGER, and Dr. V. GUGGENBERG; the meetings were so arranged that the speakers could address each meeting in turn. The first shock came when the Austrian Government asked for a "slight modification" of their frontier to include the PUSTERIA VALLEY (Brunico Area) and EISACK VALLEY (Bremner and Bressanone Area) in order to join the North and East Tyrol by rail. The S.T.V. replied at once by sending a telegram to PARIS protesting against the proposed frontier rectification and asking that representatives of their party might be heard to plead for the complete annexation of the South Tyrol to AUSTRIA. The dwindling hopes of the German speaking population were, however, revived by the speech of Field Marshal SMUTS and the support of their pleas by the "TIMES". As CHURCHILL supported them in Parliament by suggesting a plebiscite, their fading hopes of

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73. Security throughout the Province was satisfactory. The CC.RR. worked well; there were only 21 members of the CC.RR. who could speak both Italian and German. Some 200 others were located serving in other parts of ITALY and are shortly to be transferred to this area. Recruiting was opened to the South Tyrolians and some 32 applied for enrolment. A certain number of South Tyrolians recently escaped from POW-Camp in TARANTO and reached their homes. On instruction from ROME they were being arrested and are now languishing in the local jails as transport was not available to send them to the Camp at LATTRINA (Arezzo).

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74. The recently concluded export agreements between ITALY, SWITZERLAND and AUSTRIA have not yet been carried out. Wine and harvest prospects for 1946 are excellent. The fruit crop in SWITZERLAND was expected to be abundant this year. This affects the possibility of exporting the fruit from SOUTH TYROL to SWITZERLAND and the Chamber of Commerce was trying to formulate plans for the exportation of wine and fruit to DENMARK and BRITAIN. The food situation in the Province was satisfactory. Fertilizers and insecticides were required, but on the whole the agriculture situation was above the average. There were 2,585 unemployed in the Province. Arrangements were being made to send hotel servants to SWITZERLAND and small groups of labourers were sent to the south for work in the rice fields.

75. General health was satisfactory except for V.D.

76. There were 1,131 D.P.'s in the Camp No. 19 (formerly No. 23) of whom 1,080 were Germans awaiting repatriation. The Camp Commandant received orders from ROME not to accept more D.P.'s.

77. Conditions in hydro-electric works were very satisfactory with an abundance of water. The industrial zone was handicapped for lack of raw materials and its output was only some 30%.

REGION OF ABRUZZI & LAZIO

78. During the month there was a progressive intensification of the electoral campaign which was conducted vigorously by all parties. Everywhere the Prefects, mainly owing to the collaboration willingly extended by all political leaders, succeeded in maintaining control of the situation avoiding serious friction and excesses, and no disturbances of public order of any importance was reported.

79. The state of law and order except in the Province of TERAMO where there continued to be frequent cases of highway robberies, showed a further improvement, due to the slow but steady process of reorganization of the Police Forces.

80. There was a further slight increase in the cost of living. The order for the conferring to the "ammasi" of a further 6% of cereals was carried out with varying results which were particularly gratifying in the Provinces of ANCONA (6,000 qls) and PESCARA (11,219 qls.) The bread ration was maintained at 200 grs. throughout the month, and all other rations, except sugar were distributed on the same reduced scale as last month. Shortage of coal continued to affect the recovery of industry while the unemployment situation slightly improved owing to the increase in agricultural work. In the Province of ANCONA the capture by YUGOSLAVIA of several Italian fishing-boats caused a serious contraction in the fishing industry.

81. Public Works proceeded satisfactorily within programmes, and public utilities were slowly recovering.

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81. Public Works proceeded satisfactorily within programmes, and public utilities were slowly recovering.

82. No appreciable change was noted as regards Displaced Persons; refugees were assisted in all centres and whenever possible repatriated.

83. Public Health was generally good. The measles epidemic in TERNI Province decreased (305cases in the Province, 206 of which were in the city of TERNI, were notified during the month). 72 cases of measles were reported also in the Province of MACERATA and a few cases in RIETI Province.

ROME CITY AND PROVINCE

84. Considerable activity was noted throughout the area as the political campaign progressed. Some incidents were reported, the most serious being at ARTOCCA where a hand grenade was thrown by the Communists during a Monarchist meeting. A number of other incidents of interference by extreme leftists were also reported. Some traffic in electoral certificates was observed and several arrests made. Numerous demonstrations and public meetings were held during the month; the majority of these were of an orderly nature. Numerous articles appeared in the press and many complaints were voiced concerning non-receipt of electoral certificates and the distance of polling stations from residences of

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voters. A special office was opened in ROME CITY to deal with these complaints.

85. The crime situation deteriorated slightly during the month due to the fact that a large percentage of the Police Forces was obliged to concentrate its activities on the electoral campaign to the exclusion of its normal duties. Black market activities continued to flourish and was insufficiently checked. Numerous street accidents indicated that the traffic control situation was far from satisfactory. The supervision of illicit buying and selling comes under the Municipal guards which in turn come under the Sindaco of ROME; this Corps (600 men) is inadequate and is being reorganized. The strength is expected to be increased to 2,500. A steady improvement was noted in conditions for Carabinieri and Finance Guards; their armaments were increased and considerable uniforms and clothing were allocated during the month. Four Flying Squads were created and proved quite efficient in checking crime, but in the maintenance of public order during the electoral campaign their lack of training was evident in the tactless way they carried out their duties. On the whole however, Police organizations appeared to have done their best during this difficult period.

AMG VENEZIA GIULIA PROVINCE.

86. Political activity was intense immediately prior to the Elections, and every form of propoganda was employed. With the exception of one or two very minor incidents, all meetings were conducted in a most orderly way. The very active and intelligent propaganda by the Democratic Christians, under the direction of the ex-Prefect, was responsible for the great apparent increase in the support of that Party. Intensive monarchist propaganda was noticeable in the past three weeks. A further appeal by the Sindaci of the NATISONE Valleys against annexation by YUGOSLAVIA was received, and any suggestion that a part of this Province should be ceded to the Slavs aroused the strongest resentment throughout the Province. Slav and Pro-Slav propaganda continued in conjunction with certain sections of the Communist Party. There was general disappointment at the failure of the Foreign Ministers to agree on the [illegible] question. Unemployment was responsible for some discontent in the Province, although the recent financing of some 200 million lire's worth of public works projects relieved the situation to some extent. After protracted negotiations with the Labour Section of the Allied Control Commission for AUSTRIA, agreement was eventually reached and 600 Italian bricklayers and kindred tradesmen left for AUSTRIA. This had a marked effect throughout the Province, where it was hoped that it might be the beginning of emigration, on which the unemployed problem, (in this Province), hinges. Though the general political situation was calm, there was some uneasiness as to the outcome of the Boundary problem.

87. The promised increase in the strength of the CC. R. was most welcome, but high cost of living and the low wages had a detrimental effect on this body. Clothing was still urgently required; military trucks assigned to the CC.RR. were being fully utilized and contributed considerably to the morale of this force. There was little change in the crime records for the month and of the few armed robberies some were believed to have been commited by criminals from outside the Province. The 1st of May celebrations were very quiet. Guardie

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88. Regular distribution of all rationed foodstuffs continued; present stocks of flour on hand will enable the ration to be continued until 14 June, but the planned distribution of 500 grams of pasta for May was cancelled on instructions from ROME. The free issue of 500 grams of sugar to residents of UDINE CITY up to 18 years old, given by IRELAND, was gratefully received. The final results of the livestock census gave a total of 192,356 head of cattle. Food prices generally were still high and did not show any tendency to fall. Essential commodities for both industry and commerce were satisfactory except for imported coal, tyres and fuel oil. The tyre situation was unsatisfactory and the coal shortage was acutely felt throughout the Province; only 3,300 tons out of a minimum requirement of 6,000 tons was received. Medical supplies, totalling approximately five million lire, were received. State employees were on strike between the 6th and 11th May. The Labour Attache of the British

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Embassy arrived shortly after and made recommendations to the Italian Government which so far has given no decision.

89. Heavy rains and further deliveries of fertilizers greatly improved agricultural prospects. Wheat cultivation in the Province showed a 20% increase on 1945, rice a 50% increase and barley a 33% increase. Sugar beets showed a 24% increase, while there was a decrease of 21% for potatoes and 7% for maize. Vines have not suffered by disease, and a good crop is foreseen. A total of 49 new cases of foot and mouth disease were reported, bringing the total number up to 95. In consequence, the export of livestock from the Province was forbidden without a veterinary certificate.

90. The cash position of the Bank of Italy for the month showed an increase of approximately three quarters of a million lire over last month, bringing the total of currency to over two and a half thousand million lire. The decline in the lire was very noticeable during the month, particularly against gold. Some eight million lire were authorised for communal expenses and approximately 4.63 million lire was authorised for the second quarter to meet statal and parastatal budgets. Military road projects were financed to a total of 10,700,000 lire.

91. Public works projects totalling approximately 206,000,000 lire were prepared by the Genio Civile of the Province. Elaborate preparations for the resurfacing of military roads came to a standstill for the lack of bitumen of which approximately three thousand tons were required. This will have the effect of delaying work on the less important military roads until the promised shipment arrives.

92. During the month, a total of 2,522 refugees passed through the Centre, of which 723 were aliens, Greeks and Yugoslavs being in the majority. One half of the displaced persons arrived from VENEZIA GIULIA, and the balance from [redacted] and [redacted] area.

93. In a variety of ways, Welfare Office continued to give ample support throughout the Province, and was largely responsible for the provision of an ambulance for the [redacted] T.B. Hospital. The Ministry of Post-War Assistance provided some seven million lire towards the electric lighting scheme for the communes of the [redacted] Valley. No increase in the number of UNRRA rations for the poor and needy of the Province was authorized, though claims from many communes were received. The general health of the Province was good, but 178 cases of measles and 21 cases of diptheria were reported.

94. There was ample transportation in the Province to meet all ordinary requirements, except for the passenger-carrying vehicles, which were urgently required by statal and para-statal employees and professional classes. The POL allocation was insufficient to meet requirements and the tyre situation was still unsatisfactory; an increase in the monthly allocation is most necessary. A further five million lire was deposited in the AFA account by the sales of ex-enemy vehicle scraps.

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92. During the month, a total of 2,322 refugees passed through the Centre, of which 723 were aliens, Greeks and Yugoslavs being in the majority. One half of the displaced persons arrived from VENEZIA GIULIA, and the balance from [illegible] and [illegible] area.

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95. The Italian Courts worked satisfactorily and the Special Session of the Court of Assize tried 16 cases and dismissed 4, leaving 101 awaiting trial.

[illegible]

AMG VENEZIA GIULIA

96. The failure of the PARIS conference to come to an agreement over VENEZIA GIULIA and the suggestion that the Powers may accept the French line as a solution caused the morale of the Italian population to sink. This was particularly noticeable in [illegible] where the energies of the trades peoples are bent more in the direction of getting material and property out, than attempting to increase industrial and commercial activity. The month opened with a large and well-organised pro-Yugoslav demonstration ostensibly to celebrate "Labour Day". The demonstration was hissed and spat upon by Italians and uniformed Partisans in the procession came in for much of the abuse. The Allied Military Parade on the 2nd May was a great success and all political parties for once agreed by instructing their followers to support the parade. After this the city settled down to a period of apparent calm although the discontent and apprehension on the part of the Italians was coupled with a marked resurgence of anti-Slav feeling. The

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Next demonstration took place on 19 May; this was supposed to be a sports meeting but resulted in violent pro-Communist and pro-Yugoslav manifestations which however passed off without incident. The anniversary on 24 May of Italy's entry in World War I was celebrated by a Mass at the cathedral and the laying of wreaths on the War Memorial. The month closed quietly with political parties awaiting anxiously the re-opening of the PARIS Conference on June 15. During May two additional communes were subjected to General Order No. 11: DOLENJA VAS COLLIO and BREGORA both in GORIZIA area. DOLENJA VAS is the first totally Slav Commune in which it was possible to implement G.O. No. 11. DOLENJA VAS COLLIO is inhabited by Italians and Slovenes in approximately equal numbers.

97. In spite of increased activity on the part of the rival Yugoslav and Italian factions during the May Day celebrations, from the Police standpoint May was a reasonably quiet month. Advantage was taken of this 'breathing space' to improve efficiency and conditions in all branches of the Force. The May Day celebrations constituted a 'heavy' period, especially in TRIESTE CITY for the Civil Police, and police resources were extended to the utmost. Nevertheless, although several incidents occurred, the situation throughout was kept in hand and at no time was it necessary to request the military to assist in the restoration or maintenance of public order. During the last few months the Police Force has been thoroughly tested and has so gained the confidence of the higher command and the general public, that increased duties have been delegated to it. In view of this and the fact it must anticipate further public disorder resulting from the general uncertainty surrounding the Peace Conference, it is the intention to increase the force by 1850 bringing the total to 5000. Crime returns were low having regard to the general social conditions and to the population figure. Figures for May showed that a total of 249 crime complaints have been received by all branches throughout the area, and 169 arrests or denunciations made. The most serious crimes reported during the month involved the death of six persons - two of the deaths being the results of road accidents, the four remaining deaths appearing to be cases of murder. There was no notable increase in serious crime in the TRIESTE Zone during the month although there was a slight increase in the number of reported cases of robbery accompanied by violence. There was a decrease in the number of political crimes reported but many of the reported crimes were still in this category. There was indication of an increase in the number of persons improperly carrying firearms. The uttering of forged Italian currency continued. In the GORIZIA Zone crimes reported showed a decrease as compared with last month and there were no crimes of violence. Eight cases of burglary and many cases of simple larceny were successfully investigated. Apart from a few cases of drunkenness the conduct of troops was good; no case of serious misconduct in public came to notice. There was little change in the prison population; in TRIESTE prisons there were 618 and in other prisons 336.

98. Normal rations were distributed to the whole population during May with the exception of pasta, which had to be cut due to the threatened failure of scheduled wheat flour shipments due to arrive. If possible deficiencies will be made up in June. Two steamers arrived during the month with miscellaneous

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although several incidents occurred, the situation throughout was kept in hand and at no time was it necessary to request the military to assist in the restoration or maintenance of public order. During the last few months the Police Force has been thoroughly tested and has so gained the confidence of the higher command and the general public, that increased duties have been delegated to it. In view of this and the fact it must anticipate further public disorder resulting from the general uncertainty surrounding the Peace Conference, it is the intention to increase the force by 1850 bringing the total to 5000. Crime returns were low having regard to the general social conditions and to the population figure. Figures for May showed that a total of 249 crime complaints have been received by all branches throughout the Area, and 169 arrests or denunciations made. The most serious crimes reported during the month involved the death of six persons - two of the deaths being the results of road accidents, the four remaining deaths appearing to be cases of murder. There was no notable increase in serious crime in the TRIESTE Zone during the month although there was a slight increase in the number of reported cases of robbery accompanied by violence. There was a decrease in the number of political crimes reported but many of the reported crimes were still in this category. There was indication of an increase in the number of persons improperly carrying fire arms. The uttering of forged Italian currency continued. In the GORIZIA Zone crimes reported showed a decrease as compared with last month and there were no crimes of violence. Eight cases of burglary and many cases of simple larceny were successfully investigated. Apart from a few cases of drunkenness the conduct of troops was good; no case of serious misconduct in public came to notice. There was little change in the prison population; in TRIESTE prisons there were 618 and in other prisons 335.

98. Normal rations were distributed to the whole population during May with the exception of pasta, which had to be cut due to the threatened failure of scheduled wheat flour shipments due to arrive. If possible deficiencies will be made up in June. Two steamers arrived during the month with miscellaneous foodstuffs and a steamer with approximately 8,000 tons of flour is due to arrive on 15 June of which 3,400 tons are for VENEZIA GIULIA and 4,600 tons are for VENEZIA Province. Until further notice, owing to the wheat situation, pasta rations will be reduced.

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99. Incoming shipping during the month totalled 23,930 tons and outward shipping totalled 20,9[illegible] tons. Rail movement totalled 79,240 tons. The total tonnage moved during the month by sea, rail and road was 143,829. A few additional 1st and 3rd Class bus services and temporary summer services were authorized. Certain existing services were intensified and other concessions were withdrawn where supply and demand justified the action. A new system was adopted whereby a more strict control can be placed upon the rationing of new tyres.

100. The 1946 grain collection programme was under way, with police assistance promised. Records were being taken of acreage planted by farmers. The price has been fixed at 2250 lire per quintal, with special premiums for early amassing. The quota of wheat to be collected in the Territory is 20,000 quintals. Trials of evaders during the past season will take place before the 15 of June as a deterrent to this year's contraband operations. The Barcola afforestation project was initiated and bids taken for the work. Although trees will not be

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planted until autumn, fencing off, digging of holes, building of roads and walks, etc., will be carried out throughout the summer. More than 200 people are to be employed. Two projects, employing a total 15,000 persons were being projected to take care of reforestation between MONFALCONE and TRIESTE. TRIESTE Comune project was using several hundred people, but work will continue throughout the summer especially in the nurseries at VILLA GIULIA and BASOVIZZA, which are being developed and enlarged to take care of subsequent planting in VENEZIA GIULIA Territory in general, besides the TRIESTE project. The personnel of the Forestry Corps was being increased due to the pressure of work and the increased number of projects. Production of fish continued to increase monthly with further increases expected till late September. Control measures designed to regulate the flow of fish to the population were suspended until autumn, as otherwise too many fish would be concentrated at central collecting points. Prices dropped and meat prices were lower too, as a result of competition from fish as a substitute. Fifteen tons of fish were being produced daily from combined ports in VENEZIA GIULIA.

101. The extension of the debris clearance scheme to include industrial premises had a good moral effect. A plan in detail for the rehabilitation of six major industrial establishments in TRIESTE was completed. The acute despondency engendered in POLA by the strong impression which has gained ground that the "French line" will be accepted brought all industrial rehabilitation plans to an abrupt end. The wish of POLA industrialists appeared to be to leave as quickly as possible and remove as much as possible of their belongings. The position of individual industries showed little change during the month. Textiles and building materials showed the greatest activity and arrangements were completed for constructional timber to be imported in logs and dressed here. This will enable a large saw mill to reopen. The Cantonieri Riuniti dell'Adriatico, owners of MONFALCONE shipyards secured an order for a second 9000-tons cargo steamer from Norwegian owners, and negotiations for repairs to the "Kingsbank" continued with the M.O.T. The "Empire Mac Cabe" left during the month, the owner's representative and Captain expressing themselves well-satisfied with the quality of work put into the reconversion. Electricity and gas supplies were normal and care was exercised in screening demands for fuel and POL on account of the current shortage. Rehabilitation of the port continued satisfactorily but constant supervision was necessary on account of the large volume of work on hand, to keep the Magazzini Generali and Contractors up to scratch. The destroyer "Sebenico" was floated and, but for the collapse of a large patch, salvage would have been completed by the end of the month.

102. The first lot of cloth to be produced from Imported Cotton (200,000 m - value about lire 36,000,000) was on sale. The stock of finished cloth was about 300,000 metres. The planned quantity is about 2,200,000 metres. Owing to the coal strike in the United States no shipment of coal was received in May and the position regarding imported stocks was very serious. Against coal allocations accepted for delivery during the first 6 months of 1946, 68,054 tons were received, the allocation being 119,400 tons. The balance of imported coal in stock (as of 1 June) was 534 tons, of which 293 was allocated to TRIESTE [illegible] for the month of June have been

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103. The repair of public buildings was well in hand; practically all those which were slightly damaged have been or are under repair and work was commencing on those which have been heavily damaged. The repair of private housing progressed very satisfactorily. Normal work was at its summer peak with over 3,000 men employed in repairing roads and bridges. During the month negotiations were completed with the Italian Government for the building, subject to AFHQ approval, of the TRIESTE-AUSTRIA autostrada. The Italian Government agreed to complete its part of this road in four years starting during the coming summer. Repairs were in progress at PORTO BUSO, GRADO, DUINO, MONFALCONE, SISTIANA and POLA. These ports although not playing a big part in international trade, are essential for local coastal shipping. The benifica work was being pushed in all areas; when projects are completed they will provide sufficient farm produce to make VENEZIA GIULIA independent of outside sources. The Navy turned over to A.M.G. the disposal of mines off shore, and around the docks; to do this work the Navy released their civilian crews to A.M.G.

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104. The Economic situation deteriorated considerably owing to uncertainty as to future status of the territory. Strenuous efforts to institute large scale and long term public works projects, and to rehabilitate industry became necessary to avert complete economic paralysis. Efforts were made during the month to work out schemes for improving the situation and a requisition was prepared for the rehabilitation of the half dozen main industries in the territory, namely ILVA Steel Works, TRIESTE, AQUILA Oil Refinery, TRIESTE, S.I.A.P. Oil Refinery, TRIESTE, GASLINI Oil Seed Pressing, TRIESTE, PRIMA SPREMITURA Oil Seed Pressing, MONFALCONE, SOLVAY Chemical Works, MONFALCONE. The largest industry in the territory, CANTIERI RIUNITI DELL'ADRIATICO was not included, as orders for new ship construction and reconversion come from overseas and arrangements for the supply of necessary material from abroad are part of the contract negotiations. Prospects of obtaining repair work from BRITAIN for the shipyards of TRIESTE were not, very hopeful, though there was a possibility of some orders for new ship construction being obtained. A contract for the building of two ships for Norwegian owners was obtained with the assistance of the Italian Government. A number of Compensation Deals took place with countries with whom ITALY had Trade Agreements. The CORNELIA Cotton Mill is in a position to work to its full capacity on the basis of its normal Commercial contacts, though A.M.G. is maintaining control over its exports. A contract is in process of preparation whereby it is contemplated that the mill will weave, cloth for the United States Government for use in the FAR EAST.

105. The incidence of measles continued to be high especially in GORIZIA. Work will soon commence on the extension of the CARDOLO childrens' hospital and when completed this will double the present number of beds. A further 20 tons of drugs and dressings arrived during the month and a price-control committee to standardize prices and sales was set up.

106. Movement of Displaced Persons into Zone "A" of VENEZIA GIULIA continued; a total of 1,862 DPs arrived and 1,909 departed. Work by the British Red Cross representative among refugee and local inhabitants continued. 200 tubercular children from war-damaged districts of YUGOSLAVIA were taken to SWITZERLAND by the British Red Cross representative. Two more attempts at illegal entry by Jewish refugees were made during the month. The first party of 18 was arrested by Security, the second party of 20 was turned back at the frontier. During the month one party of 81 Italian POW's arrived in TRIESTE from YUGOSLAVIA. Their physical state as well as their clothing was deplorable.

107. Total credits issued since A.M.G. took over the administration of this territory aggregated about 12,000,000,000 Lire, one third of which represents expenditures on public works. The next major item was 900,000,000 Lire paid for occupation expenses. Allied owned properties under formal control amounted to 379 whilst 93 were released. 18 German properties were sequestered. The lack of security in the free port continued owing to the shortage of Finance Guards and recent reports indicated that drastic steps

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108. During May a total of 450 accused were tried on 505 charges in Summary Courts. These figures were higher than normal due to a special effort during May to bring the Court calendars, particularly in the Area of TRIESTE, up to date; this was accomplished by holding extra Summary and Superior Courts. During May total of 86 accused were tried on 115 charges in Superior Courts again due to the special effort to make Court calendars current. The ordinary Civil Courts functioned satisfactorily. Some progress was made during the month towards supplying additional personnel particularly in the offices of the clerks of the Courts. The order giving jurisdiction to the ordinary Penal Courts to try Fascist offences prior to 8 September 1943 was signed on 3rd May 1946 (General Order No. 53) and is now in effect. During May the Special Court of Assise held public trials of 27 accused resulting in 7 convictions and 20 acquittals.

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109. The Labour Office had a very intensive month particularly in view of the many difficulties which "The Sindacati Unici" have been creating. The "Ispettorato del Lavoro", which calls for complete reform conducted its usual

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business doing no more than what is a bare minimum. Unemployment increased; records for VENEZIA GIULIA as a whole showed an increase of 3325. In TRIESTE area alone there was an increase of 2842. Dismissals during May in conformity with G.O. 106 amounted to 3738. The Public Works payroll showed a slight decrease in employment, as compared to April. There was only one occasion on which work was suspended during May and that was in the Shipyards of MONFALCONE where the clerical workers abstained from their work on the afternoon of Saturday 25th in order to protest against the fact that the reduction of time table from 48 to 40 hours was not made to apply in the case of clerical employees. The system of addressing workers on the factory premises still continued and the Sindacati Unici staged five important meetings during May. The difficulty of fixing "piece work" rates in the C.R.D.E. still continued in view of the intractable attitude of "Sindacati Unici" which refused to allow the "Camera del Lavoro" to enter in the joint negotiations while at the same time insisting that the Management and incidentally A.M.G. were to blame for the impasse. The attitude of the "Sindacati Unici" mentioned above is merely a preview of a continued policy of sabotage calculated to precipitate conditions of industrial unrest. In view of this line of action, the advisability of promulgating legislation to regulate Trade Union affairs in general, and joint negotiations in particular, now becomes a necessity, unless A.M.G. is prepared to accept a situation in which a virtual monopoly is tacitly granted to the "Sindacati Unici" to the exclusion of the "Camera del Lavoro".

