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(VOL. I)

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(VOL. I)

CHIEF COMMISSIONER REPORTS
MAR. 1944 - NOV. 1945
(1 OF 2)

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PARTITO FASCISTA REPUBBLICANO

FEDERAZIONE DELL'URBE

IL COMMISSARIO FEDERALE

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
AIO 394

MONTHLY REPORT

AUGUST 1945

214

Ref. 824/EC

1 November 1945

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

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

AUGUST 1945

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POLITICAL SUMMARY

1. There were few political developments of importance involving ITALY during the month with the exception of the signing of the Armistice between the Allies and the Japanese to which the Italian press gave voice with general feelings of gratification. The President of the Council said that he hoped that the end of the war would mean the release of more tonnage for the transport of food supplies, coal and raw materials to ITALY.

2. Measures for the assistance of Partisans and Repatriates were approved, and also the budgets of the various Ministries. The President of the Council made an important statement on VENEZIA GIULIA on 2 August when he received delegates from the area. He told the delegation that he intended to ask the Allies to review the existing conditions under which the Italian Government are powerless to do anything for the inhabitants of the region, which, until declared otherwise, was still a part of ITALY.

3. The National Council of the Christian Democrats met from July 31st to August 3rd. Signor de Gasperi, Secretary General of the party, asserted that the party was desirous for collaboration with SOVIET RUSSIA.

4. Economically the most important news is the restoration of virtually complete freedom of foreign trade to the Italian Government from August 1st with the exception of VENEZIA GIULIA. This has come about as a gradual evolution under the guidance of the Allied Commission. At a meeting of the Council on August 9 and 10 the Ministers approved the proposal for the grant of a wider measure of administrative autonomy to the VAL D'AOSTA. Relations between the State and the Council have been regulated; certain financial provisions were guaranteed together with the free use of the French language. The control of public waters and mines has also been approved.

5. The Council has approved the first list of members of the Consultative Assembly and has passed the decree setting up a commission to study the electoral law which will govern the voting for the Assembly. There was still a good deal of press polemics on the question of whether the elections for the Constituent Assembly should or should not precede the local elections. In the meantime Signor Parri maintained that no progress could be made until the status of ITALY had been finally clarified, and this would inevitably require much time. He insisted that political parties must pledge themselves to a free campaign.

6. Signor Nenni, as Minister in charge of epuration, has decided to turn over to the High Court of Justice for epuration proceedings all Italian senators except those already approved as members of the Consultative Assembly and the new Minister of the Treasury.

7. The Government are very satisfied with the response to the 5% Treasury loan which closed at the end of August.

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PART I/.....

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PART I

REGIONAL REPORTS

LIGURIA REGION

1. The Provinces of LUCCA and APUANIA were turned over to the Italian Government on 4 August with appropriate ceremonies and with many outward expressions of good will towards the Allies. Uncertainty and fear of the economic, social and political future of Italy is still prevalent among thinking and educated people but the Region is slowly returning to normal life; local government shows a continued improvement, and local officials are gaining the respect and confidence of the people

2. The food situation was good during August and the ration scale was maintained. A regular supply of fruit, vegetables and fish was on the open market but prices were very high.

3. With the regular monthly arrival of imported coal and its increased availability in August and also, it is hoped, in September, there were indications everywhere that industrial recovery was gathering momentum and the production programme was beginning to assume large proportions. The Siemens-Martin furnaces located at the ports of entry for coal are well situated for economical production o steel and with sufficient coal will be able to make a real contribution to the economic life of both the Region and Northern ITALY.

4. There were no political demonstrations involving labour and no strikes during the month but there was a further increase in unemployment. At present about 65% of the working population is unemployed.

5. Progress was maintained on the reconstruction of the ports of GENOA, SAVONA and LA SPEZIA. GENOA is now able to accept the original target of 8000 tons a day, sometimes exceeding this figure.

6. Grain collections have been slow and unsatisfactory, only about 700 quintals having been amassed by the end of August. Livestock figures show a reductio of about 50% during the war period.

7. The efficiency and morale of police agencies showed definite improvement and partly as a result of this a number of persons in possession of fire-arms were arrested. Clothing, equipment and transport are still insufficient but communications and accommodation have been improved. There was a marked decrease in the number of murders, and several arrests have been made. Common theft cases are on the increase. The general security situation is normal, the few demonstrations that there were bein mainly protests against the high cost of living.

8. Public health in the Region was good. There is a seasonal prevalence of typhoid fever but the peak was reached during the third week of August and a downward trend is apparent. Relatively heavy rains early in August have restored the water supply and made it possible to eliminate all parts of the water system suspected of

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LOMBARDIA REGION

9. All provinces have reported a gradual but steady return to normal life. Mor confidence was shown in the police agencies whose prestige has been increased by a number of detections and arrests, but the public safety situation in several provinces is not satisfactory. Press reports are exaggerated but there is apprehension among the population on the state of public safety when the Allies withdraw. The prison position was virtually unchanged and was by no means satisfactory.

10. Progress has been made on the economic side. Commencing on 22 August a daily train of 28 tankers was put into operation carrying wine between BRINDISI and MILAN. An average of 30 tons a day of war hemp was furnished the LOMBARDIA spinning mills and 9200 tons of lignite were mined at VAL GANDINO mines during the month, representing 75% of the normal production. The Portovaltravaglia factory near MILAN

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will start production of about 4000 square meters of window glass daily in September. Comparatively few disputes involving stoppage of work were reported during August but there were further indications of labour unrest over wage rates and high living cost. The electric power situation was good and power loads are increasing; rationing may, however, be necessary in January and February of 1946 if the gas plants are not put into operation. A reserve of about 1700 tons of imported grain and 250 tons of imported flour has been stocked for the Region but exporting Provinces have not met their consignment obligations. The wheat estimate for LOMBARDIA was 1,750,000 quintals of which 831,487 had been collected by 25 August. Rains during the month have considerably improved forage and late corn production and the rice crop in particular shows promise.

11. Public health on the whole has been good but there have been sporadic cases of typhoid fever mainly due to water shortage and the consequent use of polluted streams. Total vaccination is being carried out throughout the Region. 15,000 mufflers were distributed without charge to hospitals and institutions in MILAN City and some provinces, and continued assistance is being given to the new Ministry of Post War Assistance and other Italian welfare agencies in re-establishing their work in LOMBARDIA Region.

12. 97,945 refugees and displaced persons passed through LOMBARDIA camps during August, of which 43,800 were internees from Southwest GERMANY and FRANCE received through CHIASSO. In all, 184,205 persons have been recorded in the Region, of which 58,897 were ex-PWs who have now been demobilized.

13. 134 cases were disposed of by the Extraordinary Courts of Assize during the month, 14 death sentences being imposed, three of which were executed. Advantage is being taken of D.L.L. 234 to convene a special court for dealing with cases of armed robbery. Sentences of 23-25 years were imposed on 4 youths convicted last week. All courts are functioning normally.

PIEMONTE REGION

14. Various political parties were active during the month and the jockeying for position amongst the parties undoubtedly detracted from the general efforts towards reconstruction. General feeling towards the Allies has remained favorable and the confused state of Italian politics has increased the desire among a considerable section of the population for the Allies to remain in ITALY.

15. The food situation was good and the ration has been maintained; in addition, large quantities of fruit and vegetables were made available.

16. The amassing figures have shown improvement. Large quantities of wheat are being collected and the public and officials are now beginning to realize their responsibility in this matter.

17. Labour offices continued to gain the confidence of the employers and organized labour, and it is due to their activities in the conciliation of labour controversies that a number of strikes have been avoided and labour relations have remained on the whole amicable throughout the Region.

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18. The latest unemployment returns show the following figures: registered unemployed, 18,712; surplus workers (schedule less than 40 hours weekly), 178,596; surplus workers (in excess of 48 hours weekly), 103,799.

19. Progress in housing is far from satisfactory. The material situation is, as last month, still a great handicap and the Sindaci of the various communes are not sufficiently aggressive to force the various yards to give up the material. Dealers are reluctant to sell since the market is rising.

20. Practically all electric plants, lines and sub-stations in PIEMONTE which were damaged have been repaired and such repairs that have not as yet been finished, should be completed within a month.

21. There has been a marked reduction in crime but cases of robbery and hold-u are still numerous. Determined efforts by police to effect arrests are meeting with some success. 3500 pairs of boots, 1,000 blankets and other equipment were secured during the month for the CCRR in the Region and each serving member will shortly be provided with an automatic weapon. The local military commander, who is rendering

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valuable assistence in public safety work, has attached a truck with wireless equipment at each of the six isolated CCRR stations. Contact is being kept with troops who assist CCRR in dealing with bandits and serious crime in which firearms are used. A large number of arrests has been made. Special courts of assize tried 136 cases. There were 9 death sentences and 38 acquittals and 14 cases were continued or transferred. There were various disturbances at sittings of special courts of assize but police action avoided serious trouble.

22. The health of the population is good but there has been a substantial increase in the number of typhoid fever and tuberculosis cases.

VENEZIA REGION

23. There was considerable activity among the political parties but all have shown reasonable restraint. Relations between AMG, Prefects and C.L.N. continued to run smoothly and all provinces report an improvement in public morale. There were still many cases of armed banditry but these were nearly all based upon motives of robbery, the political killings and vendetta murders having noticeably declined. The signs, apparent by the end of the month, that further British troops would move into the area for the autumn, had a further steadying effect. The condition and morale of the carabinieri and other police agencies continues however to be a matter of concern and clothing, boots and equipment are still in very short supply.

24. The compilation of electoral lists is proceeding slowly but satisfactorily.

25. On the economic side progress has been made. More shops were re-opened and more goods appeared for sale, usually at high prices. There was, however, no sign of an upward curve in prices: fruit and vegetables prices were steady throughout the month and in some cases declined. Distribution of food proceeded normally but both salt and firewood were in short supply. The limitations of the allocation of coal will seriously reduce the activity of the cement, fertilizer, metallurgical, glass and food processing industries with resulting unemployment.

26. Good progress was made in the clearing of bomb damage and in repairing roads and bridges. Many further rebuilding projects were approved and will be commenced shortly: it is hoped that these projects will contribute substantially towards solving the problem of unemployment which is assuming serious proportions especially in TREVISO, BELLUNO and UDINE Provinces. This problem is aggravated by the return of ex-POWs from GERMANY but there were no serious labour disturbances during August.

27. Considerable improvement was effected in the cropping of grain but the region's food supply was badly affected by a cyclonic storm of unusual violence which swept across the Provinces of TREVISO, VICENZA and VERONA on the 8th of August, doing great damage to the maize crop and to the vines and fruit trees. The damage caused by this storm and a previous one which took place on 30 June is estimated at 1,337,000,000 lire.

28. Particular attention is being given to the strengthening of provincial agricultural committees which are now functioning well in most provinces: their value

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28. Particular attention is being given to the strengthening of provincial agricultural committees which are now functioning well in most provinces; their value has been fully demonstrated by the improvement in the harvesting figures. Forage production was greatly advanced by recent rains and the region as a whole should produce sufficient for its requirements. The grape harvest shows every indication of being of average production and of better quality than usual.

29. 58 Superior and 253 Summary Courts have been held. The majority of the former are for possession of arms and sentences have stiffened. The latter are mostly for wrongful possession of WD property.

30. The health of the population has been good although a few cases of typhoid and paratyphoid fever, dysentery and malaria have been reported.

31. Owing to the nearness of the debated ground and to the presence in VENICE of a number of refugees from ISTRIA, the question of VENEZIA GIULIA always remains a topic of strong local feeling. The majority of the people spoken to will be prepared to agree to the handing back to YUGOSLAVIA of a major part of Slovene-speaking VENEZIA GIULIA provided always that the Italian character of TRIESTE be fully maintained. There are, of course, others who insist on the retention of what they call "ITALY's natural frontiers."

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32. Political activity during the month has been largely aimed at non-coöperation with Allied Military Government. Local government has, since the enforcement of the plan for re-organization under General Order No. 11, met with innumerable difficulties from the Slovene and Communist parties but the situation is clearing in view of the firm stand taken by the AMG in this matter.

33. The functions of the Civil Police Force are still being carried out by Allied Provost units but every effort is being made to equip and clothe the Civil Police which is in process of forming. There have been few public disturbances and little crime or rioting; six murders have been reported of which only one appears to be political.

34. The ration situation remains stable but meat is very scarce and the meat ration will have to be discontinued unless further supplies become available. At 30 August 600 tons grain, 768 tons flour and 2655 tons of mixed supplies were on hand but the amassing programme is proceeding unsatisfactorily and the Slovene element is openly obstructive over the amassing regulations, little more than half of the target figure of 10,000 quintals having been collected to date. Great hardship is caused through lack of forage, much of which has to be imported in this area. The Land Reclamation Project, much publicized in the local press, continued to progress.

35. The labour situation is greatly affected by internal trade union disorder and by lack of employment and raw materials. Rehabilitation programmes are being put into operation and it is hoped that this work will absorb many unemployed. Considerable progress is being made in the maintenance and repair of roads, bridges and TRIESTE harbour, while pill-boxes and road blocks are being rapidly demolished. The Bomb Disposal Squad is actively engaged and working very satisfactorily.

36. Public health has been good and there is a complete absence of any serious epidemic. The local administration is, however, still very bad and certain committees, such as Maternity and Child Welfare, are virtually at a standstill. Substantial medical supplies have been received during the month from Allied sources.

37. Between 1st and 26th August 11,647 persons passed through the Refugee Centres, of which 6,579 were displaced civilians and 5,068 Italian PWs. The main problem at the moment is the disposition of the "stateless" Italian civilians whose homes are in that part of VENEZIA GIULIA occupied by the Yugoslav authorities. A holding centre for them is going to be established in the north of ITALY.

38. 243 charges, involving 213 accused, were heard by Summary Court and 31 persons were tried by the Superior Courts; 81% of these charges arose from disagreements of a political or national nature. Epuration continued and 1444 completed Schedule Personnels have been received by the Commission. With the exception of those in VENEZIA, civil courts are holding regular sessions.

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39. The telephone circuit to FIUME and all towns in Zone "B" and to POLA ceased to function having been cut off by Yugoslavs.

40. News is being disseminated from Allied Military Government, VENEZIA GIUL at an increasing rate. Weekly radio programmes are to begin in Slovene and Italian early next month. The press conferences held once a week have proved extremely successful and have received much favorable comment in the area.

AMG NAPLES COMMUNE

41. The end of the war with JAPAN provoked little comment amongst the people of NAPLES. There has been little political activity during the month but there was some agitation among returned PWs and other refugees assembled in NAPLES and clearance projects have been accelerated to give these men employment.

42. The first amassi returns were poor as compared to the amount amassed by the same date last year. These poor returns are not only due to the drought which has damaged many crops but also to the farmers who are demanding increases in price.

43. Salvaged garments and boots and material for the repair of 50,000 pairs o boots have been handed over to the Italian Government I.C.D.

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44. There is much discontent and uneasiness among the working population caused by the employment of large numbers of German PWs in NAPLES. There were 16 strikes lasting only one to three days during the month; the majority of these strikes were for increases in pay and there were no incidents.

45. The water situation is becoming more acute particularly as the civilian population have no sense of water discipline and storage in NAPLES is inadequate.

46. Prisons are still overcrowded.

47. There has been a marked decrease in smallpox and typhoid cases during the month.

48. Hospital staffs struck for higher wages. The strike lasted 48 hours.

49. Truck pools are working satisfactorily under Italian Government control, and a cut in military allotments has eased the shortage of rail cars.

AMG LIVORNO ZONE

50. All political parties are actively carrying on their propaganda, holding numerous conferences and public assemblies. All political meetings have been orderly and well disciplined.

51. The full use and expansion of economic resources has been retarded mainly because of the lack of raw materials and fuel, principally coal.

52. The food situation has been unsatisfactory. There were fewer non-ration foods than last year on the market due to the drought and the fruit and olive crop have also suffered from lack of rain. Tillage has been prevented by extensive mines. Amassing estimates showed that the crop will fall about 40% below the figures shown last year.

53. There has been an improvement in the electric and gas services and in the water supply although in the case of the latter the situation in PISA and LIVORNO is still critical.

54. Road blocks, check points and roving motorbicycle patrols in the LIVORNO zone made up of military police, carabinieri, and other public safety agencies and Allied army units were successful in rounding up 4 counterfeit operators, holding over 5,000,000 lire in forged currency, 12 fugitives from justice, and 2 escaped German PWs; several persons in possession of WD property were also arrested.

55. Over 25,000 displaced persons passed through the LIVORNO Refugee Staging Area during the past month.

56. A few cases of undulant and typhoid fever have been reported but public health in the Region has otherwise been normal.

BARI AND SOUTH EAST ITALY (From A.C. Liaison Officer BARI)

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52. The food situation has been unsatisfactory. There were fewer non-ration foods than last year on the market due to the drought and the fruit and olive crop have also suffered from lack of rain. Tillage has been prevented by extensive mines. Amassing estimates showed that the crop will fall about 40% below the figures shown last year.

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54. Road blocks, check points and roving motorbicycle patrols in the LIVORNO zone made up of military police, carabinieri, and other public safety agencies and Allied army units were successful in rounding up 4 counterfeit operators, holding over 5,000,000 lire in forged currency, 12 fugitives from justice, and 2 escaped German PWs; several persons in possession of WD property were also arrested.

55. Over 25,000 displaced persons passed through the LIVORNO Refugee Staging Area during the past month.

56. A few cases of undulant and typhoid fever have been reported but public health in the Region has otherwise been normal.

BARI AND SOUTH EAST ITALY (From A.C. Liaison Officer BARI)

57. There has been little political activity in the area during the month. All prefects were satisfied with the preparations of electoral lists for the coming elections but the greater part of the population took little interest in the proceedings.

58. Rations are being regularly distributed in all provinces but there is a scarcity of fats both for cooking and eating. Farmers are reluctant to amass their grain this year on the pretext that the Government price is insufficient. Olive trees and vines have suffered from the drought and the shortage of fodder for cattle continued. The price of hay and straw is now prohibitive.

59. There is a serious unemployment problem: farmers are reluctant to employ additional men and in some cases whole farms have been forcibly occupied by labourers and peasants in the villages.

60. Details of the disturbances at MATERA and FERRANDINO during the first five days of August are reported on page 12. There seems to be little political significance in these disturbances and they were staged chiefly as a protest against

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the amassing of grain, the issue of ration cards and the ' dequate measures existing for the relief of the un loyed.

61. There has been a brisk revival in the wine trade and ships and trains are carrying thousands of tons of wine from the BARI area to Northern ITALY.

62. Public health has been good.

SARDINIA (From A.C. Liaison Officer SARDINIA)

63. Political parties are active in their preparations for the forthcoming elections. In the Communes few able men take political appointments owing to the present unstable political situation and poor financial conditions.

64. Numerous demonstrations were held on the island for increased public works to relieve unemployment. The Ministers of Public Works and Post-War Relief arrived to investigate conditions. Public works projects designed to employ large numbers of workers are already being carried out and many unemployed are being absorbed in this work.

65. Owing to the continued drought and hot winds, crops have matured irregularly and many have been severely damaged. During August, 1,417 head of cattle, 568 horses and 2,421 sheep were exported to the mainland but the only food stock available for export was cheese. 53,238 tons of Sulcis coal were mined, compared to the July figure of 50,091 tons, and of this, 37,670 tons were exported. Exports for the month, excluding coal, totalled 1,307 tons. Imports amounted to 842 tons.

66. Public safety and public health conditions on the island were satisfactory

67. Transportation facilities between SARDINIA and the mainland have been improved and during the month approximately 1,000 refugees were returned to their homes in SARDINIA from the mainland. Due to a shortage of pastures and forage, it has not been possible to build a staging area at OLBIA for livestock en route to the mainland, and often the sailing dates of the cattle ship are not communicated in time to transport to the port a sufficient number of animals; therefore, shipments for August were not up to expectations, as the ship often sailed half-empty.

68. There was some trouble among the workers brought from the mainland to work in the coal mines, and it was considered better to return some of them to their homes

SICILY (From A.C. Liaison Officers CATANIA and PALERMO)

69. Separatist headquarters in both CATANIA and PALERMO have been closed but, in spite of a decline in popular support, the movement continues to publish a considerable quantity of clandestine literature. It is not believed, however, that separatism is a strong political factor or a real menace to the present government of SICILY. There is more reason for anxiety at the political indifference of SICILY's presumably better educated citizens, which would seem to be a clear call to the more patriotic working-class citizens to assume political control.

70. There has been no general reduction in the cost of living in spite of the

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70. There has been no general reduction in the cost of living in spite of the good supply of local fruits and vegetables and its tendency to increase, especially with the approach of winter, is a continued source of popular dissatisfaction. The grave water shortage has not seriously reduced the production of tomatoes, fruit and vegetables but the grain harvest, as reported last month, has been greatly reduced by the drought and farmers are reluctant to sell their grain to the ammasso at a price less than the cost of production.

71. There have been more cases of malaria and typhoid fever during August than for many months past but other than this the health of the population appears to be satisfactory.

72. The economic situation is deteriorating due to the continued shortage of raw materials and lack of coal. Many plants have been obliged to reduce output so many employees are out of work. The labour market has been further disrupted by the return of servicemen and prisoners, and Provincial Labour Offices report over 40,000

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registered unemployed in Western SICILY alone. There have been few industrial disputes and no strikes during August.

73. Reconstruction work is being expanded in an effort to reduce unemployment. Over one milliard and a half lire have been allotted by the Government for public works in SICILY. The health of the population has remained fairly good and there have been no epidemics.

74. Public safety remains the most urgent problem, delinquency is on the increase and country districts are infested with armed bands who resort to robbery, kidnapping, and extortion. The Italian Police authorities are not powerful enough and have not enough men or arms to combat this situation, which can be attributed to adverse economic conditions, unemployment, and unrest in agricultural areas. The public have no respect for authority or the administrative officials. A train was held up at LICATA by 50 bandits, armed with rifles, sub-machine guns and hand grenades. The passengers were robbed of everything, and the shooting resulted in deaths and injuries.

ANCONA (From A.C. Liaison Officer)

75. On August 4th the Commune of ANCONA was handed over to the administration of the Italian Government but as the military situation in ANCONA remains unchanged AAC courts have been retained.

76. The food supply was satisfactory, and the distribution of rationed commodities was regularly maintained.

77. Unemployment increased but a scheme for reconstruction of the city is being prepared: it is expected that all surplus labour will be absorbed when this scheme is in operation.

78. Public health remained at a high level despite shortage of water and over-crowding. Health services are functioning satisfactorily.

BOLOGNA (From A.C. Liaison Officer)

79. There has been no increase in political activity during the month, although the parties are undoubtedly preparing for the elections. It is reported that the Communist Party is losing ground while the Socialists have gained the confidence of the population. The preparation of electoral lists is progressing and the latest date for their completion given by any prefect is the end of October.

80. The food situation is satisfactory, although sugar and fats are in short supply and prices for food remain high. Owing to the prolonged drought, this year's vintage will be well below normal in quantity but the wine will be of excellent quality. Amassing is proceeding satisfactorily. The total amassed to date is 1,605,105 quintals or 84.6% of the expected total.

81. The unemployment problem was not critical but will become increasingly serious as the farm work decreases with the winter months and more labour returns

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81. The unemployment problem was not critical but will become increasingly serious as the farm work decreases with the winter months and more labour returns from GERMANY. Lack of coal for industry and the fact that employers will not be continuing to pay employees who are not working after 30 September will further aggravate the problem.

82. The public works situation was satisfactory but it is feared that the reconstruction of the bridge over the Po in PIACENZA Province will not be completed this year. The high water may render the present pontoon bridge unusable.

83. There has been an increase in the number of cases of armed robbery, 63 cases having been reported. Arrests have been made in 11 instances.

84. The morale of the carabinieri improved considerably but they were still lacking in numbers, transport and POL. A mobile battalion is being formed and 14 tanks have been supplied for this purpose. There is a continual demand in the press and in speeches that partisans be recruited into the police agencies.

85. One case of typhus was reported in the refugee camp at BOLOGNA and there have been a few cases of typhoid and an increase of malaria in FERRARA Province due

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to flooding; with these exceptions public health was good.

86. 65,231 refugees passed through the Region during August. Conditions in the camps have improved and general health remained good.

87. Road and rail communication throughout the Region improved. Telecommunications are improving and the posts operated satisfactorily.

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PART II

CIVIL AFFAIRS SECTION

Mine Clearance

1. Mine clearance in ITALY is now mainly confined to Italian Government territory where the Italian Government are continuing the work started by AC/AMG. There is however a number of mines in LIGURIA Region where civilians and one company of Italian Engineers are operating.

2. Detailed maps of German minefields in Italian territory have now been received and these should speed up mine clearance work and reduce casualties. These map records will eventually be handed over to the Italian Ministry of War.

LOCAL GOVERNMENT SUBCOMMISSION

3. The Italian Government is at present selecting the Presidents of the Provincial Commissions which are to be set up in AMG territory to decide the disfranchisement of alleged Fascists. Instructions have been issued for the appointment of the other two members who, with the President, constitute the Commission in each province. They will be nominated by the First President of the Court of Appeal from a list of popular judges and then formally appointed by order of the Provincial Commissioner.

4. A representative of the Allied Commission visited the Office of the Penal and Judicial Records (Casellario Giudiziale Centrale) in ROME and reported that conditions there were chaotic and the system employed archaic. The work is particularly difficult owing to the damage and loss of records through war and the fact that much of the population is scattered and the reported inefficient functioning of the Casellario Giudiziale Centrale may ultimately affect the date on which elections can be held. The matter is being taken up with the Italian Government.

5. Extensions of the time limit for the preparation of electoral lists have been granted to 67 Communes in AMG territory: the maximum period of extension granted was 30 days.

6. The Italian Government have completed the appointment of the great majority of the members of the National Consultative Assembly ("CONSULTA"). The relevant Italian decrees include provisions for the appointment of 6 "Consultori" to represent VENEZIA GIULIA. These decrees have not been implemented in VENEZIA GIULIA but the US and British Ambassadors have approved that AMG should give sanctio to the implementation of these decrees as an administrative act. A plan for the local government of VENEZIA GIULIA has been approved by C.C.S. The type of government set up under this plan reproduces the Italian system under another name.

EDUCATION SUBCOMMISSION

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EDUCATION SUBCOMMISSION

7. Universities and other higher institutions are now, practically without exception, epurated and re-organized throughout the North. Building repairs are under way for damaged universities and schools in all Regions and projects are drawn up for long-term construction. Epuration of schools in Northern ITALY proceeded under General Order No. 35; in no Region has epuration been completed, but commissions are being urged to speed the work.

8. Owing to lack of fuel, LOMBARDIA and VENEZIE Regions are arranging to ope the autumn term early in order to allow schools to close during the severe weather.

9. Progress has been made toward opening schools in the German language in BOLZANO; Swiss textbooks have been selected and prices for printing obtained from BERNE. The intransigent attitude of the National Liberation Committee in VENEZIA GIULIA is causing difficulties but remarkable progress has been made; arrangements have been made to facilitate the transfer to Italian provinces of teachers who formerly taught in territory now under Yugoslav jurisdiction.

10. AFHQ has completed its survey of school requisitions showing that of 663 schools which were still under requisition on 1 August, 232 will have been derequisitioned by 1 October. An AFHQ Administrative Memorandum is in preparation ordering commanders to derequisition educational facilities at the earliest possible date.

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The worst requisitioning problems are in four provinces in VENEZIE Region: in BOLZANO City every school is partly or wholly occupied.

11. The Allied Commission has presented a detailed study of Italian education, its history and present organization, to the Minister of Education. The plans for a central reference catalogue of all ROME libraries to enable both Italian and foreign students to avail themselves of the rich but scattered and badly catalogued materials progressed satisfactorily.

12. The Minister of Public Instruction has set up a 500,000 lire fund to put into effect an arrangement made with the Library of Congress for purchase of books in AMERICA for Italian universities and libraries to the extent that the Library of Congress can use books to be purchased in ITALY. The British Council has worked out a different plan, setting up a credit of 200,000 pounds sterling in GREAT BRITAIN, balanced by British Council and Embassy expenses in ITALY and earmarked for book purchases through commercial channels. The British Council has also provided four scholarships for Italian students to GREAT BRITAIN and the Minister of Public Instruction has nominated the students. A considerable fund has been raised for scholarships for Italian advanced students who wish to study in the UNITED STATES.

LEGAL SUBCOMMISSION

13. There has been a general decline in the number of AMG court cases throughout all regions. Cases of possession of arms are still numerous and illegal possession of Allied property is prevalent among civilian employees in the port areas. General courts were held dealing with murder and counterfeiting.

14. The Italian courts in the North, though understaffed, are functioning normally.

15. Courts-of-assize procedure was modified, with the approval of the Allied Commission, by DLL No. 466 of 2 August 1945 rendering proceedings more speedy but increasing the amount of personnel needed for bench and the prosecutor's office.

16. RLOs have been instructed to request Italian judicial authorities to transfer trial cases to other courts where local feelings would be likely to prevent impartial justice being done. A number of death sentences have been confirmed by the Minister and CLA and executions have been carried out.

17. The Yugoslav authorities have repeatedly requested that a number of alleged Yugoslav citizens now detained in various jails of ITALY be handed over to them; each case has been given careful consideration but no decision has yet been reached. Yugoslav authorities have been requested to carry out the decisions of the Court of Appeal of TRIESTE affecting persons and property situated in territory under their control.

18. On 10 August the Italian Government sent, at the request of the Allied Commission, a circular to all First Presidents stating that membership of the Fascist Republican Army did not in itself constitute an offence.

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19. No general orders were issued during August.

PUBLIC HEALTH SUBCOMMISSION

20. Both the appointment of an Alto Commissario for Public Health and a definition of the functions of this official have been amended by legislative decrees during the month of August.

21. Up to 27 August, 2,402 sick Italian repatriates had arrived at MERANO. This has been much in excess of schedule and the bed capacity of the Hospital Command is strained to its limits.

22. Only one case of typhus (in a refugee) was notified during August. Smallpox figures both in NAPLES and elsewhere in ITALY have shown a marked decrease.

23. Weekly searches at collecting stations in the TIBER Delta continue to show a very low mosquito density. Although two particular areas have yielded a large increase in figures this is purely relative and causes no concern with regard to malaria transmission.

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24. The infant mortality rates for ROME Communes fo July was 99.9 a thousand as compared with 96.9 in ne. Deaths from all forms of erculosis in ROME during July were 238 as compared with 233 in June.

25. The Welfare Branch has now turned over to UNRRA and ENDSI all problems pertaining to the distribution of food and clothing and 217 tons of blankets have been made available by the Commerce Subcommission for distribution. Increasing responsibil ity for welfare matters is being turned over to the Italian authorities.

26. ENDIMEA has only just completed the distribution of May supplies in Italian Government territory. The supplies in the NAPLES warehouse have been handed over to the Istituto Commercio Estero, the organization designated by the Italian Government for accepting such supplies. With the dissolution of 2.665 Central Civilian Medical Depots no further requisitions for medical supplies for 1946 have been submitted. The future responsibility for Category "B" medical supplies will be accepted by UNRRA and FEA (Foreign Economic Administration).

27. Veterinary -- It was anticipated that the activities of the Veterinary Branch would cease at the end of August and the Italian Government were notified accordingly. Partial distribution of all veterinary supplies was made and the distribution of the remainder will be effected shortly. No further imports of veterinary supplies will take place. There have been no serious outbreaks of communi able disease amongst animals during August.

PUBLIC SAFETY SUBCOMMISSION

28. There has been a definite improvement in Public Safety this month, apart from SICILY and SOUTH ITALY. In SICILY however major crimes were still very frequent the country districts infested with bandits and the percentage of murders very high. There have been no grave public disorders, but robbery with violence, kidnapping and extortion were common occurrences. Good work in breaking up gangs has been done by the Police Force, but other gangs are quickly formed, and there were two hold-ups of a very serious nature at LICATA (details of which appear on page 8) and ENNA. Dis- satisfaction has been general, and the police authorities have not enough power or enough men and arms, to enforce law and order. In SOUTH ITALY too there has been unrest, for in MATERA province there was a disturbance on 1 August, when about 1000 rioters burned several buildings; the prison was forced and prisoners released. Abou 1500 people cut communications and set fire to Government buildings at FERRANDINO the following day, and one civilian, allegedly Fascist, was killed by the crowd.

29. Even in the newly handed-over EMILIA the public safety situation was not very satisfactory, and there was a considerable increase in armed robbery. The moral of the Carabinieri however has improved considerably, but they still lacked transport POL, and sufficient men to cope with the situation.

30. In LOMBARDIA, VENEZIE, and PIEMONTE there has been some improvement in the maintenance of law and order, and although many serious crimes were committed, public morale remained at a high standard. In LIGURIA there was a marked decrease in the number of murders, and the efficiency and morale of police agencies showed definite improvement, although clothing, equipment and transport were insufficient.

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31. The recruiting and training of the Civil Police for VENEZIA GIULIA is proceeding satisfactorily. All applicants, of whom there are about 2,000, are being carefully screened and vetted. 140 recruits are undergoing training at the Public School established and should be fully trained and ready for duty by mid-September. Uniforms and equipment unfortunately are in very short supply. It is interesting to note that at the moment the South of ITALY and SICILY are much more turbulent than the North. It is a common practice to expect trouble to originate in the North, but whether it is that the Southern Italians feel the weight of Allied occupation much less than their Northern brethren, or whether economic conditions have been so bad for a much longer period, the fact remains that it is not only the North which must be constantly watched for signs of future trouble, indeed the South may start it first.

32. The Allied Commission during August has been particularly concerned with procuring clothing, arms and equipment for the police agencies. Mobile battalions of carabinieri are being armed and supplied with Italian tanks and British and American Army units are giving training to Carabinieri and their officers in the operation of their new equipment. But there is still a serious lack of proper clothing and

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equipment which hampers efficiency, and transport is urgently required by all Carabinieri legions. It is extremely difficult to enforce law and order under these circumstances, and the need for a strong well-equipped Police Force is becoming increasingly evident and of paramount importance.

PATRIOTS BRANCH

33. The Ministry of Post-War Aid has now taken over Patriot work from the Ministry of Occupied Italy. A hospital at TRENTO is to be put into operation solely for Patriot personnel.

MONUMENTS, FINE ARTS & ARCHIVES SUBCOMMISSION

34. French impressionist masterpieces by CEZANNE, RENOIR, MONET, SISLEY, VAN GOGH and DEGAS, which had been seized by the Nazis from French owners and then "exchanged" to the Fascist Government have been found in FLORENCE.

35. Among important works of art returned to their normal locations in VENICE were the Lion of St. Mark to its column in the Piazzetta, the famous four horses to the facade of St. Mark's and the great TITIAN "Assumption" to the Church of the Frari

36. During August, 37 additional first-aid repair projects were approved in VENEZIE Region, of which the most notable was the Church of the Eremitani in PADOVA.

37. Satisfactory agreement has been arrived at on many points with the Joint Foreign Office and State Department Commission for the intelligent exploitation of certain groups of Italian ministerial archives. Certain limited categories have been selected for separate storage under Allied control, and the Italian Government has been asked to appoint an archivist for technical advice and liaison purposes.

DISPLACED PERSONS AND REPATRIATION SUBCOMMISSION

38. The number of Italians repatriated during August fell short of the original estimate of 225,000 for the month, due almost entirely to the breakdown of bridges over the BRENNER Pass route which is the main USFET to ITALY repatriation route carrying a daily average of 5,000 persons. Only 5,362 persons were received over the BRENNER route throughout the period 11 - 16 August causing a drop of more than 30,000 in the estimated total for the month and a subsequent delay in the completion of the repatriation of Italians.

39. During August approximately 180,000 Italians were returned to ITALY, through the BRENNER and Swiss routes. In addition 4,000 were received by land, sea and air at BARI, NAPLES and TARANTO from GREECE, FRANCE, SARDINIA, YUGOSLAVIA and ALBANIA. A total of 480,000 Italians have been received from GERMANY and AUSTRIA to date. 693,308 Italians have been returned to their homes since January 1944. On 31 August it was estimated that only 75,000 Italians remained to be repatriated from GERMANY and AUSTRIA but this number does not, of course, include any which have yet to come into the American, British and French zones from the Russian areas. It has been agreed with the Soviet authorities to move 60,000 Italians into USFET from a Soviet

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DISPLACED PERSONS AND REPATRIATION SUBCOMMISSION

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39. During August approximately 180,000 Italians were returned to ITALY, through the BRENNER and Swiss routes. In addition 4,000 were received by land, sea and air at BARI, NAPLES and TARANTO from GREECE, FRANCE, SARDINIA, YUGOSLAVIA and ALBANIA. A total of 480,000 Italians have been received from GERMANY and AUSTRIA to date. 693,308 Italians have been returned to their homes since January 1944. On 31 August it was estimated that only 75,000 Italians remained to be repatriated from GERMANY and AUSTRIA but this number does not, of course, include any which have yet to come into the American, British and French zones from the Russian areas. It has been agreed with the Soviet authorities to move 60,000 Italians into USFET from a Soviet area north of CZECHOSLOVAKIA and there are a further 15,000 reported to be in the Soviet area in AUSTRIA. There are 1,150 Italians in NORWAY, 90% of whom fought with the Germans and these will not be moved until the Italian Government has facilities for their internment. The present rate of repatriating Italians from GERMANY and AUSTRIA is approximately 5,000 a day through the BRENNER Pass, 2,500 a day over the BREGENZ route from SWITZERLAND, and 2,000 a week through ANNEMASSE to COMO; small numbers are coming through BORDIGHIERA from FRANCE. Throughout the month 60,652 Italians have been transported from ROME to destinations in the south of ITALY, and 59,469 have been moved down to ROME from the North. Almost 3,000 Italians have been shipped from PIOMBINO to MESSINA and SARDINIA during the month. The repatriation of Italians should near completion by the end of September although it will not be possible to disperse all to their homes until about the middle of October.

40. In addition to the movement of Italians from Northern EUROPE, Greeks are also being transported from SWITZERLAND through ITALY to BARI for repatriation to GREECE. They are arriving at the rate of about 800 a week and are shipped from BARI to PATRAS. So far approximately 5,000 have been received in BARI of which 4,300 have been repatriated to GREECE.

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41. A scheme is being formulated whereby a sanatorium at LANA, south of MODENA, will be partly used for the hospitalization of Allied National T.B. patients. Ration scale No. 24 was introduced on 1 August for all refugees but there is no supplementar food ration for invalids although young children can be provided with an issue of mil and fresh fruits.

42. Registration continues satisfactorily. On 31 August, 17,646 persons had been registered under the SHAEF system out of a total population of 24,328. By the end of August 1945, 106,220 Displaced persons had been recorded by the Record Bureau. This shows an increase of 10,781 names over the 95,439 registered at the end of the previous month and it is also the highest number of persons to be registered in any single month during the year. 120,754 Italian prisoners of war were repatriated during the month. AFHQ have ruled that prisoners of war can no longer be released as specialists for service in the Carabinieri or Italian armed services.

43. Remittances by Italian prisoners of war in British hands to their families totalled 53,894 pounds sterling. Credit balances of repatriated prisoners of war totalled 43,569 pounds sterling.

44. The Russian Government have stated that 130,000 prisoners of war will be repatriated from the Russian zone in North EUROPE during October.

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PART III

ECONOMIC SECTION

AGRICULTURE SUBCOMMISSION

1. There has been a considerable net reduction in the original wheat production figures. The estimates of wheat have been cut to 2,072,700 metric tons in Central, Southern and Insular ITALY, and for all ITALY 4,090.5 metric tons. Prospects for production of tobacco, potatoes, tomatoes and late beans, especially where the crop is irrigated, continued favourable. At the end of August 694,103 metric tons of wheat had been amassed, 388,216 metric tons in North ITALY and 305,887 metric tons south of the APPENINES. These collections represent 60% of the estimated available quantities for non-producers of wheat. Grain collection increased during the month, although there was an undesirable degree of variation between provinces in the effectiveness of the programme, while others have not indicated adequate support of the programme.

2. The heavy storms in TREVISO Province on 8 and 19 August resulted in considerable damage to corn, forage, grapes and other fruits. In other areas the continued drought has led to fall pasture and forage crops being considerably below normal.

3. The anticipated low olive oil production which normally follows a good year has been further reduced by the drought. Vines have also suffered from drought in Southern ITALY but wine production is expected to exceed 18,900,000 hectolitres in Central and Southern ITALY. Hail storms in some provinces of VENEZIE Region damaged the crops.

4. Livestock continued to be slaughtered at a greater rate than at any time since the liberation, probably due to the continued drought and shortage of forage. The responsibility for captured horses and mules, now on loan to Italian farmers in North ITALY is to be transferred to the Italian Government. Subsequently, the Italian Government will be able to sell the animals to the individual farmer. The livestock census continued in many provinces in the North, in order to identify animals on loan, stray animals, etc., and provide a basis for transfer of ownership from the Italian Government to the farmers concerned. Very few cases of foot and mouth disease have been reported.

5. On 1 August the new training school for forest guards opened at PIAZZA-FORTE with three hundred and sixteen students, mostly Partisans. Arrangements were made to cut timber for 150,000 "sleepers" for Military Railway Service from the Foreste del Circeo of SABAUDIA.

6. A complete survey of the fisheries of VENEZIA GIULIA has been completed. 35,000 rainbow trout eggs are scheduled to arrive by air in November from the United States to restock Italian lakes and rivers. A meeting has been held at the Ministry of Alimentation to discuss the allocation of POL for fishing, as the allocation for

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COMMERCE SUBCOMMISSION

7. Owing to the failure by the Italian Government to recognize the Proclaimed and Statutory lists (details of which can be found on page 16 , Finance Subcommission report) complete liberty in Italian export trade activities did not come into force on 1 august as had been previously arranged.

8. 5,000,000 tons of phosphate rock from TUNIS was allocated to ITALY, who was to ship 100,000 tons of pyrites to the French in payment. The refusal of the latter to ship the phosphate has resulted in Italian agriculture lacking fertilizers and chemical plants lacking raw materials.

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9. The 100,000 tons of wheat which was presented to ITALY by the ARGENTINE has not yet been allocated by the Combined Boards. However they have agreed to the allocation to the city of GENOA of 4,000 tons of wheat and 1,200 tons of canned meat, offered to that city as a gift by SWITZERLAND. Arrangements are in hand for shipment from LISBON, where the food is now lying.

10. Good progress is reported toward obtaining a regular supply of fish from TURKEY. Four schooners, of about 900 tons each, will probably be released to the Italian Government, to be used exclusively for fish imports from TURKEY.

11. 2,471 bales of cotton cloth from TENERIFFE are being shipped to ITALY.

12. Tin, solder and white metal have been removed from Materials Committee control and are now controlled by the Ministry of Industry and Commerce. Practically all standing timber and felled logs have been made available to the Italian Government for essential civilian needs. About 90% of the leather uncovered in the North has been turned over to the Italian Government, which is working out a scheme of distribution. All plywood less than 6 mm. thick has been released from control.

13. Since June 1945 about 3,000 tyres and tubes have been turned over to the Italian Government to distribute through Michelin and Pirelli warehouses. About 5,000 have been allocated to other Subcommissions, Regions and Government concerns.

14. Export shipments during the month consisted of silk, strusa, books, wine, straw, sulphur and lemon oil, totalling 7,058,159 tons, with a value of 160,731,766 lire.

15. An Italian commission was sent to POLAND and CZECHOSLOVAKIA and a list of exportable commodities to these countries has been received by the Allied Commission for approval. AFHQ have been asked to nominate a responsible body with whom the Italian Government can negotiate in AUSTRIA.

FINANCE SUBCOMMISSION

16. Pay and allowances of public employees in North ITALY have been increased as a result of the implementation of DLL 116 of 13 March 1945. The provisions of DLL 116 were, at the request of the Italian Government, made retroactive to 1 May 1945 with the understanding that all advances conceded to personnel on account of the increases would be deducted. Authority to pay the "Liberation bonus" to State employees was granted in Military Government territory and to industrial employees in Central and South ITALY on 17 August 1945.

17. CCS and AFHQ have approved both non-transactional and transactional communications (postal and telegraphic) between ITALY and RUSSIA, under the same external controls as are in effect between ITALY and the USA.

18. The Italian Government has instructed the Italian Ambassadors in LONDON and WASHINGTON to propose to the United States and British Governments that the Italian Government adopt the Proclaimed and Statutory lists when certain firms have been deleted from these lists. The American and British Governments had formerly indicate

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19. Final figures for the subscriptions in North ITALY to the new Italian Government Five Year 5% Bonds are not yet available, but it is known that more than 70 billion lire has been subscribed and it is probable that the final total will be in the region of 75 billion lire.

20. It is estimated that for the fiscal year 1944/45 the total actual revenue collected was 46.5 billion lire.

FOOD SUBCOMMISSION

21. Stocks of food are being built up in some provinces in Central and Southern ITALY as a precaution against irregular arrivals and preparations have been made to allocate stocks of certain foods in GENOA when the Northern Regions are turned over to Italian Government administration.

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22. The distribution of food in Italian Government territory is improving.

23. As the quantity of cereals delivered to the Ammassi is lower than was estimated, a further supplementary requisition of wheat to be loaded in the period October 1945 to June 1946 was prepared. Substantial quantities of wheat have been shipped to the North of ITALY to make up the deficiencies in LOMBARDIA and PIEMONTE Regions.

24. The movement of salt by rail from S. MARGHERITA DI SAVOIA to VENEZIE Region rose from 480 tons a week at the beginning of August to 805 tons at the end of the month. Details of the cistern wine-carrying cars running from APULIA to Northwest ITALY can be found on page 2 (LOMBARDIA report).

25. A standard ration scale for the whole of ITALY showing a minimum disturbance of existing scales has been proposed; for the November/February period the same type of ration card will be used throughout all ITALY.

26. A tour of the Northern Regions was made to obtain statistics on which to bas and control the planning and distribution of food as well as to obtain a basis on which to compute prices.

27. 694,103 metric tons of wheat have been amassed, and 52,963 metric tons of olive oil.

28. It is estimated that sugar production in North ITALY will only be about 28,000 tons and supplies may have to be imported. Arrangements for the distribution and use of the 43,070 tons of molasses in stock in North Italian plants have now been drawn up.

INDUSTRY SUBCOMMISSION

29. The Italian Government has assumed almost entire control of industry in Government territory, whilst in AMG territory the North Italy Industrial Council is beginning to get into its stride.

30. 11,600 tons of brass will be available to the Italian Government from Allied Forces sources for conversion into copper resulting in a production of 30,000 tons of copper sulphate.

31. Negotiations have now been concluded for the unloading of the explosive content from salvaged ammunition which will be distributed among the four principal firms engaged in producing pre-war industrial explosives. The disposal of the steel, empty shells and miscellaneous scrap metal is still under consideration.

32. The estimated production of Sardinian coal is 53,000 tons for the month; production throughout July averaged 1,930 tons a day. Estimated production of lignite for August was 90,000 tons.

33. Due to increased supply, the rationing of matches was abolished throughout ITALY with effect from 1 September 1945.

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34. Approximately 400 tons of synthetic rubber, carbon black, cord fabric and associated chemicals, requisitioned as a military supply commitment, have now arrived. This material, combined with stocks in MILAN and ROME, is sufficient to start tyre production at Pirelli factory at TIVOLI (ROME) but production will be limited unless supplies of natural rubber arrive. Further quantities of materials are being requisitioned to be paid for from Italian foreign credits.

LABOUR SUBCOMMISSION

35. Details of the implementation of DLL 116 and the payment of the liberation bonus can be found on page 16.(Finance Subcommission report).

36. There is apprehension that the revival of industry and the provision of alternative forms of employment will not be sufficient to meet threatened difficulties in the future. The payment of dole under the MILAN Agreement will continue until 30 September owing to the inability of employers to pay the employees required by this agreement.

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37. To co-ordinate the activities of the various Camere del Lavoro in the North a Northern branch of the C.G.I.L. has been established and a Memorandum has been submitted to the Italian Government by this organization, drawing attention to workers' problems and suggesting remedial action. A delegation of Italian Trade Unionists returned from RUSSIA after one month's tour of industrial centres in USSR.

38. Regional and Provincial Labour Offices have been established and adequately staffed with Italian civilians. Regional Italian Joint Advisory Committees, which consider proposed wage agreements and other labour questions referred to them by AMG, Labour Offices and both employers and employees in industry, have continued to operate satisfactorily. There have been no serious strikes or industrial disturbances during the month and the few small demonstrations which have occurred have been conducted in an orderly manner.

39. Wages of Italian civilian employees of the Allied Forces have been kept in line with local conditions but an inevitable reduction of 14,695 in the number of persons employed by the Allies had had to be made since 14 July 1945. The employment of German prisoners of war in rebuilding what has been damaged during the war has led to considerable criticism from the Italians. They are naturally resentful of the Germans being employed when they are not, and grudge the loss of labour and money which would otherwise be theirs.

PUBLIC WORKS & UTILITIES SUBCOMMISSION

40. Every effort is being made to effect a complete turnover of military highway maintenance to Italian agencies on 1 October 1945 and military units are gradually withdrawing assistance previously rendered to contractors, particularly in transport and materials. General direction of the programme by officers of this Commission will continue. Accumulative figures reflect that 1932 bridges had been completed in ITALY by the end of August. Bitumen supplies are still critically short.

41. Satisfactory progress was made transferring items of machinery and transp from this Commission to the Ministry of Public Works. Approximately 50 additional trucks were received during the month for use by the Ministry of Public Works. Fi arrangements were made for a complete turnover of the operation of all equipment. shops and machinery maintenance facilities to the Italian Government on 1 October.

42. Reports on rehousing progress throughout ITALY are unsatisfactory and it has been arranged for an Engineer Officer to work directly with Ministry officials in an effort to expedite the entire programme.

43. The supply of electrical power for Southern ITALY still remained critical owing to the outage of two generators at SILA, while reconstruction work is hampered by scarcity of materials and transport. The curtailment of civilian and military usage of power will be required through September and part of October 1945 In Northern ITALY the power supply remained satisfactory and no allocation of power was considered necessary during August.

44. An allocation of 15,000 KW was made to the Terni Chemical Works at NERA

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44. An allocation of 15,000 KW was made to the Terni Chemical Works at NERA MONTORO producing badly needed chemicals and fertilizers, as the actual load on th system in Central ITALY only totalled 170,000 KW against an allocation of 196,200 KW in August.

TRANSPORTATION SUBCOMMISSION

45. Movement of civilian traffic continued to improve. Railroad civil freigh traffic on the mainland in Italian Government territory amounted to 291,000 tons i July, an increase of 5% over June. Coastwise shipping and schooners accounted for 126,000 tons of civilian traffic, an increase of more than 50% over the previous month. 83,615 refugees were carried, an increase of 7% over the previous month.

46. AFHQ agreed to increase the daily wagon allocation for movement of civili traffic by 25% to 1000 wagons exclusive of wagon allocations for movement of refugees.

47. During the month all rehabilitation operations were seriously delayed by difficulties in obtaining cement, petrol and steel. Line 244 BASTIA-ELLERA was,

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however, completed on 30 August and the strengthening of many temporary repairs for the winter was well in hand.

48. The Italian State Railways have placed an order for 1000 type L freight cars with FIAT of TURIN. Coke required for the construction of these cars has already been allocated. The car situation was improved by the output of more than 500 freight cars and coaches by private shops under contract to the I.S.R. almost all of which had required heavy repairs.

49. With the release of some forests from military control it is expected that all timber required for the repair of rolling stock and repair of bridges will now be available.

50. Much headway has been made in the introduction of new passenger services. On 23 August, the first connection with Northern ITALY since the Allied entry into ROME was effected with the establishment of a daily service between ROME and ALESSANDRIA.

51. All truck pools and trucks operating in Northern ITALY have now been turned over to the Italian Government. Up to 1 September 1945, 1600 captured enemy vehicles 3,830 Allied trucks and 125 jeeps had also been transferred.

52. Port traffic was affected by restrictions imposed by the Naval authorities in order to facilitate mine-sweeping operations. Port and harbor improvements continued simultaneously and the capacity of the ports has been increased considerably

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Educational campaigns on democracy in Allied countries were carried out by UNITED STATES Information Service, British Ministry of Information, and Allied Commission. A nation-wide meeting of Italian editors called by ANSA, Italian news agency, took place in MILAN on 21 and 22 August.

2. Press releases in more limited numbers, owing to the scarcity of "live" news and the departure of many correspondents from the theatre, were issued on the general industrial situation, freedom of export trade and turnover of Italian territory. The Review of Allied Military Government and the Allied Commission in ITALY, in both English and Italian editions, has gone to press.

NAVY SUBCOMMISSION

3. The Ministry of Marine has reported that twenty Italian merchant vessels have already been disarmed and the Commander-in-Chief, Mediterranean, has approved the disarming of the remainder of Italian Naval vessels, subject to the convenience of the charterers and operating authorities.

4. Approval has been given by AFHQ for a small party of Italian naval personnel to visit the islands of PANTELLERIA, LAMPEDUSA and LINOSA in the near future for the purpose of mustering any Italian Navy personnel which may be on the islands, and for making a survey of the need and desirability of carrying out port salvage operations by Italian Navy personnel.

LAND FORCES SUBCOMMISSION, AC (MMIA)

5. Italian Guard battalions, which were under the command of the Allies, are now being released in order to form Internal Security Brigades under the Italian War Ministry. It is intended that each Italian Territorial Command on the mainland shall eventually have under its command an Internal Security Brigade, consisting of a Brigade HQ and three Bns (total 2,500 men).

6. The Italian Ministry of War upon the recommendation of Allied Commission prepared a study for a more careful selection, promotion, removal or training of Italian officers. This conforms with the principle of reducing the number, but increasing the quality, of all Italian military personnel, particularly officers and non-commissioned officers. Particular emphasis is being laid on organization and training and more instructors are being trained so that they may efficiently take up their duties in order to deal with next year's call-up.

7. The Italian Ministry of War has been informed that Recovering Commissions are to work under the direction of MMIA LOs who are in a position to secure from the appropriate Allied Command the authority necessary to recover possession of

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7. The Italian Ministry of War has been informed that Recovering Commissions are to work under the direction of MMIA LOs who are in a position to secure from the appropriate Allied Command the authority necessary to recover possession of Italian Army property wherever located.

AIR FORCES SUBCOMMISSION

8. Air Forces Subcommission has now been brought under the newly-formed Mediterranean Allied Air Committee for technical rulings and under the Allied Commission for policy matters.

9. The Allied Commission has recommended to the Italian Air Force General Staff that the operational command at BARI be closed down.

10. Authority has been given to the Fiats works to construct a further 8 G 12s tri-motor passenger aircraft, making a total of 20 aircraft of this type for use by the IAF Courier Service.

11. Conditional permission has been given for all ranks of the Republican Air Force, formerly under house arrest in N. ITALY, to return to their houses as a result of an AFHQ ruling.

12. The policy of permitting Italians at least to plan their civil aviation is now under consideration, at the request of the Allied Commission.

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13. The large number of senior officers in the Italian Air Force, the cessation of all promotion, the increased cost of living combined with uncertainty as to the future all tend to lower the morale of the Italian Air Force.

COMMUNICATIONS SUBCOMMISSION

14. Internal telephone, telegraph, postal and foreign services continued to be expanded. Internal communications are improving rapidly with the exception of telephone circuits between Northern and Southern ITALY where military needs do not yet permit the release of sufficient circuits to provide adequate facilities for minimum civilian requirements.

WAR MATERIALS DISPOSAL & IPW SUBCOMMISSION

War Materials Disposal

15. 8,290 tons of general salvage, 139 scrap vehicles, 7 pontoons and 315 recovered German tires were handed to Italian civilian firms for reconditioning or conversion to items of immediate need.

Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT
JULY 1945

Ref: 824/EC.

17 September 1945.

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

JULY 1945

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CONFIDENTIAL

LEGAL SUB-COMMISSION
CLO
DCLO
Chief Counsel
CJO
Italian Section
CL PKS
18 SEP 1945
Capt Berry.

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

HEADQUARTERS ALLIED COMMISSION
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MONTHLY REPORT

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POLITICAL SUMMARY

1. The communique issued at the conclusion of the Potsdam meeting referring to the part played by ITALY in the war against GERMANY and promising an early negotiation of the Peace Treaty with ITALY after which her application for a seat amongst the United Nations would be supported by the "Big Three" gave widespread satisfaction.

2. The opinion of the Italian public on the declaration of war against JAPAN on 15 July was almost entirely favourable, being regarded as a proof of the solidarity between ITALY and the Western Democracies. The reaction to ITALY's recognition of the new Polish Government, reported on 8 July, was also generally favourable, although some regret was expressed that this step should have been taken after the new Government had been recognised by the "Big Three" and therefore appeared to lack Italian initiative.

3. The outcome of the British General Election was generally interpreted as a development of the greatest importance to ITALY and the Left Wing parties hailed the move to the Left as an augury of better treatment for ITALY and a greater comprehension of her difficulties.

4. The organisation of the two Ministries for the "Constituente" and "Consulta" under Signor NENNI and Signor BROSIO respectively, has been under consideration. The Council has approved the draft decree for setting up the Ministry of the Constituent Assembly and has outlined its functions. The new Ministry is charged with the preparation for the convocation of the Constituent Assembly and with drawing up a programme for the new political order of the State and for ITALY's social and economic future. A commission for the study of the election laws will also be formed within this Ministry. On 18 July the Council approved the decrees setting up the Ministry for the Consultative Assembly and the Ministry of Post War Relief. Some criticism has been made of the preponderance given to Committee of National Liberation representatives on the "Consulta". These will probably have an absolute majority with over 200 delegates, as against the 20 seats allotted to the three Opposition parties and to other categories.

5. Signor NENNI was also appointed High Commissioner for the Punishment of Fascist crimes and has obtained the approval of the Council to a decree simplifying the administration of this office. Under the new arrangement there will be only three branches; epuration, punishment of fascist crimes and liquidation of fascist profits. Each branch will be under the supervision of a magistrate, instead of under a political figure as was formerly the case.

6. On 27 July the decrees laying down the functions of the new Ministry of Food and the Ministry of Labour and Welfare were approved and on 28 July the Council agreed to address a formal request to the Allied Governments for

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7. Following a meeting of the Council on 11 July a statement was made reaffirming the determination of the new Government to guarantee special rights for language minorities residing in certain areas in ITALY. These rights include the use of their native tongue in business, in public meetings, in the press, in relations with political and juridical authorities and in schools.

8. The Minister of the Treasury, Signor SOLERI, died suddenly in TURIN on 23 July. He has been succeeded by Senator Federico Ricci, also of the Liberal Party.

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9. On 10 July the Italian Government declared that the preparation of electoral lists in Northern ITALY would begin on 15 July. This would be effected through AMG. It was stated that preparation of the lists was almost completed in Southern and Central ITALY and that those in TUSCANY and UMBRIA, where work had recently started, would be completed in September. All of the political parties appear to be agreed that the holding of elections at as early a date as possible is the most important single political question to be faced at the present time.

10. Disorders in various parts of the country have been a problem both for the Italian Government and for AMG. The situation in APULIA has quietened down.

11. The Congress of the National Council of the Socialist Party took place in ROME from 29 July to 1 August. Ostensibly convened in order to listen to the political report of the Party Executive and to elect new members to the Executive for the ensuing year, the Congress in effect devoted the greater part of its time to the discussion of the need for the creation of a single working-class party. There was practically no discussion of crucial Italian domestic or international issues nor of reconstruction nor of relations with other parties. The Congress was asked to choose between two motions signed respectively by Signor PERTINI, former Secretary of the Socialist Party of Northern ITALY, and by Signori SILONE and SARAGAT. The PERTINI motion, which asked for all the working masses of the country to form a single bloc as soon as possible and urged that all the organisms of collaboration between the Socialist and Communist parties be strengthened and new offices of liaison created, won 76% of the votes. Although there is reason to suppose that many Socialists are still opposed to this policy, an ever increasing drive towards fusion of the two parties may be anticipated.

12. The National Council of Christian Democrats met from 31 July to 3 August. A report of the discussions will be included in the Monthly Report for August.

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PART I

REGIONAL REPORTS

EMILIA REGION.

1. There has been a general decline in open political activity during the last month, and little change has been reported in provincial administration.

2. The chief commercial shortages in the region are still coal, POL and transport. Production of bricks, tiles, lime and cement is sufficient to cope with local demands and to leave an exportable balance.

3. The food situation is good but, although prices have dropped considerably, they are still far too high for the poorer classes. The weekly cost of living is calculated to have dropped 556 lire a week in BOLOGNA province this month and over 200 tons of food supplies imported in the province have been held for special distribution to refugees.

4. The movement of horses from AUSTRIA to FERRARA has been completed. Cattle in MODENA, REGGIO and PARMA provinces had to be exported owing to the extreme shortage of fodder.

5. Although up-to-date only 59% of the expected total weight of wheat has been amassed, it seems probable that the total estimated earlier will be exceeded. Most crops are suffering from the drought, but the grape and soft fruit harvests are expected to be normal or large.

6. Nearly all banks report a continued excess of deposits over withdrawals and ample funds are now available for investment and loans to industrialists.

7. Progress on all public works has slightly improved, although most projects are still seriously hampered by shortage of transport and, to a lesser degree, by lack of materials. Repairs to water supply, sewage and electrical systems are proceeding satisfactorily, and, owing to the increased number of men employed on this work, unemployment figures of last month have been considerably reduced.

8. The number of killings and kidnappings have decreased.

9. The health position throughout the Region continues to be satisfactory. All provincial school administrations have been reorganised and are headed by competent Superintendents.

10. 88,442 refugees were passed through the camps during July.

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11. Although 3,707 arms of various types were collected during July it is thought probable that sufficient arms and ammunition have been hidden in the mountains to re-arm 50% of the patriots.

12. Road communication is excellent throughout the Region.

13. All displaced works of art have been located.

14. It is thought unlikely that there will be any major disturbances while Allied troops are stationed in EMILIA and while AMG is established in neighbouring Regions. Subsequently the position may change immediately. Although the morale and efficiency of the Carabinieri has improved lately, they are still badly equipped and are unlikely to be able to control any well organised outbreak.

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LIGURIA REGION

15. The people are showing uneasiness over the transfer of LIGURIA to the Italian Government. There is fear of disorders and a lack of confidence in the Italian Government. In IMPERIA Province fear of the area returning to the French after AMG leaves is prevalent. Allied troops took over 14 communes of this province on 10 July.

16. Considerable progress in local government has been made by the Italian officials, but once AMG is withdrawn it is likely that these officials will come increasingly under the influence of the Committees of National Liberation.

17. The supply of rationed food has been satisfactory but prices on the open market are extremely high.

18. Unemployment exists on a large scale but it is hoped this may be alleviated by public works projects, which have been approved on a considerable scale. Recent rises in wages have been offset by rises in prices.

19. Rehabilitation of the ports of GENOA, LA SPEZIA, IMPERIA and APUANIA is proceeding and about half of the port of SAVONA is in operation.

20. Public safety shows an improvement but police agencies suffer from lack of morale, equipment, transport and public confidence.

21. Public health is good and no epidemics have been encountered. Schools are in operation but are handicapped by lack of teachers and buildings.

22. Communications on the whole are good and railway facilities are relieving the transportation problem to some extent. This whole region, however, is normally dependent upon the port of GENOA for its existence and upon tourist traffic and full recovery will have to await the opening of the port, the return of foreign commerce and the revival of industry and of normal travel facilities.

LOMBARDIA REGION

23. The general strike in MILAN at the beginning of July was disciplined and orderly. Great difficulty has been experienced in finding local government career officials with acceptable records.

24. The economic life of the North is gradually reshaping itself in all fields where supplies exist. Silk exporters are planning the export of 150,000 Kg of raw silk; a monthly production target of 8,000 tons of lignite has been attained; rayon and ferro silicon industries are working; 70 railway carriages have been built and 300 carriages and 13 engines repaired. 8263 tons of soap have been produced in LOMBARDIA, LIGURIA and PIEMONTE. The lack of coal continues to hamper industry generally and in particular the

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25. The food situation has not improved during July. Extended drought has greatly reduced all harvests, especially those of wheat and corn. It is hoped that the rice crop may be saved.

26. Plans for the completion of public housing projects in MILAN have been approved, while demolition work and debris clearance is well under way in the city.

27. Public health is normal although there has been an increase in cases of typhoid fever. One case of typhus occurred in MILAN.

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28. Approximately 86,260 refugees and displaced persons passed through LOMBARDIA camps.

29. The Region now has a registration of 13,784 efficient trucks with carrying capacity of 25,062 tons.

30. Re-consignment of property to owners has continued. Of the French industrial properties in MILAN city and province, all but 13 have been completed and all private French real estate has been inspected.

PIEMONTE REGION

31. The various political parties were active during the month. The impending withdrawal of AMG from the Region is causing anxiety in many quarters, as rumour is rife that the political parties of the "Left" intend to assume control by force upon the departure of AMG.

32. French troops withdrew from the remaining occupied areas of the Region on 10 July with the exception of officially approved liaison representatives.

33. Local government administration is satisfactory but pressure has had to be applied to Italian officials to adhere to the Electoral List Preparation Time Schedule. In many communes it will be necessary to grant extensions of time limits owing to the fact that their official records have been destroyed.

34. The food situation has been good but the outlook for the future is serious owing to the failure of the ammasi programme and to the poor harvest. The fact that there will be no grain flour imports to the Region after 1 August makes a suspension of the bread ration in AOSTA and TURIN likely any time after 1 September.

35. 13,000 tons of coal arrived during the month and have been allotted. Cogne Steel Works and Fiat Works continued to operate despite fuel shortage and Lancia have now commenced production. Unemployed returns show a slight increase with a more substantial increase in numbers of surplus workers due to the slump in industrial activity. Steps have been taken to increase progress on housing programme which is unsatisfactory.

36. Killings and crimes of violence have decreased but it is considered that large numbers of firearms are still held by unauthorised persons for criminal purposes.

37. AMG and Italian Courts are functioning satisfactorily but the Extraordinary Courts of Assize are overworked [illegible]

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36. Killings and crimes of violence have decreased but it is considered that large numbers of firearms are still held by unauthorised persons for criminal purposes.

37. AMG and Italian Courts are functioning satisfactorily but the Extraordinary Courts of Assize are overworked due to shortage of trained personnel.

38. The health of the civilian population remains good. One case of typhus was discovered in ALESSANDRIA but no further cases have been reported. There has been an increase in typhoid due probably to the scarcity of water necessitating use of insanitary wells.

39. All Patriot Centres were closed on 15 July.

VENEZIE REGION

40. The two most important parties in the Region are the Christian Democrats and the Communists, and the truce between them is wearing very thin. Both Christian Democrats and Liberals purport to be very frightened at the danger of a Communist coup d'etat.

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41. In general the Centre, the industrialists, the Church and the professional classes profess regret at the prospect of withdrawal of AMG in the near future since they think that this is a premature move. On the other hand the two Left parties seem to welcome the thought of the transfer of the territory to the jurisdiction of the Italian Government.

42. Very steady progress towards the organisation of local government was made during July. The ten Prefects continued to work well and relations with the Committees of National Liberation improved. The situation is not, however, stable and with the departure of AMG there is likely to be an attempt by the CLNs to assert their authority over the Prefects. The necessity for trained Questori became apparent and some professional men were brought in from the South of ITALY. Fair progress was made in the preparation of electoral lists. The question of an adequate strength of Carabinieri becomes even more important with the withdrawal of Allied troops. Commander 13 Corps (British) took over the military command of the provinces of UDINE, TREVISO and VENICE from EIGHTH Army on 15 July. An incident which occurred at the SCHIO Prison on 7 July is reported on page . Progress was made in equipping the Carabinieri and their morale improved, although it was still low.

