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Finance Sub-Commission Monthly Reports
May 44 - July 44

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HEADQUARTERS
ALLIED CONTROL COMMISSION
FINANCE SUB-COMMISSION
APO 394

13071/F

22 July 1933

SUBJECT: Monthly Report of Finance Sub-Commission.

TO : Regional Commissioner
Region I
" II
" III
" IV
" V
" VI
" VII
" VIII
Rome Region
Senior Civil Affairs Officer
AMG Five Army
" Eight "

Regional Finance Officer
Region I
" II
" III
" IV
" V
" VI
" VII
" VIII
Senior Finance Officer
AMG Five Army
" Eight "
Rome Region

RC & MG Section
Administrative Section — note
Political Section
All Sub-Commissions, HQ ACC

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Forwarded herewith for your information (and guidance in the case of RFOs and SFOs) ~~is~~/are 3 ~~copy~~/copies of the monthly operations report for June 1944 of the Finance Sub-Commission, Headquarters Allied Control Commission.

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For Captain ELLERY W. STONE, USNR:

Colonel,
Joint Director,
Finance Sub-Commission.

25 July 44
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general

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HEADQUARTERS
ALLIED CONTROL COMMISSION
FINANCE SUB-COMMISSION
APO 394

13071/F

15 July 1944

REPORT OF THE FINANCE SUB-COMMISSION HQ ACC

FOR JUNE 1944

Colonel A.P. Grafftey-Smith	Joint Director
Colonel E.H. Foley, Jr.	Joint Director
Capt. Andrew Kamarck, F.A.	Joint Editors
Lieut. (jg) J.E. Hicks, (USCGR)	
Lieut. C.H. Willis, (USNR)	
Major B.R.L. Timmons, Cav.	

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I. ORGANIZATION

A. New Italian Government

1. The new Italian Government with S.E. Ivanoe Bonomi as Premier, took office on 12 June, 1944. The Government has reverted to the practice, which prevailed before fascism, of dividing financial matters between the Ministries of Finance and Treasury, [illegible] jurisdiction over revenues, and the latter over expenditures, budgets,

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Lieut. (jg) J.[illegible] Hicks, ([illegible]) } Joint
Lieut. C.H. [illegible], ([illegible]) } Editors
Major [illegible] [illegible], Cav.

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I. ORGANIZATION

A. New Italian Government

1. The new Italian Government with S.E. Ivanoe Bonomi as Premier, took office on 12 June, 1944. The Government has reverted to the practice, which prevailed before fascism, of dividing financial matters between the Ministries of Finance and Treasury, the former having jurisdiction over revenues, and the latter over expenditures, budgets, and the public debt.

2. The Minister of Finance is S.E. Stefano Siglienti, lawyer and banker, General Director of the Credito Fondiario. In Rome he is reported to have been a leader in the patriots' movement. His activities were discovered, he was arrested, imprisoned, and sent to Germany for compulsory labor. Siglienti escaped, returned to Rome and continued his clandestine activities. He belongs to the Sardinian Party of Action.

3. The Minister of the Treasury is S.E. Marcello Soleri, of the Liberal Party. In the Nitti cabinet of 1919-20 Soleri was Under-Secretary of the Navy; in the 5th Giolitti cabinet he was general commissary for supply. Soleri held the Finance portfolio in the Bonomi Government of 1920 and he was Minister of War in the 2nd Facta cabinet of 1922. As supply commissary he led a fight to abolish the subsidized price of bread. Soleri is reported to be competent in financial matters and for many years was a contributor to the newspaper "La Stampa" of Turin. In Rome he took an active part in the movement of resistance to the Germans.

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4. The Under-Secretary are Antonio Pesenti and Antonio Manes, Finance and Treasury respectively. Pesenti held the same post in the third Badoglio ~~Government and~~ a bigraphical note concerning him was included in the Monthly Report of the Finance Sub-Commission for April, 1944. Manes is a native of Calabria and a lawyer by profession. He belongs to the Labor Democrat Party.

B. Rome Report

Representatives of the Finance Sub-Commission entered Rome with the first Allied troops in the city. Shortly thereafter the Advance Headquarters of the Sub-Commission was established in Rome. A special report has been prepared by Advance Headquarters in Rome and has been forwarded separately to Washington and London. This report covers the information available on financial developments in Rome - principally on the period since the Armistice. The principal subjects covered are currency, foreign exchange, banking, Ministry of Finance, insurance, securities exchange, and food situation. Due to the confidential nature of some of the information, particularly on the foreign exchange assets of Italy, only a limited distribution of the report is being made.

II. GOVERNMENT FINANCE

A. The Italian Government Deficit

1. The total Italian Government deficit from July 1943, through May 1944 for the 27 liberated provinces, as measured by the State account in the Banca d'Italia, was 30 billion lire. To this figure must be added 3 billion lire of AFA advances to the Government. The average monthly deficit is the 3 billion lire. The deficit for the month of May was slightly over 5 billion lire, substantially larger than the deficit in April. Month-to-month changes in these figures, however, frequently reflect accounting delays and similar spurious phenomena rather than genuine changes in Government expenditures and revenues. More detailed figures may be found in the Statistical Appendix.

2. Net investment in B.T.O.'s during May was only about half the total reached in April, and in Sicily, an area accounting for about half the total sales of B.T.O.'s in May and in past months, net disinvestments occurred. Disinvestment in Sicily may be the result in part, of the use of bank funds to finance the harvest, and in part of the unwillingness of the Banco di Sicilia to cooperate with the Banca d'Italia and the Government. More complete data will be found in the Statistical Appendix.

B. Revenue

1. Revenue Collection

a. Total State receipts during May 1944 for the 27 provinces then occupied by the Allies amounted to 470 million lire, compared to 508 million in March, and 404 million in May 1944. The total for the 11 months of the fiscal year was 4,155 million lire, which compares with 8,665 million in the same month a year ago. These figures include all credits to the State budget account at the Provincial treasuries, including Capo X.

b. In May 1944 the true revenue (i.e. excluding Capo X) amounted to 420 million against 351 in May 1943, and the total revenue for the 11 months now amounts

exchange, banking, Ministry of Finance, insurance, [illegible]
Due to the confidential nature of some of the information, particularly on the foreign exchange assets of Italy, only a limited distribution of the report is being made.

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b. In May 1944 the true revenue (i.e. excluding Capo X) amounted to 420 million against 351 in May 1943, and the total revenue for the 11 months now amounts to 80 per cent of that for the 11 months of the preceding year. The tables on the following pages show the total revenue (less Capo X) by provinces to May 1944 and an analysis of the revenue by type for the 27 provinces and for the Regions separately.

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TOTAL REVENUE RECEIPTS (GROSS INTAKE, LESS CAPO X)

(Million of Lire)

PROVINCE	10 months to Apr/43	May 1943	Total for 11 Months	10 months to Apr/44	May 1944	Total for 11 months	Percent: 43/44 to 1942/43
Region I							
Agrigento	43	2	45	43	4	47	104
Caltanissetta	31	2	33	32	4	36	109
Catania	318	21	339	127	22	149	44
Enna	23	2	25	26	3	29	116
Messina	130	10	140	54	12	66	47
Palermo	410	19	429	294	43	337	79
Ragusa	24	2	26	31	4	35	135
Siracusa	41	2	43	45	6	51	119
Trapani	141	1	142	52	8	60	42
TOTAL	1,161	61	1,222	704	106	810	66
Region II							
Bari	622	69	691	927	98	1,025	148
Brindisi	44	2	46	66	5	71	154
Lecce	74	4	78	102	14	116	149
Taranto	134	4	138	88	6	94	68
Matera	23	1	24	23	1	24	100
Potenza	32	2	34	27	2	29	85
TOTAL	929	82	1,011	1,233	126	1,359	134
Region III							
Avellino	42	3	45	37	5	42	93
Benevento	35	3	38	26	3	29	76
Napoli	1,367	144	1,511	726	86	812	54
Salerno	109	9	118	69	11	80	68
TOTAL	1,553	159	1,712	858	105	963	56
Region V							
Campobasso	37	2	39	25	3	28	72
Foggia	129	15	144	107	14	121	84
TOTAL	166	17	183	132	17	149	81
Region VI							
Cagliari	212	8	220	139	28	167	76
Nuoro	18	1	19	24	3	27	142
Sassari	44	2	46	80	8	88	191
TOTAL	274	11	285	243	39	282	99
Region VII							
Catanzaro	110	10	120	74	6	80	67
Cosenza	55	3	58	57	10	67	116
Reggio di Cala.	98	6	104	41	10	51	49
	263	19	282	172	26	198	70
[illegible]	4,346	349	4,695	3,342	419	3,761	80

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Trapani.	141	1	142	82	[illegible]	[illegible]	[illegible]
TOTAL	1,161	61	1,222	704	106	810	66
Region II							
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Taranto	134	4	138	88	6	94	68
Matera	23	1	24	23	1	24	100
Potenza	32	2	34	27	2	29	85
TOTAL	929	82	1,011	1,233	126	1,359	134
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Benevento	35	3	38	26	3	29	76
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Salerno	109	9	118	69	11	80	68
TOTAL	1,553	159	1.712	858	105	963	56
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Foggia	129	15	144	107	14	121	84
TOTAL	166	17	163	132	17	149	81
Region VI							
Cagliari	212	8	220	139	28	167	76 889
Nuoro	18	1	19	24	3	27	142
Sassari	44	2	46	80	8	88	191
TOTAL	274	11	285	243	39	282	89
Region VII							
Catanzaro	110	10	120	74	6	80	67
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Reggio di Cala.	98	6	104	41	10	51	49
	263	19	282	172	26	138	70
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STATE REVENUE (27 Liberated Provinces)

SUMMARY AT 31 MAY, 1944. ANALYSIS BY TYPE, SHOWING COMPARISON WITH PREVIOUS YEAR.

(Thousand Lire)

		11 months to 31/5/1943	11 months to 31/5/1944	% 43/44 to 1942/43	Month of May 1943	Month of May 1944.
Capo I	Manuf. Taxes	271.026	167.551	62	29,223	24,216
Capo II	Customs	284.710	50,120	28	8,438	19,0[illegible]6
Capo III	Local Finance	1,511	2,873	191	288	485
Capo IV	Monopolies	1,702,755	1,185,278	70	168,213	123,139
Capo V	Lottery	154,508	55,449	36	11,538	10,582
Capo VI	Direct Taxes	1,086,983	1,183,489	109	21,313	37,497
Capo VII	State Lands, etc.	5,072	2,977	59	382	694
Capo VIII	Indirect Taxes	1,153,740	1,051,884	91	104,515	197,668
Capo IX	Supply Officer	16,015	19,312	121	4,930	1,634
Capo X	Treasury	3,970,754	391,912	10	53,001	50,035
Capo XI	Min. Of Justice	7,136	4,024	56	600	743
Capo XII	Min. Of Interior	313	145	45	41	34
Capo XIII	Min. Of agricult.	2,128	1,130	54	88	525
Others		8,955	8,876	99	1,276	3,257
GRAND TOTAL		8,865,672	4,155,026	48	404,056	470,175
Total less Capo X		4,894,918	3,763,114	60	351,055	420,140

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ANALYSIS OF REVENUE BY REGIONS, EXCLUDING CAPO I.
(Thousands of Lire)

REGION I. (SICILY)	11 months to 31/5/1943	11 months to 31/5/1944	Percent 43/44 to 1942/43	M A Y 1943	M A Y 1944
Capo I Manuf. Taxes	94,452	32,550	34	3,267	5,745
Capo II Customs	96,850	33,188	34	799	12,154
Capo IV Monopolies	405,142	122,405	30	27,182	10,994
Capo V. Lotteries	37,965	7,778	20	124	1,692
Capo VI Direct -Taxes	271,176	297,422	110	6,900	11,373
Capo VIII Indirect Taxes	309,209	312,510	101	20,656	64,009
Other Receipts	6,801	3,[illegible]4	58	505	476
TOTAL	1,221,595	809,[illegible]7	66	60,033	106,443

REGION II. (Bari, Brindisi, Lecce, Taranto, Matera, Potenza)					
Capo I Manuf. Taxes	61,338	80,919	132	12,548	13,876
Capo II Customs	112,747	25,137	21	3,097	3,666
Capo IV Monopolies	381.816	673,034	176	41,474	66,257
Capo V Lotteries	15,047	8,070	54	1,650	1,657
Capo VI Direct Taxes	214,140	322,519	151	2,120	8,675
Capo VIII Indirect Taxes	215,736	244,978	113	22,396	30,839
Other Receipts	3,297	5,566	143	503	1,933
TOTAL	1,010,721	1,360,243	135	83,788	126,903

REGION III. (Avellino, Benevento, Napoli, Salerno)					
Capo I. Manuf. Taxes	73,950	32,621	44	11,359	1,811
Capo II. Customs	59,230	20,033	33	4,461	2,758
Capo IV. Monopolies	662,458	229,155	35	79,584	18,339
Capo V. Lotteries	90,667	38,[illegible]	43	9,477	7,182
Capo VI. Direct Taxes	398,882	344,224	86	10,390	6,493
Capo VIII. Indirect Taxes	412,147	289,082	70	41,148	64,626
Other Receipts.	13,692	9,800	72	1,779	3,324
TOTAL	1,711,626	963,917	56	158,198	104,833

REGION V. (Foggia, Campobasso.)					
Capo I. Manuf. Taxes	4,238	1,816	43	279	147
Capo II. Customs	127	71	.56	–	5
Capo IV. Monopolies	31,775	19,784	62	2,976	4,446
Capo V. Lotteries	3,108	274	9	345	–
Capo VI. Direct Taxes	68,098	71,734	105	312	3,560
Capo VIII Indirect Taxes	66,191	39,918	60	8,861	8,604
Other Receipts	9,899	14,985	151	4,540	197
TOTAL	183,436	148,582	81	17,312	16,959

REGION VI. (Sardinia)					
Capo I. Manuf. Taxes	29,459	12,429	42	647	1,265
Capo II. Customs	8,755	1,332	15	107	852
Capo IV. Monopolies	101,871	112,939	111	5,704	17,683
Capo V. Lotteries	5,293	239	5	28	1
Capo VI. Direct Taxes	62,905	58,666	93	754	1,294
Capo VIII Indirect Taxes	71,737	92,650	129	4,857	16,640
Other Receipts	5,299	4,112	78	212	924
[illegible]	[illegible]	282,367	99	12,309	38,659

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Capo II	Customs	112,747	25,157	21	3,097	5,666
Capo IV	Monopolies	381.816	675,034	176	41,474	68,257
Capo V	Lotteries	15,047	8,070	54	1,650	1,657
Capo VI	Direct Taxes	214,140	322,519	151	2,120	8,675
Capo VIII	Indirect Taxes	215,736	244,978	113	22,398	30,839
Other Receipts		3,297	5,566	143	503	1,933
TOTAL		1,010,721	1,360,243	135	83,788	126,903

REGION III. (Avellino, Benevento, Napoli, Salerno)

Capo I.	Manuf. Taxes	73,950	32,621	44	11,359	1,211
Capo II.	Customs	59,230	20,033	33	4,461	2,758
Capo IV.	Monopolies	662,458	226,155	35	79,584	18,639
Capo V.	Lotteries	90,667	38,[illegible]	43	9,477	7,162
Capo VI.	Direct Taxes	398,282	344,224	86	10,390	6,493
Capo VIII.	Indirect Taxes	412.147	283,082	70	41,148	64,626
Other Receipts.		13,692	9,800	72	1,779	3,324
TOTAL		1,711,626	363,917	56	158,198	104,833

REGION V (Foggia, Campo-Basso.

Capo I.	Manuf. Taxes	7,238	1,816	43	279	147
Capo II.	Customs	127	71	.56	–	5
Capo IV.	Monopolies	31,775	19,784	62	2,975	4,446
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Capo VI.	Direct Taxes	68,098	71,734	105	312	3,560
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Capo VIII	Indirect Taxes	71,737	92,650	129	4,857	16,640
Other Receipts		5,299	4,112	78	212	924
TOTAL		285,299	262,367	99	12,309	38,659

REGION VII. (Catanzaro Cosenza, Reggio di Calabria)

Capo I.	Manuf. Taxes	7,669	7,236	94	523	1,372
Capo II.	Customs	401	336	84	4	231
Capo IV.	Monopolies	119,693	27,961	23	11,294	5,120
Capo V.	Lotteries	2,428	89	4	34	30
Capo VI.	Direct Taxes	71,782	88,924	124	837	6,102
Capo VIII	Indirect Taxes	78,720	72,746	92	6,597	12,970
Other Receipts		1,548	956	62	126	518
TOTAL		282,241	198,248	70	19,415	26,343

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2. Improvements in the Italian Revenue System

Discussions have continued during the month with the Ministry. The change in Ministers has again necessitated going over old ground, but the proposed legislation has not been changed by the present Minister. Particulars of all actual decrees carried into law will be included in next month's report.

3. Customs and Excise

Draft instructions for the restoration of customs control were circulated to the Naval and Industry & Commerce Sub-Commissions during the month and replies on these matters are awaited.

4. Communal Taxation

During the month draft decrees were received from the Ministry:

a. increasing the Imposte di Consumo, and
b. increasing the Imposte di Valore Locativo

In the drafts the rates on the consumption taxes are approximately doubled, and a few new articles are added to the list of taxable items. The proposals follow fairly closely recommendations made by the local association of tax collecting agents, which were transmitted to the Ministry.

The rent value tax is increased on a sliding scale by from 15 to 33 per cent on the different classes of rental value, the higher increases applying to the large properties. In addition, a percentage overtax is imposed based on the number of rooms in the house in excess of the number of persons living therein.

These two decrees are primarily emergency measures pending a re-examination of the whole system of communal taxation, but they will substantially increase the net income of the communes, and, by increasing gross receipts, will greatly reduce the present high ratio of collection charges to total revenue.

Investigations have also been commenced into the charges levied in the different communes for specific services such as the removal of household rubbish. At present, such charges for refuse collection are levied on a separate roll, with a different basis of assessment. The old rates are quite out of line with the present increased costs. The attention of the Minister has been called to this matter and further investigation will be made.

5. Taxes on Imported Supplies

Draft instructions which will, among other things, suspend duties on imports and exports are still awaiting agreement with other Sub-Commissions. In G.O. 41 and its amendment issued during the month it was stated that supplies imported for civilian consumption would be free of import and export duties, but, owing to the administrative difficulty of doing otherwise, as well as other considerations, such supplies will be liable for the turnover tax and all other internal levies.

6. Occupation of Rome

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b. Increasing the Imposte di Valore Locative

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6. Occupation of Rome

A small committee of Italian officials has been established by the Rome office of this Sub-Section to make a preliminary screening of all the officials of the Ministry of Finance found in Rome. The head officials of most of the services were dismissed last November and replaced by appointees of the Fascist government and the present Ministry has to decide on the new occupants of these posts.

Only a small part of the Ministry staff was transferred to Brescia, but a considerable part of the office and basic documents were moved.