110. Italian schools under the administration of A.M.G. will close the 1945-46 school year in June, the Slovene schools in July. The School Section of FNOO through its mouthpiece "PRIMORSKI DNEVNIK" continued in a rather mild way to attack education policy in this Territory. Schools will not be recognized where the teachers are not employed legally, where schools have refused to use AMG text books, insist on using forbidden texts, and are not following the Allied Military Government programme of study; students completing their work in non-recognized schools will be authorized to enter recognized schools only upon examination as in the case of any students from private schools. The complete issue of Slovene elementary school text books (those so far completed) has been subsidized and they will be distributed free to the school children of the Territory.

111. Wire thefts continued in the vicinity of OPICINA, and now in the MUGGIA area. On 20 May the Civil Telegraph Service was opened up to the Services for British personnel at concession rates for U.K. and the British Empire. Telegraph services were opened during the month to VIENNA and MILAN and VENICE Stock Exchange.

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PART II

CIVIL AFFAIRS SECTION

LOCAL GOVERNMENT SUB-COMMISSION

1. The Decree prescribing the procedure for voting upon the Institutional Referendum was published on 3 May. The Referendum ballots and those for the election of Deputies to the Constituent Assembly will be delivered to the electors simultaneously. The Referendum ballot contained a symbol for the Monarchy consist of the arms of the House of Savoy and a symbol for the Republic consisting of a female head wearing a laurel crown. The voter makes a mark against the symbol of hi choice. The Decree made a detailed provision for integrating the voting and count of the votes for the Referendum with the corresponding procedure for the election Deputies to the Constituent Assembly. The period of voting was extended to 1200 h on Monday 3 June to allow adequate time for dealing with the two ballots. The lis of candidates nominated in the 31 election districts or colleges published late in the month showed 4,756 nominations for 573 seats: leading men have however been nominated in 2 or sometimes 3 districts. The number of competing parties varied f 2 in the VAL D'AOSTA up to 23 in the NAPLES-CASERTA district and 27 in the distri of ROME-FROSINONE-LATINA-VITERBO.

2. On 21 May a directive was issued to all Allied Commission Liaison Officers to their conduct in observing the elections on 2 and 3 June. As in the case of th local elections, Liaison Officers were instructed to behave as inconspicuously as possible and not to enter polling stations or places where votes were counted.

3. The few communes outstanding all completed their lists by mid-May. A number of special difficulties were investigated and reported upon, including (a) Section lists in Rome. Owing to the fact that numbers of electors were assigned to sectio distant from their homes, the Italian Government granted additional time for applications to be made for transfer and opened a special office for the purpose. (b) Registration of troops. It transpired that large numbers of troops had been i service so long that their original registrations had disappeared and they could n vote. The Italian Government arranged for such cases to be registered in the comm where the men concerned were stationed.

4. The last day for the delivery to the electors of their certificates of registration was 2 May. Shortly thereafter it appeared that large numbers of certificates remained undelivered, especially in the city of ROME. Investigation showed that this was partly due to inherent practical difficulties and partly due to inaccurate work by junior officials. In all communes however electors could apply personally for certificates up to and including 3 June. Instructions were therefore issued to Liaison Officers to report from time to time information as to electoral certificates remaining undistributed in their areas. Arrangement were also made with the Ministry of Interior to obtain similar information from their Inspectors General. The information as obtained showed that by the end of the month the certificates remaining undelivered was in the overwhelming

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LEGAL SUB-COMMISSION

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5. Allied Military Courts were in session in VENEZIA GIULIA and UDINE Provin Superior and Summary Courts were held during May in both VENEZIA GIULIA and UDINE. In VENEZIA GIULIA, a total of 86 accused were tried on 115 charges in Superior Courts and 450 accused were tried on 505 charges in Summary Courts during May. These figures were higher than the normal monthly totals but they are due to a special effort to bring the Court calendars, particularly in the Area of TRIESTE, up to date. This was accomplished by holding extra sessions of Superior and Summary Courts. As a result the number of cases pending took a noticeable drop; in the case of TRIESTE area from 330 Summary Court cases at the end of April to [illegible] at the end of May. Of these pending Summary Court cases, only 4 accused were dete pending trial. The Italian Courts worked satisfactorily in UDINE Province and 18 cases were tried by the Special Court of Assize during May, of which 4 cases resul in dismissal. In VENEZIA GIULIA the ordinary Civil Courts functioned with reasor satisfaction. Some progress was made during May toward supplying additional perso particularly in the offices of the Clerks of the Courts. In [illegible] the Italian Courts worked satisfactorily. [illegible] secured adequate cooperation by Italian Courts concerning Allied interest cases. During the past month the

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Tribunale of LIVORNO disposed of 20 penal cases involving 50 defendants, 11 of whom were acquitted. PISA Province also reported active prosecution of Allied interest cases. The number of inmates of the jail in LIVORNO decreased. The number detained being 334, of whom 295 are males and 39 females. The number of serious crime in the entire TOSCANA region is constantly decreasing.

PUBLIC HEALTH SUB-COMMISSION

6. The situation in ITALY as regards communicable diseases remained satisfactory. Small-pox and poliomyelitis were again, as in the previous month, the only two infectious diseases requiring notification. There were 65 cases of small-pox in May, all of them occurring in SOUTHERN ITALY. The highest incidence took place in the Province of BARI, which registered 37 cases as against 39 in April. Practical all cases of poliomyelitis have occurred in NORTHERN ITALY. 81 cases were reported in May, as against 40 in April, but there were localised outbreaks worthy of note. The provinces of MILAN, VENICE and BERGAMO registered the highest number of cases, the figures being 10, 10 and 9 respectively. Vital statistics for the month of April are as follows. Population of ROME Commune 1,5[illegible],274. Total number of births 2,587. Deaths 1,267. Deaths in children under one year of age 188, which gives an infant mortality rate of 72.3 as against 66.9 in March and 84.8 in February. In the same Commune deaths from all forms of tuberculosis during April were 202 compared to 188 in March. Out of this figure, 159 deaths were due to pulmonary tuberculosis.

PUBLIC SAFETY SUB-COMMISSION

7. Apart from Election and Referendum fever by the various political parties, the month of May was very quiet. Although numerous meetings and demonstrations were held, no serious incident occurred. As previously reported, the condition of the Police Forces continued to improve and the CC.RR. are now becoming an efficient Force. The Pubblica Sicurezza also showed signs of improvement. The prison situatio remained unsatisfactory but efforts were being made by the Italian authorities to regularize the position of the Guards and improve the condition of the prisons. The serious outbreak in the MILAN Prison during the latter part of April undoubtedly caused the authorities to appreciate the urgency of the situation.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION

8. During the period under review UNRRA took over the Camp Group in North-West ITALY viz: MILAN, TURIN, and GENOA. The hand-over to UNRRA of Displaced Persons Camps is now completed. The final result of the screening, which was carried out with the purpose of determining the eligibility to UNRRA assistance of all Camp inmates showed a total of 9,922 ineligibles plus 7,000 Poles. It was anticipated that this figure would continue to increase due to the fact that many persons were being refused camp care by UNRRA and would therefore apply for admittance into Displaced Persons Camps. In view of the fact that practically the whole of the population of certain Camps turned out to be ineligible for UNRRA assistance, it wa decided that D.P.R.S.C. should take back the responsibility and administration of [illegible] of the month D.P.R.S.C. had 15 Camps under control. A new [illegible] to the nationality

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PART III - ECONOMIC SECTION

FOOD AND AGRICULTURE BRANCH.

1. The cereal situation deteriorated further in May. Total stocks, including working stocks as well as stocks in port warehouses, as of 1st of May were 140,000 tons or about 15 days supply. By the 31st of May it was estimated that stocks would amount to only about 50,000 tons or about 6 days supply. It was believed that estimates would be higher than those quoted because the distribution of the full pasta ration was not made in May. The reduction in the cereal stocks arose from the fact that arrivals from abroad - 154,000 tons - plus amassing were far below the consumption of the country. Because arrivals during the first half of June were expected to be poor and because the new harvest will not become an important source of grain until the latter end of June, an extremely grave situation was expected to arise in the middle of June. Stocks became so low that on May 24th UNRRA approached the Allied Commission with a view to acquiring a loan from Allied Military stocks of up to 20,000 tons of flour to be repaid in 30 days. The matter was referred to AFHQ who were unable to agree. Although no official cut was made in the rations, the Italian Government decided to postpone the May pasta issue of 500 grammes. However a number of cities, including ROME, issued the pasta ration in defiance of the Government's policy. In instituting the emergency amassing programme which was designed to meet the serious cereal situation, the Italian Government reduced the goal from 150,000 tons recommended by UNRRA to 68,360 tons. However, to the 31st of May only 33,685 tons of cereals (excluding rice) or 49.1 % of the goal had been amassed under the emergency programme. The emergency amassing decree was so written as to require delivery of cereals by 31st of May. However, it is expected that receipts will continue into June. There are a number of reasons for the failure to reach the goal set in the emergency amassing programme. Although the decree required producers to surrender only 6% of their annual retentions of 2 and 1.5 qls., the decree came late in the crop year and the 6% reduction in retention amounted to perhaps 25 or 30% of the retention remaining unconsumed. Moreover, the reduction in the retentions (equivalent to a cut in the producer's ration) came at a time when agricultural life is strenuous and the workers are hungry. Another reason for the failure of the emergency measure was the fact that although it almost tripled the official price paid for grain it still left the official price about 1/3 of the black market price. The local enforcement of the decree was perhaps handicapped as well by the fact that the Central Government decree was not published until the 29th of May, the provinces having instituted the emergency measure in provincial decrees based on telegraphic instructions from the Ministry of Agriculture.

2. It was reported previously that the country had large stocks of powdered milk, dehydrated soup and dried eggs. The Italian Government recommended to UNRRA the use of 6,000 tons of powdered milk by mixing it with flour for bread-making at the rate of 4-5%. The proposal was still under study by UNRRA at the end of May. The Italian Government likewise intended to make a special distribution of 500 grs. dehydrated soup per capita in PIEDMONT, LOMBARDY and VENETO Compartments. To encourage the movement of dried eggs the Government reduced the price at the warehouse from 52% lire to 400 lire per Kg.

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of cities, including ROME, issued the pasta ration in defiance of the Government's policy. In instituting the emergency cereals programme which was designed to meet the serious cereal situation, the Italian Government reduced the goal from 150,000 tons recommended by UNRRA to 68,560 tons. However, to the 31st of May only 33,685 tons of cereals(excluding rice) or 49.1 % of the goal had been realised under the emergency programme. The emergency cereals decree was so written as to require delivery of cereals by 31st of May. However, it is expected that receipts will continue into June. There are a number of reasons for the failure to reach the goal set in the emergency cereals programme. Although the decree required producers to surrender only 6% of their annual retentions of 2 and 1.5 qls., the decree came late in the crop year and the 6% reduction in retention amounted to perhaps 25 or 30% of the retention remaining unconsumed. Moreover, the reduction in the retentions (equivalent to a cut in the producer's ration) came at a time when agricultural life is strenuous and the workers are hungry. Another reason for the failure of the emergency cereals measure was the fact that although it almost tripled the official price paid for grain it still left the official price about 1/3 of the black market price. The local enforcement of the decree was perhaps hampered as well by the fact that the Central Government decree was not published until the 25th of May, the provinces having instituted the emergency measure in provincial decrees based on telegraphic instructions from the Ministry of Agriculture.

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3. There was a great shortage of dried vegetables in Italy, practically all stocks having been exhausted in May. Due to such shortage the May ration requirements of dried vegetables were not met in all cases. The Italian Army as well as other groups apparently will have to find substitutes for dried vegetables in the ration during the next few months.

4. Although the Italian cereal situation became more and more serious in May, it was not reflected in black or free market prices. From the end of April to the end of May there was a rising tendency in the price of bread and pasta, but the increase was not great and a reduction actually occurred in the price of pasta in ROME. In other foods, reductions in prices were just as common as increases. The absence of greater reflections in prices of the serious cereal situation is probably explained by the fact that in May large quantities of locally produced foods, particularly potatoes came on the market.

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5. Arrangements were successfully concluded with the Italian Government for the payment in full to the British Army of outstanding debts as of 31st March (except flour) incurred through Midshift Meals and Displaced Persons issues. The grain shortage prevented the Italian Government from repaying the flour debt.

6. There were sufficient cereals in VENEZIA GIULIA and UDINE to last until the middle of June. A shipment of 8,000 tons of flour was predicted to arrive 15 June and will carry the above area for an additional month. Because of the world cereal shortage, the pasta ration in VENEZIA GIULIA was reduced to 500 grs. monthly, putting it on the same basis as UDINE and Italian Government territory. To maintain the usual differentiation in POLA, necessitated by its economic isolation, it was recommended to AFHQ (G) Corps that the POLA ration be reduced from the former 2,500 grs. to 1000 grs. The reduction in VENEZIA GIULIA pasta ration was effective in May. In May VENEZIA GIULIA distributed all of its rations, although the 500 grs. of pasta distribution was not completed until June. Sugar was distributed at 200 grs. instead of the reduced basis of 100 grs. adopted in the rest of ITALY. UDINE distributed all supplementary rations and rations to Special Classes. A free issue of 500 grs. of sugar, donated by UNRRA, was also distributed to children 0-18 years in UDINE CITY.

AGRICULTURAL SECTION.

7. The rains which broke the long drought during the last few days of April, continued throughout the month of May, benefitting greatly cereals, pastures and gardens but interfering somewhat with the harvest of the first cutting of hay. Only at FOGGIA did recent reports indicate that it was still "seriously dry". On the other hand "excessive moisture" which caused some damage to crops and interfered seriously with field work, was reported from PISA CITY. On the whole, both rainfall and temperatures were unusually favorable for May, a month which in Italy is frequently too hot and dry. Stimulated by abundant moisture and favorable temperatures, the conditions of practically all agricultural crops registered notable gains during May. As a result recent estimates of the 1945 harvest made by the Istituto Centrale di Statistica, were with few exceptions, larger than the original forecasts made in January.

8. Reports of new infestations of grasshoppers were received almost daily during May. Although most of the new outbreaks involved relatively small areas of pasture and hay lands, they were very properly regarded by local authorities as the threat of devastating hordes that would cause serious damage to agricultural crops; hence many requests were received by the Minist of Agriculture for material and equipment with which to combat the menace. Up to 27 May, infestations were reported in sections of SARDINIA (238 of the 261 communes), SICILY, CAMPANIA, BASILICATA, PUGLIA, CALABRIA, LAZIO, TUSCANY & EMILIA. In SARDINIA the infestation was reported to be the most serious encountered in 60 years. Fortunately much of the wheat was too mature to be completely destroyed although the destruction of its leaves will reduce the yield to approximately 70% of that which was expected a month ago. A valiant effort was being made in areas where the infestations were most severe to save the crop, but the shortage of poisons and bran, basic ingredients of the control

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9. Hail damage was experienced in scattered areas of the PO Valley during the first half of May; there was also a prevalence of a fungus (fusarium) on much of the wheat of the CAMPIDANO plains in SARDINIA. Lastly a hail caused some damage to fava fields in SOUTHERN ITALY. However all of these unfavorable factors, including the grasshoppers, are not to be compared in importance to the severe drought which blasted crop prospects a year ago.

10. New potatoes were available throughout the country at prices but little more than half those prevailing at planting time. Both yields and quality were very satisfactory. Tomatoes were being harvested in SICILY and were available in ROME but at prices too high for general use. The

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season for fava, [illegible] and artichokes was considerably extended by the cool moist weather. Green beans were in large supply and of exceptionally good quality.

11. The wheat harvest of SICILY will be approximately 15 days later than usual this year, because of the late planting brought about by insufficient moisture last autumn. The new harvest will start in CAMPANIA and PUGLIE where cutting is expected to be in full swing by 10 June. Reports indicated that harvest operations will be started in practically all provinces by 15 June; hence, new wheat should be available everywhere early in July.

12. The 90 farm tractors and 97 additional boxes of spare parts remaining in Requisition RA-201 were unloaded in GENOA about 1 May. These tractors and 664 machines received in February were finally delivered to farmers, after a delay of nearly three months, during which the Italian officials were deciding what operators and at what prices machines should be sold. Supplies of fertilizer against RA-XB and XT requisitions were received during the month and the manufacture of domestically produced fertilizers was staging a rapid recovery and gave promises of being able to attain from 60 to 70 % of their pre-war production during the year beginning July 1 1946.

13. The emergency harvesting decree directing the delivery of not less than 6 per cent of all authorized with holdings of cereals brought in 55,685 tons of grain (excluding rice) during May or 49 per cent of the established goal. Plans and prices for harvesting the wheat of 1946 harvest were announced. Prices including substantial bonuses for early deliveries, were approximately 2½ times those prevailing in 1945 and coupled with a harvest estimated at 40% larger should assure deliveries very much greater than those a year ago.

14. An inspection was made during May of forestry equipment imported in 1944 under RA requisition and still in warehouses in the NAPLES area. It was found that the principal items on hand were axes, cross-cut saws, files for sharpening saws and web belting. Although distribution was much slower than was anticipated, it was the opinion of the Consorzio Nazionale Approvigionamento Industrie del Legno, that they will be absorbed by the timber industry at a reasonable date. Storage and method of accounting appeared to be satisfactory.

COMMERCE (FOREIGN TRADE) BRANCH.

15. Subsequent to the handing over by AC of its last remaining foreign trade function, a Working Group was established to advise the Italian Government on foreign trade matters. The Committee, which is advisory, contains representatives of various Ministries such as Foreign Affairs, Industry and Commerce and Foreign Trade, and representatives of the British and American Embassies, UNRRA and AC. Three meetings have been held; the first dealt with the structure and functions of the Committee, and it was decided that the Committee would be informed, and its functions, consultative and of a co-ordinating nature. Meetings were held weekly at the Ministry of Foreign Trade.

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70% of their pre-war production during the year beginning [illegible].

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16. About the middle of this month AC passed over to the U.S. Embassy the care of the negotiations initiated with the representatives of the U.S. Military Government in BERLIN.

17. Attempts were made to put trade between ITALY and TRIPOLITANIA on a barter basis, and to this end, initiated negotiations (see last month's report) between the representatives of BMA TRIPOLITANIA and the Italian Government. It was agreed that a system be set up to expedite compensation deals. After this had been agreed, information was received from BMA TRIPOLITANIA which defined the procedure for trade between ITALY and her ex-colonies (occupied territories.) This procedure was submitted to the Italian Government for its comments and a reply is awaited for onward transmission to British Military Administration, TRIPOLITANIA. The effect of the new system, is that normal trade between ITALY and occupied territories (ERITREA, CYRENAICA, TRIPOLITANIA) may be carried on between traders resident in these areas and ITALY, provided settlement is effected in sterling through LONDON. Future trade will not therefore be based on compensations. There

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is no doubt that from the moment that the new system is introduced, trade between ITALY and the Allied areas, will have a much better chance to open to. Up till now the dual shackles of barter and bureaucratic control have resulted in little or no trade.

18. In connection with the proposed opening up of private trade on a normal value basis, the question of visits of business men between ITALY and the occupied territories was pursued by AC with AFHQ and by this latter HQ with TRIPOLITANIA. It is hoped that BRIG. TRIPOLITANIA will modify their attitude on the question of permitting the entry of business men and property owners from ITALY.

INDUSTRY AND UTILITIES BRANCH

19. Numerous requests were received for de-requisition of industrial premises. The worst areas affected were NAPLES, LEGHORN and the area from ANCONA to VENICE. Not much success was evidenced in connection with the first two mentioned areas where the British and American armies have their main base installations. However, with regard to the Ansaldo Plant at NAPLES, the Director of Ansaldo and NBT and Ordnance have been in conference and it appeared likely that further sections of the works will be handed back to the owners, this will probably help the unemployment situation in this area.

20. The revised timber plan was approved by AFHQ and the Italian Government instructed to implement the scheme, a loan of 50,000,000 lire was advanced by the Italian Treasury to the Timber Federation to enable them to continue work until payment by the Military Authorities for timber supplied could be effected. A large saw mill and a molasses and syrup plant in the PUGLIE area were released by the British Authorities, and with the withdrawal of 2 Polacca the vacation of many other premises is promised.

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

22. Imported coal discharged in ITALY including SICILY during the month of May totalled 330,000 tons. Sardinian coal arrivals totalled 57,000 tons during the same period. Sardinian coal production for May was 65,854 tons; this was a decrease of 1,516 tons. Production of lignite during the month was approximately the same as the previous month 160,000 tons.

23. Bulk products of POL continued to be released by the Military in a satisfactory manner and by end of May all bulk quantities due against gasoline, kerosene and fuel oil were released in full. Information was received during the month that crude oil from ARGOLI would be available for export to ITALY for refining locally.

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NAPLES, the Director of Ansaldo and [illegible] and Cockhams have been in conference and it appeared likely that further sections of the works will be handed back to the owners, this will probably help the unemployment situation in this area.

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22. Imported coal discharged in ITALY including SICILY during the month of May totalled 336,000 tons. Sardinian coal arrivals totalled 57,000 tons during the same period. Sardinian coal production for May was 68,854 tons; this was a decrease of 1,536 tons. Production of lignite during the month was approximately the same as the previous month 160,000 tons.

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24. The Northern Italy Advisory Committee discussed the matter of standardisation of frequency and transmission and distribution voltages. It will require several years to complete the programme.

25. The Central and Southern Italy joint meeting discussed standardization of frequency and rationing plans for the coming autumn and winter. It is not expected that frequency standardization will be accomplished by the end of 1945 due to necessary mechanical changes to be made on some customers' equipment. Some power rationing will be necessary in CENTRAL and SOUTHERN ITALY during the coming autumn and winter, but it is not expected to be as serious as that experienced during the past winter. Coal for gas plant operation would be of great benefit in relieving the electric system of domestic heating and cooking loads.

26. The SILA Reservoirs for SOUTHERN ITALY show storage of 232,000,000 KWH or about 60% of full capacity; not much more filling is expected. The reser-

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voirs started off the year at full capacity; however, the deficiency will be offset to some extent by restored generating plants and power coming from CENTRAL ITALY and NORTHERN ITALY. The storage reservoirs' position in NORTHERN ITALY is expected to be satisfactory. Those supplying the power for VENEZIA and LIGURIA areas are now filled. Those supplying the balance of NORTHERN ITALY are just starting to fill from the melting snows in the Alps. No improvement has been experienced in the storage position in CENTRAL ITALY. Very little change was made in the power allocations for June as compared with May. Such changes as were made were due to seasonal variations in load.

27. The question of contract for wholesale power between FRANCE and ITALY is now under discussion in PARIS. No information is available as yet on the outcome of negotiations. Arrangements were completed for transferring of electrical materials to British Ministry of Supply and Ministry of Public Works. The Italian Government's request for permission to implement a housing programme in VENEZIA GIULIA to relieve unemployment and housing was not deemed necessary at the present time by AMG XIII Corps.

28. Utilities Division AC, was requested by the Directorate of Mirings and Disposals (Fixed Assets) C.M.F. to assist in the negotiations on turning over to the Italian Government all Bailey bridges in ITALY, which are still in position and which were installed by the British Army. Agreements satisfactory to all parties concerned were completed.

TRANSPORTATION AND SHIPPING BRANCH.

29. 91% of the total network of the railway system was in operation. However, the percentage of electric traction was only 84% and the double track available for service only 55% compared to the 1938 figures. The locomotive situation for April showed an improvement over March as there were fewer locomotives awaiting repair. 59% of the tractive power compared to 1938 was available and only 2,412 steam locomotives available compared to 3,277 in 1938. A total of 7,255 passengers made use of the international train services during April compared to 6,940 during March.

30. A total of 2600 motor vehicles were put in circulation during the month of April 1946. As of 31 December 1945 there was a total of approximately 513,700 motor vehicles in operation compared to a total of 650,928 as of 31 December 1939. 1901 new vehicles were manufactured during the month of April.

31. A total of 198,477 tons of coastwise shipping moved during the month of May. This figure showed an increase of 46,976 tons over the preceding month and an increase of 141,871 tons over May 1945. 93 ships with UNRRA, Italian Programme, Army and Swiss Account Cargo, carrying a total of 748,612 tons, arrived in Italian Ports during May.

CAPTURED ENEMY MATERIALS BRANCH.

[illegible] as compared with 269 during

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over to the Italian Government all Railway Bridges in Italy, whether they were in position and which were installed by the British Army. Agreements satisfactory to all parties concerned were completed.

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30. A total of 2600 motor vehicles were put in circulation during the month of April 1946. As of 31 December 1945 there was a total of approximately 919,760 motor vehicles in operation compared to a total of 650,928 as of 31 December 1939. 1901 new vehicles were manufactured during the month of April.

31. A total of 198,477 tons of coastwise shipping moved during the month of May. This figure showed an increase of 46,976 tons over the preceding month and an increase of 141,871 tons over May 1945. 95 ships with UNRRA, Italian Programme, Army and Swiss Account Cargo, carrying a total of 748,012 tons, arrived in Italian Ports during May.

CAPTURED ENEMY MATERIALS BRANCH.

32. Releases during the month totalled 95 as compared with 269 during April; the main depots, dumps and stores of captured enemy material have now been released for handover to the Italian Government. The releases still to be made appear to be that of material held by units and installations which becomes surplus on their redeployment and disbandment.

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33. There were 890 assorted vehicles released in the South, these comprised trucks, buses, cars, tractors and motor cycles and were classified as unusable. 92 scrap vehicles of various types were released in the North and the total of 982 were passed over to A.R.A.R.

