Declassified E.O. 12356 Section 3.3/NND No. 785015

ACC 10000|147|365 REP 157/CS A.C.C. ACTIVITY REPORTS : MONTHLY REP

Dec. 1944 - AUG. 1945

Declassified E.O. 12356 Section 3.3/NND No. 785015

C C. ACTIVITY REPORTS : MONTHLY REPORTS

PART II

Dec. 1944 - AUG. 1945

Headquarters
VENEZIE REGION
ALLIED MILITARY GOVERNMENT APO 394

Ref: Ven/Telecoms

2nd August, 1945

SUBJECT: Monthly Report.

TO : Director, Communications Sub-Commission
Headquarters, Allied Commission.

1. Telephone and Telegraph civil services expanded considerably during the month of July on both an intra and interprovincial basis. Consequently, all provincial capitals were being served as well as most of the other important towns.

2. Important telephone outlets linked the Region with other Regions as follows:

From	To
Verona	Milan
"	Modena
"	Bologna
Padova	Bologna
Venice (Mestre)	Bologna

Arrangements have been made for a circuit from Venice (Mestre) to Trieste and it is expected that the connection will be made early in August. There are still important local telephone links to be completed, principally in Verona and Udine provinces, and emphasis will be placed on accomplishing this.

3. On the civil telegraph side the most outstanding improvement was realized in the activation of the following direct routes:

From	To
Venice	Trieste
"	Bologna
"	Udine
"	Milan
"	Rome
Verona	Vicenza
"	Mantova
Bolzano	Belluno

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4. Neither telephone nor telegraph service may be considered adequate because of the lack of sufficient telephone facilities to the south and the fact that both telephone and telegraph services

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"	Mantova
Bolzano	Belluno

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4. Neither telephone nor telegraph service may be considered adequate because of the lack of sufficient telephone facilities to the south and the fact that both telephone and telegraph services have been frequently interrupted for long periods due to cable and equipment trouble. Both the interested military and Italian civilian authorities are cooperating to correct the trouble situation but it appears that little relief as regards additional circuits to Rome can be expected in the near future.

Richard H.Ayre.

Richard H.Ayre,
Maj.Sig.C.
Telecommunications
Officer.

Copy to: Regional Commissioner
Venezie Region.

For filing

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CONFIDENTIAL

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SUBJECT : Monthly Report 31 Jul 45
Venezia Giulia Area

TO : the Director Communications Sub Commission
H.Q. Allied Commission
ROME.

I. ADMINISTRATION

(a) The names and function of the Civilian Officials are as follow :-

Direttore Poste Telegrafi	GRECO Vincenzo
Direttore TELVE	Ing. SAVINI
Direttore Circolo Cos.Tel.	CREPAZ Pietro
Direttore Azienda Telefon.Stato	PAVANATO Bernardo

(b) In General Order N.9 by order of the S.C.A.O. Signore GRECO has been nominated as the Direttore Superiore of the Occupied Territory. This in effect places him over the Provincial Directors of Gorizia and Pola. To avoid confusion that may arise between the various departments a further instruction has been issued a copy of which is attached.

(c) I have interwieved each of the above mentioned Directors and they all so far have been very helpful. Direttore CREPAZ is old and slow but he seems to have a profound knowledge of the lay out.

(d) I have not had much time to go into the efficiency of the lower grades but it would appear to be suffering from three epurations. Fascist, German and Jugoslav.

(e) An anomaly exists with regard to the payment of workmen who though under the control of the Direttore Circolo Venezia Giulia live and work in the Udine Area over the line of demarcation. I have ruled that these men be paid from this H.Q. cur ~~sub~~ of A.M.G. funds until such time as Rome can send up money which will be held by the Udine Direttore. AMG 13 Corps are agreable to this and the necessary adjustment will be made.

2. TECHNICAL.

(a) An instruction has been published that Telephone service within Venezia Giulia can commence immediately and that Telephone Service to Italy will commence as soon as possible. This latter depends upone the speed with which pairs can be allotted from the State Cable between Trieste and Venice. I take it that this matter is being expedited.

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(b) An instruction was given to the Directore Superiore that he may accept Telegraph Traffic for Great Britain etc. Recently a service was received from Rome Central Telegraph Office instructing this Office that Traffic for the outside world could only be accepted at the Rome office and that all foreign traffic received from Trieste had been held up. The Direttore Superiore has serviced Rome and we are now awaiting a reply.

(c) A study of the line diagram of the area in conformation with a conference with the Direttore Circolo reveals the fact that much construction work will have to be done before a good limited service can be given. In addition maintenance queries exist by reason that certain circuits are in Jugoslav occupied territory. I intend clearing this up as soon as possible. I have not yet been able to visit Gorizia or Pola to hear their version, but it would seem that a joint Jugoslav-AMG Telecomm.conference is necessary.

(d) The TELVE Company have similar maintenance problems affecting their outside equipment. The exchanges are functioning, they are undamaged but seem to be suffering from lack of maintenance.

3. GENERAL

(a) As the military commitments are heavy and will remain so, it will be necessary for everybody concerned to get together and improvise circuits as much as possible. It is necessary that service is got under way to as many points as possible otherwise the Department will never earn money.

I am arranging a conference with all the Directors this week and this will be pointed out to them. I feel that much can be done in the way of circuit utilisation. If this can be done without Jugoslav assistence so much the better. If their assistence is necessary then I will approach the S.C.A.O. with a view to holding a Telecomm.conference. The Jugoslavs should be interested since it will mean.increased revenue.

(b) Ab this weeks conference the S.C.A.O. raised the question about the direct line to ROME. I am not completely in the picture on this but I am assuming it will come with the State cable allotment, although I think Major Ayres arranged for it separately.

1[illegible]

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(c) The Italcable Cy. has approached me with a view to their using existing circuits on a hire basis. A conference is being held on this matter.

For the Senior Civil Affairs Officer

H.A. HAYWARD
Major R. Signals
Telecommunications Officer
H.Q. A.M.G. 13 CORPS

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/ev

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS
VENEZIA GIULIA

July 25, 1945

File Ref.: 130/AMG/LD/11.

SUBJECT : ADMINISTRATIVE INSTRUCTIONS TO GENERAL ORDER No 9.
Postal, Telephone and Telegraph Rates and Services.

TO : Director of Societa' Telefonica delle Venezie, TRIESTE
Director Azienda di Stato, TRIESTE.

1.- Attached is copy of General Order No 9 which places the Provincial Directors of Posts and Telegraphs of Pola and Gorizia under the control and supervision of a "Superior Director" who is to continue to exercise his duties as Provincial Director of Posts and Telegraphs of Trieste.

2.- This official, i.e. the Superior Director of Posts and Telecommunications is responsible under this General Order No 9, to publish a Schedule of Tariff rates, limitations, conditions and indemnities for:

a. Postal Services
b. Telegraph Services
c. And also all Telephone Services.

throughout the Occupied Territory subject to the prior approval of the Allied Military Government.

3.- You are to continue your duties in your respective offices under Allied Military Government supervision. You are not under the control and supervision of the Superior Director named in this order except that you will adopt and comply with the Schedule of Tariff Rates, limitations, conditions and indemnities for Telephone services published by the said Superior Director as provided in Article 4 of said General Order No 9.

ALFRED C. BOWMAN
Colonel JAGD
Senior Civil Affairs Officer.

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ALFRED G. BOWMAN
Colonel JAGD
Senior Civil Affairs Officer.

DISTRIBUTION:

2 Officials named (2)
Major HAYWARD, AMG Telecommunications Officer (1)
Major TURNER, AMG Postal Officer (1)
Superior Director of Posts and Telecommunications (1)

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Director
D/Director
Chief Telecoms
Chief Posts
H Q Comm O
Asst Chief Posts
Censorship
Chief Clerk

REP. 157

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APO 394

MONTHLY REPORT

MAY 1945

Ref: 324/EC. 11 July 1945.

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MONTHLY REPORT

MAY 1945

Ref: 824/EC. 11 July 1945.

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

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

MAY 1945

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POLITICAL SUMMARY

1. Political developments during the past month have been dominated by the discussions between members of the Government, the Central Committee of National Liberation and the Committee of National Liberation in Northern ITALY. On 5 May a delegation of the CLNAI, consisting of ten delegates, two from each party, the Labour Democratic Party not being represented in the CLNAI, was brought to ROME by air from MILAN. The delegation presented to Signor BONOMI a five-point programme as follows:

1. Epuration not only in the political but also in the administrative and economic fields;

2. Clarification of the relations between Prefects and Regional and Provincial Committees of Liberation;

3. Economic reconstruction to be financed particularly by those who profited from years of autarchy or by collaboration with the Fascists and the Germans;

4. Agrarian reform;

5. A foreign policy "free from any kind of nationalism" and aiming at democratic collaboration among nations.

2. During the week of discussions in ROME, agreement was almost reached by all the parties on Signor NENNI's suitability as the next Premier. At the last moment, however, the Christian Democratic Party withdrew its support and the discussions petered out. The delegation returned to MILAN on 14 May. The political leaders who had remained in the North were puzzled and inclined to think that the delegation had mishandled the situation and allowed all the prestige, which the CLNAI had won during the days of the popular insurrection, to wane.

3. On 17 May, Signor BONOMI, with various members of the Government and representatives of the Socialist and Action Parties, travelled to Northern ITALY in order to establish contact with Northern political groups. Signor BONOMI confined his visit to his home town of MANTUA but the other leaders visited most of the Northern cities. A week of discussions between the parties followed but serious disagreement developed over the insistence of the three left wing parties on the right of the CLNAI to dictate the composition of the Government. The Liberals and Christian Democrats took the attitude that it must be done in consultation with leaders from the South and by constitutional means, that is, through the Lieutenant of the Realm.

4. A final meeting was held on 23 May between the CLNAI, the Secretaries of the parties and the members of the ROME Government in the North and full agreement was reached on the following lines:

1. It was necessary to form a new Government.

2. The head of the Government should be changed.

3. All six parties should participate in the new Government.

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Regional and Provincial Committees of Liberation;

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4. Key positions in the new Government should be held by men who represented the progressive spirit shown by the people in their struggle for liberation.

Having taken this decision, the political leaders decided to break off the talks for the time being and members of the Government returned to ROME on 25 May.

5. As a result of the talks it seems that Signor DE GASPERI had agreed that Signor BONOMI would not be the next Prime Minister, in order to ensure the inclusion of the Socialist and Action Parties in the new Government. It is understood that Signor BONOMI would not resign until a new cabinet has been agreed.

6. At the/.....

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6. At the meeting of the Council of Ministers on 12 May plans were made for the integration of the police and partisan units and for the incorporation of partisan units into the regular army. Other items of interest are the announcement made by Signor BONOMI on 15 May that 200,000 German prisoners are to be made available for work on Italian reconstruction and the Italian request to the International War Crimes Commission for permission to try, in ROME, those responsible for the Fosse Ardeatine executions.

7. Signor NENNI, speaking on the question of TRIESTE on 10 May, repeated the Socialist thesis that the Italian character of the city could be preserved by a democratic understanding between the Italian and Yugoslav peoples and a rectification of the Eastern frontier in such a way as to do justice to both parties. In short, the final solution should take into account both the "Italian character" and the "European function" of the city. The Democratic Party issued an order of the day on 4 May which was much less conciliatory in tone and affirmed the Italian character not only of TRIESTE but of all VENEZIA GIULIA and ZARA as well and called on all parties to rally to the defence of the integrity of the national territory. The announcement on 6 May that Marshal TITO had appointed a commander of the town of TRIESTE caused general uneasiness and the Council of Ministers on 9 May charged Signors BONOMI and DE GASPERI to take the matter up with the Allied authorities. On 12 May the Council of Ministers, having heard the report of Signors BONOMI and DE GASPERI, asked formally that the occupation and administration of Italian territories be carried out by the powers with which ITALY signed the Armistice. Signor DE GASPERI in an interview two days later told a United Press correspondent that if Marshal TITO persisted in holding TRIESTE by force the result would be a nationalistic and reactionary Government in ITALY with consequent danger to the future peace of EUROPE. On 15 May the ROME newspapers carried the news of the British and American notes to Marshal TITO asking him in substance to turn over VENEZIA GIULIA to AMG. The Democratic Party paper "Italia Nuova" hailed this development with satisfaction as evidence that the Allies were not going to consent to the solution of problems by force and the other party papers followed the same line with the exception of the Communist paper "Unita" which played down the story and affected scepticism as to the existence of the notes.

8. Italian reactions to the reports of French military activities in PIEDMONT have on the whole been very calm and Signor DE GASPERI stated on 14 May that the question was "not important".

9. The economic barrier between the North and the South was lifted on 28 May but the Italian organisation EGAC and its opposite number in the North will continue to exercise control over transport carrying commodities from the North to the South.

10. On 10 May the Supreme Allied Commander decided to return to the Italian administration the Provinces of GROSSETO, SIENA and AREZZO in TUSCANY; TERNI and PERUGIA in UMBRIA; and ASCOLI-PICENO, MACERATA, ANCONA and PESARO in the MARCHE. The port and commune of ANCONA remains however under AMG. This

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11. Liberty of civilian movement in ITALY was restored on 28 May and Italians may now move freely throughout ITALY up to the security control line, which follows the course of the River PIAVE, and the 25-kilometre prohibited frontier zone which stretches along the whole line of the Italian frontiers with FRANCE, SWITZERLAND and AUSTRIA.

PART I/.....

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PART I.

RESUME OF CONDITIONS IN THE NORTH OF ITALY
ON OCCUPATION AND REGIONAL REPORTS.

1. Operations in May were a continuation of the Allied Armies swift breakthrough of the German winter line during April, culminating in the surrender of the German Armies in ITALY on 2 May and finally in the total surrender of GERMANY on 8 May.

2. Shortly after the first of May a new phase of AMG began; this was the establishment of military government in cities and communities which had not experienced the ravages of war and which saw a victorious Army sweep past hard on the heels of a flying enemy. Enormous areas had to be covered by AMG teams who, prepared to find chaotic conditions, found instead outstanding normality. Trains were running in every provincial capital in the North of ITALY, electric light and water were functioning in most large cities and shops were well stocked. The Committees of National Liberation were conducting Provincial and Communal administration with efficiency, and AMG was therefore faced with the entirely novel problem of tactfully taking over the reins from an existing organisation, in contrast to its experience further South where no such organisation was functioning at the time of liberation.

3. Partisans were well organised and took great pride in their part in bringing about the collapse of German tyranny in ITALY. They helped the Committees of National Liberation to establish a government and, in some areas, notably GENOA, they dominated the entire situation until the arrival of Allied Armies. They had been given clear directives as to the arrival of AMG and were helpful and cooperative.

4. Many problems arose in disarming partisans. In those areas where the Army swept through and quickly demonstrated power, the partisans responded at once to the order to disarm and return to civil life; the war had passed them and there was no real need for them to fight to protect their land. In other sectors, where complete liberation was slower, there was another and more difficult problem. The partisans were loth to surrender their weapons until the surrendered German troops were disarmed and removed from such areas. There were also Fascist groups organised for resistance and until they were tracked down the partisans were disinclined to part with their arms. MILAN, TURIN, TRENTO and BOLZANO Provinces were examples of this problem. The CC IV Corps, in collaboration with the Chief of Staff of the Italian Army, therefore issued an order that partisans should be disarmed and their weapons turned in on or before 7 June. This order was, on the whole, well obeyed and by the end of May a steady stream of weapons - mostly rifles - was coming in from the partisans to the collection centres. Many arms however still remained hidden.

5. The defeat of the Fascist and Nazi powers accelerated the volcanic outbursts of accumulated hatred of years and the oppressed were tempted to become the oppressors. Old grudges were in some instances paid off by private killings. The largest number of murders occurred during the first [illegible] the German collapse and especially in large cities such as in [illegible] political motives continued

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5. The defeat of the Fascist and Nazi powers accelerated the volcanic outbursts of accumulated hatred of years and the oppressed were tempted to become the oppressors. Old grudges were in some instances paid off by private killings. The largest number of murders occurred during the first days following the German collapse and especially in large cities such as in MILAN and TURIN. These murders for revenge and for political motives continued throughout the month but on an ever decreasing scale as AMG became more firmly established.

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6. One of the greatest problems which developed with the rapid advance of the Armies in ITALY and the conclusion of hostilities in EUROPE was the uncontrolled movement, mainly across the AUSTRIAN-ITALIAN frontier, of refugees, displaced and stateless persons, Italian labourers who had been sent to GERMANY and Italian Prisoners of War from GERMAN Prisoner of War Camps. This movement started before the full complement of control camps and assembly centres could be set up and extra transport was provided as far as possible by back-loading Army vehicles. During the month about 80,000 Italians returned to

their homes/....

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their homes South of the line MODENA-BOLOGNA-FORLI alone, while many thousands returned to their homes in the North.

7. The food situation was not as acute as was anticipated in the provinces liberated prior to the capitulation of the Germans. Supplies were drawn from Allied Commission food depots and delivered directly to the provincial capitals, placing the responsibility for delivery on the communes or the Consorzio Agrario Provinciale.

LIGURIA REGION.

8. The Regional Committee of National Liberation is working harmoniously under AMG. Many partisans have been demobilized and have returned to their homes and the collection of arms has proceeded from fair in the larger cities to poor in the rural, mountain areas. Deaths by violence are showing a sharp reduction, none occurring in GENOA during the last three days of May. There has been an improvement in law and order.

9. The food situation remained difficult. Bad weather made it impossible for landing craft to unload at the beaches for several days during the month and this made it necessary to haul from LEGHORN to GENOA; the length of the haul severely taxed all resources to keep abreast of the need but the situation was eased by the quantities of vegetables and fruit available.

10. Additional Carabinieri in strength have arrived in the Region but in some places, particularly in LA SPEZIA and IMPERIA, the Carabinieri have not been well accepted by the Partisans; efforts to improve this situation have been made by the assignment of one Carabiniere and one Partisan to work together.

11. A deputation of CLN representatives of industry, finance and the Chamber of Commerce left for ROME to discuss labour problems of Ligurian industries. Metallurgical firms, which form the bulk of the Region's industry, find themselves, after a long period of armament production, responsible for the payment of wages to large numbers of labourers for whom they have no productive employment. Such payments are reducing these companies to bankruptcy but failure to make them will present serious social and political consequences to the workers and the communities of this area. Conversion to peacetime production is hampered by lack of coal.

12. Recent rains have improved the future crop prospects and approximately 2,500 tons of assorted fertilizer is being allocated to farmers. 800 horses are scheduled to arrive in the Region from TURIN for distribution. Fishing is proceeding regularly and distribution of fuel for the bigger boats commenced. No olive oil is being amassed due to disagreement over prices.

13. Local telephone service is available in each province and long distance

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13. Local telephone service is available in each province and long distance service is functioning to each provincial capital. Telegraph facilities are open from GENOA to LA SPEZIA, SAVONA and ALASSIO, and civilian postal service continues to function under Allied Civil Censorship. Rail lines are open to MILAN and TURIN.

PIEMONTE/.....

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PIEMONTE REGION

14. Upon the entry of AMG to Piemonte Region on 5 May, the Regional Committee of Liberation was found to be in complete control. In TURIN, public services were functioning and ample evidence was available as to the splendid work of the partisans in preventing destruction by the retreating Germans.

15. The welcome afforded the Allies was spontaneous and sincere, and the publication of the usual proclamations defining penalties for attacks on Allied troops and restricting movement of civilians caused some bewilderment amongst the population.

16. AMG was faced with two major problems, namely, the tactful acquirement of reins of government from the CLN and the disarming of about 35,000 partisans who, fully armed, thronged the streets and public buildings. The end of May saw the first problem surmounted without major incident and the second well on the way to solution.

17. The occupation by French troops of border areas in AOSTA, CUNEO and TURIN Provinces, the issue by French authorities of various orders to the local inhabitants, and the intermingling of French currency with the official currency, all have complicated the establishment of AMG in the areas affected.

18. Estimates as to the number of Fascist executions in PIEMONTE prior to the arrival of AMG vary between 1,500 and 5,000 and the abolition of tribunals by AMG created certain misgivings as to whether the Allies intended to deal stringently with Fascists. However, illegal executions ceased immediately and the Region quickly settled down to an orderly routine.

19. Political activities have been on a surprisingly small scale, the Communist being the most active party.

20. The food situation is fair but, for a surplus producing area, few large stocks are held. Wheat planted is 25,000 hectares, approximately 8% less than 1944, and the rice planted is approximately 18% less than the 1944 figures. The total head of cattle is estimated at 40% below normal, and slaughtering therefore will have to be minimised.

21. The health of the civilian population is exceptionally good. One case of typhus, an Italian PW who arrived in AOSTA from GERMANY, has been discovered.

22. The high sense of discipline and order amongst the general population has been a feature in the rapid and peaceful transition from war to peace conditions.

23. The recovery of the Region's prosperity depends entirely on the importation of coal and raw material.

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LOMBARDIA REGION

24. All political activity in LOMBARDIA, especially in MILAN, centered in the attempt to solve the governmental crisis by the inclusion of representatives of Northern ITALY in the Italian Government. Basic and fundamental political agitation and labour unrest hinged, however, upon the rising cost of living, the demand on the part of the workers for payment of salaries despite the fact that industries were not in production, demand on the part of the workers for a real epuration of industry, insistence by all parties, especially parties of the left, that governmental epuration should take place and that those who collaborated with the Germans and with the Fascist Republicans be punished.

25. Damage to/.....

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25. Damage to works and buildings in LOMBARDIA with the exception of MILAN city, was less than anticipated. Although there has been some damage to transmission lines and substations, there has been no serious damage to generating plants; there is approximately 1,000,000 KW of generating capacity installed in the Region, of which 994,000 KW is hydro and the rest thermal. 8,000 tons of calcium carbide is estimated to be in stock in Northern ITALY and a good stock of ferro-silicon and some silicon manganese are also available.

26. About 7,000 horses and mules are being brought in to LOMBARDIA Region from Northern ITALY.

27. There were no serious civil disturbances in the Region although demonstrations took place. The number of murders committed in MILAN city showed a decline by the end of the month and the Guardia di Finanza and the Guardia Municipale were efficient. There were very few cases for trial in AMG courts. Italian courts functioned normally throughout the Region and a section of the Court of Cassation was established at MILAN to deal with appeals brought from the Special Courts of Assize. The Special Courts of Assize were sitting in all provinces.

28. Public health in the Region is good, but there is an increase in cases of tuberculosis and venereal disease. Insulin presents the only acute shortage in medical supplies at the moment. Provincial Welfare Departments were established in all provinces except SONDRIO. Municipal restaurants were functioning on the arrival of AMG and these are being continued.

29. Since 1 May 12,452 displaced persons have been registered and handled by Displaced Persons Camps in LOMBARDIA Region. Eight camps have been established with a total capacity of 22,500.

30. With exception of two road services, MILAN to BOLOGNA and MILAN to VERONA, all provinces are served by rail communication. All telephone services, with the exception of the MILAN-BOLOGNA line, were opened during the month.

VENEZIE REGION

31. Owing to the presence of large enemy forces trapped up against the Alps the five Western Provinces remained under control of FIFTH Army throughout the month, though, by mutual agreement, much of the routine administration was carried out by AMG Venezie Region.

32. Large numbers of patriots were found in the Region. In the plains they were largely underground groups, but in the hills, particularly in BELLUNO, UDINE and TARVISIO, there were large well-armed formations with a fair degree of discipline and military organisation; they had played an important part in blocking the German escape routes and in saving from destruction the hydro-electric plants in the mountain valleys. The disarming

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33. On the whole, CLNs have been helpful and cooperative. All the ten Prefects in the Region were local nominees and it was obvious that any attempt to introduce career Prefects from the South would be resented. The men now holding office have given an impression of keenness and a desire to help in the reconstruction of their country.

34. Refugees/.....

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34. Refugees proved a real problem. Contrary to expectations, the main flood of refugees came, not down the BRENNER PASS, but out of AUSTRIA through TARVISIO, then by UDINE. During the month about 100,000 refugees and displaced persons were officially evacuated by Army motor transport down the route UDINE - TREVISO - MESTRE - PADOVA. Many tens of thousands of others made the journey on foot.

35. Some towns such as VERONA and BOLZANO were badly damaged, but many others, including the Island of VENICE, were untouched. Road and railway communications were interrupted by broken bridges, but not to the extent found in Central and Southern ITALY. An urgent problem was the repair of the damaged embankments of the Rivers ADIGE and PO before the rivers rose with the melting snow. Assistance was given by EIGHTH Army and the situation was in hand by the end of the month. Electric power plants were almost undamaged.

36. The possibility of inland water transport through the network of canals along the Adriatic Coast is being considered. The opening of the port of VENEZIE at the end of the month improved the transport situation in the Region.

37. Food was in fairly good supply except in the Eastern communes of UDINE where raiding parties from VENEZIA GIULIA had cleared the countryside of foodstuffs. There were no serious outbreaks of disease.

38. In the East the dispute with YUGOSLAVIA on the VENEZIA GIULIA caused a concentration of troops in Eastern UDINE and as a result, certain difficulties with the patriots. In BOLZANO the existence of a large German speaking population caused concern but this was mainly a FIFTH Army problem.

39. The Southern Provinces of VENEZIE Region normally obtained considerable quantities of methane gas, a substitute for petrol, from ROVIGO Province. It was found necessary to use the methane pipe line from ROVIGO to PADOVA for military petrol and it is hoped that it will be restored to civil use for methane gas towards the end of June.

EMILIA REGION

40. There have been no political clashes but the Communist Party is very well disciplined and is particularly strong in BOLOGNA Province, while the Socialist Party has its greatest following in REGGIO-EMILIA and PARMA. The Christian Democrat Party and the Liberal Party are still in the early stages of organisation.

41. All the provinces in EMILIA Region were able to supply a bread ration from their own flour stocks. Salt, sugar, lard and milk were supplied in the Region, and on the whole the food situation was exceptionally good, BOLOGNA city affording the only problem. Drought and damage caused by war will, however, lead to a considerably smaller harvest this year.

42. All banks are open and deposits are considered satisfactory.

43. Public health was good but the sanitary conditions [illegible]

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43. Public health was good but the sanitary conditions and the water supply of BOLOGNA city were a major problem. The electricity supply, which has been good in all other provinces, has been poor in BOLOGNA where heavy damage was done. The greatest obstacle to industrial recovery is the lack of coal, POL and civilian transport.

44. The initial phases of liquidation of fascists by patriots and others has been succeeded by a wave of crimes of murder, extortion and abduction, often to further private ends. The witnesses/are not come forward and the Carabinieri, who are badly officered and poorly equipped, are afraid to press their investigations for fear of reprisals.

45. Reorganisation/....

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45. Reorganisation of the universities and schools is proceeding most satisfactorily and, with a few exceptions, Italian courts are functioning. Limited telephone and postal services are now available.

46. A gram of radium valued at 100,000,000 lire and said to constitute one-fiftieth of the world's supply, was restored to the University of BOLOGNA, after being hidden for eight months from the Germans by patriots.

47. Out of approximately 31,000 patriots, all but 500 have returned to their homes. Demobilization parades were held in BOLOGNA, MODENA, REGGIO, PARMA and PIACENZA.

48. Over 60,000 Italian refugees and other nationals passed through the displaced persons camps during the month.

TOSCANA REGION

49. Food supply throughout TOSCANA Region has improved slightly due to a small increase in the availability of meat, fish and fresh vegetables. The salt ration has been increased to 250 grams a head each month.

50. Agriculture has been impeded in APUANIA and, to a lesser extent, in Northern LUCCA Province, due to the large number of mines. Over 77,000 quintals of olive oil and 1,888,512 quintals of wheat have been amassed. Removal of some of the restrictions on fishing have resulted in increased production.

51. There have been no alarming outbreaks or disorder although several murders and thefts have been reported in FLORENCE Province. There was a prison break at Santa Teresa Prison, FLORENCE, as a result of which about sixty five inmates escaped but almost half of them have been recaptured. The reduction in the number of Carabinieri allotted to this Region (owing to the need of them in the newly liberated Regions) is causing concern, particularly among civilian officials who anticipate trouble when Allied control is discontinued.

52. There was a typhoid outbreak of small proportion on the Island of ELBA which was attributed to the contamination of fresh vegetables. Scabies in APUANIA is quite prevalent but active steps are being taken to combat the disease. Undulant fever continues to be a problem and one which has proved very difficult to solve due to the lack of active cooperation on the part of the owners of milk-producing animals. Generally the health of the Region is good but there has been a large increase in the number of cases of tuberculosis.

53. There has been an increase in unemployment mainly due to the removal of military units. Civilian telephone service is available to all Provincial capitals of TOSCANA except MASSA..

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AMG ANCONA COMMUNE.

54. There has been little activity by any of the political parties during the month and the May Day celegrations, held for the first time for over twenty years, passed without incident.

55. Communal administration worked smoothly and the cost of living is on the downgrade. The relaxations in fishing restrictions resulted in catches being more than doubled.

56. War damage to buildings and water supplies was still the most serious problem but repairs to the reservoirs are almost completed. A regular train service for civilian use is now running between ANCONA and ROME.

57. On the whole, public health in the Commune has been good, but due to overcrowding, lack of water and soap, scabies has increased in the city and it has been necessary to establish an anti-scabies centre where treatment can be given.

AMG NAPLES/.....

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AMG NAPLES COMMUNE

58. The end of hostilities in ITALY and EUROPE produced no startling reactions in NAPLES, which remained quiet during the month. Pride in the part played by the Italian partisans was tempered by surprise at the shooting out of hand of MUSSOLINI, his mistress and fascist leaders, and more particularly by repugnance at the primitive display of feelings displayed when the dead bodies were treated with contempt in MILAN. A demonstration in NAPLES on V.E. Day was orderly and reference to the Allies drew spontaneous applause. The Supreme Allied Commander's announcement on the subject of TRIESTE had a stabilizing effect on the Neapolitans.

59. Thefts of industrial and commercial goods still continue on a large scale and the murder of one Allied soldier has been reported.

60. Drought is seriously affecting crops over a widespread area so that grain requirements for next year will have to be increased.

61. NAPLES Commune has eighteen soup kitchens organised in the city from which approximately 11,000 rations are issued daily to the very poor. The ration consists of soup made up from soup powder supplied by the Allies, some dried vegetables and pasta, and is approximately 100 grams a head. The Cardinal Archbishop has a separate organisation for a similar purpose. 63,430 repaired garments were distributed during May.

62. The discontent over wages paid by the Allies as compared with those paid by trades in NAPLES continued. A meeting of the Labour Committee to consider figures with representatives of Italian labour resulted in an increase of 65 lire a day for skilled labour and 35 lire a day for other labour.

LIAISON OFFICER BARI.

63. There has been little of outstanding importance to report and few incidents occurred during the month. All civilians rendered homeless by the explosion, which occurred in the harbour on 9 April, have now been accommodated. The drought has caused considerable damage to the crops and the harvest is expected to be poor.

64. Food distribution has been satisfactory and it has been decided to form Price Control Commissions in all provinces in APULIA and LUCANIA; prices for unrationed foodstuffs, clothing and medicines have already fallen from 20 to 40 per cent.

65. Public health has been good and there have been no epidemics.

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LIAISON OFFICER SARDINIA.

66. On the whole the public followed the activities of the political parties with indifference and sought more than anything else a solution to the governmental crisis which would recognise the real interests of the country, especially in the fields of political economy and finance.

67. The exceptional dryness and the serious grasshopper menace have destroyed much of the cereal crop. It is expected that not more than a few thousand tons of grain will be harvested. Fruit and pastures have been damaged due to drought and weather conditions.

68. 38,241 tons of Sulcis coal were mined during May showing an increase over the 28,600 tons mined in April. 14,980 tons of this total were exported.

69. Public/.....

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69. Public health remained satisfactory inspite of poor living and hygiene conditions which have been aggravated by war devastation.

LIAISON OFFICERS PALERMO AND CATANIA.

70. Enthusiasm for the Separatist movement appeared to be on the wane and little attention was paid to the political crisis but the problem of TRIESTE and VENEZIA GIULIA is a constant topic and the development of the situation is followed with deep interest.

71. The arrival of a considerable number of partisans created new problems; they demanded jobs and their domineering behaviour caused many minor disturbances.

72. There is a considerable amount of lawlessness in the island mainly due to the reduced number of Carabinieri and their poor morale.

73. An acute shortage of prison accommodation is affecting the functioning of the courts. Hundreds of cases are outstanding and totally inadequate sentences are imposed on those convicted.

74. There were 38 cases of typhus at CAPIZZI in the province of MESSINA resulting in ten deaths. At RAMACCA in the province of CATANIA fourteen cases of typhus were reported with no deaths. Two persons at PALERMO have died of the disease and there have also been two cases of smallpox in the town.

75. The new harvest has been seriously affected by the lack of rain.

PART II/.....

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CIVIL AFFAIRS SECTION

Defascism.

1. Several new Italian decrees were published in May. DLL 179, which permits the appointment of lawyers in the place of judges on Epuration Commissions, will relieve judges for normal duties and for the special Courts of Assize. DLL 195 enacts penal sanctions in the event of any repetition of fascist activity and DLL 196 confers on the High Commissioner for Sanctions against Fascism powers to appeal against sentences passed in matters dealing with fascist crimes.

2. An Italian decree dealing with the epuration of directors of private companies has not been enacted, although requested by this Commission, owing to the cessation of legislative activity of the Italian Government during the political crisis.

3. In the principal Ministries 35,539 of the 47,577 employees have been scrutinised and 7,188 have been sent for trial; 709 employees have been dismissed, 308 have been sentenced to compulsory retirement and 360 received lesser punishment. Of this total, 4,052 cases have been concluded.

Mine Clearance.

4. In territory newly liberated the mined area extends from the Adriatic coast across EMILIA and LIGURIA Regions to the Mediterranean. The coasts are heavily mined as are the northern provinces of TOSCANA Region.

5. Mine Clearance Units are being organised in these Regions. Schools have been opened in GENOVA and BOLOGNA, and other schools are being opened when instructors and equipment are available.

6. The total number of mines lifted during the past month was 91,231. This figure was lower than the previous month due to the fact that the 562/3 Companies have been moved to EMILIA Region and are at present being organised in that area.

7. The whole scheme is hindered by lack of transport and other equipment.

LOCAL GOVERNMENT SUB-COMMISSION.

8. The printed forms and documents for the preparation of Electoral Lists have been distributed to the provinces of TOSCANA Region which remain under Military Government. The Italian Government is printing the material for the five Northern Regions, in readiness for the time when it may be decided to commence the preparation of electoral lists in Northern Italy.

9. A reply has been received to the Allied Commission's recommendation that the provisions of the Decree of 1915, on the conduct of Municipal Elections, which the Italian Government proposes to revive, be amended so as to ensure a Free and independent ballot. The Italian Government states that in its opinion the system is adequate and requires no amendment. This reply is under examination.

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3. In the principal Ministries 35,532 of the 47,577 employees have been scrutinised and 7,188 have been sent for trial; 709 employees have been dismissed, 308 have been sentenced to compulsory retirement and 860 received lesser punishment. Of this total, 4,052 cases have been concluded.

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LOCAL GOVERNMENT SUB-COMMISSION.

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9. A reply has been received to the Allied Commission's recommendation that the provisions of the Decree of 1915, on the conduct of Municipal Elections, which the Italian Government proposes to revive, be amended so as to ensure a free and independent ballot. The Italian Government states that in its opinion the system is adequate and requires no amendment. This reply is under consideration.

10. Out of thirty-seven Provinces (excluding VENEZIA GIULIA) liberated during April and May, Prefects are reported to have been formally appointed in only twelve Provinces, all of which are in CAMPANIA and VENEZIA Regions. 165 In thirteen other provinces individuals are acting as Prefects with the consent of the Regional Commissioner in his capacity as PMGAO, but formal confirmation by the PGAO has not yet been given. In all these cases the Prefects, or those acting as such, are nominees of the CLN and no case has been reported of the appointment of any of the career officials nominated by the Italian Government in NOB.

11. Requests have been received for career Vice-Prefects to be supplied for the provinces of FERRARA, BOLOGNA, PIACENZA, MODENA and PARMA. Delay is being experienced in obtaining nominations from the Italian Government.

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EDUCATION SUB-COMMISSION.

12. The major work of the Education Sub-Commission during May was in the five Northern Regions. Much of the ground work had already been done by the Committee of National Liberation and as a matter both of AC policy and because of shortage of staff, Education Officers have utilised the CLN to the utmost.

13. It was found that the CLN had set up a Regional Education Office and, in many cases, provincial education committees. The provincial school committees of CLN were retained as advisory bodies for the Regional Education Officer and Provveditori agli Studi. The Regional or Provincial CLN had dismissed Fascist personnel and appointed new provveditori and, in many cases, new school heads and inspectors. While such suspensions and appointments still have to be confirmed, the new appointees were able to handle the schools until more careful and legal action could be taken.

14. In LIGURIA 1,247 of the 2,570 schools are available for use. Of the balance 987 are damaged or destroyed and 223 occupied by troops or refugees. In the city of GENOVA only 16 of the 515 school rooms are available and classes are being held in odd rooms here and there and teachers homes. Full statistical data are not yet available from other Regions.

15. The redisposition of requisitions throughout ITALY is being examined with AFHQ.

16. In LIGURIA, schools generally were reopened; in the other Northern Regions many reopened only for final examinations because they had functioned almost normally during most of the year. Wherever the school year was badly interrupted, however, summer sessions are being provided.

17. The printing of the defascized series of elementary text books for the current year came to a close early in May, the total having reached two million.

18. In the north all universities and other higher institutions of learning and cultural organizations such as operas and orchestras are being epurated and Pro-Rectors or temporary directors have been appointed. University examinations are being held. Orchestras and operas are being made available to Allied Troops and some universities are offering courses for troops. Faculties of political science have been abolished.

19. Very few university buildings in the north have been requisitioned but many are severely damaged or destroyed.

20. Boy Scouts organizations, and to some extent Girl Guides, are getting under way in the North and are steadily increasing in the rest of Italy.

21. Publications desired by the National Library in NAPLES have been gathered by the American Library Association and have begun to arrive in Italy.

LEGAL SUB-COMMISSION.

22. There has been a substantial reduction in the number of cases heard by AMG Courts. The position in NAPLES Commune (AMG) has remained almost unchanged and there is still a heavy volume of work at [illegible]

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action could be taken.

14. In EMILIA 1,247 of the 2,570 schools are available for use. Of the balance 967 are damaged or destroyed and 223 occupied by troops or refugees. In the city of BOLOGNA only 16 of the 315 school rooms are available and classes are being held in odd rooms here and there and teachers homes. Full statistical data are not yet available from other Regions.

15. The redisposition of requisitions throughout ITALY is being expedited with AFHQ.

16. In EMILIA, schools generally were reopened; in the other Northern Regions many reopened only for final examinations because they had functioned almost normally during most of the year. Wherever the school year was badly interrupted, however, summer sessions are being provided.

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LEGAL SUB-COMMISSION.

22. There has been a substantial reduction in the number of cases heard by AMG Courts. The position in NAPLES Commune (AMG) has remained almost unchanged and there is still a heavy volume of work at LIVORNO Commune (AMG): in this latter port, however, shortage of AMG personnel has necessitated the transfer of many cases to the Italian Courts. The most serious cases heard in NAPLES were prosecutions for the counterfeiting of A.M. lire on a large scale. Sentences up to 15 years imprisonment were imposed.

23. In North ITALY the number of AMG Court cases has been very small and have been mostly concerned with curfew offences and violations of travel permits. There has been a small number of prosecutions for possession of arms.

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24. The principal legal activity in North ITALY has been the establishment and operation of the Special Courts of Assize, for the trial of persons charged with collaborating with the enemy, and of the Special Section of the Court of Cassation in MILAN for the disposal of appeals from these courts.

25. The courts are now established and functioning in every province of the northern regions. There is difficulty in the provision of the large number of judicial personnel required to preside at these courts but this problem is being overcome. The number of persons at present in gaol awaiting trial before these courts is very large. For example, in REGGIO EMILIA there are estimated to be 1,200, in GENOA 1,600, in PADUA 2,000 and in MILAN 5,000. In MILAN Province, three persons out of twelve have been sentenced to death, in other Provinces in LOMBARDIA, none.

26. General Order No. 46 has been issued in the North to establish and regularise a form of epuration in private industry.

PUBLIC HEALTH SUB-COMMISSION.

27. Public health reports from the Northern Regions are most satisfactory. There have been no epidemics, water supplies are untouched, hospital accommodation is adequate and many medical supplies have been discovered.

28. The refugee problem is one which is causing anxiety from a Public Health point of view. The return to ITALY of hundreds of thousands of refugees and displaced persons, many of them louse infested and coming from typhus stricken areas and many suffering from tuberculosis and malnutrition is a matter for concern: all interested agencies are fully alive to the potential danger of this mass movement. The Swiss Government through the International Red Cross has offered the assistance of 80 doctors and 150 soldiers from Swiss Army medical units for the purpose of establishing a sanitary cordon between LAKE GARDA and the Adriatic to prevent the spread of illness. The mass disinfestation of returning refugees necessitates the use of large quantities of DDT in excess of stocks held by AC. AFHQ, with ready appreciation of the situation, have agreed to make Army stocks available and have also indicated that the military will, if asked, render every possible assistance in solving public health problems in ITALY.

29. Infant mortality in ROME is decreasing. The April figures were 70.7 per thousand as compared with 87.4 in March and 111.5 in February. Deaths from all forms of tuberculosis in ROME were 237 in April as compared with 256 in March.

30. The Ministry has re-established the pre-war allocation of funds for the control of communicable animal diseases. The incidence of animal diseases was not high during the month, foot and mouth disease being only sporadic and a few cases only of brucellosis being reported from GROSSETO. 160,000 swine in Central and Southern ITALY and SARDINIA have been vaccinated against swine cholera.

31. Lack of proper coordination between UNRRA and the Ministry of Interior has led to delay in the delivery of supplies to many provinces. Medical supplies to cover the first six months of the current year are arriving at NAPLES, BARI and LEGHORN.

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LOMBARDIA, none.

26. General Order No. 45 has been issued in the North to establish and regularise a form of epuration in private industry.

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PUBLIC SAFETY SUB-COMMISSION.

32. Immediately upon the liberation of the North and before AMG was firmly established, certain bands of Partisans took the law into their own hands and instigated mass killings of known Fascists; armed men masquerading as partisans satisfied personal grudges by extortion and murder; wholesale political arrests, often unsupported by sufficient evidence, kept the prisons in a bad state of overcrowding. However, towards the end of the month the authority of AMG began to be realised, demonstrations were fewer and more orderly, the numbers of murders and cases of extortion committed were substantially smaller and courts were set up; the Northern Regions began to settle down to a normal life and security began to be restored to the people.

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33. Questori and Vice Questori in the North in most cases are CLN appointees, most of them with little or no former police experience. Career Questori from the South are resented but appointments are being made as the situation tempers sufficiently.

34. Forgeries of Allied currency are being suppressed in the South and except in a few localities have not appeared in the North.

35. Prostitution is a continuing major problem in the South and preventive control measures are being instituted in the early stages in the North where, due to mobility of U.S. troops, it has not yet become a problem.

36. Relations between Allied Military Police Units and Italian Police are excellent in the North. A few clashes in the South have been reported but no major adverse condition has arisen.

MONUMENTS, FINE ARTS & ARCHIVES SUB-COMMISSION.

37. Preliminary reports show that movable works of art in N.W. ITALY and in the PO Valley are safe and in good condition. A cache of works of art, believed to be from VENEZIA, is reported near KLAGENFURT. Ninety nine per cent of the missing TUSCAN works of art have been recovered in two caches in BOLZANO Province in good condition.

38. Notable items not yet accounted for are two crates of precious antiquities from CYRENAICA, transported to the North in 1943 from the Museo Coloniale in ROME and no confirmation has yet been received of press reports that the Neapolitan works of art missing from MONTECASSINO have been recovered. Almost the entire German Fine Arts staff and their records have been captured.

39. Damage to monuments in the North West is slight, except for the heavily bombed cities of GENOA, MILAN and TURIN. In general in the PO basin outside VENEZIA isolated monuments only were damaged, in particular at PARMA the Teatro Farnese and at BRESCIA S. Maria dei Miracoli. In VENEZIA, VERONA and VICENZA are severely damaged. Libraries have suffered heavily, notably at TURIN and BRESCIA.

40. Air raid protective covering is being demolished and two temporary exhibitions for troops are already open in VENICE, one of VENETIAN primitives, the other of the famous classical and renaissance bronzes. The new museum at OSTIA opens on 12 June.

41. It is reported that, on the whole, condition of Archives in the Northern Provinces is good.

PATRIOTS BRANCH.

42. Considerable headway was made with the dispersal and disarming of Patriots, particularly in the agricultural areas; in the frontier districts and the large cities the Patriots have proved somewhat unwilling to lay down their arms and go home but those that remain are for the most part still in their original formations and well disciplined. In addition the Allied authorities have found it necessary to retain a number of Patriots for special

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43. Twenty-three Patriot Centres were in operation by the end of May.

44. The immediate enlistment of 4,000 volunteers into the Italian Army

/has been .....

has been sanctioned, and the three screening (Recruiting) agencies under control of AMG have reverted to Italian Army control for use, if required, in connection with this intake.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

45. The rapidity of the advance of the Armies in ITALY and the conclusion of hostilities in EUROPE resulted in uncontrolled movement, mainly across the AUSTRIAN-ITALIAN frontier, starting before the full complement of control camps and assembly centres could be set up. The movement of these refugees has been aided by back-loading empty Army transport. About 80,000 Italians have returned to their homes South of the line MODENA-BOLOGNA-FORLI and many thousands have returned to their homes in Northern ITALY. Apart from returning Italians, some Poles and Jugoslavs, uncertain of the eventual position in their respective countries, have moved into ITALY.