A considerable stock of fiscal stamps, stamped official paper, and similar supplies was found, some of which has already been moved to Naples to fill the urgent need for such supplies.

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C. Budget and Expenditure Control

1. Italian State Budget for Financial Year 1944-45

The new fiscal year begins on 1st July. Budgets have been prepared and presented by each ministry, and are now being considered by the Council of Ministers. Owing to the change in Governments it is anticipated that the approval of these budgets will be delayed for about a month. Accordingly, the incoming Government is to issue a decree authorizing Ministries to work provisionally, on the basis of the prepared budget, but this authority will not constitute provisional approval of any budget. The normal Italian procedure will be re-introduced whereby each Ministry issues its own "ordini di accreditamento", for each chapter of its own budget, and all such authorities will be registered at the Corte dei Conti before they can be effective.

2. Expenditure control agencies

a. Corte dei Conti. This body was established by Royal Decree Law of 29 May, 1944, No. 141, and Luigi Madugno appointed president of the Court by R.D.L. of 1 June, 1944. Instructions have already been issued by the Court to all Ministries which will bring all Government expenditures under the control of the Court as from the 1st of July 1944. These instructions indicate the form of accounts that must be kept at each ministry, and require all legal instruments relating to expenditures to be registered with the Court.

b. Central Commission for Local Finance. The decree setting up this commission was approved by the Council of Ministers on 26 May, 1944, but it has not yet been published in the Gazetta Ufficiale. The members of the Commissioners have been nominated, and it will begin work on 1st July, 1944.

3. Estimated disbursements for June

The estimates of disbursements to be made in June in liberated Italy were only received from the Ministry of Finance on 29 June, and are shown in the following table. It is observed that the increases noted in Communications, Agriculture, and Interior in May over April, are more than compensated by a corresponding reduction in June over May. Education and Finance continue to show moderate increases. The estimates for the Italian Armed Forces are shown in detail in the respective tables where the principal increases are noted. During the month an analysis was made of recent monthly budgets of the Army, Navy, and Air Force, and questionnaires were sent to each Service regarding apparent inconsistencies in the figures. As a result, direct conversations followed with responsible officials from the Navy and Air Force. They allege that, although the personnel strength has remained stationary there is a general month-to-month increase in expenditure primarily due to the general rise in the price of commodities and foodstuffs, and the great increase in the cost of materials used in maintenance and repairs.

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Italian Government Estimates of Cash Disbursements for Liberated Italy
(May - June)
(millions of lire)

Ministry	May	June	Increase of June over May
Finance	197.0	250.0	53.0
Justice	38.0	34.0	-4.0
Foreign Affairs	.5	2.5	2.0
Italian Africa	1.2	1.5	.3
Education	137.0	148.0	11.0
Interior	574.0	405.0	-169.0
Public Works	57.0	78.0	21.0
Communications	675.0	536.0	-139.0
Agriculture	136.0	42.0	-94.0
Industry & Commerce	4.9	9.5	4.6
Monopolies	57.0	88.3	31.3
Public Debt	68.5	47.5	
Lottery	3.5	5.3	1.8
Total	129.0	141.1	
Total Civil Ministries	1,949.6	1,647.6	
Military			
War	679.8	713.7	33.9
Navy	348.1	468.1	120.0
Air Force	82.3	126.1	43.8
Merchant Marine	27.6	35.9	8.3
Total Military	1,137.8	1,343.8	
Total Government	3,087.4	2,991.4	

Ministry of War

Significant increases in Estimates for June 1944
(millions of lire)

Capitolo Designation	May	June	Increases
Sanitary Services and Hospital Expenditures	27.9	30.0	2.1
Works of Maintenance	1.9	4.4	2.5
Automobile Service - Repair and Maintenance of Vehicles, etc.	12.0	14.5	2.5
Extra Allowances to Stevedores & Longshoremen	21.0	48.0	27.0
Total	62.8	96.9	34.1

Note: Since some of the Capitoli show decreases, the net total increase is:	679.8	713.7	33.9

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Agriculture	136.0	[illegible]	[illegible]
Industry & Commerce	4.9	9.5	4.6
Monopolies	57.0	88.3	31.3
Public Debt	68.5	47.5	
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Automobile Service - Repair and Maintenance of Vehicles, etc.	12.0	14.5	2.5
Extra Allowances to Stevedores & Longshoremen	21.0	48.0	27.0
Total	62.8	96.9	34.1
Note: Since some of the Capitoli show decreases, the net total increase is:	679.8	713.7	33.9

Ministry of Air
Significant Increases in Estimates for June 1944
(millions of lire)

Construction, Repair and Transformation of Motors, etc.		16.0	16.0
Subsistance Allowances	15.3	17.1	1.8
Extraordinary Expenses Relative to the State of War	21.2	55.5	34.3
Total	36.5	88.6	52.1
Note: Since some of the Capitoli show decreases, the net total increases is:	82.3	126.1	43.8

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Ministry of the Navy

Significant Increases in Estimates ~~for~~ June 1944
(millions of lire)

Capitolo Designation	May	June	Increases
Salaries and Allowances for Officers	5.7	6.4	.7
Salaries and wages for NCO's and personnel of C.R.E.M.	10.4	19.3	8.9
Wages for Laborers	31.4	32.7	1.3
Extra pay for personnel on sea duty	8.6	10.3	1.7
Subsistence for C.R.E.M.	15.3	47.4	32.1
Clothing for C.R.E.M.	.8	1.8	1.0
Hospital Expenses for C.R.E.M.	.7	1.1	.4
New Construction & Maintenance	.8	2.4	1.6
Repairs & Maintenance of Ships of the Royal Navy - Mariconstruction	6.7	10.5	3.8
General Expenses Relative to Materials and Allowances for Laboring Personnel	.7	1.8	1.1
Works & Supplies for Naval & Mechanic Construction relative to the war effort	20.5	106.3	85.8
Additional or Extra Allowances to Military Personnel	120.5	133.3	12.8
Reserve funds for the Royal Navy's ships and land units		20.0	20.0
Total	222.1	393.3	171.2

Note: Since some of the Capitoli show decreases, the net total increase is: 348.1 468.1 120.0

4. Actual disbursements for May

a. The following tables show the actual cash disbursements for liberated Italy by regions as reported by the Banca d'Italia and a comparison by ministries of the April and May figures. It should be noted that although the cash disbursements generally are less than were estimated, the estimates do now show a closer approximation to the actual payments made. The Army, Navy, and Air Force have authority to make cash disbursements throughout liberated Italy, except that they may not make any payments such as salaries, wages, or allowances to their civilian employees in the respective ministries in Rome. A very large increase is again noted in the Pagamenti Collettivi account, following the reduction noted in the May report. The reason for this increase has not yet been determined.

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b. The figures in the tables are subject to the same qualifications set out fully in the April and May Reports of this Sub-Commission, that it is still impossible to determine the amount of transfer items included in the Banca d'Italia's figures, which prevents the determination of a net outpayments figure.

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Comparison of Cash Disbursements for Liberated Italy
(April - May)
(millions of lire)

Ministry	April	May
Finance	246.9	238.7
Justice	28.0	38.9
Foreign Affairs	1.8	.8
Italian Africa	3.6	.6
Education	128.1	101.6
Interior	239.2	496.4
Public Works	61.4	61.2
Communications	110.1	189.3
Agriculture	10.5	19.5
Industry & Commerce	7.0	3.6
Popular Culture	.2	
Total	836.8	1,150.6
Military		
War	855.0	885.4
Navy	274.0	325.5
Air Force	218.5	84.4
Total Military	1,347.5	1,295.3
Total Budget Disbursements	2,184.3	2,445.9
Disbursements outside budget	720.0	968.5
Transfer of Funds	600.0	31.7
Autonomous Administrations	1,048.1	954.4
Total	4,552.4	4,400.5
Payments in Suspense	395.5	2,664.8
Total General Payments	4,947.9	7,065.3

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Interior	239.2	436.4
Public Works	61.4	61.2
Communications	110.1	189.3
Agriculture	10.5	15.5
Industry & Commerce	7.0	3.6
Popular Culture	.2	
Total	836.8	1,150.6
Military		
War	855.0	835.4
Navy	274.0	325.5
Air Force	218.5	84.4
Total Military	1,347.5	1,295.3
Total Budget Disbursements	2,184.3	2,445.9
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Transfer of Funds	600.0	31.7
Autonomous Administrations	1,048.1	954.4
Total	4,552.4	4,400.5
Payments in Suspense	395.5	2,664.8
Total General Payments	4,947.9	7,065.3
Special Accounts	2,654.3	2,953.6
Temporary Cash Deposits	2.9	12.7
T O T A L	7,605.1	10,031.6

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Cash Disbursements for Liberated Italy = May 1944
(millions of lire)

Ministry	Sardinia	Sicily	Calabria	Lucania	Campania	Puglia	Fogg
Finance	46.1	75.2	12.3	6.6	62.0	28.4	
Justice	5.8	15.6	2.4	.8	8.5	4.6	
Foreign Affairs					.8		
Italian Africa		.4				.2	
Education	4.3	39.3	29.6	.8	17.0	9.8	
Interior	32.2	156.6	.9	.5	64.5	241.3	
Public Works	11.9	20.6	.6	.2	21.5	6.3	
Communications	1.6	67.5	13.3		78.0	28.9	
Agriculture	5.7	6.8	.3	.3	4.0	1.9	
Industry & Commerce	.2	1.1			2.0	.3	
Popular Culture							
Foreign Exchange							
Total Civil	107.8	383.1	59.4	9.2	258.3	321.7	7
Military							
Army	162.4	9.8	.8	.3	2.5	709.4	
Navy	35.2	1.7	.2		1.8	286.6	
Air Force	48.7					35.7	
Total Military	246.3	11.5	1.0	.3	4.3	1,031.7	
Total Budget Disbursments	354.1	394.6	60.4	9.5	262.6	1,353.4	7
Disbursements ouside Budg.	7.7	715.4	6.3	6.3	110.6	110.0	1(
Transfer of Funds					31.7		
Autonomous Administrations	37.9	204.2	118.6	45.3	164.5	364.6	1(
Total	399.7	1,314.2	185.3	61.1	569.4	1,828.0	3
Payments in suspense	3.6	17.5	8.3	11.7	2,507.5	14.9	7
Total General Payments	403.3	1,331.7	193.6	49.4	3,076.9	1,842.9	11
Special Accounts	349.7	504.6	66.3	27.6	592.8	1,306.7	8
Temporary Cash Deposits	.1	6.2	3.8	.2	.8	1.6	
Total	753.1	1,842.5	263.7	77.2	3,670.5	3,151.2	19

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Cash Disbursements for Liberated Italy = May 1944
(millions of lire)

Sardinia	Sicily	Calabria	Lucania	Campania	Puglia	Foggia	Campobasso	Total
46.1	75.2	12.3	6.6	62.0	28.4	5.4	2.7	238.7
5.8	15.6	2.4	.8	8.5	4.6	.7	.5	38.9
				.8				.8
	.4				.2			6
4.3	39.3	29.6	.8	17.0	9.8	.3	.5	10[illegible].6
32.2	156.6	.9	.5	64.5	241.3	.2	.2	496.4
11.9	20.6	.6	.2	21.5	6.3	.1		61.2
1.6	67.5	13.3		78.0	28.9			189.3
5.7	6.8	.3	.3	4.0	1.9	.5		19.5
.2	1.1			2.0	.3			3.6
07.8	383.1	59.4	9.2	258.3	321.7	7.2	3.9	1,150.6
62.4	9.8	.8	.3	2.5	709.4		.2	885.4
35.2	1.7	.2		1.8	286.6			325.5
48.7					35.7			84.4
46.3	11.5	1.0	.3	4.3	1,031.7		.2	1,295.3
54.1	394.6	60.7	9.5	262.6	1,353.4	7.2	4.1	2,[illegible]
7.7	715.4	6.3	6.3	110.6	110.0	10.0	2.2	968.5
				31.7				31.7
37.9	204.2	118.6	45.3	164.5	364.6	18.3	1.0	954.4
99.7	1,314.2	185.3	61.1	569.4	1,828.0	35.5	7.3	4,400.5
3.6	17.5	8.3	11.7	2,507.5	14.9	77.1	47.6	2,664.8
03.3	1,331.7	193.6	49.4	3,076.9	1,842.9	112.6	54.9	7,065.3
49.7	504.6	66.3	27.6	592.8	1,306.7	82.1	23.8	2,953.6
.1	6.2	3.8	.2	.8	1.6			12.7
53.1	1,842.5	263.7	77.2	3,670.5	3,151.2	194.7	78.7	10.031.6

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5. Authorizations to spend issued by the Italian Government

a. The following table shows by Ministry, the total "ordini di accreditamento" issued during the month. From 1st July, 1944, authorities to spend will be issued by each Ministry.

Comparison of Accreditamenti issued by the Italian State Government (in Millions of lire) April-May

Ministry	April	May
Finance	23.2	46.5
Finance State Monopolies	30.6	360.7
Justice	2.4	3.9
Foreign Affairs	1.0	.8
Italian Africa	3.4	.4
Education	31.4	29.1
Interior	277.4	225.5
Public Works	16.1	16.6
Public Works (State Roads)	27.0	74.4
Communications:		
State Railways	32.5	130.5
Agriculture	1.3	2.1
Industry & Commerce	.5	6.4
Popular Culture	.[illegible]	.2
Total Civil	496.8	901.9
Military		
Army	648.5	837.2
Navy	367.8	397.5
Navy: Merchant Marine	15.5	11.1
Air Forces	89.0	82.3
Total Military	1,120.8	1,328.1
Total Civil	496.8	901.9
Total Military	1,120.8	1,328.1
Total Government	1,617.6	2,230.0

b. Cancelled ordini di accreditamento. It was found that, owing to a misunderstanding of the Finance Ministry order of last March, ordini di accreditamento issued by the former Mussolini Government had only been "suspended" but not cancelled. This had been corrected and all such unused ordini di accreditamento throughout Italian Government territory have been cancelled and the original documents returned to the Ministry of Finance.

6. Provincial and communal budgets and expenditures

a. Budgets for the calendar year 1944 have been received at the Ministry of the Interior from 256 communes and provinces out of a total of 1537 throughout Italian Government territory. The explanation of this unsatisfactory situation is, according to the Ministry of Interior, that the Provincial Councils were not formed in some provinces until comparatively recently. This explanation is not acceptable, ... by R.D.L. of 4th April, 1944, No. 111,

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Italian Africa	[illegible]	[illegible]
Education	61.4	29.1
Interior	277.4	225.3
Public Works	16.1	15.8
Public Works (State Roads)	27.0	74.4
Communications:		
State Railways	52.5	130.5
Agriculture	1.3	2.1
Industry & Commerce	.3	6.4
Popular Culture	.	.2
Total Civil	496.8	901.9
Military		
Army	646.5	837.2
Navy	367.8	397.5
Navy: Merchant Marine	15.5	11.1
Air Forces	89.0	86.3
Total Military	1,120.8	1,320.1
Total Civil	496.8	901.9
Total Military	1,120.8	1,320.1
Total Government	1,617.6	2,230.0

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b. Much of the delay in submitting budgets can be attributed to the action of the Minister of the Interior authorizing Prefects to make grants to communes and provinces of an amount equal to that made by the State in 1943. This instruction is directly counter to the terms of a letter handed to the Minister of Finance by Finance Sub-Commission on 26 April, 1944, which insisted that State grants should only be on the basis of an approved budget for the current year. Although it is not disputed that the financial position of most communes and provinces will be worse than in 1943, the making of these grants, other than on the basis of an approved budget, results not only in delays but also in inefficient administration.

c. Statistical information relating to the expenditures of 111 of the principal communes and provinces in Italian Government territory has been obtained for 1943. This information has been passed to the Budget Officer of the Ministry of the Interior to assist him in making his recommendations to the Central Commission.

d. In the future, with the establishment of the Central Commission for Local Finance, some improvements can be expected in the examination and approval of local government budgets and as conditions become more stable, delays due to difficulties in communication will be reduced.

7. Specific control measures

a. Policy on past-due bills. On 19 June the following letter was addressed to the Minister of Finance by this Sub-Commission:

"1. Through a study of payments being made by various central administrations of the Italian government, it has come to the attention of this Sub-Commission that obligations contracted prior to the liberation of Italy are currently being paid out of the financial resources of your Government.

"2. It is important that such payments be limited insofar as possible, particularly in view of the present inflationary trend, which such payments would only enhance.

"3. For these reasons we should like to see a decree enacted embodying the following principles:

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"(1) That no payment be made on any obligation incurred by government agencies while under the jurisdiction of the Fascist Italian government, except (a) where it can be clearly demonstrated that the non-payment of any such bills would be inimical to Allied interests by reducing the production of goods necessary to the war effort or by hampering or restricting any essential industry or undertaking at present in operation; or by so affecting any undertaking or service as to have an adverse effect on the rehabilitation of liberated Italy; or (b) where it can be demonstrated that the non-payment of any such bills would result in the impoverishment of individuals to such an extent that they would become indigent and a charge on the State.

"(2) That no payments shall be made under principles (a) and (b) above until claims have been presented and examined, admitted, and payment approved by the Corte di Conti, and that the expenditures to which the accounts relate are not specifically prohibited by any law at

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"(2) That no payments shall be made under principles (a) and (b) above until claims have been presented and examined, admitted, and payment approved by the Corte di Conti, and that the expenditures to which the accounts relate are not specifically prohibited by any law at present in force;

"(3) That no payments shall be made under principles (a) and (b) in excess of the amounted required to meet these conditions.

"(4) That payments made under principles (a) and (b) shall be separately accounted for, in order that at any time it will be possible to know the amount and purpose of such payments;

"(5) That immediate payment shall be made of all outstanding bills relating to expenditures contracted and incurred by the Italian Liberated State or by any auxiliary Enti as from the date of liberation, provided such expenditures have been approved by the body charged with this duty under Italian law, and also that such expenditures are not contrary to any law, decree or regulation in force at the time of payment.

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"4. We should appreciate an opportunity to examine the suggested decree before its enactment.

"5. For your information, instructions embodying the same principles as those suggested above are being issued to all territory under the jurisdiction of the Allied Military Government."

The Minister agreed with the stated policy but was of opinion that a decree was an undesirable instrument, as it might have an adverse effect on Italian economy in liberated Italy. He suggested that a speedier and more effective method of implementing the agreed policy would be by Ministerial circular. This circular has now been drafted and after perusal by the Minister will be submitted to this Commission for approval. Regulations are being prepared governing the treatment of claims and will also be submitted for approval before issue. The question of the issue of a decree on this subject has been deferred for further consideration.

b. Regional and provincial directorates in Sicily. The Minister of Finance is of opinion that these bodies should not be allowed to continue in their present form, and that the functions of each directorate should be transferred to the permanent Italian administrative offices. As a preliminary step toward regularizing the position, the Minister is to open discussions with each interested Ministry, and then make firm proposals as to how all the duties and functions of the directorates would be carried out by the State provincial offices. It is intended that, in some instances, certain directorates will be continued provisionally for some time.

c. New budget procedure in AMG territory. Discussions were had with the Regional Finance Officers for Regions IV, V, and VIII in which the procedure and use of the new budget forms were explained and difficulties resolved. Particular attention was directed to the following points:

(i) On the first entry into new territory, AMG finance officers are to instruct the Treasury Sections of the Banca d'Italia that all previous authorities to spend are cancelled;

(ii) Future expenditure would only be authorized on the basis of an approved budget on the new forms;

(iii) No "spese fisse" (salaries and pensions) will be authorized unless detailed schedules are received by the Provincial Finance Officer from the Ufficio Provinciale del Tesoro, containing the prescribed information;

(iv) No "spese fisse" will be authorized for other than State agencies;

(v) No credits will be granted in favor of alleged parastatal bodies unless documentary evidence can be produced by the institution concerned showing that assistance by the State is permissible under Italian law.

