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ACC 10000/148/183 173/TN/1 REPORTS - OTHER SECTIONS VOL. I.

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HEADQUARTERS

ALLIED MILITARY GOVERNMENT

13 CORPS

MONTHLY REPORT - MAY 1946

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

MONTHLY REPORT - MAY 1946

SECRET

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ALLIED MILITARY GOVERNMENT
13th CORPS

SECRET

SUMMARY
OF
MONTHLY REPORT
for month ending 31st May, '46.

1. POLITICAL SITUATION.

The failure of the Paris conference to come to an agreement over Venezia Giulia and the suggestion that all Powers may accept the French line as a solution has caused the morale of the Italian population to decline, and has caused considerable migration from Pola and the Yugo - Slav- occupied portion of Venezia Giulia, to zone "A".

2. LOCAL GOVERNMENT.

During May two additional communes have come under the General Order No.11 (DOLEGNA del COLLIO and BERGOGNA).

3. VENEZIA GIULIA POLICE FORCE. 356

In spite of increased activity on the part of the Yugoslav and Italian factions during the May Day celebrations, May has been a reasonably quiet month.

4. ECONOMICS.

Due to the failure of the Paris conference to reach a decision on the future ownership of this territory the economic situation has deteriorated considerably; active countermeasures are being taken to prevent complete paralysis.

Food.

Normal rations were distributed to the whole population during May, with the exception of pasta, which had to be cut due to the impending shortage of wheat flour.

Transportation.

New tariffs for Commodity Carrying Road Haulage were approved and put into effect on 24. May.

Agriculture.

Arrangements are progressing for the return from Austria of the famous Lipizza horses taken from here by the Germans.

The 1946 grain collection program is under way.

Production of fish continues to improve.

Industry and Utilities.

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Agriculture .

Arrangements are progressing for the return from Austria of the famous Lipizza horses taken from here by the Germans .

The 1946 grain collection program is under way.

Production of fish continues to improve .

Industry and Utilities .

Special attention has been given to finding ways and means for enabling Industry to retain workers.

The extension of the debris clearance scheme to include industrial premises has had a good moral effect .

Industrial rehabilitation is "very" difficult due to the strong impression that the French line will be accepted .

Commerce .

The first lot of cotton cloth to be produced from imported cotton is now on sale .

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Owing to the coal strike in the United States, no shipments of coal were received in May and the position regarding imported stocks is now serious .

Public Works.

Repairs of public buildings are well in hand; work on roads and bridges is progressing, and over 3000 are employed on this work alone .

5. PUBLIC HEALTH AND WELFARE .

The anti-malaria campaign is progressing favourably. Work will commence soon on the addition to the children's hospital.

6. DISPLACED PERSONS .

The movement of displaced persons into Zone "A" continues without any signs of ceasing .The reported likelihood of the adoption of the French line has increased this tendency somewhat .

7. FINANCE .

There is still a considerable movement of surplus funds to branches in Italian territory.The Bank of Italy and other banks as agents are authorised to deal in foreign exchange under regulations similar to those in force in Italy and a General Order on this subject is being prepared .

8. LEGAL.

Special efforts have been made during May to bring the Court calendars, particularly in the Trieste area, up to date .This was ac - complished by holding extra Summary and Superior Courts .

9. LABOUR .

The records for Venezia Giulia as a whole show an employment increase of 3325 during the month.

Dismissals during May under General Order No.106 amounted to 3738.

10. EDUCATION .

A meeting of Superintendents of Schools was held during the month. One of the most important points discussed was the final recognition of Slovene schools .

11. PUBLIC RELATIONS .

During the month 42 news items and announcements were passed to the News Division of A.I.S. for publication in the local press .

12. TELE - COMMUNICATIONS .

Telegraph service to Vienna and to the Milan and Venice stock exchanges were inaugurated during the month.

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13. PATRIOTS .

The lack of agitation on the part of both Partisan Associations, which was noticed during the past 3 months,has continued .

14. ELECTORAL ROLLS .

The General Order has now been passed to the Legal Division and will be available for signature as soon as it has been translated into Italian and Slovene .

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SECRET

MONTHLY REPORT
for month ending 31st May'46.

1. POLITICAL SITUATION.

The failure of the Paris conference to come to an agreement over Venezia Giulia and the suggestion that the Powers may accept the French line as a solution has caused the morale of the Italian population to sink. This is particularly noticeable in Pola where the energies of the trades people are bent more in the direction of getting material and property out, than attempting to increase industrial and commercial activity.

The month opened with a large and well-organized pro Yugoslav demonstration ostensibly to celebrate "Labour Day" .The demonstration was addressed by Regent. of the P.C.G. In spite of the effort to discourage people coming into Trieste from outside communes and Zone"B" a fair number managed to infiltrate without permits to take part in the athletic and gymnastic display which followed the demonstration.

The demonstration was hissed and spit upon by Italians and uniformed Partisans in the procession came in for much of the abuse .

The Allied military Parade on the 2nd May was a great success and all political parties agreed for once by instructing their followers to support the parade .

After this the city settled down to a period of apparent calm although the discontent and apprehension on the part of the Italians was coupled with a marked resurgence of anti-Slav odium and confidence that the pro Slovenes were less able to retaliate .

The next demonstration took place on 19.May; this was supposed to be a sports meeting but resulted in a violent pro communist and pro Yugoslav manifestation, which however passed off without incidents .

The anniversary on 24 May of Italy's entry in World War I was celebrated by a Mass at the cathedral and the laying of wreaths on the War memorial.

A pro-monarchist demonstration was scheduled to take place in the evening but was called off due to heavy showers of rain and the inability of the organisers to gather enough adherents .

Later the band of the Lega Nazionale struck up in the Piazza Unita and communist elements started a provocative barracking. The Police quickly restored order. Local elections for U.A.I.S. were held in Gorizia Area and were claimed by them to have been a great success .

The month closed apparently quietly with political parties awaiting anxiously the reopening of the Paris conference on June 15.

2. LOCAL GOVERNMENT.

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The month closed apparently quietly with political parties awaiting anxiously the reopening of the Paris conference on June 15.

2. LOCAL GOVERNMENT.

During May two additional communes were subjected to General Order No.11 : DOLEGNA DEL COLLIO and BERGOGNA bothin Gorizia Area .

The case of Bergogna is noteworthy in that this is the first totally Slav Commune in which it has been possible to implement G.O.No. 11 . Dolegna del Collio is inhabited by Italians and Slovenes in approximately equal numbers.

3. VENEZIA GIULIA POLICE FORCE .

A) Civil Police .

In spite of increased activity on the part of the rival Yugoslav and Italian factions during the May day celebrations, it is considered that

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from the Police standpoint May has been a reasonably quiet month. Advantage has been taken of this 'breathing space ' to improve efficiency and condi - tions in all branches of the Force . Only two matters require particular mention :

1) The May Day celebrations constituted a 'heavy ' period, especially in Trieste City, for the Civil Police and police resources were extended to the utmost. Nevertheless, although several incidents occurred, the situation throughout was kept in hand and at no time was it necessary to request the military to assist in the restoration or maintenance of public order .

2) During the last few months the Police Force has been thoroughly tested and has so gained the confidence of the higher command and the general public, that increased duties have been delegated to it. In view of this and the fact it must anticipate further public disorder resulting from the general uncertainty surrounding the Peace Conference, on 21 May 46 a report was forwarded to G.O.C.13 Corps seeking permission to increase the indigenous personnel establishment of the Force by a further 630 all ranks - this would make a total of 5800 all ranks . The report was approved by the Corps Commander and the proposal was forwarded to AFHQ with the strongest recommendation possible .

B) Crime .

Crime returns are phenomenally low having regard to the general social conditions and to the population figure .

Figures for the past month show that a total of 249 crime complaints have been received by all branches throughout the Area, and 169 arrests or denunciations made.

Those figures are subdivided as follows :

	Complaints	Arrests
Trieste Zone	76	81
Gorizia "	31	11
Pola "	55	34
Railway Section	81	26
Harbour Section	6	17

The most serious crimes reported during the month involved the death of six persons - two of the deaths being the results of road accidents in which known persons were involved .

The four remaining deaths appear to be cases of murder .

1) Trieste Zone

There was no notable increase in serious crime during the month although there was a slight increase in the number of reported cases of robbery accompanied by violence .

There is a decrease in the number of political crimes reported but many of the reported crimes are still in this category.

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There is indication of an increase in the number of persons improperly carrying firearms .

On 25 May at Opicina, civil police investigating a case of theft were fired upon by unknown persons; they returned fire without result .

On 26 May in Via Rossetti a British soldier in company with an Italian girl was fired upon by two civilians who escaped; the soldier was uninjured . A similar incident occurred in Via Crispi on the following evening.

The uttering of forged Italian currency has continued; 33 one-thousand Lire, 21 five-hundred Lire and 8 one-hundred Lire notes were passed during the month.

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2) Gorizia Zone .

Crimes reported show a decrease as compared with last month and there have been no crimes of violence .

Eight cases of burglary and many cases of simple larceny were successfully investigated .

The Zone Superintendant is full of praise for the manner in which the Criminal Investigation Division is carrying out its duties.

3) Pola Zone .

No serious crimes have been reported during the month.

C) Brothels and Prostitution .

1) Trieste Zone

Police supervision over prostitution was increased during the period and 1148 prostitutes were detained for examination . 113 were found to be infected and were ordered into hospital. 21 were returned to their homes in Italy. 5 of the 91 women registered in brothels were found to be infected and sent to hospitals .

2) Gorizia Zone .

No increase in venereal disease is reported .

3) Pola Zone .

The drive to check the activities of prostitutes continues : The following are the statistics for the month :

Licensed prostitutes arrested	4
found infected	3
Clandestine prostitutes arrested	12
found infected	6
ordered out of zone	2

D) Conduct of Allied Service Personnel .

Apart from a few cases of drunkenness the conduct of troops has been good. No case of serious misconduct in public has come to notice .

E) Prisons .

There has been little change in the prison population. Figures follow :

Trieste Prisons	618
Other "	335
	953

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3) Pola Zone .

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187 prisoners in Trieste and 126 in other prisons are awaiting trial by the Italian Courts . The total is 313 or a third of the total prison population. The arrests of some of these prisoners took place as long as three months ago.

Owing to the occurrence of several irregularities and also for security reasons, visits of Trieste prisoners as out-patients to the Central Hospital have been partially discontinued; only exceptional visits in unavoidable cases are now permitted. To counteract this the prison infirmary service has been augmented and improved .

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4. FOOD.

1. Normal rations were distributed to the whole population during May with the exception of Pasta, which had to be cut due to the threatened failure of scheduled wheat flour shipments to arrive .

It was possible to issue the following rations :

Pola	: 500	grams of	"gries" (semolino)
Trieste	: 1000	" "	Pasta
	500	" "	Rice
Gorizia	: 1000	" "	Pasta

If possible deficiencies will be made up in June .

2. Two steamers arrived during the month with miscellaneous foodstuffs :

3. May	1946	: S/S "ESKADALAGATE"	275	tons of Sugar
22 "	"	: " "MESH KNOT "	142	" " Fats
			91	" " Sugar
			34	" " Soup

3. 12.95 tons have been unloaded ex S/S" MESHKNOT" in Venice and forwarded to FEDE CONSORZI GENOA in repayment for 11 tons of preserved fish, borrowed in February 1946 .

4. Instructions were received from HQ Allied Commission Food and Agriculture Branch to cease converting flour held by the Pastifici into pasta, thereby giving us a further subsistence till the 10th of June .

5. A steamer with approximately 8000 tons of flour is due to arrive on 15 June; the cargo will be allocated :

3,400	tons for Venezia Giulia
4,600	" " Udine Province

6. Until further notice, owing to the wheat situation, pasta rations will be reduced :

for Trieste & Gorizia	to 500	grams monthly
" Pola	" 1000	" "

7. The special ration card paper arrived at Trieste from Rome on 9. May 1946 .Printing was arranged and the ration cards for the period July-October were delivered to Communes for distribution.

8. Latest ration-card statistics show the normal population of the territory as follows :

Trieste Area	331,528
Gorizia "	124,547
Pola "	33,200
Total	489,275

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5. TRANSPORTATION .

Movements during the month were as follows :

a) Port and Warehouse section .

	Inwards	Outwards
	Tons	
(A) Ships (Military) Coal (Military, Railways and A.M.G.)	8.106	8.106
(B) A.M.G. Supplies	630	762

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	Inwards	Tons	Outwards
	8.736		8.868
(C) U.GE.NA (Schooners) Mixed cargoes	6.625		2.609
(D) Ex SS.Mc QUIGG Wheat -Account Sepral	8.569		8.569
Total	23.930		20.046

b) Rail Section

	Inwards	Tons	Outwards
From Italy	13.938	To It.	22.918
" Yugo-slavia	644	To Yug.	1.740
	14.582		24.658

(Note :Local Movement in Area included as outward movement Lines :Venice,Udine,etc.)

c) Road Section

	Inwards	Outwards	Transit tons	Local
Civilian Road vehicles	9.385	4.026	---	43.902
A.M.G. Truck Pool (Trieste area only)	--	--	---	3.300
Ships	23.930	20.046	---	---
Rail	14.582	24.658	---	---
Totals	47.897	48.730	---	47.202

(Note: Local movement in Area included as outward movement Lines :Venice,Udine,etc.)

Total Tonnage moved : 143.829

d) Roads .

New tariff rates for commodity- carrying road haulage vehicles were approved and put into effect on 24 May 1945 .

e)Bus Services.

A few additional 1st and 3rd Class bus services and temporary summer services were authorized.Certain existing services have been intensified and other concessions were withdrawn where supply and demand justified the action.

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f)Tires.

With approval of Commerce Division a new system has been adopted whereby a more strict control can be placed upon the rationing of new tires .51 tire of varying sizes for cars and road vehicles and 83 tires for bus services were received in the Territory.An additional 279 tires and 57 inner tubes have been released by Comitato della Gomma, but have not yet arrived in the Territory .

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6. AGRICULTURE .

a) Livestock .

Arrangements are in hand for the return of the famous Lipizza horses taken from here by the Germans. It is hoped that seventy-eight will be returned as soon as documentation is completed .

A stud farm has been opened at Ronchi and two pedigree stallions will be bought.

b) Amassing

The 1946 grain collection program is under way, with police assistance promised. Records are now being taken of acreage planted by farmers . The price has been fixed at 2250 lire per quintal, with special premiums for early amassing . The quota of wheat to be collected in the Territory is 20.000 quintals Trials of evaders during the past season will take place before the 15 of June as deterrent to this year's contraband operations .

939

c) Forestry .

The Barcola afforestation project has been initiated and bids taken for the work. Although trees will not be planted until fall, fencing off, digging of holes, building of roads and walks, etc., will be carried out throughout the summer. More than 200 people are to be employed .

Two projects, employing a total of 15000 persons are being projected to take care of reforestation between Monfalcone and Trieste. Trieste Comune project is using several hundred people now, but work will continue throughout the summer especially in the nurseries at Villa Giulia and Basovizza, which are being developed and enlarged to take care of subsequent planting in Venezia Giulia Territory in general, besides the Trieste project.

Special forestry seeds have been requested from American sources and seed collecting will be organized here this fall under Forestry Corps direction.

The personnel of the Forestry Corps is being increased immediately due to the pressure of work and the increased number of projects.

d) Fisheries .

Production of fish continues to increase monthly with further increases expected till late September . Control measures designed to regulate the flow of fish to the population have been suspended until fall, as otherwise too many fish would be concentrated at central collecting points. Prices have dropped and meat prices are lower too, as a result of competition from fish as a substitute .

Fifteen tons of fish are being produced daily from combined ports in Venezia Giulia. Total from 15 April to 15 May is 4.500 quintals. Although petroleum products consumption has increased, due to more fuel for more boats, and longer hours, the proportion of carburants to fish harvests has decreased.

7. INDUSTRY AND UTILITIES.

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7. INDUSTRY AND UTILITIES.

Special attention has been given to finding ways and means to enable industry to retain workers instead of discharging them under G.O.106. Several applications for loans for rehabilitation purposes have been investigated and reports submitted to Finance Division resulting in financial assistance being given. The extension of the debris clearance scheme to include industrial premises has had a good moral effect.

A plan in detail for the rehabilitation of six major industrial establishments in Trieste has been completed. Raw materials and fuel supply demands for resumption of 60% to 75% of normal production have been submitted to Supply Division. Corresponding plant reconstruction is being facilitated and, where necessary, financial assistance is being sought from Finance Division.

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The acute despondency engendered in POLA by the strong impression which has gained ground that the "French line" will be accepted has brought all industrial rehabilitation plans to an abrupt end. The present wish of Pola industrialists is to quit as quickly as possible and remove as much as possible of their belongings .

The position of individual industries has shown little change during the month. Textiles and building materials show the greatest activity and arrangements have been completed for constructional timber to be imported in logs and dressed here.This will enable a large saw mill to reopen.

The CRDA has secured an order for a second 9000-tons cargo steamer from Norwegian owners, and negotiations for repairs to the "Arayabank" continue,with the M.O.T. The "Empire Mac Cabe" left during the month, the owner's representative and Captain expressing themselves well-satisfied with the quality of work put into the reconversion.

Electricity and gas supplies have been normal and care has been exercise in screening demands for fuel and P.O.L. on account of the current shortage.

Rehabilitation of the port continues satisfactorily but constant supervision is necessary,on account of the large volume of work on hand, to keep the Magazzini Generali and Contractors up to scratch .

The destroyer "Sebenico" has been floated and,but for the collapse of a large patch, salvage would have been completed by the end of the month. A wooden lighter has been raised at Monfalcone,clearing an important berth.

8. COMMERCE .

a) Cotton

(1) The first lot of cloth to be produced from Imported Cotton (200,000 m - value about lire 36.000.000) is on sale. A considerable portion of this cloth has already been sold .

(2) Bed sheeting (50,000 m) was quickly sold out .Instructions were given to manufacture an additional 100,000 metres..

(3) The Cotonificio Triestino is now manufacturing shirting of the type "popelin Aurora" with new designs .

(4) The stock of finished cloth for both lots is about 300.000 metres. The planned quantity is about 2,200,000 metres.

b) Soap.

Production from raw material recently received is being controlled by Industry Division.There is no advice when supply will be ready for distribution. The price for laundry soap has been fixed at 200 Lire per kg.

c) Caustic Soda .

Discussions took place between representatives of Solvay Rosiniano and Monfalcone with Industry Division and Commerce Division regarding rehabi-

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Discussions took place between representatives of Solvay Rosiniano and Monfalcone with Industry Division and Commerce Division regarding rehabilitation of the Monfalcone factory . When the factory produces we should have more than enough caustic soda, etc. to meet local requirements, and an exportable surplus .

d) Compensation Trade with Zone "B" and Yugoslavia .

Import, Export and Transit Licenses were issued during the month for the following values :

Import and Transit from Zone "B" to Zone "A"	Lire	74,196.000
Export from Italy and Zone "A" to Zone "B"	"	63,642,000
Import from Yugoslavia to Zone "A" and Italy	"	5,270,000
Export from Italy and Zone "A" to Yugoslavia	"	5,893,000

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e) Foreign Trade .

During the month Representatives of the Italian Ministry of Foreign Trade, Ufficio Cambi and Banca d'Italia came to Trieste for discussions with the Finance Division of the Italian Government's views regarding compensation trade between Zone "A" and Zone "B" .

A meeting is to take place to co-ordinate the views of this Head - quarters and formulate a policy for co-ordination with the Italian Government.

f) Coal .

a) Owing to the Coal strike in the United States no shipment was received in May and the position regarding imported stocks is very serious .

b) Against coal allocations accepted for delivery during the first 6 months of 1946 we have received quantities as shown hereunder .

	Allocation as per requisition for Udine and Venezia Giulia	Receipts
January	22.000	16.058
February	22.000	16.460
March	22.000	19.245
April	17.800	16.301
May	17.800	Nil
June	17.800	
	119.400	68.064 up to 31/5

937

c) Of the total of 68.064 tons programmed only 16,301 tons have been delivered. (SS Robert S.Bean and SS John Bean Sousa) . The balance of 51,763 tons has been borrowed by HQ A.C. on behalf of Venezia Giulia and Udine.

d) The balance of imported coal in stock (as on 1.June) is 534 tons, of which 293 has been allocated to Trieste Area . The requirements of Gorizia and Pola for the month of June have been secured .

e) To counter-balance this serious position all efforts are being made.

I. To approach 13 Corps and the Italian State Railway for a loan of coal .

II. To obtain from Ovara Coal Mine, Udine 1,000 tons of coal dust

III. To press the "Soc.Cooperativa A.G.L. Importazione & Esportazione" UIVOD through Joint Economic Committee for supplies of Arsa Coal .

f) 1. Coal Distribution

Balance carried forward to May	430 tons
Received ex S/S "Robert S.Bean" (19.4.46)	8,106 "
	8,536 tons

Allocations	tons

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f) 1. Coal Distribution

Balance carried forward to May		430 tons
Received ex S/S "Robert S.Bean" (19.4.46)		8,106 "
		8,586 tons
Allocations	tons	
Trieste	990	
ILVA	2,000	
Kings Harbour Master	340	
Extra Allocation (Ind.Div)	92	
Gorizia May & June (Gas Work)	730	
Pola " "	600	
Udine	3,300	8,052 tons
Balance in stock		534

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II. Arsa Coal

Orders placed with Soc. Cooperativa A.G.L. Importazione & Esportazione — 8.000 tons

Allocated

Trieste	1.600 tons	
Gorizia	200 "	
Pola	1.100 "	2.900 "

Balance to be received — 5.100 tons.

This balance has been allocated as under :

Torviscosa, Udine	3.000 tons	
Solvay, Monfalcone	2.100 "	5.100 "

The total of 8.000 tons of Coal Dust is being imported to cover the Solvay Credit account in Zone B.

936

III, Coke Distribution :

Allocated to Trieste	713 tons	
Allocated to Gorizia	70 "	783 tons

IV. Ovuli distribution

Allocated to Trieste — 181.6 tons

8) Fire Wood

Distributed in May — 850 ql

Available at Consorzio Agrario Provinciale	41.700 ql		
less about 10. %	10.000 "	shrinkage	31,700 "

A directive is being planned to bring all Areas under a scheme whereby normal commercial operations in fire wood can be undertaken.

9. PUBLIC WORKS

a) The repair of public buildings is well in hand . Practically all those which were slightly damaged have been or are now under repair and work is now commencing on those which have been heavily damaged .

b) The repair of private housing is progressing very satisfactorily .

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c) Distressed Villages . This programme is being rapidly accelerated and it will be more than doubled when the General Order is published early next month. This order will definitely inform the people that the state will bear the entire cost of repairs. Doubt as to this point has tended to hold up the programme.

d) Roads and Bridges . Normal work is now at its summer peak with over 3000 men employed in this activity alone. During the month negotiations were completed with the Italian Government for the building subject to AFHQ approval of the Trieste-Austria autostrada . The final conference was held in Rome between the Chief Public Works Officer and the Italian Minister of Public Works. Both were assisted by financial and legal advisers .The Italian Government agreed to complete its part of this road in four years starting during the coming summer .

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c) Ports

Repairs are in progress at Porto Buso, Grado, Duino, Monfalcone, Sistiana and Pola. These ports although not playing a big part in international trade, are essential for local coastal shipping .

f) Bonifiche and Hydraulics.

The bonifica work is being pushed in all areas. During the month the S.C.A.O. and party inspected those works .The importance of this work cannot be stressed too highly as when the projects are completed they will provide sufficient farm produce to make Venezia Giulia independent of outside sources .

The problem of water supply to many Communes is critical. The main difficulty is that while there has always been a water problem there, it is now particularly aggravated due to :

a) a dry season,
b) roofs which formerly collected water are non existent ,
c) source of supply in some areas is in Zone"B"
d) demands of military .

Efforts are being made to correct these conditions :

a) by rebuilding villages and their damaged systems;
b) by trying to get action in Zone "B" which was first requested in December 1945 .

g) Bomb disposal .

The Navy has turned over to A.M.G. the disposal of mines off shore . and around the docks . To do this work the Navy have released their civilian crews to A.M.G.

10. ECONOMICS . .

1) General Economic situation in the Territory .

Since the failure of the Paris conference to reach any sort of decision on future ownership of this territory, the Economic situation has deteriorated considerably. Strenuous efforts to institute large scale and long term public works projects, and to rehabilitate industry have become necessary to avert complete Economic paralysis .

2) Counter-measures to alleviate the situation instituted by Economic Section.

Great efforts have been made during the month to work out schemes for improving the situation .

A requisition has been prepared for transmission to AFHQ through Allied Commission for the rehabilitation of the half dozen main industries in the territory, namely :

I) ILVA Steel Works, Trieste
II) AQUILA- Oil Refinery, Trieste

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III) S.I.A.P. Oil Refinery, Trieste .
IV) GASLINI - Oil Seed Pressing - Trieste .
V) PRIMA SPREMITURA - Oil Seed Pressing -Monfalcone
VI) SOLVAY -Chemical works -Monfalcone .

The largest industry in the territory, CANTIERI RIUNITI DELL'ADRIATICO, has not been included, as orders for new ship construction and reconversion come from overseas and arrangements for the supply of necessary material from abroad are part of the contract negotiations . C.R.D.A. on the other hand have been helped by this section in obtaining contracts by financial guarantees, contacts with Ministry of Transport, etc. Owing to the fact, however, that British Naval Shipyards are largely idle, ship owners are being directed to have conversion work done there . Prospects of obtaining repair work from Britain for the shipyards of Trieste are not, therefore, very hopeful, though there is

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a possibility of some orders for new ship construction being obtained. A contract for the building of two ships for Norwegian owners has been obtained with the assistance of the Italian Government .

3) Re-Awakening of Commercial life in the Territory .

A number of Compensation Deals are taking place with countries with whom Italy has Trade Agreements. The Gorizia Cotton Mill is now in a position to work to its full capacity on the basis of its normal Commercial contacts, though A.M.G. is maintaining control over its exports. A contract is in process of preparation whereby it is contemplated that the mill will weave cloth for the United States Government for use in the Far East .

11. PUBLIC HEALTH AND WELFARE .

a) Sanitation and Hygiene .

(1) The work to improve the Trieste City Refuse Dump at Zaule is continuing. The emergency refuse dump at the Duca d'Aosta Dock is working well.

(2) Measures to improve the town cleaning system at Grado have been put in hand at the request of the military.

(3) The anti-rat campaign continues. A total of 13663 rats were destroyed during the month.

(4) At Pola 405 persons used the public showerbaths and 28 received scabies ointment and soap.

b) Infectious and other Disease .

The incidence of measles continues to be high especially in Gorizia .

c) Venereal Disease .

A visit was paid to the ambulatorio at the Questura Trieste and it was found working well with good cooperation between the Civil and Military Police.

d) Malaria .

This disease is a real problem only in the Grado Isonzo Area . Anti-malaria measures have been handicapped by the non-arrival of D.D.T. powder and other insecticides but the necessary engineering measures, drainage, etc. are being carried out .

e) Veterinary Diseases

Cases of foot- and- mouth disease were disovered at the Municipal slaughter house among imported animals .

f) Hospitals

Work will soon commence on the extension of the GARCFOLO children's hospital and when completed this will double the present number of beds.

A fifteen-bed hospital is now functioning in the Police Barracks, Trieste. In connection with this hospital it is hoped to start a comprehensive medical

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The Villa Rinascita, strada di Fiume, has been put in repair and will be available as a quarantine hospital if an emergency arises .

g) Medical Supplies .

A further 20 tons of drugs and dressings arrived during the month. These supplies except for some inflammable liquids are now housed in No.6 Warehouse, Porto Vittorio Emanuele and distribution is now proceeding .

A price-control committee to standardize prices and sales has been set up by the Medical Supply Officer .

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12. DISPLACED PERSONS .

Movement of Displaced Persons into zone "A" of Venezia Giulia continues without ceasing.

Displaced Persons movement during May :	Arrived	Departed
Displ. Civilians	1444	1496
Prisoners of War	408	413
Total figures	1852	1909

Financial assistance :

933

Payments to 194 persons of 13 different nationalities were made, involving 750,000 Lire .

British Red Cross

Work by the British Red Cross representative among refugee and local inhabitants continues. 200 tubercular children from war-damaged districts of Yugoslavia were taken to Switzerland by the British Red Cross representative .

General interest .

It has been considered for some time that follow up visits might be made to Yugoslavia to get in touch with Yugoslavs repatriated from Ancona with a view to disseminating news of their welfare to Yugoslavs still remaining in camps and who for varied but usually political reasons are somewhat hesitant to return to their country. The British Consul in Ljubljana has kindly offered his help and it is hoped that this projected visit will be made, in which case this Division will act as liaison.

A Representative of UNRRA Displaced Persons Division, Mr.Maurice Rosen, has been engaged in a similar experiment and his views expressed during his visit here were of very great interest .

Two more attempts at illegal entry by Jewish refugees were made during the month. The first party of 18 was arrested by Security, the second party of 20 was turned back at the frontier .

During the month one party of 51 Italian POW's arrived in Trieste from Yugoslavia. Their physical state as well as their clothing were a disgrace to the country which had sheltered them and will be the subject of a special report.

13. FINANCE .

1. General

a) Banking

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13. FINANCE .

1. General

a) Banking

There is still considerable movement of surplus funds to branches in Italian territory .

b) Foreign Exchange

The Bank of Italy and other Banks as agents are authorized to deal in Foreign Exchange under regulations similar to those in force in Italy, and a General Order on the subject is being prepared .

c) Foreign trade .

Breakdown in negotiations for a trade-clearing agreement between "Zone"A" and "B" is not considered serious and alternate steps are being taken to establish control over commercial transactions between the two Zones..

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2. Budgets

a) State Expenditure .

Total credits issued since A.M.G. took over the administration of this territory now aggregate about 12,000,000,000 Lire., one-third of which represents expenditures on public works. The next major item is 900,000,000 L. paid for occupation expenses .

b) Amassing.

When all reports on the pre-occupation amassing of agricultural cereal have arrived, a consolidated report will be sent to the Italian Government. The financing of current year amassing is being arranged .

c) Financing of Industry .

A commission is being set up to deal with this matter .

3. Insurance

a) Cassa Integrazione .

The number of dismissals permitted by General Orders 105 and 106 relating to general unblocking of dismissals now exceeds 3500 . 932

b) Cooperation in Zone "B" .