34. The material from the ammunition dump of VIZZO and TAMEZZO and at MOLLA was in the course of breakdown at the factory of RIVALTA SCRIVIA (Micolotti & Co.) An inspection of the factory will be carried out with a view to controlling the use to which the breakdown components are being put. AR/R released 10 lorries to U.L.M.E.R. (Unione Lavorazione Munizioni Esplosivi Residuati) to help in the transportation of ammunition from the dumps to the factories.

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35. The Italian Government accepted the release of 200 vehicles which had been reconditioned in the O.M. Works, BRESCIA and agreed to accept all liabilities of the cost of reconditioning and repairs. The balance of the vehicles, 119, will be taken over by AMAR during next month.

36. In the BOLZANO area there were still a considerable number of C.E. vehicles in circulation. It is hoped to make an arrangement with AMAR and the Italian Army to collect these vehicles and have them listed. There was still a portion of the Sanitarspark, PENTRE, MERANO to be released to the Italian Government; it is hoped that the military command will release this in June for handover to AMAR. Lists of CEN timber were compiled and 3 District requested to give release instructions. Lists of CEN material at NORDBAHNHOF PLATZ, CASTELMEZZO were forwarded to 3 District for release. The R.U.K. files together with the staff were moved from BOLZANO to ROME on the 11th May 46. The setting up of the files for easy reference was completed prior to the end of the month and the work of classification, investigation etc. is now continuing.

37. From available information from 3 District and AFHQ it would appear that the release figures of this month will remain much the same during the next four to six weeks plus a certain number of store releases in the North which were being consolidated.

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PART IV.

INDEPENDENT SUB-COMMISSIONS.

NAVY SUB-COMMISSION.

1. During the month the Italian Government assumed responsibility for maintaining food supplies for the Italian Navy thus making the Italian Government responsible for the subsistence of all her Armed Forces excepting US-ITI and BRIT-ITI troops. The transfer was carried out satisfactorily.

2. In addition to the supply of the mine sweeping stores recommended by the President of the Mediterranean Zone Mine Clearance Board, some German minesweeping equipment was transferred to the Italian Navy. This equipment, together with the other minesweeping stores which were supplied from MALTA will ensure the efficient operation of the Italian minesweeping service and, in particular, of the British minesweeping trawlers transferred to the Italian Navy.

3. The end of May saw the completion of a full programme designed to repatriate all the 56,000 Italian POW in FRENCH NORTH AFRICAN CAMPS at the beginning of the year. There remained only a few sick in hospital in ALGERIA.

4. King Victor Emmanuel and Queen Helena of Italy embarked in the Duca degli Abruzzi for Alexandria after the King's abdication. The cruiser was escorted by the destroyer Granatiere.

5. The Ministry of Marine reported the JUGOSLAV seizure of ten Italian fishing craft together with their crews. The report was later confirmed.

6. All eight Italian M/S Groups began work in earnest to secure an expeditious clearance of mines in Italian waters. Almost all the 52 minesweepers lent to the Italian Navy were operational and took part in these operations. Work proceeded off [illegible], SAVONA, CIVITAVECCHIA, PORTO VENERE, CAPE MEZZOIO, PORTOFINO, ANCONA, VENICE, ALGHERO and CAGLIARI.

7. The Italian Navy was represented at the meeting of the International Mine Clearance Board at the end of the month.

LAND FORCES SUB-COMMISSION (LFSC).

8. The total strength of the Interim Italian Army including Carabinieri as on 1 May 46 was 210,144 against a ceiling of 215,000.

9. S.A.C., C.M.F. authorised the release of all outstanding weapons and equipment for the Italian Army. Issue is proceeding.

10. The primary training of the contents of the first post-war call-up was completed at the end of April. Advanced training is now proceeding at [illegible]

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3. The end of May saw the completion of a full programme designed to repatriate to all the 58,000 Italian POW in FRENCH NORTH AFRICAN CAMPS at the beginning of the year. There remained only a few sick in hospital in ALGERIA.

4. King Victor Emanuel and Queen Helena of Italy embarked in the Duca degli Abruzzi for Alexandria after the King's abdication. The cruiser was escorted by the destroyer Granatiere.

5. The Ministry of Marine reported the JUGOSLAV seizure of ten Italian fishing craft together with their crews. The report was later confirmed.

6. All eight Italian M/S Groups began work in earnest to secure an expeditious clearance of mines in Italian waters. Almost all the 72 minesweepers lent to the Italian Navy were operational and took part in these operations. Work proceeded at LA SPEZIA, SAVONA, CIVITAVECCHIA, PORTO TORRES, CAPO MIZZOIO, BRINDISI, ANCONA, VENICE, ALASSIO and CAPO FARFA.

7. The Italian Navy was represented at the meeting of the International Mine Clearance Board at the end of the month.

LAND RIGHTS SUB-COMMISSION (SACMIL).

8. The total strength of the Interim Italian Army including Carabinieri as on 1 May 46 was 210,111 against a ceiling of 215,000.

9. S.A.C., C.M.F. authorized the release of all outstanding weapons and equipment for the Italian Army. Issue is proceeding.

10. The primary training of the conscripts of the first post-war call-up was completed at the end of April. Advanced training is now proceeding at both CARs (Italian Territorial Training Centre) and Central Schools.

11. All training was suspended during the latter part of May as a result of both recruits and formations being fully employed on election duties. 105

12. Recruiting of Carabinieri within the additional 10,000 authorised by ACMIL did not come up to expectations, only 1,000 having volunteered for re-enlistment as opposed to an anticipated 8,000. The authorities nevertheless remained confident that the necessary men would volunteer when election results were known and recruiting propaganda gained momentum.

13. Automatic carbines up to half entitlement and adequate ammunition both for small arms and armoured cars were issued in case of trouble during the election period.

14. The morale of both Army and Carabinieri continued to rise and relations with the public improved.

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

15. The Medical Dep[illegible] at FLORENCE continued to receive stores from MOSANO, but part of the FLORENCE plant was occupied by ERDDEM which hindered efficient working. The matter was in hand between the Medical Directorate and the Ministry concerned.

16. Repatriation of PW from FRENCH NORTH AFRICA was completed; 75% of PW in UK and 50% of PW in EDDL have been repatriated. 45,846 PW were repatriated during the month.

AIR FORCES SUB-COMMISSION.

17. Flying training was only possible during the first half of the month due to the petrol strike which grounded all aircraft after the 14th. More intensive ground training was substituted.

18. Two new laws were being passed to reduce the officer and N.C.O. strength of the I.A.F. Army and Navy. It was anticipated that 769 Generals and Senior Officers and 7,000 N.C.O's would be released from service. Released officers will receive two years allowance in the rank they hold on being released plus 3 years pension allowance, a special pension allowance and a special monthly allowance.

19. Owing to the delays caused by the High Commissioner for SARDINIA and in view of the fact that the Vatican Relief do not wish to be involved in political wrangles, also because the price of fish and foodstuffs generally were lower than when the scheme was originally mooted last November, the whole project of transportation of non-rationed foodstuffs by air from SARDINIA was cancelled. The facts of the matter were being brought to the attention of the Italian Prime Minister.

20. The British Air Ministry authorised the handing over to the I.A.F. of 57 SPITFIRE IX aircraft from BRINDISI in addition to all spares, ground equipment etc. available in ITALY.

21. On May 27 an Italian SM 79 aircraft was stolen from LENTE Airfield by five unidentified men, believed to be ex-members of the I.A.F. The aircraft belonged to the school at FOGGIA and was due to return to its base on the morning of the theft. Information was received later that the aircraft landed at PIEDIMONTE (near CASERTA) but was not expected by the JUGOSLAV S. A full investigation was being carried out in ITALY by Italian Air Ministry officials.

22. ALFA ROMEO, MILAN carried out tests and overhauls of aircraft engines with an output of 80 per month. FIAT of TURIN was working on designs for the G 4o training aircraft and studies were also being made of types G 22 - 24 and G 26 - 44 for future civil aviation.

23. A record number of 1,300 I.A.F. ex-POW passed through NAPLES during the month.

24. An agreement was obtained with the British Air Ministry to the supply

Declassified E.O. 11065 Section 3-402/NSC Memo. 7/25/78 785020

and Senior Officers and 7,000 N.C.O's would be released from service. Released officers will receive two years allowance in the rank they hold on being released plus 5 years pension allowance, a special pension allowance and a special monthly allowance.

19. Owing to the delays caused by the High Commissioner for SARDINIA and in view of the fact that the Vatican Relief do not wish to be involved in political wrangles, also because the price of fish and foodstuffs generally were lower than when the scheme was originally mooted last November, the whole project of transportation of non-rationed foodstuffs by air from SARDINIA was cancelled. The facts of the matter were being brought to the attention of the Italian Prime Minister.

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23. A record number of 1,300 I.A.F. ex-POW passed through NAPLES during the month.

24. An agreement was obtained with the British Air Ministry to the supply of certain aircraft, marine craft and signals equipment and to a limited number of English-speaking Italian personnel being given certain courses in the UK with a view to improving the standard of training in various Italian Air Force Schools.

COMMUNICATIONS SUB-COMMISSION.

25. Civilian telegraph and telephone traffic increased steadily especially in N.W. ITALY where in some cities such as GENOA and TURIN, long distance telephone traffic handled were in excess of pre-war.

26. Release of circuits by Allied Military Forces and constructions and repairs by the Ministry of Posts and Telecommunications resulted in a few additional circuits being made available on main routes.

Declassified E.O. 11652 Section 3-102/NSC 10, 785020

27. Telephone service for troops in ITALY to the U.K. was inaugurated from MILAN, TRIESTE, ROME and NAPLES.

28. Radio-telephone and radio-telegraph services were opened with MEXICO, CANADA, BRAZIL, ARGENTINA and several other SOUTH and CENTRAL AMERICAN countries.

29. Direct air mail service to the U.S.A. was increased to three times a week and direct air mail service was commenced with HOLLAND and the DUTCH EAST INDIES.

Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Declassified E.O. 12065 Section 3-402/NNDC NN 785020

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

From: MINISTRY OF MARINE (Cabinet)
To : N.S.C. - H.Q. - A.C.
Date: 31st July 1946
Ref.: 12865/2 - Encl. No.9

Subject: Italian Navy List - 1st July 1946

With reference to your letter NSC/2023 of 2nd April 1945, forwarded herewith are 9 copies of the above-mentioned publication bearing copies numbers 130 to 138.

CHIEF OF CABINET

(Translator's note : Enclosures distributed as follows :

Copy No.	130	Captain Blackburn
	131	Lt.Cdr. Davies
	132	Cdre Ziroli
	133	Cdre Ziroli for U.S.N.
	134	Cdre Ziroli for U.S.N.
	135	S.O. (I)
	136	S.O. (I) for D.N.I.
	137	S.O. (I) for S.O. (I) Med.
	138	S.O. (I) for S.O. (I) Med.

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GGE/P.
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Declassified E.O. 12065 Section 3-402/NNDC No. 785020

Ministero della Marina
GABINETTO

INDIRIZZO TELEGRAFICO MARINA - ROMA

Roma, 31 LUG 1946 194

Prot. N. 12865/2 Allegati 9

Al NAVY SUB-COMMISSION
HEADQUARTERS, A.C.

ARGOMENTO "Elenco degli Ufficiali in servizio"
Edizione 1° Luglio 1946.-

RISERVATO

In relazione al vostro foglio NMS/2023 del 2 aprile 1945, si trasmettono 9 copie della pubblicazione in argomento, distinte con i numeri dal 130 al 138.*

IL CAPO DI GABINETTO
C.di V.G. MARINI

102

Declassified E.O. 12065 Section 3-402/NNBC no. 785020

From: MINISTRY OF MARINE (Cabinet)
To : N.S.C. - H.Q. - A.C.
Date: 3rd February 1946
Ref.: 2261/2

Subject: Italian Navy List

With reference to your letter NSC/2023 of 2nd April 1945, forwarded herewith are nine copies of the Italian Navy List of 1st January 1945, bearing copies numbers 124 to 132 inclusive.

CHIEF OF CABINET

GGE/P.

(Translator's note : Enclosures distributed as follows :

Copy No.	124	-	Captain Blackburn
	125	-	Lieut.Cdr. Davies
	126	-	Cdre Ziroli
	127	-	" " for U.S. Navy
	128	-	" " for U.S. Navy
	129	-	S.O.(I) Rome
	130	-	" " " " for D.N.I. London
	131	-	" " " " for S.O.(I) Mediterranean
	132	-	" " " " for S.O.(2) Mediterranean

)

NSC-4/101

Unclassified E.O. 12065 Section 3-402/NNDC NO. 785020

Mod. 4C

Roma 3 FEB 1946 194

Ministero della Marina
GABINETTO

NAVY SUB COMMISSION
HEADQUARTERS, A.C.

INDIRIZZO TELEGRAFICO MARINA - ROMA

Prot. N° 2201/2 Allegati

ARGOMENTO Elenco degli Ufficiali in servizio.

RISERVATO

In relazione al vostro foglio n° NSC/2023 del 2 Aprile 1945, trasmetto 9 copie dell'elenco degli Ufficiali in servizio al 1° Gennaio 1946, distinte con i numeri dal 124 al 132 incluso.

IL CAPO DI GABINETTO
C. di V. G.MARINI

100

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

Mod. 40

Roma, 29 MAR. 1946

Ministero della Marina
GABINETTO

INDIRIZZO TELEGRAFICO: MARINA - ROMA

Prot. N° 5781/2 Allegati 9.-

ARGOMENTO "Elenco degli Ufficiali in servizio". Edizione 1° Marzo 1946.-

Al NAVY SUB-COMMISSION
HEADQUARTERS, A.C.

In relazione al vostro foglio NSC/2023 del 2 aprile 1945, si trasmettono 9 copie della pubblicazione in argomento, distinte con i numeri dal 130 al 138.-

IL CAPO DI GABINETTO
C.di V. G.MAMMI

N° 130 Gab.
131 E.C.S.
132
133 } U.S.N.
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137 } SO(I)
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Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

From : MINISTRY OF MARINE (Cabinet)
To : N.S.C. - H.Q. - A.C.
Date : 4th December, 1945.
Ref. : 24807.

Subject : List of serving Officers (Italian Navy List).

With reference to your letter NSC/2023 of 2nd April, 1945, herewith are forwarded 9 copies of the List of Officers in Service at 1st November, 1945, bearing copy numbers 119-127 inclusive.

CHIEF OF CABINET

(Translator's Note :-

Distribution effected as follows :

119 : Lt.Cdr. DAVIES
120 : Captain BLACKBURN.
121 : Cdre. ZIROLI
122 : S.O.(I) Rome
123 : - do - for D.N.I. London.
124 : - do - for S.O.(I) Med.
125 : Cdre ZIROLI for U.S.Navy
126 : - do - - do -
127 : Lieutenant Godsell.)

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Declassified E.O. 12065 Section 3-402/NNDC No. 785020

Ministero della Marina

GABINETTO

INDIRIZZO TELEGRAFICO MARINA – ROMA

Prot. N° 24807 Allegati

ARGOMENTO: Elenco degli Ufficiali in servizio.

Roma, 4 DIC. 1945 1945

Al NAVY SUB COMMISSION
HEADQUARTERS, A.C.

In relazione al vostro foglio NSC/ 2023 del 2 Aprile 1945, trasmetto 9 copie dell'elenco degli Ufficiali in servizio al 1° Novembre 1945, distinte con i numeri dal 119 al 127 incluso.

IL CAPO DI GABINETTO
C. di V. G.MARINI

G Marini

98

Declassified E.O. 12065 Section 3-402/NNDC No. 725020

From : MINISTRY OF MARINE (Cabinet)
To : N.S.C. - A.C.
Date : 4th October 45.
Ref. : 20821/2

Subject : ITALIAN NAVY LIST

With reference to your letter NSC/ 2023 of 2nd April 1945, forwarded herewith are nine copies of the Italian Navy List of 1st Se ptember 1945, bearing copies numbers 120 to 128 inclusive.

CHIE F OF CABINET.

GGE.

(T's note: Enclosures have been distributed as indicated in the attached list).

N.S.C-4
97

Declassified E.O. 12065 Section 3-402/NNDC No. 725020

Distribution.

Copy no.	To
120	Lt. Cdr Davies (Staff Personnel Officer)
121	Captain Blackburn (C.S.O. - L.)
122	Cdre. Ziroli
123	S.O.(I). Rome.
124	-do- for D.N.I., London.
125	-do- for S.O.(I). Mediterranean.
126	Cdre. Ziroli for U.S. Navy.
127	Cdre. Ziroli for U.S. Navy.
128	Lieutenant Commander Hetherington.

-o-

GGE.

Declassified E.O. 12065 Section 3-402/NNDC NO. 725020

Mod. 40

Roma 4 OTT. 1945 19

Ministero della Marina
GABINETTO

INDIRIZZO TELEGRAFICO: MARINA - ROMA

Prot. N° 20921/2 Allegato

ARGOMENTO: Elenco degli Ufficiali in servizio.

NAVY SUB COMMISSION
HEADQUARTERS, A.C.

In relazione al vostro foglio NSC/2023 del 2 aprile 1945, trasmetto n° 9 copie dell'elenco degli Ufficiali in servizio al 1° Settembre 1945, distinte con i numeri dal 120 al 128 incluso.

IL CAPO DI GABINETTO
C. di V. G.MARINI

20 - Le Consolazione

95

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Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 394

RESTRICTED

NSC/3388
26 August 1945

RESTRICTED

FILE

From: Navy Sub-Commission, Hq. Allied Commission.
To: Establishment Section, Hq. Allied Commission.

Subject: Report of Injuries or Deaths.

1. In compliance with Establishment Section, Hq. AC letter of 25 August 1945, no injuries or deaths are known to have occurred to persons employed by the Navy Sub-Commission, Hq. AC.

R. ST. J. BUTLER,
CAPTAIN, U. S. NAVY,
FOR REAR ADMIRAL,
CHIEF, NAVY SUB-COMMISSION, AC.

ALLIED · NAVY SUB-COMMISSION · COMMISSION
KP FILE

94B.

NSC-4

29 AUG 1945

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

RESTRICTED

HEADQUARTERS
ALLIED COMMISSION
ESTABLISHMENT SECTION
APO 394

25 August 1945

SUBJECT: Report of Injury or Death

TO : Director, Navy Sub-Commission, Hq Allied Commission, APO 394

Reference this headquarters letter Civ Pers/234 dated 14 December 1944.

1. Provisions of the above-mentioned letter are intended to protect the governments of the United States and the United Kingdom from any claims arising out of the death or injury of any Italian civilians employed by Allied Military Government and the Allied Commission.

2. It has been found, however, that some Regions, etc., now inactivated have been lax in the carrying out of these provisions, with the result that claims are being made to Claims and Hirings and to the U. S. Claims Service.

3. In order that there may be no recurrence of this situation and in order that headquarters files may be complete, it is directed that all Sections, Sub-Commissions, Regions and Zones make a report not later than 10 September 1945 of all such cases that have occurred. Reports will contain name of employee, and state whether killed or injured, also set forth the date the incident occurred. In every case where a copy of the certificate of injury was not furnished to this headquarters, a true copy of that certificate will be made and will accompany the report.

4. Care must be taken to assure that this report is complete. Inquiries will therefore be made of all subordinate units (divisions, provinces, camps, etc.).

5. Negative reports are required.

BY COMMAND OF REAR ADMIRAL STONE:

C. M. PARKIN
Col, Inf
Actg Vice President

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RESTRICTED

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Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 304

NSC/3559
14 September 1945.

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

From: Navy Sub-Commission, Hq. Allied Commission.
To : Executive Commissioner, Hq. Allied Commission.

Subject: Report on Visit to the Allied Naval Experimental Station - San Andrea.

Enclosure: (A) Copy of CINCMED ltr. Med.45/00460/17 of 9 September 1945 - subject as above.
(B) Copy NOIC Venice dispatch 131015B June.
(C) Copy AFHQ secret ltr. AG 388.3/087 GEG-O of 2 August 1945.

1. Enclosures (A), (B) and (C) are forwarded herewith for information as requested by the Commander-in-Chief, Mediterranean, in paragraph (2) of enclosure (A).

(Sgd) G. L. WARREN
REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

Copy to:
CINCMED - w/o Encl.

17 SEP 1945

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NSC 4

CONFIDENTIAL

Office of Commander-in-Chief,
Mediterranean Station,
Allied Force Headquarters.
9th September, 1945.

Med.45/00460/17.
THE NAVY SUB-COMMISSION, HEADQUARTERS ALLIED COMMISSION.
(Copy to:- The Secretary of the Admiralty.
(Submission No.3981/Med.45/00460/17).
(Reference the Superintendent of Diving, H.M.S.VERNON's letter, No.60/E, dated 16th July, 1945, to the Director of Torpedoes and Mining, Admiralty.)

REPORT ON VISIT TO THE ALLIED NAVAL EXPERIMENTAL STATION - SAN ANDREA

The following are extracts from a report on a visit to the Allied Naval Experimental Station, San Andrea, Venice:-

(a) "6. (ii) On the other hand, they are firmly convinced that Human Torpedoes and the like have a great future, and there is no doubt that whatever view the Allies take of their activities, they will continue this development by hook or by crook. They have admitted that they would carry on "underground" if officially vetoed."

"They" are Commandante A. Belloni, Lieutenant E. Wolk, and other members of the 10th M.A.S. Flotilla.

(b) "In Caproni's factory (Milan), work on the remainder is still proceeding and four will shortly be ready for delivery."

The weapons referred to are Italian Human Torpedo Type "S.S.B."

(c) "This is a magnificently built and equipped factory originally specialising in Torpedo manufacture. It is quite undamaged and is awaiting work.

The following parts of diving apparatus are made there:-

91

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

The following are extracts from a report on a visit to the Allied Naval Experimental Station, San Andrea, Venice:-

(a) "6. (ii) On the other hand, they are firmly convinced that Human Torpedoes and the like have a great future, and there is no doubt that whatever view the Allies take of their activities, they will continue this development by hook or by crook. They have admitted that they would carry on "underground" if officially vetoed."

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(b) "In Caproni's factory (Milan), work on the remainder is still proceeding and four will shortly be ready for delivery."

The weapons referred to are Italian Human Torpedo Type "S.S.B."

(c) "This is a magnificently built and equipped factory originally specialising in Torpedo manufacture. It is quite undamaged and is awaiting work.

The following parts of diving apparatus are made there:-

(i) Reducers for Belloni breathing apparatus.
(ii) Canisters for Belloni breathing apparatus.
(iii) Metal connections and cylinder frames for Belloni breathing apparatus.
(iv) Hand operated bye-pass valves for "Gamma" breathing sets.
(v) Mouthpiece cocks for "Gamma" breathing sets.
(vi) Canisters for "Gamma" breathing sets.
(vii) Cylinder valves for both types of sets, while cylinders made at Dalmine are valved there.

A certain amount of work is in hand to complete the above on ex-German orders. Some of this work was witnessed, including the setting of reducers. It appeared that a very high standard of workmanship and accuracy was maintained."

The factory referred to is Rumi's, Bergamo.

2/ .....

Declassified E.O. 11095 Section 3-402/NNC NO. 785020

2. It is requested that the foregoing may be brought to the notice of the Allied Commission with reference to AG 388.3/087 GEG-O dated 2nd August, 1945, a copy of which was forwarded to the Flag Officer, Italy and Liaison, under Med.45/00180/42, dated 11th August, 1945.

3. Although there is an Allied interest in the state of development of Italian research on the subject of these weapons, no direction has been given nor is it intended to give any direction for production under paragraph 3 of the AG publication under reference. No action has been taken to authorise the completion of torpedoes reported in the Naval Officer-in-Charge, Venice's signal, timed 131015B June, 1945.

for ADMIRAL

Declassified E.O. 12065 Section 3-402/NSDC No. 785020

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

(4V180) Wt. 16539/D781d. 500M Pads. 7/42. E. & S. Ltd. 51-9285.

S. 1320

NAVAL MESSAGE.

For use in Signal Department only

COPY.

Originators Instructions (Indication of Priority, Intercept Group, etc.)	Codress/Plaindress	No. of Groups
TO: C IN C MED. (R) FOTALI FOTALI (ROME) SNO NORTHERN ADRIATIC	FROM: NOIC VENICE 131015B June.	

RESTRICTED.

WRITE ACROSS

Caproni Milan have 4 in number SSB (Human torpedo) in advanced state of building.

Firm are assembling at own risk and should complete in approximately 3 weeks, 9 more can be completed in 4 months if required.

= 131015B/June.

System	D/L Code or Cypher	Time of Receipt	Time of Despatch	Operator	P.O.O.W.	Date

SECRET

AP583
SECRET
BY AUTH SAC MET

ALLIED FORCE HEADQUARTERS
APO 512

2 August 1945.

AG 388.3/087 GEF-O

SUBJET: Policy on Italian Munitions Production.

TO: Chief Commissioner
Allied Commission.
APO 394.

1. As directed by the Combined Chiefs of Staff in TAM 638 dated 21 July 1945, AFHQ letter file and subject as above dated 11 February 1945 is rescinded and the following substituted therefor as an interim policy pending the negotiation of a peace treaty when this policy will be reviewed.

2. Pending receipt of a policy directive from Combined Chiefs of Staff, the following interim policy will govern the disposition of Italian industries required for production or repair of arms, munitions or other implements of war. This policy is applicable to all such plants, tools, equipment, facilities and production in such plants, whether State owned or privately owned.

3. No armaments, munitions or implements of war will be produced except as directed by the US and British armed forces.

4. The Allied Commission will:

a. Encourage the maximum utilization of all arms and munitions plants, tools and equipment essential to the Allied military effort.

b. Encourage the manufacture of equipment and material directed by the Allies as being necessary for the maintenance of the interim Italian Army.

c. Impound all tools and equipment which can produce only prohibited war-like stores, pending decision of possible use in the Allied military effort.