46. A civilian doctor, working directly under the Camp Commandant, has been allocated to each refugee camp. On 1 June UNRRA are to take over distribution of supplementary rations to Allied Nationals. A medical survey of Northern ITALY is being carried out with a view to typhus and tuberculosis control.

47. At the end of the month a total of 79,946 persons were recorded by the Records Bureau covering 72 different nationalities. Of these the location of approximately 60,894 is known and the remaining 19,052 were known to have been in ITALY during the past year.

48. While financial assistance for these displaced persons and refugees will probably be needed in due course the whole situation is, at present, so fluid that any programme which could be effected would benefit relatively few people. Meanwhile, the Swiss Consular Office is continuing loans to AMERICANS, GREEKS, POLES, YUGOSLAVS, and a few other nationalities.

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PART III.

ECONOMIC SECTION.

AGRICULTURE SUB-COMMISSION.

1. Damage to land reclamation and forest areas in Northern Regions has been slight.

2. Crop estimates throughout ITALY are not as promising as had been hoped, due to extensive drought, shortage of fertiliser in recent years and frost in Northern areas. Grasshopper outbreaks in SARDINIA could only be partially controlled due to the lack of preventative material.

3. The 1944 Granai del Popolo collections reached 1,165,857 metric tons of wheat. A decree controlling the 1945 harvest in Italian Government territory and General Order No. 40, carrying out the terms of that decree in Military Government territory, were published.

4. Redistribution of livestock continued and captured draft animals were allocated to civil needs in Northern ITALY.

5. Relaxation of regulations have resulted in extensive fishing operations, and for the first time in many years the fishing industry reported a large catch in all areas.

COMMERCE SUB-COMMISSION.

6. It was agreed that the Ministry of Industry, Commerce and Labour would take over the complete control of distribution of tyres and tubes in Italian Government territory. The necessary Ministerial Directive has been drafted and approved by this Headquarters.

7. 1,000 tons of newsprint arrived from AMERICA, but 600 tons were used for the repayment of a loan made by AFHQ Printing and Stationery Services Directorate from Mideast stocks. 1,022 tons of newsprint were located in Northern ITALY and utilized for printing newspapers in the Northern cities.

8. Approximately 1,500 Kgs. of raw silk from 1944 crop have been successfully hidden from German requisitions.

9. Shipments during the month represented a value of over 100 million lire. With the expansion of COSENA (Shipping) activities and the relaxation of control by the Allies, it became necessary to hand over to the Italian Government complete control of supplies of POL for COSENA.

10. The Regional Welfare Officers of PIEDMONT, LOMBARDIA, LIGURIA, EMILIA, VENEZIA and TOSCANA Regions were allocated 15,000 blankets each for distribution to hospitals and war refugees.

FINANCE SUB-COMMISSION.

11. The 5% five year issue of Italian Treasury Bonds has been most successful,

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10. The Regional Welfare Officers of PIEMONTE, LOMBARDIA, LIGURIA, EMILIA, VENEZIA and TOSCANIA Regions were allocated 15,000 blankets each for distribution to hospitals and war refugees.

FINANCE SUB-COMMISSION.

11. The 5% five year issue of Italian Treasury Bonds has been most successful, a total of 31 billion 15 million lire having been subscribed. The Minister of the Treasury wished to extend the loan to Northern Italy but decided not to do so in the face of opposition from the CLNAI.

12. Information uncovered in Northern ITALY indicates that from 10 September 1943 to 30 April 1945 the Republican Fascist Government spent 359,6 billion lire, of which 189 billion lire represents German occupation costs and reimbursement to Germany of war costs.

13. The total Italian Government indebtedness is now approximately 950 billion lire, of which 250 billion is consolidated and redeemable and 600 billion floating debt. The currency circulation of Italy is now approximately 285 billion lire exclusive of the 61.3 billion AM lire in the hands of the Italian public and banks on 31 March 1945.

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14. It is estimated that the budget deficit for all of Liberated ITALY for the fiscal year 1944-45 will be approximately 350 billion lire.

15. No AM Lire or metropolitan lire will be used to pay surrendered German troops in ITALY. German Army funds are being seized as war booty and the problem of collecting lire currency now in the possession of individual German soldiers is being investigated.

16. The Council of Ministers has passed a decree which established a new foreign exchange control agency, the Ufficio Italiano dei Cambi, and liquidated the old agency, Istcambi. The new agency will have an autonomous management headed by the Governor of the Banca d'Italia and under the control of the Ministry of the Treasury.

17. Twenty-three tons of gold discovered at FORTEZZA, near BOLZANO has been transported to ROME and placed in the vault of the Allied Financial Agency Sub-Section, pending instructions as to its disposition. The Banca d'ITALIA has stated that this gold was part of the Bank's gold reserve which was taken north by the Fascist Republican Government prior to the liberation of ROME.

18. All currency seized from the enemy or found abandoned will be turned over to the Finance Sub-Commission pending later settlement. Several billion lire have already been received. It is planned to reopen stock exchanges in MILAN, GENOA, TURIN and VENICE early in July and the opening will take place simultaneously in all these cities.

FOOD SUB-COMMISSION.

19. Allied Commission food stockpiles on Eastern and Western coasts were more than adequate to cope with the demands of the Northern provinces and transport was the controlling factor in determining the amount of food that could be issued. By the end of the month a total of over 19,000 tons of food had been issued from warehouses on the East coast, distributed over the whole of the PO Valley and over 5,000 tons from the warehouses on the West coast were distributed to the Ligurian coast.

20. Considerable stocks of grain, rice, sugar and cheese have been declared in Northern Provinces and these will be incorporated in plans for the provisioning of North ITALY.

21. Imports of foodstuffs during the month were again on a large scale. In particular, cereal imports were heavy, amounting to over 140,000 tons, which enabled reserves of grain to be built up in all the deficiency areas so that the grain supply is now amply assured until the next harvest.

22. The figures of locally produced grain are still satisfactory, there being 198,000 tons in warehouses, of which 84,000 tons are still available for allocation.

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23. 17,500 tons of foodstuffs were moved by rail and over 4,000 tons were moved coastwise during the month. These figures are in addition to the large quantities moved by Italian organisations. Salt shipments during the month were lighter but the Southern position is very satisfactory and there are considerable reserves in the ROME and NAPLES areas.

24. The yeast position has been materially improved with the liberation of the North. Plants have been found in good working order at MILAN, GENOA, PADUA and UDINE. In addition, the yeast production at BARLETTA has been increased.

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25. The midshift meal for workers employed by the armed forces has been increased by the addition of 125 grams of bread a meal. A supplementary ration for harvest workers of 150 grams of bread and 50 grams of paste has again been adopted for this year's harvest.

INDUSTRY SUB-COMMISSION.

26. Ninety per cent of industrial capacity of the North has escaped destruction and industry in ITALY is now dependent only on imports of coal, cellulose, rubber, cotton and wool.

27. The reopening of the Soda Solvay Works at ROSIGNANO on 23 May has increased production of glass, washing wool, pharmaceutical goods and has considerably reduced the price of caustic soda.

28. There has been an improvement in the production of SARDINIAN coal and the Italian Government has been urged to encourage and foster further increases in production. The production of lignite has been handicapped by shortage of transport and labour. The lack of coal is the main problem in the North as it is of vital importance to Italian economy. All industries are dependent on this fuel in some way or another and normally ITALY had to import more than one million tons of coal a month. At the present time only about 300,000 tons of coal a month are scheduled for ITALY and even this supply is uncertain. Employment in the industries affected, which had in times of peace a payroll of nearly five and a half million, will be seriously endangered and a consequent unemployment of four to five million may easily result. Many plants which have raw material available have already been forced to close or to reduce production from lack of coal.

29. Cement requirements for the whole of ITALY can now be produced if coal is made available.

30. Arrangements have been made for the shipment of about 500 tons of M.T. spares from ALEXANDRIA and 800 - 1,000 tons from ERITREA. AFHQ has been asked to release a portion of the 300,000 discarded tyres held in ALEXANDRIA.

31. 44,000,000,000 matches are available in Northern ITALY and, once movement has been arranged, rationing will not be necessary in Southern ITALY. Production capacity for matches and raw materials are adequate to meet ITALY's needs with a possible surplus for export.

LABOUR SUB-COMMISSION.

32. Allied Military Government administration of labour in EMILIA, LOMBARDIA, LIGURIA, PIEMONTE and VENEZIA was established during the month. Industrial plant and establishments were found to be in good condition but shortage of coal and supplies, the return of refugees demanding their old employment and the dislocation occasioned by the change from war to peace time production will inevitably produce grave unemployment problems. Relief schemes are being planned and temporary arrangements have been made for the continuance of the "Cassa Integrazione" to assist firms in paying a guaranteed wage.

[illegible] in Northern ITALY but prices are rapidly rising

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28. There has been an improvement in the production of SARDINIAN coal and the Italian Government has been urged to encourage and foster further increases in production. The production of lignite has been handicapped by shortage of transport and labour. The lack of coal is the main problem in the North as it is of vital importance to Italian economy. All industries are dependent on this fuel in some way or another and normally ITALY had to import more than one million tons of coal a month. At the present time only about 300,000 tons of coal a month are scheduled for ITALY and even this supply is uncertain. Employment in the industries affected, which had in times of peace a payroll of nearly five and a half million, will be seriously endangered and a consequent unemployment of four to five million may easily result. Many plants which have raw material available have already been forced to close or to reduce production from lack of coal.

29. Cement requirements for the whole of ITALY can now be produced if coal is made available.

30. Arrangements have been made for the shipment of about 500 tons of M.T. spares from ALEXANDRIA and 800 - 1,000 tons from ERITREA. AFHQ has been asked to release a portion of the 300,000 discarded tyres held in ALEXANDRIA.

31. 44,000,000,000 matches are available in Northern ITALY and, once movement has been arranged, rationing will not be necessary in Southern ITALY. Production capacity for matches and raw materials are adequate to meet ITALY's needs with a possible surplus for export.

LABOUR SUB-COMMISSION.

32. Allied Military Government administration of labour in EMILIA, LOMBARDIA, LIGURIA, PIEMONTE and VENEZIE was established during the month. Industrial plant and establishments were found to be in good condition but shortage of coal and supplies, the return of refugees demanding their old employment and the dislocation occasioned by the change from war to peace time production will inevitably produce grave unemployment problems. Relief schemes are being planned and temporary arrangements have been made for the continuance of the "Cassa Integrazione" to assist firms in paying a guaranteed wage.

33. Wages are lower in Northern ITALY but prices are rapidly rising and demands for wage increases are bound to develop. In BOLOGNA one wage increase has already been approved.

34. In Central and Southern ITALY wage increases continue to be negotiated in various districts, no serious trade disputes have occurred and the Italian General Confederation of Labour has launched a campaign with a view to reducing the cost of living. Adjustments of the Armed Force Wage Scale to conform with prevailing rates in private industry have been made in ROME, NAPLES, BARI, SALERNO, TARNI and PALERMO.

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PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

35. Highways in Northern ITALY are in fair condition and it is not anticipated that serious difficulties will be encountered in repairs and maintenance; temporary bridges or diversions have been made on all principal routes.

36. Public utilities in Northern areas have not been seriously impaired and repair work is well in hand.

37. It is estimated that nearly 400 Communal Housing Committees are now organised and working and a total of 17,739 housing repair projects have been started and 8,573 completed. The value of work on housing to the end of May amounts to 1,859 million lire.

38. The total number of bridges completed is 1,652.

39. Ample electric power is available in the whole of the Northern area. About 10% of the generating plants were damaged but half of these will be repaired within the next three months.

TRANSPORTATION SUB-COMMISSION.

40. The transport situation in Northern ITALY is better than had been expected but will need a considerable amount of reorganisation, particularly road transport.

41. On the cessation of hostilities the movement of refugees and displaced persons became a major problem, throwing a heavy strain on rail, road and shipping transportation. By sea, the Italian cruiser "GARIBALDI" was allocated to a shuttle service between PIOMBINO and MESSINA; she completed two voyages during the last week of the month, carrying about 1,000 repatriates for SICILY each time; two Italian torpedo boats each carried 100 persons on the same run. By rail, the major movements of displaced persons were from FLORENCE and FORLI to ROME and South of ROME; during the month 66 special trains were dispatched carrying a total of 68,902 persons. Meetings have been held with SHAEF and other headquarters to regulate the flow of refugees from North of the ALPS to ITALY.

42. Following the establishment during April of regular coastwise sailings under the control of Comitato Gestione Navi (COGENA), the former bidding procedure for movement of stores by sea has been discontinued with the exception of bids which cannot be met by tonnage under the control of COGENA. All bids for movement during the month have been met, and the total coastwise tonnage lifted amounted to 56,606 tons, including schooner traffic which carried about 21,810 tons of this total.

43. Figures for the latest four-week period for which statistics are available show that 206,961 tons were moved by rail on the mainland of ITALY, including traffic moving from SICILY to the Mainland.

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44. Arrangements have been made to complete the transfer of about 4,500 trucks to the Italian Government. This transfer will be effected in three groups, the first being captured equipment now operated in SICILY, the second, War Department trucks operated in truck pools throughout liberated ITALY numbering about 1,100 and the third consisting of 2,000 new trucks being shipped from the UNITED STATES. The transfer of the first two groups should be completed within one month while the Italian Government will take delivery of the third group at the rate of 200 a week.

45. It is hoped that a three times weekly passenger service ROME-AREZZO, ROME-ANCONA and ROME-FLORENCE will commence on 4 June.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS

PUBLIC RELATIONS BRANCH

1. The Branch in meetings with G-5 Section IV Corps and the CLNAI at MILAN, helped overcome difficulties incident to republication of the Corriere della Sera, former fascist newspaper which, it was finally agreed, would be published under the name of Corriere d'Informazioni. The paper's first issue came out on 22 May. The Temporary Film Board approved Italian sponsored film legislation with minor changes and blocked all raw film stocks in the North, setting up procedure to prevent the materials from falling into the hands of speculators.

2. Approximately twenty five regular press releases were written and distributed to regular outlets. The OWI Photographic Section also covered, as a standard operating procedure, the picture possibilities of all A.C. press releases and distributed its photographs to more than fifty outlets, giving the Commission a most effective avenue of publicity. Approximately sixty home-town releases on U.S. personnel, issuance of which is a requirement of the U.S. War Department Bureau of Public Relations, were written, the total number issued to date amounting to more than four hundred.

NAVY SUB-COMMISSION

3. In response to a request from the Italian Ministry of Marine, the Allied Naval Commander-in-Chief, Mediterranean has agreed to the return of a portion of NAPLES Harbour to Italian Government control. One discharge berth has been released without restriction and three berths have been released on Pontile Vigliena, subject to the right of Allied Naval authorities to use one berth whenever it is required for the discharge of Allied tankers.

4. The Allied Naval Commander-in-Chief has made available one Italian cruiser and several smaller Italian naval vessels for the purpose of transporting refugees and displaced persons from the Northern Italian areas to SICILY and SARDINIA.

5. On 23 May Italian Naval Control Service Officers were appointed to duty in the ports of CIVITAVECCHIA, PIOMBINO and MADDALENA. Directives to these officers were issued on their responsibility to the Italian Naval Officers in Charge for the safe routing of all Allied merchant vessels leaving these ports.

LAND FORCES SUB-COMMISSION (MMIA)

6. The moving of the Security Control Line to the R. PIAVE and the [illegible] has enabled 50,000 Italian soldiers of the older

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LAND FORCES SUB-COMMISSION (ISCTA)

6. The moving of the Security Control Line to the R. PIAVE and the Prohibited Frontier Zone has enabled 50,000 Italian soldiers of the older classes to be demobilized and returned to their homes. Leave has also been granted for those with homes in Northern Provinces.

7. Owing to the fact that large numbers of Italian troops employed mainly by the UNITED STATES are becoming surplus, further call-up has been temporarily suspended. Surplus service personnel of demobilizable age will be sent home and others re-allocated to other categories. The U.S. policy of employing PWs and cooperators as service troops has released large numbers of Italian soldiers for re-employment. Patriots may volunteer for the Italian Army and, although it is not possible to enlist these men in bands, every effort is being made to keep friends in the same units.

8. Much Italian/...

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8. Much Italian Army property has been located in Northern ITALY, some of it in the hands of the patriots.

9. Units of the Italian Army are being employed on internal security duties such as guarding the BRENNER PASS and assisting in guarding German PWs held by the British.

10. During the month a reduction was made in the reinforcement holdings for the Italian Army. The previous percentage of 25% for combat troops and 5% for Service units has now been reduced to a 5% total all round holding.

11. An initial transfer of 3,000 manpower spaces from RR-ITI category to CC.RR was authorised by AFHQ.

AIR FORCES SUB-COMMISSION

12. Up till the capitulation of the German armed forces on 8 May the Italian Air Force continued operations on a scale comparable with the previous month. A detachment of 6 SM.82s transport aircraft assisted the Desert Air Force in following up the rapid forward movement of the EIGHTH Army in its closing stages of the campaign, by transporting POL and DID rations from RAVENNA to LAVARIANO. A signal of appreciation of the efficiency with which these operations were carried out was received from the A.O.C. Desert Air Force.

13. The six squadrons previously under command of B.A.F. have now been handed back to the operational control of this Sub-Commission. A letter from A.O.C. Balkan Air Force expressing his thanks for the keenness and spirit shown by these Italian squadrons has been received.

14. Between the period of the cessation of hostilities and the announcement of peace terms, flying will be restricted and controlled for all fighters and trainers; load-carrying aircraft including light bombers and seaplanes will be used for the extension of existing courier transport services; the Air-Sea Rescue Service with seaplanes and high speed launches will be continued and probably extended.

15. Primarily for the benefit of A.C. the land plane services to MILAN, TREVISO and BOLOGNA were opened, which have helped considerably in overcoming the shortage of transport. Regular time schedules have been run.

16. The strength of the I.A.F. is still about 3,000 below the ceiling of 31,000 and every effort is being made by the Directorate of Personnel to stimulate recruiting, chiefly by means of recruiting posters which are being displayed on a liberal scale.

17. Large supplies of much needed spares have been discovered in the North. Official reports indicate that there are sufficient spares to maintain all aircraft of the I.A.F. and authority has been sought for sufficient quantities of these spares to be issued. There is no POL avail-

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holding.

11. An initial transfer of 3,000 manpower spaces from BR-III category to CC.RR was authorised by AFHQ.

AIR FORCES SUB-COMMISSION

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COMMUNICATIONS/.....

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COMMUNICATIONS SUB-COMMISSION

18. Re-establishment of local services for all essential needs in Northern ITALY was effected during the month.

19. Inter-urban cables and equipment were sufficiently damaged to prevent resumption of telephone and telegraph facilities between the North and South of ITALY but this service is expected to be resumed on a limited scale during June.

20. Mail service throughout the Northern Provinces and between Northern and Southern ITALY has been restored on a limited scale and cablegram and radio facilities with the UNITED STATES and UNITED KINGDOM were resumed on 4 May. Foreign mail service was opened with HOLLAND and LUXEMBOURG.

WAR MATERIAL DISPOSAL AND ITALIAN PRISONER OF WAR SUB-COMMISSION

War Material Disposal.

21. The collection of vehicles and weapons in the newly liberated Northern areas began immediately hostilities ceased.

22. Considerable stores of material have been taken over by the Armies. This material includes machine tools, clothing, silks, spirits, motor car spares, tyres and tubes which, awaiting the opportunity of removal into GERMANY, had been stored by the Germans in caves and tunnels in ITALY. Lists of this material are being made by representatives of A.C.

23. Salvaged material amounting to 11,500 tons, offered by American and British Army sources, was disposed of through the Allied Commission and Italian Ministry of Industry and Commerce. About 20-30 thousand salvaged tyres were offered by British salvage from TORRE ANNUNZIATA and steps are being taken to have these despatched to Pirelli Works, ROME, for inspection and retreading. 2-4 thousand of these tyres have been retained by the Allied Commission to be used in connection with the anti-malaria campaign.

Italian PW.

24. It has been agreed that 55,000 IPW from AMERICA will be despatched to ITALY at the rate of 10,000 a month commencing 1 July. During May 4,100 IPW were repatriated, the majority of which were sick and wounded.

25. On the cessation of hostilities large numbers of ex-Italian PW from GERMANY poured over the frontier into ITALY. Displaced persons camps were shared for the reception of the Italian ex-PW in the initial stages and small numbers of Italian officials were attached to each camp to care for them until they arrived at the camps specially prepared for military personnel. On arrival at military camps ex-IPW were documented, given clothing, money and the necessary transport to assist them to reach their homes. The Allies assisted in moving these men.

26. [illegible] Interzonal Office of War Veterans and Repatriated

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Italian PW.

24. It has been agreed that 35,000 IPW from AMERICA will be despatched to ITALY at the rate of 10,000 a month commencing 1 July. During May 4,100 IPW were repatriated, the majority of which were sick and wounded.

25. On the cessation of hostilities large numbers of ex-Italian PW from GERMANY poured over the frontier into ITALY. Displaced persons camps were shared for the reception of the Italian ex-PW in the initial stages and small numbers of Italian officials were attached to each camp to care for them until they arrived at the camps specially prepared for military personnel. On arrival at military camps ex-IPW were documented, given clothing, money and the necessary transport to assist them to reach their homes. The Armies assisted in moving these men.

26. General MANCINELLI, Autonomous Office of War Veterans and Repatriated Prisoners of War, showed great initiative and expended much energy and hard work in getting teams organised to handle difficult problems in FLORENCE, MILAN and BOLZANO.

Ellery W Stone

EMERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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HEADQUARTERS ALLIED COMMISSION
APO 394

Ref: 824/EC.

21 June 1945

MONTHLY REPORT

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Director
D/Director
Chief Telecoms
Chief Postal
H Q Comm. O.
Asst Chief Postal
Censorship
Chief Clerk

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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, as 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".

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 with the establishment of its administration.

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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.

PART I/.....

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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, PARMA 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 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. [illegible] and fruit crops were good, with surplus in nearly all areas.

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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 SCLOs 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.

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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.

<u>AMG EIGHTH ARMY.</u>

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 CASSINO 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 PADOVA no serious difficulties were encountered from Patriots who were everywhere cooperative. Disarming proceeded satisfactorily, if somewhat slowly, but all parades held for the purpose were successful.

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

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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-germinisation 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.

TOSCANA REGION.

31. On 30 April AFC took over the administration and control of the remaining Provinces of TOSCANA Region - FLORENCE, PISTOIA, LUCCA and APUANIA -

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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. Undulent 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 dmaged 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.

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

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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 26,000 of the 46,000 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 674 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

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.

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LOCAL GOVERNMENT SUBCOMMISSION

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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 rates.

PUBLIC HEALTH SUBCOMMISSION

Central Advisory Commission for Public

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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-malarial 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 laryngothracheitis 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. 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.

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 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.

28. Many demonstrations and impromptu parades were held as 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 city was slight with the exception of the damage to S. Francesco, the Archiginnasio and the Santa.

31. Florentine deposits removed by the Germans from POGGIO A CAIANO and MONTA-

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

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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 MODENA enabled many patriots to return to their homes in those 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 CREMONA 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

AGRICULTURE 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 11,423,583 quintals, or 94% of the estimated goal; 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 AFHQ has been asked to modify the existing fishing regulations.

COMMERCE SUB-COMMISSION.

6. Releases for the month from ATR(I)3 continued to be satisfactory, the principal items including 3,700 tons of cement for April, 32.5 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 RAVENNA 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 AMERICA and just over 600 tons from MOROCCO. 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 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

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3. Wheat consignment to the "Granai del Popolo" reached a total of 11,423,503 quintals, or 94% of the estimated goal; current consignments are small. Olive oil collected has reached 474,120 quintals.

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

ECONOMIC SUB-COMMISSION.

6. Releases for the month from ATLR(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 RAZZICA 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 AMERICA and just over 600 tons from MIDDLE EAST. Of this, however, 600 tons was used to repay previous loans.

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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 of pre-evolution in lire. This policy represents a definite step in the direction of resumption 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 Italiano 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 8 April 1945, AFHQ issued Administrative Memorandum No. 21. By this document AFHQ Admin. Memo. No. 95 of 1943 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 31 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 425 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.

22. Regional Officers of the Italian High Commissioner for Food have been appointed to TOSCANA, UMBRIA-MARCHE, EMILIA and PIEMONTE Regions and appear to be functioning quite satisfactorily.

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20. The local grain situation remains satisfactory with a total of 248,000 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 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.

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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 1,350 Kgs. of thread a day, with a planned increase to 2,000 Kgs. a day. In the woollen industry the production of

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[illegible] and blankets now amounts to over 45,000 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 Ente Zolfi Siciliani sulphur mine was 4,041 metric tons. The current production figure for April is 9,500 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 40,000 tons.

LABOUR SUB-COMMISSION.

27. The policy of freezing wages in private industry north of the Provinces of RAVENNA, FORLI, FIRENZE, PISTOIA, LUCCA and APUANIA at the level prevailing on 3 April 1945 has been put into effect. Where it is impossible to stabilise 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 3 April and special provision is being made for employees transferred from the South; Allied Forces employees 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 Allied Forces employees early in the month for wage increases to compensate for the emergency indemnity granted to workers in private industry.

31. 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 utilise unemployed labour from other regions.

32. The scheme for recruiting building and civil engineering workers for the FAR EAST has been approved in principle by the Italian Government, who to [illegible] interest, propose to pay a considerable bonus to all workers volunteering.

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32. 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. Proposals are also in hand for the recruitment of 500 skilled workers for various shipyards in INDIA.

1667

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

33. 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

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Power (Northern ITALY) as early as possible.

34. The second of the large 35,000 KW generating units, at GALLETO TARSI came into operation on 10 April, together with an 11,000 KW unit at PIAN DELLA SCOPA.

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 GROSSA-ANCONA line was completed, but an unfortunate land slip at the CASTELLANA Tunnel near ANCONA has prevented the opening of the line; it may be some time before work on the tunnel is completed. The PISA-EMPOLI-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 (MMLA)

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 CREMON. 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 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 AR-ITI service ceiling by 12,000.

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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 effect 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 & LPW 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 EMAO when the work is completed. The total tonnage of salvage material claimed on behalf of Allied Commission 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 - showing a marked increase over the total of the previous months.

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EELERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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Director
D/Director
Chief Telecoms
Chief Posts
H.Q. Coms O
Asst Chief Posts
Censorship
Chief Clerk

Ref: 825/163/SC.

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Executive Commissioner

CROSS REFS
FILE: RFP 1/27
B/Fwd.
22 MAY 1945

Tel: 478201

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, [illegible]
Executive Commissioner.

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L.O. Bari
" Palermo

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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.
DCC.O, 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 PRS.

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HEADQUARTERS ALLIED COMMISSION
APO 394

Ref: 824/EC

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 so 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.

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 (140,000 held by the Americans and 35,000 held by the French). 670,000 soldiers and several hundred thousand civilians are

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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 C.SFORZA 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 of war question is the chief Italian interest in the UNITED KINGDOM at this present time.

To ..t 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 CASPAROTTO 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 AREAS 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 MELVEDERE 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.

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

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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 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

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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. Segrals 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.

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.

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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 standatill 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 a critical situation.

45. Public works reconstruction and highway maintenance were hampered chiefly be lack of transport and somewhat by lack of materials.

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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 main-land 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 broad-cast 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 pro-vided 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.

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.

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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 main-land 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 broad-cast 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 pro-vided 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.

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. 166

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 member-ship was due, in part at least, to the fact that its leaders are dis-couraging 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 ammassi 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, 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 is reported.

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

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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 endof 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.

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 99,000 people have been vaccinated. Only 11 cases

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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 PRATO 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.

28. AMG Courts continued to function throughout the period but there was little serious crime. 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 PISA have been closed. During the 2½ months of their

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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 ANCONA is difficult and assistance is being given by both military and civilian authorities. The treasures of the Museum are still buried beneath the debris of the campanile of S. Francesco awaiting more favourable weather conditions for their recovery. The collosal bronze equestrian statue of Cosimo I di Medici has been returned to FLORENCE from its deposit at POGGIO A CAIANO.

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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.

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 10,884,736 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 roadwood 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 Riformimenti 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 MMIA 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 140 million lire. Contracts have been placed for 150 kilos Jasmine Concrete, and the US have bought 200,000 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 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.

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quintals, or 92% of the estimated goal, which [illegible]
oil collection reached 325,281 quintals, and there is evidence that the total may reach 450,000 quintals.

3. Production of ruelwood 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 Riformimenti 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 MMIA 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.

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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 these. Twenty-seven tons of Persian cocoons have been imported for the Italian reeling 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 Compartimenti as from 1 March 1945.

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 rations. 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.

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.

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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 AMMG. 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 stock pile 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 3,650 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 4,000 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 open resentment of the few speakers who introduced political issues. The Executive demanded a share in reconstruction, in the fight against the black market, the institution of a sliding wage scale to meet cost of living; and where possible, derequisitioning of factories. There was strong criticism of labour offices. Proposals for agricultural reform, for reform of social insurance, protection of women and juveniles in industry and improved pensions were also carried.

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26. Threatened strikes 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.

11. The enrolment of Patriots into the Italian Combat Gps continued during the

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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 excluded. Provincial telephone service is allowed in ANCONA, SIENA and FOGGIA provinces.

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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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WMD & IPW SUBCOMMISSION

War Materials Disposal

26. 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 22,278 pounds sterling during February. The statements were passed to the Italian High Commissioner for Prisoners of War for payment.

31. 693 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.

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HEADQUARTERS ALLIED COMMISSION
AFO 394
Office of the Executive Commissioner
****

Director
D/Director
Chief Telecoms
Chief Postal
H Q Comm O.
Asst Chief Postal
Censorship
Chief Clerk

Ref: 825/AC/EC. 10th March 1945.

CROSS REFS.	
FILE 157	B/Fwd.

Date 19 MAR 1945

SUBJECT: AC Monthly Report.

TO : Distribution Below.

1. Regional Commissioners, Heads of Sections and Sub-Commissions will make it their personal responsibility to see that a higher standard in writing the abridged report, for inclusion in the AC Monthly Report, is achieved.

2. At present abridged reports are in nearly every case too long and there is a lack of appreciation of the relative value of items reported.

3. The difficulties of condensing into a few lines a report on their varied activities throughout the month is appreciated; that there are many points of view on the relative importance or value of material is realised and it is obvious that it is neither desirable nor possible for all to write in the same style. It should be remembered, however, that the AC Monthly Report is not for the consumption solely of HQ AC staff but is to give a concise general picture of the work and achievements of the AC over a period of one month, to AFHQ, LONDON and WASHINGTON. The readers of the whole report are not specialists on the work of each individual Sub-Commission or Region and will not be interested in domestic details. A study of the AC Monthly Report for the last two months will give an idea of the kind of material which is required and should be made. Individual reports are condensed into one half to three-quarters of a page of foolscap and with careful wording and the elimination of padding and redundant phrases, a considerable amount of interesting facts can be reported. Unauthorised abbreviations should not be used, phrasing and punctuation should be checked and long sentences avoided. Facts and not theories should be recorded and achievements rather than hopes for the future set down.

For the Chief Commissioner.

M S Lisle

Brigadier,
Executive Commissioner.

DISTRIBUTION:

Declassified E.O. 12356 Section 3.3/NND No. 785015

Chief Clerk

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1. Regional Commissioners, Heads of Sections and Sub-Commissions will make it their personal responsibility to see that a higher standard in writing the abridged report, for inclusion in the AC Monthly Report, is achieved.

2. At present abridged reports are in nearly every case too long and there is a lack of appreciation of the relative value of items reported.

3. The difficulties of condensing into a few lines a report on their varied activities throughout the month is appreciated; that there are many points of view on the relative importance or value of material is realised and it is obvious that it is neither desirable nor possible for all to write in the same style. It should be remembered, however, that the AC Monthly Report is not for the consumption solely of HQ AC staff but is to give a concise general picture of the work and achievements of the AC over a period of one month, to AFHQ, LONDON and WASHINGTON. The readers of the whole report are not specialists on the work of each individual Sub-Commission or Region and will not be interested in domestic details. A study of the AC Monthly Report for the last two months will give an idea of the kind of material which is required and should be made. Individual reports are condensed into one half to three-quarters of a page of foolscap and with careful wording and the elimination of padding and redundant phrases, a considerable amount of interesting facts can be reported. Unauthorised abbreviations should not be used, phrasing and punctuation should be checked and long sentences avoided. Facts and not theories should be recorded and achievements rather than hopes for the future set down.

For the Chief Commissioner.

M S Hall

Brigadier,
Executive Commissioner.

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

HEADQUARTERS ALLIED COMMISSION
APO 394

Ref: 824/EC

28 February, 1945

MONTHLY REPORT

JANUARY 1945

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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 SCALOLA has been forced to resign his post and has been succeeded by Signor Luigi CASPAROTTO who recently returned to ITALY from SWITZERLAND. Signor CASPAROTTO does not belong to any party and although he is 72 is an extremely vigorous and forceful personality.

4. Signor BONRI, 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, in protest to the call-up.

7. At a press conference towards the end of January Signor SCOCCIMARRO, the new Minister for Occupied Italy,

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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 AREAS 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 pressing 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 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

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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 Carbinieri 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.

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 that the results of the call-up decidedly improved. Lack of communication and transportation still handicap the work of the police and Carabinieri.

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.

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20. The food situation was improved by the arrival of two cargoes of grain totalling 13,750 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 ACIREALE 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 ollari 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 affecting 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 movement of commodities essential to the economic functions of Southern ITALY. E.M.C, 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.

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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 gram ration is still a crying need.

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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. Put 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.

AERUZZI-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 [illegible] oil amassing. The wheat collection was extremely satisfactory and the

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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. ENAC 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.

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.

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48. 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. ENAC 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.

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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 crushing of olive oil has not been as successful as anticipated but progress is being made and it is thought 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 affected 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 80,285 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 were contributed 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.

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 delayed distribution being as speedy as could have been wished.

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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 SARDINIA 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 Piceno 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 Difesa 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 CASSINELLI, ROATTA's legal representative, as he himself had been adjudged deserving of epuration proceedings.

PUBLIC HEALTH SUB-COMMISSION.

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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 anti-malaria spraying project was carried out at BONIFICA CASTEL VOLTURNO during January with good results. A typhoid epidemic of some severity has existed at FRATO 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 146.8 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 ENDIMEA, the Italian distribution agency, has been unsatisfactory. Steps have been taken to effect improvement. The new 2665 Central Civilian Supply Depot (CVSD) 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.

(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.

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(d) A decree modifying the exercise of the power to order citizens to "confirm".

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 universities 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 61% 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 riot 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.

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

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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 come 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 690 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 Banco 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 enlisted on the EIGHTH Army front directly into the Combatant Italian Troops. These men are sent straight into the line and do not have to report to Base Training Centres for initial training.

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 MAFRADI and 750 at

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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 MERADI 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 whenever 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 AFLR(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 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.

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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 MMLA 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 of 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 then the 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 they had taken over distribution. Late in the month AFHQ received landed costs on a large number of items shipped from the U.S. and forwarded these to the Allied Commission. The information received is now being prepared in suitable form for reference to the Italian Government through appropriate channels.

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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 Assasi 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 of 6,000 tons a month. Rail bids have been accepted for raw materials which should alleviate the transport problem.

29. The Sciarra Glass Plant in LAZIO-UMBRIA Region started production at the

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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 LIVORNO 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 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 Joint 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.

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 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.

1642

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1642

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 SELT-VALDARNO. 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 GALLETO 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.

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

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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

46. The first/.....

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46. The first meeting of the Allied Railway Board was held on 16 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 (MALTA).

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. 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.

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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 SCHIROJA 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 end of January. Negotiations were also begun for the opening of a ROME - NEW YORK radio telephone service, for Allied non-military use.

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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.

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WAR MATERIALS DISPOSAL AND ITALIAN PW SUB-COMMISSION.

18. The PBS Salvage Dump at LIVORNO was visited and bids for material wanted by the Commission have been made to PBS. 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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C O N F I D E N T I A L

HEADQUARTERS ALLIED COMMISSION
APO 394

17 February 1945

Ref: B24/EC

MONTHLY REPORT

DECEMBER 1944

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

Col. H.

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CONFIDENTIAL

Col. H. [signature]
Lt-Col. S. [signature]
" M [signature] dated 16.8
" H [signature]
Maj. G [signature]
Capt. C. [signature]

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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.

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 of the Labour Democrat Parties with a view to forming a "Peoples' Group" which would theoretically the "Masses Group" of the Left.

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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 under current 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 has not been discovered.

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.

[illegible] Court: all were convicted

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9. Five enemy agents were tried by a General SIB Court: all were convicted and sentenced to death except one girl who was sentenced to twenty years imprisonment.

<u>XXX Eighth Army.</u>

16.6

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.

SICILIA REGION.

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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 ALCAMO, 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 surplus 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.

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 [illegible] part of a Sindaco for the City of NAPLES.

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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 mistakes.

41. In ROME the only imported food stuff in general distribution was canned [illegible]. Other imported items such as dried vegetables, dehydrated soup, 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 organized for 24,000 children affected by the war.

46. No action was taken either regarding damaged schools or releasing 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

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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 organized for 24,000 children affected by the war.

46. No action was taken either regarding damaged schools or releasing 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 LITTORIA 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 anyone who could pay the price. Discussions with representatives of the Merchant Associations were held to control black market activity.

ABRUZZI/.....

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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.

SARDEGNA REGION

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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 Granni...

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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 semi-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.

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.

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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. 125 "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.

8. Good progress was made in mine clearance but was handicapped by shortage of equipment and transport.

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9. The undermentioned are engaged in mine clearance in liberated ITALY:

(a) Trained:

561 Italian Mine Clearance Company	Str	209
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Civilian casuals, 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 GAETA 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.S. 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 PATRICIELLO, 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 VICINI 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.

PUBLIC SAFETY SUB-COMMISSION.

21. The most important feature of December was the disturbance in SICILY

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[illegible], ORTONA, VILLACIO and FLORENCE.

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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 [illegible] and Lieut. General [illegible] 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 [illegible] and 13 others on 22 January.

28. An enemy agent named [illegible] 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. Disinfestation on typhus control measures were held in ROME for the Provinces of LAZIO-UMBRIA Region, and the Typhus Disinfestation Unit began a tour of TOSCANA Region and Fifth Army area. Disinfestation 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 programme.

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 brucella in addition to anthrax 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 measures were taken to eradicate it.

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34. ENDIMA, 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 Country Sub-Commission put 40 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 shoes from naval and military forces 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. Judges who themselves been epurated will have to be replaced.

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 BASE Z ne 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 defascized 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 authorized 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.

47. On 22 December during a violent windstorm some of the 14th century frescoes by the Sienese artist BARNA collapsed in the Collegiata at SAN GIMIGNANO. The plaster on which they were painted covered the bricked-in windows of the Romanesque church. These fillings were apparently weakened

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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 churches were virtually intact, and only two monuments of highest importance received severe damage: S. GIOVANNI EVANGELISTA and S. PAOLO 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. PASOLI 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 Yugoslav 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 PORT AUFENIA 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 reached many communes before the snows 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.

60. The last relief ship on present schedule is discharging at NAPLES.

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).

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DISPLACED PERSONS & REPATRIATION SUB-COMMISSION.

52. By 4 December 4 790 Yugoslavs had been repatriated to YUGOSLAVIA. Subsequent moves were cancelled by the Yugoslav 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 team based to assist at FORT LUPERIA Italian refugee camp, near NAPLES.

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 2,400 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 reached many ports before the snow in high altitudes had a good moral effect.

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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 fruit 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 crushing was most unsatisfactory. By the end of the month only 101,547 quintali had been crushed 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 crushing program. The Allied Commission undertook to supply 60 officers with transportation to assist the Italian Government in its oil crushing program. These will commence operations in January.

7. By a Decree dated 2 December 1944, 500 million lire were appropriated for the repair and reconstruction of war-damaged public reclamation areas.

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.

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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 AVELLANO 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.

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4. The movement of surplus citrus fruit 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 104,547 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.

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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. 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 2,873 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 28,000 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 dressed, with a possibility of dressing 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.

18. Pursuant to authority received from the Combined Chiefs of Staff, the

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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 revisions decrees were published during December, and work on a number of less important taxes, 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 4/5ths ration meal authorised for heavy workers employed by the Allied Forces.

24. Another instance was the depopulated 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 crushing 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 control of food questions in liberated ITALY. A High Commissioner of Food with direct access to the Cabinet was appointed and started to organise his Department.

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 common wine also arrived. Larger boats (Coasters or Liberties) with both citrus fruits and common wine now arrive regularly.

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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 making importation unnecessary, and enabling industries dependent on these products to start functioning.

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32. Industrial gases and calcium carbide manufacture received considerable assistance. Given the necessary electric power, 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 specifications: 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.

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, an automobile accessories. Efforts were made to obtain dorequisition 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 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

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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 programmes 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

one/appointment

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ng ointment 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 those 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(..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 now has 30% of its normal supply of electricity as against 17% when the City was occupied in June.-

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TRANSPORTATION SUB-COMMISSION

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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. 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 (MAIA)

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.

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16 6

9. The Allies were supplied with manpower from call-ups and personnel repatriated from the BALEARS and GREECE. Over twenty-one thousand Italian Military were evacuated from GREECE and a considerable proportion of these 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 mulateers due to the poor response to the call-ups and the Allies' demand for mulateer 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 CERAMO-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 PISCMO 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.

COMMUNICATIONS SUBCOMMISSION

21. Civil telegraph and provincial telephone services were authorized in the

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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 were 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 ear-marked 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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Director
D/Director
Chief Telecoms
Chief Postal
H.Q. Coms O.
Asst. Chief Postal
Censorship
Chief Clerk

CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
AMG 394

Ref: 821/COS. 30 January 1945

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NOVEMBER 1944

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Land Forces Sub-Commission (MILAC)
Air Forces Sub-Commission
Communications Sub-Commission
War Materials Disposal and
Italian P.W. Sub-Commission

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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 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 [illegible] of the largest presses sufficient small mills have been put

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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 Prefettura 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.

17. In the forward areas advances have been made direct to communes. In BOLOGNA Province a new system of Annual 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

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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 Antiaerea 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.

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 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 Italian

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24. The details of a scheme for the amalgamation of the staffs of Region EMILIA and ANG 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 protein 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 "ammassable" 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 CESENA 200 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 areas is under control. For the period 4 Sept to 27 Nov 1944, 812 cases were reported for the Republic of SAN MARINO and RIMINI areas 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 difficulties from ANCONA southward have prevented them being moved to R.C. camps. RIMINI was faced with the problem of about 2,000 refugees, principally from the RIMINI area, but it is now practically clear.

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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.

SICILIA 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 broad 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 UPSEA 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 1,243,376 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.

41. There was no outstanding political activity during the month.

Crime remained at about the same level.

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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 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

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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 3,087,000 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 MARCHE 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

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61. A feeling of insecurity on the part of farmers became increasingly a major problem affecting agricultural production. A conference at HQMF 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 CANDITO, 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 men 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 IRSINA, Province of MATERA.

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 in future.

b) Railroad units. More circuit [illegible]

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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. Perinett, 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 case 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 coordination between them and the Arresting Authorities was a large factor. A number of joint conferences were arranged between all officials having any degree of responsibility in the matter and as a result pressure in the prisons was relieved and further rioting avoided. The Italian Judicial authorities still fail to grasp the full extent of their responsibility however.

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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 363 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 671 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 the promotors thereof can get the better of the CC.RR.

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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 amassing figure is 99% of the target of 2½ million quintals. Amassing 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 18 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 68,520.

99. The educational system is gradually being restored.

100. A certain amount of anxiety is felt over the occupation of historical 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, especially if it curtails absences of Officials in ROME.

102. There has been only one small demonstration directed against [illegible] this

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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 38,520.

99. The educational system is gradually being resumed.

100. A certain amount of anxiety is felt over the occupation of historical buildings by troops, especially when units are constantly being changed.

SARDINIA 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 absences of Officials in ROME.

16.8

102. There has been only one small Requisition Allocated operation 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.

103. 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 cuts, 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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pa[illegible] 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 F.A.O. 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, MANTERI, 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 15 of the accused were acquitted. They included certainvell known Fascists, among other the late Secretary of the Fascist Party in SARDINIA, CHERMEZ, 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 CHISSANO. 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 clearing 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 continues 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.

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107. The trial of the Fascist Militia General, MARIELLI, 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 CHIEF/SIG Tribunal. Five other accused were sentenced with him, the sentences being from 2 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 atrocities of past Fascist brutality and Fascist activities at the present time in Northern Italy.

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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.

LUCANIA REGION.

112. Region III moved from SICILY to LUCANIA on 2 November 44 and the Province of BARI 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 purchased 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 R.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 PNF 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 come 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. AAC FIFTH 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 SCAD 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 shellfire & occasional air attack.

16-7

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.

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116. AMG and Italian courts are now functioning satisfactorily in each Province. The first 19 cases of fascists who committed crimes under PNF and PFR regime have been tried in CROSETTO Province and sentences from 2 to 5 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.