These provisions were recommended by the Ragioniere Generale dello Stato, in Salerno, before the forms were planned, and they embody the only practical method of exercising control over payments under the authority of AMG officials or of Italian officials.

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(iii) No "spese fisse" (salaries and pensions) will be authorized unless detailed schedules are received by the Provincial Finance Officer from the Ufficio Provinciale del Tesoro, containing the prescribed information;

(iv) No "spese fisse" will be authorized for other than State agencies;

(v) No credits will be granted in favor of alleged parastatal bodies unless documentary evidence can be produced by the institution concerned showing that assistance by the State is permissible under Italian law.

These provisions were recommended by the Ragioniere Generale dello Stato, in Salerno, before the forms were planned, and they embody the only practical method of exercising control over payments under the authority of AMG officials or of Italian officials.

E. OPERATIONS OF ALLIED FINANCIAL AGENCY AND CURRENCY AND EXCHANGE PROBLEMS

A. Currency for Areas in Process of Liberation

1. The Advance Headquarters of the Finance Sub-Commission is preparing a special statement dealing with the currency situation in the city of Rome, as a part of a general summary of the information obtained in Rome, to which reference should be made. As regards the smaller communes, officers in the field have been directed to use the currency found in the nearest Italian bank for civilian purposes. In cooperation with the Banca d'Italia, and on its responsibility, every effort is being made to move the surplus reserves of the branches of Banca d'Italia in the rear areas, toward the forward areas, so that the branches near the forward areas may in turn make available funds to meet the urgent requirements of newly liberated regions.

2. In general, the larger cities in the new territories have been found extremely deficient in currency. The Germans have apparently followed a policy of securing the maximum possible amount of Italian currency for their own purposes. As the currency reserves of the branches of the Banca d'Italia in Naples and in Salerno have already been drawn upon heavily, it would be highly desirable to transfer to Naples some surplus currency from the Branches of the Bank of Italy in Sicily, to Rome, and this possibility is now under consideration. The political aspects of such a movement present the principal difficulty, but both the Banca d'Italia and the Finance Sub-Commission have strong reasons to prefer use of such reserves to the disbursement of unopened boxes of AM lire for civilian purposes. The Banca d'Italia wishes to disburse only metropolitan lire if possible, while the Finance Sub-Commission has only limited supplies of AM lire available, which are to be reserved for the Allied Armed Forces, in so far as possible.

3. There is attached as Appendix B an extract from the report of the Senior Finance Officer, AMG 5th Army, for June. It is felt that this report is of interest as it shows the nature of financial operations in the forward areas by 5th and 8th Army AMG. In particular, attention is directed to the importance of two policies, the details of which were developed before the beginning of the Italian offensive on 11 May: the use of the Banca d'Italia to supply Metropolitan lire to forward areas in need of currency, and the attachment of Regional finance officers to AMG 5th and 8th Armies for experience. These Regional officers work in the territory to be assigned to their Region with AMG 5th and 8th Army officers and remain behind as the Armies move forward. Turnover of territory from the Armies to the Regions is greatly facilitated and the arrangement provides for continuity of financial policy and operations.

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B. Order for New AM Lire Currency, and receipts under previous order

1. As preliminary reports on the Istituto Poligrafico dello Stato in Rome and the officina Carte Valori of the Banca d'Italia at Aquila indicate that no currency whatsoever can be produced by the latter, and that requirements of power and paper make improbable the production of appreciable amounts by the former during the remainder of 1944, it was deemed necessary to place an additional order for AM lire, in the amount of 30 billion lire. Initial delivery was requested on 1 September 1944. Acceptance of the order by Washington has not yet been received, and it will be necessary to conserve supplies of AM lire until this acceptance has been received, and until arrangements are completed for the production of additional supplies of Italian currency. Finance Sub-Commission was advised by CCS during June that the new Italian Government currency on order with the American Bank Note Company

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2. During the month of June, two shipments of AM Lire currency were received, comprising 400 cases at lira value of 4,494,400,000 each. The shipments were delivered on 21 June 1944 and 29 June respectively. The arrival of approximately 9 billion lire this month, resulting in a net increase of approximately 4.5 billion lire, brought the total currency reserves of AFA in Italy up to about 17.5 billion at the end of June. Another fourteen and three-quarter billions are to be delivered under existing orders.

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C. Review of Reserve Position of Banca d'Italia

1. Total currency holdings of the branches of the Banca d'Italia in Liberated Italy increased by 265 million lire during May, from 6,366 millions on 30 April, to 6,631 millions on 31 May. As 700 millions flowed into the Banca d'Italia in April, this indicates a sharp reduction in the return flow of currency from the public and the banks. Moreover, since 569 millions were paid into the AFA accounts with the Banca d'Italia during the month, a net reduction actually occurred in the currency holdings of the Bank, arising out of its transactions with Italian banks, in May.

2. The Allied Financial Agency had on deposit with the Banca d'Italia a total of 1,265 million lire in working balances, besides 2,100 millions in the No. 2, or Sterilization, account. Thus the Banca d'Italia had slightly less than the required amount of 3,365 millions in AM lire, to serve as cover for these deposits, as it held only 3,159 millions in AM lire, but of this amount a portion was held as reserve against accounts of various sections of ASC other than AFA.

D. Policies of Banca d'Italia in newly liberated territories

1. Contrary to expectations prevailing at the time the last monthly report was prepared, it has not been possible to extend the applicability of all the circular letters issued by the Vice-Commissioner in Naples to the Rome branches of the Banca d'Italia, but the provisions of these circulars are being extended with full force and effect to the branches in other towns and cities in the new regions. Certain special circumstances prevailing in Rome, which are discussed in the special report on Rome, made this decision appear advisable.

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

1. The Palermo and Naples branches of the Allied Financial Agency were directed to utilize civilian postal service for forwarding remittance documents to correspondent banks in the U.S. and the U.K. In order to assure statistical and accounting records of the values involved, the AFA officers will continue to certify by their signatures that the documents have been examined by them before transmittal to the U.S. or U.K. correspondent.

2. As of 1 June, the maximum amount which an Italian household may receive from the U.S. was revised from $ 100.00 per quarter to $ 50.00 per month. All amounts received prior to 1 June are disregarded in fixing the new maximum of $ 50.00 per month. No change was made in the limitations fixed for U.S. nationals. The U.S. Treasury also agreed to consider applications for special licenses for the release from blocked dollar accounts held by nationals of the United Nations only, for the purposes of remitting to the benificiary of such accounts, in Italy, not more than $ 50.00 per month per household. Specific requests should be addressed by the United Nations national to his American bank, which will then ask for a specific license to remit the funds to Italy.

3. As of 31 May, remittance lists received totalled $770 thousand and £ 9,164, amounting in all to 80 million lire. Through 31 May, 13.4 million lire had actually been paid out to beneficiaries.

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F. Advances to Allied Nationals

1. A directive was received from CCS approving the recommendations of the Finance Sub-Commission that the Internees and Displaced Persons Sub-Commission be made responsible for fixing the procedure for disbursing such payments, and for accounting to the Allied Financial Agency for all such payments, other than advances to British and American nationals. The following principles were also laid down by CCS:

a. The cost of all payments for relief, including amounts in excess of the Italian relief scale, will be charged to the Italian Government, if the beneficiary was brought to Italy by the Italian Government, against his will.

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b. All other relief payments made to nationals of Allied Governments which have Missions in Italy will be charged to the Allied Government concerned, and a receipt obtained by the I & D P Sub-Commission acknowledging the sum as an obligation of the Allied Government.

c. All relief payments to nationals of other countries, including enemy countries, will be charged to the Italian Government, including in this charge any excess paid over the Italian relief scale. Appropriate records will be kept for the purpose of facilitating subsequent negotiations between the two Governments concerned. However, it is desired not to take any action which will prevent the admittance of refugees into Italy.

2. Neither the Internees and Displaced Persons Sub-Commission nor any officer of ACC/AMG will make any advances to nationals of any country who have been long resident in Italy, except those advances to British and American nationals which are authorized by Executive Memorandum No. 38. Other governments may in future make similar arrangements for their nationals, but no advances of this type will be made to such nationals until a procedure is transmitted to ACC, via CCS.

3. In this connection, the Swiss Legation in Rome is now making advances to British and American nationals, and one copy of each application forwarded to ACC Hq. will henceforth be passed to the Swiss Legation, which will in most cases make the advance out of funds available to it. Finance officers may wish to inquire as to the possibility of referring applicants directly to the Swiss Legation. A revision in the instructions given by the U.S. State Department to the Swiss Legation will be required, however, as the Legation has been paying only 25 lire to the dollar. Under existing instructions, the American beneficiary would be required to repay the amount of advances granted to him in lire at this rate, by providing lire at the rate of 100 to the dollar, unless he can repay the advance in dollars.

G. Remittances to Italy by Italian prisoners of war

Arrangements were made for British-held Italian prisoners of war who have been accepted as cooperators by that Government to effect remittances to persons located in liberated Italy. Lists of such remittances will be forwarded to ACC, which will deliver them to the Italian Government for payment. The remittances will be effected at the prevailing exchange rate of 1 pound sterling equals 400 lire. As to the disposition of the book credits in sterling resulting from conversion into lire, the Italian Government's note of 26 September, 1944, to the British Government stated that a final settlement would be the object of an agreement between the two Governments at the end of hostilities. The Italian Government has inquired whether a similar arrangement is anticipated covering Italian prisoners of war held by the United States, and Finance Sub-Commission has requested advice on this point from CCS.

H. Spanish war debt to Italy

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In TAM Airgram 15 of 25 April, CCS requested available information regarding the Spanish war debt to Italy. The Minister of Finance advised us that the debt was consolidated on 8 May, 1940, in the amount of 5 billion lire. It was to be repaid in 50 installments, due on 31 December and 30 June, from 31.12.1942 to 30.6.1967. The amount of each installment rises gradually from 40 million lire, plus interest, in 1942 to 150 million lire, plus interest, in 1967. The interest payable on the debt increases gradually from ¼ of 1 per cent in 1942-1946 to 4 per cent in 1962. The consolidation agreement provided for payment in lire in Rome ... currency Spanish Treasury ...

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J. Exchange of currency for refugees

With further reference to the problem mentioned on page 21 of the May Report of Finance Sub-Commission, that of exchanging lire into other currencies for Jewish refugees going to Palestine, the same question will arise when the 1,000 refugees being moved to the U.S. by the War Refugee Board are embarked in July. CCS has been requested to provide an early decision as to the procedure whereby lire can be exchanged into currencies usable outside Italy.

K. Control over safe deposit boxes

The existing system of control over safe deposit boxes allows individuals access to their boxes only in the presence of an Allied officer in Military Government territory. Officials of the Banca d'Italia exercise this function in Italian Government territory. No foreign exchange, gold, securities, or similar objects of significant importance have been discovered in any case to date. Apparently only those individuals who have nothing of value in their boxes request that they be opened. However, the procedure for opening places a heavy burden on finance personnel. Accordingly, a recommendation has been made to CCS that in future, in view of the large number of safe deposit boxes that will come under AMG jurisdiction, the presence of an Allied officer or Italian official be required only at the opening of those boxes whose owners are covered by the blocking regulations. These include: the German government and governments of its allies or their representatives and agents; Fascist organizations including those depending from or belonging to the Fascist party (GIL, Dopolavoro); persons who have held official positions in the Fascist party and the militia; persons who were members of the Squadristi, the March on Rome, and the Sciarpa Littorio; persons domiciled in the territory occupied by Germany or its allies; persons having German nationality or the nationality of its allies; and any other person designated by the Allied authorities. It was further recommended that these boxes be opened by force if necessary, without waiting for their owners to make a request.

IV. BANKING, POSTAL SAVINGS, AND OTHER FINANCIAL DEVELOPMENTS

A. Central Banking Developments

1. While total central banking credit outstanding in the southern and island provinces declined a little during May, i.e., from 1,082 to 1,073 million lire, the decline was due wholly to rediscounts as secured advances actually increased by 50 million lire. The increase in advances was concentrated in Sicily and is probably to be accounted for by the needs of banks for funds for agricultural financing. (See Statistical Appendix.)

2. Bankers' deposits at the Banca d'Italia increased by 3 billion lire during May, bringing them to a total of over 12 billion lire. Also on 31 May, the amount available which could be withdrawn as secured advances by banks came to over 3 billion lire.

During the month, the transfer of 1,900 million lire to the number 2 account of the Allied Financial Agency was effected. This with other AFA accounts is re-

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During the month, the transfer of 1,900 million lire to the number 2 account of the Allied Financial Agency was effected. This with other AFA accounts is responsible for the almost 3 billion lire shown by the Banca d'Italia "Non-interest-bearing current accounts - Due to Others". (See Statistical Appendix.)

B. Post Office Financial Services

The available figures on postal savings accounts for April and May are given in the Statistical Appendix. The reasonably complete April figures show a net drain of 85 million lire out of the post offices. In May, incomplete figures for 16 provinces show a net increase of 170 million lire - almost all in current accounts. For the first time in almost a year, there was a net inflow of funds from postal savings bond sales in Puglia. All the other provinces with the probable exception of the Sardinian provinces, however, are still experiencing a net outflow of funds on this account.

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C. Recent Developments in the Financing of Procurement for the Allied Forces

1. Implementation of Administrative Memorandum No. 95

This procedure, last mentioned in the Finance Sub-Commission Report for March, 1944, was referred by HQ. Allied Armies in Italy to AFHQ for review. Preliminary discussions within AFHQ, as reported to us by G-5 Section, indicated that the Fiscal Director (U.S.) and the Deputy Paymaster-in-Chief (British) were not in favor of the "voucher" system developed by ACC and AAI in conjunction with the Italian Government, but desired that the Italian Government procure and pay for supplies. In those cases in which the Italian Government was not in a position to undertake procurement, the Fiscal Director and DPIC preferred rather to make payments for goods and services direct to suppliers out of Army funds and to secure reimbursement from a "lira account" to be established by the Italian Government on the same lines as the "franc account" set up in North Africa. Finance Sub-Commission pointed out to G-5 that it was doubted that the Italian Government is now in a position to establish a procurement office which could function effectively. It was suggested that the "voucher" system, under which the Italian Government would pay suppliers for goods and services furnished to the Allied forces, be instituted now, and that the creation of a procurement office be discussed with the Government as soon as it establishes itself in Rome. G-5 was advised that ACC does not consider that the "lira account" has any advantages over the "voucher system" the latter is familiar to the Italian Government in both theory and practice, as it is now used for the payment of tort claims against the Allied forces. However, the Joint Military Finance Committee, AFHQ, decided that the "lira account" should be utilized and instructions on its operation are awaited.

2. Provision of goods and services to the Allied navies by the Italian navy

The Italian Ministry of Marine submitted to the Navy Sub-Commission, ACC, a plan whereby supplies and services provided by the Italian navy to the Allied navies would be accounted for. The preamble of the accounting plan stated that all supplies and services furnished would be debited to the Allied Governments, and Navy Sub-Commission consulted Finance Sub-Commission as to the financial policy involved. Finance Sub-Commission replied it is understood that under the Armistice terms the Italian Government is obligated to make available to the Allied forces such Italian military, naval, and air installations, equipment, and services as may be required. The question of any eventual payment or compensation to the Italian Government for Allied use of Italian Government property and services is one that can only be decided at the highest policy levels of the American and British Governments as part of a general financial settlement. It follows that the Allied Control Commission cannot agree to any Italian Government arrangement under which the cost of goods and services furnished would be debited to the Allied forces. The Navy Sub-Commission was advised that, therefore, an appropriate change should be made in the proposed accounting plan. The Finance Sub-Commission does not see any objection to the accurate recording of materials and services provided by the Italian navy to the Allies as long as it is made clear that the Allies do not accept any obligation with respect thereto.

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3. Financial arrangements for requisitioned hotels

Suggestions had been received both from AMG Regional officials and owners of requisitioned hotels, that funds for running [illegible]

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Suggestions had been received both from AMG Regional officials and owners of requisitioned hotels, that funds for running expenses should be paid to the hotels on the basis of a percentage increase over the normal tariff. The suggested percentages ran as high as 3,000 per cent. Representatives of ACC met with Claims and Hirings officers of AAI, and it was agreed that it would be impossible at the present time to establish equitable increases in the tariff rates. Further, it is not desirable at the present time to allow the Italian Government to make payments to hotels covering depreciation or return on capital. It is in accord with the recommendations of the Allied Anti-Inflation Committee (Italy) that Italian Government expenditures be limited as much as possible, and that in no case should such items as war damage claims be paid at the present time. Accordingly, it was decided that each requisitioned hotel should present each month to the Italian Comando Genio Militare a statement of its out-of-pocket costs during the preceding month. Such costs would include wages, necessary replacements (linen, china, glassware), minor repairs, laundry, and insurance. The Comando Genio would refund each month such costs to all requisitioned hotels. Utilities payments would be made direct by the Comando Genio. It remains to discuss the plan with the Italian Government, which must issue the necessary orders.

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V. PRICES AND THE COST OF LIVING

A. The Prices of Wheat and Bread

1. The problem

a. Since the price of 900 and 1,000 lire per quintal for soft and hard wheat, respectively, was determined, central Italy, an area normally producing about 20 per cent of Italy's wheat crop has been liberated, and the possibility has arisen of liberating all of Italy before the harvest is completed, and thus acquiring access to a further 45 per cent of Italy's wheat crop. This has raised numerous problems since the price determined for Liberated Italy is clearly out of line with the agricultural and economic conditions prevailing in the newly liberated territory. In areas still under control of the Fascist Republic, the price of soft wheat has been fixed at 350 lire per quintal. Extending our price into the newly liberated territory entails three undesirable results:

(i) The adjustment of economic conditions between the two parts of Italy would be hastened by encouraging a rapid increase of prices and incomes in the newly liberated areas up to the level of those in the south. While an ultimate adjustment of the two parts is unavoidable, there is little reason to hasten the adjustments nor to resign ourselves to making the adjustment solely through increases in central and northern Italy;

(ii) Farm entrepreneurs in central and northern Italy would be enormously enriched through the accident of Allied occupation immediately before the harvest, since their crops, entirely produced at one level of prices and wages, would be sold at a price corresponding to a level almost three times as high. The price determined upon for the south was fixed as high as it is largely because of the substantial rise in farm wages in the south, a phenomenon that has not occurred in central and northern Italy.