88

Declassified E.O. 12065 Section 3-402/5AC No. 785020

1. As directed by the Combined Chiefs of Staff in TAM 638 dated 21 July 1945, AFHQ letter file and subject as above dated 11 February 1945 is rescinded and the following substituted therefor as an interim policy pending the negotiation of a peace treaty when this policy will be reviewed.

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c. Impound all tools and equipment which can produce only prohibited war-like stores, pending decision of possible use in the Allied military effort.

88

d. Insure operation of industries required for production or repair of arms, munitions or other implements of war only to the extent required by the Allied armed forces and Merchant Marine services. The output of Italian arms or munitions plant will NOT be furnished to the Italian Navy without the prior consent of the Commander in Chief, Mediterranean.

e. Make a survey of Italian war-like stores in arsenals, factories, depots, dumps and in the hands of the Italian armed forces.

BY COMMAND OF FIELD MARSHAL ALEXANDER.

Sgd. EDMUND R. SHUGART.
Colonel, AGD
Asst Adjutant General

Declassified E.O. 12065 Section 3-402(b)(3) NND No. 785020

Declassified E.O. 12065 Section 3-402/NNBC No. 785020

HEADQUARTERS ALLIED COMMISSION

APO 394

Office of the Executive Commissioner

Tel: 284

Ref: 150/37/EC.

21 August 1945.

SUBJECT: Weekly Sitreps.

TO : Civil Affairs Section
Economic Section
Communications Sub-Commission
War Material Disposal & IPW Sub-Commission
Navy Sub-Commission
Land Forces Sub-Commission (MMIA)
Air Forces Sub-Commission
Public Relations Branch

Routine weekly sitreps will not be submitted in future, but matters of special interest or importance will be reported to this office as and when they occur.

D Macellyn
Lieut.

for Chief Staff Officer,
To Executive Commissioner.

87

NSC-4

Declassified E.O. 12065 Section 3-402/NNTD NO. 1785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 394

NSC/1870
20 March 1945.

From: Navy Sub-Commission, Hq. Allied Commission.
To : Executive Commissioner, Hq. AC.

Subject: Weekly Sitreps.

Reference: (a) Executive Commissioner ltr 150/26/EC of 15 March 1945.

1. In accordance with reference (a) the following Sitrep is submitted:

"A directive was issued by Allied Force Headquarters on 7 March 1945, under which the Navy Sub-Commission, Hq. AC is responsible for all administrative and material questions affecting the Italian Navy, including: -

a. Employment of Personnel
b. Supplies of food, clothing, transport and naval stores.
c. Disposal of war material.
d. Requisitioning of Italian Naval property.

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

REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

86

0470

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Executive Commissioner

Ref: 150/26/EC

Tel: 735

15 March 1945

SUBJECT: Weekly Sitreps.

TO : VP, Economic Section (11)
VP, Civil Affairs Section (10)
Dir, Communications Sub-Commission (1)
Dir, War Material Disposal & Italian PW Sub-Commission (1)
Public Relations Officer. (1)

1. I have received a complaint from AFHQ that the material contained in the Weekly Sitrep is not satisfactory.

2. The purpose of this sitrep is to provide AFHQ with material to give a concise weekly national picture of conditions in ITALY for the Combined Civil Affairs Committee of the Combined Chiefs of Staff in WASHINGTON. I gain the impression that this is not appreciated and the object of this memorandum is to give directions which will ensure that the activities of this Commission are adequately reported.

3. Previously the basis of this sitrep has been reports from Regions, but since Sub-Commissions receive all regional information of importance from their specialist officers in the field I have decided to rely on HQ to provide this basis. Vice Presidents will give special attention to the provision of material for the sitrep. Two or three lines are all that are required from each Sub-Commission, containing only material which is general in character and is likely to be of value to the CCaC in WASHINGTON: commencing 21 March 1945 this information, or a nil return, to be submitted to this office not later than 1200 hours on Wednesday of each week.

Brigadier,
Executive Commissioner.

Note for to: Navy Sub-Commission
Land Forces Sub-Commission (MMIA)
Air Forces Sub-Commission
} I shall be grateful if the Services S/C's will provide material for the sitrep as suggested in para 3.

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
APO 394
Navy Sub-Commission

MEMORANDUM: Date:_____

From: Navy Sub-Commission, Hq, AC.
To : Executive Commissioner, Hq, AC.

SUBJECT: WEEKLY STREPS.

Reference: Executive Commissioner ltr. 150/26/EC, dated 16 March 1946.

1. In accordance with referenced letter, it is reported that the Navy Sub-Commission has no material to submit for inclusion in the STREP for the week ending _____.

REAR ADMIRAL,
CHIEF, NAVY SUBCOMMISSION, AC.

NSC-4. 84

0472

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission . APO 394

NSC/2235
25 April 1945.

From: Navy Sub-Commission, Hq., Allied Commission.
To : Executive Commissioner, Allied Commission.

Subject: Navy Sub-Commission weekly Sitrep Report.

Reference: (a) Executive Commissioner, AC ltr. 150/26/NC, dated 15 March 1945.

1. In accordance with reference (a), the following material is reported to the Executive Commissioner by the Navy Sub-Commission for inclusion in the Sitrep for the week ending 22 April 1945:

The Navy Sub-Commission has been informed by the Italian Ministry of Marine that on 10 May 1945 and 15 June 1945, two drafts of 1923 and 1924 recruits will be called to service with the Italian Navy. These two drafts totaling approximately 4550 men will be the first that have been called for service in the Italian Navy since the Armistice. The total personnel strength of the Italian Navy will not be affected as a result of the call-up, as an equal number of individuals will be released simultaneously from those reserve classes which already have fulfilled their service obligations.

WWW

(Sgd) G. L. WARREN
REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

83

NAVY SUB-COMMISSION - ALLIED COMMISSION

25 APR 1945

NSC-4

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 394

NSC/2903
10 July 1945

From: Navy Sub-Commission, Hq. Allied Commission.
To: Executive Commissioner, Hq. Allied Commission.

FILE

Subject: Weekly SITREP.

References: (a) Executive Commissioner, AC ltr 150/25/EC of 15 March 1945.

1. In accordance with reference (a) the following material is submitted for inclusion in the Allied Commission SITREP for the week ending 8 July 1945:

The Commander-in-Chief, Mediterranean has directed that Italian Merchant Vessels in the Mediterranean which carry Italian armament manned by Italian Naval personnel are now to be disarmed. Such action will permit a considerable number of Italian Navy gun crews to be released in order that they may rejoin other branches of the Italian Navy.

(Sgd) G. L. WARREN
REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

NSC-4.

NAVY SUB-COMMISSION ALLIED COMMISSION FILE KP

82

11 JUL 1945

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

FROM: AIR FORCES SUB-COMMISSION,
ALLIED COMMISSION, ROME.

TO: REAR ADMIRAL C.S. WARREN,
CHIEF, NAVY SUB-COMMISSION,
H.Q. A.C.

DATE: 25TH JUNE, 1945.

REF: DO/IEB/11.

CONFIDENTIAL.

Thank you for your letter NSC/2701 dated 20th June 1945, enclosing ADMIRAL MORGAN's report for May, which is of much interest. It is noted that policies which are of mutual interest do not always appear to be the same for the Italian Navy, Army, and Air Force. For example, in the case of Italians going on leave from South to North, it is sometimes argued that we should not provide transport because of the expenditure of fuel which has to be paid for and supplied by the Allies, but I see that you allow ships for transport, and I see no reason why Italian M.T. should not do similar jobs.

2. Whilst on this subject of policies, I would welcome any information and decisions of the nature which might affect us, and I will keep you informed likewise; for example, the matter of handing out honours and awards to the Italians.

I.E. BRODIE,
AIR VICE-MARSHAL,
AIR OFFICER COMMANDING.

NAC - 1

81

0475

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS ALLIED COMMISSION
Navy Sub Commission AFO 534

R-Ch-C-Sub-C-Cultural. 1531/270A.
20th June, 1945.

From: Navy Sub Commission, H.Q., Allied Commission.
To : The Chief Commissioner, H.Q., Allied Commission.
The General Officer Commanding, Military Mission to the Italian Army.
The Air Officer Commanding, Air Forces Sub Commission, H.Q., Allied Commission.

Subject: Report #5 Italian Naval Activities.

The attached copy of the Naval Officer, Taranto, Admiral and Liaison, Italy's report of Italian Naval proceedings for the month of May, 1945, is forwarded for your personal information.

(SGD) H. M. WARREN
REAR ADMIRAL,
DEPUTY, NAVY SUB COMMISSION

NSC-4

NAVY SUB-COMMISSION ALLIED COMMISSION
XP
FILE
22 JUN 1945

0476

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

SECRET

SECRET

Office of the Flag Officer,
Taranto, Italy.
Area Combined Headquarters,
[illegible]

5th June, 1945.

No. F.A. 76.

REPORT OF PROCEEDINGS 1st MAY to 31st MAY, 1945.

Sir,

I have the honour to forward my Report of Proceedings in my capacity as Flag Officer, Taranto and Malcesine, Italy for the period 1st May to 31st May, 1945.

ITALIAN FLEET AND ITALIAN NAVY.

2. There has been a considerable reduction in the employment of Italian ships generally, on British Services during the month, except for the cruisers, three of which continue to be fully employed in transporting large drafts of British Personnel. One cruiser has been used to carry large numbers of refugees from North Italy to Sicily.

3. The number of Italian Submarines in use for Anti Submarine training have been reduced. The CAPRIONI has returned from the Red Sea, DIADEMA from Malta, while JALEA and MICHELE are expected to return to Taranto shortly from Gibraltar.

4. With the end of the war in Europe, there are now more British Destroyers available to assist in the working up of Admiral's Cruisers and Cruisers at Malta, and two of the Italian destroyers which had been used for this purpose have consequently been returned to Taranto. The destroyer CARABINIERE has sailed to Colombo for duties on the East Indies Station.

5. Convoying is practically at an end, though since the opening up of the port of Venice, convoys Ancona - Venice have been escorted by two pairs of Italian corvettes owing to the constant danger from mines in those waters. Otherwise, the Italians have been allowed, in the main, to use their escort vessels for their own purposes, which have centred in the transportation of sailors going on leave to the North, until this was temporarily suspended on the East Coast owing to congestion at Ancona.

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6. As regards the battleships in the Bitter Lakes, the end of the war in Europe and the complete liberation of Italy must be calculated to have lowered, rather than raised, the morale of their crews, since they have now much more incentive than heretofore for wishing to proceed on leave and regain contact with their families. For this reason, the Minister of Marine has ordered Admiral DA ZARA to proceed to the Bitter Lakes and address the ships' companies, with a view to improving morale.

This visit .....

0477

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

this visit has been approved by the Commander-in-Chief, Mediterranean and is expected to take place early in June.

Personnel.

7. The Constructive Superintendent's report of repairs carried out at Taranto, Bari and Brindisi during the month of May is enclosed.

8. The complete liberation of Italy and cessation of hostilities in Europe has not as yet had the unfavourable effect on work in the Taranto dockyard which had at times been feared. Most is continuing at the same standard as before and, in fact, the workers have put in some overtime to make up for the time lost during the various fasts which took place on visit of H.M. King. I continue to hear no words from Commanding Officers of British ships refitted in Taranto dockyard that they have had a better or as good a refit as they have ever had in any dockyard.

9. The situation regarding clothing for dockyard workers has cased slightly and advice has recently been received that 5,000 overalls are to be supplied.

Italian Navy.

10. During the month Italian Fort Parties have been sent to Venice, Spezia, Pantelleria, Porto Corsini and Ravenna. The British Fort Party has been withdrawn from Pantelleria and the Fort turned over completely to the Italians. It is intended to hand over Porto Corsini and Ravenna to the Italians on the 10th June.

11. A large number of personnel are now being sent on leave to North Italy in order to visit their families. They have been transported by destroyer to Leghorn and in overrate to Ancona. In spite of assurances received from the Commander-in-Chief, Italian and Lower Adriatic that these personnel would in no way influence decisions on the Naval Officers-in-Charge, Ancona, I received a report from him towards the end of the month, that they were in fact an embarrassment on him, since the Italians had no organisation capable of dealing with them. I have strongly issued instructions that no further personnel are to be sent to Ancona for leave in Northern Italy for the present.

Merchant Naval Trading Vessels.

12. In view of the reduction in the numbers of Italian ships employed on British services, it is hoped to be able to effect further economies in British Mediterranean Fortes during June.

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CONFIDENTIAL

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

Minesweeping.

13. There has been considerable discussion during the month on the subject of minesweeping by Italian vessels. A force of Italian minesweepers is being formed to carry out organised sweeping in the Bay of Naples. The Minister of Marine endeavoured to explain the non-arrival of Minesweepers at Naples by alleging that I had opposed their transfer from Taranto. This was completely untrue since I had never been approached on the subject and, had I been, I should have been only too glad to allow Italian minesweepers to leave my area where I have yet to see them do any work of material value. It has been my experience that Italian Minesweepers, which are for the most part converted fishing vessels, are very much more interested in fishing than minesweeping.

Personnel.

14. With the termination of hostilities in Europe there is now a feeling of nervous anticipation in the Italian air. Their future is uncertain and they undoubtedly view with growing concern the impending departure of the Allied Fleet Units, which will leave them to their own devices under a Government in whom they have no great confidence for some time to come.

15. The situation in Venezia Giulia, and particularly in Trieste, is most disturbing for the Italians, many of whom have near relatives in that area. The firm attitude adopted by the Allies has been received with consternation and has helped to reassure the people that the Yugo-Slavs will not be allowed to dictate the future sovereignty of Trieste and Venezia Giulia.

Conclusion.

16. Now that the Naval War in the Mediterranean is over the Italian Navy finds that it's task of assisting the Allies has come to an end. I think it can truthfully be said that they have little or no interest in the war in the Far East and the general attitude is to obtain demobilisation and return to their families at the earliest possible moment. I doubt whether there would be any great response to a call for volunteers to serve in the Far East.

17. Nevertheless it will be admitted that during the past 18 months, the Italian Navy has co-operated to the fullest possible extent and rendered valuable, though unspectacular, service to the war effort. The lack of sabotage or wilful resistance to Allied and us has been most encouraging and the Italian Navy has in my opinion shown real desire to co-operate with the Allies as best they were able. Their "best" has not always been very good, but this is due to their national characteristics rather than any lack of desire to co-operate.

I have the honour to be Sir,
Your obedient Servant,
(Sgd.) C. E. [illegible]
VICE ADMIRAL.

Unclassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS ALLIED COMMISSION
Navy Sub Commission APO 394

NAV/2701.
20th June, 1945.

From : Navy Sub Commission, HQ., Allied Commission.
To : The Chief Commissioner, HQ., Allied Commission.
The General Officer Commanding, Military Mission to the Italian Army.
The Air Officer Commanding, Air Forces Sub Commission, HQ., Allied Commission.

Subject: Report of Italian Naval Activities.

The attached copy of the Flag Officer, Taranto, Admiral and Liaison, Italy's report of Italian Naval proceedings for the month of May, 1945, is forwarded for your personal information.

(Sgd) H. B. WARREN
REAR ADMIRAL,
DEPUTY, NAVY SUB COMMISSION

NAVY SUB-COMMISSION ALLIED KP FILED 22 JUN 1945

Declassified E.O. 12065 Section 3-4(2)/WNDC NO. 785020

A.O.2.K

SECRET

Office of the Flag Officer,
Madison, Italy,
Area Combined Headquarters,
FORCE 140.

9th June, 1945.

No. F.A. 72.

REPORT OF PROCEEDINGS 1st MAY to 31st MAY, 1945.

Sir,

I have the honour to forward my Report of Proceedings in my capacity as Flag Officer, Taranto and Madison, Italy for the period 1st May to 31st May, 1945.

ITALIAN AIR ITALIAN NAVY.

2. There has been a considerable reduction in the employment of Italian ships generally, on British Services during the month, except for the cruisers, three of which continue to be fully employed in transporting large drafts of British Personnel. One cruiser has been used to carry large numbers of refugees from North Italy to Sicily.

3. The number of Italian Submarines in use for Anti Submarine training have been reduced. The CORRIDONI has returned from the Red Sea, DIANDRO from Malta, while JADRA and NICHELIO are expected to return to Taranto shortly from Gibraltar.

4. With the end of the war in Europe, there are now more British Destroyers available to assist in the working up of Aircraft Carriers and Cruisers at Malta, and two of the Italian destroyers which had been used for this purpose have consequently been returned to Taranto. The destroyer CARABINIERI has sailed to Colombo for duties on the East Indies Station.

5. Convoying is practically at an end, though since the opening up of the port of Venice, convoys Ancona - Venice have been escorted by two pairs of Italian corvettes owing to the constant danger from mines in these waters. Otherwise, the Italians have been allowed, in the main, to use their own vessels for their own purposes, which have centred in the transportation of sailors going on leave to the North, until this was temporarily suspended on the East Coast owing to congestion at Ancona.

6. As regards the battleships in the Bitter Lakes, the end of the war in Europe and the complete liberation of Italy must be calculated to have lowered, rather than raised, the morale of their crews, since they have now much more incentive than heretofore for wishing to proceed on leave and regain contact with their families. For this reason, the Minister of Marine has ordered Admiral DA ZARA to proceed to the Bitter Lakes and address the ships' companies, with a view to improving morale.

This visit .....

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

This visit has been approved by the Commander-in-Chief, Mediterranean and is expected to take place early in June.

Amusements.

7. The Commissioners Superintendent's report of sports carried out at Taranto, Bari and Brindisi during the month of May is enclosed.

8. The complete liberation of Italy and cessation of hostilities in Europe has not as far had the unfavourable effect on work in the Taranto Command which had at first been feared. Work is continuing at the same standard as before and, in fact, the workers have put in some exertion to make up for the time lost during the various festas which took place on and after V.E. Day. I continue to hear no praise from Commanding Officers of British ships refitting in Taranto docyard that they have had a better or as good a refit as they have ever had in any dockyard.

9. The situation regarding clothing for dockyard workers has eased slightly and advice has recently been received that 5,000 overalls are to be supplied.

Repatriation.

10. During the month Italian Boat Parties have been sent to Venice, Spezia, Pantelleria, Porto Cesareo and Ravenna. The British Port Party has been withdrawn from Pantelleria and the Port turned over completely to the Italians. It is intended to hand over Porto Cesareo and Ravenna to the Italians on the 10th June.

11. A large number of personnel are now being sent on leave to North Italy in order to visit their families. They have been transported by destroyer to Leghorn and in convoy to Ancona. In spite of assurances received from the Commander-in-Chief, Londam and Lower Adriatic that these personnel would in no way inflict themselves on the Naval Officer-in-Charge, Ancona, I received a report from him towards the end of the month, that they were in fact an encumbrance on him, since the Italians had no organisation capable of dealing with them. I have consequently issued instructions that no further personnel are to be sent to Ancona for leave in Northern Italy for the present.

BRITISH NAVAL LIAISON PARTIES.

12. In view of the reduction in the numbers of Italian ships employed on British services, it is hoped to be able to effect further economies in British Liaison Parties during June.

74

CONFIDENTIAL .....

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Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

[illegible]

[illegible]

13. There has been considerable discussion during the month on the subject of minesweeping by Italian troopers. A force of Italian minesweepers is being formed to carry out organized sweeping in the Bay of Naples. The Minister of Marine endeavoured to explain the non-arrival of minesweepers at Naples by alleging that I had opposed their transfer from Taranto. This was completely untrue since I had never been approached on the subject and, had I been, I should have been only too glad to allow Italian minesweepers to leave my area where I have yet to see them do any work of material value. It has been my experience that Italian minesweepers, which are for the most part converted fishing vessels, are very much more interested in fishing than minesweeping.

[illegible]

14. With the termination of hostilities in Europe there is now a feeling of nervous anticipation in the Italian air. Their future is uncertain and they undoubtedly view with growing concern the approaching departure of the Allies from Italy, which will leave them to their own devices under a Government in which they have no great confidence for some time to come.

15. The situation in Venezia Giulia, and particularly in Trieste, is most disturbing for the Italians, many of whom have near relations in that area. The firm attitude adopted by the Allies has been received with satisfaction and has helped to reassure the people that the Yugo-Slavs will not be allowed to disturb the future neutrality of Trieste and Venezia Giulia.

[illegible]

16. Now that the Naval War in the Mediterranean is over the Italian Navy feels that it's task of assisting the Allies has come to an end. I think it can truthfully be said that they have little or no interest in the war in the Far East and the general attitude is to obtain demobilization and return to their families at the earliest possible moment. I doubt whether there would be any great response to a call for volunteers to serve in the Far East.

17. Nevertheless it will be admitted that during the past 18 months, the Italian Navy has co-operated to the fullest possible extent and rendered valuable, though unspectacular, service to the war effort. The lack of sabotage or veiled resistance to Allied aid in has been most encouraging and the Italian Navy has in my opinion shown real desire to co-operate with the Allies as best they were able. Their "best" has not always been very good, but this is due to their national characteristics rather than any lack of desire to co-operate.

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I have the honour to be Sir,
Your obedient Servant,
(Sgd.) C. E. MORAN
VICE ADMIRAL.

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

REPORT OF ITALIAN NAVAL ACTIVITIES

(Navy Sub-Commission's N3C/2539 dated 1st June 1945)

II

Med. 45/0060/18
THE NAVY SUB COMMISSION,
HEADQUARTERS ALLIED COMMISSION
(Copy to: The Flag Officer Taranto Adriatic and Liaison Italy)

Request in Minute I is approved.

M. B. Laing
for ADMIRAL

MEDITERRANEAN
14th June, 1945

Declassified E.O. 12065 Section 3-402/NNDD No. 785020

REPORT ON ITALIAN NAVAL ACTIVITIES

(Navy Sub-Commission's NSC/2539 dated 1st June 1945)

II

Med. 45/0060/18
THE NAVY SUB COMMISSION,
HEADQUARTERS ALLIED COMMISSION
(Copy to: The Flag Officer Taranto Adriatic
and Liaison Italy)

Request in Minute I is approved.

MEDITERRANEAN
14th June, 1945

Sgd M. D. LAING
for A D M I R A L

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

HEADQUARTERS ALLIED COMMISSION
Navy Sub Commission APO 394

File
NSC/2529.
1st June, 1945.

From : Navy Sub Commission, HQ., Allied Commission.
To : Commander-in-Chief, Mediterranean Station.
(Copy to :- Flag Officer Taranto, Adriatic and Liaison, Italy.)

Subject : Report of Italian Naval Activities.

The Chief Commissioner, Allied Commission, has enquired whether a short general report of the activities of the Italian Royal Navy, on similar lines to reports already received from the Military Mission to the Italian Army and the Air Forces Sub Commission in the respect of the Italian Army and Air Force, could be supplied for his information.

2. The best source of material for such a resume of Italian Naval Activity is Admiral MORGAN's report of proceedings as the Flag Officer Liaison, Italy, and approval is requested for the use of these reports as the basis of monthly statements to the Chief Commissioner subject to the proviso that such information will be restricted to the Chief Commissioner, the Military Mission to the Italian Army and the Air Forces Sub Commission. The Flag Officer Taranto, Adriatic and Liaison, Italy concurs.

[signature]
NAVAL ATTACHE,
CHIEF, NAVY SUB COMMISSION.
FOR CHIEF COMMISSIONER.

WWW

Q 1/1

4 JUIN 1945

FILE
NAVY - ALLIED

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

OFFICE OF FLAG OFFICER LIAISON ITALY, ROME.

(Naval Sub Commission)

STAFF MINUTE SHEET.

Subject: Italian Naval Activities

Pack No.

Referred to

Rear Admrl.

Captain Butler

Sec't.

When N.S.C first came to Rome, the Chief Commissioner asked us to include some information on the operations of the Italian Navy in the monthly Report. I used to produce a few paragraphs from the meagre information supplied us by Taranto and Naples, but there was little variety to report and we got tired of saying that the cruisers were employed transporting trwops and the morale remained as good as could be expected.

2. General Browning's report is largely filled with information concerning training of the new Italian land forces and their performance in action. We, of course, do not train or operate the Italian ships beyond giving them their orders. Nevertheless, I think we could produce some paragraphs of interest, based on FOTALI's Monthly letter of proceedings, either as a separate report, or as part of the N.S.C Report.

3. Alternatively, we might ask FOTALI's permission to give the Chief Commissioner a copy of his Report of Proceedings, on the understanding that it was not for further distribution.

C.S.O(L.I) 17/4.

FOTALI's report of proceedings is attached

J.H. Thomas/ 17/4.

After action circulation

Disposal

B. U.

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Continue, if necessary, on BACK.

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub Commission APO 194.

NSC/2382.
11th May, 1945. FILE

From : Navy Sub Commission, Hq., Allied Commission.
To : Flag Officer Taranto, Adriatic and Liaison, Italy.

Subject : Report of Italian Naval Activities.

A// The Chief Commissioner, Allied Commission, has enquired whether a short general report of the activities of the Italian Royal Navy, on similar lines to reports already received from the Military Mission to the Italian Army and the Air Forces Sub Commission in the respect of the Italian Army and Air Forces, could be supplied for his information. / B.