43. Italian Courts of Assize continued to function without incident, but their work is slow owing to shortage of judges and is making little impression upon the mass of political prisoners in gaol. The disposal of these political prisoners presents one of the largest problems still confronting AMG in the Region.

44. Substantial increases in wages were made during the month in accordance with the MILAN agreement.

45. Industry is progressing slowly towards recovery but acute unemployment continues owing to lack of coal and raw materials. Plans and projects for the repair of public works and utilities have been examined during the month and work is proceeding satisfactorily.

46. Progress is being made in the epuration of school and university staffs and this should be complete by the end of August.

47. The grain crop was disappointing and amassing has proceeded very slowly. Rains towards the end of the month should improve the maize harvest and the food situation generally is satisfactory. Public health continues to be good.

<u>AMG VENEZIA GIULIA.</u>

48. The political situation has remained quiet in the whole area. The four parties of which TRIESTE Committee of National Liberation is composed are taking an increasing interest in the affairs of the town. These parties are the Christian Democrats, Political Democrats, the Action Party and the Socialists. In areas round TRIESTE the people are cooperating [illegible] and it appears that the treatment of the

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49. Negotiations have been carried out in TRIESTE between the Slovene Committee, Communist party and the Committee of National Liberation with the object of setting up some form of representative local government on area level.

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50. SEPRAL (Sezione Provinciale Alimentazione), TRIESTE, is now distributing all food supplies for the territory and is working well. New ration scales have been authorised for invalids and other special classes and a price control plan has been agreed which will go into operation in August.

51. Although certain parts of the territory are suffering from the severe drought the agriculture situation generally is better than might be expected. Yields of grain are estimated as only 10% down from last year and no serious inroads have been made on livestock by either Germans or partisans. Shortage of forage and farm labour are the chief difficulties.

52. The labour market remains static pending adoption of the "Cassa Integrazione" plan for unemployment compensation. The increased wage rates, paralleling the Northern ITALY increases, were very well received.

53. Work on public works and utilities proceeds satisfactorily. Two bitumen works have been reactivated, which will be of great assistance in the maintenance and reconstruction of roads in TRIESTE and GORIZIA areas.

54. In general a satisfactory standard of public safety has been maintained throughout the area. The formation of the new police force progresses rapidly and it is anticipated that the first members, correctly trained, will be on duty in TRIESTE on simple police tasks early in August.

55. Initially there was much confusion amongst the social welfare agencies in the area. Four of these are now functioning efficiently. They are:

(a) Ente Comunale di Assistenza - This is operating reasonably well throughout the area.

(b) Italian Red Cross - Functioning in TRIESTE and is attempting to reorganise in POLA and GORIZIA.

(c) Yugoslav Red Cross - Functioning in TRIESTE, POLA and GORIZIA. Confines its activities almost entirely to Yugoslav citizens.

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(d) American Red Cross - Is attempting to bring About a working relationship between the various societies.

56. Considerable work has been done on property control and on the compilation of lists of displaced persons.

57. AMG courts are functioning well and the position of civil courts has been clarified by a General Order issued on 12 July.

AMG NAPLES COMMUNE.

58. The preparation of lists for the coming election of the Consiglio Provinciale and Consiglio Communale is progressing normally.

59. The visit of Signor PARRI, the Prime Minister, on 8 July was very welcome. His attention was drawn at a meeting in the NAPLES Chamber of Commerce to unemployment and a request made that the Allies should be asked to derequisition buildings, particularly factories. Signor PARRI spoke of the general unemployment in ITALY and explained the necessity for unity

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between the North and South. The general reaction was that his visit was too brief for so important a centre as NAPLES.

60. There were eight strikes during the month of July, three caused by non-payment of indemnity, four asking for increased wages, and one objecting to increase in working hours. No untoward incidents occurred.

61. NAPLES Commune budget for the quarter July - September 1945 was approximately the same as for the preceding quarter, i.e. 430,000,000 lire - reduced to 375,000,000 lire. This includes 15,000,000 lire for buildings and arrangements in connection with the victualling department of the Commune.

62. Cost of living figures, which have been rising steadily since September 1943, showed a decrease during June for the first time. Comparative figures for an artisan class family of five are given below.

September 1943	-	Lire	4,831
December 1943	-	"	7,299
December 1944	-	"	18,688
April 1945	-	"	27,723
June 1945	-	"	18,777

63. The numbers of refugee civilians and ex-PW awaiting transport to Northern ITALY and SARDINIA continue to grow.

64. A plan for the rebuilding of NAPLES on a broad scale is at last getting under way. This plan will also provide useful opportunities for employment. Health is good and smallpox is declining, slight increase in typhoid is reported. Water scarcity has caused anxiety. The crime and public safety position is unaltered. The tendency towards a reduction in prices and cost of living which had begun to have effect cannot be maintained in the face of general wage increases. NAPLES warehouses are again very congested and there is risk of foodstuffs spoiling.

AMG LIVORNO ZONE

65. While there is some slight undercurrent of unrest, the political situation continues relatively quiet, particularly in AMG territory. Public morale appears to be exceptionally good. Even the LEGHORN and PISA areas, noted for being "hot beds" of activity against orderly government, are surprisingly calm and peaceful. While the bulk of the population seems somewhat apathetic to prevalent political manoeuverings, there is real interest, and some apprehension, regarding the contemplated elections. The apprehension is caused by doubt as to whether the Allies will, or can, properly supervise the elections so as to afford an honest and truly representative vote.

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64. A plan for the rebuilding of NAPLES on a broad scale is at last getting under way. This plan will also provide useful opportunities for employment. Health is good and smallpox is declining, slight increase in typhoid is reported. Water scarcity has caused anxiety. The crime and public safety position is unaltered. The tendency towards a reduction in prices and cost of living which had begun to have effect cannot be maintained in the face of general wage increases. NAPLES warehouses are again very congested and there is risk of foodstuffs spoiling.

AMG LIVORNO ZONE

65. While there is some slight undercurrent of unrest, the political situation continues relatively quiet, particularly in AMG territory. Public morale appears to be exceptionally good. Even the LEGHORN and PISA areas, noted for being "hot beds" of activity against orderly government, are surprisingly calm and peaceful. While the bulk of the population seems somewhat apathetic to prevalent political manoeuverings; there is real interest, and some apprehension, regarding the contemplated elections. The apprehension is caused by doubt as to whether the Allies will, or can, properly supervise the elections so as to afford an honest and truly representative vote.

66. The work of epuration continues efficiently.

67. The food situation was satisfactory, although fewer green vegetables are available on the markets owing to the drought. The extended dry spell has greatly reduced grazing fodder and more cattle are therefore being sold for slaughter, thus easing the meat shortage to some extent.

68. The drought has affected all crops, and has actually ruined a large portion of the potato and bean crops. Current estimates for 1945 grain production in TUSCANY show a decrease of between 30% and 40% on last year's figures. In this connection there is some reason to believe that the grain farmers are using the drought to justify too low amassing declarations. The withdrawal of AMG from TUSCANY removed the only determined supervision over amassing. It is obvious that the Italian officials, from the highest

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provincial level downwards have not been, and do not intend to be, either too alert or too aggressive in controlling the situation.

69. There has been no serious labour trouble as yet, but the number of unemployed is very large which makes the situation difficult. Part of the answer to the problem is in increased public works, and housing projects.

70. The drought has reduced the water supply generally and in LEGHORN especially it is still precariously inadequate.

71. Public safety conditions in the LIVORNO AMG Zone are excellent, but a small crimewave, including holdups by armed brigands, has struck throughout TUSCANY Italian Government territory. Overcrowding of gaols continuedowing largely to the number of political prisoners. The number of arrests by Allied Forces Police Agencies is the lowest on record.

72. Efforts are being made to derequisition two Sanatori in PISA for the treatment of tuberculosis and infectious diseases. There are some cases of undulant and typhoid fever throughout the area, but no epidemics have been reported.

73. While there has been some improvement, the refugee situation in LEGHORN remains difficult. It has however been kept fluid and during the month approximately 30,000 refugees were cleared through LEGHORN, for the South and East of ITALY.

BARI AND SOUTH EAST ITALY (From A.C. Liaison Officer BARI)

74. Persistent drought and heat have seriously affected crops, including olives and vines and, partly owing to uncertainty regarding the future value of the lire, farmers are showing reluctance in amassing grain.

75. The trial of General MELLONO took place between 23 and 28 July without incident. Action by the Italian Government to follow up the MINERVINO-ANDRIA disorders by arresting the ring leaders, recapturing liberated prisoners and confiscating illegally held weapons has met with poor success, due chiefly to the half hearted measures adopted. Only 302 weapons were recovered from persons concerned in the disturbance.

76. There have been two incidents involving British soldiers. One was killed by unknown assailants and the other, who had been involved in a fight with coloured troops, died of injuries.

77. On 21 July three Albanian subjects, sent to BRINDISI to count the number of Albanian ships in use by the Allies, boarded a number of Albanian ships and ordered the masters to proceed to ALBANIA irrespective of sailing [illegible]. The buccaneers were taken prisoner and their deportation to [illegible] Mission.

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78. Throughout the area unemployment figures are high. Bands of unemployed are working on farms without the owners' knowledge and are demanding payment. The possibility of allocating uncultivated ground to unemployed persons is being investigated.

79. Industry generally is hampered by lack of raw materials.

80. Supplies of rationed foods have been regularly distributed and meat is plentiful, since cattle are being slaughtered owing to shortage of fodder and water.

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81. The transport situation in the area is fairly satisfactory. All WD vehicles in SITA and SUD-EST have been handed over to the Italian Government. A total of 1,750 refugees have been moved by rail from the area to various destinations. 2,902 displaced persons arrived at No.1 Transit Camp during July and 2,791 left it. The increase consists chiefly of GREEKS and Stateless JEWS.

SARDINIA (From A.C. Liaison Officer SARDINIA.)

82. On the whole the political situation is normal. There has been some increased political propaganda in view of the forthcoming elections and the economic depression has caused some unrest, especially in SASSARI Province.

83. During the first two days of July the Regional Council held its third session and discussed administrative and economic matters. They emphasised the immediate necessity for the shipment of free cotton goods for farmers, which are to be given them in exchange for wheat, since without these it was thought unlikely that the farmers would turn into the granaries the small quantities of grain harvested. Owing to the failure of the harvest, it is believed that there will be a deficiency of about 60,000 quintals to the grain amassed.

84. The export situation improved during July. Livestock was shipped to the mainland for slaughter and arrangements are being made for shipment of animals for stock purposes. Of the 50,091.08 tons of coal mined during the month, 27,840 were exported. The total imports amounted to 1,354.32 tons less than those for the month of June.

85. The unemployment problem is still general: in the Province of SASSARI unemployment among bricklayers has become acute. Means of alleviating this problem by putting through public works projects are being studied.

86. The prisons are less overcrowded now, since those prisoners who had terminated their sentences have been returned to the Mainland. Insufficient police forces are available to deal with the public disturbances caused by food and financial crises.

87. No serious epidemics have been reported, but tuberculosis is rife and the treatment available is inadequate. A sum of approximately 10,000,000 lire is needed to continue the treatment of this disease and if this is not forthcoming many cases at present in hospital will have to be released before cure has been effected.

88. Only a few hundred refugees still remain to be shipped and the 1,054 who were repatriated to the Island have all been sent to their respective Communes.

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89. The road transport situation has deteriorated and and there is insufficient fuel to meet current needs. Rail and water transport facilities are unchanged. The latter are still most inadequate.

SICILY (From A.C. Liaison Officers CATANIA and PALERMO)

90. The political situation has remained unchanged during the month.

91. The grain harvest has been badly affected by the drought, and estimates for grain to be amassed show a considerable decrease on last year's figures. Grain shipments have, however, continued to arrive regularly and the bread and pasta rations have been maintained at 300 grams a day.

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92. The labour situation in CATANIA is deteriorating due to the return of ex-soldiers - for whom jobs are not immediately available.

93. There is a considerable amount of lawlessness in CATANIA but in other parts of the island the situation has improved.

94. Eight cases of typhus (one fatal) have occurred at LIPARA (MESSINA) and one in the Commune of LENTINI (SYRACUSE). Ninety-three cases of typhoid occurred at PULIZZA MERINA (ENNA). A further two hundred vials of Penicillin have been imported by UNRRA.

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. Epuration is nearing completion in all that part of ITALY which lies south of a line running approximately from CIVITAVECCHIA on the West coast to VASTO on the East coast. In accordance with the epuration decrees of the Italian Government, no new epuration proceedings may be initiated in this Southern area after 15 August 45 and all hearings must be completed by that date. Exception is made in the case of certain officials located provincially and a few classes of persons whose time limit has been extended to 15 November 45.

2. Out of 48,300 persons liable to epuration in Grades I - IX, preliminary investigation has been completed in respect of 43,250 - (90%). The balance which can be epurated provincially consists largely (4,000) of bank, insurance and other finance officers and of teachers (550). Out of 7,520 cases for trial 5,210 (70%) have been completed.

Mine Clearance

3. Two Italian Mine Clearance Companies have been working in EMILIA Region, but the enormous task of mine clearance in this area has only been touched at the fringe. Few civilians have volunteered for this dangerous work and the shortage of equipment, transport and POL have been a further handicap. Casualties have been heavy.

4. A new danger has arisen in the FERRARA, FORLI and RAVENNA area where many of the river embankments and dams, built to hold the autumn and spring floods, have been mined and destroyed through the war destruction. Unless this area can be cleared of mines and the embankments and dams repaired before the beginning of September flooding will take place. The Italian Government estimate that if this task cannot be completed in time 50,000 people will be rendered homeless and their lands destroyed by flooding. A third Mine Clearance Company is being sent to this area.

5. It has been suggested that German P.W. should be made available for mine clearance work.

LOCAL GOVERNMENT SUBCOMMISSION

6. Of the 40 provinces in Northern ITALY under AMG all but those of ASTI, AOSTA and CUNEO have now been surveyed by officers of the Local Government Sub-Commission. The general state of local government was found to be satisfactory and the organs for the preparation of electoral lists are, with few exceptions, functioning.

7. Some requests for an extension of the 100 days' time limit set for the completion of the electoral lists have already been received but it has been decided that extensions will only be granted to those Communes where population records have suffered war damage. The maximum extension will be 30 days.

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8. The unofficial dates on which the compilation of electoral lists was begun in AMG Zones in Southern ITALY have been ratified in order to legalize the work already completed.

9. A renewed attempt was made by AC, in a letter addressed to Sig. Parri on 7 July, to persuade the Italian Government to revise the present electoral laws. These were passed in 1915 and are not considered truly democratic. It was hoped that the reaction of the New Government would prove more responsive than that of Sig. Bonomi's Government but, although yet another letter was sent later in the month requesting a reply, no indication of the New Government's attitude, nor, in fact, any acknowledgment, has been received.

10. The Italian Government has accepted and expressed its appreciation of the Allied Commission offer of assistance in the study of the system of the election of the Constituent Assembly.

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EDUCATION SUBCOMMISSION

11. Defascism under Executive Memorandum 67 and General Order 35 was practically completed for all elementary and secondary schools in EMILIA by the time the Region was turned over to the Italian Government: 283 persons were suspended. In other Northern Regions defascism is progressing, especially in PIEMONTE Region where excellent progress is reported.

12. The Minister's Commission has approved over a hundred new manuscripts for elementary school text books, and the Regional text book commissions have approved a number of others. In EMILIA Region distribution of the text books published this last year under the auspices of the Allied Commission totalled nearly 90,000.

13. The number of school buildings still requisitioned constitutes a serious problem in all parts of Italy except in PIEMONTE Region where it is expected that most school buildings will be freed from requisition by September.

14. Epuration of Universities has proceeded satisfactorily and many, including those of BOLOGNA, PADUA and GENOA have now opened.

15. Scouting is progressing in all Regions, some summer camps are under way and training of leaders is proceeding. A number of other youth organizations, some apparently communist-controlled, are starting up.

16. In PIEMONTE 24 summer colonies for needy children have been organized, and 5,000 children are being cared for, some on a day-camp and some on a full time basis for 3 or 4 weeks. The programme includes games, gymnastics, story telling, handwork, singing, and informal lessons.

LEGAL SUBCOMMISSION

17. There has been a slight increase in the number of AMG Court cases in Northern ITALY; the principal offences being possession of arms and Allied property. In the frontier areas there is inevitably a certain amount of illegal travel, while a few cases involving violence have been handled by these courts. Counterfeit currency cases are becoming more frequent.

18. The Extraordinary Courts of Assize have continued. In EMILIA Region much criticism has been directed against the vicious atmosphere in which these courts are operating and against the savagery of certain sentences imposed. Elsewhere in the North the situation is improving and the excitement originally created by these courts is dying down. A large number of death sentences are still being imposed. An Italian decree has been passed modifying the procedure in the Extraordinary Courts of Assize in order to reduce the time limits for appeals, to increase the number of judges available and to force advocates to take part in the work of the Public Ministry.

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19. Italian Courts are now working normally throughout ITALY, though there is an acute shortage of personnel.

20. Many offences have been committed by Italian soldiers on duty in North ITALY and arrangements have been made to set up Military Tribunals in VERONA in addition to MILAN and TURIN.

21. After a long period of discussion the Italian Government has produced a decree formulating principles for the confiscation of profits illegally acquired during the fascist regime. The decree is far reaching in scope.

PUBLIC HEALTH SUBCOMMISSION

22. Professor BERGAMI, formerly Professor of Physiology at the University of NAPLES and High Commissioner for Food in the BONOMI Government, has been appointed High Commissioner for Public Health.

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23. The anticipated return in August of about 5,000 sick Italian prisoners of war and refugees has caused anxiety owing to shortage of hospital accommodation . It has been decided that as patients from the large German hospital colony at MERANO in BOLZANO Province are returned to their country, the incoming Italian sick will be accommodated there; the rate of flow is to be strictly controlled. The Swiss Red Cross have volunteered the services of 15 doctors and 40 nurses until the IRC staff has achieved a full complement.

24. Only three cases of typhus, one fatal, were reported during July among repatriated refugees. Smallpox figures have shown a further decrease both in NAPLES city and province. There has been a rise in smallpox in AVELLINO and SALERNO Provinces but elsewhere in ITALY the figures are negligible. Weekly searches at 198 collecting stations in the Tiber delta anti-malarial project indicate a very low mosquito density, the average number captured in mid-July being only 0.22 per station.

25. The infant mortality rate for ROME Commune in June was 96.9 a thousand as compared with 74.8 in May. Deaths from all forms of tuberculosis in ROME in June were 253 as compared with the May figure of 250.

26. Foot and mouth disease has spread to the Provinces of RIETI, TERNI and PERUGIA, where vaccination has been made obligatory. Swine erysipelas is sporadic except in the province of CUNEO where the incidence is high and the production of vaccine swine cholera is to be increased as the result of reports of further scattered cases. There has been a marked increase in rabies during the month. The distribution of Allied veterinary supplies, which should have been effected by ENDIMEA six weeks ago, has not yet been effected. Arrangements are being made for the export of Italian veterinary biologicals to AUSTRIA.

27. Despite repeated representations to the Italian Government, ENDIMEA has not made any distribution of medical supplies for three months. 2,665 Central Civilian Medical Depots are closing down in August on AFHQ instructions and further supplies for ITALY are to be accepted at dock side by ICE (Institute for External Commerce), an agency nominated by the Italian Government. Displaced Persons and Repatriation Subcommission will be supplied with a three month stock of medical requirements and after this is exhausted supplies will have to be met by UNRRA and the Italian Government. VENEZIA GIULIA is also being supplied with stocks sufficient to last until the end of November after which ETO will be responsible for medical supplies.

28. 65,000 blankets have been distributed in Emilia Region and any surplus from other regions will be sent to this Region where war devastation is acute.

PUBLIC SAFETY SUBCOMMISSION

29. The prospects of obtaining better supplies of clothing, equipment and transport for police agencies are much improved and the Italian Government has accepted the offer to clothe Carabinieri in British dyed battledress as a temporary measure.

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30. 140 Italian tanks have now been released for Carabinieri Mobile Battalions.

31. Many more Carabinieri have been recovered in Northern Regions while others have returned from captivity and the work of screening them is well in hand. The training of men to form the Venezia Giulia Police Force continued.

32. Law and order in Northern Regions is still far from satisfactory and figures for murders and other illegal killings totalled 177 as compared with 143 for June and approximately 3,237 for May.

33. On 9 July at SCHIO in VENEZIE Region 15 armed men believed to be ex-partisans broke into the local prison, murdered 49 political prisoners and wounded an additional 26. The Regional Commissioner, VENEZIE, delivered a speech at SCHIO condemning the assassins in strong terms and widespread publicity was given the incident in the Italian press.
There were three other cases of attempts to murder or release prisoners by force and at TRANI no less than 70 prisoners managed to esca

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34. At MATERA, in the Compartimento of LUCANIA, considerable damage was done in a demonstration which was apparently made against the grain amassing regulations but the Italian Government took stronger measures than they had previously taken over the MINERVINO MURGE incident. At AGRIGENTO, SICILY, on 1 July 200 persons demonstrated against food conditions, setting fire to offices, the Municipio and the Garibaldi Club. Hand grenades, automatic arms and small arms were used and one Carabinieri was killed. 16 men were subsequently arrested and a curfew was imposed. On 12 July at LA SPEZIA, 7000 persons went to the Prefettura bearing signs urging speedier epuration and better living conditions, but the demonstration was orderly. In MILAN Province five lorry loads of arms were found.

35. Another riot occurred at REGINA COELI Prison (ROME) but the situation was firmly handled by the Italian authorities. The prisoners fired portions of the building which are now temporarily uninhabitable and prisoners had to be evacuated to other prisons.

PATRIOTS BRANCH

36. The Associazione Nazionale Partigiani d'Italia has now been converted into a state organization.

37. A decree has been promulgated setting up and constituting the Ministry of Post War Aid and all Italian Military Patriot Representatives will be responsible to this Ministry, although under administrative control of Prefects.

38. A decree has been also published authorizing the issue of a medal and ribbon to Patriots.

MONUMENTS, FINE ARTS & ARCHIVES SUBCOMMISSION

39. The costly collection of works of art which the Germans had removed a year previously from the deposits of Tuscany were returned to FLORENCE on 21 July from the ALTO ADIGE; the collection was handed over to the Italian authorities with considerable ceremony.

40. In VENEZIA GIULIA serious war damage is limited to the Cathedral at POLA and the Temple of Apollo but there is considerable administrative confusion and much checking of displaced works of art to be done. German activity in this area included considerable organized looting of libraries, archives and Jewish-owned works of art.

41. In VENICE on 21 July a very successful exhibition of Five Centuries of Venetian Art was opened.

42. Two crates of valuable antiquities from TRIPOLITANIA and CYRENAICA were found in Northern Italy and have now been taken to ROME.

43. Arrangements are now complete for representatives of the Ministries and

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43. Arrangements are now complete for representatives of the Ministries and of the Epuration Commission to visit MILAN and fix details of the transfer of the Ministerial archives, which have been found in Northern ITALY, to ROME.

DISPLACED PERSONS & REPATRIATION SUBCOMMISSION

44. During July the flow of refugees, displaced persons and ex-prisoners of war has continued steadily. The BRENNER route opened officially on 1 July with trains running directly from INNSBRUCK to VERONA. At the conference in ROME on 20 July between representatives of AFHQ and USFET (CPDX), AFHQ agreed to accept 4,500 - 5,000 persons a day over the Brenner route including one train-load of Italians for destinations in the South of ITALY. Since 23 July train arrivals have been at the average of two a day for North ITALY and one a day for South ITALY; in addition 1,000 persons a day are coming through SWITZERLAND from GERMANY. The return of 36,500 Italians from SWITZERLAND was completed on 31 July, with the exception of a hospital train which is due to leave on 8 August. The use of this route for the return of Italians from USFET will however continue. USFET (CMFM) reported 234,000 Italians yet to be repatriated from GERMANY and AUSTRIA, and a further 70,000 from the Russian Zone of occupation, FRANCE, BELGIUM,

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DENMARK and ALBANIA. No indication of the numbers in RUSSIA have yet been received other than that there are several thousands.

45. In addition to 155,729 Italians received through the Brenner and Swiss routes during the month, 4,204 were received by sea and air from FRANCE, GREECE and CASABLANCA. 42,118 persons were received in ROME from the North and 43,446 were transported South from ROME. It is estimated that 225,000 Italians will be received during August and arrangements for their reception and dispersal are complete.

46. Camps for Polish refugees and displaced persons, to be administered by Polcorps under the supervision and with the advice of Displaced Persons & Repatriation Subcommission, are being organized at BARLETTA and TRANI. These Camps are intended to accommodate up to 12,000 persons.

47. Good progress has been made in the North in the registration of displaced persons under the SHAEF system. On 28 July 12,742 out of a total of 21,369 Allied and other nationals had been registered and two trained registrars were sent South to help with registration in the UNRRA camps. Over 3,000 Allied and other nationals have been repatriated during the month.

48. At the end of the month a total of 95,439 persons were recorded by the Record Bureau, covering 72 nationalities.

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PART III.

ECONOMIC SECTION.

AGRICULTURE SUB-COMMISSION.

1. The abnormal spring drought has adversely affected many harvests. Forage crops and cereals, except corn and rice, have been seriously damaged. Fruit and vegetable production is satisfactory and there is in many areas surplus of perishable fruits. Owing to the serious shortage of forage in those areas, 13,500 tons of hay were made available for APULIA, LUCANIA and SARDINIA.

2. The total wheat crop is estimated at 4,188,588 metric tons and the quantity amassed at the end of July was 319,339 metric tons. To encourage and expedite amassing the Ufficio Nazionale Statistico Economico dell'Agricoltura is being formed into a national organisation and the publicity campaign in the ROME press is now being extended to the North. The Italian Government is giving vouchers for textiles to farmers in proportion to the amount of wheat brought to the amassi. Requests, which have not yet been met, have been made for transport for officials supervising the amassi.

3. The olive oil collection in the season totalled 52,396 metric tons.

4. Supplies of fertilizer have been received and some agricultural equipment has been called forward for early delivery. In Northern ITALY the distribution of domestic supplies continued.

5. The provisions of the present Slaughter Decree are being evaded and the Italian Government is preparing a decree which provides for the compulsory slaughter of 15% by weight of all bovines, the meat to be sold through official channels.

6. The reactivation of fisheries continues and a national conference has been proposed for September with a view to obtaining maximum fish catches.

COMMERCE SUB-COMMISSION.

7. The activities of the Materials Division have gradually declined during the month as increasing responsibility for the handling of materials of all kinds has been passed to the Italian Government. Only five items are now left in the AFHQ(I)B list of controlled materials, being standing timber in the two areas reserved for British and American Services in CALABRIA, plywood, leather and all leather articles, hemp, and malt (controlled by the Food Supply Committee).

8. Two important directives were received during the month: one increased the liberty of the Italian Government in its external financial affairs: the other authorised the termination of export activities of the Allied Commission as from 31 July 45. The latter was received on 27 July 45 and [illegible]

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9. The failure of the French and Italians to reach agreement and sign the contract for 500,000 tons of phosphate rock has had the following result:

a) the loss of the whole of the July scheduled shipments;
b) the enforced movement of one ship, from SFAX, in ballast;
c) the threat of a loss of further ships from the Mediterranean.

10. Exports shipments effected during the month amounted to a total of 3,263,098 tons, representing an f.o.b. value of more than 181 million lire.

11. Ente Petrolio Triestina (E.P.T.) has been set up in TRIESTE by Petroleum Section, AFHQ, to handle the distribution of POL in AMG VENEZIA GIULIA. E.P.T. will work independently from Comitato Italiano Petroli (C.I.P.).

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12. A new appeal to eliminate misuse of POL was addressed to the Italian Government and this action was coupled with a request to AFHQ for a general drive aimed at drying up the sources from which black marketeers secure their supplies.

FINANCE SUB-COMMISSION.

13. The financial section of the Macmillan directive, FAN 583, was received from the Combined Chiefs of Staff during the month. Under this directive practically all Allied control over Italian external financial arrangements is relaxed. The directive was implemented by 23 July 45 - with the exception of the proposed currency agreement with the Italian Government - on which prior action by the British and U.S. Embassies is awaited.

14. On 15 July 45 the subscription lists for the new Italian Government 5-year bond issue were opened in North ITALY and up to 31 July 45 approximately 30 billion lire had been subscribed. As less money has been raised than was anticipated it has been decided to keep the lists open until 25 August, instead of 5 August as originally planned. It is hoped to raise about 50 billion lire.

15. The Combined Chiefs of Staff ruled that any conversion of German marks currency for repatriates by the Italian Government must be made at the provisional mark-lira rate of exchange already established, which is 10 lire equal one mark.

16. The Italian Ministry of Foreign Affairs was advised that the Italian Government should begin negotiations as soon as possible on the settlement of the Spanish war debt to ITALY, keeping the Allied Commission advised of the progress made.

FOOD SUB-COMMISSION.

17. Imports during the month were on a smaller scale than in June. The Ministry of Food is allocating imported goods for Italian Government territory regularly and is trying to build up reserve stocks but distribution of supplies in Italian Government territory is hampered by the shortage of box cars.

18. The movement of unrationed foodstuffs was satisfactory and the export of surplus fruit and vegetables from producing regions to deficient ones proved successful. 4,600 tons of salt have been moved during the month.

19. Progress is being made in equalising main ration scales in Northern and Southern ITALY. A meeting has been held at which agreement was reached on the principle of adjusting the workers and normal consumers' scales.

20. A series of meetings was also held with the Italian authorities to establish the basis for economic prices of bread and pasta for all ITALY. Prices based on these meetings went into force at the beginning of August,

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INDUSTRY SUB-COMMISSION.

21. Industry Sub-Commission is continuing to hand back civilian industry to Italian Government control and all cement plants previously controlled by this Sub-Commission have been returned to the Italian Government. It has been recommended that tin solder and white metal be struck off the list of controlled items.

22. The total Italian potential production for caustic soda in the main plants is 180,000 tons a year.

23. Strenuous efforts are being made to organise the resumption of cellulose trade between SWEDEN, AUSTRIA and ITALY, since, if requisitions for cellulose are not met, the rayon and paper industries will be seriously affected. The textile industry is almost at a standstill awaiting the arrival of raw materials. It is estimated that about 50,000 tons of sugar will be the maximum production in ITALY this year. The yeast plant at NAPLES has gone into production at a rate of 60/65 tons monthly. Hemp is now being moved from BOLOGNA to NAPLES for processing there as the new crop is of poor quality.

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24. Estimated coal production figures during the month were as follows:-

Sardinian coal -	50,000 tons, as compared to 40,000 tons for June.
Lignite	65,000 tons, as compared to 50,000 tons for June.
Anthracite from LA THUILE	4,000 tons

25. The supply of matches has improved. In South and Central ITALY the ration has been doubled and in SICILY rationing has been abolished. A cigarette paper plant started production at ISOLA del LIRI on 30 July.

LABOUR SUB-COMMISSION.

26. During the month General Order No. 48, which had been designed to control economic conditions in the North, was withdrawn; the MILAN wage agreement was implemented through North ITALY, thus bringing wages in the North to approximately the same level as those in the South; the question of wage policy and control was discussed with the new Italian Government.

27. There were several demonstrations for increased wages, the largest of which took place in MILAN and TURIN.

28. Proposals for modifying social insurance laws in Northern ITALY have been discussed. These include the repeal of certain Fascist republican decrees, the implementation of decrees increasing benefits and the extension to the North of the increases in the family allowance system.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

29. Progress on rehabilitation work at the ports of GENOA, SAVONA, LA SPEZIA, APUANIA, VIAREGGIO and ANCONA is satisfactory.

30. Sixty-three cargo trucks of the 158 allocated have been collected and are being serviced, together with 60 trucks and 8 passenger vehicles from Fifth Army, before handing over to the Regions.

31. Work on military highways is progressing satisfactorily, but on civil roads the shortage of bitumen makes maintenance impossible. Bridge reconstruction is very satisfactory. Fifty bridges have been completed during July, making a total of 1761 bridges completed in ITALY to date.

32. The handover of Public Works activities in EMILIA Region and the Provinces of LUCCA and APUANIA to the Italian authorities was satisfactorily carried out. It is anticipated that all Public Works officers can be withdrawn by 20 August 45.

33. Additional road machinery, including 300 dump trucks, was requisitioned in order to place the Ministry of Public Works in a position to assume total responsibility for military highways maintenance by the end of September.

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34. Two new important electrical committees were formed and met during July: one composed of representatives of Electrical industry for Northern ITALY and the other of representatives of the SARDINIA, SICILY, Southern ITALY, Central ITALY and Northern ITALY Advisory Committees. This latter is known as the National Advisory Committee of Electric Power for ITALY and will advise the Italian Government.

35. The power situation in Northern ITALY remained satisfactory and no rationing has been necessary. 34,000 KW additional power was allocated to Central ITALY for August 45. A 120,000 volt line between North and Central ITALY was restored to operation during the month. The outage of two generators at SILA has made the already precarious situation in South ITALY worse. Reconstruction work on electrical systems in North ITALY showed progress, although this work is hampered by scarcity of materials and transport.

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36. All demands for materials for reconstruction in Central and South ITALY were met, with the exception of those for steel plates and sections. A number of tyres were made available to the Public Utilities Companies from military sources.

37. Efforts to obtain heavy truck transport for electric transmission line rehabilitation work have been made by Electric Companies through established Italian Government agencies. These have not been successful.

TRANSPORTATION SUB-COMMISSION.

38. The movement of civilian traffic in Italian Government territory continued to improve. Well over one million tons of civilian traffic is now being conveyed monthly by rail, road and sea in Italian Government territory. The movement of refugees and displaced persons continued according to programme and it was found possible to increase the rate of acceptance into ITALY across her North frontiers. It is hoped that in the near future arrangements can be made to clear refugees through VENICE and GENOA for Southern destinations by Italian Navy craft.

39. The first rail link between North and South ITALY was established on 7 July when the river PO was crossed at OSTIGLIA. At present, the crossing is a bottleneck, owing to the heavy military traffic including leave trains but it is hoped that progress on the further crossing North of PIACENZA will provide an alternative route between BOLOGNA and MILAN.

40. Phase II was introduced in Northwest ITALY on 15 July and the movement of civilian rail traffic in that area became the responsibility of the Allied Commission. All demands for rail movement in that territory have been met.

41. The greater responsibility for the programming and movement of civilian traffic which was delegated to the I.S.R. as from 1 July 1945 is working smoothly. The allocation of 600 wagons a day for civilian traffic should result in an overall improvement in civilian rail movement. It is hoped shortly to establish a daily civilian passenger service between ROME and MILAN.

42. The position regarding the handover of trucks to the Italian Government for civilian supply is satisfactory and by 31 August all Allied Commission Military Transport Units will be disbanded. All bids for movement by road during the month have been met.

43. After successful mine sweeping operations, the situation in the ports of GENOA and VENICE improved at the end of the month. The port of CIVITAVECCHIA handled the record volume of tonnage of 50,000 tons, 28,000 tons of which was coal. The port of PIOMBINO also functioned well throughout the month.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Considerable time was spent in re-establishing pre-Fascist newspapers in the north to replace those of PWB, which closed down on 15 July. Independent newspapers are now appearing in MILAN, TURIN, GENOA, BOLOGNA and VENICE.

2. Press releases were issued on several important subjects, including preparations for elections, the turnover of territory, the increase in the price of bread, radio telephone, displaced persons and the joint Allied Commission - Italian Government Economic Conference. Use was made of Italian news agencies to transmit urgent press releases to the north, with excellent results.

3. The "Review of Allied Military Government and the Allied Commission in Italy from "D" Day, 10 July 43 to the Nazi Surrender in Italy, 2 May 45" was approved by AFHQ and has gone into production. Release will be made about 1 September and 100,000 copies are being printed in English and 100,000 in Italian. Italian copies will be distributed to all schools and universities.

NAVY SUB-COMMISSION

4. The report of the Campbell Committee, appointed to make recommendations on the methods to be employed in transferring the operations of Italian Ports to Italian Government Authorities, was approved during the month by the Supreme Allied Commander, Mediterranean and the Allied Naval Commander-in-Chief, Mediterranean. The Navy Subcommission has notified the Ministry of Marine of the approval and has directed them to take the necessary steps to implement the policies of the Campbell Committee report.

5. The Ministry of Marine has been notified that there is no naval objection to the development of the Gulf of GENOA ports of IMPERIA, PORTO MAURIZIO and ONEGLIA. All action in regard to the ports is to be initiated by the Italian Government and no Allied Naval resources can be made available for minesweeping or for purposes of bomb and mine disposal.

LAND FORCES SUB-COMMISSION (LFSC)

6. As from 1 July Italian Co-operator prisoners of war working for the Allies became members of the Italian Army. This change of status involved the transfer of ex-cooperators to the US-ITI and BR-ITI Categories and the physical movement of considerable numbers of men. By 25 July 173 officers

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LAND FORCES SUB-COMMISSION (MMIA)

6. As from 1 July Italian Co-operator prisoners of war working for the Allies became members of the Italian Army. This change of status involved the transfer of ex-cooperators to the US-ITI and BR-ITI Categories and the physical movement of considerable numbers of men. By 25 July 178 officers and 11,157 ORs had passed to the Administration of the BR-ITI Administrative Divisions.

7. As a result of a speed up in the transfer of US-ITIs released by 5 Army and P.B.S. all Admin Divisions in N. ITALY now have sufficient personnel at their disposal for future needs. In addition the replacement of Pioneer Units by German labour and the disbandment of other units is releasing large numbers of men in each Administrative Division. These men are placed at the disposal of the Division to make up deficiencies, while surpluses are allotted to other units by MMIA.

8. A further programme of demobilisation has been proposed by MMIA to AFHQ. Plans for the reduction of units are not yet firm but the political necessity of demobilising older classes, many of whom have been under arms for over 7 years, has been strongly pressed, both by the War Ministry and MMIA. Meanwhile the demobilisation of the 1915 class has been authorised.

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9. The disbandment of all the non-essential Intelligence units not working directly for the Allies continued during the month.

10. After much delay, and considerable interference from both Allied and Italian sources, the recovery of Italian Army vehicles in illegal possession of civilian firms and private owners proceeded rapidly during the month. Some 340 vehicles were released to the Italian Army by 1 District and the Recovery Organization set up by the War Ministry in conjunction with MMLA is working more smoothly.

11. 140 Italian light tanks, shipped from SARDINIA, have been released to the Ministry of War for CO.RE. Internal Security duties.

12. The position as regards food and supply depots is satisfactory and all depots would be operating on 21 August.

AIR FORCES SUB-COMMISSION.

13. All ranks of the Republican Air Force below Major have now returned or are in process of returning to their homes.

14. The courier service between the Mainland and SARDINIA was closed down during the month when it was discovered that civilians were using this service against payment. A personal apology for this misuse of transport has been received from the Air Minister together with his assurance that this practice has ceased, and the service was reopened on 31 July.

COMMUNICATIONS SUB-COMMISSION.

15. Foreign postal and telecommunications services were restored to several countries and postal and telecommunications services were opened VENEZIA GIULIA and the rest of ITALY.

16. External censorship stations were transferred to the Italian Government.

WAR MATERIAL DISPOSAL & IPW SUB COMMISSION
War Material Disposal

17. During the month 270 tons of brass scrap were made available to Italian Industry from British salvage sources. American policy on the release of brass and copper scrap and first grade steel is still under consideration.

18. Thirty nine lists of available salvage materials were received from British and American sources and approximately 5,500 tons of salvage was released to the Italian Government. 5,000 tyres were released to Pirelli during the month and it is expected however that there will be a considerable number of US tyres available in the near future.

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19. Inspections of scrap vehicles were carried out. 95 vehicles of various types have been issued on contract to civilians for remodelling. 500 scrap vehicles inspected in RIMINI area will be disposed of to the Italian Government.

Italian Prisoners of War.

20. The return of Italian Prisoners of War from INDIA and AUSTRALIA is still very slow, but some 200 are expected from INDIA next month. It is also understood that a considerable number of releases will shortly be made from the United States.

21. During the month 150,486 Italian Prisoners of War were repatriated to Italy or released from Cooperator status. The majority of these were sick and wounded. Applications for release of 624 specialists were forwarded to Allied Force Headquarters.

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22. The number of welfare and compassionate cases repatriated was 662.

Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT
JUNE 1945

Ref: 821/EC

13 August 1945

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT
JUNE 1945

Ref: 824/EC

13 August 1945

CONFIDENTIAL

LEGAL SUB COMMISSION
CLO
DCLO
Chief Counsel
CJO
Italian Section
CL RKS
14 AUG 1945

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

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

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

JUNE 1945

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POLITICAL SUMMARY

1. The first important development of the month preceding the solving of the Government crisis was the declaration of complete agreement of the six parties, after considerable discussion, on the subject of the position of the Committees of National Liberation. Agreement was reached on the following points:

1. The provincial and communal Committees of National Liberation should continue to carry out consultive functions with the Prefects until such time as the normal organs of local administration should be re-established after democratic elections;

2. That the other Committees of National Liberation not covered by the preceding paragraph should return to their exclusively political character;

3. The Committees in factories and industries should be transformed into technical and trades union organisations according to the production needs or social requirements of the factory or plant in question.

2. At a meeting of the Council of Ministers on 8 June the political situation was reviewed and Signor BONOMI offered to hand in his resignation. However, the Communist, Socialist, Labour Democrat and Christian Democrat Ministers in the Government requested Signor BONOMI to hold his hand a few days more until an agreement had been reached. In the meantime, on 9 June political leaders in the North, impatient of delay, sent a delegation to ROME led by Signor PARRI, President of the CLNAI, and representing the Regional Committees of Liberation of VENEZIE, LIGURIA, LOMBARDIA, EMILIA and PIEMONTE.

3. On 12 June, Signor BONOMI placed his resignation in the hands of the Lieutenant of the Realm and the Government crisis was officially opened. The CLNAI passed a resolution calling for action on a three-point programme; namely, the designation of Signor PARRI as the President of the Council, the representation in the new Government of all the political forces in the Committees of National Liberation, including such leaders as Signor NENNI, TOGLIATTI and DE GASPERI and finally the appointment of five ministers without portfolio to be designated by Northern political parties. The Central CLN accepted the first point of this resolution the same day and on 17 June Signor PARRI was received by the Lieutenant of the Realm and officially charged with formation of the new Government. Lists of the new Cabinet Ministers and Undersecretaries can be seen on page 4.

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2. At a meeting of the Council of Ministers on 8 June the political situation was reviewed and Signor BONOMI offered to hand in his resignation. However, the Communist, Socialist, Labour Democrat and Christian Democrat Ministers in the Government requested Signor BONOMI to hold his hand a few days more until an agreement had been reached. In the meantime, on 9 June political leaders in the North, impatient of delay, sent a delegation to ROME led by Signor BONOMI, President of the CLNAI, and representing the Regional Committees of Liberation of VENEZIE, LIGURIA, LOMBARDIA, EMILIA and PIEMONTE.

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4. There are three additional Ministries in the new Government giving a total of twenty portfolios. The Ministry of Post War Relief will absorb the work of various High Commissions and other agencies set up to deal with refugees, prisoners of war and veterans; the previous Government had a High Commission for Food and this has now been raised to the rank of a Ministry. The Ministry of Reconstruction will take over the work of another agency, the inter-ministerial Committee for Reconstruction, and the short-lived Ministry for Occupied Italy has been eliminated. A separate Ministry for Labour has long been urged and its combination with welfare will absorb a number of minor agencies.

5. The proportion/.....

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5. The proportion of new blood is substantially higher than in the last Government. Counting Signor PARRI himself, there are nine newcomers, some of whom are in important posts. As might be expected, the North has the largest representation, fourteen of the Ministers having been born North of ROME. However, it is the most representative Cabinet on geographical lines that new ITALY has yet achieved. There are three members from Southern ITALY, two from SICILY and one from SARDINIA. The new Government is further to the Left than Signor BONOMI's last administration and Signor PARRI himself is a man of avowed republican sympathies, although he does not share Socialist views on "Social Problems" - or so at least Signor NENNI himself has asserted. The powers given to Signor NENNI to take charge of the work of preparing for the convocation of the Constituent Assembly and of the Office of Sanctions against Fascism are of considerable political significance at this time. On the other hand, the Right has also had its triumphs: it has succeeded in blocking the drive for a Socialist President which a month ago seemed sure of success.

6. On 23 June, Signor PARRI made a broadcast appeal to the nation. After expressing gratitude to the Allies for the liberation of the country and the generous material support which they had given for its reconstruction, he reminded the Italian people that the country was still in a state of emergency and that only a united effort would see ITALY through. The convocation of the Constituent Assembly could not of itself provide bread for people to eat and the Allied powers would be unwilling to give that material aid which was so essential for the reconstruction of the country unless they were satisfied that the Italians themselves were making a serious effort for their own redemption. The reaction to this sensible speech has been uniformly good.

7. On 25 June, the Cabinet Council held its first meeting under Signor PARRI's chairmanship and prepared a nine-point draft programme which was approved by the Council of Ministers on the following day. The nine points incorporated in the subsequent statement of the Council are as follows:

1. Preparation of the Constituent Assembly.

2. Appeal to the Allies to replace the armistice clause by a Peace Treaty.

3. Direct negotiations with Yugoslavia on the VENEZIA GIULIA question.

4. Reconstruction of the High Commission for Sanctions against Fascism.

5. Recognition of the advisory function of the Committee

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4. Reconstruction of the High Commission for Sanctions against Fascism.

5. Recognition of the advisory function of the Committees of National Liberation.

6. Administrative elections as early as possible.

7. Inclusion of representatives from the North in the Consultative Assembly.

8. Collaboration with the General Confederation of Italian Labour and other workers' groups on problems of labour and supplies.

9. Reconstruction.

The Council/.....

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The council also approved a draft decree presented by Signor NENNI for the abolition of the title of "Eccellenza". The Council further heard a report from Signor SCHERI and approved a budget for the next two months. A few days later it was announced that the compaign for the 5% Treasury Bond loan would now be extended to the North and Minister SCHERI expects by this means to increase the present subscriptions from 31,000,000,000 lire to 100,000,000,000. A special Inter-ministerial Committee was set up for economic coordination of the North and the South consisting of Signori RUINI, LA MALFA, GRONCHI, SCOCCIMARRO and BARBARESCHI: its specific task is to study the questions of prices, wages and salaries.

8. The military agreement on VENEZIA GIULIA was signed in BELGRADE on 9 June on behalf of Field Marshal ALEXANDER and Marshal TITO. Marshal TITO by this agreement undertook to withdraw his troops to the East of a line running roughly from the frontier North of GORIZIA, East of this town and thence East of TRIESTE to the coast to the North of CAPO D'ISTRIA and YUGOSLAV troops were to be withdrawn from POLA and the surrounding area. Allied Military Government was formally set up in TRIESTE on 12 June and in GORIZIA on 14 June.

9. Reaction to this settlement of the VENEZIA GIULIA question was not favourable in ITALY. The Council of Ministers in the programme already mentioned referred to the agreement as an "unsatisfactory arrangement". The "Globo" pointed out that ITALY had "lost" by the terms of the agreement "about half the national production of coal, almost all her bauxite and a good part of her mercury". A one-day general strike took place in TRIESTE on 26 June but there were no complications and Marshal TITO's latest speech on the possibility of Yugoslavia and Italy living in friendly relations "in an atmosphere of progressive democracy" should serve to clear the air.

10. Disturbances broke out in Southern ITALY in late June which assumed a greater measure of importance in view of Signor PARRI's declaration that illegal activities must cease. Details are given on page 10.

11. The main economic problems facing ITALY and the Allied Commission are food and work. The wheat crop this year is expected to be 2,000,000 tons less than last year's harvest, largely due to the prolonged drought, and the loss reduces the food supply and raises other economic problems. The income of 47% of ITALY's population, dependent on farming, will probably be cut by 220,000,000 dollars (£55,000,000). Farming will not be able, moreover, to absorb the surplus labour from industries which have been obliged to close down for lack of coal and raw materials. Food shortages further raise the problems of public safety and even public health since the farms have not been producing enough for the needs of their owners let alone a surplus for export to deficient areas. The estimate of the

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LIST OF MINISTERS/.....

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ITALIAN GOVERNMENT

LIST OF MINISTERS AND UNDERSECRETARIES

Ministry	Minister	Party	Undersecretaries	Party
President	Ferruccio PARRI	Action	..	
Vice-President	Pietro NENNI	Socialist	Giustino ARPESANI	Liberal
Vice-President	Manlio BROSIO	Liberal	Giorgio AMENDOLA	Communist
Agriculture	Fausto GULLO	Communist	Antonio SEGNI	Christian Democrat
Air	Mario CEVOLOTTO	Labour Democrat	Ernesto PELLEGRINI	Independent
Education	Vincenzo ARANGIO-RUIZ	Liberal	Achille MARAZZA	Christian Democrat
(Fine Arts)			Carlo RACCHIANTI	Action
Finance	Mauro SCOCCIMARRO	Communist	Enrico PARESCE	Labour Democrat
Food	Enrico MOLE	Labour Democrat	Renato SANSONE	Socialist
Foreign Affairs	Alcide De Gasperi	Christian Democrat	Eugenio REALE	Communist
(Italians abroad)			Renato MORELLI	Liberal
Industry and Commerce	Giovanni GRONCHI	Christian Democrat		
(Industry)			Ivan Matteo LOMBARDO	Socialist
(Commerce)			Enzo STORONI	Liberal
Interior	Ferruccio PARRI	Action	Giuseppe SPATARO	Christian Democrat
Justice	Palmiro TOGLIATTI	Communist	Dante VERONI	Labour Democrat
Labour and Welfare	Gaetano BARBARESCHI	Socialist	Gennaro CASSIANI	Christian Democrat
Navy	Raffaele De COURTEN	Independent		
(Military)			Carlo ARDIZZONE	Labour Democrat
(Merchant)			Angelo CORSI	Socialist

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(Fine Arts)			Carlo RAGGHIANTI	Action
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Post and Telegraphs	Mario SCELBA	Christian Democrat	Mario FERRARI	Independent
Post War Relief	Emilio LUSSU	Action	Ernesto BERARDINONE	Communist
Public Works	Giuseppe ROMITA	Socialist	Giuseppe BRUNO	Action
Reconstruction	Meuccio RUINI	Labour Democrat	Ernesto ROSSI	Action
Transport	Ugo La MALFA	Action	Antonio Priolo	Socialist
Treasury	Marcello SOLERI	Liberal	Giovanni PERSICO	Labour Democrat
			Pietro NENNI	Action
War	Stefano TACCHINI	Christian Democrat	Fausto COLAIANNI Luigi CHATRIAN	Communist Independent

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PART I.

REGIONAL REPORTS.

EMILIA REGION.

1. There were no major political changes during June and the political atmosphere remains outwardly calm. Most people sense a deliberate policy of deferred action on the part of the more lawless elements who are obviously awaiting eagerly the departure of the Allies; this is further borne out by the attitude of the Carabinieri who feel that any action on their part now will be the cause of reprisals against them later. The Communists are still the most aggressive of the parties.

2. During the past month rapid strides have been made in restarting the industries in the Region. Eighty two factories which, at the beginning of the month, were closed are now in production and a further twenty one are continuing necessary repairs and will be in operation within the next month. The greatest obstacles to the recovery of industry continue to be the extreme shortage of coal and lack of transport.

3. Apart from the shortage of fresh meat, food conditions throughout the Region remain exceptionally good. During the month over 2,000 head of cattle were sold to TOSCANA and between 500 and 1,000 to Northern Provinces. There is still an acute shortage of cattle fodder in all provinces.

4. Wheat crops, after first threshing results, are estimated to be 40-50% less than previous yields. Continuation of the drought has caused considerable damage to the crops and rice alone shows an almost normal harvest.

5. The health of the people continues to be comparatively good with the exception of local outbreaks of typhoid and paratyphoid fever in FERRARA Province.

6. Progress on all public works is seriously hampered by lack of transport and critical materials. Twenty one drainage and flood-control projects have been completed during June.

7. Although the number of major crimes committed has steadily decreased, intimidation of land-owners and even of public officials still continues in the form of anonymous threats and acts of extortion. One serious crime occurred at FERRARA, where a number of armed men wearing British battledress, with one of the party acting as a prisoner, entered the prison and shot the chief guard and seventeen prisoners. Nine others were injured and thirty four prisoners escaped. Eighteen of the escaped prisoners have returned of their own accord. A similar attack on a prison occurred at CARPI in MODENA Province where sixteen wellknown Fascist political prisoners were shot.

8. All patriot centres in the Region were closed on or before 10 June.

9. Unemployment is widespread and the estimated number of unemployed in the Region is 265,000 [illegible] 10,000

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shortage of coal and lack of transport.

3. Apart from the shortage of fresh meat, food conditions throughout the Region remain exceptionally good. During the month over 1,000 head of cattle were sold to TOSCANA and between 500 and 1,000 to Northern Provinces. There is still an acute shortage of cattle fodder in all provinces.

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8. All patriot centres in the Region were closed on or before 10 June.

9. Unemployment is widespread and the estimated number of unemployed in the Region is 265,000. More than 140,000 refugees, both Allied and Italian, passed through the camps during the month.

LIGURIA REGION.

10. Allied Military Government has now existed in LIGURIA Region for a few days over two months. The people have been fed, law and order has been resumed, business of many kinds re-opened and a start made on the repair of public works has been made. Schools and banks are functioning although irregularly. Public morale, however, is affected by fear and uncertainty, as military units are withdrawn many people express the fear of reprisals, intimidation and violence after the departure of the Allies.

11. Throughout ...

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11. Throughout the Region provincial and communal administrative bodies are established and in operation and the efficiency of government is steadily improving.

12. The full allocation of flour and groceries for June together with the undelivered portion of the May allocation of flour have been distributed and there is now a substantial stockpile in each Province. A bread ration of 150 grammes a day, with one kilo of pasta and one kilo of rice and issue of fats, sugar and other supplements has been maintained. Heavy workers' supplements are being issued. Vegetables, fruit and fish are available in all provinces and prices have shown some decrease but meat is in short supply.

13. In GENOA there are about 60,000 to 70,000 unemployed, in APUANIA 10,000 and large unemployment exists in each of the other provinces. No relief on a large scale can be anticipated until coal and other raw materials are available. At the moment fruit and vegetables are plentiful but food kitchens will soon have to take over a heavy responsibility to prevent hunger and serious unrest. No strikes occurred during the month although there was an increasingly insistent demand for a better wage level and more employment.

14. The clearance of the harbour of GENOA has met with many difficulties which, after a minesweeper was destroyed with some loss of life, have resulted in the closing of the port for an indefinite time. One large ship at a time is being off-loaded on a nearby beach and the work of clearing SAVONA harbour was completed at the end of June. Rail transportation was available from GENOA to SAVONA as from 20 June.

15. During the month there has been an increase in crime, involving larceny but a decrease in cases of extortion and murder, thirty five murders being reported. Investigations were made in all cases but the results have been disappointing, partly due to witnesses not coming forward to give evidence for fear of reprisals. Prison deliveries occurred on 27 June, when twelve prisoners were removed from the FEMALE LIGURE Prison in SAVONA Province, and on 6 June, when three prisoners were removed from the gaol at LA SPEZIA. On 7 June, a mass grave of Nazi-Fascist atrocities containing about fifty bodies was found at SAVONA: many have been identified.

16. Public health in the Region was good and there was no evidence of malnutrition. There was, however, a marked rise in the number of typhoid fever cases reported in GENOA commune during the month, traced to the free flow of sewage into the sea, sea bathing under insanitary conditions and the eating of raw sea foods. Efforts to discourage these practices have been made.

17. All public schools in the Provinces of IMPERIA, LA SPEZIA and APUANIA are open for a summer session lasting until 14 August 1945.

LOMBARDY REGION.

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LOMBARDIA REGION.

18. The rising cost of living, low wages and salaries continue to be the chief source of discontent and political unrest. Between 12 and 26 June there were twenty four disturbances in MILAN Province, usually taking the form of sit-down strikes. Constant negotiations with employers and representatives of labour were successful in avoiding any serious incidents.

19. The minimum ration scale has been maintained but meat is in very short supply.

20. Distribution of captured animals to a total of over 5,500 has been concluded. It has been arranged for teams to brand and classify a large number of captured animals which had already been distributed in certain provinces before the arrival of AF.

21. The morale/...

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21. The morale and efficiency of the Carabinieri has improved and they are working well throughout the Region. Very little hostility has been shown towards them. Public Security Agents are, however, most unsatisfactory, mainly due to the lack of experienced officers. Forty three cases of homicide were reported during the month, the majority of which occurred before 7 June. These figures show improvement on those of last month when 469 murders were reported in three provinces. A much higher percentage of crimes have been solved and detected. Cases of highway robberies, larcenies, illegal possession of firearms, cattle and horse stealing and extortion of money with threats have been reported.

22. One hundred and thirteen cases were tried by Summary and Superior Courts in MILAN city and thirteen in the Provinces. Italian Courts continued to function normally but are handicapped by lack of personnel and by the necessity for giving prior attention to the Extraordinary Courts.

23. Public health remained satisfactory. There has been a slight increase in the cases of typhoid fever. One case of typhus at DARFO-BRESCIA has been reported.

24. A small strike took place among teachers for increases in wages, but the announcement of certain officially established increases has quietened the situation temporarily.

25. 18,890 refugees and displaced persons have been registered and passed through camps in LOMBARDIA Region, making a total of 31,342 persons since the opening of these camps. Internees from SWITZERLAND are returning at the rate of about 5,000 a week.

PIEMONTE REGION.

26. Considerable progress was made during the month towards the restoration of the Region to normal conditions and the populace remained very friendly towards the Allied Forces. While in the city areas political activity appears to be on the increase and labour problems abound, the rural areas have little interest in politics. The Communist and Socialist Parties appear to have become more separated, the Communist Party being the most active.

27. French forces have withdrawn from AOSTA and TURIN Provinces ? 2 and it is anticipated that the remaining occupied areas in CUNEO Province will be evacuated in the near future.

28. The food situation is good but the wheat harvest is expected to be far below normal. The health of the civilian population and sanitary conditions remain satisfactory.

29. The major outstanding Regional problem is cost of living and the

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29. The major outstanding Regional problem is cost of living and the comparatively low scale of wages operating are insufficient to combat the inflated prices. Considerable unrest exists amongst the people, as evidenced by numerous large scale demonstrations and small strikes throughout the Region all of which, however, were orderly.

30. Crime is on a comparatively low scale. Eight cases of murder have been reported during June but police services are functioning reasonably well and there has been an improvement in their morale.

31. Repatriation of displaced persons from SWITZERLAND to ITALY has commenced, the total number to be repatriated being estimated at 40,000.

32. Fiat works continue in production making 12 three-ton trucks and 10 cars a day, but local stocks of tyres are now almost at an end and the shortage of tyres throughout ITALY is acute.

TOSCANA REGION/....

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TOSCANA REGION.

33. On 19 June the Provinces of FIRENZE, PISTOIA, PISA, less the Commune of PISA and the Province of LIVORNO, less the Communes of LIVORNO and COLLI SALVETTI, were handed over to the jurisdiction of the Italian Government and appropriate ceremonies were held to commemorate the day. The Provinces of LUCCA and APUANIA were transferred to the administration of AMG Liguria Region. LIVORNO Commune remained under AMG and the Communes of PISA and COLLI SALVETTI came under the command of Commissioner LIVORNO Zone.

34. Although there was no outstanding development during the month the political parties were very active and the Communist Party stirred up the farmers, inciting them to make trouble for the landowners. Local Government continued to function smoothly.

35. The food situation has been satisfactory. The handover of the control of food supply to the Italian authorities has been effected without notable interruption to supply. Olive oil amassed, at the present scale of issue, should supply the Region until January 1946.

36. The morale of the Italian public safety organisations has improved under Allied Military Government and crime in general is decreasing.

37. Public Health is good and the anti-malarial programme has been handled with excellent results.

38. Since the commencement of AMG in the Region over 18,000 persons have been tried and over 10,000 appeals were reviewed.

39. The approximate state of repair projects to monuments in all nine provinces shows 101 projects completed or near completion, and 166 projects under way or barely started. The restoration of the burnt Campo Santo in PISA will be one of the most difficult and expensive Fine Arts problems before the Italian Government.

VENEZIE REGION

40. Throughout the month the five Provinces of UDINE, VENEZIA, TREVISO, PADOVA and ROVIGO were under direct Regional administration; the five Provinces of BELLUNO, VICENZA, BOLZANO, TRENTO and VERONA remained officially under AMG Fifth Army but VENEZIE Region was responsible in varying degree for most aspects of the administration.

41. The ten Prefects, all of them C.L.N. nominees appointed by AMG during May, continued to justify their selection. It was found necessary, however, to make changes in some of the Questore and to appoint men from the South with professional training in their place.

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42. The disarming of the patriots was officially completed in the third week of June. There is, however, disquieting evidence that many patriot bands are maintaining hidden stores of arms but definite information as to the location and size of such dumps is exceedingly difficult to obtain. It is, moreover, certain that some groups have not disbanded and are maintaining themselves, either by living on the capital fund accumulated during the winter or by forced levies off the countryside.

43. The state of public security remained reasonably good. On the opening of the Special Court of Assizes in PADUA on 16 June, the crowd assembled in court and, excited by the evidence, stormed the prisoners' cage and carried off six prisoners. One was killed but the other five were rescued by Allied Military intervention. The introduction of Carabinieri into the mountainous districts proceeded with less trouble than was anticipated, and by the end of the month nearly all stations had been opened.

44. Public/.....

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44. Public health remained good and there were no serious epidemics. The food situation did not give rise to any anxiety except temporarily in UDINE where an attempt to move wheat into the Province by water transport from ROVIGO was impeded by a barge sunk in a canal.

45. Though many factories remain intact and ready to function, the shortage of raw materials, above all the shortage of coal, stand in the way of a resumption of production.

46. Railway communications improved considerably during the month and a start was made in the organization of truck pools.

REPORT BY RECENT VISITOR TO VENEZIA GIULIA.

47. Outwardly TRIESTE does not strike one as being the hot spot or the powder-keg of EUROPE, as it has been variously described. Except when there is a general strike, a superficial air of normality abounds. The bulk of the population seems to be either in the sea, bathing alongside the Allied troops, or in the trams which take them to and from the beaches. Food does not appear to be very short and flour was being sold on the quaysides from little ships coming in from the coastal towns at 40 to 50 lire per kilo. Maize was cheaper and potatoes were going at 22 lire and there did not seem to be a vast crowd of purchasers.

48. But that is only on the surface. Underneath there is a complex problem of nationalism and politics, of economic distress and, at any rate in POLA and MONFALCONE, the pressing problem of war damage, all of which are producing for the AMG authorities under XIII Corps one of the most difficult tasks that has faced the Allies in ITALY.

49. But one and all are tackling it quietly and efficiently and in the true spirit of AMG's position as trustees in a disputed territory. AMG is dealing with the territory as an administrative case with the one object of establishing good government without fear or favour. There is no doubt that stability is being established: it may probably be upset from time to time by forces beyond control but the effect of impartially and firm administration is being felt; it can be seen.

50. There was a strike in TRIESTE on 25 June involving shipbuilding docks, tramways and some shops. It was well and rapidly organised which shows the powers of the forces with which AMG has to contend, but it passed off without incident, without casualties and with only one or two arrests, a tribute to the stabilizing influence of Allied troops and the military government, a tribute which is even more creditable when it is realised that there are practically no indigenous police and that law and order is maintained by the machinery of the military police and special troops allotted to them.

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AMG NAPLES COMMUNE.

51. There was little change in the situation in NAPLES Commune. Crime showed a slight tendency to increase, the chief offences being thefts of Allied goods. There were six cases of incidents between Allied troops and Italian soldiers and civilians during the month, resulting in the death of two Allied military personnel and one civilian.

52. Unemployment in NAPLES is increasing and it is estimated that the figure has now reached about 100,000 as against 70,000 in April.

53. The/.....

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53. The smallpox epidemic was abating in NAPLES Commune but outside the city the figures remained static. Typhoid cases remained at the same level as in May, twenty three new cases being reported for the first three weeks in June. Water shortage was causing anxiety.

54. Farmers had in some cases to kill off livestock as grazing was short due to the drought. Damage caused by the grasshopper plague was comparatively slight inspite of the unusually large swarms of these insects.

55. More street lighting is now available in NAPLES and there has been an extension in the tramway services. The approximate number of children in NAPLES schools is 45,000 against 25,000 last year and a pre-war figure of 100,000. Over forty cooperative food shops have now been opened and it is planned to bring this number up to two hundred. Clothing available for issue from the repairing and dyeing shops now amounts to 535,910 pieces in comparison to 361,316 pieces at the end of May. 52,105 pieces were issued during June.

AMG LIVORNO ZONE.

56. The political situation in the LIVORNO and PISA areas remained quiet. There were no labour disturbances and for many months past there has been an almost total absence of demonstrations, inflammatory posters and slogans painted on walls. Public morale was good.

57. Political party volunteers helping with the thousands of refugees in daily transit through the city have rendered invaluable assistance. Arrangements were completed during the month to turn over all civilian supply supervision and administration for the entire Provinces of PISA and LIVORNO to the Italian agencies.

58. Lack of rain is seriously affecting crops.

59. With the employment afforded by the Allied military authorities in the city of LIVORNO no serious unemployment exists, but in PISA Commune there are 8,000 unemployed; with military installations now departing and refugees returning from the North it is estimated that this number will soon rise to 14,000.

60. Water supply for civilian use continues to be precarious; while this results primarily from the war destruction of large sections of the water supply system, the shortage is further aggravated by the large number of military personnel within the district, the prolonged drought and the large amount of water diverted for the German PW stockade which is in this area. Work in progress on water supply systems should relieve the situation to some extent within the next month.

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61. Allied Military Courts disposed of 288 charges for violations of proclamations and general orders during the month.

62. No serious outbreaks of disease have been reported and conditions appear to be normal for this time of year.

BARI AND SOUTH EAST ITALY (from report of A.C. Liaison Officer BARI)

63. There were serious disturbances and terrorist rule by Communists at ANDRIA and MINERVINO MURGE, BARI Province, during the latter part of June. On 25 June a party of well armed Communists attacked the Carabinieri barracks of MINERVINO MURGE and demanded the release of three Communists who had been arrested; seven prisoners were released and the Carabinieri were disarmed and interned in their own Caserma. One Carabiniere and one civilian were killed and several others were wounded. 500 Carabinieri reinforcements were dispatched to the scene. On 27 June, armed Communists released 46

prisoners/.....

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prisoners, including four held at the disposition of the Allies, from ANDRIA gaol, and established road blocks around the town. The rioters occupied the Post Office, Municipio and Telegraph Exchange at MINERVINO MURGE; telephone lines were cut, farms and trains were ransacked and goods stolen; the law courts at ANDRIA were looted and the Labour Exchange and other public buildings were burnt to the ground. Several alleged Fascists were hunted out and killed and there were several casualties both among the Carabinieri and the Communist bands. The Minister of Labour (Socialist) and Minister of Finance (Communist) visited the Province and discussions took place. Order was restored on 20 June, but the situation was far from tranquil.

64. About 1,600 Yugoslav soldiers were repatriated during the month and 400 wounded were repatriated in a hospital ship.

65. The harvest has been poor and, owing to the shortage of fodder, many farmers have had to slaughter their cattle. Distribution of rationed food, with the exception of sugar which is in short supply, has been satisfactory.