(iii) The budget burden imposed upon the Italian Government by the bread subsidy would be enormously and unnecessarily increased. It was originally estimated, at the time the price of wheat was set, that the Italian Government deficit created by the necessity of paying the determined price for wheat, converting it into bread, and selling it at 5 lire per kilo would be about 7 billion lire annually. To extend the same prices into central Italy would create an additional 4 billion lire of annual deficit, and, should north Italy fall before the end of the harvest season, a further 9 billion lire would be added to the deficit, making the total deficit on account of the bread subsidy 20 billion lire. This amount is approximately half as large as the total annual Italian Government deficit at the present time.

b. Also, since the price of wheat was set, weather conditions have been so favorable that a bumper crop appears to have been produced throughout Italy. A yield of 8 quintals per hectare was used in the original calculations for determining the price while an average yield in excess of 10 quintals per hectare now appears probable. If the original calculations were approximately correct, the price fixed will prove to be at least 30 per cent higher than that necessary to do justice to the farmers. Moreover, in addition to making the Italian Government's per quintal purchase price too high, the bumper crop will greatly increase the number of quintals to be bought. Since local purchases involve local cash disbursements, and since the alternative to larger wheat purchases locally is larger imports which involve no [illegible] disbursements upon the part of the Italian fixed at 350 lire per quintal. Extending ... entails three undesirable results:

(i) The adjustment of economic conditions between the two parts of Italy would be hastened by encouraging a rapid increase of prices and incomes in the newly liberated areas up to the level of those in the south. While an ultimate adjustment of the two parts is unavoidable, there is little reason to hasten the adjustments nor to resign ourselves to making the adjustment solely through increases in central and northern Italy;

(ii) Farm entrepreneurs in central and northern Italy would be enormously enriched through the accident of Allied occupation immediately before the harvest, since their crops, entirely produced at one level of prices and wages, would be sold at a price corresponding to a level almost three times as high. The price determined upon for the south was fixed as high as it is largely because of the substantial rise in farm wages in the south, a phenomenon that has not occurred in central and northern Italy.

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c. Moreover, since the price was set, farmers having rent contracts calling for payments in kind have objected strongly, and with reason, to being required to pay approximately three times as much rent as their neighbors having contracts in money. It has been reported that many such farmers are threatening to resist the burden imposed upon them by refusing to amass their wheat.

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e. Finally, since the price of wheat was set, the prices of all other crops subject to amassing or blocking (a program under which farm products are blocked upon the farms and can be used only for consumption on the farms or for sale to the authorized purchasing agencies) were set at levels such that they would bear approximately their normal relationship to wheat. Such crops include all important cereals and legumes other than rice. While this decision was entirely proper, it multiplies the importance of all the problems raised by the price of wheat.

2. The Government's Recommendations

The new Government has expressed great concern with the size of the budget deficit necessitated by the prices of wheat and bread and with the extent to which the problem will be aggravated by the liberation of the north. Accordingly, the Government requested ACC to reconsider its decision upon the price of bread. The Government proposed that the price of bread be increased to 13 lire, its "economic price", or at least to 8 lire, and that the wages of Government employees be increased, and other "controlled wages" be permitted to be increased, by an amount sufficient to compensate workers for their increased expenditure upon bread. The Government estimated that a 13 lire price for bread would eliminate the subsidy, and that the deficit necessary to increase government workers' salaries sufficiently to compensate them for the increase in the price of bread would be small.

3. The Finance Sub-Commission's proposal

a. The Finance Sub-Commission opposed this recommendation on the grounds that :

(i) a sharp increase in the price of bread would be politically and economically disastrous for the reasons stated in last month's report; that

(ii) while the increase in "controlled" wages would alleviate the immediate problems that would be created by the increase in the bread price, it would further encumber a complex method of wage calculation already in need of drastic simplification; that, more importantly,

(iii) the increase could not, in all probability, be limited to "controlled wages"; and that therefore the inflationary effect of the proposed bread indemnity should not be measured by the increase in government salaries alone, but by the total increase in Government salaries, private "controlled" salaries, and uncontrolled salaries. It is our belief that the permitted and unavoidable increase in these items that would result from the increase in the price of bread would at least equal, and probably exceed, the present bread subsidy.

b. As an alternative, this Sub-Commission proposed that some method be found to reduce the price of wheat in central and northern Italy, and that the price of bread be increased much less than the amount recommended by the Government. Accordingly, ACC and the Italian Government reached an agreement that the distinction maintained in former years between the price of wheat and the subsidy for wheat production should be reestablished. It was agreed that the price of soft wheat would be 350 lire per quintal with a subsidy of 550 lire per quintal in all areas liberated prior to 11 May 1944 (keeping the total payments to farmers 900 lire as at present), and with a subsidy of 350 lire per quintal in "middle Italy", i.e. the area north

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This proposal would have solved the rent-in-kind problem and would have reduced the government's expenditures for crop purchases approximately 7 billion lire and increased its revenue from bread sales about 2.5 billion lire. Accordingly, it would have reduced the government's deficit on account of the bread subsidy from about 20 to about 10 billion lire per year.

4. The present situation

After agreement was reached, a delay was encountered in notifying AMG officers in the field of the new prices for crops, and further delays were then anticipated before all Consorzii could be informed. For this reason the decision was reversed and the price of wheat was kept at 900 lire for central Italy.

The new price of bread has not yet been determined. It is probable, however, that it will be fixed in the range between 5 to 7 lire per kilo throughout Italy. If this is done, the Government's deficit on that account will be reduced about 6 billion lire, but an annual deficit of 14 billion lire on account of the wheat and bread program will remain.

B. The Cost of Living

1. Naples

a. During June the cost of living in Naples fell sharply, from the May average about 400 lire per person per week to 300 lire by the end of June. The decline was caused by the availability of 1944 crops and by the announcement of the increase in the bread ration to begin on 1 July. The largest part of the decline was caused by the over supply of potatoes that came on the market in the middle of June. The region around Naples ordinarily ships a large quantity of early potatoes during June and July. The crop this year was unusually good, and because the facilities for shipping them were almost unobtainable, the Naples market received so many that their price fell from 40 to 8 lire per kilo. The price of black market bread, which has been rising almost steadily for a year and half, exceeded 200 lire per kilo for the first time in the second week of June, and then dropped to 180 and to 150 lire in the third and fourth weeks of the month. This decline was the result of supplies from the 1944 harvest becoming available and of the announcement, made on 14 June, that the ration was to be increased to 300 grams per day, beginning 1 July, in Sicily, Sardinia, and the southern mainland up to and including Naples and Campobasso provinces.

b. The 300 gram ration will provide 2.1 kilos of bread per person per week, thus making it possible for people to buy at official prices the entire 2.0 kilos per week that has been used as the bread budget in the Finance Sub-Commission's index. Black market bread, formerly the largest single item in the index accounting for about $\frac{1}{3}$ of total expenditure, will thus disappear from the calculations, and, if the effect of this saving is not offset by increases in other prices, the cost of living during July should be about 200 lire per person per week, the lowest level since October 1943.

c. The cost of living in lire, per person per week, for Naples was as follows in June:

week ending	
June 7	352
" 15	358
" 23	341

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c. The cost of living in lire, per person per week, for Naples was as follows in June:

week ending	
June 7	352
" 15	358
" 23	341
" 30	302

2. Rome

a. Data roughly comparable to that given for Naples indicate that the cost of living in Rome rose from 110 lire in September 1943 to 580 lire in May 1944, the last month of German occupation. This is an increase of over 400 per cent in 6 months, a rate of increase far more rapid than that which occurred at any time in Naples. The price of black market bread alone increased in price over 500 per cent during that period. The price of black market bread in May was 125 lire, against 180 lire in Naples. The principal item making the total cost of living higher in Rome than in Naples was olive oil, the price of which was 900 lire in Rome and 230 lire in Naples. Fats of all types were particularly scarce in Rome. Even lard sold at 650 lire per kilo.

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b. Since liberation, rations of bread, beans, and meat have been reestablished or increased, and in consequence, black market prices have declined somewhat, and the cost of living has declined appreciably.

c. The table below compares the data for Naples and Rome:

	Cost of Living (lire per person per week) Naples	Cost of Living (lire per person per week) Rome	Price of Black Market Bread (lire per kilo) Naples	Price of Black Market Bread (lire per kilo) Rome
1943				
January	43		18	
February	46		18	
March	47		20	
April	49		20	
May	52		25	
June	48		25	
July	43		25	
August	63		30	
September	124	110	50	20
October	202		60	
November	243		85	
December	300		115	
1944				
January	350		125	
February	338		130	
March	360		150	
April	330		150	
May	390	580	180	125

VI. INSURANCE

A. Commercial Insurance

1. Insurance Committee

The first meeting of the Committee took place in Naples on 7 June and was attended by representatives of the Ministry of Industry, Commerce and Labor and of the Ministry of Finance, and the Commissioners of the various Companies. Officers of the Insurance Department, Finance Sub-Commission, also attended. The Commissioners are to formulate the principal matters calling for decision by the Government. It is intended to take action to extend the decrees for Commissioners to include Head Offices in their jurisdiction. Arrangements were also made for the setting up of technical sub-committees to examine problems of a technical nature. The Director-General of Commerce was advised at this stage the Commissioners' powers should not be extended to include foreign branches, since they will have their hands full in administering Italian agencies, and their responsibilities will increase.

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April	49		20	
May	52		25	
June	48		25	
July	48		23	
August	63		30	
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2. Commissioners

a. Some delay had occurred in the appointments of Commissioners for the Companies mentioned in the May Report of this Sub-Commission, owing to the change of Government, but their publication in the Official Gazette has been promised shortly.

b. Dott. Alfredo de Liguoro, Commissioner for Istituto Nazionale delle Assicurazioni, Praevidentia, and Assicurazioni d'Italia, went to Rome on 28 June to assume control of the Head of the Istituto and its subsidiary Companies.

3. Effect of occupation of Rome

a. It is considered that the arrangements for Rome notified to the SFO, AMG 5th Army, and later to the SFO, Rome Region, satisfactorily covered all contingencies that arose. All Rome offices will remain severed from the remainder of liberated Italy until such time as the Finance Sub-Commission is in possession of adequate information regarding them. Branch offices in Rome will eventually be placed under the Commissioners, while Head Offices will eventually take charge of their branch offices in Italian Government territory under the direction of their Commissioners. In both cases, the step must await restoration of commercial postal communications with the south. In both cases too, examination will be made of Rome personnel, and, if any are found more qualified to act as Commissioners than those now acting, the Italian Government will be advised to make a change. A Commissioner will be necessary even for Companies whose Head Office is in Rome until such time as existing directorates and managements can be approved as politically acceptable. The Istituto Nazionale delle Assicurazioni forms the biggest problem. The Government will consider all its executive appointments.

b. Communications have already been received by several Commissioners (through the Naples offices) from individuals in Rome purporting to be empowered by Head Offices farther north to control activities in liberated Italy. No such appointments will be recognized. The Ministry of Industry, Commerce and Labor have expressed their agreement with this decision. For a few companies whose Head Offices are in Rome no Commissioner for liberated territory has yet been appointed. Subject to satisfactory screening of directorate and executives, the authority of these Head Offices over their branches can be reestablished.

4. Fire insurance on requisitioned buildings

It was reported that owners of buildings that have been requisitioned are demanding cancellation of fire insurance policies, by virtue of Article 30 of the Italian Civil Code. The opinion of the Legal Sub-Commission was sought as to whether fire insurance could be regarded as a contract incompatible with the requisitioning order. The Legal Sub-Commission stated that, generally, an insurance contract is not incompatible with requisition, but that in some cases it may be, if, for instance, the fire hazard of the building is greater under its requisitioned use. Each specific contract would have to be examined together with the facts of the requisition to determine whether or not the particular contract is, because of its limitations, incompatible with requisition.

B. Social Insurance

1. Commissioners

a. The appointment of Dott. Livio Malfettani as Commissioner for the Istituto per l'Assistenza di Malattia ai Lavoratori, which has been under consideration, has now been confirmed.

b. The appointments referred to in the May Report have now been published in the Official Gazette, No. 36 of 24 June, and republished in AMG territory.

c. These Commissioners were appointed principally to facilitate handling on a national basis, such problems as finance, benefits, and contributions, and general personnel policy.

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c. These Commissioners were appointed principally to facilitate handling on a national basis, such problems as finance, benefits, and contributions, and general personnel policy.

d. Any enquiries affecting provincial offices of the various Institutions in Italian Government territory should be channelled through the Italian Government. In AMG territory Finance officers should contact the local offices direct on Regional or local matters and communicate with Finance Sub-Commission HQ on matters of national concern.

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2. Financing of social insurance deficits

One of the first results of the appointment of national Commissioners has been a change in method of financing deficits. Southern Italy has always been on a deficit basis so far as Istituto Nazionale della Previdenza Sociale is concerned. Collection difficulties and inaccessibility of reserves have created financial difficulties for both Istituto Nazionale Infortuni and the Istituto per l'Assistenza di Malattie ai Lavoratori. These have hitherto been met by credits to provincial offices or inspectorates at the Banca d'Italia after certification of their needs by an ACC/AMG finance officer and an Intendente di Finanza. Recently the Italian Government has centralized financing of these institutions in the territory under its control. Requests for necessary funds will be made by the Commissioners on behalf of all offices in liberated Italy. "Previdenza" and "Infortuni" organizations have now been placed on the same basis in Military Government territory and an early decision to the same effect is expected for "Malattie". A major enforcement effort to collect contributions in arrears at the national level is required. The change in method of financing will provide an opportunity for uniform national action in this matter.

3. Military allowances

a. The first two articles of R.D.L. 113, 13 April 1944 regarding "soccorsi militari" (military relief allowances) have been republished in AMG territory. These articles raise the daily allowances approximately 70 per cent and extend coverage to families of Italian workers in enemy-occupied territory. The former and present scale of daily allowances follows:

	Former Allowance	Increase Granted	Present Allowance
Wife	8.00 lire	6.00 lire	14.00 lire
Child (each)	3.00	2.50	5.50
Parent	8.00	6.00	14.00
Two parents	10.00	7.00	17.00

The third and fourth articles of the decree, reorganizing the machinery for granting military relief allowances, were not republished, as the Public Health & Welfare Sub-Commission opposed their extension to AMG territory at this time. Finance Sub-Commission approves of their extension and is discussing the matter with Public Health to see if agreement can be reached.

b. Proclamation No. 4 issued in recently liberated territory, authorized benefit payments by social insurance and welfare institutions except family allowances to dependents of the following classes:

(i) persons engaged in military service,

(ii) unparoled prisoners of war, and

(iii) Italian workers in Germany or other enemy-occupied terriyory.

This sweeping prohibition forbade payments of "richiamati" (military allotments to dependents of those called to arms); "soccorsi militari" (special relief allowances [illegible] in need), and general relief payments to such of

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c. To amend this situation a directive, agreed to by the Finance, Labor, and Legal Sub-Commissions, was issued by the Acting Chief Commissioner on 1 July. Its purpose was to encourage maximum cooperation of Italian nationals with Allied Forces by paying benefits due to dependents of those in the listed classes who were not known to be cooperating with the enemy. As regards the latter group, general relief provided by communes will be paid to such of their dependents as can establish need. "Richiamati" and "soccorsi militari" will not be paid

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(i) to dependents of members of Italian armed forces who have joined the Fascist Republican or German armies.

(ii) to dependents of Italian workers in enemy-occupied territory.

d. Both "richiamati" and "soccorsi militari" are reinstated retroactive to 31 March 1944 for dependents of those in military service or imprisoned in liberated territory, who had previously been cut off by the Fascist Republican Government. They will continue to be paid in the case:

(i) dependents of members of the regular armed forces who are not known to have deserted to the Fascist Republican or German armies,

(ii) dependents of those entering Italian regular armed forces, and if such entrants have served with regularly constituted bands and can document the period of service to the satisfaction of competent military authorities, their dependents may be compensated for this period also. A detailed instruction has been sent to the provincial offices of "Previdenza", through the Regional Finance officers, to implement the directive.

e. These actions regularize the situation regarding military allowances, and action parallel to the directive has been promised by the Italian Government. Thus for the first time since the occupation of Italy, a consistent and uniform policy regarding "richiamati" will obtain throughout liberated Italy. When the reorganization features of the recent legislation regarding "soccorsi militari" are republished, completely uniform treatment of military relief claimants will obtain both in Italian Government and Military Government territory.

4. Uniform wage interpretation

a. The complexities in the scale of public compensation described in the May Report have led to numerous conflicting interpretations of those provisions of the Regional wage adjustment orders which affected public employees and these in turn have resulted in serious inequities. To correct this situation in AMG territory, a special instruction framed by agreement of the Finance and Labor Sub-Commissions was issued by the RC and MG Section on 6 June 1944.

b. The regional wage orders had directed (article 1) that the increases be calculated on "the base of present total salaries (base plus ordinary and extraordinary indemnities which usuall represent an integral part of their total salary)". In many cases, nevertheless, items were separated from the total before applying the graduated percentages so as to assure larger increases. In other cases, items that were not recurring or integral parts of the total salary were nevertheless held subject to increase. The new wage instruction sets forth which items shall, and which shall not, be increased; and directs that the graduated scale be applied to the total sum only of the items to which it is applicable.

5. Rome developments

Reports from Rome indicate that last winter, anticipating the City's fall, the Germans formed separate Head Offices of the social insurance institutions in the North. A Head Office of "Previdenza", for example, was formed at Vittorio Veneto.

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can document the period of service ... may be compensated tent military authorities, their dependents may be compensated for this period also. A detailed instruction has been sent to the provincial offices of "Previdenza", through the Regional Finance officers, to implement the directive.

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4. Uniform wage interpretation

a. The complexities in the scale of public compensation described in the May Report have led to numerous conflicting interpretations of these provisions of the Regional wage adjustment orders which affected public employees and these in turn have resulted in serious inequities. To correct this situation in AMG territory, a special instruction framed by agreement of the Finance and Labor Sub-Commissions was issued by the RC and MG Section on 8 June 1944.

b. The regional wage orders had directed (article 1) that the increases be calculated on "the base of present total salaries (base plus ordinary and extraordinary indemnities which usuall represent an integral part of their total salary)". In many cases, nevertheless, items were separated from the total before applying the graduated percentages so as to assure larger increases. In other cases, items that were not recurring or integral parts of the total salary were nevertheless held subject to increase. The new wage instruction sets forth which items shall, and which shall not, be increased; and directs that the graduated scale be applied to the total sum only of the items to which it is applicable.

5. Rome developments

Reports from Rome indicate that last winter, anticipating the City's fall, the Germans formed separate Head Offices of the social insurance institutions in the North. A Head Office of "Previdenza", for example, was formed at Vittorio Veneto. Some cash securities and documents were transferred at the time. There remain in Rome, however, sufficient records and reserves to carry on necessary operations. When plans for Rome were being drawn, careful consideration was given the position of the national Commissioners, and it was decided that arrangements should be made for them to go to Rome at the earliest possible moment. Accordingly, after consultation with the Labor Sub-Commission and the Italian Government, the national Commissioners have been despatched to Rome to assume control and recreate their Head Offices.