2. The best source of material for such a resume of Italian Naval activities is your report in your capacity as Flag Officer Liaison Italy, and, if you concur, it is intended to ask the Commander-in-Chief, Mediterranean Station, to approve the use of material from your report as the basis of a monthly statement to the Chief Commissioner subject to the proviso that such information will be restricted to the Chief Commissioner, the Military Mission to the Italian Army and the Air Forces Sub Commission. Your remarks are requested.

NAVY SUB-COMMISSION - ALLIED - COMMISSION NAVALE
7
14 MAY 1945

(Sgd) G. L. WARREN
REAR ADMIRAL
CHIEF, NAVY SUB COMMISSION.

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NSC - 1

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Declassified E.O. 12065 Section 3-402/NNDC No. 785020

REPORT OF ITALIAN NAVAL ACTIVITIES.
(Navy Sub Commission, Hq. Allied Commission's No.NSC/2382, dated 11th May, 1945.)

II.

No. T.A.1044/61.

NAVY SUB COMMISSION,
HEADQUARTERS, ALLIED COMMISSION,
ROME.

I have no objection to the proposal contained in paragraph 2 of minute I.

E. J. Morgan.

TARANTO.
21st May, 1945.

REAR-ADMIRAL.

0459

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 394

NSC/2827
2 July 1945

From: Navy Sub-Commission, Hq. Allied Commission.
To: Executive Commissioner, Hq. Allied Commission.

Subject: Weekly SITREP.

Reference: (a) Executive Commissioner, AC ltr 150/26/EC of 15 March 1945.

1. In accordance with reference (a) the following material is submitted for inclusion in the Allied Commission SITREP for the week ending 1 July 1945:

The Allied Naval Commander-in-Chief, Mediterranean has directed that captured material of German and Italian Naval origin including that previously in the possession of the Italian Republican Navy if not required for Allied Naval purposes may be turned over to the Italian Naval authorities for Italian Naval purposes. Such action is to be effected through the Navy Sub-Commission which is arranging appropriate procedures. Enemy war material captured by the Yugoslavs in the area which has since come under Allied control is exempted from the above instructions.

REAR ADMIRAL.
CHIEF, NAVY SUB-COMMISSION, AC.

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B

NSC-4

(KP) FILE

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 394

150/26/27
2 July 1945

From: Navy Sub-Commission, Hq. Allied Commission.
To: Executive Commissioner, Hq. Allied Commission.

Subject: Weekly SITREP.

References: (a) Executive Commissioner, AC ltr 150/26/AC of 15 March 1945.

1. In accordance with reference (a) the following material is submitted for inclusion in the Allied Commission SITREP for the week ending 1 July 1945:

The Allied Naval Commander-in-Chief, Mediterranean has directed that captured material of German and Italian Naval origin including that previously in the possession of the Italian Republican Navy if not required for Allied Naval purposes may be turned over to the Italian Naval authorities for Italian Naval purposes. Such action is to be effected through the Navy Sub-Commission which is arranging appropriate procedures. Enemy war material captured by the Yugoslavs in the area which has since come under Allied control is exempted from the above instructions.

REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

66

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FILE

5 JUL 1945

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub Commission APO 394.

NSC/2816
4th July, 1945.

From : Secretary to the Head of the Navy Sub Commission, Headquarters, Allied Commission.
To : Secretary to Flag Officer Taranto, Adriatic and Liaison, Italy.

FILE

Subject : Report of Italian Naval Activities.

The attached copy of Navy Sub Commission letter No.2359 of 1st June, 1945, is forwarded as requested in your letter No. TA 1027/229 of 22nd June, 1945.

Kindred
ADMIRAL'S SECRETARY.

NSC-4
NP
FILE
65
5 JUL 1945

0492

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

COPY

HEADQUARTERS, ALLIED COMMISSION
Navy Sub Commission APO 394.

NSC/2539.
1st June, 1945.

From : Navy Sub Commission, Hq., Allied Commission.
To : Commander-in-Chief, Mediterranean Station.
(Copy to :- Flag Officer Taranto, Adriatic and Liaison, Italy.)

Subject : Report of Italian Naval Activities.

The Chief Commissioner, Allied Commission, has enquired whether a short general report of the activities of the Italian Royal Navy, on similar lines to reports already received from the Military Mission to the Italian Army and the Air Force Sub Commission in the respect of the Italian Army and Air Force, could be supplied for his information.

2. The best source of material for such a resume of Italian Naval activity is Admiral MORGAN's report of proceedings as the Flag Officer Liaison, Italy, and approval is requested for the use of these reports as the basis of monthly statements to the Chief Commissioner subject to the proviso that such information will be restricted to the Chief Commissioner, the Military Mission to the Italian Army and the Air Forces Sub Commission. The Flag Officer Taranto, Adriatic and Liaison, Italy concurs.

REAR ADMIRAL,
CHIEF, NAVY SUB COMMISSION,
FOR CHIEF COMMISSIONER.

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Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

Office of the Flag Officer,
Taranto and Adriatic,
Area Combined Headquarters,
TARANTO.

22nd June 1945.

No. T.A. 1027/229.

SECRETARY TO THE CHIEF OF THE NAVAL SUB COMMISSION,
HEADQUARTERS ALLIED COMMISSION, ROME.

REPORT OF ITALIAN NAVAL ACTIVITIES.

With reference to Commander in Chief, Mediterranean's minute No. Med.45/0060/18 dated 14th June 1945, minute I referred to has not been received in my office.

2. It is requested that a copy may be forwarded.

Kindly have your good offices forwarded.

C. S. Gibson
ADMIRAL'S SECRETARY.

63

0494

Declassified E.O. 12065 Section 3-402/NNDO No. 785020

HEADQUARTERS ALLIED COMMISSION
Navy Sub Commission APO 394

NSC/2539.
1st June, 1945.

From : Navy Sub Commission, No.9, Allied Commission.
To : Commander-in-Chief, Mediterranean Station.
(Copy to :- Flag Officer Taranto, Adriatic and Liaison, Italy.)

Subject : Report of Italian Naval Activities.

The Chief Commissioner, Allied Commission, has enquired whether a short general report of the activities of the Italian Royal Navy, on similar lines to reports already received from the Military Mission to the Italian Army and the Air Forces Sub Commission in the respect of the Italian Army and Air Force, could be supplied for his information.

2. The best source of material for such a resume of Italian Naval activity is Admiral MORGAN's report of proceedings as the Flag Officer Liaison, Italy, and approval is requested for the use of these reports as the basis of monthly statements to the Chief Commissioner subject to the proviso that such information will be restricted to the Chief Commissioner, the Military Mission to the Italian Army and the Air Forces Sub Commission. The Flag Officer Taranto, Adriatic and Liaison, Italy concurs.

REAR ADMIRAL,
CHIEF, NAVY SUB COMMISSION,
FOR CHIEF COMMISSIONER.

4 JUN 1945

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Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 394

N3C/2633
12 June 1946

From: Navy Sub-Commission, Hq. Allied Commission.
To : Executive Commissioner, Hq. AC.

Subject: Weekly SITREP.

References: (a) Executive Commissioner, AC ltr 150/26/EC of 15 March 1946.

1. In accordance with reference (a) the following material is submitted for inclusion in the Allied Commission SITREP for the week ending 10 June 1945:

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

FILE

REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

NSC-4

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 394

NSC/2633
12 June 1945

From: Navy Sub-Commission, Hq. Allied Commission.
To : Executive Commissioner, Hq. AC.

Subject: Weekly SITREP.

Reference: (a) Executive Commissioner, AC ltr 150/26/EC of 15 March 1945.

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(Sgd) C. L. WARREN

REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

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Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS ALLIED COMMISSION
Navy Sub-Commission APO 394

NSC/2581
6 June 1945.

From: Navy Sub-Commission, Hq. Allied Commission.
To : Executive Commissioner, Hq. AC.

Subject: Weekly SITREP.

Reference: (a) Executive Commissioner, AC ltr 150/26/EC of 15 March 1945.

1. In accordance with reference (a) the following material is submitted for inclusion in the Allied Commission SITREP for the week ending 3 June 1945:

The Allied Naval Commander-in-Chief, Mediterranean has authorized the use of the Italian Naval cruiser GARIBALDI and several other smaller Italian Naval vessels for the purpose of transporting Italian refugees and displaced persons from Northern Italy to the islands of Sicily and Sardinia. As of the present date, over 3,000 refugees have been transported on Italian Naval vessels under arrangements made during the past month.

(Sgd) E. M. Warren

REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

NAVY SUB-COMMISSION · ALLIED COMMISSION

6 JUN 1945

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Declassified E.O. 12065 Section 3-402/NNDC No. 785020

HEADQUARTERS ALLIED COMMISSION

APO 394

Office of the Executive Commissioner

Tel: 735

Ref: 998/102/EC. 19 April 1945.

SUBJECT: P.W.B. Reports.

TO : Navy Sub-Commission.

Reference your letter NSC/2160 of 17 April 1945 and telephone conversation of today's date, we have no copy of the manifesto refgrred to in this Section and suggest that you obtain it from Major GREENLEES, "D" Section, P.W.B., telephone number 489171, ext 126.

For Chief Staff Officer, TCA.
To Executive Commissioner.

NSC 4

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

FILE

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 394

NSC/2160
17 April 1945.

From: Navy Sub-Commission, Hq. Allied Commission.
To : Executive Commissioner, Hq. AC.

Subject: P.W.B. Reports.

Reference: (a) Navy Sub-Com ltr NSC/1888 of 21 March 1945.

1. In accordance with paragraph 2 of reference (a), it is requested that the Navy Sub-Commission, AC, be furnished with a copy of the manifesto referred to therein which was distributed to Italian Navy personnel, or furnished with the reference number and date of any P.W.B. publication which the manifesto was published.

H. ST. J. BUTLER,
Captain, U. S. Navy,
for REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

Lt.Col S.H.White.
Civil Affairs Sect.

NAVY SUB-COMMISSION ALLIED COMMISSION

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Declassified E.O. 12065 Section 3-402/NNDC No. 725020

SECRET.

Office of Flag Officer,
Northern Area,
Mediterranean.

At NAPLES. 6th April, 1945.

No. FONAM.598-20.
NO. 5 DETACHMENT,
No. 1 SPECIAL FORCE.
(Copy to: Naval Sub-Commission, Rome.
Naval Liaison Officer, 15th Army Group).

REPORT BY SENIOR BRITISH LIAISON OFFICER, LIGURIA.

A copy of your LS/21/494 of 18th March, 1945 has been forwarded to me by the Naval Sub-Commission, Rome.

2. The information is of interest, but an arrangement has been made with Headquarters, No.1 Special Force in Sienna that all such information shall be passed to the Naval Liaison Officer, 15th Army Group who is in the best position to receive and correlate this information in conjunction with the Army.

3. It is requested that you will forward future reports to the Naval Liaison Officer, 15th Army Group through your Headquarters in Sienna with a copy to Flag Officer, Northern Area Mediterranean for information.

NSC 7

(Sgd) D. HAMMERSLEY JOHNSTON
for REAR ADMIRAL.

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Receipt Returned
11/4 n/w

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

File

HEADQUARTERS, ALLIED COMMISSION
Navy Sub-Commission APO 394

NSC/1888
21 March 1945.

From: Navy Sub-Commission, Hq. Allied Commission.
To : Executive Commissioner, Hq. AC.

Subject: P.W.B. Reports.

Reference: (a) Executive Commissioner, AC ltr Ref. 6518/EC of 20 March 1945.

Enclosure: (A) Copy manifesto distributed to Italian Navy personnel.

1. In reply to reference (a) which forwarded a copy of a manifesto distributed among Italian Navy personnel, no comments are made with respect to the manifesto.

2. The copy of the manifesto forwarded by reference (a) is returned herewith. It is requested that a smooth copy be furnished to the Navy Sub-Commission, Hq. AC, when available.

REAR ADMIRAL
CHIEF, NAVY SUB-COMMISSION, AC.

NAVY SUB-COMMISSION · ALLIED COMMISSION

21 MAR 1945

:55

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

HEADQUARTERS ALLIED COMMISSION

APO 394

Office of the Executive Commissioner

URGENT

Tel. 735

Ref. 6518/ /EC.

20 March 1945

SUBJECT: P.W.B. Reports.

TO : Civil Affairs Section
Economic Section
Navy Sub Commission
Land Forces Sub Commission.

1. Attached hereto are report/s submitted to us by P.W.B. prior to publication.

2. You are required to peruse same and comment on any obvious inaccuracies.

3. Please return the report/s with your comments, if any, by 1100 hours on Wednesday, 21 Mar.

E. Shrader
Chief Staff Officer.
To Executive Commissioner.

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Incl.

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

HEADQUARTERS, ALLIED COMMISSION
APO 394
Navy Sub-Commission

NSC/1878

SECRET

20 March 1945.

From: Navy Sub-Commission, Hq. AC.
To : Flag Officer Northern Area Mediterranean.

Subject: Senior B.L.O. LIGURIA, Report of.

1. Attached is a copy of No. 5 Detachment, No. 1 Special Force letter LS/21/494 dated 18 March 1945 which is forwarded for information.

2. It is requested that Flag Officer Northern Area Mediterranean promulgate the information contained in the attached letter to interested military commands.

REAR ADMIRAL,
CHIEF, NAVY SUBCOMMISSION, AC.

Copy to:
No. 1 Special Force No. 5 Detachment, Rome.

NAVY - ALLIED SUB-COMMISSION - COMMISSION
21 MAR 1945

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

SECRET

DS/21/494

16th March 1945

To: Naval Sub-Commission.
Allied Commission.

From: No. 5 Detachment,
No. 1 Special Force.

The Senior E.L.O. in LIGURIA, who has received his first instructions for naval anti-escorch, has reported as follows:

"Lighthouse LANTERNA lately put out of action by internal explosion, the cause of which is unknown. SAVONA port, which was blocked with sunk ships in September 1944, is now further blocked by the recent demolition of the breakwater. GENOA port is blocked with sunk ships also, but small vessels can still enter. SAN REMO and MARITIO ports are also blocked."

He asks if we require more details.

R.F. Trihm
Major,
No. 1 Special Force.

SECRET.

NSC

FLAG OFFICER LIAISON, ITALY,
ALLIED COMMISSION,
HEADQUARTERS,
ROME.

No. L.430/7.

6th March, 1945.

FLAG OFFICER TARANTO & ADRIATIC,
COMBINED HEADQUARTERS,
TARANTO.

These Reports Were Discontinued after April 1945 Report.

F.O.L.A.L.I., ROME - REPORT OF PROCEEDINGS, FEBRUARY, 1945.

On the 19th February, Rear Admiral G. I. Warren, was appointed as Chief of the Navy Sub Commission, vice Rear Admiral C. E. Morgan, C.B., D.S.O. Rear Admiral Warren will have his office in the Allied Commission Headquarters, Rome. Commodore H. W. Ziroli, United States Navy, will continue to be Deputy Chief of the Sub Commission.

2. The Ministry of Marine has informed the Navy Sub Commission that captured Italian merchant seamen who are prisoner of war co-operators under the control of the British Government, may now send remittances to beneficiaries in Italy. The remittances will be received and distributed by the Ministry of War in accordance with arrangements made by that Ministry and the Director General of the Mercantile Marine.

3. The Ministry of Marine, at the request of the Navy Sub Commission, has agreed to supply 60 Italian Naval officers for assignment to duty with Italian Military Courts. The 60 Navy officers will be assigned to the Courts in order that the Navy may bear its proportionate share of the Court work in accordance with the wishes of the Procuratore Generale Militare and the Legal Sub Commission.

4. It has been confirmed with the Ministry of Marine that the present capacity of the Port of SAN STEFANO, which is now under the control of the Italian Navy, is four motor schooners of 200 - 300 tons. These vessels could moor simultaneously to the Jetties. By placing mooring buoys, the Italian Navy Port Officer at SAN STEFANO considers that an 8000 ton ship with a maximum draft of 8 metres could be accommodated in the port.

5. In recent weeks the Italian Navy has shown an interest in obtaining general technical publications from England and the United States. Some publications already have been supplied [illegible]

Declassified E.O. 12065 Section 3-402/NNMC No. 185020

On the 19th February, Rear Admiral G. I. Warren, was appointed as Chief of the Navy Sub Commission, vice Rear Admiral S. H. Morgan, C.B., D.S.C. Rear Admiral Warren will have his office in the Allied Commission Headquarters, Rome. Commodore H. W. Ziroli, United States Navy, will continue to be Deputy Chief of the Sub Commission.

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5. In recent weeks the Italian Navy has shown an interest in obtaining general technical publications from England and the United States. Some publications already have been supplied to the Ministry of Marine by American and British representatives.

6. In spite of the fact that the attention of Italian Naval authorities has been brought to the repeated violations to travel regulations by Italian Naval personnel, the violations of the security of the Rear Army Zone continue to occur. As a result, Chief, Navy Sub Commission has initiated action with a view to securing the trial by Allied Military Courts of all Italian Navy personnel who are found to be illegally travelling in the Rear Army Zone. It is hoped that such action will have salutory effect on other would-be violators of the security regulations.

7. Strong representations have been made to the Minister of Marine drawing attention to the frequent breaches of the censorship regulations on the part of Italian Naval personnel in ships visiting Malta. The Minister has issued a general order to all Commanding Officers on the subject in which he indicated that, should Allied Authorities with draw leave privileges for Italian ships at Malta on account of continued breaches of the regulations, he will not intercede to secure their restoration.

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Declassified E.O. 12065 Section 3-402/5(b)(3) No. 785020

8. At the request of the Minister of Marine, the possibility of arranging a small welfare enquiry service for the purpose of establishing a recognised source of information for ratings who have relatives in the Army Zone is being investigated.

9. The two reserve battleships "DUILIO" and "DORIA", carried out exercises together off the east coast of Sicily on the 21st February, 1945, subsequently returning to Taranto and Syracuse respectively. Apart from this, there has been no change in the normal activities of the Fleet.

10. On the 19th February, following attacks on Italian Naval Officers in the Rome press, some fifty ratings of the Italian Navy were reported to have demonstrated against the "AVANTI" by breaking into the offices of that newspaper and also protesting to the Socialist headquarters in Rome. Various newspapers commented adversely on what was termed a serious attempt on the freedom of the press; the Ministry of Marine, however, in an official statement referred to the incident as a spontaneous act on the part of the seamen which demonstrated their disapproval of the newspaper's assertations. Continued press attacks on serving officers in the Italian Forces had already been the subject of official representations.

(Sgd.) G. L. WARREN

REAR ADMIRAL.

Declassified E.O. 12065 Section 3-402/NNDC No. 185020

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(Sgd.) G. L. WARREN

REAR ADMIRAL.

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Declassified E.O. 12065 Section 3-402 (NND) NO. 785020

SECRET

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FLAG OFFICER LIAISON, ITALY,
ALLIED COMMISSION,
HEADQUARTERS,
ROME.

3rd February, 1945.

No.L.430/6.

FLAG OFFICER TARANTO & ADRIATIC,
COMBINED HEADQUARTERS,
TARANTO.

F.O.L.A.L.I. ROME - REPORT OF PROCEEDINGS,
JANUARY, 1945.

The Chief Commissioner, Allied Commission, has promulgated an interim policy governing the treatment of Italian munitions plants, both state and private concerns. In the case of firms that normally furnish items and stores to the Italian Navy, and those which have been working exclusively for the Italian Navy no action will be taken by the Allied Commission without the prior approval of the Commander-in-Chief, Mediterranean Station.

2. Information from the Italian Ministry of Marine indicates that numerous "active duty" regular members of the Italian Navy have been employed by Allied commands without the approval of either Allied authorities or the Ministry of Marine. Unless the Ministry of Marine is notified and proper clearance obtained, such individuals are technical deserters from the Italian Navy. In a letter to Allied Force Headquarters which was sent via the Commander-in-Chief, Mediterranean Station, the Navy Sub Commission has requested that a directive be promulgated which would require that Allied units employing "active duty" Italian personnel regularise their status through the Navy Sub Commission - Flag Officer Liaison Italy, Rome.

3. In a communication dated 4th January, 1945, Commander-in-Chief, Mediterranean Station informed that he would for the present continue to control non-operational salvage in Italian waters and that he would employ Flag Officer Liaison Italy, Rome (F.O.L.I., Rome) as the channel of correspondence with the Italian Ministry of Marine, rather than the Navy Sub Commission, Allied Commission.

4. On behalf of the Legal Sub Commission, the Navy Sub Commission has requested the Flag Officer, Liaison Italy, Rome to request the Ministry of Marine to

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

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4. On behalf of the Legal Sub Commission, the Navy Sub Commission has requested the views of the Ministry of Marine in regard to supplying an appropriate number of Italian Navy officers for assignment to duty with Italian Military Courts. As many of the cases that are brought before Italian Military Courts in Southern Italy involve members of the Italian Navy, it is considered that the Ministry of Marine should supply a proportionate number of court personnel. It is anticipated that approximately 75 Italian Naval officers will be required. At present all of the personnel assigned to Italian Military Courts have been made available from Italian Army Sources.

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5. The Navy Sub Commission at the request of the Finance Sub-Commission has asked the Ministry of Marine to assist in the formation of an Italian Government organisation which will permit captured Italian merchant seamen "cooperators" to remit funds to Italy from locations in the United Kingdom. All prisoner "cooperators" with the exception of ex-Italian merchant seamen already have been accorded this privilege. The matter is presently under discussion between the Italian Director General of the Merchant Marine and the Italian Ministry of War.

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Declassified E.O. 12065 Section J-402/NNRC No. 785020

6. In the middle of January the Spanish Government agreed to release from internment the Italian Light Cruiser "ATTILIO REGOLO", the destroyers "MITRAGLIERE", "FUCILIERE" and "CARABINIERE" and the Torpedo Boat "ORSA". These ships, which left SPEZIA for MALTA in September 1943 with the remainder of the Italian Fleet, had put in to ports in the BALEARICS and SPAIN to land survivors from the Battleship "ROMA" and for other reasons, and had been interned after 24 hours. The Spanish Government having now seen fit to release them, they sailed from Port MAHON on the 15th January for ALGIERS, and have since reached TARANTO, where they will require docking and small repairs before resuming their service. Various Italian small craft have been released from other Spanish ports and are returning to Italy.

7. At the request of the Italian Government, the cruiser "RAIMONDO MONTECUCCOLI" was sent to CATANIA on the 15th January to help in quelling the local disturbances by a show of force and to protect harbour installations if this should become necessary. The cruiser also visited PALERMO and ferried several batches of rebellious young men to the Island of USTICA. She has subsequently been withdrawn, not having been called upon to take any offensive action.

8. The Minister of Marine has notified the following retirements and transfers to the reserve list :-

(a) Placed on Reserve List with Pension.

Admiral Domenico CAVAGNARI.
Admiral Angelo IACHINO.
Vice Admiral Edoardo SOMIGLI.
Vice Admiral Giotto MARAGHINI.
Vice Admiral Ferdinando CASARDI.
Senior Rear Admiral Antonio BORBIESI.
Lt. General (Naval Eng.) Filiberto DONDONA.
Lt. General (Naval Eng.) Gabriele CELENTANO.

(b) Retired without being listed in Reserve.

Admiral Arturo RICCARDI.
Senior Rear Admiral Sergio FURFARO.
Lt. General (Paymaster) Alberto PAULILLO. (Reserve List)

(c) Retired and placed on Reserve List.

Declassified E.O. 12065 Section 3-402/NSC No. 785020

returning to Italy.

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Admiral Arturo RICCARDI.
Senior Rear Admiral Sergio FONTANA.
Lt. General (Paymaster) Alberto PAULILLO. (Reserve List)

(c) Retired and placed on Reserve List.

Lt. General (Medical) Gregorio GELORMINI.

9. The following appointments of Senior officers have been submitted by the Ministry of Marine for the approval of the Commander-in-Chief, Mediterranean Station :-

(a) Senior Rear Admiral Romeo OLIVA as Commander-in-Chief, Lower Tyrrhenian vice Vice Admiral Ferdinando CASARDI.

(b) Senior Rear Admiral Luigi BIANCHERI as Admiral in Charge, Italian Royal Naval Services in Sicily vice Senior Rear Admiral Antonio BORBIESE.

10. Commodore G.L. WARREN relieved Commodore I.M. PALMER, D.S.C., as Senior British Naval Officer, Rome on the staff of FLAG Officer Taranto Adriatic and Liaison, Italy, and for duty with the Navy Sub Commission of the Allied Commission on the 19th January, 1945.

(Sgd.) G L WARREN

COMMODORE.

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

SECRET

FLAG OFFICER LIAISON, ITALY,
ALLIED FORCE HEADQUARTERS,
MEDITERRANEAN,
BASE.

6th January, 1945.

No. L.430/5.

FLAG OFFICER NAPLES & ADRIATIC,
ALLIED HEADQUARTERS,
NAPLES.

P.O.I.A.I.S. NO.8 - REPORT OF PROCEEDINGS,
DECEMBER, 1944.

One of the main difficulties encountered during the month has been the frequent infringement of allied movement control regulations by Italian naval personnel. It has come to light that an organised motor bus service is in operation to take Italian naval personnel on leave to Leghorn, Florence and other places north of the Rear Army Control Line. In all instances travel has been for purely family reasons, but unauthorised movement constitutes a serious threat to security in the Army Zone and drastic steps are being taken to stop it.

2. The Navy Sub Commission is continuing to collaborate with the Ministry of Marine on non-operational salvage matters following the formation of the Inter-Ministerial Committee for Non-Operational Salvage by the Italian Government. The Committee includes representatives of all of the Ministries concerned, ie. Public Works, Commerce and Labour, Finance, Agriculture, and Navy. Commander-in-Chief, Mediterranean Station has advised that the matter of non-operational salvage in Italian waters, and the designation of non-operational salvage areas is under consideration and that further consultation on the subject will be made.