SARDINIA (from A.C. Liaison Officer SARDINIA).

66. The political situation showed little change. The acute drought has had a serious economic effect on the Island and the grain and wheat harvests were seriously damaged. Much livestock had to be slaughtered as there was insufficient fodder and diseases broke out.

67. During the month 44,186 tons of Sulcis coal were mined, as compared with 38,241 tons in May, and 38,240 tons were exported to the Mainland.

68. Total imports for the month amounted to 2,994 tons, an increase of 1,642 tons on the previous month. Cheese has been the only foodstuff exported.

69. Public safety conditions were better during June although there were a few minor disturbances.

70. A small number of cases of typhoid fever was reported in all three Provinces. The number of tuberculosis cases and the inadequate Sanatoriums and Institutions for their care are causing concern.

SICILY (from A.C. Liaison Officer C.T.L. and PALERMO).

71. The political situation remained unchanged although the divergence of opinion between the Republican and Monarchial groups was becoming more pronounced and public opinion appeared to have strong leanings towards a Republic.

72. Price Committees are functioning but a rigid control of prices is

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71. The political situation remained unchanged although the divergence of opinion between the Republican and Monarchial groups was becoming more pronounced and public opinion appeared to have strong leanings towards a Republic.

72. Price Committees are functioning but a rigid control of prices is still lacking, resulting in an increase in black market activities. Epuration is progressing very slowly and individuals affected are in most cases only minor officials.

73. At MESSINA Province the typhus epidemic has been stamped out and in PALERMO Province it is now under control.

74. Classified labour employed by the Allies in SICILY has been granted an increase of 70 lire a day. The arrival of coal and grain shipments were regular and stocks of grain were available by the end of the month.

75. Several clashes have been reported between Carabinieri and members of the Separatist Party who have taken refuge in mountainous districts North-west of ENNA following the closing of all their Headquarters by order of the Prefect. A few caches of arms were found but there were some casualties on both sides.

76. There/....

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76. There were several strikes on the Island during the month, the most important of which was the strike of the sulphur mines in the Province of CALTANISSETTA. As the month closed the miners returned unwillingly to work after a compromise agreement had been reached.

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. No new decrees were passed during the month due to the cessation of legislative activity of the Italian Government during the political crisis.

2. General Order 46 dealing with the epuration of workers and employees in private industry was issued on 2 June 1945. The Provincial Epuration Commissions operating under General Order 35 have been working satisfactorily.

3. The American and British Embassies and the Allied Commission have given their approval for the enactment of a decree dealing with the forfeiture of wealth corruptly gained during the Fascist regime.

4. The Extraordinary Courts of Assize have greatly increased their volume of work and the section of the Court of Cassation, sitting in MILAN, has expedited the disposition of appeals, particularly in cases of death sentences.

5. In the principal Ministries 37,142 of the 47,365 employees have been scrutinized and 7,252 have been sent for trial; of the latter total 4,768 cases have been concluded, 795 employees were dismissed, 393 sentenced to compulsory retirement and 1,986 received lesser punishment.

Mine Clearance.

6. The Zones set up in EMILIA and LIGURIA Regions are functioning satisfactorily and new squads being trained as recruits come forward. Lack of transport and POL is retarding a fuller development of the scheme.

7. The total number of mines lifted during the month was 55,502, which brings the total of mines reported lifted in ITALY to the end of June to 1,501,714. There were several casualties among both the military units and civilian squads during the month, 13 being killed and 13 wounded.

LOCAL GOVERNMENT SUB-COMMISSION.

8. The compilation of Electoral Registers in the Northern Provinces under Allied Military Government, excluding VENEZIA GIULIA, will start on 15 July 45. Under Italian Law 100 days are required, from the date of commencement, for the completion of these Electoral Lists. An extension of this time-limit will be granted only to Communes which show proof that, because of war damage and disruption, they are unable to complete their lists within the time limits set.

9. The Italian Government are again to be advised to revise the existing electoral laws, which were passed in 1915. The previous efforts of the Allied Commission in this direction resulted in a reply from the then President of the Council, N.-. BONOMI, to the effect that no reform was required since, in his personal opinion, the law was "adequate."

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EDUCATION SUB-COMMISSION.

10. On the whole the education system of Northern ITALY with the exception, as yet, of VENEZIA GIULIA, was found to be satisfactory and most schools have been re-opened; where the children had an almost uninterrupted year the opening was for examinations only, followed by closing for the summer vacation but, where the school year had been badly broken, schools were extending the spring term to late June or early July, or running full summer sessions. Volunteer summer sessions are being held in ROME and GENOA. Plans are being made to give recognition for work done in clandestine non-fascist schools run by partisans during the German occupation; students who fought with the partisans, or whose fathers did so, are exempted from tuition fees. Epuration is proceeding effectively in all schools, universities and cultural institutions.

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11. LOMBARDIA is reported to have had the largest concentration of fascists in teachers' posts. In CREMONA Province 33% of the teachers, as against an average of 4% to 7% in the rest of ITALY, had to be removed; in one school seventeen out of eighteen teachers were removed from office.

12. Reports on damage to school and university buildings show that 20% to 30% of the schools in APUANIA were destroyed and the University of BOLOGNA and the University of GENOA, and four buildings of the University of MILAN have suffered greatly. AFHQ have issued a new order against further requisitioning of schools but derequisitioning is still a serious problem, in many cases more serious in the South than in the North of ITALY.

13. In LOMBARDIA Region there were small teachers strikes organised by the "incaricati", or teachers employed from year to year but not yet on permanent civil service rolls. These "incaricati" receive salaries for only ten months of the year and with the rising cost of living their situation during the summer vacation is desperate. Demonstrations were quieted and an immediate solution is being sought.

14. In Southern ITALY, SICILY and SARDINIA all schools and universities functioned throughout the year, closing for the summer vacation in June. While building repairs have begun in many places, there is still a vast amount of repair and reconstruction to be done. The shortage of glass remains the most universal problem in the repair of school buildings, while another major difficulty is the replacement of scientific and technical equipment which has been requisitioned by the Germans and the by the Allies, or looted, or destroyed.

LEGAL SUB-COMMISSION.

15. With the termination of Military Government in TOSCANA Region, the reduction in the volume of AMG Court cases continues. Several serious crimes have been tried in NAPLES; in particular another gang of counterfeiters was brought to trial and 7 persons were convicted out of 8 charged. In North ITALY there has been a slight increase in the volume of AMG Court cases; the offences involved were mainly possession of arms and possession of Allied property: several cases of illegal possession of Allied petrol have been tried. In VENEZIA Region a few cases have arisen out of political disturbances and one serious case was tried in which a member of the CC.RR shot and seriously wounded an Allied soldier; a similar case occurred in NAPLES Commune.

16. In the Italian Courts the principal interest centred in the Extraordinary Courts of Assize. These are operating in all provinces in the North with the exception of BOLZANO Province where, owing to the special conditions, it had not been possible to implement Italian legislation or establish the Extraordinary Courts. Arrangements are, however, in progress to institute these courts forthwith. The courts themselves appear to be working fairly and satisfactorily and on the whole a genuine effort to administer justice appears to be being made.

17. Unfortunately the inevitable time involved in an appeal to the Court of Cassation and a petition for mercy creates an appearance of delay in the execution of death sentences which is causing considerable comment and some disturbance. In view [illegible] it is necessary to preserve some form of appeal and

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18. On 30 June a conference was held in MILAN of the heads of all the Courts of Appeal in the North to discuss the operation of these Courts and to secure uniformity of administration.

19. General Order No. 48 was issued to prevent mass discharges from private industry with consequent large scale unemployment, as a result of the shortage of raw materials in Northern ITALY.

PUBLIC HEALTH SUB-COMMISSION.

20. The Italian Government is proposing to appoint a High Commission for Public Health, thus freeing the Health Service from the present subordinate position in the Ministry of Interior. The High Commission will be directly responsible to the Council of Ministers.

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21. Representatives of the Rockefeller Foundation have advised against the formation of a Cordon Sanitaire in the North of ITALY mentioned in last month's report, owing to the delay in repatriation and the consequent congestion such a Cordon would cause. AFHQ have therefore been requested to decline the kind offer made by the Swiss Government of medical aid to Northern ITALY.

22. Three cases of Typhus have been reported from PALERMO but no further cases have occurred at CAPIZZI; sporadic cases have been reported from the Mainland. A marked decrease has occurred in the incidents of Smallpox in NAPLES City but there is little diminution in the number of cases reported from NAPLES Province.

23. Anti-malaria spray guns and 20,000 litres of Pyrethrum Spray have been delivered to Venezia Region and further shipments are being arranged. Spraying in the TIBER Delta projects has been completed and field reports indicate that mosquito densities in the treated areas are exceedingly low. In addition, a marked reduction in flies is noticeable.

24. The Infant Mortality rate in ROME Comune during May was 74.8 a thousand as compared with 70.7 in April. Deaths from all forms of Tuberculosis in ROME were 259 in May as compared to the April figure of 237.

25. A tour of the Northern Regions revealed a satisfactory position as regards medical supplies, except for a scarcity of insulin, the delivery of which is being arranged.

26. A survey of veterinary activities in the Northern Regions indicates that they are being operated much more efficiently than those in Southern Regions. Three veterinary laboratories were found to be undamaged and functioning satisfactorily, and had ample stocks on hand. The TURIN laboratory has produced a satisfactory vaccine against Foot-and-Mouth Disease. Swine Cholera and Swine Erysipelas are sporadic in all Northern Regions.

PUBLIC SAFETY SUB-COMMISSION.

27. The public safety position showed a considerable improvement over the previous month but it is still far from satisfactory. Reports indicate the continued ineffectiveness of Police Agencies and the lack of trained personnel, press support, uniforms and equipment, transport and officers and NCOs constitute major problems for the Italian Government. A marked reduction from the high May records of killings, disappearances and extortions is noted during June.

28. The ceiling strength of the Carabinieri was raised by 10,000 to 65,000 at the end of the month and nearly 8,000 ex-Carabinieri were enrolled and equipped.

29. Two mobile Carabinieri Battalions have been formed, one in SICILY and the other in SARDINIA, and those for MILAN, TURIN, GENOA and PADUA will soon be in operation. It is planned to form additional mobile Battalions for FLORENCE, BOLOGNA, ANCONA, ROME, NAPLES and BARI.

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24. The infant mortality rate in ROME during May was 74.8 a thousand as compared with 70.7 in April. Deaths from all forms of Tuberculosis in ROME were 250 in May as compared to the April figure of 237.

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30. The initial hostility towards professional Questore from the South being appointed in the North of ITALY is now diminishing and the 'amateur' who filled the post on the cessation of hostilities, finding the task too much for him, is giving way to the trained professional.

31. There have been several cases of organised bands gaining entry to prisons for the purpose of releasing their friends or murdering their enemies. This problem is made more difficult by the inexperience of the prison guards and the critical overcrowding which exists in the prisons where 95% of the prison population are political prisoners. It is hoped that more prisons will soon be released from military requisition to relieve this serious overcrowding. There were some demonstrations against slow legal procedure and light sentences assessed against fascists and collaborators.

32. Train thefts are reported from all parts of the country and armed bands are operating throughout the Southern areas. There is a general increase in larceny, burglary and counterfeiting and in some places unofficial political police forces have been organised. Details of incidents and disturbances are dealt with in full in the Regional Reports.

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Return of Illegal Shooting in Provinces of
VENEZIA, LIGURIA, LOMBARDIA, EMILIA and PIEMONTE.

June, 1945.

Date	Kidnapped and shot	Kidnapped - presumed killed	Shot	Incidents involving loss of life	Shot by Germans	Killed by other means	Lynched	TOTAL
1-19 June	7	2	30	-	9	1	31	80
19-24 June	-	-	35	-	-	2	-	37
24-30 June	-	-	12	13	-	1	-	26
						Total:		143 +

+ Approximate number of illegal deaths or kidnappings for the period 8 to 31 May was 3,237 as compared to the 143 reported in June as shown above.

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PATRIOTS BRANCH.

33. With the exception of a few organised bands, such as the Osoppo and Nino Nannetti Divisions in VENEZIA, the disarming and demobilisation of patriots was practically completed. There remained, however, a number of patriots requiring employment and assistance and 27 Patriot Centres were still operating at the end of the month. It was clear that large quantities of arms were still being kept hidden, although information as to the location of the dumps was very difficult to obtain.

34. The most important measures affecting patriots taken by the Government during the month were the granting of "Ente Morale" status to the Associazione Nazionale Partigiani d'Italia, and the authorising of increased bonuses for patriots as follows:-

Patriots with less than 3 months service	L. 1,000
Patriots with more than 3 months service	L. 5,000
Wounded Patriots	L. 10,000
Relatives of fallen Patriots	L. 20,000

35. Contrary to expectations, the patriot problem in VENEZIA GIULIA has proved to be relatively simple; those Italian patriots who had not withdrawn into UDINE, were disarmed and disbanded by the Yugoslav forces before EIGHTH Army troops occupied the area and the Yugoslav patriots withdrew into YUGOSLAVIA. It is not proposed to set up any patriot organisation in VENEZIA GIULIA.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

36. The "Last Supper" by Leonardo da Vinci has been uncovered and found to have suffered practically no damage. The famous Certosa of PAVIA, the Masolino frescoes at CASTIGLIONE D'OLONA, and the Luini frescoes at SARONNO are undamaged. In PIEMONTE six deposits of art objects were inspected and found intact. In LIGURIA Region 37 monuments in GENOA were inspected and 16 urgent projects approved; inspections were also made of monuments at SAVIGLIA, BRUGNATO, the provinces of GENOA and LA SPEZIA and the provinces of IMPERIA and SAVONA, where monuments were found to be in good condition.

37. In EMILIA, LOMBARDIA, PIEMONTE and VENEZIA Regions, Archives Officers have carried out inspections of state, town, notarial and church archives and also of libraries. Return of deposits has started, where the state of parent depositories make it possible.

38. Mr. Hilary Jenkinson, C.B.E., Archives Adviser to the War Office, arrived in ROME on 24 June to survey progress made in connection with Italian archives. During his visit a draft memorandum, setting out a programme for the future administration of the Archives of the Allied Commission, extending over a period of several years, was discussed.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

39. During the month the movements of refugees and displaced persons have become

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be relatively single; those Italian patriots who had not withdrawn into GOIA, were disarmed and disbanded by the Yugoslav forces before EIGHTH Army troops occupied the area and the Yugoslav patriots withdrew into YUGOSLAVIA. It is not proposed to set up any patriot organisation in VENEZIA GIULIA.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

36. The "Last Supper" by Leonardo da Vinci has been uncovered and found to have suffered practically no damage. The famous Certosa of PAVIA, the Masolino frescoes at CASTIGLIONE D'OLONA, and the Luini frescoes at SARONNO are undamaged. In PIEMONTE six deposits of art objects were inspected and found intact. In LIGURIA Region 37 monuments in GENOA were inspected and 16 urgent projects approved; inspections were also made of monuments at PAVIA, BRUGNATO, the provinces of GENOA and LA SPEZIA and the provinces of IMPERIA and SAVONA, where monuments were found to be in good condition.

37. In EMILIA, LOMBARDIA, PIEMONTE and VENEZIE Regions, Archives Officers have carried out inspections of state, town, notarial and church archives and also of libraries. Return of deposits has started, where the state of parent depositories make it possible.

38. Mr. Hilary Jenkinson, C.B.E., Archives Adviser to the War Office, arrived in ROME on 24 June to survey progress made in connection with Italian archives. During his visit a draft memorandum, setting out a programme for the future administration of the Archives of the Allied Commission, extending over a period of several years, was discussed.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

39. During the month the movements of refugees and displaced persons have become more organised. Representatives of AFHQ and SHAEF have discussed plans for the repatriation of 350,000 Italians from GERMANY and AUSTRIA, and 300,000 German ex-PWs from ITALY, through the BRENNER PASS and SWITZERLAND by rail commencing 1 July 1945.

40. Approximately 68,707 Italian refugees arrived in ROME from the North in June and about 46,129 were sent to the South. 500 Greeks were repatriated by air from ITALY to GREECE in groups of 100.

41. At the end of the month a total of 80,171 persons were recorded by the Records Bureau covering 72 nationalities.

42. This month saw the close of the financial assistance programme for displaced persons. Started in ROME on 7 October 1944 when 273 heads of families received loans, it was extended immediately to all of liberated ITALY. The peak was reached in December 1944 when 5,000 persons were recommended advances. This programme was the means of preventing untold hardship, privation and malnutrition among Stateless displaced persons and twenty-four nationalities, including former enemy nationals who had been persecuted for racial or political reasons. Loans up to 4,000 Lire a head each month were made with a maximum of 12,000 Lire for any single household. The total amount loaned was a little over seventy-five million lire. UNRRA is now responsible for this work.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION.

1. A report on the Italian wheat crop estimate forecasted 4,427,314 tons as compared with 6,390,661 last year, the decrease being mainly due to the prolonged drought which has further accentuated the fertilizer deficiency. Acreage planted showed 8% decrease owing, to a large extent, to non-cultivation of marginal strips in mountain areas. Acreage for the year is estimated at 4,363,985 while acreage for last year was 4,765,490. The drought has continued since March and is said to be the worst since 1922. The small farms which form the greater part of Italian agriculture have suffered more than the large surplus producing properties. A low yield is anticipated for other reasons also, such as late sowing, frosts, hot winds, floods and war damage.

2. The Granai del Popolo reports for the season from 1 July 1944 to 30 June 1945 show that 1,563,698 metric tons of wheat were collected in Northern ITALY, while in the remainder of ITALY the quantity amounted to 1,114,330 metric tons, which represents 96% of the target figure. The olive oil collection totalled 94,766 metric tons.

3. The forage shortage will necessitate redistribution of forage surpluses and livestock. In SARDINIA, grasshoppers have damaged forage.

4. An allocation of 500,000 tons of rock phosphate was received from North AFRICA. Copper sulphate and sulphur were distributed and nitrogen fertiliser production was resumed and distribution commenced in Northern ITALY.

5. Investigation disclosed that several factors, primarily the cost of movement and secondarily the bad condition of the animals due to drought and lack of forage, will prevent the transfer of any larger numbers of animals from SARDINIA to the mainland for slaughter or restocking. Distribution of captured animals to farmers has been completed with approximately 26,176 distributed since the early part of May.

6. A programme for the re-establishment of ocean fishing, using Italian-owned trawlers, was prepared. A chart to aid in the location of mines and obstructions was made and fishing boats were sent to unrestricted areas.

COMMERCE SUB-COMMISSION.

7. As a result of the uncovering of large stocks of engineering materials in Northern ITALY, only five items are now controlled by the Engineering Materials Committee of the Allied Force Local Resources (Italian) Board, viz: tin, solder, white metal for bearings, standing timber, in the two areas reserved for British and American services in CALABRIA, and plywood.

8. More than 2,000 tons of new and used clothing, shoes, new blankets and comforters arrived in ITALY from the U.S.A. and were consigned to I.C.L. (Istituto Commerciale Estero).

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9. Exports during the month amounted to 1,846 tons, with a total value of 50 million Lire.

10. An Italian Economic Mission has left for SWITZERLAND where it will keep in close touch with U.K. and U.S. legations at BERNE while negotiating with the Swiss authorities.

11. A request submitted by the Italian Government for a further increase in the June bulk allocation of POL was examined but refused on the grounds that the best possible use is still not being made of the present allocation, which is estimated to be more than sufficient to cover Category A needs.

12. 2,000 tons of newsprint arrived from AMERICA.

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FINANCE SUB-COMMISSION

13. COS has authorised the sending of certain transactional communications from ITALY to the British Empire and United States and possessions, provided a licence has been granted by the Ministry of the Treasury.

14. The Swiss frontier was partly opened on 29 June to permit the repatriation of Italian refugees in SWITZERLAND; and with the concurrence of the Allied Commission, the Banca d'Italia, acting on behalf of the Italian Treasury, has established a currency control. Dollars, sterling and Swiss francs are being purchased; other currencies (except reichsmarks) are being taken up against receipt.

15. The Allied Commission has to date seized more than 6.5 billion lire of German Army and other German official funds.

16. The final figures for the new 5% Five Year Treasury Bond issue in Central and Southern ITALY show a total of 33 billion lire subscribed. It has been decided to extend the new bond issue to North ITALY (except VENEZIA GIULIA). The issue price is to be 99 and the subscription period will run from 15 July to 5 August 45.

17. Upon liberation of the industrial North, Allied authorities found already in operation a two-fold system of caring for workers rendered surplus by war damage and materials shortages. One group benefitted by a broadening of the scope of the "Integrazione salariale" a guaranteed minimum compensation to short-time workers. A second group, placed on a temporary waiting list, was granted special daily allowances by the employer and the Unemployment Fund and the right to continue to receive regular family allowances. Both treatments provided under decrees of the Fascist Republican Government of 20 January and 13 February respectively. General Order No. 48 has now been issued to provide a proper legal basis for continuing the essential features of this system. It is based on discussions with the Italian Government, which not only gave invaluable technical advice but undertook to subsidize the Cassa Integrazione Salariale, already seriously strained by the unusual burdens it has had to bear in recent months.

FOOD SUB-COMMISSION.

18. The food economy of North ITALY is being brought into line with that of the South with as little change to the existing system as possible. Decisions were reached in respect of rationing policy, movement of foodstuffs and prices of foodstuffs in Northern ITALY and a uniform basis of ration scales has been promulgated to all Regions at the official Allied Commission scales prevailing in Southern ITALY. Food organisations existing in Northern ITALY on liberation have now been linked up with those formed by the Italian Ministry of Food in the South. The functioning of the Ministry of Food and the Federazione dei Consorzi Agrari continued to improve.

19. Total imports for the month were 244,629 tons, of which 221,155 tons were cereals, being the highest monthly total since the occupation of ITALY.

20. During the month 26,600 tons of miscellaneous supplies were delivered to Northern Regions and non-rationed foodstuffs imported into ROME have reached 734

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21. Food commitments which had previously been undertaken by the Armies are now being undertaken by Allied Commission including the feeding of partisans and Polish refugees in camps.

INDUSTRY SUB-COMMISSION.

22. The production of cement totalled 11,441 tons, the decrease of 1,914 tons from the previous month being mainly due to shortage of fuel. The Solvay works produced 6,000 tons of Sodium Carbonate (Soda Ash), 40% of ITALY's pre-war requirements. Oschi Oschiri plant in SARDINIA for the production of Nitrogenous Fertiliser has been forced to close through lack of water.

23. Estimated production for June of Sardinian coal was 40,000 tons. With an additional 2,500 workers it is estimated that this production could be raised to 75,000 tons a month. The estimated lignite production for June was 50,000 tons but the potential production, which is much greater, is handicapped by shortage of transportation and labour. Mercury production has commenced at the Carbina-Siula mine, but the sulphur industry in SICILY is at a standstill owing to a strike at

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the mines. The marine salt works are producing about 400,000 tons per annum which is sufficient to meet ITALY's needs.

24. The increased prices in the North for finished tobacco products and tobacco derivatives will result in an increase of revenue to the Italian Government of 600,000,000 lire a month.

25. Production of cotton for Southern ITALY for June showed a considerable increase over the previous month and the production of woollen piece goods for June in Southern ITALY was approximately 1,350,000 metres.

LABOUR SUB-COMMISSION.

26. There is increasing industrial unrest in Northern ITALY due to rising cost of living and heavy unemployment. Arrangements have been made to prevent wholesale discharge of surplus workers for a further period, pending the preparation of an effective scheme for diverting these workers into other channels.

27. In Northern ITALY numerous wage agreements in private industry providing for substantial increases in wage rates have been negotiated and approved, particularly in the provinces of MILAN, TURIN and BOLOGNA: decrees providing for increases in the wages and pensions of State and parastatal employees have been implemented; Allied Forces employees have also been granted increases of wages. Local commanders have been authorised to pay wages ranging between the minimum and the maximum of the basic pay with part of the cost of living bonus prevailing in the South of ITALY, pending the establishment of Local Sub-Committees of the Labour and Wages Control Committee.

28. Reorganization of social insurance in the North is proceeding and in VENEZIA GIULIA special inspectorates are being established in order to maintain the autonomy of this district.

29. In Central and Southern ITALY there have been fewer demands for wage increases and with the exception of a strike at the sulphur mines in SARDINIA there has been little industrial disturbance.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

30. Communal Housing Committees are becoming increasingly active in Italian Government territory but progress is less advanced in AMG Territory. Functioning Committees now total 43 , with 24,344 housing repair projects started and 12,646 completed since the inauguration of the Committees. The value of work on housing to the end of June amounted to 2,542 million lire.

31. A comprehensive five year rehabilitation programme for the port of GENOA was submitted for consideration with a total cost of approximately 950 million lire. Approval was given for the urgent work which can be accomplished in 1945 to be started and this will amount to approximately 95 million lire.

32. To help meet the expected power shortage in Southern ITALY steps have been taken [illegible] lines between TERNI and PESCARA and PESCARA

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32. To help meet the expected power shortage in Southern ITALY steps have been taken to repair the high voltage transmission lines between TERNI and P.SCAPA and P.SCAPA and NAPLES. It is expected to transport 20,000 KW of power on these lines by October 1945.

33. During the month of June three 60,000 Volt transmission lines capable of transporting approximately 20,000 KW power from Northern to Central ITALY were completed and put into operation.

TRANSPORTATION SUB-COMMISSION.

34. The movement into Northwest ITALY was not as planned owing to the delay in opening GENOA Port. This necessitated the movement of supplies continuing along the ANCONA - FORLI axis, with consequent long road hauls. At the end of the month improved rail communications between the South and the North somewhat relieved the strain on available road transport.

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35. An increasing demand on all means of transport was made to deal with the large number of returning refugees, many of whom had to be moved from the North to areas South of ROME. Generally all demands for movement of refugees were met with little delay, AFHQ being most helpful in working out a flexible system to meet the emergency demands which occurred throughout the month. Arrangements have now been made with SHAEF to control the flow of refugees, so that advance programmes can be made.

36. 30,000 tons of stores were moved coastwise in June, excluding stores lifted by the personnel/cargo ferries operating between NAPLES, SARDINIA and SICILY. Of the 30,000 tons, 25,000 tons were lifted by schooner.

37. Tonnages moved by rail totalled approximately 220,000 tons, showing an increase over previous months. About 67% of the accepted programmed traffic on the mainland was moved, against an average of 62½% in the previous month. In addition, 81,000 refugees moved by train.

38. Line 257 from ROME to VITERBO has been extended to SIPICCIANO and additional services have been introduced.

39. During the month considerable progress has been made in the handover of trucks to the Italian Government. About 950 x 1½-ton vehicles have been collected by the Italian State Railways and AC Truck Pools at FOGGIA, CASTELBASSO, CHIETI, AQUILA and PESARO have been taken over by the Ministry of Transport. The remaining AC Pools will be handed over before the end of July. Transfer of INT (SICILY) vehicles from AC to the Italian Government was completed on 15 June.

40. A total of 55,000 tons has been moved by road during the month, on priority haulage programmes, being an increase of 25% over the May figure. In addition, 12,700 refugees were moved across the ANCONA-LORETO rail gap.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Psychological Warfare Branch was liquidated on 15 July and private newspapers are now responsible for the collection of articles and news items.

2. The revival of pre-fascist newspapers was discussed during the month but the project has met with opposition from some elements of the civilian population.

3. Approximately twenty releases on various subjects, including further transfers of territory, wheat prices and special announcements for AMG in the North, arranged for simultaneous publication through PWB 15 Army Group, and more than one hundred hometown biographical releases on U.S. personnel were issued by the Allied Commission during the month.

NAVY SUBCOMMISSION

4. The Commander-in-Chief, Mediterranean has directed that captured material of German and Italian Naval origin, including that previously in the possession of the Italian Republican Navy, if not required for Allied Naval purposes may be turned over to the Italian Naval authorities for [illegible]. The Navy Subcommission has been designated by the Commander-in-Chief, Mediterranean, as the agency responsible for the disposition of such material.

5. In accordance with instructions received from the Supreme Allied Commander and from the Commander-in-Chief, Mediterranean, the Navy Subcommission has informed the Ministry of Marine, that any action to be taken concerning ex-Italian Republican Navy personnel still at large, is the responsibility of the Italian Government. Such personnel cannot be taken into Allied protective custody either as prisoners of war or surrendered enemy forces.

6. The Commander-in-Chief, Mediterranean, has directed that Italian Merchant Vessels in the Mediterranean which carry Italian armament manned by Italian Naval personnel are now to be disarmed. Such action will permit a considerable number of Italian Navy gun crews to be released in order that they may rejoin other branches of the Italian Navy.

LAND FORCES SUBCOMMISSION (MMIA)

7. On 1 July approximately 18,000 Italian Service Units (SU) assigned to American formations changed their status to US-ITI and former cooperator units passed under administrative control of 212 Italian Command and 205 Administrative Div HQ. Approximately 7,900 men will be demobilized when released by the employing unit. About 17,000 Italian cooperators serving in ITALY were transferred from SU status to US-ITI status as from 1 July: of these about 6,000 are of the age for demobilization.

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8. At the end of the month it was estimated that 20,000 out of the 50,000 of the 1914 and older classes (first four months) still remained to be demobilized. It was recommended to AFHQ that the rest of the 1914 class should be demobilized forthwith and other classes later, depending on the reduction in the services required.

9. Strong recommendations were made to AFHQ for the disbandment of the Italian Intelligence Units as it was considered that their roles had become obsolete. AFHQ agreed to the reduction of the EIGHTH Army 862 Intelligence Unit by about 50%. The Zuretto Section will be disbanded on 1 August and the Technical and 135 Special Wireless Section will be reduced by half on that date. Orders for the disbandment of the Italian Increment to No. 1 Special Force have already been issued to the War Ministry.

AIR FORCES SUBCOMMISSION

10. Personnel of the Italian Air Force performing Air Transport and Air Sea Rescue functions are efficient and keen but the morale of those not engaged on these duties is low owing to the restriction of activity and uncertainty of their future.

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11. Authority was received from HQ MAAF for the release of captured enemy war material of Italian Air Force origin to the Air Forces Subcommission. Issues to the Italian Air Force of such material as may be necessary for ground personnel within the authorized ceiling and to support authorized flying programmes will be made. Sufficient signals equipment was discovered in I.A.F. Depositories or held in factories in the North of ITALY to make the Italian Air Force self-supporting in most respects for a considerable time to come.

COMMUNICATIONS SUBCOMMISSION

12. Marked progress was made in restoring communications facilities. Foreign mail service is now authorized between ITALY and all countries except JAPAN and Japanese controlled territory, GERMANY, AUSTRIA and HUNGARY.

13. Internal censorship was abolished in ITALY except for the border provinces.

WAR MATERIAL DISPOSAL & ITALIAN PRISONERS OF WAR SUBCOMMISSION

War Material Disposal

14. The armies continued to control all captured material throughout the month.

15. Steps have been taken to provide 10,000 tons of brass and copper cartridge cases for the production of copper sulphate. 75,000 to 80,000 tires were offered by the D&D Salvage (Br) and arrangements have been made for their delivery to Pirelli Works, ROME. 144 derelict vehicles were inspected during the month, eight being returned to the Italian Ministry of War and nine to the Ministry of Transport; the remainder have been passed to firms and individuals for rebuilding. Arrangements are in progress to use six German pontoon-lift derelict in the Tiber, for river transportation.

Italian Prisoners of War

16. In June 6,023 Italian PW were repatriated to ITALY. Of this number approximately 50% were sick and wounded, the remainder included about 400 Italian seamen, 973 civilians, with the balance made up of specialists required to fill specific appointments in ITALY. It has been agreed to repatriate approximately 4,200 Italians from France in the early weeks of July.

17. Compassionate, welfare and financial cases dealt with during the month numbered 1,160.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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File 404.3/4

CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

Ref: 824/EC.

21 June 1945

MONTHLY REPORT

APRIL 1945

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CLO
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Chief Counsel
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Section
CLERKS
Jun 1945

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POLITICAL SUMMARY

1. The Council of Ministers met on 4 April and amongst other things approved a draft decree law re-instating the property rights of Italian subjects and foreigners against whom Fascist racial legislation had discriminated. This decree is supplementary to the decree law which was passed in January 1944. The Council further approved a draft decree regarding the administrative steps to be taken for the drawing up of electoral lists and particularly for establishing the means of registering electors in communes which are not their normal places of residence. The Council also approved increases in war pensions. Another important measure was the decision not to apply common law to patriots for acts committed during the war of liberation. This provision therefore puts patriot units recognised by the Committees of National Liberation on the same footing as military formations taking part in war.

2. The Communist Party held its annual Congress in ROME from the 6 to 10 April. Signor TOGLIATTI, the Secretary General of the Party, declared that the Communist Party would keep the truce on the institutional question but that, so soon as the North was liberated, the problem would call for a rapid solution. Once the North was freed, the truce would automatically lapse and the Constituent Assembly would make the final decision of the people on the question.

3. The Labour Democrats and the Democratic (Monarchist) Party also held Congresses at the same time. The Labour Democratic Congress approved various resolutions touching on agrarian reform and the administrative elections, while the Democratic Party Congress produced a 9-point programme emphasising the need for preserving law and order, private initiative and the rights of individuals against any form of state dictatorship. Another plank in their platform vigorously defended the "territorial integrity" of the country, including Italy's right to all colonies held at the end of the last war.

4. The liberation of the North was already imminent when the Council of Ministers met on 20 April to discuss the agreement with the Committee of National Liberation of North Italy (CLNAI) signed by the Undersecretary of the Ministry of Occupied Territory on 29 March during his clandestine visit to TURIN and MILAN. This agreement, which was concerned mainly with local administration by the CLNAI during the period between a German collapse and the establishment of Allied Military Government, was approved by the Council, which took the occasion to reiterate its agreement with, and faith in, the policy of the CLNAI and the work of armed partisan bands under its control.

5. On 21 April, BOLOGNA was liberated by the advancing Allied Armies, and on 25 April GENOA was wrested from German control by Italian patriots. This was followed by the liberation of MILAN by partisan bands on 26 April, and soon German dominance of the North was everywhere being submerged by Allied arms and the decisive action of the patriots. On 30 April General CLARK was able to say that "the military power of Germany in ITALY has practically ceased".

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5. On 21 April, BOLOGNA was liberated by the advancing Allied Armies, and on 25 April GENOA was wrested from German control by Italian patriots. This was followed by the liberation of MILAN by partisan bands on 26 April, and soon German dominance of the North was everywhere being submerged by Allied arms and the decisive action of the patriots. On 30 April General CLARK was able to say that "the military power of Germany in ITALY has practically ceased".

6. With the liberation of MILAN, the radio station there was immediately put into service to broadcast General CADORNA's orders to the partisans for a general uprising. The CLNAI proclaimed a state of emergency and subsequent broadcasts of ordinances enacted by the Committee showed that it was proceeding effectively with the establishment of its administration.

7. At the meeting of the Council of Ministers on 26 April agreement was reached on the formation of a Consultative Assembly, to be composed of three principal groups. Of these, the first will be nominated by the six major political parties represented in the CLNAI, with twenty places going to parties outside the Committee. The second group will include anti-fascist deputies and senators of the last free Parliament, while the third group will be composed of representatives of labour unions and veterans' organisations. Reaction to the Government's decision was generally favourable.

8. Unanimity/....

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8. Unanimity of feeling at Italy's exclusion from the United Nations Conference on international organisation at SAN FRANCISCO was reflected by the press, and the Council of Ministers at its meeting on 25 April voted to send a message to SAN FRANCISCO claiming the right and reaffirming the will of ITALY to participate in world reconstruction.

9. Concern for the fate of TRIESTE was intensified by the reported occupation of that city by JUGOSLAV forces. Following the Cabinet's expression of a desire for harmonious and good-neighbourly relations between ITALY and JUGOSLAVIA, the Government issued an official communique on 30 April affirming "in the most resolute and explicit manner" its view that controversial questions between the two countries should not be prejudiced by military operations then in progress in VENEZIA GIULIA but settled by direct agreement after final liberation of their respective territories.

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PART I.

AMG ARMIES AND REGIONS

AMG FIFTH ARMY.

1. The month of April falls into two clearly marked period of AMG activity. During the first of these the calm and routine administration of the small area of ITALY lying within the Army boundary was carried on, while at the same time preparations were diligently made for the commencement of military government in the large areas which it was expected the army would occupy during the coming advance. Food was stock-piled at FLORENCE, VIAREGGIO and FORLI. An advance food depot was established at PORRETTA TERME. The Provincial and Regional teams, particularly those in the nearest provinces and regions, were prepared for early movement. On 11 and 12 April the 92nd Division took MASSA-CARRARA and the first of the new territories to be liberated was entered by AMG officers. Shortly after the middle of April the attack on BOLOGNA began and that city fell on 21 April. MODENA was entered on 23 April, MANTOVA on 26 April. On 28 April the city of MILAN, which had previously been the scene of a Partisan uprising, was entered by IV Corps. By the end of the month the greater part of North ITALY had been occupied and rumour of an impending surrender was already current. Within a period of ten days, the zone of Allied Military Government under the FIFTH Army had been expanded from a little more than three provinces, FIRENZE, LUCCA and PISTOIA, to thirty provinces covering a far greater expanse of territory, population, wealth and industry than had ever been subjected to Allied Military Government in ITALY at any one time before.

2. The first great problem that confronted AMG in all the new territory was the Partisan situation. Great efforts were made by AMG to disarm the Partisans and with considerable success. Parades were held at which Partisans passed in review, fully armed and under their own leaders, before General Officers of the FIFTH Army and at the conclusion of the parades surrendered their arms. Speeches were then made and Partisan Certificates were presented to the leaders. At BOLOGNA 3,500 Partisans surrendered their arms and at MODENA more than 14,000. It was noted, however, that the number of pistols and machine guns turned in was small.

3. A new and important situation that confronted AMG during the month lay in the character and strength of the Comitati Liberazione Nazionale (CLNs) encountered in every province and almost every commune. The CLNAI representing the various CLNs had been recognised by ROME as the government of Northern ITALY during the period of German occupation and, while it was understood that they were to relinquish their powers when AMG came in, nevertheless their actions during the occupation acquired a certain validity which otherwise they would not have had.

4. Authority was given to Corps SCAOs to establish the bread ration at 125 grms of bread initially, to be raised, when grain or flour should become available, whether from local or imported

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4. Authority was given to Corps SCAOs to establish the bread ration at 125 grams of bread initially, to be raised, when grain or flour should become available, to 250 grams of bread and 40 grams of pasta either from local or imported stocks.

5. Grain crop plantings were below normal, especially rice. The current crop condition was fair with some damage in the central PO Valley due to frost. Summer vegetables and fruit crops were good, with surplus in nearly all areas. Approximately 400 tons of surplus potatoes were found in the BOLOGNA area and part of them were transported South.

6. AMG officers entering BOLOGNA found large numbers of farmers and their possessions, including livestock, living in the city under abnormal conditions. There were even cattle and swine on third floors of some houses and hundreds of cattle were found in basements. This produced a condition of sanitation easier to observe than to imagine.

7. Generally speaking, agriculture North of the Appenines was found to be in a satisfactory state.

8. Comparatively/...

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8. Comparatively little damage was found in BOLOGNA. A local plant supplied sufficient power to supply hospitals and for water pumping until the power lines from MODENA could be repaired. The flow of water was however small and was insufficient for sanitation purposes.

9. In general the liberated towns were found to be almost normal with public works and utilities functioning or ready to function.

10. Where necessary the people started repairing utilities on their own initiative, in remarkable contrast to the behaviour of the Southern Italians.

11. The health situation in the newly liberated area has been extremely good. Living conditions in BOLOGNA were extremely over-crowded but no ill-effects resulted during April.

AMG EIGHTH ARMY.

12. This report covers only that territory occupied during the month, being the provinces of FERRARA, ROVIGO, PADUA, VENEZIA, TREVISO, BELLUNO, UDINE and part of BOLOGNA. The territory occupied varies widely in nature, containing some of the richest agricultural land in EUROPE in the PO Valley and also barren mountainous territory.

13. In FERRARA Province there is a belt of devastated country along the line on which the Army was halted for the Winter extending Northwards and Westwards for about ten miles, which is at least as badly damaged as the GARIGLIANO Valley. Beyond this strip, however, damage is limited to the immediate vicinity of the river crossings of the PO and ADIGE, factories which were the target for air attack, and areas surrounding railway stations.

14. There is very much less damage in this Northern area than in any part of ITALY further South and some places, as for example VENICE, appear to have emerged from the war completely unharmed.

15. It is too early yet to give any detailed survey of the political background of the area. In almost every instance the CLN has proved to be sensible and cooperative and had generally organised a working system of administration prior to the Allied occupation. The improvement in calibre of public officials North of the PO is marked and considerable initiative and vigour has been encountered.

16. Prior to the advance beyond PADUA no serious difficulties were encountered from Patriots who were everywhere cooperative. Disarming proceeded satisfactorily, if somewhat slowly, but all permits held for the purpose were successful.

17. Except in the Province of UDINE, which is subject to unusual circum-

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17. Except in the Province of UDINE, which is subject to unusual circumstances, there is a sufficient quantity of grain and flour in the area to carry over until the next harvest. The allotted quantities of supplies other than flour have been distributed to the various Provinces, but stocks found of some commodities, particularly sugar, have made it unnecessary to distribute some of the items to all the Provinces. The ration scale prevailing in the majority of the area was 150 grams of bread a day, with a monthly allotment of 4 kilos of pasta and 1 kilo of maize. Prices, as expected, were lower than that part of ITALY previously liberated.

18. Except in the devastated area in FERRARA, banks and post offices have mostly been in a condition to open within a few days of occupation and in most places there has been sufficient cash without drawing on the reserve in the South.

19. At the/....

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19. At the beginning of the period the refugee problem was confined to the housing and feeding of a number of inhabitants from the destroyed villages on the Winter Line. Thereafter the movement of refugees was small, for though there is in the area a large number of refugees from Southern and Central ITALY these have been located here for a considerable time and it has been the policy to restrain them from early movement.

20. There will be a very considerable movement of displaced persons returning from GERMANY and AUSTRIA in the near future. A great number are already making their way down through Northern ITALY.

21. CC.RR have been steadily moved into each Province as captured and no particular Public Safety problems have arisen.

22. The health of the population is good and there were no indications of contagious or infectious diseases in epidemic proportion, although there is a potential danger in the area of the ARGENTA GAP.

EMILIA REGION.

23. In the course of the month the remaining territory of FORLI and RAVENNA Provinces was liberated and on 25 April the whole of FORLI and RAVENNA Provinces was handed over to regional control by EIGHTH Army.

24. All flooded areas South and East of RAVENNA, being about 45,000 acres, have now been drained but work on bridges was delayed by lack of materials, only three being completed during the month.

25. The supply of bricks for re-housing schemes is sufficient for present needs, but without further coal, work will come to a standstill when present stocks are exhausted.

26. The standard of health remains good.

27. Plans were completed for the re-starting of fishing from the seven ports of the Region and it is anticipated that about 200 tons of fish will be obtained over a period of three months.

28. The sugar-beet crop has fallen below expectations due to the drought and some areas had to be re-seeded owing to non-germination of seed.

29. The condition of the people has improved with the advance of the Army, and the resultant release of accommodation. Their attitude has become more friendly and "incidents" are rare.

30. Immediate assistance is being given to the Republic of SAN MARINO to instal electric power to provide adequate water.

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TOSCANA REGION.

31. On 30 April AMG took over the administration and control of the remaining Provinces of TOSCANA Region - FLORENCE, PISTOIA, LUCCA and APUANIA - previously under the control of AMG FIFTH Army.

32. The Communists continued to be the most active of the parties and have been responsible for some minor disturbances in the Region.

33. Local Government functioned well but, in the Provinces recently liberated, the work of establishing orderly administration is handicapped by poor communications due to destroyed bridges and highways.

34. There have been no unusual supply problems; the salt ration has been increased and citrus fruits have been imported. Sixty two tons of fish were sent to ROME from GROSSETO during April.

35. Small/.....

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35. Small quantities of wheat are still being amassed and olive oil amassed to-date amounts to over 65,000 quintals. Crops are promising well but agricultural work in APUANIA Province has been greatly delayed by military operations and is still being impeded by mines; a mine lifting detachment is now at work. Insecticides and fungicides, although late for the best crop results, are now being received.

36. The morale of the civil police has increased slightly during the month and there has been no serious crime; there was a noticeable decrease in the number of cases to be tried.

37. Undulant fever has been reported in several localities. The malaria control programme is well organised and the distribution of clothing is complete except in APUANIA and the Island of CAPRAIA.

38. Glass production is suffering from lack of carbonate of soda and production will cease at the end of May unless new supplies are made available. The urgent need for tyre repair and manufacture facilities is made more critical by the lack of raw materials; shortage of coal is hampering the production of cement.

39. Protective coverings for monuments have been ordered to be removed throughout the Region. Repair work to damaged monuments and fine arts in MASSA will be commenced in May.

UMBRIA-MARCHE REGION.

40. The Region has received instructions to hand over administration of its last remaining provinces to the Italian Government on 10 May, so that its final efforts are being devoted to the preparatory measures necessary to put this into effect.

41. During its existence the Region has administered no less than twelve provinces, which is believed to be the largest number that any Region has been called upon to administer.

42. Activity generally during the month dealt with routine matters and there is little in the nature of highlights to report. Wheat amassing reached a total of 124% of the target figure and 76% of the olive oil target has been collected so far. As to the coming harvest it is feared that lack of rain, as elsewhere, will reduce the yield as compared with last year.

43. Steady progress has been made with the removal of mines, which will have a beneficial effect on agricultural production generally. 4,000 were dealt with in the first three weeks of the month but it is estimated there are still 100,000 to be lifted.

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43. Steady progress has been made with the removal of mines, which will have a beneficial effect on agricultural production generally. 4,000 were dealt with in the first three weeks of the month but it is estimated there are still 100,000 to be lifted.

44. Public health continues very good, hospitals being adequate for current needs. Italian welfare organisations functioned satisfactorily. For some time education has been seriously handicapped by the widespread use of schools for accommodation of troops. Lately a large exodus of the latter has taken place with a consequent revival in the educational system.

45. Great efforts have been made to restore public utilities to active operation and over 600 projects have been completed during the life of the Region. This despite the serious shortage of raw materials and transport.

46. 8,500 cases have been brought before AMG Courts since the formation of the Region and especial attention was given to curbing black market activity with marked success.

PART II.....

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PART II

CIVIL AFFAIRS SECTION

Defascism

1. A decree establishing Special Courts of Assize to try civilian collaborators has been adopted (DLL 142 of 22 April 1945). It has been implemented for Northern Italy and is intended to prevent the functioning of illegal popular courts and other forms of summary justice in the recently liberated territories. The Bench consists of a professional judge and four "judges" chosen from panels of local persons of accepted probity. The panels are prepared by CLNs of the provincial capitals.

2. General Order No. 35, which is intended to accomplish a preliminary epuration of employees of Government offices and parastatal institutions in North Italy and which was modelled on the basic Italian epuration law, DLL 159, is in effect in most of the Northern territory.

3. New decrees which are expected to become law very soon have been discussed at length with the Government and deal with the extension of the procedural time limits for certain epuration proceedings, the substitution of judges by lawyers and law professors as presidents of commissions of first instance, the forfeiture of corruptly gained wealth during the fascist regime, and the disqualification of persons of specified fascist antecedents from holding managerial positions in important companies. In the principal Ministries about 25,000 of the 45,000 employees have been scrutinized, 6,300 have been sent for trial: of these, 2,770 cases have been concluded, resulting in 7,000 dismissals. In addition, there have been numerous compulsory retirements and other lesser punishments.

Mine Clearance

4. There are now four Italian military Mine Clearing Companies operating under Allied Commission some of which will be used in Northern Italy as required. On the civilian side, a new Zone has been opened in EMILIA Region and has begun operations and a number of Italian officers earmarked for the Northern Regions have gone forward to form new Zones if they are needed.

5. Information is not available as to the extent of minefields in the North but it is thought that with the rapid advance of the Allies the enemy had little time to lay minefields except along last winter's line.

6. In EMILIA Region 574 minefields have already been located. Good work is being done, but lack of transport is a considerable handicap.

7. Many thousands of mines have been lifted during the month. The figures reported are over 133,000.

Distribution of Clothing

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Distribution of Clothing

8. During April a small quantity of repaired clothing was received from the Commerce Subcommission and distributed to Patriots Branch and Displaced Persons and Repatriation Subcommission.

LOCAL GOVERNMENT SUBCOMMISSION

9. The Italian Government's proposed system for the conduct of municipal elections, based on a law of 1915, has been examined and found to be antiquated and likely to lend itself to corruption. A recommendation for the amendment of the law before elections are held has been sent to the Government. The Government has also been informed that the holding of elections will not be countenanced in AMG Territory unless a more truly democratic procedure is adopted.

10. It has been decided that the policy to be followed and the attitude to be adopted by AMG to the CLNs in Northern Italy is that, while the Allied Commission supports the Italian Government, the CLNs must be treated with the courtesy due to their political position and their past labours: the advice of the CLNs will be sought and acted upon in so far as it does not conflict with the policy of AMG. It has been agreed with the Italian Government that although the appointments of Prefects and other senior officials in the North of Italy were ultimately for AMG to decide, it was proper for the Government to have an opportunity to express its

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views thereon. It was therefore arranged that the Government should submit the names of persons it suggested for appointment as Prefects and Questori in the Northern provinces and that these would be considered by AMG, together with any nominees proposed by the CLN or from any other source.

11. The Ministry of Interior has completed the epuration investigation of all its officials but actual trial proceedings have progressed slowly. The Ministry has been requested to assure the Allied Commission that outstanding trials will be concluded within a time programme.

EDUCATION SUBCOMMISSION

12. Progress was made in UMBRIA MARCHE and TOSCANA Regions in the distribution of books, printing of note books and derequisition and repair of buildings.

13. A special meeting was held with the Vice President, Civil Affairs Section, Monuments and Fine Arts Subcommission, the Minister of Public Instructions and this Subcommission, to discuss cultural interchange. The Minister of Public Instructions has expressed his approval of the steps already taken in the field and has agreed to appoint two committees to study means of bringing about an interchange of professors and students between Italy and Allied Nations.

14. A decree has been prepared to allow special university examinations for students whose work with the Partisans had made it impossible for them to take those arranged at the end of regular courses.

15. As a temporary measure the property of the Fascist Youth Organization (GIL) has been taken over by the Provveditori agli Studi for youth activities in the North and the American Junior Red Cross is sending 20,000 packages of school and toilet supplies for distribution to needy school children through the Italian Junior Red Cross.

LEGAL SUBCOMMISSION

16. The number of cases tried by AMG Courts has been substantially reduced owing to the withdrawal of local personnel for work in Northern ITALY. This has resulted in an increase in the already heavy load borne by the Italian Courts causing, in most courts, heavy lists of arrears. Theft and illegal possession again formed the bulk of the AMG Court cases and the cases of serious crime were few. A case, involving the death of an Allied Officer, occurred in Italian Government Territory and was therefore tried under Italian law; the accused was sentenced to thirteen years' imprisonment.

17. Of five espionage cases reviewed, two death sentences were confirmed, two prison sentences were affirmed and one conviction quashed.

18. The economic policy originally planned for the Northern territory has been slightly modified necessitating a further Order in the Official Gazette to suspend from operation the Italian laws increasing rates of salaries and allowances which are in force in the South. General Orders 40, 41 and 42 were drafted to establish the economic policy in the North and to provide rules for agriculture and transportation

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PUBLIC HEALTH SUBCOMMISSION

19. The Italian Government has appointed a Central Advisory Commission for Public Health. This is a temporary body taking the place of the Superior Council for Public Health which in the past had advised the Public Health Division of the Ministry of Interior on the health of the nation. The term of office of the Central Advisory Commission is for one year after the cessation of hostilities.

20. Two hundred and seventy-four smallpox cases have been reported from NAPLES Province during April; sixty-two from AVELLINO; fourteen from SALERNO; six from FROSINONE; and one from each of the Provinces of ROME, PALERMO, CATANZARO, and CAMPOBASSO. As 3,000,000 vaccinations have been performed in NAPLES the reason for the large number of cases which continue to be notified there is unknown. An investigation is being made by the Italian government.

21. The anti-malaria project on the Pontine Marshes continues but is seriously hampered by lack of transport. The Tiber Delta demonstration project is nearing completion and the adult and larval capture phase of the programme is about to begin.

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So far, about 4,350 buildings have been treated.

22. The infant mortality rate for ROME was 87.4 per 1,000 in March, as compared with 111.5 in February. The number of deaths in ROME Commune from all forms of tuberculosis in March was 256, as compared with 190 in February.

23. It is considered that the veterinary services in Italian Government territory are now functioning with the same efficiency as was to be found in pre-war days. Foot and Mouth Disease, hog cholera, sheep scabies, brucellosis and laryngotracheitis have all been reported from different Provinces during the past month. Courses of instruction on bovine sterility and artificial insemination have been conducted for veterinarians in the Provinces of ROME, VITERBO and FROSINONE during the month.

24. The regular feeding programmes are continued and childrens' diets are being supplemented by milk and vitamins distributed by the Ente Nazionale Distribuzione Soccorsi per l'Italia (ENDSI). A widespread distribution of 137,000 blankets has been made during the month.

PUBLIC SAFETY SUBCOMMISSION

25. The "spearhead" force of 5,650 Carabinieri has moved into the Northern regions and a further 4,000 men are moving forward. 550 Carabinieri and 1,200 Guardia di Finance from Southern ITALY have been assigned to work under the direct orders of the Italian Frontier Control Detachment (CIC) which is responsible for control of movement at the Northern Italian Frontier.

26. AFHQ have authorized an increase in the CC.RR ceiling to a total of 65,000 but arrangements for the supply of rations and clothing have still to be worked out for the additional 10,000.

27. There were four prison disturbances during the month, the most serious of which was at FORTE BOCCEA where the entire prison was for a while in the hands of about 450 Italian Military prisoners. CC.RR and Civil Police with armoured cars and machine guns restored order.

28. Many demonstrations and impromptu parades were held in protest to the rumoured JUGOSLAV intention to annex TRIESTE.

29. Twenty out of the thirty-one members of the "Onore" Group arrested, as mentioned in last month's report, have been interned and eleven released.

MONUMENTS, FINE ARTS & ARCHIVES SUBCOMMISSION

30. Initial reports have come in concerning the condition of the recently liberated cities in the North. Damage was generally slight except at VERONA and VICENZA where many of the important monuments were damaged. VENICE was untouched, as was the abbey at POMPOSA; in BOLOGNA damage to the monuments in the centre of the [illegible] damage to S. Francesco, the Archiginnasio

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PUBLIC SAFETY SUBCOMMISSION

25. The "spearhead" force of 5,650 Carabinieri has moved into the Northern regions and a further 4,000 men are moving forward. 560 Carabinieri and 1,200 Guardia di Finanza from Southern ITALY have been assigned to work under the direct orders of the Italian Frontier Control Detachment (CIC) which is responsible for control of movement at the Northern Italian Frontier.

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27. There were four prison disturbances during the month, the most serious of which was at PORT BOCCEA where the entire prison was for a while in the hands of about 450 Italian Military prisoners. CC.RR and Civil Police with armoured cars and machine guns restored order.

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31. Florentine deposits removed by the Germans from POGGIO A CAIANO and MONTAGNANA to places in the Italian Tirol near BOLZANO and MERANO are now safe in Allied hands.

PATRIOTS BRANCH

32. The most important development during April was the temporary authority for the issue of clothing and Italian Military rations to Patriots in Centres or hospitals, issued by AFHQ pending a decision on the matter by the CCS.

33. As a result of the Allied advance the Patriot Centres at FLORENCE and PESCIA passed from FIFTH Army to TOSCANA Region control and the liberation of BOLOGNA and IMOLA enabled many patriots to return to their homes in these areas. By the end of the month new centres had been opened at MODENA and BOLOGNA.

34. The first report of disarming came from BOLOGNA, where on 25 April, approximately 4,000 patriots handed in their arms at a most successful parade attended by Commanding General 15 Army Group and a number of other senior Allied officers.

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35. The Ministry of War intends to issue a special medal ribbon for patriots and also to grant combatant patriots the same family allowances as are given to members of the fighting forces.

DISPLACED PERSONS & REPATRIATION SUBCOMMISSION

36. AVERSA, BARI and CINECITTA Centres, as well as the camps on the ADRIATIC coast, were inspected during the month. Health continued to be good. Mass radiography of five hundred inhabitants of CINECITTA Centre showed that about 6% had some form of tuberculosis. The epidemic of typhoid at No. 27 AMG Evacuation Camp, FLORENCE, has abated.

37. Approximately 3,000 Italian refugees arrived in ROME during the month, the majority coming from the RIMINI area. 400 persons were returned to homes in ORTONA area and 1,591 Italians with homes in SICILY, SARDINIA or the South were repatriated.

38. At the end of April, 78,479 persons were recorded with the Record Bureau of the Subcommission. The location of approximately 60,000 of these is known.

39. UNRRA has taken over the responsibility of Financial Assistance Advances for United Nations Nationals and Stateless Displaced Persons in the ROME area. As from June, UNRRA will make payments throughout Free ITALY, with the exception of thirteen recently liberated Provinces where payment will continue to be made by this Commission.

40. During the month the Banca d'Italia was authorized to make 2,195 payments totalling 8,195,250 lire; 3,734 persons were scheduled to benefit from these payments.

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PART III

ECONOMIC SECTION

AGRICULTURAL SUB-COMMISSION.

1. The third joint Agricultural Conference was held in ROME 16-18 April. The conference was planned and organised by the Italian officials of the Ministry of Agriculture and Forests and was distinguished by the intense interest of all parties concerned and a large representation of farmer groups. It was devoted mainly to agricultural production, amassing, restoration of agricultural experimental institutes and plans for Northern ITALY.

2. General Order No. 40 for the Collection of Cereals was approved and has been distributed to all the Northern Regions.

3. Wheat consignment to the "Granai del Popolo" reached a total of 1,425,585 quintals, or 94% of the estimated gold; current consignments are small. Olive oil collected has reached 474,120 quintals.

4. A proposal was made for the setting up of a FRANKLIN DELANO ROOSEVELT Memorial Forest in ITALY to be planted both with American and Italian trees and dedicated to the memory of the late President.

5. In order to supplement the available meat supply with fish AMG has been asked to modify the existing fishing regulations.

COMMERCE SUB-COMMISSION.

6. Releases for the month from AFHQ(I)B continued to be satisfactory, the principal items including 3,700 tons of cement for April, 82.5 tons of ammonia gas in liquid form, and 35 tons of paint, an increase on previous months.

7. Arrangements were made for the supply by the Italian match monopoly to the Allied Forces of 1½ million boxes of matches monthly for three months.

8. The shortage of leather belting is being relieved by the production at NAPLES of a substitute in the form of a rubber-impregnated five-ply canvas belting, scrap rubber from inner tubes being used for the impregnating process.

9. The newsprint situation was eased by the arrival of 1,612 tons from AUSTRIA and just over 600 tons from GREECE. Of this, however, 600 tons was used to repay previous loans.

10. Part of the thread output from Cucirini Cantoni Coats Co. of LUCCA was declared by AAC Fifth Army to be surplus to Army needs and placed at the disposal of this Commission for distribution.

11. The Italian Government was informed of the new export policy laid down by the CCS in WASHINGTON and given a list of those commodities which are in world

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CONTROL SUB-COMMISSION.

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11. The Italian Government was informed of the new export policy laid down by the CCS in WASHINGTON and given a list of those commodities which are in world short supply or are required for the war effort (Category A) and those which are treated on a different basis from all other commodities (Category B). Category A commodities continue to be allocated in accordance with instructions issued by the UNITED NATIONS, whilst Category B commodities may be exported by the Italian Government to any country on whatever terms it may choose, although it has been recommended that they be sold at not less than the equivalent cost of production in lire. This policy represents a definite step in the direction of restoration of private trading and opens the way to free commercial relations with non-Allied countries.

12. Exports during the month totalled 3,610 tons with an estimated value of about 28 million lire. The exports were to U.S.A., MALTA and JUGOSLAVIA.

13. The decree legalising the functions of CIP (Comitato Italiana Petroli) has been issued; previously CIP had functioned simply as an organ of Petroleum Section, AFHQ.

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FINANCE SUB-COMMISSION.

14. During April the Allied Commission was notified that a further credit of 50 million dollars was made on 15 March 1945 to the account of the Italian Government with the U.S. Treasury Department. This amount represented the net expenditure by U.S. troops in ITALY out of their pay. A total of 100 million dollars has now been credited to this account, covering the period through 31 December 1944. These funds are earmarked for the purchase of reconstruction materials.

15. Total tax collection in March amounted to 5 billion lire, bringing the total collected from 1 July 1944 to 31 March 1945 to 15.3 billion lire.

16. On 6 April 1945, AFHQ issued Administrative Memorandum No. 81. By this document AFHQ Admin. Memo. No. 95 of 1945 was rescinded and cash (lire) payment for certain types of supplies was authorised as a matter of expediency in order to insure a continuing supply of essentials necessary for the prosecution of the war effort. Arrangements have also been made for all unpaid bills and requisitions held by the Allied forces to be handed over to the Ministry of the Treasury for settlement under the terms of the Armistice.

17. Subscription lists for the new 5 year 5% Treasury Bonds were opened on 5 April and will remain open until 19 May. It is hoped that subscriptions will total lire 25,000 million and reports received at the main office of the Banca d'Italia, ROME, up to and including 30 April, show a total subscribed of slightly over Lit. 13,000 millions.

FOOD SUB-COMMISSION.

18. Food imports for the month totalled 160,721 tons, a higher figure than during previous months due to the making up of deficiencies which had developed during the first quarter of the year.

19. As a result of the increase in imports it has been possible to widen the distribution of milk to cover all priority classes for which a ration scale had been laid down. Reserves of cereals have been built up in all the large deficiency areas of South ITALY and the Islands which have been dependent on imported supplies.

20. The local grain situation remains satisfactory with a total of 243,000 tons in warehouses at the end of the month, of which 113,000 tons were still available for allocation. Grain reserves for ROME at the end of April were 42 days of flour and 51 days of pasta. The arrivals of non-rationed foods in ROME amounted to 18,101 tons or an average of 646 tons a day, compared with 519 tons a day in March and 435 tons a day in February.

21. Salt shipments during the month were the largest up to date, amounting to 16,677 tons; supplies are now sufficient in most areas to permit a ration of 300 grams a month to be issued, in contrast to the 100 or 200 grams ration previously in force.

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20. The local grain situation remains satisfactory with a total of 249,000 tons in warehouses at the end of the month, of which 113,000 tons were still available for allocation. Grain reserves for ROME at the end of April were 42 days of flour and 31 days of pasta. The arrivals of non-rationed foods in ROME amounted to 13,101 tons or an average of 646 tons a day, compared with 519 tons a day in March and 425 tons a day in February.

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22. Regional Officers of the Italian High Commissioner for Food have been appointed to TOSCANA, UMBRIA-MARCHE, APULIA and PIEMONTE Regions and appear to be functioning quite satisfactorily.

23. It is intended to continue supplementary rations for all heavy and other workers in Northern territories, wherever they are found to be in force.

INDUSTRY SUB-COMMISSION.

24. Preliminary reports show that damage in the North is almost negligible, one estimate giving 95% of the plants in operational order with ample supplies of power but an almost total deficiency of coal. The immediate problem to avoid grave social unrest in the near future will therefore be the provision of raw materials and coal. The sewing thread factory of Cucirini Cantoni Coats, LUCCA, is now producing 1,550 Kgs. of thread a day, with a planned increase to 2,000 Kgs. a day. In the woollen industry the production of

/piecegoods and ...

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piecegoods and blankets now amounts to over 40,000 metres a day. The amount of hemp pooled in April decreased sharply and unless supplies can be moved from Northern ITALY, the factories will have to reduce their output.

25. A serious situation has arisen as no phosphate rock has been imported since March. This is due to the refusal of French producers in NORTH AFRICA to continue shipping until their demand for a 30% increase in price is met. So far, despite urgent representations and conferences, it has not been possible to overcome the difficulty.

26. March production reported by Unto Zolfi Siciliani sulphur mine was 4,041 metric tons. The consol production figure for April is 3,500 tons, an increase on the previous month. Sardinian coal production for March was 34,987 metric tons, the estimated production for April being 26,000 metric tons. The estimated reduction in output is due to strikes and the "go slow" policy adopted by the miners. During the first half of April, this reduction materially decreased the supply of coal available for distribution and the loss had to be made up from imported sources. Largely due to transportation difficulties, the estimated production of lignite on the mainland was only 15,000 tons.

LABOUR SUB-COMMISSION.

27. The policy of freezing wages in private industry north of the Provinces of RAVENNA, FORLI, PISTOIA, FIRENZE, LUCCA and APUANIA at the level prevailing on 5 April 1945 has been put into effect. Where it is impossible to stabilize prices, corresponding adjustment of wages may be negotiated between employers and workers, but any agreement reached can only be operative subject to AMG approval. The Regional Italian Joint Advisory Committee will consider and make recommendations to the Regional Commissioners on such proposed wage changes.

28. Wage rates for Government employees will also be held at the level prevailing on 5 April and special provision is being made for employees transferred from the South; Allied Forces employers will be paid at the rates prevailing in each locality.

29. It has also been decided that, in general, Italian Government wage decrees will not be implemented north of the above mentioned boundary.

30. The dispute over wages and piece-work conditions involving 3,500 workers in Sardinian coalfields has been settled for the time being and normal work resumed.

31. There was agitation amongst Armed Forces employees early in the month for wage increases to compensate for the emergency indemnity granted to workers in private industry.

32. The provision of labour for the harvest in FOGGIA has caused concern and there is fear that the high wages offered to harvest workers may entice others away from the employ of the Allied Forces. The Italian Government has been asked to make plans to utilize unemployed labour from other regions.

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33. The scheme for recruiting building and civil engineering workers for the FAR EAST has been approved in principle by the Italian Government, who to stimulate interest, propose to pay a considerable bonus to all workers volunteering. Facilities are also in hand for the recruitment of 500 skilled workers for various shipyards in INDIA.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

35. Information so far received on conditions in newly liberated areas is encouraging. An additional 40,000 KW of electrical generating plant is now available for use in Central ITALY. It was anticipated that some of this energy would be required in the area north of FLORENCE; however, it is now known that there is sufficient electricity already available in Northern ITALY and in fact it is expected that surplus energy will shortly be available for use in Central ITALY. It is proposed to form an Advisory Committee on Electric

/Power (Northern ITALY)...

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Power (Northern ITALY) as early as possible.

34. The second of the large 35,000 KW generating units, at GALLETO TERNI came into operation on 10 April, together with an 11,000 KW unit at PIAN DELLA ROCCA.

35. 565 Kms. of transmission line were rehabilitated in ITALY during the month. Work has been started to restore transmission systems to recently liberated plants north of the FLORENCE area.

TRANSPORTATION SUB-COMMISSION.

36. The approximate civilian tonnage moved by rail in April was: SARDINIA, 58,000 tons; SICILY 152,000 tons; and the MAINLAND, 170,000 tons.

37. The supply of cement for railway reconstruction was better during April. The ORTONA-ANCONA line was completed, but an unfortunate land slip at the CASTELFIDARDO Tunnel near ANCONA has prevented the opening of the line; it may be some time before work on the tunnel is completed. The PISA-LIVORNO-FLORENCE line has been opened to traffic and work on the ROME-VITERBO line was completed during the month. A number of local passenger train services have been reopened.