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6. Insuran[illegible] of civilians employed by Allie[illegible] orces

In November 1943 an agreement was reached between the Claims Commission AFHQ and the Italian Government under which the cover afforded by Italian law for State employees was extended to all workmen employed by the Allied Forces. This agreement which superseded any local arrangements made previously has subsequently been further amplified by the Italian Government to apply to "laborers engaged by the Commands of the French, Polish, and other Armed Forces and operating in the liberated territory of Italy".

7. Pensions

Recent discussions with the Italian Government relative to the pension bills (R.D.L. 85 increasing state pensions, and R.D.L. 102 offering pensions to members of the disbanded Fascist Militia on more favorable terms - see May Report of Finance Sub-Commission) promises an early satisfactory adjustment of these measures. The Government has agreed to repeal R.D.L. 102 and enact a substitute proposal eliminating pensions that resulted from Fascist political activity. Members of the special technical militias (Railroads, Ports, Highways, Post and Telegraphs, Forests) will be allowed to receive pensions, but those holding posts of 6th grade or higher will be required to prove they were not holding them as a result of Fascist Party activity. Members of M.V.S.N. (Fascist Militia) will be excluded outright. As soon as these proposals have been adopted, R.D.L. 85 will be extended to AMG territory, giving increases of 30 to 70 per cent in pensions to those who have served the State.

8. Public wage proposals

a. Proposals for increasing wages of public employees and rationalizing their wage structure were communicated to the Finance and Labor Sub-Commissions by the Italian Government in June. Although graduated, the increases would have conceded too much to higher-paid employees. The simplification, although considerable, would have left too many elements remaining in the wage structure. The supporting data were both inadequate and unsuitable, and hence furnished no basis for an estimate of the probable cost of the proposed adjustment, nor for evaluating it in relation to alternative adjustments.

b. Listed grades, earnings, and adjustments indicated per cents of increase, ranging from 26 to 111, and absolute increases ranging from 1,384 to 1,740 lire per month. Although the per cents of increase were graduated, the largest absolute adjustments were proposed for those already earning the largest amounts. Although the cost of living was the main argument given for conceding an increase, no difference was suggested as between areas with extremely high price levels and areas with relatively moderate price. levels.

c. The Ministers had agreed to reduce the public wage structure to two or three basic elements, but their proposals would by no means achieve this. They have completely absorbed:

(i) the active service supplement;

(ii) the temporary war allowance,

(iii) the extraordinary work premium,

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and have partially absorbed the family allowance, in the base stipend. There was no

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and have partially absorbed the family allowance, in the base stipend. There was no attempt to absorb the specialized indemnities like the "toga" for magistrates, the temporary wage adjustment (10 to 70 per cent) which now would be applied to the higher total wage, or the periodic bonuses.

d. The bombing indemnity, while not retained as such, would be renamed presence indemnity and made universally applicable. There would remain, therefore, the following elements:

./..

(i) stipendio,

(ii) presenza,

(iii) integrazione (temporary adjustment),

(iv) aggiunta di famiglia (100 lire per child for all children in excess of 3),

(v) special indemnities, and

(vi) periodic bonuses.

e. The information supplied by the Ministers was hopelessly inadequate. It covered only statal employees in Italian Government territory falling into certain categories. It was also ill-suited to the purpose of evaluating the proposals.

f. The proposals have been returned to the Ministers with the statement that, without further information and further simplification, they cannot be put into effect. Since equity is the ground on which the proposals were put forward, we must have the information necessary to assure that such adjustments as we may approve are equitable.

9. Agricultural "contributi unificati"

a. Agricultural workers in Italy are entitled to family allowances, pensions, tuberculosis benefits, and marriage and maternity benefits from the Istituto Nazionale della Providenza Sociale, and also to sickness assistance from Istituto per l'Assistenza di Malattia ai Lavoratori. The Syndicate contributions (Contributi Sindacali) were formerly collected simultaneously with the social insurance contributions from agricultural workers and the combined contributions and dues called Contributi Unificati. The abrogation of Contributi Sindacali was ordered in August 1943 by General Order No. 2. Consequently instalments payable under Contributi Unificati in Agricoltura were reduced 40 per cent.

b. It has since been found that the 40 per cent reduction was an arbitrary figure. Consequently it has been decided that as soon as circumstances permit contributions will be reduced in each province by the amount formerly allocated to certain Fascist organizations in that province. The Fascist organizations in question are:

(i) Fascist Agriculture Confederation

(ii) Fascist Confederation of Farm Workers

(iii) Fascist Party

(iv) Universal Exposition at Rome (the Italian equivalent of the German "volkswagon" plan: heavy contributions but no returns).

c. The 1944 quotas will consist of contributions for the following approved purposes:

(i) Social Insurance (invalidity and old age, tuberculosis, births and marriages)

(ii) Family Allowances

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c. The 1944 quotas will consist of contributions for the following approved purposes:

(i) Social Insurance (invalidity and old age, tuberculosis, births and marriages)

(ii) Family Allowances

(iii) Sickness Assistance

(iv) Ente della Cooperazione

(v) Administrative expenses (in the amount of 3% of the total for the other items).

In accordance with the provision of R.D.L. No. 126 of 18 March 1943 published in the Official Gazette of 31 March 1943, an increase of 50% is authorized in the contribution for invalidity and old age. No other increases are authorized.

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VII. ACCOUNTING SUB-SECTION

A. Supply Accounting

1. During the month progress has been made in supply accounting, both at Headquarters and in the Regions. At the close of the preceding month consolidated accounts were prepared only through 31 January 1944, due to delay in the submission of Regional reports, a condition primarily ascribable to lack of personnel. The additional officers allocated to supply accounting during the past two months have substantially improved the situation. All Regions have now submitted returns through 30 April, 1944, except Regions I and VII, and in these Regions returns have been received through 31 March 1944. Consolidated accounts have been prepared at Headquarters level taking in the returns as above indicated. The accounting includes all commodities imported and drawn from the Armies, except medical supplies.

2. The position with regard to past transactions in accounting for medical supplies is unsatisfactory. An officer on the Chief Accountant's staff has for some time been exclusively employed in reconstructing past records which should have been maintained, but were not, by Regional Public Health Officers. Some progress has been made, but it may be one or two months before a report can be prepared on this subject.

3. A number of unfinished projects still remain to be cleared up in one or two Regions in respect of transactions in the early days of occupation, but definite progress has now been made and it is hoped that all these matters will be finalized within the coming month.

4. Accounting for petroleum products, heretofore a troublesome problem, is now being brought under well-defined accounting control, as a result of arrangements effected in collaboration with the Petroleum Section, AFHQ, CIF. At present all POL products issued for civilian use are sold to the Comitato Italiano Petroli. Billing for POL is done by the Chief Accountant's office, upon advice from the Petroleum Section of the quantities supplied CIF during the month.

5. Accounting for coal, imported as well as locally produced, has until lately been unsatisfactory, especially with respect to transactions in the early stages of operations, both in Sicily and on the mainland. With the assistance of the Coal Section, ACC, statements have been developed showing allocations and issues by types of coal. On the basis of this information, advice on quantities has been sent to various Regions, in order that purchasers may be billed and collections effected for unpaid items. Further, in accordance with a plan now in course of development by this office and the Coal Section, coal for essential civilian uses will be sold at dockside to the Italian State Railroads, which will in turn sell to public utilities, industries, and other consumers, thus avoiding the multiplicity of accounts necessitated by the old arrangement.

6. In the early stages of occupation, the accounting for supplies handled by the Regional agricultural divisions has given trouble, primarily because these agencies lacked adequate accounting and clerical personnel, and were thus forced in large measure to depend on the services of Provincial Consorzii for receiving and disposing of supplies. Such arrangement has not proved satisfactory and as a result the accounting for some products turned over to the Consorzii has been delayed, notably seed potatoes. Recently the Agricultural Sub-Commission, in collaboration with the Accounting Sub-Section, effected an arrangement whereby future agricultural imports will be sold as transferred from ship- [illegible] Federazione dei Consorzii, which will in turn resell to Regional [illegible]

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an arrangement whereby future agricultural imports will be sold as transferred from ship-
side to the national Federazione dei Consorzii, which will in turn resell to Regional
and Provincial Consorzii Agrarii, thus eliminating the accounting on Provincial and Regional
levels by ACC/AMG.

7. Accounting for supplies and subsistence issued to the Italian Armed Forces is
still unsatisfactory in certain respects. Such supplies may be considered under three
headings:

a. Bulk imports for the Italian Army supplied by U.S. and U.K.
b. Depot issues by U.S. Army.
c. Depot issues by British Army.

The responsibility for supervising issues to the Italian Army is that of the Military
Mission to the Italian Army (part of the Army Sub-Commission, ACC), which has jurisdic-
tion over the distribution of bulk and depot issues. Under existing arrangements, MMIA
is required to submit to the Chief Accountant reports of bulk issues in quantities only.

In view of this fact, instructions have been requested as to what agency will value supplies so issued, and, if the valuation is to be made by the Chief Accountant, as has been indicated in previous correspondence, it will be necessary that landed cost figures for all such commodities be furnished to him. Considerable difficulty has been experienced in recording depot issues. Such transactions cover a wide range of commodities. In some cases these are priced with summaries by major categories; in other cases they are merely listed in quantities; and in still other cases only shipping tickets are received. In view of the unsatisfactory state of the reports received, a memorandum was addressed to G-5 (Finance) AFHQ, citing the circumstances and asking for instructions, in order that a uniform procedure may be applied by all reporting agencies.

8. In view of the extension of the export activities, supplemental accounting instructions were developed to provide the necessary records for the preparation and submission of information to Headquarters of the Industry and Commerce Sub-Commission and the Finance Sub-Commission. The new procedure provides for the operation of a purchase register for exports, receipts and shipments record by commodities, export warehouse stock cards, and a monthly return on shipments.

9. Owing to (a) progress made in selling imports to the Italians in greater bulk and on a higher level, (b) the clearing up of old outstanding matters, and (c) the reduction of imports in some Regions, it has been possible to transfer staff from rear to forward Regions; five officers and EM/OR from Region I have been, or in the immediate future will be, transferred elsewhere and the Supply Accountant in Region VI is being recalled and earmarked for a new Region. It must, however, be remembered in considering supplies accounting that the extent to which the staff can be reduced is ultimately determined by the work of the Sub-Commissions for whose operations accounting must be carried out. So long as it is necessary for ACC Sub-Commissions or Regional Divisions handling imports and exports to deal with Provinces or individual firms, it will be necessary to maintain accounting personnel in the Regions to see to the accounting. Only when imports and exports are dealt with through some national organization at Headquarters level will it be possible to avoid retaining a Supply Accountant in rear Regions.

10. Considerable difficulties in handling imports and exports on a national level have been experienced owing to the weakness of the Italian national administration and the fact that organizations of a national character are disorganized because of war conditions. Progress is, however, being made; as heretofore indicated, petroleum products and agricultural imports are now being handled on a national level and it is hoped that a similar policy for coal imports will be adopted shortly. The Public Health Sub-Commission are also developing a policy of selling to the Italian Government on a Regional basis. An officer on the Chief Accountant's staff is at present attached to the Food Sub-Commission with a view to establishing a procedure for handling all imports through the national Headquarters of the Federazione dei Consorzii Agrarii; agreement on the general lines to be followed has been reached with the Food Sub-Commission and it is hoped that a complete scheme will be agreed within the next few weeks. With regard to exports it is understood that the Industry and Commerce Sub-Commission have opened discussions with a view to reconstituting the Istituto Commercio Estero, the Italian Governmental department which previously handled all exports. The progress of the accounting organization and the economizing of staff in rear Regions is largely dependent on the progress made by Sub-Commissions on the above lines.

11. With regard to Supply Accounting in forward areas the rapid progress of the Armies has presented many problems, and it must be expected that some little time will

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11. With regard to Supply Accounting in forward areas the rapid progress of the Armies has presented many problems, and it must be expected that some little time will elapse before all issues of supplies immediately behind the advancing Armies can be properly accounted for. All possible available staff have been allocated to forward areas in the hopes of reducing to a minimum the inevitable errors of omission which occur in accounting in battle areas.

B. Financial Accounting Reorganization

1. Executive Memorandum No. 64 was issued instructing that in future the policy would be to centralize all ACC/AMG financial accounting at Headquarters. This procedure will be put into force as from 1 July for Regions I, II, III, VI and VII and for other Regions at dates to be notified later.

2. This policy has been made possible (a) by the reduction in the work of the Regional Accountants owing to local governmental financing being done by the Italian Government and not by ACC/AMG, and (b) by improvement in communications.

3. All Regional Accountants and their staffs will be called to ACC Headquarters and sub-accountants in Regions will submit their monthly reports of receipts and disbursements, with all relative vouchers, to the Chief Accountant ACC instead of to the Regional Accountant as previously.

4. It is anticipated that this policy will result in economy of personnel, better control over expenditure, and greater uniformity in procedure and classification.

5. As stated above, it is not intended to apply this centralization to Regions further forward than Region III for the moment, as it is considered necessary to maintain Regional Accountants in all forward areas (a) so that they may be in a position to deal on the spot with accounting problems that arise in newly occupied territory, and (b) because communications with forward areas is frequently deficient.

C. Allied Financial Agency

1. The consolidated accounts to 31 May 1944 were reviewed and approved by the Chief Accountant.

D. ACC/AMG Accounts

1. The consolidated Regional accounts for the month of April were prepared.

2. An up-to-date list of all Head and Sub-Heads for classification of ACC/AMG Revenue and Expenditure was circulated to all Regional Accountants.

3. An instruction (Sub-Accountants Instruction No. 1) was drafted for circulation to all Sub-Accountants, Collectors of Revenue, and Imprest Holders. This instruction, which is to be issued in connection with the policy of centralization, consolidates such previous instructions in the Accounting Manual and elsewhere as concerns Sub-Accountants, Collectors of Revenue, and Imprest Holders.

4. During the month particular attention has been paid to the control of expenditure for wages paid out of ACC/AMG funds to civilian employees in messes and billets. Regional Accountants were reminded of their duties to see that the instructions contained in Administrative Memorandum No. 2 were being adhered to. The payments in all Naples messes were investigated by the Chief Accountant's staff and with one exception (which is still the subject of discussion) were found to be in order.

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Joint Director,
Finance Sub-Commission.

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Finance Sub-Commission.

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APPENDIX A

Financial Effects of Allied Occupation

A. 1. The table below brings through May the data published under the same captions through April in Appendix A to last month's Report. In some cases the data have been revised from information more recently available.

2. The May data show no significant differences from the situation in April, except under receipts from the sale of imported supplies. These receipts, for smaller than the landed cost of civilian supplies for the reasons stated in last month's report (Appendix A, p. 6), have continued to increase rapidly. No new data on soldiers' expenditures and the expenditures of the Allied forces has become available, other than the figures for U.S. forces for May. The figures given in lines 1 and 2 are therefore estimates. The U.S. figures for May were approximately the same as those for April.

3. The principal revision is in the estimate of the landed cost of civilian supplies, full data for which are given in the table on the following page.

	Through March	April	May	Through May
	(in billions of lire)			
1. Soldiers' expenditures	12.0	2.6	2.6?	17.2
2. Expenditures of the forces	1.8	.5	.6?	2.9
3. Disbursements for purchase of exports	.3	.1	.2	.6
4. Total	14.1	3.2	3.4?	20.7
5. Less: Receipts from sale of imported supplies	.6	.5	.7	1.8
6. Total inflationary effect of Allied operations	13.5	2.7	2.7	18.9
7. Italian Government deficit from July 1943	23.0	3.0	5.2	34.2
8. Total (6 + 7)	36.5	5.7	7.9	53.1
9. Percent inflationary effect of Allied operations to total inflationary effect (6 ÷ 8)	37	47	34	36
10. Landed cost of goods imported for civilian consumption	8.8	2.6	2.9	14.3
11. Total "exploitation" effect (4 - 10)	5.3	.6	.5	6.4
12. AFA advances to Italian Government and its agencies	5.6	.4	.5	6.5
13. Approximation to increase in currency circulation (6 + 12)	19.1	3.1	3.2	25.4
14. AM lire put into circulation (in hands of public and banks including Banca d'Italia)	20.8	3.0	2.8	26.6
15. Error (14 - 13)	1.7	-.1	-.4	1.2

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IMPORTS FOR CIVILIAN CONSUMPTION THROUGH MAY 1943

	Quantities (thousands of long tons)							Landed Cost	Value at Landed C			
	Thru Dec. 1943	Jan.	Feb.	Mar.	Apr.	May	Total Thru May	(Thous. of lire per ton)	Thru Dec. 1943	Jan.	Feb.	M
Food												
Flour	72.8	30.0	62.0	54.8	26.5	16.5	262.5	13.2	961	396	818	
Wheat	9.8	47.1	29.6	24.0	29.0	68.1	207.6	11.7	115	551	346	
Soup, dhy	2.8	3.9	4.1	11.4	10.2	5.2	37.6	59.6	165	232	244	
Stew, M & V	–	–	–	12.3	8.1	9.0	29.4	56.0	–	–	–	
Meat, Canned	–	–	–	–	5.4	5.7	11.1	95.0	–	–	–	
Pulses, dry	1.5	1.5	2.2	11.9	5.4	8.2	30.7	24.0	36	36	53	
Sugar	5.6	4.7	9.8	.6	–	6.5	27.2	17.5	98	82	172	
Milk	2.2	1.0	.2	2.7	.5	1.0	7.6	30.0	66	30	6	
Cheese	.3	–	.5	–	1.5	–	2.3	7.8	2	–	4	
Pasta	1.4	–	–	–	–	–	1.4	15.0?	21	–	–	
Herring, dry	–	–	–	–	–	.4	.4	60.0	–	–	–	
Other foods	2.8	.8	.1	1.7	.1	.4	5.9	17.5?	49	14	2	
Total Food	99.2	89.0	108.5	119.4	86.7	121.0	623.8		1,519	1,341	1,645	2
Other												
Clothing	–	–	–	.9	.2	–	1.1	700?	–	–	–	
Medical	.2	.5	.4	.3	–	–	1.4	250?	50	125	100	
Seed potatoes	2.8	7.7	9.6	12.8	4.1	–	37.0	8.0?	22	62	77	
Copper sulphate	–	–	–	–	–	6.8	6.8	14.0	–	–	–	
Fertilizers	–	–	–	.7	–	2.2	2.9	9.0	–	–	–	
Newsprint	.5	–	.8	.6	.2	.3	2.4	17.5	9	–	14	
Other paper	–	–	–	–	.4	.6	1.0	17.5?	–	–	–	
Soap	.4	.4	2.2	3.3	–	–	6.3	2.7	1	1	6	
Caustic soda	–	–	–	.3	–	–	.3	8.8	–	–	–	
Miscellaneous	.1	.2	.1	.1	.1	.2	.8	350?	35	70	35	
Total Other	4.0	8.8	13.1	19.0	5.0	10.1	60.0		117	258	232	
Total imported Supplies	103.2	97.8	121.6	138.4	91.7	131.1	683.8		1,630	1,599	1,877	
Proceeds from sales of civilian supplies									127	89	181	