3. The Navy Sub-Commission has requested numerous Allied authorities to supply information in regard to benefits that can be derived from a greater use of the port of LEGHORN. It is hoped that the replies received can then be used to formulate instructions to the Ministry of Marine which will ensure maximum assistance from the Italian Navy. Present indications are that increased use of LEGHORN for off loading of civilian supplies would provide important relief for the port of Leghorn. Also, the Ministry of Marine has been requested to supply complete information regarding the number of schooners that can be handled by the Italian Navy Port organisation at SAN STEFANO.

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Declassified E.O. 12065 Section 3-402(5)NND No. 785020

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3. The Navy Sub-Commission has requested numerous Allied authorities to supply information in regard to benefits that can be derived from a greater use of the port of PIOMBINO. It is hoped that the replies received can then be used to formulate instructions to the Ministry of Marine which will assure maximum assistance from the Italian Navy. Present indications are that increased use of PIOMBINO for off loading of civilian supplies would provide important relief for the port of Leghorn. Also, the Ministry of Marine has been requested to supply complete information regarding the number of volunteers that can be handled by the Italian Navy Port organization at SAN STEFANO.

47

DESERTION.

4. Desertions from the Italian Navy continue to be fairly numerous and the Ministry of Marine frequently complain that deserters are harboured by Allied units with whom they gain employment as civilians. Efforts to trace such men have always been fruitless however. Desertions to the Jugoslav Partisans have fallen off and there appeared to be reaction in favour of the Royal Jugoslav Navy to whom five men deserted during the month.

5. 3000 volunteers are being enrolled into the Italian Navy to replace an equivalent number of time-expired men. These are the first volunteers to be accepted since August, 1943.

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Declassified E.O. 12065 Section 3-402/NSC Memo No. 785020

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6. On instructions from the Admiralty 10 Italian Naval officers are being selected for training as Naval General Service Officers.

CIVILIAN PERSONNEL.

7. Preliminary discussions have taken place during the month regarding the enrolling of a large number of skilled Italian labour for employment with the Royal Navy in the Far East. Salvage personnel are required at once and dockyard workers at a later date. No firm agreement has yet been reached, but representatives of Commander-in-Chief, Mediterranean Station have consulted the British Embassy and the Labour Sub Commission, Allied Commission, and a draft memorandum on "Conditions of Service" has been drawn up.

WELFARE.

8. The procedure for obtaining supplies from local resources is now working satisfactorily and in addition limited assistance has been given to industrial plants operating for the Italian Navy.

9. Stocks of much needed toilet articles for the Italian Navy have been unearthed. Special Christmas rations were gratefully received and brought forth effusive thanks from the Ministry of Marine.

10. The Ministry of Marine have announced their intention of outputting the proof of a bigger and better second edition of "La Marina Combatte" referred to in my Report of Proceedings for October.

POLITICAL.

11. After a fortnight of negotiation, Bonomi finally succeeded in forming an all-party government which was little more than a patched-up version of the old one with a rather more left wing character. That there was no government for over a fortnight passed almost unnoticed.

12. Xmas ate, drank and was merry during Christmas, and the war, never uppermost in the minds of the Romans, seemed to be forgotten entirely. On Christmas Eve, the Pope celebrated Midnight Mass in St Peter's for the first time in many years. An enormous crowd filled the Piazza and the piazza outside.

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Supplies.

8. The procedure for obtaining supplies from local resources is now working satisfactorily and in addition limited assistance has been given to industrial plants overhauling for the Italian Navy.

9. Stocks of much needed toilet articles for the Italian Navy have been unearthed. Special Christmas rations were gratefully received and brought forth effusive thanks from the Ministry of Marine.

10. The Ministry of Marine have announced their intention of subsidising the proof of a bigger and better second edition of 'La Marina Combatte' referred to in my Report of Proceedings for October.

Politics.

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13. In spite of pessimistic forebodings, there were no civil disturbances in the city, and the one effort to organise a hunger march was a conspicuous failure.

Conclusion.

NSC-7

Declassified E.O. 12065 Section 3-402/NSC NO. 785020

SECRET.

Office of the Flag Officer,
Liaison, Italy,
Area Combined Headquarters,
TARANTO.

13th December, 1944.

No.T.A.764.

REPORT OF PROCEEDINGS 1ST NOVEMBER TO 30TH NOVEMBER, 1944.

Sir,

I have the honour to forward my report of proceedings in my capacity as Flag Officer Liaison, Italy, for the period 1st November to 30th November, 1944.

REDEPLOYMENT OF THE ITALIAN NAVY.

2. Approval has been given by the Commander-in-Chief, Mediterranean, for fifteen Italian escorts to be based at and operated from Naples. Naples will be responsible for their supplies and repairs. When repairs are beyond the capacity of the base, they will be carried out at Taranto.

3. The lack of employment for Italian warships, referred to in my last letter of proceedings, continues. I have had a private letter from the Minister of Marine in which, among other things, he has represented the need for the employment of his Navy on more active service. I have informed him that for many reasons, this is not possible at present.

PORT PARTIES.

4. The Navy Sub Commission has received information from the Ministry of Marine, that the Italian organisation of the ports of Civitavecchia, San Stefano and Piombino is proceeding satisfactorily. The three ports were recently returned to Italian control and the full administrative and operational responsibility is now vested in the Ministry of Marine. The Ministry has announced its intention of establishing a Port Division in its offices in Rome which will be under the direction of a Senior Naval Officer and which will co-ordinate all matters in those ports which have been or which will in the future be returned to Italian Navy control. In the larger ports

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5.....

COMMANDER-IN-CHIEF, MEDITERRANEAN STATION.
(Copy to: F.O.L.A.L.I., Rome).

N.S.C-1

FLAG OFFICER LIAISON ITALY
Date 18 Dec.
No 428
C
ROME

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

(Flag Officer Liaison, Italy's T.A. No.764 of 13th December, 1944.)

5. I have now given permission for a small Italian port party to be sent to Ancona. As they will find their own accommodation and be fed from the Army D.I.D., they should be little trouble to my Naval Officer-in-Charge and may conceivably be a little help.

PERSONNEL.

6. The disposal of the officers and men from the Italian Naval Anti-aircraft and Coastal Defence batteries is still undecided, although it now appears that the personnel thus released may be retained to meet future naval commitments in advance ports.

7. On 14th November, I visited Brindisi to attend the funeral of the Italian Commanding Officer of an M.A.S. boat who had been killed while endeavouring to avoid action with what was probably an armed schooner, off the Albanian coast. The funeral was on the most lavish scale and the cost of the numerous wreaths cannot have been far short of 100,000 Lire.

SUPPLIES.

8. One of the main difficulties regarding the supply of Naval Stores to the Italians is that no central steering system exists in the Italian Navy. The Ministry of Marine have recognised the disadvantage of their departmental system however, and it is understood that they are setting up a central stores department which will co-ordinate the demands of the various departments of the Ministry. It is worthy of note that this step is being taken quite spontaneously by the Ministry of Marine.

9. The Assistant Naval Store Officer recently appointed to Rome will co-ordinate all bids from the Italian Navy for stores ex local resources with Royal Navy bids. It is anticipated that this procedure will greatly facilitate the acquisition of materials from local resources.

10. Arrangements have been made for Italian Naval units in forward areas to draw rations from local British Army D.I.D's. Attempts by the Ministry of Marine to obtain increased rations for the Rome area have been squashed, since it is considered undesirable to encourage the presence of large numbers of Italian naval personnel

Declassified E.O. 12065 Section 3-402/NNRC No. 785020

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11. Over 4,000 bales of clothing have now been received and delivered to the Italian Navy. These are most welcome and should have a salutary effect in maintaining morale during the winter.

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NAVAL SUB COMMISSION.

12. Following a conference between representatives of MMBO acting for the Commander-in-Chief, Mediterranean Station, the Labour Sub Commission, Allied Commission and the Navy Sub Commission, Allied Commission, the President of the Italian Council of Ministers has been informed that there is no objection to the re-establishment of engagement or registry offices for Italian Merchant Seamen under the Port Captaincies provided no fees are charged or monopolies created over the process of employment.

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13. On the 28th November 1944, a Navy Sub Commission representative attended a meeting at Allied Commission Headquarters in regard to the utilisation and disposition of Italian munition plants. The meeting was also attended by representatives of the Army and Air Force Sub Commissions, the Industry Sub Commission and the Economic Section, Allied Commission. The purpose of the meeting

was to .....

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(Flag Officer Liaison, Italy's T.A. No.764 of 13th December, 1944.)

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was to discuss the means of obtaining maximum utilisation of all Italian manufacturing establishments in connection with the rehabilitation of Italy. At present, there is need for clarifying directives as well as more complete interchange of information between Allied Military personnel and those Allied personnel who are charged with supervising Italian civilian production to ensure that the maximum number of industrial facilities can be converted from munitions production to the manufacture of materials for the civilian economy. A report of the meeting has been sent to the Commander-in-Chief, Mediterranean Station and upon receiving his concurrence in several statements of policy which were made at the meeting, it is hoped that the Navy Sub Commission will be able to present a clear statement of Navy policy in regard to munition plants to the appropriate sections of the Allied Commission.

STRIKES.

14. There was a food strike in the dockyard at Taranto on 14th November. One of the complaints was the lack of fresh vegetables obtainable. While one can sympathise with the feelings of the dockyard workers, it is the fault of their own countrymen who are too lazy to cultivate to the full the very fertile soil at their disposal.

15. The strike was quickly dealt with by the local A.C. representative, Lieutenant-Colonel Turner-Cole, who pointed out to the workers that we now had responsibilities for feeding many other nations before the Italians, nations who had been our allies throughout the war. Having informed the workers that those who did not return to work were liable to be shot for sabotage of the war effort, they returned to duty without further ado.

POLITICAL.

16. There has been tremendous activity in the Italian political field during November, culminating with the resignation of the Bonomi government in the last few days of the month. Numerous meetings, demonstrations etc; have been held, but serious trouble has been avoided, so far. It is unfortunate that the Italians do not expend the same energy on their internal administration as they do on their political squabbles. The British governments veto on Sforza has been met with a storm of protest from the Left Wing, but has been thankfully received by the more conservative bodies such as the Ministry of Marine.

17. The outstanding social event of the month in Rome was the

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17. The outstanding social event of the month in Rome was the reception given by the Russian Ambassador on the occasion of the celebration of the October revolution. The sumptious scale of the gathering and the magnificent black and gold uniforms of the Soviet diplomats occasioned considerable comment not only in Rome, but also in Washington. Thanksgiving Day was marked by considerable overeating and turkeys appeared in extraordinary profusion. Count Sforza took advantage of the occasion by introducing politics into an address given at the Thanksgiving Service. This was not considered good taste.

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NSC-7

Signed C E. MORGAN

REAR-ADMIRAL.

Declassified E.O. 12065 Section 3-402(3)NND No. 785020

SECRET

FLAG OFFICER LIAISON, ITALY,
ALLIED COMMISSION,
HEADQUARTERS,
ROME.

4th December, 1944.

No.L.430/4.

FLAG OFFICER TARANTO & ADRIATIC,
COMBINED HEADQUARTERS,
TARANTO.

F.O.T.A.L.I. ROME - REPORT OF PROCEEDINGS,
NOVEMBER, 1944.

MINISTRY OF MARINE.

The usual questions of administration and supply have been dealt with during the month. The disposal of the officers and men from the Italian naval Anti-aircraft and Coastal Defence batteries is still undecided, although it now appears that the personnel thus released may be retained to meet future naval commitments in advance ports.

2. The Navy Sub Commission has received information from the Ministry of Marine that the Italian organisation of the ports of Civitavecchia, San Stefano and Piombino is proceeding satisfactorily. The three ports were recently returned to Italian control and the full administrative and operational responsibility is now vested in the Ministry of Marine. The Ministry has announced its intention of establishing a Port Division in its offices in Rome which will be under the direction of a Senior Naval Officer and which will co-ordinate all matters in those ports which have been or which will in the future be returned to Italian Navy control. In the larger ports the local Italian organization will be in charge of a Naval Commander of appropriate rank, however, in the smaller ports, such as San Stefano, a Tenente di Porto or Harbourmaster will be in charge. The representatives of the Ministry of Marine appear to have accepted their new responsibilities in the ports enthusiastically and have undertaken the necessary arrangements in a business-like manner. It is hoped that it will be possible for the Ministry to obtain an estimate of the amount of Allied traffic that it is expected will use the ports so that necessary arrangements can be made by them for labour and equipment.

3. Following a conference between representatives of MEDIO acting for the Commander-in-Chief, Mediterranean Station, the Navy Sub

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4. On the 28th November, 1944, a Navy Sub Commission representative attended a meeting at Allied Commission Headquarters in regard to the utilisation and disposition of Italian munition plants. The meeting was also attended by representatives of the Army and Air Force Sub Commissions, the Industry Sub Commission and the Economic Section, Allied Commission. The purpose of the meeting was to discuss the means of obtaining maximum utilisation of all Italian manufacturing establishments in connection with the rehabilitation of Italy.

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At present, there is need for clarifying directives as well as a more complete interchange of information between Allied Military personnel and those Allied personnel who are charged with supervising Italian civilian production to ensure that the maximum number of industrial facilities can be converted from munitions production to the manufacture of materials for the civilian economy. A report of the meeting has been sent to Commander-in-Chief, Mediterranean Station and upon receiving his concurrence in several statements of policy which were made at the meeting, it is hoped that the Navy Sub Commission will be able to present a clear statement of Navy policy in regard to munition plants to the appropriate sections of the Allied Commission.

SUPPLIES.

3. Arrangements have been made for the supply of Naval Stores to the 15 Italian escort vessels which will be permanently based on Naples. Since these vessels will not normally return to Taranto for storing, it has been necessary to arrange for stocks of naval stores to be held at Naples for the Italian Navy.

6. One of the main difficulties regarding the supply of Naval Stores to the Italians is that no central storing system exists in the Italian Navy. The Ministry of Marine have recognised the disadvantage of their departmental system however, and it is understood that they are setting up a central stores department which will co-ordinate the demands of the various departments of the Ministry. It is worthy of note that this step is being taken quite spontaneously by the Ministry of Marine.

7. The Assistant Naval Store Officer recently appointed to Rome will co-ordinate all bids from the Italian Navy for stores ex local resources with Royal Navy bids. It is anticipated that this procedure will greatly facilitate the acquisition of materials from local resources.

8. Arrangements have been made for Italian Naval units in forward areas to draw rations from local British Army D.I.D's.

Requests for Attorneys by the Ministry of Marine to obtain increased rations for the

By classified E.O. 12065 Section 3-402/NNDC No. 785020

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POLITICAL.

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Declassified E.O. 12065 Section 3-402/NNDC No. 785020

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(Sgd.) J. M. PALMER.

CONFIDENTIAL.

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

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(Sgd.) I. M. PALMER.

COMMODORE.

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Declassified E.O. 12065 Section 3-402/NNDC No. 735020

SECRET

FLAG OFFICER LIAISON, ITALY.
AREA COMBINED HEADQUARTERS,
TARANTO.

2nd June, 1944.

No. T.A. 764.

REPORT OF PROCEEDINGS 1st MAY to 31st MAY, 1944.

Sir,

I have the honour to forward my report of proceedings in my capacity as Flag Officer Liaison, Italy, for the period 1st May to 31st May, 1944.

EMPLOYMENT OF ITALIAN NAVY.

2. All ships have continued to be employed to the fullest extent on convoy escorting, troop carrying, special operations, minelaying and anti-submarine exercises. The Italian destroyers "GRANATIERE" and "ORIANI" have operated in the Adriatic on two occasions. On the first operation they encountered enemy E-boats and having fired a few wild shots at them turned tail and fled for home. The Senior Officer in I.R.N. "GRANATIERE" was a Navigating Officer while the Commanding Officer of "ORIANI" is a Gunnery Officer. The B.N.L.O. while discussing the operation with my Chief of Staff, Staff Officer Operations, and myself, rather unwisely remakred that he thought that the operation would have been more successful if the Gunnery Officer had been the Senior Officer. He did not appreciate at the time that he was talking to three Navigating Officers! These two destroyers were sent a few days later on a patrol in the Northern Adriatic. It was fortunate that they saw nothing, since the B.N.L.O. subsequently informed me that the Ships' Companies were very much upset at the prospect of encountering enemy ships manned by their own Countrymen. These operations have shown that there is little prospect of useful employment of Italian destroyers in the Upper Adriatic at present.

3. On the 21st May six Italian Escort ships assisted in the sinking of a U-boat by "TERMAGENT", "TENACIOUS" and "LIDDESDALE". Although they did not locate the U-boat before the attack on the Convoy, they did subsequently hunt it and keep it down in approximately the same position until the British destroyers arrived 30 hours later to complete its destruction. A full report of this successful U-boat attack has been forwarded in another letter.

4. The Cruiser "DUCA DEGLI ABRUZZI" [illegible] from 6th May [illegible]

Declassified E.O. 12065 Section 3-402/NNRC NO. 185020

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4. The Cruiser "ABRUZZI" visited Suez from 5th May to 20th May flying the flag of Admiral Biancheri. I authorised him to make this final trip in the ship in order that he might report personally to the Minister on the condition of the battleships in the Bitter Lakes. While at Suez the "ABRUZZI" was used for torpedo bomber exercises which proved most valuable, and it is intended to send Italian Fleet destroyers to Suez periodically for further exercises. I am informed that the Italian ships' companies enjoy their visits to Suez immensely.

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5. The Commander-in-Chief has now given a final decision on the question of mixed escorts. This is that the Italian escorts shall continue to work as composite units, with the appropriate liaison parties, and that they shall not be accompanied by British destroyers. Whenever they are in company with a British or an American Warship, however, the British or American Commanding Officer is to act as the senior officer, regardless of the seniority of the Italian Commanding Officers. I have informed the Minister accordingly and he is very satisfied with the decision.

MEETING BETWEEN.....

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(Flag Officer Liaison, Italy's No. 764 of 2nd June, 1944 - Continued)

MEETING BETWEEN COMMANDER-IN-CHIEF MEDITERRANEAN AND THE ITALIAN MINISTER OF MARINE.

6. A meeting was held in Taranto on Thursday 18th May between the Commander-in-Chief, Mediterranean and the Minister of Marine to discuss various points which the latter sished to raise. The meeting was most amicable and extremely valuable. The following is a very brief summary of the decisions taken at this meeting:-

(a) Separation of Flag Officer Taranto and Adriatic and Flag Officer Liaison, Italy.

The Minister proposed that the appointment of Flag Officer Taranto and Adriatic and for Liaison with the Italians should be split back into "Flag Officer Taranto and Adriatic" and "Flag Officer Liaison Italy". His main reason was the impending movement of the Ministry to Rome when that City was captured. The Commander-in-Chief was not prepared to agree to this at present and said that he would reconsider the matter when and if the Ministry moved.

(b) Employment of Battleships at Malta.

The Commander-in-Chief agreed that one Duilio class battleship and the "CESARE" should be sent to Taranto and the other Duilio class battleship to Syracuse. The following conditions for the return of the battleships were agreed upon.

(1) To land all except A.A. ammunition at Augusta.
(2) Only repairs essential to keep the ships afloat to be carried out.
(3) All three ships to be reduced to reserve complement.

(c) Position o Battleships "VITTORIO-VENITO" and "ITALIA".

The Minister asked whether these ships could be transferred to Ismelia, since the ship's companies are not happy there and he feels that if repaired and put into working order these ships could be usefully employed in the Allied War effort. The Commander-in-Chief was unable to agree with this view and pointed out that the Allied already have sufficient battleships to meet their requirements.

(d) Shore leave.

The Commander-in-Chief was unable to agree with the Minister's request that the Italian personnel should be on an equal footing with Allied personnel as regards shore leave, when their ships are in port outside Italy.

(e) Intelligence Organisation.

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The Commander-in-Chief was unable to agree with the Minister's request that the Italian personnel should be on an equal footing with Allied personnel as regards shore leave, when their ships are in port outside Italy.

(e) Intelligence Organisation.

The Minis ter was anxious that there should be a better exchange of information between the British and Italian intelligence services than at present. For obvious reasons the Commander-in-Chief could not agree.

(f) Labour and Material for Italian and Allied Navies.

The Minister felt that the Italians should gave a say in the disposal of labour and material being employed in Italy by the Allied and suggested a joint Commission should be set up to deal with this question. The Commander-in-Chief considered that the Allied Control Commission was quite capable to decide on the use of material and allocation of priorities between British and Italian Ships, without advice from the Ministry of Marine.

(g) Appointment of Officers in Command.

It was agreed that the Minister of Marine should refer all

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(Flag Officer Liaison, Italy's No 764 of 2nd June, 1944 - Cont'd.)

changes in appointment of officers of the rank of Captain and above to the Commander-in-Chief through F.O.T.A.L.I.

FOOD FOR DOCKYARD WORKERS.

7. The new ration scales for manual workers employed by the Allies came into force on the 12th May. There ahs been considerable discussion as to the method of issue of the additiaonal rations and a working agreement has been reached when an enormous spanner was thrown into the works by H. Q., A.A.I. This consisted of an order that additional rations were to be issued to the workmen on the spot and that the flour was to be supplied and the bread baked by the appropriate employers. This would mean that in Taranto the Royal Navy would have to supply flour and bake bread for 10,000 workers. The Navy has no stocks of flour and no bakeries. This is obviously impossible, and the Mayor of Beckenham (Now Captain Sampson of the A.C.C. has been sent post haste to try and sorth the matter out with the Regional Commissioner at Matera.

TYRES FOR ITALIAN TRANSPORT.

8. There has still been no solution to this aggravated question. There is plenty of correspondence on the subject but no tyres.

CLOTHING FOR ITALIAN NAVY.

9. The clothing situation in the Italian Navy is fast becoming desperate. One has only to walk through the streets of Taranto to see Italian sailors dressed in every imaginable kind of rig made up from various bits of uniform which they still have fit to wear. It had been arranged with the Military Mission to the Italian Army that they should supply 40,000 suits of battledress and boots to the Italian Navy as their share of the 200,000 suits supplied for the Italian Armed Forces. Unfortunately it has now been decided that in accordance with the Combined Chief of Staff's decision, the supply of clothing to the Italian Navy is a Royal Naval responsibility, but B.A.D. Washington has been informed that it will not be possible to make any supplies for some time to come. In the meantime the Commander-in-Chief has instructed me that only emergency issues of clothing can be made to the Italian Navy by the Military Mission to the Italian Army. I have accordingly asked for an emergency issue of 20,000 units.

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STRIKES.

10. There have been no strikes during the month.

EMPLOYMENT OF ITALIAN PERSONNEL.

11. As a result of the reduction to care and maintenance of the Cruisers "CADORNA" and EUGENIO DI SAVOIA", 300 officers and men are being sent to Naples immediately to relieve British personnel for the formation of new Port Parties. Further officers and men are expected to be released shortly from the Cruisers and by the reduction of the Malta battleships to reserve complement. It is then hoped to be able to satisfy all the requirements of Naples and S.N.O.E.S.Y. who has asked for Italian p rsonnel to relieve British personnel at Augusta. It is also hoped to complete the formation of Port Labour and I.W.T. Companies.

MORALE.

12. The morale of the Italian Navy shows considerable improvement since the Allied advance in Italy commenced, since this holds out the pleasant prospect of many joyous re-unions between husbands and wives.

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(Flag Officer Liaison, Italy's No 764 of 2nd June, 1944 - cont'd.)

13. I have proposed to the Commander-in-Chief that operational units of the Italian Fleet should be allowed to draw N.A.A.F.I. stores. If this is approved it whould have considerable affect on morale.

CHANGES IN APPOINTMENTS.

14. Admiral Biancheri has now hauled down his flag in "ABRUZZI". The Minister intends to send him with a party of 250 officers and men To Rome, when it is captured, to secure the Italian Naval Barracks. When I asked the Minister how he propsed to move this personnel to Rome he informed me that he intends to send them up the Tiber in landing barges. When I asked him if t e landing barges could in fact get up the Tiber he replied that he did not know.

15. Admiral Barone has now been relieved by General Matteini as Italian Under Secretary for the Mercantile Marine. Admiral Fioravanza has been relieved by Admiral Manfredi as the Italian Naval Officer-in-Chagre, Taranto.

ENGLISH AND ITALIAN LESSONS.

16. A scheme has been commenced whereby Italian speaking British Naval Officers give lessons in English to Italian Naval Officers English speaking Italian Naval Officers give lessons in Italian to British Officers. This scheme has proved very popular.

I have the honour to be,

Sir

Your obedient Servant,

(signedC.E. MORGAN

REAR ADMIRAL

THE COMMANDER-IN-CHIEF,
MEDITERRANEAN STATION.

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

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SECRET:

Office of the Flag Officer
Liaison, Italy,
Area Combined Headquarters
TARANTO
18 October, 1944.

No. T.A. 764.

REPORT OF PROCEEDINGS 1ST SEPTEMBER TO 30TH SEPTEMBER, 1944.

Sir,

I have the honour to forward my report of proceedings in my capacity as Flag Officer Liaison, Italy, for the period 1st September to 30th September, 1944.

EMPLOYMENT OF THE ITALIAN NAVY.

2. There is nothing outstanding to report. Italian ships have been employed on their usual tasks of ferrying personnel, escorting convoys, special operations, etc.