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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 FIUME 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 HILL officers under his command to reinforce Provinces in FIFTH Army territory and to reinforce G.O.s 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.FLORENZA. 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.

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 repair of houses and a further 4,000 blankets were due to arrive early in December and a drive

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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 MG 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, 4141 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 (AMLA), 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 army OR's will be transferred to CC.RR in the near future. In all 5000 additional men will be available for CC.RR service at the beginning of 1945.

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 [illegible]

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16. Prisoners of War: CC.RR P/ 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 1500 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 [redacted].

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) Crimes 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 AM 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 RAD: In forward areas near FLORENCE, UNRA, directed by Fire and RAD 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:

(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, 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.

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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.

16 5

(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) ENCILMA, 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 Infanzia) should devote greater interest to its activities outside ROME.

LEGAL SUB-COMMISSION.

28. PBL No.151 Constituent Assembly: The Legal Sub-Commission advised on the [illegible] by PBL No.151 of the 25 June 1944

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(d) The [illegible] infant mortality figure for November was 194.3.

25. Veterinary:

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(b) The incidence of all animal diseases previously reported had considerably decreased during the month.

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(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) ENDIMA, 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.

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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. RHL No.151 Constituent Assembly: The Legal Sub-Commission advised on the function of the Constituent Assembly established by RHL 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 RHL 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.

(b) The Girl Guide organisation in ITALY is being slowly developed.

38. Derequisitioning of School Buildings: Derequisitioning of school buildings [illegible] Allied Forces were more helpful than Italian officials, though,

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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.

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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.

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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 great 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, of 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 of works of art in TUSCANY, was sent to WASHINGTON and LONDON.

PATRIOTS BRANCH.

45. Reorganisation: A reorganisation of the Patriots Branch has taken place in

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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 UNRRC 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 UNRRC 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 patriot 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 prevalent disease was mild mumps. One confirmed case of typhus was reported from CSDIC Cage at No.1 Transit Camp (Refugees) and appropriate measures were taken.

(c) A dental clinic has been opened in ROME for refugees at CINECITTA Reception Centre.

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:

16.3

(a) Italian refugees moved from the North to ROME totalled 7,096 and 4,000 Southerners in ROME were repatriated to the South.

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53. Refugee Movements: 16.3

(a) Italian refugees moved from the North to ROME totalled 7,096 and 4,700 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, CAMPOBASSO 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 Banco 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... 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 VENETO 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 areas problems was being prepared, in conjunction with the other Sub-Commissions involved.

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.

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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 inasfar that constant efforts to obtain power for the important SAFFI Plant at RESI 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.

Commerce Sub-Commission was charged with obtaining net import requirements for clothing, shoes, textiles, matches, paper (including newsprint), soaps, candles, materials for the functioning of State Monopolies, the manufacture of cigarettes and

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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 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

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chamber of Sicily for lemon tax making.

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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 centralised 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 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 SICILIA 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 5,365 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 CCS. 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, MACERAT., 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 advised 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, CAVIGLIA, 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 clocked 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 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

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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 expansion 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 organization.

FOOD/.....

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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 month. 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.

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

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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 :

( ) The initiation of a basic rehabilitation programme for Italian industry.

( ) 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 reconvencement 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 unconsciously and illogically utilised, that parallel production by various branches of services of the Allied Armies was the cause of waste of available electric power, of imported materials, and of transportation. Materials available and unused in one plant were unavailable to another. Factory equipment such as motors and machine tools were treated by the Allied Forces as not as a means of production in the factory in which they were installed but as

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In November the Industrial Coordination Committee of AFLRS was formed. One of its important functions will be the consideration of applications to derequisition 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 production here and the estimate for November was 20,000 metric tons. Stocks of 200,000 tons of lignite and 15,000 tons of briquettes at CASTELNUOVO may be drawn upon by Allied Forces to the extent of 18,000 tons a month, which will relieve the financial situation.

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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 Capteincies nor to the registration of seamen through the Personnel Section of that office, providing that these "Capitaneria 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 - PIEDMONTE 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 from the labour point of view. From

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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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33. 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 ADC 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 Allied 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.

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 SICILIA and CALABRIA.

42. A draft decree concerning increases in rates for water, gas and electricity (public utilities) was [illegible]

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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 P.C.B. on Routes 1 and 7 (NAPLES - ROME - ANCHONA) were begun. Urgent bridge works are in hand on Route 6 (ROME - CASERTA) preparatory to the renewal 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 72% 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, 85 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. LASHER 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 transmitting 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 to [illegible] responsibilities.

47. Officer personnel was 71 in total, viz. 19 at HQ and 52 in Regions. The Director of the Sub-Commission, Lt. Col. JENEY, returned to duty from WASHINGTON and Lt. Col. LASHER 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 COTEN. This enabled the operating committee to come to satisfactory terms with the schooner industry.

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 [illegible] by all parties and supersedes the unsatisfactory methods hitherto in force. These [illegible] will be a considerable help to

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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 is [illegible] increased running costs, delays and rate of exchange.

52. During October, 4,648 weight tons of civil cargo was carried by Italian schooners and 3,230 weight tons by Italian coaster. In November 8,916 weight tons and 3,980 weight tons respectively were carried by schooners to [illegible]. Approximately 5,570 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 these 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 AFHQ and is reporting on or about 8 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. 1667

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-established by this Section. These will assume operations as soon as requisitioned

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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 AMMG during the month were accepted with the exception of 8600 tons phosphate rock.

67. A regular service from SARDINIA to NAPLES was agreed with AMMG and will start on 25 December. The S.S. ABRUZZI 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 Government 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 MAC 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.

1666

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.

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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 them, 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 Bertolini, former Chief and member, respectively, of the Army General Staff brought again into public discussion the possibility of a full inquiry into the cause 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, transl 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 separation 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, FWB 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, F.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 submission.

NAVY SUB COMMISSION.

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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 STEFANO, 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 reorganized on the new basis but awaiting their equipment and vehicles - modified training scales only 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 HLU has been formed and is functioning.

23. PISTOIA Group is still under discussion and its future was changed many times during the month. The latest decision is that 5,000 of its officers and men should be loaned to the Allied Commission for Carabinieri 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.

1605

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LAND FORCES SUB COMMISSION (S.M.I.A.).

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24. Reinforcements for the Combat Groups are being provided from call-ups in various parts of Italy and a Depot has been established at TEANO (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 authority, and it is hoped that these will have some result in the immediate future.

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, [illegible] during the early part of the month.

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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 authority, and it is hoped that these will have some result in the immediate future.

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, BALTAF 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, VENTRAILLA, TUSCANIA, LORIANO, NARNI, AMELIA, ACQUASPARTA, TODI, RONCIGLIONE, ANCONA, JESI, OSIMO, CASTELFIDARDO, LORETO, ENGOLI, 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.

1604

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 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.

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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 RAAC.

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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 War who have been repatriated. The Sub Commission originated a bi-weekly radio program giving the names of the recent repatriated Italian Prisoners of War and certain other information which would help to give peace of mind to Italian families regarding their prisoners of War. The work in connection with this radio program has now been handed over to the Italian Red Cross who will continue the

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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

ELLERY 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
AEO 394

Ref: 825/COS.

MONTHLY REPORT

OCTOBER 194-.

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

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D/Director
Chief Executive

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1603

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PART I.

AMG FIFTH ARMY.

1. During the month very little advance was made in the difficult mountainous country of the APPENINES. In all, about a dozen new communes were occupied in the Provinces of BOLOGNA, RAVENNA and FORLI. The four Provinces of PISA, FLORENCE, LUCCA and PISTOIA remained under command of AMG FIFTH Army throughout the month. Half of LUCCA Province and one commune in PISTOIA were still in enemy hands at the end of the month, while the liberated parts of these Provinces were for the most part full of tactical troops.

2. In the interest of good administration TOSCANA Region specialist officers have been encouraged to work in the Army area on long term problems and are in fact handling Education, Engineering, and certain phases of Economics.

3. Six Provincial teams of TOSCANA and EMILIA Regions have been under command, waiting to operate in their own areas, and during the month five other teams for Northern ITALY were added.

4. Because of the special eminence of TUSCANY in this field, Fine Arts have been of greater importance than ever before. Considerable progress has been made in repairs to the Campo Santo at PISA and the restoration to FLORENCE of paintings and sculpture, which had been taken elsewhere for safety.

5. In FLORENCE the chief interest has been over the food and fuel supply, which are both still far from satisfactory, and the political-constitutional struggle between the Prefect and the Committee of Liberation, in which important issues of national importance were raised. At one time the political atmosphere was lively but things had quietened down by the end of the month.

6. In PISA life is still paralyzed by the physical destruction and mining of the city and the grave housing shortage, which is further aggravated by large scale requisitioning of accommodation for military units.

7. Public morale generally was far from high, largely owing to the present inferiority of physical living conditions as compared with those prevailing under German occupation. While the people are in general friendly towards the Allies, empty bellies and economic distress are submitting this new friendship to a severe test.

8. In the towns the food situation was bad. There were demonstrations during the month in FLORENCE, PISTOIA and PISA, in each case dispersed without much difficulty. LUCCA and PISTOIA Provinces both ran out of locally produced grain and PISA will do so early in the New Year. There are a large number of towns in the area economically dependent on industry and in these the shortage of groceries and animal products caused severe hardship.

1662

9. Much of the wheat crop on the Southern side of the APPENINES has been lost as a result of military operations. The shortage of livestock hampers autumn planting and precludes the distribution of any dairy products in the cities. Prospects for the olive crop are good.

10. Some 1800 refugees were sent South during the month. With the slowing down of the advance and the onset of bad weather, both of which make necessary the accommo-

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10. Some 1800 refugees were sent South during the month. With the slowing down of the advance and the onset of bad weather, both of which make necessary the accommodation in buildings of large numbers of troops, it is expected that large-scale evacuation from forward areas will soon start.

AMG EIGHTH ARMY.

11. The Province of AREZZO was handed over to Regional administration on 21 October and it has been arranged that the Provinces of ANCONA and PESARO will be handed over to ABRUZZI-MARCHE Region on 1 Nov.

12. The new territory captured by EIGHTH Army can be divided into two geographical categories :

(a) The low lying/.....

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(a) The low lying agricultural plain in the triangle RAVENNA - RIMINI - FORLI, which is rich agricultural land producing grain, sugar beet and market garden produce. There was considerable damage to dwelling houses in this area and a very large portion of it is now under water as a result of the destruction of dykes, retaining walls and pumping stations.

(b) The mountain territory lying directly south of Route 9 and forming the most northerly ridges of the APPENINES. Here there was heavy damage to some of the villages and an almost complete destruction of the bridges which cross the not inconsiderable rivers running down to the PO Valley.

13. From the above description it will be appreciated that damage generally was heavier than in the past and that the outlook for the coming winter is extremely gloomy. The progress of troops has become slow and the war may almost be stated to be in a static phase, with large numbers of troops seeking winter quarters in the much reduced number of available houses. To this must be coupled great destruction caused by flooding on farm land, with the resulting impossibility either of harvesting this year's crop or of sowing next, and the difficulty of transporting such supplies as there are over bridgeless roads.

14. Committees of Liberation were met with in all newly captured areas but no particular difficulty was found in dealing with them. Prefects of all Provinces operated satisfactorily and Sindaci and Giuntas functioned in the communes of ANCONA Province, as well as in all but the ten most northerly towns in PESARO Province.

15. Miscellaneous food supplies from ANCONA and flour from SENIGALLIA were brought up to the advanced base supply depot at RIMINI. Special issues of grain were authorised to consumers in the Provinces of ANCONA and PESARO, where much of the wheat crop was lying unthreshed in the fields until an unusually late date. Measures were taken in FORLI and RAVENNA Provinces to supplement the very inadequate diet of the civil population by a properly organised distribution scheme for fruit and vegetables, which are plentiful in the plain.

16. The Civil Police performed excellently during the month in keeping the main Army roads free of civilian traffic.

17. Operation of tented refugee camps was greatly handicapped by the weather, which also made it more difficult to move displaced civilians to neighbouring communes. In all 8326 civilians were evacuated through AMG camps, of which 1890 passed through a camp in FIFTH Army area. The necessity of housing troops in an over-crowded and damaged zone may mean that a considerable number of refugees will have to be evacuated South.

18. All troops have now evacuated the Republic of SAN MARINO. Supplies of food and medical stores have been arranged for the Republic.

SICILLA REGION.

19. The tide of unrest caused during the early part of October by shortage of food, the rising prices of essential commodities, unfulfilled expectations as to increases in pay and the general inability of the local administration to control the situation culminated in an unpleasant incident at PALERMO on 19 October, when troops [illegible] fire on and used grenades against a crowd (from which a bomb is reported [illegible] area outside the Prefettura

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SICILIA REGION.

19. The tide of unrest caused during the early part of October by shortage of food, the rising prices of essential commodities, unfulfilled expectations as to increases in pay and the general inability of the local administration to control the situation culminated in an unpleasant incident at PALERMO on 19 October, when troops opened fire on and used grenades against a crowd (from which a bomb is reported to have been thrown) which was gathered in a confined area outside the Prefettura and the Office of the High Commissioner. Serious casualties occurred, 26 civilians being killed and 156 wounded. The bomb thrown from the crowd injured 11 soldiers.

20. Many misrepresentations of the incident appeared both in the press and elsewhere, where the impression was sometimes given that a serious battle between strikers and the Italian Armed forces had occurred, or that an attempt had been made by the Separatists to initiate violent action. It seems clear that the causes of the trouble were in the main economic and that, though the situation at the time was tense, had the forces of law and order been properly employed bloodshed could have been avoided or at least only a few casualties caused. Though excitement subsequently ran high in the city of PALERMO for some days and strong patrolling of the streets was necessary, the situation by the end of the month was outwardly calm and normal. Throughout the rest of the Island the situation was not abnormal, though there was continuous agitation against the low rate of wages and the high cost of living.

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21. During the month the Separatists held a congress at TAORMINA. The meeting was orderly but it appears that the movement is gaining strength. The congress was attended by some 250 individuals, mainly from CATANIA, MESSINA and PALERMO. Although the delegates held different political views there was complete unanimity over the fundamental aims of the movement.

22. Food and its price continue to dominate everything, while the approach of winter makes the lack of clothing, material and of shoes most serious. Workers would prefer a stabilization of prices at a reasonable level rather than a rise in wages, which may tend to drive prices still higher. Efforts are being made by the local administration to bring prices down and to exercise some rigid form of control but the shortage of commodities, the operations of those interested in keeping black market prices high, non-observance of laws and regulations and the inefficiency of the lower administration make the problem most difficult.

23. Grain availability, which has a disturbing influence on the whole situation, is most serious as present stocks will be exhausted by the end of the year and no plan has as yet been made to meet this situation. It is estimated that about one million quintals have not been amassed. Unfortunately activity in enforcing the amassing laws was seriously hampered by the PALERMO disturbance on 19 October. Black market prices of bread and pasta are rising steadily.

24. Communal soup kitchens are being set up in all the larger towns. Soup kitchens sufficient to feed fifteen thousand poor people will shortly be functioning in PALERMO.

25. Preparations have been made for the reopening of the schools on 4 November, but many school buildings are still occupied by the military, either Allied or Italian, and many others are uninhabitable due to war damage. Certain buildings are occupied by refugees but the utmost is being done to return these to the schools.

SOUTHERN REGION.

26. The Region continues to give day-to-day assistance to Allied forces. Amongst other routine work more than 2,000 civilians were found alternative accommodation in NAPLES Province to make room for Allied troops.

27. During the month a large number of activities were handed back to Italian control, including two cement and two brick works, distribution of fruit, control of certain industries such as soap, repairs to power stations and the operation of public utilities etc. At the provincial level the Italian authorities are functioning fairly well but they complain of a lack of guidance from their Government in ROME.

1601

28. The political position continued to be confused but the activities of the various parties were under reasonable control. The Communist Party was stimulated by a visit of the Russian Trade Union delegation. The Socialist Revolutionary Party declared itself against the parties of the Committee of Liberation and also sponsored the newspaper "Rendiera Rossa". The great mass of the people, however, remained indifferent to the political situation and were more concerned with the problems of food and clothing for the winter. Fears for the future persisted, fear that the Italian currency would collapse and that the withdrawal of the Allies from ITALY would result in chaos.

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29. As regards local government, the low salaries of all grades of state and municipal officials and employees was a subject of complaint, and inaction at ROME caused irritation locally and created a deepening mistrust.

30. The main difficulty in connection with the food supply was still transport. Fruits and vegetables were plentiful in producing areas but scarce elsewhere. The situation remained unchanged insofar as rationed items and free market goods were concerned. FOGGIA exported 27,000 tons of grain and flour to other Provinces during the month and 4,300 tons of wine were transported by sea from PALERMO to ROME.

31. Total grain collections reported up to 29 October were 3,011,666 quintals of wheat and 305,792 of barley. Provincial grain collection committees were requested to submit plans for action to bring in as much additional grain as possible.

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32. Prices in general rose and in NAPLES today are double those of a year ago.

33. New olive oil control officers, in training at FOGGIA, seized on their first effort 9 quintals of wheat, a truck with a false bottom containing two quintals of oil and 80 gallons of Allied petrol.

34. The promise of an increased food ration for civil police agencies resulted in a marked uplift in morale. A number of crimes of violence, mostly committed jointly by deserters from Allied Forces and civilians, were reported in outlying districts of NAPLES Province. Operations of all police agencies against the black market were continued with success.

35. The local Housing Commission in NAPLES commenced a programme of house repair, in conjunction with the Genio Civile.

36. As regards public health, Italian smallpox vaccine was found to be defective and it is not now clear how many of the 1,300,000 persons vaccinated in NAPLES area have actually been immunized.

LAZIO-UMBRIA REGION.

(A) ROME City.

37. Both the general population of ROME and others entitled to rations in ROME received their quota of rationed food during October, with only slight exceptions. The issues were within 2% of the ration entitlement, a considerable improvement on September. The distribution of foodstuffs available in ROME no longer presents a major problem but transportation difficulties hinder the bringing in of food.

38. Labour made "strike talk" more often during October. Organised labour in ROME is getting stronger and finding its voice. A half-hour strike to take place on 3 October was proposed by the ROME Chamber of Labour, but was later called off.

39. The City Sindaco has formed a Committee for Coordination of Technical Services, the initial meetings of which indicate constructive and helpful cooperation.

40. Police agencies have worked better during the month but are still short of food, boots and clothing. However, the increase as from 1 November of the rations of Metropolitani, Finance Guards, Prison Guards and Fire Brigade personnel to a similar scale to that of the CC.RR is appreciated by the men and should still further improve efficiency.

41. Although crime decreased in October there has been a number of hold-ups and robberies after dark, against which concerted drives are being made by the civil and military police.

42. Public health has remained good. Typhoid cases have decreased to about seven daily and will decrease further. Infant mortality, which was high, has also improved as has the malarial situation, the cases in ROME city and Provinces having dropped to 110 a week. The only concern at present is the supply of chlorine for the water of ROME, but is is hoped that adequate future supplies will soon be available.

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43. At the end of the month 235,700 daily bowls of soup were being served in industrial kitchens.

44. Schools were due to open on 6 November. The situation as regards de-requisitioning of schools is still unsatisfactory but is improving.

45. There was no marked change in the black market where food still appears to be plentiful. Prices have not been increased.

46. A control post has been established North of ARSOLI in LAZIO Province in order to expedite the delivery of potatoes to the general markets in ROME.

47. Detailed instructions for the formation and operation of truck pools have been prepared and translated into Italian. Provincial Commissioners have also been contacted in connection with the formation of provincial pools.

48. The unblocking of uncontrolled materials has proceeded according to plan. As from 1 November the Italian Government will assume responsibility for controlled materials in Liberated Italy, with a few exceptions.

(B) PROVINCES./.....

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(B) PROVINCES.

49. Lack of transportation and communications are primarily responsible for failure to improve the supply situation. In many instances Provinces had on 1 October sufficient of certain foodstuffs to make the prescribed distribution but failed to do so for one or other of the above reasons.

50. Housing is a serious problem which the Italian Government has not successfully tackled.

51. The official scheme for dealing with landmines is now in the training stage; In the meantime one company has picked up a few and is helping to clear power lines etc. A small band of volunteers has also collected some eight thousand in FROSINONE.

52. Two new Prefects took office during the month. The change in LITTORIA was a great improvement and in VITERBO it seems likely that the high standard already reached will be maintained. Good progress is being made by the Italian Government with building up the rest of their provincial administration.

53. The main task in industry was the unblocking of various commodities. TERNI, the only industrial center in the Provinces, showed remarkable progress.

54. The transportation of seed wheat was the main agricultural problem of the month, and a reasonable degree of success was achieved.

55. Ploughing is behind schedule owing to bad weather and POL shortage. The collection of grain is still progressing well, with over-flowing granaries as one of the difficulties. 54% of Allied Commission goods was reached by 25 October.

56. The revival of the fishing industry is showing slow progress.

57. In the labour field, so long as the Italian Government does not hold up the release of funds for public works there will be no great unemployment problem. Provincial Labour Offices are in operation.

58. The only reports of serious crime come from Provinces where there are bands of Allied deserters but these are not widespread.

59. The proper equipment of Carabinieri is extremely urgent if public order is to be upheld.

60. A seasonal decrease in malaria and typhoid is general but VITERBO reports concern over tuberculosis and LITTORIA over scabies.

61. Heavy rains and the removal of Bailey bridges for more urgent military needs have made travel by road increasingly difficult. All Provincial capitals except FROSINONE are now in signal communication with ROME.

1660

ABRUZZI-MARCHE REGION.

62. Political activity was more widespread, with meetings throughout the Region, [illegible] of a moderate nature. The Christian Democrat party was reported to be in

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1604

ABRUZZI-MARCHE REGION.

62. Political activity was more widespread, with meetings throughout the Region, chiefly of a communist nature. The Christian Democrat party was reported to be in the lead with members but the Communist party was well to the fore with propaganda.

63. Welcome changes continued to be made in the Italian local government personnel. Prefects were co-operative and were beginning to take their full share of responsibility. A provincial epuration committee was set up in ANCONA and PESARO Provinces.

64. Collection of grain slowed down considerably in the last half of the month, especially in those Provinces handed over to the Italian Government. The weather was very bad and it may be that this was the reason. Collection was, however, approaching the target figure.

65. While the supply of salt improved, the olive oil position has deteriorated. The olive oil allocation for October and November had not yet been received. Up to the date of handing over AQUILA Province to Italian administration potatoes were coming in faster than they could be transported.

Civilian/.....

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66. Civilian labour offices were organized in all Provinces except in ANCONA and PESARO. There were no widespread clashes between employers and employees but dissatisfaction continued regarding the relationship of wages to purchasing power.

67. Work continued on the reconstruction of roads and bridges, though such work was hampered by bad weather latterly.

68. A number of plans for the rebuilding of schools, government offices, etc., were approved, the largest of which was the reconstruction of the AVEZZANO Prison at a cost of L. 2,400,000.

69. Some 41,000 mines were removed during the month from the Provinces of CHIETI, PESCARA and TERAMO. There is still a great amount of clearance to be done. This is also the case in PESARO Province, from which area the battle has only recently gone forward.

70. An improvement in the electricity supply is expected shortly, when it will be augmented by an allotment of power from Southern Region.

71. The Region continued to be free from serious crime and no large black market activities are reported. The political demonstration staged at ORTUCCHIO appeared at one time to be formidable. It was firmly handled by the Carabinieri and it is not thought that another such outbreak is likely to occur.

72. The health of the population is satisfactory and twenty tons of medical supplies received will be of great benefit.

73. The majority of the schools have been reopened, with the exception of those in the Province of PESARO-URBINO. Reopening in the Northern Provinces was hampered owing to the lack of accommodation, the schools having either been destroyed or occupied by the Army. New Rectors were elected in the three Universities of the Region and examinations were being held prior to reopening.

74. About 1300 refugees were received from the forward areas and dispersed in the Provinces. The organisation for their reception and dispersal functioned admirably and no difficulties were experienced.

SARDEGNA REGION.

75. General progress was made towards all round better cooperation and improved administration, the improvement being reflected in the absence of serious reaction following the reduction of the workers' food ration. Although the reduction was considerable and affected more than 200,000 workers there were only five food demonstrations in September and October against seventeen in the two previous months. But although the change has been accepted in good spirit, anxiety is not over as the grain collected on the Island will only maintain the ration until mid-December. 7000 tons of imported grain will then be required by the 15th of each month. This calculation is based on the assumption that locally crossed grain will amount to 300,000 quintals. At the end of October just over 276,000 quintals had been collected and an energetic drive to reach the target figure continued.

76. A serious factor in the food situation is a universal lack of sugar.

77. The political situation remained comparatively quiet. On 15 October the [illegible] Action Party and the Italy Action Party was announced. The

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76. A serious factor in the food situation is a universal lack of sugar.

77. The political situation remained comparatively quiet. On 15 October the fusion of the Sardegna Action Party and the Italy Action Party was announced. The Communist Party had an opportunity to show itself as an organised group during the visit of the Russian Labour Delegation, at whose meetings it was prominent. Other visitors included Dott. CORSI, the Socialist Under-Secretary for Marine and EMILIO LUSSU, the leader of the Action Party, who on this occasion came in connection with welfare matters and not politics. Summarising political tendencies on the Island, there is an expressed desire for greater administrative autonomy under the High Commissioner but there is no real separatist movement.

78. The functioning of the SARDINIA Courts of Law is again causing anxiety. There is an accumulation of over 16,000 cases awaiting trial and more than 1600 prisoners in jail awaiting trial. Despite this congestion, which continues to grow worse, the additional Judges sent to the Island have been removed.

Progress/.....

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79. Progress was made in the release of 611 time-expired prisoners at ASINARA Penal Settlement; 362 of these, whose homes were in Southern Italy, were embarked for the mainland on 29 October. One of these men said that he had completed his sentence sixteen months ago and another protested that his crime had been anti-fascist activity. There are still 250 men imprisoned in this Settlement who have completed their sentences.

80. Rain fell during the month and cultivation is well forward; barley and oats for forage have already been sown in many districts and the preparation of land for wheat is well forward. Prospects for the olive crop continue to be good.

81. Clearance of badly bombed CAGLIARI is a tale of slow progress, due to lack of transport to remove debris. Repairs to schools and public buildings are in hand.

82. 25 cases of armed robbery were reported during the month, whilst organised banditry continues in NUORO. A shepheard's vendetta resulted in the wanton slaughter of 800 sheep.

83. There was no unusual trend in Public Health except for an epidemic of typhoid in ORUNI, which has subsided.

TOSCANA REGION.

84. At the end of the month Regional Headquarters were obliged to move from SIENA in order to make room for an operational HQ. FLORENCE was the obvious centre but it proved impossible to find accommodation and the HQ had perforce to move to LUCCA.

85. The slowing up of the Armies' advance caused unavoidable congestion in the area close behind the fighting line, resulting in increased demands on stocks of food, fodder, accommodation etc. The widespread destruction to communications added to the difficulties experienced.

86. The various political parties continued to play for position, but on a reduced scale. Public morale generally was good. The necessity of requisitioning buildings to house troops caused concern in some areas, notably in AREZZO and LIVORNO, where anxiety was aggravated by a number of crimes committed by troops against civilians.

87. Local government functioned well in SIENA and GROSSETO. Communal Committees for aid to Patriots were established in LIVORNO and though in AREZZO no Sindaci have as yet been confirmed, all Northern communes are gradually being brought into the governmental administration.

88. There is anple lignite in AREZZO and GROSSETO Provinces and in the latter there is a good supply of charcoal, pyrites, pelts, wheat, oats, and olive oil when harvested. Shortage of sugar, however, will probably be seriously felt. A comprehensive programme to supply the Northern Provinces with seed wheat was worked out and some 250 tons have already been moved.

89. There were no labour disputes nor trade union developments during the month. The most difficult unemployment problem is at PIOMBINO but this will decrease when mining in the area is increased.

90. The Public Works and Utilities Division worked hard during the month, the

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90. The Public Works and Utilities Division worked hard during the month, the drainage of flood water being among the most important tasks. Work [illegible] has also been carried out and the railway has reached LIVORNO. A civil mail service from GROSSETO was resumed on 16 October.

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91. Civilian crime in general was not serious and Allied and Italian courts functioned satisfactorily. Health in the Region continued to be good, the outbreak of typhoid in AREZZO Province having decreased. Finally, schools opened in GROSSETO, SIENA and AREZZO Provinces and are expected to open in LIVORNO during November.

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PART II.

CIVIL AFFAIRS SECTION.

1. The Italian Government has issued a decree directing that priority be given to the epuration of the four senior grades of government and railway employees and requiring that epuration of these grades be completed by 31 Dec. It has also issued the Rules of Procedure for the epuration courts. Both decrees should expedite the process of epuration.

2. Despite shortage of equipment and other handicaps progress is being made by the Italian Government in mine clearance. The Centre of Instruction at PISA has completed its first course and squads are now operating in that area. The Centre at SPOLETO has been visited, where about 20 men are under instruction on the first course. At CHIETI a course of instruction for 30 men has commenced and a group of about 100 men are reported to be at work in PESARO.

LOCAL GOVERNMENT SUB-COMMISSION.

3. The Provinces of PESCARA, TERAMO, ASCOLI, MACERATA, ANCONA and PESARO have been surveyed and good progress is noted in the reorganisation of local government.

4. On representations of this Sub-Commission, the post of Prefetto Ispettore was created by the Italian Government. He is to visit Provinces in restored Italy, advising Prefects and to report, his reports being made available to the Local Government Sub-Commission.

5. A Decree has been published by the Italian Government in connection with the preparation of electoral lists. Implementation in Military Government Territory is held up pending study of the new decree.

6. At the request of the VP, the Director visited FLORENCE to investigate relations between the CLN, the Prefect and AMG.

7. Reports from political sources severely attacking the AMG Prefect of TERAMO have been submitted to the Italian Government. They have been investigated by this Sub-Commission and found to be baseless. The Italian request for the removal of the Prefect was refused and the Prefect is to receive all possible support.

8. Naples CLN was consulted by the Zone Commissioner as to the appointment of a new Sindico. No suitable nomination was submitted by them and under pressure from the CLN through newspapers the AMG nominee withdrew. The Zone Commissioner therefore appointed a Commissario Prefettizio. The situation is being watched and the Regional Commissioner is to include in his monthly report special reference to this question.

PUBLIC SAFETY SUB-COMMISSION.

9. Agreement had been reached that the Carabinieri would be temporarily augmented by 5,000 Italian troops who would be attached to Regions in Southern ITALY, thus releasing trained Carabinieri for Northern ITALY. The whole scheme has been rendered futile by a ruling that the 5,000 troops (who are not expected to arrive until the end of November) must return to military duties on 31 December. Suitable protests are being made.

10. The disturbance in PALERMO on 19 October (see account in report on SICILLA

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10. The disturbance in PALERMO on 19 October (see account in report on SICILIA Region) was exploited by political factions and on the following day leaflets of a Separatist character were distributed in the streets. On 21 October the Separatist Headquarters in PALERMO were raided by the Police, documents were seized and 11 persons arrested. No repercussions followed the incident and public order is normal.

11. The police (particularly the Carabinieri who are popularly supposed to be Monarchists) have been accused of being influenced by politics. The Commanding General of the Carabinieri has issued an order to the Force, again emphasising the need for the police to remain strictly non-political. To counteract unfair Press criticism, which was undermining public confidence in them, Col. Young of the Public Safety Sub-Commission, addressed the editors of the Italian Press in ROME, asking for their cooperation in restoring the prestige of the police.

The Italian/.....

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12. The Italian Government is now aware of the danger of weapons and ammunition being collected by political parties and instructions have been issued for the seizure of firearms illegally held by civilians.

13. Armed hold-ups in SICILY are on the increase. In ROME there has been an out-break of theft in the streets at night, particularly robbery with violence.

14. The Council of Ministers has passed a decree re-naming the Corps of Agents of Public Security the "Guardia Nazionale di Polizia". 300 recruits have commenced a course of instruction at the Training School in ROME.

15. All Public Safety Agencies have been granted an increased ration scale, equivalent to the Italian Army ration.

PUBLIC HEALTH SUB-COMMISSION.

Public Health.

16. Only 15 cases of typhoid have been reported in BENEVENTO up to 26 October as compared with 90 for the whole of September.

17. Smallpox continued in NAPLES and adjacent areas, but the epidemic is of such a mild nature that it is largely disregarded and many cases are concealed by the local population, thus increasing the difficulties of control measures.

18. A grossly exaggerated account of V.D. amongst young girls in NAPLES has appeared in the Italian press.

19. The total tuberculosis death rate for ROME has also fallen, the October figure being 323.

20. Plans are being prepared for the 1945 Anti-Malarial Campaign.

21. Two cases of Endemic, i.e., not louse borne, typhus have occurred in NAPLES Province.

Veterinary.

22. Italian laboratories are producing all requirements for animal diseases with the exception of Hog Cholera.

23. The incidence of Rabies is decreasing, but the incidence of Bovine Tuberculosis is high among dairy cattle. Recommendations concerning the pasteurisation and boiling of milk have been made.

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Medical Supply.

24. Medical supplies to the total value of $5,335,000 and the approximate weight of 3,000 long tons have been imported into ITALY from the start of AMG operations in ITALY

25. The National Wholesale Druggist Association, formed for the distribution of Medical Supplies, was due to start operating on 1 November.

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Welfare.

26. Satisfactory conferences with the Italian Government regarding the allocation of funds for Welfare projects have been held and as the result of a meeting held in the office of the Director of Public Health and attended by H.E. CANEVARI, Under-Secretary of the Interior, the establishment of a Commission to deal with devastated areas resulted.

LEGAL SUB-COMMISSION.

27. The Office of the Chief Legal Advisor was concerned during the month with completion of documents for restoration of additional territory to Italian jurisdiction and consideration of various needs pertaining to the future structure of the press, radio and film industries in ITALY. The problem of desequestration of the property of United Nations nationals was also considered, as well as a decree to restore property to Jews. Finally, a directive on enemy partisans was issued by the Office of the Chief Legal Advisor.

Amongst work/.....

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28. ~~Amongst work carried out by~~ the Office of the Chief Counsel ~~was preparation~~ of opinions on:

(i) Right to require Italian Army to supply material and services;
(ii) to control appointment and personnel of Commissarii;
(iii) to control general economy.

Rules and regulations to supplement General Order No.28 (Labour Relations) were prepared, and the subject of control of utility rates was considered.

29. The Italian Branch was concerned with the control of draft decrees prior to their submission to the Council of Ministers and the procedure to be adopted, as well as with rules for restoration of property rights to Jews. Work was done on the reorganisation of the administration of Italian military justice. A memorandum on the complaints made by the Waldensian Church, arising out of its position in ITALY under the Lateran treaty, was considered and a decree was drafted on property control for administration by the Italian State of the property of members of the United Nations. A decree to facilitate marriage of the members of the U.S. Forces under the Italian law was approved.

30. The Office of the Chief Judicial Officer was visited by Chief Judicial Officer of TOSCANA Region, who reported that things were quiet in that Region and there was little work for Allied Military Courts, except at LIVORNO.

31. Espionage cases in October were :

Death sentences confirmed - 6;
" " confirmation by Chief Commissioner awaited - 2;
" " commuted - 0.

There was no case for review in which a person convicted of espionage had received any sentence other than death.

EDUCATION SUB-COMMISSION.

32. The extensive printing inaugurated during the summer is far from complete. Some books have been published in NAPLES. In ROME most of the printing is done but the covers are not yet finished. In FLORENCE, four of the ten books are printed, except for covers, others are getting under way. The paper and ink ordered from the UNITED STATES last April had begun to arrive. This has been the principal cause of delay in PALERMO and NAPLES. Delays have been due to difficulty in getting electricity for the presses and the taking over of presses, in the midst of printing, by PWB. In FLORENCE there was necessarily a late start.

33. Defascism of school and university personnel proceeds on normal lines - at least, the mechanism is excellent.

34. The gravest problem is in regard to school buildings. The number occupied by Allies, by Italian Military and Carabinieri and by refugees and homeless constitutes the majority in most Provinces; many of the rest are either destroyed or badly damaged.

35. This building problem is being vigorously and systematically attacked by the Regional Education Officers. Occasionally it is possible to get the military units

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isteration by the Italian S[illegible]
decree to facilitate marriage of the members of the U.S. [illegible]
was approved.

30. The Office of the Chief Judicial Officer was visited by Chief Judicial Officer of TOSCANA Region, who reported that things were quiet in that Region and there was little work for Allied Military Courts, except at LIVORNO.

31. Espionage cases in October were :

Death sentences confirmed - 6;
" " confirmation by Chief Commissioner awaited - 2;
" " commuted - 6.

There was no case for review in which a person convicted of espionage had received any sentence other than death.

EDUCATION SUB-COMMISSION.

32. The extensive printing inaugurated during the summer is far from complete. Some books have been published in NAPLES. In ROME most of the printing is done but the covers are not yet finished. In FLORENCE, four of the ten books are printed, except for covers, others are getting under way. The paper and ink ordered from the UNITED STATES last April had begun to arrive. This has been the principal cause of delay in PALERMO and NAPLES. Delays have been due to difficulty in getting electricity for the presses and the taking over of presses, in the midst of [illegible] printing, by PWE. In FLORENCE there was necessarily a late start.

33. Defascism of school and university personnel proceeds on normal lines - at least, the mechanism is excellent.

34. The gravest problem is in regard to school buildings. The number occupied by Allies, by Italian Military and Carabinieri and by refugees and homeless constitutes the majority in most Provinces; many of the rest are either destroyed or badly damaged.

35. This building problem is being vigorously and systematically attacked by the Regional Education Officers. Occasionally it is possible to get the military units to move over and make room for children. Strong pressure is being put on Prefects to get refugees out. Sindaci and Genti Civili are being pushed into making repairs and disinfesting and disinfecting buildings. Their great cry is for materials.

36. Schools opened in the majority of Provinces from ROME north in October. In the rest of the Provinces and in all Southern ITALY they are ready for opening early in November - the date set by the Ministers.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

37. Liaison with LONDON and WASHINGTON: During October the Sub-Commission began its first sending of photographs to WASHINGTON and LONDON as records of damage and repair of monuments in ITALY. These shipments will be carried on crescendo provided that the photographic equipment can be properly maintained. Special reports were also submitted on the condition of monuments and art objects in GREECE and on the removal of German archaeological Libraries from ROME.

38. Liaison/....

38. Liaison with Italian Government: Meetings with Italian officials were concerned chiefly with taking energetic steps on the question of the budget for repairs, and assisting representatives of the Ministry of Public Instruction to go to SARDINIA and to cities in the MARCHE, where inspections and repairs were necessary.

39. Activities in various localities: In ROME the Exhibition of European Masterpieces still attracts many people. It will be kept open until 1 December. To-date 1,210,000 Lire have been deposited in the bank for use in monument projects, from the gate and photograph receipts at the exhibition. Repairs in the Protestant cemetery are practically complete. MICHELANGELO's "Moses" is being freed from the air-raid protective masonry and will shortly be on public view. In the field many repair projects are under way in LAZIO, UMBRIA, the ABRUZZI, the MARCHE and TOSCANA Regions:

(i) At FLORENCE the long labour of inspection and check-up of the deposits of art treasures and of many of the villas in the vicinity was concluded and reports submitted.

(ii) At PISA the emergency roofing of the CAMPOSANTO was completed and work on the damaged frescoes continued by Italian experts.

Both at FLORENCE and SIENA exhibitions are being prepared of works of art brought back to these cities from the deposits.

40. Operations of MFAA Officers (General): During this month MFAA Officers with FIFTH and EIGHTH Armies and the Regional MFAA Officers have been able to collaborate more closely in actual problems of inspection and repair and in planning for the future. Various tours of inspection in LAZIO-UMBRIA Region were undertaken by the Deputy Director.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

41. No evacuation of Allied Nationals from ITALY has taken place during the month. Of the 7,000 Italian refugees arriving in refugee camps in ROME, some 5,000 have been repatriated to their communes. The shortage of transport in No.1 Sub Section, LECCE, is becoming acute. The need for release of blankets for Italian and Allied refugees is stressed.

42. In the southern camps the epidemic of measles and whooping cough had died down as the result of control measures. Mumps of a mild form has been prevalent and there have been a few cases of diptheria. Immunisation against diptheria is in process of completion. Adult health in general was good. Among new arrivals few cases of tuberculosis were reported. All camps north of ROME were visited during the month. General conditions were fairly good, although sanitation requires improvement in some instances. An automatic water pump and chlorinator has been installed at CINECITTA and AVERSA Camps.

43. Excellent work has been done during the month by the Record Bureau and 62,740 displaced persons are now recorded. Welfare and whereabouts enquiries continue to be received in large numbers.

44. Preliminary work on repatriation of 900 Jews to PALESTINE has been begun.

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45. Advances to Allied Nationals continue and some 1611 people of 18 different nationalities have received sums totalling 6,736,200 lire. These loans average 2,686 lire a person and 1,380 of the beneficiaries are ex-internees of the Italian Government. Final arrangements have been made regarding Italian Government financial assistance to ex-internees. Currency conversion of these refugees proceeding overseas still awaits a ruling. The move of the further 900 Jews to PALESTINE in the near future emphasised the need for formulation of policy and planning at a high level, in anticipation of mass repatriation at the close of European hostilities.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION.

Reconstruction of Italian Agriculture, Forestry and Fisheries.

1. Progress in the acceptance of responsibility by the Italian Government has been made during the past month in all three fields, Agriculture, Forestry and Fisheries. Programs have jointly been determined, responsibilities for securing results have been accepted and certain personnel changes, which should ensure speedier results, have been made.

2. Another step in the direction of closer working relationships with the Italian Government for King's ITALY resulted in the assignment of greater responsibilities to the Allied Civilians, who will work even more closely with the Italian Civilian representatives in the Ministry of Agriculture.

Agriculture.

3. Progress in developing a uniform livestock program was made by the Ministry through issuance of a decree prohibiting the slaughter of bovines, buffaloes and equines, except in certain unusual conditions.

4. Lack of transportation has been an especially important problem during the month with regard both to movements of seed wheat and seed potatoes. It is now clear that yields of these crops will be lowered by many thousand quintals during the coming season due to the use of poor quality local seed and actual reduced acreage in certain war damaged areas. In addition, the decision of AFHQ to reduce the imports of seed potatoes will mean a greatly reduced production of this important food item in 1945, as local seed potatoes are not being made available because of lack of transportation and of the high prices obtained as food.

5. Progress of the "Granai del Popolo" continues in many areas in spite of transportation and warehousing difficulties, showing an increase of 7½% during the month, reaching a total of 9,197,232 quintals. Three Regions have now surpassed 90% of the estimated quantity of wheat to be amassed. SICILY and CALABRIA are still lagging far behind.

6. Wheat amassing will be limited in the forward areas due to a large proportion being damaged by weather conditions. In some communes it has been necessary to distribute such damp wheat as quickly as possible after occupation to all families in order to save it. In a few cases lack of warehousing has caused some damage, since sufficient transport was not available.

7. To increase delivery of the 1944 wheat as well as to give a reward for a high proportion of the crop amassed over family retentions, a limited quantity of the available nitrogenous fertilizers in SICILY are being used on an incentive basis in accordance with plan worked out jointly with the Regional personnel.

8. Olive oil amassing has now started. No reports are as yet available but estimates of production, consumption and quantities to be amassed are in the process of preparation.

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9. The prices of rice, olive oil, silk cocoons and nitrogenous fertilizers have been approved by the Price Committee, and this information is being distributed to the forward areas as well as to other Regions.

10. For the first time since the Allied occupation a limited quantity of rock phosphate imports were received on the mainland for processing.

Forestry.

11. Acceptance by the Ministry of Agriculture of the responsibility of the Royal Forest Corps for carrying out a six-point Forestry Program for charcoal and fuel wood production, allocation and distribution, marks another step forward toward turning the job of A.C. over to the Italian Government. The appointment of a few key people in the Royal Forest Corps and the re-activation of certain field offices lend further encouragement.

Fisheries/.....

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Fisheries.

12. To increase the supply of fish at regular fish markets two interdependent plans to bring about uniformity in the distribution of Nafta for motor fishing schooners and to discipline marketing centres, have been circulated to all Provincial Prefects in Italian territory by the Ministry of Agriculture through its Ufficio Centrale della Pesca e della Caccia. The Nafta circular goes into effect on 1 January 1945, while the one on the discipline of marketing centres goes into effect upon receipt. The plans are interdependent, since the assignments of Nafta and Oil Products depend on the amount of fish taken to the collection centres.

13. The problems of requisitioning and derequisitioning of motor fishing vessels and jurisdiction in transferring fishing craft from one area to another for increased production have been discussed with the various authorities concerned.

COMMERCE SUB-COMMISSION.

14. Materials Division:

(a) Availability of Materials.

Difficulties were encountered in connection with handing over to the Italian Ministry of Industry, Commerce and Labour the work of collecting data on, and reporting availability of, controlled materials in Italian Government territory; but eventually a formula was found which was acceptable both to AFLRS and to the Ministry, whereby it was agreed that Military Units requiring Italian controlled materials should notify the Ufficio Provinciale before withdrawing them.

(b) Requirements and Releases.

Releases from AFLRS to AC were on a reduced scale.

The Italian Ministry of Industry, Commerce and Labour circularised the Uffici Provinciali, putting into effect the new system of dealing with controlled materials as from 1 November.

Distribution of cement releases was hampered by the general shortage and poor quality of sacks.