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IMPORTS FOR CIVILIAN CONSUMPTION THROUGH MAY 1943

...ities (thousands of long tons)					Landed Cost	Value at Landed Cost (millions of lire)						
Feb.	Mar.	Apr.	May	Total Thru May	(Thous. of lire per ton)	Thru Dec. 1943	Jan.	Feb.	Mar.	Apr.	May	Total Thru May
62.0	54.8	26.5	16.5	262.5	13.2	961	396	818	723	350	218	3,466
29.6	24.0	29.0	68.1	207.6	11.7	115	551	346	281	339	797	2,429
4.1	11.4	10.2	5.2	37.6	59.6	165	232	244	679	608	310	2,238
–	12.3	8.1	9.0	29.4	56.0	–	–	–	689	453	504	1,646
–	–	5.4	5.7	11.1	95.0	–	–	–	–	513	541	1,054
2.2	11.9	5.4	8.2	30.7	24.0	36	36	53	286	130	197	738
9.8	.6	–	6.5	27.2	17.5	98	82	172	10	–	114	476
.2	2.7	.5	1.0	7.6	30.0	66	30	6	81	15	30	228
.5	–	1.5	–	2.3	7.8	2	–	4	–	12	–	18
–	–	–	–	1.4	15.0?	21	–	–	–	–	–	21
–	–	–	.4	.4	60.0	–	–	–	–	–	24	24
.1	1.7	.1	.4	5.9	17.5?	49	14	2	30	2	14	111
108.5	119.4	86.7	121.0	623.8		1,519	1,341	1,645	2.779	2,422	2,749	12,449
–	.9	.2	–	1.1	700?	–	–	–	630	140	–	770
.4	.3	–	–	1.4	250?	50	125	100	75	–	–	350
9.6	12.8	4.1	–	37.0	8.0?	22	62	77	102	33	–	296
–	–	–	6.8	6.8	14.0	–	–	–	–	–	95	95
–	.7	–	2.2	2.9	9.0	–	–	–	6	–	20	26
.8	.6	.2	.3	2.4	17.5	9	–	14	10	4	5	42
–	–	.4	.6	1.0	17.5?	–	–	–	–	7	10	17
2.2	3.3	–	–	6.3	2.7	1	1	6	9	–	–	17
–	.3	–	–	.3	8.8	–	–	–	3	–	–	3
.1	.1	.1	.2	.8	350?	35	70	35	35	35	70	280
13.1	19.0	5.0	10.1	60.0		117	258	232	870	219	200	1.896
121.6	138.4	91.7	131.1	683.8		1,630	1,599	1,877	3.649	2,641	2,949	14,345
						127	89	181	242	452	751	1,842

...n supplies

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B. Imports for Civilian Consumption

1. Complete data by months on the quantities of goods imported for civilian consumption and estimates of the landed cost value of each item are given in the table on page 2. The differences between these data and those presented last month result from:

a. dropping the distinction between supplies imported on U.S. account and on U.K. account, and valuing all supplies at U.S. landed cost prices;

b. changing the estimates of the landed cost of dry vegetables from 16 to 24 thousand lire per ton, of seed potatoes from 20 to 8 thousand lire per ton, and of medical supplies from 50 to 200 thousand lire per ton; and

c. making a more detailed breakdown in some cases.

2. It has not been possible to obtain additional data on petroleum diverted to civilian use.

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HEADQUARTERS
AMG 5th ARMY
A.P.O. 464 U.S. ARMY
Finance Division

1st July 1944.

SUBJECT: Report of Finance Division
for June 1944.

TO : SCAO, AMG 5th Army.

The practice of having each Provincial F.O. work with us from the start in his Province redounds both to the advantage of the Provincial team and to our own. For us in AMG 5th Army it means that turnover to the Province is greatly accelerated. Recently, we inaugurated the practice of having the Provincial F.O. make the advances to the communes and Post Offices (out of funds furnished him in bulk by the S.F.O.), so that that officer will have in his accounting all advances made, even those in the first phase.

Lt. Libero Leone, of the Italian Army, a permanent employee of Banca d'Italia was attached and employed in making investigations of the condition of the banks, including Banca d'Italia, in the Provinces traversed as far north as Rome. His reports have been useful to us, to the Banca d'Italia, Rome and to the Head Offices in Rome which have branches in the nearby provinces.

COMMUNAL AND POST OFFICE FINANCING

(A) Rome Province. In the period 5th June to 14th June, our Finance Officers covered all the communes of Rome Province in AMG 5th Army area (and some in 8th Army area) with results as indicated in the following tabulation:

Number of communes visited	52
Number to which advances were made	35
Total advances made	Lire. 1,797,000
Post Offices reopened (for financial agency services)	37
Number of Post Offices to which advances were made.	27
Total of such advances	Lire. 1,513,000

4845

Full details were reported by letter of the Chief of Staff to the P.C. Rome Province on 15th June 1944. Copies of individual reports on each commune as written were sent to the Regional Finance Officer, Region IV and to the Provincial Finance Officer, Rome Province. The "first phase" financing to the communes generally covers the normal needs for the current month and the extraordinary requirements, including Ente Comunale Assistenza (ECA - relief), for a period of several weeks to a month, depending on the physical state of the commune, refugees present, etc. In only a few communes was the statement made that no funds were needed. In every commune, of course, the F.O. first requests a report of what funds the commune has on hand and what it expects to receive from taxes, etc., during the month.

The advances to the Post Offices are made to enable it to resume its financial

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The advances to the Post Offices are made to enable it to resume its financial agency functions, namely payment of salaries and pensions of state employees and "sussidi militari", or relief to needy families of men in the armed forces. Since funds for these purposes are advanced to Post Offices the people concerned are kept off the ECA relief rolls of the Commune.

(B) Viterbo Province. Our Finance Officer, jointly with the F.O. designate of Viterbo Province, covered the 38 communes of Viterbo Province in our area between the dates 13 June and 27 June. The results shown in tabular form are:

Number of communes visited	38
Number to which advances were made	22
Total advances made	Lire 2,359,000
Number of Post Offices reopened (for financial agency services)	33
Number of Post Offices to which advances were made	24
Total of such advances	Lire 1,323,000

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At least 13 communes reported no funds needed for the present. Unusually large advances were made to Viterbo (700,000 lire), Acquapendente (225,000 Lire) and Montefiascone (200,000 Lire) - the first two because of their extremely damaged condition; the other because of its large population including refugees.

Full details were reported to the F.O., Viterbo Province by letter of the Chief of Staff dated 28th June. Individual reports on each commune were made by the F.O.'s, as usual, and copies of each were sent to the Regional Finance Officer, Region IV, and the Provincial Finance Officer, Viterbo Province.

(C) Grosseto Province. Capt. Ramsey of this H.Q. and Lt. Rush, F.O. designate of Grosseto Province, began visiting towns in that Province on 20th June and have been located in Grosseto for greater speed in keeping up with the advance of the Corps in that area. By 30th June these F.O.s had visited all the communes in Grosseto Province with the exception of Isola del Giglio. They made two attempts to obtain water transport to that island but were unsuccessful. They will continue their efforts to reach it.

(D) Siena Province. Capt. Hickey, F.O. of this HQ. and Maj. Randall, F.O. designate of Siena Province, after consultation with the S.C.A.O. of C.E.F. began on 26 June visiting communes in Siena Province. Up to the present the following have been covered: Abbadia San Salvatore, Piancastagnaio and Radicofani. The F.O.s mentioned are continuing to visit Siena communes as the Corps S.C.A.O. gives permission.

(E) Livorno Province. Capt. N. A. Hobb, F.O. designate of Livorno Province, reported to this H.Q. on 27th June for duty and was requested to proceed to Grosseto to join Capt. Ramsey there. These officers have been instructed to begin operations in Livorno Province as soon as the Corps S.C.A.O. so orders. It is expected that one or both of them will make a visit to Piombino and other southern communes on 1st July.

BANKS, CURRENCY AND AMASSI FINANCING.

Rome Province. The banks in Rome Province were closed by the posting of Proclamation No. 4. Immediately after the reopening of the banks in Rome City, a meeting was called at the Banca d'Italia, Rome, attended by officials of that bank and of the Rome banks which have branches throughout the Province and by the R.F.O. of Region IV and the S.F.O. Information was furnished to all parties of the status of the banks in the various communes as reported by the F.O.s in their reports on communes. The banks were instructed to determine the cash requirements of their branches. They were instructed that reopening must be effected in each commune simultaneously and that banks must help each other in the matter of setting up banking quarters where buildings and vaults were ruined. Wherever a bank was not to open with the others, a public statement explaining the circumstances was to be made. The banks were given passes for their inspectors to proceed to the various communes with their own transport to assure that buildings were rehabilitated or substitute offices found, that personnel was on hand, that necessary information was obtained regarding cash needs, and that the AMG policy was understood by the local banks. The carrying out of the reopening program in Rome Province was passed on to Region IV organization, as AMG 5th Army turned the province over.

Viterbo Province. In general, the situation found in the communes is that banks are virtually without currency, departing Fascists and the public in general having withdrawn their funds and exhausted the cash on hand. Supplies of cash from the larger centres were unobtainable for various reasons, among them the fact that the same situation

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Our F.O.'s assured the banks that an early reopening was our aim. The F.O.s delivered to each bank a copy of our brief form of Balance sheet (model A) on which each bank is requested to make a prompt report for the end of 1943, the end of March 1944 and the date of closing. Banks were requested to deliver their completed reports to the Banca d'Italia in Viterbo. A meeting was arranged for the Provincial F.O., the Regional F.O. and the S.F.O. of this H.Q. in Viterbo for 29th June to consider the data gathered and set plans for the reopening of the banks in the Province at the earliest possible date.

The S.F.O. on 20th June brought a new manager from Rome for Banca d'Italia, Viterbo, and also brought for them a supply of 10,000,000 lire cash from Banca d'Italia, Rome.

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When A.M.G. entered Viterbo the Bank had only 9,000,000 lire cash in its vaults. Under date of 18th June Banca d'Italia was instructed by letter to reopen its Royal Treasury Section.

Aprinted letter of instructions was delivered by the F.O.S to each bank, including the Banca d'Italia, and each Post office Savings Bank calling attention to the fact that Proclamation No. 4 permits it to operate the accounts of communal, provincial and state bodies, social insurance organizations and Consorzi. The same letter also instructed them to block certain accounts of Fascist organizations individuals, etc.

The matter of Amassi financing was discussed by the S.F.O. and P.F.O. with the officials of the Consorzio Agrario Provinciale in Viterbo. A letter of instructions was prepared for the P.C. addressed to the 5 banks in the Province which provided the financing last year instructing them to proceed with the financing in this current season on the same lines as last year. Copies of the letter were to be sent to the Consorzio and Banca d'Italia, and an estimate of cash required by the latter for the first four weeks was to be furnished. It is planned to request Rome to make shipments of lire currency to Viterbo for this and other purposes.

When Viterbo Province was turned over to the Regional Provincial team on 29th June the S.F.O. met in Viterbo with the P.F.O., Major Clarke of Region IV Finance Division and the officials of the Banca d'Italia, Viterbo.

After reviewing the information on hand it was decided to set 6th July as the tentative date for reopening the banks in the Provincial Capital announcing at the same time that the banks in the whole province will be ordered to resume operations one week later.

Grosseto Province. The Banca d'Italia was instructed by letter of the S.F.O. of 25th June to reopen its Royal Treasury Section. Two meetings have been held with the bank by S.F.O. and P.F.O. Grosseto Province. Reports are being received by it from banks throughout the Province on our balance sheet forms left with them by the F.O.s' A pecularly difficult situation is presented by the fact that Monte dei Paschi di Soena, which does most of the province's banking with its 22 direct and 9 indirect branches, had sent its records and cash to its Head Office in Siena (City) which at this writing is still in enemy hands. A meeting of the banks at Banca d'Italia was called for Tuesday, 4th July at which the plans for reopening the banks will be discussed.

Banca d 'Italia has been instructed to report for each bank:

(a) the amount of securities the bank has on deposit with it;
(b) the amount of credit ("anticipazione") granted on such collateral; 4844
(c) the amount of credit actually still available.
(d) any deposit balance the bank may have with Banca d'Italia.

Although Banca d'Italia, Grosseto had sent all security holdings (115,000,000 Lire face value) to its Siena affiliate, it indicated that its lines of credit to the banks would nevertheless be available.

Banca d'Italia was instructed to estimate its currency requirements for:

(a) payment of interest and principal on the Italian State debt for June and July;
(b) financing of amassing for the next month;
(c) financing of deficits of communes, province and state offices for June

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(c) financing of deficits of communes, province and state offices for June and July;
(d) supplying of cash to banks for reopening.

It is planned, as soon as this estimate is furnished, to call on Banca d'Italia, Rome for a shipment of currency to Grosseto to cover the requirements as indicated.

REVENUE

In the phase covered by AMG 5th Army Finance, activities regarding the Italian revenue system are largely confined to inquiries by the F.O. as to the status of the [illegible] Italian tax collecting machinery and instructions by him to the communal authorities and the esattori that all tax laws are to be enforeced and all collections made. In the majority of cases communes are found to be fairly up-to-date, but an occational commune is found where taxes are in arrears due either to evacuation of population or widespread damage to property. The provincial and state revenue and monopoly situations are taken up in the Provincial Capital with the office of the Intendente and the Prefetto. In the provinces of Rome and Viterbo this work was quite properly left for the permanent Provincial F.O. In Grosseto contact has been established by Lt. Rush with the Intendente, who has been instructed to move his office back to the Provincial Capital. Some of the tax forms are missing due to bomb damage, and Lt. Rush was instructed to take the Intendente to Viterbo to endeavor to obtain a temporary supply.

AID TO BRITISH AND AMERICAN NATIONALS.

Forms for this activity are furnished by AMG 5th Army Finance to the Provincial F.O.s. No direct cases have been handled by us.

WAGES AND SALARIES.

The ACC wage increase order raising salaries of government employees 70%, issued in liberated areas in the south, has not been issued by AMG 5th Army during its jurisdiction in any of the provinces captioned in this report. It is our policy, so long as mobile conditions continue, to leave this to be done by the Provincial team for the area as a whole. Communes hiring extra help have been ordered to keep the scale of pay for common laborers at 50 to 60 lire per day.

CASH AND ACCOUNTING

The S.F.O. has brought from Rome a substantial amount of cash, out of which store are supplied AMG 5th Army Forward F.O.s, Provincial F.O.s designate (while they are attached to AMG 5th Army), the various sub-accountants in AMG 5th Army (also Corps) and the AMG expenditures of this Headquarters. As far as possible advances to communes are made by F.F.O.s so that the accounting is in their hands from the start, and our mobility is thereby increased. Accounts have been rendered to the Chief Accountant, Region IV. Upon my request for instructions as to June accounts, the Chief Accountant, ACC HQ has requested that we report also for June to the Chief Accountant, Region IV. This request has been passed on to the various sub-accountants in AMG 5th Army.

FORMS

Additional reprints have been obtained of various forms, and from these initial supplies Provincial F.O.s are furnished with their requirements.

/s/ R. B. Menapace
/t/ R. B. MENAPACE
Lt. Colonel,
Senior Finance Officer,
A.M.G. Fifth Army.

Copy to :

ACC HQ, Finance Sub-Commission.

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Table 3.

Cash Position of the
Banca d'Italia
(including AFA and AMG Accounts)
31 May 1944 (millions of lire)

Branch	Bank Notes	State Notes	AM Lire	BMA Pounds	Dollars	Emergency Italian currencies	Total
Matera	22	1	50	-	-	-	73
Potenza	114	5	91	-	-	-	210
Catanzaro	76	1	42	6	-	-	130
Cosenza	42	1	29	2	-	-	74
Reggio Calabria	72	4	59	7	-	-	142
Bari	193	32	123	16	-	-	364
Barletta	40	2	129	1	-	-	37
Lecce	36	7	14	1	-	-	58
Taranto	53	38	25	1	-	-	117
Salerno	235	10	255	2	-	-	502
Cagliari	94	-	10	-	-	-	104
Nuoro	20	1	15	-	-	2	38
Sassari	277	5	44	1	-	24	351
Agrigento	26	4	144	-	-	-	144
Caltanissetta	77	47	50	-	-	-	174
Catania	136	6	166	4	-	-	312
Enna	28	4	26	-	-	-	58
Messina	121	1	171	-	-	-	293
Palermo	297	12	375	-	-	-	684
Ragusa	5	1	23	-	-	-	29
Siracusa	8	1	74	-	-	-	83
Trapani	9	-	116	-	-	-	125
Campobasso	57	4	20	3	-	-	84
Foggia	32	3	123	1	1	-	160
Avellino	53	3	75	6	-	-	137
Benevento	59	8	76	1	-	-	144
Caserta	61	-	48	5	1	-	115
Castellamare	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Naples	367	2	741	6	1	-	1,117
GRAND TOTAL	2,627	208	3,104	63	3	26	6,031

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Table 4.

Banca d'Italia Credit Outstanding
Liberated Italy

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Barletta	40	2	129	1	-	-	37
Lecce	36	7	14	1	-	-	58
Taranto	53	38	25	1	-	-	117
Salerno	235	10	255	2	-	-	502
Cagliari	94	-	10	-	-	-	104
Nuoro	20	1	15	-	-	2	38
Sassari	277	5	44	1	-	24	351
Agrigento	26	4	144	-	-	-	144
Caltanissetta	77	47	50	-	-	-	174
Catania	136	6	166	4	-	-	312
Enna	28	4	26	-	-	-	58
Messina	121	1	171	-	-	-	293
Palermo	297	12	375	-	-	-	684
Ragusa	5	1	23	-	-	-	29
Siracusa	8	1	74	-	-	-	83
Trapani	9	-	116	-	-	-	125
Campobasso	57	4	20	3	-	-	84
Foggia	32	3	123	1	1	-	160
Avellino	53	3	75	6	-	-	137
Benevento	59	8	76	1	-	-	144
Caserta	61	-	48	5	1	-	115
Castellamare	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Naples	367	2	741	6	1	-	1,117
GRAND TOTAL	2,627	208	3,104	63	3	26	6,031

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Table 4.