38. Virtually all shipping bids were met and approximately 60,000 tons of stores were moved by sea. There has been a considerable waste of shipping during the month owing to a difference of opinion on the freight rates to be charged on pyrites and to a dispute between the French and Italian Governments on the price to be paid for phosphate rock from NORTH AFRICA. The Mediterranean Shipping Authorities have handed back ten ships to be operated by the Italian Government with a total estimated capacity of approximately 25,000 tons a month. Regular coastwise sailings are being established.

39. Warehouse accommodation is taxed to the utmost with Allied civilian supplies for Northern ITALY. The Italian Warehouse Association has not yet shown itself capable of full management of these warehouses and considerable Allied supervision has been necessary.

40. Of 1,700 1½-ton trucks allotted by U.S. to the Commission for civil needs, 1,544 have now been delivered.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS

PUBLIC RELATIONS BRANCH

1. The month's activities, as with all work of the Allied Commission, was climaxed by the opening of the final campaign in ITALY. Representatives of the Branch were sent forward for work in the Northern Areas.

2. The News Production Division issued forty one releases during the month, including several technical articles to trade magazines in ENGLAND and AMERICA.

NAVY SUB-COMMISSION

3. In conjunction with, and under the control of the Allied Naval authorities, the Ministry of Marine is arranging to supply numerous Italian Navy personnel for duties connected with the operation of the various Northern Ports when they are freed from enemy control.

4. The Ministry of Marine announced on 7 April His Royal Highness, Vice Admiral Aimone di SAVOIA (The Duke of Aosta) was relieved from his posts of Inspector General of M.A.S. of Assault Craft and of the San Marco Regiment and has been placed on the list of those officers available for assignment. Contrary to a widely held belief, the Duke of Aosta has not been deprived of his rank of Vice Admiral but only relieved of his duty appointment for his statement regarding the Italian High Court of Justice.

LAND FORCES SUB-COMMISSION (LFSC)

5. During the last big push by the FIFTH and EIGHTH Armies of the five Italian Combat Groups, four of them, "CREMONA", "LEGNANO", "FRIULI" and "FOLGORE" were in the line. On 11 April, advanced units of the CREMONA and FRIULI Groups crossed the SENIO. By 24 April the LEGNANO Group had entered BOLOGNA and the remaining two Groups, after experiencing heavy fighting and capturing many prisoners, were concentrated S.E. of BOLOGNA. The CREMONA Group was again called forward on 30 April, and, advancing with units of the EIGHTH Army, crossed the River PO and took part in the operations which culminated in the crossing of the ADIGE River and the ultimate surrender of the German Forces in ITALY. The fighting qualities of all Italian Combat Troops and their active contribution to the great Allied victories during the past month have received the highest praise from Field Marshal ALEXANDER and his subordinate commanders.

6. On 24 April the Ministry of War was informed that the combat ailing

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LAND FORCES SUB-COMMISSION (ALMA)

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6. On 24 April the Ministry of War was informed that the combat ceiling of the Italian Army was increased by 12,000 as from 19 April. This increase was to be balanced by a reduction as from the same date of the BR-ITI service ceiling by 12,000.

7. The general policy regarding the employment of Italian troops was established. No Italian troops will be employed outside the frontiers of ITALY.

8. The demobilisation of Italian soldiers of first four months of 1914 class and older classes, whose homes are South of Army boundaries, was authorised and has begun Initially this will affect about 4,000 men.

AIR FORCES/.....

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AIR FORCES SUB-COMMISSION.

9. The efficiency of the Italian Air Force continues to increase although the administration and organisation is not yet up to Allied standards.

10. Largely for political reasons, permission was granted for the Italian Air Ministry to retain a number of obsolete type aircraft provided no work was done on them. The retention of these aircraft has had a good effect upon the morale of the I.A.F. who were reluctant to have a reduction made in aircraft strength.

11. Acting Air Vice Marshal I.E. BRODIE, O.B.E., has been appointed Director Air Forces Sub-Commission in place of Acting Air Vice Marshal W.A.B. BOWEN-BUSCARLET, reassigned.

COMMUNICATIONS SUB-COMMISSION

12. Preliminary reports from North ITALY show that the damage to civil communication services is not severe, though removal of equipment and damage to cables has been sufficient to prevent immediate resumption of some services.

13. Foreign mail service was opened with FRANCE, BELGIUM, GREECE, BULGARIA and RUMANIA. Agreement was reached on the terms of opening a cablegram and radio service with UNITED STATES and UNITED KINGDOM.

WAR MATERIAL DISPOSAL & PW SUB COMMISSION

14. This Sub-Commission is now acting as the allocating authority for all salvage in ITALY, thus speeding up operations at the Salvage Depots and relieving congestion. Scrap vehicles inspected during the month totalled 110. Nine of these were returned to the Italian War Ministry and fourteen handed over to the Italian Ministry of Transport. The remaining 87 vehicles are being rebuilt by private enterprise, under contract, and will operate under ENAC when the work is completed. The total tonnage of salvage material claimed on behalf of Allied Commisaion and the Italian Government was 9,250 tons.

15. During the month 1,247 Italian Prisoners of War were repatriated of which 148 were specialists.

16. Clothing donated in the Italian Red Cross Drive, sponsored by this Sub-Commission, was handed over to the Italian authorities to be given to needy Italian Prisoners of War who have been repatriated and released.

17. Remittances by Italian Prisoners of War to their families totalled £ 44,393. Final Credit balances of repatriated Prisoners of War were forwarded to the Italian High Commissioner for PWs, representing a total of £ 32,212 -

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ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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

4043/9

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Executive Commissioner

Tel: 478201

Ref: 825/188/EC.

21 May 1945.

SUBJECT: A.C. Monthly Report for March.

TO : G-5 Section, AFHQ.

1. With reference to the above mentioned report please amend page 14, para 7 (Commerce Sub-Commission) to read:

"7. The Italian Government is now responsible for making allocations of POL for the whole of Southern ITALY, SICILY and SARDINIA, including LAZIO and ABRUZZI Compartimenti, from bulk supplies made available to them by the Allies."

2. The error is regretted.

For the Chief Commissioner:

Brigadier,
Executive Commissioner.

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Venezia Region
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Property Control S/C
Legal S/C
M.F.A. & A. S/C
Agriculture S/C
Commerce S/C
Food S/C
Transportation S/C
Shipping S/C
Displaced Persons & R.S/C
Establishment Section
Navy S/C
Land Forces S/C (MMLA)
Communications S/C
Public Relations Br
Toscana Region
Liguria Region
Venezia Region
Emilia Region
AMG Ancona Prov
Lombardia Region
Piemonte Region
AMG Naples Commune
L.O. Bari
" Palermo
" Sardinia
" Catania
AMG Fifth Army
AMG Eighth Army
C.A.B., HQ East Africa Command
C.A.B., GHQ, MEF.
DCCAO, 15 Army Group
Chief Sec, B.M.A., Tripolitania
HQ Det 2677 Regt, Office of Strat Services.
J.Ingman Esq.,
Min of Economic Warfare Rep.,
G-2 (Adv Int Sec),
AFHQ C/o PBS.

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4043/9

CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

Ref: 824/EC

18 May 1945

MONTHLY REPORT

MARCH 1945

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CONFIDENTIAL

LEGAL SUB-COMMISSION
CLO
DCLO
Chief Counsel
CIO
Italian Section
CL RKS
18 MAY 1945

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

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POLITICAL SUMMARY

1. Under the terms of the new Combined Chiefs of Staff directive for ITALY, known as the "New Deal", the Headquarters of SOUTHERN, SICILIA and SARDEGNA Regions were abolished on 31 March and the new UMBRIA-MARCHE Region came into force.

2. An outstanding event of the month was the escape of General ROATTA on 4 March from the custody of the Carabinieri and his subsequent disappearance. General ROATTA was in process of being tried with Signor SUVICH, Signor JACOMONI and others for crimes against the Italian State and his case was of especial significance as he had been named by the authorities in YUGOSLAVIA as a war criminal.

3. The whole press showed great indignation over the affair both from the international point of view and on account of the evidence of hidden Fascist influence which it had brought to light. The Communist Party demanded the immediate dismissal of the Heads of the Carabinieri and the Police, and the suppression of the General Staff, suspected of having organised the escape.

4. On 6 March a demonstration moved to the Quirinal where an attempt was made to enter the Palace. During the demonstration a hand-grenade was thrown killing one Italian civilian and wounding two Allied soldiers and an Italian Police official. Shots were fired by the Carabinieri.

5. Signor BONOMI then received a deputation which demanded the Government's resignation. He replied that he could not desert his post and that as head of a coalition of parties he would shoulder responsibility for the Council of Ministers.

6. A communique was issued on 7 March by the Council of Ministers which relieved all fears of a Governmental crisis, and among other palliatives announced the dismissal of General ORLANDO, the Commanding General of the Carabinieri, and the transfer of the Intelligence Office, the former S.I.M., from the Italian General Staff to the General Staff of the Army in accordance with arrangements approved by the Allied Command. 122

7. This event and its demonstration of inefficiency on the part of the police authorities, has shown an unexpected degree of strength in the Government or, at any rate, an unwillingness of the parties composing it to witness its dissolution with unpredictable possibilities in regard to the formation of a new Government.

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8. The Council of Ministers met on 16 March and, amongst other minor measures, approved a draft decree aimed at the fusion of Patriot units with the Regular Army. The Government have for some time been seeking to give the Patriots some form of recognition and at the same time to keep alive their military enthusiasm without impairing the administration of the Regular Army. This decree envisages the enrolment of Patriots in the Regular Army with recognition of the ranks being held while in Patriot units. These ranks go up to and include that of lieutenant colonel. Somewhat later in the week Signor SCOCCIMARRO, the Minister for Occupied Italy, stated amongst other things during an interview, that it would be unwise to count on assistance from the North in the reconstruction of ITALY. It would be more than likely that the liberated areas would need aid from central and southern ITALY. He, therefore, looked to the Committees of National Liberation to mobilise the working masses immediately after liberation. In a speech on 22 March the Minister also announced that ITALY claimed the right to try German prisoners of war for war crimes committed in ITALY.

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9. At the Council's meeting on 21 March the High Commissioner for Food, Signor BERGAMI, presented a report in which he stated that the wheat situation was satisfactory until the next harvest. The population would receive its 200 grams of bread and 80 grams of pasta. The High Commissioner spoke again on the need of controlling prices and protecting the citizens against speculation. At this same meeting the Council also approved a decree to keep existing agrarian contracts in force until the end of the war.

10. The principal business of the Council Meeting on 28 March -- and the most important development of the month -- was the setting up of the long awaited Consulta or Advisory Assembly. As at present planned the Consulta will have 320 members, selected as follows: 180 chosen by the most 'important' parties; 70 by the syndical organisations and 70 from among old anti-Fascist senators and ex-deputies. The Assembly will be divided into commissions corresponding roughly to the various Ministries and will express opinions on the general problems and legislative measures which are submitted to it by the Government. The Government is bound to seek the opinion of the Consulta on matters affecting the budget and public expenditure, taxation (except in cases of extreme urgency) and the electoral laws.

11. During the month it was announced that Signor Giuseppe SARAGAT had been appointed Italian Ambassador to FRANCE. Signor SARAGAT is one of the leaders of the Italian Socialist Party and is well-known in FRANCE where he spent 13 years as an exile from Fascism. It was announced later in the month that Italian diplomats had been nominated for various posts in SOUTH AMERICA and would soon be leaving to assume their duties.

12. The QUINTIERI-MATTIOLI Mission has given its report on returning from the UNITED STATES. The report has been favourably commented upon by the press in general, not so much for any real concessions which the two financiers have won, as for the encouraging tone of American interest in ITALY.

13. On 8 March the Italian Government signed an agreement with the representative of UNRRA implementing Resolution 58 of the UNRRA Conference, held at MONTREAL last Autumn, for assistance to ITALY. The refugee camps established by the Displaced Persons Sub-Commission in Southern ITALY will be formally handed over to UNRRA on 1 April. In the matter of food supplies a joint programme has been prepared by UNRRA with the Allied Commission and with the Italian High Commissioner for Food. It should be noted that UNRRA will not function in territory administered under Allied Military Government except by permission of the Allied Commission.

14. The first Regional Commissioners' Conference since last August was held in ROME at the Allied Commission Headquarters on 8 and 9 March. The meeting was presided over by the Acting President and discussions ranged over a large number of subjects. Particular attention was given to the political, economic and other problems which will confront the Allied Commission and Allied Military Government on the liberation of Northern ITALY.

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PART I.

ADC ARMIES AND REGIONS

ADC FIFTH AND EIGHTH ARMIES.

1. The territory administered has remained unchanged and the month has been marked more by quiet progress than by any event of outstanding importance.

2. Food supplies during the month were sufficient and the issue of flour was based on the 300 gram ration. In the EIGHTH Army area flour was obtained entirely from local stocks and with the exception of 125 grams of sugar a head to the whole population, imported foodstuffs were distributed only to special classes.

3. All farmland in FORLI Province, other than mined areas, is under cultivation and the wheat acreage is almost normal.

4. The standard of health remained satisfactory. A programme of immunisation against typhoid, diphtheria and smallpox was started and was well under way by the end of March.

5. Very little electric power is available for industrial use so far, but in the meantime the repair of selected factories has been pushed forward. Four factories engaged in producing hemp products have been repaired in the EIGHTH Army area and, at one of these, production of sacks and industrial belting has begun. 11,000 hectares have been sown with hemp.

6. Repair of a sugar beet factory at CESENA is well advanced and sufficient beet has been planted to produce approximately 6,000 tons of sugar this year. Farmers in the North East are being encouraged to produce raw silk and a great deal of work has been done towards restarting silk mills. In addition to the three brickworks already in operation, four others, capable of producing 4,400,000 bricks a month, are ready to operate as soon as power is available.

7. In the meantime bridge building and other reconstruction projects have been slowed down for lack of materials. Practically the whole of the flooded area South and East of RAVENNA has been drained and only 500 hectares remain under water. 6,713 mines were lifted during the month bringing the total up to 7,217 mines.

8. The civilian population remains friendly and incidents have been few.

SICILIA REGION.

9. There was genuine regret among the official classes at the withdrawal of the Allied Commission staff from the Island and it is believed that the

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10. A Liaison Officer was left at PALERMO for Western SICILY, and CATANIA for Eastern SICILY and a Mining Officer remained at PALERMO. One Property Control Officer and two Transportation Officers are also being left on the Island until about 1 May.

11. No change was made as regards the Islands of PANTELLERIA and LAMPEDUSA which still come under AMG; one C.A.O. remaining on each Island.

12. There were no signs of improvement in the effectiveness of the local administration which remained at a low level.

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13. Grain ships arrived regularly thus enabling a steady distribution of the full 300 gram ration of bread and pasta throughout the Island, but there were no indications of any reserve stock being built up. The increase in the price of bread and pasta consequent on the cancellation of the state subsidy caused no unfavourable repercussions. Public morale remained comparatively good due mainly to the continuance of regular issues of rationed bread and pasta and to the meeting of demands for wage increases. Much discontent arose from the increasing lack of clothing and shoes for the workers.

14. Inter-regional and export trade was hampered by lack of transport. Production of sulphur from the mines continued at an abnormally low level.

15. Agriculture was seriously hampered by shortage of fertilisers, labour and machinery; the area under seed is less than that of last year and the olive oil amassing can be considered as almost a complete failure.

16. Crime remained at a high level; the number of cases of banditry in the country districts appears to have decreased slightly due to strong measures taken in certain areas resulting in many suspects being arrested.

17. The health of the population remained very good and there were no serious epidemics.

18. There was a considerable improvement in the supply of railway box cars which were steadily being returned to the Island.

SOUTHERN REGION.

19. Increased political activity was inspired by the ROATTA escape and sporadic demonstrations against the Government took place at NAPLES and BARI on 7 March, at TARANTO and BARLETTA on 8 March, and elsewhere. Most of these were led by Left Wing personalities and Communist flags and placards were carried. The events led to no serious trouble or casualties except at ANDRIA, near BARLETTA, on 8 March, where a motor cyclist, who persistently interrupted a political meeting by racing his engine, was set upon and killed. There was a disturbance of somewhat different type at MINERVINO MURGE, near BARI, following a religious ceremony. One Carabiniere was mortally wounded. There was an instance of disorder at CALABRIA where a priest was killed and the Carabinieri were restrained by armed Communists, acting, it is alleged, under the instructions of the Sindaco. These disturbances have been very freely commented upon by the parties of the Right Centre, and have been minimized by the Communist and Socialist Press. It would appear therefore that the Liberal and Christian Democrat Parties in South ITALY are either genuinely afraid of Communist progress, or, as may be more likely, feel that the time is ripe to exploit public apprehension of Left Wing dis-

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20. The food situation is fairly normal.

21. At the PORTICI plant the production of sulphuric acid and superphosphate proceeded well and at Vetrerie Ricciardi, NAPLES, production of domestic glassware and medical bottles is continuing at the rate of three tons a day. Frequent inspection of clothing repairing plants, laundries and disinfestation plants and dyeing factories were made and work is being carried out satisfactorily. The output of the two laundry plants in operation reached 42,000 pieces a week and 62,982 repaired garments were distributed during the month. The shortage of dyeing material is, however, still a most serious problem and for this reason the dyeing of salvaged uniforms and garments could not be kept to the full extent.

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22. A strike of Public Utility workers in the first three days of the month was settled without serious results and no interference with Allied interests took place.

23. The crime situation was static except for a few minor instances. The unsatisfactory state of transport for the civil police has shown no improvement.

24. Smallpox remained at low endemic levels in NAPLES City and Province in the face of a continued vaccination programme. Four suspected cases of typhus occurred near BRINDISI.

25. Six additional NAPLES-ROME telephone circuits were connected and a ROME-SICILY telegraph and telephone circuit was made available.

26. Under the "New Deal for Italy" policy A.C. officers were withdrawn from Southern Region, with the exception of a small Liaison Office at BARI and officers at NAPLES Commune, which continues to function under AMG.

LAZIO-UMBRIA REGION.

27. LAZIO-UMBRIA Region, then under the title of Region IV, was formed on 1 August 1944. Eight months later, on 31 March 1945, the Region officially ceased to operate, the UMBRIA Province (TERNI and PERUGIA) being transferred to the newly formed UMBRIA-MARCHE Region on 16 March.

28. Local Government has progressed steadily and well from the first hastily selected Prefetti and Sindaci to more considered appointments based on experience of the individuals.

29. The health of the people during the last eight months has been remarkably good. There is still not enough food being distributed at reasonable prices and the poorer people suffer as a result of the Black Market, but there is no starvation.

30. Grain amassed stands at 165,450 tons or 104% of the goal; small quantities of grain are still trickling in but this can be considered as the final total for the year. The olive oil collection has reached 3,760 tons which is 64% of the goal and there is likely to be a fair increase on this figure. Importation of livestock to those Provinces which were denuded has made excellent progress. The figures to date are :

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Cattle	2380
Horses, Mules	1089
Sheep	4170

31. Provision of seed potatoes caused much anxiety; transportation difficulties and lack of cooperation restricted the imports to under 1,000 tons - about 12% of the requirements.

32. During the eight months, 905 public works reconstruction projects for 865 million lire were approved and financed in LAZIO alone. Of these, 350 have been completed. Among major achievements is a big reduction in flooded areas, reduced from approximately 33,000 acres to about 7,500 acres.

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33. Crime has decreased. The civil police have shown that there is good material out of which a first-class force could be made but clothing and equipment are still unsatisfactory and transport is insufficient.

34. In the Italian Courts the delays are still a serious problem. Since 15 August 1944 the Legal Division of this Region has sent to the Procuratore del Regno 1,763 cases in which the Allies were interested. So far 280 have been cleared through the Italian Courts. Crime reports processed since the formation of the Region totalled 75,955.

35. Soup kitchens in ROME City were arranged by radio with the Vatican before the Allied arrival in the City and approximately 250,000 meals have been served daily. Latterly the service was extended to the Provinces and a further 45,000 were distributed each day. In all welfare matters very close contact was maintained with the Vatican State.

36. Five refugee camps containing 8,000 refugees remain in ROME, mainly for those who are waiting to go North.

ABRUZZI-MARCHE REGION.

37. On 16 March the Region took over the Provinces of PERUGIA and TERNI. On 1 April it handed back to the Italian Government the Provinces of the ABRUZZI, viz: AQUILA, CHIETI, PESCARA and TERAMO. As from 16 March the Region will be known as UMBRIA-MARCHE Region and consists of the Provinces of ASCOLI-PICENO, MACERATA, ANCONA, PESARO, URBINO, PERUGIA and TERNI. Expressions of the greatest regret were made in the Provinces of the ABRUZZI on the cessation of Allied control; much apprehension about the withdrawal and little pleasure was noticed on the publication of the news.

38. Special efforts, achieving a large measure of success in the reduction in the price of foodstuffs, have recently been made in certain Provinces to stop the activities of operators in the black market.

39. The crops everywhere showed good promise. Wheat amassing for this Region has now reached 122%, and olive oil 55%, of the target figure.

40. The CABERNARDI mine is producing approximately 600 tons of sulphur a week and an allocation was made to ASCOLI and MACERATA of refined sulphur from BELLISIO Refinery (PESARO) for sulphur ointment to combat scabies.

41. Out of the estimated surplus of 50-60,000 tons of potatoes (Italian figures) only about 8,000 tons have been amassed since the crops first started to come in last autumn; 4,000 tons of seed potatoes have arrived from the U.K. In ANCONA 340,000 eggs are being amassed monthly and sold to the public at 10 lire each.

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42. In most of the Region the standard of efficiency of the CC.RR has been maintained. Much clothing is still required and replacements are already needed. The transport situation continues to be bad. There have been minor demonstrations in ASCOLI, AQUILA and SPOLETO but there has been little serious crime.

43. There have been a number of strikes of short duration; Italian State employees and 400 workers of the Genio Civile struck for an increase in wages. The disparity between statal and para-statal wage rates, and Army and AMG wage rates causes much discontent but increases in the wage rates of statal and para-statal employees have given some satisfaction.

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44. The health of the Region has been good and no epidemics have been reported. Hospital facilities in all Provinces are sufficient to meet the needs of the population and the number of cases of typhoid have continued to show a further decrease. Schools are functioning on an almost normal basis in all Provinces.

SARDEGNA REGION.

45. SARDEGNA Region, which had been in operation since October 1943, closed on 31 March. Efficient cooperation has been received from the High Commissioner and his staff throughout and the Allied Commission has been the recipient from many sources of expressions of goodwill and regret for its departure.

46. A notable event during the month has been the resignation of Emilio LUSSU from the Sard Action Party. He has been the recognised leader of this Party and the moving spirit in attempting to complete a fusion with the Italian Action Party. The Sard Action Party appears to be the strongest in the Island, followed by the Christian Democrat Party, as far as declared numbers are concerned. The Communist Party, though considerably smaller, is probably the best organised.

47. The severely bombed city of CAGLIARI has had its water supply, sewage, electricity (including street lighting) and trams completely restored and gas is supplied at the rate of half the pre-war service.

48. Grain amassed reached a figure of 31,000 tons which constituted 1,000 tons more than the September 1944 estimate.

49. About 29,000 tons of grain have been imported since the harvest ended and three more grain ships of 8,000 tons each will complete the programme to provide the ration until the next harvest is gathered. The distribution of food is now satisfactory and food demonstrations, which were a frequent cause of anxiety last summer, have practically ceased. Livestock in the Island, particularly sheep, is excessive and there is some indication that ground which could be utilised for crops for human consumption is being used for surplus livestock.

50. Production at the Sardinian coal mines is still below 40,000 tons a month. About 500 additional local miners have been taken on mainly as a result of the recruiting campaign. Unfortunately there is an undercurrent of unrest in the labour field and a "go slow" programme at one of the big mines (BACU ABIS) has seriously interfered with production. It cannot be said that the increased ration, specially provided for the miners, has been reflected in an increase in the output of coal.

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51. Thirty eight armed robberies were reported as compared with fifty in February. The legal situation is unsatisfactory, more than 16,000 cases are still awaiting trial and additional judges and legal clerks have not been forthcoming. Nine Italian military agents dropped by parachute in SARDEGNA were tried by the Italian Military Tribunal at ORISTANO, one being sentenced to thirty years' imprisonment and the remaining eight acquitted.

52. A summary of exports and imports shows that for the first quarter of 1945 SARDEGNA exported approximately 104,000 tons of commodities and imported 40,000 tons. In addition 1,200 cattle, 500 horses or donkeys and 4,100 sheep were exported. The principal commodities exported were 82,000 tons of coal, 8,200 tons of salt and 750 tons of paint pigments. Main imports were 16,300 tons of grain, 11,000 tons of coal and 6,000 tons of phosphates.

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TOSCANA REGION.

53. During the month reconstruction projects amounting to 167 million lire were initiated but the devastation in the Region is such that many projects remain untouched.

54. Olive oil amassed to the end of March amounted to 54,539 quintals. 556 tons of salt were produced at SALINA in three weeks while an average of 22 tons a day was maintained at the Solvay Plant at ROSIGNANO. The latter plant is reverting to caustic soda production and it is doubtful if it can maintain any appreciable output of common salt at the same time; for this reason it was decided not to increase the salt ration. 861 tons of seed potatoes have been distributed.

55. Public safety has slightly improved and the conduct of Allied troops is good. The large number of Italian Prisoners of War in the LIVORNO area, however, present a grave problem; they roam the streets dressed in American uniforms, only distinguished from American soldiers by a little detachable metal insignia. If this emblem is removed before a crime is committed, the blame is generally laid on American troops. The Italian police are reluctant to interfere because they are told the Prisoners of War are under Allied protection.

56. In GROSSETO the Court of Assizes pronounced death sentences on three Fascists (in absentia) for divulging to the Germans, a year ago, the whereabouts of three British other ranks who were shot.

57. Public health continues good and the excellent work of Italian Provincial Departments, both in the furtherance of their own schemes and in cooperating with military units, has done much to prevent disease occuring. First Aid Posts have been established in Provincial capitals. There has been a small outbreak of typhoid at ANTICHANO, traced to a polluted well.

58. Over 350,000 text books for schools have been printed and over 300,000 distributed. In the larger towns practically all schools have been supplied with new books, but the lack of transportation makes the supervision of schools almost impossible. Repair to school buildings is being hampered by shortage of materials.

59. Bank deposits still show an increase over withdrawals.

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PART II

CIVIL AFFAIRS SECTION.

Defascism.

1. The number of decrees on defascism is now 106. One of these extended up to 60 days the time limits within which epuration may be commenced, according to employment; another has allowed persons suspended to receive the high cost of living allowance and makes certain administration changes.

2. A tour of all provinces in AMG Territory has been concluded. On the whole, provincial epuration is working well.

3. The epuration of grade I - IV officials is practically complete. 136, or 9%, have been dismissed and a further 283, or 18%, retired. Many who would have come within these grades have fled to Northern ITALY.

4. As to epuration generally, in the principal Ministries about 21,000 of the 45,000 employees have been scrutinised and 4,800 have been sent for trial. Of these, 2,100 cases have been concluded resulting in 600 dismissals. In addition there have been numerous compulsory retirements and other lesser punishments.

5. Military Tribunals, to try members of the forces who collaborated with the Germans in North ITALY, have been established and a decree is under consideration for setting up a special Assize to try civilian collaborators.

Mine Clearance.

6. The total number of mines reported lifted in ITALY for the past month by Mine Clearance Companies, Civilian Squads and Contractors is 151,947. Permission to form a further company for mine clearance work has been granted. There are approximately 550 civilians engaged in Mine Clearance with a further 125 under training and 150 are also employed by contractors. Steps have been taken to form a pool of Instructors for use by the Northern Regions. There is still a shortage of equipment and transport.

Devastated Areas.

7. During March eighty tons of canvas were allocated to LAZIO-UMBRIA and ABRUZZI-MARCHE Regions for temporary repair of the less badly damaged dwellings.

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8. A drive in FLORENCE for the collection of money, clothing and blankets was carried out and over 6,000,000 lire, upwards of thirty thousand articles of clothing and a very considerable number of blankets have been contributed.

LOCAL GOVERNMENT SUB-COMMISSION.

9. The Italian Government has furnished its preliminary plans, based on a pre-fascist law of 1915, for the conduct of local elections in liberated ITALY. A proposal to hold such elections in AMG Territory is being studied.

10. The Sub-Commission has taken part in the planning arrangements for North-West ITALY in regard to local government and prefectural appointments, and an officer will be attached to Army HQ to advise and assist in such work.

11. Arrangements have been made (in collaboration with the Ministry of Interior) with a view to contacting and employing certain officials with anti-fascist records, known to be in the North, after the liberation of their respective areas.

/LEGAL SUB-COMMISSION ...

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LEGAL SUB-COMMISSION.

12. Owing to the withdrawal of officers from Southern ITALY only three Allied Military Courts were authorised during the month in Italian Government territory; at BARI arising out of the extensive purchase and sale of AC permits, at ROME for the counterfeiting of large sums of AM lire and for the forgery and sale of an AC travel permit.

13. In Military Government Territory, Allied Military Courts continued to operate. The volume and type of crime remained substantially unchanged. One serious case in TOSCANA arose out of an attack made by a gang of Italian soldiers on Italian women and their Allied soldier escorts.

14. General Courts were held in both 5th and 8th Army areas for the trial of spies. Of the cases reviewed during the month, two convictions were quashed, two death sentences were confirmed and one death sentence was commuted.

15. Requests have been received from patriot sources that steps should be taken to protect patriots from prosecution in the Italian Courts for offences committed against the property of other Italians during the period of German occupation. Arrangements have been made that complaints of this kind arising in AMG Territory are scrutinised before prosecution is authorised. The Italian Government has prepared a draft decree to deal with complaints which arise in Italian Government Territory and the Ministry of Justice is preparing a further decree of amnesty in respect of offences committed by patriots.

EDUCATION SUB-COMMISSION.

16. Up to 31 March 1,567,735 elementary school text books have been printed and distribution is only slightly behind production. A further 378,180 books are in the press and should be ready during the first part of April, completing the revised programme for elementary text book production for liberated ITALY for the year.

17. The final report on school buildings in ROME shows improvement in the situation since representations were made to the Prime Minister though 18 schools are still wholly, and 37 partly, unusable owing to the need for repairs. Schools are running almost normally but the supply of the new text books was below the demand. In TOSCANA Region new text books are in general use, 352,727 having been printed in FLORENCE and the bulk of them distributed. In FORLI 438 out of 470, and in RAVENNA 37 out of 219 elementary schools are now functioning and proportionate numbers of the other types of school are open in both Provinces.

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18. Continuing the policy of cultural and scientific exchange between ITALY and the Allied Nations, selected books on Education in BRITAIN, UNITED STATES and CHINA and on social, political, and economic subjects are being printed and published in Italian. Catalogues and bulletins on engineering education have also been obtained from leading institutions in BRITAIN and the UNITED STATES and given to the Committee on Reform of Engineering Education of the Italian Society of Engineers. The American Library Association has been asked to send at least a part of ITALY's share since 1939 of the scholarly publications it has been collecting to rehabilitate the libraries of EUROPE. NEW YORK University has offered a number of fellowships to advanced Italian students in art and history of art and requested information regarding a reciprocal arrangement. The Minister is in full sympathy with the plan and practical details are being worked out. Boy Scouts and Girl Guides are increasing in ITALY and are being assisted materially and encouraged by British, American and International organisations.

/PUBLIC HEALTH SUB-COMMISSION ...

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PUBLIC HEALTH SUB-COMMISSION.

19. All Allied Commission Public Health Representatives were withdrawn from Southern ITALY, SICILY and SARDINIA on 31 March with the exception of 3 officers who are to remain at NAPLES. Liaison will continue with the Italian Public Health authorities on questions of policy. Military Medical authorities in Southern ITALY who wish local action to be taken on health problems will now approach the Medico Provinciale through the Prefect.

20. No cases of Typhus were reported during the month and anti-typhus demonstrations have now been given throughout the whole of liberated ITALY; the Typhus Control unit will remain available to assist the Italian Government in the case of major epidemics. 10 cases of smallpox were reported from FROSINONE Province; the SALERNO figures fell to 9, while NAPLES City reported 149, and NAPLES Province 116 cases. From the time of the onset of smallpox in SOUTHERN Region until 28 February 3,552,400 people were vaccinated. The PRATO typhoid epidemic may now be considered finished.

21. Work on the TIBER Delta Anti-Malaria project is more than half completed and the production of liquid Chlorine for sterilisation of polluted water supplies has begun in ROME.

22. The high incidence of Venereal Disease in ROME is causing anxiety and representations have been made to the Italian Government to intensify the campaign against clandestine prostitution and to improve the diagnosis of infected women.

23. The ROME infant mortality figure for February was 111.5 as compared with 148.2 in January. The Tuberculosis figure (both pulmonary and non-pulmonary) in February was 190 deaths as compared with the January figure of 257 deaths.

24. EMBEMEA has completed the distribution of Allied medical supplies for the January-February period to the whole of Italian Government Territory. It is feared that the medical supplies for the first six months of the current year, due from the US, will not arrive until May.

Veterinary.

25. Brucella Abortus vaccine is being produced in ROME and administered locally to dairy cows. The large scale immunisation of swine against swine cholera with Crystal Violet vaccine and antiserum continues. Foot-and-Mouth Disease is widespread and every possible effort is being made to increase the production of vaccine against this disease.

Welfare.

26. The release of 182,000 blankets has been obtained and distribution

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Welfare.

26. The release of 182,000 blankets has been obtained and distribution of these will be made to the Italian Government and in AMG territory, hospitals having the first priority.

PUBLIC SAFETY SUB-COMMISSION.

27. General ROATTA, on trial before the High Commission for Punishment of Fascist Crimes, escaped from hospital on 4 March and is still at large. The escape, which was due to negligence on the part of those responsible for guarding the prisoner, has been described in paras 2 - 7 of this report. On the dismissal of General ORLANDO the appointment of General Brunetto BRUNETTI as Commanding General CC.RR was announced.

28. On the retirement of General AMMONINO, General Giovanni OXILIA took over command of the Royal Finance Guards.

29. Although in no way connected with the escape of ROATTA, disturbances took place in CAULONIA (CALABRIA) and GRAVINA di PUGLIE following on the

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complete withdrawal of Allied Commission officers from Southern ITALY. Other incidents of less serious consequences have occurred at other locations in liberated ITALY, but as the month closed the situation was under control.

30. Arrests were made on 8 March by Allied Security Agencies in ROME of twenty-five members of the Fascist "Chore" Group. A further twenty members have been arrested by CC.RR and an enquiry into their organisation is being carried out by Rome Area Allied Command. Their object was to form a political group on former Fascist lines, placing members in other political parties for the purpose of disruption.

31. A report has been received from AFHQ of cases of civilians desecrating and pillaging Allied and enemy war graves, particularly in the ANZIO and GARIGLIANO districts. This matter has been referred to the Italian Director of Public Security for energetic action to detect offenders with a view to stopping such despicable offences.

32. In some locations, particularly the Island of SARDEGNA and LAZIO-UMBRIA Region, decreases in major crime have been reported and the situation generally is considered satisfactory.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

33. At RAVENNA immediate first-aid repairs have been pressed ahead, and the major monuments are now weatherproof. A special Italian Fine Arts Commission visited this city and expressed satisfaction at the progress made. The same Commission visited RIMINI to prepare plans for the eventual restoration of the Tempio Malatestiano and reports that little further immediate action is needed. On 16 March the buried repository containing the finest antiquities and works of art from the Museum and Cathedral of ANCONA was finally recovered after six months work. The contents were found to be substantially intact or repairable.

34. The Borghese Gallery in ROME formally reopened on 25 March with a special loan-exhibition including many pictures brought for safe custody from North ITALY. The attendance during the first fortnight was 7,244 persons.

35. The famous "Tavolette di Biccherna" (decorated mediaval bookcovers) at SIENA, previously reported missing by the Italian archivist, have been found. The Archivio dello Stato at BARI, occupied by troops since 1943, has been released.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

36. During the month two mass movements took place. 899 Jewish Emigrants left for PALESTINE and a mixed party of Greeks, Maltese and Arab repatriates were returned to TRIPOLITANIA and CYRENAICA. In addition, 31 French children born of Italian parents were returned to French NORTH

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37. Medical conditions and health in the Camps and Centres continued to be satisfactory and the advent of warmer weather has assisted in hygiene problems. A minor epidemic of Typhoid occurred at AMF Evacuation Camp No. 27 at FLORENCE; 34 cases (including suspects) were reported. 1,750 Allied Nationals in ROME are now receiving the extra food supplement on medical grounds.

38. 1,434 Italian Refugees with homes in South ITALY or SICILY were repatriated and a total of 2,409 refugees arrived in ROME from the Northern Army areas.

39. At the end of March, a total of 74,681 persons were recorded by the Records Bureau of Allied Commission and the location of approximately 60,000 of these was known.

/40. It was announced.

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40. It was agreed that UNRRA would take over financial assistance advances for United Nations nationals and Stateless Displaced Persons in ROME from May 1945 and will assume responsibility for payments throughout liberated ITALY from June 1945.

41. During March the Banca d'Italia was authorised to make 2,240 payments, totalling 8,142,910 lire, benefiting 1,436 persons.

Patriots Branch.

42. 2,743 Patriots, were handled during the month at the Patriot Centres at FLORENCE, PESCIA and RAVENNA. Approval is still awaited for authority to draw supplies (rations and clothing) from military sources for the large number of Patriots who will have to be handled on the liberation of the North.

43. The Ministry of Occupied ITALY has agreed to assume responsibility for all expenses connected with Patriot Centres as from 1 April and gave official approval to the payment of the following sums to Patriots and their dependents:-

a) 1,000 lire demobilization bonus;
b) 5,000 lire to wounded patriots;
c) 10,000 lire to the dependents of patriots killed in action.

44. Small quantities of salvaged clothing have been allotted to FIFTH and EIGHTH Army Patriot Centres. During the month 127 Patriots in Italian Government Territory were issued with clothing from the Ministry of Occupied Italy store in ROME.

45. 2,964 Patriots have been enlisted into the Italian Army during the period 21 January 45 to 28 February 45, and the Ministry of War has issued instructions that when posting army volunteers to combat units priority shall be given to Patriots.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION.

1. Crop prospects in Army and AMG areas continued satisfactorily although there has been some lack of rainfall and fertilizer distribution has been handicapped by lack of supply. Seed potato distribution was completed but supplies were limited. The sugar beet production programme was finalized with 7,100 hectares to be planted.

2. Agricultural supplies, principally fertilizers, were received and distribution was initiated, although delays have been encountered in handling and transportation. There was adequate sulphur available except in SARDINIA and Central ITALY, where supplies from SICILY had not been received.

3. Land reclamation work in the LITTORIA-PONTINIA area proceeded satisfactorily. The movement of livestock from SARDINIA to the mainland has been curtailed owing to outbreaks of foot and mouth disease.

4. Wheat consigned to "Granai del Popolo" totals 1,125,306 tons, 16,800 tons of which were collected in March. Central ITALY target figures have been surpassed by 14% but collection practically ceased in Southern ITALY. Olive oil collection was far from satisfactory, 9,191 tons being collected during the month in mainland provinces, bringing the grand total to 40,413 tons collected in mainland provinces, or 50% of the target. It was decided that, owing to the effective support given to the olive oil collection programme by Allied personnel engaged on this work, the personnel would not be withdrawn from territory under Italian Government jurisdiction until 15 April and plans were made for continuing the work despite closing of Regional Headquarters.

5. Production of timber for military requirements, fuel wood and charcoal continued to be satisfactory, with stocks on hand increasing.

6. Additional fisheries supplies were received during the month and distribution under Fondazione Assistenza Rifornimenti Pesca (FARP) proceeded satisfactorily. Canning supplies requisitioned for the tuna season could not be delivered in time and were cancelled.

COMMERCE SUB-COMMISSION.

7. The Italian Government is now responsible for making allocations for the whole of Southern ITALY, SICILY and SARDINIA, including LAZIO and ABRUZZI Compartimenti, from bulk supplies made available to them by the Allies.

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8. Prices of matches have been doubled by a decree of the Ministry of Finance, effective as from 15 March 1945, owing to the increased cost of manufacture. Improved production figures of cut tobacco rendered possible an increase in the ration to 50 grams a week.

9. The leather situation shows a slight improvement, a moderate quantity of sole and upper leather having been declared by tanners in TOSCANA Region. The tanning extract plant at BAGNI DI LUCCA went into production on 1 March. Over 4,000 tyres and a similar number of tubes have been made available by AFHQ for distribution.

10. The critical newsprint shortage of February was overcome during the first week of March with the arrival of 300 tons from ALGIERS and 100 tons

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from the BALKANS. Allied Publications Board decided that in the future the Italian Press Commission should receive 30% of all imported newsprint supplies up to a maximum of 300 tons a month.

11. 58,422 garments and 13,833 pairs of shoes were allocated to civilian workers for military establishments and patriots during the month.

12. This month's exports reached the record figure of 280 million lire and the total tonnage shipped was 9,638 metric tons. This is the first month in which shipments to France have figured. The 1944/45 citrus fruit exports from SICILY to U.K. came to an end on 24 March 45. Over a period of four months, 911,434 boxes of lemons and 80,560 boxes of bitter oranges were shipped. Good reports on landing condition have been received from the Ministry of Food, London.

13. The Istituto Commercio Estero, has undertaken contracts with the CALABRIA silk filatures for the reeling of the 27 tons of imported Persian cocoons.

FINANCE SUB-COMMISSION.

14. In February the net investment in Italian Government bonds in Liberated ITALY was 1,570 million lire. This brings the total net investment in the first eight months of the current fiscal year to 16,663 million lire.

15. The cash deficit of the Italian Government in February was approximately 6,300 million lire.

TAX.

16. A number of important tax revision decrees were published by the Italian Government, which included the Fund of National Solidarity, an increase in the entertainment tax, an increase in the rates of tax on vehicles, boats etc., and changes in the Succession and Donation Taxes. Total tax collections in Liberated ITALY in February totalled 2,140 million lire, bringing the total collections for the first eight months of the current fiscal year to 10,280 million lire.

17. Effective 1 March 1945, the agreement between the Allied Financial Agency Sub-Section and Banco di Sicilia/Banco di Napoli regarding the handling of remittances was terminated. The position of AFA Sub-Section as the supplier of lire for the making of remittance payments has now been assumed by the Banca d'Italia to whom AFA Sub-Section has transferred the dollar and sterling balances already accrued. The Banca d'Italia has agreed to make dollar and sterling payments only upon orders of the Italian Ministry of the Treasury approved by the Finance Sub-Commission.

18. The net investment in Postal Bonds and Accounts in February amounted to approximately 1,000 million lire. Commercial bank deposits continue to increase, provisional figures for January indicating an increase of

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18. The net investment in Postal Bonds and Accounts in February amounted to approximately 1,000 million lire. Commercial bank deposits continue to increase, provisional figures for January indicating an increase of about 3,500 million lire.

19. Supply accounts for all Regions have been received and consolidated at HQ up to 31 December 1944. In addition, returns have been submitted by all but one Region up to 31 January 1945. The time lag is being reduced and the situation of the supply accounts is considered very satisfactory.

FOOD SUB-COMMISSION.

20. March was the first month of the universal application of the 300 gram bread ration to the whole of Liberated ITALY. The scale was generally fixed at 200 grams of bread daily and 550 grams of pasta weekly, which is the equivalent of 300 grams of bread, but in Northern TOSCANA, where pasta is not so popular, it was agreed that the present ration should be fixed at

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250 grams of bread, the balance to be given in the form of pasta. Other items distributed on the ration scale were 125 grams of sugar, 2 decilitres of olive oil, 200 grams of salt monthly and in addition the special issue of 200 grams of meat products for towns of 50,000 inhabitants and above was continued.

21. There was a further extension of communal feeding facilities and many new popular kitchens were opened under the auspices of the Ufficio Assistenza Convivenze del Vaticano. Supplies were provided jointly by the Allied Commission and the Italian High Commissioner for Food and advantage has also been taken of the provision of facilities on a fixed scale of issue for industrial masses, with consequent improvement in workers' feeding conditions.

22. The grain situation remains unsatisfactory with 278,000 tons of locally produced grain on hand at the end of the month but imports of grain were below schedule. The supply of grain to ROME showed an improvement and a reserve of 32 days bread supply was built up.

23. Arrivals of non-rationed foodstuffs into ROME showed an improvement in every case over the previous month. A daily average of 237 tons of fruit, 249 tons of vegetables, 32 tons of miscellaneous foodstuffs and 152,000 eggs arrived into the city through official channels while wine shipment totalled 6,500 tons.

24. In connection with the recent assumption of responsibility by the Italian Government for food supply in Italian Government territory, the new system of bidding for rail transportation of non-rationed foods came into effect during March. Instructions for the new system of bidding for sea transportation of non-rationed foods were also issued. The regular arrival of fresh vegetables into ROME augurs well for the new organisation and procedures.

25. Imports of foodstuffs amounted to 99,549 tons, of which 92,427 tons were cereals and the remainder miscellaneous foods. Among the latter, there were considerable deficiencies from planned schedules of sugar, fats and soap.

INDUSTRY SUB-COMMISSION.

26. The work of derequisitioning industrial premises is progressing and during the last two months, eleven plants have been released from military control.

27. Repair of beet sugar production plants is proceeding satisfactorily and it is estimated that production will attain 13,100 tons of sugar and 4,000 tons molasses yearly.

28. The output of four factories manufacturing flat glass was 2,050

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grain were held. The supply of grain to ROME showed an improvement and a reserve of 32 days bread supply was built up.

23. Arrivals of non-rationed foodstuffs into ROME showed an improvement in every case over the previous month. A daily average of 237 tons of fruit, 249 tons of vegetables, 32 tons of miscellaneous foodstuffs and 152,000 eggs arrived into the city through official channels while wine shipment totalled 6,500 tons.

24. In connection with the recent assumption of responsibility by the Italian Government for food supply in Italian Government territory, the new system of bidding for rail transportation of non-rationed foods came into effect during March. Instructions for the new system of bidding for sea transportation of non-rationed foods were also issued. The regular arrival of fresh vegetables into ROME augurs well for the new organisation and procedures.

25. Imports of foodstuffs amounted to 99,549 tons, of which 92,427 tons were cereals and the remainder miscellaneous foods. Among the latter, there were considerable deficiencies from planned schedules of sugar, fats and soap.

INDUSTRY SUB-COMMISSION.

26. The work of derequisitioning industrial premises is progressing and during the last two months, eleven plants have been released from military control.

27. Repair of beet sugar production plants is proceeding satisfactorily and it is estimated that production will attain 13,100 tons of sugar and 4,000 tons molasses yearly.

28. The output of four factories manufacturing flat glass was 2,050 square metres a day at the end of March.

29. The MONTECATINI fertilizer plant at BICOCCA, CATANIA, resumed operation on 1 March and the ammonium sulphate plant of the Soc. Elettricita' Sarda at OSCHIRI (SARDINIA) is now producing 900 tons monthly. 2,600 tons of Italian pyrites have been shipped to SARDINIA.

30. Mainland sulphur supplies moved forward satisfactorily, 1,543 tons being shifted from the CASERNARDI stock pile and 2,100 tons from BENEVENTO. Sardinian coal production has been seriously reduced on account of a "slow down" strike which took place between 15 and 29 March.

31. The Aniene plant in ROME has been reactivated and is now producing 40 tons of chlorine a month and 30 tons of caustic soda.

32. Approximately 700 textile looms are now working in the PRATO area by the use of improvised motive power and daily production is in the neighbourhood of [illegible],000 metres, a figure which will be greatly increased when electric power can be supplied. Manufacture of cotton goods shows an increase over the previous month of approximately 13%.

/LABOUR SUB-COMMISSION...

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LABOUR SUB-COMMISSION.

33. The rising cost of livin, and free negotiation between employers and workers, without any fixed ceiling to wage levels, has resulted in wages in private industry rising above the Armed Forces Scale and causing unrest amongst Italian employees of the Armed Forces. The principle of maintaining the Armed Forces wage scale generally in step with outside wages has now been confirmed and proposals have been made for expediting adjustments.

34. As regards Northern ITALY, it has been decided, in principle, that the appropriate wage rate prevailing in industry in respective areas of employment at the date of liberation will be paid to civilian employees of the Armed Forces. Any wage changes will be subject to AMG approval.

35. Committees representing the Italian Government, Italian industry and organised labour are being established in AMG territory to advise Regional Commissioners upon proposed wage changes and industrial unrest. They will also identify industrial establishments which should be safe-guarded from requisition or should be derequisitioned and re-established to prevent unemployment.

36. Representatives of the British Admiralty have discussed with the Italian Government the proposed recruitment of 15,000 Italian workers for employment overseas. The Italian Government, with representatives of organised Italian labour, promised full support to the scheme provided financial arrangements could be satisfactorily concluded. Discussions on questions of finance are proceeding.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

37. Power supply was increased by 72,000 kilowatts as a result of the reconstruction of a generating set at CASTELNUOVO-LARDERELLO. This plant is operated by volcanic steam and therefore dispenses with imported fuels.

38. Power allocations for the month of April (made in March) will be sufficient for all military requirements in Southern and Central ITALY. Further supply in this area will be available for civilian use but may have to be transmitted to Northern ITALY after liberation.

39. Street lighting service, on a greatly curtailed scale, was resumed in NAPLES and ROME on 31 March; this service has long been requested by Public Safety officers.

40. The first objective of rehabilitation of the port of CIVITAVECCHIA has been attained, and 3,000 tons can be handled daily.

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PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

37. Power supply was increased by 12,000 kilowatts as a result of the reconstruction of a generating set at CASTELNUOVO-LARDERELLO. This plant is operated by volcanic steam and therefore dispenses with imported fuels.

38. Power allocations for the month of April (made in March) will be sufficient for all military requirements in Southern and Central ITALY. Further supply in this area will be available for civilian use but may have to be transmitted to Northern ITALY after liberation.

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40. The first objective of rehabilitation of the port of CIVITAVECCHIA has been attained, and 3,000 tons can be handled daily.

41. Approximately 220 communal committes are now functioning in accordance with the Governmental Housing Decree. 12,000 projects estimated to cost 1,100 million lire have been initiated and of this total 6,000 projects are completed.

TRANSPORTATION SUB-COMMISSION.

42. Transportation Officers at PALERMO (1), REGGIO (2), BARI (4), NAPLES (4), CIVITAVECCHIA (1) and ROME (1) are to be retained after the withdrawal of A.C. Officers from Southern ITALY carried out on 31 March under the "New Deal for ITALY" policy. This is to ensure that civilian transport, which in Southern ITALY is closely associated with military transport, is coordinated. In addition, officers in charge of "Truck Pools" at NAPLES, FOGGIA, CAMPOBASSO and CHIETI will be retained until the WD vehicles in the truck pools are handed over to the Italian Government.

/With effect from ...

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43. With effect from 19 March the procedure governing the movement by rail of all non-military traffic on the mainland of ITALY was made the responsibility of the ITALIAN State Railways.

44. The reconstruction of the railway track from PISA to FLORENCE has been completed, freeing a number of road vehicles for other important haulage work.

45. On 5 March the ROME-NAPLES and NAPLES-REGGIO train services were merged to provide a daily through service from ROME to REGGIO. The service runs three days a week via CASSINO and four via FORMIA with connections to and from BARI. A daily perishable freight train service from the PUGLIE and CALABRIA districts to ROME was introduced early in the month. It has brought an average of 700 tons of perishable foods a day to ROME and has run fairly well to time.

46. Of the 1,709 civilian load-carrying vehicles of 1½-ton capacity long expected from the UNITED STATES, 1,396 have been received; 416 have been assembled and will shortly be put into operation.

47. Five barges averaging 300/350 tons each are operating on the coal service between CIVITAVECCHIA/FIUMICINO and ROME. Dredging of the TIBER River, which will be undertaken shortly, will enable a larger tonnage of coal to be delivered at the terminus.

48. The handover of warehouse management to the Federazione Italiana dei Consorzio Agrari was completed during the month. In the Army area only the accounting has been handed over, but at ANCONA, LEGHORN and NAPLES the complete operation is the responsibility of the Federazione.

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PART IV

PUBLIC RELATIONS BRANCH & INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Further steps were taken to improve cooperative relationships between the new United States Information Service (U.S.I.S.) PWB, AFHQ PRO and the press attaches of the British and American Embassies. The Press Plan for Northern Italy was the subject of many meetings and was finally forwarded to AFHQ after approval by the Allied Commission and P.W.B. The temporary Film Board was formally established and met for the first time, with the Chief Commissioner presiding. The Director of the Public Relations Branch visited zones of the Fifth and Eighth Armies and laid plans for development of public relations in the forward areas with the field staff and AMG staff officers. Attention was given to the future problem of service to Allied correspondents left behind in ROME when AFHQ PRO establishments move forward.

2. The News Production Division doubled its output issuing 62 original releases. Direct delivery was arranged to all Allied correspondents to all Italian papers and agencies in ROME and to the Italian provincial newspaper outlet. A party of nearly 50 Allied Italian and neutral correspondents was conducted to cover the inauguration of the 'new CASSINO' ceremonies. Background articles with photographs were dispatched directly to trade periodicals in ENGLAND and the UNITED STATES not having representatives in ROME. A standard operating procedure on picture coverage of worthwhile stories was set up with PWB Pictorial Division and the Photographic Section of AFHQ PRO.

NAVY SUBCOMMISSION

173

3. A directive was issued by Allied Force Headquarters on 7 March 1945 under which the Navy Subcommission is responsible for all administrative and material questions affecting the Italian Navy including:-

(a) Employment of Personnel.

(b) Supplies of Food, Clothing, Transport and Naval Stores.

(c) Disposal of War Material.

(d) Requisitioning of Italian Naval property.

4. The directive further provides that all communications relating to matters of policy in connection with the Italian Navy under the Armistice Terms

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

5. Approval was received from Allied Naval authorities to make available 430 000 Italian shell forgings for scrap. By securing the release of these forgings it is anticipated that nearly 1500 tons of former Italian war material can be re-smelted into steel for constructive purposes.

LAND FORCES SUBCOMMISSION (SMIA)

6. The manpower position of the Italian Army improved rapidly during the month. On 9 March there was a deficiency of 18,000 including the Carabinieri. This deficiency has since been covered by further intakes due to call-ups and voluntary enlistment - and wastage has been reduced considerably.

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7. MMIA demobilization plans for the older classes were agreed by AFHQ and are being carried out. Plans are also being made against the manpower problems which will arise when homes of many serving soldiers of older classes are liberated, entitling them to demobilization.

8. Thirty five thousand ex Italian soldiers were repatriated from the Balkans between 11 November 44 and 31 March 45. Of these, 10,610 have been taken into the Army. Remnants of the Garibaldi Division have now been repatriated; the personnel are good fighting soldiers with considerable battle experience and their morale is high. Three thousand volunteers for combat are being concentrated for re-equipment and training in the Italian Army barracks at VITERBO.

9. Reports from EIGHTH Army and liaison visits to the Italian Combat Groups in Army Areas confirm that the Groups are giving a good account of themselves. Co-operation between Allied and Italian staffs continued to give good results and the training of reinforcements at the RTC IGF, CESANO made progress during the month.

10. On 8 March 45, the War Ministry issued a decree which increased the pay of OR's up to and including the rank of corporal. With effect from 16 August 45 these ranks receive double pay for service under 40 months and treble over 40 months.

11. The Italian Army Welfare Training School opened in ROME on 6 March. Ten day courses for officers are being held with a view to training future unit welfare officers. The school is being run in close liaison with the British Army Welfare and AFHQ authority has been obtained for the issue of a limited scale of rations for Italian Army canteens on repayment.

AIR FORCES SUBCOMMISSION

12. The Italian Air Force is still being employed in active operations over YUGOSLAVIA and the Istrian Peninsula. A record number of sorties were carried out during the month.

13. Among other operations, the Bomber/Transport Wing has transported a large weight of supplies and dropped them over YUGOSLAVIA. In addition they have evacuated a large number of Partisan and YUGOSLAV wounded. The Light Bomber Wing has dropped a considerable weight of bombs with good results. There has been one accident in this Wing involving the death of the crew of one aircraft.

14. The morale of the Force remains satisfactory and a good spirit of co-operation is in evidence in the Italian Air Ministry.

COMMUNICATIONS SUBCOMMISSION

16. [illegible]

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COMMUNICATIONS SUBCOMMISSION

15. The areas open to internal civil communications services have not changed during the month; the chief developments have been the doubling of the number of NAPLES - ROME circuits open to civil use and the commencement of a telegraph service to FLORENCE and adjacent towns.

16. Signal Stores commenced to arrive for the planned restoration of communication services in North Italy and increased tariffs have been legalized for postal, telegraph and telephone services.

17. The ROME - NEW YORK radio telephone service for official calls, opened 2 March.

WAR MATERIAL DISPOSAL AND ITALIAN PRISONERS OF WAR SUBCOMMISSION

War Material Disposal

18. Approximately fifty tons of fired brass cartridge cases were collected and despatched to the Montecatini works at BAGNOLI for inspection and ultimate disposal in accordance with existing instructions.

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19. Scrap vehicles inspected during the month numbered forty-two, of which seven were returned to the Italian War Ministry. The remainder are being repaired, rebuilt, and cannabalised, - the rebuilt and repaired vehicles will operate under ENAC in due course.

20. The value of material disposed of during the month amounted to 1,082,000 lire.

Italian Prisoners of War

21. During the month, 1,471 Prisoners of War were repatriated. (This figure includes over 800 muleteers who were required for service with the Italian Combat Groups· the remainder of the total were mainly sick and wounded)

22. Remittances by Prisoner of War Co-operators to their families totalled £. 262,326 - a marked increase on the totals of the previous two months (January £. 10,421, February £. 92,274). Final credit balances of repatriated Prisoners of War totalled £. 13,599 for March. Statements for these monies were passed to the Italian High Commissioner for Prisoners of War for payment. For the period from last June to the end of February remittances to Italian relatives from Americans amounted to 10,830,000 dollars (approximately £. 2,707,500). Similar payments for the same period from the United Kingdom amounted to £. 130,000.

23. The repatriation of a number of Sardinian miners who are held as Prisoners of War, is being investigated. These men are required in the coal mines in SARDINIA.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

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24 March 1945

MONTHLY REPORT

FEBRUARY 1945.

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POLITICAL SECTION

1. A corner was turned in the history of ITALY and a milestone passed in the work of the Allied Commission when the Rt. Hon. Harold MACMILLAN, Acting President of the Allied Commission, at a Press Conference on 24 February, announced the imminent implementation of the "New Deal for Italy", as set out in the Combined Chiefs of Staff directive to the Commission.

2. During the past month, events in ITALY have not unnaturally been overshadowed by the CRIMEA Conference. The Italian Government had all along been pressing the Allied Governments to clarify the country's status of co-belligerency and, if possible, accept ITALY as one of the United Nations. This pressure was translated into a concrete request for the grant of Allied status in a telegram addressed simultaneously to President ROOSEVELT, Mr. CHURCHILL and Marshal STALIN on 8 February. The communique issued at the conclusion of the Conference made no reference specifically to ITALY and it is feared keen disappointment was felt by all Italians. This disappointment was, however, in some measure offset by the news that the British Labour Conference which was sitting in LONDON at the time had invited the Italian General Confederation of Labour to send its representatives to LONDON and also by the release of the news of the "New Deal" directive.

3. The Council of Ministers met on 7 February and tackled the difficult problem of the "political price" of bread. The object was to reduce the burden on the State treasury and on 16 February a decision was reached to abandon the policy of subsidizing the price of bread as from 1 March. At the same time it was announced that the new price of bread would not be fixed at more than 16 lire per kilo. (The price fixed for ROME, however, was 18 lire per kilo). To mitigate the effect of this increased retail price, a monthly indemnity of 95 lire per person is to be paid by employers (including the State and local governments) to workers, their wives, and minor children. In addition, the unemployed, paupers and dependents of military personnel will be paid this "caro pane" indemnity by the State.

4. As part of its tax and anti-inflation programme, the Italian Government meeting on 18 February decreed a "Fund of National Solidarity" to assist that part of the population injured by the war, to reconstruct the liberated areas, and to create employment for partisans. It is hoped that a number of voluntary contributions will be paid into the fund. The Council again stated that the goods of high-ranking fascists would be confiscated and that the war excess profits taxes already in force would be extended to farmers - a class hitherto exempt. Further the pay of troops was to be doubled. As regards control of prices it was announced that the interministerial committee had suggested that cooperative and communal kitchens should be set up and encouraged, and the Food Commissariat was given wide powers to control markets and supplies.

5. The Government and the Allied Commission had jointly announced on 21 February that as from 1 March the bread ration for all liberated ITALY would be 300 grams or its equivalent - for example, 200 grams of bread daily and 350 grams of pasta weekly. On the whole, public opinion as reflected in the press, has reacted very favourably to these developments.

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6. The Government announced on 6 February that they had been studying closely the problem of Italian prisoners of war in Allied hands. It was stated that there are 340,000 prisoners in British hands, 130,000 held by the Americans and 35,000 held by the French. 670,000 soldiers and "several hundred thousand" civilians are detained in Germany and are not given the proper status of war prisoners, since Germany does not recognise the Bonomi Government. The statement added that accurate figures on prisoners held by the Russians are unobtainable. This objective report of the Government was not well received by the press which insisted that the prisoners detained by the United Nations should be repatriated and that Germany should be compelled to give recognised status and better treatment to those in German hands. The news that Count CARANDINI had assumed the protection of Italian interests in the UNITED KINGDOM - hitherto the charge of the SWISS Legation in LONDON - was hailed with satisfaction as it was realised that the prisoner ofwar question is the chief Italian interest in the UNITED KINGDOM at this present time.

7. At its meeting/.....

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7. At its meeting on 8 February, the Council of Ministers set up a new Commissariat for Veterans. This Commissariat will deal not only with Veterans but also with civilians in the areas to be liberated and, through the partisan organisations, will also be concerned with assistance for the patriots. Signor GASPAROTTO has been named High Commissioner.

8. In the field of party politics it is reported that the Socialist and Communist parties published a declaration on 10 February in which a joint programme was set out. The workers were first of all reminded of their duty to carry on the war against fascism. Next, the Allies were asked for the grant of more autonomy.

9. The trial of General ROATTA and others continues without any startling developments to report. The left-wing press has been enraged by the presence of certain witnesses at the trial who, it is claimed, are members of the OVRA and yet are still safe and in the employment of the State. The Government have denied that these witnesses are in fact members of the OVRA and the newspapers have retorted that the Government must know who are members of this ill-famed organisation, that the names should be published and the individuals put on trial. It is reported that the OVRA employed members of practically all the State services for short periods at one time or another for particular jobs and that there was not, in a strict sense, a complete and permanent list of the staff of the organisation. The central organisation has, of course, been broken up and its leaders will undoubtedly be punished in due course but it would be impossible to seek out and bring to justice the great number of small officials whose association with the OVRA was temporary and short-lived. Meanwhile the business of epuration has moved a step with the setting up of a central commission. Signor BONOMI spoke on the occasion of its inauguration and emphasised again that epuration must strike those who had important charges and were blindly subservient to the fascist regime but for the lower ranks justice must be tempered with mercy. Above all, the operation must be carried out with justice and legality.

10. Signor TARCHIANI has taken up his post in WASHINGTON. Duke GALLARATI SCOTTI, the new Ambassador to SPAIN, has also reported his arrival in MADRID. There is still much speculation in the press as regards the resumption of diplomatic relations between ITALY and FRANCE and it is hoped that a statement will be made in the very near future.

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PART I.

AMG ARMIES AND REGIONS.

AMG FIFTH ARMY.

1. From the operational point of view, February has again been an uneventful month. The limited advances made in the MONTE BELVEDERE sector in the last week brought no new communes under Military Government as the area captured was entirely mountainous and the few inhabitants had been previously evacuated. The Army area thus remains unchanged from January.

2. There has been a general improvement in public safety throughout the area and the arrest of a number of persons for brigandage in country districts has contributed to the restoration of confidence among the population. Very few crimes of violence were reported.

3. Four persons were tried by General Courts on charges of espionage. Two were convicted of whom one was sentenced to death and the other to life imprisonment.

4. Public health remained unsatisfactory and the typhoid epidemic at PRATO continued to abate; energetic action resulted in more people submitting to innoculation.

5. The work of the American Red Cross continued at a high standard and a total of 32,800 persons, representing approximately 10% of the population in the forward areas, were given clothing.

6. Olive oil amassing continued to move slowly despite the campaigns waged by the Provincial organisations. Power for the flooded lands near VIAREGGIO was increased and all flood waters were pumped off. A considerable part of this land has been ploughed and planting is in progress. The labour supply continued to exceed demand and the number of registered unemployed increased to about 6,450.

7. The Acting President of the Allied Commission visited the Army area during the month and saw many phases of Military Government work. The Lieutenant General of the Realm has also been in the area inspecting Italian Army units.

AMG EIGHTH ARMY.

8. The area administered remains unchanged, namely, the whole of FORLI Province and the greater part of RAVENNA Province.

9. Italian Provincial administration is well established in FORLI with all the normal local government agencies in operation. In the liberated portion of RAVENNA, local government is also well advanced.

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10. Italian courts are functioning in both Provinces and their jurisdiction over violations of travel and curfew restrictions has been extended to include CESENA. The policy of re-opening schools has been carried well forward into Corps areas, although in many cases buildings are lacking and classes are being held in private houses.

11. There were two demonstrations in favour of the Army call-up, one at FORLI and the other at CESENA. The demonstrations were orderly.

12. The standard of health is satisfactory.

13. Good progress has been made in reclaiming flooded areas. Five pumping stations have been repaired and re-activated and a total of 14,350 acres have been drained. This land is drying out well, and it is hoped to sow most of it in time for this year's harvest. Military units have cooperated in repairing breaches in river and canal banks and in clearing obstructions, and the danger of re-flooding has been averted.

14. In RIMINI..../

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14. In RIMINI, further progress has been made in effecting first aid repairs to houses, in clearing the streets of debris, and demolishing dangerous buildings.

15. Approximately 700 bridges in this area have been destroyed and before Bailey bridges are removed a minimum of 100 bridges must be repaired or rebuilt to maintain essential civilian communications. So far eight bridges have been completed, eleven are under construction, and plans have been prepared for thirty-eight others which are awaiting financial sanction. Progress is slow owing to shortage of bricks and timber.

16. Crime remains at a surprisingly low level. Carabinieri and other police agencies are giving good service but efficiency is hampered by lack of uniforms and equipment.

17. The Autotrasporti of both Provinces are now getting into their stride and are operating 294 trucks with a total load carrying capacity of 5939 quintals.

18. Cultivation is well advanced and crop prospects for the coming season are good.

19. A mine clearance school was started during January at which civilians are trained in mine lifting. The first squad began work 5 February and on 19 February this was increased to five squads of five to seven men each. By the end of the month 504 mines had been lifted.

SICILIA REGION.

20. There have been no public disorders during the month and the military call-up, on a reduced scale, proceeded without incident. There was a slight increase in crime and armed bands continue to operate. The civil police have, if anything, shown slightly more zeal and activity but are still badly handicapped by shortage of transport, arms and personnel.

21. There were no strikes or labour troubles. The only immediate effect of the announcement of further wage increases was a rise in black market prices. The disparity between wages and prices was as great as ever.