Military demands for calcium carbide created a serious problem in connection with supply of this material in the ROME area.

(c) Special Materials.

Newsprint arrivals enabled stocks to be built up at distribution points in anticipation of demands for Northern ITALY when liberated. Supply of newsprint to SARDINIA was difficult, owing to lack of transportation facilities, but one ton was sent by air and 25 tons by boats. A plan for turning over control of this commodity to the Italian Government was put forward by the Allied Publications Board and is now awaiting approval of AMG.

Printing Ink: A supply sufficient for two to three months' requirements

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Printing Inks: A supply sufficient for two to three months' requirements has been built up. 25 tons were received at LEGHORN and shipped to ROME, and a further seven tons are expected shortly at NAPLES.

Textiles, Shoes and Clothing: Negotiations were in progress regarding the transfer of the distribution of repaired clothing and shoes to the Italian Government to fit in with the proposed transfer by Industry Sub-Commission of the actual repairing process.

83,665 pairs of workers' canvas shoes imported from the U.S. arrived at LEGHORN, were shipped to ROME and transferred to the Ministry of Industry, Commerce and Labour. Another 25,000 pairs at NAPLES were in the process of being transferred.

(d) General/.....

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(d) General.

Allegations concerning purchases for export by French agencies were investigated and evidence on the question was submitted to AFHQ, G-5, with the recommendation that French purchases should be coordinated with those of other forces and their export should go through regular channels.

Over 100,000 square metres of light, heavy and waterproof canvas were obtained by allocation from AFLRS for the FROSINONE-CASSINO housing project.

The situation in regard to the availability of sacks for foods and grains was well in hand and no undue difficulty was expected in providing for current needs of sacks for charcoal.

Leather continued to be critical in supply but current needs for boot repairs were met by using rubber soles and also surplus leather soles and heels from Army sources.

Production and distribution of belting was satisfactory.

Commencing in November the ration of matches was to be increased from 25 to 50 per month in the whole of occupied and liberated ITALY. This was made possible by improved production figures, availabilities found in forward areas and some importation from abroad.

Bidding for transportation of tobacco was turned over to the State Monopoly and all other questions concerning tobacco were transferred to Finance Sub-Commission, to avoid overlapping.

15. POL Section.

Control over POL allocations in Southern ITALY, SICILY and SARDINIA was handed over to the Italian Government, to whom bulk allocations were made.

Further work was done on canalising demand and control of POL for fleets of vehicles operated by the Vatican, Knights of Malta, Diplomatic Corps and Consular Offices.

16. Price Section.

The work of the Sub-Commission in connection with prices officially was concluded on 9 October and was transferred to Economic Section.

17. Foreign Trade Section.

Shipments of various commodities to the value of Lire 90,000,000 were made during the month, and at the end of the month goods purchased but not yet shipped consisted of 875½ tons of various items ready at ports, for which space had been bid, and 3625½ tons ordered forward to ports for which space had not yet been bid.

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A shipping program for 20,000 tons of lemons for U.K. during Nov/Jan was arranged and bids were made for the first two shipments.

30 tons of silk cocoons were imported and contracts for raw silk production in the next three to four months totalled 27,630 Kgs.

A serious theft of 3800 Kgs of silk, valued at 4 million Lire at controlled prices, took place between REGGIO CALABRIA and NAPLES and is being investigated by SIB Military and civilian police forces in NAPLES and REGGIO.

Initial reports and investigations were made in regard to export possibilities of the many artisan and small industries of Central ITALY.

The Istituto Commercio Estero was rapidly developing its work and had opened inspectorates at NAPLES, BARI and in SICILY; they were supplied with all relevant data in possession of the Sub-Commission.

18. General/.....

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18. General.

Col. W. P. EVANS, Director of the Sub-Commission, proceeded to LONDON for consultation with the Ministry of Supply, Ministry of Food, War Office and Board of Trade.

A number of officers from HQ were assigned to forward Regions but remained with the Sub-Commission on call by the Regional Commissioners, whilst certain newly-assigned officers commenced work at HQ in preparation for later assignment to field activities.

FINANCE SUB-COMMISSION.

19. Financing of Imported Civilian Supplies.

On 10 October President ROOSEVELT announced that the United States Government would make available to the Italian Government the dollar equivalent of all lire issued as pay up to now and hereafter to troops of the United States in Italy. Later it was clarified that this referred only to that part of the dollar equivalent of lire issued to troops of the U.S. which is not sent home by way of remittances or through purchases of War Bonds. In addition there were, and will continue to be, made available the dollar proceeds representing (a) Italian exports to the U.S.A., and (b) remittances to ITALY from or through the U.S.A. The dollars made available will be used by the Italian Government to pay for essential civilian supplies to be purchased in the UNITED STATES.

It is contemplated that the Italian Government with the Allied Commission will jointly prepare a program of essential civilian imports.

Although the dollars accruing from all the sources indicated will not be applied by the U.S. Government against any claims upon ITALY, it is made clear that the provisions of the agreement do not affect the terms of the Armistice nor prejudice the final settlement between the Governments of the UNITED STATES and ITALY.

No similar announcement has been made by the UNITED KINGDOM, which will continue to provide its quota of essential civilian supplies but under different financial arrangements.

20. Italian Government Financial Mission to the UNITED STATES.

In July, 1944, the Italian Government raised with the UNITED STATES Government the possibility of sending a group of technical experts to the U.S. to discuss financial and economic questions. The U.S. State Department indicated that there was no objection to such a mission. 1565

The Italian Government nominated as its representatives Ing. Quinto QUINTIERI, President of the Banco di Calabria and Minister of Finance in the third Badoglio Government (April, 1944); Dott. Raffaele MATTIOLI, Joint Managing Director of the Banca Commerciale Italiana and one of ITALY's most prominent bankers; Dott. Egidio ORTONA, of the Italian Ministry of Foreign Affairs; Dott. Enrico CUCCIA and Avv. Mario MORELLI, Secretaries. The mission, which is due to leave ITALY on 3 November, will be accompanied by Lieut-Comdr. J. J. LAWLER; recently appointed Joint Director (A) Finance Sub-Commission, in place of Col. E. H. FOLEY, Jr.

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21. Modification of British and United States Trading with the Enemy Legislation.

The British Prime Minister and President ROOSEVELT, in a joint statement on 26 September, announced that the application of the Trading with the Enemy Act would be modified so as to enable business contacts with ITALY to be resumed for the benefit of the Italian people.

Banks and other financial institutions in the U.S. and U.K. may now reply to requests for information from their depositors in Liberated ITALY, documents such as birth, death, marriage certificates, wills and legal notices may be transmitted, and US/UK and Italian firms may exchange business information with a view to the future resumption of business relationships. The resumption of private trade is not yet permissible. It is understood that no licences will be granted for private trade transactions at the moment, since trade with ITALY is now being carried on only through governmental agencies. The transmission of payment orders, proxies and powers of attorney from UK/US to ITALY will continue to require licences from the existing control authorities.

The status/.....

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The status of Italian assets in the U.S. and U.K. is not in any way affected by this modification of the Trading with the Enemy legislation.

22. Investment in Treasury Bills.

The excess of purchases over payments of Buoni del Tesoro Ordinari amounted to 2,999 million lire in September; the net investment for the first three months of the fiscal year was 9,461 million lire.

23. Tax Receipts.

Available information indicates that gross revenue receipts for the first quarter of the fiscal year 1944/45 (July through September, 1944) were approximately 2,500 million lire for the 44 Provinces of Liberated ITALY.

24. Rehabilitation of Industrial Plants.

The Italian Government has set up an appropriation of two billion lire to be used as a fund to guarantee loans to be made by credit institutions to private firms. The credit institutions may advance money on loans up to 75% of the estimated works cost, at a rate of interest to be fixed by the Ministries concerned. The Italian State will pay part of the interest charges provided they do not exceed 3%. This arrangement will continue in force for four years, after which time loans will be consolidated on new conditions as to the re-payment of the capital and interest.

25. Advances to United States and British Nationals.

The U.S. and British Consuls have assumed the responsibility for making loans to their respective nationals in Liberated ITALY, with the following exceptions :

(a) SICILY and SARDINIA. British Consul NOT yet responsible.
(b) Provinces of AREZZO, FIRENZE, FORLI, LIVORNO, LUCCA, PISA, PISTOIA, SIENA and RAVENNA. Swiss Legation will continue to look after the interests of British and U.S. Nationals.

Emergency payments will be made by Finance Officers of AMG FIFTH and EIGHTH Armies in newly liberated territory, until the Swiss Legation is able to take over the responsibility.

26. Defascism of Financial Institutions in AMG Territory.

The first specially trained group of Guardia di Finanza left for FIRENZE, PISTOIA and LUCCA in October to facilitate defascism in forward areas. Additional groups have been trained and will move forward as important additional territories are liberated.

27. Property Control.

A draft of decree under which the Italian Government will assume responsibility for the care and custody of Allied property in transferred territory was finally approved by AC and by a committee representing the Ministry of Treasury on 17 October, but the decree had not been passed by the Italian Government when the month ended.

28. Control and Accounting for Imported Foodstuffs.

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28. Distribution of and Accounting for Imported Foodstuffs.

In the last month's report mention was made of the arrangement which went into operation on 1 September. On that date the Italian Government, through the Ministry of Agriculture, assumed responsibility for receiving, distributing, and accounting for imported foodstuffs. Cargoes arriving at ports (except NAPLES) now pass directly to the local Consorzio Agrario, who prepare receiving reports. Such reports are ultimately routed through the Federazione dei Consorzi Agrari to the Chief Accountant. This new arrangement was extended to certain forward areas during October.

Food Sub-Commission/.....

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FOOD SUB-COMMISSION.

Grain Situation.

29. A topic which received a great deal of attention during the month was that of the general grain situation in relation to the proposed universal 300 grams bread ration. Representations continued to be made by Northern Regions of the prevailing discrepancy between Northern and Southern bread/pasta ration scales. It has long been recognized that such a discrepancy is illogical and the whole purpose of recent discussions and the visit of the Supply Section to WASHINGTON has been to have this discrepancy removed.

General Supply Situation.

30. It has been reported in previous months that the general supply situation has been deteriorating. A large extension of areas to be fed, coupled with almost complete cessation of imported foodstuffs other than grain, have led to a steady eating down of stocks. A memorandum to this effect prepared early in October showed that at present rate of consumption and present scheduled imports, stocks of dehydrated soup, meat and dried vegetables would be exhausted by January 1945. The situation was explained at the SICILY Conference in early October and views were asked as to the principle of Selective Rationing being applied to make the best possible use of existing stocks of miscellaneous items, and to make presently available supplies last at least through the winter.

31. This was also discussed at a meeting with Italian Ministers, called owing to the imperative necessity of getting a decision in agreement with the Italian authorities upon vital questions such as the idea of Selective Rationing, the release of present controls upon some or all of locally produced foodstuffs, and the provision of supplies by the Italian authorities when they no longer have our imported supplies upon which to rely. At this conference it was decided that the Italian Government should put forward concrete proposals upon the points submitted to them, but at the end of the month these proposals were still awaited.

32. Studies were made of the actual bread/pasta ration that would be available throughout ITALY if present scheduled import tonnages were maintained, and also of the actual amount of grain imports that would be required if the higher ration of the South were to be made universal. The conclusion reached on the first was that a considerable reduction of the ration in the South would be necessary if no further increase upon scheduled imports were granted. The result of the second was communicated to AFHQ and an early decision upon the question of the higher ration for the present "unprivileged" part of ITALY was requested.

33. The necessity for such a decision became more pressing as the month went by, as statements in the Press, based upon the joint statements made in WASHINGTON, reflected the growing assurance of the Italian population that such a concession would, in fact, be granted to them.

34. By the end of the month, however, no definite program of increased imports had been issued and the question of the 300 gram universal ration was still in abeyance.

35. The SICILIAN wheat situation also was the subject of a special study during October. Harvesting had been disappointing in the Island and by the end of the month the total crop was still 100,000 tons below even the revised and decreased

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35. The SICILIAN wheat situation also was the subject of a special study during October. Assessing had been disappointing in the Island and by the end of the month the total amassed was still 100,000 tons below even the revised and decreased target figure. The Regional authorities are doubtful if much more assessing can be expected and at the moment it appears certain that SICILY will have to be "baled out" long before expected.

36. Barley imports arrived during the month for the first time. The idea is that a certain amount of barley, surplus in certain countries, will be imported into ITALY to ease the pressure upon world supplies of wheat. Present proportion is 20% of barley will be imported to 80% of wheat. Certain stocks of local barley also exist and therefore instructions were sent to all Regions ordering the use of barley flour in bread making and a directive issued laying down milling ratios for barley and the amount of barley flour that is to be mixed with wheat flour in the making of bread. At present this is 20% but a possible revision will be made when the Italian Ministry of Agriculture, in agreement with us, issues complete instructions on the whole subject. The Ministry has also been requested to make allocations of all present stocks of locally grown barley.

37. Date to/.....

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37. Data to show the diminishing scale of imports are as follows :

MONTH	SUGAR	MILK	MEAT	DRIED VEG.	SOUP	FISH	TOTAL
JULY	-	1,375	6,306	2,634	-	404	10,719
AUG.	+2,687	10	-	-	-	158	2,855
SEPT.	-	-	-	1,834	-	291	2,125
OCT.	2,682	-	-	4,661++	-	326	7,669

\+ Into SICILY.
++ Into LEGHORN - stockpile earmarked for NORTH ITALY.

38. The first ship with sugar to reach the mainland since May arrived in NAPLES. It came in so late in the month, however, and rate of discharge was so slow, that for the second month in succession it was not possible to issue a sugar ration in large areas of the mainland.

39. Pending the final settlement of the question of the universal high bread/pasta ration it was decided, with the approval of AFHQ, to authorize an issue of 300 grams of pasta or flour fortnightly in all Provinces north of the GARIGLIANO. First issue was to take place during the first week in November.

Rationing.

40. A new ration scale for Guardia di Finanza and Public Security Agents was formulated to come into effect from 1 November. The new scale is near that of the existing military scale.

41. Further progress was made to provide special rations for meals for school-children.

42. Italian Under-Secretariate of Food: The question of the formation of all Under-Secretariats of Food has been followed up and after much discussion it is hoped that the whole organization will be prepared to function in a very short time under the leadership of the former Under-Secretary of Agriculture, Prof. H. E. BERGAMI.

43. Port Facilities: The Army authorities ceased operating the ports of CASTELLAMMARE and TERRE ANNUNZIATA and arrangements were made to hand them over for civilian operation.

44. Rome Supply Committee: This Committee continued to operate and an average daily tonnage of 500 tons plus a daily average of 2500 eggs were brought into ROME. Wine has also started to flow, a shipment of 4300 tons arriving in CIVITAVECCHIA.

45. Olive Oil: The movement of olive oil from APULIA was delayed by lack of tankers. 800 tons were scheduled to move but the total arrivals in the ROME area to 30 October, including oil railed from NAPLES, only amounted to 35 tons. 318 quintals of edible oil [illegible] ROME to cover the September issue of 200 grams p.c.

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46. Transportation: Problems increased in October with the continued shortage of rail cars, wet weather and railway operating difficulties. Because of this tonnage bids were out and other bids accepted to remote stations, necessitating long road hauls. These set-backs increased the already difficult job of keeping the food supplies flowing.

INDUSTRY SUB-COMMISSION.

47. General.

(a) On 9 October the directorship of the Industry Sub-Commission was handed over to a civilian, Mr. W. S. VAUGHAN, Colonel J. S. E. TODD, the Acting Director, is leaving for another assignment, making this the first of the Sub-Commissions to have a civilian as its head.

(b) The suggestion/...

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(b) The suggestion that small committees of experts in the Ministry of Industry should handle individual types of industries has materialised and the Ministry has now an organisation of some 60 odd engineers at work collating, correlating and resolving the data submitted by individual plants into lists from which it can be decided which products to manufacture. Certain technical organisations as well as the C.E.I. (Comitato Esperti Italiani) have been engaged on this task for a considerable time. This mass of information will finally be condensed into many requisitions for material items to be purchased either in ITALY or from foreign sources.

(c) The weekly meetings with the Minister of Industry have continued and it is felt that much is being accomplished by these contacts. Many items on the weekly agenda are settled at once and thus much loss of time in correspondence is avoided. This personal touch brings together many technical officers from the various divisions of the Sub-Commission - Building Materials Division, Textile Division, Chemicals Division, Mining Division, Coal Division and Hemp Division - with their opposite numbers in the Ministry.

(d) It was pointed out in the last report that the Minister of Industry was showing a strong desire for complete independence of action when making appointments to industrial posts under the Ministry. H.E. the Minister of Industry, Commerce and Labour, during the month insisted on the appointment of his nominees in connection with the disciplins of the hemp and Sardinian coal industries. Industry Sub-Commission registered strong protests in writing but up-to-date has heard nothing further regarding them.

(e) The month of October brought to a successful conclusion the question of whether or not an Industrial Coordinating Committee should be formed. It had been felt for a long time that the Allied Commission should have a stronger representation on Committees, especially those where the allocation of industrial plant or equipment was concerned, and where the well-being of the Italian civilian economy was affected. Industry Sub-Commission now feels that through the proposed committee not only will military and civilian needs be protected, but productive capacities will be maintained at a higher level than would be possible without the direction of an organisation of this kind.

48. Decrees. During the month additional decrees were published by the Italian Government. Those of particular interest were :

(a) Regarding the appointment of a Commissary for the National Institute of Processed Food Products.

(b) Regarding the control of hides and tanning products.

(c) Regarding the blocking of olive-oil by-products and of sulphur oil.

1593

(d) Regarding the declaration and blocking of industrial raw materials.

49. Industrial Activities. These can only be referred to briefly. The most outstanding activities during the month were :

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49. Industrial Activities. These can only be referred to briefly. The most outstanding activities during the month were :

(a) Transfer of control of Soap and Paper Manufacture to the Italian Government, with the exception of plants producing for the Allied Forces.

(b) Progress toward the rehabilitation of the important Solvay Soda Plant at ROSIGNANO, the reactivation of which will eliminate completely need for imports of caustic soda and sodium carbonate. One 30 Km long pipeline has already been repaired and the difficult problem of repairing bridges, particularly that of the railway bridge at VADO, seems likely to be successfully solved shortly.

(c) The first/.....

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(c) The first imported American cotton has been delivered and is already in work. Production plans have been drawn up by the Italian Government with the advice of A.C. for manufacture of essential civilian fabrics, chiefly bed and personal linen, and sewing thread. These plans also include conversion of 400 tons of Sicilian Cotton now en route to the mainland of ITALY.

LABOUR SUB-COMMISSION.

50. A draft decree concerning Chambers of Commerce, submitted to AC by the Italian Government, was altered so as to transfer all functions in the labour field to the Provincial and Regional Labour Offices.

51. An active part was taken in the matter of wage increases and as a result the advance in the Armed Forces Wage Scale, which became effective on 1 October, was further increased by a mandatory 40 to 60 lire daily increase in wages. This matched the action taken by the Italian Government on 31 October, which made effective a mandatory increase to workers in Italian industry in similar amounts.

52. Wage control can in part be exercised by an active inspection service. Such a service, known as the "Ispettorato dell'Industria e del Lavoro", has been in existence since 1906, and representatives of the Labour Sub-Commission have recently made a number of trips in the field so as to aid in the reactivation of this excellent service.

53. Continued efforts have been made to facilitate the return to normal functioning of the national offices of the five major social insurance institutes: Previdenza Sociale, Malattia and Infortuni (covering workers in private employment); Previdenza Statali and Previdenza Enti Publici (covering government employees).

54. Although the Italian Government had made a commitment to provide for social insurance coverage for employees of the Armed Forces, definite action on their part through the issuance of a Royal Decree has not yet taken place and conferences between our representatives, the Minister of the Treasury and the Minister of Industry, Commerce and Labour are leading to imminent action upon the adoption of the implementing decree.

55. Because of the involved labour situation in the LIVORNO-PISA area, due to overlapping territorial authorities, this Sub-Commission, by request, has taken the matter in hand and sent a representative to take charge of the problem in that area.

56. Colonel J. R. SMITH was appointed Acting Director vice Colonel J. T. R. BAIN. He was also appointed as Chairman of the Labour and Wages Control Committee of the Allied Forces Local Resources (Italian) Board, AFHQ.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

57. Epuration.

Defascism of Ministry of Public Work's personnel proceeded satisfactorily (refer September report). Special instructions given to Ministry to expedite cases down to and including Grade IV.

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58. Mine Clearance.

Repairs and reconstruction of bridges, roads, buildings and other schemes were still being seriously retarded by lack of a mine clearance organisation. (A single commune reports the presence of at least 150,000 mines).

59. ROME Tunnel.

Request by Italian Ministry of Communications for engineering measures to pump out a flooded tunnel near the Colosseum (Ferrovia Metropolitana di Roma) was rdjected after two detailed inspections. A simpler alternative was suggested after consultation with Public Health Sub-Commission.

60. Financing/.....

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60. Financing (repairs).

Conferences were held with Minister of Public Works (Signor MANCINI) and his Director-General, directed to proper financing of electrical rehabilitation (power stations and transmission lines) and that of first-aid repairs (war-damage) to private properties. Issue of certain decrees is being expedited.

61. Road Reports.

Heavy rains and floods causing many road blocks and interruptions, even in October, revealed value of the small "Road Reports Bureau" now maintained by this Sub-Commission.

62. Companies (increase of charges).

Increasing and more urgent demands from Public Utility Companies to be allowed to increase their charges to consumers (gas, water, electricity, etc.) resulted in conferences with other Sub-Commissions (Finance, Legal and Industry) at which principles suitable for general application were settled. These concern a decree about to be issued by the Italian Government.

63. ROME Electricity.

Complaints were lodged with Electricity Control Board (Rome Area Allied Command) concerning apparent lack of control of the situation, both by correspondence and in personal interview with Chairman of Board. A particular complaint was made about the energy allocated to local tram services whilst lighting situation remains so serious and preventing operation of lifts in a building such as A.C. Headquarters. Sub-Commission succeeded in getting a direct representative on the Board and also took other appropriate steps to bring about some improvement.

64. Controls and Approvals (Italian Government).

A codified system for approval of public works projects was prepared, setting out types and cost limits in Italian Government and A.M.G. territories respectively. It has operated satisfactorily and is now thoroughly understood by all concerned. It is being further modified almost immediately by permitting the Italian Government widely extended further powers, viz., to plan and execute works of a civil character without any cost restrictions, provided use of critical materials is not involved.

65. Highways, Bridges, Public Works.

Under Military Highways and Bridges headings 53 new contracts were made in October, and 41 for miscellaneous works (civil) including bridges, buildings and ports.

Expenditure on the former since last January reached a total of 887 million lire, and on the latter nearly 450 million lire. Monthly rate of expenditure is increasing rapidly. Serious local flooding on Routes 1, 2, 3, 6 and 7 in October

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Expenditure on the former since last January reached a total of 887 million lire, and on the latter nearly 450 million lire. Monthly rate of expenditure is increasing rapidly. Serious local flooding on Routes 1, 2, 3, 6 and 7 in October was caused by temporary bridges built by the Armies with insufficient waterway or by culverts having been filled in with earth during spring and summer. Emergency gangs were organised and interruptions continued for only short periods. Route 1 at end of October still remained blocked in three places. Consistent with severely restricted transport these "floating gangs" will be moved to critical places throughout the winter. But the only real remedy is reconstructing culverts and bridges as they previously existed.

Main railway line near CASSINO (Route 6) was closed by a "wash-out"; traffic was unloaded and carried forward by road for some distance, involving crossing of a large concrete bridge, fortunately just completed (20 October) in time to carry this unusual traffic.

66. Housing.

Schemes from the LAZIO-UMBRIA Region were approved as to repairs (32 million lire) and new construction (116 million lire).

67. Electrical/.....

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67. Electrical Division.

Revised organisation and increased officer personnel were arranged for to carry out AFHQ instructions dated 5 October making the Sub-Commission wholly responsible for all reconstructional and repairs activity in ITALY. Special conferences were held with Electrical Companies (co-ordination of all repairs that can be completed by 1 January 1945).

Several conferences were held with WASHINGTON and LONDON representatives. Detailed information was furnished to them.

Copies of approved estimates supplied by Electrical Companies in South ITALY were furnished to Finance Sub-Commission (repairs of war damage). Special maps were furnished to A.A.I. and also to AFHQ at request of respective Chief Engineers, relating to Northern plants and transmission lines.

Measures were taken under which all generating capacity in Central ITALY was put under impartial and equitable distributional control.

Fuel situation at ROME Power Stations (thermal) was critical throughout October; mechanical condition also was poor but output was increased. Special arrangements were made to provide energy to numerous industrial plants.

New rationing scheme ROME City to be put into force on 1 November.

68. Miscellaneous.

Repairs to damaged water-works continued steadily, including large scheme at TERNI. Tendency on part of Italian authority to carry out more work than is strictly necessary, in several cases, checked. Supplies to ROME City will shortly be back to normal.

Repairs to sewage systems in various towns were continued and also several land reclamation schemes ("Bonifiche"), including PONTINE MARSHES and protection of Route 7 from local flooding.

As to gas, production in SICILY was suspended owing to lack of coal. Elsewhere restricted supplies were maintained, in ROME, NAPLES, BARI, TARANTO etc.

69. Personnel.

Lt. Cols. JENNY and LAWER were absent during the whole month in AMERICA on special duty.

Four American civilian engineers joined the Sub-Commission in October making a total of 72 officers, viz., 19 at Headquarters and 52 in the Regions.

70. SICILLA Region.

The Sub-Commission has now only one Engineer Officer on the Island. In October 137 projects were in hand (estimated cost 73 million lire) including 63 public buildings, 10 bridges, 19 harbours and lighthouses, etc. Works at MESSINA and AUGUSTA required by

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71. SOUTHERN Region.

Requests for works are continually being received from Royal Navy, P.B.S., Military Districts, Air Forces and Sub-Commissions of A.C. There was a severe electrical breakdown on 29 October at hydro-electric station in CALABRIA. Repairs to three other plants were continued, also transmission lines and transformer stations.

Principal electric supply company in the Region estimates war damage at 200 million lire.

Fresh applications for power were 250, of which only 64 were approved owing to general power shortage.

Desperate/.....

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Desperate shortage of road transport was reported for bridge and road works and also to enable Electricity Companies to maintain their hundreds of miles of transmission lines.

Distribution of gas in NAPLES was still further extended and aqueduct repairs (water supply) was continued. Elsewhere throughout the Region water supply conditions are almost back to normal and restrictions on consumption have been cancelled.

Fair progress on road works is reported, with eight bridges completed in October, five new contracts let, and many others in hand.

For supply of stone (highways) a working agreement was reached with United States Air Corps for pooling joint resources and equipment.

Regional Engineer reports that Genio Civile officials (NAPLES) have recently been very lax and unhelpful, adding that this may be, in part, because they are very poorly paid.

72. LAZIO-UMBRIA Region.

Electric power available is barely 10% of pre-war demand. There has been a slight improvement which is continuing. ROME water-works repairs are still in hand.

Since July 146 bridge projects have been approved but 10 await financial sanction. Of bridges (classification Military) 43 were handed in October, bringing total to 137, of which only 19 were completed.

Housing schemes were obstructed by financial difficulties and absence of decrees. Over 130,000 people are homeless in FROSINONE and LITTORIA Provinces. Severe criticism is felt of Italian administrative and financial delays.

Clearance of FIUMICINO port made progress. There is a general shortage of cement, bricks and bitumen.

Slightly better progress was made in mine clearance.

73. ABRUZZI-MARCHE Region.

1591

The Regional Engineer has a forward office at ANCONA. Genio Civile are still very disorganised, particularly in PESARO-URBINO. In PESARO Province all bridges are destroyed and communication is impossible.

Several bridge contracts were arranged permitting removal of Bailey bridges further northwards; numerous bridges and diversions are in hand on Route 16; ten out of eleven bridges are nearly finished. Road and bridge works are in progress on many secondary and minor roads. In ANCONA and PESARO enemy carried out demolitions with exceptional thoroughness. A scheme is in hand at mouth of MISA River to prevent flooding of SENIGALLIA town. Repairs to five water undertakings are well in hand, also drainage repairs at PESCARA and land reclamation near FUCINO LAKE. Numerous schemes for public buildings are in hand (reconstruction), and re-building of AVEZZANO Prison (cost 2½ million lire).

PESARO Province is without electric power. Elsewhere extensive repairs are

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72. LAZIO-UMBRIA Region.

Electric power available is barely 10% of pre-war demand. There has been a slight improvement which is continuing. ROME water-works repairs are still in hand.

Since July 146 bridge projects have been approved but 40 await financial sanction. Of bridges (classification Military) 43 were handed in October, bringing total to 137, of which only 19 were completed.

Housing schemes were obstructed by financial difficulties and absence of decrees. Over 130,000 people are homeless in FROSINONE and LITTORIA Provinces. Severe criticism is felt of Italian administrative and financial delays.

Clearance of FIUMICINO port made progress. There is a general shortage of cement, bricks and bitumen.

Slightly better progress was made in mine clearance.

73. ABRUZZI-MARCHE Region.

The Regional Engineer has a forward office at ANCONA. Genio Civile are still very disorganised, particularly in PESARO-URBINO. In PESARO Province all bridges are destroyed and communication is impossible.

Several bridge contracts were arranged permitting removal of Bailey bridges further northwards; numerous bridges and diversions are in hand on Route 16; ten out of eleven bridges are nearly finished. Road and bridge works are in progress on many secondary and minor roads. In ANCONA and PESARO enemy carried out demolitions with exceptional thoroughness. A scheme is in hand at mouth of MISA River to prevent flooding of SENIGALLIA town. Repairs to five water undertakings are well in hand, also drainage repairs at PESCARA and land reclamation near FUCINO LAKE. Numerous schemes for public buildings are in hand (reconstruction), and re-building of AVEZZANO Prison (cost 2½ million lire).

PESARO Province is without electric power. Elsewhere extensive repairs are in hand to power stations. Rainy season has slightly improved output of energy.

A general shortage of transport, cement and bitumen is reported.

74. SARDEGNA Region.

The Island is under Italian control and there is no Regional Engineer. Debris clearance in CAGLIARI City is 84% completed. Program amounting to 80 million lire for re-housing in CAGLIARI were prepared. In October 11 million lire spent on anti-malarial works, with a further program 92 million lire.

Water supply position at CAGLIARI has improved but strict rationing is still in force. Electrical situation is satisfactory. Street lighting has been re-started. Normal progress was made on ports, highways, bridges and other matters.

75. TOSCANA/.....

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75. TOSCANA Region.

More engineering tasks were taken over from FIFTH Army. Electric power situation is serious and joint conferences were held with FIFTH Army, AAI, PBS and other interests. Several transmission lines and small power stations are under repair. Close liaison was maintained with Industry Sub-Commission to ensure power for special industries, with particular reference to that for oil presses.

There is a very heavy bridge reconstruction program; in hand 36 on Military highways, 45 provincial and 4 in FLORENCE City. Latest bridge survey shows total of nearly 1400 bridges needing heavy repairs or complete reconstruction. Demolition of dangerous buildings and removal of debris cost 14 million lire in October. A survey is in hand of damaged provaye houses.

First priority is given to flood control schemes, having regard to conditions near rivers ARNO, SERCHIO and OMBRONE.

Works projects totalling over 76 million lire were in hand at end of October.

All officials of Genio Civile in Region are working well. There is an acute general shortage of road transport, both for supervisory personnel and materials.

76. EMILIA Region.

Assistance was given to FIFTH and EIGHTH Army AMG Headquarters. PISTOIA City aqueducts were repaired as well as small power plants. Water pumping stations were reconstructed for RICCIONE, CATTOLICA and RIMINI. At RICCIONE enemy had used reservoir for sewage; it is being emptied, cleaned and sterilised.

Generally, conditions are extremely serious over a wide area as to bridges, roads, utilities and general public works problems. There has also been serious flooding of areas through enemy destruction of dykes and pumping stations.

77. PIEMONTE, LIGURIA, LOMBARDIA and VENEZIA Regions.

No active work was possible and activities were confined to collecting information, planning, etc. Officers of Regional Engineer's staffs were temporarily transferred to give assistance in other active Regions.

TRANSPORTATION SUB-COMMISSION.

Rail Section.

78. During the month there have been many critical moments due to shortage of freight cars and concern is felt that traffic has been accepted for movement whilst the actual facilities for movement have not been available. Rolling stock has been shipped from SICILY and SARDINIA but this can only be a temporary relief as it soon gets merged into the general pool.

79. Plans are in hand for close working between Military Railway Service and Italian State Railways to ensure that rehabilitation of tracks is carried to greater effect. A number of important lines have been scheduled for repair and contracts signed by the Italian State Railways with contractors. In Southern ITALY improved

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79. Plans are in hand for close working between Military Railway Service and Italian State Railways to ensure that rehabilitation of tracks is carried to greater effect. A number of important lines have been scheduled for repair and contracts signed by the Italian State Railways with contractors. In Southern ITALY improved rail services have been agreed, while SARDINIA Railways have been handed over to AC for supervision.

80. A decree has been agreed authorising increase in Railway rates and fares to 100% over June 1943 figures. Severe restriction to coal in SICILY is causing considerable difficulty and urgent requests have been made for reversion to original tonnage.

Shipments, Ports and Warehousing Division.

81. Shipments. Schooner traffic has been severely curtailed by the weather during the month. Schooners allotted to civil tradd are the smallest type which are most affected by weather conditions, being constantly forced into port and remaining there for days. This will get worse during the winter and most civil bids have to be carried on other ships set up by AFHQ. The position cannot be improved until larger schooners are allotted to carry civil supplies.

82. Ports/.....

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82. Ports.

(a) CIVITAVECCHIA: A port Committee is now set up and an AC Port Liaison Officer appointed to ensure the smooth turn-over of the port to civil uses. The rail served berth should be completed shortly.

(b) CASTELLAMMARE: To enable a discharge of a top-loading of bag grain lighters and tugs have been obtained for the use of the civil contractors operating these ships, but bad weather has prevented this discharge.

(c) SALERNO: An inspection has been made of the port. It may have to be used for final discharge of ships with civil supplies, in order to avoid the rail congestion round NAPLES. The port is capable of taking ships alongside quay with the draught up to 21 ft. Warehouse accommodation is being repaired and all necessary arrangements made for accepting a ship with 4000 tons of cargo.

83. Warehouses.

As of 1 October the Warehouse and Forwarding Division of the Food Sub-Commission became the warehouse Section of the Shipment, Port and Warehouse Division of the Transportation Sub-Commission. The following were the principal changes made during the month:

(a) A.C. Dept No.49 in SIENA was turned over to TOSCANA Region for operation.

(b) A.C. LEGHORN accommodations were greatly expended, increasing the capacity from about 14,000 tons to 40,000 tons. This change was necessary in order to accommodate the increase in Food Sub-Commission stock-piling activities. Further expansion is contemplated to bring capacity up to 70,000 tons.

Roads Section.

84. Of the two G.T. Coys (Italian) promised by AFHQ, one, the 1004 G.T. Coy, has been assigned and is operating out in the ANCONA area. Of the American personnel required to operate the Truck Battalion 9 officers and 20 enlisted men have been received, but we have no assurance as to the definite date when the remaining personnel will be made available. Three Q.M. Truck Coys have been formed and the training of two more is proceeding. Of the 250 vehicles promised by AFHQ, 100 have been drawn and it has not been considered advisable to draw any more until the necessary supervisory personnel have been obtained.

85. A standard work ticket has been agreed with HMAC and it is hoped that this standard work ticket will shortly be in operation throughout the whole of occupied ITALY.

86. Maintenance instructions have been published, setting out a complete system of maintenance to be applied to all vehicles. These instructions have been forwarded to all Regions and the system has now been put into effect. At the present moment a combined maintenance team, consisting of two British and two American officers from AFHQ, are in the process of making a study of all existing garages and garage facilities.

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87. Steps have been taken for the manufacture of a number of spare parts and the outlook is fairly promising.

88. The tire position, although still acute, has improved slightly as a shipment of tires and tubes has been received from Army sources. Tubes, however, are rapidly becoming a more serious problem than tires.

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PART IV

POLITICAL SECTION, PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS

POLITICAL SECTION.

1. There were no major political developments during the month of October. It was a period of marking time for the moment when the Commission would be in a position to explain to the Italian Government the meaning of the joint declaration of 26 September by President ROOSEVELT and Mr. CHURCHILL, in its day-to-day application towards ITALY. The good intentions of the Allied statesmen were shown in the announcement that the word "Control" would be eliminated from the title of the Commission as from 23 October.

2. Certain further statements of policy were made in WASHINGTON. The lifting of the trading with the enemy regulations for Liberated ITALY was announced. A more profound expression of Allied policy was the announcement on 25 October that direct relations had been resumed between GREAT BRITAIN and ITALY and a following announcement that diplomatic relations with ITALY had been established by the UNITED STATES and RUSSIA. The U.S. Government stated that its action had been taken after consultation with the other American Republics, all of whom, excepting ARGENTINA, had agreed to resume relations with ITALY. The communique made it quite clear that no change in ITALY's status of co-belligerency was inherent in the government's announcement which, however, would signify its intention to return to ITALY control of her internal affairs as soon as possible.

3. The Italian press viewed these developments as an important step toward ITALY's emergence from isolation and towards the government's obtaining greater autonomy. The Prime Minister found that by them ITALY had regained her individuality as a nation but that this situation was incompatible with the state of subjection in which she was held by the terms of the Armistice.

4. The encouragement offered the Italian government and people by these developments was damped by a statement made in the House of Commons which the press attributed to Mr. EDEN, saying that the British Government was opposed to the return of colonies to ITALY, and that the Italian Empire in AFRICA was irrevocably lost. A clarification of these reported statements indicated that the questions and answers made in the House of Commons sought to lay down the present attitude of the British Government and that the future of territories will have to await consideration by the United Nations at the conclusion of peace. The public feeling of resentment toward s the British Foreign Secretary was assuaged by his visit to ROME at the end of October. At this time he conferred with the Prime Minister, the Under-Secretary of Foreign Affairs and the Italian representative designated to LONDON. The visit was regarded as significant, coming as it did on the heels of re-establishment of direct relations between the two countries and in light of the antagonism which had existed between Mr. EDEN and the Fascist regime. Press comment was friendly and stressed the fact that Mr. EDEN was opposed to Fascism, not to the Italian people.

1589

5. In the field of domestic affairs the most important developments were a decree providing in certain special cases for the cultivation of large holdings of land by the peasants through properly organized and recognized peasants' cooperatives and measures to increase the wage scale.

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6. Incidents occurred of the seizing of land by peasants which, in some cases, led to conflicts between them and the Carabinieri. As a consequence the Prime Minister issued a circular instruction to the Prefects explaining the decree and urging strict observance of the law.

7. Following the incident in PALERMO on 19 October the Council of Ministers prepared the necessary decrees to set up in SICILY a consultative body of 24 members representing various interests on the Island, the financing by special funds of further industrial development and agrarian reform.

NAVY SUB COMMISSION.

8. Three of the seven active Italian cruisers have been refitting during the past month. The remainder and the destroyers and small craft continue to be fully employed in their transport and escort duties. The morale of officers and men remains satisfactory.

9. The Ministry/.....

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9. The Ministry of Marine has been notified of the turn back of the ports of CIVITAVECCHIA, PIOMBINO and SAN STEFANO to Italian Navy Control and has been requested to issue appropriate organisation orders for the above ports to ensure their efficient operation.

10. During the past several months the Navy Sub-Commission has arranged for the evacuation from the ROME area of over 1,000 inactive members of the Italian Navy and their families. The evacuees have been removed to SOUTHERN ITALY and SICILY under the guidance of the Ministry of Marine, to locations where they will be able to obtain better living conditions.

11. Routine activities of the Commission have included the usual problems of supplies and materials for the Italian Navy and control of movements of Italian Navy personnel.

LAND FORCES SUB-COMMISSION (MMLA).

12. The call-up of the 1915 to 1924 classes in the LAZIO Region continued during October. Personnel were recruited with a view to completing outstanding commitments for Allied Units. Certain units of the Italian Combat Groups were still in need of reinforcements and instructions were issued to the Ministry of War that all suitable personnel recruited at FROSINONE were to be allotted to these Groups and dispatched to the Reinforcement Depot for posting to units in the Combat Groups.

13. The results of the LAZIO call-up did not fulfill the necessary requirements. Land Forces Sub-Commission consequently authorised the War Ministry to extend the call-up of the 1914 to 1924 classes to CALABRIA, CAMPANIA, FOGGIA, PUGLIA and LUCANIA. Later the period of this call-up was extended owing to transport and communication difficulties in recruiting, assembling and dispatching this personnel.

14. Total reinforcements sent to Allied Units and the Combat Groups was 3,813.

15. The Italian Army Patriot screening agencies operating in the Army areas continued their work and sent 460 patriot volunteers to the Combat Groups.

16. The organisation and training of the Italian Combat Groups continued during October. By 3 October CREMONA Division had been reorganised and training had commenced;

17. Frequent visits to the Combat Groups were made by Land Forces Sub-Commission officers to discuss equipment, training and reinforcement problems. The issue of British clothing and equipment continued, as did the training of regimental instructors. Results of courses held during October were good and reports showed great keenness and ability on the part of the Italian students attending these courses.

18. October was a heavy month for the movement of Italian Army personnel. The main commitments were :

(a) Movement of troops from SARDINIA to the mainland.
(b) Regional call-up of classes to the Italian Army.
(c) Large moves of labour personnel to ports after re-forming at MINERVINO Camp.
(d) Additional movement of personnel and supplies to the Combat Groups training areas.

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19. The evacuation of the first batch of Italian Military from the Balkans commenced towards the end of the month. Land Forces Sub-Commission ensured that the War Ministry made full arrangements for the reception, housing and screening of these men. Any suitable volunteers for the Army would be accepted after screening and sent to the Reinforcement Regiment of the Combat Groups after a period of leave. A Land Forces Sub-Commission Liaison Officer was dispatched to TARANTO in order to deal with any questions and problems of urgency.

AIR FORCES SUB-COMMISSION.

20. For most of the month of October the Fighter Wing was bogged down by heavy rain. On 19 October, however, it began operating with considerable intensity and has achieved good results. Enemy motor vehicles have been damaged or destroyed and a train knocked out. Successful bombing attacks have also been made on bridges and other communication targets. Although the number of sorties carried out is not as high as usual, the daily average is far above that ever carried out before.

21. The operations/..

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21. The operations of the Bomber Transport Wing were considerably curtailed owing to bad weather but a satisfactory weight of supplies was dropped over YUGOSLAVIA. In addition to their active operations, Bomber Transport Aircraft have proved a valuable means for evacuating damaged fighters from airfields which are inaccessible to transport. A method has been evolved whereby damaged fighters can be flown out in the SM.82's without extensive dismantling. In addition a shuttle-service has been in operation between ITALY and NORTH AFRICA carrying spares and equipment. Without this it would have been impossible to have made the Light Bomber Squadrons operationally ready by the end of October.

22. The Light Bomber Wing is now fully operationally trained and is about to move to its operational airfield.

23. Very few operational demands have been made on the Seaplane Wing. Two British aircrew and a dinghy were picked up under extremely difficult weather conditions, the aircraft being damaged during the process of landing and picking up the survivors.

24. The serviceability of the Italian Fighter aircraft shows a substantial increase. This is due to the protracted efforts of the Air Forces Sub-Commission Technical Staff and the Italian Technical Staff. With the aid of salvaged spare parts and a certain amount of improvisation, very creditable results have been achieved.

25. The demands for manpower from the I.A.F. in substitution for R.A.F. and U.S.A.A.F. manpower are gradually being satisfied.

26. The question of an adequate ration for aircrews is still in abeyance but the Sub-Commission has been visited by a Staff Officer from M.A.A.F. (Rear) and it is hoped that something will be done very shortly.

27. The morale of the Italian Air Force remains high, particularly in the Fighter Wing. The fighter squadrons have earned the praise of the Air Officer Commanding, Balkan Air Force.

28. Defascism within the Service is still proceeding very slowly and it is clear from some of the verdicts that some of the tribunals cannot be considered to be free from taint of favouritism.

29. Since the declaration by Mr. CHURCHILL and President ROOSEVELT it is clear that the Italian Air Force has expected something quite out of the ordinary to be done for them in the way of direct assistance, so that they can take their part to better advantage with the Allies. Air Forces Sub-Commission has done everything possible to discourage any undue optimism in this respect.

COMMUNICATIONS SUB-COMMISSION.

30. Telecommunications.

(a) Telephone: Inter-provincial service was authorised in four additional provinces, and inter-provincial service was authorised in fourteen additional provinces. The telephone cable to SARDINIA was restored to the Italian Government and taken into use by them.

(b) Telegraph: Telegraph service was authorised in fourteen provinces. [illegible] Italian Government telegraph communication

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(b) Telegraph: Telegraph service was authorised in fourteen provinces. Restoration of circuits has now given the Italian Government telegraph communication to all provincial capitals of provinces under Italian administration plus five provinces to the North of Italian Government territory.

About 150,000 telegrams a month are now passing through the ROME office.

Notification was received from AFHQ that civil radio and cablegrams would be permitted to U.S. and U.S. possessions, and to the U.K. and BRITISH EMPIRE from 15 November.

31. Postal.

(a) Internal postage rates were doubled on 1 October.

(b) Allied Military postage stamps were withdrawn from use in SICILY on 1 Oct.