Banca d'Italia Credit Outstanding
Liberated Italy

	31 December 1942	31 December 1943	29 February 1944	31 March 1944	30 April 1944	31 May 1944
Rediscounts	846	604	473	453	243	186
Advances	951	1,525	917	796	837	887
Total	1,797	2,129	1,390	1,252	1,060	1,073

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APPENDIX C

BANKING STATISTICS

Table 1

Italian State Account at Banca d'Italia, Southern Italy
1 July 1943 through 31 May 1944
(millions of lire)

	Total Italian Gov't. territory	Total Military Gov't. Territory	Grand Total Liberated Italy
a. "Deficit" in State Account			
Total payments less payments on account of Buoni del Tesoro ordinari	26,019	8,667	34,686
Total receipts less receipts on account of B.T.O.	3,838	1,119	4,957
Excess of disbursements	22,181	7,548	29,729
b. How State "Deficit" was met			
Credit advanced by Banca d'Italia to State	11,092	3,761	14,853
Decrease in balance held by State at Banca d'Italia on 1 July 1943	2,700	1,241	3,941
Advances from AFA and AMG	3,550	30	3,580
Funds supplied from Rome	1,765	1,400	3,165
Net receipts in B.T.O. account	1,218	627	1,845
Increase in Contabilita' Speciale accounts	1,742	482	2,224
Increase in deposits of cash guarantees	114	7	121
Total	22,181	7,548	29,720

Table 2.

Investment in Buoni del Tesoro Ordinari
(millions of lire)

	1 July 1943 through 31 May 1944			May 1944		
	Issued	Paid	Net Investment	Issued	Paid	Net Investment
Salerno	81	71	10	27	7	20
Lucania	131	169	-38	10	6	4
Calabria	126	83	43	36	7	29
Puglia (less Foggia)	1,124	796	328	168	113	55
Sardinia	169	61	108	14	8	6
Sicily	2,755	1,831	924	634	711	-77
[illegible] (less Salerno)	1,389	706	683	360	56	304

B. How State Deficit was met

Credit advanced by Banca d'Italia to State	11,092	3,761	14,853
Decrease in balance held by State at Banca d'Italia on 1 July 1943	2,700	1,241	3,941
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Total	22,181	7,548	29,720

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	Issued	Paid	Net Investment	Issued	Paid	Net Investment
Salerno	81	71	10	27	7	20
Lucania	131	169	-38	10	6	4
Calabria	126	83	43	36	7	29
Puglia (less Foggia)	1,124	796	328	168	113	55
Sardinia	169	61	108	14	8	6
Sicily	2,755	1,831	924	634	711	-77
Campania (less Salerno)	1,389	706	683	360	56	304
Foggia	76	72	4	13	11	2
Campobasso	51	48	3	3	2	1
Total	5,902	3,837	2,065	1,265	921	344

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Table 6.

Postal Savings
April 1944 (revised figures)
(thousands of lire)

	April (revised)				May			
	Postal Savings Bonds	Postal Savings Books	Current Accounts	Total	Postal Savings Bonds	Postal Savings Books	Current Accounts	Total
Agrigento	-27,399	870	9,860	-16,669	-	-	-	-
Caltanissetta	-10,081	741	4,047	-5,293	-4.634	1.048	3.945	-359
Catania	-38,772	2,111	-7,176	-43,837	-12.370	2.412	-9.043	-19.001
Enna	-3,969	-44	1,483	-2,530	-2.336	-79	1.877	-538
Messina	-39,009	879	9,153	-28,977	-16.003	-505	5.626	-10.882
Palermo	-20,311	n.d.	n.d.	-20,311	-	-	984	984
Ragusa	-10,944	n.d.	n.d.	-10,944	-	-	-	-
Siracusa	-27,723	933	1,018	25,772	-	-	-	-
Trapani	-7,767	-332	-1,537	-9,636	-	-	-	-
Bari	-8,116	-474	33,813	25,223	-	-	-	-
Brindisi	-1,708	348	10,654	9,294	1.659	-589	3.335	4.405
Lecce	-2,674	45	5,267	2,638	11.191	-732	14.695	25.154
Potenza	-3,433	3,186	-1,363	-1,610	-	-	-	-
Taranto	-2,413	1,085	8,932	7,604	3.059	-466	430	3.023
Cosenza	2,199	1,683	1,569	5,451	-3.682	1.126	-919	-3.475
Reggio Calab.	-4,220	1,884	125	-2,211	-3.181	1.834	-397	-1.744
Catanzaro	-4,692	2,600	3,098	1,006	-	-	-	-
Avellino	-2,690	-1,006	2,040	-1,656	-2.364	1.792	3.073	2.501
Benevento	329	270	-	599	-	-	-	-
Napoli	-7,004	11,124	1,032	5,152	-24.162	13.985	1.883	40.028
Salerno	-11,713	-2,163	4,097	-9,779	-3.132	5.936	116.695	119.499
Cagliari	1,175	8,434	4,142	13,251	-	-	15.146	15.146
Nuoro	-738	3,704	4,064	7,030	-	-	332	332
Sassari	871	4,899	9,863	15,633	-	-	17.362	17.362
TOTAL	230,802	40,777	104,181	-85,844	-7.631	25.760	144.732	169.861
(24 Provinces.)					(16 Provinces)			

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Table 5.

Current Liabilities of the Banca d'Italia
29 February, 30 April, and 31 May 1944
(in millions of lire)

by area	29 Feb.	30 Apr.	31 May
Salerno	246	387	357
Lucania	236	265	274
Calabria	656	533	658
Puglia (less Foggia)	2,111	3,163	3,507
Sardinia	998	1,253	1,332
Sicily	2,927	3,760	4,241
Total Italian Government Territory	7,174	9,361	10,369
Campania (less Salerno)	2,866	4,984	8,708
Foggia	89	115	133
Campobasso	69	140	139
Total AMG Territory	3,025	5,239	8,980
Grand Total Liberated Italy	10,198	14,600	19,349

by type	29 Feb.	30 Apr.	31 May
Due to banks			
Current Accounts			
Non-interest bearing	229	8	84
Interest bearing	5,556	9,693	12,483
Residual available on advances	2,647	3,003	3,108
Sub-Total	8,732	12,704	15,675
Due to Other			
Current Accounts			
Non-interest bearing	754	1,109	2,839
Interest bearing	210	292	321
Residual available on advances	502	495	514
Sub-total	1,466	1,896	3,674
	10,198	14,600	19,349

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APPENDIX D

SECRET

ALLIED FINANCIAL AGENCY
SCHEDULE TO STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD TO 31 MAY 1944
(expressed in Lire)

( )=Red Figure

SCHEDULE No.		TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 [illegible]
I	NEW A.M. LIRA NOTES RECEIVED			
	As Notified to Washington	42,589,728,000	6,254,400,000	48,844[illegible]
	Shortages Revealed on Opening Boxes	(1,080)	(50)	
	Lire	42,589,726,920	6,254,399,950	48,844[illegible]
II	DEPOSITS BY AMG/ACC DIVISIONS			
	(a) Economic and Supply Division	557,069,071	418,134,974	975[illegible]
	(b) Economic and Supply Division - Deposits on Returnable Containers	17,914,299	12,254,187	30[illegible]
	(c) Public Health Division	24,974,318	13,773,960	38[illegible]
	(d) Legal Division (principally bail)	5,437,000	3,282,600	8[illegible]
	(e) Other Divisions	27,700	-	
	Lire	605,422,388	447,445,721	[illegible]052[illegible]
III	FUNDS OBTAINED FROM BANKS AND OTHERS BY ACCOUNTING OFFICERS IN THE FIELD			
	(a) From Banks	182,800	-	
	(b) From British Paymasters	6,430,000	(6,430,000)	
	(c) From Others	1,318,640	(1,118,140)	
	Lire	7,931,440	(7,548,140)	

F[illegible]
P[illegible]

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APPENDIX D

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Page No 1

ALLIED FINANCIAL AGENCY
HEDULE TO STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD TO 31 MAY 1944
(expressed in Lire)

	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
A NOTES RECEIVED			
d to Washington	42,589,728,000	6,254,400,000	48,844,128,000
Revealed on Opening	(1,080)	(50)	(1,130)
Lire	42,589,726,920	6,254,399,950	48,844,126,870
AMG/ACC DIVISIONS			
ic and Supply ision	557,069,071	418,134,974	975,204,045
ic and Supply ision - Deposits Returnable Cont- ers	17,914,299	12,254,187	30,168,486
	24,974,318	13,773,960	38,748,278
c Health Division			
Division (prin- ally bail)	5,437,000	3,282,600	8,719,600
Divisions	27,700	-	27,700
Lire	605,422,388	447,445,721	· 052,868,109
INED FROM BANKS BY ACCOUNTING N THE FIELD			
Banks	182,800	-	182,800
British Paymasters	6,430,000	(6,430,000)	-
Others	1,318,640	(1,118,140)	200,500
Lire	7,931,440	(7,548,140)	383,300

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SCHEDULE No.		TOTAL TO 30 APRIL 1944	CURRENT MONTH	TO
IV	DEPOSITS			
	(a) By Controller of Property			
	(1) Psychological Warfare Board-Film Section	916,103	925,835	
	(2) A.G.I.P.	10,000,000	–	
	(3) Moharwas & Son	117,219	–	
	(4) Changimal Co.	108,714	–	
	(5) Goods Ex German Steamers	846,500	–	
	(6) Unione Militare	2,400,000	(2,400,000)	
	(7) Russo Felice	–	154,435	
	(8) Miscellaneous (under Lire 100,000 each)	455,023	8,374	
	(b) By U.S. Army Units-See Sched. XXVIII, (c), (4)	60,744,602	5,256,120	
	(d) By Others			
	(1) "A" Force	960,000	(12,500)	
	(2) Command Paymaster No8 Com'd Pay Office, C.M.F.	283,505	(243,775)	
	(3) Pasquale Esposito	108,600	–	
	(4) Comitato Italiano Petroli	–	45,000,000	
	(5) Enemy Unit Funds	–	1,948,527	
	(6) Various (under Lire 100,000 each)	155,911	(10,424)	
	Lire	77,096,177	50,626,592	

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	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
ontroller of Property			
ychological Warfare			
ard-Film Section	916,103	925,835	1,841,938
.I.P.	10,000,000	–	10,000,000
arwas & Son	117,219	–	117,219
ngimal Co.	108,714	–	108,714
ods Ex German Steamers	846,500	–	846,500
ione Militare	2,400,000	(2,400,000)	–
ian Police	–	154,435	154,435
scellaneous (under Lire 0,000 each)	455,023	8,374	463,397
S. Army Units-See Sched. I, (c), (4)	60,744,602	5,256,120	66,000,722
thers			
Force	960,000	(12,500)	947,500
mmand Paymaster HoS Com'd Office, C.M.F.	283,505	(243,775)	39,730
squale Esposito	108,600	–	108,600
itato Italiano Petroli	–	45,000,000	45,000,000
my Unit Funds	–	1,948,527	1,948,527
ious (under Lire 100,000 each)	155,911	(10,424)	145,487
Lire	77,096,177	50,626,592	127,722,769

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SCHEDULE No.		TOTAL TO 30 APRIL 1944	CURRENT MONTH	TO
V	PROCEEDS OF SALES IN ITALY OF SUPPLIES			
	(a) Economic & Supply Div.			
	(1) Supplies Imported or Drawn from Armies	470,325,838	296,867,336	
	(2) Supplies Purchased Locally	4,981,228	1,842,900	
	(b) Public Health Division			
	(1) Supplies Imported or Drawn from Armies	9,799,898	4,628,082	
	(2) Supplies Purchased Locally	-	4,500	
	(c) Agricultural Division			
	(1) Supplies Imported or Drawn from Armies	432,000	276,600	
	Lire	485,538,964	303,619,418	
VI	RECEIPTS IN RESPECT OF AMG/ACC REVENUE			
	(a) AFA Revenue			
	Interest Received from Banks	3,091,650	263,766	
	Miscellaneous Receipts	545	-	
		3,092,195	263,766	
	(b) AMG Revenue) to close of	124,820,840	14,776,132	
	(c) ACC Revenue) previous mth.	7,163,372	994,963	
	(d) AMG/ACC Revenue received by AFA direct in prev.mth, alloc.in cur mth	54,566	(54,566)	
	(e) AMG/ACC Revenue received by AFA direct in current month	-	2	
	Lire	135,130,973	15,980,297	
IX	CONTRA ACCOUNTS			
	Deposits for Remittances (AF Accounts):			
	(a) U.S. Dollars ($769,527 tot. to dt)	29,214,300	47,738,478	
	(b) Sterling (£9,164-5-8 total "date)	10,000	3,655,713	
	Lire	29,224,300	51,394,191	

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	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
EDS OF SALES IN ITALY			
PPLIES			
Economic & Supply Div.			
1) Supplies Imported or Drawn from Armies	470,325,838	296,867,336	767,193,174
2) Supplies Purchased Locally	4,981,228	1,842,900	6,824,128
Public Health Division			
1) Supplies Imported or Drawn from Armies	9,799,898	4,628,082	14,427,980
2) Supplies Purchased Locally	-	4,500	4,500
Agricultural Division			
1) Supplies Imported or Drawn from Armies	432,000	276,600	708,600
Lire	485,538,964	303,619,418	789,158,382
TS IN RESPECT OF AMG/ACC REVENUE			
AFA Revenue			
Interest Received from Banks	3,091,650	263,766	3,355,416
Miscellaneous Receipts	545	-	545
	3,092,195	263,766	3,355,961
AMG Revenue) to close of	124,820,840	14,776,132	139,596,972
ACC Revenue) previous mth.	7,163,372	994,963	8,158,335
AMG/ACC Revenue received by AFA direct in prev.mth, alloc. in cur mth	54,566	(54,566)	-
AMG/ACC Revenue received by AFA direct in current month	-	2	2
Lire	135,130,973	15,980,297	151,111,270
ACCOUNTS			
s for Remittances (AF Accounts):			
U.S. Dollars ($769,527 tot. to dt)	29,214,300	47,738,478	76,952,778
Sterling (£9,164-5-8 total "date)	10,000	3,655,713	3,665,713
Lire	29,224,300	51,394,191	80,618,491

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SCHEDULE No.		TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 3
XII	A.M. STAMPS ISSUED TO POST OFFICE AND ON HAND			
	(a) A.M.Stamps issued to P.O.	21,254,000	1,020,000	2
	(b) Balance on Hand	148,082,000	(1,020,000)	1
	Lire	169,336,000	-	16
XIII	PURCHASES IN ITALY OF SUPPLIES			
	(a) For Export to			
	(1) United States of America	35,385,989	14,026,109	4
	(2) Great Britain	268,929,544	69,256,143	33
	(3) North Africa	22,863,520	5,604,870	2
	(4) Corsica	385,875	258,903	
	(5) Malta	86,730,222	50,127,505	1
		414,295,150	139,273,530	55
	(b) For Re-Sale in Italy	16,852,750	16,963,859	3
	Lire	431,147,900	156,237,389	58
XIV	STORAGE HANDLING AND SHIPPING EXPENSES IN CONNECTION WITH IMPORTS, EXPORTS & LOCAL SUPPLIES. +			
	(a) Emoluments of Civilian Personnel	7,655,413	4,612,832	1
	(b) Repairs to Warehouses and Approach Roads.	469,735	847,527	
	(c) Rent of Warehouses	2,264	500	
	(d) Transport and Shipping Charges	8,807,885	4,293,204	1
	(e) Other Expenses	464,815	2,110,050	
	Lire	17,400,112	11,864,113	2

\+
In the Statement for the period to 30 April 1944, the total of Lire 17,400,112 was included in "Disbursements in Respect of AMG/ACC Expenditure", as follows:-

AMG Expenditure - Lire 8,485,990
ACC " - " 8,914,122

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	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
SSUED TO POST HAND			
mps issued to P.O.	21,254,000	1,020,000	22,274,000
on Hand	148,082,000	(1,020,000)	147,062,000
Lire	169,336,000	–	169,336,000
ITALY OF SUPPLIES ort to			
d States of America	35,385,989	14,026,109	49,412,098
Britain	268,929,544	69,256,143	338,185,687
Africa	22,863,520	5,604,870	28,468,390
es	385,875	258,903	644,778
	86,730,222	50,127,505	136,857,727
	414,295,150	139,273,530	553,568,680
Sale in Italy	16,852,750	16,963,859	33,816,609
Lire	431,147,900	156,237,389	587,385,289
ING AND SHIPPING EXPENSES WITH IMPORTS, EXPORTS & S. +			
nts of Civilian Personnel	7,655,413	4,612,832	12,268,245
to Warehouses and Approach	469,735	847,527	1,317,262
Warehouses	2,264	500	2,764
t and Shipping Charges	8,807,885	4,293,204	13,101,089
xpenses	464,815	2,110,050	2,574,865
Lire	17,400,112	11,864,113	29,264,225

ent for the period to 30 April 1944, the total
0,112 was included in "Disbursements in Res-
00 Expenditure", as follows:-
enditure - Lire 8,485,990
" - " 8,914,122

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SCHEDULE No.		TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 3
XV	ADVANCES			
	(a) To Italian State Treasury, Armed Forces & State Insts.	4,575,905,376	31,832,933	4,6
	(b) To Provinces	492,429,665	(4,170,000)	4
	(c) To Communes	1,182,808,593	20,007,690	1,2
		6,251,143,634	47,670,623	6,2
	(d) To Others			
	(1) Items included in Sub-Accountants' Reports not yet allocated pending receipt of proper vouchers or more complete informat'n	3,602,464	1,188,853	
	(2) Advisory Council for Italy	650,000	913,992	
	(3) Library of Congress - for purchase of books	211,134	92,056	
	(4) Societa Aquedotto - Napoli	3,000,000	-	
	(5) Sanotoda Caputa	1,000,000	-	
	(6) Villa Rosa Mental Hospital	1,000,000	-	
	(7) Casa della Madre e del Bambino, Principessa Maria Gabrielle - Ischia	100,000	-	
	(8) Miscellaneous Advances under Lire 100,000 each	356,621	4,341	
	Lire	6,261,063,873	49,869,665	6,3
XVI	LOANS			
	(a) To Banks	5,320,000	(2,320,000)	
	(b) To Others	960	-	
	Lire	5,320,960	(2,320,000)	
XVII	PAYMENTS TO PERSONS IN ITALY ON ACCOUNT OF REMITTANCES FROM ALLIED COUNTRIES			
	(a) Remittances from United States of America	Lire 4,246,000	9,182,450	

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	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
lian State Treasury,			
Forces & State Insts.	4,575,905,376	31,832,933	4,607,738,309
vinces	492,429,665	(4,170,000)	488,259,665
mmunes	1,182,808,593	20,007,690	1,202,816,283
	6,251,143,634	47,670,623	6,298,814,257
ers			
s included in Sub-Account-			
' Reports not yet allocated			
ing receipt of proper vouch			
or more complete informat'n	3,602,464	1,188,853	4,790,987
sory Council for Italy	650,000	913,992	1,563,992
rary of Congress - for			
hase of books	211,134	92,056	303,190
ete Aquedotto - Napoli	3,000,000	-	3,000,000
teda Caputa	1,000,000	-	1,000,000
a Ross Mental Hospital	1,000,000	-	1,000,000
della Madre e del Bambino,			
cipessa Maria Gabrielle -			
ia	100,000	-	100,000
cellaneous Advances under Lira			
000 each	356,621	4,341	361,312
Lire	6,261,063,873	49,869,865	6,310,933,738
ks	5,320,000	(2,320,000)	3,000,000
ers	960	-	960
Lire	5,320,960	(2,320,000)	3,000,960
O PERSONS IN ITALY ON ACCOUNT			
NCES FROM ALLIED COUNTRIES			
ances from United States of			
ca Lire	4,246,000	9,182,450	13,428,450

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SCHEDULE No.