Variations relating to insured persons resident in Zone "B" have been consolidated in document form and the proposed date for acceptance by the Yugoslavs is 4. June 1946 .

c) Lloyd Austriaco Pensioners .

Disparity between pension conditions of the old Lloyd Austriaco and Lloyd Triestino have existed for some time and final steps are now being taken to provide uniformity .

d) Effective dates of Social Insurance Provisions .

Consultations have taken place between Labour and this Division with regard to the effective dates of numerous social insurance provisions, following protests from the Industrialists .Agreement has been reached .

4. Property Control

a) Allied owned Property .

Properties under formal control amount to 379 whilst 93 have been released .

b) Enemy property .

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I. Austrian

Uniform action is being taken with that in Italy with regard to the return of property and unblocking of accounts .

II. German

18 properties have been sequestrated .

III. Jewish property .

Under General Order 58 regarding restitution of Jewish Real Estate a number of securities and accounts confiscated by the Germans have already been released .

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5. Revenue .

a) Lack of security .

The lack of security in the free port continues owing to the shortage of Finance Guards and recent reports indicate that drastic steps must be taken without delay.

b) State Lottery.

Arrangements have been completed for commencement on 1 July 1946 .

14. LEGAL.

1. Allied Military Courts .

a) Summary Courts. During May a total of 450 accused were tried on 505 charges .

These figures are higher than normal due to a special effort during May to bring the Court calendars, particularly in the Area of Trieste up to date .This was accomplished by holding extra Summary and Superior Courts.

As a result, the number of cases pending for Summary Courts in the Area of Trieste dropped from 330 at the end of April to 100 at the end of May. Of the pending cases, only 4 accused are detained awaiting trial.

The breakdown of offenses disposed of in the Summary Courts by Areas is as follows :

931

Area	No of Charges	No of Accused
Trieste	397	355
Gorizia	83	71
Pola	25	24
Total	505	450

b) Superior Courts . During May a total of 86 accused were tried on 115 charges, again due to the special effort to make Court calendars current .

29 Superior Court cases are pending in the Area of Trieste with 4 of the accused under detention awaiting trial, and 14 cases are pending in the Gorizia Area with 7 accused under detention . No Superior Court cases are pending in the Area of Pola .

The breakdown of Superior Court cases disposed of in May for the three Areas is as follows :

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Total	115	86

c) General Courts . No General Courts were tried during May .

d) Appeals .

(1) Automatic Review . During May 374 cases were reviewed in which no appeals were filed; Convictions and sentences were affirmed in 371 cases and quashed in three cases .

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(2) Review following Appeal .

32 cases were reviewed on formal appeal. Convictions and sentences were affirmed in 23 cases and quashed in three. In six cases the convictions were affirmed but the sentences reduced .

2. Ordinary Civil Courts.

a) The ordinary Civil Courts are functioning satisfactorily. Some progress was made during the month towards supplying additional personnel particularly in the offices of the clerks of the Courts .

b) The ordinary Court of Assize which has jurisdiction of the more serious criminal offenses disposed of cases involving 7 accused . Six were convicted and one acquitted. 14 cases were pending as of 31st May .

3. Special Court of Assize .

a) This Court deals with charges of collaboration with the Germans and the Fascist Republicans after 8 September 1943. (Proclamation No. 5) .

b) The order giving jurisdiction to the ordinary Penal Courts to try Fascist offenses prior to 8 September 1943, referred to in the April report, was signed on 3rd May 1946 (General Order No.53) and is now in effect.

c) During May the Special Court of Assize held public trials of 27 accused resulting in 7 convictions and 20 acquittals .

The range of sentences to imprisonment of those convicted was as follows :

from 5	to 10	years	- 3
" 10	" 20	"	- 3
	30	"	- 1

d) Other relevant statistics of the Court's work during May are as follows :

cases pending on 30 April	168
additional denunciations received during the month of May	14
cases sent to the President of the Court as ready for trial after completion of the formal investigation by the Public Prosecutor	18
cases sent to the President of the Court after completion of the formal investigation with a request by the Public Prosecutor that he be authorized not to proceed for lack of sufficient proof of guilt	15
cases in which there was insufficient proof of guilt to justify formal investigation by the Public Prosecutor and accordingly dismissed	10
cases transferred to other Courts for competence	7
total cases disposed of by trial or otherwise	63
cases pending on 31st May	146

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4. Epuration .

a) Epuration Commission under General Orders Nos 7 & 8 - Public Officials and Employees in Private Industry .

During May,provisional Orders of suspension or dismissal were made in 230 cases .Final Orders of suspension or dismissal after hearing were made in 80 cases .

b) Epuration Commissions for the Professions and Arts (Order No.13)

Provisional orders of suspension were made in 21 cases.Final orders of suspension were made after hearing in 19 cases .

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15. LABOUR .

a) The Labor Offices have had a very intensive month particularly in view of the many difficulties which "The Sindacati Unici" have been creating. The "Ispettorato del Lavoro", which calls for complete reform, has conducted its usual business doing no more than what is a bare minimum .

b) In the field of Social Services, the "Previdenza Sociale" has sorted out all its many difficulties in connection with the non-payment of increased contributions since Allied Government took over Venezia Giulia; the application of the Italian Government Decree for the "Cassa Malattia" has been occupying the attention of this Division and considerable progress has been made in deciding the modifications to be made in the General Order, which will take the place of this Decree in Venezia Giulia .

c) Unemployment is still on the increase . Records for Venezia Giulia as a whole show an increase of 2075 men, 917 women and 333 juveniles - a total of 3325 . In Trieste area alone there has been an increase of 1859 men, 717 women and 266 juveniles - a total of 2842 .

d) Dismissals during May in conformity with G.O. 106 amounted to 3738 . The Public Works payroll shows a slight decrease in employment, as compared to April .

e) Wages in Venezia Giulia have not altered as a whole, but agreement was reached over the basic wages of the "Gruppo Zero" in industry , The Magazzini Generali have also applied the wage rates agreed for A.C.E.G.A.T.

f) There was only one occasion on which work was suspended during May and that was in the Shipyards of Monfalcone where the clerical workers abstained from their work on the afternoon of Saturday 25th in order to protest against the fact that the reduction of time table from 48 to 40 hours was not made to apply in the case of clerical employees. The system of addressing workers on the factory premises still continues and the Sindacati Unici have staged five important meetings during May .

g) The question of enforcing in Venezia Giulia the four Italian Decrees enforcing the mandatory employment of "Reduci" in Government Departments as well as in Private Employment has been raised by Allied Commission. A survey by this Division of the actual situation has demonstrated that in Gorizia and Pola all firms are already employing 5% or more, while in Trieste only a small number of Firms have less than 5% . It is reckoned the employment of 80 more workers would be sufficient to rectify the situation in Trieste. No figures are available for the Government Departments and Finance Division has been invited to investigate the situation.

h) The difficulty of fixing "piece work" rates in the C.R.D.A. still continues in view of the untractable attitude of "Sindacati Unici" which refuses to allow the "Camera del Lavoro" to enter in the joint negotiations while at the same time insisting that the Management and incidentally A.M.G. are to blame for the impasse .

i) The attitude of the "Sindacati Unici" mentioned above is merely a preview of a continued policy of sabotage calculated to precipitate condi-

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i) The attitude of the "Sindacati Unici" mentioned above is merely a preview of a continued policy of sabotage calculated to precipitate conditions of industrial unrest. In view of this line of action, the advisability of promulgating legislation to regulate Trade Union affairs in general, and joint negotiations in particular, now becomes a necessity, unless A.M.G. is prepared to accept a situation in which a virtual monopoly is tacitly granted to the "Sindacati Unici" to the exclusion of the "Camera del Lavoro" .

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16. EDUCATION .

1. School calendar.

The public schools under the administration of A.M.G. will close the school year 1945-46 in the following order :

a)	Italian Elementary Schools	28 June '46
b)	Italian Secondary "	15 " "
c)	Slovene Elementary "	15 July '46
d)	Slovene Secondary "	1 " "

The University of Trieste will complete its work, including examinatio. sessions by 1. August '46.

2. Slovene Schools

The School Section of PNOO through its mouthpiece "PRIMORSKI DNEVNIK" has continued in a rather mild way to attack education policy in this Territory .

On 23. May a meeting of the Superintendents of Schools representing the Territory and of their relative Italian and Slavic school inspectors was held at the Education Division. One of the outstanding issues discussed dealt with the basic requirements for final recognition of Slavic Schools. The following policy was drawn up :

a) Schools will not be recognized where teachers are not employed legally, where schools have refused to use AMG text books, insist on using forbidden texts, and are not following the Allied Military Government programme of study.

b) Students completing their work in non-recognized schools will be authorized to enter recognized schools only upon examination as in the case of any students from Private schools .

c) The complete issue of Slovene elementary school text books (those so far completed) has been subsidized and they will be distributed free to the school children of the Territory .

d) A booklet has been printed containing the "Acts of the Teachers' Congress of Venezia Giulia" (the Congress was held in the Auditorium of HQ AMG in Trieste on 19-20 Feb '46) . It is being distributed free to all schools of the Territory. Since this represented the first such Region wide teachers' meeting copies of the result have been sent to all "Provveditori agli Studi" of Italy.

e) The 1st, 2nd, 3rd, 4th grade "Racunica" (Arithmetic) for the Slavic elementary schools have come off the press and are now being distributed free to all Slavic school children. A History of Slovene Literature has gone to press.

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b) Italian Secondary " 15 " "
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3. University of Trieste .

Regular class work ended at the University of Trieste on 31. May . The last examination session for the benefit of candidates who were retarded in their work because of the war situation started on 25. May lasting one week. Final examinations for the school year 1945-46 will begin on 16. June to last through most of July .

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17. PUBLIC RELATIONS .

1. During the month 42 news items and announcements were passed to the News Division of the A.I.S. for publication in the local press .

2. It was anticipated that a considerable number of world press correspondents would visit Trieste for the May Day celebrations, but wide publicity had been given by news agencies to restrictions imposed on movement into Trieste in order to avoid overcrowding, and it was thought that no sensational demonstration would take place .

3. The Allied Military Parade on 2nd May was witnessed by some 50 local and world press correspondents . A press enclosure was established close to the saluting base .

4. Col. Bowman S.C.A.O., A.M.G. held an informal press conference on 3rd May when heads of Divisions were present to answer technical questions.

5. On 24. May the Editor of "Il Canguro" was summoned to appear before Col. ROBERTSON D/ SCAO and was ordered to cease publication and its licence was withdrawn . The reason for this action was the offensive and pornographic character of the paper, many of the articles and cartoons in which were insulting to Allied soldiers . 927

The responsible editor had previously been warned .

18. TELECOMMUNICATIONS .

a) General . W.e.f. 10th May the Telecoms and Postal Officer took over control of the Udine Telecoms and Postal Area .

b) Wire thefts continue in the vicinity of Opicina, and now in the Muggia area .

On 18. May 1700 kg of wire was stolen near Opicina.
" 23/24 " 1500 " and
" 26/27 " 1000 " was stolen in the Muggia Area .

The police apprehended the thieves for the theft of 23/24.May but a further theft was carried out after this apprehension .

c) On 13. May the Troops Telephone Service to U.K. was opened in Trieste NAAFI/EFI Soldiers' Club.The service has gradually gained popularity and the 20-calls-per-night-schedule is being maintained . I have spoken to the Milan Telecoms Officer with a view to increasing the speaking time . He is getting in touch with the Director of Communications .

d) On 20.May the Civil Telegraph Service was opened up to the Services for British personnel at concession rates for U.K. and the British Empire. So far the average number of telegrams both ways is 10 per day for Zone A.

e) The following telegraph services were opened during the month :

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e) The following telegraph services were opened during the month :

Vienna 21.May
Milan and Venice Stock Exchange 22.May

19. PATRIOTS .

1. General - The lack of agitation on the part of both partisan Associations which was noted during the past three months, has continued .

The Association "Partigiani Italiani" appears to be functioning well in Trieste and Pola and is in the hands of reasonably responsible persons. The Gorizia branch however is being run by more unresponsible persons of the communist faith and there appears to be a schism among its members .

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Association"Partigiani Giuliani" is also quiet with only occasional visits from the President to the Patriot Office with requests that claims turned down be reconsidered. However as it is controlled by U.A.I.S. it no doubt has a further function in organizing the Slovene population.

2.Claims . To date 2160 claims have been registered and scrutinized and approximately 2000 more claims await scrutiny. As the majority of those are written in Slovene progress is not rapid as translations have to be made.

Approximately 10,000,000 Lire has been paid out to the next of kin of killed partisans and to seriously wounded partisans .

3. Partigiani Balkani - A new Partisan Association " Associazione Nazionale Reduci e Partigiani della Balcania ", has now appeared and requested permission to open a branch here .The Association has been informed that the position with regard to partisans in Venezia Giulia is sufficiently complicated by having two Associations already and that a third would serve no useful purpose, that however,provided the Area Commission is consulted and agrees there is no objection to them forming as a social Association but this division cannot recognize them as in any way representing the views of the partisans of this territory .

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20. ELECTORAL ROLLS .

The General Order has now been passed by the Legal Division and will be translated into Italian and Slovene and then presented to the SCAO for signature .The queries dealing with refugees and appeal commissions have been settled and are now clearly defined in the order .

ALFRED C. BOWMAN,
Colonel, JAGD.,
Senior Civil Affairs Officer

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APPENDIX "A"

GENERAL ORDERS, ORDERS, AND ADMINISTRATIVE ORDERS PUBLISHED DURING MAY 1946 .

a. General Orders :

No. 34 B	-	Amendments and additions to General Order No.34 increasing public pensions.
No. 45 B	-	Modification of General Order No.45 regarding the importation of foodstuffs .
No. 53	-	Additional sanctions against crimes of a fascist nature.
No. 54	-	Increase of control and rents .
No. 56	-	Amendments to the competence of "Giudici conciliatori" and "Pretori" with respect to the value of cases .
No. 57	-	Amendments, modifications and amplifications of the laws relating to local finance .
No. 58	-	Restoration of property rights of Jews and fiscal concessions to Allied Nationals and Jews.
No. 59	-	Abolition of the posting of acts concerning commercial matters in the halls of the Tribunal, of the Commune , and in the premises of the Stock Exchange .
No. 60	-	Revision of the careers of employees of public administrations .

b. Orders :

No. 105 B	-	Special Committeeto supervise fund for the integration of wages of industrial workers - Amendment of Order No.105 .
No. 106 B	-	Amendment to Order No. 106 -Contribution for payment to discharged workers .
No. 122	-	Provisions concerning tax collectors .
No. 123	-	Readmission of Jews to public services - Amendment of General Order No.3 .
No. 124	-	Increase of allowances to ordinary magistrates .
No. 125	-	Payment of Imposta generale sull'entrata on the revenue collected by means of tax rolls of municipalities and other bodies .
No. 126	-	Discipline of magistrates .
No. 127	-	Extension of term of duration of "L'Azienda dei Magazzini Generali di Trieste ".
No. 128	-	Amendments to compulsory workmen's compensation insurance in agriculture .
No. 129	-	Identity Card Boards - Supplement to Order No. 14 .
No. 130	-	Contribution for special indemnities to workers and employees called into armed forces .
No. 131	-	Permission to Chiesa S.Nicolo di Aris in Monfalcone to exchange property with Angelina Conte-Colautti of Monfalcone .
No. 132	-	Administration of Enti Comunali di Assistenza .
No. 133	-	Modifications in the law relating to deposit of printed matter with the administration.
No. 134	-	Shortening of the normal period of study in public schools .
No. 135	-	Increases in fees of lawyers and attorneys .

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No. 57 - Amendments, modifications [illegible] relating to local finance .

No. 58 - Restoration of property rights of Jews and fiscal concessions to Allied Nationals and Jews.

No. 59 - Abolition of the posting of acts concerning commercial matters in the halls of the Tribunal, of the Commune , and in the premises of the Stock Exchange .

No. 60 - Revision of the careers of employees of public administrations .

b. Orders :

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No. 105 B - Special Committeeto supervise fund for the integration of wages of industrial workers - Amendment of Order No.105 .

No. 106 B - Amendment to Order No. 106 -Contribution for payment to discharged workers .

No. 122 - Provisions concerning tax collectors .

No. 123 - Readmission of Jews to public services - Amendment of General Order No.3 .

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No. 133 - Modifications in the law relating to deposit of printed matter with the administration.

No. 134 - Shortening of the normal period of study in public schools .

No. 135 - Increases in fees of lawyers and attorneys .

No. 136 - Disposition regarding ushers attached to Conciliation Offices .

No. 137 - Establishment of temporary councils of discipline for teachers of elementary schools .

No. 138 - Extension of the 1945 - 46 school year in Slovene and Croat Schools .

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c. Administrative Orders :

No. 37 - Appointments of temporary administrative council for Istituto Tecnico Commerciale of Gorizia .
No. 38 - Appointment of Cebulec Giuseppe and Muto Giuseppe as Assistant Chancellors of the Pretura of Gorizia .
No. 39 - Appointment of Dr. Bradamante Carlo as technical expert of agriculture .

Notice :

No. 11 - Declaration concerning areas sown with cereals .

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POLITICAL SUMMARY

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

2. The results of the voting on the four motions submitted for discussion showed the "mozione di base" (inspired by Signor Nenni) to be in the lead by a slight majority. Generally it reaffirmed that the Socialist Party is, and remains, a class Party inspired by the Economic and social Principles of Marxism, having as its ultimate aim the destruction of capitalism, and as its immediate objectives the creation of the Republican and democratic State and the gradual application of substantial reforms in the sphere of land, industry and credit, which will free all the working classes from political oppression and economic exploitation; declares that there is no incompatibility between the members of the Socialist Party on proletarian unity and their religious belief. The Congress reaffirmed the necessity for the autonomy and independence of the Party, considering them indispensable conditions for making the pact of united action between the Socialist and Communist Parties. It therefore reaffirmed, as a result of the debate on the relations between the Socialists and Communists, that there is no question of fusion between the two Parties, but only a question of unity of the working class.

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

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

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

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

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

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PART I - LIAISON GROUP REPORTS

LIGURIA LIAISON GROUP

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

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

3. General condition of Public Safety in the Region was satisfactory, and the various police agencies functioned efficiently, bearing in mind the present difficulties. The Carabinieri are better equipped and disciplined than at any time since the liberation, and are winning for themselves their former prestige and public esteem. Due to indifferent clothing, lack of arms and transports, Pubblica Sicurezza did not operate efficiently and the Ministry of the Interno appeared to do little to improve conditions. There was a preponderance of partisan personnel in GENOA and SAVONA Questure, most of whom are members of the Communist Party. They are in most instances inefficient and unsuitable agents. Guardie di Finanza, an efficient force, were sadly hampered by lack of motor-patrol boats to patrol the harbours of GENOA, SAVONA and LA SPEZIA. A great deal of black market activity results from small boats, conveying on cargo ships

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

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

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

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

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

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

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

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

10. On 15th April, both the A.C Rail and Port Offices were closed. Rail movements for the month dropped in relation to March, but no difficulties were encountered by I.S.R. either in the North or in the 13th Corps area. The doubling of the line between BIVIO POLCEVERA and MIGNANEGO was finished and will officially open on 4 June, thus the bottleneck between GENOA and the North which has existed since the liberation will be eliminated. Work was also started on the doubling of the line from CAMPOBASSO to BIVIO SUCCURSALE. A large increase

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

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

LOMBARDIA LIAISON GROUP

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

13. There was a serious riot in S.Vittore Prison Milan which commenced on Easter Sunday and for various reasons was not quelled till April 24. (See Page 24 Public Safety Report). As a consequence about 950 prisoners had to be transferred to other prisons which in their turn were already crowded and their administration was thus made still more difficult. The Ministry of Grace and Justice held an enquiry into the reasons of this riot and in the meantime repairs were in progress but it is likely to be many months before this damage can be made good. Subsequently a new director took over S.Vittore Prison. In consideration of the current conditions the crime situation was fairly satisfactory. The behaviour of Allied troops was excellent. This month all Police Forces returned to arm raids again and obtained some excellent results. Considerable controversy and publicity were evidenced when the grave of Mussolini was opened and the body taken away by persons unknown. The anniversary of the liberation of MILAN, April 25, was marked by a public holiday and by orderly and not over-crowded ceremonies.

14. Alternate sunshine and rain were very favourable to the crops and the prospects for the harvest were excellent although the lack of fertilizers and tractors is a serious problem. The amassing of rice was disappointing only 1,980,000 quintals being collected instead of the 5,000,000 quintals

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

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

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

17. Public Health in the Region was normal.

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

PIEMONTE LIAISON GROUP

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

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the Italian income. Industries previously connected with armaments are going through a period of crisis due to the complete cessation of war production and comparative inability to get going on peace-time industry. Whatever eventual manufacturing activity is decided upon, it appeared clear that only a limited proportion of the present manpower can be absorbed in the near future. In BERGAMO the situation was somewhat relieved by the fact that a high proportion of the work was carried out in very small units, almost private house production. Many of the workers own a small plot of land on which they raise not sufficient to maintain a decent standard of living, but enough to break the shock of unemployment.

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

17. Public Health in the Region was normal.

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during June, according to best information available. There are 1,021 communes in PIEMONTE, and elections have been held in 808 of them, leaving 213 for the future. While some rumors were heard of attempts to influence voters illegally, as well as cases of persons being illegally denied the right of franchise, not one concrete case was uncovered. Neither did any incidents of a serious nature occur during the actual elections. In all, the elections in the Region were conducted in a manner as to reflect credit on the responsible authorities and the voters.

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

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

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

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

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

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

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

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

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

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VENEZIA LIAISON GROUP

29. A very noticeable decrease in Political activity throughout VENEZIA Region was observed during the month of April, due largely to lack of party funds and enthusiasm expended in the communal elections. The press generally was more occupied with the Paris peace conference and the general economic and food situation. The only groups expressing any great concern over the June elections appear to be the supporters of the monarchy; they seriously urged that the vote on the referendum be postponed for at least a minimum of three or four months. This being their first experience in resorting to electoral processes to maintain their existence they seemed to be at a loss to organize their strength and conduct an effective campaign. It was interesting to observe that the newly elected Communal Council and Giunta generally attempted to cooperate in tackling local problems, irrespective of party affiliations. The Right, particularly the Christian-Democrats, were in many instances surprised and disillusioned by defeat; this did not seem to have reached the point of apathy, but interviews with public officials made it clear that the Italians have little conception of how a minority should function, their definition of a healthy opposition appearing to embrace solely a resigned non-obstructionist attitude characterized by a rather dejected analysis of the disparity in numbers between majority and minority. Generally speaking the Left Wing parties adopted conservative tactics in their campaigning as well as in the selection of their candidates. While many of these men lacked public administrative experience and

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

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

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

32. Industry continued to be handicapped by lack of coal, in fact the glass industries of VENICE have never been able to operate. The wool, silk and cotton industries in VICENZA were operating full time due to arrival of raw materials. Total unemployment throughout the eight provinces of the Region rose from 166,000 in March to 190,000 in April. BELLUNO province sent some 500 miners to Belgium and Poland and the public works programme should be in full operation in May which may decrease the above figures. At the end of April public works projects in the total value of 313,000,000 lire employing 18,200 men were in progress. Approval was received from Rome for two sections of the Venice port improvement project totalling 1,200,000,000 lire. Reconstruction of a silo and warehouses will comprise the first goals in this programme.

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

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

35. Telegraph service was practically back to pre-war status. Prior to the war 386 offices were operating throughout this area and at present there are 376. The situation remained the same with the two telephone companies serving the area. Prior to the war Telve had 31 exchanges and Timo 197 and at the end of April Telve had in operation 31 and Timo 95 with 6 more opening in May. A total of 192,000 tons of shipping entered the port of VENICE during April as against 203,000 tons in March. VENEZIA Region Ufficio Autotrasporti moved 205.077 tons during April, with 5,148 truck pools operating. The POL allocations appeared quite satisfactory.

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

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

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

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

NAPLES LIAISON GROUP (covering Calabria)

39. The number of political meetings increased considerably during the month but no incidents occured. Administrative Elections were held again on the 7th of April which completed the first series, and the results showed the Christian Democrats to be the largest single party everywhere except in Benevento where they were slightly outnumbered by the Liberals. There were many independents, but Communists and l'Uomo Qualunque had few followers. Communists, however, appeared on the Demp-Christian lists and the system of proportional representation is resulting in a weak mixture of many small parties. There was universal good order and interest with heavy polls, amounting to 80% to 90% of eligible voters in many cases. The women voted in strength and in one small Commune 100% of the women voted. Preparations for the Costituente Elections and Referendum on the 2nd of June were in hand and official party signs for 61 parties, for the benefit of illiterate electors were issued. A slight political turn was given to activities of returned POWs by the election of an ex-senior officer of Fascist Militia as President of the Naples Section of the National Union of Italian ex-POWs.

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

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

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

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

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

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

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

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

LIVORNO LIAISON GROUP

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

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

49. Unemployment caused unrest in some of the provinces and orderly demonstrations by those out of work were held in the Provinces of LIVORNO, FLORENCE, PISA and AREZZO. The unemployment situation improved in SIENA and in FLORENCE and LIVORNO the numbers of unemployed were high, but not either serious or higher than during February or March. The situation in APUANIA, PISA, AREZZO and PISTOIA became worse all the time but an improvement was looked for in LUCCA with the start of a new public works programme. Returning POWs affected labour, and were often found to be the ring leaders in detrimental agitation. Apparently, as Allied Prisoners, they were spoiled with too little work and too much to eat, and now expect similar treatment in civil life.

50. In general, the over-all agricultural situation appeared satisfactory and the people were optimistic on the success of this year's crops of every descripti but there was a complaint from every Tuscan province, because of the lack of promised fertilizer. The existing cereal supply should last through the ensuing

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

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49. Unemployment caused unrest in some of the provinces and orderly demonstrations by those out of work were held in the Provinces of LIVORNO, FLORENCE, PISA and AREZZO. The unemployment situation improved in SIENA and in FLORENCE and LIVORNO the numbers of unemployed were high, but not either serious or higher than during February or March. The situation in APUANIA, PISA, AREZZO and PISTOIA became worse all the time but an improvement was looked for in LUCCA with the start of a new public works programme. Returning POW's affected labour, and were often found to be the ring leaders in detrimental agitation. Apparently, as Allied Prisoners, they were spoiled with too little work and too much to eat, and now expect similar treatment in civil life.

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

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

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

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

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

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

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

917

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

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BARI LIAISON GROUP. (covering the area of APULIA and MAR[illegible]E).

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

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

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

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

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

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

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

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

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

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SICILY LIAISON GROUP

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

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

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

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

BOLOGNA LIAISON GROUP. (EMILIA Region)

70. Following the holding of the administrative elections, political activity became less intense. Even the success of the left wing parties did not cause any increase in the activities of the right wing and moderate parties, and apparently the Socialist and Communist Parties, satisfied with their success, were content to rest on their laurels. The general consensus of opinion, however, was that this was a superficial calm. The meeting of foreign ministers in Paris evoked much interest, while the proposals made by the British Foreign minister caused some dismay and resentment. The general opinion was that the Allies are not keeping their promises of generous treatment to Italy and do not recognise the aid given by Italians to final victory; the more philosophic have the view that Italy lost the war and so must be prepared to pay. Resentment was shown in the attitude of the people who were inclined to increase their already somewhat anti-Allied sentiments. Even the well-to-do asked why the Allies did not get out of Italy and leave her in peace. Summed up briefly, the extremists feel they would have a freer hand if we left, while the others feel that we are doing nothing to prevent Communism. A serious state of affairs came to light in the Questura at REGGIO EMILIA during the month: a Lieutenant employed as an auxiliary agent was dismissed, he then called a meeting of the auxiliary ex-partisan elements and told them that on the 2nd June they would not take orders from the Prefect or Questore but from a "special commission to be set up by the Communist Party". Provincial administration continued to be satisfactory, but the new career Prefects state they have some difficulty and opposition because they do not follow the policies of their political predecessors. There was no change in the financial position of Communes.

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

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

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

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

BOLZANO LIAISON GROUP

75. On the surface the decision from Paris was calmly accepted by the South Tyroleans, but there were indications of resentment, which, it was believed, would increase and might be accompanied by outbreaks of violence, The Option Commission (a locally organized body) submitted its recommendations to the Prefect and its members agreed that Italian citizenship should be granted to all those optants who had remained in the country whether they had received emigration papers or not. There were certain categories, still under discussion, to be excluded from Italian citizenship. The Commission recommended that certain optants now in Germany should be allowed to return to the Province. A decree defining this complex question is expected at an early date and it was stated by the President of the South Tyrol Party that the German speaking people were satisfied with the conditions. For a time the unruly elements in the South Tyrol Party were gaining the upper hand but this subsided and the situation is in hand. A group of South Tyroleans holding moderate view were trying to create a political front in opposition to the South Tyrol Party. Their objects is to cooperate with the Italian Government

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

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

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

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

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

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

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

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

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

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

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

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

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

ROME CITY AND PROVINCE

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

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

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

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

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

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

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

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

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

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

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

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

A.M.G. UDINE PROVINCE

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

914

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

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

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though many expressed surprise at their visit to a territory which has been repeatedly described as not in dispute. The anniversary of Liberation was celebrated by a Mass Meeting of ex-partisans in the Castle grounds on 25th April, 1946. Speeches were on the whole moderate and the conduct of the crowd then and throughout the day was very orderly. Statal and para-statal employees commenced a strike on the 5th May, for an increase in the "carovita" allowance. The proximity of VENEZIA GIULIA, where a higher allowance has been authorised, was probably responsible for this, but Left-Wing political influence was contributory factor. Some of the grounds for complaint were the different conditions in VENEZIA GIULIA where statal employees received higher wages, an increased ration scale and where there was speedier approval of Public Works thus relieving unemployment. It was also felt that in this Province there was a lack of appreciation of accommodation difficulties in devasted areas combined with military requisitioning which lead to extortionate demands for civil accommodation. Public opinion continued to be preoccupied with high prices and incommensurate wages, particularly amongst black-coated workers and requisitioning of the resources of the Province gave rise to many unfavourable comments against the Allies as did the alleged bad treatment of POWs.