22. The bread situation remained good with the arrival of five ships bringing over 20,000 tons of wheat and barley and 1,200 tons of flour. The 300 gram ration of bread and pasta was issued regularly and there was no real shortage of food although the prices charged are beyond the pocket of many.

23. There was little political activity during the month and the people showed no signs of increasing interest in political matters. The SICILIAN distrust of the central Government is long-standing and

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18. Cultivation is well advanced and crop prospects for the coming season are good.

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23. There was little political activity during the month and the people showed no signs of increasing interest in political matters. The SICILIAN distrust of the central Government is long-standing and deep rooted and the inauguration of the new Consulta was given a very restrained welcome and little enthusiasm or interest was shown by the man in the street. The people are apathetic and without confidence in their own administrative officials, many of whom they know to be inefficient and corrupt. It appears that the Consulta meetings were regarded as the forum for presentation of political views rather than for the consideration of constructive measures. The Provincial and Communal adminsitrations showed no sign of increased efficiency.

24. In spite of the lack of an adequate system of relief or assistance and the shortage of clothing for the needy, the health of the people continued to be remarkably good and the cases of typhoid fever have decreased. The health and medical treatment in the prisons still leaves much to be desired.

25. Trade, and particularly inter-regional trade, was gravely handicapped by lack of road, rail and sea transport. Mixed cargoes have, however, been shipped to MALTA and there have been shipments of citrus fruit and salt to the mainland.

26. During...../

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26. During the month 1,946 quintals of grain were amassed, bringing the total to date to 1,324,100 quintals. The amassing of olive oil was again very small. Artificial manures and seed potatoes continued to be distributed.

SOUTHERN REGION.

27. The handing over of food storage and distribution to the Italian authorities was an important step completed during the month. Seprals and Consorzi Agrari have made a good start with their new responsibilities.

28. Farmers and agricultural officials predict a serious decline in production due to the accumulated effects of the shortage of fertilizers for several years past. The campaign for the collection of olive oil has met with considerable success and by 17 February, 216,134 quintals had been amassed. There was, however, a lack of cooperation shown by various Tribunals in convicting and sentencing offenders against the olive oil decree. NAPLES and SALERNO Zones have built up their wheat stocks to about one month's supply.

29. Public Safety in the Region remained generally satisfactory. Civil police agencies, with the exception of Guardie Municipali, maintained a reasonable standard of efficiency, but their duties were hindered by a lack of transport and communication facilities. A gang of armed criminals was broken up in NAPLES by the arrest of seven civilians and the recovery from their possession of firearms and ammunition. Ten civilians have been killed by Allied sentries while attempting to steal from dumps, trucks and trains. The criminal misconduct of Italian paratroopers is reaching serious proportions, including in some cases the use of firearms and hand grenades and appropriate representation has had to be made to the Italian authorities.

30. Production of neutral glass has been delayed owing to lackof coal, but domestic and medical glass-ware is being produced from 30 to 35 quintals daily at Vetreria Ricciardi, NAPLES. It is still necessary to ration electricity in Southern ITALY.

31. The schools of NAPLES Commune were returned to Italian hands on 6 February and were re-opened on 19 February, having previously been closed due to the cold and lack of fuel for heating purposes. Approximately 70,000 elementary textbooks were printed during the month, bringing the total to 238,655 of the original 900,000 ordered.

32. Banking in the South continued to be marked by an increase in deposits, attributed to high prices, lack of raw materials for the resumption of commercial activity, moderate public investments and the large profits made by the farmers.

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LAZIO-UMBRIA REGION.

33. The month passed without political sensation and local government in its present limited form is, on the whole, working as well as can be expected and forms a reasonable foundation on which a more democratic structure can be erected.

34. Good progress has been made with the livestock problems. Grain amassing is now almost at a standstill but showing very creditable figures with over 100% of the target set amassed. Bad agricultural features were the olive oil amassing and the distribution of seed potatoes. Olive oil amassed reached only about one-third of its goal and the Italian authorities showed considerable reluctance to enforce the law, whilst the distribution of seed potatoes was so inefficient that a potato famine threatens. ROME stocks of soft grain and flour decreased by 37%, mainly due to the failure of truck owners to carry the grain to the railhead in the exporting areas. There was no issue of meat. The issue of other foodstuffs on the ration scale was restricted by lack of availability, 78% of the sugar ration being distributed and 68% of the oil. There has been a steady improvement in the supply of charcoal and lignite.

35. FIUMICINO...../

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35. FIUMICINO harbour is now 9½ ft. deep and 2,300 tons of fuel were discharged there during the month. 55 bridges were completed and good progress has been made with Bonifica repairs in the PONTINE MARSHES.

36. Perhaps the outstanding development during the last three months has been the increased efficiency of the Italian police agencies. The big problem of unauthorised possession of firearms is being tackled, but the inability of the Italian courts to deal with their case load is alarming. Forged currency cases were reported from ROME, FROSINONE, RIETI and VITERBO. The total amount involved was 56,700 lire; so far only two arrests have been made.

37. Health has been surprisingly good and the winter has passed with unexpected freedom from any serious epidemic.

38. Out of a total of 387, elementary and secondary schools now functioning number 231. Of the 156 which are not open, Allied formations are only occupying 15 and the Allied Military authorities have been extremely cooperative in this respect. Nearly 300,000 textbooks were distributed.

39. Distribution of American Red Cross clothing in TERNI was completed on 17 February.

40. Among Allied officiers in this Region there is the feeling that there is not very much more that they can do and that the Italian machinery, out-of-date and creaking though it may be, has been put in a position to run on its own on the Regional level.

ABRUZZI-MARCHE REGION.

41. The Region, in general, has been quiet throughout the month, the Communist Party alone displaying any initiative, particularly in TERAMO and AQUILA, where, upon the announcement that AC officers would be withdrawn, a flare-up of political activity occurred.

42. The collection of olive oil under the impetus of control officers increased 50 per cent. during February, but at the month's end only one-fifth of the target figure had been obtained. The Region exported important surpluses of eggs, wheat and alcohol, chiefly from the middle MARCHE Provinces.

43. The amassing of wheat came practically to a standstill after the target figure was reached, and there is little inclination on the part of the Italian officials to insist upon further collections. The doubling of the price of potatoes in the middle of the collection period caused considerable difficulty.

44. Unemployment has been less than had been feared in the Region and further improvement is expected as soon as weather permits resumption of work on roads, bridges and railways. The very low salaries of state and parastatal employees, including school-teachers, have created

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45. Public works reconstruction and highway maintenance were hampered chiefly be lack of transport and somewhat by lack of materials.

46. A start was made in re-establishing civilian telephone services in ANCONA city and civilian mail services in PESARO.

47. The standard of efficiency of the CC.RR continues to improve and some clothing is now arriving, though much more is still required. There has been little serious crime throughout the Region, the major problem being extortion gangs which have been formed by the worst elements of the former partisans. Mobile night patrols by Italian and Allied police have reduced the danger.

48. From a...../

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48. From a health standpoint, the Region came through the winter well. Blankets and clothing have been distributed in the devasted areas.

49. The grain harvest resulted in substantial increases in bank and post office deposits.

50. The latest information available shows that 258,639 mines have been cleared in the CHIETI-PESCARA area since June 1944.

51. The SAFFA match factory at JESI, working during the night hours only, owing to power restrictions, has increased its production from 54 to 70 million matches weekly.

52. Six truck pools, with 169 trucks lifting an average of 475 tons a day, and three Italian GT Companies, provide for the transport needs of eight Provinces. A total of sixty-seven bus lines, twenty of them inter-provincial, are licensed to operate.

SARDEGNA REGION.

53. Production of the coal mines at CARBONIA remained at approximately 40,000 tons for the month but it is hoped to increase the monthly output to 100,000 tons for which 2,500 additional miners will be required. In pre-war days about one third of the total number of miners came from the mainland but an attempt is being made to recruit the required number locally. Arrangements have been made for the conditions of pay, housing and food, including the news of the increased ration allowed in February, to be broadcast by radio, published in the Press and spread by means of town crier in the villages to encourage more miners to sign on.

54. The call-up of the Italian Army in February went very smoothly. The maximum estimated local intake from the first classes to be called back to the Army was 10,000 and this number has been substantially exceeded. The men were contented and there was very little real opposition. What opposition did occur was dealt with by the local authorities and was probably due to ignorance as there are few newspapers and news travels slowly in country districts.

55. Crime showed a considerable increase including 8 murders and 50 armed robberies. A welcome addition to the small garrison has been provided by the arrival of a detachment of Marine Military Police on temporary duty at the Port of CAGLIARI. During the month bombs were thrown at the Carabinieri and Questore Garages in NUORO and at other centres causing slight damage.

56. Amassing of wheat has reached approximate finality for the season at nearly 310,000 quintals but the olive oil collected so far is only just over 5,000 quintals as compared with an estimated total of 50,000 quintals.

57. A consignment of boots arrived by ferry steamer and allotments have been made to the Mines and Railways. Boots are also now on sale in the shops.

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58. Another enemy agent was dropped in SARDINIA by parachute on the 21st and captured on the 26th with a radio transmitter and 143,000 lire in his possession.

59. The health of the people was good and text books for schools are being distributed satisfactorily.

TOSCANA REGION.

60. Of the nine provinces of TOSCANA Region, four of them have not yet come under Regional control. LUCCA, PISTOIA, and FIRENZE Provinces are under AMG Fifth Army control and APUANIA is still in the hands of the enemy. Part of LUCCA Province is also enemy territory.

61. The Communist continues to be the most active and best organised of the political parties. In certain parts of the Region increased membership was due, in part at least, to the fact that its leaders are discouraging actions which will bring the Party into disrepute. Anti-monarchist feeling is crystalizing. In certain provinces recruiting for the Italian

Army...../

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Army has taken on a political aspect. In some cases Communists have endeavoured to make the departure of recruits an occasion for a Communist celebration. Political activity of this description has been discouraged.

62. The food situation improved slightly and collections of last summer's grain for the amassi were still being made. An additional source of salt supply has been obtained at the Solvay works in LIVORNO Province, by the use of steam for boiling down brine which was previously wasted. The amassing of olive oil is not progressing satisfactorily due to the passive resistance of the producers. The total amount amassed was 37,072 quintals.

63. The labour situation improved due, mainly, to the increased wages and food rations.

64. The CC.RR are becoming more effective throughout the Region and there has been an improvement in communications and morale but over 400 men in the Florence Region are still without uniforms.

65. Both the Italian Courts and the Allied Military Courts functioned effectively. In the Allied Military Courts in LIVORNO Province alone, 693 sentences were passed.

66. Poor water supply has been responsible for a small epidemic of typhoid in AREZZO, but generally the health of the civilian population throughout the Region is satisfactory. Schools are functioning well in Provinces under Regional control and school lunches are being served in 90 communes. While there has been definite improvement in the distribution of medical supplies, the work of ENDIMEA was still unsatisfactory. Distribution of American Red Cross clothing in the Region was almost completed.

67. Reconstruction projects included the PRATO acqueduct, the flood control works in the VAL DI CHIANA, repair of University buildings at PISA and harbour repair works at PIOMBINO, ORBETELLO, and PORTO S. STEFANO. The west coast railroad is in operation through LIVORNO and thence east to MONTECATINI and every commune in GROSSETO now has telephone communication. Postal restrictions have been relaxed.

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PART II...../

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PART II.

CIVIL AFFAIRS SECTION.

Defascism.

1. To date (exclusive of the Services) the records of 15,588 persons representing 41% of those subject to epuration by Central Commissions, have been scrutinised. Of these:

(a) 6,033 (38%) have been referred to Epuration Commissions for decision.

(b) 1,834 cases (30% of (a)) have been decided.

(c) 463 persons (25% of (b)) have been dismissed.

483 appeals, of which about two-thirds are appeals by the High Commissioner against acquittal, have been filed in the Central Commission which was inaugurated by Signor BONOMI on 14 February.

2. The time limits fixed for the commencement of proceedings have been extended. This was necessary owing to the difficulty of setting up sufficient courts without drawing too many judges from their normal duty and also because of delays in investigations caused by lack of transport. The extended time limit for civil servants employed in the Central administration expires on 15 March.

3. Progress is at last being made in the appointment of Provincial Commissions. Conferences attended by AMG officers, the Prefects and local representatives of the High Commissioner were held to co-ordinate the functions of each in the process of epuration. The question of allowing avvocati to sit on Epuration Commissions in lieu of judges is still under consideration.

Mine Clearance.

4. Mines removed during the month by the Mine Clearing Companies and civilian squads numbered 106,054. Authority has been granted to form a third mine clearing company to be known as the 563 Company.

Devastated Areas.

5. Distribution of blankets and clothing allocated to devastated areas in LAZIO-UMBRIA and ABRUZZI-MARCHE Regions was completed and 75,000 square metres of strong canvas have been distributed in LAZIO-UMBRIA Region for temporary repair of less badly damaged dwellings. Good progress

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6. A branch committee of the Italian National Committee for Relief in Devastated Areas has been formed in FLORENCE.

LOCAL GOVERNMENT SUB-COMMISSION.

7. Under the terms of the "New Deal" for ITALY, the Allied Commission no longer has any authority over the appointment or dismissal of State officials (except certain Service officials) in territory under the jurisdiction of the Italian Government. During the course of the month the Italian Government has issued a circular to Prefects, impressing upon them the urgency of completing the appointment of Giunte Communali and Sindaci in substitution for Commissari Prefettizi, of whom too many are still holding office.

8. In order to overcome difficulties anticipated from extended lines of communication, Regional Commissioners for the Northern Regions of ITALY have been authorised to appoint or remove Prefects Regent without first obtaining the approval of HQ AC. Notification of a change must, however, be made as soon as possible. A circular has been issued to Regional Commissioners explaining that appointments and promotions of Italian officials

by AMG...../

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by AMG are temporary and have no effect upon the permanent rank or status of the appointee in the Italian Civil Service. Permanent promotions will be dealt with by the Italian Government when they resume responsibility for liberated provinces.

9. With the view to alleviating the grave shortage of local Government officials, the Italian Government has been asked to furnish particulars of officials held as Prisoners of War or as civilian internees in AFRICA. The question of release will be taken up with the appropriate military authorities.

10. The Government Decree extending the right to vote to women over 21 years of age was published on 20 February 1945.

PUBLIC SAFETY SUB-COMMISSION.

11. Disorders and riots in protest against the military call-up, which were prevalent in SICILY during the months of December and January, have subsided. In SARDINIA demonstrations resulting from the same cause increased, but not to an alarming degree. Conditions throughout ITALY were quiet.

12. The strength of the Carabinieri at 24 February was 53,990. Of this figure, 45,207 were employed on normal police duties, the remainder 8,783 being ineffective owing to leave, sickness or being employed with the Italian Army on provost duties. 992 men were recruited during the month.

13. It has been decided that the control of the Italian-French and the Italian-Swiss frontiers will be a purely military responsibility.

14. From all sections of the country come reports indicating improvement in morale, efficiency and initiative of law enforcement agencies. This is particularly true in the case of the Carabinieri and is especially evident where units have recently received uniforms, boots and other items necessary for proper performance of police duties. Another factor contributing to improvement in morale is the support given by the Allies who are working closely with the Italian police agencies.

PUBLIC HEALTH SUB-COMMISSION.

15. Two verified cases of typhus were reported, one at LATIANO near BRINDISI and the other at MODICA near RAGUSA in SICILY. Three other suspected cases were reported at the end of the month from MESAGNE, a small town about five or six miles from LATIANO. The Typhus Demonstration Unit tours were continued. It is felt that with the approach of spring and with the preventative measures which have been taken all over Liberated ITALY, the possibility of a serious typhus epidemic is now negligible.

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16. The Smallpox situation in NAPLES remains much as before, 241 cases having been reported as compared with 261 in January. 67,838 persons were vaccinated during February. Scattered cases have been reported from other provinces on the mainland, the greatest number - 23 - occurring in SALERNO Province where 90,000 people have been vaccinated. Only 11 cases have been reported from BENEVENTO and no cases have occurred since 20 February 1945.

17. Early in February a meeting on malaria control measures for the coming year was held at the Ministry of Interior; the Italian Authorities, the Malaria Control Branch, UNRRA and the Institute of Hygiene were represented. The AC agreed to place at the disposal of the Italian Authorities 50 million Atebrine tablets, all available stocks of Italian quinine preparations and 100 tons of Paris Green, the arrival of which was not anticipated before April. UNRRA agreed to provide further supplies.

18. In AREZZO Province a Typhoid epidemic which flared up early in February is now under control. There were 3 deaths out of the 134 cases reported. The P[illegible]O epidemic is virtually at an end, only 28 cases being

reported...../

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reported during February and approximately 35,800 primary inoculations have been carried out. The help given by the Military Medical Authorities has been invaluable.

19. The ROME infant mortality rate for January 1945 was 148.2 and the tuberculosis figure (both pulmonary and non-pulmonary) for January was 257 deaths.

20. Veterinary. Production of Crystal Violet Swine Cholera Vaccine has begun at Sclavo Institute, SIENA, and vaccine against foot and mouth disease is being produced slowly. The introduction of lime sulphur dip against sheep scab is contemplated and the Italian veterinary authorities have issued instructions concerning production.

21. Welfare. The distribution of clothing in SICILY, the devastated areas and the forward areas has been greatly appreciated. Milk, supplied by ENDSI is to be distributed through Welfare Officers and local Italian Committees. Material has been procured for the manufacture of orthopaedic appliances for mutilated Italian soldiers and civilians.

LEGAL SUB-COMMISSION.

22. Arrangements have been made for the transfer to the Italian Government of the assets and liabilities of the Instituto Nazionale di Trasporto of SICILY. Captured German and Italian vehicles were transferred to this organisation which was operated under the auspices of AMG.

23. At the request of AC, the Italian Government has framed a decree making it an offence for Italian civilians to harbour Allied deserters or absentees. This decree has been implemented in AMG territory.

24. The jurisdiction of the Tribunale Militare of MACERATA, which was recently established in co-operation with the Minister of War, has been extended to the Provinces of FORLI and RAVENNA.

25. A decree has been passed establishing a Tribunale Militare in TUSCANY. This Tribunale will sit in FLORENCE as soon as the necessary personnel have been provided and will deal with the large number of offences committed in the area by members of the Italian Army.

26. Continued pressure is being applied to the Minister of Justice to increase the pool of judicial officials for Northern Italy, and circulars have been issued by the Minister to Courts in Italian Government territory to discover additional personnel.

27. Examinations have been held in FLORENCE for Procuratori and Avvocati and arrangements have been made for similar examinations to be held in ROME during March.

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28. AMG Courts continued to function throughout the period but there was little serious crime. Of these, several cases related to counterfeiting AM lire while in TOSCANA Region there were a number of prosecutions for black market operations and possession of firearms. Ten espionage cases were reviewed during the month. Three death sentences were confirmed and five death sentences were commuted. Two sentences of imprisonment were imposed. The AMG Courts in BARI have been closed. During the 2½ months of their operation, they disposed of approximately 600 cases involving 850 accused persons.

EDUCATION SUB-COMMISSION.

29. The survey of Italian education is completed up to 1943 and is being distributed to Education Officers as background material.

30. Epuration, short of final hearings under Italian Epuration Commissions, is practically complete.

31. Repairs were begun in 17 of ROME's schools; 66 schools still remain in need of repair. The 15 universities in Liberated Italy are all functioning, a number with record enrolments and some are offering courses to Allied Forces.

32. The project.../

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32. The project of publishing and distributing elementary school text-books is drawing to a close. The lateness of arrival of supplies from the United States, the shortage of electricity, and the use of printing presses for war purposes, have necessitated halving the programme contemplated. Nevertheless, 1,233,624 books have been printed and distribution has been made in every province in Liberated Italy. 500,000 school notebooks were printed in ROME in February; 140,000 in PALERMO.

33. The number of elementary school children enrolled in all Liberated Italy is approximately 1,472,500. 428,150 lunches of American dried soup and dried vegetables are being served daily in 416 communes.

34. A commission on youth activities has been organised in ROME. In TOSCANA sport and recreation clubs, student councils and orchestras are springingup and university groups are becoming active. Italian Boy Scouts have had provisional recognition by the international organisation and the movement is growing rapidly in all Regions.

35. Arrangements are being made for sending a professor of physics to the United States to study recent research in nuclear physics as a start in the policy of cultural and scientific exchange between Italy and the Allied Nations.

Amendment: First four lines of Para 32, Education Sub-Commission report for January should read: "SICILY reports disorders in all universities due to the call-up of students for the Army. At CATANIA a riot, begun by students, resulted in the burning of buildings. At PALERMO a more harmless student riot broke up inaugural ceremonies".

MONUMENTS, FINE ARTS & ARCHIVES SUB-COMMISSION.

36. On 18 February 1945 the Exhibition of Masterpieces of European Paintings at the Palazzo Venezia, ROME, was closed and the proceeds, amounting to Lire 1,626,000 will be used by the Italian Government for repairs to national monuments.

37. Much progress has been made during the month including the completion of the consolidation of the Cavallini frescoes in S. Cecilia in TRASTEVERE. In FLORENCE City repairs have been completed on the Carmine, S. Croce and S. Frediano. In the devastated area, the church of S. Stefano is being repaired, the four towers are being re-roofed and shored and frescoes of the Palazzo Acciaioli are being detached. At AREZZO the major project is still the Badia, one side of which has been completely re-roofed. The work on the Cathedral, S. Francesco and S. Maria in Gradi was completed. Work is progressing satisfactorily on 16 churches in PISA. Outside the city the churches of S. MINIATO and at S. PIETRO A GRADO are being repaired. Most of the repair projects in the ABRUZZI are now finished. In the MARCHE the major work centres around FANO and ANCONA. The problem of clearing [illegible] is being given by both military and

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38. Archives. A census by the Italian Ministry of Interior of Italian Archives shows a very small proportion of loss or disturbance by Allied troop occupation.

39. A revised and documented account of the losses from art deposits in TUSCANY has been received at this HQ and further information has been obtained from the Ministry of Public Instruction concerning German removals of pictures from FORLI.

DISPLACED PERSONS..../

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DISPLACED PERSONS & REPATRIATION SUB-COMMISSION.

40. All centres, including CINECITTA' and AVERSA, were inspected by a Medical Officer during the month. Difficulty is experienced in teaching sanitary discipline to transient refugees, but on the whole the standard is high; medical Administrative Instructions have been issued in English and Italian. Health continues to be good and ROSIGNANA Centre was freed from quarantine for smallpox on 12 February 1945. 1,785 Allied Nationals in ROME are receiving extra food on medical grounds.

41. Approximately 700 Royalist Yugoslavs have been concentrated at SANTA CESAREA Centre. Certain Jews in the Southern Centres have been selected for emigration to PALESTINE. UNRRA personnel continued to arrive and the hand-over is almost completed.

42. During the month, 2,275 Italian refugees arrived in ROME from the Northern Centres, the majority from the RIMINI area. 2,404 Italians were repatriated to homes in SICILY or the South; repatriates to Yugoslavia numbered 731. Up to the end of February 74,609 persons were recorded by the Records Bureau; the location of approximately 59,000 of these is known, the remaining 9,460 are reported to be in German occupied Italy. These records cover 70 different nationalities.

43. During February the Banca d'Italia was authorised to make payments totalling 8,363,110 lire, the number of persons benefitting from these payments being 3,912. Payments to Yugoslavs have decreased considerably, only 176 payments were made as against 2,117 in December 1944. Currency conversation proposals were approved by the Combined Chiefs of Staff on an "ad hoc" basis for a group of Jewish refugees scheduled to leave shortly for PALESTINE.

PATRIOTS BRANCH.

44. The patriot position on the Fifth Army front remains practically unchanged. On the Eighth Army front about 400 patriots have passed through the Patriot Centre at RAVENNA.

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45. Liaison with the Italian Government has been made easier by the formation of the Ministry for Occupied Territories. Priority of employment will in future be given to genuine patriots.

46. A national "Patriot Day" was celebrated on 18 February 1945. A parade of Italian Regular Troops and patriots was held in ROME with the object of demonstrating the union between formerly antagonistic regular soldiers and partisan forces. This was followed by the posthumous award of the Italian Gold Medal to regular soldiers and patriots who had died in action against the Germans since the Badoglio Armistice. Smaller parades and celebrations were held elsewhere in Italy.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION.

1. Surveys have been made of SICILY, CAMPANIA, EMILIA and TOSCANA areas in regard to crop production requirements and land reclamation. Crop production prospects were encouraging with seed requirements well provided for and imported materials scheduled for early arrival and distribution. Of the 4,334 tons of imported seed potatoes scheduled for import against spring requirements, approximately 3,500 tons were received and distributed. Sulphur distribution was satisfactory except in SARDEGNA and Central ITALY.

2. Wheat consigned to the "Granai del Popolo" reached a total of 10,884,756 quintals, or 92% of the estimated goal, with current consignments small. Olive oil collection reached 325,281 quintals, and there is evidence that the total may reach 450,000 quintals.

3. Production of fuelwood and charcoal continued slightly to exceed the consumption. A long term programme is being established for reafforestation by the Ministry of Agriculture.

4. Fisheries supplies delivered permitted a distribution programme to be started under Fondazione Assistenza Rifornimenti Pesca. Additional supplies of fish are anticipated as a result of restrictions relaxed during the month.

COMMERCE SUB-COMMISSION.

5. The reprocessing of salvaged clothing carried out in NAPLES has more than met expectations. Large quantities of garments were made available by MMLA for reprocessing, including 300 tons shipped from NORTH AFRICA, the condition of which necessitated the setting up of laundries and disinfestation plants. At present two large plants in NAPLES are laundering and disinfesting approximately 40,000 garments a week.

6. Textiles and clothing factories in AMG Fifth Army area have started production and considerable quantities of clothing, textiles and blankets are being produced and distributed.

7. Total exports during the month amounted to over 2,450 tons gross, representing a value of approximately 150 million lire. Contracts have been placed for 150 kilos Jasmine Concrete, and the UK have bought 100,000 lbs Bergamot Oil. Negotiations are in progress for the export of surplus minerals, such as Pyrites, Bauxite and Zinc Blende.

8. The supply of newsprint for Liberated ITALY was practically exhausted during the month and in the City of NAPLES newspapers were forced to suspend publication for two days. In conjunction with AFHQ, small stocks of newsprint have been obtained and it is hoped that these will be sufficient to meet requirements until American newsprint is available. The official price of some paper which is the basis of

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6. Textiles and clothing factories in AMG Fifth Army area have started production and considerable quantities of clothing, textiles and blankets are being produced and distributed.

7. Total exports during the month amounted to over 2,450 tons gross, representing a value of approximately 180 million lire. Contracts have been placed for 150 kilos Jasmine Concrete, and the CMA have bought 100,000 lbs Bergamot Oil. Negotiations are in progress for the export of surplus minerals, such as Pyrites, Bauxite and Zinc Blend.

8. The supply of newsprint for Liberated ITALY was practically exhausted during the month and in the City of NAPLES newspapers were forced to suspend publication for two days. In conjunction with AFHQ, small stocks of newsprint have been obtained and it is hoped that these will be sufficient to meet requirements until American newsprint is available. The official price of scrap paper which is the basis of present newsprint production has risen from 7½ lire per kilo to 22 lire per kilo, with black market quotations as high as 40 lire per kilo; the price of newsprint has jumped from 26 lire per kilo to 60 lire per kilo in contrast to a landed cost of 17.50 lire per kilo for the American newsprint.

9. Although the majority of silk filatures in TUSCANY were demolished, two remain in AREZZO Province and the small stocks of cocoons which still exist will be delivered to them. Twenty-seven tons of Persian cocoons have been imported for the Italian reelers and these are being distributed among the filatures in CALABRIA.

10. The Italian Government assumed responsibility for all civilian allocations of petroleum in LAZIO and ABRUZZI Compartments as from 1 March 1943.

FINANCE/.....

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FINANCE SUB-COMMISSION.

11. On 27 February it was widely reported in the Italian press that the U.S. Secretary of the Treasury had stated before a Congressional Committee that the Italian Government had accepted responsibility for the redemption of "invasion currency" under the terms of the Armistice. The reactions of the Italian Government to the statement were mainly of disappointment rather than disillusionment. It is thought that reports of the QUINTIERI - MATTIOLI Mission had already indicated that the U.S. Government had no intention of assuming any liability for the redemption of AM lire used by the U.S. Armed Forces in ITALY, other than the troops expenditure credits already made available. The new Italian Ambassador to the U.S. has, however, been instructed to ascertain the precise meaning of Mr. MORGENTHAU's statement.

12. The Italian Treasury has decided upon two internal loans. A large loan for purposes of reconstruction will be attempted as soon as substantially all of ITALY is liberated. It is planned to issue immediately 25 billion lire of bonds. The books will be open for subscriptions for one month beginning 15 April 1945. These bonds will have a five year maturity, will pay 5%, and will be issued at 97.50.

13. The net investment in Treasury bills during January was 2,405 million lire. The monthly average for the preceding six months of the current fiscal year was 2,400 million lire. Tax collections in Liberated ITALY for the seven months to 31 January 1945 amounted to 8,040 million lire.

14. The programme for turning over to the Federazione dei Consorzi Agrari the accounting and financial responsibility for imported foodstuffs is proceeding smoothly. The large AC stock-pile warehouse at NAPLES and the warehouses and depots of AMG FIFTH and EIGHTH Armies will be handed over to the Federazione on 1 March 1945. The detailed work of pricing, billing, and collecting for sales is done by the Federazione, which renders a receipt report to AC.

FOOD SUB-COMMISSION.

15. Arrivals of imported grain reached a higher level during the month. The actual figures of cereal imports were :

Wheat	91,927 tons
Barley	22,952 tons
Flour	17,333 tons

This enabled reserve stocks to be built up and the "300 gram bread ration policy" to be implemented in Central ITALY as from 1 March making the whole of the liberated territory uniform with respect to the bread and pasta ration. Heavy Worker's ration scales were adjusted . Several other scales were introduced during the month for the improvement of the feeding conditions of office workers, refugees, Sardinian miners and labour employed by the Armed Forces, and also for an extension of public assistance work.

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16. The normal issues of bread, pasta and sugar remained unaltered. Owing to distribution difficulties the ration of olive oil for each person for the month had to be reduced in some areas, including ROME, from three to two decilitres. The issue of meat or meat and vegetable stew to the population of cities of 50,000 and above was reduced from 400 grams to 200 grams due to diminishing stocks and the probability that no further supplies would be forthcoming. The grain situation remained satisfactory. There were 330,000 tons of locally produced grain on hand at the end of the month representing over two months stock of grain at the present rate of consumption.

17. The average weekly arrival of wheat and flour in ROME City fell from 3690 tons in January to 2892 tons in February. As a result the bread reserve of ROME fell from 32 days on 1 February to 22 days on 1 March, the fall being largely due to reduced rail acceptances from the ANCONA area. Approximately 13,000 tons of non-rationed foods arrived in ROME at an average of 425 tons a day. In addition 3400 tons of wine arrived from APULIA and SICILY and about 65,000 eggs a day arrived at the Mercati Generali.

18. An exchange/....

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18. An exchange plan for vegetables, which has been under discussion for some months, was adopted by AFHQ. This will involve a replacement by the Armed Forces on an agreed exchange basis for a certain amount of the local vegetables purchased on behalf of the Allied Armies. This is in addition to vegetables automatically made available for military hospitals and other priority classes.

INDUSTRY SUB-COMMISSION.

19. The improvement of the stockpile of coal at the ROME Gas Works has enabled an increase in the ration of gas to be made.

20. During the month seven factories were derequisitioned. Reconstruction is proceeding at sugar beet processing plants for the 1945 campaign and seven plants are scheduled for operation with an estimated output of approximately 30,000 tons. The Pirelli Rubber Reclaiming plant has resumed operations.

21. Approximately 1,650 tons of sulphur have been delivered to factories for the manufacture of carbon bisulphide and for agriculture; bids have been made for the continuation of deliveries at the rate of 630 tons a week. Sicilian supplies depend upon transportation and so far it has only been possible to deliver 3,000 tons a month. Three hundred and thirty tons of carbon bisulphide have been delivered to oil extraction plants in SICILY and SARDINIA and the Southern mainland. In addition, power has been obtained for the plant at SIENA and a combined production of approximately 200 tons was obtained.

22. Lignite production on the mainland is still handicapped by lack of electric power and transportation, but the production for February was 40,000 tons and estimated stocks above ground amount to 280,000 tons. Total cement production for the month was 1,000 tons.

23. Delivery of sulphate rock from NORTH AFRICA during the month was approximately 24,000 tons. Production of copper sulphate fungicide by Montecatini at BAGNOLI, near NAPLES, has started and is expected to be maintained at the rate of over 300 tons a month; 2,000 tons of scrap brass are used for this production which will cover the 1945 requirements of this plant.

24. Production of woollen goods shows little improvement on account of the lack of electric power. Approximately fifty firms are, however, running at a reduced capacity by using old motor and lorry engines. Production of cotton goods shows an increase on the previous month.

LABOUR SUB-COMMISSION.

25. The Confederazione Generale Italiano del Lavoro (CGIL) Congress held at NAPLES 28 January to 1 February was a marked success, and considerably enhanced the prestige of the Confederation. The key-note of the Congress was the importance of preserving unity of trade union movement without regard to party politics and delegates showed great resentment of the few communists introduced political

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26. Threatened strike in a number of undertakings have been postponed pending negotiations, and the CGIL used its influence as a moderating factor in the prevention of the spread of strikes.

27. Agreements have been reached with the Government for substantial wage increases for State and parastatal employees. Representatives of the Confederation of Industry have agreed that general negotiation of new wage agreements shall take place in all industries, with new basic scales and a variable bonus to keep in step with changes in cost of living.

28. The Minister/.....

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28. The Minister of Industry, Commerce and Labour has submitted particulars of a draft decree providing for the institution of a "Social Assistance Fund" from which to meet the special needs of workers.

PUBLIC WORKS AND UTILITIES SUB COMMISSION.

29. Electrical service was greatly improved as a result of the successful operation of the Central ITALY Grid. FLORENCE, most distant large city from the main centres of generation, reports that voltage during period of maximum demand has been increased by approximately 20%.

30. Italian Advisory Committees on electric power are now functioning in Central and Southern ITALY and during February Committees were organized in SICILY and SARDINIA.

31. The CANTERNO Generating Station, of 10,000 kilowatts capacity, was completed and connected to the transmission network. Construction of this plant was commenced prior to the war and suspended in 1943. During the German occupation, employees of the company buried parts of the machinery and after liberation they were salvaged and construction resumed.

32. Arrangements have been completed for the withdrawal of AC officers from the Southern Region, and transfer of their military highways responsibilities to representatives of the military district.

33. Operation of the FLORENCE gas system was resumed on 18 February.

34. The effectiveness of the entire reconstruction programme is seriously hampered by shortage of transport, and there is a progressive decline in the number of vehicles available in working condition.

35. During the month 1,474 public works projects were initiated, 613 completed and 2,424 were still in progress.

TRANSPORTATION SUB-COMMISSION.

36. The bids made on AFHQ for the movement of AC traffic by rail were accepted up to 80% and the majority of these bids were actually moved. The system of bidding for, and programming AC traffic is, at present, under review and new arrangements will come into force during March. The object of the contemplated change is to decentralise some of the work and to secure more accurate records of tonnages carried.

37. ENAC (Ente Nazionale Autotrasporti Cose) came into being on 1 February. It is too early to determine the effectiveness of the organisation, but cooperation between ENAC and this HQ has been good.

38. Out of the first consignment of 1700 trucks, mentioned in last month's report, to be imported from the USA, 360 have arrived. These vehicles are sent cased and will be assembled in this country. They will operate mainly in the North.

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PART IV

PUBLIC RELATIONS BRANCH & INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. News services of PWB in Italian Government Territory terminated on 15 February and newspapers and radio stations in this territory will now be serviced by private agencies.

2. Representations were made to the Italian Government concerning reported inefficient handling of imported Allied newsprint by the Italian Press Committee which, during the month, resulted in suspension of publication of several newspapers in NAPLES and ROME due to shortage of newsprint.

3. The News Production Section expanded its programme and local outlets were increased to twenty-nine direct recipients, including all Allied neutral correspondents, morale papers, wire services, four Italian news agencies and also nine indirect channels, such as AFHQ News Production Section and Italian Government Press Bureau.

NAVY SUBCOMMISSION

4. There were no far-reaching changes during February.

5. The Ministry of Marine, at the request of the Navy Subcommission, has agreed to supply sixty Italian naval officers for assignment to duty with Italian military courts in order that the Navy may bear its proportionate share of court work.

6. The Italian Navy has shown an interest in obtaining general technical publications from England and the United States and some publications have been supplied already to the Ministry of Marine by American and British representatives.

7. On 19 February Rear Admiral G.L. WARREN was appointed as Chief of the Navy Subcommission, vice Rear Admiral C.E. MORGAN, C.B., D.S.O.

LAND FORCES SUBCOMMISSION

8. Assisted by Patriots, Italian troops of the Cremona Combat Gp, in their first major action since they entered the line, fought a successful battle in the Adriatic Sector of the EIGHTH Army front. Praise and recognition of their success was given both by Field Marshal Alexander and General Mark Clark. All reports generally indicate a good standard of morale and discipline.

9. During the month the Friuli Combat Gp moved into the line after a period of training and later came under command EIGHTH Army.

10. An unexpected increase in the numbers of men enlisted for Combat necessitated the establishment of an overflow camp in the Reinforcement Centre area which imposed a severe strain on equipment and Italian staff.

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11. The enrolment of Patriots into the Italian Combat Gps continued during the month. Over 1,800 Patriot volunteers were moved from the forward area by road and rail to CESANO where their initial training in British methods and equipment commenced. Some difficulty was experienced in persuading these volunteers to hand in their arms and, owing to delays in providing training facilities and comforts, there was some discontent. Following a visit to CESANO by General Browning and H.E. Palermo, Italian Under Secretary of State for War, during which both explained to the troops the actual position and made it clear that everything possible was done to improve conditions, no further trouble has been experienced.

12. Results of the re-call to the colours and the call-up of the 1914-15 recruits were most encouraging. Reinforcement Camps at ORVIETO, TRANI and AFRAGOLA are almost full to capacity.

13. The ration scale of flour, olive oil and nuts was increased by authority of AFHQ from 20 February 45.

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14. The month has shown an all-round improvement in the morale of the Italian Army. This was due mainly to the increased welfare facilities which have been implemented during the last few weeks. The Italian Army newspaper "LA PATRIA" now has a wide distribution and is issued free to all Italian Units in the forward areas. Several voluntary welfare organizations have been started in the forward areas and the Italian Forces' Rest Home in ROME was visited by the Prime Minister, the War Minister and the Minister of Marine on 9 February.

AIR FORCES SUBCOMMISSION

15. The Italian Air Force is still being employed in active operations over the BALKANS. The scale of effort during the month of February was the second greatest since the Italian Air Force has been controlled by the Air Forces Sub-commission. The Fighters attacked a variety of targets, and it is confirmed that damage to enemy transport was inflicted.

16. The Seaplane Wing carried out a very successful Air/Sea Rescue sortie and rescued the crew of an Allied aircraft in spite of extremely difficult weather and sea conditions.

17. The Bomber/Transport Wing has carried out the largest number of sorties since August 1944.

18. The Light/Bomber Wing has dropped a considerable weight of bombs with good results. Unfortunately the Commanding Officer of one of the Squadrons and his crew were lost by a direct hit from anti-aircraft fire.

19. The morale of the Force remains satisfactory, and a small increase in the rations for flying personnel has been very well received.

20. The new Minister, H.E. DOCTOR LUIGI GASPAROTTO, has made a good start and is popular with the units.

COMMUNICATIONS SUBCOMMISSION

21. Considerable extensions were authorized by the military security authorities to the areas open to civil communications. These are now:

Postal boundary (foreign and domestic). The Northern boundary of PESARO and AREZZO provinces, thence the line of the R. ARNO through the provinces of FIRENZE and PISA (including the provincial capitals).

Telegraph boundary (domestic). The Northern boundary of PESARO and AREZZO provinces, the line of the R. ARNO through the province of FIRENZE, thence including SIENA and GROSSETO provinces.

Telephone boundary (inter-provincial service). The Northern boundary of MACERATA, PERUGIA and GROSSETO provinces; the province of FOGGIA is

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16. The Seaplane Wing carried out a very successful Air/Sea Rescue sortie and rescued the crew of an Allied aircraft in spite of extremely difficult weather and sea conditions.

17. The Bomber/Transport Wing has carried out the largest number of sorties since August 1944.

18. The Light/Bomber Wing has dropped a considerable weight of bombs with good results. Unfortunately the Commanding Officer of one of the Squadrons and his crew were lost by a direct hit from anti-aircraft fire.

19. The morale of the Force remains satisfactory, and a small increase in the rations for flying personnel has been very well received.

20. The new Minister, H.E. DOCTOR LUIGI GASPAROTTO, has made a good start and is popular with the units.

COMMUNICATIONS SUBCOMMISSION

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Telephone boundary (inter-provincial service). The Northern boundary of MACERATA, PERUGIA and GROSSETO provinces; the province of FOGGIA is excluded. Provincial telephone service is allowed in ANCONA, SIENA and FOGGIA provinces.

22. Services are not in full operation in all the northernmost parts of these areas but they are being steadily restored.

23. Tests were satisfactorily made and all arrangements completed for the opening of the ROME-NEW YORK radio telephone service. The Italian language may now be used in telegraph and telephone communications from ITALY.

24. Authorization was received from Combined Chiefs of Staff for the issue to the Italian Government of the communication stores requisitioned from Allied resources on the "prevention of disease and unrest" basis; this basis allows for about a 3% restoration of facilities.

25. Arrangements were completed for the method of sale in situ of surplus military signal stores, and the transfer of circuits constructed by military signals in SARDINIA was completed and the price settled.

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WAD & PW SUBCOMMISSION

War Materials Disposal

A new procedure for handling all surplus salvage and scrap material made available from the Allied Armies in Italy to the Italian Government has been established. Arrangements have been made with PBS and British Salvage regarding future allotments.

27. Some 7,550 tons of salvage material was offered by PBS and British Salvage to the Allied Commission during February and bids have been made accordingly. This salvage material included aluminium, canvas, cotton, ferrous metals and rubber.

28. Abandoned ammunition continues to be a serious problem and a scheme whereby it can be broken down and remade into mining explosives is being considered.

Italian Prisoners of War

29. The number of Italian prisoners of war repatriated during February was 819. This figure is less than 50% of the average for the past six months and the Italian Government, through the Italian High Commissioner for Prisoners of War, expressed great concern at this reduction in numbers. Most of those repatriated during February were sick and wounded.

30. Remittances to Italian families made by Italian co-operator prisoners of war increased from 10,421 pounds sterling in January to 92,27[illegible] pounds sterling during February. The statements were passed to the Italian High Commissioner for Prisoners of War for payment.

31. 593 packages of impounded valuables were forwarded to the Italian High Commissioner for Prisoners of War and the Italian Red Cross for distribution to claimants.

32. A meeting was held at this Headquarters regarding the repatriation of some 30,000 Italian prisoners of war for enrolment into the Italian Army. The policy with regard to types of specialists and priorities was discussed, and arrangements as to procedure were agreed.

HENRY W. STONE
Rear Admiral, USNR
Chief Commissioner

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

HEADQUARTERS ALLIED COMMISSION
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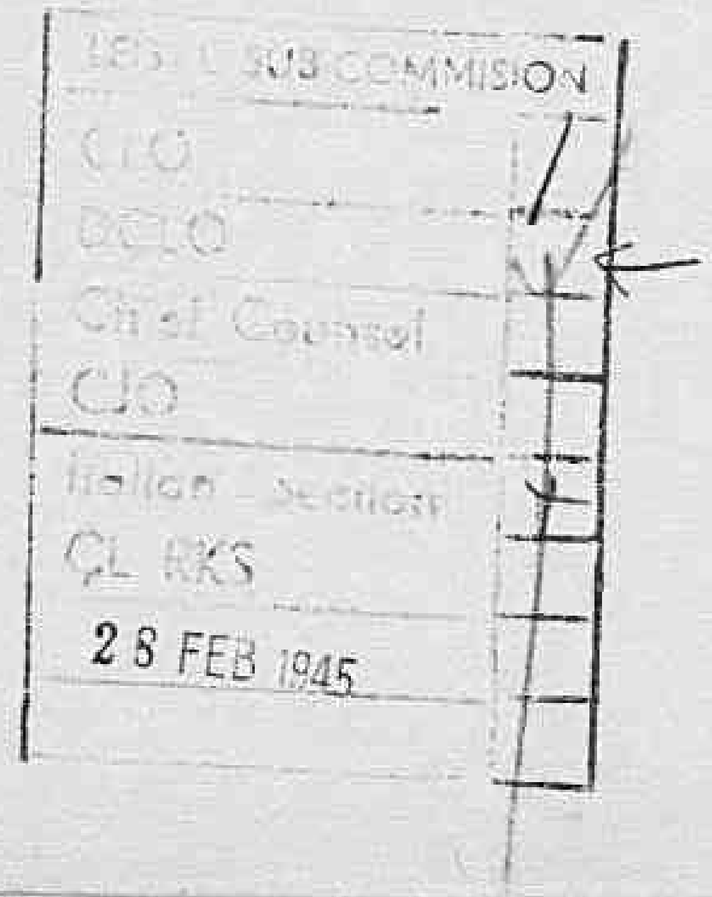
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POLITICAL SECTION

1. A great step was taken in the history of ITALY when a decision was reached by the Council of Ministers on 30 January to extend the vote to women over 21 years of age. The Government had already laid down in two recent decrees that electorial lists should be drawn up in all communes of Liberated ITALY in order that elections might take place in the late Spring. Originally the lists would only have comprised the names of male electors, but in view of the decision of 30 January it will now be possible to include the names of female voters.

2. The Italian Ministry of Foreign Affairs announced the resumption of relations between ITALY and NORWAY and that relations were also being resumed between ITALY and RUMANIA and BULGARIA. Diplomatic relations between these two latter countries and ITALY were never broken off, but were merely suspended as a result of a force majeure. The Minister of Foreign Affairs also announced the formal recognition by ITALY of the Chungking Government and declared null and void the Fascist Vienna Award of 1940, replacing it by a declaration of the "necessity of free co-operation between ITALY and the Balkan/Danubian Nations". At the same time announcement was made of the appointment of Signor Alberto TARCHIANI as Ambassador to the United States. Signor TARCHIANI is a real anti-Fascist. He was once Editor of the "Corriere della Sera" in MILAN and went into exile in 1926. He is a member of the Action Party and served in the last Badoglio Government as Minister of Public Works.

3. Owing to ill-health, Air Minister SCIALOIA has been forced to resign his post and has been succeeded by Signor Luigi GASPAROTTO who recently returned to ITALY from SWITZERLAND. Signor GASPAROTTO does not belong to any party and although he is 72 is an extremely vigorous and forceful personality.

4. Signor BOERI, who also lately returned from exile in SWITZERLAND, was named Secretary of the High Commission for Sanctions against Fascism. This appointment relieved the President of the Council of Ministers from his responsibilities of presiding over the four assistant commissioners which he had been doing since the resignation of Count SFORZA.

5. The Council of Ministers decided to place the Chief of Army Staff under the Ministry of War and General RONCO has been appointed to this post.

6. On 11 January the ROME press carried an Order of the Day published by the Central Committee of National Liberation urging the Government to constitute a National Army. The press, particularly the left-wing press, came out strongly in support and the Committee of National Liberation thereafter sent copies of it to the British, United States and Soviet Embassies. The agitation in the ROME press for more active Italian participation in the war was in sharp contrast to the disturbances (details of which are given under the Regional headings) which took place in SICILY and SARDEGNA during the month

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7. At a press conference towards the end of January Signor SCOCCIMARRO, the new Minister for Occupied Italy, reported correctly that the enlistment of patriots in the regular Italian forces had progressed rapidly in the last few weeks.

8. On 5 January the Council of Ministers set aside three billion lire for repairs of public buildings and two billion lire to be used to provide adequate housing for civilians. The Government emphasized that the funds were to be spent on urgent repairs rather than on new construction which must wait for a more fitting time for nation-wide planning.

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PART I

AMG ARMIES AND REGIONS.

AMG FIFTH ARMY.

1. January was a quiet and uneventful month. The area under control remained unchanged throughout the period and no new communes were taken under Military Government. The routine administration of the three Provinces of FIRENZE, PISTOIA and LUCCA presented no new aspects though the familiar economic problems remained as acute as ever, particularly the shortage of cement and electric power and the difficulty of ensuring adequate food and fuel supplies in the larger towns.

2. XIII Corps passed to operational command of EIGHTH Army in mid-January, but continues to be administered and supplied by the British Increment of FIFTH Army. Agreement was therefore made with AMG EIGHTH Army that for AMG purposes the Corps would continue as before to be under FIFTH Army. This arrangement worked satisfactory.

3. In the forward areas a distribution of clothing by the American Red Cross did much to alleviate the distress of the most needy of the population. Over 4,000 refugees were evacuated from these areas with no unusual difficulties except those of providing for the animals and grain stocks of farmers in the battle area.

4. The recruiting drive for the Italian Army organised by the CLN gave an opportunity for several parades and demonstrations, but none of these were on a large scale or caused any trouble. Although no exact figures are available, the total number of recuits reached several thousand and the drive is thought to have been a success.

5. There was less serious crime than in December, though cases of violence occurred. Several large deposits of arms were seized, noticeably in PISTOIA. These were of mixed Allied, Italian and German origin and were unquestionably hidden for future use by ex-Partisans.

6. Public health remained satisfactory with sporadic cases of diphtheria and no typhus or rabies. The typhoid epidemic at PRATO continued serious for the early part of the month but was definitely on the decline as the month ended.

7. Agriculture was surprisingly normal except for the shortage of livestock. Olive oil amassing was going very slowly but was expected to improve as a result of energetic action by Provincial Commissioners.

8. Twelve enemy agents were tried before General Courts. One was acquitted, one convicted and sentenced to life imprisonment and the remainder convicted and sentenced to death.

AMG EIGHTH Army.

9. Advantage has been taken of the lull in operations to embark, to a greater [illegible] longer term projects. Schools

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AMG EIGHTH ARMY.

9. Advantage has been taken of the lull in operations to embark, to a greater extent, than is usually possible in army area, on longer term projects. Schools were opened as far forward as Corps rear boundaries, and Italian courts were reformed and given power to try minor violations of AMG orders. Civilian transport pools were organised. The institution of Provincial Labour Offices, which will eventually be taken over by the Italian Ministry, and the state social insurance offices have been commenced.

10. Good progress has been made in setting up the machinery of Italian Provincial Government. Political activity is on the increase and as usual the Communist party is by far the best organised.

11. Stabilisation of the line made it necessary to evacuate a large number of civilians from the most forward areas. This was accomplished without incident. Wherever possible, livestock and such personal effects as could be moved were also evacuated; in many cases, however, circumstances prevented this but every effort has been made to safeguard the property.

12. The typhoid/.....

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12. The typhoid epidemic in the RIMINI-SAN MARINO area has ended and the general standard of health has been good.

13. There are ample stocks of grain, but the surplus must be regarded as a stockpile for regions as yet unliberated. Local production of olive oil has been very small and will not be of much assistance, but a certain amount of lard will be available in the country districts as hog slaughtering has now begun. Meat is very scarce but, although on the present rations the townspeople are undernourished, there is no starvation and the country people have sufficient. The major problem of fuel was partly solved by a controlled programme of tree cutting.

14. The Carabinieri and other police agencies gave loyal service, and their morale was good. Their efficiency, however, varies in proportion to the time they have been under Allied control. Clothing, blankets and equipment were still urgently required.

15. In the neighbourhood of RAVENNA, patriots gave valuable assistance in evacuating civilians and their livestock from the forward areas. In this sector three hundred patriots are still being used in an operational role. In FAENZA however, where patriots have been disbanded, they have been very reluctant to part with their arms, and the number of weapons handed in was small.

SICILIA REGION.

16. The principal problems of this month, as in the previous month, have been Public Safety and Alimentation. 156

17. Serious disorders, centred in the Southern Provinces of the Island, chiefly in the Province of RAGUSA, resulted from a continued protest against the military call-up; the police and Carabinieri were unable to maintain order and Italian troops were employed. The rioters offered resistance to the troops in several places particularly in COMISO where they were in control of the town for approximately five days. During the various conflicts one officer and three soldiers, one finance guard and one Carabiniere were killed and fifteen soldiers were wounded; five civilians were killed and eight wounded. Following the disturbances investigations were conducted and several hundred persons arrested. Some of the persons arrested have been sent to the Island of USTICA.

18. The immediate cause of the riots was resistance to the military call-up but this, as in the case of previous disorders, appears to have been the means of expressing general dissatisfaction over economical conditions and a strong resentment against the Government. Following these disturbances the situation during the latter part of the month appeared outwardly calm and reports indicate [illegible] decidedly improved. Lack of communication and

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19. The National Committee of the Separatist Movement held a congress in PALERMO on 16 and 17 January and shortly afterwards Separatist propaganda leaflets appeared in the town appealing to the Allies for recognition or a return to Military Government.

20. The food situation was improved by the arrival of two cargoes of grain totalling 12,750 tons. The bread ration of 300 grams was maintained but the distribution of the paste ration was erratic. 100 grams of sugar per person were issued.

21. Shipments of about 2,800 tons of wine and fruit were sent to the ROME area and exports included 280,000 cases of lemons to UK, 3,195 tons of sulphur to NORTH AFRICA and 3,580 tons of sulphur to Southern FRANCE. Inter-regional trade and exports to other countries were handicapped by bad weather.

22. The road/.....

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22. The road transportation which until now has been adequate is deteriorating rapidly owing to the lack of tyres and spare parts for maintenance. Railway transportation is also becoming increasingly difficult owing to a shortage of box-cars. These leave the Island with shipments of goods and are not being returned.

23. A series of night classes was inaugurated by the Regional Labour Office and if these prove successful similar facilities will be offered in other Provinces. When the Sicilian schools reopened after the holidays a full year of teaching and study under the new regime was celebrated. Lack of heating and window glass, as everywhere, are the main problems.

24. The condition of health in SICILY was particularly good with the exception of widespread typhoid fever. The typhoid epidemic in ARCIREALE was found to be due to water pollution and steps have been taken to bring it under control. The outbreak of smallpox has been completely stamped out.

SOUTHERN REGION.

25. January has passed without incidents in the political or economic structure of South ITALY. Possibilities of danger were averted and the situation generally improved. When the month opened it was still not certain whether the food ration might not have to be reduced; in fact, the bread and pasta rations have been maintained throughout the month. In TARANTO it has even been possible to catch up on old standing arrears in the delivery of the pasta ration. A second distribution of olive oil has taken place throughout much of the Region.

26. Results of the drive to gather oil to the oleari del popolo exceeded the first, rather reserved, expectations. By 28 January, a total of 159,977 quintals had been amassed.

27. December closed with a serious threat of labour difficulties at BARI. Fortunately, the situation was carefully handled and a delegation representing the aggrieved government employees received a sympathetic hearing by the government in ROME and returned to BARI sufficiently satisfied to enable them to call off the threatened strike.

28. A satisfactory standard of efficiency has been maintained among the Civil Police with the exception of the Guardia Municipale. Shortage of personnel, immobility due to lack of transport and poor economic conditions have been adversely effecting morale. There were 214 cases of forgery of Allied Military currency, involving 275 notes, 22 arrests and two denounced for forgery offences, but on the whole civilian crime decreased throughout the Region.

29. Public health remained good and the BENEVENTO smallpox epidemic declined in incidence. As in most other parts of the country the majority of schools in this Region had to be closed for lack of heating and window glass.

30. Shortage of both road and rail transportation seriously affected the

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30. Shortage of both road and rail transportation seriously affected the movement of commodities essential to the economic functions of Southern ITALY. ENAC, the new road transport organisation, will start functioning from 1 February. The NAPLES/ROME passenger train service re-opened on 22 January; the arrival of the first train was made the occasion of considerable ceremony.

LAZIO-UMBRIA REGION.

31. Funds for public works of all kinds have at last been obtained from the Italian Government though the financial "block" may yet prove to be costly, particularly when the malaria season comes round again.

32. TERNI and PERUGIA, the two Provinces which make up UMBRIA, are still under AMG control and because of their military importance it is considered that they should remain so for a further period.

33. Stocks of grain in ROME have been raised to cover thirty days, but the food position has not improved materially and the 300 grain ration is still a crying need.

34. The officers/.....

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34. The officers sent out towards the end of January, to assist in the amassing of olive oil, are faced with a difficult task. The extent of evasion of the law would hardly be believed by anyone who has not actually experienced it. It is too early, however, to say what degree of success will be achieved but without these officers collections would have been virtually non-existent, and it is more than likely that incidents of violence would have arisen. Total oil collected as at 23 January was only 908 tons.

35. Perhaps the most encouraging development was the increase in efficiency and morale of the Italian Police Agencies. It was most marked in the City of ROME itself, but the same tendency was revealed throughout and the results do very great credit to the hard work of the Public Safety Officers at all levels. There was strong political interest in the case which started with the shooting by police agencies of the criminal known as "Il Gobo" and developing with the arrest of SALVAREZZA, the Secretary of the Unione Proletaria. While there have been hints that sensational revelations may follow his examination, nothing has yet come out.

36. Lignite deliveries improved considerably and, although there was still insufficient fuel to cover general industrial needs, the situation has improved. One glass factory made a welcome start and every effort is being made to keep the PIRELLI works in operation. Soap production, which is the responsibility of the Italian Government, is being held up by delays over soda allocation. Water supply in ROME is now up to 100% but there is grave danger of chlorine shortage, although the general salt position has improved. The seed grain distribution has been satisfactorily completed, but the seed potato situation is extremely bad. Concrete results have been achieved in making good the losses in livestock from the Southern Provinces.

37. ENAC is now working in all Provinces except TERNI and PERUGIA. Considerable difficulties are being experienced as the organisation is extremely unpopular with truck owners. In general it can be said that there is enough transport in the Provinces to cover all needs but that the tyre situation threatens to be the deciding and even fatal factor. Good work has been done in salvaging vehicles. The Regional Commissioner reports that the Regional Engineer can show twenty six new bridges opened during the month.

38. But two questions are for ever in the minds of Allied officers. How do the people live? How long can they stand it? The ration is not enough, prices are at a tremendous level, many things are unobtainable and, sooner or later, become necessities. The majority must be living on capital or by dishonest means. The answers, insofar as any reaction is concerned, may well depend on future events in the North.

ABRUZZI-MARCHE REGION.

39. Grave concern is being caused in this Region by the greatly inadequate pay of statal and parastatal employees, commonly known as the black coated workers. Many of this class receive less pay than unskilled labour and are

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ABRUZZI-MARCHE REGION.

39. Grave concern is being caused in this Region by the greatly inadequate pay of statal and parastatal employees, commonly known as the black coated workers. Many of this class receive less pay than unskilled labour and are forced to sell their private possessions or spend their capital in order to eke out an existence.

40. The situation with regard to olive oil was not good but an improvement should be shown in the near future as the officers have now arrived for duty on olive oil amassing. The wheat collection was extremely satisfactory and the Regional total has reached 111% of the target figure. TERAMO Province estimated an exportable surplus of 11,000 tons and the Prefect received a letter of congratulation from ROME on the satisfactory amassing results achieved so far.

41. Communication and administration was considerably hampered in PESARO Province owing to approximately 500 bridges being down in this area. Some communes could only be reached on foot, wading through mud and snow. The village of CASTEL di SANGRO was cut off on all sides by snow and ten tons of grain had to be dropped by the Italian Air Force.

42. In order to re-establish the morale and prestige of the Carabinieri a parade of all available personnel was held in ANCONA and was inspected by the Area Commander. A remarkable improvement has been noted in the general performance of the Carabinieri since this ceremony.

43. Some/.....

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43. Some success is being achieved in combatting black market activity by the imposition of heavy fines, imprisonment and the confiscation of goods. There has been an increase in the number of forged notes in circulation.

44. Lignite mines at SCARPITO and BUSSI are operating satisfactorily and the SAFFA match factory at JESI recommenced production on 15 January. During the first seven days of operation over 54 million matches were produced.

45. Approximately 66,000 mines have been cleared in the CHIETI-PESCARA area during the last month, making a total of 218,800 cleared in this area since June 1944.

46. The general health of the population in the Region is satisfactory and a diminution is shown in the number of typhoid cases. A considerable number of schools have had to close down for periods ranging from a few days to several weeks, during the recent cold spell, due to lack of fuel.

47. RINAC began the registration of vehicles in ABRUZZI-MARCHE Region during the last few days of the month.

SARDEGNA REGION.

48. Between 11 and 16 January a general strike occurred in the mining centre of CARBONIA, affecting all mines. There was no serious point at issue and the strike was not openly backed by any of the political parties. Work was resumed on 17 January but it seriously affected production of Sulcis coal, the output of which has never been high. Total production in January amounted to 33,000 tons of washed coal.

49. Small demonstrations on 17 and 18 January against Army call-up at CAGLIARI, during which the crowd appeared good tempered, culminated in bombs being thrown on the night of 18 January. One police agent was killed and eighteen persons wounded. It is believed that the bombs were thrown by irresponsible members of the Sard Action Party. The police and Italian Army personnel showed good discipline and the crowd was kept under control throughout; it seems possible, however, that the extent of a Separatist Movement in SARDINIA has been under-estimated. The Army call-up starts in February and 26,000 recruits are expected by the end of March.

50. The Italian Army in SARDINIA was reduced to just over 4,000 effectives. The special army unit of 500 formed to help the Carabinieri has been put under orders to leave the island and has begun to embark. The formation of a Mobile Battalion of Carabinieri and Italian military personnel was sanctioned, and the personnel will be recruited and trained locally. Vehicles will be obtained from Italian Army sources now in the Island.

51. Crime included two murders and forty three armed robberies, a steady increase in this form of robbery. Nine U.S. mail bags were rifled on 19 January in CAGLIARI and public order is deteriorating.

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47. ENAC began the registration of vehicles in Amyzon makes [illegible] the last few days of the month.

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52. The Granai del Popolo exceeded the revised target figure of 300,000 quintals by 7,000 quintals. Owing to the lateness of the olive crop, only 1,100 quintals of oil were brought in during the month. Controls were arranged on the mills but the responsibility for the return of the oil was put on the Sards. The arrival of sufficient sugar to permit a distribution of 125 grms per head was most welcome.

53. Nearly 2,000 head of cattle and sheep for breeding purposes and also a few horses were exported to the mainland during the month. In addition about 4,000 tons of other commodities and 20,000 tons of Sardinian coal have been exported. Imports amounted to 19,000 tons including about 8,000 tons of both wheat and coal.

TOSCANA REGION/.....

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TOSCANA REGION.

54. Regional Headquarters moved during the month to MONTECATINI. The American Red Cross distributed approximately half a million articles of clothing throughout the Region and all institutions in vital need have been or are being supplied. The clothing was valued at about half a million dollars.

55. The Carabinieri did exceptionally good work and one Maresciallo after being molested by a gang of bandits returned later and arrested seven of them single handed.

56. Energetic action was taken by this HQ, in conjunction with an AMG officer, to increase production at the salt works of Saline, VOLTERRA, which had been in the hands of Italian officials. Figures at the end of the month showed an increase of more than double the output of December. Approximately eighty arrests were made for cases of illicit trade in the manufacture and sale of salt in the Province of PISA.

57. Sugar has again been distributed throughout the Region. The amassing of olive oil has not been as successful as anticipated but progress is being made and it is though that the Region will be self-sustaining in this product. An Italian Naval Officer has been appointed to assist in re-starting the fishing industry.

58. Public health continues to be good. Diphtheria, nowhere in epidemic form, is at present the most prevalent disease. Prophylactic inoculation under the normal Italian scheme is being carried out. There was a 50% decrease in incidence of V.D. in GROSSETO Province.

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. To avoid a recurrence of incidents which took place in certain districts in FRANCE where the people took matters into their own hands, or created peoples' courts, planning for North ITALY has received detailed consideration. An Order authorising Regional Commissioners to set up Provincial AMG Epuration Commissions has been drawn up and posters and forms have been printed. Under this scheme the AMG Commissions will only suspend persons and it will be the responsibility of the Italian Commissions to judge whether the employee should be dismissed or not. It is intended that only those persons in positions of authority should be suspended, whose fascism is so well known or active that their ultimate dismissal is not open to doubt, or whose retention is likely to have an adverse effect on public opinion. Services should not be disorganised by large scale dismissals of subordinates.

2. Over 150 Italian Commissions have so far been appointed and 100 more are still required. Under the law each has to have a judge presiding but the withdrawal of so many judges has effected the administration of justice which has been brought to a standstill. It has been suggested that advocates of experience should be considered as qualified for these duties and it is understood that a decree to this effect will be published.

Mine Clearance.

3. A tour of inspection of an Italian Mine Clearance Company was carried out in January at CHIETI and PESCARA. The civilian Centre of Instruction was well organised and the standard of instruction appeared to be good. The squads are doing satisfactory work and the Company cleared over 4,000 mines in December. A training cadre is being organised and run by the Company. The men are well led and this is reflected in the enthusiasm for the work.

4. In all areas a total of 60,285 mines have been removed during the month.

Devastated Areas.

5. Owing to an unusually severe winter the suffering of the inhabitants of the devastated areas has in certain cases been acute. Every effort has been made to mitigate their hardships and an improvement in conditions has resulted.

6. The Italian National Committee for Relief in devastated areas, formed in ROME, has carried out a vigorous drive in the City with gratifying results. These include the collection of over 5,000 blankets, 40,000 articles of clothing, 1,500 pairs of shoes and many tons of wool, 30 tons of which werecontributed by the Italian Government. In addition five million lire was subscribed by the citizens of ROME and a grant of ten million lire, with a guarantee of a further twenty million lire, was made by the Italian Government.

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7. The National Committee decided to form provincial committees to organise other similar drives which up to the present have yielded about 42,000 blankets. Of this number 24,000 have been distributed in the devastated communes in the Provinces of CHIETI, AQUILA, PESCARA, FROSINONE and LITTORIA. Shortage of transport has prevented distribution being as speedy as could have been wished.

8. The housing problem is acute. By the use of canvas many of the less badly damaged dwellings are being patched up and made habitable. A certain amount of rebuilding has begun and 100,000 square metres of canvas have been ordered.

9. The special ration scale for devastated areas in FROSINONE Province has been extended to include other communes where under arrangements made by the Vatican authorities popular kitchens have also been opened.

LOCAL GOVERNMENT/.....

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LOCAL GOVERNMENT SUB-COMMISSION.

10. Arrangements have been made whereby a number of Prefects and Vice-Prefects will be held available for filling posts in North West ITALY. One-half of the "Pool" of officials will remain in ROME and be employed at the Ministry of Interior until their services are required; the other half will be spread over Prefectures and called to ROME to take the places of those who are eventually sent North.

11. A decree has been promulgated in connection with the re-organisation of ROME, to which the Allied Commission has already given consent.

12. The Prime Minister has been asked for information as to the plans of the Italian Government for local elections and the bodies to be elected.

PUBLIC SAFETY SUB-COMMISSION.

13. The disorders in SICILY, and later in the month, in SARDEGNA and on the mainland mainly in protest against the military call-up, have been reported in Part I, Regional Reports. Details of the Separatist Movement in SICILY can be found in the Report for that Region.