(c) Internal/.....

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(c) Internal and foreign mail services were restored in all the further Provinces of ASCOLI, GROSSETO, MACERATA, TERNI and VITERBO. Preparations made in the Provinces of ANCONA, AREZZO, LEGHORN, PESARO, PERUGIA and SIENA, which are now ready to introduce services on receipt of the necessary authority.

(d) Restriction on type of language used in civilians' letters to places abroad removed. Any language now permissible.

(e) Direct despatches of mails from ITALY to MALTA introduced.

(f) Conference held at AFHQ on subject of delay to POW and civilian mails addressed to U.S.

(g) Announcements were made in press and radio broadcasts regarding resumption of commercial correspondence between U.S. and U.K. with ITALY, and action was taken regarding postal arrangements.

(h) Announcements were made in radio broadcasts and press of limited parcel service to be introduced between U.S. and ROME, NAPLES and PALERMO. Action was also taken regarding censorship, restrictions on contents, custom charges and operating accommodation and transport.

(i) Postcard services between members of Allied Forces in this theatre with civilians in parts of liberated FRANCE; application has been made to extend the service to Italian civilians.

WAR MATERIALS DISPOSAL AND ITALIAN P.O.W. SUB-COMMISSION.

War Materials Disposal.

32. During October progress was made with the proposal for re-forming and expanding the Italian Air Force Salvage Unit. Should the scheme be approved by HQ AAI it can start to operate at once. It is considered that when the organisation starts to function a considerable number of vehicles, stores, etc., will be made available to the Italian armed forces which are at present a dead loss. It is also considered that a good number of vehicles will become available for Allied Commission purposes.

33. In conjunction with Regional Transportation Divisions, 51 derelict vehicles were inspected, the majority of which were recovered and a considerable number put under repair. A number of these are now on the road working for Allied Commission, or have been handed back to the Italian Army. A further 16 are undergoing repair and will be on the road at an early date.

34. The Sub-Commission, with representatives from the Italian War Ministry, and at the request of the Italian Air Ministry, inspected a number of Italian military vehicles which were held illegally. Most of these vehicles have been returned to the armed forces and are now back working for the Italian Army or Air Force.

35. Experiments are being carried out by the Italian War Ministry for repairing tyres classed as BER by REME. Ten such tyres are being tried out now and, if the experiments prove successful, a scheme is prepared and it will be possible to commence work on a large scale.

36. The problem of clearing derelict ammunition and mines is still acute.

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32. During October progress was made with the proposal for re-forming and expanding the Italian Air Force Salvage Unit. Should the scheme be approved by HQ AAI it can start to operate at once. It is considered that when the organisation starts to function a considerable number of vehicles, stores, etc., will be made available to the Italian armed forces which are at present a dead loss. It is also considered that a good number of vehicles will become available for Allied Commission purposes.

33. In conjunction with Regional Transportation Divisions, 51 derelict vehicles were inspected, the majority of which were recovered and a considerable number put under repair. A number of these are now on the road working for Allied Commission, or have been handed back to the Italian Army. A further 16 are undergoing repair and will be on the road at an early date.

34. The Sub-Commission, with representatives from the Italian War Ministry, and at the request of the Italian Air Ministry, inspected a number of Italian military vehicles which were held illegally. Most of these vehicles have been returned to the Armed forces and are now back working for the Italian Army or Air Force.

35. Experiments are being carried out by the Italian War Ministry for repairing tyres classed as BLR by REME. Ten such tyres are being tried out now and, if the experiments prove successful, a scheme is prepared and it will be possible to commence work on a large scale.

36. The problem of clearing derelict ammunition and mines is still acute. Applications from farmers etc., for assistance in this matter arrive almost daily. Inspections have been made and AFHQ requested to give permission for the Sub-Commission to employ Italian munition experts to collect and break down such ammunition, and remake into explosives. If AFHQ agree to the collection and breakdown of such ammunition, a means will be found of providing explosives, of which Allied Commission alone requires several hundred tons.

37. Several truck loads of Italian guns and materials were located, inspected and the Italian War Ministry instructed with regard to disposal.

38. The question/.....

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38. The question of salvage was discussed with the Economic Section, who were in agreement that all salvage should in the first instance be handled through this Sub-Commission. A scheme is being prepared for discussion and consideration.

Italian Prisoners of War.

39. As forecast in the September report, the repatriations of Italian Prisoners of War increased to an average of some 120 a day during October. The return of these Italians to ITALY were :

(a) Sick and wounded, of whom the total was 1500.

(b) Specialists to fill administrative and medical appointments, some Carabinieri and Guardia di Finanza, totalling 2400.

40. The question of broadcasting messages to Italian Prisoners of War in AMERICA, GREAT BRITAIN and GERMANY had been discussed and approval has now been received to broadcast messages from the Italian Government to their Prisoners of War. A Committee to approve the broadcasts has been formed.

41. Weekly broadcasts from Radio Rome continue to be made, giving the names of those Prisoners of War who have been repatriated.

42. The official intimation of the release of the 65,000 parolled Prisoners of War in SICILY was made to the Italian Government.

43. The question of apprehending Prisoner of War co-operators stationed in ITALY who had absented themselves - or had not returned from leave - was raised with AFHQ and instructions on this subject are awaited. If a Prisoner of War co-operator gives himself up to an Italian Army Unit it is extremely difficult to apprehend him without causing certain embarrassment to the Italian Government.

44. During the last week of October some 800,000 lire a day were paid in allotments from Prisoners of War to their families in ITALY.

45. Transit Camps for the reception and disposal of Prisoners of War have been opened in NAPLES, BARI, TARANTO and PALERMO, under Italian administration.

46. The difficulty of finding transport to move sick and wounded Prisoners of War from ship to hospital has always been a problem. For the present the arrangement that we can, in emergencies, call on the military to help out with ambulances has been sufficient to cover all requirements.

47. The Sub-Commission is now dealing with some 20/30 requests a day for repatriation on compassionate grounds. Since only cases for compassionate repatriation forwarded by Allied Commission will be considered by AFHQ, an extra strain has been thrown on the Sub-Commission. Ways and means are being devised so as to cut down the number of applications received from the Italian High Commissioner for Prisoners of War which in many cases do not come under the conditions approved.

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48. Among the complex questions of Italian Prisoners of War, the ever recurring one of the removal from Prisoner of War status was raised on every possible occasion by the Italian High Commissioner for Prisoners of War.

49. The Italian newspapers wrote a number of articles attacking the system of repatriation of their Prisoners of War and also the High Commissioner for Prisoners of War.

50. On an average 10 to 15 people call daily regarding Prisoners of War; mostly female, enquiring for husbands, sons, fathers and sweethearts, whom they have been told are on their way home and who have not yet arrived. To tell them to go to their own High Commissioner for Prisoners of War takes more time than to give a soft answer, which at least turns away wrath.

PUBLIC RELATIONS/.....

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PUBLIC RELATIONS BRANCH.

51. Re-organisation: On 1 October PRB took over responsibility for operation of the Information Division and Archives.

52. News Production: Daily releases to Allied, neutral and Italian press and PWB on normal range of topics, including civilian movement, FLORENCE art caches, malaria control record, infant mortality and tuberculosis statistics, typhus, Allied Advisory Council meetings, mail service, and particularly food announcements. Also arranged for, advised on and reviewed stories on AC by PWB for distribution through United Nations News News Service.

53. Journalists:

(a) Italian - Number of accrediting cards issued to screened journalists now total approximately 40. Interviews arranged with AC officers. Correspondence with ROME editors on various items of news. War correspondents finally sent in the field with Italian armed forces. Permits obtained for visits to forward areas.

(b) Allied - PRB Villa (billeting and mess) put into operation and used as a gathering place for political correspondents. Interviews arranged and information given on request. Trips arranged to NAPLES and field. PRO assigned to FIFTH Army AMG to assist correspondents.

(c) Neutral - Interviews, briefings and information arranged and given.

54. Relations with Italian Government: Recommendations forwarded to G-5, AFHQ, on re-activation of Italian news agency, films and radio. The Allied Publications Board also recommended that responsibility for licensing of newspapers and distribution of newsprint in Italian Government territory be given to Italian Press Commission. Arrangements made with Italian authorities on Allied coverage of AZZOLINI and other epuration trials.

55. AC Anniversary: Extensive research and writing devoted to production of press release marking one-year anniversary of AC and 16 months of military government in ITALY. Release now in hands of AFHQ for approval.

56. Information Division: Activities of Central Reference Library, distribution of maps and issuance of news bulletins continued. Increasing use of library by AC personnel noted as well as by Italian journalists who ask for Allied publications.

57. Archives: Documents have been placed in chronological order and gaps are being filled by requests from appropriate agencies possessing original files.

58. Routine: Trend of Correspondents' Copy, Daily Digest of Rome Press and Weekly PRB Bulletin continued to be issued.

Ellery W. Stone

ELLERY W. STONE
Commodore, USNR
Chief Commissioner

Declassified E.O. 12356 Section 3.3/NND No. 785015

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Commodore, USNR
Chief Commissioner

Declassified E.O. 12356 Section 3.3/NND No. 785015

HTW/epc

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HEADQUARTERS
ALLIED COMMISSION
APO 394
Communications Sub-Commission
Tel:489061 Ext:555

12th December, 1944

In reply
refer to: REF.157.5.CS

Subject : Information for Report

To - : Under-Secretary of State for PP.TT.

1. A report has to be prepared by this Sub-Commission before the end of this month, and it would be appreciated if you would supply the following information before the 23rd December.. for each Province now administered by the Italian Government.

2. a. Number of telegraph offices connected to telegraph network before Allied landings.
b. Number now connected.
c. Number of telephone exchanges connected before Allied landings to the Provincial centre or to another exchange with connection to the main telephone network.
d. Number now connected.

3. Kindly also supply a list of long distance trunks and telegraphs working stating where overhead or underground line.

J.L.HENDERSON
Colonel,
Director.

Declassified E.O. 12356 Section 3.3/NND No. 785015

In reply
refer to: REP.157.5.C3

Subject : Information for Report

To - : Under-Secretary of State for FI.FI.

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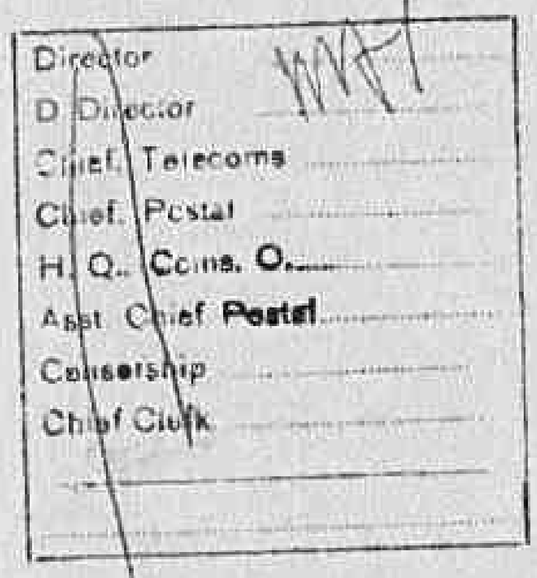
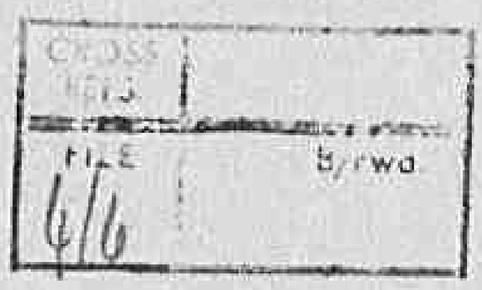
Lt.Col. Scudder.

This is a brief summery of the monthly reports



John A Bridgman
JOHN A. BRIDGEMAN
Capt. AUS.
Regional Telecomm.Officer



Date

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PROVINCE SALERNO

Telegraph Service -

The general conditions are not so bad, they are working for the reactivation of other circuits? They need material.

Telephone Service-

They have in mind to reactivate the circuits with Battipaglia, Eboli and Sala Consilina so they could reactivate the offices South of Salerno.
It is requested also the reactivation of the circuit Salerno, S. Severino Rota and the communication with Amalfi, that was interrupted, as this circuit was requisitioned by Salerno Signals.

POTENZA PROVINCE

Telegraph Service-

No troubles with our service.

Telephone Service -

The service is not so bad and the long distance traffic had an increase/

MATERA PROVINCE

Telegraph Service -

The service is not so bad,the 7th of November it has been reactivated Matera-Bari.

Telephone Service -

The service is not so bad also if we don't have transportation and material.

TARANTO PROVINCE

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Telegraph Service -

The service is not so bad considering the times.

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Telephone Service -

The service is not so bad also if we don't have transportation and material.

BENEVENTO PROVINCE

Telegraph Service -

The service is regular.

Telephone Service -

No troubles with our service, it has been completed the reactivation of the new exchange.

BRINDISI PROVINCE

Telegfaph Service -

The service is normal.

Telephone Service -

Our service is not so bad also if we don't have material and transportation.

AVELLINO PROVINCE

Telegraph Service -

The service is normal.

Telephone Service -

We need tires and tubes for our truck, the exchange will be ready for the end of the month.

BARI PROVINCE

Telegraph Service -

The service is not good, because we don't have principal and secondary communication. 1583

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Telephone Service -

The service is not so bad also if we don't have material and transportation.

State Company Telephone Service -

The service is going on in the best way possible.

CAMPOBASSO PROVINCE

Telegraph Service -

The offices of Matrice, Campolieto, Ripabottoni, Staz.Provvidente,Casacalenda, and Larino will be connected to Campobasso, later also S. Martino, Portocannone and Montagna will be connected to Campobasso.

Telephone Service -

It is requested the communication between Naples, Rome and Pescara.

NAPLES PROVINCE

Telegraph Service -

The telegraph Service increases every day more. They need telegraph dispatchers, so the service could go on with more speed.

Telephone Service -

There are requested new circuits:
Caserta - Piedimonte d'Alife
Caserta - Nola
Caserta - Cassino - Sora
and also a second circuit Caserta - Naples.

State Telephone service -

No troubles with our service.

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Seen

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CONFIDENTIAL

HEADQUARTERS
ALLIED CONTROL COMMISSION
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MONTHLY REPORT

AUGUST 1944.

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PART IV	- Political Section & Public Relations Branch, War Material Disposal & Italian PW Sub-Commission, Communications Sub-Commission, Army Sub-Commission, Navy Sub-Commission, Air Force Sub-Commission.	Pages 27 - 30

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HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

Ref/498/CA.

28 September 1944.

MONTHLY REPORT FOR AUGUST

General Remarks

1. July was the harvest month. Normally August is the first month in which results can be seen from the Amassi or, as it is now called, the Granai del Popolo. Collection of grain has proved moderately satisfactory although no Region is within close range of its target. But there are signs that the results will be better than normal and that the measures taken to make the country more self-supporting than usual will have some success.

2. It is natural that great attention should be paid by journalists and visitors to the situation in ROME. Here is the capital city, articulate and not very well fed. But compared with other cities in the line of advance, ROME has fared probably better and taking into account the almost complete absence of destruction of buildings, the Romans through their swollen Press, both Italian and Allied, complain too loudly. It is true that the present ration in ROME is not a generous one. It is nevertheless enough to live on and considering the difficulties of importation all that can be expected by the Romans under the circumstances. They have suffered little and are by no means starving nor homeless nor lacking in many of the amenities cut off from most of the great cities in Europe.

3. There are three other problems which are to the fore. Here in ROME it is easy to forget the numerous daily casualties occurring in the country districts from the presence of many thousands of mines strewn about the fields and the paths and the sides of the roads. Victims are found among the farmers and the road workers and the ordinary villagers. Attempts have been made to organise mine clearance companies from the Italian Army without success, chiefly due to lack of equipment. Except for the initial clearance by the Allied Armies in their advance nothing has been done to rid the country of mines which are a danger to life and a check on reconstruction far worse than any temporary shortage of food in ROME. It is hoped that the Italian Government will soon have civilian detachments trained in mine clearance.

4. In the devasted areas already referred to it is apparent that the Italian Government will not have time to rebuild or repair houses for the many thousands of homeless people before the winter sets in. Various improvisations are being considered but it is likely that a large scale evacuation of population will be necessary under a billetting scheme.

5. Transportation difficulties are constant and pressing, and it is feared will increase with the advance of winter. The country has considerable resources of its own transport, but much of it is immobile through the absence of spare parts, and especially tyres. This is a problem for which no real solution has been found; it is aggravated as time passes.

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6. In the forward areas there has been little advance and A.M.G. Armies have been able to turn more attention to local government, harvesting and the like. Food and transport remain difficulties, not only in forward areas, but particularly in the harvest Regions where it is only with great difficulty that the grain can be taken from the threshing floors to the depots. Lack of POL again creates a difficulty in threshing grain.

7. Great progress/..

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7. Great progress has been made in placing upon the Ministries of the Italian Government more responsibility, especially in the fields of agriculture, industry and commerce. The Ministry of the Interior also has shown progress in the appointment of prefects and other local government officials. Epuration moves slowly but Commissions of the Italian Government are being set up to deal ministerially with this problem.

8. The Shipping Sub-Commission has instituted a new scheme for the better employment of schooners in aid of civilian supplies. Schooner transport has been woefully short in the past due to operational needs, but it is hoped that this natural and very necessary coastal traffic will soon be set in motion, thereby avoiding the necessity of road and rail transport.

9. August saw the amalgamation of three A.C.C. Regions, II, III and VII, in the south of Italy into one Region with Headquarters at NAPLES. This new Region was called Southern Region and was organized in zones instead of Provincial Teams. The Headquarters of the zones, which consist of a varying number of Provinces, are located where Allied Military concentrations or installations exist. A considerable saving in personnel was made available for the Northern Regions by this amalgamation. At the other end of Italy the advance of the Armies renders control more difficult. This was overcome to a certain extent with the holding of fortnightly meetings at SIENA for forward Regions and A.M.G. staffs of Armies. These meetings proved a great success.

10. All the above problems and many others were fully ventilated and discussed at a Regional Commissioners' Conference held for the first time in ROME on August 22nd when, under the chairmanship of Captain Stone, the meeting was privileged to be addressed by the Supreme Allied Commander. The Italian Press was admitted for the first time and dealt fully with the points discussed. This has resulted, it is believed, in a better appreciation of the work of the Commission and the many problems with which it has to deal.

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PART I

R.C. & M.G. Section

AMG FIFTH ARMY.

1. Owing to the almost static military situation there is little to report. It is the first halt since the Garigliano and to compare it is to remark on the reduction of both transport and personnel.

2. There are now only 47 officers, of whom five are in hospital. 17% of transport has been written off, all of it military vehicles, and the prospect of more failing owing to old age leaves a most disturbing situation.

3. GROSSETO Province was handed over to the Region VIII as from midnight 8 August.

4. In LIVORNO the situation is still unsatisfactory as the town remains evacuated on orders of the military authorities. At the moment only about a thousand civilians are working on military installations in the town. However, electricity, water and sewage are now functioning.

5. With military operations still confined south of the river the situation at PISA shows no change.

6. The harvest has been the main preoccupation and its gathering has proceeded very satisfactorily. To facilitate payment for its collection the banks were opened in LIVORNO and Southern PISA Province on 7 August and there were further openings in the Corps area on 21 August. All demands for POL for harvesting were met.

7. Refugees have been handled effectively with the co-operation of the Refugee Branch. The policy of the retention of refugees as near to their homes as possible is being pursued, only a few having to be evacuated to Corps area.

8. Patriots are behaving well and have been found useful for many duties including the handling of refugees. Certificates are still being issued but only a small proportion of the claimants receive them.

AMG EIGHTH ARMY.

9. At the beginning of the month the Provinces of SIENA, MACERATA, ANCONA, PERUGIA, AREZZO, and FIRENZE were being administered, but operational movement of the Armies resulted in SIENA and FIRENZE being handed over to Fifth Army AMG on 21 August. MACERATA was handed over in the normal course of events to Region V on 18 August.

10. The beginning of the month was notable for the occupation of the City of FLORENCE, which was first entered by the AMG team on 4 August. An extraordinarily difficult state of affairs prevailed, for at that time the enemy still occupied the northern half of the city. Only one bridge over the Arno was intact and that was [illegible] in the city was a population of 410,000 in great distress.

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10. The beginning of the month was notable for the occupation of the City of FLORENCE, which was first entered by the AMG team on 4 August. An extraordinarily difficult state of affairs prevailed, for at that time the enemy still occupied the northern half of the city. Only one bridge over the Arno was intact and that was heavily mined and in the city was a population of 410,000 in great distress. Sporadic shellfire and sniping continued even after the enemy withdrew on 11 August. Despite all difficulties supplies were taken in an administration set up without delay. Great help was rendered by Patriots in mopping up snipers and patrolling the city. As already mentioned this city was later handed over to FIFTH Army AMG.

11. Many small townships were entered, some much damaged, the area most effected being in the vicinity of the Gothic Line, where devastation is on a scale comparable with that in the area of the Volturno.

12. The new area occupied covers some of the richest agricultural land in Italy. Harvesting is completed so it has been unnecessary to import flour but milling has been done under great difficulty. Electrically driven mills are nearly all at a standstill and August was a period when a shortage of POL occurred.

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13. Public Health is generally good and there are no epidemics, but the almost total lack of serviceable civilian ambulances makes the evacuation of civilian casualties almost impossible. This problem was paramount at FLORENCE where the civilian hospitals were for some time inaccessible and casualties had to be taken elsewhere. The Army obligingly loaned some ambulances for a time and with other improvisation casualties were dealt with, but the problem remains generally unsolved.

14. Refugees were handled as a routine and nothing unusual occurred. It is estimated that the total number evacuated during the month was 17,700.

REGION I (SICILY)

15. In this Region the collection of grain has been the chief concern during the month of August. At the beginning of the month a sullen indifference everywhere confronted grain collecting officials, and everywhere a defeatist attitude on the part of Italian officials was present. Dissatisfaction with the price, the natural disinclination of the Sicilian to part with his wheat, the appeal to his cupidity, which successful black market operations would make, all join together to make "Granai del Popolo" a difficult assignment. There is, moreover, a lack of vehicles for officials responsible for grain collection which is seriously hampering the campaign. Every possible step is being taken to get the local Italian administration to rectify this. There is no place for complacence. It will be extremely difficult to amass enough grain to ensure the full ration for Sicily until the next crop season. But results appear better than was at one time anticipated.

16. The new ration scale has been authorised. It provides 200 grams of bread per day and 550 grams of pasta per week per person, or the equivalent. 2700 metric tons of sugar were received during August and a three months ration will be distributed early in September - remainder to be kept on hand.

17. Popular opinion revolves around and depends upon food. Some discontent has existed during most of August over the food ration. An increase in the ration was announced to come into effect on 12 August but it was not possible to increase it until 18 August because of the slowness of the amassing of grain.

18. Some activity of the Separatists has continued, with occasional meetings, but no violence. Political parties continue to be active. It is believed that the Christian Democrats will benefit by the fact that one of their members, Aldisio, has become the High Commissioner for Sicily.

19. 17987 quintals of potatoes have been amassed.

20. Sufficient sulphur oil and caustic soda are on hand for a two months ration of soap, but additional sulphur oil is necessary to maintain this soap ration.

21. 7043 tons of steam coal and 7000 tons of Sardinian coal were received.

22. The electric power situation for the Island is improved owing to the completion of the PORT EMPEDOCLE plant.

23. The health of the Island population continues to be well above the average.

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15. In this Region the collection of grain has been the chief concern during the month of August. At the beginning of the month a sullen indifference everywhere confronted grain collecting officials, and everywhere a defeatist attitude on the part of Italian officials was present. Dissatisfaction with the price, the natural disinclination of the Sicilian to part with his wheat, the appeal to his cupidity, which successful black market operations would make, all join together to make "Granai del Popolo" a difficult assignment. There is, moreover, a lack of vehicles for officials responsible for grain collection which is seriously hampering the campaign. Every possible step is being taken to get the local Italian administration to rectify this. There is no place for complacence. It will be extremely difficult to amass enough grain to ensure the full ration for Sicily until the next crop season. But results appear better than was at one time anticipated.

16. The new ration scale has been authorised. It provides 200 grams of bread per day and 550 grams of pasta per week per person, or the equivalent. 2700 metric tons of sugar were received during August and a three months ration will be distributed early in September - remainder to be kept on hand.

17. Popular opinion revolves around and depends upon food. Some discontent has existed during most of August over the food ration. An increase in the ration was announced to come into effect on 12 August but it was not possible to increase it until 16 August because of the slowness of the amassing of grain.

18. Some activity of the Separatists has continued, with occasional meetings, but no violence. Political parties continue to be active. It is believed that the Christian Democrats will benefit by the fact that one of their members, Aldisio, has become the High Commissioner for Sicily.

19. 17987 quintals of potatoes have been amassed.

20. Sufficient sulphur oil and caustic soda are on hand for a two months ration of soap, but additional sulphur oil is necessary to maintain this soap ration.

21. 7043 tons of steam coal and 7000 tons of Sardinian coal were received.

22. The electric power situation for the Island is improved owing to the completion of the PORT EMPEDOCLE plant.

23. The health of the Island population continues to be well above the average. There is some increase in infectious diseases and in typhoid and malaria. Amoebic dysentery shows a decrease. Vigorous action is being continued against V.D. by treating those found with this disease.

24. All Communes with refugees from the mainland have been visited during the month. Refugee camps at SIRACUSA and TAORMINA have been closed and the staff cut to the minimum. Both camps can be reopened at short notice, when repatriation begins, and will be used as staging camps.

25. The railroad outlook has greatly improved with the reopening of the standard gauge railroad lines over the Island. The necessary movement of grain and food can now be ensured, subject to deliveries of coal. The gaps in the railroad lines between PALERMO and MESSINA, between MESSINA and CATANIA and the SIMETO Bridge between CATANIA and PALERMO, have been completed and were opened to traffic on 28 August.

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REGION III (CAMPANIA)

26. There was comparatively little political activity during the month, Bonomi's speech on armistice terms resulting in pessimistic rumours among the civilian population. On the other hand, Churchill's farewell speech was most favourably received. In the City of Naples Unione Femminile Italiana was organized, a women's organization demanding equal suffrage rights for women.

27. The ACC Provincial Offices in AVELLINO and BENEVENTO were closed respectively on 17 August and 27 August.

28. The olive oil ration continued at 200 grams (about 7 ounces) per month and there was much dissatisfaction expressed in the Province of SALERNO and in the City of NAPLES on its distribution. Toward the end of the month fruits and vegetables, potatoes in particular, became scarce in the City of NAPLES. The Prefect of the Province of NAPLES had issued two decrees regulating the shipment of potatoes and other vegetables and fruit, but was required by an order from HQ ACC to rescind these decrees, with immediate effect in the NAPLES market, both in reduced supplies and in higher prices. Deliveries of grain for manufacture of flour were on the average 150 tons per day less than the amount required.

29. 2,000,000 candles (weight 100 tons) were produced for ROME. 429 tons of hemp and hemp products and 2 tons of silk were shipped to the United Kingdom. Prospects appeared good for meeting the quotas for collection of wheat for the Granai del Popolo.

30. Crime showed a further slight decrease. Prison population declined to 8150, from 8600 a month earlier.

31. Smallpox showed a decrease of over 45% in the Province of NAPLES and presented no problem in the other Provinces. Typhoid fever persisted throughout the Region and reached epidemic proportions in the City of BENEVENTO.

32. Uncontrolled movement of individual refugees into the City of NAPLES from the south caused a problem. At one time during August there were almost 1200 refugees living in and about the railroad station in the City of NAPLES under deplorable sanitary conditions.

33. Cash held by banks reached a total of 1,600,000,000 lire, compared with 1,000,000,000 lire in January and deposits reached a total of 22,600,000,000 lire, compared with 5,000,000,000 lire in January.

34. Region III was merged into Southern Region on 28 August 1944.

REGION IV (LAZIO)

35. On 1 August Roma Region was absorbed and Region IV was in control of its full complement of territory with the exception of PERUGIA Province, which is still under Army Control. On the 15 August the Provinces of FROSINONE, LITTORIA and ROME came under Italian Government jurisdiction.

36. It was becoming evident during the month that the food situation in ROME City was serious and that the shortage was not due to teething troubles which would

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36. It was becoming evident during the month that the food situation in ROME City was serious and that the shortage was not due to teething troubles which would cure themselves. It is not proposed to ventilate here an extremely complex problem which is being fully explored by competent authorities but malnutrition is evident. At the same time the importance of ROME as a capital city should not obscure the difficulties which exist elsewhere in the Region. In the Provinces the supply situation is only fairly good when compared with ROME. By any other standard it is serious, as the population is not predominantly food producing and growers find the attractive prices of the ROME market hard to resist.

37. Returning to affairs in ROME, during the month 6358 tons of rationed food were distributed in addition to the daily flour ration of 306 tons, whilst other produce amounted to approximately 700 tons daily. The latter is only about 50% of the normal supply.

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38. The largest acqueduct carrying ROME's water supply was permanently repaired, electricity continued on a strictly rationed basis and a gas service of 1½ hours daily was commenced.

39. The state of crime is low but there is an increase in thefts of vehicles.

40. Sponsored by Monuments and Fine Arts Sub-Commission an exhibition of Masterpieces of European Paintings was opened on 27 August. Proceeds, after expenses have been covered, are being devoted to the restoration of Italian national monuments damaged by war.

41. In the Provinces the collection of grain is fairly good though hindered by a POL shortage at the beginning of the month. Prospects for oil and wine are good.

42. This Region includes the devastated area of CASSINO and its neighbourhood, where, it is estimated, there are 25,000 homeless people. Despite every precaution these people have drifted back and whilst suffering little hardship during the summer months, their housing during the winter will be a great responsibility for the Italian Government. A large scale evacuation may be yet necessary.

43. In this area mine clearance is also a serious matter. Despite every endeavour no assistance could be obtained other than that provided by two Italian Mine Clearance Companies, ill trained and equipped. Little impression has been made on the thousands of mines awaiting removal before large areas can with safety be approached.

REGION V (MARCHE, ABRUZZI E MOLISE)

44. On 31 August CampobassoProvince was divorced from Region V and taken under the wing of the newly formed Southern Region. CAMPOBASSO is now Italian Government Territory and according to reports already the old type of intrigue and improper influence are being used in making Provincial appointments. MACERATA was handed over to the Region by AMG EIGHTH Army on 19 August. At the beginning of August the ANCONA team was set up, and at the end of the month the PESARO team was in operation. The last two Provinces are, of course, still under the jurisdiction of EIGHTH Army AMG.

45. The main activity in the Region during the month has been the harvest. This is coming in faster than it can be dealt with. Already over 1,000,000 quintali have been collected and there is every hope of reaching the quota during the next few weeks, always providing that ANCONA - PESARO collections have not been destroyed by the incidence of war.

46. Two Provinces - AQUILA and CHIETI - are deficiency provinces in grain, but these deficiencies are being met from ASCOLI-PICENO and CAMPOBASSO. Very considerable dissatisfaction is expressed at the fact that provinces such as MACERATA should be placed on a lower flour and grain ration than certain deficiency provinces in the South of Italy. It has been quite impossible to enforce this lower ration and it is a source of considerable embarrassment to AMG Officers.

47. In the AVEZZANO District there is an exportable surplus of approximately 50,000 tons of potatoes. These are sold by the Consorzio at 600 lire per quintal.

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47. In the AVEZZANO District there is an exportable surplus of approximately 50,000 tons of potatoes. These are sold by the Consorzio at 600 lire per quintal, but when purchased direct from the farmers, on what appears to be an organised black market from ROME, up to 1800 lire is paid. Strenuous efforts are being made to stop this but the CC.RR are lax and diffident in their dealings with this type of malefactor.

48. Communications, which were bad throughout the Region owing to the fact that for the best part of nine months a battle took place over it, are improving. For instance, in CAMPOBASSO Province up to the time of handing over to Southern Region, 100 bridges have been built since last September. It is imperative that this work should have priority in this mountainous district, the highest in Italy, against the coming of the snows, or else there will be great difficulty in distributing supplies.

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49. In this same area there must be at least half a million mines, and an average of 18 casualties daily are being reported. Two mine disposal Companies (Italian), which arrived were so short of equipment and transport that they have been of very little use.

REGION VI (SARDEGNA)

50. The High Commissioner has shown himself co-operative. He is faced with a major task of considerable difficulty, as he has to prepare to reduce the ration scales. Sardinia has never conformed to the scales laid down in the rest of Italy and unfortunately, when the basic ration was increased in July from 150 grams of flour daily to 240 grams, the opportunity was not taken to correct the higher Sardinian scales. The already generous Sardinian workers' scales were, in fact, increased. As there were ten food demonstrations in July and seven more in August, the prospects now of reducing the ration scales without trouble, in spite of the good seasonal food outlook, are small.

51. Politically the scene is one of frustration as there are seven parties and they all participate in the Government with a result that the smaller factions are over represented and so there are no majorities in the committees. It is in these circumstances that the value of ACC officers is apparent for they stand disinterested behind this instability.

52. The beneficial effects of the reduction of the Italian Army in the island have been felt but a reservoir of transport will ultimately be missed.

53. After the reasonably satisfactory results of the first treason trial it is hoped that there will be no further procrastination over other important trials which are pending.

54. Health has been satisfactory in spite of a disquieting upward trend of malaria earlier. The figure for the month of July of approximately 500 cases compares with 2,400 for the previous year, which is very satisfactory.

55. A Boy Scout camp has been held, the first for many years, thanks to the enterprise of the Roman Catholic Church.

56. The Island, as is known, has escaped major war damage and its remoteness from operations has left the people ignorant of the immensity of the Allied war effort. Its possibilities are great especially with regard to its mineral wealth. The moment is one of hesitation and the Sards are looking to the Allies for leadership.

REGION VII (CALABRIA)

57. As elsewhere politics are one of the principal subjects discussed, but no noteworthy action occurred. Remarkable certainly were events in the small village of CASTROVILLARI which was declared a republic by the Sindaco. This unusual situation was countered by appointing a new Sindaco, whereupon the republic collapsed.

58. The food situation in this Region is good and stocks on hand will last until 10 October.

59. With the virtual termination of the vegetable and fruit season prices show a tendency to rise. As an example meat has increased in price recently from 1.2

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59. With the virtual termination of the vegetable and fruit season prices show a tendency to rise. As an example meat has increased in price recently from 100 lire per kilo to 120 lire per kilo.

60. A comparison of the ordinary retail price of certain commodities and their corresponding black market price may be interesting:

Commodity	Normal price, lire p.Kg.	Black market price, lire p.Kg.
Bread	L. 5.00	L. 50 - 60
Olive Oil	" 32.50	" 90 - 100
Cheese	" 115 - 135	" 200
Sugar	" 20.00	" 180 - 200
Flour	" 5.00	" 150

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61. Transportation is difficult both for food supplies and miscellaneous traffic, although this Region has the advantage of road, rail and sea transport. Road vehicles are insufficient for requirements and there is a shortage of railway trucks. 550 tons of AAC traffic and 400 tons of Italian civilian traffic was handled by the railway as compared with over 15,000 tons of military supplies. 170 tons of fertiliser at MANFRA have now been awaiting transport for over a year.

62. At the end of the month the value of all contracts let for work on military highways, including bridges, amounted to L.31,634,000 of which L.10,000,000 has already been spent. Road maintenance is unsatisfactory due to lack of material and the wherewithal to transport it.

63. The Minister of Public Works visited CALABRIA during the month and directed that national aid for the reconstruction of war damage to dwellings would cease.

64. Public utility projects recommended are to cost L.1,320,812 and include four contracts for the repair of sewers and two for the repair of aqueducts. The electricity supply is being severely curtailed.

65. Public health is good and there is nothing unusual to report.

66. Public safety shows a satisfactory situation and an increase in the efficiency of the police service. Crimes of violence have decreased and the perpetrators of five recent murders were all arrested within a short time.

67. Region VIII was merged into Southern Region on 28 August 1944.

REGION VIII (TOSCANA)

68. Up to the end of August only one of the nine Provinces which make up this Region had passed to Regional control. This was the Province of GROSSETO, which w was handed over by FIFTH Army on 9 August.

69. Public morale is good and while it is not easy to sense the drift of public opinion there appears a general feeling of relief that "the war has passed". If the food problem is successfully solved there is unlikely to be much difficulty in TUSCANY.

70. Within GROSSETO Province every commune with the exception of GIGLIO has a properly constituted Giunta. Provincial Local Government will be complete and working by the first week of September. Strong teams for the Deputazione and the Giunta have been chosen and appear to be generally approved.

71. Amassing is going well.

72. Agitation against the daily wage for unskilled labour of L. 65 a day continues; a demand for at least L.80 a day is supported by the Camera del Lavoro. The usual 70% increase has already been granted.

73. Some Patriots have been rearmed in GROSSETO to assist the Carabinieri to comb out Fascist bandits in the hills near MONTE AMIATA.

74. All schools will be ready to function for the regular autumn session. Refugee direction is practically completed.

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71. Harvesting is going well.

72. Agitation against the daily wage for unskilled labour of L. 65 a day continues; a demand for at least L.80 a day is supported by the Camera del Lavoro. The usual 70% increase has already been granted.

73. Some Patriots have been rearmed in GROSSETO to assist the Carabinieri to comb out Fascist bandits in the hills near MONTE AMIATA.

74. All schools will be ready to function for the regular autumn session. Defascistization is practically completed.

75. Road surfaces are generally good. PONTE MUSSOLINI (Route 1), just South of GROSSETO, is likely to fail in the first flood, while the bridges over the CANALE DIVERSIVO and the ALBEGNA are not well constructed. If any of these bridges became unsafe the only alternative to PONTE MUSSOLINI is the bridge at ISTIA and difficulties in its construction are being encountered. If Route 1 is cut, the shortest way to FOLLONICA and the North would be via Route 74 and via SCANSANO, both narrow hilly detours.

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INTERNEES & DISPLACED PERSONS SUB-COMMISSION.

76. This month 628 Maltese were repatriated to TRIPOLI, about three and a half million lire being converted for their use.

77. There were no evacuations of Yugo Slav refugees to Middle East and only 1397 of them arrived at BARI from Yugo Slavia.

78. Brickfield Camp, TARANTO was lent to 52 Area for the accommodation of 1500 French, mainly from Alsace and Lorraine. Their history is curious; conscripted by Germans they were taken prisoner by the Russians, to be released by the intervention of Gen. le Gaulle. Then repatriated through Persia and marooned in Italy.

79. A detailed survey of the Southern Camps has been made with a view to UNRRA taking them over, with the exception of BARI. If this project is approved UNRRA will provide staff thus releasing Internees and Displaced Persons Sub-Commission personnel for use in the North.

80. Problems of ventilation, inoculation, feeding, water supply and sanitation need careful supervision. With the exception of children's diseases the record of the Sub-Commission is a good one. Dealing with refugees, many of whom have suffered years of hardship, necessitates a standard of hygiene which cannot be relaxed.

81. The Children's Summer Centre, FIUGGI, is operating successfully and has been expanded to 75 beds.

82. Record Record: At the present time a total of 48,533 Displaced Persons is recorded, of which the location of 41,181 is known. 63 nationalities are represented.

83. Finance: Relief payments in the form of loans to certain Allied Nationals have commenced. Payments have been made to several hundred Poles and Yugo Slavs and it is expected the same facility will exist for Greeks shortly. The Czechoslovak Mission has expressed a desire to participate. Norwegians continue to receive their payments through the Swiss Legation.

84. Prefects have been notified by the Italian Government that relief payments will be made by them through Ente d'Assistenza to all ex-Internees on the basis of 30 lire to the head of a household and 20 lire for each additional member not living in Allied Camps. Those in Allied Camps receive 25 lire and 15 lire respectively.

ITALIAN REFUGEE BRANCH.

85. Movement of Refugees:

Received in Main Transit Camps	-	13,847.
Dispersed through Main Transit Camps	-	10,156.
To Rome	-	8,717.
Local Communes	-	1,383.
Miscellaneous	-	56.

Received and dispersed through forward camp - 7,544, of which 1,625 were absorbed in GROSSETO Province, and 5,919 were dispersed locally.

[illegible] 35,000 were dispersed by Army CMPs.

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In addition approximately 25,000 were dispersed by Army CMPs.

86. Main Camps:

(a) Aversa Camp. Transferred to Follonica Camp. Thus Aversa Camp became entirely a camp for Displaced Persons.

(b) Ocasmo Camp. This was handed over to Region IV. The camp staff and stores were used to set up two camps in EIGHTH Army area. One for 3,000 at CASTIGLION FIORENTINO and one for 1,000 at S. MARIA DI ANGELO (Near Lasimi).

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(c) Cinecitta Camp. Our section of this camp was handed over to Region IV and the camp staff and stores used to set up a camp at POLLONICA in Region VIII.

(d) Foggia Camp. This camp was closed and arrangements made through AAI to move it to ANCONA by sea.

87. Dispersal Area: Refugees in the South are still extremely restless. Many are arriving in NAPLES and other important towns, causing serious congestion. Some of these travellers are authorised by AMG, or Sindaco; some are without authorisation of any kind.

88. The repatriation of refugees, i.e. return to their homes of war refugees and of people who fled from the Allied Armies, is under M. ZANIBONI, Minister for Refugees. The numbers of war refugees, i.e. people who have become homeless because of the war, have shrunk considerably. More than 75% of the persons passing through our hands are repatriation cases, i.e. people wishing to return South to their homes. Of these, some had been moved North by the Germans, but the majority had fled in an attempt to avoid the advance of the Allied Armies.

PATRIOTS BRANCH.

89. To achieve closer contact with the new Northern Regions when they assume control of their territories a forward echelon has been established in FLORENCE.

90. The Italian Government has set up an Italian Patriot Committee under the Chairmanship of the Prime Minister to handle the Patriot problem. The Committee includes representatives of the Ministry of War, the Ministry of Press and Information and the Presidency of the Council.

91. Intelligence Teams for Regions IX, Piemonte, Liguria, XI and XII have been formed for the purpose of collecting and collating information on German occupied Italy. Detailed information is being supplied about industrial works which it is hoped to save, locations of bands and their leaders, and the activities of Patriots.

92. Patriot Representatives of the CLN and Military Centre Groups are carrying out their task of distinguishing between genuine and bogus Patriots in the Army areas and in Regions IV and V. In practice this work is carried out in cooperation with the Communal and Provincial Patriot Committees. Certificates are being awarded and it is hoped that in the rear areas this work will be concluded by the end of September.

93. The work of re-establishing Patriots in civilian occupations has progressed on the whole more slowly than was hoped. However, Communal and Provincial Patriot Committees are everywhere in being and they are being encouraged and exhorted by every means in the power of this HQ. In FLORENCE it was found that the Patriots were by no means eager to accept civil employment at once. It must be said that in the forward areas increasing difficulty is being experienced in inducing Patriots

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88. The repatriation of refugees, i.e. return to their homes of war refugees and of people who fled from the Allied Armies, is under M. ZANIBONI, Minister for Refugees. The numbers of war refugees, i.e. people who have become homeless because of the war, have shrunk considerably. More than 75% of the persons passing through our hands are repatriation cases, i.e. people wishing to return South to their homes. Of these, some had been moved North by the Germans, but the majority had fled in an attempt to avoid the advance of the Allied Armies.

PATRIOTS BRANCH.

89. To achieve closer contact with the new Northern Regions when they assume control of their territories a forward echelon has been established in FLORENCE.

90. The Italian Government has set up an Italian Patriot Committee under the Chairmanship of the Prime Minister to handle the Patriot problem. The Committee includes representatives of the Ministry of War, the Ministry of Press and Information and the Presidency of the Council.

91. Intelligence Teams for Regions IX, Piemonte, Liguria, XI and XII have been formed for the purpose of collecting and collating information on German occupied Italy. Detailed information is being supplied about industrial works which it is hoped to save, locations of bands and their leaders, and the activities of Patriots.

92. Patriot Representatives of the CLN and Military Centre Groups are carrying out their task of distinguishing between genuine and bogus Patriots in the Army areas and in Regions IV and V. In practice this work is carried out in cooperation with the Communal and Provincial Patriot Committees. Certificates are being awarded and it is hoped that in the rear areas this work will be concluded by the end of September.

93. The work of re-establishing Patriots in civilian occupations has progressed on the whole more slowly than was hoped. However, Communal and Provincial Patriot Committees are everywhere in being and they are being encouraged and exhorted by every means in the power of this HQ. In FLORENCE it was found that the Patriots were by no means eager to accept civil employment at once. It must be said that in the forward areas increasing difficulty is being experienced in inducing Patriots to hand in all their arms. This matter is engaging the serious attention of the Allied authorities.

94. Arrangements have been made to establish seven Patriot camps to receive Patriots on their way South to the Italian Army Recruitment Centres or to their homes. In Regions IV and V owing partly to the time which has elapsed since the territory was liberated, very few Patriots have volunteered to join the Italian Armed Forces. Arrangements are being made to make it possible for any Patriots in this area who may desire to volunteer to be given another chance to do so. In FLORENCE, through the courtesy of MAIA, arrangements have been made to make possible recruitment on the spot of up to 1000 Patriots.

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95. Patriot camps, which will be established at suitable roadheads, will be operated by Italian Patriots. Most of the necessary equipment is being provided by the Italians. Rations will be on the refugee scale. The problem of securing motor transport to be used in connection with these camps has presented some difficulty but it is hoped that empty Allied lorries and trucks returning from the forward area can be used to transport these Patriots.