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

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

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

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

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

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

AMG VENEZIA GIULIA

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

107. All reports, statistical and otherwise, indicated a further improvement in the public safety situation in Zone "A" this month, attributable in a major degree to the increased activities of all ranks of the Venezia Giulia Police Force. Satisfactory progress was maintained in improving the efficiency, morale and general welfare of the Force and in this connection much was owed to the Allied Military authorities for their continued support and assistance. Following intensive examination before Selection Boards, 30 serving Guards and NCOs of the VGPF out of a total of 130, entered an Officers' Training Course in TRIESTE on 23 April 1946. There were a number of incidents arising out of "differences of opinion", some cases of intimidation of V.G. Police and, although to a lesser degre press attacks on the V.G. Police. There was a slight decrease in the number of crimes committed during the month, and the number of detections was very satisfacto This was no doubt due to the increasing mobility of the Force rendered possible by additional transport. In GORIZIA Zone, 47 reports of crime were received -

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

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

110. There was less unrest among industrial workers and General Order No.106 unblocking the dismissal of surplus workers was accepted without any outward signs of serious opposition. Nevertheless it is known abroad that political influences were having an adverse effect on output and orders were more difficult to secure in consequence. Large industries depending upon supplies and markets outside Zone "A" made slow progress but medium and small industries steadily improved. One large industry showing improvement was the Cotonificio Triestino of GORIZIA which increased to 76% capacity. Good progress was made with Port Reconstruction. The distribution of the cloth made at the Cotonificio from the first 800 imported bales of cotton proceeded slowly and 12 million lire worthof goods were taken over by wholesalers to date out of a total of 400 million lire worth of cloth made or to be made out of the first and second lots of cloth to be delivered. A total of 16,301 tons of coal arrived during the month. With the break in the weather, the roads and bridge programme picked up and is now proceeding at its maximum. On this programme alone there were in round numbers 2900 men working, a big increase from the 500 during the winter months. TRIESTE Commune employed nearly 900 men on the roads. The building supply position was very good, the territory being now able to produce about 90% of all its needs. It is hoped that by the end of June it will be possible to unblock all construction supplies. All Divisions concerned with the rehabilitation of the Area, especially Industry Division, were actively engaged in preparing a programme designed to give added employment, and to get industry started back to its normal prewar production. Most surveys showed that the greater part of the needed materials can be obtained in Italy.

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

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

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

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

114. In the Summary Courts during April 1946, a total of 82 accused were tried on 89 charges. These figures compare with 513 accused on 546 charges in March 1946. The comparatively small number of cases in the Summary Courts in April was further due to the large number of cases transferred to Superior Courts and consisted mainly of the cases arising out of the demonstrations at TRIESTE and GORIZIA in the latter part of March. This was reflected in the increase of Superior Court cases, which were greater than in any other month due to the fact that all cases arising out of the demonstrations at TRIESTE and GORIZIA were disposed of in Superior Courts. During April 1946, Superior Courts disposed of cases involving 139 accused as compared with 55 in March and 214 charges as compared with 53 charges in March. No General Court cases were tried during the month of April. The Ordinary Civil Courts continued to function with reasonable satisfaction although the problem of adequate personnel was a cause of some concern.

115. Labour Agencies worked satisfactorily in the face of many handicaps but unemployment in the Territory was on the upward trend. The records at TRIESTE, GORIZIA and POLA showed an increase of nearly 2,000 men, 1,200 women and 300 juveniles. This increase would have been more marked if Public Works had not catered for another 5,000 workers. When the gradual unblocking of dismissals becomes effective, figures are likely to increase further unless even more Public Works projects are provided. The margin between wages and cost-of-living is gradually narrowing down and though it is quite correct to say that the gap is still marked, the sweeping statement of the Sindacati Unici that living costs were higher in TRIESTE than in other North Italian Regional Capitals is quite unfounded. Only one strike (and that of a political nature) was staged during April. An attempt by the Sindacati Unici to organize an Industrial agitation over the promulgation of General Orders 105 and 106, blocking and unblocking dismissals, proved a complete failure. There is every indication that the gradual unblocking of dismissals should prove effective and no serious repercussions on public order are expected.

The month of April was a quiet one as regards the schools of the Territory. School administration

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

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

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PART II

CIVIL AFFAIRS SECTION

LOCAL GOVERNMENT SUB COMMISSION

1. The official figures for the 115 Communes which voted according to the proportional representation system showed a definite majority for the Left (2,138,988 votes; 2,234 seats) followed by the Centre (1,673, 844 votes; 2,152 seats). It was noted that out of an electoral roll of 5,064,150 over 80% exercised their vote. Seats won in all 5,725 Communes including those 115 voting on the proportional representation system were:- Left 43,550 seats; Centre 47,062; Right 3,148; and Others 12,613 seats. Only 3 communes did not have their electoral lists ready at 30 April. The Ministry of the Interior had taken special steps to insure that these lists were ready in time for the national elections. The above figures do NOT include VENEZIA GIULIA and the Province of BOLZANO. The Italian Government has not yet appointed the Special Commission which has to decide on the cases of German speaking inhabitants and their right to be registered as electors. For this reason, the Province of BOLZANO cannot participat in the national elections on 2 June. Copies were received of two communiques issued by the Italian Government on 5 and 8 March as to steps taken to ensure the use of German as well as Italian in schools, courts, public offices etc. and as to local discussions for working out a scheme of autonomy. Copies of these communiqu were forwarded to the British and United States Governments through the Embassies.

LEGAL SUB-COMMISSION

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

PUBLIC HEALTH SUB-COMMISSION

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

PUBLIC SAFETY SUB-COMMISSION

4. Generally, the month was reasonably good both from the point of view of serious crime and public order, apart from a determined attempt by the inmates of the prison in MILAN to overpower their guards and escape, and a case of stealing a truck load of hand grenades and other explosives from a dump of munitions at PONTE ROSSA, ZOLA PREDOSA, BOLOGNA Province. It was obvious the motive behind

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steps to insure that these lists were ready in time for the national elections. The above figures do NOT include VENEZIA GIULIA and the Province of BOLZANO. The Italian Government has not yet appointed the Special Commission which has to decide on the cases of German speaking inhabitants and their right to be registered as electors. For this reason, the Province of BOLZANO cannot participat in the national elections on 2 June. Copies were received of two communiques issued by the Italian Government on 5 and 8 March as to steps taken to ensure the use of German as well as Italian in schools, courts, public offices etc. and as to local discussions for working out a scheme of autonomy. Copies of these communiqu were forwarded to the British and United States Governments through the Embassies.

LEGAL SUB-COMMISSION

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

PUBLIC HEALTH SUB-COMMISSION

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

PUBLIC SAFETY SUB-COMMISSION

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

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

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION

1. The difficulties which are being experienced during the interim period between take-over of Camps and assumption by UNRRA of financial responsibilities in regard to certain supplies and stores issued from Military Sources for UNRRA operated Camps, were the subjects of much discussion; solutions were achieved. UNRRA screening teams completed their tour of all UNRRA Camps and the Commission returned to ROME. It is too early yet to say what the final results will determine but it would appear that some 10,000 camp inmates will again become the responsibility of D.P.R.S.C., in addition to the 8,000 which D.P.R.S.C. still hold. UNRRA will be left with Jews and perhaps 1,000 others. A reconnaissance was made of the NAPLES area to find suitable accomodation for Displaced Persons Camps in that area. This accomodation is required to take the place of MODENA and possibly BOLOGNA No. 2, which are required by the Italian Army. The main event of the month was the unauthorized arrival of 1,014 Jewish refugees at the Port of LA SPEZIA. The party consisted of 611 Men, 400 Women and 3 Children who, on arrival, boarded a small coastal vessel named "FEDE" which had been partially converted to take passengers, and in which a considerable quantity of rations had been stored. Accomodation was offered to the Jews on arrival at LA SPEZIA, in a specially prepared Camp in CINCINARI, but this was flatly declined. On the refusal of the Italian Government to allow them to sail, the refugees went on hunger strike at dawn on 8th April. The hunger strike was terminated on 10 April as a result of an address given to them by Prof. Harold Laski, who promised to take up their case and endeavour to obtain permission for their entry into PALESTINE. About this time, they had threatened to stage a mass suicide if the required permission to enter PALESTINE was not granted. On 26 April a representative of the Inter-Governmental Committee for Refugees stated that he had received information from the British Embassy on the evening of the 25th that 769 Jewish subjects would be admitted to PALESTINE. After discussion, the Jews refused to consider sailing unless all were allowed to go. All have subsequently been permitted to sail. A large influx of Jewish refugees into North West Group Camps was reported. These refugees were partly from local areas where previously they had been receiving UNRRA local financial assistance. A disturbance at IT 17 Camp TURIN occurred where

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PART III.

ECONOMIC SECTION.

FOOD DIVISION

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

2. The Italian Government has not reconciled itself to reducing further the bread and pasta ration. It plans to make an all-out campaign to increase local amassing sufficiently to enable a reduction to be permanently avoided. Under the Government's plan cereal producers, who were permitted to set in their future rations out of production will be required to surrender a portion of their retentions, thereby causing them to make sacrifices in the same way that the non-producers sacrificed when the pasta ration was reduced from 2000 to 500 grams per month about the First of the year. A bonus of 1400 lire per quintal for soft grain and 1600 lire per quintal for hard grain in addition to the former price of 900 lire and 1000 lire respectively will be paid for the grain turned in. Producers will be permitted to turn in larger amounts than those asked for which they will also be paid the bonus. Bonuses will also be paid for barley, rye, maize and rice. The purpose of the bonuses is of course to bring the amassing price more in line with black market prices.

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

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

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

6. Stocks of meat and fish in Italy will meet the rations and a special distribution of 300 grams of fish per person in cities over 30,000 population was made in April continuing through May. Stocks of dried vegetables were very low and it is not expected that May committments will be fully met.

7. Large quantities of soup and milk were on hand in the various warehouses throughout the country. Means of utilizing the large stocks of milk were being discussed by UNRRA and the Italian Government. No decision as to

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AGRICULTURAL DIVISION.

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

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

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

INDUSTRY DIVISION.

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

17. The amount of imported coal discharged in IT LY and SICILY during the month of April totalled approximately 724,600 tons and in addition to this some 82,394 tons of Sardinian coal were discharged during the month. Production of Sardinian coal totalled approximately 90,400 tons during the month showing a small increase of 2,000 tons over that for March.

18. A joint meeting of the Southern and Central Italy Advisory Committees was held in ROME to make arrangements for transmitting 110,000 KW of capacity, of which 30,000 KW was to be sent to SOUTHERN ITALY. In June it is expected to transmit 130,000 KW of capacity, of which 50,000 KW will be for SOUTHERN ITALY. Very little change in power allocations was made for SOUTHERN ITALY for May. For CENTRAL ITALY an increase of 19,000 KW of demand and 10,000,000 KWH of energy was allowed for May, most of the increase to be furnished by power to be transmitted from NORTHERN ITALY. Electrical Division was asked to have a representative present at the discussions on renewal of the wholesale power contract between the CIELI Co. of ITALY and the S.C.D.E. Co. of FRANCE, which expired on 30 June. The French Co. desires to renew the contract for a period of one year.

TRANSPORTATION AND SHIPPING BRANCH.

19. A total of 223 kilometres of Italian State Railway Steam Lines were re-opened to traffic during March and as of 31 March there was a total of 14,604.9 kilometres of Italian State Railway lines in operation, including [illegible] kilometres of both single and double track; 17 kilometres of double

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19. A total of 223 kilometres of Italian State Railway Steam Lines were re-opened to traffic during March and as of 31 March there was a total of 14,804,9 kilometres of Italian State Railway lines in operation, including steam and electric and both single and double track; 17 kilometres of double tracking were completed during March. There were 5063 steam and 1900 electric, making a grand total of 6963 locomotives in stock at the end of March; this was an increase of 22 over the number in stock as of 28 February. 48,653,479 ton kilometres were run daily during March which was an increase of 4,994,840 over February and a total of 33,617,200 passenger kilometres daily were run during March which was a decrease of 1,207,339 over February. 6,946 passengers were carried by the various services run by the "Wagon Lits" or "Pullman" during March. 119,333 tons of coal and 5,853,354 gallons of fuel oil were consumed during the month. The supply of materials for rehabilitation of the track and for repair of wagons was fairly satisfactory. Cement required was available

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appreciably damaged by the dry weather. The condition of the wheat is unusually good, considering the dry winter and the lack of fertilizers. Present prospects indicate a somewhat larger yield than was earlier estimated. Grasshoppers threatened to cause serious damage to crops in Southern and Insular Italy, especially in SALERNO Province and in SARDINIA, where large numbers of the insects were reported to be hatching in late April. Control measures devised in anticipation of such a plague were being applied in so far as was possible. Agricultural supplies imported during April consisted principally of fertilizers and farm machinery. Approximately 20,000 tons of nitrogenous fertilizers were imported against YT requisition and some 300 ploughs, 400 grain binders and 600 mowers were received. Two hundred tons of flax seed were imported by UNRRA from [illegible] for seeding in Northern Italy. Deliveries of grain to the Ammasso during April were insignificantly small compared with the need for cereal, but larger amounts were expected in the future as a result of a new directive requiring producers to deliver at least 6% of authorized with-holdings. Prices for such grain were to be more than double former prices.

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

FINANCE BRANCH

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

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

COMMERCE (FOREIGN TRADE) BRANCH

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

13. Representatives of the U.S. Group of Military Government U.S. Zone GERMANY, visited this Headquarters to discuss the possibility of exchanges of

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

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

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

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

CAPTURED ENEMY MATERIALS BRANCH.

22. The numbers of releases made to the Italian Government increased during the month and a considerable quantity of material which was no longer required for military purposes was declared surplus and made available for handing over to the Italian Government. A total of 295 releases were made to APAR and 458 signed and completed release notes were received from APAR. This reduced the outstanding release notes to 109 and a promise was received from APAR that the position would be brought up to date during the month.

23. 6 dumps containing scrap vehicles were handed over to APAR, the total number involved being 334 vehicles. Vehicles hulks reported and found were disposed of in accordance with 2 District instructions and a total of 1,752,000 lire was paid into No. 1 A/C, A.F.A. 4,201,145 lire received through the dispos of horse flesh prior to 30 December 1945 was also paid to A.F.A. The Italian Government commenced breaking down ammunition in accordance with AFHQ directive and two dumps were cleared and the contents passed to factories for breaking do

24. Lists and schedules showing inter alia source and destination of Italia equipment and material sent out of ITALY by the Germans were prepared from the RUK records and arrangements were made to locate this equipment and for the interrogation of a number of former RUK personnel. The situation of the DIT/DU funds was investigated and a decision awaited regarding their disposal. A review of the complicated H.S.A.G liquidation was undertaken and a full report prepared. Complete schedules of RUK orders for blankets in North ITALY were prepared, and a complete index of all RUK, Rustungskontor, Roges, OT, Supreme Commission U.C.S. and ex-German embassy files in the keeping of this Branch completed.

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

CAPTURED ENEMY MATERIALS BRANCH.

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

23. 6 dumps containing scrap vehicles were handed over to AMAR, the total number involved being 334 vehicles. Vehicles hulks reported and found were disposed of in accordance with 2 District instructions and a total of 1,752,600 lire was paid into No. 1 A/C, A.F.A. 4,201,145 lire accrued through the dumps of horse flesh prior to 30 December 1945 was also paid to A.F.A. The Italian Government commenced breaking down ammunition in accordance with AFHQ directive and two dumps were cleared and the contents passed to factories for breaking do

24. Lists and schedules showing inter alia source and destination of Italia equipment and material sent out of ITALY by the Germans were prepared from the RUK records and arrangements were made to locate this equipment and for the interrogation of a number of former RUK personnel. The situation of the D.T/DU funds was investigated and a decision awaited regarding their disposal. A review of the complicated H.S.A.G liquidation was undertaken and a full report prepared. Complete schedules of RUK orders for blankets in North ITALY were prepared, and a complete index of all RUK, Rustungskontor, Roges, OT, Supreme Commission U.C.S. and ex-German embassy files in the keeping of this Branch completed.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSION

PUBLIC RELATIONS BRANCH

1. Arrangements were made to facilitate the entry into TRIESTE of a party of French journalists who were travelling as guests of the Italian Government. Information services were given to a party of important American newspaper executives and publishers visiting ROME as guests of the War Department.

2. Press releases for general use as well as several home town releases on individuals were issued. The Bulletin was continued and received the commendation of the Chief Commissioner as a unifying instrument of morale in this last stage of the Allied Commission. Complete sets of the Bulletin were in process of preparation for dispatch to universities and libraries in ENGLAND and AMERICA.

3. The Daily Digest of the ROME press was continued and increased in size due to the necessity of adequate covering of the electoral campaign. Normal services continued in the Library Section.

NAVY SUB-COMMISSION

4. In view of the numerous minefields still existing in Italian waters, and the great need for the increase of coastal shipping, the Italian Royal Navy set up degaussing installations at various ports for the protection of ships from magnetic mines. Italian navy personnel were trained by British Officers, and a large quantity of degaussing stores and equipment, including a mobile wiping unit was transferred to the Italian Royal Navy by the Royal Navy. While a number of items were still expected from MALTA, the degaussing service operated satisfactorily.

5. The Italian Royal Navy have now assumed complete responsibility for the rendering safe of mines washed ashore on the East and West coast of ITALY. Italian Navy personnel were trained by British Officers and the special gear required for this work, including non-magnetic tools, was made available by the Royal Navy. Specially fitted vehicles were also supplied to the Italian Navy Mine and Bomb Disposal Units in order that large stretches of coast might easily be covered. The Units were fully operational and working efficiently.

6. Trawlers sweeping in the Gulf of POLICASTRO were expected to complete operations during the month and will proceed to SARDINIA to begin clearance off SANT ANTIOCO AND SAN PIETRO. In addition the check sweep off OTRANTO was completed, thus permitting the cancellation of the danger area off the Apulian Coast.

LAND FORCES SUB-COMMISSION

7. Italian Army strength as at 1st April was 152.738 exclusive of 51,420 CC.RR. There was a surplus of 5715 not yet discharged due to the fact that certain classes of men, although due for release, could not be in fact as they were overseas e.g. CYRENAICA, ERITREA, and arrangements for repatriation were delayed. The CC.RR. was some 13,000 below the authorized ceiling of 75,000 therefore the total authorized ceiling for the Army including CC.RR. was not at any time exceeded.

8. A conference was held at GHQ on 9 April to discuss the provision of train-

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8. A conference was held at GHQ on 9 April to discuss the provision of training equipment urgently required for training at the Central Military Schools. This resulted in the release of the major portion of the equipment most urgently required.

10. Further work was accomplished on a new order of Battle as a result of the 10,000 increase of stronght of the CC.RR. The new Order of Battle provides for an approximate 20% increase of strength in Legions, and the employment of the TRIESTE Legion as Mobile Units with Legions where there are no Mobile Bns. The

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

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

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

POW Division

13. Progress continued with the repatriation of Italian POW, figures for the month of April being: - from British hands 43,627; from US hands 333; from other sources 14,160 thus making a total of 58,120.

AIR FORCE SUB-COMMISSION

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

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

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

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

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

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

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

COMMUNICATIONS SUB-COMMISSION

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

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

23. By Ministerial Decree dated 7th March 1946, the Italian Government increased the rates of postage to foreign countries as from 1st April 1946 to approximately three times those in force since 1st April 1945. With the commencement on 4th April of the bi-weekly Trans-World Air Service from CAIRO to the U.S.A. via ROME a direct route for the ITALY U.S.A. Air Mail despatches became possible. Unfortunate the capacity available for Italian Air Mails by this service (about 100 Kilos per flight) was insufficient to accommodate all the traffic, which amounts to about 60 Kilos per day. The overflow is being sent to PARIS (for connection with the FRANCE-U.S.A. service) utilising Italian internal and SWISS air services with rail links. It is hoped that an increased frequency of the Trans-World service will soon take effect and provide for the direct transmission of all correspondence. Air Mails to GREAT BRITAIN, EGYPT, and various other countries continued to be conveyed by R.A.F. services. The R.A.F. service which carried the Italian Air Mail to HOLLAND was withdrawn. The Air Mail fee from ITALY to other European countries was increased from 15 Lire to 20 Lire each 20 grammes. Traffic in gift parcels continued to be very heavy. During the month 102018 parcel bags were unloaded each bag weighing an average of 20 Kilos.

24. Inspection at NAPLES revealed that serious difficulty was still being

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

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

Ellery W. Stone 9U?

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Declassified E.O. 12356 Section 3.3/NND No. 785021

Elsey W. Stone 907

ELSEY W. STONE
Rear Admiral, USNR
Chief Commissioner

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CONFIDENTIAL

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HEADQUARTERS ALLIED COMMISSION
APO 794

MONTHLY REPORT

MARCH - 1946

Ref: 824/EC

7 June 1946

CONFIDENTIAL

Declassified E.O. 12356 Section 3.3/NND No. 785021

HEADQUARTERS ALLIED COMMISSION
APO 794

MONTHLY REPORT

MARCH - 1946

Ref: G24/EC

7 June 1946

CONFIDENTIAL

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 794
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MONTHLY REPORT

MARCH - 1946

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POLITICAL SUMMARY.

1. The Government have, during the month, taken various steps in preparation for the elections. The date on which the referendum and the elections for the Constituent Assembly would be held was fixed as 2 June. It was noted that elections could not be held in VENEZIA GIULIA because of the present international situation nor in BOLZANO Province because the electoral lists would not be completed in time. The Council agreed that voting would, if necessary, be carried over to 3 June. The Council also approved the decree regulating the operation and proclamation of the results of the referendum. As at present arranged, it should be possible to announce the results of the voting five days after the elections, i.e. on 8 June.

2. On 16 March the Lieutenant of the Realm signed the two decrees on the referendum and the holding of the Constituent Assembly elections. In a letter to the President of the Council H.R.H. observed that if the pact between the Monarchy and the people were to be confirmed, it would constitute the foundation of a reformed Monarchy which would make self-government and social justice fully operative. He also referred to his father's irrevocable decision to retire from public life which was noted by some observers to be an advance from the position taken by H.M. in 1944 when his decision was deemed to be a temporary one. It was generally agreed that this development somewhat improves Prince Umberto's chances in the forthcoming elections.

3. It was reported that at an internal referendum of the ROME section of the Christian Democrat Party 9,000 votes were in favour of the Republic, 2,100 in favour of the Monarchy and there were 2,300 votes in favour of a motion recommending political "agnosticism" or a refusal to decide on the issue at this stage.

4. The Council examined various projects for the relief of unemployment, the promotion of public works, the restoration of ports and harbours and the employment of "reduci." It also studied the food situation and approved the decree granting an amnesty for various military offences. The draft of a law regarding the regulations supplementary to decree-law No. 702 of 9 November 1945 on epuration was approved. The new regulations provide for the prolongation of the time limit for committals to epuration until 31 May, subject to their being limited to the Northern territories restored to the Italian Government after the entry into force of the above-mentioned decree; in the rest of Italian territory epuration ceased on 31 March.

5. In a speech during the month the President of the Council declared that Christian Democracy wanted the new political regime to function by means of a responsible majority and a minority free of control. Referring to foreign policy, the President again declared that ITALY must not enter into the polemics between the two blocs, above all before she knew what treatment was in reserve for her. The new Italian period, he said, would belong to the people and the old plutocratic constellation would not be restored. He concluded his speech by declaring that the only hope for the new world was for it to be based on Christian civilisation.

6. The Island of SICILY was again in the news when the Council of Ministers examined and approved the project submitted by the Sicilian Consultative Assembly as regards the grant of regional autonomy to the island. The belief is widely held that separation as a movement is dead although the

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7. An unsubstantiated report from WASHINGTON to the effect that the UNITED STATES and BRITISH Governments were agreed on the grant of a provisional status for ITALY caused a stir in Italian political circles. De Gasperi declared his satisfaction at the reported declaration that a modus vivendi need not interfere with the work of concluding an early peace treaty. He observed that if a modus vivendi were agreed, particularly if it included some financial and economic clauses, ITALY's situation would at once become easier

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and she would be able to settle down seriously to the work of reconstruction and the provision of relief.

8. SPAIN claimed some attention in Italian thoughts during the month. At the meeting of the Council of Ministers Sig. Nenni supported by Signori Togliatti and Cianca asked that the Italian Ambassador at MADRID should be recalled. Sig. De Gasperi replied that, in view of the Armistice conditions prevailing in ITALY, the Italian Government were bound to conform to the attitudes of the United Nations and to subscribe to whatever decisions they might reach. Signor Nenni claimed that the Italian Government made a mistake first in sending an Ambassador to SPAIN and secondly in concluding a commercial treaty with that country. He urged the need of recalling the Italian Ambassador as a gesture of solidarity with the Spanish people in their struggle against the Falangist regime and of establishing contact with the Spanish Republican Government in FRANCE.

9. Mr. Herbert Hoover, a distinguished visitor to ROME during the month, declared that the 120 days until the next harvest would be crucial and fresh restrictions and sacrifices might have to be imposed on the Italian people. He reiterated AMERICA's promise to make a generous contribution towards the solution of the problem.

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PART I - LIAISON GROUP REPORTS.

LIGURIA LIAISON GROUP.

1. During the month communal elections were held in all the four Provinces of LIGURIA and were remarkable for the discipline and good conduct of the public. Police arrangements were good and no incidents marred the picture. It appeared that in the towns the swing of electors was to the "left" whilst the villages were much more moderate in tone. A noticeable feature was the large number of women voters. All parties jockeyed for position without, as far as one could see, committing their various parties to any definite platform, which made for weakness in all but the Communist and Socialist parties. No trouble was experienced from the Italo-French communes, but it was apparent that a strong underground French propaganda drive was in operation.

2. A public works programme was opened to employ about 2,000 people, but the main difficulty amongst labourers was the ratio of wages to the cost of living. There were a large number of "reduci" located in GENOA, a great percentage of whom showed no real desire to obtain work.

3. Public safety was satisfactory; crimes were not high and public order was exemplary. All Agencies of the Italian Police service functioned fairly efficiently, in view of the difficulties of the present time. The Carabinieri were well equipped with transport, and were efficiently administered; they are rapidly becoming the only arm of Police in whom the public have confidence. Both Pubblica Sicurezza and Guardie di Finanza were sadly hampered by lack of arms and means of transport.

4. The Sindaco of GENOA estimated the deficit in the 1946-7 budget at 1 milliard 4000 million lire.

5. Due to the increased price of containers etc. the canned fish industry was in serious straits. Local enterprise had nearly ceased and only imported canned goods sold, and these in limited quantities due to import regulations. The food industries in LIGURIA were hampered by a lack of materials, tinplate, oil and sugar, and the high cost of those materials when available; unsettled labour conditions and the resulting high price of goods which causes them to be regarded as luxuries. The populace meanwhile resorted more to fresh foods. Notwithstanding this depressing outlook, the manufacturers made every effort to remain active. The recent Government decree, allowing them to retain 50% of their foreign currency holdings, helped a great deal. Black market prices fell slowly but steadily and more goods appeared in the shops.

LOMBARDIA LIAISON GROUP.

6. The political struggle during the month was practically confined to the Christian Democrats and the Social Communists with the former slightly in the lead. The tendency was for the right and centre parties to vote Christian Democrat; voting averages were high with the women turning out in full force. The record of well-disciplined elections was blackened slightly by two incidents: in one place a polling station was entered by alleged Communists and the uncounted ballots destroyed and in another a polling official was set upon, his ballots destroyed, entry forced into the Municipio and the remaining ballots burned.

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7. Apart from the incidents cited above there were no unusual or disturbing situations. Relations between Military Police and Italian Police were excellent. Although the Police Services functioned satisfactorily and morale was high there was extreme dissatisfaction because of the meagre pay. In every case Police Agencies functioned under many handicaps, lack of clothing, equipment, arms, transport, and petrol, besides a shortage of personnel.

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8. There were serious riots in several prisons but in each case the situation was under control. Order was maintained solely by the use of firearms owing to the lack of efficient cell-locks. The most serious problem was that of juvenile offenders who had to be detained in adult prisons owing to the fact that there is now no Juvenile Prison or reformatory in the whole of LOMBARDIA. Taking into account present conditions the crime situation was generally satisfactory. MILAN City and Province continued to be a matter for concern.

9. Prices of foodstuffs, especially meat, milk, butter and cheese increased, and cereal shortages occurred due to late ship arrivals and difficulties in unloading. There was no availability of butter and supplementary rations to sick people were not possible. Milk for deficient provinces was not delivered owing to unwillingness of producers to release milk at a fixed price and also because of the difference in price between milk for industry and that for alimentation. Meat amassing was limited to quantities necessary for hospitals and workers etc.

10. A shortage of fertilizers existed and complaints of black marketing of ammonium sulphate were numerous.

11. Recent heavy rains brought about a sudden relief in the electric power situation and restrictions were lifted.

12. Refugee movement continued to be mainly repatriation to W. EUROPE via S. FRANCE.

13. All divisions of the transportation section reported favourable progress. Foreign dispatches cleared through MILAN by rail and air were noticeably heavier and all previous telephone circuits with FRANCE were again active.

14. Public health was normal.

15. The month was remarkably free from "insufficient food scares." The weather was favourable towards practically all brandes of cultiviation, the prospects of a good hay crop this season were bright and the fruit crop also promised well.

16. The average number of displaced persons repatriated to FRANCE and North West EUROPE was approximately two hundred a week.

17. The Italian State Railways had a successful month. The doubling of the line between GENOA and MICMANEGO was 75% completed and all material for the finishing of the tracks was supplied. The Servizio Lavori was asked to supply urgently all materials required for reconstruction work in the Compartimento di LIGURIA.

18. March was another successful month for the ports of GENOA and SAVONA. The total amount of coal discharged at both ports exceeded the estimated figure of 300,000 tons by 10%. General repairs proceeded in the port of GENOA. The total tonnage of vessels arriving during the month was 407,602 tons, while SAVONA had a total of 205,484 tons. There is still a great shortage of warehouse space but owing to the improvement in weather conditions the situation was easier. The only cargoes arriving at LA SPEZIA were discharged from coastal vessels and no information was available as to

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19. Transportation by sea, rail and road all showed great improvement during the month.

20. Improvements took place in the auto-exhhange in GENOA. Long distance traffic increased in the Region, and it reached a figure higher than that of pre-war days. Telegraph traffic was being resumed all over the Region and the service improved greatly.

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PIEMONTE LIAISON GROUP.

21. Party activities were generally quiet and orderly. Local Government functioned well according to local standards and Italian ability seemed to be equal to the task. The municipal elections, which were conducted without incidents, aroused considerable interest - less of course than will arise during the National elections. Local changes in officials have taken place as a result of the elections.