ROME.

3. The Ministry of Marine have been very much more active during the month and appeared to have settled down to serious work. There are now some 700 officers and 1300 men of the Italian Navy in Rome, all of whom are alleged to be working in the Ministry of Marine.

4. Further attempts have been made by the Minister of Marine to obtain the return of the Italian Naval Barracks. I have informed him that they cannot be returned until the operational situation allows the Americans to discontinue their use as a hospital and that any further correspondence on this subject can serve no useful purpose. Suitable alternative accommodation has now been found.

PORT PARTIES.

5. With La Spezia and the industrial north in sight, the Ministry are anxious that the Italian Navy should be represented in the forward areas. Small parties are now established at Leghorn, Ancona and Florence, the latter being employed in screening and administering the large numbers of Italian naval personnel found in the city.

6. During the month, Civitavecchia and Piombino were handed over to Italian naval control, one British Naval Liaison Officer being left in each port. Personnel for these ports were provided from Naples.

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SUPPLIES.

7. Clothing supplies for the Italian Navy have been despatched from the United Kingdom, and the first consignment is expected to arrive on 10th November. The news has caused great satisfaction, and the ministry stated that "it would be a bond of friendship between the sailors of the Italian and British Navies". Whether this be true or not, the provision of this clothing is obviously of vital importance to the Italians.

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8. A request for 230 lorries, 50 cars and 2360 tyres and inner tubes for the Italian Navy is receiving due consideration, but in the light of pas experience, it is doubtful whether it can be even partially fulfilled.

NAVY SUB COMMISSION.

9. Considerable attention has been devoted to the Navy Sub-Commission, Allied Control Commission, to economic problems such as the control of hemp including the production of an adequate supply of raw hemp to meet requirements for finished products necessary for the war effort. The average price per quintal has been raised successively from 3150 lire to 4100, and recently to 4700 lire to induce farmers to deliver hemp. Black Market prices are reported to be as high as 60000 lire per quintal.

10. A conference was held at Caserta with representatives of Commander-in-Chief, Mediterranean's Administrative Staff, and the Industry Sub-Commission, Allied Control Commission, to review the policy for shipbuilding. The policy established by Commander-in-Chief, Mediterranean in March 1944, that the facilities should be utilised for repairs in the interest of the immediate war effort was reaffirmed with the added agreement there is no objection to building small coastal vessels under 1500 tons, tugs, barges and schooners, provided material and machinery can be obtained without detriment to the war effort.

11. An endeavor is being made to formulate a policy and plans for non operational salvage. Discussions have been held between representatives of Commander-in-Chief, Mediterranean's Staff, Public Works and Utilities Sub-Commission, Allied Control Commission. The President of the Italian Council of Ministers has been requested officially to designate either the Ministry of Marine or Public Works as the agency to plan for, and co-ordinate salvage work including the actual salvage operations.

12. Agreement has not yet been reached between MEDBO and the Labour Sub-Commission, Allied Control Commission, as to the proper agency for hiring Italian Merchant Seamen. MEDBO contends that this is a function for the Italian Port Captaincies, whereas the Labour Sub-Commission, Allied Control Commission, proposes that all hiring be through the Controlled Labour Offices. It now appears that both have function, the former to advise seamen on matters of crews' insurance, social welfare, allotments to dependents, etc., and the latter to effect the actual hiring of seamen.

13. The disposition of vessels of Italian ownership captured from Germany by the Allies after the Armistice with Italy has again been raised through the Italian Ministry of Foreign Affairs. The Italian Government contends that in view of their status as a co-belligerent their vessels should be returned to Italian control under the provisions of the Cunningham Agreement.

NFC 1

POLITICAL. 35

14. The Italian Navy has not been slow to note the announcement made at the Quebec Conference that the Allies were to hand over a certain measure of their control of the country to the Italian Government. Almost immediately

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following the news, letters were received from the Ministry referring to "Allied Commission". It has been announced, however, that the word "Control" in Allied Control Commission, will be retained for the present.

15. The "Carretta" incident in which the former fascist official was lynched by an agry mob has caused deep concern, since it is felt that when the Allies leave Italy, such outrages will become frequent, the Italian authorities being obviously incapable of dealing with such incidents.

MORALE.

16. The morale of the Italian Navy remains satisfactory. There have been no untoward incidents during the month.

I have the honour to be,

Sir,

Your obedient servant,

(Signed) C.E. MORGAN,

REAR-ADMIRAL.

Office of Flag Officer,
Western Italy,
Naples.

File B

No.FOWIT 913. 23rd May, 1944.

CHIEF COMMISSIONER,
ALLIED CONTROL COMMISSION.
(Copies to:- Flag Officer Taranto, Adriatic and Liaison,
Commodore I.H. Palmer, D.S.C., Naval Sub-Commission).

MARSHAL BADOGLIO'S REPORT

I have been asked by Commodore Palmer to forward you my remarks on Marshal Badoglio's report - Industrial Recovery - 2. Operation of industries which work for the Royal Italian Navy. The Marshal states that the following proposal is indispensable:-

"...Derequisition and place in operation at the earliest possible time the plants of the Cotoniere Meridionali of Naples, which in meeting the entire needs of the Royal Italian Navy could give work to about three thousand workers."

2. It is understood that this group comprises the following factories:-

Naples,	)	
Angri,	)	Cotton yarns and silk
Nocera,	)	fabrics (rayon)
Fratti (nr. Salerno)	)	
Piedemonte d'Alifi	)	
and Frattamaggiore (Hemp canvas).		

3. With the exception of the last named, the Royal Navy has no vital interest in these factories, though in the past small releases of cotton material have been obtained through Allied Force Headquarters Local Resources Board. In the case of FRATTAMAGGIORE however, it is not desirable that there should be any change in the present system of control by the Hemp Board in view of the very important hemp products which are now being produced for the Allied War Effort.

4. From the Royal Navy point of view therefore, there is no objection to these factories being turned over to the Royal Italian Navy with the exception of FRATTAMAGGIORE.

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(SGD) J. A. V. MORSE
REAR ADMIRAL.

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Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

REAR HEADQUARTERS
ALLIED CONTROL COMMISSION
NAVAL SUB-COMMISSION
APO 394

P/tum

15 May 1944

SUBJECT: Badoglio's Report.

TO : F.O.T.A.L.I., Taranto.

1. Attached is copy of paragraph in Marshal Badoglio's report on all subjects connected with Allied Control Commission. Your remarks are requested as early as possible for the General to lay before the Chief of the Government.

2. When typed, the full report will be sent. Paragraph 2 is the only one directly affecting the Navy.

3. It is thought that this report may interest the C.C.C. as it is indeed a frank criticism of the Commission.

(Sgd) I. M. PALMER.

C O M M O D O R E.

Copy to:
FOWIT.

NOTE: A copy of the complete report forwarded to FOTALI on 17-5-44. Ref Para 2 above.

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INDUSTRIAL RECOVERY

1. Derequisitioning of industrial plants:

In effect the Allied military occupation of industrial establishments hinders the resumption of work. Derequisitioning of industrial establishments would be desirable where proprietors intend to ressume production, or at least partial evacuation of premises.

This problem is particularly urgent as regards those factories and plants which formerly worked for the railroads. The latter urgently require restoration of lines and installations, repair of rails and restoration to operating conditions of the train materiel that has been largely destroyed or is rapidly deteriorating.

The same urgency is called for in regard to naval plants and dockyards. In every case the heads of companies should be authorized to enter offices to remove whatever documents are needed for the settlement of legal and tax matters.

2. Operation of industries which work for the Royal Navy:

The Royal Navy is particularly interested in prompt re-opening of some industrial plants and improvement of operating conditions in its own establishments. In the present situation it is impossible to provide for the normal maintenance, needs of the fleet. As a result there is a constanly increasing number of warships which are laid up and awaiting their turn. Consequently it is important that the Taranto Arsenal, the Tosi Shipyards of the same city and the Brindisi shops operate with at least half of their personnel for the repair of Italian warships. The difficulties resulting from lack of equipment and materiel might be provided for through reactivation and derequisitioning of industrial establishments and plants, unfreezing of stocks on hand and proceeding to the recovery of missing materials and valuable machinery given by the Allies to private persons and carried away.

In this connection it is pointed out that the Royal Navy might make a contribution to the common fight even greater than the present one if only it were enabled to stop the deterioration of machinery and plants or, better still, if it were permitted to restore to operation its port installations, drydocks, storage warehouses, barracks, hospitals, all fields in which the Allies constantly require greater effort.

For that purpose it will be necessary to refloat all sunken ships; to complete the large Taranto drydock; to restore to operation line, cement and brick factories; to establish collection centers for scrap metals; to permit by supplying the necessary fuel and power the production of metal products, importing if necessary required machinery; to furnish necessary transportation of lumber from Calabria; to increase the production of bituminous materials and to facilitate in every way possible the transport of materials and manufactured goods from one region to another.

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For instance, there are at present some thousands of sailors who can not be employed for lack of clothing, especially shoes; and the situation is growing worse from day to day.

For that reason normal recruiting has had to be suspended and consequently also the normal rotation of personnel.

It is natural that this state of affairs has influence the effective cooperation which the Royal Navy can give in the fight against the common enemy.

To meet these compelling needs the following are indispensable:

Derequisition and place in operation at the earliest possible time the plants of the Cotoniere Meridionali of Naples which in meeting the entire needs of the Royal Navy could give work to about 3,000 workers;

Install at Taranto a shoe factory for the Royal Navy importing the small amount of machinery needed.

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Attached is copy of paragraph in Marshal Badoglio's report on all subjects connected with Allied Control Commission.

Your remarks are requested as early as possible for the General to lay before the Chief of the Government -

When typed the full report will be sent

Paragraph 2 is the only one directly affecting the Navy.

It is thought that this report may attract the C.C. as it is indeed a frank criticism of the the Commission

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

REAR HEAD.UARTERS
ALLIED CONTROL COMMISSION
NAVAL SUB-COMMISSION
APO 394

P/tum

15 May 1944.

SUBJECT: Proposed Meeting with Italian Government.

TO : Deputy Secretary General, Rear Hqs, ACC.

Your FTS/ajp of 14 May 1944.

This matter has been forwarded to F.O.T.A.L.I. and F.O.W.I.T. who have been requested to hasten reply.

(Sgd.) I. M. PALMER.

C O M M O D O R E

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REAR HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

RHS/ajp

14 May 1944

SUBJECT: Proposed Meeting with Italian Government

MEMO TO: Administrative Section
Army Sub-Commission
Communications Sub-Commission
Navy Sub-Commission

1. Letter SG 000.1, dated 9 May 1944, from the Secretary General, forwarded for necessary action a memorandum from Marshal Badoglio to General MacFarlane presenting certain problems which the Italian government wishes to have cleared up at a forthcoming meeting with representatives of the Allied Control Commission.

2. It is requested that a progress report on action taken be submitted to this office by 1200 hours 15 May 1944, including if possible a tentative date of completion so that General MacFarlane may be informed.

Frank J. Slaughter
FRANK J. SLAUGHTER
Captain, AGD U.S.
Deputy Secretary General.

1.2.27

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HEADQUARTERS ALLIED CONTROL COMMISSION
Office of the Secretary General
APO 394

REN/ers

AG 000.1

9 May 1944

MEMORANDUM TO: Executive Commissioner, R.C. & I.G. Section
Vice President, Administrative Section
Vice President, Economic Section
Director, Communications Sub-Commission
Chief, Naval Sub-Commission
Director, Public Relations Branch
Director, Army Sub-Commission

1. Attached is a copy of a letter from Marshal Badoglio addressed to the Chief Commissioner dated 13 April 1944 together with a copy of the inclosure thereto.

2. The Chief Commissioner desires that you examine the questions raised by the Marshal which concern your section and present your reactions in writing at the earliest possible date, in order that the Chief Commissioner may make arrangements for the meeting requested by the Marshal.

3. Each paragraph in the inclosure of the Marshal's letter has been marked to indicate the section of action. It may well be, however, that certain items will also have interest to another section. In such case it is suggested that the section concerned contact direct the section of action as indicated on the document.

ROBERT E. DOE
Major, A.G.D.
Secretary General

for Patton.
Diplomatic Corres. to Tamele
action Sec

Declassified E.O. 12065 Section 3-402/NNDC No. 785020

TRANSLATION

Salerno, 13 April 1944

No. 1941

Office of the Chief of the Government

Encl. 1.

Dear General:

On March 1 I welcomed the opportunity of explaining to you my point of view concerning the criteria which in my opinion should have inspired the actions of the Allied Control Commission. I also proposed a meeting between the Commission and members of my Government in order that they might examine together the problems requiring a more urgent solution for the industrial, agricultural and military rebirth of Italy so as to provide a still more effective contribution in the fight against the common enemy.

You suggested that I draw up a Memorandum of the subjects to be discussed and I am pleased to send you a resume of the questions which could be examined at the meeting.

As you will note, there are many questions of which several are complex, but all of which require an urgent solution in the common interest for the realization of that plan of reconstruction of my country to which my Government and I are pledged.

I am certain that a frank exchange of views between the members of my Government and the Allied Control Commission would bring about a settlement of even the most difficult problems: all the more if it should be possible, as I hope, to place the relations between the Commission and Government on a different level from the present one, so that they may be carried on with greater mutual trust.

Without doubt this would expedite the action of the Government thus eliminating the detailed checks which hinder the reconstruction effort of the Italian authorities and their loyal desire to make every possible contribution to the common war effort.

If you agree, I ask you, dear General, kindly to advise me of the date when the projected meeting can be held.

With my cordial greetings,

(signed) Badoglio

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Presidency of the Council of Ministers

Cabinet

Summary of the problems presented by the various departments and for discussion at the meeting to be held with the Allied Control Commission.

Relations with the Allied Authorities.

1. Control by affiliated Allied authorities:

PCM 10.6

While in general the relations with the central Allied authorities are carried on with great cordiality, there are grounds for complaint as regards incomprehension and distrust on the part of affiliated Allied agencies. Their control, which often extends to the most detailed particulars, in addition to being too complicated, concludes by taking on a character of interference in the entire administrative activity.

In other words, the tendency of the affiliated Allied agencies to continue to exercise the powers formerly belonging to AMGOT in the territories occupied by the Allied troops, even after the restoration of these territories to the Italian administration, and to extend the exercise of these powers even to the provinces which have always been under the full sovereignty of the Italian Government has been noted.

For instance, there are grounds for complaint a connection with an unjustified interference by the local Allied authorities in prison matters in the provinces returned to the Italian Administration in particular in the provinces of Bari and Brindisi.

To cite another example, public order in territories administered by the Italian Government is maintained by the Italian military authorities. On the other hand on March 19 last, the Allied Control Commission in Bari province there authorized a meeting of the Socialist Party. Members of the said Commission, Lt. Colonel Vining and Major Revelay, when they were approached in this matter by the Italian authorities, stated that the preservation of public order was the responsibility of the provincial Allied Control Commission, with whom the local Italian military should cooperate.

On March 29 the Control Commission in Bari Province gave orders that merchandise sequestrated in connection with [illegible] ratifying crimes should be delivered to the Supply Section of the Commission, whereas according to the Royal Decree Law of January 20, 1944, No. 44, the authority who has power to assign such sequestrated merchandise is the Prefect. Very definite instructions by the Allied Control Commission to its affiliated offices would appear opportune in this connection.

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2. Allied Forces' Police:

Numerous cases of arrests made by the Allied authorities of Italian citizens who are detained for a long time, sometimes even for months, without a trial or hearing of any kind, are to be deplored.

In matters concerning personal liberty it would also be desirable if the Allied authorities followed the regulations of the Royal Decree Law of January 31, 1944, No. 45. It has happened that the Allied military authorities have arrested Italian officers and soldiers and have detained them, also for a long time, in concentration camps without informing the Italian military commands at all.

Any arrest of an Italian soldier by the Allied Forces should immediately be communicated to the appropriate Italian command.

3. Behavior of the Allied Forces:

The behavior of some elements of the Allied Forces with regard to the Italian citizens, civilians and soldiers, is deplorable.

Increasingly frequent cases of pillage are reported by all centers where Allied troops are stationed.

The matter is a painful one, and in view of its political repercussions it should be eliminated.

Use of fire arms: It also appears that Allied soldiers make use of fire arms for non-warlike reasons, much too carelessly, seriously endangering the life of the populations and damaging their private property.

Between Jacotenente and Puntone Turco, in the territory of Vico del Gargano (Foggia) 51 electrical insulators have been for instance damaged by pistol or rifle fire. This causes the conductors to fall down or to break, thus interrupting communications.

In the same locality, Allied soldiers hunt roebuck, which is forbidden by Italian laws. They shoot wildly in the woods of the Government forest called "Umbra", and jeopardize the safety of those engaged in the production of charcoal for the use of the Allied Forces. Allied soldiers do not even refrain from shooting domestic animals, close to houses.

It is indispensable that a greater discipline be effected in the use of fire arms by isolated military personnel.

Abusive cutting of plants: It also appears that Allied troops proceed to cut wood and to requisition charcoal without previous

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agreement with our Forestry authorities, thus jeopardizing, sometimes beyond repair, forests and the Italian wood production.

It would be highly desirable that the supplies of wood and charcoal to the Allied Forces be made in agreement with the appropriate Italian Forestry Agencies.

4. Employment of Italian officers and soldiers by Allied Commands:

No Italian officer or soldier should be employed by the Allied Forces without the approval of the Italian military commands.

5. Yugoslav propaganda and incitement to desertion:

There exists in Italian liberated territory a Yugoslav organization which carries out an active campaign among the Italian foreign soldiers in order to induce them to desert.

These desertions, which up to now have reached the number of several dozens as regards the Air Force, 1000 in the Army, and a considerable number also for the Navy, have a bad effect on the morale of the troops and the composition of units.

The Allies should intervene energetically so that such a revolutionary activity be stopped and that soldiers who are still in great part in the Yugoslav training camps in Italian territory be returned.

6. Repatriation of some categories of prisoners:

In the work of reconstruction of the Armed Forces, the Italian military commands have great need of Generals, Chiefs of Staff, Engineer and Supply officers, officers, NCO's and soldiers of the RR Carabinieri.

Repatriation of Italian prisoners of war belonging to these categories would be very useful in this connection.

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PROBLEMS CONCERNING PUBLIC ADMINISTRATION

1. Administrative organization.

It has happened that the Allied authorities have suppressed in the territories under their control, agencies and institutions of fundamental importance to the Italian administrative organization such as the Economy Provincial Councils, which are only the old Chambers of Commerce; and as, for instance, in Sicily they have established in some regions new offices which have nothing to do with the administrative organization of the remaining provinces of the Kingdom.

In order to assure unity of directive in the administration of free Italy, it would be desirable if the Italian and the Allied Governments should consult one another before issuing ordinances that might have differing effects upon the organization of the public administrations.

2. Appointments and movements of Prefects.

In some provinces as, for instance, in Sicily, in Cosenza, in Matera and in Reggio Calabria, the occupying Allied authorities have proceeded to remove the Prefects in charge, substituting for them local elements or functionaries of low rank with little experience or administrative ability.

In view of the importance of the position and of their functions it would be desirable for the Allied authorities to request the opinion of the Ministry of the Interior before adopting, in the territories under Allied control, provisions calling for the appointment, recall and transfer of Prefects. The opportunity could be taken to proceed in agreement with the Allied authorities, to review the appointments already made.

3. Appointments, promotions and dismissals of personnel.

In the territories controlled by them, the Allied authorities have similarly disposed of appointments and public positions, promotions in the administrative posts and dismissals without any attention to the Italian administrative set-up.

The Italian authorities are, therefore now at a loss as regards the regularization of these appointments which also alter the classification and lists of the personnel and cause damage to the interests of many categories of employees.

It seems desirable in this connection that:

The Allied authorities should always request the personnel needed in the territories controlled by them from the appropriate Ministries which might have an overstrength of personnel.

In case of necessity only temporary or special personnel, and

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always with initial rank, should always be employed.

The Allied authorities should refrain from granting promotions to State and Public Administration personnel, limiting themselves to the grant, in very particular cases, of promotions to a grade immediately above that previously held by the employee.

The Allied authorities should request, at least, the opinion of the Ministries concerned before adopting any provision concerning personnel.

4. Salaries of personnel:

The personnel employed in territories directly administered by the A.M.G. often receive salaries quite different from those under Italian administration.

It therefore results that the greater number of employees all claim higher salaries throughout the territory. It would be advisable that the economic treatment of the state personnel be decided upon with the Allied authorities, even when the personnel is working in territories still under AMGOT administration.

5. Defascistization:

It has happened that the personnel of the public administrations has received different treatment in connection with the defascistization. It has varied in territories controlled directly by the Allied authorities and in those administered by the Royal Italian Government.

In order to obviate this inconvenience, in a matter so important, it is necessary to establish uniform directives in agreement with the Allied authorities.

6. Utilization of the personnel:

In the zones of operations, the Allied military commands do not allow the specialized post-telegraphic personnel to approach the electric lines, the setting of poles and the power stations.

In consequence the personnel is not employed, and many lines and telephone central stations such as those of Campobasso and Foggia, remain unusable.

It should not be difficult to make use also in the zones of operations, of this personnel with great advantage to the communications, the importance of which in war time is superfluous to emphasize.

7. Premises for Public Offices:

In Salerno the Italian Government must meet an ever increasing request for offices by the public administrations in connection

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with the increased requirements of their services.

It is submitted that the Allied Control Commission might examine the advisability of suspending the assignment of other commands offices or units of Allied troops to Salerno and instead, transferring to different localities some command or office now in Salerno in order to allow the Italian Government to have at its disposal a greater number of premises.

It is also submitted that the Commission might examine the advisability of returning to the Italian Government the Prefecture buildings, so that the Prefects and the other Governmental authorities might, with the necessary dignity, be able to carry out the public services in the main towns of the provinces.

It is also necessary to avoid possession being taken by Allied troops of premises allocated to public services and where there are machines, installations, valuable equipment such as the Railway Offices and the Post-Telegraph buildings and that such premises be used for billetting troops. In several localities (Taranto, Naples, Palermo, Foggia) such occurrences have provoked serious deficiencies in the performance of the services, damages, often beyond repair, to the plants, and the loss of valuable equipment.

8. Post Offices:

Considerable delays in postal and telegraph service are to be noted. Such poor service is of special disadvantage to the public administration. The cause may be sought in the slowness of censorship operations, to which official Italian correspondence is still subject in some provinces, notwithstanding the agreements of December 27, 1943. It is suggested that official mail be presented, where necessary, to the censorship office in a separate bag to be examined and returned to the Post Office on the same day.

9. School services:

a. Unity of direction: Proper agreements are necessary to assure unity of direction in school services, especially as regards time tables, the school calendar, text books, programs and examinations.

b. Aid to students: Similar agreements would be desirable to assure aid to students in the form of hot meals, distribution of garments, etc., to needy students.

10. Paper for the Public Administrations:

The Allied authorities have requisitioned all the paper in stock at the Foggia Paper Mill (about 18,000 quintals). The delivery of quantities already assigned to Government Administrations is urgent.

This applies to all Administrations, but is especially urgent

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as regards the Financial Administration which must make provision for the preparation of forms required for collection of taxes and as regards the Railroad Administration which encounters difficulties even in printing railroad tickets.

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INDUSTRIAL RECOVERY

1. Dereguisitioning of industrial plants:

In effect the Allied military occupation of industrial establishments hinders the resumption of work. Dereguisitioning of industrial establishments would be desirable where proprietors intend to resume production, or at least partial evacuation of premises.

This problem is particularly urgent as regards those factories and plants which formerly worked for the railroads. The latter urgently require restoration of lines and installations, repair of rails and restoration to operating conditions of the train materiel that has been largely destroyed or is rapidly deteriorating.

The same urgency is called for in regard to naval plants and dockyards. In every case the heads of companies should be authorized to enter offices to remove whatever documents are needed for the settlement of legal and tax matters.

2. Operation of industries which work for the Royal Navy:

The Royal Navy is particularly interested in prompt re-opening of some industrial plants and improvement of operating conditions in its own establishments. In the present situation it is impossible to provide for the normal maintenaince needs of the fleet. As a result there is a constantly increasing number of warships which are laid up and awaiting their turn. Consequently it is important that the Taranto Arsenal, the Tosi Shipyards of the same city and the Brindisi shops operate with at least half of their personnel for the repair of Italian warships. The difficulties resulting from lack of equipment and materiel might be provided for through reactivation and dereguisitioning of industrial establishments and plants, unfreezing of stocks on hand and proceeding to the recovery of missing materials and valuable machinery given by the Allies to private persons and carried away.

In this connection it is pointed out that the Royal Navy might make a contribution to the common fight even greater than the present one if only it were enabled to stop the deterioration of machinery and plants or, better still, if it were permitted to restore to operation its port installations, drydocks, storage warehouses, barracks, hospitals, all fields in which the Allies constantly require greater effort.

For that purpose it will be necessary to refloat all sunken ships; to complete the large Taranto drydock; to restore to operation lime, cement and brick factories; to establish collection centers for scrap metals; to permit by supplying the necessary fuel and power the production of metal products, importing if necessary required machinery; to furnish necessary transportation of lumber from Calabria; to increase the production of bituminous material; and to facilitate in every way possible the transport of materials and manufactured goods from one region to another.

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For instance, there are at present some thousands of sailors who can not be employed for lack of clothing, especially shoes; and the situation is growing worse from day to day.

For that reason normal recruiting has had to be suspended and consequently also the normal rotation of personnel.