14. Investigation into the murder of a British Corporal, a Carabinieri and three civilians led to the death of "Il Gobo", the leader of the Hunchback gang, who was shot on 16 January by a Carabinieri while endeavouring to break into a villa in ROME. On 18 January, 25 of his gang were arrested during a raid in which 1,000 Carabinieri and agents of Public Safety took part. 700 persons were detained for interrogation and for possessing fire arms and a large quantity of firearms, ammunition and explosives were seized. Other similar raids were made in which the civil police acquitted themselves well.

15. During the month the strength of the Carabinieri reached a total figure of 54,899, excluding 3,800 Italian Army troops attached for temporary Carabinieri duty. As the ceiling fixed is 55,000, 3,000 troops of the Picono Division have been ordered to return to combat duties. Renewed representations have been made for authority to increase the strength from 55,000 to a minimum of 65,000. In the meanwhile, efforts are being made to reduce the number of Carabinieri who are "ineffective" as far as public safety duties are concerned.

16. The activities of the extremist movements have been watched, and a new body - the "Movimento Nazionale di Defesa Economica Proletaria" - has entered the picture. It is affiliated to the "Movimento Partigiano" and the "Unione Spartaco", and seeks to exhort its members to some form of revolutionary action. However, it is not believed that any direct form of action is likely at this stage.

17. The trials of Generals ROATTA, SUVICH and others have been without incident so far, but have not yet been concluded. An eleventh hour sensation was the suspension of CASONELLI, ROATTA's legal representative, as he himself

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PUBLIC HEALTH SUB-COMMISSION.

18. A Medical Bulletin in Italian for the information of the Italian medical profession has been compiled from British and American medical journals by the Public Health Sub-Commission in conjuction with PWB. The first number of the "Bulletin Medico" will be ready early in February and free distribution throughout Liberated ITALY will take place. A proportion of copies will be stockpiled for the North.

19. One case of smallpox occurred in ROME. In BENEVENTO the number of cases reported during January was 51 as compared with 81 in December, and 24,000 persons were vaccinated during the month. The NAPLES Province figure was 261 as compared with 285 in December. 93,410 people were vaccinated. Isolated cases have been reported from various Provinces in Southern Region.

20. An experimental/...

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20. An experimental ti-malaria spraying project was arried out at BONIFICA CASTEL VOLTURNO during January with good results. A typhoid epidemic of some seventy has existed at PRATO for several months, the total number of cases reported being 734. Much assistance in control measures has been afforded by the local military medical authorities and by members of the 2nd US Medical Laboratory. Recent reports state that the epidemic is under control. The ROME Infant Mortality figure for December was 145.8 and the ROME Tuberculosis (both pulmonary and non-pulmonary) rate for December was 213. Allied stocks of Penicillinin this theatre are limited and can only be used for the treatment of Allied soldiers.

21. Of 15,000 cattle vaccinated against Foot and Mouth Disease in the past year in ROME Commune, none developed any signs of infection. Sheep pox is reported from the Provinces of NAPLES, TARANTO, LECCE and BRINDISI.

22. There is no present shortage of imported medical supplies but distribution by ENDIME, the Italian distribution agency, has been unsatisfactory. Steps have been taken to effect improvement. The new 2665 Central Civilian Supply Depot (CVHD) was activated on 6 January. This organisation, which is under the direct command of AFHQ, will serve both this theatre and other countries in the MTO.

23. The Welfare Branch, in cooperation with ENDSI, is arranging for the distribution of 100 tons of clothing to SICILY. ENDSI (Ente Nazionale per la Distribuzione dei Soccorsi all'Italia) is the title under which American Relief for Italy Inc. is known in ITALY. Arrangements are being made for the care of destitute Allied Nationals and also "Stateless" former Allied Nationals.

LEGAL SUB-COMMISSION.

24. Lord SCHUSTER, Chief Legal Advisor designate for AUSTRIA, and a Staff Officer visited the Legal Sub-Commission for ten days. A memorandum was prepared and handed to Lord SCHUSTER for use in planning for AUSTRIA. It explained the system adopted in ITALY of implementing Italian decrees to bring them into operation within Military Government Territory.

25. General Order No.29A was drafted relating to the declaration of certain essential commodities such as wheat, animal fats, flour and olive oil, and the fixing of prices therefor. Another draft General Order dealt with the anticipatory payment of certain pensions. These Orders were designed as interim measures for use in new territory from the date of its occupation until the application of corresponding Italian decrees.

26. In cooperation with the Italian Government the following decrees were prepared :

(a) A decree to strengthen the law regarding the harbouring of Allied deserters and increasing the penalty.

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(a) A decree to strengthen the law regarding the harbouring of Allied deserters and increasing the penalty.

(b) A decree to establish Italian Military Tribunals for Northern ITALY during the period of Allied Military Government.

(c) A decree to facilitate the marriage of personnel and employees of the U.S. Armed Forces with Italian citizens.

(d) A decree modifying the exercise of the power to order citizens to "confino".

27. The Minister of Justice, in response to advice of the Allied Commission, took steps to recall to service certain retired judges to alleviate the scarcity of judicial personnel.

28. Nine espionage cases were reviewed. Four death sentences were confirmed; four death sentences were commuted and one sentence of imprisonment was affirmed.

EDUCATION/.....

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EDUCATION SUB-COMMISSION.

29. Control of schools and higher educational institutions in the Commune of NAPLES has been handed over to the Minister of Public Instruction. Preliminary defascism of schools and univerisities is practically completed in all Military Government Territory.

30. In LAZIO-UMBRIA, ABRUZZI-MARCHE and TOSCANA about 651,000 children are attending school, representing 73% of normal enrolment in the kindergartens and 81% of normal enrolment in the elementary and secondary schools. In EMILIA Region 14,038 children have been enrolled.

31. 379,513 elementary school textbooks were distributed in December and January to the schoolchildren in LAZIO-UMBRIA, ABRUZZI-MARCHE and TOSCANA and more are printed and awaiting transportation. 161,000 textbooks have been printed in PALERMO for distribution to SICILY and CALABRIA. NAPLES has printed 174,485 for Southern ITALY and SARDINIA. More school supplies have arrived from AMERICA.

32. SICILY reports disorders in all universities due to the call-up of students for the Army. At CATANIA a riot, begun by students, resulted in the burning of buildings at PALERMO; a more harmless student rfot broke up inaugural ceremonies at NAPLES. Deans appointed by Allied Commission were confirmed by vote of faculty and the irregular election of the Director of Oriental Institutes was invalidated by the Education Sub-Commission and Minister of Public Instruction. The University of ROME has an enrolment of 35,000 students, 25,000 of whom attend classes and the University of PERUGIA is functioning regularly in restricted quarters but is in financial straits. SIENA University has had its main administration buildings de-requisitioned and its current enrolment is the largest for years. 5,778 students have been enrolled in the University of FLORENCE. The PISA University medical buildings have been de-requisitioned and are being rapidly repaired. 4,539 students have been enrolled.

33. 127,273 children in more than 254 communes are getting school lunches, and the number is steadily increasing.

34. The absence of constructive organisations for youth to replace the Fascist GIL, manifests itself in destructive and disorderly activities. Younger boys and to a lesser extent, girls, are being organised on an increasing scale as Boy Scouts and Girl Guides.

35. The work on the survey of Italian education is completed up to 1940.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

36. Steady progress of repair-projects continues. Weekly meetings were held in FLORENCE with the Superintendent of Monuments, directors, inspectors and architects to consider the major problems. Procurement of materials has at times been difficult. Cement has been procured from the Army, but the tile situation was critical.

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37. In FLORENCE the major project is the repair of the Uffizi Gallery. Work in the devastated area around the Ponte Vecchio is in hand, as are the minor repairs to S. Frediano, Orsanmichele, the cloister of S.Croce, the Certosa, the Church at CECINA, and the villas of Petraia, Castello and Poggio a Caiano.

38. Progress is being made in carrying out repairs in the cities and provinces of AREZZO, SIENA, PISA, LIVORNO and LUCCA. The work at LIVORNO, previously almost impossible because of lack of labour, has now started under the direction of the superintendent of the province.

39. S.Maria in PORTO FUORI at RAVENNA is still practically inaccessible because of the condition of the terrain, and mines. Initial reports on conditions at FAENZA have been received. The major damage has been to the ceramic museum and collections and to some of the libraries.

40. On 7 Jan/.....

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40. On 7 January a new letter from AFHQ was sent out to all Commanders on the subject of the protection of monuments of cultural and educational importance which, it is expected, will greatly facilitate the work of the Sub-Commission.

DISPLACED PERSONS & REPATRIATION SUB-COMMISSION.

41. One hundred and fifty to two hundred and fifty Yugoslavs have been repatriated although a number still remain who came from parts of YUGOSLAVIA not yet liberated. About three hundred dissident Yugoslavs have been collected at SANTA CESAREA Reception Centre in APULIA.

42. All centres except AVERSA, were visited by one of the Medical Staff during the month. Great improvements had been made in the hygiene conditions at LUCCA and about 1,700 Allied Nationals are receiving extra food on medical grounds in the ROME area.

43. Only 990 Italian refugees arrived during January. 1,352 Southern Italians were repatriated to homes in SICILY and the South.

44. A party of Latin Americans, mostly ecclesiastics, were granted transit visas for BRAZIL. There are "breadwinners" in TRIPOLITANIA who have juvenile dependents still living in ITALY; some of these dependents are living under conditions of hardship and a scheme to permit them to rejoin their relatives is under consideration. A similar scheme would be operated in respect of those wishing to return from TRIPOLITANIA. A group repatriation of Greeks and Maltese, resident in TRIPOLITANIA or CYRENAICA before the war, will shortly take place.

45. During January the Banca d'Italia was authorised to make 2,176 payments totalling 7,639,210 lire, average payment per person being 2,116 lire. Payments to Yugoslavs continued to decrease. CCS have instructed that no lire or other currencies should be accepted by the Allied Commission from emigrants from ITALY with assumption of obligation to exchange them. Non-legal tender currencies collected months ago from emigrants who went to the U.S. and PALESTINE have been despatched to the War Refugee Board and American Joint Distribution Board for return to owners.

46. At the end of January, 70,702 persons of 69 different nationalities were recorded by the Record Bureau. A total of 1,324 communications were received during the month. 764 enquiries were received and processed.

PATRIOTS BRANCH.

47. Further progress has been made in connection with the rehabilitation and welfare of patriots. On authority granted by AFHQ, 2,000 sets of clothing have been delivered to armies. In addition, patriots on FIFTH and EIGHTH Army fronts are now on the full Italian Army Ration Scale, and wounded patriots are being tended in Italian Military hospitals. A further important concession has been made and instructions issued that five hundred patriots may be [illegible]

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48. As a result of our contacts with the labour organisations of the Army, over 1,000 patriots are now employed as labour gangs at MURRADI and 750 at LIVORNO.

49. Enlistments into the Italian Army show a considerable increase. At a special recruiting drive held in SIENA during the month of January over 700 recruits were enlisted.

50. The immediate clothing position is good and there is sufficient to supply a further 4,000 patriots. Efforts are being made to obtain agreement from higher authority for the immediate issue of clothing on a basis of 20% of the numbers of patriots assumed to be in occupied ITALY, so that it may be available when occupation takes place.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION.

1. The second joint agricultural, forestry and fisheries conference of Italian and Allied personnel was held in ROME from 23-25 January, and was devoted largely to production prices, bonifica and live-stock problems. Farmer groups were represented. Considerable attention was given to the problems of fuelwood and charcoal and the reorganisation of the Royal Forest Corps in some areas. The Ministry of Agriculture in conjunction with Istituto Commercio Estero has set up an organisation to control the distribution of fishery requirements in order to avoid speculation.

2. Production during the current season will be somewhat restricted by the shortage of nitrogenous fertilizer but with the exception of seed potatoes, seed requirements are being met in nearly all cases. Sugar beet production has been programmed to total 9,100 hectares.

3. Wheat consigned to the "Granai del Popolo" has passed 90% of the estimated goal and deliveries in the liberated provinces of EMILIA Region are proceeding satisfactorily.

4. Olive oil collection at a total of 203,472 qli is improving under the Italian/Allied cooperative programme and is receiving wide publicity. Out of a total of 60 officers to be supplied for specific assignment to the olive oil programme, 42 are now actually at work. 200 tyres and tubes for use in the olive oil campaign are being delivered to the areas needing them most.

5. Re-distribution of livestock began during January with two shiploads of cattle, sheep and horses moving from SARDINIA to restock areas in LAZIO-UMBRIA Region. A total of 743 head moved in the initial shipments. Because of the high market value it has been necessary to arrange for a personal inspection by the buyer wherever possible.

COMMERCE SUB-COMMISSION.

6. The match plant at JESI started production on 15 January. Due to an allocation of power for seven hours nightly an output of 220,000,000 sulphur matches monthly was secured as against the pre-war figure of 460,000,000 monthly.

7. A large release of materials for civilian requirements was obtained by the Commission at the meeting on 2 January of the Engineering Materials Committee of the AFHQ(I)B.

8. There have been no imports of newsprint for two months and the shortage has now become apparent. Newspapers are being cut down on their circulation and, if newsprint does not arrive in the very near future, may be forced to suspend publication.

9. During the last week of the month a large black-market operation in news-

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5. Wheat consigned to the "Granai del Popolo" has passed 90% of the estimated goal and deliveries in the liberated provinces of EMILIA Region are proceeding satisfactorily.

4. Olive oil collection at a total of 203,472 qli is improving under the Italian/Allied cooperative programme and is receiving wide publicity. Out of a total of 60 officers to be supplied for specific assignment to the olive oil programme, 42 are now actually at work. 200 tyres and tubes for use in the olive oil campaign are being delivered to the areas needing them most.

5. Re-distribution of livestock began during January with two shiploads of cattle, sheep and horses moving from SARDINIA to restock areas in LAZIO-UMBRIA Region. A total of 743 head moved in the initial shipments. Because of the high market value it has been necessary to arrange for a personal inspection by the buyer whenever possible.

COMMERCE SUB-COMMISSION.

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9. During the last week of the month a large black-market operation in newsprint was uncovered in NAPLES but the centre of this activity appears to be in ROME. Large amounts of stolen paper from the Allied Army newspapers and PWB were involved. A police investigation is now under way.

10. The reprocessing of salvaged Army clothing under the supervision of Southern Region developed with marked success. Repaired clothing was being turned out so rapidly that by the end of the month practically the entire stock of garments turned over to AC by MGL was either completed or in the hands of contractors or dyers. Distribution was made through the AC Priorities Board.

11. January exports surpassed those of any previous month and amounted to a total of 19,592 tons, representing a value of over 153 million lire. Goods at ports awaiting shipment at the end of January, totalled 3,272 tons. The difference between Italian exporters' prices and the limits imposed by buyers overseas based on world market prices is now so marked that contracts are difficult to conclude.

12. 25,000 ounces/.....

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12. 25,000 ounces Turkish silkworm seeds arrived in ROME by plane and were delivered to ASCOLI PICENO for cold storage.

13. Discussions have been started with the Italian Government and AC Regions with a view to handing over the responsibility for allocations of POL in LAZIO and ABRUZZI Regions to the Italian Government w.e.f. 1 March 1945.

FINANCE SUB-COMMISSION.

14. The Finance Sub-Commission has recommended that the Allied Commission should not intervene in the question of increasing the price of bread and pasta. Since the increase in the price of wheat to 1,000 lire per quintal, the political price for bread has laid an intolerable burden upon the budget, and the recent wage increases have shown that the Italian Government does not wish, or is not able, to use a low subsidized price for bread to hold the line against further income inflation. The net daily increase in cost to the consumer is so small, particularly in view of the provisions of the proposed Italian Government decree, that no serious charge of increasing the cost of living can be levelled. Similar steps will be taken in AMG territory.

15. The Combined Chiefs of Staff directed that effective Italian controls over external assets should be in operation, as certain types of business communications may now be sent from ITALY to US/UK. As the Italian Government has no effective controls over foreign exchange, trade and communications, the Finance Sub-Commission is now working with the Italian Government toward the establishment of an exchange control. To supplement the exchange control, a licensing system for communications relating to trade and business transactions will be necessary, and the Minister of the Treasury has been requested to establish such a system.

16. During January notification came through the American Embassy, ROME, and the State Department, that the account in the U.S. Treasury Department, in the name of the U.S. Secretary of the Treasury, for the account of the Italian Government, had been credited with $ 50 million, the first instalment of the dollars corresponding to the amount of lire spent by American troops in ITALY out of their pay. It was also stated that another transfer of dollars to this account would be made on or about 31 March, 1945. These dollars are to be used to purchase goods in the U.S. for the rehabilitation of ITALY.

17. Net investment in Treasury Bonds (Ordinari) for the month of December amounted to Lit. 1,994 millions; this figure is appreciably lower than the monthly average, Lit. 2,480 millions, for the preceding five months of the current fiscal year.

18. The past month has seen a decided improvement in securing landed costs on imported commodities. In the past, AC supply accounting operations were severely handicapped by the absence of landed costs on many imported articles. The situation was unsatisfactory, particularly in regard to miscellaneous supplies in the agricultural, industrial, mining and public works categories. Repeated requests were made by I.C.E. for the landed cost figures of those items for which

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FOOD SUB-COMMISSION.

19. Discussions took place during the month with the recently appointed High Commissioner for Food with a view to the latter assuming the responsibility for food supplies in Italian Government territory at the earliest possible moment.

20. The distribution of rationed foodstuffs remained unaltered, and a ration of 400 grams of meat, or meat and vegetables stew, was issued to the urban centres of 50,000 and above. The salt position continued to show some improvement and, in addition to the normal distribution, it was possible to make some supplies of salt available for pig-curing in several parts of the country. Oil came into the Amassi at a slightly improved rate and there was a 50% increase in the supply of eggs. Approximately 11,000 tons of non-rationed foods arrived in the ROME market and about 2,500 tons of common table wine arrived from SICILY and was distributed on a ration basis at a controlled price.

21. Owing/.....

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21. Owing to the insufficiency of local resources the question of feeding LIVORNO province continued to receive much attention. In addition to the extra issue of food made to the many thousand civilian workers employed by the Armed Forces, plans are under discussion to make special provision for workers' families.

22. The grain situation remained satisfactory with 398,000 tons of locally produced grain on hand at the end of the month. This represents over two and a half months stocks of grain at the present rate of consumption. Two truck companies moving grain from the ANCONA-MACERATA area have moved a total of 20,062 tons to deficient areas during the last three months.

23. Arrivals of cereal ships were again below schedule, and in certain areas, which depended upon sea imports, there were anxious moments over the bread supply.

24. Imports of foodstuffs into ITALY during January were as follows:

Item	Indicated arrivals Metric Tons	Actual Arrivals Metric Tons
Wheat	84,000	46,842
Barley	20,000	14,368
Powdered Milk	3,995	1,129
Soup	-	86
Fats	2,250	149
Sugar	2,700	-
Meat (or substitutes)	3,360	-
	116,305	62,574

INDUSTRY SUB-COMMISSION.

25. During January the rehabilitation programme for Italian industry was completed and the requisitions are now in course of translation and collation.

26. Two plants for the manufacture of agricultural machinery were surveyed. One has been reactivated and has orders for forty wine presses and six olive oil presses.

27. The responsibility for tyre production was transferred from Transportation Sub-Commission to Industry Sub-Commission. Tyre repair plants will start work at once.

28. A comprehensive survey of East Coast cement production was made. One plant at TARANTO and one at BARLETTA are working for civilian requirements, under the supervision of the Italian Government, with a maximum production of 4,000 tons a month. A third plant at MONOPOLI will soon open, with a potential capacity

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29. The Sciarra Glass Plant in LAZIO-UMBRIA Region started production at the rate of 15,000 sq. metres of window glass a month. Production of neutral glass for medical ampoules continues and in addition, two plants in TOSCANA Region are producing, by hand methods, 1,500 sq. metres of window glass a day.

30. A monthly output of 65,000 bricks from three plants in CESENA is being obtained, and with the provision of additional fuel, production can be increased.

31. The manufacture of superphosphate fertiliser reached a total of 9,000 tons during the month. 24,000 tons of phosphate rock arrived from NORTH AFRICA, an increase of 6,000 tons over December. Another plant has been reactivated in SICILY.

32. SARDINIA coal/....

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32. SARDINIA coal production still gives cause for anxiety, and was further reduced owing to the strike which took place between 11 and 17 January. Total output for the month was approximately 33,400 tons. Production of lignite on the mainland was hampered by shortage of electric power and reached only 30,000 tons. The output of sulphur in SICILY was 4,000 tons for the month. RIBOLLA lignite mine at GROSSETO resumed operation during January.

33. Lack of electric power still hinders production of vitally needed carbon bisulphide. An approximate quantity of 150 tons has been produced. Steel works of ILVA at BAGNOLI were visited and it was reported that rehabilitation of this plant has been accomplished.

34. Textile manufacture was still retarded by lack of electric power, and the production of hemp was unsatisfactory due to the shortage of transportation.

LABOUR SUB-COMMISSION.

35. The labour front was fairly quiet with only sporadic strikes occurring in some parts of the country. Though the workers in these few cases requested increased wages, they were in reality calling for more food and clothing. To avert a strike in the NAPLES area the Commerce Sub-Commission was called upon to supply badly needed heavy working clothes and shoes for coal heavers and dry-dock workers.

36. The most important event in January was the inauguration of the first National Congress of Italian Trade Unions held under the auspices of the CGIL at NAPLES, from 20 January to 1 February. The Congress attracted international attention and served to build up the prestige of the Italian Trade Union Movement. The Communist Secretary dominated the proceedings, but although the attendance of delegates included slightly more than 50% Communists, the election of the National Executive Council resulted in equal division of seats between the three political parties. A summary report of the proceedings will be made next month.

37. The Italian Government has taken the first steps in the reorganisation of the service of Contributi Unificati in Agriculture in proposals contained in a draft decree which was approved by the Council of Ministers on 5 January. The decree provides for the setting up of a Central Commission in the Ministry of Industry, Commerce and Labour, comprised of representatives of the Ministries of the Interior, Justice, Finance and Agriculture together with representatives of agricultural employers and workers and of each of the social insurance institutions concerned. The Central Commission will assume those functions previously delegated to the former Fascist Confederation of Agricultural Employees and Workers. Provision is also made for Communal Commissions to be set up by the Prefect in each Commune. The functions of the Communal Commissions will be to ensure the proper performance of directives of the Central Commission.

38. The Social Insurance scheme is operating satisfactorily and in SICILY the Italian Institute is co-operating fully. In SOUTHERN Region the new scheme for the Port of NAPLES involving the reactivation of the Ufficio Portuale del Lavoro

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36. The most important event in January was the inauguration of the first National Congress of Italian Trade Unions held under the auspices of the CGIL at NAPLES, from 28 January to 1 February. The Congress attracted international attention and served to build up the prestige of the Italian Trade Union Movement. The Communist Social Secretary dominated the proceedings, but although the attendance of delegates included slightly more than 50% Communists, the election of the National Executive Council resulted in equal division of seats between the three principal parties. A summary report of the proceedings will be made next month.

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38. The Social Insurance scheme is operating satisfactorily and in SICILY the Italian Institutes is cooperating fully. In SOUTHERN Region the new scheme for the Port of NAPLES involving the reactivation of the Ufficio Portuale del Lavoro is in force and is proceeding fairly smoothly. In the Northwest area social security and sickness agencies are functioning.

39. The formation of associations of trade unions continued; in the Northern areas these formations were permitted to proceed so long as their activities were not contrary to Army policy.

40. Regional Labour Organisation plans for Northwest ITALY have been completed and labour teams have been formed.

PUBLIC WORKS & UTILITIES SUB-COMMISSION.

41. The Master Control Centre was inaugurated by the Electrical Division of A.C. on 20 January and the generating and transmission facilities of four companies now operate under a single unit control. These companies are situated at ROME, AZIENDA, TERNI and [illegible]. The Centre is responsible for, and gives instructions involving, the following:

(a) Load carried/.....

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(a) Load carried by each generating station connected to the Central Italy Electricity Grid System.

(b) Number of units of electricity to be generated by each station.

(c) Hours of operation of each station.

(d) Amount of reserve capacity to be carried at each station, whether in operation or standing-by.

(e) Opening and closing of all switches associated with the generating plants and high voltage grid systems.

(f) Issuing instructions to meet emergency conditions.

(g) Collection and tabulation of all data of maximum loads, units generated, switching instructions, and abnormal occurrences.

Other electrical systems in Central ITALY will be brought into this central plan at an early date.

42. A Board known as the "Advisory Committee on Electric Power" for Central ITALY was created and held its first meeting on 1 February. It is composed of an official from each of the five major electric companies in Central ITALY and its functions will be to:

(a) Advise on the operations of the Master Control Centre.

(b) Maintain close contact with the general operation and rehabilitation programme.

(c) Make recommendations to and advise the General Inspector for Electricity (Public Works Ministry) on all matters in connection with electricity in Central ITALY.

It is planned later to establish similar committees for Southern ITALY, SICILY and SARDINIA. The Electrical Division acts in an advisory capacity until such time as the functions can be entirely transferred.

43. Generating capacity in Southern ITALY was increased by 5,000 KW from the CALORE Station, a part of the S.M.E. System. Generating capacity available in Central ITALY in January was increased by 36,600 KW compared with the preceding month. There are three other generating units at the CALLETO plant and all are scheduled to be repaired and in operation in 1945. Because of the great importance of this Station the Division maintains close supervision of its reconstruction programme. Much assistance has been provided at various times by Army agencies and units. Due to shortage of coal and the linking of the hydro-electric plants in this area to the centrally controlled grid, it was decided to restrict generation at the ROME Thermal Stations.

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44. By reason of the utter devastation at CASSINO special attention has been given to its clearance which has been greatly hindered by unexploded mines and booby traps. It is intended to leave a portion of the town untouched as a memorial.

TRANSPORTATION SUB-COMMISSION.

45. During January, re-organisation of Transportation Sub-Commission was carried out. It is now divided as follows:

Planning Staff
Administration Division
Movements Division
Rail Division
Road Division
Port & Warehouse Division

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46. The first meeting of the Allied Railway Board was held on 18 January. The Board consists of representatives of AC, the Military Railway Service, and the Italian State Railways under the Chairmanship of DQMG (Mov & Tn), AFHQ. Five sub-committees were set up to deal with traffic, construction, equipment, stores, and finances.

47. On 22 January the first civilian passenger train since the Allied occupation ran from ROME to NAPLES. The service is scheduled to run three days a week in each direction. The Minister of Transport travelled on the first train and the inauguration of the service was given a good Press. The possibility of starting other passenger services is continually being examined, but the shortage of passenger rolling stock is the main handicap.

48. The first batch of a large number of civilian load-carrying vehicles being imported into ITALY from the UNITED STATES arrived during the month. These vehicles will be driven by Italian drivers under the general supervision of Allied officers; they are being formed into QM and GT companies and consideration is being given to joining them into a Motor Transport Brigade.

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PART IV

PUBLIC RELATIONS BRANCH & INDEPENDENT SUB-COMMISSIONS

PUBLIC RELATIONS BRANCH.

1. On the liquidation of Psychological Warfare Branch operations in Liberated ITALY South of the Army control line, a series of discussions were held to arrange for the re-distribution of responsibilities. Allied press agencies, Reuters, A.P., U.P., INS and the Italian ANSA, SI and ORBIS began operating in ROME on 15 January and a technical committee was set up to establish methods of distributing agency material outside ROME.

2. Aide-memoires were prepared for the Italian Prime Minister on the proposed Governing Board of Italian radio and on the functions of the proposed Film Board.

3. More than sixty Allied correspondents attended a press conference arranged for the Acting President on 3 January.

4. During the month an Italian press section was set up at HQ A.C. to assist Italian journalists in interviewing officers of the Allied Commission and to facilitate better mutual understanding.

NAVY SUB-COMMISSION.

5. The outstanding event has been the repatriation of five warships and four minor vessels from SPAIN. These vessels, which left SPEZIA for MALTA in September 1943, with the remainder of the Italian Fleet, had put into ports in the BALEARICS and SPAIN. Their purpose was, among other reasons, to land survivors from the Battleship "ROMA" but on arrival the vessels were interned.

6. At the request of the Italian Government, an Italian Cruiser was sent to CATANIA on 15 January to help in quelling the local disturbances by a show of force and to protect har bour installations if it should become necessary. She also visited PALERMO and ferried several batches of rebellious young men to the Island of USTICA but has subsequently been withdrawn, not having been called upon to take any offensive action.

LAND FORCES SUB-COMMISSION (LFSA).

7. The manpower requirements for the Italian Army in the Allied programme continued to be met during January from the call-ups in CAMPANIA, LAZIO and SICILY. Figures for SICILY at the end of the month were encouraging; over 1,600 men were sent to the R.T.C. I.C.F. at CESANO as reinforcements for the Combat Groups, while about 4,000 men were allotted to service units. The 1924-25 recall in SARDINIA started well, over 4,000 men reporting in the first five days.

8. Volunteers from Patriot bands reached a record figure. Over 2,500 patriots were accepted for combat and all arrangements made for their training.

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8. Volunteers from Patriot bands reached a record figure. Over 2,500 patriots were accepted for combat and all arrangements made for their training. The desire to come into, and stay in, the Army on the part of patriots and "recalls" became more evident as the improved pay, rations and welfare facilities were realized and as the administration of the Italian War Ministry became better organised.

9. The Italian Army Regional organisation for all ITALY came into force on 1 January and has been implemented in Liberated ITALY up to Rear Army boundaries. It comprises:

(a) Eleven Territorial Regions, each with a Territorial HQ;
(b) Ninety-nine Military Districts;
(c) Ninety Regimental Depots;

The object of this organisation is to extend the authority of the Ministry of War up to Army Rear Boundaries, to enable control of any personnel and real estate to be resumed as soon as the Allied advance proceeds Northwards, also to implement the call-up or demobilization as required.

AIR FORCES/.....

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AIR FORCES SUB-COMMISSION.

11. There has been little change to report during January. The Italian Air Force continues to support the Allied war effort in active operations over the BALKANS but the scale of effort during the month has again been reduced very considerably. This is mainly due to the fact that the enemy has retreated beyond range of fighter bases in Southern ITALY, and bases further North from which he could be reached are still occupied by RAF squadrons.

12. Owing to ill-health, Dr. Carlo SCLALOJA has been forced to resign his post as Minister for Air and has been succeeded by Signor Luigi GASPAROTTO. First impressions of the new Air Minister have been satisfactory.

13. The number of Air/Sea rescue sorties increased slightly over those of last month, but no rescues were effected. A terminal in the ROME area for seaplanes has been allotted. Bomber Transport Wing dropped supplies over ALBANIA and YUGOSLAVIA and aircraft landed at airfields in both countries to deliver and pick up personnel. The Courier/Transport Squadron continued on much the same scale of effort as in previous months, and despite the bad weather conditions the postal service to ROME got through on all but five days. The bad weather during the month naturally reduced the number of sorties carried out by the Light Bomber Wing, but a very reasonable tonnage of bombs was dropped, with good results.

14. The serviceability of aircraft remains satisfactory. Considerable work on the fighters has been done during the slack period so that they will be ready when operations recommence. It is hoped that certain urgently needed spares and equipment will shortly be available for the Bomber Transport aircraft.

15. The question of defascisation still remains very unsatisfactory. There were indications of a slight lowering of morale in the Italian Air Force, but this always appears at a time when the operational effort has been small, and it is hoped that when the squadrons can resume their active cooperation with the Allies the position will improve.

COMMUNICATIONS SUB-COMMISSION.

16. As a result of the comparitively static military situation in the theatre there have been no major changes in the communications situation in ITALY.

17. Externally, the first telegraph service abroad for civil use was opened by the restoration of the ROME - MOSCOW radio telegraph circuit at the

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17. Externally, the first telegraph service abroad for civil use was opened by the restoration of the ROME - MOSCOW radio telegraph circuit at the end of January. Negotiations were also begun for the opening of a ROME - NEW YORK radio telephone service, for Allied non-military use.

WAR MATERIALS DISPOSAL AND ITALIAN PW SUB-COMMISSION.

18. The PRS Salvage Dump at LIVORNO was visited and bids for material wanted by the Commission have been made to PRS. A quantity of captured enemy material available in the Middle East was offered to the Commission and bids for certain items have been submitted.

19. The number of salvaged vehicles brought into ROME during the month was fifty-one. The Ministry of War claimed twelve, the balance to be rebuilt by individual firms. The question of whether a number of German pontoons found in the TIBER could be operated as river transport was discussed.

20. The number of/.....

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20. The number of IPW repatriated in January was 1,440, made up of 774 Carabinieri and Guardia di Finanza, the balance being mostly sick and wounded. Requests for the repatriation of 1,160 specialists were forwarded to AFHQ, the majority asked for being Carabinieri and Guardia di Finanza. The number of requests submitted during January for repatriation on compassionate grounds was 66 of which only 12 were approved.

21. Plans are being made for the transport and lodging of Italian Nationals who find their way across the frontier on the cessation of hostilities.

22. A plan has been prepared for the repatriation of IPW in Allied hands and will become operative when a general repatriation is agreed. The basis of the plan is to give priority to specialist personnel most urgently required for reconstruction and agricultural work in ITALY.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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HEADQUARTERS ALLIED COMMISSION
APO 394

Ref: 824/EC

17 February 1945

MONTHLY REPORT

DECEMBER 1944

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POLITICAL SECTION

1. The Italian political crisis which had reached a climax with the resignation of Signor Bonomi on Sunday, 26 November, was clarified on 7 December when four of the six parties of the Committee of National Liberation entered the new government presided over by Signor Bonomi. It is now evident that the crisis was precipitated by two important points of disagreement between the parties of the right and left. The center and right wing parties maintained that the government's authority would be weakened by the extensive epuration carried out under Count Sforza and also by the granting of power to the Committees of National Liberation in liberated territory. The left wing parties were in sharp disagreement on both points.

2. When the new government was formed Signor Bonomi gave formal assurance that he accepted all previous Italian obligations towards the Allies and that the Italian Government would not re-open the institutional question without prior consent of the Allied Governments until Italy had been liberated and the Italian people given the opportunity of determining their own form of Government.

3. The new Cabinet contains practically the same personalities as in the previous government. The primary changes are the exclusion of representatives of the Socialist and Action Parties and the reduction of the number of Ministers Without Portfolio from seven to three, two of whom are also Vice-Presidents. The Ministry of Communications was split into the two Ministries of Post and Telegraph Communications and of Railroad Transportation. One entirely new Ministry was created - the Ministry of Occupied Italy, headed by a Communist.

4. Two new situations emerged after the formation of the present Government. First, the position of the CLN was undoubtedly weakened and the Government given a conservative tinge: second, the absence of the Socialists in the Government resulted in a strong opposition bloc of the Socialist and Action Parties. Nenni, who will undoubtedly be the opposition's spokesman stated that the basic issues were avoided but not solved. He said that his party would not fight the Government systematically but would criticise dispassionately all measures not directed towards winning the war and achieving an Italian democracy. 124

5. The Communists achieved a technical triumph and secured an excellent bargaining position due to their alliance with the Socialists as they are virtually inside and outside the Government.

6. Signor Bonomi undoubtedly achieved a personal success by his patience and tenacity in adhering to his principles in spite of the pressure which was brought to bear during the days of the crisis.

7. It is still too early to judge the capabilities of the new four-party coalition government, but its compactness should result in a greater degree of stability and unity than heretofor.

8. The Right-Left Division in the political parties seems to be based to a large and increasing degree on an ideology expressed by the distinction in the Pope's Christmas message between the "people" and the "masses". There were indications of a consolidation of the Christian Democrat, the Liberal, and the Right-Wing elements

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9. While the apparent cause of the demonstrations against military conscription in CATANIA on 14 December was a protest by students against being drafted, there appear to have been other less obvious causes. Outside forces were believed, and not without evidence, to have incited the students to assume their attitude of indifference toward the war and to rebel against participation in it. Both Separatist and Fascist elements were considered responsible at least in part for the disturbance.

10. Count Sforza declined the appointment of Ambassador to the United States. At the end of December no other nomination for the post had been made by the Italian Government.

11. On 27 Dec/....

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11. On 27 December the Public Relations Office of the Presidency of the Council of Ministers announced that diplomatic relations were to be resumed with BELGIUM and were to be "reactivated" with RUMANIA. At the same time it was stated by Italian Government representatives that most problems impeding a resumption of relations with FRANCE were solved and that the Government was hopeful of a speedy settlement of those which remained.

12. The press of 29 December announced a resumption of ITALO-NORWEGIAN relations.

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PART I

AMG Fifth Army.

1. This was the most uneventful month since last winter. The area remained unchanged throughout the period except for the temporary recapture by the enemy of the commune of BARGA (LUCCA Province), which is now back in Allied hands. This was the first time since the landing at SALERNO that a commune had been lost after the setting up of Military Government. A fascist radio station was heard broadcasting a message of formal thanks to AMG for the civilian food the enemy found in the village, which had only been delivered two days before its recapture. The amount involved was not large.

2. As a result of new policies and support from Headquarters Allied Commission a new Patriot Branch was created at FIFTH Army AMG at the opening of the month, with a Patriot Officer in charge of the two large Reception Camps at FLORENCE and PESCIA, for the handling of homeless patriots now coming through the line. The problem remains extremely difficult owing to the absence of any clear cut system of obtaining the necessary supplies for rehabilitating individuals and to the delicate political questions involved.

3. Public morale was in general slightly higher except for a rumour scare created by military operations at the close of the month. In LUCCA this scare caused a noticeable outflow of cash from the banks. Elsewhere the improvement in morale can be attributed to the distribution of the first olive oil rations for many months and to the general feeling of goodwill due to the holiday season. The arrangements made for Midnight Masses and the Allied Christmas parties for children created an extremely favourable impression.

4. In spite of the improvement in morale noted above there was a general undercurrent of discontent among the population as a result of the widespread scarcity and high price of food. The continued failure to establish a 300 gram bread ration also caused some bitterness.

5. There were several cases of armed robbery and one of jail-breaking. These were thought to be the work of lawless gangs who in some cases claimed to have been Patriots. This discredited the whole patriot movement in the eyes of many Allied officers and Italians. Masked armed bandits continued to operate in FLORENCE Province, their crowning achievement was the hold-up of a Civil Affairs Officer.

6. There was an increase in forged currency: 90 forged 1000 lire notes were discovered in FLORENCE and some 30 others elsewhere. Apart from the paper the forgeries were excellent imitations.

7. The typhoid epidemic at PRATO continued to be serious. After a lull in the middle of the month many new cases were reported as a result of a systematic house-to-house search and is not thought to indicate a true rise of incidence. The main water supply was still out of commission owing to the destruction of a large railway viaduct and the source of infection from the many subsidiary supplies [illegible]

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8. The shortage of electric power remained extremely acute and prohibited any large scale rehabilitation of local industry. Reconstruction of buildings of all kinds was held up by a shortage of cement.

9. Five enemy agents were tried by a General AMG Court: all were convicted and sentenced to death except one girl who was sentenced to twenty years imprisonment.

AMG Eighth Army.

10. Additional territory was liberated in the Province of RAVENNA, and the capital of the Province was captured on 5 December.

11. Patriots in FORLI Province either returned to their normal occupations or accepted work with the Army in labour squads. In RAVENNA Province about 800 Patriots were employed in an operational role and the majority were reported to be first class men doing fine work.

12. The/....

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12. The attitude of the civilians towards the Allies is satisfactory. Anti-looting patrols established by the Army in RAVENNA, FORLI and FAENZA have proved effective and a noticeable improvement in the attitude of the people has resulted.

13. There was a stronger undercurrent of political feeling in the area than has been encountered hitherto. It came to the surface soon after a speech in ROME by Signor BONOMI, which was interpreted by the Committees of National Liberation to mean that they were the representatives of the Italian Government in liberated as well as occupied ITALY. It had to be explained to them, very firmly, that this was not the case and that the only government permissible in an Army area must necessarily be Allied Military Government. Action taken against the Committees of National Liberation is a matter of some delicacy, as it is liable to be construed as action against the Communist Party, because, although the Committees are composed of all six parties, it is the Communist Party which is best organised, most active and most vocal.

14. The area is almost entirely agricultural and as usual the countryman is in a far better position than the townsman for basic necessities. There is no shortage of grain, and on the whole, despite an acute shortage of oils and fats, the food situation is satisfactory. A serious shortage of fuel, however, particularly in the towns is causing some concern. Sufficient wood is obtainable from local sources in the plain to keep the bakeries going, but supplies for hospitals and domestic purposes are meagre.

15. The health of the people was good, apart from an epidemic of typhoid, which showed a decline.

16. There was no critical evacuation problem in the forward areas, but with the coming of winter the Army's need of quarters was expected to increase and plans to deal with this were in hand. So far these needs have been met without too drastic a disturbance of the inhabitants. Evacuation of inhabitants was, however, necessary.

17. Of the larger towns, RIMINI is the most heavily damaged and the housing problem there is acute.

18. In the Province of RAVENNA, where large areas were flooded by enemy action, work was begun on repairs to breaches in river and canal banks and on the restoration of pumping stations. The flooded areas have already been considerably reduced. In the Province of FORLI the reconstruction of bridges along the major roads was begun and plans made for dealing with minor roads.

19. Throughout the area civilian motor transport is almost non-existent, but every endeavour is being made to recondition such vehicles as have not been removed by the Germans. While the most essential needs were met with W.D. transport, the lack of vehicles is inevitably impeding progress everywhere.

20. Factories have been badly damaged. Those which it was hoped might restart cannot do so until electric power is available. Reactivation was therefore largely confined to brick, cement and limeworks.

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SICILIA REGION.

21. General conditions in SICILY during December were very unsettled. Although the heads of the political parties attempted to arouse interest in the war effort, the majority of the population were non-political; the people are interested in the outcome of the war but primarily from a personal point of view. However, lack of confidence in the Government, the economic situation, disparity of prices and wages, threatened food shortage, the suffering from an early and severe winter were causes which continued and intensified existing discontent. Between 10 - 20 Dec the military call-up provided the means of an immediate protest which was expressed in an extensive series of demonstrations which, in some places, led to riots. The Italian civil authorities were unable to maintain order without resort to the military. In CATANIA, the centre of the disturbances, damage was serious and public buildings were fired.

22. With the/....

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22. With the exception of one large meeting held at ALGHERO, the Separatist Party was apparently inactive and the leaders of the movement attempted to clear themselves of any connection with the riots. It has, however, been reported that propaganda was continued clandestinely, particularly against the call-up.

23. In addition to a slightly critical attitude toward the Allies, there were increased signs of fascist sentiments. This was particularly noticeable at the time of, and after, the enemy offensives on the Western and Italian fronts.

24. Public officials continued to show uncertainty of their position, lack of confidence and general administrative inefficiency. The High Commissioner showed additional authority as a result of the proposed grant of increased power to the local administration and after the incident at CATANIA the Central Government quickly replaced the Prefect and transferred the Questore.

25. The crisis in the food situation was averted by the arrival of grain shipments totalling 12,000 tons wheat and 6,000 tons barley. In local trade there was a continuous upward trend of prices and the poor classes in the towns suffered considerably on this account. The total amount of olive oil harvested to-date was 4,386 quintals, which was insufficient to meet the December ration and accordingly this amount was reserved for hospitals.

26. The amount of grain amassed increased slightly as a result of the High Commissioner making provisions to collect one half of the legal per capita retention. Exports from the Island consisted of a cargo of 4,000 tons of wine, citrus fruits and salted fish sent to the continent and 165,800 cases of lemons and 130 tons of argols sent to England.

27. The work of reconstruction made very little progress due primarily to the lack of materials. The rainfall relieved the shortage of electrical power by refilling hydro electric reservoirs. Railroads operated satisfactorily but were restricted by the inadequate coal allotment and the need for additional cars while road transportation deteriorated because of the scarcity of spare parts and tyres. Scarcely any progress was made on new telephone installations for lack of materials, and services are only about 50% completed. Telegraphic services were almost normal and the mail service continued to operate satisfactorily.

28. The health of the people was good generally but the early and severe winter combined with the lack of clothing and shelter caused considerable suffering. The rate of infectious diseases decreased.

29. Schools in the two remaining provinces were reopened, after a delay caused by a threatened smallpox epidemic. A few school buildings were released, but many were still occupied by Allied and especially Italian military and governmental agencies.

30. The number of refugees in SICILY was 3,721. Their standard of health was low and there was considerable suffering among them for lack of clothing.

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SOUTHERN REGION.

31. The end of the cabinet crisis, though it had never roused violent feelings in Southern ITALY, was welcomed and removed the deadlock which had prevented the appointment of a Prefect for the City of NAPLES.

32. The distribution of the bread ration was maintained throughout the month, although stocks at NAPLES sometimes reached a dangerously low level. The pasta ration was generally maintained, but fell behindhand at TARANTO and elsewhere due to power shortage at the mills. An olive oil ration was distributed.

33. The olive crop was fair to good. With the withdrawal early in the month of the olive oil officers borrowed from convalescent depots, collection of olive oil fell to a low level. The orange crop promises well.

34. Heavy rain early in the month caused several road and rail breaks in CALABRIA and BASILICATA. Floods also caused breaks in the power line between SILA hydro-electric stations and BARI and repairs were hampered by snow.

35. Trans/.....

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35. Transportation continued to be the touchstone of all SOUTHERN Region problems. Small deliveries of tyres were obtained from ROME, but they met only the smallest proportion of the needs.

36. The labour situation was uneasy throughout the month. There were sporadic strikes caused by the question of adjustment of salaries and wages and by difficult living conditions, and at the end of the month there was a threat of a widespread strike of statal and parastatal employees at BARI. Generally speaking, hardship and discontent were more prevalent among professional men and clerical staffs than among the labourers or shopkeepers. Competent Italian authorities estimate that many of the professional classes are keeping themselves alive only by selling their household goods.

37. The opening of AMG Courts in BARI and BITONTO, chiefly to deal with thefts from the large British ammunition depot, was a great success: the thefts declined rapidly and local Italian Courts received a powerful stimulus. Work in the NAPLES AMG Courts continued to be heavy.

38. Public health remained good. There was a worrying flare-up of smallpox at BENEVENTO, chiefly serious because of the proximity of troops. It was however of a mild type, there were few deaths and preventive measures were taken.

39. Armed bands of deserters are still terrorising the country side - usually Italians in stolen Allied uniforms - though to a decreasing extent owing to the energetic measures taken against deserter groups by the Allied military authorities.

LAZIO-UMBRIA REGION.

40. The activity of political parties was less obvious during the month, and took the form of consolidating initial advantages and smoothing misdeeds.

41. In ROME the only imported food stuff in general distribution was canned [illegible]. Other imported items such as dried vegetables, dehydrated flour, sugar and evaporated milk were distributed mainly to school children, hospitals, etc. 523,245 people received these special distributions.

42. The electric rationing scheme proved satisfactory, and improved distribution with a slight increase in power supply should further ease the situation.

43. Though crime is still a serious problem there was a slight improvement. There were a number of armed hold-ups in isolated areas but nothing to indicate the work of well organised gangs.

44. Italian courts still functioned extremely slowly and the prison load remained heavy. The Higher courts, however, particularly the High Court for Sanctions against Fascism, worked hard and efficiently.

45. Parties and distribution of Christmas parcels were organised for 24,000 children affected by the war.

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46. No action was taken either regarding damaged schools or requisitioning schools now being used for other purposes. The uncooperative attitude of the Italian authorities in this matter has been the subject of strong representation to the Italian Government. Schools will probably have to close in PERUGIA and TERNI in the cold weather because of lack of glass and all heating facilities.

47. Italian refugee camps in ROME were overcrowded due to a large number of refugees from the North, and from the devastated areas, who cannot return to their homes. New centres have, however, been opened in the Provinces of VITERBO and FROSINONE and refugees from these Provinces now in ROME centres will start moving on 1 January 1945.

48. Black market was still rife and there was no shortage for buyers who could pay the price. Discussions with representatives of the Merchant Associations were held to control black market activity.

ANNEXED/.....

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ABRUZZI-MARCHE REGION.

49. Although on the surface all seemed quiet on the political front there was an ever-present activity underneath. While the more cultured and intellectual heads of other parties talked ways and means among themselves, the active Communist leaders showed greater aggressiveness by doing the work necessary to getting additional members and votes for their party, should the popular elections announced for the coming spring be eventually held.

50. The bulk of the population was more concerned with the food situation as it affected them. They cannot understand why the promised 300 gram bread ration is not forthcoming, particularly in those surplus producing provinces which ship grain to areas receiving 300 grams, while they, the producers of apparent plenty, are allowed only 200 grams.

51. The provision of an organised truck company has greatly eased the supply situation. This company is being used in the distribution of grain from the surplus provinces to deficient areas and to the railhead at JESI for shipment to southern ITALY.

52. ABRUZZI-MARCHE Region has now reached 107% of the target set for the collection of grain of the 1944 crop. A substantial amount more is expected to be collected.

53. The collection of potatoes was very poor due to the big difference in prices obtained by the grower and the retailer in ROME and the much higher prices given to growers in the NAPLES area.

54. Olive Oil amassing was very unsatisfactory and, with the exception of the Province of TERAMO, practically none came in. The larger producers had more confidence in the value of the oil than in Italian money and were therefore hoarding it.

55. All provinces now have organised labour offices. Due to the large number of troops billeted in the Region, there was no unemployment problem but the Camera del Lavoro, organized on political lines, caused trouble with labour, particularly in ANCONA Province.

56. Progress was made in repair work on military and other roads, though it was hampered by lack of transport.

57. Good progress was made in work on all electrical projects.

58. The black market increased considerably with the cold weather and shortage of essential foodstuffs.

59. 90,200 mines of various types were removed during December by the Mine Clearance Coy in CHIETI Province but the work was hindered through lack of transport.

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SARDEGNA REGION

60. The month was reasonably quiet on the surface, but there were signs of turbulence in the increased number of lesser crimes.

61. The Autonomy Decree, which was delayed by the Italian Government crisis, was the focal point of the month in Sardinia. Full details are awaited but according to information available the High Commissioner will have increased powers and will not only coordinate but also direct all authorities except the Armed Forces and State Tax Legislation which will be controlled by the Central Government. A Bank of Sardinia is to be formed with an opening fund of 150 million lire and special provision is being made for the development of mining.

62. As special conditions exist in SARDINIA, powers to fix local prices, etc., should be beneficial and, provided control is kept over shipping, such powers should not have disturbing effects on other Regions.

63. The Granai...

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63. The Granai del Popolo figure for grain now totals over 303.000 quintals so the modified goal of 300.000 quintals set four months ago was reached and passed. Some grain is still coming in but the harvest is virtually collected.

64. The olive oil crop was exceptionally good, though it is still uncertain whether the olive oil will be successfully collected. The Press and Radio campaign was pushed forward vigorously and all possible pressure brought to bear to attain this object.

65. Meat prices were down to a reasonably low figure, the seasonal stock of lambs were available at below 60 lire a kilo (without the Italian Government tax) and there was no black market for the moment in this commodity. Shipping difficulties, unfortunately, made the scheme for the export of lambs to ROME impracticable.

66. During December there were 11 murders as against the monthly average of 5 and 36 cases of armed robbery as against the normal 25. Concern is felt because the robber bands were evidently better armed than usual. They aquired or stole weapons and ammunition from all the different armed forces that were in the Island and their activities were most disquieting.

67. Over 300 prisoners at ASINARA Penal Settlement and 25 at ISILI Penal Settlement finished their sentences. Arrangements were being made for 50 or 60 to return to home communes in liberated Italy, work can be found for 15 more in SASSARI and another 10 in the mines.

68. The Italian Army in SARDINIA has now been greatly reduced and troops remaining in the Island, including Services, numbered less than 10.000.

69. Steady exports of paint pigment, coloured earth, cork, salt and fireclay continued. Salt stocks totalled over 1.000.000 tons.

70. SARDINIAN coal production remained at about 40.000 tons for December. It is estimated that production can be raised to 55.000 tons a month with means now in sight, but additional miners will be required to attain the 70.000 figure needed to fulfill military needs.

71. A regular [illegible]-monthly steamer service began between SARDINIA and the mainland, taking up to 300 passengers and 1.000 tons of cargo on each trip.

72. The drought which had a serious effect on the CAGLIARI water supply ended on Christmas Day. On Christmas Eve the reservoirs held little more than 100.000 tons of water; by 31 December the total had risen to over 2.000.000 tons. The water situation is, therefore, secure until February when heavy rainfall is again normally to be expected.

73. Mine sweeping operations in CAGLIARI Bay were carried out and were enlivened by the presence of a U.S. Navy blimp.

TOSCANA REGION.

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because the robber bands were evidently better armed than usual. They aquired or stole weapons and ammunition from all the different armed forces that were in the Island and their activities were most disquieting.

67. Over 300 prisoners at ASINARA Penal Settlement and 25 at ISILI Penal Settlement finished their sentences. Arrangements were being made for 50 or 60 to return to home communes in liberated Italy, work can be found for 15 more in SASSARI and another 10 in the mines.

68. The Italian Army in SARDINIA has now been greatly reduced and troops remaining in the Island, including Services, numbered less than 10.000.

69. Steady exports of paint pigment, coloured earth, cork, salt and fireclay continued. Salt stocks totalled over 1.000.000 tons.

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TOSCANA REGION.

74. Conditions in TOSCANA Region for December were on the whole an improvement on those for November, particularly in regard to local government, food and wages.

75. The new Prefects in AREZZO and GROSSETO made a very favourable start and the local government situation in those Provinces improved.

76. A general distribution of olive oil and sugar to the population increased food for midshift meals for PBS civilian employees and the granting of a definite allowance for a noon meal for AMG civilian employees were all favourable factors.

77. The increase in wages for employees of PBS became effective 16 December, and of FIFTH Army 1 January 1945. The delay in the increased wages for provincial and communal employees becoming effective was unfortunate as the Italians believed that the Allies were preventing them from obtaining this much needed increase.

78 Successful action..

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78. Successful action was taken against counterfeiters and masked bandits operating in SIENA Province. At least five members of a counterfeiting gang that had made and distributed about 7.000.000 lire of counterfeit money were arrested in ROME and several counterfeiting plates discovered.

79. The situation in LIVORNO improved due to increased wages, more food and a more active police force.

80. The Island of ELBA passed to Regional control on 20 December and is now administered by LIVORNO Province.

81. In most provincial capitals troops and other Allied personnel provided Christmas parties for Italian children - a gesture which was greatly appreciated by the people.

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. 425 "central" hearing tribunals were formed and another 44 should be formed shortly. Of the "Provincial" Commissions only one, ROME, is actually working, though 8 are being set up. 40 more, however, without taking North ITALY into account, will have to be found. One of the chief problems is lack of judges. So many have already been taken for this purpose that the administration of ordinary justice has been affected and the Ministry of Justice objects to releasing more. The possibility of using experienced advocates for this work is being considered

2. The preliminary investigations of the first four grades of civil servants was completed in ten out of the thirteen Ministries by 30 December. In the remaining Ministries the Prime Minister used his power to retire all those officials whose cases had not been investigated by that date, and will subsequently withdraw the order for retirement in those cases where the completion of the investigation shows there was no guilt. These investigations should be completed by 15 January

3. The time limit for the completion of the preliminary investigation in all other cases was 28 January. As these investigations could not be completed by that date a decree was issued extending this time by one month for cases to be dealt with centrally and by three months for those to be dealt with provincially.

4. The preliminary investigations to date resulted in 16,500 persons being committed for hearing. This is estimated to contain 60% of the first four grades, 20% of the middle grades and only 1% of the lowest grades.

5. Nearly 1,900 of those committed for trial were suspended previously by the High Commission as their fascism was so notorious that their retention was detrimental. 2,900 officials were suspended at the request of other than the High Commission, including a large proportion by AC officers. By present standards many of these would not have been suspended and will probably be reinstated after trial.

6, 3,600 cases of the 16,500 have already been heard and 600 dismissed, 1,500 given a lesser punishment and 1,500 acquitted. Most of those acquitted were suspended by AC officers in the early days.

7. The High Commissioner lodged over 200 appeals against these decisions.

Mine Clearance.

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Mine Clearance.

8. Good progress was made in mine clearance but was handicapped by shortage of equipment and transport.

9. The undermentioned are engaged in mine clearance in liberated ITALY:

(a) Trained:

561 Italian Mine Clearance Company	Str	209
562 Italian Mine Clearance Company	Str	209
Civilian scouts, trained and working	Str	307
		725

(b) Under Training:

Civilians	Str	160
Total Personnel		885

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10. The 561 Company was working at GUBBIA where the terrain is difficult. Most of the buildings were demolished and the ruins mined. Work was necessarily slow and the number of mines removed smaller than in minefields.

11. The 562 Company was working in and around PESCARA and CHIETI. The area is a vast mine belt containing many thousands of mines.

12. Civilian squads were working at PISA Province, LUCCA, LIVORNO, PISTOIA, PERUGIA, TERNI, CHIETI, ORTONA, VIAREGGIO and FLORENCE.

13. Centres of Instruction were opened at PISTOIA and VITERBO. The centres of instruction at CHIETI, SPOLETO and TERRACINA continued to train workers and the centres of instruction at PISA and LUCCA will shortly be holding further courses.

14. A total of 114,311 mines were removed in all areas during the month.

Devastated Areas.

15. A G.T. Company was temporarily allotted to augment existing transport in the devastated areas, and with this assistance, many tons of clothing brought to the country under the auspices of National Agency for the Distribution of Relief in Italy, and 4,000 blankets from Allied Military sources, were distributed.

16. The housing decree, published in the Gazzetta Ufficiale of 12 December, provided assistance for individuals to rebuild damaged buildings, and coal was allotted to enable cement works in the neighbourhood of PESCARA to resume work.

LOCAL GOVERNMENT SUB-COMMISSION.

17. The problem of the Sindaco of NAPLES was satisfactorily solved by the appointment of Avv. Gennaro PERTUSIELLO, who took up office on 8 January. He was assured of the unanimous support of the Comitato di Liberazione, and will begin functioning with a Vice-Sindaco and a Giunta of fourteen members.

18. In PALERMO Province Prefect D'ANTONI was replaced by Dr. BATTISTI, a career official. When the change was made the Ministry stated that it had been necessary due to recent disturbances.

19. A substitute for Prefect GIUFFRIDA of CATANIA had to be found as he proved incapable of meeting the situation during the recent incidents. The Ministry of Interior sent Prefect VITERBI to take over office temporarily, but has since asked formally for him to be appointed Prefect.

20. In view of the possible shortage of senior officials for the administration of Northern Provinces the Ministry of Interior agreed to promote a number of younger officials. It was proposed to the Ministry that a "pool" of junior officials be formed to meet first demands in newly liberated Provinces.

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PUBLIC SAFETY SUB-COMMISSION.

21. The most important feature of December was the disturbance in SICILY largely due to the military call-up. Protest demonstrations, the first of which occurred in PALERMO on 11 December, rapidly spread to other cities and towns and became so serious that Italian Military Units had to be called in by the Italian authorities. Fire-arms, hand-grenades and other weapons were used by both the military and rioting civilians, resulting in death, injury and property damage. Additional troops were dispatched from the mainland to SICILY by the Italian Command and at the close of the month the situation was reported quiet.

22. The Ministry of War agreed to place at the disposal of Carabinieri in SICILY, two cars, 24 trucks and 24 armoured vehicles for two mobile battalions, each of 500 Carabinieri. The vehicles were expected to be in service on the Island early in January 1945.

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23. On 22 December a raid by the Carabinieri in the Southern section of ROME resulted in the seizure of a considerable amount of firearms, grenades, ammunition and one radio transmitting set. 175 persons were detained for investigation, 24 of whom were arrested. Prosecution of 27 others is expected.

24. Armed robberies and banditry occurred in some areas but suitable action was taken.

25. The morale of police agencies improved further, but they still lack equipment, particularly motor transport, and are frequently faced with delinquents who are well equipped with both transport and arms.

26. The black market continued a major problem, with prices still on the upward trend. No cooperation was received from the populace who buy whatever possible at any price.

27. The trials of Major General DE TERZO and Lieut. General MENTASTI held in the High Court of Justice, ROME, took place without incident. The defendants were sentenced to 20 years imprisonment each. This trial was a preliminary to the larger issues involved in the forthcoming prosecution of General ROATTA and 13 others on 22 January.

28. An enemy agent named FONTANA was dropped by parachute in the Province of MESSINA, SICILY on 30 December and arrested.

29. Efforts were made to re-establish the central registry of criminal records which was destroyed by the Fascists and Germans.

PUBLIC HEALTH SUB-COMMISSION.

30. Two cases of typhus were reported from the outskirts of NAPLES during the month. Demonstration on typhus control measures were held in ROME for the Provinces of LAZIO-UMBRIA Region, and the Typhus Demonstration Unit began a tour of TOSCANA Region and Fifth Army area. Disinfection of the Regina Coeli prison in ROME began and incoming refugees and refugee camps were disinfected.

31. The Italian Government ordered material and equipment for anti-malaria work for 1945 and Rockefeller Foundation and UNRRA provided assistance for the coming year's anti-malarial program.

32. The infant mortality figure for November was 100.2 and not 134.9 as previously stated.

33. The ROME Institute of Public Health produced vaccine for the protection of cattle against brucellosis in addition to smallpox vaccine. The ROME Veterinary Laboratory produced vaccine against foot and mouth disease. There was little rabies in the country except in PERUGIA Province where active

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34. [illegible], the Italian Agency for distributing medical supplies, was not successful during the first month of operation, and distribution of supplies was badly held up. Corrective measures were taken.

35. The Medical Supply Branch with the cooperation of the Industry Sub-Commission put 4 pharmaceutical firms and 3 biological firms into partial production during the past year. Penicillin was given to two biological firms and in due course small quantities of this drug should be available for use.

36. The Welfare Branch distributed food and clothing to the devastated areas and helped American Relief for Italy Inc. in the handling of 1,500 tons of clothing. It was arranged that discarded clothing and other from naval and military sources will in future be distributed to the needy.

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LEGAL SUB-COMMISSION.

37. Additional Italian judges are required for the increased number of Italian criminal cases and cases involving Allied interests, and for the epuration committees, which have themselves been epurated will have to be replaced. /Judges

38. A new directive was prepared with the Office for Publication of Laws of the Ministry of Justice on the implementation of Italian legislation in Military Government Territory.

39. The extent of the jurisdiction of the Epuration Commission over Italian Judges serving in colonies administered by British Military authorities was examined.

40. Allied Military Courts in BARI Zone operated effectively and a directive on Italian law applicable to theft or damage to ammunition and other war stores was distributed.

41. Three death sentences for espionage were imposed and submitted for confirmation.

EDUCATION SUB-COMMISSION.

42. Paper, inks, etc. for printing and binding arrived from the UNITED STATES and 950,000 defascised elementary text books have been printed to date and distributed

43. By using make-shift buildings and double sessions most of the children in liberated ITALY can now get to school.

44. The need for building material especially glass, was acute. School superintendents were authorised to close schools during severe weather and carry on into next summer to make up lost time. No progress was reported in ROME in repairing and disinfecting schools, 92 of which remained closed as a result. Elsewhere much more energy and ingenuity were used and buildings were either sufficiently repaired to function (usually without glass) or alternative locations were found.

45. SAN MARINO Republic asked for help in opening schools. A survey was made and preliminary steps taken to this end.

MONUMENTS, FINE ARTS & ARCHIVES SUB-COMMISSION.

46. In ROME the Exhibition of Masterpieces of European Painting was again extended and will remain open throughout the month of January. There were 23,000 visitors during the month of December. The National Gallery of Modern Art was opened to the public.

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47. On 22 December during a violent windstorm some of the 14th century frescoes by the Sienese artist BERNI collapsed in the Collegiata at SAN GIMIGNANO. The plaster on which they were painted covered the bricked-in windows of the Romanesque church. These fill-ins were apparently weakened during the German bombardments of the town and the windstorm completed the damage. Measures to safeguard the remaining frescoes and to strengthen the walls of the church were taken.

48. Excellent co-operation with the Eighth Army was achieved in protecting the world-famous early monuments in RAVENNA and a local committee was formed to help in the repair projects necessary. All the great basilicas were virtually intact, and only two monuments of highest importance received severe damage: S. GIOVANNI EVANGELISTA and S. MARIA IN PORTO FUORI.

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49. Three important reports on the location of movable works of art were transmitted to WASHINGTON and LONDON during the month. The first concerned the treasures placed in deposits in TUSCANY; the second, those in the deposit of LAZIO, and the third the present location of the objects shown in the MOSTRA D'OLTREMARE at NAPLES in 1940.

50. A documented report was received from Prof. FALSONE of the Uffici in FLORENCE concerning the objects removed from the Tuscan deposits by the Germans.

51. CHIUSI was visited in order to inspect the damaged museum and important fragments of Etruscan pottery were brought to ROME for repair.

DISPLACED PERSONS & REPATRIATION SUB-COMMISSION.

52. By 4 December 4,790 Yugoslavs had been repatriated to YUGOSLAVIA. Subsequent moves were cancelled by the Yugoslave Government due to lack of accommodation and food in YUGOSLAVIA. 1,400 now await repatriation.

53. Camp Commanders and their staffs organised Christmas and New Year festivities for all refugees in Allied national camps, which were greatly appreciated.

54. There was less illness and epidemics of infectious diseases subsided, though a few cases of chicken pox were reported.

55. 5,000 Italian refugees were repatriated to the south from Army areas. Good work was done by the UNRRA teams loaned to assist at FORT AURELIA Italian refugee camp, near ROME.

56. The Banca d'Italia was authorised to advance the total sum of 12,100,000 lire. 5,000 displaced persons benefited from these advances. The average payment authorised was, to a householder 3,950 lire, and to others 2,440 lire.

57. One of the more important agencies distributing equipment and clothing to the needy in ITALY was American Relief for Italy Inc., which worked in liaison with HQ Allied Commission. Shiploads of supplies from the UNITED STATES arrived and considerable amounts of food and clothing was and will be distributed.

58. The fact that clothing needed many months before the onset in high altitudes had a good moral effect.

59. The Vatican ship from BARCELONA discharged 197 tons of food supplies including coffee, sugar, tea etc. This will be railed to ROME.

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61. High priority was obtained for a further ship to leave NEW YORK by the end of January with 1,400 tons mixed cargo on board including 50 trucks for E.N.D.S.I. (Ente Nazionale Distribuzione Soccorsi in Italia).

PATRIOTS BRANCH.

62. Sufficient quantities of equipment and clothing are in hand to meet immediate requirements and reports from Fifth and Eighth Armies showed that the Reception Centres were working smoothly. There were approximately 900 patriots in the Centres under Fifth Army control and less than 500 in the centre under Eighth Army control.

63. A Recruiting Agency was sent to Fifth Army area and, in addition, one resident Recruiting Officer was located at each Patriot Centre. There was a considerable increase in the numbers volunteering for the Italian Army.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION

1. The Sub Commission continued to work closely with the Ministry of Agriculture and officials on the development of an over-all agricultural program for Italy. Some personnel changes took place within the Ministry which should improve the operation and administration of its technical branch.

2. The movement of wheat seed was completed in Central and Southern Italy and a high percentage - 98% in LAZIO-UMBRIA Region - of wheat seed requirements were met. 1027 tons of seed potatoes were moved from AVEZZANO to SICILY though this was only 20% of the estimated requirements. Some potatoes were sent to APULIA, but the quantity will be far short of the minimum requirements.

3. The estimate of agriculture, forestry and fishery import requirements prepared jointly by the Italian Ministry of Agriculture and the Agriculture Sub Commission was completed and submitted to the Economic Section on the 30 December 1944. It covered a period of 18 months broken down into units of six months. The principal items were for Agriculture -- fertilizers, pesticides, farm power and machinery; for fisheries -- thread for nets, cables, tin and marine power; for forestry, saws, axes and saw mill requirements. The estimated landed cost of the imports is 37 million dollars.