22. Public safety was satisfactory. The position with regard to crime definitely improved and the Police made some praiseworthy arrests for serious crimes which occurred in recent months. A considerable improvement in Carabinieri morale and performance of duties with a corresponding increase in the esteem of the general public was noted. 902

23. Prison conditions at TURIN gave the authorities considerable cause for thought, no less than three large-scale attempts at jail-break having occurred during the month. In each case, assistance by Italian troops and the CC.RR was forthcoming and no escapes actually occurred. The immediate cause of the trouble was the bad physical conditions in a desperately overcrowded jail. Considerable numbers of prisoners were transferred to other jails and the position at TURIN was thereby temporarily improved.

24. An ugly demonstration occurred in AOSTA Province during the month, when about 1,500 demonstrators assembled outside the palace of the President of the Council, demanding a plebiscite on the status of the Valley of AOSTA. Members of the demonstrators assembled outside the palace and manhandled the President rather severely. Local reports state that the incident was organized from across the French frontier and French journalists and photographers had illegally entered ITALY the previous evening to witness the demonstration. Apart from this incident, magnified of course by the local press, there were no cases of grave mob disorder. A few demonstrations by women in connection with grievances about the food situation occurred in some provinces, but there were no cases of a serious nature.

25. The municipal elections so far held passed off peacefully and were conducted admirably by all concerned. Considerable police arrangements for surveillance and the maintenance of public order were made but not a single instance was reported of police intervention.

26. Cost of living was high, as elsewhere throughout the country, but prices seemed to be striking a level somewhere between regulated and black market prices. In places observed, stores seem to be well stocked with more than just bare necessities. The average cost of living throughout the Region for the average working family appeared to be about 12,250 lire per month, which amount is estimated to include food, rent, cooking and light. The foregoing would indicate a rise in the cost of living of about ten per cent. Shipments of flour and grain from five other provinces to PIEMONTE, under National Plan No. 2, were normal during the month.

27. A nationally organized general strike of all workers except state employees and transport workers took place throughout the region on 14 March; the ensuing demonstrations were quiet and without incidents of a serious nature. The Italian Labour officials seemed to have done very well in handling individual and collective disputes recently. It is estimated that there are about 85,775 unemployed in PIEMONTE at this time. About 19,245 were added to the

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28. There is a bright outlook for the cereal crops, fruit and vegetables and meadows; the sowing of oats, planting potatoes and the pruning of vines and fruit trees started. The condition of cattle generally was thought to be good. There was a shortage of fertilisers, spray materials, machine fuel and lubricants, and the fuel allowance for agricultural purposes was recently reduced.

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29. Public works continued to make progress, and the melting of snow refilled the mountain basins supplying hydro-electric generator stations.

30. Public health was generally good.

31. During the month the Italian Ministry of Transport ordered the abolition of the trip tickets required for trucks, and new POL will be distributed according to the capacity of the vehicles, rather than by cargo miles as was done previously. This action may make it easier for POL to find its way to the black market. There appeared to be very little private transport on the roads as compared to what is seen further south.

32. PIEMONTE seemed to lag in getting its former telegraph offices connected and going. Otherwise things appeared to be gradually improving.

33. There were reports of pilfering in the Italian mails and particularly those parcels containing foodstuffs and clothing from abroad.

34. The courts proceeded slowly, the delay in getting cases before the courts being blamed on the lack of proper personnel.

VENEZIA LIAISON GROUP.

35. All of the recent elections throughout the Region were conducted in an orderly manner and in accordance with regulations. Voting averages were high. The Christian Democrats polled the highest vote of any single party (an estimated 40%) but a trend to the Left was indicated by the majority of the votes. Election campaigning as well as the elections themselves created a great deal of interest and much sober thought was given by the entire population. Local Government officials appeared to be functioning reasonably well; all Provinces within the Region have changed their CLN Prefects for career men appointed from ROME.

36. Despite the fact that they were still handicapped by lack of transport the various police forces improved in efficiency. Tyres, tubes and spare parts were required and it appeared that the police were not being given the priority to which they are entitled. Supplies of clothing, bedding, arms and ammunition were also in short supply. Morale improved and more reliance was being placed by the public; the Press showed a keen appreciation of work being done. Crime in general showed a slight decrease as compared with previous months, but armed robberies and thefts continued. The police halted large quantities of grain and rice leaving the Provinces illegally. Black market activities continued but it appeared that many had ceased to buy on it. The prison population at VENICE city was over capacity and efforts were being made to alleviate this. One rather large jailbreak took place from BELLUNO Prison involving 64 prisoners, all of whom had been sentenced for political and other crimes, including murder. 8 of the escapees were captured and 3 returned voluntarily. The escape was believed to be due to negligence or collusion on the part of the guards. Conduct of Allied troops continued to be very good and cooperation between Allied Military Police and Italian Police was good.

37. Although there were at no time during the month any critical shortages the food situation could at best be described as fair. All deliveries of cereals will be completed by mid-May with no visible reserves available for the months of June or July or until the harvest. The balance of 6,000 tons of AC food stored in VENICE for the past two months was released to Italian

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38. Sowing was good throughout the Region and a normal crop was expected. Sugar beet planting was normal. The general feeling was that farm prices are too low and for this reason farmers are hesitant about bringing their crops to the Ammasso. There was a serious shortage of insectides and fertilizers which may affect crop production.

39. There was still an acute shortage of coal for industrial purposes. Allocations for March were lower than in February and the March allotment did not arrive during the month. Several plants were in condition to commence operation but stood idle due to lack of coal. The sugar beet factories in PADUA and ROVIGO are capable of handling all this year's crop providing coal is available.

40. Considerable work stoppages were encountered in silk and textile mills due to wage disputes but these were of a temporary nature. VENICE reported a continuation in the slowly increasing reconstruction and reactivation of industries. The average production was about 40% of capacity. Unemployment slowly commenced to decrease but continued to present a grave problem.

41. The crisis in the power situation passed and rationing ceased. Public services functioned as before the crisis and industrial conscription increased. March saw an increase in the number of projects approved but reconstruction of war-damaged houses and roads did not reach the desired state. The repair of roads which are in a deplorable condition was reduced owing to lack of materials. Reconstruction of bridges progressed well.

42. The health of the population was good in all provinces. Infectious diseases, with the exception of Influenza which was on a scale less than epidemic proportions, were at a normal rate. A small outbreak of Smallpox was reported in VENICE but due to widespread vaccination it was controlled.

43. In the port of VENICE considerable progress was made in the repair of docks, equipment, warehouses and railroad facilities. Total civilian tonnage entering the port in March amounted to 205,000 tons as against 170,000 tons in February. All main railway lines in the Region were operating although some were on a limit-basis. Construction continued on branch lines. Telephone and telegraph services were rapidly getting back to normal and installations continued to increase.

44. There was a crying need for more Judicial personnel in the courts which resulted in hundreds of cases pending and may well jeopardize the legal rights of the individual.

NAPLES LIAISON GROUP. (covering the area of CAMPANIA, LUCANIA, CALABRIA).

45. There were some 83 political meetings during the month in NAPLES, mostly small affairs. The main interest was centred in the elections which began in some provinces on 10 March and were in full swing in all provinces by Sunday, 31 March. The Liaison team visited a total of 89 Communes during the month including selected Communes from all 9 Provinces. An orderly conduct of elections, a heavy poll, 80% to 90% of eligible electors voting; and the large number of women voting were general features. In the smaller communes it was personality rather than party that counted.

46. The Christian Democrats were the outstanding big party with Liberals

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46. The Christian Democrats were the outstanding big party with Liberals and Labour Democrats next. Communists appeared in very small numbers; L'Uomo Qualunque Party also had but a small following and there were many "Independants."

47. Conditions as regards Public Safety were satisfactory and there was a further small decrease in cases of unlawful possession or stealing of Allied property.

48. Reduci gave little cause for complaint during the month, but the increasing number of returned POW is a potential danger coupled with unemployment from the closing of Allied installations.

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49. Prisons continued to be overcrowded. The requisitioned prisons at NISIDA were handed back to the Italian authorities.

50. The insistant demand for factories, stores, etc. to be derequisitioned was a major issue. Some small progress was made.

51. The cut in the pasta ration to 500 grams a month was accepted with a reasonable understanding of world conditions. Grain ships kept up with the demand for imports. In the many Communes visited in all Provinces in connection with the elections there were no cases of complaint that the bread ration had not been received.

52. The cost of living went up slightly. For a family of five persons of the artisan class, the monthly figure was worked out by the Chamber of Commerce at about 21,000 lire for the month. The latest figures not yet complete showed some rise over December for food but a drop in clothing prices.

53. Harvest prospects up to the present were good and the area sown with wheat approximated to the 1939 area.

54. Unemployment increased. There were seven strikes or stoppages of work, but there were no incidents.

55. An allotment to NAPLES of 6 milliards of lire was made and one of the biggest items will be work on the clearing and reconstruction of the port itself. The reconstruction of the destroyed VOLTURNO hydro-electric station at COLLI proceeded satisfactorily and it is hoped when reconstruction is complete to work to an output of 22,000 KW.

56. Public health remained good: venereal disease is rampant; 1,135 women were treated in hospitals during the month. The Italian port and medical authorities have resumed control of inspection and quarantine of ships coming into the port.

57. The responsibility for the movement of foodstuffs etc. passed to UNRRA on 1 March and the AC transportation closed.

LIVORNO LIAISON GROUP. (TOSCANA Region)

58. In spite of great political activity and the holding of many meetings only one disorderly incident was reported. Political groups were well organised and disciplined. The local administrative elections started enthusiastically, great interest was shown and voting was exceptionally heavy. In every case women voters predominated. Voting regulations appeared to be scrupulously observed and the elections were conducted in a most orderly manner. There was unexpected cooperation between the parties and in many Communes there were joint party meetings for the purpose of discussing and explaining voting procedure. The Communist Party was the best organised, with the best publicity, and seemed to have all the initiative and plenty of funds. Election officials and police agencies made an excellent job of a difficult task, and the people themselves showed keen intelligence and remarkably good spirit throughout the elections. Local Government continued to function efficiently.

59. There was a sharp decline in the lesser types of crime, and major crime, for the most part, remained under control. Bands of thieves continued to operate in GROSSETO Province where the police appeared to lack

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59. There was a sharp decline in the lesser types of crime, and major crime, for the most part, remained under control. Bands of thieves continued to operate in APULIA Province where the police appeared to lack the ability or initiative to cope with the situation. The Carabinieri showed gradual improvement in their general efficiency although there is still much to be desired. Questura Agents and Finance Guards functioned satisfactorily and the uniform situation for both Carabinieri and Finance Guards improved.

60. There remained considerable unemployment in TOSCANA and efforts to relieve the situation were feeble. LIVORNO showed more progress in this respect than anywhere else in the Region. There was no strife because of

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the adverse labour conditions.

61. Farmers were optimistic as regards the 1946 crops but fertilisers continued to be in short supply. Conflict between farm landowners and farm workers continued, the latter being needlessly aroused by the Communist controlled "Camera del Lavoro." More grain was amassed during the month but a considerable amount continued to be withheld by the farmers because of weak and late enforcement. Advantage has been taken of last year's drought in that it has been used as an excuse for short crops, out of all proportion to the true state of affairs. Oil production was expected to exceed previous years. The cereal supply was precarious in most Provinces; in some Provinces only a partial distribution or none at all was made during the month of pasta, oil and sugar. Non-rationed foods were available on the markets and there was a gradual decrease in prices in other than foodstuffs.

62. Industrial and commercial rehabilitation progressed slowly but surely. Lack of tooling and raw materials remained a serious handicap but there was more coal and electric power available and industrial plants began to show signs of life. There was an increasing amount of merchandise and the transpertation situation improved. 900

63. Public road works were restricted due to lack of funds; funds were made available for schools and other public buildings, but again progress was slow because of lack of materials.

64. Many Displaced Persons continued to pass through LIVORNO, these were principally non-Italians. Public health was, on the whole, satisfactory. Typhoid cases decreased although Tubercular cases increased; children's illnesses prevailed but not in any serious proportions. Hospitals were in need of supplies and ambulances.

<u>BARI LIAISON GROUP.</u> (covering the area of APULIA and MARCHE).

64. Elections were held in different towns in the BARI area each Sunday during the month of March; everywhere they were conducted in an orderly manner and the organization to enable voters to visit the polling stations was good. Greater political activity was shown by all political parties in the majority of the Communes, but in a few places interest in the elections was definitely lacking. From the returns for March the Christian Democrat Party was shown to be in majority. According to the Prefect of BARI the morale of the people was low. The rising prices of foodstuffs, shortage of pasta, unemployment, general lack of discipline are all formidable barriers to reconstruction. The Communist Party in certain areas was subjected to strong opposition by returning prisoners of war from RUSSIA; Italian prisoners of war returning from AMERICA have been strongly pro-American, going so far as to put up slogans on walls "VIVA L'AMERICA" or publicly speak in favour of ITALY becoming the forty-ninth State of AMERICA. It would appear that the percentage of Poles in this Area who were willing to be repatriated to POLAND was not more than 5 per cent.

65. The condition of Public Safety gave grounds for concern. Disorders frequently broke out in towns on one pretext or another. The real cause of the trouble could be traced to the fact that the wages earned were out of all proportion to the cost of living and the people just cannot make ends meet; veterans were bitterly disappointed in not finding the employment they were led to expect by promises made by the Italian Government, and their women-folk give vent to their feelings and disappointment by staging noisy demonstrations. When such demonstrations took place, the opportunity was seized by the rough elements of the town to indulge in looting of shops and stalls.

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66. The food situation was critical. Everything was done to bring home to each individual the necessity of preventing wastage of foodstuffs. The tendency was for prices of foodstuffs to rise, but prices for commodities which are a necessity showed a tendency to decrease. The shops were well stocked and almost anything could be purchased at a price.

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67. Derequisitioning of premises continued satisfactorily, special attention being given to buildings such as schools, hospitals, orphanages and other public institutions. All possible steps were taken to get them derequisitioned.

68. The crops showed a healthy appearance and the farmers were busy in their fields but rain was needed.

69. The unemployment situation was acute but the Italian Authorities were doing what they could to find employment, especially for the veterans who will cause trouble if employment is not found for them. The difficulty was that these people would insist on getting the kind of work which suited them and were not prepared to take up jobs they did not like. Provinces were busy carrying out repairs to roads and constructional works which were scheduled by the Central Government for the month of March but the work in question merely touched the fringe of unemployment.

70. The Refugee Camps worked normally and from observation the people in the Camps appeared to be happy enough. The Camp Authorities specially in [illegible] worked hard to find employment in the Camp, and provide for recreation and entertainment.

71. The state of Public Health was satisfactory, though with regard to Smallpox fourteen further cases were reported in the Provinces during the month.

72. The serious shortage of coal for the railways caused anxiety and train services had to be curtailed due to a shortage of coal. The situation with regard to road transport was stationary due to a lack of tyres and P.O.L.

73. Italian Courts functioned but slowly. This was due to the acute shortage of Magistrates in the Tribunals.

SICILY LIAISON GROUP.

74. Elections held during the month were quiet and orderly and proceeded smoothly. Law and order on the whole was greatly improved and organised band activity practically ceased due to amnesty arrangements for Separatists and the activity of CO.RR and the Army.

75. The grain shortage was still serious. Perishable foods in considerable quantity were available in the markets with prices on the whole remaining steady and no greater than those prevailing in ITALY. Stocks of commodity goods seemed to be improving with prices generally going down.

76. The unemployment situation continued to be serious and little effort was apparent to provide employment through public works. However, no organized agitation was evident.

77. The general picture as regards health was satisfactory.

BOLOGNA LIAISON GROUP. (EMILIA Region)

78. Political activity increased in tempo during the month of March, as was expected, with the administrative elections being held. Meetings of all parties were held, all in an orderly fashion. The organization of the Communist Party seemed to be the best, followed by that of the Socialists

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78. Political activity increased in tempo during the month of March, as was expected, with the administrative elections being held. Meetings of all parties were held, all in an orderly fashion. The organization of the Communist Party seemed to be the best, followed by that of the Socialists and Christian Democrats. There was little activity by the Liberals, Uomo Qualunque or other parties. The population took great interest in the elections and the percentage of voters going to the poll was uniformly high, e.g. 84 in BOLOGNA. Red flags, shirts and neckerchiefs were in great display, and here again the parties of the Left were the most active. Generally speaking, the results show the Communists and Socialists in the majority, but there was a healthy opposition from the other parties. Two features of public opinion were noticeable; one was that BERLIN and AMERICA will prevent, by some unknown means, ITALY being a Communist State, and the other, a general feeling that to hold the referendum before the constitutional elections is a mistake. There was some active propaganda on the TRIESTE problem, mostly in the form of students' processions in

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Provincial capitals. Local Government continued satisfactorily. All communal budgets show deficits and this caused some concern.

79. Public Safety conditions in the Region remained about the same; the improvement noted in February was generally maintained in March, but the state of law and order could not be regarded as satisfactory. Political murders and kidnapping still continued, and many crimes are not reported for fear of reprisals. Fifteen murders, woundings or attempts for political motives, five kidnappings, eleven murders etc. for non-political motives, and ninety-six armed robberies and attempts were reported. The total number of arrests for such crimes was twenty-nine. There were no cases of public disorder during the month. Steady improvement was shown in the quality of actual police work, particularly by the CC.RR. The Questura in the provinces did their best to reorganize their forces, but the difficulties were great and progress slow. The equipment of the CC.RR was improved. The prison situation remained unsatisfactory; a serious riot occurred at the BOLOGNA prison on 10 March, and a serious attempt at escape was made by some sixty prisoners in MODENA Province on 24 March. On 30 March, at PARMA, some 70 prisoners attempted to escape, two were killed.

80. The food situation from an official point of view was not good; there was enough grain on hand in the Region to last until the end of the month, but supplies depended upon the arrival of grain ships. Unofficially the population was living on the stocks of grain which were hoarded. All other foods except sugar were unrationed but prices were such as to prevent the major part of the population from buying. No sugar was available. The cost of living was high and even the richer elements were feeling the pinch a little. Some industries functioned but at a greatly reduced rate, due to lack of raw materials and fuel and a reluctance to do business. Unemployment continued to be a grave problem; there was no reduction in the number of people out of work and already local politicians used these for the purpose of demonstrations. Agricultural work was static, but it was hoped that some of the unemployed would be absorbed in the near future. Weather conditions were favourable for a good harvest although there was some need for fertilizer and insecticides.

81. Many Public Works were authorized by the Ministry, but much delay was experienced in obtaining the necessary funds. UNRRA helped much in providing transport on rehabilitation schemes. The supply of water was adequate, and the supply of electricity improved considerably. Sufficient gas was available for domestic cooking, supply being maintained for 3½ to 4 hours.

82. During the month some 1,782 refugees were evacuated. The Medical Departments of the various camps ran smoothly, and further immunization was carried out at all camps except for typhus. Typhus innoculations were suspended pending arrival of new vaccine. The arrival of supplies for distribution to the camps showed a vast improvement over February.

83. The public health of the Region remained good during the month. There were no epidemics reported from any Province but there was a general increase in the numbers of cases of measles and whooping cough in the Eastern half of EMILIA during the latter part of March. Cases of Malaria were reported from FERRARA Province. Hospitals functioned satisfactorily but here again there was a need for funds. Supplies of medicines seem to have been adequate, although there was a continuous demand for penicillin.

84. Road transport appeared to be adequate for the needs of the population,

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84. Road transport appeared to be adequate for the needs of the population, but there was a shortage of PCL. Railway transport continued to improve during the month. Post and telegraph facilities were satisfactory although the former was slow. Telephone communication showed steady improvement.

85. Italian Courts functioned satisfactorily but, as usual very slowly. The criticisms of Courts decisions in political cases, which was very strong in the past, greatly diminished. Education was satisfactory, the only problem which came to notice being the lack of funds for the University.

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BOLZANO.

86. The general political situation was quiet. There was a split in the South Tyrol Volkspartei between the moderates and others who desired a more active policy. The South Tyrol Volkspartei refused to furnish members on a Commission formed to discuss Autonomy embracing BOLZANO and TRENTO. Preliminary discussions on this subject, however, began between the Prefect and influential South Tyrolians outside the South Tyrol Party. The Prefect had meetings with the judiciary in order to prepare for the use of the German language in the Courts and in judicial procedure. A Commission to discuss the subject of citizenship met and heard views from both ethnical groups. Other meetings will take place from time to time. The number of signatures collected by the South Tyrol Party for annexation to AUSTRIA was believed to be in the neighbourhood of 120,000. The two Autonomistic movements M.I.R. (Movimento Autonomistico Regionale) and A.S.A.R. (Associazione Studi Autonomistici Regionali) slowed down their individual activity as the more tolerant elements among them feel they should combine and form a solid block as the South Tyrol Volkspartei.

87. The strength of CC.RR was 976 and morale was high, although there was a shortage of clothing, arms and transport. Frontier control was carried out as outlined during a meeting between the French and Italian Authorities on 18 February 1946.

88. Negotiations continued for the export of wine, fruit and food to SWITZERLAND and AUSTRIA.

89. The general food situation was satisfactory although there was a cut-down in soup items which was resented by the population; sugar, oil and fat were insufficient, whilst jam was not available.

90. Fertilizers and insecticides were required for agriculture; there was a shortage of labour and farmers asked for the release of their POWs.

91. Unemployed numbered some two thousand in the Province and the percentage of ex-servicemen to be employed by firms and offices was raised by the Prefect from 5% to 10%.

92. General health was satisfactory. The six hospitals in the MERANO Hospital Centre will shortly be reduced to four.

93. Arrangements were made with the Prefect to take over the buildings of No. 25 D.P. Camp when the 400 Germans at present there have been repatriated.

94. Restrictions on the use of electric power were cancelled, the winter supply of electricity was ensured and optimistic views existed regarding the summer supply.

ROME AREA.

95. The area covered by this report includes the eleven Provinces of ANCONA, ASCOLI PICENO, FROSINONE, LATINA, MACERATA, PESARO, PERUGIA, RIETI, ROME, TERNI and VITERBO.

96. Political activity of the various parties was intense during the month in view of the elections of the Communal Councils which were carried

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96. Political activity of the various parties was intense during the month in view of the elections of the Communal Councils which were carried out in all the Provinces as scheduled. The Prefects succeeded in maintaining this activity within the limits of the law without recourse to force by requesting and obtaining the fullest cooperation from all local political leaders.

97. Although the elections provoked no disturbances, the Public Safety situation remained generally unsatisfactory throughout the Provinces particularly in RIETI, LATINA, MACERATA, PERUGIA and ROME. Police organization continued to be decidedly unsatisfactory, the CC.RR being understaffed in rural areas and the Civil Police in larger towns being greatly hampered by insufficient uniforms. There was a serious lack of armament, particularly automatic weapons; transport, tyres and petrol were also in short supply resulting in a curtailment of mobility and efficiency.

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98. The economic situation was unsatisfactory throughout all Provinces; costs of products on the open market increased, and rehabilitation of industry proceeded slowly due mainly to a lack of raw materials, electric power, coal and transport. Unemployment was a serious problem in all Provinces particularly in those areas most damaged during the war (i.e. LATINA, FROSINONE, RIETI, TERNI, ANCONA). Agriculture offered a brighter outlook; recent rains allowed a good sowing and crops progressed very favourably. Public works proceeded satisfactorily within the possibilities of the limited funds at the disposal of the local governments and public utilities improved slowly and steadily.

99. Apart from ROME where the numbers of Displaced Persons and refugees were very large and difficult to ascertain correctly, there was a total of 23,283 Displaced Persons in the area.

898

100. Public health was generally good, the rates of infectious cases being not above normal. In the Province of TERNI there were 201 cases of measles, 107 of which were in the city of TERNI.

101. Motor transportation was restricted due to the lack of vehicles, tyres and petrol. In FROSINONE and LATINA Provinces telephone and telegraph facilities, save for the cities themselves, were practically non-existent.

A.M.G. UDINE PROVINCE.

102. Political activity increased considerably during the month. Administrative elections were held in 43 Communes and polling was carried out in a most orderly and efficient way. A Socialist Friuli Federation Congress was held and was chiefly concerned with the desire of the party to divorce itself from the Communists. At a Congress held by the Christian Democrats it was significant that a vote was recorded of 14,000 in favour of a Republic and 1,200 against. Strict control of movement across the boundary and the presence of Allied troops did much to assist the tranquillity of the province during the month particularly amongst the pro-Slav agitators. Public opinion, except for its widely expressed anti-Tito feelings, its interest in the Boundary Commission and in the Communal Elections, was centred wholly in the economic situation. Prices, though falling gradually, were well beyond the capacity of most, and this coupled with the unemployment situation severely taxed the patience of the people. Relations between the population and AMG continued to be cordial, whilse confidence in Anglo-American equity in deciding the frontier issue was freely expressed.

103. The Public Safety situation in the province during the month greatly improved. Anxiety was felt on account of food and labour conditions and there were signs of impatience which may lead to demonstrations and possible disorders, but on the whole the situation was better than at any time since the liberation. This was brought about by more resolute action on the part of Police Services. In consequence the number of serious crimes dropped considerably although there was an increase in thefts of cars and tyres etc. The efficiency of the CC.RR and Questure improved, their most serious handicap being a shortage of manpower. Lack of sufficient clothing and automatic arms continued but transport and motorcycles provided from Military sources proved of the greatest possible service. The morale and efficiency of the Guardia di Finanza also improved but arms and transport were lacking. Complaint was made of the low rate of pay compared with the cost of living and the inadequ-
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104. The Italian Courts worked satisfactorily and the number of cases tried by Allied Military Courts in the Province during the month was 31, of which 3 were Superior Court Cases.

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105. The Epuration Commission completed its work during the month of March and was formally dissolved. All documents relative to suspensions made by it were transmitted to the Provincial Delegate of the High Commissioner for Sanctions against Fascism.

106. As the expected rice allocation from Northern ITALY did not arrive the first issue of pasta since December - 500 grams was therefore made in lieu. A census of all livestock was taken throughout the Province. This was one of the measures employed to establish a stricter control on the illegal slaughter and exportation of livestock from the Province. It was necessary to establish a more rigid system of control of the movement of livestock within the Province, due to the exorbitant price of meat on the market. A total of 470 head of cattle was exported during the month to VENEZIA GIULIA and other parts of ITALY. The price of bread increased to 19 lire per Kg. after a careful screening of production costs. Poultry, eggs, fish, vegetables and dried and fresh fruit could be found in abundance on the open market.

107. 30,000 hectares approximately were sown with wheat, but a 100% harvest is not expected owing to the lack of fertilizers. It was estimated that over a million grafted layers and several thousand fruit trees were planted, nearly all pears and apples. Dairy production increased and was generally good, the withdrawal of certain restrictions encouraged the use of Social Dairies. Sugar beets were sown on quite a large scale and tobacco growing was on the increase. Agricultural activity was in full swing and the farmers were doing their best to intensify production.

108. During the month 1,059 Italians and 412 non-Italians passed through the UDINE Refugee Centre. One-half of these displaced persons arrived from VENEZIA GIULIA and the balance from AUSTRIA and the UDINE area.

109. The situation as regards POL was at last satisfactory and the March allocation of coal arrived in TRIESTE. The tyre situation continued to be unsatisfactory.

110. The PALUZZA Sanatorium, the only one of its kind catering for ex-POWs and ex-internees afflicted with T.B. was opened during the month. This hospital was sponsored by AMG and much of its equipment provided from AMG sources, with the welcome assistance of UNRRA in providing an X-ray apparatus. Arrangements were also made to reopen all the summer recuperation and recreation centres connected with different schools, kindergartens etc.

111. Work on hand under the Genio Civile and the State Highway Department totalled 300 projects, value 311,942,460 lire. In addition to this 100 projects totalling 200,439,540 lire were forwarded for final approval to the Ministry of Public Works during March. Considerable delay was experienced in reaching the stage of final approval and initiation, proving the necessity of keeping the military roads financed through AMG until the efficiency of Italian channels is proven.

112. The increase in registered unemployment figures gave some cause for anxiety. Two months ago there were 32,000 of whom 12,000 were thought by the Prefettura to be genuinely unemployed. To-day the registered figure had more than doubled, due chiefly to the fact that a large number formerly did not register.

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A.M.G. VENEZIA GIULIA.

113. The political atmosphere in TRIESTE, never calm, was further disturbed by the arrival at the beginning of the month of the Four Power Inter-Allied Boundary Commission. Both the principal contending parties increased the intensity of their press expositions of their respective cases. In addition, the pro-Jugoslav movement complained loudly that the people in Zone 'A' were not given freedom to express their feelings; the leader of the pro-Italian CLN accused Allied Military Government of "too much impartiality" which left the Italians defenceless against Slav-Communist intimidation. There was little change in local government although efforts were still being

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made to increase the number of Communes conforming to the terms of General Order No. 11. On 9 March, after much persistent work, a Communal Committee was appointed at DOBERDO (TRIESTE Area). DOBERDO was the first of the twenty almost completely Slovene Communes in the territory to cooperate with Allied Military Government under General Order No. 11.

114. With the arrival of the Foreign Secretaries' delegates on 7 March and the resulting intensification of political activity, the month has been an extremely busy one for the VENEZIA GIULIA police force. All reports, however, official and unofficial, indicated that they had passed through this trying period with "flying colours." The disassociation of Military and Civil police is now complete and at no time was it necessary to call for military police assistance in dealing with the numerous demonstrations and processions, many of which were on a much larger scale than any experienced since the commencement of the Allied occupation in June 1945. The conduct and reaction of the civil police during these demonstrations showed considerable restraint and impartiality. 548 arrests were made; in many cases the arrests were protective detentions while the remainder were for various offences such as possession of offensive weapons, assaults on police, breaches of the peace etc. During the major demonstrations the police did not resort to firearms, but three major reports stated that firearms were used against the police. The total strength of the VENEZIA GIULIA police force was 3,771 officers and men. The conduct of Allied Service personnel continued to be satisfactory and confining troops to barracks on the occasion of organized demonstrations was of great assistance to the civil police. Owing to the numerous arrests made during the month the prison population reached a record number.

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115. During March, the population received their normal rations with the exception of fats and pasta - these had to be cut by half due to shortage of supply. Although the acreage that can be planted this year is almost double that of the preceding year, the factors of uncertain weather, shortage of fertilizers and lack of certain seeds will influence the final crop returns. There is already a shortage of rain, and the wheat harvest will suffer if the usual spring showers do not arrive soon. Many new plantings of nursery stock are also endangered. However, it is generally expected that the food produced in VENEZIA GIULIA this summer will greatly exceed that of last year.