It is natural that this state of affairs has influenced the effective cooperation which the Royal Navy can give in the fight against the common enemy.

To meet these compelling needs the following are indispensable:

Derequisition and place in operation at the earliest possible time the plants of the Cotoniere Meridionali of Naples which in meeting the entire needs of the Royal Navy could give work to about 3,000 workers;

Install at Taranto a shoe factory for the Royal Navy importing the small amount of machinery needed.

ECON

3. Allocation of coal and other raw materials for industry:

Many metallurgical plants and mechanical workshops could resume operations if they could count on the necessary supplies of coal, metallic materials and lumber.

To resume such work is very important, especially for the railroad installations, repair of railroad lines and material, naval constructions and repairs.

With a monthly allocation of about 17,000 tons of coal, a monthly production could be assured of, for instance, 62,000 tons of cement, 23,000 tons of lime and 120,000 square meters of window glass.

ECON

4. Destruction of works, equipment and installations:

Such destruction should be effected only in case of absolute necessity, and, in every case, in agreement with the Italian authorities.

ECON

5. Requisition of machinery, raw materials, finished and semi-finished materials:

Requisition of machinery or its removal from plants should be avoided so as to permit industries to resume operation. Obviously this would reduce imports and consequently maritime transportation from America and England.

The raw materials and finished and semi-finished products requisitioned in plants are often used in an uneconomical fashion. They are thus deteriorating, and often going to waste without being used, whereas the few industries of liberated Italy need everything.

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For instance, it is vital to place at disposal of the Ministry of War the raw materials, the materials and machinery lying at present unused in various artillery establishments assigned to Allied troops as billets.

As regards requisitions, the Allied authorities have often refused to issue written statements attesting to the requisitions effected and sometimes have even shown resentment when faced with the requests of the parties concerned.

Such certificates are, however, necessary in order that Italian citizens may make claim for any possible compensation to the State.

The Allied authorities should issue such certificates without raising difficulties.

6. Freezing of goods and prices:

The freezing by Allied authorities of almost all available goods makes impossible exchanges and consumption which are considered indispensable for an economic recovery and for the better utilization of existing resources with consequent reduction in imports from across the sea.

The freezing of goods also prevents the adjustment of prices to the changed monetary situation.

Major freedom of action would be desirable for the Italian Government.

7. Institutions of technical-professional instruction:

A major part of the premises of the teaching materiel and of the equipment of Institutes of technical and professional instruction, so closely linked to the industrial recovery of the country, have been lost through war developments or requisitions. It is indispensable to proceed with release of buildings and reconstruction of scientific institutions.

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TRANSPORT AND COMMUNICATIONS

ECO-N

1. Transportation by railroad and ordinary traffic:

Throughout peninsular and insular Italy, the transport situation is most serious. The means of communication both by railroad and road are completely inadequate for the needs of the people. Such deficiency stands in the way of any economic recovery. The prevailing system of controls and authorizations under the Allied Committee at Naples has proven itself in practice so long and so laborious that it has resulted in the paralysis of every kind of traffic. This is also due to the deplorable shortcomings in postal telegraphic and telephonic service.

The following measures are considered urgent and indispensable to restore to the Italian Railroad Administration the operation of the entire net-work of liberated Italy south of the line including Foggia, Benevento, Caserta, Naples:

to entrust to the Italian administration the task and responsibility of satisfying the demands of the Allied military authorities;

to assure two passenger trains each way and one freight train each way on the principal lines;

to assure one passenger train each way and one freight train each way on the secondary lines;

to assure continuity of service.

ECON

2. Communications with Sardinia and Sicily:

The relations between the Peninsula and Sardinia do not permit further delay in the establishment of a regular service of sea and air transportation between the Island and the Continent. For the present a daily air service and a bi-weekly sea service might be sufficient. Similar need exists as regards communication with Sicily. It would be necessary to have at least four ships of medium tonnage which might call at the minor ports of the two islands and the Continent, without disturbing the traffic of the Allies in the large ports.

ECON

3. Railroad cars for the transportation of salt and other monopoly goods:

The scarcity of salt on the market causes great discontent among the people. In some localities popular demonstrations have even taken place. At Margherita di Savoia, near Barletta, 150,000 tons of salt are available, largely sufficient for the needs of the southern population, but means of transportation are lacking. To arrange for distribution of this most important foodstuff and other monopoly goods, it would be necessary to assign to the Ministry of Finance the railroad cars which are asked for every ten days or

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at least of a couple of freighters of small tonnage, with a useful loading capacity of no more than a thousand tons.

4. Railroad cars and motor vehicles for the services of the Military Commissariat:

For the operation of the vital services of the Military Commissariat, a greater supply of railroad cars and motor vehicles is required.

5. Motor vehicles for supplying the civilian population:

The most important service of supply is greatly hindered in all provinces by the great scarcity of motor vehicles.

Therefore, the allocation of a suitable number of motor vehicles is necessary to provide for the food requirements of the population.

6. Motor vehicles for collection of taxes:

For the most important service of inspection in the provincial tax offices at least two cars for every province would be needed.

Requisitions now being practically impossible, the Allies would have to supply at least the tires and wheels to permit requisition of cars which are now put up for lack of such spare parts.

7. Auto spare parts:

Such lack of spare parts is very marked especially for military transport, which, in the absence of suitable measures, may within a short time be completely paralyzed.

Therefore, it would be necessary that the Allies arrange for supply of rubber tires and spare parts for the repair and operation of motor vehicles, the production factories of which are all, as is known, in enemy-occupied Italy.

Also collection centers for non-operational motor vehicles could be established, including those of private ownership to be requisitioned, and suitable repair shops to put such vehicles back into operating condition using part of them to provide spare parts. In view of the great scarcity of vehicles, it would furthermore be necessary to restrict requisitions to the lowest possible limits.

8. Transport of lignite:

In the mercury mines (Castelluccio Inferiore) there are 10,000 tons of dry lignite which would be very suitable for the manufacture of bricks.

Railroad cars and the allocation of a truck per day for every railroad car made available are needed to haul the lignite from

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Castelluccio to the main railroad point of Lagonegro (Km.40)

ECON

9. Transport of asphalt dust from Sicily:

It would prove very useful for repair and operation of main roads, also for military purposes, to be able to transport asphalt dust from Siracuse to Bari, Salerno and Naples.

ECON

10. Requisition of cars:

To meet the increasing demands of motor vehicles by the Italian Government, it is requested that the Allied authorities also agree to requisition those cars for which they have issued permits of free circulation, up to April 30, 1944.

ECON

11. Ships of small tonnage:

The great difficulties, which the Italian Government private individuals and even the Allies encounter in railroad and ordinary transportation, might be considerably reduced if all the motor sailboats of a capacity under 100 tons were left at the disposal of the Italian Government for interregional traffic of the products most essential to consumption and industry: oil, wine, firewood, charcoal, vegetables, cheese, hides, etc. Also, the construction of 64 motorboats and small motorvessels, now in shipyards, might be completed with a total gross tonnage of 10,000 tons. For that purpose the allocation of 1,200 tons of steel plates, 9,000 cu. meters of oak lumber, 6,000 cu. meters of pine lumber in addition to nails, cork, ropes, chains and motors should be made. At present there is no assurance that these materials previously ordered will be delivered.

COMM

12. Telegraph and telephone communications:

The available means are not used in the most useful way so as to derive the best return possible.

For instance, the cables Palermo-Naples and Palermo-Cagliari are still used by the Allied Commands with a simple morse circuit. The Italian administration could utilize these circuits, as always, with its trained personnel and its machinery, with four channels (with quadruple Baudot) enabling the Allies to double their communications and the Italian Government to take advantage of two independent circuits.

ECON

13. Measures of a financial character:

It would be desirable that without prior agreement with the Navy Ministry the Allied authorities take no measures in regard to the steamship and shipping companies subsidied by the Government and in regard to FINMARE which is a subsidiary group of IRI.

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AGRICULTURE AND FISHING

ECON

1. Seed potatoes:

Notwithstanding contrary assurances in regard thereto by the Allied authorities, it has been ascertained that the seed potatoes shipped to Italy were affected with "humid gangrene."

Sowings effected in Sicily have resulted that in many lots the percentage of rot and ungerminated potatoes on account of the aforesaid disease reached from 95 to 98 per cent. To the grave present economic damage, there is added a future even greater damage, because for years the infected land can not be used for potato growing on account of disease germs.

The Allied Control Commission must require that the seed potatoes shipped to Italy be subject upon shipment to rigorous guaranteed plant pathological control as required in the past by proper international agreements. Appropriate immunization certificates should be issued by the proper authorities.

ECON.

2. Resumption of fishing activities:

The resumption of fishing activities, so useful at this moment, due to food scarcity, is hindered by the fact that the Allied authorities require a double authorization order, one issued by the Naval Office to obtain entry into Port and mooring of the craft, the other by the local Allied authority authorizing the fishing.

To render fishing easier, the second authorization should be abolished, since fishing licenses are already issued by the Royal Port Offices. If not in conflict with military operations, permission might also be given for night fishing with under-water lights along the coasts of Southern Italy and the large islands (Sardinia and Sicily) which is more profitable and would employ a large number of maritime laborers.

For the purpose the Allies should release the motor fishing boats hired by them for other purposes.

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ASSISTANCE TO WAR REFUGEES

R.C. + M.C

To assure effective help for the people most directly affected by war, the following provisions are considered necessary:

limit to the absolute minimum forced evacuations from immediately behind the front lines;

provide adequate food for the refugees;

arrange for release of all public and private buildings no longer needed for the Allied Forces;

place at the disposal of the local authorities the means needed for the transportation of refugees and their household goods, in the greatest quantity possible;

place garments and medical supplies at the disposal of the local authorities.

CONTROL OF PRESS

P.R.B

1. Periodical press:

An excessive increase of all types of periodical publications, including clandestine ones, is regretable. They have no well-defined programs and are produced at the initiative of more or less irresponsible elements.

To check the increase of these sheets and leaflets, which only result in an increasing confusion and disorientation of public opinion, it would seem opportune to limit the publication of periodicals to not more than one newspaper for every political party in each provincial capital, requiring prior political censorship for all publications. The provisions now in effect for military censorship would remain unchanged.

At the same time sanctions against offenders should be provided.

P.R.B

2. Allied military press censorship:

The allied military press censorship is at times too strict in its criteria. For instance, in an article of the "Giornale dell'Avvi tore" (Paper of the Pilot) No. 10, the Allied censor wished the phrase "under orders of the King" to be eliminated on the pretext that the Allied authorities do not intend to interfere in the internal Italian situation.

Facts of this kind have a bearing on the military traditions of the paper, and are cause for confusion among the troops to whom the paper is addressed, and harm the efforts being made to gather all energies for the purpose of assuring a more effective collabor-

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ation with the Allies. It is desirable that military censorship be exercised with greater understanding.

ADMIN

ARTISTIC PATRIMONY

Particularly grave are the devastations which the Italian artistic patrimony, the patrimony indeed of all civilized nations has suffered due to war. All possible measures to assure conservation of works of art, monuments still existing, bibliographical material and the repair and reconstruction of the galleries, institutes of art should be put into effect at once. In this respect joint undertakings would be desirable as to the action to be taken in the territory administered by the Italian Government and in that still controlled by the Allies.

R.E. & M.G.

THEATERS AND CINEMAS

Many theaters and cinemas have been requisitioned by the Allied Forces which manage them themselves to the serious loss of many classes of executive, administrative and artistic personnel who made their living from theaters and cinema theaters.

It would seem desirable to allow the owners and directors of theaters and cinemas to resume their management, requiring them to give a certain number of free performances for the Allied forces but permitting them also to work in day time.

P.R.B.

RADIO COMMUNIQUES

The communiques of the Italian Government are not always transmitted by the radio stations.

Agreements would be desirable in the matter, which would also limit to the absolute minimum the Allied control over broadcasting programs.

R.E. & M.G.

HOTELS

The requisitioning of hotels assumes constantly vaster proportions. It would be desirable to limit such requisitions to strictly indispensable cases, utilizing, if possible, during the period of requisition the personnel formerly employed therein.

P.R.B.

CULTURAL RELATIONS WITH THE UNITED ~~STATES~~ NATIONS

Fascist policy resulted in that important expressions of Anglo-American political thought and valuable writings of Italian authors remained totally unknown to the Italian public.

Therefore, the preparation of a plan of exchange of publications between Italy and the Allied nations both in the original

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editions, as well as in translations would be very useful.

In this respect the establishment of a cultural Italo-Anglo-American Union for the purposes of promoting a more intimate spiritual understanding and a more strict collaboration between Italy and the Allied Nations would be extremely desirable.

Special agreements might be effected with the Psychological Warfare Branch of AMGOT in order to establish the means necessary to the concrete activation of the undertaking.

Salerno, 6 April 1944.

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ALLIED CONTROL COMMISSION
NAVAL SUB-COMMISSION
Navy House, Taranto, Italy

A3-2 ACC

Serial (0062)

SECRET

14 May, 1944.

To: Chief, Naval Sub-Commission, Allied Control Commission.

Subject: Interview with Major General L. Browning, C.B., O.B.E., M.C. - Director of Army Sub-Commission, Allied Control Commission.

1. I desire to report that on Thursday, May 11, I proceeded to Lequile (Provincia di Lecce) to the Headquarters of the Army Sub-Commission to call formally on Major General L. Browning, Director of the Army Sub-Commission, Allied Control Commission. Following the formal call we discussed pertinent mutual inter-service Allied Control Commission matters.

2. I explained to General Browning that I was representing you and was calling also on your behalf to establish much needed contact and collaboration between the Army and Navy Sub-Commissions. He expressed his thanks for the courtesy and was enthusiastic at this opportunity to establish closer relations between the two Sub-Commissions. He stated that it is his intention to call on you in Taranto at the first opportunity, but having just assumed his new duties, it has been necessary to absent himself for the necessary inspections, but will call as soon as possible. present at the meeting was Colonel Kerr of the U.S. Army who is General Browning's Deputy and my counterpart in the Allied Control Commission.

3. In general the meeting was very satisfactory and fruitful. It was noted that they have the same general problems we have and their organization is remarkably parallel to ours in every respect.

4. The following points were brought up and discussed:

(A) TITLE OF ARMY SUB-COMMISSION.

The Army Sub-Commission was formerly the M.M.I.A.;

Copy to: Commodore Palmer.

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

A3-2 ACC

Serial (0067)

Subject: Interview with Major General L. Browning - Director of Army Sub-Commission, Allied Control Commission.

SECRET

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(Military Mission to the Italian Army). As M.M.I.A. its status was similar to yours as F.O.L.I. in that it is under and responsible to General Alexander commanding the Allied Armies in Italy (A.A.I.). M.M.I.A. is retained as the short title for the Army Sub-Commission. I informed him of our short title of CONSON.

(B) ITALIAN MILITARY DESERTERS IN YUGOSLAV REFUGEE CAMPS.

It was noted that the Italian Army had experienced similar difficulties with the Yugoslavs in their clandestine and subversive methods in enticing Italian military personnel into the Yugoslav partisan Army units. General Browning stated that he had discussed the matter in detail with the Chief Commissioner of the A.C.C., General Macfarlane, along the lines indicated in our correspondence on this subject. We agreed to adopt the same procedure, stressing the fact that we must await final promulgation of orders from the Chief Commissioner after his consultation with the Political Section of the A.C.C. Meanwhile, we decided that it was necessary for us to present the matter to the A.C.C. Regional Commissioner for such action as he may desire to take towards the release of deserters from the Italian Army and Navy.

(C) CLOTHING AND SUPPLIES FOR THE ITALIAN NAVY.

It was stated that the previous directive issued to the Army Sub-Commission relative to supplying clothing to the Italians was not complete and required clarification. General Browning at first indicated that the Allied navies should supply the Italian Navy with necessary clothing and shoes, but upon my explaining that such a procedure was impracticable because neither the British nor the U.S. Navy have facilities such as store-houses and repair and distribution centers, he withdrew his suggestion. It was definitely agreed that the responsibility for supplying the Italian Navy from one central agency, namely - The Army Sub-Commission, was most desirable. At this point Colonel Kerr presented a draft of an intended order from A.A.I. Headquarters indicating that this would be done in the immediate future.

0548

Declassified E.O. 12065 Section 3-402/NNDC NO. 785020

A3-2 ACC
Serial (0062)

Subject: Interview with Major General L. Browning - Director of Army Sub-Commission, Allied Control Commission.

SECRET

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I explained our plan of centralizing all requests for clothing and shoes in our office as a screening agency prior to submission to the Army Sub-Commission to insure proper distribution in proper quantities. The General stated that they would favorably consider furnishing the Italian Navy with cloth in bulk and the necessary means for manufacturing and repairing such as sewing machines, needles, buttons, etc. General Browning and I agreed that we should appoint a Liaison Officer from the Naval Sub-Commission to work out the details of problems that arise. They requested the appointment of a permanent Liaison Officer at their Headquarters but I represented that it would be much more satisfactory to establish liaison as circumstances require, since the distance to Lequile is sufficiently short to permit trips as necessary. I stated that work in connection with material would not be sufficient to warrant full-time presence of a naval officer. It was agreed to submit this proposition to you and make necessary recommendations.

(D) RATION FIGURES OF THE ITALIAN NAVY.

We discussed generally the method to be adopted and our policy in this connection. They were interested in the strength and distribution of the Italian Navy and whether it might be decreased. I gave them a general outline of the situation as it exists.

(E) ITALIAN NAVY TRANSPORTING TROOPS FROM SARDINIA.

General Browning brought up the matter of Italian lack of cooperation in transporting troops from Sardinia in Italian cruisers. He stated that from the reports he had received he was under the impression that the delays and alleged irregularities were due to the inefficiency of Admiral Brivonesi, Commanding the Italian Navy in Sardinia. I explained to him that he was misinformed because the routing of Italian men-of-war was handled entirely by the British and U.S. Navies under the Commander-in-Chief, Mediterranean, and carefully pointed out that the allegations of the Allied Armies' representative were unfounded. He was pleased to have a clarification of the picture and stated that there was no inten-

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Declassified E.O. 12065 Section 3-402/NNDC NO. 725020

A3-2 ACC

Serial (0042)

Subject: Interview with Major General L. Browning - Director of Army Sub-Commission, Allied Control Commission.

SECRET

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tion on his part to criticize the Allied Navies' procedure and remained satisfied that he had been misinformed. He expressed great satisfaction in having more knowledge of the situation and considered the matter closed and will so indicate in the related correspondence.

5. The interview ended in complete accord that the meeting was beneficial and resulted in mutual understanding of each other's problems.

H.W. ZIROLI,
Commodore, U.S. Navy,
Deputy Chief, Naval Sub-Commission
Allied Control Commission.

22 MAY 1944

SUMMARY OF WORK DONE BY TARANTO DOCKYARD (INCLUDING FRANCO TOSI SHIPYARD) FOR ALLIED EFFORT SINCE 8TH SEPTEMBER, 1943. (NOT INCLUDING BRINDISI AND BARI.)

1.(a) REFITS - ALLIED (Completed.)

Class of Ship.	For Major Repairs.	For Minor Repairs.
Cruiser.	1	1
Destroyer etc.	28	25
Major Landing Craft.	40	52
Minor Landing Craft.	30	22
Miscellaneous.	30	28
Merchant Vessels.	10	94
Floating Dock	1	-
	140	222

(b) REFITS - ALLIED (In hand)

Class	Number.
Destroyers etc.	6
Landing Craft etc.	10
Merchant Vessels.	10
	26

2. REFITS - ITALIAN.

Cruiser Refits.	12
Destroyer "	14
Torpedo Boat Refits.	28
Sloop "	17
Submarine "	24
M/V.	35
Yard Craft	43
	173

3. DOCKINGS.

Allied Warships	110
Allied Merchant Ships	72
Italian Warships	228
Italian Merchant Ships	15
Italian Submarines	24.
	449

4. NEW CONSTRUCTIONS ETC.

Two, eight hundred ton Floating Docks at present building in the Franco Tosi Shipyard, who also carry out a large amount of incidental repairs for Military and Air Force (British and U.S.) and Railway Engines.

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Minor Landing Craft.	30	28
Miscellaneous.	10	94
Merchant Vessels.	1	-
Floating Dock	140	222

(b) REFITS - ALLIED (In hand)

Class	Number.
Destroyers etc.	6
Landing Craft etc.	10
Merchant Vessels.	10
	26

2. REFITS - ITALIAN.

Cruiser Refits.	12	
Destroyer "	14	59
Torpedo Boat Refits.	28	
Sloop "	17	24
Submarine "	24	
M/V.	35	
Yard Craft	43	
	173	

3. DOCKINGS.

Allied Warships	110
Allied Merchant Ships	72
Italian Warships	228
Italian Merchant Ships	15
Italian Submarines	24.
	449

4. NEW CONSTRUCTIONS ETC.

3000
7000.

Two, eight hundred ton Floating Docks at present building in the Franco Tosi Shipyard, who also carry out a large amount of incidental repairs for Military and Air Force (British and U.S.) and Railway Engines, and the production in bulk of certain spare parts for landing craft.

3

5. NAVAL STORE DEPARTMENT

(a) STORES. About 6000 tons of Naval Stores, including baulk timber and steel repair materials, have been received since the Department was set up here. These shipments were spread over 20 freightships.

(b) STOREHOUSES. Four large storehouses have been taken over from the Italians and fitted out for stowing stores.

(c) LABOUR. To unpack and stow the stores about 150 Italians have been employed every day.

R
27

6. ARMY UNLOADING.....

Declassified E.O. 12065 Section 3-402/NARS Date 7/25/020

6. ARMY UNLOADING.

Army unloading at six or sometimes seven berths and necessity to get their ships alongside handicaps refitting as ships have to lie at anchor with stern to wharf and consequently practically all crane work on ships afloat is by floating crane.

7. WORKING PARTIES GENERALLY.

The reduction of working parties by 25% through lack of boots and clothing has been a serious handicap though every effort has been made by F.O.T.A.L.I. to get some released as was done to Italians employed on unloading for the Army.

C. S. T.
22. 5. 44.

Installation Ref. 12055 Section 3-407/WSRG No. 785020

NAVY SUB-COMMISSION
ALLIED CONTROL COMMISSION

When the Armistice with Italy was signed on 3 September 1943, the Macfarlane Mission was organized to put into effect and enforce the terms thereof. British and American naval officers were appointed to the military section of the mission to deal with matters relating to the Italian Navy. The Allied Control Mission took over the functions of the Macfarlane Mission on 10 November 1943. Control of the Italian Navy was transferred to the Flag Officer Taranto Adriatic and Liaison, Italy, at Taranto. A Naval liaison officer remained at the Allied Control Commission Headquarters, Brindisi.

The Navy Sub-Commission, ACC, was first officially activated at the ACC, HQ., Salerno, on 5 January 1944, however it functioned only in a liaison capacity, as all matters relating to the operation and control of the Italian fleet were handled through the Flag Officer, Taranto Adriatic and Liaison Italy, at Taranto in his capacity as the representative of the Naval Allied Commander-in-Chief, Mediterranean. On 18 April 1944, the Navy Sub-Commission was re-organized and transferred to Taranto. The Flag Officer Taranto Adriatic and Liaison, Italy, was designated as Chief, Navy Sub-Commission, ACC. Later, on 6 August 1944, when the Italian Ministry of Marine was established in Rome, representatives of the Flag Officer Taranto Adriatic and Liaison, Italy and the Navy Sub-Commission, ACC, were transferred to the Headquarters, ACC, Rome to continue their functions in enforcing the Armistice terms controlling the administration and operation of the Royal Italian Navy.

During the year which has elapsed since the surrender of Italy, the Royal Italian Navy has co-operated with the Allied authorities to the fullest extent possible in the interest of the Allied war effort, subject to the limitations imposed by the condition of the fleet at the time of the surrender and the ability of the Allied Nations and Italian Government to provide facilities for modernization and repair of ships. The Navy has played a dominant role in stabilizing the Italian Government. All ships capable of proceeding to sea have been utilized to the maximum extent. Cruisers have been employed in transporting large numbers of persons from Sicily and Sardinia to the main-land and from place to place in Italy in the interest of the Allied cause. One cruiser alone ferried over 30,000 troops during 9 months and steamed a total of 27,000 miles. This is a considerable accomplishment for any man-o-war. The destroyers, torpedo-boats and corvettes have been engaged in special missions and convoy work while the submarines have been employed over a wide area both in the Mediterranean and in other seas for training work which has been of considerable value. Italian Naval personnel have been exceedingly successful in special operations involving individual operations against Axis Nations.

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By far the most important contribution of the Royal Italian Navy to the Allied war effort has been the shipbuilding and repair facilities, particularly in the Taranto area and at Naples where a total of some 22,000 workmen are employed by the Allies in the Italian Dockyards and other shops. Many of these units have been operated wholly under Italian direction with a minimum of supervision by Allied authorities. In addition to maintaining and over-hauling vessels of the Italian fleet, some 180 Allied vessels are handled monthly for major and minor refits and repairs, thus obviating the necessity of these vessels returning to home waters for urgent and essential repairs.

In addition to the above installations, the United States Navy employes over three thousand Italian civilians in the U.S. Naval Operating Base at Palermo. These workers are mainly engaged in repairing Allied Navy ships in the Palermo dockyard and are under the exclusive supervision of U.S. Naval officers and enlisted specialists.

26 October, 1944.

Original to Public Relations Branch, ACC.
Copy to: Acting Chief of Staff-Director, ACC.

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