96. The Italian Liaison Section is carrying out its routine activities of daily contacts with the two recognised Patriot organisations, the Italian Home Office, War Office, Air Ministry and High Command.

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PART II

ECONOMIC SECTION

LABOUR SUB-COMMISSION.

1. Labour relations, laws and regulations:

(a) The Decree Law concerning suppression of the Fascist Syndical Organisations and liquidation of their respective patrimonies is under further consideration.

(b) This Commission has given instructions concerning "what to submit", "when to submit" and "how to submit" to the Italian Ministry in regard to future legislation proposals.

(c) The delegations from the British Trade Unions Congress and the delegation of American Labour Unions are now viewing the Italian Labour Field.

2. Wages, hours and labour conditions:

(a) To bring about uniformity in the industrial family allowance schedules, a proposal for adjustment and a slight increase is now being discussed with the Italian Ministry.

(b) Much confusion exists among workers and employees as to the dates and payments for National holidays. A formal request has been made to the Italian Government for a clarifying new Decree Law.

(c) Prices have risen so much more rapidly than have wages and there has been such ineffective control over black market activities. Some suggestions and the course of action that should be taken in the wage adjustment field have been submitted.

(d) The small Labour Commission staff was again called upon to perform multitudinous Labour duties at Headquarters and in the field, with the Armies moving up and new territories being occupied.

(e) Manpower shortages have been reported and are being investigated wherever complaints are made.

3. Social insurance, benefits and training:

(a) This Commission with the concurrence of the Finance Sub-Commission has agreed to the proposed nominations of Commissioners for various Social Insurance Institutes.

(b) On the matter of "epurazione", Dr. Livio Malfettani, functionary and commissioner of the "Istituto Malattie" was suspended pending the outcome of a normal hearing with respect to charges of fascist activity filed against him by the High Commissioner.

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4. Statistics, manpower and registration problems:

(a) The commencement of a Labour Statistical Service has been inaugurated and will provide useful information for the future.

(b) Tentative plans for an enquiry into unemployment have been prepared. A report was also prepared on cost of living in Italy.

(c) The proposals for the increase of salaries of State employees presented by the Italian Government have been under study, alternative proposals are being prepared.

(d) Several wage agreements, the most important being that of the Sicilian sulphur mines, were examined and reports prepared upon them.

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5. Region I Summary:

(a) A strike occurred at the beginning of the month at the Imera Group of sulphur mines CALTANISETTA. After a short talk with the workers, work was resumed.

(b) The Labour and Wages Control Committee investigated the question of raising the wage of unskilled labour, a report was submitted to the Allied Forces Local Resources (Sicily) Board and accepted.

6. Region II Summary:

(a) Complaints have been received from all the Provincial Directors that no funds have been provided by the Ministry for salaries and office expenses since the end of June last.

(b) The Communist Party is very active, particularly in the "Camera del Lavoro".

7. Region IV Summary:

(a) Registration and classification of unemployed workers continued (approximately 2511 persons were placed during the month).

(b) Much difficulty has been experienced because of military units leaving the area before paying civilian employees.

(c) The disparity between cost of living and income levels increases. Insufficient supply to serve the demand due to inadequate control of distribution transportation is indicated.

8. Region V Summary:

(a) There are people in this part of Italy who are making money but especially they are the fascist landowners who get a high price for their commodities in the legitimate market and a much higher price in the black market. If wages are to remain fixed, the price of consumers goods must be fixed, and it is of no value to say "our legal price is such" when there is nothing on the legal market to buy.

9. Region VIII Summary:

(a) Reports that the labourers were receiving wages of 80, 90 and 100 lire per day, were reliable and widespread. A few hundred persons are involved at present and they will have to accept the reduction, particularly since in the adjoining province of LIVORNO the Army is trying to get 12,000 labourers at 65 lire per day.

(b) In GROSSETO Province the Trade Union organisation movement is making rapid advances.

FINANCE SUB-COMMISSION

10. Direct suspension of Italian personnel by the Finance Sub-Commission terminated in ROME on 15 August when full administrative responsibilities were assumed by [illegible] and information have been made available to the

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(b) The Communist Party is very active, particularly in the "Camera del Lavoro".

7. Region IV Summary:

(a) Registration and classification of unemployed workers continued (approximately 2811 persons were placed during the month).

(b) Much difficulty has been experienced because of military units leaving the area before paying civilian employees.

(c) The disparity between cost of living and income levels increases. Insufficient supply to serve the demand due to inadequate control of distribution transportation is indicated.

8. Region V Summary:

(a) There are people in this part of Italy who are making money but generally they are the fascist landowners who get a high price for their commodities in the legitimate market and a much higher price in the black market. If wages are to remain fixed, the price of consumers goods must be fixed, and it is of no value to say "our legal price is such" when there is nothing on the legal market to buy.

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(b) In GROSSETO Province the Trade Union organisation movement is making rapid advances.

FINANCE SUB-COMMISSION

10. Direct suspension of Italian personnel by the Finance Sub-Commission terminated in ROME on 15 August when full administrative responsibilities were assumed by the Italian Government. Files and information have been made available to the various ministerial committees which are now charged with defascistization duties. Supervision is exercised over such committees, who render progress reports to the Sub-Commission. No one previously suspended by ACC is to be reinstated without permission.

11. As has been mentioned in earlier monthly reports, commercial bank interest rates are based on the Banca d'Italia 4½% rediscount rate and this combination of rates necessarily is an important factor in maintaining the high interest rate paid on government borrowings. In preparation for floating a new long-term government loan at a rate lower than 5% when substantially all of Italy is liberated, many discussions have taken place looking toward a reduction of the rediscount rate, commercial rates, and B.T.O. rates. Agreement among Treasury representatives, Banca d'Italia representatives and commercial bankers has finally been achieved and

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it has been decided to lower the rediscount rate and the commercial rate one half of one per cent with a similar reduction to follow shortly in B.T.O. rates. A continuing study of the situation will be made in the hope of effecting another decrease of one half of one per cent within another month.

12. In ROME for the period 1 - 31 August, the excess of purchases of Buoni del Tesoro Ordinarii over payments was 3.5 billion lire. The signifidance of this development may be realised from the fact that the comparable figure for ROME in July was only 312 million lire.. Net investment in BTOs for all liberated Italy south of the 11 May line (roughly south of the northern boundaries of NAPLES - CAMPOBASSO Provinces), was approximately 2 billion lire; ROME city in one month has almost tripled this figure. It is striking evidence of financial confidence.

13. The total gross revenue collections for the 38 liberated Provinces for the year ended 30 June 1944 amounted to 13,105 million lire is in respect of the 27 old liberated Provinces. The equivalent figures for the first month of the fiscal year 1944/45 are 291 and 228 million lire respectively. The collection result of the newly liberated Provinces is naturally poor, due to almost complete lack of communications in the immediate battle area and in some cases to the destruction of tax offices or the evacuation of office staffs. The results for the 27 liberated Provinces indicate that the improvement in revenue is being well maintained.

14. Two further tobacco factories have been liberated, at FLORENCE and at CHIARAVALLE. Both at present are out of production. The former is believed to be undamaged but access is not permitted at present owing to mines. The latter is badly damaged. The one at FLORENCE produced large quantities of handmade cigars. The two factories produced about 2,500 metric tons of cigarettes annually, sufficient to provide 30 cigarettes weekly for 1.5 million smokers. Owing to the expansion of liberated territory total production is insufficient to provide more than a ration of 20 grams of tobacco (20 cigarettes) weekly to the estimated 7.5 million smokers. A national rationing scheme is now being worked out. Production is being stepped up by longer factory working hours.

15. Expenditure of 50 million lire was authorised for urgent public works made necessary by the flooding of the Pontine and Littoria marshes. Provision had already been made for expenditures for anti-malarial measures in these districts. No clear policy has yet been stated by the Italian Government regarding the repair or reconstruction of war damaged properties or the rehabilitation of devastated areas. In AMG territory, financial control is directed to ensure that any work approved is primarily of military necessity. Much additional work is urgent and vital to the resumption of civilian life; and with the approach of winter the situation becomes acute. The problem is one which cannot fairly be considered piecemeal, and the financial aspect of any programme of national reconstruction is only one of other equally important facets, e.g. the availability of essential imports and the rehabilitation of key industries. The settlement of isolated projects tends to unfair discrimination and to become inequitable to all devastated areas. Any programme must therefore be comprehensive, putting into true perspective the needs of each district compatible with, and related to, the national resources and power of recovery.

16. In the state budget estimates for financial year 1st July 1944 to 30th June 1945, the total estimated expenditure is 39,806 million lire for the 22 provinces and

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16. In the state budget estimates for financial year 1st July 1944 to 30th June 1945, the total estimated expenditure is 39,808 million lire for the 22 provinces and 8,485 million lire for the central administration and Rome Province. This latter figure is a revised estimate and shows a considerable reduction in the estimate first submitted. The original budget for the Central Administration and Rome Province was 18,490 million, and after careful examination this was reduced by 10,006 million lire. Thus an economy was effected which almost exactly equals the total estimate revenue receipts for the whole financial year. 1573

17. Preparations are nowwell under way for the operation of the remittance system in Italy by the Banca d'Italia. It is intended that the Banca d'Italia will eventually provide the entire machinery. However, at first the Banca will serve the area north of the Provinces of ROME, FROSINONE and CAMPOBASSO, for dollar remittances, and the whole of Italy for sterling remittances. Meanwhile approval by CCS is awaited for the Banco di Napoli to effect remittances in the Provinces of ROME (including ROME City), LITTORIA, FROSINONE and CAMPOBASSO.

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18. In centralising as much as possible in the Banca d'Italia the entire remittance plan, it is intended that the Banca d'Italia, rather than AMG, will provide lire on behalf of the Italian Government to effect remittance disbursements, but the foreign exchange proceeds will be subject to Finance Sub-Commission control. Eventually CCS will be requested to channel all remittances to the Banca d'Italia. Italian banks designated by the Banca d'Italia will act as paying agents throughout Italy.

FOOD SUB-COMMISSION

19. The distribution of rationed foodstuffs throughout liberated Italy has continued through the month as before, but the bread ration of 300 grams authorised in July for territory south of the winter line has been maintained. Olive oil and meats have had to be restricted in their issue to large urban areas due to the relative shortage of stocks. Stocks will last on the present basis to the end of this year. If no more imports come in, rationed items will be reduced to flour, sugar, and milk, by the beginning of 1945.

20. To make the local grain harvest go further experiments in mixing flour with barley meal have been carried out successfully, and milling at 95% extraction has made no appreciable difference in the quality of the bread which is being produced.

21. Dried vegetables were withheld from issue during the month so that they might be conserved for winter issue, when there is normally not a plentiful supply of fresh vegetables.

22. Particular attention was paid to the feeding of ROME. Transport was easier than in previous months so that full ration of bread (200 grams) olive oil, sugar, meat or stew, dried vegetables, soup, and salt was issued. Milk was made available for hospitals, invalids and babies. Some 160,000 meals were provided daily in communal kitchens. In addition to large imports of fruit and vegetables, some 16,000 tons of grain and miscellaneous items were brought into the city. As a further measure of alleviation, steps were taken during the month to relax restrictions and to increase the amount of market produce that could be brought into ROME on cycles and horse drawn vehicles.

23. Hitherto, too much emphasis has been laid on the quantity of local resources available. The heavy demands, authorised and unauthorised, made on local resources by the Armed Forces has been something of a drain on availabilities. The amount of local resources available has fallen considerably short of estimates so that purchases by the Armed Forces and the serious shortage of all forms of transport have mitigated against distribution on a higher scale of the available supplies.

24. The purchase of sheep on hoof for Indian troops is making a serious drain on the animal population.

25. Discussions have taken place with the Italian Ministry of Agriculture regarding the form and contents of a Decree for the amassing of the new crop of olive oil. Agreement was reached and the Decree has been issued. Prices are now under discussion and it is hoped to issue these early in September.

26. Recommendations have been made to the Economic Section that sufficient imports of wheat should be made to enable the extension of 240 grams of flour

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26. Recommendations have been made to the Economic Section that sufficient imports of wheat should be made to enable the extension of 240 grams of flour equivalent to all Italy as liberated and to furnish supplementary rations to hospitals, refugees, heavy workers, and religious institutions, and that sufficient imports of sugar, dried vegetables, milk and meat to meet estimates forwarded to AFHQ on 18 July 1944 should be arranged.

TRANSPORTATION SUB-COMMISSION

27. Railways: Owing to less spectacular advances by our troops during the latter part of August the long distance between railhead and forward troops has diminished. The west coast railhead has reached CECINA, south of LEGHORN. Rail line 65 has reached AREZZO, and line 87 has railheads at BASTIA and ASSISI. The branch line from this route, FOLIGNO-ANCONA, entered ANCONA at the beginning of September, and line 88 is being extended to MARZOCCA. Work on the section ORTONA-ANCONA has commenced.

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28. Authority has been given for the Italian Government to increase all fares on State and Private railways and the publication of the Decree is awaited.

29. In Southern Italy the REGGIO CALABRIA Railway Division is entirely operated by Italians under the supervision of one ACC Divisional Superintendent. In NAPLES our officer is waiting to take over.

30. An ACC officer has been posted to ANCONA, and others are being nominated for Northern Divisions.

31. Roads: Sixteen new officers joined the Roads Section during August.

32. The Italian Government Decree standardising Road Haulage rates is operating both in Italian Government Territory and Military Government Territory.

33. E.N.A.C. is being formed, and will shortly be in operation.

34. An Italian Truck Coy is hauling from PIOMBINO to FLORENCE. Permission has been asked to form a Truck Battalion of at least three companies.

35. New Regional demands for transport are presenting difficulties.

36. ROME is being fed by the use of civilian trucks only in conjunction with rail transport.

37. A Maintenance Section is being formed, which will be responsible for maintenance of all ACC load carrying vehicles. Spare parts are materialising. The Lancia and Super Garages in ROME are now both controlled by this Sub-Commission.

38. Tyres are still a problem, but information has been received that a consignment is on the way. Repair plants are operating on C-d tyres drawn from P.B.S.

39. Water: Movement for ACC goods by sea is now incorporated in the overall A.F.H.Q. commitments, and not limited to what can be moved by schooners. Forecasts are required for movement a month ahead. This is done by the use of a standing allotment of schooner tonnage to ACC - 27,000 tons D.W. - then by additional allotment of further schooner or coaster space.

40. The new system for movement of goods by schooner under which all bills are required to come to ACC Headquarters is not sufficiently established to give a criterion of its operation.

41. Allotments of schooners for voyages are made at a daily meeting by representatives of ACC, MEDBO, and COGEMA.

42. Coal: During August several Lignite Mines were examined and some will probably be restarted. One mine can produce a fuel which will be able to replace the imported coal used at the ROME Electric Plant.

43. Coal destined for the electricity generating plant was transferred to the gas works, which gave gas to ROME on 28 August, a month earlier than was expected.

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44. The clearing of FIUMICINO as a coal discharging port was discussed.

45. It was decided that a berth at CIVITAVECCHIA, served by rail, should be made for discharging coal to ROME.

46. Negotiations with the Ministry of Communications for the transfer of the "acceptance, discharge, and distribution" of coal and coke to the Italian Government, under ACC control, have been brought to a successful conclusion.

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PUBLIC WORKS AND UTILITIES SUB-COMMISSION

47. Time was spent in August in preparing, on special orders, a report stating why the Sub-Commission had not accomplished more, indicating obstacles to progress, and what had been done to surmount them. In amplification, reports were also obtained from 10 Regional Engineers, listing actual experiences over about a year. Vehicles for transport of structural materials, always lacking from the earliest days, so continue at the present time.

48. Relations with the Minister of Public Works are satisfactory. Frequent conferences are held.

49. Some of the matters negotiated with the Minister cover :

Organisation of Genio Civile.
Organisation of Cantonieri gangs.
Contractors with Fascist records.
Excessive cost of works (certain areas).
Defascism (Work of special Commission appointed).
"Bonifica" works.
Financing of projects.
Raising sunken ships in ports.
Establishment of pool of Italian Engineers including electrical specialists, ready to move northwards at short notice.
Careless preparation of projects, and inaccurate estimates, submitted by Genio Civile.

50. The only Public Works officer in SARDINIA is being withdrawn as an experiment, with transfer of responsibility to Italian agency. If successful, the same procedure may be followed in SICILY, or elsewhere in Southern Italy. Schemes costing up to 500,000 lire need no longer be submitted by Italians to Regional Engineers for approval, unless controlled materials are involved.

51. Reports from Region IV show 27 towns with between 25% and 100% houses uninhabitable. Of these 14% are uninhabitable to the extent of more than 60%. A small scheme was approved for re-housing at CASSINO. The Italian Government proposes to set up by Decree a special body to deal with housing (matter still under discussion and negotiation).

52. Following the eruption of Vesuvius (March 1944) a project of over 200 million lire was approved in August; remedial measures to minimize dangers of landslides for the autumn.

53. Officer strength of Sub-Commission as on 31 August was 19 at HQ and 43 in the field (Regional Engineers and their staffs). Since the total establishment should be 74 there is a deficiency of 12.

54. Estimates of war damage to public works and buildings in Italy, recently put at over 2700 million dollars, may have been conservative. A Fund of 600 million lire set up last February (repairs to Military highways and bridges) was raised to 1,000 million lire.

55. Miscellaneous: Considerable information was furnished in August to UNRRA. [illegible] of looted properties is being investigated.

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55. Miscellaneous. Considerable information was furnished in August to UNRRA. Position as to ownership of materials of bombed properties is being investigated. If used in the general interest, they would assist greatly in executing adjacent first-aid repairs, without involving transport. Responsibility for raising sunken ships in ports is still under discussion, i.e. Allied Navies, Italian Ministry of Marine, or this Sub-Commission.

56. Electrical: Of the large hydro-electrical stations 50% are totally destroyed and beyond repair. Dissolution of Central Electricity Board in July trebled the work of the Electrical Division of the Sub-Commission. Importation of 60,000 kw generating plant might save up to 90,000 tons of shipping per month, and reduce unemployment if factories can be re-started. Electrical situation at present is "desperate".

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57. Remarks: Mine-clearance problems extremely serious. Reconstruction of public works hindered. Physical reconstruction and rehabilitation may be delayed for years, unless systematic mine-clearance is undertaken. Benifica works in PONTINE MARSHES started in August, to cost about 48 million lire. Problems far greater than these are likely in the PO VALLEY and north thereof, where cities and whole tracts of country may be flooded. Ministry of Public Works pressed very strongly (under instructions Administrative Section) to expedite work of his Commission, dealing with "Defascism". Applications from Gas, Water and Electricity companies continued to be received, seeking to increase charges to consumers.

58. Highways, Bridges and Public Works: In August 83 new contacts put in hand for roads and bridges, and 33 others for miscellaneous projects. Expenditure was 127 million lire, and 59 million on miscellaneous works. Total expenditure (January to end of August) was nearly 700 million lire. Transport vehicles loaned by Armies and in use in Southern Region (military highways and bridges only) were 172, but due to poor condition never more than 50% were available at any one time. No serious difficulties encountered with labour. New system inaugurated under which bulk POL coupons are available to Regional Engineers, for contractors on military works projects. It is hoped by this means to eliminate confusion and shortages of past months. On 31 August 230 bridges were either completed or under construction. Problem constantly increasing in magnitude as Armies move northwards.

AGRICULTURE SUB-COMMISSION

59. The development of power and drive in the Ministry of Agriculture still proceeds slowly. There is difficulty evidently in finding suitable personnel, and the Commission of Epuration, like those in other Ministries, has not yet passed judgement in the case of any of the suspended officials; difficulty also arises from the fact that the Ministry covers the field of Alimentation, as well as Agriculture, Forestry and Fisheries, and the available energy is used in too many directions.

60. August was a month of many Reports. Overshadowing all others in importance, is the Crop Production Plan for 1944-45. At the end of the month the first rough draft of this was submitted to Economic Section. The Report should be completed and printed in English and Italian about 1st of October, and will contain complete Crop Plans for the whole of Italy, Province by Province; estimated farm requirements (fertilizers, insecticides, etc.) for maximizing production from these plans, and estimated minimum required imports. Re-habilitation plans for Forestry and Fisheries are also included.

61. Agriculture: In last month's report, there should have been noted the setting up, by the President of the Council of Ministries, of a Commission on Agricultural Contracts. This was a direct result of pressure brought to bear by this Sub-Commission on the Ministry of Agriculture.

62. Progress of the "Granai del Popolo" scheme remains reasonably good, in spite of transportation and other handicaps. Harvest control officers are having to be withdrawn, because transportation is not available for them, and this is bound to have an adverse effect.

63. Good progress was made during the month in the formulation of a Decree to

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63. Good progress was made during the month in the formulation of a Decree to control the collection of olive oil; greater difficulty is being found in arriving at a final price schedule.

64. Forestry: A preliminary distribution plan for charcoal and fuelwood has been circulated in Regions IV, V and VIII; as soon as figures are obtained, a detailed plan will be prepared and submitted.

65. A detailed report, on charcoal production and distribution, was prepared, and covered the charcoal situation in 21 Southern Provinces of Italy, all Sicily and all Sardinia. The report gave recommendations for increasing the production, supplies on hand and the estimated production from July 1944 to April 30, 1945. It is estimated to be 56% of normal consumption.

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66. Fisheries and Hunting: The month of August, saw several important developments in this Division's programme to rehabilitate the Italian Fisheries Industry. With equipment and supplies, requisitioned from U.S. and U.K., arriving at Italian ports, the Division asked the Ministry of Agriculture to form a Government organisation which would distribute the supplies in such a way as to exercise a control of fishing and minimize transportation difficulties. The organisation has been set up, and will assist to re-furnish Italian fishing, controlling supplies at just prices, and securing financial credits from Banks. Allocation of naptha and other coal products is based how on the quantity of fish unloaded at market.

67. The Ministry has been asked to revise the procedure of granting Hunting Permits; under Fascism Permits were issued by the Questura only after C.O.N.I., the Sports Federation Headquarters, approved the request. This undemocratic system has been changed, and now the Questura only will be responsible for the issuance of the Permit.

INDUSTRY SUB-COMMISSION

68. Foreward: The main objective of the past month's work in this Sub-Commission has been to effect the transference of the executive work from the Sub-Commission to the Italian Ministry of Industry, Commerce and Labour. The following steps have been taken towards this end.

69. Firstly, the representation of the Sub-Commission within the Ministry of Industry, Commerce and Labour has been further strengthened in order that continuous daily liaison may be maintained not only with the Minister himself, but with the various industrial experts working under him in the Ministry.

70. Secondly, regular weekly conferences are now held every Wednesday between the Minister, supported by his experts to advise him on technical matters on the Agenda, and the Acting Director, who has the assistance of the appropriate expert officers of the Sub-Commission. This practice has been found to be very effective both in ironing out difficulties that may arise with the Italian Government and also in accelerating the clearing up of outstanding matters.

71. Thirdly, arrangements have been made by the Italian Government for the selection of individual experts to deal with the more essential key industries - who can work side by side with the officers of this Sub-Commission who may have that particular industry under their control. As yet, however, it has been found impossible in certain situations for this Sub-Commission to hand over all its executive work. An example of this is the cement industry where the military services involved notified ACC that they were prepared to hand over various of the less efficient cement plants. As in some instances the military merely withdrew their control and at the same time stripped the factories of their stocks of coal, clinker, gypsum, sacks and even leather belting, the Sub- Commission had immediately to take on executive responsibility and arrange for an emergency programme for the production of cement for civilian needs.

72. Governmental Decrees: Work during the month has been concentrated mainly on three forthcoming decrees by the Italian Government.

73. The first, and the most difficult, was the decree for the control of the hemp industry and the manufactured products thereof. Terms were finally agreed between the Hemp Control Division of this Sub-Commission and the Minister, but the decree has

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74. The second decree deals with the control of the leather industry by means of a rigid control of the flow of tanning materials to the tanners. This decree has now been agreed between the Government and this Sub-Commission and its publication is pending. New prices for leather were finally agreed and approved, and it is considered that the final settlement of prices will have the effect of markedly increasing the availability of this commodity.

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75. The third decree to be mutally agreed between this Sub-Commission and the Government was the decree regularising the position of the Ente Zolfi Siciliani.

76. Reports: The main report drafted by this Sub-Commission during the month was the first part of the Emergency Programme for Industrial Rehabilitation. This report, which had to be completed within a very short space of time, taxed the energies of all the officers of the Sub-Commission to the utmost. It covered six key industries and outlined the Sub-Commission's programme for the rehabilitation and maintenance of these industries during the calendar year 1945.

77. The second in importance of the reports prepared by this Sub-Commission during the past month was that which was compiled for the representative of UNRRA. This report gives a brief history of the activities of the Sub-Commission since the beginning of the campaign up to date, and enumerated at some length the difficulties which confronted it and the steps taken to overcome them. It also embodied on broad lines the Sub-Commission's proposals for the future.

78. Surveys: Amongst the many surveys compiled by the officers of this Sub-Commission during the past month the two most important are that of the C.I.S.A. Viscose Factory at ROME, where it is hoped that next year both rayon and fibocco can be produced, and of the Soda Solvay Works at ROSSIGNANO where the production of caustic soda will be eventually possible on a large scale. The problem of the manufacture locally of carbon bisulphide has been actively studied and a programme evolved for its production, which is in course of implementation.

79. Industrial activities: During the month under review the battle area has remained substantially unchanged, no new centres of industry or important plants have been liberated, and attention has largely been directed to amplifying action already initiated or to completing information previously available only in part.

COMMERCE SUB-COMMISSION

Materials Division.

80. Owing to greatly reduced personnel, especially in Southern Region, great difficulty is being experienced in dealing with current work. It is hoped to assign Italian officials to act as co-ordinating agents in the Provinces.

(a) Leather: Considerable belting has been produced by four factories operating in Regions III and IV. Prof. Enrico Sizzncini was appointed Commissioner for leather for all Italy, being responsible for leather operations and control.

(b) Tobacco: No con movements of tobacco were made during August. The ship "Senio" was procured through efforts of Commerce Sub-Commission to carry a three months supply of tobacco to CATANIA and PALERMO during first week of September.

(c) Matches: Arrangements have been completed for the distribution of matches throughout Italy by the national organisation of Consorzio Industrie Fiammiferi (C.I.F.) including all those domestically produced and imported from abroad.

(d) Paper: An AFLR (I) Board meeting, held on 21 August decided to remove from the list of controlled items sheet and rolled paper of all kinds, except printing

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(d) Paper: An AMLR (I) Board meeting, held on 21 August decided to remove from the list of controlled items sheet and rolled paper of all kinds, except printing paper. Newsprint situation continues to be acute. No imports have been received during the period under review.

(e) Textiles, Clothing and Shoes: Jurisdiction over textiles owned by various merchants and held on the premises of the Consorzio Italiano Manufatti was turned over to the Italian Ministry of Industry, Commerce and Labour. Repair rate of salvaged shoes has been increased to 6000 pairs per week during the month. The Pirelli plant has started manufacture of rubber soles and heels.

Resources Section:

81. A method of procedure is in course of preparation whereby the discovery of controlled materials will become the responsibility of the Italian Government in AMG territory.

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Requirements and Release Section.

82. Important materials such as cement, nails and commercial gases remain in critically short supply. It may prove expedient, after approaching the Director of Works and PRS, to indent for imports to fill essential civilian requirements.

Fuel Section.

83. Owing to the move to RMB it was necessary to invent a modification whereby the existing circulation permits and petrol ration cards could be extended until the end of September. It proved impossible to get permits and ration cards printed in time to issue for 1 September.

Foreign Trade Section.

84. There has been difficulty in obtaining shipping. Quantities of goods are awaiting shipment, but lack of an Export Officer on the East coast of Italy retards all exports considerably. The first consignment of silk cocoons from Turkey has now arrived and will be distributed to filatures for reeling.

Price Section.

85. There is increasing interest on the part of the Government towards standardising procedures relating to prices. The situation with respect to landed costs of imported supplies is still confused owing to AFHQ being unable to notify us as to landed costs of many items, forcing us to make our own estimates. An inter-ministerial committee has been set up by the Government and it is hoped that this will form a nucleus for more extensive price work in months to come.

SHIPPING SUB-COMMISSION.

86. During the month of August the chief subjects with which the Shipping Sub-Commission was concerned were : .

(a) The alteration in the operation of schooners.
(b) The planning of ACC requirements.

87. (a) As an initial step towards the operation of schooners a meeting was held at which it was mutually agreed that of the total of approximately 60,000 tons of schooners 25,000 tons would be allocated to the RASC and Water Transport Companies for Services requirements.

(b) All schooners over 500 tons to be allocated to P.S.T.O. Med. for operation as an addition to the coaster fleet for Services requirements, and small schooners presently utilised by the Navy for harbour craft to be continued in that service.

(c) This left a total of some 27,000 tons dr. of schooners available for civil requirements, under the direction of the Allied Control Commission. In order that a complete control could be maintained as to the cargoes these vessels carried, a Schooner Control Committee was set up comprising a representative of COCENA., a representative of ACC and a representative of the Mediterranean Shipping Board. This Control commenced functioning on 17 August, and up to date has

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88. So far as the planning of requirements is concerned, this has now been presented and is under examination at AMMG. It totals some 90,000 tons for the month of September, but gives priorities which will probably reduce the quantity considerably below that figure. On examination the Ministry of War Transport has agreed that it will be responsible for the tonnage under its own control for the carriage of timber from Southern Italy to Sicily to make lemon and orange boxes for shipment to the UK. A representative of the Ministry of War Transport will proceed shortly to co-ordinate these shipments.

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89. It is obvious, however, that this programme as presented by ACC will not be possible of fulfilment by ordinary schooner traffic, and a complete examination, therefore, is being made as to what contribution can be made towards it by a reduction in the military traffic or the allocation of outside shipping at the expense of other programmes. It will be several days before clarity on this subject is achieved. The main items, however, continue to be coal from SARDINIA and phosphates from TUNISIA. The Ministry of War Transport in LONDON, under pressure from the Mediterranean Shipping Board, has agreed to allocate five vessels approximately 5000 tons dw. each, which vessels will be utilised for these commodities.

90. As a matter of general interest on the shipping situation, ten Italian steamers have now arrived in GIBRALTAR from SPAIN, and one in CASABLANCA from PORTUGAL. These are being put into a fit state at GIBRALTAR to proceed to South Italy, but it is likely that extensive repairs will be necessary before they are fit for service.

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PART III

ADMINISTRATIVE SECTION.

1. Defascism: The Italian Government has expressed itself as not dissatisfied with the progress that it is making in two spheres of defascism, the punishment of those who have lent themselves to breaches of the old constitution or have obtained benefits improperly, and those who have corruptly obtained material benefits.

2. It has, however, expressed its dissatisfaction with the present method of purging the administration which is based on the individual consideration of each case. It is a lengthy process and includes the suspension of the person whose case is being investigated. An alternative method therefore is being considered to ensure the quick purging of officials.

3. Proposals for dealing with private firms and companies under Fascist control are under discussion.

4. Mine Clearance: A programme for the instruction of civilians in this work has been drawn up by the Ministry of War and approved in principle by this Section. These instructional squads of soldiers will be available on 15 September and will form centres of instruction in areas situated close to the more heavily mined areas. On completion of the instruction at the end of September the students are to be formed into working parties for mine clearance work. Some difficulty is being encountered in procuring the necessary equipment and transportation.

INTERIOR SUB-COMMISSION.

5. Local Government: A summary has been prepared and issued to AMG Armies shewing the primary steps necessary to reorganise local government. Italian official appointed to take charge of the Administration of ELBA.

6. Prefects and Officials: Arrangements were continued for maintaining supply of Prefects and other officials who may be required for forward Provinces, including planning for the 45 Provinces still in enemy hands. To meet shortage of Prefects the Ministry has been urged to promote efficient Vice-Prefects and suggestions have been made for transfer of Prefects. New Prefects and other officials sent to ASCOLI, ANCONA, FLORENCE and LIVORNO.

PUBLIC SAFETY SUB-COMMISSION.

7. Policing Forward Areas: Mobile CC.RR attached to Armies have continued their good work in policing newly occupied territory. As they move forward their places are taken by those supplied from replacement centres. A new centre has now been established in FLORENCE to hold 2200 and arrangements are in hand to form another centre at ANCONA. The SCAOs of FIFTH and EIGHTH Armies have expressed their satisfaction at the excellent services rendered by CC.RR under difficult conditions.

8. Patriots: A good deal of the time of Public Safety Officers in forward areas

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8. Patriots: A good deal of the time of Public Safety Officers in forward areas has been occupied in dealing with patriots. The difficulty has been to distinguish between genuine partisans and undesirable characters who seize the opportunity to form themselves into armed bands, robbing and plundering the country side. By constituting the CC.RR as the law enforcing authority and withdrawing weapons from the patriots, the situation has been kept well in hand. 1568

9. Public Security: Questori have been sent from a reserve pool in ROME to Provinces at the request of Army SCAOs or RCs. Inspectors from the Ministry of the Interior have been despatched to report on public security conditions in SICILY, SARDINIA and SIENA.

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10. Rations, Uniform and Equipment: Complaints that the rations allotted to Finance Guards and Agents of Public Security are inadequate are being sympathetically examined with the Sub-Commissions concerned. The uniform and equipment of all police agencies is still unsatisfactory, especially as regards transport. In spite of these conditions the police carry out their duties loeally.

11. Epuration: Commissions have been set up to carry out the epuration of all Police, Fire Brigade and Prison officials. As yet these Commissions have made little progress. All OVRA officials and agents will be suspended from duty until their cases have been examined by the Public Security Epuration Commission.

12. Prisons: The problem of Italian Military prisoners which thrdatened to create acute overcrowding in civil jails has been solved. Although Italian Military prisoners will become a civilian responsibility after 30 days imprisonment, they will be kept in military jails. In many districts the prison population is decreasing owing to the expiration of sentences imposed by AMG in 1943. In SICILY as a result of the special drive on grain collection, overcrowding has increased. The repair work on four damaged prisons is being speeded up. If necessary, stockade prisons will be constructed in SICILY.

13. Control of Civilian Movement: In consequence of the handing over of new territory to the Italian Government, the instructions regarding civilian movement have been revised and consolidated in Executive Memorandum No.77. Civil Affairs Officers, Italian officials and the Italian public have been notified of the existing restrictions.

PUBLIC HEALTH SUB-COMMISSION.

14. General: The Italian Government has undertaken the rehabilitation of hospitals.

15. Supplies: Glass tubing is urgently required for the packing of biologicals produced locally.

16. Disease:

(a) Typhoid epidemic at BENEVENTO is being investigated and prophylactic measures have been instituted.
(b) V.D. the campaign continues.
(c) Typhus. The Typhus Control Unit will, during the autumn, instruct local teams throughout Central and Southern Italy in typhus control measures.
(d) Smallpox figures in NAPLES City and NAPLES Province show a definite decrease.
(e) Malaria. The work of the Malaria Control branch has been outstanding and has resulted, almost everywhere, in a marked reduction of cases as compared with 1943.

17. Veterinary: Foot and Mouth Disease and Swine Fever are both wide spread and steps to combat them have been taken. Supplies of veterinary biologicals have been distributed.

18. Welfare: The Ministry of Interior has increased the rates of assistance to

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18. Welfare: The Ministry of Interior has increased the rated of assistance to political ex-internees.

19. Health: Infant mortality figures in ROME are high but it is anticipated that the distribution of powdered milk will result in a decrease in these figures.

LEGAL SUB-COMMISSION.

The following is a summary of activities during the month :-

20. Office of Chief Legal Officer: Handling of all legal matters connected with restoration of territory on 15 August. Consideration of "Sanctions against Fascism". Examination has been given to the attitude of Italian Military Tribunals at BARI toward trial of cases involving Allied interests. Consideration of duties and functions of Property Control.

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21. Office of Chief Counsel: Preparation of revised proclamations 1, 2 and 4. Revised General Order No.2 and General Order No.32 (agricultural rents). Examination proposed decree for restoration of property and other rights taken away by Fascists legislation on racial or political grounds.

22. Italian Branch: Supervision of the "Epuration" of the Magistracy under the provisions of DLL 159 of 27 July. Contacts with ROME Jewish and Intergovernmental Refugee Committees on draft law to repeal racial legislation. Settling text of draft decree of marriage of members of Allied Forces in Italian territory. Determining the functions of Property Control in relation to the evolution of Italian administration. Extension of Italian Amnesty decree to territories restored to Italian Administration.

23. Office of Chief Judicial Officer: AMG court in Region II condemned Gaudio Martiere to 28 years imprisonment for murder of an Allied soldier and De Birado Michele to 20 years imprisonment for sabotage.

EDUCATION SUB-COMMISSION.

24. Italian Government Territory: This territory has required recently little attention. We are having to help in regard to the large new printing of textbooks (375,000 in PALERMO; 1,120,000 in NAPLES).

25. Region IV: LITTORIA, FROSINONE and ROME Provinces were handed over to Italian Control on 15 August. School lunches were served to 8,757 school children and plans are under way for increasing this number; 546 school administrative officials have been examined for fascism, of whom 175 were suspended. The printing of 1,039,000 elementary school textbooks for Region IV and V was launched. VITERBO, RIETI and TERNI Provinces are on their way to being in as favourable a situation. All school departments are functioning vigorously; many communes opened summer sessions. PERUGIA was visited and preliminary steps taken toward getting the educational machinery to function. Epuration proceeded at the University of ROME and examinations were held. Preliminary work was started at the two Universities in PERUGIA.

26. Region V: Eight Provinces are organized for the reopening of schools. School heads appointed; vetting under way; budgets prepared; directives issued; Sindaci are getting school quarters in shape; Fascist books are being confiscated. Conditions at the two Universities in MACERATA Province were investigated.

27. Region VIII: GROSSETO and SIENA Provinces were organized, defascising is proceeding, plans are completed for re-opening of schools. Preliminary arrangements are under way for the printing of 1,039,000 elementary school textbooks for Regions VIII and IX. The University of SIENA was the victim of an Army requisition.

28. Regions in General: A meeting of Regional Education Officers and the HQ Staff was held early in August. The two most urgent problems now before schools in both Italian Government Territory and Military Government Territory, are the printing and distributing of the millions of elementary school textbooks, and the making of buildings available and weather-tight for the winter.

PROPERTY CONTROL SUB-COMMISSION.

29. General: On 8 August Insurance Section, Finance Sub-Commission, assumed full

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PROPERTY CONTROL SUB-COMMISSION.

29. General: On 8 August Insurance Section, Finance Sub-Commission, assumed full responsibility for all Insurance Companies in Italy and PC was relieved of this responsibility.

30. Regions: Reconsignment of properties to owners is going forward at an increasing tempo. Property Control officers in Regions III and VII were closed and records and files moved to office of RCP, Southern Region. In Region IV, RCP took into protective custody properties of numerous Fascist Organisations. The work of examining and completing records of United Nations' properties is nearing completion. In the FLORENCE area some difficulty was encountered because of operational activities. Much evidence of pilfering and looting was found.

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MONUMENTS, FINE ARTS & ARCHIVES SUB-COMMISSION.

31. Region IV: Inspections of the damaged sites in LITTORIA and FROSINONE Provinces, and VITERBO. In most of these cases repair projects have been difficult to initiate because of shortage of material and labour, both of which are needed by other claims in the devastated regions.

32. Deposits of Works of Art in the vicinity of FLORENCE: Steps have been taken to guard and check over the works of art placed in the deposits in the country South of FLORENCE. There are 23 such deposits around FLORENCE. Eight of these were accessible, the rest were in enemy territory. In FLORENCE, steps have been taken to salvage valuable records from the ruins of buildings mined by the Germans. Italian Superintendents have been organised to assist.

33. Region III: Final arrangements for the handing over of this Region's work to Italian Authorities have been made.

34. Art Exhibition: An exhibition of masterpieces of European Painting was opened in the Palazzo Venezia, ROME.

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PART IV

POLITICAL SECTION, PUBLIC RELATIONS BRANCH
AND INDEPENDENT SUB-COMMISSIONS

POLITICAL SECTION.

1. On the 15 August the Provinces of LITTORIA, FROSINONE and ROME (including the capital) were handed back to the Italian Government. On the occasion Bonomi issued a statement, rather sober in nature, in which he asked the Italian people not to expect miracles but assured them that the Government was well aware of the task confronting it and willing to tackle it. It may be said that the Government has indeed worked very hard during the month. The Council of Ministers has met frequently and dealt with some major matters. It has set up a committee for national reconstruction, realising fully that at the moment emergency measures must take precedence over long range planning. It has sanctioned the nomination of special commissioners for "concessionary enterprises affecting the public services or engaged in activities recognized to be of general interest" and on 31 August announced its intention of complying with the request of the CGIL delegates (presented 9 August) to take some action, in cooperation with the Allies, to protect the workers against the rising cost of living. And, in the meeting of 31 August, it avowed its intention to attack the Sicilian question laying plans for "strengthening the administrative apparatus" of the island with a view to combating the Separatist movement and to proceed to "concrete and organic resolution of the latifundia problem". These are only the principal activities; there were the usual routine and administrative matters. Epuration has proceeded with vigor, the most sensational event being the suspension of 309 out of the 420 senators.

2. Party life has also been full and in general events of the month have clarified the aims of the various elements. Noteworthy was the "alliance" of the Socialists and Communists (8 August) who announced a common programme for more active participation in the war, intensification of application of anti-fascist sanctions and protection of the workers against their difficult economic straits and dangers from reactionary forces. Their avowed hope is to bring the Christian Democrats (with whom they are already working in harmony on the labour front) into the pact but the latter have so far not given their assent. The Liberals followed suit, announcing on 13 August their fusion with the old Democratic Liberal party, an old pre-war group of some strength particularly in the South. This fusion is particularly interesting as it brings into the Government representation from a group outside the Committee of Liberation; an action which the Leftist parties view with some suspicion, Nenni calling the Liberal Democrats "a Trojan horse within the citadel of democracy". The young and hopeful Catholic Communists received another blow when it was categorically stated by Cardinal Salotti that the terms Catholic and Communists were mutually contradictory.

3. In the matter of foreign affairs the month has seen a crescendo in Italy's anxiety about her future. Demands have been repeated that the Allies should clarify their policy and at various times specific requests have been made in the press for Allied status, Lend Lease, UNRRA and permission to put more Italian troops in the field. It was widely understood that Signor Bonomi took advantage of Mr. Churchill's visit, which was followed with intense interest, to put at least some of these demands directly to him. Interest has been kept high by a series of speeches or gestures from the Anglo-Saxon world. Mr. Churchill's visit was of course the main episode of this sort; it was in general regarded as a good thing

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4. On 25 August Signor Soleri, Minister for Treasury, gave a press conference in which he discussed with some frankness the financial situation of the country, pointing out among other things that Italian finance could not be established on any solid basis until the currency situation was clarified and for that the cooperation of the Allies was essential. This was taken up by the press and a statement

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on our currency policy may now be added to the list of things that the Italians would like to have. Their increasing frankness in stating what they want has had some justification - in Italian eyes at least - in the deeds of the patriot bands who distinguished themselves particularly in the fighting around FLORENCE and have thus been a factor in resuscitating national pride. To such a point indeed that Count Sforza, speaking on 21 August, did not hesitate to touch on territorial matters, affirming the "Italianita" of TRIESTE and suggesting that FIUME might well become a free city, the seat of a new league of nations. And the deeds of the Patriots as well as the kind words spoken about the Armed Forces by Allied officers at the last ACC Regional Commissioners' Conference have also served to bring to the fore the plight of war prisoners on which Italians would like action from us.

5. The Regional Commissioners Conference held on 22 and 23 August was for the first time open to the Italian press. Particular attention was given to the reports of the Economic Section and, as said above, the Services Sub-Commissions. Allowing the Italian press to be present may well have had some political value; it was clear from the articles that followed that many Italians had not realised the scope of the work of ACC. Further, the Acting Chief Commissioner's statement that ACC supported the Bonomi Government in the same spirit as that indicated in the statement of the Ministers without Portfolio (issued to express their solidarity at the time of the handover of ROME) was undoubtedly a factor in giving the Government stability and putting an end to any lingering rumours of its approaching dissolution under Allied disfavour.

PUBLIC RELATIONS BRANCH.

6. News Production: Regular press releases were issued to the Italian Press, PWB, Allied correspondents and neutral correspondents on all aspects of ACC activities including UNRRA liaison.

7. Press Conference: The Italian Press was admitted for the first time to the Regional Commissioner's Conference with excellent results. The Branch arranged two press Conferences between Brig. Gen. O'Dwyer and Allied and Italian correspondents, respectively. The former covered the Italian Economic situation and the latter the ROME food conditions and general economic plans. Both Conferences were well received.

8. Journalists:

(a) Italian: Contact with editors of ROME newspapers was maintained to explain ACC policies and to request assistance on problems needing public co-operation. The first ACC/PWB accrediting cards were issued to Italian journalists. Curfew passes were issued to newspaper workers, journalists automobile problems were adjusted, and two Italian photographers were issued with permits to photograph non-military subjects.

(b) Allied: Interviews arranged and information given to some twenty British and American correspondents.

(c) Allied Political Correspondents: The first four arrived and became an ACC responsibility. They represented The Times, Daily Express, and Daily Telegraph, (LONDON), and Tass Agency (Soviet Union).

Weekly background briefings were held.

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(d) Neutral Correspondents: Weekly background briefings were held.