116. Industrial activities were overshadowed throughout the month by political demonstrations staged for the benefit of the Foreign Ministers' delegates. This culminated in a three days general strike in the middle of the month. Even at other times workers had little regard for their contracted liabilities. In spite of the large reforestation project for the TRIESTE area, which absorbed 2,500 men and women, and the extension of blocking of dismissals to 10 April 1946, the labour market showed a total of 29,443 registered unemployed for the month of March - an increase of 307 over February. When the unblocking of dismissals order is in force a very much higher unemployment figure is expected for the territory. To ease this situation, a Public Works programme was worked out which should absorb a large proportion of the unemployed. From 7/8,000 workers were employed on public works schemes, but by 10 April it is hoped that this figure will be raised to 15,000. 26,443 tons of coal arrived during March. After normal distribution the balance in hand was 9,226 tons.

117. General health throughout the territory continued to be good, and scabies in POLA and GORIZIA was on the decrease.

118. It was confirmed that the Assembly Centres in TRIESTE and UDINE should

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117. General health throughout the territory continued to be good, and scabies in POLA and GORIZIA was on the decrease.

118. It was confirmed that the Assembly Centres in TRIESTE and UDINE should remain open for an indefinite period. The movement of displaced persons showed considerable increase over the previous months: 1,097 entered and 1,096 were evacuated.

119. There were no General Court cases tried during the month and the number of firearms cases remained at the same level. The Ordinary Civil Courts continued to function with reasonable satisfaction as did the Ordinary Court of Assize.

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120. Political unrest in VENEZIA GIULIA which became more pronounced during March, greatly upset the normal functioning of the schools. During the stay of the Foreign Ministers' delegates most people were very sensitive to the daily political issues and this in turn affected the children and students. In Italian schools both instructors and pupils expressed a keen desire to keep the schools out of the political quarrels which disrupt and harm the educational process and instruction was regular and quite serene except in isolated cases. In the Slovene schools the School Section of the PNOO became much bolder in its illegal functions of government and recently issued a profusion of direct orders to the Slovene teachers of the territory. The Education Officer whilst visiting several school districts was told repeatedly by teachers that they were at a loss - intimidation was so real that they could not possibly disobey these illegal orders coming from the PNOO.

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PART II.

CIVIL AFFAIRS SECTION.

LOCAL GOVERNMENT SUB-COMMISSION.

1. The Council of Ministers approved and published the final version of the law for the elections to the Constituent Assembly. The Lieutenancy Legislative Decree No. 99 of 16 March 1946 fixed 2 June as the date for the elections to the Constituent Assembly and for the referendum on the institutional forms of the State. The aforementioned law postponed the elections in VENEZIA GIULIA and in BOLZANO Province indefinitely and provided that in the Electoral College of TRENTO-BOLZANO, returning 9 deputies, only 5 deputies should be elected on 2 June by TRENTO Province, leaving 4 to be elected by BOLZANO at a later date to be arranged by subsequent provision. A total of 5,709 Communes held their elections for Communal Councils on Sundays 10, 17, 24 and 31 March. The elections were observed in selected communes. The officers of the Sub-Commission accompanied by Inspectors-General of the Ministry of the Interior covered GENOVA, ALESSANDRIA, COMO, MILAN, VENICE, PERUGIA, TERNI, ROME, CATANZARO, BARI, BRINDISI and TRAPANI. The results of these observations were that public order was excellent, (one or two minor incidents were noticed but they did not affect the general picture), public interest was great, the average poll was high - 75% to 80%, and the procedure prescribed by law was properly followed.

LEGAL SUB-COMMISSION.

2. Allied Military Courts were held in VENEZIA GIULIA and UDINE Province and a General Court was held at NAPLES. The Courts in VENEZIA GIULIA and UDINE were Summary and Superior. VENEZIA GIULIA showed an increase of 206 accused over February, most of this increase being cases in the TRIESTE Area for violation of the Order for the conservation of electricity, which is no longer operative. The number of cases for possession of arms and ammunition was approximately the same as in February (March 17, February 18). The Italian Courts worked satisfactorily in UDINE; cases tried before Allied Military Courts showed a reduction of 12 from February, actual figures being February 43 and March 31. The Special Court of Assize tried 31 cases and dismissed 29. In VENEZIA GIULIA 35 accused were tried resulting in 20 convictions and 15 acquittals. The range of sentences here was from 1 - 30 years, the average sentence being 11 years. In VENEZIA GIULIA the Ordinary Civil Courts continued to function with reasonable satisfaction. LIVORNO reports on Italian Courts were still not entirely satisfactory, where cases of Allied interests are concerned, especially those dealing with the theft and possession of Allied property. 8 of the 18 accused before the Tribunals were acquitted. The report is better as to the other parts of TOSCANA Region. The work of reviewing the cases of all persons confined in prisons progressed steadily with noticeably good results.

EDUCATION SUB-COMMISSION.

3. The first of the series of books on education in GREAT BRITAIN, THE UNITED STATES and CHINA has now been published in Italian - De Young, Introduction to American Education. The enrolment in German schools in BOLZANO was 27,528; in Italian schools 9,214. The schools were in good condition, clean and well disciplined. For the few German communities in TRENTO, elementary schools in the German language were progressing very satisfactorily. There was, however, a shortage of qualified German-speaking teachers so a course for 100 such teachers is to be started shortly. Extra-curricular coures in German, under the supervision of the Provveditore agli Studi in UDINE, were organized in two communes in the North-east corner of

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primers and handed them back to the CAO. The children therefore have no books. The 4th and 5th class readers, in Slovene, published under AMG auspices, were printed and ready for distribution. Three professors who deliberately violated the AMG order closing Slovene schools in TRIESTE following the students' third strike were dismissed. The Slovene schools were reopened after a few days of being closed. Forty-six students applied for admissions to the special concentrated training course for Slovene teachers. Thirty of these were accepted. The course was scheduled to open, in the Istituto Magistrale of GORIZIA, on 10 April.

PUBLIC HEALTH SUB-COMMISSION.

4. With the numbers of Italian Repatriates gradually diminishing, five hotels used as hospitals were closed. Six hospitals now remain with a bed capacity of 2,770 of which 1,329 are occupied. The health of the nation continued to be satisfactory; there were no cases of plague or typhus reported. Smallpox cases reported were small, in CASERTA 36, AVELLINO 24, NAPLES 18 and VENEZIA 10. Vital statistics for ROME during February were as follows: infant mortality 84.8 as compared with 70.9 in January. Deaths from tuberculosis showed a decline: 213 for February as compared with 227for January.

PUBLIC SAFETY SUB-COMMISSION.

5. From the "serious crime" aspect the month of March was reasonably calm, but various disturbances amongst the civil population occurred particularly in the NAPLES area. The most serious disturbance occurred at ANDRIA, BARI on 5 March and rioting continued throughout 6, 7 and 8 March. Eventually reinforcements of CC.RR and Questura Agents regained control but the situation remained very tense for some time. The trouble commenced when about 200 unemployed demonstrated against general unemployment. Other demonstrations occurred in the FOGGIA area but were suppressed without great trouble. In VENEZIA GIULIA a number of demonstrations by both Jugoslavs and Italians were held during the latter part of March. Nearly all were unauthorized and were held solely to influence the Allied Mission which was in TRIESTE during that period. Strong police action was necessary and was carried out by the newly formed VENEZIA GIULIA Police Force without help from the Military Police. More than 500 arrests were made and the demonstrations were dispersed where necessary without resort to firearms. The morale of the civil police continued to improve. The increase in the strength of the CC.RR from 65,000 to 75,000 was approved and should help considerably in policing the outer areas where CC.RR are at present very "thin on the ground.". The prison situation still remained acute due to overcrowding, bad sanitary conditions and unreliable and untrained prison guards. Several prison breaks were attempted during the month, the most serious being at BELLUNO prison. The Italian authorities were fully aware of the conditions and the cause of these attempted prison breaks but they were slow in taking remedial measures. The pay of the prison guards is already very meagre and there is little doubt that a good reliable type of guard will not be forthcoming until the pay is materially increased.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

6. After consideration of the Interrogation Report on Colonel Moser, Platzkommandant at VERONA in April 1945, which was forwarded by H.Q.U.S. Forces European Theatre, and consultation with the Italian Direction General of Antiquities and Fine Arts, this Sub-Commission decided that further efforts to determine responsibility for the destruction of the VERONA bridges would not produce any definite results. The Vatican Survey of war damage to Church archives, is now substantially complete and copies of the returns made by

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DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

7. D.P.R.S.C. Liaison Officers were established with the UNRRA Camps Groups at ANCONA and BOLOGNA. Disbandment instructions were requested for a further two Assembly Centres and three Control Camps. Most personnel of the disbanded

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units will be absorbed within the new war establishment of this Sub-Commission. The period under review was not marked by any outstanding moves, but certain policies and coordination procedures were defined. TRIPOLITANIA at last agreed to accept those Italian children who had already been assembled under Pontifical Commission arrangements. ERITREA, for the first time, made known its policy to accept back all genuine Eritrean natives irrespective of their past connections with the Axis or whether they were in possession of Vatican passports. 150 Greeks were accepted for transit through ITALY for GREECE and were to be added to the 150 Greeks in BARI who were awaiting repatriation. The Brazilian Government was, according to a Press statement, willing to facilitate immigration and 25,000 Italians were to be included in the quota. Italian miners continued to move to BELGIUM via GENOA and VILLAFRANCHES. There were still 581 Germans and Austrians at BOLZANO awaiting repatriation. Two batches of Jews, who entered ITALY illegally, arrived in BARI. A typhoid epidemic broke out in the boys' school at BARLETTA, TRANI Polish Camps. Necessary precautionary measures having been taken, the situation appeared to be in hand. The UNRRA Camps Chief Medical Officer made a tour of all camps in EMILIA, also GENOA, TURIN and MILAN. Conditions in Camps were generally good, especially TURIN, where general management and medical services were found to be of a high standard.

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P & I.

ECONOMIC SECTION.

FOOD DIVISION.

1. The grain arrivals in March amounted to about 296,000 tons which was somewhat over the monthly consumption. As a result, the stock in the warehouses rose from 119,000 tons on 1 March to an estimated 160,000 tons on 1 April. However, present indications are that April and May arrivals will be below the consumption level, with the result that a cut in the bread and/or pasta rations is considered to be inevitable in Italian Government territory. The cereal ration in Italian Government territory was maintained throughout the month at 200 grams of bread daily and 500 grams of pasta monthly with a distribution of rice substituted for pasta in much of the North. Only 150 grams of sugar was distributed to normal consumers in March and it does not appear likely that even this reduced sugar ration will be maintained in the future. Sufficient oils and fats were on hand to meet ration requirements through May and present stocks of dried vegetables were equal to April needs and part of those of May. Supplies of preserved meat and fish will take care of requirements through June. Difficulty continued to be experienced in getting people to use dehydrated soup, powdered milk and dehydrated eggs.

2. In Military Government territory the programme was about two months in arrears. No progress was made in building up a reserve of rationed supplies and it was necessary to continue the policy of supporting XIII Corps territory from territory handed over to the Italian Government.

3. Full ration scales were met in VENEZIA GIULIA and UDINE with the following exceptions: in VENEZIA GIULIA 1,000 grams of pasta were distributed instead of 2,000 grams and less than the full ration of 180 grams of fats was distributed. In UDINE 500 grams of pasta were distributed instead of 2,000 grams and 100 grams of sugar were distributed instead of 200 grams.

4. Arrangements were made to hand over to the Italian Government all foodstuffs on AC charge with safeguards for such commitments as Displaced Persons and the requirements for the Midshift Meal. After UNRRA takes over responsibility for feeding the bulk of Displaced Persons in this country, there will remain approximately 16,000 who cannot be catered for under the UNRRA charter. Arrangements were made with the Italian Government to continue their responsibility for feeding these people. The responsibility for feeding the Italian Army was taken over by the Italian Government as from 15 November 1945, S & T having agreed to maintain the Royal Italian Navy and Air Force until 1 June. The Italian Government, however, could not find the foodstuffs and so a loan was made by S & T (British).

AGRICULTURAL DIVISION.

5. Light to heavy rains in all parts of ITALY during the first half of March were of great benefit to all crops, and prospects for a good harvest were much better than a month ago. The shortage of fertilisers appeared to be the most unfavourable factor likely to affect crop yields. However, domestic manufacturers were rapidly repairing their war damaged plants and production of both phosphates and nitrates showed gains during March not thought possible two months ago. Imports of agricultural supplies during March fell much below those of the previous month, due principally to the receipt of only two tail-end shipments on VT requisitions and to the delayed

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6. Milk production showed a noticeable increase with the arrival of green forage, while fresh meat was in somewhat less supply because fewer farmers are now compelled to sell cattle for slaughter to conserve feed. Insignificantly small quantities of cereals were collected by the Ammasso during March. A plan to encourage the delivery of larger quantities of rice by offering fertilizers to producers who exceed their established quotas was initiated by the Ministry of Agriculture. The prospects are good for a large catch of fish during the coming summer, despite the failure of Italian fishermen to

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obtain consent to fish tuna off the coast of TRIPOLITANIA.

7. Much concern was expressed both by Provincial Authorities and by Allied Forests experts over the heavy inroads made on Italian timber supplies during and following the war. Plans for replanting the most seriously denuded areas were being made through the cooperation of the various Allied Agencies and the local Authorities.

FINANCE BRANCH.

8. The final phase in the implementation of the Currency Agreement began on 15 March 1946, which was the date fixed for the Allied Forces to shift over from the use of new AM lire to the use of Metropolitan lire. The Banca d'Italia supplied the required amounts and denominations of Metropolitan lire, and the operation proceeded smoothly.

9. During March the Council of Ministers announced the adoption of a new foreign exchange policy whereby 50% of current foreign exchange accruals will be left at the free disposition of the exporter. Exporters may use such amounts for the purchase of goods abroad or may sell their exchange to other Italian importers. Two general restrictions were announced: the commodities that can be purchased with the retained exchange will be limited to a list to be published, and the retained exchange must be utilized within a given time-period.

COMMERCE (FOREIGN TRADE) BRANCH.

10. During the month this Branch was engaged mainly upon the Italian Government programme of import requirements of reserved commodities. Following the directive from AFHQ a system was worked out to include Zone 'A' VENEZIA GIULIA in the foreign trade system forythe rest of ITALY.

11. A commercial contract was signed with DENMARK on 2 March, and trade discussions took place between representatives of the CZECHOSLOVAKIAN and ITALIAN Governments. Arrangements were being made for invitation to ROME of Polish Commercial Delegations from WARSAW.

12. There was no change in the items included in the Reserved Commodities Lists, and the Italian Government in conjunction with UNRRA prepared a programme of import requirements of reserved commodities for the balance of 1946 over and above UNRRA supplies.

13. As a result of Foreign Trade Congress held in MILAN this month, the Council of Ministers decided to pass a new decree giving exporters 50% of the foreign currency resulting from their exports. Thereby the Italian exporter is enabled to use this 50% to purchase raw materials or other goods. It is not necessary, however, for the exporter to use this credit, as he is permitted to transfer it to a third party, but it must be used within ninety days of allocation, otherwise it reverts to the Treasury. The decree contains two lists of merchandise. One list is merchandise freely importable, subject only to a Customs Import Licence, the other is subject to licences issued by the Ministry of Foreign Trade. No reserved commodities are included in this second list.

14. Figures for exports for the month of March were not available. Details of February shipments amounted to a gross weight total of approximately [illegible] tons of goods exported from ITALY during the month, as against 5,000

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12. There was no change in the items included in the Reserved Commodities Lists, and the Italian Government in conjunction with UNRRA prepared a programme of import requirements of reserved commodities for the balance of 1946 over and above UNRRA supplies.

13. As a result of Foreign Trade Congress held in MILAN this month, the Council of Ministers decided to pass a new decree giving exporters 50% of the foreign currency resulting from their exports. Thereby the Italian exporter is enabled to use this 50% to purchase raw materials or other goods. It is not necessary, however, for the exporter to use this credit, as he is permitted to transfer it to a third party, but it must be used within ninety days of allocation, otherwise it reverts to the Treasury. The decree contains two lists of merchandise. One list is merchandise freely importable, subject only to a Customs Import Licence, the other is subject to licences issued by the Ministry of Foreign Trade. No reserved commodities are included in this second list.

14. Figures for exports for the month of March were not available. Details of February shipments amounted to a gross weight total of approximately 26,000 tons of goods exported from ITALY during the month, as against 5,000 tons during January. The total value amounted to approximately nine million dollars. This represented a considerable increase over January shipments whose total was about 1,140,000 dollars.

INDUSTRY DIVISION.

15. Since the main supply functions were taken over by the Bureau of Industrial Rehabilitation, the duties of the Department were chiefly connected with the handling of requests for the derequisition of Industrial premises and the screening of supply requests for VENEZIA GIULIA and UDINE. Numerous

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requests for the derequisition of industrial premises were dealt with, an appreciable number of these were successful, and the plant and factories were returned to the owners. 093

16. Industrial activity continued at a steadier rate during March with better coal supplies, but the American coal strike had a detrimental effect on the gradually recovering economy of ITALY. The amount of imported coal discharged during the month totalled 623,000 tons and in addition 99,000 tons of Sardinian coal was discharged on the Mainland and in SICILY. There was an increase in production of approximately 15,000 tons of Sardinian coal during the month over the February production figures. Approximately 149,000 tons of lignite was produced during March. The transfer to UNRRA of the responsibility for coal supplies to ITALY, excluding VENEZIA GIULIA and UDINE, was completed during the early part of this month.

17. All electric power rationing controls in North ITALY were removed at the end of March, with the exception of the use of electric steam boilers; the thermal plants in North ITALY were discontinued and the surcharge for thermal plant operation was also dispensed with due to the improved situation. All Advisory Committees complained of the excessive charges by manufacturers for rehabilitating generating and transformer equipment. This was partly due to the government prices of raw material to manufacturers. In some cases this amounted to five and six times the imported price. The SILA reservoirs supplying Southern ITALY were about 100,000,000 KWH short of the normal storage at this time of year. Lack of normal snow and rainfall were the causes and storage reservoirs in Central ITALY were also below normal for the same reason.

18. During the month the principal North ITALY manufacturing plants producing transformers, generators, turbines, and transmission equipment were found to be in a good position technically. However, the cost of materials was causing the utility companies to be slow about taking orders. The shortage of certain insulating materials, metallurgical coke, magnetic steel sheets also affected the output. These manufacturers are capable of producing about one million KW of rotating machinery and about 3 million KVA of transformer capacity per year.

TRANSPORTATION AND SHIPPING BRANCH.

19. About 86% of the lines of the Italian Railway System were available for traffic during the month although long stretches of what were double track were being operated on single lines, and a large number of the bridges destroyed were only open to traffic by means of temporary bridges. The AREZZO-FLORENCE line was reopened, thus saving about three hours running time between ROME and FLORENCE. Rolling stock continued to be in short supply, but it is hoped that a considerable part of the rolling stock removed by the Germans will be returned in the near future. Only 40% of the prewar total of steam and electric locomotives were available. During the month congestion of loaded wagons occurred in the NAPLES and ROME area requiring a curtailment of civil loadings.

20. There was a total of 42,960 load-carrying vehicles in operation on 31 March.

21. A total of 204,146 tons were moved by coastwise shipping during the month. Three ships were nominated for the Argentina grain run and will sail in April. Reconstruction and rehabilitation of ports progressed satisfactorily and loadings and discharges of ships increased.

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18. During the month the principal North ITALY manufacturing plants producing transformers, generators, turbines, and transmission equipment were found to be in a good position technically. However, the cost of materials was causing the utility companies to be slow about taking orders. The shortage of certain insulating materials, metallurgical coke, magnetic steel sheets also affected the output. These manufacturers are capable of producing about one million KW of rotating machinery and about 3 million KVA of transformer capacity per year.

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CAPTURED ENEMY MATERIALS BRANCH.

22. As a result of planning during February, the handover to the Italian Government of CEM Depot No. 1, BOLZANO and CEM Depots Nos. 1 and 2 MERANO was carried out smoothly. Inventories and documents were in first class order, and all material in good condition, well packed and stacked. The material in No. 1 BOLZANO Dump was of a considerable tonnage and included enormous quantities of electrical, carpentry, plumbing, bootmaking and marine equipment, engineering, building and raw materials (metal), vehicle tyres (unuseable)

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and cycle tyres, newsprint and other paper, cement, asbestos and miscellaneous equipment of all kinds. The chief representative of ARAR, Dott. De Benedittti and his Italian staff expressed the opinion that, without having visited the Depot, it was impossible to believe the magnitude of the material. The Depots at MERANO contained mainly textiles of practically every kind, including bales of silk, woollens, cotton and large quantities of finished garments and carpets. There was also over 1,500 kilos of silverware, such as tea and coffee services, trays, table cutlery, ornaments etc. The value of the three Depots goes into many millions of dollars or pounds sterling. Dott. De Benedittti expressed enthusiasm for the manner in which the handover had been carried out and was appreciative of the great value to ITALY the material would be. A vehicle dump consisting of over 300 car and truck carcasses all considered scrap was handed over at the same time.

23. The handover of CEM vehicles in the Ufficio Autotrasporti was effected during the month. The vehicles were originally in the hands of the German and Italian armies, and had been used to form transport pools by AMG in the four Regions in the North, and were operated by the Ufficio Autotrasporti under AC/AMG direction. There were 312 General Releases and 224 Ammunition Dump releases during the month. 107 vehicle hulks, which were in possession of civilians and which had not previously been reported, were sold for 1,616,000 Lire, and this sum was placed in the Bank of ITALY.

24. Further large amounts of ammunition were made available to the Italian Government, but no start was so far made in the breaking down of this ammunition into component parts for use in industry.

VENEZIA GIULIA / UDINE SUPPLY AND OPERATIONS BRANCH.

25. Of the approximate 97,478 tons of foodstuffs requisitioned for the first four months for the areas some 18,000 tons arrived with approximately 20,000 additional tons notified as set up for shipment for arrival in the latter part of April. No coal arrivals were received against requisitions for the areas. Adjustments of existing allocations and loans effected an average of 18,509 tons per month for the combined requirements of 22,000 tons for the areas. POL requirements were met from local and military sources.

26. Medical, signal and agricultural requirements were approved. In the case of the medical and signal equipment, considerable quantities were authorized for procurement ex theatre stocks. Textile and shoe requirements were partially approved. Consignments ex theatre stocks of 311,500 undershirts, 5,985 pairs of hose and 113,000 woollen blankets were made by AFHQ.

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23. The handover of CEI vehicles in the Ufficio Autotrasporti was effected during the month. The vehicles were originally in the hands of the German and Italian armies, and had been used to form transport pools by AMG in the four Regions in the North, and were operated by the Ufficio Autotrasporti under AC/AMG direction. There were 312 General Releases and 224 Ammunition Dump releases during the month. 107 vehicle hulks, which were in possession of civilians and which had not previously been reported, were sold for 1,616,000 Lire, and this sum was placed in the Bank of ITALY.

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VENEZIA GIULIA / UDINE SUPPLY AND OPERATIONS BRANCH.

25. Of the approximate 57,478 tons of foodstuffs requisitioned for the first four months for the areas some 16,000 tons arrived with approximately 20,000 additional tons notified as set up for shipment for arrival in the latter part of April. No coal arrivals were received against requisitions for the areas. Adjustments of existing allocations and loans effected an average of 18,509 tons per month for the combined requirements of 22,000 tons for the areas. POL requirements were met from local and military sources.

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PART IV.

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS.

PUBLIC RELATIONS BRANCH.

1. There was a continuation of considerable activity during the month for reasons that Allied neutral and Italian correspondents still made heavy demands on PRB for aid, information and interviews. Several such interviews were arranged with the Chief Commissioner, and branches and sub-commissions of this Headquarters. Entry to TRIESTE during the visit of the Allied Investigating Commission was arranged for a party of 21 Allied and neutral correspondents, at the request of the Italian Government. Routine travel arrangements for correspondents, including Italians, to visit TRIESTE were continued in cooperation with XIII Corps.

2. Several press releases were issued including an important one on the repatriation of large numbers of Italian POW from INDIA. Nearly 40 daily news bulletins from TRIESTE were relayed to the press. The Bulletin was continued and a Bulletin article about VENEZIA GIULIA was made available for re-use by the British Ministry of Information through the British War Office. Full reports on administrative election returns were made weekly in the Bulletin. The Daily Digest of the ROME press was continued and normal services continued in the library section.

NAVY SUB-COMMISSION.

3. Arrangements were made during the month whereby the Italian Ministry of Marine was made responsible for the supply of Sardinian coal to the Italian Navy. CO.C.E.N.A. undertook to make available the required tonnage of shipping to ensure a regular monthly supply. In common with the Air Force Sub-Commission, the Italian Government was provided with an estimate of the food requirements of the Italian Royal Navy for the period June to December 1946 with a view to the Italian Government assuming the responsibility for the feeding of the Italian Royal Navy as from 1 June 1946. The Royal Navy is making available to the Italians coal from its own stocks at NAPLES and by diverting a collier to the ports of LEGHORN and NAPLES, to enable the minesweepers to begin operations without waiting for the arrival in ITALY of suitable coal under the national import programme from which Italian naval requirements are now met.

4. All British minesweepers departed from LEGHORN at the beginning of the month. Minesweeping is now entirely in Italian hands under the direction of the Mediterranean Zone Clearance Board. A meeting was held with the Italians in March to acquaint them with the difficulties facing them. They seemed very enthusiastic at the prospect of assuming complete responsibility in regard to all minesweeping matters. By the middle of March all of the cres to man the 32 sweepers turned over to the Italian Navy by the Royal Navy had taken possession of their ships and operations proceeded successfully.

5. The Italian cruisers continued to be employed in lifting POW back to ITALY. All POW are expected to be repatriated from NORTH AFRICA by 1 June if vessels now employed on this work can be kept operational. 40% of the prisoners in INDIA have been repatriated. In the week ending 24 March 11,000 men were returned Home leaving an estimated 318,000 overseas. The "ERITREA" sailed from TARANTO on 1 April for PORT SAID, for onward routing to the EAST INDIES and CHINA. She carried Italian diplomatic personnel appointed to the FAR EAST; and a few repatriates.

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LAND FORCES SUB-COMMISSION (M.L.A.)

6. Disbandment of US-ITI and BR-ITI units continued steadily. The Ministry of War asked that the position of Italian units be reviewed with a view to accelerating disbandment and the release of specialists. Italian army strength as at 1 March was 133,839 excluding 62,409 Carabinieri. The situation as regards Carabinieri mobile battalions was improved considerably. Of the 12 battalions, 4 were 100% up to war establishment, 4 were 80% and the remainder were 50% or less. The transport recently obtained was in good condition. Arms and ammunition were satisfactory and the battalions were supplied with

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3.7 L.. ammunition. A new allocation of 168 Staghound armoured cars for mobile battalions was made, delivery expected by the end of May.

7. The War Ministry was asked by the Cabinet to consider a possible reduction of the strength of the army from 140,000 to 100,000 or even 80,000 for economy reasons. However, the Prime Minister was informed that while appreciating financial difficulties the Allies could not consider a reduction of the army strength below approximately 140,000 while there continued to be a large number of redundant civilians carried on the army budget.

ITALIAN PRISONER OF WAR DIVISION.

8. Progress continued with the repatriation of Italian prisoners of war, figures forrthe month of March being as follows:

From British hands	39,226
From U.S. hands	4,872
From other sources	8,657
Total	52,755

AIR FORCE SUB-COMMISSION.

9. During the month a period of good flying weather coupled with an improved petrol position enabled a full programme to be operated. Spares were still awaited for aircraft, the principal requirements being airscrews, engines and tail wheel tyres. The uncertainty of the future tended to lower morale in most stations but the morale of the Bomber Transport Wing was excellent and this wing continued to seem the most satisfactorily organized.

10. A thorough review was made of the aircraft situation in the Refresher Flying School and proposals were under consideration regarding the establishment of a constructive long term policy for the supply and maintenance of training aircraft which would enable the school to operate a standardized training programme. Pilot instructors were of a low average standard and were hindered in their work by a lack of suitable equipment.

11. Due to the closing down of all RAF Air Sea Rescue Units the Italian air force took over the whole of ASR, thus furnishing the only service in ITALY. Further meteorological stations were opened during the month making a total of 128 stations in the Italian Meteorological network.

12. The actual active strength of the Italian Air Force was approximately 22,000 excluding those being paid at home. All IAF personnel of the 1922 class were demobolized, and another 700 POW were repatriated, 400 being released at the end of their homecoming leave.

13. The projected air services from SARDINIA to ROME and from VENICE to MILAN for the purpose of transporting fish and medical relief supplies remained in abeyance due to the apparent unwillingness of the Air Ministry to sign the contract and the reluctance of the High Commissioner to allow fish out of the country. Italian internal air mail services were in operation by all Italian courier lines but the use made by the public of these services was not as great as was expected probably because mail services by rail are constantly improving. Air mail service conveyed by the RAF operated also to LONDON, BUCHAREST, TIRANA, SOFIA, ATHENS, BELGRADE, MALTA, PARIS and MARSEILLES.

14. The Italian Government was granted permissive authority for the running of Italian civil airlines which did not include gliding, club or private flying.

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14. The Italian Government was granted permissive authority for the running of Italian civil airlines which did not include gliding, club or private flying. The regulation of commercial aviation in ITALY will henceforward be the responsibility of the Italian Air Ministry (Department of Civil Aviation)under the Air Force Sub-Commission. Part of the activity of the aviation firms slowed down due to lack of new contracts from the Air Ministry.

15. All CEM Depots have been handed over to the Italian Government with the exception of the VERONA Depot.

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COMMUNICATIONS SUB-COMMISSION.

16. Airmail services were extended to cover most parts of AFRICA, the MIDDLE EAST and the FAR EAST. International telephone and telegraph facilities were increases between ITALY and FRANCE via MODANO. Inter-urban telephone services between VENEZIA GIULIA and the rest of ITALY were improved. 291

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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10 May 1946

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HEADQUARTERS
RAM LIAISON GROUP
ALLIED COMMISSION

MONTHLY REPORT
APRIL 46

Declassified E.O. 12356 Section 3.3/NND No. 785021

HEADQUARTERS
RAFT LIAISON GROUP
ALLIED COMMISSION

MONTHLY REPORT
APRIL 46

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HEADQUARTERS
RATI LIAISON GROUP
ALLIED COMMISSION

MONTHLY REPORT
APRIL 46

889

LN/ 65

10 May 1946
LLV.ct

(1) POLITICAL

The result or rather the lack of result of the Paris Conference together with the Russian demands in regard to the Italian Fleet and idemnities has had a very depressing effect on the people.