4. The movement of surplus citrus fruits from SICILY to Central Italy continued with promise of quantities being available for areas other than ROME.

5. By the end of December, 89% of the estimated wheat collection for liberated Italy had been delivered to the "Granai del Popolo".

6. The olive oil amassing was most unsatisfactory. By the end of the month only 101,547 quintali had been amassed in liberated Italy compared with 353,610 quintali at the same date in 1942-43. In view of this serious position the Minister of Agriculture asked the Allied Commission for active assistance in the amassing program. The Allied Commission undertook to supply 60 officers with transportation to assist the Italian Government in its oil amassing program. These will commence operations in January.

7. By a Decree dated 2 December 1944, 500 billion lire were appropriated for the repair and reconstruction of war-damaged public reclamation areas.

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COMMERCE SUB-COMMISSION

8. December was a month of handing over to the Ministry of Industry, Commerce and Labour, and coaching Ministry personnel in the work of freezing, releasing, and preparing availability reports of controlled materials.

9. The Italian Press Commission was unable, on account of lack of warehouse space, to take over the control of newsprint stocks, and the transfer of control was therefore deferred until January 1st. Imports of newsprint were at a bare minimum, and stocks will only cover requirements up to February 1st.

10. The Ufficio Provinciale del Commercio e dell'Industria of Naples assumed supervision of the repair of salvaged army boots in Southern Region, but was unable to take over supervision of the repairing and dyeing of salvaged army clothing, owing to the lack of transport and warehousing facilities. The Sub-Commission therefore set up the necessary organisation, using AFHQ funds. Six factories were put into operation for repairing clothing, contracts were placed for dyeing, eight warehouses were requisitioned, and the necessary supplies of dye, thread, needles and pins were obtained. Production at the rate of 2,000 garments a day commenced, and has already been increased.

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11. Shipments for exports during the month totalled 8,445 tons, valued at 65 ½ million lire, whilst a further 8, 755 tons were at the ports, awaiting shipment at the end of the month. The shipping situation remained difficult, and much of the above material was lying at the ports for some time; a further 4,873 tons was called forward to the ports for January. Total exports since the Allied occupation have now passed the one milliard lire mark.

12. Shipments of lemons to U.K. during this season now total 13,319 tons. Further purchases were suspended whilst the question of freight rates on timber for lemon boxes was under consideration.

13. Difficulty in moving mainland stocks greatly affected the chances of exporting sulphur to any extent during the first half of 1945, only 10,000 tons being available against total Mediterranean requirements, excluding Italy, of 25,000 tons.

14. 2,100 kilos of silk stolen at NAPLES in October 1944 was recovered; a survey of ANCONA region disclosed 6 filatures in good working condition and 12,000 kilos of dried cocoons arrested, with a possibility of arranging a further 20,000 kilos.

FINANCE SUB-COMMISSION

15. The Italian Government's Financial Mission to the United States continued its discussions with the U.S. Treasury Department during December. The Mission made a number of technical proposals dealing with the provision of lire to the Allied Forces, accounting for imported supplies, and further dollar credits, but the Treasury had, at the end of December, made no reply to such proposals.

16. During December it was felt that the time was appropriate to discuss formally and on a broad basis with the Italian Government the question of Italy's foreign exchange position and policies. Informal conversations had been carried on with the Minister of the Treasury for several months, but without any positive action. The Minister appeared to favour the retention of Istcambi, while the Finance Sub-Commission recommended that the necessary executive organisation be established within the Banca d'Italia. In order to bring the problem to the attention of the President of the Council of Ministers and to stress that it was a matter of national importance, involving several Ministries, the views of the Finance Sub-Commission were embodied in a letter sent to H.E. Ivanoe Bonomi by the Chief Commissioner. At the same time, a letter was addressed to the Minister of the Treasury, outlining the immediate tasks that will confront the new exchange control organisation.

17. On 23 December 1944 the Minister of the Treasury made his third budget statement. In this lengthy document, not all of which was made public, he estimated that the total budgetary deficit may approach 150 billion lire for the fiscal year 1944-45.

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14. 2,100 Kilos of silk stolen at NAPLES in October 1944 was recovered; a survey of ANCONA region disclosed 6 filatures in good working condition and 12,000 kilos of dried cocoons removed, with a possibility of rescuing a further 20,000 kilos.

FINANCE SUB-COMMISSION

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18. Pursuant to authority received from the Combined Chiefs of Staff, the Minister of the Treasury was informed that the estimated aggregate amount of AM lire in the hands of banks and the public in Italy at the end of October 1944 was 44 billion lire. Of this amount 6 billion lire was issued through the Allied Commission or Allied Military Government to meet the necessary currency requirements of the Italian civil administration.

19. In implementation of the statement by the President of the United States on 10 October 1944, and pursuant to instructions received through the U.S. State Department, the President of the Council of Ministers was informed that the amount of dollars corresponding to the amount of lire paid to civilians by American troops in Italy out of their pay was estimated to be in excess of one hundred million dollars.

20. The excess of purchases over redemptions of all Italian Government bonds was 2,405 lire in November. This figure compares with a monthly average of 1,875 million lire for the previous four months of the current fiscal year.

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21. The new major tax revision decrees were published during December, and work on a number of less important ones proceeded.

FOOD SUB-COMMISSION

22. Despite the cessation of the general issues of miscellaneous commodities in urban centres, the general supply situation during December was reasonably satisfactory, because greater supplies of local produce came on to the market for the Christmas period.

23. In areas where local produce was not available, however, grave feeding problems arise, as for instance in LIVORNO Province (in which lies the important port of LEGHORN). Here, to deal with the problem a concession was made, and supplies of pasta, soup and dried vegetables were authorised to enable a soup meal to be served to workers in addition to the present 400dhirt meal authorised for heavy workers employed by the Allied Forces.

24. Another instance was the devastated areas which have no local resources to supplement the basic ration. There are about 200,000 roofless persons in these areas concentrated over six provinces and special provision for their feeding was made.

25. Stocks of local grain at the end of the month were satisfactory (487,000 tons in all), but were concentrated largely in Central Italy. In South ITALY and the Islands the grain from last year's harvest is practically exhausted and these regions have now to be fed almost entirely upon imported grain. The irregularities in the arrival of cereal ships continued, thereby causing near-crises in the bread supply of several regions in the South, and emergency adjustments had to be made. The ROME grain situation, however, improved, and at 31 December there was a 25 days supply in the city, the highest since the occupation.

26. Imports for the month showed an improvement over November, but as these included considerable quantities which are to be stockpiled for eventual use in Northern ITALY when liberated, there were no greater amounts available for general distribution.

27. Early reports of the result of the sowing of the new olive oil crop were disappointing. Pending a fuller report of the ration possibilities for 1945, authority was given to issue three decilitres a head for December. The quantities required for ROME and NAPLES were distributed from the stocks of old crop oil.

28. Progress was at last made in attempts to persuade an Italian Government organisation to take over complete control of food questions in liberated ITALY. An High Commissioner of Food with direct access to the Cabinet was appointed and started to organise his Department.

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29. During the period 26 November to 30 December approximately 17,000 tons of non-rationed food was brought into the ROME market, i.e. an average of 500 tons a day. 1,500 tons of carbon wine also arrived. Larger boats (Cacatora or Libertias) with both citrus fruits and carbon wine now arrive regularly.

INDUSTRY SUB-COMMISSION

30. During December assistance was given to the Ministry of Industry, Commerce and Labour in preparing a programme of Essential Imports for the Industrial rehabilitation of ITALY.

31. Further assistance was given to the Soda Solvay Works at ROSIGNANO, which when running can produce all the caustic soda and sodium carbonate needed for the whole of ITALY, thus ruling importation unnecessary, and enabling industries depending on these products to start functioning.

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32. Industrial gases and calcium carbide manufacture received considerable assistance. Given the necessary electric powr, TERNI should soon produce 600 tons of calcium carbide monthly.

33. The PERUGIA match plant which closed down owing to lack of power, is to start producing again, thus relieving the critical situation in matches.

34. Food processing was transferred during the month from Food to Industry Sub-Commission, and surveys of sugar beet processing plants were pushed forward vigorously. It is hoped to produce substantial quantities of sugar by Autumn 1945.

35. Soap production continued but was hindered by the transport difficulties of moving sulphur oil to the factories.

36. Map paper for the British Army will be produced at FABRIANO (ANCONA) to AFHQ Survey Director's specification: all arrangements are in hand and 700 tons will be produced a month. Newsprint and 'standard' paper were produced under A.C. supervision at four mills.

37. Sardinian coal mining caused concern due to lack of labour and transport.

38. Superphosphate Fertilisers were produced at four plants, two more will start operating almost at once, and three more will follow early in 1945. Copper sulphate production will start shortly at BAGNOLI on delivery of copper and brass military scrap and of copper matte from SARDINIA.

39. Hemp production continued and 1,200 tons were pooled during the month. Power for hemp was available, but transportation thefts and contraband activities reached considerable proportions.

40. The TORRESPACCATA Plant of PIRELLI is now ready to reclaim rubber for manufacture of tyres, soles and heels, and automobile accessories. Efforts were made to obtain derequisition from the British Army of the PIRELLI ROME Plant for the manufacture of soles and heels and other articles.

LABOUR SUB-COMMISSION

41. The labour situation was fairly satisfactory and there were few serious disturbances.

42. Due to the Ministry of Industry, Commerce and Labour's drastic budget cut many activities of the Labour Offices in Italian Government territory will be curtailed.

43. Several industries and trades, including the sulphur mines, were investigated.

44. The Sub-Commission drafted a standard provision to be incorporated in all

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36. Kraft paper for the British Army will be produced at FABRIANO (ANCONA) to AFHQ Survey Director to specification: all arrangements are in hand and 100 tons will be produced a month. Newsprint and 'standard' paper were produced under A.C. supervision at four mills.

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44. The Sub-Commission drafted a standard provision to be incorporated in all contracts between Allied Armed Forces and private Italian contractors governing the payment of wages and social benefits to contractor's employees. The standard provision was approved by Allied Forces Local Resources Board and is now being published by AFHQ. It protected the Armed Forces against overcharges for labour and social insurance on contract work while making it possible for contractors to pay their employees the standard Italian wage and enable them to obtain indemnities and social security benefits.

PUBLIC WORKS & UTILITIES SUB-COMMISSION

45. The number of qualified and experienced Italian engineers was still far below requirements for the vast repair and reconstruction program as before the Government. Salaries offered were deplorably inadequate, often below the wage of a semi-skilled workman. Successive Ministers have failed to improve matters and an individual was asked to hold at times more than one

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appointment drawing a double or triple salary. Alternatively, fees were paid to whole-time professional men, such as Consulting Engineers, according to plans and estimates prepared. The only judge of these plans is often the man himself and abuses are inevitable. The Minister was warned of these dangers.

46. At the special request of the Chief Engineer, AFHQ, the Allied Commission assumed responsibility for all roads and bridges (Military Lines of Communication) to LEGHORN. Every item of contractors' plant was mobilised. During the month an important conference was held, convened by the Chief Engineer No.I District, which settled organisational details regarding roads and bridges and the further tasks of the Commission. Ten special inspections were made of all military routes between NAPLES, ROME, LEGHORN and FLORENCE. Portable bridges (Bailey type) were removed at six out of seven sites South of ROME and were replaced by more permanent structures. North of ROME reconstruction on 25 large bridges will start shortly.

47. At the end of December the following were in progress:

(a) Projects of Military priority:

	Number	Value (Lire)
Highways	175	590.000.000
Bridges	286	414.000.000

(b) Other Projects(A.C. Responsibility).

Miscellaneous	699	663.000.000

(c) Other Projects(Italian Responsibility).

Miscellaneous	673	871.000.000

(d) Bridges rebuilt to date: 736

(e) Roads under maintenance: 6.000 Km.

48. By the end of December 2.000 Km of transmission lines were restored in Central ITALY and 21.000 Kw of hydro-electric generating plant. A "master-control" station will be established in ROME to regulate output, loading of transmission lines, maintenance of standard voltages and frequencies at a fixed figure (45 cycles). This is a major change of policy, which has never before been attempted in ITALY, involving the "pooling" of resources and the acceptance of unified control. The Electrical Reconstruction Committee approved the change. By June 1945 it is expected that 300.000 Kw of plant will be in operation as opposed to 50.000 Kw in June 1944, though it will still be only one-third of normal requirements. Power allocations in TUSCANY and ROME areas will not be increased until additional output is available. Insulating materials and transformer parts arrived in small quantities. ROME has lost an

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TRANSPORTATION SUB-COMMISSION

49. The A.C. played a prominent part in reconstruction and rehabilitation work on twelve major projects in forward rail heads, including the supervision of repair of the rail line from ORTONA to ANCONA. Owing to the semi static conditions on the fronts, the forward railheads remained at CASERTA on the East coast and PISA on the West.

50. The New Works and Contracts Committee, formed jointly of Military Railway Services, Italian State Railways and A.C., satisfactorily settled problems on construction, supply, finance and, to some extent, shortage of freight cars.

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51. There were still no passenger services working North of ROME but additional facilities were provided for civilian railway travel between ROME and CIVITAVECCHIA. A tri-weekly service between ROME and NAPLES will shortly be instituted.

52. Five companies out of a complement of eight in the Italian Truck Bn were fully employed on various hauls in the forward areas. Of the remainder one worked in ROME under Transportation Sub-Commission and the other two are not fully formed owing to lack of Italian personnel.

53. Four G.T. Coys. were in operation, two in Army areas and two further to the rear of AMG territory.

54. Negotiations proceeded with the Ente Nazionale Autotrasporti Cose (ENAC), the Italian Governmental agency which will license and issue permits for petrol to all road vehicles concerned in the transportation of goods and passengers. It will also coordinate all road haulage movements. ENAC will not function in AMG territory but transportation is being organised on a similar system to facilitate an easy change over to ENAC when AMG territory is taken over by the Italian Government.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. The most important developments of the month centered around Italian films and introduction of Allied news agencies into the Italian theatre. Approval was given by SACMED to the distribution of news in Rome only by Allied news agencies from January 15. The ban on Italian news agencies was lifted from the same date. Approval was also given by SACMED to the establishment of a Temporary Film Board to regulate the Italian film industry and discussions were initiated between AC, PWB and the Italian Government regarding the drafting of a necessary decree.

2. The number of Italian correspondents permitted to cover news grew to 62 who were issued official accrediting cards. Twelve neutral correspondents also have these privileges.

3. The work of the Archives Section of the Public Relations Branch made progress in gathering, arranging and collating the records of the Allied Commission preparatory to eventual turning over to official record agencies of the British and American Governments.

NAVY SUBCOMMISSION

4. Cruisers and destroyers of the Italian Navy continued their useful work of transporting troops and stores in the Mediterranean. The work of the dockyards one of the most important contributions made by the Italians to the Allied war effort, proceeded satisfactorily.

5. The Navy Subcommission requested numerous Allied authorities to supply information regarding benefits to be derived from a greater use of the port of PIOMBINO. It is hoped that the replies received can then be used to formulate instructions to the Ministry of Marine which will assure maximum assistance from the Italian Navy. Present indications are that increased use of PIOMBINO for off loading civilian supplies would greatly relieve the port of LEGHORN.

6. The Ministry of Marine was asked to supply complete information regarding the number of schooners that can be handled by the Italian Navy Port organization at SAN STEFANO.

7. 2400 volunteers were enrolled into the Italian Navy to replace an equivalent number of time-expired men. These were the first volunteers to be accepted since August 1943.

LAND FORCES SUBCOMMISSION (AMLA)

8. The call-up of the 1914-1924 classes in SICILY began on the 4 December.

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6. The Ministry of Marine was asked to supply complete information regarding the number of schooners that can be handled by the Italian Navy Port organization at SAN STEFANO.

7. 2000 volunteers were enrolled into the Italian Navy to replace an equivalent number of time-expired men. These were the first volunteers to be accepted since August 1943.

LAND FORCES SUBCOMMISSION (LFSIA)

8. The call-up of the 1914-1924 classes in SICILY began on the 4 December. It caused serious clashes between youths eligible for service and the Italian military authorities. In spite of pressure to postpone the call-up temporarily the War Ministry was instructed to continue and to take severe disciplinary action against those refusing to report.

9. The Allies were supplied with manpower from call-ups and personnel repatriated from the BALKANS and GREECE. Over twenty-one thousand Italian Military were evacuated from GREECE and a considerable proportion of those fit for service was allotted to the Allies, the largest proportion as reinforcements to the Combat Gps and Pack Tpt Coys.

10. The PICENO Gp, originally one of the Combat Gps, was disbanded because of the urgent need for Carabinieri and muleteers due to the poor response to the call-ups and the Allies' demand for muleteer reinforcements.

11. Of the five combat Groups four were engaged in higher training during the month and are ready to move forward. The Fifth Group which was on Internal Security duties in the SOUTH made a good start with individual training.

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12. The Reinforcement Training Centre and Schools for the Combat Force are now situated in CESANO-BRACCIANO area. This centre will deal with about 2,000 trained reinforcements a month and can accommodate 12,000 men. The permanent staff is composed of personnel from the former PICENO Group.

AIR FORCES SUBCOMMISSION

13. The Italian Air Force continued to support the Allied war effort in active operations over the BALKANS. The scale of effort during the month was considerably reduced partly due to bad weather conditions and partly to the fact that the enemy has withdrawn northwards in the BALKANS and is moving out of range of the Italian Fighter Wing. On 14 days during the month the only flying possible was weather reconnaissances.

14. The number of sorties carried out by the Fighter Wing were considerably reduced for the reasons given above. On the other hand results were satisfactory and enemy transport was damaged or destroyed. The serviceability of fighter aircraft decreased slightly. This was expected because of the intensive nature of the operations carried out during December. A quantity of Daimler-Benz engines and spares for them were discovered in FRANCE and were released for the Italian Air Force by SHAEF.

15. There was little demand for the Seaplane Wing except for Air/Sea Rescue service. Preparation for the use of the seaplanes on the Transport Service continued.

16. Both the Light Bomber Squadrons are now at their operational base and made a satisfactory number of sorties throughout the month. Serviceability remained good.

17. In spite of bad weather conditions, nearly the same number of sorties was carried out by the Bomber Transport Wing during the month as during November. A satisfactory weight of supplies was either carried or dropped, and a number of British and other personnel and equipment evacuated from the BALKANS. The serviceability of the Bomber Transport aircraft remained the same. Tires were the biggest difficulty and unless suitable sizes can be found the aircraft will shortly be grounded. A quantity of engine spares were found in the Middle East and released for the Italian Air Force.

18. The number of sorties carried out by the Courier/Transport Squadron was satisfactory and the service was much used by Government officials who would otherwise have lost much time through inadequate road and rail facilities.

19. The School is now ready to accept pupils and has its full quota of training aircraft and instructors. The first course will start as soon as the pupils arrive, though for the moment there is a surplus of trained crews.

20. The morale of the Italian Air Force remained high. The Fighter Wing was naturally anxious to be moved to a base from which they could again carry on their good work against the enemy.

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COMMUNICATIONS SUBCOMMISSION

21. Civil telegraph and provincial telephone services were authorized in the additional provinces of ANCONA and PERUGIA.

22. Civil telegraph service from ROME to the South was much improved during the month by the release of circuits from Allied use and by the installation of equipment transferred from SICILY.

23. Many additional telephone exchanges in Military Government territory were opened and many more are practically installed; this is the result of work in progress since July. PISA, MACERATA, TERAMO, MONTECATINI, FLORENCE, LUCCA and PESCARA are among the towns with new services.

24. Long distance telephone services were authorized in all Italian Government territory, except FOGGIA Province.

25. Mail services are extended to the provinces of ANCONA, PERUGIA, SIENA, AREZZO, LIVORNO, FLORENCE, and PISA. (the last two up to the R. ARNO only).

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26. Censorship was closed in the provinces of FROSINONE, LITTORIA, VITERBO, CHIETI and RIETI, and opened in the provinces newly included in postal services.

WAR MATERIALS & ITALIAN P.W. SUBCOMMISSION

27. In December, 54 derelict vehicles recovered into ROME were inspected. Of this number 12 were returned to Italian War Ministry and 42 were handed over to LAZIO-UMBRIA Region, Transportation Division, for repair and rebuilding.

28. Scrap material was cleared from twenty railway wagons in ROME. Five wagons containing Italian machine gun parts were handed over to the Italian Directorate of Artillery and six wagon loads of factory equipment were despatched direct to interested firms.

29. Vehicles operated by the ROME transport pool are using German tires and it has been decided that they would not be confiscated, but that the Subcommission would issue permits as and when necessary for the use of such tires.

30. Credit balances of repatriated PW totalling 4,400,000 lire were cleared through the Subcommission during December.

31. Allotments made by Italian cooperator PW amounting to 20,000,000 lire were forwarded to the Italian Government for payment.

32. The policy of transferring as much responsibility as possible to the Italian Government on the question of Italian PW was continued.

33. During November and December a total of 20,000 Italian PW and soldiers were repatriated from the BALKANS and FRANCE. A considerable number have been earmarked to go back into the Italian Army as combat troops after a period of leave.

34. Italian PW in AFRICA continue to receive 6,000 copies of PWB's "Notizie" per day, and the Italian Red Cross have arranged for the supply of suitable books.

35. The plan for the repatriation of half a million Italian PW was being prepared and should be available early in January.

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Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
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PART I.

AMG FIFTH ARMY.

1. PISA Province was transferred to Regional Control with effect from midnight 25 November.

2. Apart from the repercussions in the Press from a visit of the Committee of National Liberation to ROME this has been a much quieter month politically. The tighter control over the movement of Cabinet Ministers and others into the Army Area has doubtless contributed. At the end of the month the parties are presumably waiting to see the outcome of the impasse in ROME and it is expected that activity will increase when the composition of the new government is known. There is a general hope that a new government can be found which is more efficient and energetic, especially about Defascism, than the last one. There is also a widespread demand for action on the institutional and electoral question in spite of the impossibility of such action at this time.

3. Except in the areas where gunfire is audible the people are less friendly with the Allies. (The contrast in the attitude between the ARNO Valley and a village within a few miles of the Germans is very striking.) This is attributable to the restrictions and inconveniences caused by the presence of large numbers of troops and to the inevitable reaction to the insufficient food supplies in the towns. It was felt that after the American Presidential Elections the implementation of the promised 300 gramme bread ration would be immediate and the apathy born of disillusionment is now creeping in. Public morality is also deteriorating, though of course it has a long way to go before it reaches the level of, say, NAPLES.

4. The refunctioning of nearly all the hotels, restaurants, and clubs of FLORENCE for Allied use, chiefly British, continues to be a sore subject with the Italians, who sometimes say that it is far too difficult for an Italian civilian to obtain a meal or room for the night by honest means.

5. Sugar is non existent and soap is short supply. Salt is sufficient for an increased ration of 210 grammes per month but there is none available for curing the hogs which are now due for slaughtering in some areas. Apart from these items it has been possible to distribute supplies satisfactorily to implement the existing ration scales. It is not considered however, that the towns, especially FLORENCE, are receiving sufficient to maintain full health and efficiency. The POL situation is satisfactory. Some 11,000 gallons a day are being drawn from the Fifth Army.

6. The rehabilitation of industry proceeds very slowly owing to the absence of electric power, the necessary materials for repairing plants and raw materials for manufacture. No early solution to these problems can be fore-

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cient and energetic, especially about Defascism, than the last one. There is also a widespread demand for action on the institutional and electoral question in spite of the impossibility of such action at this time.

3. Except in the areas where gunfire is audible the people are less friendly with the Allies. (The contrast in the attitude between the ARNO Valley and a village within a few miles of the Germans is very striking.) This is attributable to the restrictions and inconveniences caused by the presence of large numbers of troops and to the inevitable reaction to the insufficient food supplies in the towns. It was felt that after the American Presidential Elections the implementation of the promised 300 gramme bread ration would be immediate and the apathy born of disillusionment is now creeping in. Public morality is also deteriorating, though of course it has a long way to go before it reaches the level of, say, NAPLES.

4. The refunctioning of nearly all the hotels, restaurants, and clubs of FLORENCE for Allied use, chiefly British, continues to be a sore subject with the Italians, who sometimes say that it is far too difficult for an Italian civilian to obtain a meal or room for the night by honest means.

5. Sugar is non existent and soap is short supply. Salt is sufficient for an increased ration of 210 grammes per month but there is none available for curing the hogs which are now due for slaughtering in some areas. Apart from these items it has been possible to distribute supplies satisfactorily to implement the existing ration scales. It is not considered however, that the towns, especially FLORENCE, are receiving sufficient to maintain full health and efficiency. The POL situation is satisfactory. Some 11,000 gallons a day are being drawn from the Fifth Army.

6. The rehabilitation of industry proceeds very slowly owing to the absence of electric power, the necessary materials for repairing plants and raw materials for manufacture. No early solution to these problems can be foreseen.

7. Much progress has been made in planting winter wheat and large quantities of seed wheat have been brought in from GROSSETO. At the end of the month the olive harvest was just starting. The crop promises to be a good one and in spite of the destruction of the largest presses sufficient small mills have been put into operation to deal with it. It remains to be seen how much of the oil escapes the Amassi and flows into the Black Market.

8. The slaughtering of hogs in the mountain areas is handicapped by shortages of salt.

9. A great amount of work has been done helping the Army in labour procurement. In FLORENCE the demand exceeds the supply except for white-collar workers. In the rest of the area there is widespread unemployment and supply exceeds the demand. At the same time there are insatiable military demands for labour in LIVORNO and in the mountainous areas near the front, but there are no facilities in either case for housing and feeding the workers required.

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10. Progress has been made in repairing the Bonifica near VIAREGGIO which is ready to operate as soon as power is available for the pumps.

11. The security problem continues to be of paramount importance and large numbers of enemy agents have been caught: about 60 now await trial as soon as the cases have been prepared. Heavy demands for Carabinieri Reale to assist in the control of movement have had to be met and it has only been possible to comply as a result of the presence in the area of men waiting to go North. Without their assistance in controlling movement it is improbable that such a large number of enemy agents would have been caught during the month. Carabinieri Reale continue to give very good service: their morale is good and cooperation with Corps and Divisional Military Police is excellent.

12. On 10 November a demonstration was staged by about 150 women outside the FLORENCE Prefetture demanding more milk, less Fascism and more epuration. The purpose was undoubtedly political but it is not certain who organised it. Both this and a smaller demonstration at REGELLO (FLORENCE Province) on 22 November were dispersed without difficulty.

13. The ten kilometre rule was abolished in FLORENCE Province South of the ARNO with effect from 25 November. It is hoped that this will allow a greater resumption of normal trade and economic activity within the Province than has been possible hitherto. The strict control of movement continues to bring to light many expired, altered or bogus passes, and the control is still far from satisfactory.

14. There are many signs of undernourishment in the large towns, especially FLORENCE. The shortage of soap is responsible for many local outbreaks of scabies. Typhoid has been on the increase, especially in PRATO where there are at present 250 cases. Diphtheria occurs sporadically throughout the area and there have been several cases in the FLORENCE Refugee Centre, necessitating the creating of an isolation block. There has been no case of typhus. Apart from the above general health continues to be satisfactory.

15. The A.R.C. Field Representatives continue to perform outstandingly good work on the reorganisation of civil hospitals in the forward areas. No praise can be too high for them.

16. The two centres, at FLORENCE and LUCCA, were kept open during the month. An officer from the Displaced Persons & Repatriation Sub Commission is on duty at the former, while the Sub Commission are taking over the latter at the beginning of December. In addition one of the tented camps from Eighth Army continued to operate under 13 Corps. 4200 persons were evacuated during the month of whom some 450 were returned to their homes locally. Half of the total have homes North of the battle line, the remainder wished to return South in any case. The bulk of the total were from a group of small communes right in the battle line who were evacuated for security reasons.

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17. In the forward areas advances have been made direct to communes. In BOLOGNA Province a new system of Amassi financing has had to be devised in the absence of any Banks. Elsewhere the work has been more typically Regional in character. A number of Local Government Budgets have been passed, in most cases after drastic reduction in the estimates submitted. A Specialist Revenue Officer has been appointed temporarily to work in the Provinces.

18. Arrangements have been made for restarting the FLORENCE Tobacco Factory on a limited scale. The factory at LUCCA is also working. The Salt factory at VOLTERRA is not working satisfactorily - in part this can be attributed to the usual causes of lack of fuel, etc., but to a large extent it is due to the character of the manager.

19. a) The educational activities during the month continue to be satisfactory. Notably is the situation excellent in FLORENCE City and Province where the Provveditore agli Studi reports that for the City nine-tenths of the pupils are receiving daily instruction with a minimum schedule of two hours and with many pupils following a normal schedule. In the Province South of the ARNO most of the schools are now functioning and North of the ARNO the schools have been opened where possible and others are being reopened as rapidly as buildings can be found or be released by

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Army Units.

b) The University of FLORENCE is carrying out its program of make-up courses and examinations preparatory to the beginning of a new school year in January quite satisfactorily. It is also offering short survey courses in Italian Language, Literature, History, and Art for Canadian soldiers in this area and has outlined a much more comprehensive program for all Allied personnel. This proposal is now being studied by the Education Officers of the American and British Forces.

c) The University of PISA was formally opened on 25 November and SIENA on 26 November.

d) Epuration has been completed in all three universities of FLORENCE, PISA and SIENA and is far advanced in all provincial schools.

20. a) For the first time since the landing at PAESTUM it is possible this month to record real progress in mine clearance. In FLORENCE Province this is due to local initiative in making use of the trained Unione Nazionale Protezione Antiaeree personnel available. They have done excellent work.

b) After many false starts the Italian Army School on the west coast has at last started to produce results. At the end of the month work was also starting in LUCCA Province and a school opened in PISTOIA. The difficulties confronting the officer in charge are considerable but the results achieved so far are encouraging.

21. On the 2 November the ARNO overflowed its banks and inundated the City of PISA. After considerable argument it was accepted as being the highest level the river had reached for 100 years. In PISA no serious damage was done except the covering of the streets with several inches of mud. Energetic emergency measures were necessary and the Prefect performed magnificently. It was fortunate that the consequences were not more serious. Headquarters escaped immersion by the narrow margin of two feet. War damage to drainage systems prevents the land from draining and large areas are still under water: they are likely to remain so until the Spring.

AMG EIGHTH ARMY.

125

22. No additional territory was handed over to regional control during the month.

All fresh territory occupied was in the Provinces of FORLI and RAVENNA. The provincial capital of FORLI was captured during the month and that of RAVENNA during the first few days of December.

23. Fresh territory occupied consists either of the rich agricultural plain with certain industrial areas or of the extremely mountainous last mid-

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23. Fresh territory occupied consists either of the rich agricultural plain with certain industrial areas or of the extremely mountainous last ridges of the APPENINES. Large areas of the plain are water logged and in some cases completely flooded owing to destruction of dyke retention walls. Administration of the mountainous country has become more difficult owing to the withdrawal of Bailey bridges on the mountain roads, and though all available help is being given by the Army, they themselves are short of material for the replacement of these bridges.

24. The details of a scheme for the amalgamation of the staffs of Region EMILIA and AMG 8 Army (under the command of SCAO) were worked out and will be put into practice early in December. The scheme is designed to obtain the best possible administrative results from the use of all available personnel whilst the Army area is more or less static.

25. The local food situation cannot be described as satisfactory. The large stocks are hoards which must be conserved for emergency in BOLOGNA, FERRARA or even VENICE. The townsman has his 200 grammes of bread daily plus a monthly ration of 600 grammes of pasta, 75 grammes of salt and 125 grammes of sugar. Imported milk, dried vegetables and tin meats are issued only to special classes and in cases of grave hardship. Fresh supplies of these items are highly erratic.

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Generally speaking the fresh vegetable situation is satisfactory. Meat is rarely available, but fresh milk can be purchased in limited quantities in a number of communes. With the approach of the hog curing season (for which a special distribution of salt is being made) it is hoped to alleviate the shortage of proteins and fats in the mountain communes, but in the plain there are few pigs to kill and it is neither administratively nor statistically practicable to attempt a large scale redistribution between various parts of the area.

26. Oil and soap have been the principal shortages - absence of the former has been a chronic feature for a long period and no relief is in sight.

27. The olive oil harvest is just starting and some presses are operating. Unfortunately the present area produces little oil and estimates of the total quantity "armasable" do not exceed 200 tons.

28. Considerable quantities of sugar beet were located but so far none of the sugar factories found were in workable condition.

29. By the first of the month little wheat had been sown due as much to adverse weather as to war damage and dislocation. At the end of the month about 80% of normal area was planted; no barley was sown as it comes after the wheat sowing is finished if there is time. Some wheat and barley will be sown in the spring, the barley mostly for green feed for livestock. Sufficient wheat for seed was found and of 300 tons located in GEMMA 250 tons are being moved to the RIMINI area where the seed shortage is acute. In other areas the farmers were able to use their own seed or obtain it in their own commune. There will probably be no need to import wheat or barley seed for the spring planting season as it can be found in communes which threshed before the battle.

30. Contrary to earlier reports, the livestock situation is not hopeless, but is definitely an acute problem. About 50% of the oxen were saved (although different communes vary considerably), 60% of the milk cows and 50% of the sows: only about 30% of the feeder and work calves and young stock and 30% of feeder pigs, however, remain. The sheep situation is satisfactory and though only about 15% of the chickens were saved they can be quickly replaced by multiplication. Most of the horses were taken by the enemy for transport.

31. The typhoid-paratyphoid epidemic in the Republic of SAN MARINO and RIMINI area is under control. For the period 4 Sept to 27 Nov 1944, 812 cases were reported for the Republic of SAN MARINO and RIMINI area and the mortality rate was about 5%.

32. The distressed areas are in the larger communes along the Adriatic coast road and the devastated towns in the flooded PO Valley. Emergency issues of clothing to people in dire need by the Red Cross has helped, and though food supplies have been inadequate they have kept people alive. Restoration of drainage should be carried out in this malarious zone by next April or widescale aerial spraying considered to render it safe for occupation.

33. Refugees have had to remain in Forward Camps because transport difficul-

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33. Refugees have had to remain in Forward Camps because transport difficulties from ANCONA southward have prevented them being moved to A.C. camps. FORLI was faced with the problem of about 2,000 southerners, principally from the AREZZO area, but it is now practically clear.

34. Currency floods into the banks in the FORLI and RAVENNA Provinces in a most satisfactory manner. The cash position of Banca d'Italia has more than doubled during the month. Authority was granted by Finance Sub Commission to allow AMG Finance officers in Eighth Army Area to advance funds to communes for repairing houses damaged through the war in cases where the owners do not have necessary funds to effect such repairs.

35. The patriots in FORLI have not been disbanded and arms handed in.

SICILY REGION.

36. In general the situation remained unchanged as although the food position

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deteriorated, the month on the whole was quieter with few strikes and little agitation. There had been no improvement in the effectiveness of local administration. While the economic difficulties of the situation are apparent no one attempts to take a stand against the prevailing spirit of laissez-faire. Corruption among all classes is probably one of the main reasons for this.

There is still a large number of Commissari Prefettizi in office throughout the Island.

37. To the list of laws or decrees which have been enforced only partially or not at all and which include the grain amassing decrees, laws regarding the circulation of vehicles, and a recent local decree aimed at producing a grain reserve on loan must be added the olive oil amassing decree. Indications are that the amassing of olive oil will be a complete failure.

It is to be hoped that the decrees regarding the calling up of certain classes for the armed forces will not be added to the above list but that there will be rigid enforcement.

38. The month generally was quiet. This may be due to reaction after the serious incident at PALERMO on 19 October. The increase in wages also had a good effect. It is hoped that this effect may be more than temporary but the continuing rise in prices coupled with diminishing stocks of grain and the advent of the cold weather are factors which may lead to a deterioration in the situation.

39. Among the masses food and its price dominate the situation and the bread prospects were the cause of grave concern to the administrations in the large towns. The position as known to the local administration during the month was that, while there was only sufficient grain in the Island to feed the population to the end of the year, no grain imports were to be expected. For all practical purposes the amassing of grain ceased. A seasonal falling off in the small amounts being amassed was to be expected but the prospects of the Island having no grain in its Granai del Popolo during the first 6 months of the coming year and the increasing profits to be made in the Black Market had the natural result of nullifying any efforts to revive amassing. There was also considerable opposition to the movement of grain from grain-producing provinces to non-producing provinces normally supplied by them. A most complex situation developed. If no grain were imported the principal sufferers must be the workers, many of them in Allied employ, in the large towns, and their families. Those who would not suffer would be those responsible for the failure of the Island to amass a sufficient quantity of grain at least to have fed it throughout the winter as, for instance, the land owners, particularly the large ones, mainly Separatists, the supine local administrators, higher administration who had allowed the pay of the UNRRA officials to fall seriously in arrears, political wranglers and black market operators. All such, if grain is imported, would continue to have the advantage of buying bread both at the ration and at the black market prices.

40. The average daily quantity of grain amassed during the month was 1020 quintals. Total wheat amassed to date is 1,245,376 quintals, and total barley is 105,936 quintals. Amount of wheat reported to be on hand in Consorzio Agrario warehouses on 27 November was 317,875 qls. and barley 40,354 qls.

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41. There was no outstanding political activity during the month.

Crime remained at about the same level.

Health continued to be satisfactory. A small outbreak of smallpox occurred in PALERMO, 39 cases occurred during the month but it is hoped that the prompt restrictive action taken will prevent any spread of the epidemic.

42. The "Economic Kitchens" started operations during the month with 14 open in CATANIA feeding 3500 destitute per day. In PALERMO some 12000 hot meals are being served daily and it is expected that this will soon rise to 20000. Of the 20000, 15000 will be free and the remainder sold at a nominal cost. The soup served is rich and thick, providing a great deal of sustenance.

43. Prisons are still seriously overcrowded. 308 persons are now serving sentences imposed by AMG courts as compared with 391 on 31 October 1944.

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44. The road transportation situation has improved somewhat due to a supply of tires for civilian trucks becoming available, but the road movement is limited by the amount of petrol obtainable.

Military highways continue to be maintained in reasonably good condition. Trucks operated by I.N.T. during the first half of the month total 6793, a daily average of 453. The second half of the month is expected to be about the same. A supply of some 700 tires and 300 inner tubes has been allotted for purchase by I.N.T. for trucks in SICILY. This supply is most welcome.

45. The schools opened on 16 November in 7 of the Provinces. The opening in TRAPANI and PALERMO provinces was postponed owing to the smallpox outbreak. Education is still hampered by a shortage of books and accommodation due to war damage and continued occupation by the Services.

46. Currency continues to flow out of the Bank of Italy, PALERMO. Not only was the Bank unable to repay any of the Lit. 200,000,000 advance due on 15 November but an additional Lit. 200,000,000 was brought to the Island from NAPLES by Italian cruiser. The bank here seems to have done and to be doing little to meet the constant drain on its cash resources, referring responsibility in the matter to ROME.

47. It is understood that a first allotment of 400 million Lire has been made to cover war damage in SICILY of which 100 million is to be used for repairing private houses. A commission of which the Provveditore alle Opere Pubbliche is to be President, will arrange the allocation of these funds on a provincial basis.

48. The refugees situation has eased considerably after the departure of 2300 for the mainland. Improvement is being effected in the accommodation of the remaining 4802 (this number does not include 16,044 refugees from North Africa awaiting repatriation).

SOUTHERN REGION.

49. SOUTHERN Region is a geographical group of 9½ million people separated from the rest of ITALY by a devastated belt 30 miles deep and corresponds roughly to that part of ITALY south of the 1943/44 winter battle line. As the Region was spared the heavy destruction of the North due to the fairly rapid Allied advance in the Autumn of 1943 and has now had six months for reconstruction, life is slowly returning to normal. The important power plants in the SILA were untouched and supply a certain amount of electric power to the whole area. Though the service is limited and overcrowded the railways are open to civilian traffic. Lack of material is a problem, but nevertheless, a fair amount of repair work is in hand, particularly in NAPLES, and articles of local manufacture are appearing in the shops.

50. There is, however, a real struggle for livelihood, especially in NAPLES

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50. There is, however, a real struggle for livelihood, especially in NAPLES and provincial capitals, which has led to a great deal of petty thieving and in NAPLES, much prostitution. There are now less Allied troops from whom to cadge and steal which has sharpened the struggle. A fear of deserter gangs, agrarian break-up and a distrust of currency - which leads to the hoarding of non-perishible agricultural products - all contribute to the difficulties of livelihood in the Region. Nevertheless, though conditions are unstable, provided there are no crises either within the Region or externally there is every reason to believe that rehabilitation will continue satisfactorily.

51. The principal troubles in Food Supply were road transportation difficulties, shortage of railway wagons in FOGGIA Zone, at CASTELLAMMARE (Province of NAPLES) and at CROTONE (Province of COSENZA), and limited supplies of sugar and olive oil.

52. The wheat situation in BRINDISI and LECCE was critical on several occasions, and is a cause of continued anxiety unless reserves are accumulated sufficient to make the arrival of a grain ship on schedule not a matter of vital urgency.

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53. Prices continued high throughout the Region, with a tendency to rise further in CATANZARO Zone.

54. The demands of the Military for winter quarters was found to be increasing the housing difficulty badly in large towns where the housing shortage was already acute.

55. Executive responsibility for soap making and distribution passed to the Italian Ministry, effective 1 November 1944.

56. Industrial surveys were conducted in six important plants in the NAPLES area with a view to their reactivation. The Montecatini plant at PORTICI, Province of NAPLES, continued satisfactorily in the production of sulphuric acid and superphosphates. The sulphuric acid section of the Montecatini plant at BAGNOLI, Province of NAPLES, was derequisitioned, and it was estimated that production there would start by 15 February 1945.

57. The Hemp Control Office of the Industry Sub Commission operating within Southern Region reported as follows. Collection of hemp improved. 1,000 tons of hemp were received from farmers during November as compared with 500 tons for the preceding six weeks. This was because 1,000 tons of fertilizer were made available by the Agriculture Sub Commission for hemp farmers, and it was announced that two quintals of fertilizer would be advanced for every ton of hemp delivered by farmers. In the course of the month, there was a complete switch over from the manufacture of hessian for sacks to the manufacture of canvas suitable for water-proofing, and it is hoped to produce 175,000 square metres of such canvas per month. A large quantity of ropes, canvas and other hemp products was discovered in a clandestine store and the goods were confiscated and will be made available to the Allied Forces. The owner escaped arrest, only to be run over and killed a few days later. A representative of the British Royal Navy tested 13 samples of rope that had been made for the Navy under the supervision of the Hemp Control Office, and in every case the breaking point was above the high standard required by the Admiralty.

58. Grain collections were practically completed with totals of 3,[illegible]7,000 quintals of wheat and 311,000 quintals of barley. The planting of grain was generally well advanced, but, because of prevailingly heavy rains, preparation of land and planting were retarded and the crop is very delicate. Some additional hard wheat seed is still needed and several wheat areas in the Provinces of NAPLES and SALERNO and in CALABRIA are in need of additional soft wheat seed.

59. The olive oil harvest proceeded with some difficulty and it is anticipated that the collection of olive oil will be extremely disappointing unless many more control officers are made available. Black Market activities in olive oil are constantly increasing.

60. The limited supplies of ammonium nitrate and other nitrogenous fertilizers

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57. The Hemp Control Office of the Industry Sub Commission operating within Southern Region reported as follows. Collection of hemp improved. 1,000 tons of hemp were received from farmers during November as compared with 500 tons for the preceding six weeks. This was because 1,000 tons of fertilizer were made available by the Agriculture Sub Commission for hemp farmers, and it was announced that two quintals of fertilizer would be advanced for every ton of hemp delivered by farmers. In the course of the month, there was a complete switch over from the manufacture of hessian for sacks to the manufacture of canvas suitable for water-proofing, and it is hoped to produce 175,000 square metres of such canvas per month. A large quantity of ropes, canvas and other hemp products was discovered in a clandestine store and the goods were confiscated and will be made available to the Allied Forces. The owner escaped arrest, only to be run over and killed a few days later. A representative of the British Royal Navy tested 13 samples of rope that had been made for the Navy under the supervision of the Hemp Control Office, and in every case the breaking point was above the high standard required by the Admiralty.

58. Grain collections were practically completed with totals of 3,[illegible]7,000 quintals of wheat and 311,000 quintals of barley. The planting of grain was generally well advanced, but, because of prevailingly heavy rains, preparation of land and planting were retarded and the crop is very delicate. Some additional hard wheat seed is still needed and several wheat areas in the Provinces of NAPLES and SALERNO and in CALABRIA are in need of additional soft wheat seed.

59. The olive oil harvest proceeded with some difficulty and it is anticipated that the collection of olive oil will be extremely disappointing unless many more control officers are made available. Black Market activities in olive oil are constantly increasing.

60. The limited supplies of ammonium nitrate and other nitrogenous fertilizers on hand in the Region were distributed. More than 9,000 tons of rock phosphate were received during the month.

61. A feeling of insecurity on the part of farmers became increasingly a major problem affecting agricultural production. A conference at ROME commencing on 30 November concerning agriculture, forestry and fisheries, was attended by four officers of the Region.

62. In BARI Zone there were several minor strikes, all of which were settled in a short time. The greatest threat was agitation on the part of port workers at BARI on the question of the "indennita' di presenza".

63. The conduct and efficiency of all police agencies, with the exception of the Vigili Urbani (municipal police), was satisfactory in spite of shortage of personnel, lack of equipment and particularly transport, and poor rates of pay. In NAPLES Zone, patrols of Carabinieri Reali were still operating in conjunction with Allied Military Police patrols in combatting crimes of violence. In the City of NAPLES, 75 CC.RR were assigned to patrol from 2000 hours to 0800 hous in the hope that crime would be accordingly reduced.

64. There was reasonably little crime apart from an increase in crimes of

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violence in NAPLES Zone and CATANZARO Zone.

The principal crime in the Province of CAMPOBASSO was cattle stealing, although there has been a marked drop in offenses of this sort.

Forgery of Allied Military currency reached serious proportions - a total of 108 cases during the month, involving 319 forged notes.

65. Civil police were consistently energetic in combatting black market activities and much contraband was seized throughout the Region.

66. At BENEVENTO a man was arrested by the CC.RR for being in possession of a parachute and a wireless transmitting set. In SALERNO an enemy agent was dropped by parachute and arrested.

67. The prison population of the Region, excluding the small Mandamentali prisons, decreased by some 700 to 12,889 at the end of the month, and of these about half were awaiting trial. Effective 15 November, all civil prisons in the Region became the complete responsibility of the Italian Government, and supervision from Regional Headquarters ceased.

68. Permanent Superior and Summary Military Courts were put into operation at BARI to deal with cases of pilfering and sabotage by civilians in and around BARI and in particular at 14 B.A.D.

69. There was a decline in incidence of both smallpox and typhoid fever which appear to have been checked.

There were four cases of typhus of the murine type, three at CAPUA, Province of NAPLES, and one at BARI. Active prophylactic measures were taken by the Allied Commission Typhus Control Unit.

Rabies was still prevalent among dogs, but the incidence in man was very low in spite of the fact that in the City of NAPLES alone approximately 15 dogs' heads had been examined monthly with 40 per cent of them showing positive. One case of cerebro spinal meningitis was reported from ISERNIA, Province of CAMPOBASSO.

70. Schools were opened in the Provinces of AVELLINO, NAPLES, and SALERNO on 6 November and will be opened in the Province of BENEVENTO on 1 December, where postponement was due to the threat of small pox. Though school premises were insufficient throughout the Region partly because of requisition by the Allied Forces, alternative accommodation was found or schools operated with two or more shifts of pupils.

71. a) Rail. There was a shortage of equipment, particularly box cars, on the railway at the beginning of the month though conditions improved later. It was hoped that a rail transportation conference to be held in NAPLES on 30 November would ease the situation and it is proposed that a similar conference be held monthly

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b) Telecommunications. More circuits were available to the public and there was a large increase in civilian use of telephone and telegraph service.

72. Allied Financial Agency at NAPLES received 1,441,600,000 lire of Allied Military currency from the United States and made payments to United States and British Armed Forces totaling 1,668,744,000 lire. Remittances from the United States to persons resident in Italy were 360,761,884 lire during the month.

LAZIO-UMBRIA REGION.

73. In ROME the political scene was dominated by inter-party events which finally led to the government crisis. In the Provinces economic difficulties were the principal preoccupation and the fall of the Government made no impression. It is difficult to know how the people do live and there can be few families who are not living on capital or at least partly by some dishonest means. Confidence in the

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Allies is weakening, though this would be strengthened by work being started on an energetic housing programme and an improvement in the food supplied by the Allies.

74. In so far as grain and flour are concerned ROME began December in its best position in several months, as there were 1066 tons of soft grain, 866 tons of flour, 551 tons of hard grain, 1752 tons of barley on hand on 1 December. Throughout November the population received its regular bread ration without interruption and it was of satisfactory quality.

All other foodstuffs on the ration scale were distributed in their full amount except sugar which was not available in sufficient quantity. The special classifications also substantially received the amounts to which they were entitled.

In the Provinces there was great improvement in the flour situation and the black spots in the Devastated Areas (LITTORIA and FROSINONE) had no shortages. The introduction of a small pasta ration generally was a helpful move in the right direction.

Distribution of other A.C. food supplies was on a very small scale and it cannot be claimed that the country is getting an adequate diet. Rumors of an increased scale are, of course general.

The shortage of salt is the most serious problem this month. The failure of the Italian Government to take steps to ensure that sufficient supplies are available is a sad comment on the administration. Unless very much more honest and energetic action is taken at once there will be serious results. The people know that salt is available in the country and this is an added danger.

75. All police agencies in ROME are working better. The P.S. agents and Finance Guards are now receiving their improved scale of rations and this has raised their morale.

The recall of the CC.RR and P.S. from various duties with Allied Forces in the City has resulted in approximately 1000 men being available for night duty patrols. Over 4000 streets, squares and public places are now patrolled effectively after dark. Lt. Col. Perinetti, Chief of CC.RR in ROME and Maj. Sciutto of the Finance Guards (now in forward area) were both decorated during the last few days by General Clark for their services in connection with our entry into ROME on 5th June 1944, with the special contingent of 3000 men.

76. The total crimes reported are about the same as the previous month in ROME but there is a substantial decrease in serious crimes and armed hold-ups.

77. Italian Courts. The mounting mass load in ROME Prisons obliged close liaison being maintained with the Italian Courts in ROME. Despite precautions the unrest in the prisons finally developed into rioting which for a period of 24 hours was extremely disturbing. On the face of it, this looked like a police problem, but the refusal of the Judiciary to recognize the need for cooperation and co-

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78. Public Health in ROME and the provinces has been satisfactory. The small outbreak of smallpox at TERNI has subsided and vaccination is proceeding. In the devastated areas of FROSINONE and LITTORIA the old problem of clothing, food and shelter exists and anti-malarial plans for the coming year are still a main preoccupation.

Attendance at popular soup kitchens in the City showed a slight decrease during the month, dropping from 180,000 to 170,000 soups served, but industrial kitchens have increased from 300 serving 55,000 workers, to 368 serving 65,600 workers.

79. Distribution of the limited electric power available in the provinces is causing many problems. It is hoped that it will be possible to report very sub-

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stantial progress in this direction next month. At the moment the olive pressing plants, mills and tile factories are seriously impeded.

Work is proceeding as fast as the difficult circumstances allow on bridges and with the repair to public buildings.

Considerable anxiety has been caused by the reluctance of the Italian Government to release funds for projects. LITTORIA Province has suffered very badly in this respect. Despite the untiring efforts of the Provincial Commissioner and the Prefect, the delays are never-ending and seem exasperatingly unnecessary. While this is no responsibility of A.C., it is impossible to allow without protest a state of affairs which may have wide repercussions and which has every sign of being largely no more than bad administration. LITTORIA is only the worst sufferer in what is a general and very serious situation.

80. During the month information concerning approximately 2000 suspects has been carded. Individual case files have been opened for 871 persons. The majority (1700 individuals and 800 cases) live in ROME City; the remainder in the provinces.

81. During the month 22,309 visitors attended the exhibition of Masterpieces of European Painting in Palazzo Venezia. Gross receipts amounted to L. 504,782,25 expenditures L. 85,250,000.

Deposits in the CC. Banca Commerciale for fund for repairs to Italian national monuments damaged by war total L. 1,615,000.

82. A traffic survey of ROME has been made and plans drawn up for the formation of a Traffic Commission to coordinate the transit facilities of the City. A limited number of small trucks will be legalized to carry passengers and to act as an adjunct to the present system of street cars and electric buses. The allocation of electric power and petrol is the determing factor in the amount of mass transportation facilities available in ROME and has been used in deciding upon the routes to be used and the frequency of service.

83. An increasing amount of time has been devoted to the re-activation of specific factories, consequent on the assumption of responsibility by the Italian Government for supplies of controlled and other materials. Re-activation work has mainly been in those industries which can make a substantial contribution to Allied Forces requirements.

ABRUZZI-MARCHE REGION.

84. Politically this has been on the surface a fairly quiet month though the Communists are still well to the fore in making themselves felt.

85. Political agitation can be traced to the shortage of certain foodstuffs, the wholesale requisitioning of property by the Army, the inefficiency of the Italian administration and, in the case of AQUILA, a feeling that whatever the disturbance

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86. The Provincial Government varies considerably in different Provinces but has generally speaking not settled down. The population has,with justification, no confidence in their present officials.

87. The harvest is coming in well, and the assessing figure is 99% of the target of 2½ million quintals. Assessing is hampered by the Army in ANCONA and PESARO Provinces, as many warehouses have been requisitioned by the troops. In MACERATA 30,000 quintals of maize is ready as soon as storage becomes available. The October and November allocations of olive oil have not yet arrived and though salt is coming in arrivals are not yet up to standard. The intake of potatoes at a rate of under 100 tons a day is also well below the anticipated figure.

88. Work continues on communications and public works, though unless adequate transport is forthcoming in the near future it will fall off considerably. Bridges

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in the North of the Region constitute a very big problem and in the MARCHE area alone the construction of 16 bridges is held up through lack of material.

89. Estimates have been submitted showing materials required for rehabilitation of houses in the Region but to date NO materials have been received.

90. Electricity has improved, though work is again held up through lack of transport.

91. The Postal Service is being augmented throughout the Region.

92. Police are working efficiently but unless further clothing and equipment are sent soon a number of them will have to be sent on leave.

93. The general health of the population remains satisfactory.

94. In the devastated areas immediate action is being taken in view of the approaching winter. Transport is again a problem in stockpiling the devastated areas and moving 250,000 tons of amassed grain out of the Region to deficiency regions.

95. A general increase in unemployment is shown throughout the Region and this is likely to increase during the winter. Prices are rising and black market commodities increasing in variety.

96. Organisation of Provincial Labour offices has been completed in the Region with the exception of ANCONA and PESARO Provinces.

97. The Court of Appeal of MARCHE is functioning in TOLENTINO and good headway is being made with the cases.

98. The Mine Clearing School at CHIETI has made a successful start, 32 out of 40 volunteers having passed the first course. They have now started work. The total number of mines cleared during the month in CHIETI, PESCARA and TERAMO Provinces amounts to 88,520.

99. The educational system is gradually being resumed.

100. A certain amount of anxiety is felt over the occupation of historical 125 buildings by troops, especially when units are constantly being changed.

SARDEGNA REGION.

101. The press announcement of the changes in the powers of the High Commissioner and the granting of more autonomy to his office has come too late for comment in this month's report. The trend of public feeling has, however, been in favour of this development and it should be beneficial, specially if it curtails absence of Offi-

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102. There has been only one small demonstration directed against food this month and the arrival of two grain ships with a total of about 13,000 tons of barley and wheat has been very welcome.

105. The Granai del Popolo figure has now reached over 293,000 quintals (29,300 tons) out of 300,000 quintals aimed at to enable the Island to be self supporting until mid-December. The target total may be reached but hopes of exceeding the figure are fading and unfortunately, the local paper, the "Unione Sarda" came out with an article, misquoting President ROOSEVELT, and announcing that everyone might expect an additional 100 grams of bread per day from Allied sources. Further publicity had also been arranged to spread this news and had to be stopped at once. Whether because of this or for other reasons, the return of grain to the Granai del Popolo, which had risen to a weekly rate of 5,000 quintals, has fallen again to about half that figure.

104. The food rations in SARDINIA, although obviously not over liberal and the subject of constant care, are being distributed and keep the people going. Stories of starvation which appear from time to time are difficult to understand. Their origin may be in enemy propaganda, Fascist radio and German reports via MADRID have

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put out such stories. The persistent efforts of the enemy to drop parachutists are perhaps connected with an endeavour to find out the real situation in the Island.

105. Apart from grain, SARDINIA is in a position to make a small outside contribution, and export some types of food to the remainder of Italy. 700 tons of cheese is ready for shipment to the mainland and enquiries have been initiated by the Regional Food Officer with the High Commissioner's Office with a view to exportation of a very substantial number of lambs in December and January, a further export of sheep in May and June next may also be possible.

106. Olive Oil prospects continue to be good and the P.W.B. representative has been supplied with figures of the crop predicted and the quantities of oil that may be obtained. He has also been asked to work out radio talks and a vigorous propaganda to bring home to the people that the oil will be available in the Island and that there is proper machinery for its collection and distribution provided everyone does his duty and co-operates. The responsibility for a fair return of oil is being put on the Sardinians themselves.

107. The trial of the Fascist Militia General, MARTINI, has been concluded this month. He was charged with treason and an attempt to organise a plot to escape to the mainland to join the Germans in November 1943 and was given 14 years penal servitude by the ORISTANO Tribunal. Five other accused were sentenced with him, the sentences being from 3 to 10 years penal servitude. The remaining 13 of the accused were acquitted. They included certain well known Fascists, among other the late Secretary of the Fascist Party in SARDINIA, OFFEDDU, and there is no doubt that some sharp feeling has been aroused by comparisons between this just but comparatively mild procedure with the stories of past Fascist brutality and Fascist activities at the present time in Northern Italy.

108. A fleet of both British and American minesweepers has arrived in CAGLIARI Port and they are expected to remain about three months. American troops of the Allied Garrison have moved out with their stores and the Regional Commissioner was appointed Allied Garrison Commander as from 6 November. The Regional Legal Officer has carried out a great amount of administrative work, in particular American Garrison administration in addition to his other heavy duties. The British ration strength is still over 1,000.

109. The small but steady stream of enemy agents dropped in SARDINIA continues. Three more have been dropped this month bringing the total up to 12 since July. One man dropped by parachute on 9 November was captured very quickly in the usual area not far from ORISTANO. Reports have come in of two more being dropped on the 20 November in a new area on the east of the Island, S. GIORGIO VILLAPUTZU. These men have not yet been caught but a wireless transmitter of American make dropped by parachute with them has been brought in by the Carabinieri.

110. Progress is at last being made in cleaning and clearing CAGLIARI City which was badly bombed. Italian soldiery have not been used for the job though a few trucks have been lent by the Italian Army.

Lack of water at CAGLIARI continued to be a great anxiety. There has

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Lack of water at CAGLIARI continued to be a great anxiety. There has been no substantial rain over the catchment area and even with water open for only 5 hours out of the 24 daily the reservoirs will be dry by the end of December unless the expected rain comes.

111. On the opening of schools, the Education Officer visited 44 schools this month and reports that interest in higher education is good but elementary schools have been neglected.

TOSCANA REGION.

112. Region HQ moved from SIENA to LUCCA on 2 November 44 and the Province of PISA was handed over to Regional HQ by 5th Army on 26 November 44.

113. Oscillations due to the violent swing from Fascism to Communism appear to be slowing down with a distinct bias towards the "Left", but there is no cause for anxiety regarding the political situation within the Region, chiefly because all are preoccupied with their own futures.

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114. Food situation both in the Provinces of PISA and LIVORNO is difficult. In the former there is little besides bread and some vegetables, whilst in LIVORNO dry vegetables are off the list for December. In SIENA where wheat has been amassed to the extent of double provincial needs, withholding of sugar, etc.in favour of large towns is keenly felt. In GROSETTO the loss of vegetables in the recent floods has been severe. PISA to date has amassed 152,000 quintals of grain.

115. Hay, straw and oats have been produced in large quantities by both Allied Armies. The olive harvest promises to be above average, though the results of the vintage are disappointing.

116. It is hoped that supplies of rope etc.for gear and nets will be forthcoming for GROSETTO Province as a result of the AC Hemp Controller's visit. Fishing will be revived at MARINA di PISA when sanctioned by the P.N.

117. The floods at the beginning of the month caused widespread damage to roads, bridges, crops, livestock and river banks.

118. AMG and Italian courts are now functioning satisfactorily in each Province. The first 19 cases of fascists who committed crimes under RSF and PFR regime have been tried in GROSETTO Province and sentences from 2 to 3 years inflicted.

119. Health continues good in spite of overcrowding and lack of essential foods. It is hoped that there will be no further requisitioning of hospitals and also that the new system for the distribution of medical supplies will soon improve: it is not working well at this time.

120. In all Provinces there is large occupation of school buildings by Military Units and Refugees. Lack of window glass and fuel cause a good deal of hardship. Examinations for admission, promotion and graduation took place during the month.

121. It is understood that refugees in the Region who came from the south will be evacuated to their homes. It is hoped that this will be done speedily for with the static nature of the operations and the banking up of military personnel and establishments in the Region, it is gravely overcrowded.

EMILIA REGION.

122. Further progress has been made by the Armies and the entire Province of FORLI and a large part of the Provinces of RAVENNA and BOLOGNA are now in Allied hands. Some penetration has also been made into MODENA. 5 CORPS and EIGHTH Armies are administering these areas, though in EIGHTH Army sector the Provincial Commissioners of FORLI and RAVENNA are controlling their Provinces under command of SCAO EIGHTH Army.

123. After the capture of the city of FORLI, the Provincial HQ was established in the Prefettura on 25 November 44. This was the first provincial capital of EMILIA to be liberated. The city was still subject to sporadic shelling and occasional

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124. The RAVENNA team was also moved forward and on 25 November 44, Provincial HQ was established at CERVIA. As the city of RAVENNA has since been captured it is hoped that this Province will shortly be installed in its provincial capital.

125. As forecast in the last report more of RAVENNA Province was flooded by the enemy. This was done by breaking the banks of the FIUMI UNITI south of the town.

126. In EIGHTH Army area a special plan has been made whereby the executive administration of the area will be placed under a HQ staffed by EMILIA Region, though directly responsible to the SCAO. The purpose of the plan is to provide the specialist staff not normally present with Army and thus be able to make an earlier start on rehabilitation than would normally be possible. The scheme has been approved by HQ Allied Commission and will come into operation when the SCAO considers the position sufficiently static. To facilitate the operation of this scheme Region HQ was moved to RICCIONE 1 December 44.

127. In FIFTH Army area the position remained unchanged and the SCAO continued to

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make full use of the Region EGILLA officers under his command to reinforce Provinces in FIFTH Army territory and to reinforce CAOs in forward areas. A provision in the EIGHTH Army plan was made enabling specialist officers to remain free to devote part of their time to FIFTH Army area when required.

128. To maintain close liaison with FIFTH Army a portion of the Regional HQ staff was left at SALTINO, calling themselves WEST HQ. FIRENZE TEAM moved to SALTINO 1 December 44.

129. Although specialist officers were taking an active part in the administration of the Region no part of the area was under Regional control.

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. The problem in Italy is very different from that in FRANCE; Fascism in ITALY covers over 20 years and decrees passed many years ago have not only to be repealed but measures found to undo the harm they have done. It may take much time and work to undo a wrong done a dozen or more years ago. The Italian Government is tackling the problem energetically and methodically. Since July 43 it has published 70 decrees on this subject (without counting decrees merely appointing new controllers to organisations set up under the Fascist regime), ten of which were published before the invasion of the mainland began.

2. The position regarding epuration of the Government up to 30 Nov was:

(a) All suspect senior officials (down to Grade IV included) had either been dismissed or suspended in eight out of thirteen ministries, and the remaining five would probably be epurated a few days later, transport difficulties having delayed certain investigations.

(b) 28,000 cases among the lower ranks had been or were under consideration. Of these, 1700 had been suspended at the request of the High Commission, a number believed greatly to exceed this by the Ministries themselves without reference to the High Commission, and nearly 7,000 cases i.e. 25% of the cases investigated have been referred to the hearing commissions for decisions as to whether or not the persons concerned should be dismissed.

3. Over one thousand two hundred cases have been investigated for Fascist "crimes" and in only five cases has it been decided that the evidence does not justify trial; the cases are already being heard. These do not include, however, crimes committed by Fascists which are punishable under the ordinary penal code as was the case with CARUSO.

4. This report does not include epuration of small undertakings in the Provinces. The Provincial Commissions are only just being formed and though some have actually started, work is in the initial stage.

5. General Order No.35 and administrative instructions have been drawn up for the epuration of Italian officials between our occupation of recovered territory and its restoration to a degree of tranquillity enabling the Italian Government to undertake its own epuration. It covers investigation of the antecedents of officials of certain grades and decision as to whether or not they should be suspended. It is not applicable in any Region without approval of this HQ.

Devastated Areas.

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Devastated Areas.

6. Progress continued in the devastated areas through the provision of materials for the repair of houses, and clothes and blankets for the inhabitants. Up to date, 75,000 metres of canvas have been handed over to the Consorzio at FROSINONE for the repair of houses and a further 25,000 metres were being dispatched to CHIETI for the same purpose. 4,000 blankets were due to arrive early in December and a drive has been inaugurated in ROME to collect more blankets for the devastated areas.

7. The glass position is being investigated. AC Headquarters have offered the Italian Government all the glass table tops in their building for hospitals and other damaged buildings. A housing expert is now assessing the repairs necessary to buildings in devastated areas.

Mine Clearance.

8. Progress in mine clearance continued, particularly at PESCARA, CHIETI and PISA, and the towns of PESCARA and PISA were reported practically clear of mines. Planning for the Northern Provinces was being undertaken with the Italian Government.

LOCAL/.....

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LOCAL GOVERNMENT SUB-COMMISSION.

9. Local Government:

(a) Reports from Prefects continue to show good progress in the establishment of local government in the ABRUZZI-MARCHE Region. In the same Region, a minor disturbance took place at MACERATA which resulted in the Prefect leaving his post. His place has been taken by Gen. ZANETTI as Prefetto Reggente and no more complaints have been received. An enquiry is being held.

(b) A People's Court was set up at MONTECATINI in PISTOIA Province but was promptly dissolved.

10. Appointment of Italian Government Officials: Some confusion and delay in filling vacant administrative posts has been caused by the "Personale" Division of the Ministry of the Interior nominating for such posts officials upon whom reports indicate the undesirability of their employment for security reasons. Steps have been taken to ensure that greater care is taken in such matters by the Ministry in future.

11. Sindaci:

(a) Reports were received from 28 Provinces of the difficulty of obtaining unpaid Sindaci and the desirability of paying such Officials in forward areas. The general feeling was that payment should only be made in particular instances but as the difficulty of obtaining unpaid Sindaci arose in only 8% of all Communes, the case for payment was considered not proven.

(b) The appointment of a new Sindaco of NAPLES has been held up owing to the Government crisis.

12. Epuration: The Central Committee for Epuration has continued its work and has considered the cases of 50 officials in the higher grades.

PUBLIC SAFETY SUB-COMMISSION.