9. Relations with Italian Government: Publicity was arranged and put into effect for the Italian Armed Forces including the first Allied recognition of Italian war correspondents. Epuration of the Italian Press was carried out in collaboration with the Italian Government Committee, the Federazione Stampa, and Security Branch. Long term arrangements for radio and cinemas were discussed with the Sottosegretariato delle Stampa and the PWB.

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10. Miscellaneous: The Allied Publication Board, with concurring PWB vote, froze further issues of newsprint because of shortage of imports. Extensive scheduling of story possibilities made for the March of Time film unit photographing ACC help to Italy. Publishing arrangements made for 75,000 copies of Art Guide to FLORENCE for use of the troops. Plans started to make films of Italian Army, Navy and Air Force. Contacts maintained with Prime Minister Bonomi and Cabinet members. Regular services of Weekly Bulletin, Daily Rome Digest and Trend of Correspondents' copy continued. Material gathered for history of ACC.

WAR MATERIALS DISPOSAL AND ITALIAN PW SUB-COMMISSION.

War Materials Disposal.

11. The work of this Sub-Commission was for the most part of an administrative nature and the small staff was inundated with requests by individuals and representatives of firms for authority to collect derelict vehicles from the surrounding countryside and roads. A few permits were issued, in the most part, to collect parts from derelict vehicles, and in every case the parts were required so that the work on a certain vehicle could be completed and the vehicle put back on the road to do duty under ACC direction.

12. A reconnaissance was made of the RIETI and ALBANO area. In RIETI an inspection was made of the weapons which had been collected into a small Armament Shop, where an excellent job of cleaning and servicing weapons was being done by Italian labour. The weapons are held at the disposal of the Italian War Ministry.

13. In ALBANO a considerable quantity of water pipe and 30 litre tanks were found and put at the disposal of the Public Works and Utilities Sub-Commission.

14. Workshops in ROME and the immediate vicinity were visited and a check made of salvaged vehicles with a view to ascertaining their ultimate destination.

Italian Prisoners of War.

15. The repatriation of Italian Prisoners of War was increased and the release from PW status of approximately 65,000 paroled PW in SICILY was completed. The number of military PW returned for the month was 1030.

16. Prime Minister Bonomi accepted an invitation to send representatives to visit localities in Italy, and to inspect the conditions under which PW cooperators are employed.

17. Requests for repatriation for specialists, required for Allied Control Commission and Italian Government activities, and a few individual cases justified for compassionate reasons, were submitted for consideration.

18. Plans for expediting certain repatriations were made and a policy of active cooperation with the Italian Red Cross was initiated.

COMMUNICATIONS SUB-COMMISSION.

19. Telecommunications:

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COMMUNICATIONS SUB-COMMISSION.

19. Telecommunications:

(a) Telephone: Two additional NAPLES-ROME circuits have been made available, permitting the opening of a restricted service to civil use of this important channel. Many urban telephone services have been restored, including the towns of CAMPOBASSO, ISERNIA, VENAFRO, TERMOLI, LANCIANO, CHIETI, AVEZZANO, AQUILA, TERAMO, ASCOLI, FLORENCE, SIENA, GROSSETO, etc. Inter-urban service limited to intra-provincial calls has been authorised in the Provinces of FOGGIA, CHIETI, PESCARA, AQUILA, TERAMO, AVELLINO, BENEVENTO, CAMPOBASSO, FROSINONE, LITTORIA and ROME: inter-urban circuits are now approaching completion in many areas. Full inter-provincial service is authorised and available in all Provinces south of the above.

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(b) Telegraph: Telegraph service has been authorised in all Provinces listed above; in few cases are circuits available, but they are also now approaching completion in many districts. The telegraph service from ROME to the South has been improved, but is still inadequate, and many telegrams from NAPLES and BARI are still arriving by post. Arrangements to effect improvement, which include transfer of equipment from SICILY, are in hand. Submarine telegraph cables to SICILY and SARDINIA have been handed over to the Italian authorities; so far only the SICILY circuit is restored to operation. The Italian Foreign Office has been authorised to resume cablegram communications, in clear or in cipher, with all Italian Missions, etc., abroad, except that in ARGENTINA. (This service was previously restricted to the Embassies at MADRID, LISBON and TANGIERS).

20. Postal:

(a) Internal and foreign mail services have been restored in the additional Provinces of FOGGIA, CHIETI, PESCARA, AQUILA and TERAMO.

(b) PALERMO and BARI were closed as foreign mail transfer ports, leaving only NAPLES, and a few transfers through CATANIA.

(c) Some 17,000,000 letters (about 70 tons), including about 12,000,000 PW letters, have been dealt with in the foreign mail service since the opening of services early this year.

ARMY SUB-COMMISSION.

21. The planning, organisation and initial training of the Italian Combat Groups has gone according to the time programme. The limiting factor has been the provision of equipment. The training scale of arms and vehicles for the first two groups has now been issued.

22. On 10 August, GOC attended a conference at Public Relations for the Italian Army and observer reporters. GOC put forward the urgent necessity for more publicity to be given the Italian Army, not only in its combattant role but in its work behind the lines, providing labour on docks, engineer units, L of C signals, muleteers etc. It was decided that every effort would be made to get the Italian people Army-minded and several interesting articles have since appeared in the ROME newspapers on the achievements and activities of the Italian Army.

23. In an order of the day to the Italian Army, Count Casati, War Minister, reproduced part of GOC's report at the last Regional Commissioners' Conference in which due recognition and praise is given to the Italian Army and urges all ranks to make greater efforts to drive the enemy out of the country.

24. Arrangements are being made for the division of responsibility for rationing the Italian Armed Forces between the British and American Governments. This constitutes an amendment to the last sentence of this Sub-Commission's report for the month of July.

NAVY SUB-COMMISSION

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NAVY SUB-COMMISSION

25. During the month of August the active cruisers of the Italian Fleet carried out the normal programme of ferrying troops and civilians in the Western Mediterranean. Destroyers and smaller vessels were employed in escort work. The three older battleships returned from Malta and have been reduced to reserve in Italian ports. The work of the TARANTO dockyard proceeded satisfactorily. Supplies of food and medical stores for the fleet were adequate and the introduction of a single ration scale for combat and non-combat troops has simplified administration. As far as possible the Italian Navy utilises its own stocks of Naval Stores and every assistance is given to them to obtain materials from local resources. Essential items not available from these sources are supplied mainly from British Naval stocks. The clothing situation was unsatisfactory and will remain so until the arrival of materials ordered from the United Kingdom, when the Italians will manufacture their uniforms in their own factories.

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26. Steps are being taken to obtain favourable publicity for the work of the Italian Navy, and details which are being worked out in conjunction with the Public Relations Branch include the production of a short film, showing the work of the Italian ships during the past year.

AIR FORCE SUB-COMMISSION

27. The Italian Air Force continued to support the Allied Air Forces actively. The Fighter Wing has been carrying out fighter sweeps over enemy territory and has a good record. The Bomber/Transport Wing continued to drop supplies. The Seaplane Wing continued to work as part of the Mediterranean Coastal Air Force.

28. The Operational Control of the Italian Air Force has now passed out of the hands of the Air Force Sub-Commission. While this loss of operational control is regretted, there is no doubt that it is a sound move, as it ensures complete co-ordination of the effort of the Air Forces as a whole.

29. Under the new Government, General Piacentini has been appointed Air Minister and Chief of Staff of the Italian Air Force.

30. Among many other problems there have been two outstanding ones. Firstly, the ceiling of manpower in the Italian Air Force, and secondly the question of rations. A somewhat arbitrary decision was made to reduce the ceiling from 32,000 to 22,000. This would have had serious repercussions in respect of Italian Air Force personnel on loan to the Allied Forces in substitution for Allied manpower. The ceiling, however, has now been permanently fixed at 31,000.

ELLERY W. STONE
Captain, USNR
Acting Chief Commissioner

1564

Director
D Director
Chief Telegrams
Chief Postal
H.Q. Coms. O.

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Director
D Director
Chief, Telecoms
Chief, Postal
H. Q., Coms. O.
Asst. Chief Postal
Censorship
Chief Clerk

CROSS REFS.
FILE CS/1/3
B/Fwd.
Date 29/8/44

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COMMS. Section

Engineering Division
HEADQUARTERS REGION XII
Allied Control Commission
APO 394

HEADQUARTERS
5 OCT 1944
A. C. C.

2 October 1944

TO : Regional Commissioner Region XII, ACC.
Transportation Sub-Commission, HQ, ACC.
Communications Sub-Commission, HQ, ACC.—
Public Works & Utilities Sub-Commission, HQ, ACC.

SUBJECT: Monthly Report - Engineering Division

FILE NO: R12/ENG/90.2

1. The division has been occupied in domestic duties with the Regional HQ occasioned by the move.

2. Files were prepared for each Provincial Commissioner providing him with essential information on his area and methods of procedure to be followed for this division's responsibilities.

3. The Regional Engineer left for new location on 18th September.

4. Remainder of division arrived on East Coast by 26th September and are now located partly at CATTOLICA and partly at PESARO, Advanced and Main Headquarters, respectively.

E.J. EDWARDS, Colonel
Regional Engineer

Director
D Director
Chief Telecoms
Chief Postal
H. Q. Coms. O.
Asst Chief Postal
Censorship
Chief Clerk

CROSS REFS.
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Date 6/10/44

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CONFIDENTIAL

HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

MONTHLY REPORT

JULY 1944

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DIRECTOR.
D.DIRECTOR. Jean
S. O. (T).
S O P)
CENSORSHIP.
CHIEF CLERK.
Recd 3/9/44

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Declassified E.O. 12356 Section 3.3/NND No. 785015

HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

CONFIDENTIAL

Ref/498/Ca.

30 August 1944.

MONTHLY REPORT FOR JULY

General Remarks

1. July is the harvest month in Italy and though the wheat was late this year all eyes were turned towards the crop, which in most areas was well above average. The farmers were anxious about labour and gasoline for their threshing machines: the townspeople thought the generous price for wheat might seriously affect the price of bread (which it has not): the Italian Government and the Allied Control Commission wondered how much of the abundant crop would find its way to the Government grain depots. Generally speaking the harvest has begun well. Imported soldiers of the Italian Army helped the farmers in FOGGIA: helped also to maintain the labour markets for the Allied military authorities and to keep down exorbitant demands for wages by the harvesters. Where gasoline and oil was lacking the farmers reverted to the customary method of treading out the wheat by oxen. The intensive campaign for Granai del Popolo continued and collections of grain began to come in. Strenuous efforts by the officials of Allied Control Commission and in most (but not all) areas, by Italian Government officials, have been made to start the campaign with success. It is too early to prophesy the results.

2. Established in ROME, with the Headquarters of the Allied Control Commission alongside, the Italian Government had its first opportunity of functioning in the capital of the country and with the proper machinery of Government. The focus naturally turned to ROME and conditions in ROME were regarded as a mirror of those throughout the country. This is not so. ROME was not occupied until June 5th and although the city has suffered little material damage, much dislocation has taken place which can only be remedied in time. Conditions in South Italy and in the Provinces outside ROME are undoubtedly better than within.

3. In the North, AMGs with both Armies have done outstanding work. Their problems were manifold, but they overcame them. Law and order were kept: food was supplied in spite of grievous shortages of transport: refugees were passed back for dispersal in neighbouring Provinces: patriots, a new problem, were dealt with tactfully and firmly.

4. The procedure of Provincial teams, from the Region, rapidly following up and sometimes accompanying the AMG staffs in the Armies has proved successful.

5. AMG Regions have continued to employ to the maximum the Italian machinery and personnel of local government, who generally have been helpful and effective in spite of grave difficulties caused by devastation, lack of communications, and

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4. The procedure of Provincial teams, from the Region, rapidly following up and sometimes accompanying the AMG staffs in the Armies has proved successful.

5. AMG Regions have continued to employ to the maximum the Italian machinery and personnel of local government, who generally have been helpful and effective in spite of grave difficulties caused by devastation, lack of communications, and mines. Civilian casualties from these remnants of battle have been tragic and numerous.

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6. In the areas handed over to the Italian Government the reduction of Allied officers of the Allied Control Commission has been maintained gradually: the props on which the Italian Local Government is so prone to lean are being withdrawn and more responsibility is thrown on to the local authorities. There are some, especially in the cities, who think that the withdrawal is premature. But it is essential if the policy of the Allied Nations is to be implemented: and experience shows that it is right.

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7. At the end of his last report on Sicily, Colonel A. N. Hancock, the Regional Commissioner, writes as follows :

"SICILY has now been under AMG or ACC counsel for just over one year. Perhaps the greatest fault - or is it praise - that can be found in Region I is a too rapid return to a state of normal peacetime economic activity together with local politics and slow administration. As for over three thousand years, SICILY still suffers from internal disunion and too great a spirit of selfish independence and local patriotism. The grain campaign - which is still being run under the High Commissioner even if greatly aided by ACC pressure - will be the touchstone of SICILY's ability or failure to administer herself. For the future, the prosperity or poverty of SICILY is a matter for SICILY herself to make - there is little more ACC can do for her. "

8. This will become true for the areas in Italy as time goes on.

9. The two problems which face the Commission are food and transport. In the South the peak of the food problem can be said to have passed - so long as the new crop can be distributed. North of the Garigliano in the devastated areas, food is not so plentiful: the basic bread ration from this line to the front line is 200 grams compared with 300 grams in the South. Other forms of food are as short. The same applies to ROME. In the country districts to the East and North of ROME the general food situation is easier, though the basic bread ration remains at 200 grams. Transport is the difficulty. It is inadequate. Food cannot be brought from the producer to the consumer areas. It is even difficult to carry petrol to the threshing machines and grain from the threshing floors to the collection depots.

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PART I

R.C. & M.G. SECTION

A TENTH ARMY.

1. The end of July found the Army on the banks of the Arno, with the Southern portion of PISA in our hands. The capture of SIENA intact on the 2nd July was followed on the 20th by the fall of LIVORNO with the port area in a ruinous state but the rest of the town mainly undamaged. During the month the latter remained under intermittent shell fire.

2. In SIENA the usual problems of power, light and water presented themselves, the former impossible to deal with at present, while the latter promised to be in fair order in about a month. Banks were sound, lacking only currency. They were opened on 20th July. The University was closed for summer vacation and so presented no problem. Being the centre of a rich agricultural district the food situation was not pressing. SIENA was handed over to AMG Eighth Army on 22nd July.

3. The supply situation grew more satisfactory during the month as the much needed items such as salt and sugar came through. The Army is in a corn growing area with an excellent harvest being gathered, so import of flour is not an immediate necessity. POL is being distributed to promote grinding of flour locally thus relieving transport. In SIENA the stockpile for FLORENCE was established and with the opening of PIOMBINO and the retention of an RASC Transport Coy until replaced, the situation is not unsatisfactory.

4. LIVORNO does not present as bad a picture as was at first thought. There is a possibility of getting an alternative supply of water for some 60,000 people and as the present population is 35,000 against a normal 140,000 the situation will be well covered. There is a fine hospital with a potential capacity for 2,000.

5. The patriots have been most useful. In LIVORNO they marked minefields and acted as guides and police. They respond to tactful handling and the issue of certificates and proclamations has a very good effect. Similar services were rendered elsewhere but at SIENA they presumed complete political freedom even within sound of the enemy guns. Patriot Liaison Officers sent by HQ AOC were very welcome. Some Italian officers have been sent up by the Ministry of War to facilitate enlistment in the Italian Army.

6. In other branches affairs remain satisfactory. The Granai del Popolo collections are good. There is a little hooliganism but crime in the towns shows no unusual increases.

AMG EIGHTH ARMY.

7. The rate of advance slowed down during the month mainly owing to the increased resistance offered by the enemy in the hills South of FLORENCE. By the end of the month, however, the whole of the Provinces of SIENA and MACERATA and most of AREZZO, PERUGIA and ANCONA had been occupied. This meant a population of about 2,000,000 under Army AMG administration. These provinces are mainly agricultura and have not been greatly disturbed by war. They are self-subsisting as regards grain, oil and vegetables. Harvesting is proceeding but has been hampered by shortage of POL.

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8. The Provinces of RIETI and TERNI were handed over to Region IV on the 10th and 30th July respectively. 156

9. Of the places occupied during the month one was the port of ANCONA where only 6,000 people were found on arrival out of a population of about 90,000. 35% of the town has been destroyed. The once attractive town of AREZZO was reported 30% destroyed and had a population of 1500 out of the normal 31,000. The Prefect was not there to welcome the Allies but fled with funds belonging to the Province to the tune of 17,000,000 lire.

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10. Many patriots were encountered and although a few were troublesome the majority were disarmed without incident and were cooperative. Some assisted to gather mines and explosives and others even volunteered to rebuild the railway from TERNI to TODI.

11. TERNI has a very considerable labour problem. The steel mills have been totally destroyed and the 7,000 employees have little prospect of returning to their old employment for a long time to come. This is the first purely industrial town to be encountered and therefore emphasises problems which will arise if similar destruction occurs in the industrial north.

12. Useful work has been done in the whole area by Italian welfare organisations although they have been handicapped by lack of supplies. They have shown themselves calm and efficient under great difficulties.

13. More refugees have been encountered, which is to be expected when an advance slows up, when they come over to us from no mans' land and the devastated areas in the battlefield zone.

REGION I (SICILY)

14. During July the grain campaign overshadowed all other forms of activity in Sicily absorbing ACC, the Italian Army, Carabinieri and Government officials, as well as affecting politics, Separatism and crime. Even the black market has reacted to the new conditions. It brings back memories of the first efforts to feed Sicily just a year ago.

15. The quota of grain to be collected this harvest has been fixed at 3,100,000 quintals, sufficient to feed the rationed part of the population for one year. By 30th June 6802 quintals had been collected; by 31 July this figure had risen to 234,251 quintals. Great difficulties beset the collection of the grain and already nearly 5000 persons have been denounced for infringement of regulations with confiscations amounting to over 10,000 quintals. Transportation facilities provided for the Granai del Popolo have been adequate but tyre troubles are severely felt.

16. In the field of politics Separatism has been more subdued this month in a belated attempt to appease the authorities and particularly the new High Commissioner - Aldisio, who is credited with the intention of crushing the Movement.

17. After a year as the first part of Italy and Europe to be liberated it seems that Sicily is likely to miss the greatest opportunity in her history of becoming an important part of Italy. Many of her difficulties are of her own making. Internally disunited and ultra-political she is unready to make common cause with the mainland and share its burdens, whilst her actions arouse deep suspicion on the part of Italians. A great deal depends on the influence of the High Commissioner in the next six months, for by firm handling he can do much to steer Sicily to a brighter future.

18. It is not generally realised that Sicily has already a lively export trade. The value of goods exported to the principal buyers in the last twelve months is as follows :

Great Britain	343,666,110	lire.
U.S.A.	21,626,000	"
Malta	242,614,225	"

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Nearly all the commodities exported are the products of the fertile soil and include items such as lemons (525,892 cases), lemon oil (180,000 Kgs.), nuts, oranges and orange oil.

19. Prices and cost of living continue to rise and taking the index figure from January 1944 as 100, in June it had increased to 129,95.

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REGION II (APULIA, LUCANIA)

20. The Communist party has continued its ascendancy to the point where it is now provocative. This is most marked in POTENZA and BRINDISI Provinces. Previous uneasiness has turned among the intelligent classes of Italians to fear that some violence will occur if the Allies do not stand near them. Provincial governments still lack teamwork and initiative as they do not feel the staunch backing of the present Italian Government. They have become more suspicious lately that the Allies will leave them "on their own" entirely, despite assurances to the contrary.

21. In the majority of provinces the collection of wheat is well ahead of normal and MATERA Province has already exceeded its total collection for 1943. Barley collection is somewhat behind, for the reason that producers are awaiting a decision of the Italian Government on their appeal that Barley should be considered as food for livestock in many localities.

22. Otherwise, in the grain collection campaign, almost all the problems have been solved with satisfaction except transportation and policing. The transportation problem, rail and motor, with continued shortage of gasoline, tyres and spare parts has become more acute than before. This shortage has now reached the point that the successful collection and distribution of grain is dependent largely upon how quickly and in what quantity rail transport and/or transport can be made available.

23. The Carabinieri and Questura have proved fairly effective in providing police for the grain campaign. Road blocks are in operation throughout the Region. Many arrests for grain violations have been made and more than 1,000 quintals of grain has been confiscated by these road block groups.

24. The food situation in this Region remains satisfactory.

25. The supply of leafy vegetables has lessened, but tomatoes and melons are fairly plentiful. Fruits remain satisfactory.

26. The wine surplus in APULIAN Provinces remains unchanged or in a worse position. Producers are now beginning to pour it out to make room for the new crop. There is still an excess of 300,000 tons remaining in the Region.

27. The new crop of grapes, almonds and tobacco continues normal in condition.

28. The usual labour unrest prevails in TARANTO Province. Otherwise, no serious labour disputes have occurred.

29. A few small imbroglios occurred among troop units. Chiefly between Italian soldiers and French Colonial troops in BRINDISI and TARANTO Provinces. In each instance local commanders and ACC officers handled the situation and managed to prevent serious disorders on a large scale.

30. The civilian population as a whole remains orderly.

31. The general health of the people continues to be very good. For the third successive month there has been no outbreak of an appreciable nature of any communicable disease.

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32. The small epidemic outbreaks of foot and mouth disease in TARANTO, MATERA and POTENZA Provinces now appear to be stabilized.

33. During the month the Italian Provincial Committees have handled practically all the Italian refugee problems in this Region. Large numbers of Italian families have been surging into the Region, especially into BARI, trying to return to their homes in other parts of Italy, especially to NAPLES. This at a time when rail transport was very critical, caused some difficulties.

34. Although there has been an inflow of over 2,300 Italian refugees during July, there has also been an outflow into those parts of Italy where travel is allowed. Therefore, the total refugee population in this Region has probably remained static at around 30,000.

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35. The unannounced "freezing" of rolling stock for movement of military supplies during the middle of the month was almost fatal to the distribution of civilian supplies and to the grain campaign. Only by superhuman efforts could grain be moved for bread. BARI and LECCE Provinces are living from hand to mouth insofar as bread and pasta are concerned.

36. There are some healthy signs of competition in trade since ordinary consumer goods formerly hidden are beginning to show in some quantity on the open market. However, transportation difficulties, scarcity of raw materials, and machine spare parts still tend to restrict revival of trade.

37. Prices of ordinary goods remain high and beyond the reach of the ordinary housewife. Bank savings and deposits continue to increase and surplus funds continue to flow into the central bank.

38. Black market dealings in sterling and Blue Seal dollars increased somewhat during the month.

REGION III (CAMPANIA)

39. The various political parties remain active and continue in their attempts to control public offices, but no party has a definite programme or policy and therefore party membership tends to reduce rather than to increase. The general public continues to be more interested in food than in politics. The change to Italian Government and the withdrawal of ACC officers have caused general uneasiness which in some cases amounts to actual fear.

40. The food situation was good until the latter part of the month, when purchases for ROME caused shortages and higher prices. At the end of June the population of the City was estimated to be 932,919 and the number of persons having a right to bread and pasta 835,847. On 30 July the total number of ration cards issued was 886,353.

41. The flour ration was increased from 160 grams to 240 grams per day, consisting of 200 grams of bread and 76 grams of pasta.

42. The olive oil crop is extremely good. It is hoped that mines will be cleared in the northern part of the Region in time to assist in the harvesting.

43. The water system for the City of NAPLES continued to operate satisfactorily, and under excellent conditions from source to the pumping stations. Chlorination of the entire water supply has been considered advisable, but has been found to be impracticable because of the lack of chlorine and chlorinating equipment.

44. Coal for the gas works in the City of NAPLES came in quite regularly and two months' supply of coal was on hand at the end of July. The SALERNO gas works commenced supplying gas for heating and cooking.

45. There was a slight lessening of civilian crime. Fewer crimes of violence were reported and black market offences decreased. There were 21 cases of forgery of Allied currency.

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46. Relations with Military Police were good, apart from the French, but conduct of Allied troops did not show any marked improvement. There was too much drunkenness on the part of soldiers and sailors, and many reports of crimes of violence committed by them were received. American Negro troops and French Colonial troops were concerned in a number of these cases, and the conduct of Canadian troops in AVELLINO leaves much to be desired. The increase of French troops in the AVELLINO area caused alarm among the civilian population, and after dark there was in fact a voluntary curfew.

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47. Smallpox showed an unseasonable incidence in the Province of NAPLES and BENEVENTO, approaching epidemic proportions in the cities of AFRAGOLA and FRATTAMAGGIORE. 416 cases of smallpox were reported in the Province of NAPLES and [illegible],913 vaccinations were administered in the Province. Typhoid fever has persisted in all Provinces, but has not been unseasonable.

48. Telephone service from NAPLES to ten other cities was established for Italian Government use. At the end of the month, telegrams could be sent to all parts of Southern Italy, with an average delivery time of two hours. No long distance telephone service was given to the public.

49. Delivery of letters and postcards was established on 1 July to the City of ROME and VATICAN CITY, on 17 July to the Provinces of CAMPOBASSO and ROME, and on the 24 July to the Provinces of FROSINONE and LITTORIA.

50. Cash holdings and deposits with the banks increased.

51. Sales and exchanges for the month exceeded redemptions by 260,000,000 lire. Unofficial meetings of the NAPLES Borsa were inaugurated to stop clandestine dealings. Prices were slightly lower, with the unofficial prices quoted in NAPLES about two points higher than the daily newspaper quotations in ROME, a disparity which no one could explain.

REGION IV (LAZIO)

52. The need to economise in personnel dictated a reorganization in the administration of ROME and at the end of the month ROME Region ceased to exist as a separate entity and was absorbed by Region IV.

53. The month of July was the harvest month over most of the Region. In the Southern Provinces the harvest yield was below normal, owing to war devastation, the withdrawal of labour, and the difficulties caused by minefields. In the Northern Provinces the crop was excellent. Anxiety was felt owing to the absence of POL required for the agricultural machinery, but in fact the Italian farmers, working long hours and using hand methods, have garnered most of their excellent harvest. The outlook for potatoes, olives and grapes remains good.

54. Progress was made in the construction of road bridges. An excellent bridge carrying the Via Salaria into RIETI was built in exceptionally rapid time. This bridge was ceremonially opened by the Regional Commissioner on 10 July. In the Provinces as a whole the Genio Civile got to work on the construction of the many bridges required.

55. Two other problems are of paramount importance: transportation and electric power. On every hand the same difficulties were met with. The lack of transport and the lack of electric power impinged upon practically every aspect of the work of the Region.

56. Political: No very definite developments took place during the month of July. Reports of activities of the Communist Party were received from TERRACINA and from the Province of VITERBO. In neither case was the movement very widespread though [illegible] political tension exists in the suburbs of Port Empedocle evacuated during

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51. Sales and exchanges for the month exceeded redemptions by 260,000,000 lire. Unofficial meetings of the NAPLES Borsa were inaugurated to stop clandestine dealings. Prices were slightly lower, with the unofficial prices quoted in NAPLES about two points higher than the daily newspaper quotations in ROME, a disparity which no one could explain.

REGION IV (LAZIO)

52. The need to economise in personnel dictated a reorganization in the administration of ROME and at the end of the month ROME Region ceased to exist as a separate entity and was absorbed by Region IV.

53. The month of July was the harvest month over most of the Region. In the Southern Provinces the harvest yield was below normal, owing to war devastation, the withdrawal of labour, and the difficulties caused by minefields. In the Northern Provinces the crop was excellent. Anxiety was felt owing to the absence of POL required for the agricultural machinery, but in fact the Italian farmers, working long hours and using hand methods, have garnered most of their excellent harvest. The outlook for potatoes, olives and grapes remains good.

54. Progress was made in the construction of road bridges. An excellent bridge carrying the Via Salaria into RIETI was built in exceptionally rapid time. This bridge was ceremonially opened by the Regional Commissioner on 10 July. In the Provinces as a whole the Genio Civile got to work on the construction of the many bridges required.

55. Two other problems are of paramount importance: transportation and electric power. On every hand the same difficulties were met with. The lack of transport and the lack of electric power impinged upon practically every aspect of the work of the Region.

56. Political: No very definite developments took place during the month of July. Reports of activities of the Communist Party were received from TERRACINA and from the Province of VITERBO. In neither case was the movement very widespread though potential political tension exists in the numbers of Port workmen evacuated during German occupation from CIVITAVECCHIA to VETRALLA, TUSCANIA and other places in VITERBO Province. Similarly the serious unemployment problem in TERNI may have important political repercussions in the future.

57. Industry and Commerce: The paper manufacturing Industry in FROSINONE and ROME Provinces is being rehabilitated to supply newsprint, book and other papers sufficient for local consumption and will shortly be able to provide substantial exportable surpluses. Transportation of materials of construction and of raw materials to the plants makes progress slow. Several woollen mills, pasta factories, cement factories and a shoe factory are being resuscitated. Threshing proceeds slowly due to shortage of POL. Spoilage of grain will occur unless supplies of POL are made available more rapidly.

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58. Public Utilities: Survey of all generating facilities was made and necessary orders given to initiate repairs. Orders were issued rationing electricity and limiting it to essential users.

59. Postal: Services resumed in ROME, LITTORIA and FROSINONE Provinces, limited to ordinary letter and P.C. mail not exceeding 210 grams weight. 872 Kgs. of POW mail was distributed.

60. Public Safety: Rapid strides have been made in the reorganisation of the Police Services, which as a result have regained confidence, and are taking a pride in their appearance. Their efficiency is good according to Italian standards. The prisons have been checked and there is no overcrowding. All courts are functioning and there is no delay in bringing prisoners to trial.

61. Public Health: The general health of the people remains the same as at the time of the last report. Malaria is still on the increase but this is to be expected. Typhoid has been reported in the VITERBO area but vaccine in sufficient quantities has been furnished.

62. Refugees: In the early part of the month there was a threatened wave of refugees from the AREZZO districts. On the whole, however, the local inhabitants "Stayed put" even in the battle areas. The main problem was the beginning of a cross stage of uncontrolled repatriation.

63. Opening of Schools: Practically all schools, elementary and secondary, have opened and are functioning in LITTORIA and FROSINONE Provinces - often under unbelievably difficult conditions in makeshift locations. In ROME, VITERBO and RIETI, schools have begun to function in a number of communes which had less than four months of schooling during the year, and the rest of such communes are rapidly being got ready to open schools.

REGION V (MARCHE, ABRUZZI E MOLISE)

64. After the first wild enthusiasm in the Northern Provinces following their liberation, the population remains favourably disposed to the Allies and appreciates the problems facing AMG in the new Provinces.

65. On the whole Italian Provincial Government has taken over administration fairly well. Some changes of Prefects and heads of Departments have been necessary and are to be anticipated from time to time.

66. The rationing system is felt to be unnecessarily rigid. CAMPOBASSO is in a higher bread ration than other Provinces, which are all grain producers, and this discrimination is likely to affect the collection of grain and to render correct rationing more difficult in the other Provinces.

67. Despite gloomy prophecies the harvest proceeded satisfactorily. Threshing is hindered by a shortage of POL, due partly to a reduction in deliveries and partly to transportation difficulties. However, it is hoped that the threshing will only be delayed and ultimately all the harvest will be dealt with.

68. Water supply is now generally satisfactory although the restoration of supply

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68. Water supply is now generally satisfactory although the restoration of supply to PESCARA City was a particularly big problem. Everything possible is being done to complete repairs before winter sets in. Limited electricity for milling and essential needs is available.

69. Health is very satisfactory and an Italian malariologist has been appointed. Italian welfare organisations are functioning well.

70. Refugee Camps were opened during the month at ASCOLI, TERAMO and CHIETI. As elsewhere there has been an unauthorized movement of refugees which has caused considerable anxiety. A plan for billetting in the Communes is nearing completion and should help to arrest the movement South.

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71. In the Region's new Provinces practically all roads are open to traffic and the Italian civil engineering organization is being reorganized for their maintenance and repair.

72. Telephone and telegraph communications are so much damaged that it will be months before they can be restored. Every effort is being made to get the postal service operating, but the limitation of transport has its effect here.

REGION VI (SARDEGNA).

73. Recent incidents have revealed a tendency towards reprisals against ex-Fascists. Of particular note is the formation of "Action Squads" during a strike at NUORO. These "Action Squads" are somewhat reminiscent of the "Enforcers" of the Fascist regime.

74. The Christian Democratic Party continues to make constant progress. The Party is most active in fighting Communism and is strongly supported by the Clergy of the Island.

75. A new clandestine Fascist sheet has appeared in the latter part of the month. It is entitled "Repubblica Sociale" and is believed to be printed in CAGLIARI. The initial issue attempts to belittle the progress of the Allied Armies by stating that the invasion of Normandy has been a failure and that Allied claims in the Pacific are largely exaggerated. It also speaks of a new "secret weapon" which the Germans will soon bring to bear and which will change the entire course of the war.

76. Strikes took place at NUORO, CAGLIARI, IGLESIAS, and CARBONIA. The CARBONIA strike involved over 8,000 workers. The cause of the strike was :

(i) Protest against the black market and demands for authoritative control of prices.
(ii) Demands for increases in pasta and bread rations.
(iii) Demands for wage increases.

77. The food situation remains fairly satisfactory but the poor suffer considerably from the high prices of foodstuffs in the markets. The normal difficulties in regard to the supply of fresh produce to the population in the more densely populated areas obtained, due mainly to the lack of transportation and inadequate refrigeration facilities. Considerable supplies of fresh fish were available but distribution to the populated areas presented difficulties for the reasons just stated. The shortage of sugar and complete lack of olive oil is very much felt. A small consignment of olive oil is expected shortly from the mainland.

78. Thirty tons of soap has arrived for distribution to hospitals and other institutions. Two tons of caustic soda has also been imported and are being distributed to a soap factory in each of the three Provinces. This should make available a supply of soap to the general public for an estimated period of one month.

79. Orders have been received from Allied Military Authorities for 2,230 tons of various metal products from the metal mines in the IGLESIAS AREA. There is an available surplus of breathing and welding oxygen of between 300,000 and 400,000

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79. Orders have been received from Allied Military Authorities for 2,230 tons of various metal products from the metal mines in the IGLESIAS AREA. There is an exportable surplus of breathing and welding oxygen of between 300,000 and 400,000 cubic feet per month but caustic soda and cylinders would be needed if this oxygen was required outside SARDINIA.

80. 288,300 fire bricks and 101 tons of refractory cement was shipped to the mainland for the Allied Forces and further supplies of the above are awaiting shipment.

1557

81. The harvest has progressed normally though somewhat retarded by lack of supplies and materials. Practically no grain will be lost through failure to harvest. Crop yields are only about average due principally to lack of fertilizer.

82. As regards the Granai del Popolo the warehousing of grain began early in July at a slow rate increasing to about 4,000 qtls per day by the end of the month. Provincial Committees have proved valuable in planning but the Communal Committees vary from very good to poor.

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83. Control is somewhat below a desirable standard due mainly to shortage of Carabinieri and guards, and to scarcity of transport.

84. Threshing has proceeded well but owing to lack of spare machinery parts, more than the usual amount of animal threshing is necessary with consequent reduced control. All grain was harvested without binder twine because the twine did not arrive in time. This, with the shortage of mechanical threshers and difficulty of transporting grain has accounted for relatively slow rate of collection.

85. Prospects for the olive harvest are good and should yield enough oil to meet Regional needs given adequate processing facilities.

86. The condition of roads remains satisfactory although secondary and inter-Communal highways are becoming increasingly worn to the extent of slowing up bus traffic, food distribution and mail deliveries.

87. The transfer of the work and maintenance formerly performed by the AA.SS to the Genio Civile is taking place.

88. The water situation generally continues satisfactory except that for CAGLIARI City which threatens to become critical about October next. The position is being closely watched particularly as this matter is of vital concern to the Allied Garrison.

89. The general health situation in SARDINIA is quite satisfactory. No medical supplies were received during the month but as existing supplies had not been exhausted the delay has so far caused no inconvenience. The primary morbidity rate of malaria with the exception of a few isolated areas, is still well below last year's figures for the corresponding period.

90. Road transportation continues to be hampered by lack of efficient vehicles and spare parts. It is considered however, that Italian officials are not organising existing resources to the best advantage.

91. Inflation is still a burning question but relatively the situation is calmer at the moment, probably due to more food being available. Money is still being deposited with the banks to a satisfactory degree, and revenue returns are increasing.

REGION VII (CALABRIA).

92. Owing to difficult supply position in July it was not possible to distribute the increase of 550 grams per week. However, as from 1st August 350 grams of pasta or flour per week will be distributed to those Communes which have had a satisfactory return of ration cards, and it is hoped that by August 15th the stock position will permit the introduction of the full scale of 550 grams flour or pasta per week.

93. Partly because of the price being too high, and partly because of differences in national diet, dehydrated soup, meats and stews do not go well, and the Consorzio Agrario are left holding large stocks. The black market price of tinned meat is lower than the official one.

94. The collection of olive oil has been proceeding slowly. Up to 31 July 23,600 quintals of oil had been shipped to NAPLES from REGGIO and CATANZARO Provinces.

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95. There has been a gradual decline in black market prices which after all are a barometer of economic conditions. The reasons are several; first, the increased price to grain growers and the consequent greater attraction of the Granai del Popolo scheme; secondly, the increased ration scale; and thirdly, the greater availability of seasonal vegetables and fruits in the market.

96. From a farmer's point of view the harvest is satisfactory both as to yield and quality, and harvesting is proceeding under ideal weather conditions. Collection, however, is another story. So far 83,000 quintals have been collected against a target figure of 290,000 quintals.

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97. The principal source of fertilizers for the Region is the Montecatini Factory at CROTONE. This is ready to start production as soon as supplies of phosphate, due from North Africa early August arrive. Stocks of raw pyrites (obtained within the Region) are at a satisfactory level despite transport difficulties.

98. Owing to lack of transport stocks of wine are already very high. Storage of the new vintage will be difficult unless these stocks can be moved. Much economic hardship among the considerable proportion of the population connected with the industry is likely to result.

99. There have been five cases of smallpox at NICASTRO, limited to patients in the hospital there, where the original case contracted in NAPLES was treated. The Medico Provinciale has tightened quarantine measures.

100. There has been no movement of Refugees into the Region during the month. The lot of those already settled in Communes in the Region remains unenviable, and many are trying to return to their homes despite instructions issued by Prefects to the Sindaci that they are not to move without permission of the Italian Government.

ROME REGION.

101. At the end of the month ROME was absorbed into Region IV so that in future its activities will be reported on by that Region.

102. The administration of ROME has been attended by a mass of detail but generally speaking the month was without untoward incidents. Admittedly, the food ration is a bare minimum and consideration is being given to an increase at an early date. Through under-nourishment the people are restless and this is one of the reasons for the political situation being more tense.

103. As a measure of the supply problem of so large a city 7,986 tons of imported foodstuffs were distributed during the month. 93 tons went to soup kitchens and 99 tons to hospitals. These figures indicate a distribution of rationed foods of 164 grams per person per day, 160 grams of which was flour. This is 40 grams less than the amount decided upon and failure to supply the full scale was due to limitations of transportation. By the end of the month 172,400 meals per day were being served from soup kitchens and 51,000 in industrial kitchens.

104. Between 4,000 and 5,000 quintals of fresh vegetables and fruit were reaching the market daily by the end of the month.

105. The water supply, due to enemy action, continues to be unreliable and much work must be done before the autumn rains. Failure of temporary repairs has deprived certain areas in the city of water for periods of one to ten days.

106. Supply of electricity is also insecure. 400 tons of coal per day is necessary to maintain a reasonable output of current but only 250 tons are being received. Apart from this the unaccustomed use of standby steam driven generators brought another problem. The level of the Tiber fell so that water supplies for the condensers were endangered and a dam had to be built to step up the water level. Restrictions in the lighting supply has caused a heavy demand for candles which is

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1556

107. The incidence of crime is low and there is no serious trouble to report. One incident received publicity at the time and can be related. Allied soldiers held a dance to which Italian girls had been invited. A section of the male population resented this and when the girls left the hall the hair of one of them was cut off. Allied soldiers intervened and there was a clash between them and Italian civilians. Steps have been taken to avoid repetition of this incident by arranging for Carabinieri to patrol with Allied Military Police.

108. Health is satisfactory and there has been nothing in the nature of an epidemic. Hospitals are however badly administered.

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109. Several hundred escaped German prisoners have been rounded up as also have a large number of criminals released by the enemy from REGINA COELI Prison before retreating.

110. There are 40,000 registered unemployed at the present time. ROME has no industry worth mentioning so the influx of men unsettled by the course of events cannot be absorbed. Later when transportation becomes freer and rehabilitation schemes are organised there should be a considerable demand for labour.

111. Allied Courts disposed of 764 cases and referred 3000 to Italian Courts. The latter are falling into arrears and drastic action may soon be necessary.

112. Relations with the Church in welfare matters have been excellent and its assistance has been invaluable.

113. Bank deposits by the public increased by approximately 1079 million lire.

ITALIAN REFUGEE BRANCH.

114. Movement of Refugees:

(a) Received and dispersed by forward Corps Camps in Army areas - 17,867.
(b) Received in Main Transit Camps - 9,334.
(c) Dispersed through Main Transit Camps - 9,755.
(d) Dispersal from Main Transit Camps to Regions as follows :

Region I	-	110
" II	-	2636
" III	-	1149
" IV	-	4548
" V	-	866
Mis'cl.	-	446
	Total:	9755

115. Main Camps:

(a) By July 1st, CAPUA and NAPLES Camps were closed.
(b) Most of AVERSA Camp was handed over to Int. & Displaced Persons Sub-Commission, Italian Refugee Branch retained a reduced staff to empty the camp of refugees.
(c) CESANO Camp was in full operation by the beginning of this period. The main difficulty was that the numbers of incoming refugees were nearly as great as the number of refugees dispersed, owing to transport difficulties.
(d) CINE CITTA Refugee Camp opened early in July. The chief difficulty being the lack of an adequate water supply.
(e) ROCCASECCA Camp was closed and transported to CINE CITTA Camp.
(f) FOGGIA Camp was closed and is now awaiting transport to move to ANCONA.
(g) Camps in ROME Area were declared the responsibility of ROME Area.

116. Transportation: Road transport from any source other than civilian sources has been extremely difficult to find. Rail transport has been used only for bringing refugees from :

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(i) Railhead to ROME.
(ii) ORTONA to BARI.

117. Dispersal Areas: Refugees in the South are restless. The authorities have failed to prevent them from troking North by every conceivable means of transport. The inevitable result being that NAPLES, and other cities are far beyond capacity. This movement has been encouraged by various unauthorised statements on the Italian radio and press, and by various authorities issuing unauthorised passes to refugees.

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INTERNEES AND DISPLACED PERSONS SUB-COMMISSION.

118. The main features of the month's activities were :

(a) The despatch of 983 Jewish refugees to the United States.
(b) The collection of approximately 600 Maltese for despatch to TRIPOLI in August.
(c) The opening of SANTA CESAREA as an Orphan Camp for about 1,000 children whose ages ranged from a few months to 14 years. The orphans were flown from Yugoslavia and were organised into groups of 25 under trained teachers.

119. A childrens' Summer Centre at GIUGGI has been opened. Some 87 children of 7 nationalities have already been registered to spend from 14 days to two months, according to health requirements.

120. Food supplements on medical grounds have been supplied to 830 Allied Nationals weekly. ACC is supplying milk, meat, sugar and dried soup. An endeavour is being made to obtain from Army sources tea, cocoa, cornflour, custard powder and margarine.

121. Record Bureau: At the present time there are recorded in the Record Bureau a total of 40,000 displaced persons representing 56 nationalities. Of this number the location of 38,000 is known to the Record Bureau. 30,000 of them have been evacuated from Italy. Since arriving in ROME the Record Bureau has obtained information on 6,175 other persons. This includes displaced persons and other nationals who normally lived in ROME. It does not include a large group of other nationals who normally lived in the Vatican.

122. Repatriation: The movement of Jewish refugees to NAPLES for embarkation to the United States started on 9th July and persons began to arrive at the AVERSA Refugee Camp on 11th July. At AVERSA Camp, P.B.S. had set up a portable shower unit and a disinfector. All refugees went through these units and were then given a medical inspection by P.B.S. medical personnel who also vaccinated and inoculated where necessary. On 17th July all refugees were embarked and loading was completed that day.

123. Finance: During the month the finance officer's activities dealt with almost every conceivable financial problem that a refugee could present - letters of credit, foreign exchange, bank accounts in general and blocked bank accounts in particular, investment securities, relief funds, relief rates for ex-internees, advances for British and American Nationals, and conversion of currency for departing refugees. Arrangements were made for approximately one thousand Polish refugees to receive an emergency payment of an amount not to exceed four thousand lire each.

PATRIOTS BRANCH.

124. Formation of the Patriots Branch: Patriot bands which are many of them large and highly organised bodies, have been created in various centres of German occupied territory in Italy and have received considerable encouragement and active help and instructions from the Allied Command. It is therefore clearly one of our chief tasks to look after the individual members of these bands when their fighting is over and in this connection it has been laid down by A.A.I. that bands

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123. Finance: During the month the finance officer's activities dealt with almost every conceivable financial problem that a refugee could present - letters of credit, foreign exchange, bank accounts in general and blocked bank accounts in particular, investment securities, relief funds, relief rates for ex-internees, advances for British and American Nationals, and conversion of currency for departing refugees. Arrangements were made for approximately one thousand Polish refugees to receive an emergency payment of an amount not to exceed four thousand lire each.