Leaflets have appeared in this Area to the effect that " Ex President HOOVER of the United States, in statements made to the French Press on 28 March 1946 pointed out that Italy and France were living on cereals and fats provided by America " , and comment on the above was " and there are still people who dare to speak evil of the Allies and America in particular ".

In the same leaflet it is stated " Russia claims from Italy 300,000,000 Dollars, Tripolitania and a third of the Fleet " and comment " and there are still people who dare to praise Russia ".

Leaflets have also appeared headed " Un Nuovo Decalogo " containing 10 paragraphs : -

(a) Do not reveal your job to your friends.
(b) Fight against the hypocrite priests and their propaganda, Emphatically state we do not want religion, family and fatherland.
(c) Show with jests, sarcasm, pleasantness that you are free from religious chains and say you can easily live without religion.
(d) Your duty is to destroy morality, create a society full to the bung with immorality. Do not forget your supreme duty - to destroy morality.
(e) Steal the affection of your Compagni away from the church. Backbite the priests.
(f) Another big impediment to our own ideas is the Christian Family. Destroy it. Speak frequently of free love with boys and girls. Create differences within families and Government.
(g) Tell the workers " Love the riot, glut your revenge, do not fear blood ".
(h) Tell the workers they are the victims of the Capitalists, Authorities and the Priests.
(i) Render little services to your Compagni. Remember you are

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(h) Tell the workers they are the victims of the Capitalists, Authorities and the Priests.
(i) Render little services to your Compagni. Remember you are the vanguard.
(l) Fight, fight, fight against the priests and their catholic morale. They are illiterate. Do not be afraid , you are a communist.

The above is a sample of the stuff which is being put across by the Communist Party.

The Church are in favour of a Monarchy. The Bishops of Vittorio and Conversano have addressed the Italian Premier favouring a Monarchy and denouncing the Republicans. The Liberal Party also appear in favour of the Monarchy.

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In TARANTO on the 25th April 46 during a ceremony celebrating the liberation of ITALY, a band of the Regia Marina commenced to play the " Marcia Reale " which caused left wing parties to shout " Viva la Republica " and " Abbasso la Monarchia ".

Trucks full of Italian Naval personnel belonging to the San Marco Bn. passed along shouting " Viva il Re ".

Though there were minor scuffles nothing serious in the way of a disturbance occurred and the crowd dispersed peacefully..

Rumours are prevalent that the British are arming parties other than the Communists, but such rumours are not credited by the general public.

888

The pre-election atmosphere for the next Costituente in BARI Province is daily getting keener, and Party convocations are almost a daily affair.

On the 30th March there was trouble at FOGGIA, a raid being organised on a train said to be carrying Black Market goods. A free fight took place between the raiders and black marketeers resulting in 19 persons being wounded, one of whom died.

Unemployment in FOGGIA paraded through the streets carrying American and Italian flags, some looting took place of municipal food to the value of 800,000 Lire.

(2) PUBLIC SAFETY

Disorders continue to break out in different Towns such as NARDO,(Lecce) GALATONE (Lecce) TARANTO, BRINDISI, TORCHIAROLO.(Brindisi) BAVA, near Taranto and these disorders are mainly due to unemployment of the Reduci and demonstration against the black marketeers.

In alle cases the CCSR soon had the situation under control.

(3) AGRICULTURE

The prospects of a good grain crop are very bright. There is still a lack of fertilisers - otherwise there would be an adequate supply of fresh vegetables and cereals.

Fodder is in short supply.

(4) PROVISIONS AND SUPPLY

Four ships containing 146,610 Quintals of wheat arrived in BARI during the month.

All children under 18 years of age received a free ration of 200 grams of sugar.

There is sufficient grain in stock until 20 May 46. Evaporated milk for children is well short of requirements.

(5) REQUISITIONING during the Month

W / Houses	6
Schools	5
Apartments	19
Garages	1
Villas	15

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All children under 18 years of age received a free ration of 500 grams of sugar.

There is sufficient grain in stock until 20 May 46. Evaporated milk for children is well short of requirements.

(5) REQUISITIONING during the Month

W/ Houses	6
Schools	5
Apartments	19
Garages	2
Villas	15
Total....	47

(6) PUBLIC HEALTH

Satisfactory, though further 28 cases of small pox were reported during the month.

There is a serious shortage of disinfectants and quinine.

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(7) TRANSPORT AND COMMUNICATIONS

Freight traffic has increased and the number of passengers carried has steadily risen.

There is a marked improvement in the situation in regard to tyres and tubes for road transport which are supplied from the Pirelly Factory, Milan.

The owners of cars and trucks have made strong representations to be given permits for free circulation but have been told that there are far more urgent national calls to be met before pleasure trips can be indulged in.

(8) LEGAL AND EDUCATION

Courts still functioning slowly - due to the shortage of magistrates on the Tribunals.

(9) LABOUR

There is a very large number of unemployed Reduci and the number is being increased as repatriated PW arrive in the country. The situation gives cause for anxiety. The Central Government has promised necessary financial help to this Province, but the promise has not yet materialised.

Some 200 reduci have been given employment in Public Parks and local Authorities are doing what they can to find these men employment.

I think the local Authorities will be kept up to the mark in this respect as the reduci are continually staging demonstrations and sending delegates to interview the Prefect and Sindacis.

(10) PUBLIC WORKS AND UTILITIES

The Central Government has granted a subsidy of 540 million Lire to the " Acquedotto Pugliese ".

There is normal activity in re-construction throughout the Provinces and some of the bad roads are at a long last receiving attention, on the whole the main roads are in excellent condition.

(11) DISPLACED PERSONS

No.1 Displaced Persons Camp at BARI is being handed over to UNRRA and the handing over is expected to be completed about the middle of May.

During the month 367 Displaced Persons arrived in the Camp and 291 left the Camp at BARI. Since the Camps at LECCE are now controlled entirely by UNRRA I have been informed by the Camps Commandant that the Camps are of no affair of AC and no information with regard to the Camps can be supplied nor may the camps be visited .

(12) GENERAL

Towards the end of the month, one evening whilst down on the coast

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(12) GENERAL

Towards the end of the month, one evening, whilst down on the coast line near BARI, I noticed a box floating inshore. When the box came in I saw that it was intact and it was marked with lettering stating that the box contained bombs and should be handled with care.

I later found two more such boxes at the same spot and some 500 yards away, another box. I reported the matter to Field Security and an RAF bomb disposal squad came out but one box had detonated and the others had been taken away.

I was told that these bombs which were of the American Aerial Butterfly type must be the ones dumped by the Americans some 12 month ago. This information I knew could not be correct as the boxes were not water logged and the lettering on the boxes was so fresh that I was convinced the boxes could not have been in the sea for more than a matter of days.

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The matter was then reported to the American Provost Marshall who traced these boxes to an American Unit who had recently dumped similar boxes.

Patrols were sent along the coast right from BAC to BRIGHTON and a watch is still being maintained. Deaths from the exploding bombs have been reported.

The Butterfly Bomb is more or less safe whilst in its box but on being taken out, the wings of the bomb spread out by springs and it is a matter of moments before it will explode - or if resting on the ground with its wings extended it will explode on lifting.

They look most attractive when lying on the ground, like a large green butterfly and just the thing anyone, specially children, would at once pick up.

I am calling for a report from the American Provost Marshall - meanwhile the coast line I think is now safe.

The reason why the boxes did not sink of course is that the bombs in the boxes are light and the total weight of contents and woden boxes was lighter than the water displaced.

It would have been an easy matter to make holes in the metal casing covering the bombs so that the inlet of water would have sunk the bombs.

L. E. VINING, Lt. Col.
Chief Liaison Officer
AC SAHQ

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ES/3.12

TRANS - Ship.

SECRET

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HEADQUARTERS

ALLIED MILITARY GOVERNMENT

13 CORPS

SECRET

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HEADQUARTERS

ALLIED MILITARY GOVERNMENT

13 CORPS

SECRET

MONTHLY REPORT APRIL 1946

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SECRET

SUMMARY
of
MONTHLY REPORT
for month ending 30th April 1946
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1. Political.

Political activity continued at high pressure during the month though the departure of the Four Power Commission on April 5th was followed by a short period of calm. Italian elements showed signs of increased confidence, mainly as a result of the success of their March demonstrations. Pro-Slav elements showed signs of internal domestic trouble which the resignation of the President of the Sindacati Unici did nothing to conceal. Attempts to induce voluntary restriction of the number of persons entering Zone "A" from Zone "B" for the May Day celebrations caused intensified attacks on Allied Military Government from the Jugo-Slav adherents. Towards the close of the month the attention of the whole population of Venezia Giulia was turned towards Paris. The news of the deadlock in the meetings of Foreign Ministers did not cause surprise but hopes are still cherished for the reopening of the discussions and the reaching of an agreement.

2. Venezia Giulia Police Force (Public Safety Division)

There has been a further improvement in the public safety situation in Zone "A" during the month, due to the general increase in activity, efficiency, morale and general welfare in all ranks of the Police Force.

3. Food.

Normal rations were distributed during April with the exception of fats and pasta which had to be cut due to non-availability. Deficiencies however will be made up in May.

4. Transportation.

A very small number of tyres have been received in the Area during the month. A few new small (3rd class) bus services were granted concessions.

5. Agriculture.

The harvest for Venezia Giulia still depends on rainfall but it is anticipated that given suitable weather the crops will far exceed last years production. The programme of re-afforestation has now been completed. It is anticipated that the increased catches of fish will do much to add to the food supplies of the Territory.

6. Industries and Utilities.

There has been less unrest among industrial workers during the month and the unblocking of dismissals has been accepted without any outward

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Pro-Slav elements showed signs of internal domestic trouble when the resignation of the President of the Sindacati Unici did nothing to conceal. Attempts to induce voluntary restriction of the number of persons entering Zone "A" from Zone "B" for the May Day celebrations caused intensified attacks on Allied Military Government from the Jugo-Slav adherents. Towards the close of the month the attention of the whole population of Venezia Giulia was turned towards Paris. The news of the deadlock in the meetings of Foreign Ministers did not cause surprise but hopes are still cherished for the reopening of the discussions and the reaching of an agreement.

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6. Industries and Utilities.

There has been less unrest among industrial workers during the month and the unblocking of dismissals has been accepted without any outward sign of serious opposition.

7. Commerce.

The distribution of cloth from the first 800 bales is proceeding slowly. 3919 bales of American cotton have been received, representing the first consignment under the 1946 January-June Civil Import Programme. 16301 tons of coal arrived during the month of April.

8. Public Works.

Work is continuing on the rehabilitation of distressed villages and

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8. Public Works (Cont'd)

during the month work has commenced in RIVIGNANO, CORMONS and CASTELLANO. With improved weather the roads and bridge programme has made considerable progress and has now reached its maximum.

9. Economics.

All Divisions concerned with the rehabilitation of the Area have been actively engaged in preparing a programme especially designed to give added employment and to get industry started back to its normal peacetime production.

10. Public Health and Welfare.

The general health throughout the Territory continues to be good and the arrival of 50 tons of medical supplies has been of considerable help.

11. Displaced Persons.

The increase of movement of Displaced Persons which had been noted during the last few months has been maintained during the month of April.

12. Finance.

The majority of the budgets for the quarter April-June of the Financial Year 1945/46 have been approved. The cost-of-living index figure in Northern Italy has now been increased to 150 and the question of amendment in Venezia Giulia is under consideration.

13. Property Control.

374 Allied Properties of all classes belonging to 233 owners have now been taken under formal control.

14. Legal.

There has been a considerable increase in the number of cases tried before the Superior Courts during the month. This was due entirely to the fact that all charges arising out of the March demonstrations were tried before these courts. The Special Court of Assize imposed the first death sentence in this Territory on a notorious collaborator.

15. Labour.

The Labour Agencies are working satisfactorily in the face of many handicaps. Unemployment in the Territory is still on an upward trend. The records at Trieste, Gorizia and Pola show an increase of nearly 2,800 men, 1,200 women and 300 juveniles. When the gradual unblocking of dismissals becomes effective the figures are likely to increase further. The public works programme is assisting in offsetting these losses.

16. Education.

[illegible] as far as schools are concerned. The

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16. Education.

The month has been quiet so far as schools are concerned. The political situation has remained stationary and school administration except for minor political incidents has functioned smoothly.

17. Public Relations.

During April, 53 news items and announcements concerning the activities of Allied Military Government were passed to the News Division of A.I.B. for publication in the local press and radio.

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18. Telecommunications.

A telephone circuit between Trieste and Milan was opened during the month.

19. Partisans.

Due to lack of agitation on the part of the Partisan Associations, considerable headway has been made in the screening of claims already submitted.

20. Electoral Rolls.

The General Order dealing with the preparation of the Electoral Rolls has been completed and passed to Legal Division for final approval.

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SECRET 879

MONTHLY REPORT
for month ending 30th April, 1946.

1. POLITICAL SITUATION.

At the beginning of the month, political feelings were still intensified by the presence of the Four-Power Allied Boundary Commission in VENEZIA GIULIA. Nightly, pro-Slav elements took possession of the 'mound' opposite the hotel in which the Commission was working, chanting the monotonous "Zivio Tito", but the enthusiasm and energy of the demonstrations was beginning to flag.

Pro-Slav propaganda, however, redoubled its efforts, and the spirits of their supporters were revived by a campaign against the Civil Police and A.M.G.

Demonstrations were held on 1 and 2 April as a protest against the alleged ill treatment of those detained during the preceding demonstrations and A.M.G. were particularly accused of encouraging "fascist" elements to break up pro-Slav meetings and, even, of importing large numbers from Italy, in an effort to alter the ethnic character of the territory.

The Commission departed on 3 April. There was no last minute attempt by either side to influence their findings by demonstrations, mainly because the delegates left before it was generally believed that they had completed their task, and only a brief statement was issued after their departure saying that they had studied every aspect of the disputed territory and that they were returning to submit reports to their respective foreign ministers.

The Italian element in TRIESTE showed definite signs of increased confidence, mainly as a result of the success of their demonstrations towards the end of March, culminating in the tremendous march to the Piazza Unita on 27 March when Colonel Poda addressed the demonstrators, and by the acquiring of a larger supply of Italian flags than ever seen in TRIESTE before.

After 3 April, TRIESTE settled down to a period of calm except for a small demonstration by the pro-Slavs on 15 April. Propaganda, however, showed no signs of abating. The pro-Slav local press and the SLOVENE Radio kept up an anti-A.M.G. attack which was particularly in the case of the radio, prevailing anti-British.

Pro-Slav organisations have shown signs of internal domestic troubles, which the meeting of the P.C.G. was not able to conceal. The resignation of the former President of the Sindacati Unici, reported to be on grounds of ill health, caused considerable comment.

Dissension among communists has further been evidenced by the [illegible] office of the P.C.I. in TRIESTE and the proposed

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Dissension among communists has further been evidenced by the setting up of an office of the P.C.I. in TRIESTE and the proposed publishing of a newspaper, with the full support of Togliatti. It is stated that the reason for this move is to enable a branch of the Italian Communist Party to function immediately in that part of VENEZIA GIULIA which ITALY will be allowed to retain under the terms of the Peace Conference.

By the middle of April, arrangements were being made by the pro-Slavs of VENEZIA GIULIA for the May day celebrations. A.M.G. were asked for permission to import large numbers of men and women from Zone "B" to take part in sports events and a parade. A.M.G. policy was to attempt by voluntary cooperation to limit these to a reasonable number because of the already over-crowded conditions, the feeding difficulties

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1. POLITICAL SITUATION (Cont'd)

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and the large number of troops and equipment that were already concentrating in and around TRIESTE in preparation for the Allied Military parade due to take place on May 2nd.

These restrictions gave rise to intensified attacks on A.M.G.; accusations were made that A.M.G. never lost an opportunity of preventing the Slovene population of the territory from expressing their will, while every encouragement and protection was afforded to the pro-Italian side. 25th April was declared a holiday to commemorate the liberation of Northern Italy by the partisans. On this day, TRIESTE was bedecked with Italian flags, more than ever before and numerous commemoration services were held in honor of Italian partisans. The pro-Slav element objected violently to this day being observed as a holiday, stating that TRIESTE was liberated by Tito's forces at a later date.

Sindacati Unici threatened to prevent the workers from participating in the holiday, but no action was taken and no incidents reported.

Throughout the many demonstrations that have taken place during the visit of the Allied Commission and during early April, the Civil Police Force has acquitted itself magnificently, showing considerable tact and impartiality, and preventing clashes between the opposing sides, which would have resulted in serious consequences.

At the close of the month, the attention of the local political organisations and the whole population of VENEZIA GIULIA was turned to PARIS. The news of a deadlock in the meetings of Foreign Ministers on the TRIESTE problem did not come as a surprise.

A calm prevails in TRIESTE and hopes are still cherished of a re-opening of the discussions and agreement being reached.

2. VENEZIA GIULIA POLICE FORCE (Public Safety Division)

(a) Civil Police -

All reports, statistical and otherwise, indicate a further improvement in the public safety situation in Zone "A" this month, attributable in a major degree to the increased activities of all ranks of the Venezia Giulia Police Force. Satisfactory progress has been maintained in improving the efficiency, morale and general welfare of the Force and in this connection we owe much to the Allied Military authorities for their continued support and assistance.
The following are "incidents" of note during the month affecting both police and public safety:-

i. Following intensive examination before Selection Boards, 30 serving Guards and NCOs of the VGFP out of a total of 130, entered as Officers' Training Course in TRIESTE on 23 April 1946.
ii. There have been a number of incidents arising out of "differences of opinion", some cases of intimidation of V.G. Police and, although to a lesser degree, press attacks on the V.G. Police.
iii. A press article appearing in the left Wing newspaper "Il Lavoratore" on 16 April 1946, contained a more inaccurate account of a raid

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iii. A press article appearing in the Left Wing newspaper "Il Lavoratore" on 16 April 1946, contained a very inaccurate account of a raid on a TRIESTE Culture Club (referred to in report for March 1946) and accused the V.G. Police and Allied Military Government of "openly seconding a new fascism" when referring to arrests effected during the demonstrations in TRIESTE on 27/28 March 1946.

iv. On 22 April 1946 a Police Guard of Uniform Branch, Pola Zone, wandered some 100 yards over the demarcation line. He was arrested by Jugoslav Military and was not released until 30 April 1946. Whilst in custody he was interrogated by Jugoslav authorities as to the disposition of the Venezia Giulia Police forces also as to conditions etc., in the service.

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2. VENEZIA GIULIA POLICE FORCE (Public Safety Division) (Cont. of Civil Police)

v. An incident of a different character occurred on 23 April 1946 when at TRIESTE one Pinch Giorgio, a known criminal wanted for interrogation for murder, endeavoured to evade arrest and opened fire on members of the Venezia Giulia Police C.I.D. Flying Squad who were chasing him. The fire was returned and the wanted man was fatally wounded. 377

vi. A "political" incident worthy of note occurred in Trieste on 25 April 1946 when a restaurant keeper was assaulted after entertaining Italian partisans and displaying Italian flags. Police intervention prevented serious hurt to the person concerned or damage to his property. Following upon this, pro-Italian sympathisers visited the same district and tore down bi-lingual signs.

(b) Crime -

TRIESTE Zone - There has been a slight decrease in the number of crimes committed during the month, and the number of detections has been very satisfactory. This is no doubt due to the increasing mobility of the Force rendered possible by additional transport.

One disturbing feature has been the number of false Italian bank notes which have been circulated in the city of TRIESTE. The figures are 42 1000-lire notes, 14 500-lire notes and 4 100-lire notes. Available evidence points to individuals masquerading in the uniform of British soldiers operating between MILAN and TRIESTE.

GORIZIA Zone - 47 reports of crime were received - a slight decrease as compared with the figures for the previous month.

These crimes included 9 cases of burglary and 15 for aggravated theft. No crimes of violence have been reported.

Arrests numbered 25, including 2 persons for the illegal wearing of Allied uniform, and 2 persons for abandoning their children.

POLA Zone - No serious crimes have been reported during the month and the total number, 65 shows a decrease of 15 as compared with the figures for March. All crimes were of a petty nature.

Arrests number 33, including 10 persons for illegal possession of arms.

(c) Brothels and Prostitution -

Periodical inspections of public dance halls, hotels, pensions and hired rooms are made by the Vice Squad of the C.I.D. There is a slight increase during the period under review in the number of women medically examined and found to be infected, but there is no reason for undue concern and regulations for medical treatment are being rigorously enforced.

(d) Conduct of Allied Service Personnel -

This continues to be very satisfactory and a credit to all ranks.

(e) Prisons -

During the month the prison population has returned to a normal figure due to the large number of cases dealt with by Allied Military Government Courts (over 250). 117 releases following the granting of amnesty and pardon under General Order No. 46, and the transfer of 51 long-term

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The figures are now as follows:

TRIESTE Prisons	613
Other prisons	349
Total prison population	962

The selection and classification of prisoners is now in progress and will be completed shortly.

A school for juvenile detainees was opened during the month at the Via Rismondo Prison, TRIESTE.

Proper prison attire for convicted prisoners have been ordered from a firm recommended by the Chief Finance Officer.

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3. FOOD.

Normal rations were distributed during April with the exception of pasta and fats which had to be cut due to non-availability. Deficiencies, however, will be made up for in May.

During the month, 8,574 tons grain were received from the S/S "Mc Quoid" while the S/S "Moseley" unloaded miscellaneous foodstuffs. From the total of grain received, 3,325 tons had to be given to the Italian Government and 1,225 tons to AUSTRIA in repayment of loans.

The S/S "Vaskadelegate" has just completed offloading 275 tons sugar for VENEZIA GIULIA.

Edible salt stocks will last approximately 2 months and the Monopoly authorities have been asked to renew their monthly shipments.

In order to counteract high restaurant prices discussions are being held with a view to setting up popular restaurants at controlled prices. Cooperation of some of the more public-spirited restaurant owners is being sought.

4. TRANSPORTATION.

(a) Port and Warehouse Section -

	Cargo received Inward tons	Outward to consumers tons
Ships (military) Coal (military, Railways and Allied Military Government)	8195	4500
Allied Military Government supplies received Warehouse 6	2968	1716
UGELLA (Schooners) mixed cargoes	3364	2383
Total	14527	8599

(b) Rail Section -

To Italy	21317 tons
From Italy	12007 "
To Jugoslavia	138 "
From Jugoslavia	676 "
	34136 tons

Note: The sharp decrease from figures of March are due to drop in Coal imports from U.S. because of Coal strike there.

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(c) Road Section -

Tonnages - Civilian Vehicles (Autotrasporti)

	Inwards	Outwards	Local	Total
tons	9075	4547.2	46,097	59,519.2

Tonnages carried by Allied Military Government Truck Pool Vehicles are as follows:

	Inwards	Outwards	Local	Total
tons	138	NONE	4523.4	4666.4

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4. TRANSPORTATION. (Cont. of Road Section)

Note: The great increase in local movement is accounted for in the tremendous increase of work being done by Genio Civile under Public Works contracts.

875

(d) Tyres -

Only 67 tyres were received into the area, 51 from the Ministero dell' Industria (ITALY) and 16 from A.F.H.A.R. Italian Government Agency - through our agent Moncini. No tubes were received from any source.

(e) Bus Services -

A few new concessions were granted to small third-class bus services. The Military was relieved of operating five (5) local area services - TRIESTE to OPICINA and nearby local areas.

5. AGRICULTURE.

(a) General -

The harvest for VENEZIA GIULIA still depends on rainfall, but given a fair break in the weather the crops will far exceed last years production. This is due to the larger acreage planted as well as better natural conditions and a good start this spring. Fertilizers are too high in price for the grain farmers to be tempted into purchasing as heavily as they should, but truck and garden farmers have found ample for their needs. The fruit trees have blossomed well, and despite some vandalism, a good crop is expected.

(b) Amassing -

Last year the quota for the Territory was 10,000 quintals of wheat, of which 12,000 quintals was amassed. This year the quota has been set at 20,000 quintals and with help from the Public Safety Division this figure should be exceeded. Italian amassing decrees will be followed here, modified only in such manner as to encourage voluntary consigning of the wheat. It is indicated that the price will be high enough to pay producers well beyond their costs, and so decrease black-marketing temptations. There will be some prosecutions of last year's evaders, sufficient to have a salutary effect on this season's amassing. Threshing machines will be registered and licensed, and a check on the grain to be consigned will be made on the spot, at the machines.

(c) Livestock -

A complete appraisal of the value of equines distributed has been completed. The total to date: 470 horses, 100 mules. Since development of livestock in the Territory depends on the forage and feed available, a drive is on to increase hay production, and to import whatever can be found from RAVENNA Province and other productive sections of ITALY. In addition to the young bulls for breeding, sought for GORIZIA Area, the project for the new stud-horse farms at RONCHI is under way. Progress has been made on plans to bring back from AUSTRIA the famous Lipizzan horses taken by the Germans. It is not likely that more pure-bred war horses will arrive from AUSTRIA for farm distribution, beyond

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(d) Supplies -

Three imported tractors are now in the Consorzio Agrario warehouse ready for distribution, and the other 18 to be picked up from PADUA are expected in TRIESTE shortly. There is no fertilizer shortage and rationing restrictions have been lifted to encourage the farmers to purchase what is still available. The high prices are due to the increase in cost at factory, plus transportation expenses which are now excessive. Each sack costs 220 lire, and tariffs all along the line make an exorbitant total. The farmers idea is to go on a buyer's strike and

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5. AGRICULTURE. (Cont. of Supplies)

force the fertilizer plants to reduce their prices by fall, or be glutted with the material. Bran is coming in from the flour mills, and is being distributed on priority to producers of milk; so much bran for so many litres of milk delivered.

(e) Bonifica s -

New bonifica s in the MONFALCONE and GRADO area are under way, and vast tracts of land never cultivated and now under water will be drained and brought into production. Much of this land will be ready for fall planting.

(f). Forestry -

Some 700,000 trees have been planted in TRIESTE Commune according to plan. The seeding of the terraces in the same zone is continuing, and work on this project will continue throughout the summer. There has been some loss of nursery stock due to the lack of rain up till the end of the month. The recent showers, however, have done much to bring through many trees beginning to dry out. A new project for a Memorial Forest, dedicated to the soldiers of 13 Corps, has been started. The site lies between BARCOLA and MIRAMARE, on the hillside overlooking the sea. The Blue prints are complete, types of trees have been chosen, and fencing off the tract has begun. Oaks and non-coniferous trees will be used, to distinguish this park of remembrance from the usual memorial found in ITALY.

(g) Fisheries -

As the season progresses catches of fish are increasing daily, and the food supply of the Territory has been augmented in proportion. All restrictions possible have been removed, more mine fields cleared, and every aid has been offered to the industry. Although canning has not yet got under way, due to lack of cans and olive oil, this handicap has helped the general supply on the market, resulting in prices dropping again this month.

6. INDUSTRY & UTILITIES.

There has been less unrest among industrial workers and General Order No. 106 unblocking the dismissal of surplus workers has been accepted without any outward signs of serious opposition.

Nevertheless it is known abroad that political influences are having an adverse effect on output and orders are more difficult to secure in consequence.

In particular the Ministry of Transport has reversed its decision to have the "Empire MacKay" reconversion here and the ship is going to GENOVA. It was also the intention of MOT to transfer the "Arraybank", now lying in TRIESTE, to GENOVA or elsewhere for reconditioning.

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The fuel situation has required careful handling in consequence of the cessation of imported coal supplies for an indefinite period due to the coal strike in U.S.A. stock pile of 9,000 tons of coking coal has been accumulated and several thousand tons of USSA coal are expected. After careful screening of demands it has been possible to cover three months demands and at the same time restore a limited gas service of one-and-a-half hours daily in TRIESTE.

The electricity supply situation is normal but owing to lack of gas consumption is very high and it has been necessary to refuse new domestic power connections in order to protect transformers and the low-tension distribution system against overload.

Large industries depending upon supplies and markets outside Zone "A" are making slow progress but medium and small industries are steadily improving. One large industry showing improvement is the Cotonificio Triestino of GORIZIA which increased to 76% capacity.

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6. INDUSTRY & UTILITIES (Cont'd)

Good progress has been made with Port Reconstruction and it has been noted that workers have shown better discipline. 873

Salvage of the Jugoslav destroyer SEVERICO is almost completed and plans have been made to continue with other ships obstructing berths in the harbour.

Arrangements have been made to take over Royal Navy ship salvage gear from the Senior Salvage Officer, on whose departure early in May all ship salvage will come under this Division.

7. COMMERCE.

(a) General -

The distribution of the cloth made at the Cotonificio from the first 800 imported bales of cotton is proceeding slowly. 12 million lire worth of goods have been taken over by wholesalers to date out of a total of 400 million lire worth of cloth made or to be made out of the first and second lots of cloth to be delivered.

At the beginning of the month 3919 bales of American cotton representing the first consignment under the 1946 January-June Civil Import Programme were unloaded at TRIESTE and of this 200 bales have been taken over by the GORIZIA Cotton Mill.

(b) Firewood -

Firewood distributed in April qls 1,100
Availability in 30/4/1946 " 42,000 (less shrinkage)

Sawn Timber trade between Zone "B" and Zone "A" -

On UIVOD compensation account at Banca d'America & d'Italia, payment made in advance; for timber purchases in April Lit. 9,650,000
" deliveries in April " 2,200,000

Sawn Timber imported from JUGOSLAVIA through CENTROPROM in April for L. 1,400,000.

(c) P.O.L. -

Demands by Transportation Division for Petrol and Derv. continue to increase and total civilian demands threaten to exceed the GHQ Slate; in fact the bids for the next planning period July-December are already in excess of the slate for the present period.

Industrial Oils -

Recent arrivals have brought stocks up to six months supply and no bids for this class of oil have been made for the period July - December.

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(d) Coal -

Arrivals during April	Date of discharge	
S/S JOHN P. SOOSA	19.4.1946	8,195 tons
S/S ROBERT S. BEANS	19.4.1946	8,106 "
		16,301 Tons

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8. PUBLIC WORKS.