XVIII

PAYMENTS IN RESPECT OF SUBJECTS OF ALLIED NATIONS	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO
(a) Emergency Financial Assistance to			
(1) U.S. Nationals	2,258,620	666,100	
(2) British "	1,152,550	305,400	
(3) Greek "	49,300	–	
(4) Yugoslav "	174,505	–	
(5) French "	97,060	–	
(6) Polish "	98,675	–	
(7) Canadian "	8,000	–	
(8) Czechoslovak "	27,535	–	
(9) Belgian "	17,930	–	
(10) Russian "	11,200	–	
(11) Columbian "	1,800	–	
(12) Brazilian "	18,000	–	
(13) Norwegian "	3,000	–	
(14) Netherlands "	9,700	–	
(15) Iceland "	7,100	–	
(b) Expenses in connection with Refugee Camps	247,271	556,530	
(c) Payments to Allied Nations Missions			
(1) Czechoslovak Military Mission	150,000	45,000	
(2) Norwegian Military Mission	76,000	44,000	
(3) Polish Military Mission	954,000	20,000	
(4) Royal Yugoslav Military Mission	400,000	–	
(5) Belgian Military Mission	8,000	5,000	
(6) Netherlands Mission	115,000	70,000	
Lire	5,885,246	1,712,030	

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	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
RESPECT OF SUBJECTS ATIONS			
y Financial Assistance to			
ationals	2,258,620	666,100	2,924,720
ch "	1,152,550	305,400	1,457,950
"	49,300	–	49,300
av "	174,505	–	174,505
"	97,060	–	97,060
"	98,675	–	98,675
en "	8,000	–	8,000
slovak "	27,535	–	27,535
n "	17,930	–	17,930
n "	11,200	–	11,200
ian "	1,800	–	1,800
ian "	18,000	–	18,000
ian "	3,000	–	3,000
ands "	9,700	–	9,700
"	7,100	–	7,100
in connection with Refugee	247,271	556,530	803,801
to Allied Nations Missions			
lovak Military Mission	150,000	45,000	195,000
an Military Mission	76,000	44,000	120,000
Military Mission	954,000	20,000	974,000
ugoslav Military Mission	400,000	–	400,000
Military Mission	8,000	5,000	13,000
ands Mission	115,000	70,000	185,000
Lire	5,885,246	1,712,030	7,597,276

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SCHEDULE No.

XIX

	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO
PAYMENTS CHARGEABLE TO ITALIAN STATE IN RESPECT OF ITALIAN REFUGEES, ETC.			
(a) Payments in Respect of Italian Refugees	48,440	2,762,827	
(b) Emergency Financial Assistance Payments to Other than Allied Nationals			
(1) Albanian Nationals			
(2) Egyptian "	16,833	–	
(3) Italian ex Yugoslav "	1,200	4,000	
(4) Lettonian "	4,000	–	
(5) Paraguayan "	5,700	–	
(6) Peruvian "	4,500	–	
(7) Swedish "	2,000	–	
(8) Swiss "	1,200	–	
(9) Austrian Jewish "	600	–	
(10) German Jewish "	18,200	–	
(11) Stateless "	19,320	–	
(12) Unknown "	29,400	–	
	24,685	16,000	
	127,538	20,000	
Lire	176,078	2,782,827	

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	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
RGEABLE TO ITALIAN PECT OF ITALIAN C.			
in Respect of refugees	48,440	2,762,827	2,811,267
Financial Assistents to Other than tionals			
n Nationals			
n "	16,833	–	16,833
ex Yugoslav "	1,200	4,000	5,200
nn "	4,000	–	4,000
ven "	5,700	–	5,700
n "	4,500	–	4,500
"	2,000	–	2,000
"	1,200	–	1,200
Jewish "	600	–	600
ewish "	18,200	–	18,200
s "	19,320	–	19,320
"	29,400	–	29,400
	24,685	16,000	40,685
	127,638	20,000	147,638
Lire	176,078	2,782,827	2,958,905

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SCHEDULE No.

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ADVANCES TO ALLIED ARMED FORCES	TOTAL TO 30 APRIL 1944	CURRENT MONTH
(a) To American Army		
(1) Paid in Lire	11,740,808,000	2,122,400,000
(2) Paid in Yellow Seal Dollars ($ 1,505,300, total to date)	150,530,000	–
(b) To American Navy		
(1) Paid in Lire	190,766,000	–
(2) Paid in Yellow Dollars ($438,000, total to date)	21,200,000	22,600,000
(c) To British Army		
(1) Paid in Lire	7,923,651,830	1,882,948,000
(2) Paid in B.M.A. Pounds (£ 2,002,600-15-6, total to date)	761,040,310	40,000,000
(d) To British Navy		
(1) Paid in Lire	14,032,800	13,200,000
(2) Paid in Francs (Fcs. 15,915 total to date)	31,830	–
(e) To Royal Air Force		
(1) Paid in Lire	14,035,000	4,000,000
(2) Paid in Francs (Fcs. 1,319,844, total to date)	2,639,608	–
(f) To French Armed Forces		
(1) Paid in Lire	2,486,566,000	500,544,000
Lire	23,306,103,458	4,585,692,000

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	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
TO ALLIED ARMED FORCES			
merican Army			
id in Lire	11,740,808,000	2,122,400,000	13,863,208,000
id in Yellow Seal Dol- rs ($ 1,505,300, total date)	150,530,000	-	150,530,000
merican Navy			
id in Lire	190,766,000	-	190,766,000
id in Yellow Dollars 436,000, total to date)	21,200,000	22,600,000	43,800,000
ritish Army			
id in Lire	7,923,651,830	1,882,948,000	9,806,599,830
id in B.M.A. Pounds 2,002,600-15-6, total date)	761,040,310	40,000,000	801,040,310
ritish Navy			
id in Lire	14,832,800	13,200,000	28,032,800
id in Francs (Fcs. 15,915 tal to date)	31,830	-	31,830
oyal Air Force			
id in Lire	14,035,000	4,000,000	18,035,000
id in Francs (Fcs. 319,844, total to date)	2,639,688	-	2,639,688
rench Armed Forces			
id in Lire	2,486,568,000	500,544,000	2,987,112,000
Lire	23,306,103,458	4,585,692,000	27,891,795,458

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SCHEDULE No.		TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL
XXI	DISBURSEMENTS IN RESPECT OF AMG/ACC EXPENDITURE			
	(a) AFA Expenditure			
	Emoluments of Civilian Personnel	107,386	2,810	
	Motor Tnspt.-Maintenance of Vehs.	760	-	
	Other Adm. Expenses			
	Printing & Stationery	35,496	3,290	
	Maintenance of Offices	4,410	-	
	Maintenance of Office Equipment	1,905	-	
	Sundries	1,284	-	
	Total, Other Admin. Expendit.	43,095	3,290	
	Special Expenditure			
	Purchase of Office Furniture and Equipment	94,799	900	
	Reconditioning of Offices and Billets	51,590	6,800	
	Total Special Expenditure	146,389	7,700	
	Financial Expenditure			
	Interest Paid to Banks	4,555,087	6,748	
	Bank Service Charges	408,333	-	
	Total Financial Expenditure	4,963,420	6,748	
	Total AFA Expenditure	5,261,050	20,548	
	(b) AMG Expend.(to close of prev.mth)+	38,743,982	6,038,203	
	(c) ACC Expend.(to close of prev.mth)+	14,151,120	6,868,134	
	(d) AMG/ACC Disbursements made by AFA, direct in previous month, allocated in current month	2,533,832	(2,533,832)	
	(e) AMG/ACC Disbursements made by AFA, direct in current month	-	10,855	
	Lire	60,689,984	10,403,908	

+ See Schedule No. XIV

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NTS IN RESPECT OF AMG/ACC	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
E			
penditure			
ts of Civilian Personnel	107,386	2,810	110,196
spt.-Maintenance of Vehs.	760	-	760
m. Expenses			
g & Stationery	35,496	3,290	38,786
ance of Offices	4,410	-	4,410
ance of Office Equipment	1,905	-	1,905
s	1,284	-	1,284
Other Admin. Expendit.	43,095	3,290	46,385
Expenditure			
e of Office Furniture			
ipment	94,799	900	95,699
tioning of Offices			
lets	51,500	6,800	58,300
pecial Expenditure	146,389	7,700	154,089
Expenditure			
Paid to Banks	4,555,087	6,748	4,561,835
vice Charges	408,333	-	408,333
inancial Expenditure	4,963,420	6,748	4,970,168
FA Expenditure	5,261,050	20,548	5,281,598
end.(to close of prev.mth)+	38,743,982	6,038,203	44,782,185
end.(to close of prev.mth)+	14,151,120	6,868,134	21,019,254
Disbursements made by AFA, n previous month, allocat- rrent month	2,533,832	(2,533,832)	
Disbursements made by AFA, n current month	-	10,855	10,855
Lire	60,689,984	10,403,908	71,093,892

dule No. XIV

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SECRET

SCHEDULE No.

SCHEDULE No.		TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL T
XXII	DISBURSEMENTS OF ADVISORY COUNCIL FOR ITALY			
	(a) U.S. Delegation	—	159,234	
	(b) British "	—	82,527	
	(c) Russian "	—	82,962	
	(d) Yugoslav "	—	84,350	
	(e) Greek "	—	35,741	
	(f) French "	—	41,194	
	Lire	—	486,008	
XXVII	CONTRA ACCOUNTS			
	Foreign Exchange Credits			
	(1) U.S. Dollars, ($ 769,527.78 total to date)	29,214,300	47,738,478	
	(2) Sterling, (£ [illegible],164 - 5 - 6 total to date)	10,000	3,655,713	
	Lire	29,224,300	51,394,191	

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	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
..T ADVISORY			
..LY			
..tion	–	159,234	159,234
	–	82,527	82,527
	–	82,962	82,962
	–	84,350	84,350
	–	35,741	35,741
	–	41,194	41,194
Lire	–	486,008	486,008
..a Credits			
..ars,			
..27.78 total to date)	29,214,300	47,738,478	76,952,778
.. – 5 – 8 total to			
	10,000	3,655,713	3,665,713
Lire	29,224,300	51,394,191	80,618,191

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SCHEDULE No. XXVIII

		TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO
	CASH ON HAND & IN BANKS AT END OF PD. (Incldg.Mut.&Unfit A.M.Lire Notes C/H)			
	(a) Current Cash-Lire	883,233	(484,413)	
	(b) Reserve Cash-Lire	11,415,320,000	1,861,400,000	13
	(c) Bank Current Accounts-Lire			
	Banco di Sicilia	466,905,116	(52,691,383)	
	Banca d'Italia	886,522,273	360,675,248	1
	Banco di Napoli	65,664,157	(25,065,285)	
	Credito Italiano	55,085	7,724,435	
	Banca Commerciale Italiana	3,308,990	5,200,020	
	Total, Bank Current Accounts	1,422,475,621	303,843,035	1
	Total Lira Funds	12,838,678,854	2,164,766,622	15
	(d) Non Lira Currency C/H or in Bks			
	(1) Yellow Seal Dollars, ($ 1,515,608.31 total to date)	141,169,893	10,390,930	
	(2) B.M.A. Pounds, (£ 573,194-16-5 total to date)	151,655,521	77,622,408	
	(3) Maltese Pounds	56,050	(56,050)	
	(4) Tripolitania Lire	70,850	(70,850)	
	(5) Francs	12,064	(12,064)	
	Total Non Lira Currency	292,964,378	67,674,382	
	(e) Other Balances with Banks			
	(1) Bank of Italy No.2 Account+	200,000,000	1,400,000,000	(
	(2) OAS Rome Ltr of Credit A/C+	-	500,000,000	
	(3) Funds Deposited with Italian Banks for Remittance Payments	-	65,091,541	
	(4) Funds Deposited by U.S. Army Units - See Sched. IV (b)	60,744,602	5,256,120	
		260,744,602	1,970,347,661	2
		13,392,387,834	4,222,988,665	17
	MUTILATED AND UNFIT A.M.LIRA NOTES ON HAND	8,592,513	(2,993,665)	
	Lire	13,400,980,347	4,219,995,000	17

+ Items (e), (1) & (2), above together = Item No.7 on the Statement of Rece

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	TOTAL TO 30 APRIL 1944	CURRENT MONTH	TOTAL TO 31 MAY 1944
HAND & IN BANKS AT END OF PD.			
Mut.&Unfit A.M.Lire Notes C/H)			
rent Cash-Lire	883,233	(484,413)	398,820
erve Cash-Lire	11,415,320,000	1,861,408,000	13,276,728,000
k Current Accounts-Lire			
co di Sicilia	466,905,116	(52,691,383)	414,213,733
ca d'Italia	886,522,273	368,675,248	1,255,197,521
co di Napoli	65,684,157	(25,065,285)	40,618,872
dito Italiano	55,085	7,724,435	7,779,520
a Commerciale Italiana	3,308,990	5,200,020	8,509,010
al, Bank Current Accounts	1,422,475,621	303,843,035	1,726,318,656
al Lira Funds	12,838,678,854	2,164,766,622	15,003,445,476
Lira Currency C/H or in Bks			
llow Seal Dollars,			
1,515,608.31 total to date)	141,169,893	10,390,938	151,560,831
M.A. Pounds,			
573,194-16-5 total to date)	151,655,521	77,622,408	229,277,929
ltese Pounds	56,050	(56,050)	-
ipolitania Lire	70,850	(70,850)	-
ancs	12,064	(12,064)	-
al Non Lira Currency	292,964,378	87,874,382	380,838,760
r Balances with Banks			
nk of Italy No.2 Account+	200,000,000	1,400,000,000	1,600,000,000
S Rome Ltr of Credit A/C+	-	500,000,000	500,000,000
nds Deposited with Italian			
nks for Remittance Payments	-	65,091,541	65,091,541
nds Deposited by U.S. Army			
its - See Sched. IV (b)	60,744,602	5,256,120	66,000,722
	260,744,602	1,970,347,661	2,231,092,263
	13,392,387,834	4,222,988,665	17,615,376,499
D AND UNFIT A.M.LIRA			
HAND	8,592,513	(2,993,665)	5,598,848
Lire	13,400,980,347	4,219,995,000	17,620,975,347

c), (1) & (2), above together = Item No.7 on the Statement of Receipts & Disbursements.

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APPENDIX E

Remittance Lists From U.S.A. and Sterling Area

Up to 31 May 1944

1. Lists Submitted to Banco di Sicilia

(a) U.S. Dollar Remittances

	Amount	No. of items
American Express Co., New York	$163,597.50	4996
Amalgamated Bank of New York, New York	274	74
Apostolic Delegate	25,965.50	2
Bank of America, San Francisco	38,892	212
Bank of the Manhattan Company, New York	1,992	64
Central Hanover Bank & Trust Co., New York	150	2
Central National Bank in Chicago	14,925.50	834
Continental Illinois Nat. Bank & Trust Co. of Chicago	3,692	126
Chase National Bank of the City of New York	6,682.50	132
Columbus National Bank, Providence, R.I.	325	14
Corn Exchange Bank & Trust Co., New York	3,655	106
Corn Exchange National Bank & Trust Co., Philadelphia	100	1
First National Bank of Boston, Boston	2,520.50	208
First National Bank of Chicago, Chicago	2,986.50	284
Irving Trust Company, New York	2,345	194
Liberty Title & Trust Co., Philadelphia	5,188.50	145
Manufacturers Trust Company, New York	89,280.50	2433
Manufacturers National Bank of Detroit	1,402	29
Marine Midland Trust Company of New York	5,696	142
Merchants Bank of New York	1,461	51
National Bank of Detroit	12,028.50	305
National Shawmut Bank of Boston	5,682	104
National City Bank of New York	63,534.25	1492
Pan American Trust Company, New York	5,650.50	230
Perera Company, New York	5,832	149
Philadelphia National Bank, Philadelphia	2,125	52
Public National Bank & Trust Co., New York	9,261.83	331
Stabile Bank & Trust Co., Boston	12,436	491
Sterling National Bank & Trust Co., New York	2,108.50	234
United States Lines, New York	2,331	269
Whitney National Bank of New Orleans	1,324	23
	$ 519,810.08	14,184

(b) Sterling Remittances

	Amount	No. of items
Bank of England +	£ 9,164-5-8	578

+ In addition to the British Isles, Bank of England Remittance Lists include remittances from Canada, New Zealand, Argentina, Venezuela, and Switzerland.

2. Lists Submitted to Banco di Napoli

U.S. Dollar Remittances

	Amount	No. of items
American Express Co., New York	$176,480.20	3691
Amalgamated Bank of New York	375.00	10
Bank of America N/T and Savings Assoc.	13,357.00	253
Chase National Bank, New York		

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First National Bank of Boston, Boston	2,520.50	208
First National Bank of Chicago, Chicago	2,986.50	284
Irving Trust Company, New York	2,345	194
Liberty Title & Trust Co., Philadelphia	5,188.50	145
Manufacturers Trust Company, New York	89,280.50	2433
Manufacturers National Bank of Detroit	1,402	29
Marine Midland Trust Company of New York	5,696	142
Merchants Bank of New York	1,461	51
National Bank of Detroit	12,028.50	305
National Shawmut Bank of Boston	5,682	104
National City Bank of New York	63,534.25	1492
Pan American Trust Company, New York	5,650.50	230
Perara Company, New York	5,832	149
Philadelphia National Bank, Philadelphia	2,125	52
Public National Bank & Trust Co., New York	9,261.83	331
Stabile Bank & Trust Co., Boston	12,486	491
Sterling National Bank & Trust Co., New York	2,108.50	234
United States Lines, New York	2,331	269
Whitney National Bank of New Orleans	1,324	23
	$ 519,810.08	14,184

(b) Sterling Remittances

Bank of England +	£ 9,164-5-8	578

\+ In addition to the British Isles, Bank of England Remittance Lists include remittances from Canada, New Zealand, Argentina, Venezuela, and Switzerland.

2. Lists Submitted to Banco di Napoli
U.S. Dollar Remittances

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American Express Co., New York	$176,480.20	3691
Amalgamated Bank of New York	375.00	10
Bank of America N/T and Savings Assoc.	13,357.00	253
Chase National Bank, New York	6,111.50	95
" " ", (Archbishop of Naples)	11,984.00	1
Central Bank of Chicago	13,170.00	341
Continental Illinois N/B and Trust Co., Chicago	3,820.00	81
Corn Exchange Nat. Bank & Trust Co., Philadelphia	455.00	8
Mellon National Bank, Pittsburgh	7,815.00	128
National Bank of Detroit	3,975.00	58
Manufacturers National Bank of Detroit	2,630.00	43
National Shawmut Bank of Boston	630.00	12
Stabile Bank & Trust Co., Boston	8,915.00	243
	$249,717.70	4,964

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