PATRIOTS BRANCH.

124. Formation of the Patriots Branch: Patriot bands which are many of them large and highly organised bodies, have been created in various centres of German occupied territory in Italy and have received considerable encouragement and active help and instructions from the Allied Command. It is therefore clearly one of our chief tasks to look after the individual members of these bands when their fighting is over and in this connection it has been laid down by A.A.I. that bands must not accompany the Armies forward out of their own areas. The Patriots Branch of A.C.C. was formed early in July as a result of an instruction from A.A.I. and is responsible for all dealings with Resistance Groups as soon as the territory in which they have been operating is liberated by our troops, the main object being to ensure their return to normal civilian life as soon as possible.

125. Patriots, although mostly Italians, may be of any nationality, and are defined as being those in the ranks of genuine fighting bands who have carried arms, engaged in sabotage or secured important military information to the benefit of the Allied war effort.

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126. A pool of Italian patriot representatives has been formed to assist Allied officers who are concerned in identifying patriots and in handling patriot problems. Nine pairs of representatives (one each representing the C.L.N. Group and the Military Centre Group) have been despatched to Army areas and further teams are being organised for Regions.

127. It is the task of the Patriots Branch to direct the rehabilitation of all patriots in liberated territory, and to coordinate the policy of HQs AAI and AOC with regard to future operations in enemy territory. To this end a message in poster form signed by General Sir Harold ALEXANDER was designed and distributed in forward areas. A form of certificate of merit was prepared and approved at the same time and certificates have been sent to Regions and to the two Armies for distribution through the recognised "Band" leaders to individual patriots.

128. Handling of Patriots South of the Line: Plans have been drawn up for dealing with patriots. Although many are used for a short while by the Army in their own area as guides and as patrols and for reconnaissance work, the intention generally is to direct nearly all of them into civil life. About 50% return to their own homes and occupation locally. Of the remainder some will be used for police duties or as drivers, others will be employed on engineering work, and on mine clearance; and arrangements have been made for recruiting and passing back volunteers for service in the Italian Army and Air Force. Communal Committees are being set up to assist Provincial Commissioners in this work, and to help weed out bogus applicants among the genuine patriots. The problems of collecting and disposing of the patriots' arms is in hand. The arms will be used for future operations as directed by AAI.

129. Information and Publicity: Reports are being received from Patriot representatives and from the leaders of the patriot bands. Information from these reports is extracted and passed on when relevant, for use by P.R.O., P.W.B. and the press. Italian newspapers are closely scrutinised. Information is being collected about conditions in enemy occupied territory in order that suitable plans can be made for handling patriot problems in that territory when it is liberated.

130. Italian Liaison: Liaison is maintained with the Italian Ministry of War through an Italian senior officer who is responsible for coordinating the work of the Groups which are recognized - the C.L.N. Group and the Military Centre Group.

131. Policy: Directives have been issued as required in agreement with AAI and other authorities. It is fair to say that the task of ensuring that these directives are acted upon by all Allied officers concerned and by the leaders of the patriot bands is well in hand. The broad political aspect of the patriot problems has been borne constantly in mind, and very close liaison is being maintained with those Allied officers and officials who are concerned with the political future in Italy.

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PART II.

ECONOMIC SECTION.

LABOUR SUB-COMMISSION.

1. Labour Relations, Laws and Regulations.

(a) Petitions and threats of work stoppage received by this office on the following: Postal Telegraph, railways, tobacco, provincial employees. The above were presented to the Ministry with policy that such could be considered by ACC when presented properly by the Italian Government.

(b) Agreement reached for sulphur mine wage and working conditions in joint conference with Industry Sub-Commission and the Ministry.

(c) A request for approval of unauthorised wage increases in the Tosi Dock-yards was left with this Sub-Commission at a conference held in the office of the Minister. The following regulations or procedures were offered:

(i) uniform interpretation of wage increase order;
(ii) required procedure for submission or requests for wage changes;
(iii) plan for the uniform study of wages throughout Italy.

(d) The following laws in draft were submitted to this Sub-Commission for approval:

(i) Suppression and Liquidation of Fascist Confederations;
(ii) arbitration by Labour Offices or Ispettorato of disputes arising from wage increase order of 7.December.1943.

(e) The general "Labour Charter" was found not acceptable by the new Ministry.

2. Wages and Hours and Working Conditions.

(a) Food ration in Rome Area was increased, still not satisfactory.

(b) Price of wheat and cost of bread held to a minimum.

3. Social Insurance, Benefits and Training.

(a) Desire indicated by the Ministry for new appointment of Commissario of Previdenza Sociale, Malattia and Infortuni.

(b) Provision of Proclamation No.4 prohibiting payment of family allowances to dependents of the military, POW's and workers in Germany rescinded by ACC, and only allowances to the dependents of those working for the enemy were prohibited.

4. Statistics, Manpower and Registration Problems.

(a) A tentative plan was approved and is being put into force in Rome for the comparative study of industrial wages in Italy.

(b) A collection made of weekly budgets of 12 familes; later extended to 100 families for a period covering several weeks.

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5. Region II Summary. The following disputes were settled satisfactorily:

1554

(a) sit down strike at S.G.P.E., Bari;

(b) political strike of a few hours duration in Taranto dockyard.

6. Region IV Summary.

(a) Order issued in Rome by SCAO 5 Army recognising increases over collective wages in effect 1 September 1942.

(b) Social security agencies established in Rome under policy of Labour Sub-Com.

7. Region VII Summary. Labour dispute pending involving the Societa Elettricita delle Calabria. The employees demanding same adjustment as in S.M.E.

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FINANCE SUB-COMMISSION.

8. The Finance Sub-Commission has undertaken a comprehensive programme to defascistize Italian financial institutions. 130 officials and other personnel have been suspended from the Banca d'Italia, the Royal Mint, Istcambi, Banco di Roma, I.R.I., I.M.I., Credito Italiano, Banco Commerciale Italiano, Banca Nazionale del Lavoro, and other organisations.

9. As nearly as can be estimated at this time, the Italian governmental deficit for the year ending 30 June 1944, amounted to approximately 180 billion lire. This figure includes German occupation expenses but does not include 30 billion lire of Allied occupation expenses. Thus the total excess of disbursements over income on "government account" is well over 200 billion lire for the year, or about 2½ times the enormous deficit of the preceding fiscal year.

10. Net investment in Governmental bills (Buoni del Tesoro Ordinarii) in Southern Italy during June remained at about the same level as the preceding month (a net investment of 362 million lire). The total net investment for the year in these territories amounted to around 2.5 billion lire, that is, less than 10 per cent of the deficit. The bulk of the deficit of 34 billion lire was covered by funds supplied by the Banca d'Italia.

11. Until this year the Conserzii, on receiving wheat, have issued paper accepted by the provincial group of participating banks. After sale of the flour to the millers at a much lower price, the Consorzii repaid the participating banks to the extent of the proceeds of sales. The balance, representing the subsidy and the operating costs of the amassing system, were guaranteed by the Government and bore interest ranging from 6 to 7½% until they were liquidated at the end of the fiscal year. Actually these balances have not been liquidated since 1940 so that the financing of the last four crop years has been drawing a high rate of interest. After conference with the Ministries of Agriculture and Treasury, the Banca d'Italia and the Corte dei Conti, this system has been changed. The Consorzii have been instructed to submit budgets for operating expenses and will obtain funds as do other governmental agencies, without payment of interest. All participating banks have been instructed to present claims for the oustanding balances of past years for immediate payment, thus ending this interest burden. All participating banks have been instructed to present all balances of the current crop year for payment at a reduced interest rate of 6 per cent, at the end of each thirty day period, thus cutting the effective interest rate on this year's crop to one-half of one per cent.

12. Delay has been encountered in implementing the directive laid down in ES 41. This document states that local subsidies shall be provided to finance the same of imported supplies wherever such supplies cannot otherwise be sold at not more than a 25 per cent increase over the wholesale price listed in the directive. The delay was caused by the objection of the Ministry of the Treasury to the principle involved. However, the Minister of the Treasury has now instructed the Minister of the Interior to authorise the provincial officials to provide the subsidies required. A decree has been prepared providing 400 million lire for this purpose.

13. Sometime ago the CCS was duly authorised to explore, on behalf of the Italian Government, the production of non-military lire currency by the fastest possible means, since currency conversion, which is an integral part of the Italian Stabilization and Inflation Control Programme, is considered essential to the economic rehabilitation and political resurgence of Italy. Plans for such production are proceeding and in view of all the obstacles, considerable progress may be said to have been made.

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Discussions are under way for the production in the United States of the 50 and 100 denomination notes representing 75% of the total quantity of the new currency contemplated. It is hoped that with production of/the large denomination notes (500's and 1000's) in Italy and the small denomination notes (50's and 100's) in the U.S., the total amount of currency required will be produced within 6 to 7 months. Lengthy discussions have been held with officials of the Italian Ministry of the Treasury and of the Banca d'Italia on this matter and every effort is being made to produce the required amount of currency by 15 February, 1945.

14. On 29th July, Niccolo Introna, Deputy Director General, was named by the Council of Ministers as Commissioner of the Banca d'Italia, and Ameeto Pettinari, Director of the Bari and Naples branches, as Vice Commissioner. Arturo Atti, the

Commissioner...../

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Commissioner named last winter for Southern Italy, died during July. Introna, the new Commissioner, is a career man, having been with the Banca d'Italia from its foundation. Pettinari was the Vice-Commissioner in Southern Italy and continues in the same post. Vincenzo Azzolini, the former Governor, has now been imprisoned by the Italian Government.

15. During July a decision was taken by the Council of Ministers to place the supervision of banking institutions under the Ministry of the Treasury. In accordance with this decision, the Inspectorate (Ispettorato per la Difesa del Risparmio e l'esercizio del credito) which is charged with credit control has been assigned to the Treasury. At the same time, the industrial financing organisation of the government, I.M.I. (Instituto Mobiliare Italiano) was also put under the Treasury.

16. The Treasury has also made strenuous attempts to secure control of I.R.I. (Istituto per la Ricostruzione Industriale), the financial holding company of the Government. I.R.I. owns the three biggest commercial banks in the country and the largest part of the key heavy and armament industries of Italy. Were the control of I.R.I. to pass to the Treasury, this Ministry would literally be able to decide the economic future of Italy. The Finance Sub-Commission's adviser to I.R.I. has made arrangements to re-ectivate the organisation. A team consisting of a representative each from the Ministry of Finance, Onofrio Pompucci, and the Ministry of the Treasury, Sergio Fortis, who are technically competent and work well together, have been put in as temporary heads until the government can come to a final decision as to the control of I.R.I. The most probable outcome is that the Board of Directors of I.R.I. will consist of a sufficient number of Ministers or their representatives to give representation to the major national economic and political interests. The actual operation of I.R.I. would be conducted by a technician as managing director within the lines of general policy laid down by the Board.

FOOD SUB-COMMISSION.

17. Supplies.

(a) In July the main problem was the movement of supplies from base to forward areas. To meet the demands for food in the forward areas, Food Sub-Commission warehouses were opened at the Ports of CIVITAVECCHIA and PIOMBINO, and inland at ORVIETO and SIENA.

(b) 11,614 tons of imported supplies were delivered to ROME during the month, again after constant struggles for all forms of transport. Supplies for AMG Fifth and Eighth Armies have involved long road hauls from CIVITAVECCHIA to SIENA for AMG Eighth Army and to CECINA for AMG Fifth Army. In addition to the maintenance requirements, 15 days supplies have been built up for the City of FLORENCE. An added strain has been thrown on to SIENA depot by reason of the cessation of the mills in AREZZO through lack of POL to mill grain.

(c) The movement of locally produced grain constitutes a daily problem.

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(c) The movement of locally produced grain constitutes a daily problem. Difficulty was experienced in moving it from FOGGIA to MATERA to less productive areas, deficiency of railcars being the bottleneck. Despite a surplus of 40,000 tons waiting to be moved from MATERA, imported grain had to be used to avoid a complete breakdown in the supply programme in LECCE and BRINDISI.

18. Food Processing. Allocation of the tomato paste pack of 21,550 tons was made to 22 plants in the NAPLES-SALERNO area. Allocation to these plants was based on their location in relation to the areas of tomato production to economise in transport. The yeast factory in ROME is being restarted with an output of three tons per day. Conferences have been held in ROME with directors of 11 processing plants in Northern Italy, to plan for their rehabilitation as soon as possible after liberation.

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19. Rationing. The increase in the basic ration from 200 grammes to 300 grammes of flour for all normal consumers in South Italy, Sicily and Sardinia became effective 1 July. The overall Heavy Workers entitlement was maintained at the June level however, necessitating a re-adjustment in the value of the supplementary ration cards "A" and "B". Owing to the late harvest in Sardinia and the insufficiency of supplies due to erroneous stock reports, delay in issue of increased rations was inevitable.

20. Warehousing and Forwarding Division. This division has been set up under the Food Sub-Commission to deal with the warehousing and forwarding of all supplies, including Food, Agricultural, Industrial and Medical Supplies and has assumed full operating responsibilities.

21. General. Important discussions have been held with Finance Sub-Commission in preparing plans for setting up a Government Department for handling all accounting for all imported supplies. Estimates have been prepared and submitted to AFHQ covering the total requirements for the whole of Italy, Sicily and Sardinia for a three monthly period October to December 1944 and a five monthly period October to February 1945.

TRANSPORTATION SUB-COMMISSION.

Railways.

22. Considerable progress has again been made in forward railheads, but the rapid military advance caused a distribution problem, which could only be met by combined efforts of rail, road and water. The nature of Military requirements has severely limited tonnage available for ACC on the two rail routes NAPLES - ROME, opened during the month, but fullest cooperation and assistance has been given by Army Movements during difficult circumstances.

23. In Southern Italy, Reggio Calabria Railway Division has been handed over to ACC for supervision, and plans are in hand for the training of other ACC personnel in methods of supervising Italian railroad operation, in order to facilitate conversion from purely military to civil administration. Grain traffic emanating from Matera, Potenza and Bari Provinces has been satisfactorily dealt with, and NAPLES area continued to move large tonnages, including a glut of potatoes.

24. Continued review of railways not in use for military purposes is maintained, and experienced railway engineers are examining the feeder private railways to ROME and the railways connecting valuable lignite mines with the main railway routes. Thanks are due to the Director General of Military Railway Services for continued and ready help.

Roads.

25. Roads Section has reorganised and expanded to cover increasing responsibilities. Sub-Sections have been established as follows :

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1. Administration.
2. Operations.
3. Accounting.
4. Maintenance.
5. Inspections.
6. Supply of Spare Parts.
7. Tyres.

26. Transport requirements exceed availability. In February, AFHQ authorized 1000 trucks. To-date, 922 have been received. In May ACC submitted a further requisition for 2000 trucks. None have yet been received.

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27. ACC plan to use all available civil transport. Companies have been formed in most Provinces. They operate on standard Tariff Rates published by the Italian Government. Companies are charged for gasoline, oil, parts, and operating expenses, balance being credited to Company. Where military vehicles are used by civilian companies, same rates are charged for haulage; any excess o over expenditure is credited to ACC. About 3000 trucks, civilian and military, are operating under this scheme, which is working very satisfactorily.

28. Spare parts, and especially tyres, are a problem. No part of ACC requisition for tyres to AFHQ in June has yet been supplied.

29. A few miscellaneous tyres have been received, and ACC are repairing C - I tyres in various plants under their control. Inner tubes are urgently needed. A supply of tyres and batteries would enable ACC to place 50% more civilian transport on the road.

Water.

30. During July urgently needed supplies for RCME [illegible] Coasters for special goods were arranged. On July 18 a new instruction for schooners was issued by MEDBO, by which all civil bids were required at a weekly Schooner Committee Meeting. As this reversal of ACC arrangements could not be made at once, an allotment for August of 1260 long tons (nearly all schooners under 50 tons) was made. These schooners to be operated by COGENS, not under ACC supervision but to carry ACC and civil goods As far as possible with this limitation of authority the existing scheme of ACC Tn. Shipping Mess Nos.1 is being operated until September. A review of all schooner needs, Service, ACC and civil, has been ordered prior to a September allotment according to needs.

Coal.

31. The month opened and closed with the problem of the supply of coal for ROME, but great efforts enabled the Power Stations to operate although difficulties remain. Proposals to bring coal to FIUMICINO and CIVITAVECCHIA are being considered. It is intended to repair the rail connections to RIBOLLA and PIETRAFITTA Lignite Mines, with their stocks of over one hundred thousand tons.

32. Conferences have taken place with members of Italian State Railways with a view to their taking over the discharge, handling and distribution of coal in parts of Italy. The Government is considering the prices of coal and coke.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

33. The month of July proved the soundness of the reorganisation. Relations with the Ministry of Public Works have improved. In the field staff distribution still appears to be almost insoluble but the proposed amalgamation of the Southern Regions and the subsequent handing of responsibility to the Italian authorities will ease the position considerably.

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34. Owing to the recent advance the work of the Sub-Commission has increased some ten times.

35. The Pontine Marshes besides being a responsibility of this Sub-Commission is now a cause for concern to Public Health for anti-malarial measures are held up owing to difficulties of finance.

36. Town planning, transport maintenance, material supplied by the Allies, payment of road gangs were all discussed with the Italian authorities. By decree the ASS, the Fascist highway organization, has been dissolved.

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37. Complying with Italian Ministry practice the Sub-Commission is prepared to organise ship salvage.

38. Many hundreds of bridges have been destroyed. Repairs to forty one were begun in July, of which 22 were in Regions III and IV. Bridges and highway contracts in hand involved a total of some 500 million lire. Transport for road maintenance improved slightly but the POL situation deteriorated jeopardising supplies to civilian contractors. Plans to deal with the situation were made in consultation with Pet. Sec. AFHQ. Materials are short with the additional embarrassment that they are mainly in the hands of firms closely associated with the old regime.

39. Electricity Staff has now the addition of a number of Italian experts. Power plants are now being cleared of debris and examined. The position is not encouraging for only some 5% of 600,00 Kw of power can be made available by first aid methods as against a total loss of some 90%. It must be emphasised that whereas ACC was not to indulge in long term planning a short term policy with regard to power is of no use at all. Complete rehabilitation alone is feasible and that would take from one to three years. It may be that certain machinery may have to be imported but the possibilities of the north are not being overlooked. Small portable plants are being requisitioned. Power in Southern Italy is in complete control and a rationing scheme for RCME now in practice. The Electrical Reconstruction Committee Italy has been formed under A&I to supersede the Central Electricity Board to coordinate Military and civil requirements. The dissolution of the C.E.B. has thrown a heavy burden on the Sub-Commission.

40. In Region I, Messina is 75% cleared and bridge building is being pushed forward to release Bailey Bridges to the Army. In Region II quarries have been reopened and a satisfactory state exists with regard to highways which is true also of Region III in its heavy programme. In Region IV the electricity position is serious with only 5% supplies available, while water supply constitutes a serious problem, affecting the City of Rome. A dam to raise the level of the Tiber has been completed to assist operation of the City Power Stations. Region VII has a drought which has affected the power situation. Elsewhere affairs are satisfactory with the usual emphasis on electricity without which the country will not come to life.

AGRICULTURE SUB-COMMISSION.

Reconstruction of Italian Agriculture Forestry and Fisheries Control:

41. Rather slow progress has been made during the month in getting the Ministry of Agriculture to strengthen its control. Many of the senior officials went North with the Republican Government, and some of those remaining in ROME are regarded with suspicion, and have not as yet been called back into service. Forestry and Fisheries Directorates are taking shape fairly rapidly; the former by building up staff under the acting chief who came with the Ministry from Salerno, and the latter by the dissolution of the Commissariato Generale per la Pesca (a Mussolini creation 1939). Fisheries control is now being transferred

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39. Electricity Staff has now the addition of a number of Italian experts. Power plants are now being cleared of debris and examined. The position is not encouraging for only some 5% of 600,00 Kw of power can be made available by first aid methods as against a total loss of some 90%. It must be emphasised that whereas ACC was not to indulge in long term planning a short term policy with regard to power is of no use at all. Complete rehabilitation alone is feasible and that would take from one to three years. It may be that certain machinery may have to be imported but the possibilities of the north are not being overlooked. Small portable plants are being requisitioned. Power in Southern Italy is in complete control and a rationing scheme for ROME now in practice. The Electrical Reconstruction Committee Italy has been formed under A&I to supersede the Central Electricity Board to coordinate Military and civil requirements. The dissolution of the C.E.B. has thrown a heavy burden on the Sub-Commission.

40. In Region I, Messina is 75% cleared and bridge building is being pushed forward to release Bailey Bridges to the Army. In Region II quarries have been reopened and a satisfactory state exists with regard to highways which is true also of Region III in its heavy programme. In Region IV the electricity position is serious with only 5% supplies available, while water supply constitutes a serious problem, affecting the City of Rome. A dam to raise the level of the Tiber has been completed to assist operation of the City Power Stations. Region VII has a drought which has affected the power situation. Elsewhere affairs are satisfactory with the usual emphasis on electricity without which the country will not come to life.

AGRICULTURE SUB-COMMISSION.

Reconstruction of Italian Agriculture Forestry and Fisheries Control

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42. The aim of every officer in this Sub-Commission, and of every Agricultural officer in the field, is to work himself out of a job at the first opportunity from south to north; to this end everything possible is being done to energise the Italian officials and to improve Italian control. Accordingly intensive work has continued on a complete programme and plan for Italian agriculture 1944-45, and in connection therewith a complete and detailed estimate of farm input requirements (fertilizers, insecticides, seeds etc.) for the coming crop year is also in course of compilation. As an aid towards completing these plans and in passing executive duties to the Italians, a seventy-five page booklet "Re-activation of Italian Agriculture" has been compiled and is being circulated to Allied Officers and to Italian officials. It is printed in English and

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Italian and will reach every Commune as close to the front line as possible. It contains all basic memoranda, decrees, ministerial directives and other official releases concerning organizations and programmes as agreed upon by the Italian Minister of Agriculture and the Agriculture Sub-Commission.

Agriculture.

43. Two new Decrees came into force:

(i) On control of threshing;
(ii) On penalties for grain delivery violation - strengthening the hands of legal authorities.

44. Progress of the crop collection (Granai del Popolo scheme) is retarded by shortage of fuel for threshing and of transport. Greater opportunity is therefore given for disposal by illegal methods, but nevertheless good progress is being made in many areas; indeed in some provinces the collection is ahead of the same period in years under Fascist control.

45. Purchase and stockpiling of many types of vegetable seeds and field seeds for export to Allied nations continued throughout the month.

Forestry.

46. A plan for the production, allocation and transportation of charcoal and fuel wood for all southern Italy under Italian Government control, has been prepared and distributed. A similar plan is in preparation for the rest of the country.

Fisheries.

47. Production is showing notable increases. Preservation of fish in oil and salt is progressing to such an extent that considerable exports could now easily be made both from Sicily and Sardinia. Permission for night fishing as far north as FIUMICINO has been obtained. Except for the port of NAPLES, and a few other restricted areas, the night fishing method (LAMPARA) - probably the most productive in Italy - is being practised all over the west coast from FIUMICINO to REGGIO CALABRIA, around the Sicilian coast and along certain coastal areas of Sardinia.

INDUSTRY SUB-COMMISSION.

48. The current month has seen the divorce of Industry from Commerce Sub-Commission, and it is hoped that a greater concentration on essentials will be possible.

49. A scheme for the reactivation of industry on a priority basis, to be undertaken by the Ministry of Industry, has been drawn up. This scheme provides for the establishment within the Ministry of an Industry Advisory Board, which will cover the entire industrial field.

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50. The liberation of large areas of territory has uncovered a considerable number of plants of importance to the Italian national economy, and reconnaissance of factories as far north as LEGHORN has been made.

51. The gravest problem, which confronts Italian industry is the wholesale destruction by the enemy of generating stations, priority has been given to a survey of their condition, as upon them will depend the possibility of operating the plants which they supply.

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52. Surveys have therefore been made of the imprtant heavy industrial plants at TERNI, with particular reference to the hydroelectric power stations, including the giant Galleto Unit and the Valdarno Generating Station at NERA MONTORO. It is considered that with the exception of last mentioned, their repair will be a long term project, and the industries dependent upon them will consequently be paralysed until repair is made.

53. Other surveys have been made covering chemical industries, including the extensive Solvay and Aniene Plants at ROSIGNANO, rubber processing plants of the Pirelli Company, and additional fertilizer production possibilities in Central Italy.

54. The chief extile manufacturing districts are still behind the enemy lines, and no substantial addition has therefore been made to productive capacity in liberated Italy. As in other industries one of the greatest obstacles to resumption will be lack of power, followed closely by lack of raw materials, upon the importation of which the Italian textile industries have always largely depended.

55. Leather production remains unsatisfactory, chiefly owing to the shortage of tannin, but a second factory has commenced production and another has recently been liberated and reports are awaited. A civilian expert is being sent to Italy to advise on the rehabilitation of this key industry.

56. Hemp maintains the average of the last four months, except for canvas which showed an increase of 100%.

57. Investigations of mines uncovered recently are being made especially of lignite and mercury in Tuscany, and of pyrites near Grosseto, where there is an exportable surplus of 200,000 tons.

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PART III.

ADMINISTRATIVE SECTION.

1. Defascism. The new consolidating decree was published on the 29th July and is in the hands of ACC officers in the Field and of Italian Prefects. The work of organising the Ministerial Commissions is in hand.

INTERIOR SUB-COMMISSION.

2. Local Government. During the period covered by the report the Italian Government submitted for approval a large number of names for appointment or for transfer. Having regard to experience gained by some of the nominees whilst working under AMG considerable negotiation and screening has had to take place. After alternative proposals were made agreement has been reached on the appointment of 10 Prefects, 4 Directors General, a Secretary General and seven members of the Giunta Consultiva of Sardinia.

3. Executive Memorandum No. 39 dealing with local government organisation and administration has been revised. This document summarises the position of and the arrangements connected with local government organisation, made since the Sicilian landing and its revision was necessary to give effect to developments which have occurred and experience gained since its original production. It has been issued by R.C. & M.G. Section.

4. Officials. As mentioned in previous reports, experience has shown that AMG with Armies have at times found no administrative officials in newly liberated provinces. To cater for these circumstances, arrangements were made in collaboration with the Italian Government for the provision of a small team containing the minimum number of officials (including a Prefect) which would be necessary to restart the administration. Such teams were prepared to proceed to PERUGIA, SIENA, AREZZO, PESCARA, TERAMO and ASCOLI.

In the Provinces mentioned, however, it was discovered that sufficient satisfactory officials had remained at their posts and the personnel who were ready to move at short notice were not called forward. A Prefect, however, was provided and sent to Macerata.

Similar preparations are being made to cover the following provinces should the need arise, viz: Pisa, Livorno, Florence, Pistoia, Lucca, Apuania and Ancona, and areas further North.

5. Interviews. The Director has seen his Excellency Bonomi in his capacity of Minister of the Interior on frequent occasions. In addition, interviews have taken place with the Under-Secretary of State Canevari, Sorrentino, the Chief of Cabinet and his successor, Berruti. The subjects concerned have included nominations for Prefect and Sindaco of Florence (each of whom was also seen), refugees going North and their interference with military movement, teams of officials, and other senior appointments.

PUBLIC SAFETY SUB-COMMISSION.

6. Commanding General, Royal Carabinieri. On 21st July General Taddeo ORLANDO formerly Minister of War, was designated Commanding General of the Royal Carabinieri with HQ in Rome.

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7. Public Security. On 27th July Dr. Luigi FERRARI formerly President of the Court of Assizi in Rome, was appointed Director General of Public Security in the Ministry of Interior. The Public Safety officials at the Ministry are

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8. Policing Forward Areas. During the month all requests from Armies and Region VIII for CC.RR to police newly occupied territory were met. New replacement centres were opened at Grosseto (west coast) and Chieti (east coast) to deal with CC.RR reporting for duty from liberated territory.

9. Strength of Royal Carabinieri. Urgent representations have been made that a total strength of 55,000 officers and men is totally inadequate to cope with the duties which will devolve on the Royal Carabinieri when the whole of Italy is [illegible] 74,702 CC.RR are fully employed and the thickly populated industrial north has yet to be policed.

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10. Royal Finance Guards: The HQ of the Royal Finance Guards has been established in Rome with General Morrioca remaining in command. Owing to the ceiling imposed on CC.RR and CC.FF strength, on 31st July the CC.FF were taken off the Italian Army ration strength and placed on civilian (heavy workers) rations this being a substantial reduction in quantity.

11. Conduct of Troops. The behaviour of Allied troops generally leaves much to be desired. The conduct of French Colonial troops towards the Italian civil population is disgraceful, and the attitude of indifference adopted by junior French unit commanders when crimes are reported to them encourages indiscipline. At Taranto and Brindisi clashes between French soldiers and sailors and Italians in which firearms and hand grenades were used, resulted in five persons being killed and twenty injured. In three cases Allied Military police came to the assistance of the Italian police and in one instance machine guns were used to restore order.

12. Prisons. Overcrowding remains the chief problem in prison administration but, part from the question of military prisoners, the position is steadily improving. Progress is being made with the rebuilding problem, while a number of prisons requisitioned by Allied Military authorities have been released. The detention of Italian military prisoners in civil prisons is still under discussion with the authorities concerned.

PUBLIC HEALTH SUB-COMMISSION.

13. General. The lack of ambulances is a serious problem in both forward and rear areas. The question of the re-organisation of the Italian Nursing Service is one in which it is felt that the initial steps should be taken by the Italian Government.

14. Supplies. Expected shipments of medical supplies to cover the inclusive July to December period have not yet arrived. Latest information indicates that they may be expected between the 19th and 29th August.

There is an acute shortage of glass ampules due to scarcity of long flame coal; the lack of transport is hampering the distribution of other medical supplies but it is hoped that the Italian Government will soon take over the responsibility for the distribution for medical supplies to Regions I, II, III, VI and VII.

15. Disease.

(a) V.D. The V.D. incidence among troops in the PBS-Naples area has fallen to 120 per thousand for June. In Region VI the venereal rate is very satisfactory, being as low as 60 per thousand and in some units even 37 per thousand. The hospital accommodation for infected women has improved in Region II and there is some diminution in the number of cases being admitted.

(b) Smallpox. Continues in Naples City and Province. Total number of cases to date is 870 and the total number of vaccinations is 446,257. The disease is in a mild form, six deaths only have occurred in debilitated children who might otherwise have been expected to recover.

(c) Malaria. As a result of enemy sabotage, large areas of country in

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(c) Malaria. As a result of enemy sabotage, large areas of country in Region IV and Rome Region are flooded. This will increase the incidence of malaria. Energetic measures, including airplane dusting are being taken to cope with the existing conditions.

16. Veterinary. Foot and mouth disease is now widespread in Southern Italy but the mortality is low and it is hoped that sufficient vaccine will soon be available. An incidence of Sheep Pox has occurred in Brindisi.

Large quantities of crystal violet hog cholera vaccine are now available.

17. Welfare. The condition of all Italian welfare agencies is such that it is felt that a strong governmental policy of complete re-organisation is essential.

Legal Sub-Commission..../

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LEGAL SUB-COMMISSION.

18. Handled all legal matters connected with restoration of territory as of 20th July and proposed restoration as of 15th August 1944; consideration of "sanctions against fascism" decree and matters relating to unsatisfactory situation as to Italian Courts at Bari.

19. The Chief Council worked on the preparation of General Orders having to do with the agricultural and general economy of Italy.

20. Defascistisation decree approved and passed on 27th July 1944. Re-organisation of Ministry of Justice and High Court of Cassation well under way. New legislation promulgated to meet present conditions and eliminate all traces of fascist republican enactments. Judicial officials having taken refuge in Rome are gradually being reposted to their original seats.

21. Work in HQ and in the provinces was hampered by lack of personnel. The BENTEVEGNA case was the first open General Court in Rome. As the accused was a Communist and a patriot it became a political event. In Naples from 22nd December 1943 to 19th July 1944 the Allied Military Courts disposed of 25,961 cases. Allied Military Courts in Rome have, it is thought, made a generally good impression.

EDUCATION SUB-COMMISSION.

22. (a) Italian Government Territory. The most pressing problems are: school buildings still to be derequisitioned, old or inactive or independable proveditori, expurgated epuration, and in agricultural districts, absence of children from school.

(b) Littoria. In this devasted province all elementary schools except one and all secondary schools except two (2000 children) have been opened. Several hundred teachers have been brought from Rome and are working under primitive conditions. School officials have been looked over and 72 officials have been vetted and 21 dismissed. School lunches have been brought to six communes and 3,900 textbooks for each of the elementary grades.

(c) Rome. 76 members of the governing body of Rome University have been epurated.

PROPERTY CONTROL SUB-COMMISSION.

23. Command. The DPC, Lt.Col. C.R.S. Harris (B) was injured in a traffic accident on 9th July and he has since been invalided to England. Colonel C. Carroll (A) is now acting DPC.

24. Field Work. Satisfactory progress in controlling and caring for Allied properties has been made in all areas which we have occupied. Plans have been made for taking over in the Northern areas.

25. Policy. The following is under review:-

(a) The degree of control to be exercised over commercial concerns in AMG areas and in transferred territory.
(b) De-sequestration and its consequences.
(c) Means of insuring a continuing responsibility of the Italian Government for the care of sequestrated properties.
(d) Liability for management fees.

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(d) Liability for management fees.
(e) Return of properties to owners.
(f) Reports to owners.

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MONUMENTS, FINE ARTS & ARCHIVES SUB-COMMISSION.

26. General. MFAA problems of Regions I, II, VI and VII being in the hands of the Italian Government, and Region III about to be handed over, the major concentration of works is in the devastated portions of Lazio and Tuscany. Information passed to SHAEF about matters of interest re MFAA in the Western Theatre. Works of Art in Italy from centres outside Italy are being traced.

27. Field Work.

(a) Armies. Four MFAA officers are at present at work in the forward areas with 5th and 8th Armies. One of these belonging to Region VIII is in charge of controlling..../

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of controlling and protecting the deposits in the vicinity of Florence where most of the art objects from that city are stored.

(b) Rome. MFAA officer is busy with repair work in the vicinity of Rome and with arranging two great exhibitions of works of art for Allied troops in Rome.

(c) Region V. Damages are minor except in Ancona City where they are heavy.

28. Relations with Italian Government and Church. Close relations established and maintained with the Italian Director General of Monuments and Staff and with Director General of Archives at Rome. Relations also established with President of the Pontifical Commission for Sacred Art; Vatican Fine Arts authorities have given every facility for checking the deposits stored in the Vatican. Check of art objects stored at Vatican from the deposit at Montecassino completed with note of German pillage.

29. Publications. The Lists of Protected Monuments have been completed. Soldiers Guides to Rome and Florence published.

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PART IV.

POLITICAL SECTION, PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB- COMMISSIONS.

POLITICAL SECTION.

1. The first half of the month was taken up by the transfer of the Government and the HQ. of the Allied Control Commission to Rome where it was announced they would alike begin to operate on July 15th. This move was carried out successfuly and the first meeting of the Council of Ministers in Rome was in fact held on that date. A symbolic link with the past was forged when Orlando was invited to assume his duties as head of the Camera dei Diputati and the Marchese della Torretta was named President of the Senate. On the 15th too the Allied Advisory Council announced the transfer - to take place on the 20th - of the Provinces of Naples (excluding the Commune of Naples), Avellino, Benevento, Foggia and Campobasso, to the Government. At the same time it was announced that Frosinone, Littoria and Rome Provinces, including the capital itself, would follow on August 15th.

2. It has been a month of considerable accomplishment for the Government. For one thing the various defascistisation decrees have been collated. Special courts have been set up to try Fascist crimes and these courts are empowered to give the death sentence, although, perhaps with some irony, at the same time Italy went back to her old position of "moral supremacy" by abolition of capital punishment which the Fascists had brought into the old code. Sforza was named High Commissioner for Fascist sanctions (July 28th). These sanctions can be resumed under the following headings: cancellation of Fascist political sentences, punishment of Fascist crimes, defascistisation of state administration and confiscation of wealth acquired through Fascist connections. Epuration of the various governmental branches is being handled through a committee formed by the department itself plus a member appointed by Sforza's commission. Sforza has been given subordinate High Commissioners to assist him, one for each of the "sanctions" indicated above. The machinery swung into gear somewhat late in the month but there are indications that it will move rapidly and remorselessly. Some earnest of serious intentions may be seen in the dismissal of De Vecchi and Bastianini from government service, naming of a new head of the Bank of Italy (Introna) to take the place of Azzolini, discharge of Jacomini, once Lieutenant General of Albania, and in such measures as revocation of pension to veteran "volunteers" of the Spanish war.

3. The government has been very anxious to have a greater participation in the war effort. Bonomi made a speech to the employees of the Foreign Office on July 25th, the anniversary of the overthrow of Mussolini, in which he stated this hope, stressing that it was only right that Italy should be allowed to "work her passage" since only in this way could the armistice terms which he described as "very hard" be modified. Along this same line the end of the month saw the Government taking a much more lively interest in the patriots; the Council of Ministers recommending, at its meeting of the 19th, that they be included in the armed forces. As the month ended the earlier anxiety about the armistice clauses changed into an appeal for "understanding" from the Allies, ranging from a straightforward expression of hope for Lend Lease to fairly open hinting that the time had come for an end to co-belligerency and conferring of full Allied status instead.

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4. After some heart searching, the Government also fixed (July 17th) a political price for bread and pasta at 5 and 7 lire respectively, though the real price is 12 and 14. The Ministry of Education repealed the racial laws and the Fascist sindacati were legally suppressed - as they had been in fact ever since Allied landings - at the meeting of the Council on the 28th.

5. There has been one change in the Ministry. Croce has resigned stating that the trips from Sorrento to Rome would be too much for him and has been replaced by Count Carrandini (born 1885 of Piedmontese stock) a veteran Liberal and a man of some experience in agriculture and commerce. As Croce had long announced his intention of resigning on the transfer of the Government from Salerno, this change did not affect the stability of the Government nor detract from the added prestige which accrued to it by its establishment in the capital.

Public Relations Branch..../

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PUBLIC RELATIONS BRANCH.

6. News Production. More than 100 releases in both English and Italian were written or serviced to nearly 30 outlets concerning ACC Headquarters, Region IV and Rome Region, in connection with essential operations, as well as important matters of policy such as transfer of territory to the Italian Government, treatment of patriots, and rules on civilian movement. A full investigation and report of alleged German brutalities to prisoners in Via Tasso was made with documents and 18 photographs. Releases were made on behalf of the Allied Advisory Council.

7. Press.

(a) Italian Journalists.

Close and daily contact was maintained with Italian journalists to acquaint them with Allied objectives and to learn at first hand their re-actions to ACC activities. Schede Personali were filed for several scores of journalists and sent to Security Branch. Cards were printed and prepared for issue to screened Italian journalists accrediting them to function. Coordination was made with Italian epuration agencies in this field. Curfew and travel passes were obtained for Rome journalists.

(b) Neutral Correspondents.

Journalists of neutral nations were accepted as an ACC PRB responsibility. Accrediting cards were issued to nine such journalists. Weekly guidance meetings of the neutral correspondents were held.

(c) Allied Correspondents.

Interviews and information were arranged for representatives of British and American press and radio. Action was initiated through G-5 toward early acceptance by ACC PRB of accrediting responsibilities for political correspondents from the Allied press.

8. Relations with Italian Government. Daily talks were held with the office of the Under Secretary for the Press in the Ministry of the Interior toward better and more responsible service toward correspondents by the Italian Government. Quarters for the Italian press office were obtained.

9. Allied Publications Board. Regular and special meetings of the APB were attended preparatory to turning over operations of the Board to the Italian Government and in [illegible] the somewhat disorganised but free Rome press.

10. Publications. Distribution of the Weekly Bulletin and daily trend of copy of correspondents and Digest of Rome Press continued and considerably expanded due to demand from readers, including the Allied Advisory Council, War Department and War Office.

WAR MATERIAL DISPOSAL AND ITALIAN PRISONERS OF WAR SUB-COMMISSION.

11. During July the War Materials Disposal Sub-Commission commenced inspections of Italian Army material in the Military Depots in the newly liberated regions. Lists giving particulars of the depots, the service to which they belong, the condition of the buildings, etc., together with stock lists, have been compiled and filed for reference.

12. Equipment and stores found and handed back to the Italian Services concerned included radio equipment, MT spares of considerable value and 800 pairs of

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12. Equipment and stores found and handed back to the Italian Services concerned included radio equipment, MT spares of considerable value and 800 pairs of new boots.

13. Ammunition dumps were located and information passed to C.E.M. Section at HQ. AAI.

14. Sufficient signal wire to complete the telephone installation in the Ministero delle Corporazione Building was provided by the Sub-Commission when other sources failed to supply.

15. The question of putting into operation some scheme whereby all damaged vehicles and material and MT spare parts could be collected immediately the Armies passed on was discussed with the Economic Section.

16...../

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16. As from July 29th the title of the Sub-Commission was changed to War Material Disposal and Italian Prisoners of War Sub-Commission and the additional duties of dealing with all matters in connection with Italian Prisoners of War were added to the other work of the Sub-Commission.

17. Instructions for the release of 60,000 paroled Prisoners of War in Sicily as at July 31st were received from AFHQ. New regulations regarding the repatriation of Italian prisoners of war were issued and now prisoners of war over 60 years of age, and those over 50 years who have been POW for over two years, can be released on compassionate grounds. Italian POW who can be employed in specific judicial and administrative positions for the furtherance of the war effort in Italy will be considered for repatriation.

18. The release of other Italian POW can only be considered on special compassionate grounds, and only when the grounds are such that an Allied soldier under similar circumstances would be repatriated to his own country.

19. Among the various and diverse questions on Italian POW the one asked daily is "why cannot they be released from POW status?" So far a simple answer has not been found.

COMMUNICATIONS SUB-COMMISSION.

20. (a) Telephone.

(i) All main telephone circuits to the South (e.g. Palermo, Messina, Reggio, Cosenza, etc), terminated at Salerno for Italian Government use, were put through to Naples. A total of five telephone circuits between Naples and Rome were handed over by the military for ACC/Government use; only three of these are trunk circuits of which one is used by ACC Rome - Naples, one by Italian Government Rome - Bari, leaving only one circuit for Italian Government use to Naples that is suitable for extension to the South. The other two circuits are overhead circuits only suitable for Rome - Naples communications. Trunk telephone facilities for Government use are therefore still extremely scanty.

(ii) Release on inter-provincial telephone facilities to civil use in Italian Government territory was given by military security. North of Naples, telephone facilities are reserved for Government use.

(b) Telegraphs.

(i) Telegraph circuits were made available to the Italian Government from Rome to the South (Naples and Bari). The traffic capacity is fair, but not capable of carrying all traffic without long delay. Direct telegraph circuits were provided for the Italian Air and Navy Ministries from Rome to Bari.

(ii) Civil telegraphs between Rome and the South of Italy were opened on July 21st; by the end of the month over 5000 telegrams a day were being dealt with in the Rome office.

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(c) Circuit Repair. Work has been in progress on restoration of civil communications in Regions IV and V. Reconnaissances were completed, plans made, transport obtained and release of routes or wires from military signals arranged. Due to the extensive damage and shortage of stores, little tangible results will be seen for some weeks.

21. Postal.

(a) Civil mail services, both internal and foreign, were extended to Rome on July 1st and to the Provinces of Rome, Littoria, Frosinone and Campobasso later in the month.

(b) The mail service between Naples and Bari, the main cross-Italy link, was increased to a daily service each way.

Army Sub-Commission.../

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ARMY SUB-COMMISSION.

22. The chief event of the month was the move from LEQUILLE (LECCE) to ROME on 14th July. The Italian War Ministry and General Staff moved simultaneously. The advantages of concentration were at once evident and the increased efficiency of having all contacts on the spot, especially the Ministry of War and SMRE, was most noticeable.

23. The first and most pressing problem to be tackled was Patriots. The Italian authorities were anxious to deal with the large numbers who had been found in newly liberated territory, and the War Ministry asked for a policy. Owing to the restrictions on recruiting for the Italian Armed Forces and the ceiling laid down by the CCS, MMIA authorised the Ministry of War to recruit up to 3000 men for the Army in Rome, stipulating that for every volunteer accepted a serving soldier of an older class must be demobilised, thus keeping within the ceiling laid down. Italian Army screening and recruiting agencies were sent to Army areas to work in close collaboration with AMG Fifth and Eighth Armies and Polcorps. Their function is to screen Patriots volunteers for the Army, and to arrange for their evacuation to the Rome and Chieti enlistment centres. A further three screening detachments have been sent to work under the direction of Region IV. All volunteers become an Italian Army responsibility only when they are actually re-enlisted at Rome or Chieti.

The ceiling for the Italian administrative troops has been fixed at 27,000 and the necessary steps have been taken to ensure that troops are not wasted in Administrative Headquarters.

24. July has been the heaviest month for the movement of Italian Army personnel. This increase is largely accounted for by the programme in hand for forming new Pioneer Labour Regts and re-forming existing Labour Units. Shipments from Sardinia went well.

25. The initial allotment from the CCS of certain items of boots and clothing is coming to an end and approximately 400,000 pairs of US part worn boots have been delivered to the Italian Army for repair. The War Ministry have been instructed to make a survey of all repairable Italian uniforms and repair materials.

Advanced arrangements have been made for the rationing of the Italian Army from British sources, effective 1 Aug 44.

ELLERY W. STONE
Captain, USNR
Acting Chief Commissioner

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