(a) General -

As stated in the last report, there has been a decided increase in willingness of house-owners to repair their houses under General Order No. 14. During the past month the Genio Civile has not submitted any project under General Order No. 27 although a number have been submitted under General Order No. 14. In all, these amount to 8673 units. 872

Work is continuing in the distressed villages and this month work has started in the villages of RIFENBERGO, COSTINO and CASIGLIANO in addition to those reported last month and it is hoped that repair work will commence in other villages in May.

(b) Agriculture Projects -

The reforestation of the communal woods of TRIESTE has been practically completed.

(c) Roads & Bridges -

With the break in the weather, the roads and bridge programme has picked up and is now proceeding at its maximum. On this programme alone there are in round numbers 2900 men working, a big increase from the 500 during the winter months. TRIESTE Commune is employing nearly 900 men on the roads.

(d) Building Supplies -

The building supply position is very healthy. The Territory can now produce about 90% of all its needs. It is hoped that by the end of June it will be possible to unblock all construction supplies.

(e) Bomb Disposal -

The Bomb- Disposal and Mine lifting programme has made considerable progress during the month. Types of explosive material recovered during the month are:

Mines.....	16 Tons
War residues unexploded bombs and varied material.	118 "
Dangerous war residues demolished.....	72 "
Amount in Duino "Cementary".....	67 "

9. ECONOMICS.

Rehabilitation -

All Divisions concerned with the rehabilitation of the area, especially Industry Division, have been actively engaged in preparing a programme designed to give added employment, and to get industry started back to its normal prewar production.

Preliminary surveys show that, in most instances, most of the needed materials can be obtained in ITALY, but some of the basic and more critical materials will have to be secured through the assistance of

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Preliminary surveys show that, in most instances, most of the needed materials can be obtained in ITALY, but some of the basic and more critical materials will have to be secured through the assistance of A.F.H.Q. from the Combined Chiefs of Staff. It is hoped that this programme can be completed, screened, and forwarded to A.F.H.Q. by the end of May.

Trade across Morgan Line -

Since General Order No. 45 became effective on 25th March the movement of trade across the Morgan Line has been subjected to close supervision. At present there are only five control posts in operation, and experience shows that additional posts are necessary. Both Italian and Jugoslav officials have requested a closer control. During the next month it

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9. ECONOMICS (Cont. of Trade across Morgan Line)

is hoped that additional personnel can be obtained. Under the present set-up where the number of posts are small, and the distances between posts somewhat great, additional cost on the merchandise has been necessary because of increased transportation tariffs. 871

The Jugoslav Military Authorities appear to be satisfied with the principle of control, and the results of its operation during the first month. In addition to their request for closer control they have requested clarification and alteration of a few of the points of instruction issued for goods crossing the line. Early in the month a very successful meeting was held between members of the Jugoslav Military Government and a Sub-Committee of the Anglo-American Joint Economic Committee to straighten out certain difficulties encountered.

10. PUBLIC HEALTH & WELFARE.

(a) Hospitals -

In TRIESTE, there continues to be a good deal of political intrigue among the staff of the Ospedale Maggiore and personal animosities accentuated by Party bias are apt to interfere with medical administration.

The Civil Hospital at GORIZIA was visited. It is an old fashioned building with out-of-date equipment which prevents an efficient medical service. This will be remedied when the new hospital is taken into use.

The Civil Hospital at POLA, was inspected and was found to be rendering excellent service in spite of overcrowded conditions.

(b) Medical Supplies -

About 50 tons of drugs and dressings arrived by rail during the month and are housed in the Allied Military Government Warehouse in the Docks. In addition, a 30-day reserve will be maintained in case of emergency. A quantity of captured enemy supplies, mainly Laboratory Equipment, found at the Marine Hospital POLA has been taken over by Allied Military Government and given to the Hospital "Santorio Santorio" POLA.

(c) Sanitation and Hygiene -

The TRIESTE City Refuse dump at ZAULE has now a Staff of 20 workers controlling the deposit of rubbish, and the work is progressing smoothly. The question of improving the sanitary facilities at the Savoia Swimming Bath has been taken up in order to make the Bath fit for use by military personnel.

The anti-rat Campaign continues, and an additional monetary grant is being asked from Finance in order that the work may go on for a further 4 months. The POLA water supply was in danger of becoming contaminated owing to a breakdown in the filtration apparatus, and a special supply of chlorine powder was sent from TRIESTE to combat this

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(d) Infectious and other Diseases -

General health continues very good, except for an outbreak of Measles at GORIZIA.

Venereal disease - Number of admissions to hospital are 55 as compared with 91 last month.

Tuberculosis - An analysis of cases show a total of 311 cases notified compared with 467 in March.

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10. PUBLIC HEALTH & WELFARE. (Cont'd)

(e) Veterinary Disease -

An outbreak of Undulant Fever among sheep in MARANO in GORIZIA Area is being investigated.

(f) Miscellaneous - 870

A conference at which Jugoslav health Officers were present, was held to discuss infectious disease in Zone "B".

(g) Welfare -

Inspections were made of several Welfare Agencies in TRIESTE, including the ISTITUTI RIUNITI DI ASSISTENZA and the ENTE COMUNALE DI ASSISTENZA, the official Public Welfare Agency.

Inspections and visits have been paid to GORIZIA, GRADO and PIEMEECK, at the two latter places in connection with the project of SUMMER CAMPS for children.

Ente Comunale di Assistenza - This Public Welfare Agency is continuing its welfare activities. The ECA's work is increasing rather than decreasing, due to the fact that many ex-internees, POWs etc., have returned home and because the recent unblocking order has been put in effect. ECA's estimated quarterly budget shows an increase of about 7,230,000 lire.

Opera Orfani di Guerra - The number of WAR ORPHANS enlisted in this agency is 2,000.

Commencing on EASTER SUNDAY, with the assistance of WELFARE DIVISION, this Agency organized a SPRING FESTIVAL for benefit of war orphans. Receipts realized (L. 1,200,000) will be used by this agency to set up a war orphans residence and college in TRIESTE. As the building to be used for this purpose is now being repaired, it is hoped that the college may start functioning in the near future.

A similar SPRING FESTIVAL for benefit of war orphans was held in POLA, commencing EASTER SUNDAY and realized Lire 147, 283, which sum will be of great assistance in furthering the war orphans programme.

A plan for the appointment of local civilian representative of the Opera Orfani di Guerra in each Commune of TRIESTE, is now under consideration.

Comitato Assistenza Post-Bellica - Since the appointment of a new Civilian Committee, this Welfare Agency is now functioning well.

11. DISPLACED PERSONS.-

The increase in movements of Displaced Persons which had been noted during the last few months has been maintained during the month of April. Details are as follows:

	Entered	Evacuated
Civilians	1360	1318

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	Entered	Evacuated
Civilians	1360	1318
Ex-PW's	213	206
Total figures	1573	1524

The responsibility for payments to Greek and Czech nationals will be undertaken in the very near future by their respective Governments. British nationals are already being paid by arrangements with this Division from British Foreign Office funds.

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11. DISPLACED PERSONS (Cont'd)

Attempts have been made during the month by Jewish nationals to enter the Territory illegally in order to get to PALESTINE. These persons were ultimately despatched to Displaced Persons Camps in ITALY and all have now left VENEZIA GIULIA. The system of admittance of any Displaced Person from JUGOSLAVIA into VENEZIA GIULIA have now been completely altered and there has been no other attempt at illegal entry from Zone "B".

British Red Cross -

Distribution of Red Cross parcels have been made to all communes.

12. FINANCE.

(a) State, Parastatal and Communal Budgets -

The majority of the Budgets for the last quarter (April-June) of Financial Year 1945/46 have been approved.

(b) Salaries and Pensions -

The cost-of-living index figure in North ITALY has now been increased to 130, and the question of amendment in VENEZIA GIULIA is under consideration.

AUSTRO-HUNGARIAN pensioners excluded from benefits under General Order No. 34 have been granted 50% of the increase of cost of living allowance pending the issue of a further order.

Uniform provisions have been issued for the payment of state assistance made by E.C.A.A. to refugees, ex-internees, families of internees, etc.

(c) Past due bills -

The amount payable to any one creditor of public bodies has been increased to Lit. 500,000.

(d) Revenue -

Fiscal Guards - Application has been made to increase the establishment from 500 to 1,000.

Owing to the lack of security in the Port, Insurance Companies are refusing to insure goods, and this constitutes a serious matter.

Monopoly - Salt rationing has now ceased.

(e) Insurance -

Temporary Special Unemployment Indemnity - This has now been prorogated to 30 June 1946 in connection with the gradual unblocking of dismissals.

Cooperation in JUGOSLAV Zone - Attempts to obtain certain Zone "A" documents from the Jugoslavs are meeting with no success and it may be necessary to make an approach through the Joint Economic Committee.

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The majority of the Budgets for the last quarter (April-June) of Financial Year 1945/46 have been approved.

(b) Salaries and Pensions -

The cost-of-living indexfigure in North ITALY has now been increased to 130, and the question of amendment in VENEZIA GIULIA is under consideration.

AUSTRO-HUNGARIAN pensioners excluded from benefits under General Order No. 34 have been granted 50% of the increase of cost of living allowance pending the issue of a further order.

Uniform provisions have been issued for the payment of state assistance made by E.C.A.A. to refugees, ex-internees, families of internees, etc.

(c) Past due bills -

The amount payable to any one creditor of public bodies has been increased to Lit. 500,000.

(d) Revenue -

Fiscal Guards - Application has been made to increase the establishment from 300 to 1,000.

Owing to the lack of security in the Port, Insurance Companies are refusing to insure goods, and this constitutes a serious matter.

Monopoly - Salt rationing has now ceased.

(e) Insurance -

Temporary Special Unemployment Indemnity - This has now been prorogated to 30 June 1946 in connection with the gradual unblocking of dismissals.

Cooperation in JUGOSLAV Zone - Attempts to obtain certain Zone "A" documents from the Jugoslavs are meeting with no success and it may be necessary to make an approach through the Joint Economic Committee.

13. PROPERTY CONTROL.

(a) Allied Owned Property -

The number of Allied Properties of all classes taken under formal control now amounts to 374, belonging to 283 owners.

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13. PROPERTY CONTROL (Cont'd)

(b) Commercial and Industrial undertakings - 868

Special investigations have been made during the month into the affairs of two British Oil Companies, viz. Shell Mex and Anglo-Iranian Oil Company.

(c) Italian State and Parastatal and ex-Fascist Property -

The number taken under formal control remain the same. In addition however, a number of other properties are being administered or wound up by the Intendente di Finanza under supervision of this office.

14. LEGAL.

(a) Allied Military Courts -

Summary Courts - During April, 1946, a total of 82 accused were tried on 89 charges. These figures compare with 518 accused on 546 charged in March, 1946. The comparitively small number of cases in the Summary Courts in April is further due to the large number of cases transferred to Superior Courts, consisting mainly of the cases arising out of the demonstrations at TRIESTE and GORIZIA in the latter part of March. This is reflected in the increase of Superior Court cases as hereinafter pointed out.
The breakdown of offenses disposed of in the Summary Courts during April, by Areas is as follows:

Area	No of Charges	No of Accused
TRIESTE	67	64
GORIZIA	20	16
POLA	2	2
Total	89	82

Superior Courts - Cases in the Superior Courts were greater than in any other month due to the fact that all cases arising out of the demonstrations at TRIESTE and GORIZIA were disposed of in Superior Courts.

During April, 1946, Superior Courts disposed of cases involving 139 accused (as compared with 35 in March), on 214 charges (as compared with 53 charges in March).

All cases arising out of the demonstrations were tried and disposed of. This was accomplished by setting up extra Superior Courts at TRIESTE and GORIZIA.

No Superior Court cases were tried in the POLA Area.

The breakdown of Superior Court cases for the other two Areas is as follows:

Area	No of Charges	No of Accused
		60

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No Superior Court cases were tried in the POLA Area.

The breakdown of Superior Court cases for the other two Areas is as follows:

Area	No of Charges	No of Accused
TRIESTE	112	69
GORIZIA	102	70
Total	214	139

General Courts - No General Court cases were tried during the month of April.

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14. LEGAL (Cont'd)

(b) Civil Courts -

The Ordinary Civil Courts continue to function with reasonable satisfaction although the problem of adequate personnel is a cause of some concern.

The Ordinary Court of Assize which has jurisdiction of the more serious criminal offences, disposed of cases involving 12 accused, 16 cases were pending on 30 April.

(c) Special Court of Assize -

During the month of April, the Special Court of Assize tried 39 accused resulting in 23 convictions and 16 acquittals.

The Death sentence in the case of a notorious collaborator was the first imposed by the Court.

The Court is now engaged in the trial of General Esposito, Commander of the Fascist Republican Army in VENEZIA GIULIA after the arrival of the Germans together with 8 other accused.

15. LABOUR.

Labour Agencies are working satisfactorily in the face of many handicaps. In the Social Services the situation developing as a result of non-payment of contributions by both Employers and Employees has been squarely confronted by the Labour Division and in concert with Finance Division it is hoped to find a formula acceptable to all the interested parties.

Unemployment in the territory is still on the upward trend. The records at TRIESTE, GORIZIA and POLA show an increase of nearly 2,000 men, 1,200 women and 300 juveniles. This increase would have been more marked if Public Works had not catered for another 3,000 workers. When the gradual unblocking of dismissals becomes effective, figures are likely to increase further unless even more Public Works projects are provided.

The margin between wages and cost-of-living is gradually narrowing down and though it is quite correct to say that the gap is still marked, the sweeping statement of the Sindacati Unici that living costs were higher in TRIESTE than in other North Italian Regional Capitals is quite unfounded.

A new General Order governing Arbitration procedure has been promulgated and the application of these provisions has already proved practical and effective. The Trade Union movement is still controlled by self-appointed political "Hirelings".

Only one strike (and that of a political nature) was staged during April. An attempt by the Sindacati Unici to organise an Industrial agitation over the promulgation of General Orders 105 and 106, blocking and unblocking dismissals, proved a complete failure. There is every indication that the gradual unblocking of dismissals should prove effective and no serious repercussions on public order are expected.

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16. EDUCATION.

The month of April has been a quiet one as regards the schools of the Territory. The political situation has remained stationary. School administration has functioned smoothly except for minor political incidents which have occurred in both the Italian and Slovene schools.

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16. EDUCATION (Cont'd)

Italian Schools -

In all towns and villages the work of re-activation of school buildings is continuing. At TRIESTE this activity has taken a speedy turn to the better, and very shortly several large buildings such as that of the "Liceo Scientifico" will return to their normal functions. The number of schools being derequisitioned is increasing. Several secondary schools, also at TRIESTE, are now functioning in full.
Less noticeable has been the improvement of the Italian schools in the field of elementary school instruction; some "sedi" are still without their school buildings.

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Slovene Schools -

On 10 April the Training Course for the preparation of Slovene elementary school teachers was started. Of 70 applicants, 38 were accepted to attend the course which will last six months; while in school, each candidate will be paid the salary at the commencing rate for an elementary school teacher of grade XII Class B (Italian civil service qualification). Since the beginning of the course further applications have been received; and if a sufficient number are received to warrent the establishment of another class this will be done as soon as practicable.
On 11 April the Division, through its "Sovraintendenze Scolastiche" started the distribution of the newly printed 4th and 5th Class elementary school reader - "Slovenske berilo". The school section of the PNOO is placing considerable pressure on teachers, parents, and even children not to purchase this text book. In TRIESTE area where it was estimated 2,000 books would be distributed only 200 have been purchased. (The book is being sold at cost of printing: 30 Lire per copy). The possibility that Allied Military Government will have to subsidise this text book is being planned for, and the number of schools to be officially recognized may have to be decreased.
Another of the Slovene series of text books prepared under the supervision of Allied Military Government to come off the press on the above mentioned date is a basic English-Slovene grammar which will be used in the Slovene secondary schools of the Territory.
Both the Slovene School Inspector and the Superintendent of Schools of GORIZIA have received anonymous intimidatory letters threatening death for treason to the Jugoslav cause. Strong opposition to our Slovene Schools, including intimidation of teachers, is reported at COMEN0, SEZANA, S. DONATO DELLA VALLE, in the district of AURISINA, in the town of DOBERDO, REMEMERGO and above all at SALCANO - suburb of GORIZIA. At SALCANO the teaching of religion in the elementary school is opposed by the Communist leaders of the Community (It is said that the Community is almost 100 percent Communist). In the same manner, religion has been taken out of the school syllabus at PLANIS near RUGGIA.
The President of the PNOO at SEZANA has been arrested for violation of General Order No. 11 and Proclamation No. 1 in issuing certain illegal orders to school personnel affecting the school population of the district. (Reference Education Monthly Report for March 1946, Sec. II, b, p 3). The responsible PNOO school inspectress, and her

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The President of the PNOO at SESANA has been arrested for violation of General Order No. 11 and Proclamation No. 1 in issuing certain illegal orders to school personnel affecting the school population of the district. (Reference Education Monthly Report for March 1946, Sec. II, b, p 3). The responsible PNOO school inspectress, and her secretary fled to Zone "B" before they could be apprehended for responsibility in the issuing of these orders.
A thorough inspection tour of all Slovene schools is now in course in order to establish which ones are to be granted recognition for having functioned within the established Allied Military Government directives and according to the proper Programme of Studies.

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16. EDUCATION (Cont'd)

The University of TRIESTE - 865

The University of TRIESTE is functioning regularly; however, the lack of premises has made normal activities difficult particularly for the Faculty of Engineering. This Division is supporting very strongly the request recently presented to the Finance Division by Public Works Division to complete as soon as possible one wing of the new University Building of which one wing is occupied by troops of 13 Corps.

Before Easter a "session straordinaria" of examinations and of "Laurea" was held. Student interests in the University have gained momentum and have contributed greatly to the cultural progress of the school.

Other institutions of higher learning are conducting their work quite satisfactorily, though hampered as usual by restricted premises and shortage of laboratory equipment of which much was taken by Jugoslav and German occupation troops.

The Astronomical Observatory, the Institute of Geophysics, and the School of Obstetrics are a few of the schools which are battling for existance.

17. PUBLIC RELATIONS.

25 correspondents representing newspapers from various parts of the world visited VENEZIA GIULIA during April.

On 2 April a visit by the local press and a few correspondents of the World Press was arranged to the Basin to see the afforestation plan in progress.

A party of 25 French journalists representing French National and provincial papers visited TRIESTE on the 24 April. During their stay in the Territory they were entertained at lunch by the President and Members of the C.L.N. In the afternoon members of the party contacted various political organizations in Trieste and six paid a visit to SERVOLA where a small pro-Tito demonstration was staged in their honour.

On 25 April 17 publishers and owners of leading United States magazines and periodicals arrived in TRIESTE on a short visit. They were received by the Senior Civil Affairs Officer who introduced them to members of 13 Corps and 88th Division.

During the month, 53 news items and announcements concerning the activities of Allied Military Government were passed to the News Division of A.I.S. for publication in the local press and for radio.

18. TELECOMMUNICATIONS.

A TRIESTE-MILAN telephone circuit was opened during the month.

When repairs to the Post Office building are complete (which should be in the near future) it is proposed to reorganise the Sorting Offices in the same condition as they were in the days of the

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When repairs to the Post Office building are complete (which should be in the near future) it is proposed to reorganise the Sorting Offices which at the present are in the same condition as they were in the days of the Austrian Empire.

19. PATRIOTS.

Partisan associations have for the third month in succession been very quiet and no large scale deputations have visited the Patriot Office to press the claims of their ever increasing numbers.

Considerable progress has been made with the screening of the claims already submitted and to the end of April seven and three quarter millions lire have been paid out to partisans.

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19. BISHOPS (Cont'd)

The outstanding features of the month were the mass held at S. Giusto cathedral on 25th April followed by the unveiling of a phaque on the wall of the Castle to commemorate the fallen patriots. These ceremonies were arranged by the Associazione Partigiani Italiani and attended by the Bishop of TRIESTE.

The Associazione Partigiani Giuliani assisted in the ceremony held on the evening of 23rd April in the Via Ghega on the first anniversary of the hanging there of 51 hostages.

20. ELECTORAL ROLLS.-

The General Order dealing with the preparation of the Electoral Rolls has now been completed and passed to Legal Division for final approval.

ALFRED C. BOWMAN,
Colonel, J.A.D.,
Senior Civil Affairs Officer.

Declassified E.O. 12356 Section 3.3/NND No. 785031

GENERAL ORDERS, ORDERS, AND ADMINISTRATIVE ORDERS PUBLISHED DURING APRIL, 1946.

a. General Orders:

No. 25 B - Amendments to the provisions governing direct taxes.
No. 38 B - Amendments to General Order No. 38 relating to an additional tax on textile goods.
No. 41 B - Special Court of Assize.
No. 46 B - Amendments to General Order No. 46 - Granting of amnesty and pardon.
No. 51 - Amendments, modifications and amplifications of the laws relating to "Regulations relating to the comprehensive declarations required for the assessment of direct taxes".
No. 52 - Increase of war pensions and allowances.

b. Orders:

No. 98 - Increase in Radio License fee.
No. 99 - Economic provisions in favour of the Magistrates and of the Lawyers of the State (Magistrature ed Avvocatura dello Stato).
No. 100 - Abrogation of certain exceptional tariffs on goods transported by railroads of the State.
No. 101 - Increase of pensions payable from special Insurance Fund for personnel of Public Transportation Services (Fondo Speciale per la previdenza, per il personale addetto ai pubblici servizi di transporto).
No. 102 - Supplementary contributions for increases of old age and invalidism pensions.
No. 103 - Supplementary unemployments benefits.
No. 104 - Compulsory tuberculosis insurance - Increased allowances.
No. 105 - Supplement to industrial workers and establishment of fund for that purpose; temporary prohibition of discharge from employments; temporary reduction of work hours weekly.
No. 106 - Unblocking of discharges from industrial employment; financial benefits and reduction of hours of work.
No. 107 - Extension of time to file applications for competition for appointments of judicial administrators - Supplement to Order No. 69.
No. 108 - Issue of new stamps for government concessions and administrative instruments, and their characteristics.
No. 109 - Increase in allowances to witnesses.
No. 110 - University of Trieste - Provisions for the increase of and exemption from college taxes, surtaxes and fees.
No. 111 - Modification of penalties for smuggling and sale of tobacco and for breaches of Monopoly regulations.
No. 112 - Fixing of maximum rates for the transportation of goods and passengers by ship - Amendment of General Order No. 12.
No. 113 - Fixing of maximum rates for the transportation of goods and materials by motor transport - Amendment

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comprehensive declarations required [illegible]
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No. 111 - Modification of penalties for smuggling and sale of tobacco and for breaches of Monopoly regulations.
No. 112 - Fixing of maximum rates for the transportation of goods and passengers by ship - Amendment of General Order No. 12.
No. 113 - Fixing of maximum rates for the transportation of goods and materials by motor transport - Amendment of Order No. 25.
No. 114 - Tax on "Terreni and Redditi Agrari" - Modifications of General Order No. 25.
No. 115 - Modifications in consumer tax - Amendments to General Order No. 36.
No. 116 - Fees due to messengers for notices on assessment and payment of direct and indirect taxes.
No. 117 - Increase in fees of tax collectors for warrants of execution and sales for the collection of direct taxes.
No. 118 - Slovene teachers training course at Gorizia.

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APPENDIX "A" (Cont'd)

b. Orders (Cont'd)

No. 119 - Establishment of temporary council of discipline for principals and teachers of secondary schools.

No. 120 - Amendments modifications and amplifications of the laws relating to excise duties on spirits, sugar and by-products, beer, coffee substitutes, seed oils, mineral oils, gas, electric power and illuminating materials, artificial textile fibre.

No. 121 - Supplementary provisions to General Order No. 12 concerning civil navigation.

c. Administrative Orders:

No. 35 - Appointment of Commission for the investigation of marine accidents.

No. 36 - Appointment of sequestrator for "Mittelmeer Rederei".

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HEADQUARTERS
NAPLES LIAISON GROUP
ALLIED COMMISSION
APO 394

6 May 1946.

SUBJECT: Monthly Report for April 1946 by Colonel J.A.C. Pennycuick, Chief Liaison Officer Naples and South West Italy.

TO : Headquarters Allied Commission.

(a) POLITICAL.

The number of political meetings rose from 89 in March to 129 in April. No incidents. The San Carlo Opera lent its stage to Giannini and the Uomo Qualunque Party on the 14th. The meeting was well attended; criticism of the Government was expressed but no new views.

Administrative Elections were held again on the 7th of April which completed the first series. The Provinces of Benevento, Campobasso and the three Provinces of Calabria - Catanzaro, Cosenza, and Reggio Calabria - have now virtually completed all administrative elections. Avellino has still to hold elections in 40 Communes out of 109, Caserta in 43 out of 79, Salerno 52 out of 149 and Naples 42 out of 79, including Naples itself.

The results show the Demo-Christians to be the largest single party everywhere except in Benevento where they were slightly outnumbered by the Liberals. There were many independents, but Communists and l'Uomo Qualunque had few followers. Communists, however, appear on the Demo-Christian lists and the system of proportional representation is resulting in a weak mixture of many small parties.

There was universal good order and interest with heavy polls, amounting to 80% to 90% of eligible voters in many cases. The women voted in strength and in one small Commune of Caserta Province, Rocchetta e Croce 100% of the women voted.

The Liaison team visited in March and April elections in All Communes taken from all 9 Provinces, as follows:

		Communes visited
NAPLES	CAMPANIA	12
AVELLINO	CAMPANIA	14
BENEVENTO	CAMPANIA	16
		21

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The Liaison team visited in March and April elections in 11 Communes taken from all 9 Provinces, as follows:

		Communes visited
NAPLES	CAMPANIA	12
AVELLINO		14
BENEVENTO		16
CASERTA		21
SALERNO		16
CAMPOBASSO		10
CATANZARO	CALABRIA	14
COSENZA		4
REGGIO CALABRIA		4
		11

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HQ ALLIED COMMISSION

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Preparations for the Costituente Elections and Referendum on the 2nd of June are now in hand and official party signs for 61 parties, for the benefit of illeterate electors have been issued. They range from the familiar shield and cross of the Demo-Christians to a picture of a donkey, the sign chosen, somewhat quaintly by the party styling itself the: "Movimento Lavoratori Indipendenti".

Turning to the question of disposal of explosives referred to as a political issue last month, dumping of American explosives in the sea continues smoothly.

Two explosions have occurred in the Nola area of British Ammunition. On the afternoon of the 6th of April a loading party of 2 British NCOs and 14 Italian Civilians, men and women, were killed by an explosion near San Giuseppe Vesuviano, and on the night of the 13th of April 4 Civilians were killed and 2 injured presumably as a result of attempted theft of explosives in the Nola area.

A slight political turn has been given to activities of returned POWs by the election of an ex-senior officer of fascist militia as President of the Naples Section of the National Union of Italian ex-POWs (Dante CAPORALI).

(b) GENERAL ITEMS.

The Italian Commissario degli Alloggi now attends weekly meetings of the Naples Accomodation Committee to help clear points on derequisition.

On the 3rd of April a liberator crashed at Sessano in Campobasso province. 11 persons were killed and 5 injured all British. Local Italian authorities gave early help to the victims

On the 11th of April a small U.S. Naval craft caught fire and was burned out in the harbour. No casualities reported.

(c) PUBLIC SAFETY.

Conditions as regards public safety continue to be reasonably satisfactory. A second case of the murder of a RAF soldier occurred at the end of March and was not reported in the March report. It was at Torre del Greco and the victim was on patrol duty, when fired at. Six arrests have been made.

Two explosions of ammunition are referred to above under Political.

Reduci or returned POW have shown menacing activity which has alarmed the local authorities as the men do not consider that sufficient is being done to provide them with employment. They demonstrated 7 times in the first half of this month. On the 8th there was a clash between POW returned from Russia and the Communists. Some documents and furniture being burnt. Labour sided with the Communists in protest and a general strike was only averted by the Prefect taking action to have the Communist Offices guarded.

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A slight political turn has been given to activities of returned POWs by the election of an ex-senior officer of fascist militia as President of the Naples Section of the National Union of Italian ex-POWs (Dante CAPORALI).

(b) GENERAL ITEMS.

The Italian Commissario degli Alloggi now attends weekly meetings of the Naples Accomodation Committee to help clear points on derequisition.

On the 3rd of April a liberator crashed at Sessano in Campobasso province. 11 persons were killed and 5 injured all British. Local Italian authorities gave early help to the victims

On the 11th of April a small U.S. Naval craft caught fire and was burned out in the harbour. No casualities reported.

(c) PUBLIC SAFETY.

Conditions as regards public safety continue to be reasonably satisfactory. A second case of the murder of a RAF soldier occurred at the end of March and was not reported in the March report. It was at Torre del Greco and the victim was on patrol duty, when fired at. Six arrests have been made.

Two explosions of ammunition are referred to above under Political.

Reduci or returned POW have shown menacing activity which has alarmed the local authorities as the men do not consider that sufficient is being done to provide them with employment. They demonstrated 7 times in the first half of this month. On the 8th there was a clash between POW returned from Russia and the Communists. Some documents and furniture being burnt. Labour sided with the Communists in protest and a general strike was only averted by the Prefect taking action to have the Communist Offices guarded.

On the 9th another party started a small fire by throwing petrol against the doors of the Municipio and Police fired in the air to disperse the crowd.

Cases in which Allied troops were involved in theft from, or conflict with, civilians numbered 8 as against

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14 in March. 3 involved coloured personnel. There were again five cases in which Poles or Yugoslavs (Chetniks) were involved. 2 cases with Poles - 3 Yugoslavs.

(d) ECONOMIC, FOOD AND SUPPLY.

Further rain has made harvest prospects good. In Crotone, the grain area of Calabria, the Sindaco expects a yield of 20 to 25 Quintals of grain per hectare. The official estimate being only 8 and last year, "official" yield being only 7 from this district. The free, or so-called black market, for grain and other foodstuffs flourishes in all provinces and is particularly in evidence in Naples.

Food conditions have been discussed with many employees and workmen and all, without exception, readily admitted that they supplement their bread, pasta rations by purchases on the free market, the food is available. Prices are quite unpredictable, for example the price of ration bread is 15 to 18 lire a kilo based on an official grain price of 1000 Lire to the quintal, yet in one small Commune although the price of free market bread was 70 Lire a kilo, the price of grain had risen to over 10000 Lire a quintal. Publicity emphasising the shortage of grain in the Ammassi and the grain to be imported from abroad has had the effect of pushing grain and bread prices up. A bread price of about 100 lire to the kilo is common on the free market.