13. Police: AFHQ approved the transfer of the PICENO Division of the Italian Army to the CC.RR. This involved a total of 181 officers, 4144 OR's. An equal number of CC.RR will therefore become available for duty in the North. The movement of personnel should be completed by 24 December.

14. Recruiting:

(a) In agreement with Land Forces Sub-Commission (MMIA), 4% of men accepted into the Army will be enrolled as CC.RR. They will be selected by CC.RR Officers and it is anticipated 1000 recruits will be obtained in the period December/January.

(b) 1500 recruits are at present under training and 3500 ex-PW OR's will be transferred to CC.RR in the near future. In all 5000 additional men will be avail-

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been taken to ensure that greater care is taken in such matters by the ... future.

11. Sindaci:

(a) Reports were received from AMG Provinces of the difficulty of obtaining unpaid Sindaci and the desirability of paying such Officials in forward areas. The general feeling was that payment should only be made in particular instances but as the difficulty of obtaining unpaid Sindaci arose in only 8% of all Communes, the case for payment was considered not proven.

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15. Mobile Battalions: All agencies concerned have agreed on the formation of mobile, light armoured Battalions of CC.RR. The scheme will start in SICILY and later on the mainland. This scheme should greatly increase efficiency.

16. Prisoners of War: CC.RR PW are now being repatriated. 12 Officers and 643 OR's have recently arrived from AFRICA and GREECE.

17. Railway Police: The Ministry of the Interior has planned to recruit 1800 Agents of Public Security to form a special Railway Police. Pending training of these men, ex-railway employees will be used.

18. Policing the North Italian Frontier: It is generally agreed that at first there will be no civilian movement across the frontier of NORTH ITALY and that subsequently persons with Military Travel authorizations only will be permitted to cross the borders. Details for policing by Allied and Italian personnel were being worked out with AFHQ and AAI.

19. Prisons/....

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19. Prisons: After the riots in Regina Coeli Prison, ROME, 700 prisoners were transferred to other prisons. The same prisoners were still trying to create trouble, using as an excuse that they received 500 grams of bread a day in Regina Coeli prison and only received 300 grams in other prisons. The question of an overall ration scale for prisoners was being considered.

20. Prison Supplies: There was still a great shortage of necessary items for prisoners such as beds, mattresses, blankets, medical supplies, shoes, clothing and cooking utensils. Steps were being taken to have this remedied.

21. Crime:

(a) Cases of violence have increased in SOUTHERN ITALY. They are committed largely by Allied Military personnel, or persons masquerading as such. Joint patrols of Italian and Allied Military Police were being used to combat this situation. In the same area counterfeit AMG currency is appearing more frequently.

(b) Crime throughout liberated ITALY is under control and had not increased since last month's report, particularly in the case of ROME.

(c) The so called black market was still a major problem but often, and with many items, it is the legitimate market hoarding and selling at exorbitant prices. The question of supply and demand is, as usual, the determining factor.

22. Fire and EAD: In forward areas near FLORENCE, UNRRA, directed by Fire and EAD officers, is being used in mine clearance work with excellent results.

PUBLIC HEALTH SUB-COMMISSION.

23. Political: Complete control of Public Health in SARDINIA has now been handed over to the Italian Authorities. The Public Health policy in liberated ITALY is to act more and more in a consultative and advisory capacity to the Italian authorities and to assume no executive responsibility. The Sanita' Pubblica Branch of the Ministry of the Interior welcomed this policy and assumed more responsibility in Public Health administration.

24. Public Health: 22

(a) Four cases of "endemic" or murine typhus have been reported from NAPLES Province. The illness assumed a mild form and there were no deaths.

(b) The Typhus Demonstration Unit successfully completed its tour of SOUTHERN Region and SICILY and arrangements were made for similar demonstrations to be held in ROME for teams from the Provinces of LAZIO-UMBRIA Region. The Unit will in due course tour in the forward areas.

(c) A dusting station has been set up at the Prenestina Railway Station,

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(c) A dusting station has been set up at the Prenestina Railway Station, ROME, where refugees are treated with anti-louse powder on arrival.

(d) A report has been prepared on malaria control work in the OSTIA LIDO and FIUMICINO areas.

In preparation for next season's malaria work a series of classes has begun at the Institute of Hygiene. Medici Provinciali will attend them to learn the most up-to-date methods of controlling malaria.

Plans for the coming malaria season were also being discussed with the Italian Government and it was proposed to start experimental work on the destruction of hibernating mosquitoes in the VOLTURNO area.

(e) The incidence of Venereal Disease in the more Southerly Regions was increasing and the Italian Government was trying hard to provide additional beds in its hospitals for the treatment of this disease.

(f) Outbreaks/.....

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(f) Outbreaks of typhoid at SAN MARINO and RIMINI were energetically dealt with and the Army Medical Services gave great assistance. The BENEVENTO epidemic is now over.

(g) November tuberculosis figure for ROME was 193 compared with 238 in Nov 43.

(h) During November, 29 cases of smallpox were reported in the PALERMO area. Cases and contacts were isolated and 400,000 vaccinations have been performed. In mid November six cases of smallpox were reported from a civil hospital in TERNI but there have been no further cases, and the usual precautions have been taken. The BENEVENTO outbreak has now subsided to 30 cases and NAPLES Province had 317 cases, 46 less than in October.

(i) The ROME infant mortality figure for November was 134.9.

25. Veterinary:

(a) The Veterinary Schools of PERUGIA and PISA reopened and the PERUGIA Laboratory produced vaccine for swine erysipelas.

(b) The incidence of all animal diseases previously reported had considerably decreased during the month.

(c) Twenty seven condemned horses have been procured for the Sclavo Institute, SIENA, in order to maintain its production of anti-serum for human beings.

(d) A culture of Brucella Abortus, received from the United States, has been given to the Italian authorities to begin producing the appropriate vaccine.

26. Medical Supply:

(a) ENDIMEA, the Italian Government organisation, began distributing medical supplies which arrived at LEGHORN during the month and were transferred to FLORENCE. A small quantity of medical supplies was sent to GREECE and YUGOSLAVIA. A shipment of 750 tons captured by the FIFTH Army at SALINO was released for the civil population and some was also given to the Italian Army.

(b) The clothing Section with all its personnel was transferred to the Transportation Sub-Commission.

27. Welfare:

(a) In SOUTHERN Region and SICILY the Italian Government's interest in welfare was increasing. The Italian Welfare Director for SICILY visited ROME to discuss welfare questions with the Undersecretary for the Interior and suggested that a Provincial Welfare Department should be created for every Province in ITALY.

(b) The Welfare Branch considers that the OMNI (Opera Nazionale Maternita ed

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(b) The Welfare Branch considers that the ONMI (Opera Nazionale Maternita ed Infanzia) should devote greater interest to its activities outside ROME.

LEGAL SUB-COMMISSION.

28. RDL No.151 Constituent Assembly: The Legal Sub-Commission advised on the function of the Constituent Assembly established by RDL No.151 of the 25 June 1944 and expressed the opinion that it was the function of this Assembly to determine whether the Italian Constitution should be monarchical or not.

29. Status of Yugoslav Missions: The status of the members of the Yugoslav Missions in A.R.I was considered and the decision was reached that according to existing law, members of these Missions were subject to the jurisdiction of the Allied Military Courts.

30. Regina Coeli Prison Riots: The troubles at the Regina Coeli Prison in ROME were investigated and found to be largely due to delays in the pre-trial procedure of the Italian Courts. To lessen these delays, arrangements were made for the appointment in ROME of four additional judges.

31. GO No.28/.....

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31. GO No.28 - Labour Relations: Rules decided upon under General Order No.28 cover the operation of Provincial and Regional Labour Offices and arbitration procedure in cases of labour disputes.

32. Italian Judges: In view of the anticipated shortage of Italian Judges in the Northern Regions, Italian Military Tribunals will sit in those areas. The necessary decree to implement this policy was prepared.

33. Espionage trials: The cases tried in AMG Courts and reviewed by this Sub-Commission included nine cases of espionage. Of these cases six death sentences were confirmed, one death sentence commuted owing to the youth of the accused and two prison sentences were confirmed.

EDUCATION SUB-COMMISSION.

34. Visits: The Acting Director and the Minister of Public Instruction visited the Provveditori agli Studi, the pro-rectors and other staff members of the Universities in SIENA, FLORENCE, LUCCA and PISA. A number of informal and informative conferences were held with school officials and students.

35. Printing:

(a) The "summer printing" of new elementary school text books were reaching the book shops and the children, and a large distribution will take place in December throughout liberated ITALY. Paper, ink, etc are arriving in quantity from AMERICA.

(b) The new programmes of study for elementary and secondary schools have been printed and distributed.

36. Universities and Schools:

(a) Educational work progressed in all Regions, but most actively in TOSCANA Region. The Universities of PISA and SIENA have been ceremonially opened though their buildings have been almost entirely requisitioned. Some work was, however, carried on in improvised quarters.

(b) Schools are open and functioned wherever suitable locations could be found. From 50% to 100% of the children normally attending school are at school, the percentage varying according to local conditions.

(c) A hot mid-day meal for school children was offered to schools and they are beginning to avail themselves of it. The programme is, therefore, being extended and will, it is hoped, eventually cover all schools.

37. Boy Scout Movement and Girl Guides:

(a) The two National Boy Scout organisations in ITALY, Catholic and non-Sectarian, have federated, with Vatican approval, each retaining internal autonomy. Requests have been forwarded to the International Commissioner of Boy Scouts for recognition of the federation and its two component organisations.

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(b) The Girl Guide organisation in ITALY is being slowly developed.

38. Derequisitioning of School Buildings: Derequisitioning of school buildings proceeded too slowly. Allied Forces were more helpful than Italian officials, though, so far, Allied persuasion (as authority was lacking) has been ineffectual particularly in ROME where schools were still occupied by miscellaneous organisations, including leading political parties.

MONUMENTS, FINE/.....

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MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

39. Condition of monuments in newly occupied territory:

(a) RAVENNA - First reports showed that, with the possible exception of S. APOLLINARE IN CLASSE, none of the great Byzantine monuments had suffered serious damage.

(b) RIMINI - Detailed inspection by Italian experts confirmed that the TEMPIO MALATESTIANO, despite heavy damage, would be restorable without grave loss to its essential character.

(c) Damage in the Romagna was in general widespread, though FORLI escaped surprisingly lightly.

40. Repairs to Monuments: First-aid repairs to war damaged monuments continued throughout AMG and AC territory. Work was started on the Churches of PISA, and substantial repairs were under way in VITERBO. Great progress has been made in NAPLES since the summer.

41. Monuments in enemy held ITALY: From detailed examination of air photographs damage to monuments in VERONA and PARMA seems to have been slight, and damage in BOLOGNA is far less than might be expected.

42. Deposits of works of art:

(a) Reports have been made based on information obtained from intelligence and diplomatic sources, on deposits in TUSCANY, what has been removed from them by the Germans and the subsequent fate of some of the objects removed.

(b) A completed report on movable works of art in LAZIO revealed a very small percentage of loss.

(c) There are indications that in NORTH ITALY some deposits of works of art have been moved to the ALPINE VALLEYS.

43. Exhibitions:

(a) The Exhibition of European Masterpieces at the PALAZZO VENEZIA continued to attract 800 visitors daily and has been extended to 31 Dec. Similar exhibitions will open shortly at FLORENCE and SIENA.

(b) In ROME preparations were made to reopen the BORGHESE GALLERY and a part of the GALLERY OF MODERN ART. MICHELANGELO's Moses and the mosaics of Santa Costanza have been cleared of their protective covering.

44. Photographic Record: Difficulties of equipment and supply continued to hamper the compilation of essential photographic record. The documentation of NAPLES and BENEVENTO was well advanced. A third group of photographs, illustrating deposits

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PATRIOTS BRANCH.

45. Reorganisation: A reorganisation of the Patriots Branch has taken place in the light of five months' experience. The Advanced Echelon in FLORENCE has been closed, and the distribution of Intelligence Reports to Regional Commissioners and others from the Advanced Echelon has ceased.

46. Planning for the North: It is likely that much larger numbers of patriots will be met than hitherto and arrangements have been made accordingly. Centres and points for the reception of patriots are being established in Army areas.

The following have also been requested:

(a) A large scale release of boots, clothing of all kinds, and blankets from military sources for the use of patriots.

(b) The issue of rations on a scale approximate to the Allied Military ration to patriots employed in labour gangs in Army areas or being handled in the reception centres behind the front.

(c) The/.....

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(c) The acceptance of wounded patriots in ITALIAN or Allied Military hospitals.

47. Monetary Allowances: The IMPC decided that monetary allowances would be paid to all fighting patriots and that indemnities and pensions equal to those granted the Italian Regular Army would be paid to wounded patriots and the families of the dead.

48. Certificates issued to Patriots: The IMPC have been informed that no certificates other than those signed by the Allied Commander in Chief can be issued in Military Government territory. They have been informed further that no Patriot Committees other than those constituted by the Allied authorities can be tolerated in Military Government territory.

49. Withdrawal of Patriots Representatives from Italian Government territory: All patriots representatives of the CLN in Army areas have been withdrawn, and all patriot representatives, Military or CLN, will be withdrawn from Italian Government territory by 31 December.

DISPLACED PERSONS & REPATRIATION SUB-COMMISSION.

50. Yugoslavs: A general exodus of Yugoslavs to YUGOSLAVIA began from SOUTHERN ITALY. The original request for 1500 agriculturalists to return was followed by a request for a further 1500 agriculturalists to be sent to the Yugoslav Islands. Finally the Committee of National Liberation Army, Yugoslavia, at BARI said they wished to return all Yugoslavs to their home country. By the end of the month 2,537 had been evacuated. The attention of the Yugoslav Representative was drawn to the fact that conditions for orphan children might be very difficult in Yugoslavia and it was suggested that these might be left in ITALY to benefit from Allied care during the winter months.

51. Health in Camps and Hospitals:

(a) All Northern Camps were visited during the month, with the exception of FLORENCE. The general condition of refugees was fair. Up to 60% or 70% scabies was reported with varying degrees of louse infection (5% to 50% reported). Living conditions are very trying in water logged and muddy camps and the shortage of blankets is an acute problem.

(b) Hospitals in SOUTHERN ITALY have average number of admittances. The most prevelent disease was mild mumps. One confirmed case of typhus was reported from CSDIC Cage at Naval Transit Camp (Refugees) and appropriate measures were taken.

(c) A dental clinic has been opened in ROME for refugees at CINECITTA Reception Centre.

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52. Repatriation: Nationals of some twenty six nations have been registered for repatriation. The work advanced rapidly but repatriation was still a lengthy procedure.

53. Refugee Movements:

(a) Italian refugees moved from the North to ROME totalled 7,096 and 4,000 Southerners in ROME were repatriated to the South.

(b) At the end of November there were 4,790 persons in SICILY who wished to return to FROSINONE and LITTORIA, ROME, CASERTA, BARI and NAPLES. Due to present conditions in FROSINONE and LITTORIA, no repatriation is possible for at least two months.

54. Loans to Allied Nationals: Cash loans to Allied Nationals through the Banca d'Italia and its branches were started in November. Payments were authorised to be made in 21 Provinces and 4,230 displaced persons received loans totalling 10,435,000 lire, an average of 2,470 lire a person. Displaced persons of 18 different Nationalities have been helped by this scheme. Information was received early in the month that a U.S. Treasury licence had been issued to the American Joint Distribution Board to effect a transfer of funds to PALESTINE and it was also agreed that the Joint Distribution Board would repay the refugees sent to U.S.A. for lire collected by the Sub-Commission. No information has been received that payment has been made.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION.

Reconstruction of Italian Agriculture, Forestry and Fisheries.

1. The development of a closer working relationship between the field and central staff members of the Ministry of Agriculture and the Agriculture Sub-Commission through a joint conference on Liberated Italy on Agriculture, Forestry and Fisheries and Hunting was the outstanding feature of November. A clearer understanding of mutual problems, the joint development of concrete recommendations for their solution, a gain in self-confidence by Ministry representatives together with the acceptance of increased responsibilities by the Italian Staff was the result of the four-day conference.

The major recommendations of the conference were plans to increase production of cereals, dried vegetables, potatoes, olive oil, fuelwood, charcoal, fish and game. Improvement in the control of livestock slaughter and fish markets, and transfer by motor schooner were also suggested. Methods for improving the status of personnel carrying out the recommendations were suggested, such as the provision of legal status for Provincial and Communal Committees in Agriculture, de-militarization and further epuration for the Forestry Corps and a budget for the re-organized Fisheries Division in the Ministry of Agriculture.

2. A joint programme of requirements for agricultural supplies was being worked out with the Ministry of Agriculture.

3. Wheat production estimates for CALABRIA and SICILY will be reduced one-fourth from the 1944-45 estimates of August. Dried vegetables for ITALY will be one-tenth less due to lack of fertilizer and seed. About one-sixth of the proposed seed wheat program failed to materialize because of transportation difficulties. A report of estimated quantities of vegetable seeds for export is now available. Seed potatoes are moving to SICILY but collections in VENEZIA are disappointingly low. Increased corn acreage is predicted to use land not planted with wheat, hemp, sugar beet and potatoes because of plant destruction or lack of seed.

4. CAMPANIA and TOSCANA Regions have surpassed their goal in the "Granai del Popolo" and LAZIO-UMBRIA and ABRUZZI-MARCHE were rapidly attaining theirs. The total stands at 9,813,774 quintals, or 85% of estimated collections.

5. Olive Oil collections started late and reached 33,303 quintals, compared with 101,047 quintals in 1942-3.

6. A definition of respective responsibilities for dealing with reclaimed land area problems was being prepared, in conjunction with the other Sub-Commissions involved.

7. Regional Meetings of Provincial and [illegible]

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7. Regional Meetings of Prefects and representatives of the Forestry Corps were held at five large consumption centres to discuss fuelwood prices. Plans were made for some shoes to be made available to woodsmen, and charcoal bags allocated to the producers.

8. The Fisheries Division obtained a further relaxation of naval restrictions and planned for the distribution of recently arrived fishing supplies.

COMMERCE SUB-COMMISSION.

9. Materials Division:

(a) Availability of Materials.

A new list of controlled, restricted and Italian Government-controlled materials was compiled and sent out to all interested parties. The list of materials controlled by AFLRS has been reduced from fifty items to thirty-five. In forwarding this list to the Ministry of Industry, Commerce and Labour, it was suggested that the Italian Government might wish to place on their controlled list some of the items taken off the AFLRS list. So far, nothing definite has been advised by the Ministry on this point.

(b) Require/.....

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(b) Requirements and Releases.

As the Italian Ministry of Industry, Commerce and Labour have undertaken to furnish returns of availability of controlled materials and their blocking and releasing as from the 1 November 1944, much time during November was devoted to conferences with Ministry officials and the preparation and distribution of the necessary directives to ease the inevitable growing pains of the new system.

Though the whole matter of control and release of materials in general demand for the reconstruction of Italy's industrial and economic structure including, in some instances, the priority requirements of the Allied Armed Forces, is a very complex one, it is already obvious that the original directive was fundamentally sound. This is confirmed by the evidence reaching Commerce Sub-Commission of the apparent smoothness of the switch-over from A.C. to Ministry control in the Provinces.

(c) Newsprint.

There have been very few arrivals of imported newsprint, the total quantity amounting to about 62 tons. Large stocks were on hand, however, and no serious difficulty ensued.

AFHQ approved the requisition of 1000 tons of newsprint a month for the first six months of 1945 and it was forwarded to WASHINGTON.

AFHQ under the terms of Memorandum No.50 of 25 November has approved a plan of A.P.B. to transfer control of the press to the Italian Press Commission. The necessary steps to implement this memorandum as regards distribution of newsprint are being taken.

(d) Textiles, Shoes and Clothing:

As directed by this Headquarters, Commerce Sub-Section, SOUTHERN Region, arranged for the transfer of the shoe repairing and clothing repairing and dyeing contracts to the Ufficio Provinciale del Commercio e dell'Industria of NAPLES. This was carried out and made effective 1 December.

(e) Matches.

The match situation has improved insofar that constant efforts to obtain power for the important SAFFA plant at LESI have been successful. An output of 5,000,000,000 matches has been attained.

(f) Tobacco.

The tobacco situation is bad in SICILY, because of the delays in sea transport from the mainland, which has to supply raw tobacco to the tobacco factories at PALERMO and CATANIA.

(g) General.

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(g) General.

Commerce Sub-Commission was charged with obtaining net import requirements for clothing, shoes, textiles, matches, paper (including newsprint), sacks, candles, materials for the functioning of State Monopolies, the manufacture of cigarettes and materials to implement an export program.

Complying with instructions from Public Health Sub-Commission, 4,500,000 litres of Alcohol were ordered from SICILY.

10. Fuel Section:

Arrangements have been made for the Italian Government to take over the printing of all POL Application forms, Circulation Permits, Petrol Coupons etc. At our suggestion a new type of more flexible coupon is being introduced w.e.f. 1 Jan 45, and the printing is nearly completed.

11. Foreign/.....

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11. Foreign Trade Section.

Shipments of various commodities in November totalled approximately 9,000 tons, with a total value of Lire 51½ millions. A further 9,500 tons were at port awaiting shipment at the end of the month.

The silk industry in CALABRIA and SICILY was running smoothly, the monthly production amounting to 4 to 5 tons of raw silk. Some of the silk produced has given disappointing results in the tests carried out in U.K., but generally speaking the standard has been satisfactory.

The first three lemon ships of the season were loaded during the month and from all reports the quality of goods shipped was excellent.

From 25 October to 21 November 2,834 tons of timber were transferred from CALABRIA to SICILY for lemon box making.

A provisional six months program of exports to MALTA has now been authorised.

FINANCE SUB-COMMISSION.

12. The prolonged delay in the formation of a new Government following the resignation of Prime Minister BONOMI and his cabinet on 26 November resulted in a serious interruption of day-to-day business between the Finance Sub-Commission and the Ministries of Treasury and Finance. Long awaited decisions were deferred, and certain decrees essential to the welfare of the community were not ratified. As an example, discussions on the controversial subject of the management and custody of Italian foreign assets were suspended. A decision whether this important function should be centralized at the Istituto per i Cambi con l'Estero or revert to the Banca d'Italia was still awaited.

13. Before and during the interregnum, signs were not lacking that the Italian Government through official and unofficial channels were continuing to press for an extension of the dollar credits made available to ITALY and announced by the President on 10 October 1944. From conversations with the Minister of Treasury it was known that these were his personal views, but it was not until 24 November, at a meeting of the Inter-Ministerial Committee of Reconstruction with members of the Economic Section, Allied Commission, that the Minister presented a memorandum requesting, inter alia, that either goods or foreign exchange should be made available as a counterpart against Allied Military lire paid out by the Allied Forces for goods and services; and, in addition, against those amounts disbursed by the Italian Government on behalf of the Allied forces. While the Minister of Treasury explained that the proposal was not officially presented by the Italian Government, there can be no doubt that its policy was to press constantly for such concessions.

14. From a report forwarded from WASHINGTON by Lieut.Comdr J. J. LAWLER, USCGR, Joint Director of the Finance Sub-Commission, it was evident that the Italian Government Mission, whose visit to the U.S.A. was referred to in the October

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14. From a report forwarded from WASHINGTON by Lieut.Comdr J. J. LAWLER, USCGR, Joint Director of the Finance Sub-Commission, it was evident that the Italian Government Mission, whose visit to the U.S.A. was referred to in the October report, was approaching the U.S. authorities in similar terms. At a meeting on 10 November with representatives of the U.S. State Department and F.E.A., MM.QUINTIERI and MATTIOLI indicated that the basic problem of ITALY was financial and would be largely solved by the creation of countervalue in dollars for AM lire issued in ITALY. Mr. QUINTIERI added that the dollars resulting from net troop expenditures should not be used for the purchase of supplies but as a reserve to back the Italian currency. It was not known by what alternative method it was proposed to finance the supply program. No information has yet been received on the results of meetings with the U.S. Treasury and other interested departments, but reports indicate that progress has been slow. The date of the return to ITALY of the Mission has not yet been notified, but it appears unlikely that they will visit LONDON.

15. The excess of purchases over payments of Buoni del Tesoro Ordinari amounted to 2,025 million lire in October, compared with 2,999 million lire in September, and with an average of 2,652 million lire for the first four months of the current fiscal year. The decline from September resulted largely from reduced purchases in SICILY and TOSCANA Regions and increased redemptions in ROME.

It will be/.....

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It will be noted that the October net gain of 2,025 million lire in Buoni Ordinari is in contrast to a net gain of 1,323 in all Buoni. In addition to the Ordinari (discount bonds), the latter figure includes Buoni Novennali and Buoni Poliennali (coupon bonds) and interest payments on both types. For the Novennali and Poliennali, counting interest, there was a net loss of 702 million lire during October.

16. The indicated deficit for October was 5,369 million lire. For the first four months of the fiscal year beginning 1 July, 1944, the deficit totalled 24,818 million lire, a monthly average of 6,207 million lire.

17. The agreement between the Banca d'Italia and the Allied Commission concerning the remittance system was approved by COS. Following the receipt of approval, representatives of the Banca d'Italia and the Banco di Sicilia and the Allied Commission to effect arrangements respecting the operation of the system on a geographical basis. The various correspondent banks in the UNITED STATES will continue to send lists of remittances to the Banco di Sicilia for SICILY and to the Banco di Napoli for SARDINIA, ROME and the Provinces South of ROME. In addition, following the appropriate amendment to General License 32 A on 24 Nov , they have begun to forward to the Banca d'Italia remittances for the ten (10) extra provinces North of ROME and the Banca d'Italia will effect payment of remittances through the nearest commercial bank, as follows :

Banco di Roma	TERAMO, AQUILA, PESARO
Banco Nazionale del Lavoro	ASCOLI, MACERATA, CHIETI
Monte dei Paschi di Siena	GROSSETO, TERNI
Banco di S. Spirito	RIETI, VITERBO

The "Big Five" banks in the United Kingdom agreed to act as correspondent banks of the Banca d'Italia for all liberated ITALY, and will, no doubt, be forwarding remittances at an early date. The Bank of England is now in a position to withdraw from active participation in the remittance scheme. While it was realised that it would be preferable for the banks in GREAT BRITAIN and UNITED STATES to have direct correspondent relations with Italian commercial banks, there are certain practical difficulties which must be taken into consideration, i.e., the restrictions of the amount one individual may receive in a given period, and the location of the head office of some of the more important banks in that area of ITALY still occupied by the enemy. It is deemed advisable to use the Banca d'Italia for effecting remittance payments North of ROME until the whole of ITALY is liberated.

18. Up to 26 November, 1944, the property of 266 individuals and organizations was placed under protective sequestration, including such Fascist leaders as MUSSOLINI, STARACE, GRANDI, FARINACCI, GRAZIANI, CIANO and FRIGNANI. It is estimated that over five billion lire worth of property has been sequestered. However, as much Fascist property is believed to have been cloaked both in ITALY and abroad, the above mentioned estimate is believed to be low. An active investigation was in process to uncover such further holdings.

19. Further progress was made in the plan for transferring to the Italian

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19. Further progress was made in the plan for transferring to the Italian Government the responsibility for receiving, distributing and accounting for miscellaneous supplies. The plan followed in general the procedure now employed for foodstuffs. Under the proposed system the Italian Government through the Istituto Nazionale Commercio Estero would receive cargoes of imported supplies based on ships' manifests and thereafter distribute the same through their agents in various cities. Some imported supplies have already been turned over to INCE under the new plan, and the required receiving reports obtained by AC. Further extension of the plan is considered highly desirable by AC. The arrangement has previously been approved in principle by CCS. The present difficulties encountered in the distribution of miscellaneous imports are twofold; first, the uncertainty as to the specific Italian Ministry under which INCE will operate - a condition that has been further complicated by the recent resignation of the Italian Government, and second, and of more immediate concern, the inability of AC to furnish landed costs as a guide for fixing the ultimate sale prices on these commodities. Very likely the uncertainty regarding the supervising agency within the Italian Government will be resolved in the near future, by the establishment of a Ministry of Foreign Trade, in order that official arrangements may be made for the receiving, distributing and accounting requirements; prolonged delay, however, in making the landed costs of articles available to INCE will impede the effective distribution of supplies by that organisation.

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FOOD SUB-COMMISSION.

20. The Director of Food Sub-Commission returned to AC Headquarters at the end of the month after completing his special mission to WASHINGTON and LONDON, the object of which was submission of Allied Commission estimates of food requirements for January - June 1945, and a first hand presentation of the information and reports on which the estimates were based.

After a series of discussions lasting nearly two months, the estimate for pulses, meat, milk and sugar was approved. The wheat programme was still under discussion when Colonel Legg concluded his mission on 21 November.

21. General Supply Situation:

(a) The 300 gram ration for the whole of ITALY was again the question of paramount importance throughout the north. Several summaries of the present wheat situation in relation to the establishment of this ration were submitted through AFHQ to the Combined Chiefs of Staff, to enable a decision to be reached.

It was hoped that this decision might have been reached by the end of the month, but such was not the case and demands for an increased bread ration, a possibility that had been receiving increased publicity, had still to be faced with no indication of how demands could be met. The question at issue was the wheat import required as against the amount of wheat that could be imported due to the world shipping situation and as against the commitments that may be necessary in Northern ITALY when that territory is liberated.

(b) There was no immediate improvement in the prospects with regard to sugar, dried vegetables and dehydrated soup owing to lack of definite news from WASHINGTON. Pending the grant of further imports, ration issues of these items have been consistently reduced since September to attempt to conserve supplies. A final cut in the issues of soup and dried vegetables was postponed as long as possible, but by the end of the month it was found necessary to discontinue issues in urban areas, and only distribute these items to special classes such as hospitals, refugees etc.

Increased imports of dried skim milk were announced at the end of the month

(c) Transporting supplies to the right place at the right time was no easier during November owing to the usual difficulties of scanty imports, slow unloading of civil supplies and difficulties of coastal movement and inland transportation.

22. Under Secretariat of Food.

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22. Under Secretariat of Food.

Though it was hoped as a result of long discussed plans that an Italian Under Secretariat of Food would assume responsibility during the month for the feeding of liberated ITALY, very little progress was made in this direction owing to delays on the part of the Italian authorities. The Royal Decree forming the new Undersecretariat was not finally passed owing to technical difficulties. A draft plan showing the organisation of the new Ministry and roughly how they propose to function was submitted and discussed but so far no organisation has started work.

23. Rome Supplies.

With the assistance of the ROME Supply Committee a total of 15,000 tons of non-rationed foods arrived in ROME markets, an average of 525 tons a day. Of these, 1,000 tons were potatoes, and energetic measures were being taken to increase this tonnage for December.

24. Ration/.....

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24. Ration Scales.

As a temporary measure pending the decision on the 300 gram bread/pasta ration, an additional pasta ration of 300 grams for a fortnight for all normal consumers North of the GARIGLIANO line was authorized as from November. A ration scale was also agreed upon for feeding returned Italian prisoners of war whilst in disembarkation camps in SICILY and Southern ITALY.

The arrangements for printing ration cards for the period 1 March - 30 June 1945 are well in hand - despite the non-arrival of 440 tons of paper requisitioned for this purpose.

INDUSTRY SUB-COMMISSION.

25. Two major events occurred in the month of November :

(a) The initiation of a basic rehabilitation programme for Italian industry.

(b) The establishment of the Industrial Coordination Committee of the Allied Force Local Resources (Italian) Board.

The Rehabilitation Programme (a) above:

This is a relatively short term policy for putting some of the basic industries of ITALY on their feet, and dollar credits for an amount at present unspecified are to be placed at the disposal of the Italian Government for this purpose. The huge and complicated task of establishing priorities of certain raw materials and of using these credits to the best possible advantage has now to be tackled. This is the responsibility of the Italian Government with the assistance and supervision of Sub-Commissions in the Economic Section.

After a number of conferences between Economic Section and the Italian Ministers it was decided that the relatively modest credits available would be devoted to rehabilitation of the following basic services and industries which are vital to the recommencement of the economic life of the Italian Nation:

Transportation.
Hydro-Electric Services.
Agriculture.
Textiles and Leather.
State Monopolies.

Industrial Coordination Committee (b) above:

In May last Industry Sub-Commission suggested the formation of an Industrial Coordination Committee in a letter to AFHQ, G-5 Section, dated 30 May 1944. It had long been obvious to officers of Industry Sub-Commission that industrial resources in Liberated ITALY were being unreasonably and illogically utilised, [illegible] services of the Allied Armies was the

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In November the Industrial Coordination Committee of AMLRS was formed. One of its important functions will be the consideration of applications to dorequisition industrial plants, many of which are being utilised by the Armed Forces for purposes other than those for which they were constituted, e.g. as billets or supply dumps.

26. Industrial/.....

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26. Industrial Activities.

(a) Textiles and Ancillary Industries:

Further progress was made in the rehabilitation of the PRATO woollen factories, and report were received which indicate that if power and fuel were available, upwards of 1,000,000 Kgs of cloth could be produced a month. Power however remains the limiting factor and at present out of over 50 firms reported to be ready or almost ready to resume operations, only 6, which have their own generating plants, are working partially. Bids have therefore been placed for 700,000 KWH a month, to be consumed largely during night hours to avoid normal peak periods.

Production of leather remains unsatisfactory, and new proposals made by the tanners themselves are under consideration by the Ministry.

(b) Structural Materials:

Grinding of clinker has started at COLLEFERRO and about 600 tons of cement have been produced. Bids for coal and power have also been submitted the cement factories at MONOPOLI and VIBO VALENTIA.

The possibility of reactivating two glass works in the ROME area by modifying the plants to burn lignite instead of long flame coal is being investigated and, pending trials, bids for fuel and power have been made. The production of paraffinised paper as a glass substitute has begun at BOMBRINI-PARODI DELFINO, COLLEFERRO.

S.I.M.S.A., COLLEFERRO, has started making roofing felt and experiments are also being carried out in ROME in the manufacture of roofing materials from salvaged tins.

(c) Coal:

The new coal quay at CIVITAVECCHIA was completed during the month and discharge and distribution have averaged 600 tons a day. FIUMICINO is also ready to discharge barges or small steamers.

AFHQ has decided that AC and the Italian Government shall be responsible for supplying 31,850 tons of coal and lignite a month to the Armies during the winter.

(d) Mining:

Sardinian Coal. Production for October was 34,602 tons. Stock on hand on 31 October was 31,875 tons. Increasing production to quantities required is a problem of labour, much of which was lost during the period of curtailed production.

Mainland lignite. Power and transportation are the usual problems of [illegible] tivoto for November was 20,000 metric tons. Stocks of [illegible]

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cement have been produced. Bids for coal and power have also been submitted the cement factories at MONOPOLI and VIBO VALENTIA.

The possibility of reactivating two glass works in the ROME area by modifying the plants to burn lignite instead of long flame coal is being investigated and, pending trials, bids for fuel and power have been made. The production of paraffinised paper as a glass substitute has begun at POMERINI-PARODI DELFINO, COLLEFERRO.

S.I.M.S.A., COLLEFERRO, has started making roofing felt and experiments are also being carried out in ROME in the manufacture of roofing materials from salvaged tins.

(c) Coal:

The new coal quay at CIVITAVECCHIA was completed during the month and discharge and distribution have averaged 600 tons a day. FIUMICINO is also ready to discharge barges or small steamers.

AFHQ has decided that AC and the Italian Government shall be responsible for supplying 31,850 tons of coal and lignite a month to the Armies during the winter.

(d) Mining:

SARDINIAN Coal. Production for October was 34,602 tons. Stock on hand on 31 October was 31,875 tons. Increasing production to quantities required is a problem of labour, much of which was lost during the period of curtailed production.

Mainland lignite. Power and transportation are the usual problems of production here and the estimate for November was 20,000 metric tons. Stocks of 200,000 tons of lignite and 15,000 tons of briequettes at CASTELNUOVO may be drawn upon by Allied Forces to the extent of 18,000 tons a month, which will relieve the financial situation.

Sulphur. Production of the SICILIAN mines increased substantially during October from an average of 3,415 tons in the previous two months to 4,928 tons. On the mainland stocks in the MARCHE-ROMAGNA mines now amount to 18,000 tons.

(e) Caustic Soda:

The Aniene Plant, ROME, is ready for operation except for supplies of electrolytic Salt. This has been located in SICILY and arrangements are being made for shipment.

LABOUR/.....

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LABOUR SUB-COMMISSION.

27. The labour situation was still precarious and, although increased wage adjustments stemmed the tide in most instances, the real answer to industrial peace was still sufficiency of food.

28. The Labour Sub-Commission frequently stressed to the Minister of Industry, Commerce and Labour the importance of legalizing the Regional and Provincial Labour Offices in Italian territory by Royal Decree. Reports from various areas showed the increasingly prominent role that these Labour Offices played in the labour field. Further delay is unjustified and is affecting the efficacy of the work being done.

The Labour Offices are the machinery through which the Italian Government can study and solve labour problems and through which a free and independent trade union movement can obtain support. A few of the many problems of the Labour Offices are:

(i) To follow the labour phenomenon in its social aspect so as to be always informed of developments.

(ii) To study labour problems and provide regular compilation of labour statistics.

(iii) To promote the peaceful settlement of labour disputes through conciliation, mediation and arbitration by offering the contending parties a meeting ground as well as a legal means of composing their differences.

(iv) To control and supervise a placement of labour which, according to the decisions of an International Labour Conference, should be a State responsibility.

(v) To supervise the recognition and enforcement of all social legislation.

29. The Labour Sub-Commission did not object to the re-establishment of the Offices of Port Captaincies nor to the registration of seamen through the Personnel Section of that office, providing that these "Capitanerie di Porto" charge no fees and that such registrations will not result in a monopoly of employment process.

30. The labour situation in the LIVORNO-PISA area has been complicated by short supply, and the fact that LIVORNO is a supply base for operations on the fighting front. Upon the request of the Regional Commissioner of TOSCANA Region, the Base Purchasing Agent of PBS, FIFTH Army, Royal Navy and other units, a special Headquarters Labour Officer was detailed as a single authority to coordinate all the labour activities in this area. Problems were generally comparable to those of last winter in the Port of NAPLES. Results already achieved justify the continued assignment of our representative for an indefinite period.

31. Wage agreements between employees and employers of the "S.I.E.L.T.E.", NAPLES and COMPAGNIA CONTINENTALE BRUNT were reviewed and

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31. Wage agreements between employees and employers of the "S.I.E.L.T.E.", NAPLES - PIEDIMONTE D'ALIFE Railroad and COMPAGNIA CONTINENTALE BRUNT were reviewed and approved during the month.

32. Independent investigations were carried out after the PALERMO riot of 18 Oct to ascertain the causes of the incident from the labour point of view. From unofficial sources it was learned that the main cause of the demonstration was economic and not political. Good judgment of the Civil Authorities could easily have avoided the tragic denouement. The demonstration arose out of the following:

(i) Proposal to increase the bread ration.

(ii) Lack of control of prices.

(iii) Blackmarket speculation.

(iv) Demand for higher wages.

33. In order/.....

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In order to parallel the Italian Royal Decree of 31 October for an increase of wages in private industry, the Special Sub-Committee of the Labour and Wages Control Committee approved an increase in the Allied Forces Wage Scale, granting an additional 40 to 60 lire a day to the present wage of workers for the Armed forces. This increase, effective 16 November, was proposed to meet the higher cost of living and to restore the preferred position of the Armed forces.

34. The plan to give full social insurance coverage to Italian workers employed directly by the Allied Forces throughout ITALY was approved by both the Italian Government and Allied Forces during the month and was scheduled to become effective on and after 1 December.

35. Progress was good in the registration of labour. New registration forms have been completed and distribution to all areas will be made shortly.

36. In LAZIO-UMBRIA Region the request for supply of labour to Allied units increased and our labour supply office has been very active. During the month, of the 65 requests processed from Allied units, a total of 1105 of various categories were employed.

Exact statistics of the number of persons unemployed and available for work are difficult to obtain. Though the ROME Province Labour Office registered 49,725 unemployed it is still an incomplete return. A conservative estimate of unemployed figures for the whole of LAZIO-UMBRIA Region is 125,000.

37. In the FIFTH Army territory there are 51 Labour Supply Offices in the area now in operation, in FLORENCE, PISTOIA, LUCCA and highway 65, and they have altogether thus far furnished 7,161 men and women.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

38. The Italian Government was given greatly increased powers to execute within its territory all projects not involving use of critical (or imported) structural materials. Works of military necessity required by Armies will, however, continue under direct control of this Sub-Commission.

39. A decree covering financial subsidies for building repairs (private properties) was approved by the Council of Ministers. This will be the beginning of a considerable housing programme. The Minister of Public Works has a 500 million lire fund for discretionary allocation in connection with commencing initial projects. Some delay due to administrative difficulties has occurred. There is a similar difficulty in the financing of repairs to hydro-electric plants and power facilities generally for which a fund of 2 billion lire is contemplated.

40. As "black market" activities have extended to building materials, which are increasingly reflected in estimates submitted by Genio Civile, the Minister was urged to establish controls and maximum prices by promulgation of a decree or by some other method.

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41. In SARDINIA the Public Works Sub-Commission has had no officer for the last three months and by January 1945 this position will apply to SICILY and CALABRIA.

42. A draft decree concerning increases in rates for water, gas and electricity (public utilities) was modified, in conjunction with other interested Sub-Commissions, but it has not yet been promulgated.

43. The general rehabilitation of water undertakings and some sewerage systems continued, water supplies to ROME City being almost back to normal standard.

44. The 50 million lire Pontine Marshes project (Bonifiche) made good progress, particularly towards prevention of further flooding along Route 7. Channels have been cleared, temporary dams built to replace destroyed floodgates and smaller pumping stations restored to service. The largest one (MAZZOCCHIO) remains useless, the enemy having removed all electrical plant. Similar works were executed in TOSCANA Region, viz. valleys river ARNO, ELSA, ALBEGNA, OMBRONE and elsewhere. Studies of the probable situation in PO Valley area continue in conjunction with Agriculture, Public Health and Industry Sub-Commissions. Portable pumping units totalling 10,000 h.p. have been indented for, equivalent to 10% of installed plant now there. (In PONTINE area 90% of such plant found destroyed).

45. Special/.....

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45. Special works required by R.E.S. on Routes 1 and 7 (NAPLES - ROME - LEGHORN) were begun. Urgent bridge works are in hand on Route 6 (ROME - CASERTA) preparatory to the removal of portable Bailey bridges urgently required by the Armies in the North. Access roads to air fields (FOGGIA area) were taken over from the U.S.A. Air Force Engineers on special request. Floods in North caused extra demands from Military Districts for diversions and bridge works. Bailey bridge replacements by more permanent structures continue regularly. Of all Bailey bridges in an area North of ROME 74% will be released by January 1945 and another 14% will be replaced by "FLAMBO" bridges (steel) now being manufactured in ITALY. In November 318 roads and bridges schemes (military) were in hand, value 620 million lire, 89 being completed during the month. The Sub-Commission approved 421 other schemes; viz. roads and bridges, public buildings, schools, debris clearance, public utilities including water works, housing etc., at a total cost of 332 million lire. During the month 273 such schemes were completed at a cost of 194 million lire. Projects dealt with independently by Italian Government totalled 330 end of October. Value 75 million lire.

46. About 20,000 K.V.A. generating equipment (electrical) restored to service, making total 100,000 in Central ITALY. 163 Km transmission lines were restored and in ABRUZZI-MARCHE and TOSCANA Regions considerable similar works was done, as well as on small generating stations. The lack of transport and consequent lack of regular maintenance over a long period caused a serious transmission line breakdown in SOUTHERN Region. The electrical companies concerned were assisted by the Sub-Commission's personnel and special transport. Electrical Reconstruction Committee held first meeting, Lt.Col. LAPPER making reports on his mission to USA, UK and FRANCE. Planning to rebuild repairable power stations by end of 1945 was begun in conjunction with the principal electric companies and the Ministry of Public Works. Electrical construction supplies showed some improvement except for insulating materials. Some of these are now beginning to arrive by sea. The transportation problem of many Power Companies becomes more and more acute, handicapping both reconstruction and regular maintenance. The Ministry of Public Works has been asked to appoint a representative, located at HQ of Sub-Commission, to facilitate interchange of ideas, reduce correspondence and from time to time take over responsibilities.

47. Officer personnel was 71 in total, viz. 19 at HQ and 52 in Regions. The Director of the Sub-Commission, Lt. Col. JENNY, returned to duty from WASHINGTON and Lt. Col. LAPPER from LONDON.

SHIPPING SUB-COMMISSION.

48. The general situation is satisfactory. Vessels, except schooners, have operated smoothly and no particular difficulties have been encountered.

49. The schooner situation, however, has presented certain anomalies which continue to receive the attention of Economic Section, Mediterranean Shipping Board and the Italian Ministry of Marine. One of the main difficulties, now overcome, is the legalisation of COGEMA. This enabled the operating committee to [illegible]

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50. Negotiations have continued during November on a freight tariff based on a ton mileage basis to cover all commodities. This tariff is now practically agreed by all parties and supersedes the unsatisfactory methods hitherto in force. These tariff rates will prevent erratic freight rates and will be a considerable help to ordinary users.

51. The tariff rates for carriage of goods by schooner will be approximately forty-five times greater than was laid down before the outbreak of hostilities in 1939. This was due to increased running costs, delays and rate of exchange.

52. During October, 4944 weight tons of civil cargo was carried by Italian schooners and 3000 weight tons by Italian coaster. In November 3946 weight tons and 3950 weight tons respectively were carried by schooner and coaster. Approximately 4500 weight tons of civil cargo was also carried by vessels under flags other than ITALIAN.

53. In view/.....

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53. In view of the cessation of the present service between CAGLIARI and NAPLES a civilian service will be instituted. This service will be the first return to a regular shipping service run by the Italian Authorities for civilian cargo.

54. Schooners are still delayed unfortunately by cargo not being available against individual allocations. It is requested that all concerned give their particular attention to this point so that the maximum use may be made of those vessels which are available for the carriage of civil goods.

TRANSPORTATION SUB-COMMISSION.

Railways.

55. Military railheads have been almost static during the month. Weather conditions have caused damage to various tracks making movement difficult. A plan has been agreed with Director of Military Railway Services for the satisfactory rehabilitation of Italian Railways. This will place additional responsibilities on AC.

56. Fourteen engineering projects were in hand, ranging from long stretches of track to bridge work, and all projects when completed will assist in the distribution of essential needs of the community.

57. The question of a ROME - NAPLES passenger service continued to the fore, but limited track capacity and priority of military and food supply demands have so far prevented its introduction.

58. A violent cyclone in SARDINIA caused a train derailment on 8 November, when one person was killed. Locomotives in that island are being converted to burn Sulcis coal, thus restricting import of coal.

59. The work of wagon repairs has been stepped up to meet acute shortage of wagons.

Roads.

60. Three G.T. Coys were operating, viz: Nos. 1000, 1001 and 1004. The fourth G.T. Coy (No.1002) was made available by APBC and is reporting on or about 4 Dec.

61. The progress of ENAC has been very much retarded owing to the crisis in the Italian Government. As a result the revised haulage rates were not published and the formation of ENAC not completed.

62. During the month returns have been received from Regions with information concerning location of vehicles, present holdings, and additional requirements of maintenance, personnel, equipment, garages etc. These returns are now being consolidated and every endeavour made to meet requests still outstanding.

63. Three additional tyre repair plants in ROME have been requisitioned and re-

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63. Three additional tyre repair plants in ROME have been requisitioned and re-established by this Section. These will assume operations as soon as requisitioned raw material arrives. The collective output of these will average 110 of various sizes a day.

64. One of the problems encountered by the 1st Truck Battalion was the lack of Control Vehicles. The civilian cars assigned were inadequate in number, not road worthy for operation in Army Forward Areas and difficult to maintain.

Shipment/.....

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Shipment.

65. Bad weather caused serious delays in schooner traffic during the month. The small vessels which are operating are confined to port whenever weather conditions are unfavourable. Many of them are under repair and winter conditions generally reduce the available tonnage. During November goods amounting to 8946 tons were lifted by schooner and 3950 tons by coaster.

66. All bids submitted to AFHQ during the month were accepted with the exception of 8600 tons phosphate rock.

67. A regular service from SARDINIA to NAPLES was agreed with AFHQ and will start on 25 December. The S.S. ABRAZIA has been selected for this ferry service and will do two round trips per month. Her capacity will be about 250 personnel and 1000 tons cargo.

68. CASTELLAMMARE, CIVITAVECCHIA, SALERNO and CROTONE all worked satisfactorily.

General.

69. On 21 November the Clothing Section, Medical Supply Branch, Public Health Sub-Commission, was transferred to Transportation Sub-Commission.

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PART IV.

POLITICAL SECTION, PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB COMMISSIONS.

POLITICAL SECTION.

1. November brought many important events of political significance. In spite of the Prime Minister's efforts to strengthen the Government and his pleas for unity early in November, the dissension within the Government and the dissatisfaction without continued to increase until it became clear that reconstruction of the Cabinet was a necessity. Consequently, on 26 November the Prime Minister submitted his resignation to the Lieutenant General of the Realm, thereby precipitating a crisis that was still unsettled at the end of the month.

2. Following constitutional procedure, the Lieutenant General proceeded to hold conversations with the Presidents of the Senate and of the Chamber, with leaders of the six G overnment parties, and with other political personages. These conversations were concluded on the evening of 29 November and shortly thereafter the Lieutenant General charged Signor Bonomi with the task of forming a new Government.

3. A number of factors had contributed to the political instability. Probably the most important was the realization by the old Government and the public that warfare in Italy will continue for some time and that the existing Government, instead of being an interim organization, as some had originally thought, would be called upon to take planned and energetic action for an indefinite period. The Government had been hanging together largely as a result of the agreement to co-operate which the several parties were attempting to maintain for their individual advantages, in spite of the bitter attacks they levelled at each other in the public press.

4. At the time of the resignation, it was rumored that the parties of the left had contributed to the instability by demanding that they be given the portfolio of Interior, War and Foreign Affairs and by asking for the removal of certain representatives of the moderate parties from the Government.

5. Elsewhere it was said that the President of the Council of Ministers had decided to form a Cabinet of technicians. The Communist paper, "AVANTI", was loud in denouncing such a possibility and called it an attempt "to exclude the Communists from the Government".

6. Subsequent to the resignation, Count Sforza was named Chairman of the group of C.L.N. representatives who had met to discuss a means of solving the crisis. It was said that he was cast for the Foreign Affairs portfolio in a new Government. However, Count Sforza resigned as Chairman, after a Committee of the C.L.N. had called upon the British Ambassador. According to SAC they were given to understand by the Ambassador that Count Sforza, would not be welcome to the British Government as a member of the new Italian Cabinet.

7. In spite of numerous contributory factors, it appeared likely that the re-[illegible] of the Government was caused primarily by the unwillingness of the President

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7. In spite of numerous contributory factors, it appeared likely that the resignation of the Government was caused primarily by the unwillingness of the President of the Council and of the moderate members of his Cabinet to accede to the demand for key ministerial posts by the Parties of the Left.

8. The announcement of the resumption of direct relations between Great Britain and Italy and the establishment of diplomatic relations by the United States, Russia and the Latin American countries with Italy has been followed by a considerable degree of diplomatic activity. At the end of November fifteen of the Latin American Representatives had advised the Italian Government of their intention to resume diplomatic relations and five of these, Brazil, Cuba, the Dominican Republic, Mexico and Peru have already appointed representatives.

9. The issuance of instructions to the patriots in the North by Field Marshal Alexander in which the patriots were asked to slow down activity due to the conditions of the winter campaign caused a large amount of public comment. In general, the press called for an intensification of Government and Allied assistance to prevent collapse of all partisan activity, while the press of the Left urged recognition of the Committees of Liberation as "provisional governments" in newly liberated territory.

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The Socialists in a subsequent resolution urged the recognition of the main Committee in enemy-occupied territory.

10. The arrest of General Mario Roatta and Colonel Bartolini, former Chief and member, respectively, of the Army General Staff brought again into public discussion the possibility of a full inquiry into the causes of, and responsibility for, the collapse of the Italian Army after the Armistice.

11. A very favorable public reaction resulted from the review of the re-equipped and re-organized Italian Army Units that was held when the Units passed through ROME on 24 November. Although the occasion was used by some of the parties as an opportunity to show their political banners, the splendid appearance of both personnel and material provoked favorable comment and no small degree of pride from the large number of spectators.

PUBLIC RELATIONS BRANCH.

12. While carrying on the usual routine work associated with daily press releases, daily digests of the Italian press, trend of correspondent's copy, weekly bulletin and arrangements for interviews and conferences on behalf of Allied, neutral and Italian correspondents, the Public Relations Branch was also increasingly occupied by questions arising from the resumption of Italian activity in the cinema, theatre, radio, and press agency fields, and the question of epuration as it touches the Undersecretariat of the Press and Information and the parastatal agencies depending from it. As a result of protracted discussions, agreement was obtained from AFHQ for the establishment of a temporary Film Board to decide the various complex problems now arising with AC, PWB and Italian Government representation. After considerable discussion with AFHQ a plan for the future structure of the Italian radio was also put forward to AFHQ; a similar plan was laid before the Council of Ministers by the Undersecretary of the Press. Steps were taken to clear up the copyright difficulties existing over theatrical productions translated from English. Agreement was obtained from AFHQ to permit Allied Press Agencies to resume the input of news on 15 January and steps were taken to open the field similarly by Italian news agencies, provision being made against exclusivity.

13. A feature of the month was the delegation by the Allied Publications Board to the Italian Press Commission of all powers regarding the granting or revocation of licenses in territory under Italian jurisdiction, P.W.B. controlled papers remaining exempt from this control and the APB reserving the right of intervention on questions of military security or undemocratic practices.

14. The vexed question of accreditation and procedure for Italian war correspondents was finally cleared up, and a conducting officer was sent with these correspondents to the Fifth and Eighth Army areas. An air tour was arranged for Italian civilian correspondents to Italian air units re-equipped by the Allies.

15. The work of the Archives section proceeded steadily, eight crates of documents being received from SICILIA Region. SOUTHERN Region is in process of sorting out obsolete records for subversion.

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NAVY SUB COMMISSION.

16. The general disposition of the Italian Fleet remains the same and the ships continue to carry out useful work in the MEDITERRANEAN. The larger vessels have been used mainly as fast transports.

17. The Navy Sub Commission has received information from the Ministry of Marine, that the Italian organisation of the ports of CIVITAVECCHIA, SAN STEFANO and PIOMBINO is proceeding satisfactorily. The three ports were recently returned to Italian control and the full administrative and operational responsibility is now vested in the Ministry of Marine.

18. The Ministry has announced its intention of establishing a Port Division in its offices in ROME which will be under the direction of a Senior Naval Officer and which will co-ordinate all matters in those ports which have been or which will in the future be returned to Italian Navy Control. In the larger ports the local Italian or-

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ganisation will be in charge of a Naval Commander of appropriate rank: in the smaller ports, such as SAN [illegible]MPANO, the Tenente di Porto or Harbourmaster will be in charge. The representatives of the Ministry of Marine appear to have accepted their new responsibilities in the ports enthusiastically and have undertaken the necessary arrangements in a business-like manner. It is hoped that it will be possible for the Ministry of Marine to obtain an estimate of the amount of Allied traffic expecting to use the ports so that necessary arrangements can be made by them for labour and equipment.

19. One of the main difficulties regarding the supply of Naval Stores to the Italians is that no central storing system exists in the Italian Navy. The Ministry of Marine has recognised the disadvantage of its departmental system however, and it is understood that it is setting up a central stores department which will co-ordinate the demands of the various departments of the Ministry. It is worthy of note that this step is being taken quite spontaneously by the Ministry of Marine.

LAND FORCES SUB COMMISSION (M.M.I.A.).

20. During November the FRIULI and CREMONA Combat Groups completed their re-equipping and preliminary training in the BENEVENTO Area. Inspections were made by H.R.H. Prince UMBERTO of PIEDMONT and by Field Marshal Sir Harold ALEXANDER who told the commanders he was impressed and well satisfied, and that the Groups would form part of his Group of Armies and be treated in the same way as those of all the other nations fighting under him. Some anxiety was experienced over the standard of training of motor drivers and other mechanical specialists which has resulted in considerable damage to equipment; extra British personnel were provided to raise the standard. Towards the end of the month both Groups moved forward to come under command of British 1 District and 10 Corps respectively for higher training before going into the line. During the moves each Group provided a representative column of 1500 men and 200 vehicles to march through ROME as evidence to the citizens of their existence. They were given an enthusiastic reception from large crowds in spite of the efforts of the younger generation to turn the event into an excuse for expressing their political views. H.R.H. Prince UMBERTO took the salute of the FRIULI combat group on 24 November but was prevented from doing so in the case of the CREMONA group by the government crisis.

21. LEGNANO and FOLGORE Groups remained in the CAPUA Area reorganised on the new basis but awaiting their equipment and vehicles - modified training scales many of which have been received. There was some discontent over clothing and lack of blankets and boots but this situation improved towards the end of November when equipment was released in greater quantities.

22. MANTOVA Group remained in the heel and completed its reorganisation in time to move to BENEVENTO Area at the end of the month to relieve the FRIULI and CREMONA Groups. Training scales of equipment are due to be released during the first week in December. The SLU has been formed and is functioning.

23. PICENO Group is still under discussion and its future was changed many times during the month. The latest decision is that 3,000 of its officers and men should be loaned to the Allied Commission for Carabinieri duties until 15 February

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23. PICENO Group is still under discussion and its future was changed many times during the month. The latest decision is that 3,000 of its officers and men should be loaned to the Allied Commission for Carbinieri duties until 15 February 1945. It is undecided whether the remainder is to join the nucleus of the Sixth Combat Group, be used as a reserve holding Group, or be disbanded and converted into a Replacement Training Depot.

24. Reinforcements for the Combat Groups are being provided from call-ups in various parts of Italy and a Depot has been established at TRAMO (N.W. of CAPUA). The problem of equipment, training facilities and future location for this depot has not yet been solved, though considerable attention was given to it during November.

25. Auxilliary units which were to be formed for the first two Groups are now ready to accompany them to the forward area. The rest are slowly forming alongside their respective Groups but their equipment presents a difficult problem.

AIR FORCES SUB COMMISSION.

26. The Italian Air Force continues to support the Allied war effort in active

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operations over the BALKANS. The scale of effort during November has greatly exceeded that ever achieved before. This has been due partially to the arrival at operational bases of squadrons equipped with Allied types of aircraft which have been under training during the past months, and partially to an increase in serviceability.

27. Fighter Wing: The whole of the Italian Fighter Wing is now fully operational. The number of sorties carried out by the Wing is an all time record and considerably in excess of that ever carried out before. Enemy transport has been damaged or destroyed, and a considerable weight of bombs has been dropped by fighter bombers on important targets. Unfortunately this effort has not been carried out entirely without loss.

28. Seaplane Wing: There has been little demand of an operational nature on the activities of this Wing, and the number of sorties carried out shows a considerable reduction. Permission has been granted by H.Q. M.A.A.F. for a limited number of the aircraft of this Wing to be used on transport service, and preparation of the bases for this service is now being actively carried out. The air sea rescue commitment still remains, but during the month few sorties have been carried out and there have been no results.

29. Light Bomber Wing: One of the squadrons has been on active operations and has carried out a number of sorties, it is claimed, with average results. Half the second squadron is at its operational base and the other half is held up by weather conditions, but will move to the operational base as soon as these improve.

30. Bomber Transport Wings: In spite of difficulties through serviceability of aircraft more sorties were carried out during November than in October, and a satisfactory weight of supplies was either carried or dropped.

31. Progress has been made in the formation of the school, and the aircraft and personnel are now located on the training airfield. Training flying at the school has actually started, but because of the considerable surplus of trained crews it has not been found necessary to carry out any intensive flying, and the main effort has been devoted to the improvement of serviceability.

32. The serviceability of the Italian Fighter aircraft again shows an increase which is greatly to the credit of all concerned. In spite of considerable technical difficulties the serviceability of the Bomber Transport aircraft has improved slightly compared with October. The initiative, ingenuity and hard work of the technical personnel and ground crew of this Wing is most praiseworthy. The serviceability of the Light Bomber Wing is good and demonstrates the ability of the Italian technical personnel to keep these aircraft in a serviceable condition.

33. The situation as regards manpower is unchanged, but the I.A.F. is making a substantial contribution to both the R.A.F. and the U.S.A.A.F.

34. It is regretted that the question of an increase of rations for aircrews is still not settled. A visit by a Staff Officer from H.Q. M.A.A.F. Rear, has been made and certain definite recommendations have been forwarded by that H.Q. to higher

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35. The morale of the Italian Air Force still remains high. A special message of congratulation was received by the Fighter Wing from the Air Officer Commanding, BALKAN Air Force, for their operations during the early part of the month.

36. The political crisis which occurred in the last week of the month has naturally had its effect on the Italian Air Force, but so far this effect seems to be less far reaching than usual, and at any rate in so far as the operational units are concerned they are putting their active aid to the Allies first.

37. The question of defascisation is still highly unsatisfactory.

COMMUNICATIONS SUB COMMISSION.

38. Telecommunications.

(a) Telephone. Exchanges were repaired or installed and brought into use

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in: FIUGGI, ANZIO, VENTRAIL[illegible] TUSCANIA, LORIANO, NARNI, AMELI[illegible] ACQUASPARTA, TODI, RONCIGLIONE, ANCONA, JESI, OSIMO, CASTELFIDARDO, LORETO, EMPOLI, PRATO and FOGGIA. Circuits were completed from ROME to TERNI (additional), RIETI, ANZIO, AQUILA (additional) and between many towns in the UMBRIA-LAZIO, ABRUZZI-MARCHE and TOSCANA Regions.

(b) Telegraph. Many additional offices have been connected to the telegraph network, and between 50% and 80% of offices in the forward provinces in the authorised zone are now open.

The pneumatic tube distribution system for the telegraph service in NAPLES has been restored.

Many conferences, in which the U.S. and British Embassies took part, were held in an attempt to reach an agreement on the conditions for opening of a radiogram and cablegram service to the U.S. and U.K., but no decision was taken.

39. Postal.

(a) Commercial correspondence was authorised in the U.S. and U.K. with certain restrictions, and the weight limit for this class of correspondence has been increased from 210 grams to 1 Kilo.

(b) The overprinting of large stocks of certain denominations of Fascist Republican stamps was agreed with the Italian Government and 80 bags of stamps and postcards were sent to FLORENCE in readiness for extension of services.

(c) The withdrawal of the Italian Naval ship service to SARDINIA has made postal connection insufficiently frequent. A merchant ship service now carries correspondence only bi-monthly, though urgent official and air mail stamped private correspondence is being taken by air.

(d) The forms originally intended for International Red Cross messages to civilians in enemy occupied territory many now be used for Italian soldiers in GERMANY. Previously these men could not receive any mail as the Germans refuse to let them be considered entitled to Prisoners of War treatment.

(e) The foreign mail letter traffic now totals about 15 tons a month, of which about 10 tons in P.O.W. mail. This is approximately 3 million letters a month.

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WAR MATERIALS DISPOSAL AND ITALIAN P.W. SUB COMMISSION.

40. War Materials Disposal.

In respect to the War Material Disposal side few words should suffice to explain what covers a considerable amount of constructive effort and planning.

41. The main problem of the month was in connection with transference of salvage material between the Commission, PBS and British Salvage. Opinion was divided as to

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restrictions, and the weight limit for this class of [illegible] from 210 grams to 1 Kilo.

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41. The main problem of the month was in connection with transference of salvage material between the Commission, PBS and British Salvage. Opinion was divided as to whether Commerce Sub Commission should handle directly all material offered by salvage agencies or if it should in the first instance go through the War Material Disposal Sub Commission. The question is still under consideration and a decision awaited.

42. The day to day work of the Sub Commission included the inspection of all the goods yards in ROME Area with a view to clearing material, (mostly salvage) from loaded trucks. After inspection a number of trucks containing machinery etc. were despatched to factories in agreement with Industry Sub Commission. Other material which it was impossible to dispose of was sold on the public market and 20 railway trucks and wagons were thus made available for Movements.

43. Seventy derelict MT vehicles which had been recovered and brought into ROME Area were inspected. It was found possible to make eleven available to Italian Ministry of War and nine to LAZIO-UMBRIA Region, Transportation Division. These vehicles will, in due course, after repair, be back on the road again.

44. A considerable number of jerricans were returned through the Sub Commission to the Petrol Section of PAAC.

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ITALIAN PRISONERS OF WAR.

45. The work of the Italian Prisoners of War Division of the Sub Commission was centered on the adjustment of past policy to meet new directives, the continuation of Italian Prisoners of War repatriations, the co-ordination and control of Italian Prisoners of War repatriated to fill specific appointments in Italian Government and local administration, and the study of a plan for the ultimate absorption by Italy of over one million and a quarter of the male population who are now Prisoners of War. In the carrying out of these duties, the Sub Commission was ever cognizant of the necessity to avoid or give rise to such questions as might cause political issue or agitation on the subject of Italian Prisoners of War.

46. On all questions of Italian Prisoners of War the Sub Commission stipulated that the main issue was for all Italians to understand how essential it was that Italian Prisoners of War should contribute the maximum possible to the war effort.

47. The Sub Commission has always worked on the lines that the Italian Government should assume the maximum amount of responsibility in connection with Italian Prisoners of War and by gradually making the problems relative to Italian Prisoners of War, Italian Government problems rather than ones for the Commission, a considerable amount of unnecessary work should in due course be eliminated. In accomplishing this the relationship between the Sub Commission, the Italian High Commissioner for Prisoners of War and the Undersecretary of State for War has continued to be cordial and understanding. On the 8 November, the Italian Ministry of War set up a new branch called Autonomous Office for Veteran Prisoners of War and Repatriated soldiers. It is too early to express an opinion as to how this department will carry out its function: so far it has been entirely satisfactorily.

48. Detailed work of the Prisoner of War Sub Commission included sorting and forwarding to the High Commissioner for Prisoners of War semi-monthly allotments by Italian co-operators to their families in Italy, the total amount of allotments made for November being 6,106,000 lire, balances due to repatriated Italian Prisoners of War amounting to 3,600,000 lire were also forwarded to the Italian High Commissioner for Prisoners of War to pass to the Italian Ministry of War for payment.

49. The final decisions in respect of liability for the payment of the repatriation balances, is still unsettled.

50. Complaints on conditions of Italian Prisoners of War in INDIA, 136 individual enquiries concerning the health of Italian Prisoners of War whose families had not heard from them for over 6 months, the despatch of 6,000 copies of Notizie Nazioni Unite daily to Prisoners of War in NORTH AFRICA, and the forwarding of Italian packages to Prisoners of War in SARDINIA and CORSICA were all duties carried out during the month.

51. Repatriations during the month of November totalled 1,141 and a return of approximately 2,400 Italian Prisoners of War during December has been arranged. Requests for repatriation of 3,556 Italian Prisoners of War were passed through the Sub Commission during November. During the previous month the Sub Commission has in conjunction with PWB been able to inform the Italian public both by radio and through the Italian press the numbers and names of the Italian Prisoners of

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52. The staff of the Italian Prisoners of War Division of the Sub Commission working on the plan for the mass repatriation of all Italian Prisoners of War are completing their study on this subject. The object has been to find ways and means of returning these Prisoners of War to ITALY so as to cause as little discontent and unhappiness as possible. Throughout the study the heads of the other Sub Commissions and different parties of the Italian Government have been consulted and discussions with those most interested in the Vatican are also taking place. The report on this plan should be ready for consideration within the next few weeks.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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