The olive oil crop last year was good in Calabria and the price of olive oil in many districts has been below the official Government price of 200/215 lire to the litre.

(e) LABOUR.

There has been little unrest. The employees of the San Carlo Opera have been on strike with a demand for a pre-war pension liability incurred by the fascist management to be accepted by the present Impresario.

Apart from this, there have been a few small disputes in paste and preserve factories and the gas company clerical staff. The causes of the disputes have been failure to pay bonuses, and demands for more wages, and have been quickly settled.

(f) PUBLIC WORKS AND UTILITIES.

Extreme slowness in getting going over reconstruction is a feature of the Administration in Naples. In Torre Annunziata, 3 sets of huts for persons rendered homeless by the munition explosion, are nearing completion. One North of the railway, consisting of four reconstructed buildings and 19 huts on a very crowded site, and two South of the railway consisting of

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Last February engineers of UNRRA CASAS announced a scheme to build permanent houses to a simple design with earthpit sanitation at Torre Annunziata. The project was to be financed by UNRRA and carried out by local labour and the remarkably quick estimate of 6 months for the completion of the scheme was then given. No work has, however, started and the Sindaco appears to be waiting for a written communication to the effect that funds are available, so as to permit him to take the first preliminary step and exercise his right to take over the land that would be necessary.

(g) PUBLIC HEALTH.

Health has been good but the measles epidemic is still in evidence. Venereal disease reports are much the same as last month. 1400 infected women treated as against 1600 in March and 1500 in February.

(h) TRANSPORT AND COMMUNICATIONS.

Nothing to report. The increasing activity of civilian motor vehicles of all sorts, which seem to suffer from a petrol shortage is noticeable.

(i) LEGAL.

No General or Superior Military Courts were held in Naples but three cases of surrendered German personnel charged with thefts of Allied property are pending.

Italian Courts continue to function satisfactorily. War crimes trials by British military authorities have been held at Afragola in which A.C. have arranged legal assistance for the accused.

The legal officer, Capt. Gaziano has taken over all American administrative duties being the only American Officer now with the Naples Liaison Group.

J.A. Pomeroy
Colonel
Naples Chief Liaison Officer
Allied Commission

DISTRIBUTION:-

Hq. Allied Commission	16	UNRRA Naples	1
Chief Liaison Officer	1	British Information Office	1
C.L.O. Bari	1	U.S.I.S.	1
	1	British Consul General	1

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No. 3 District	1	American Consul General	1
Hq. Naples Area	1	B.L.U. MAIA Torre Annunziata	1
Hq. RAAF P.B.S. South	1	Air Force Sub-Comm, Alcon	1
N.O.I.C.	1	Circulation	1
Hq. No.1 Base R.A.F.	1	File	3
G-5 A.F.H.Q.	1	Spare	3

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TRANSLATION:

FROM : MINISTRY OF TRANSPORTS

REF.No. : Rome, 6 May 1946.

SUBJECT : Report on Motorization

TO : Transportation & Shipping S/C,
HQ. AC. ROME .

We beg to submit report on vehicles in circulation required by Lieut.Colonel W.P.Scoggins at the occasion of his visit to this office:

Number of vehicles operated:	On 28 Feb 1946:	On 31 March 1946:
Trucks(for goods transport)	32.100	32.430
Tractors	8.520	8.607
Buses (passangers)	3.310	3.340
	43.930	44.377

A great number of emergency rolling-stock (small 3 wheel motor vehicles,small motor-cars adjusted for goods transport purposes,and small trucks edjusted for transport of people purposes), put into circulation on several occasions in order to make possible temporary solving of the problem of lack of means of conveyance in the country,are to be added to the above figures.

The said small vehicles,though their stock totaled at a time 50,000 motor-cars,cannot be considered as suitable for solving the traffic problem,because they are of a temporary use, and usually withdrawn from the circulation before the end of a month's period,their economic and transportation worthiness being under the standard.

Moreover the motorization should be able to take place of State Railways in our communication system as a result of both the dammages inflicted on our railways by the recent war and the lack of coal supply needed for steam locomotives.

The A/m small emergency vehicles could have been put into operation,temporary as well as permanently,owing to sufficient stock of old-fashioned small tyres available,which fit their wheels, while the bulk of big buses could not be operated because of suitable tyres being in short supply.

We emphasize that our two tyre factories:"Pirelli" in

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We emphasize that our two tyre factories:"Pirelli" in Milan and Tivoli,and "Michelin" in Turin and Trento were put to work again two months ago,but their output is utterly insufficient to meet the demand,as both raw rubber and coal are in short supply.

The demand of tyres would attain the amount of 3.000 tyres per month,provided the daily route of each vehicle does not exceed 50 Km.,and provided all tyres be new at the beginnig of this period.On the contrary the tyres of vehicles operated nowadays are of a low quality,having already been operated for a more or less long time,while their number totals 400.000(tyres of small old

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vehicles included),so that the demand of tyres exceeds 3,000 per month.This problem may only be solved by turning out 12,500 tyres monthly i.e. 300,000 tyres during a 2 years' period.

Fuel is also in short supply.For the time being fuel supply put monthly at our disposal for the entire natinal communication System totals 75,000 q. of petrol and 68.000 q. of Diesel-oil.

This quantity is sufficient for attaining 50 Km.daily routes,but this result is utterly unsatisfactory from the technical and economic point of view.

Fuel supply should therefore be trebled at the least.

Similar troubles hamper the development of other branches of Italian Communications.

With regard to herein exposed and stated facts,we take the liberty to suggest that monthly reports on motorization and transport conditions do not give a factual picture of the communication problem,the important changements taking longer periods to become obvious,while the monthly changements are rather of a temporary importance as provoked by temporary reasons.

(Sgd) Illagible,

Director General.

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Transportation Branch

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

HEADQUARTERS ALLIED COMMISSION
APO 394
COMMERCE(FOREIGN TRADE)BRANCH

M o n t h l y R e p o r t

April 1946

Ref:AC/5107/54/Commerce 3 May 1946

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

Declassified E.O. 12356 Section 3.3/NND No. 785021

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

HEADQUARTERS ALLIED COMMISSION
APO 394
COMMERCE(FOREIGN TRADE)BRANCH

Monthly Report

April 1946

Ref:AC/5127/54/Commerce 3 May 1946

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

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MONTHLY REPORT
COMMERCE(FOREIGN TRADE)BRANCH
April 1946

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1. GENERAL

This month has seen another major change in the functions of Commerce (Foreign Trade)Branch. ALCOM is no longer responsible for the screening of Reserved Commodity list items. Thus, the last act in the relinquishment of A.C.control over Italian foreign trade has been completed.

Another event of outstanding importance this month has been the negotiations with representatives of the Military Government of the American Occupied Zone in Germany, for the supply of Italian goods to the German Civilian population.

The question of the method of payment for supplies purchased by military units outside this theatre came to a head, and the matter has been referred to A.F.H.Q. G-5 for decision.

2. RESERVED COMMODITY ITEMS

At the beginning of the month a signal was received from Washington which notified ALCOM that Commerce Sub-Commission would terminate its functions in relation to Italian requirements for R.C.L.items when notified through diplomatic channels as to what procedure was to be adopted.

ALCOM was subsequentely informed by the U.S.and U.K.Embassies that notification had been received from their respective Governments that ALCOM would relinquish its R.C.L.function at a date to be determined by ALCOM. A meeting was held between ALCOM and representatives of the two Embassies, on the 5th April, to discuss the policy to be adopted. As a result the two Embassies decided to pass their Note Verbale to the Italian Prime Minister, informing him of the decision of the US.and UK.Governments and that ALCOM would be notifying the Italian Government of the exact date when it would relinquish the R.C.L.function. The date of relinquishment was fixed as 21 April 1946, in a letter sent to the Italian Prime Minister on the 19th April 1946. Also a letter was sent to the Ministry of Foreign Trade forwarding copies of all unanswered MOC

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3. EXPORTS TO GERMANY

Brig.Gen.Draper and Col.Hall U.S.Group of Military Government U.S.Zone Germany, visited this Headquarters to discuss the possibility of exchanges of goods between the occupied American zone in Germany and Italy. The imports into this zone from Italy are intended for the civilian population. The Director of this Branch had already discussed with the Italian Government the possibility of the export to Austria and Germany of the surplus fruit crop of Northern Italy, and General Draper was asked if it would be possible to discuss this problem. The General explained that, as he was buying for the civilian population, he was more interested in calories than vitamins. However, there was the possibility of selling to the American occupation troops (see para 4). So far, no further news of developments regarding the proposed exchanges has been received, and owing to telephonic communications being so bad, it has been difficult to get through to Berlin to ascertain the present actual situation.

General Draper and Col.Hall had a meeting with the Minister of Foreign Trade which the Director of this Branch attended. The Italian Government wanted to know whether Germany could supply certain goods normally imported from that country prior to the war. It was agreed that a certain limited amount of reciprocal trade could be done. The system as to how this trade could be carried out was discussed and it was decided that the Italian Government would be credited in dollars. General Draper stated that this account would be used as a type of "clearing" and Italy would have to undertake to use the dollar credit to offset imports from Germany debiting the account with the value of these imports. It was agreed that a representative of the American Military Government in Berlin would come to Rome or that Representatives of the Italian Government would go to Berlin to fix the final details of the exchanges. The Ministry of Foreign Trade agreed to write a letter to M.G.Berlin setting out the Italian proposals.

4. SUPPLIES TO AMERICAN ARMED FORCES

As a result of the visit of Brig.General Draper to Rome and the opening of the question of supplies to the American Armed Forces outside this theatre, it was learned that the occupation troops

SECRET

Declassified E.O. 12356 Section 3.3/NND No. 785041

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4.SUPPLIES TO AMERICAN ARMED FORCES

As a result of the visit of Brig.General Draper to Rome and the opening of the question of supplies to the American Armed Forces outside this theatre, it was learned that the occupation troops in Austria and Germany have been in the habit of buying supplies from Italian merchants, and paying in lire. This raised the question as to whether these payments were debited against the costs of occupation for Allied Forces in Italy. It appeared that this

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was the case and it was obviously unjust that such an arrangement should continue. Awaiting a clarification of the situation, and going upon the past directives of AFHQ - G5 regarding purchases by occupation troops outside of this theatre, all payments were temporarily suspended. The Director of Finance Branch took the matter up, requesting a clarification and directive from the Combined Chiefs of Staff.

5. TRIPOLITANIA

Major De Vella Clary arrived from B.M.A.Tripolitania. One of the objects of his visit was to discuss trade between Tripolitania and Italy. This trade has always been difficult because of the tight control exercised by the Authorities there which complicated a difficult system of compensation already made difficult by R.C.L. and Italian Government controls. The result of this visit was a discussion with the Ministry of Foreign Trade. This Branch requested that an effort should be made to approximate trading conditions to private trade. It was suggested that a clearing account to be set up together with two control offices, one by BMA and the other by the Italian Government. It was decided that I.C.E. would act as the Italian office. The suggestions were cabled to BMA and a reply is now awaited.

One unfortunate obstacle to the resumption of private trade is the difficulty of obtaining permits for business men to go to Tripolitania. It is hoped that this state of affairs can be ameliorated.

G.A.F.ROTHEY
Capt.Lincolns
Director
Commerce(For.Trade)Branch

Declassified E.O. 12356 Section 3.3/NND No. 785021

Hcol W P Scott jr

COPY

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UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION
ITALIAN MISSION - ROME

Bureau of Requirements and Distribution
Sub-Bureau of Supply Operations
Ports and Shipping Division

333

Tel.200
Ref : RD/48/7

/ar
1 May 1946

SUBJECT : MONTHLY REPORT - APRIL - PORTS AND SHIPPING DIV.

TO : Mr. E.S.Lynch, Chief
Sub-Bureau of Supply Operations

The number of ships arriving (or estimated to arrive as of 30 April) is as follows, with approximate tonnages :

Vessels	Cargo	Tonnage
81	Coal	670,778 tons
20	Grain	163,750 tons
26	General	129,599 tons
127		964,127

The above mentioned figures include both UNRRA and Italian Program cargoes. The coal figures mentioned do not include coal imports from Sardinia.

During April, the discharge rate has increased tremendously. Of the twelve smaller ports, eleven showed a definite increase, sometimes amounting to as much as 60 %.

Bari has jumped from a daily average in February of 1170 tons (coal) and 1429 tons in March, to 1856 tons per day during April. One coal ship of 8089 tons was discharged in less than four days, setting an all-time record.

Brindisi discharged a ship of 6500 tons of general cargo in less than 4½ days.

At Taranto, the average has increased from 900 to 1400 tons per day, and Ancona has increased almost double that of last month. The port of Ancona is being dredged to accomodate loaded Liberty ships.

At Civitavecchia, port discharge considerably improved against the preceding month, and not a single hour of demurrage was lost during the month.

At Genoa/Savona, 72 ships were discharged during April.

At Venice, due to fire in silos at Marittima, the storage capacity at the Venice port has been reduced from approximately 56,000 tons to 20,000 tons. Great progress has been made in clearing the port warehouses of all food supplies.

In the port of Naples, nine general cargo ships were unloaded. The

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In general, it might also be reported that this Division is handling more ships coming from South Africa and South America (e.g. wheat from Argentina), fish cargoes from Norway, as well as U.S. and Canada ships.

/S/ CHARLES C.CROOKS
Director
Ports & Shipping Division

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TRANSLATION :

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FROM : MINISTRY OF MARINE ,
Direction General Merchant Marine.

REF.No. : AC/170/Tn.1 Rome, May 1946 .

SUBJECT : Repair and Reconstruction of Italian Ports.

TO : Transportation & Shipping S/C,
HQ. AC. R O M E .

The capacity of important ports greatly improved during April 1946 as a result of both increase of number of piers available and repair of quay fittings and tracks,as well as of assiduous dredging.

For instance:

1.- At Port of Genoa,18 piers suitable for mooring the "Liberties" were put into operation again before end of March, while further three piers were reconstructed in April for lower tonnage ships,so that it is now possible to let 28 ships(the "Liberties" and other tonnage ships) be moored at the same time.Quantity of goods forwarded from the quays by motor vehicles totals 7,000 t. daily, while railed goods total 12,000 t. daily. Daily amount of discharged goods in bulk and general cargo totaled on several occasions 18,000 t.(mineral oils excluded being discharged through pipings).
An accurate cleaning of sea-mines is under way and has already been so efficiently performed by the military units in the harbour that we may consider the port as out of harm's way.
6 pumps are being put into operation again in the silos.Their capacity attains 6,000 t. of grain daily.The capacity of silos is now about 40,000 t.

2.- At Port of Savona,the funicular railway has been repaired so that the port discharging capacity has increased to 9,000 t. daily.

3.- At Port of Livorno dradging has improved the harbour capacity so that 28 feet draught ships can approach the piers as well as three "Liberties" under half-load draught.
Loading marble for export is now under way.

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2.- At Port of Savona, the funicular railway has been repaired so that the port discharging capacity has increased to 9,000 t. daily.

3.- At Port of Livorno dradging has improved the harbour capacity so that 28 feet draught ships can approach the piers as well as three "Liberties" under half-load draught.

Loading marble for export is now under way. A floating crane, assigned by the Allies, is being used for this purpose.

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4.- At Port of La Spezia, wreckages are being removed from Duca degli Abruzzi piers in order to put them into operation by the end of May 1946.

However, the S/S "Teresa Schiaffino" (Gross tonnage 8,000 t.) could be moored at the mentioned port attaining a daily discharge quantity of 1,700 t. coal.

5.- At Port of Venice, the piers near the "Marittima" have been reopened to discharging from the "Liberties" at three points, as well as the piers in "Margera" area, both owing to an assiduous dradging. Furthermore, the interior boat transportation of discharged goods by canals has greatly improved for the same reason so that the daily quantity of forwarded goods totals now 1,000 t.

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During the Month of April 1946 , small ports discharge worthiness improved obviously, attaining a daily average of 1,500 t.

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R E L A Z I O N E

(Rifer.alla nota n°AC/170/Tn.1 del 24 Aprile c.a. della Commissione Alleata = lett.b)=)

Nel mese di Aprile 1946 si è potuto constatare un sensibile miglioramento nella capacità ricettiva dei principali porti italiani in conseguenza sia dell'aumentato numero dei posti di accosto, sia dei progressi conseguiti nei lavori di dragaggio degli spazi acquei portuali nonchè di riparazioni alle banchine e di riattamento delle sistemazioni ferroviarie.

Cosi, ad esempio;

1) nel porto di Genova oltre i 18 accosti per Liberty resi utilizzabili a fine marzo, si sono successivamente aggiunti altri tre accosti per navi di minor tonnellaggio.

E' stato possibile così consentire a volte l'accosto a 28 navi, tra Liberty e piroscafi di minor tonnellaggio, che hanno compiuto contemporaneamente operazioni commerciali.

In pari tempo il deflusso delle merci giornaliere ha toccato il livello massimo di tonn.12.300 avviate fuori porto con ferrovia, e quello di tonn.7.000 avviate fuori porto con autcmezzi.

Le merci maneggiate in una sola giornata lavorativa, tra rinfusa e merci varie, sono ammontate a volte ad un totale aggirantesi sulle 18.000 tonnellate (esclusi naturalmente gli olii minerali scaricati con tubazioni).

E' continuato il lavoro di minuziose ricerchè di eventuali mine da parte di Unità militari addette al dragaggio: sicchè si può ora ragionevolmente (anche se non con certezza) supporre che non esistano nell"interno del porto altri ordigni esplosivi.

Nei sylos si è proceduto alla rimessa in efficienza di sei pompe aspiratrici che possono consentire una resa giornaliera di almeno 6.000 tonnellate di cereali alla rinfusa complessivamente; la capacità di immagazzinamento dei sylos è ora di circa 40.000 tonnellate.

2° Nel porto di Savona sono state riparate le attrezzature delle funivie tanto che si è potuto raggiungere il livello di discarica di

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seguenza sia dell'aumentato nmmero dei posti di accosto, sia dei progressi conseguiti nei lavori di dragaggio degli spazi acquei portuali nonchè di riparazioni alle banchine e di riattamento delle sistemazioni ferroviarie.

Cosi, ad esempio;

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2° Nel porto di Savona sono state riparate le attrezzature delle funivie tanto che si è potuto raggiungere il livello di discarica di 9.000 tonnellate giornaliere di Carbone.

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3) Nel porto di Livorno sono proseguiti i lavori di dragaggio conseguendo un sensibile miglioramento di fondali tanto che è ora possibile anche l'approdo di navi con pescaggio di 28 piedi, e l'accosto di tre Liberty a carico dimezzato.

E' stato iniziato il lavoro di caricazione di blocchi di marmo da esportare, utilizzando una gru galleggiante di provenienza alleata.

4) Nel porto di La Spezia si è avuto un notevole avanzamento nei lavori di recupero dei relitti che impediscono l'accosto al molo Duca degli Abruzzi, il quale sarà reso accessibile per la fine del mese di maggio corrente.

Intanto in detto porto ha potuto compiere operazioni di discarica il piroscafo "Teresa Schiaffino" (D.W.tonn.8.300), durante le quali è stata raggiunta anche una rata giornaliera di circa 1.700 tonn. di carbone.

5) Nel porto di Venezia sono stati compiuti lavori di dragaggio: sia alla banchina Marittima, aumentando così tre posti di accosto per Liberty, e sia nella zona di Marghera: ma sopratutto è stato reso possibile il deflusso per via acquea delle merci scaricate, per un totale di almeno 1000 tonnellate giornaliere, rendendo utilizzabili per la navigazione, mediante miglioramento dei fondali, i canali interni.

Nel mese di aprile 1946 si è pure constatato un notevole incremento nella resa dei porti minori, dove, per la discarica di merci alla rinfusa, sono state raggiunte rate giornaliere in media superiori alle 1.500 tonnellate.

5 Maggio 1946

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ELENCO NAVI IT LIANE ADIBITE A TRAFFICI CIVILI al 30/4/46

Nome	Tipo	Stazza lorda	Portata
P/fo Abbazia	passeggeri	3706	4050
P/fo Acilia	frigorifero	345	150
M/v. Aida	carico	323	490
P/fo Albiaola	"	4096	7000
M/n. A.Martini	"	934	1600
P/fo A.Conterini	"	1416	1850
M/n. Arsia	"	736	1000
P/fo A.Giampaolo	"	=	4930
M/n. A.Gritti	"	6337	10320
P/fo Andalusia	"	4499	7321
M/n. Adriana	"	374	580
M/n. Beatrice	"	=	600
P/fo Capo Male	"	3060	5000
" C.GEROLIMICH	"	4530	7934
" Costante C.	"	834	900
" Cherca	"	5345	8520
" Campidoglio	passeggeri	3702	4020
M/n. Carso	carico	=	1000
" Città di Alessandria	passeggeri	2498	2555
P/fo Edera	carico	5244	8200
" Enrico	"	1516	2500
" F.Brunner	"	2366	3200
" Fortunata	"	4785	5000
M/n. Francesca	"	1580	2800
M/c. Fernanda	cisterna	346	450
P/fo Gaeta	carico	4456	8000
" Gennargentu	passeggeri	=	491
M/v Imperatore 777	carico	1846	2500
P/fo Itu	"	1517	1850
P/fo Isonzo	"	5440	8580
" Iglesias	"	359	400
" Jason	"	532	612
M/v Janus	"	346	500

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P/fo	Aeilia	frigorifero	345	150
M/v.	Aida	carico	323	490
P/fo	Albicola	"	4096	7000
M/n.	A.Martini	"	934	1600
P/fo	A.Contarini	"	1416	1850
M/n.	Arsia	"	736	1000
P/fo	A.Giampolo	"	=	4930
M/n.	A.Gritti	"	6337	10320
P/fo	Andalusia	"	4499	7321
M/n.	Adriana	"	374	580
M/n.	Beatrice	"	=	600
P/fo	Capo Mele	"	3060	5000
"	C.GEROLIMICH	"	4530	7934
"	Costante C.	"	834	900
"	Chorea	"	5345	8520
"	Campidoglio	passeggeri	3702	4020
M/n.	Carso	carico	=	1000
"	Città di Alessandria	passeggeri	2498	2555
P/fo	Edera	carico	5244	8200
"	Enrico	"	1816	2500
"	F.Brunner	"	2366	3200
"	Fortunata	"	4785	5000
M/n.	Francesca	"	1580	2800
M/c.	Fernanda	cisterna	346	450
P/fo	Gaeta	carico	4456	8000
"	Gennargentu	passeggeri	=	491
M/v	Imperatore 777	carico	1846	2500
P/fo	Itu	"	1517	1850
P/fo	Isonzo	"	5440	8580
"	Iglesias	"	359	400
"	Jason	"	532	612
M/v	Janus	"	346	500

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	Nome	Tipo	Stazza lorda	Portata
P/fo	Langano	carico	1245	1880
M/n	Libertà	"	600	1000
"	Lazzaro Mocenigo	passeggeri	1403	100
P/fo	Misano	carico	1298	1400
M/v.	Madre Maria	"	329	450
P/fo	Motia	"	2473	2730
M/v	Maria Serra	"	330	480
M/n	Mirella	"	358	550
"	Montepelmo	"	339	490
M/v	Maria	"	350	600
M/v	Orietta 29	"	469	671
P/fo	Pallade	"	1131	1850
"	Pelagosa	"	668	920
"	Pertusola	"	1504	1850
"	Persia	"	804	1050
"	Rinucci	"	1216	1500
"	Rubicone	"	4740	7360
"	Resurrectio	"	979	1400
"	Santa Chiara	"	I224	I750
"	Senio	"	1066	1400
"	Sfinge	"	4496	7200
M/n	Sestriere	"	7992	10300
"	Spes	"	=	1000
P/Fo	Sandrina	"	=	1040
P/fo	Tunisino	"	997	1500
"	Turiddu	"	541	600
"	T.Schiaffino	"	5234	8300
M/n	Titania	"	1400	1600
P/fp	Toscana	passeggeri	9442	9500
M/f.	Teresa	frigorifero	365	547
M/v	T.Campanella	carico	=	900
P/fo	Ulisse	"	2226	3200
M/v	Vivara 3235	"	500	850
M/n	Vera	"	380	520
			129.469	190.251

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M/v.	Madre Maria	"	329	450
P/fo	Motia	"	2473	2730
M/v	Maria Serra	"	330	480
M/n	Mirella	"	358	550
"	Montepelmo	"	339	490
M/v	Maria	"	350	600
M/v	Orietta 29	"	469	671
P/fo	Pallede	"	1131	1850
"	Pelagosa	"	668	920
"	Portucola	"	1504	1850
"	Persia	"	804	1050
"	Rinucci	"	1216	1500
"	Rubicone	"	4740	7360
"	Resurrectio	"	979	1400
"	Santa Chiara	"	I224	I750
"	Senio	"	1066	1400
"	Sfinge	"	4496	7200
M/n	Destriero	"	7992	10300
"	Spes	"	=	1000
P/Fo	Sandrina	"	=	1040
P/fo	Tunisino	"	997	1500
"	Turiddu	"	541	600
"	T.Schiaffino	"	5234	8300
M/n	Titania	"	1400	1600
P/fp	Toscana	passeggeri	9442	9500
M/f.	Teresa	frigorifero	365	547
M/v	T.Campanella	carico	=	900
P/fo	Ulisse	"	2226	3200
M/v	Vivara 3235	"	500	850
M/n	Vera	"	380	520
			129.469	190.257

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Roma, 30 aprile 1946

SITUAZIONE NAVI IN RIPARAZIONE
Al 15 aprile 1946

LOCALITA'		NOME		Data prevista ultimaz.lavori	
013/2	Genova Prà	R/v.	MENLA	OTTOBRE 1945	Marzo 1946
	" Prà	M/p.	BEATRICE	3/10/ 1945	15/ 2/46
	" Prà	"	VINCENZINA	ottobre 1945	Febbraio 1946
	Sampierdarena		K.T.44	-	non prevista
	"		K.T.50	-	" "
	Genova	M/c.	PORTOVECCHIO	ottobre 1945	febbraio 1946
	"	P/fo	MOTIA	ottobre 1945	marzo 1946
	"	P/fo	GUERAZZI	-	maggio 1946
	"	P/fo	ALATO	"	fine aprile946
	"	"	ARTIGLIO	26/ 3/1946	luglio 1946
	"	M/n.	CAMILLO C.	-	fine aprile946
	"	P/fo	PERSIA	-	16 marzo 1946
	"	M/n.	ALCIONE	25/ 8/1945	non previste
013/2	" Voltri		EMILIA	25/ 9/1945	30/4/46
	" "	M/v.	MARIA MADRE	10/ 1/1946	30/9/46
	" "	R/m.	PESCATORE	1/10/1945	5/11/46
014/1	La Spezia	M/c.	BACICCIA	20/ 2 /1946	1/5/46
	"	M/v.	NINO II	12/3/ 1946	20/ 4/1946
	"	M/p.	GABBIANO	1/3/ 1946	20/ 5/1946
	"	M/v.	TERESA MADRE	settembre 1945	Marzo 1946
	"	"	FRANCESCO PAOLO I	25/3/ 1946	31/ 8/1946
	" Le Grazie	"	S. ALFONSO	15/11/1945	31/ 3/1946
	"	P/fo	VINCENZINA	Luglio 1945	Giugno 1946
	"	M/n.	MOCCAGATTA	-	marzo (fine mi
	"	M/v.	MARIA LENA	9/9/ 1945	20/ 2/1946
	"	M/n.	SCIO	19/9/ 1945	2/ 2/1946
	"	M/n.	VIVARA	18/1/ 1946	28/ 1/1946
	"	M/v.	RAFFAELLUCCIA	-	imprecisata
	"	P/fo	SOMARELLO	2/2/ 1946	31/ 3/1946
	"	M/v.	G.BERTELLI	Gennaio 46	20/ 3/1946
	"	M/n.	SUSANNA	30/11/1946	25/ 3/1946
	" Cadimare	M/p.	MARCELLA	10/ 3/1946	10/ 4/1946
	" "	M/v.	SETTEFRATELLI	29/ 6/1945	7/ 9/1946
	" "	M/n.	ENOTRIA	10/ 9/1942	1/12/1945
	" "	M/v.	IRMA	18/10/1945	2/ 4/1946
021/1	Apuania	M/v.	S.FRANCESCO DA PAOLA	21/10/1945	28/ 4/1946
	"	"	LUNIGLIANA	15/12/1945	28/ 6/1946
	"	M/n.	RITA	15/ 4/1946	Luglio 1946
	"	M/v.	NETTUNO IVo	-	20/ 6/1946
021/2	Viareggio	"	IRENE	7/ 5/1946	31/ 5/1946
	"	M/p.	S.GIUSEPPE	5% 1/1946	15/ 6/1946
022/1	Livorno				
	"				

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					2)
022/1	Livorno	M/n.	ALAS	30/11/45	15/5/46
	"	M/p.	AMBA ARADAM	18/2/46	31/5/46
	"	P/fo	NINO CLAUDIO	18/2/46	30/6/46
	"	R/m.	AMERICA	14/11/45	30/4/46
022/2	Porto Vecchio Piomb.		XX SETTEMBRE	-	imprecis.
022/3	Porto S.Stefano	M/n.	DANTE	7/3/46	6/5/46
041/3	Napoli	P/fo	NIRVO	Giugno 45	
	"		" LUIGI RAZZA	30/12/45	30/6/46
	"		" MISENO		
	"		" TERI	16/ 4/46	14/4/46
061/2	Taranto		" LUANA	6/2/ 46	30/4/46
	"		" RUBICONE	8/2/ 46	-imprecisata
	"		" PORA C.	22/2/ 46	"
	"		" APOLLO	25/2/46	"
	"		" LUCIA	12/2/46	"
063/3	Bari		" VOLODDA	-	apr.46 (fine pic.)
071/3	Ancona	M/p.	CORRADO	28/2/46	28/ 5/46
	"		" SAVOIA	11/2/46	29/4/46
	"		" DUCA DI FERRO	1/2/46	20/4/46
	"		" ROSANGELA	6/3/46	10/5/46
	"		" NUOVO DUILIO	18/1/46	27/5/46
	"		" RAGGIO DI SOLE	13/1/46	15/4/46
	"		" ASSUNTA	21/1/46	15/4/46
	"		" SPES	17/1/46	18/3/46
	"		" S.GIACOMO II	25/2/46	15/5/46
	"		" RAFFAELLO	15/9/45	10/6/46
	"		" ANGELONI		
072/2	Rimini	M/v.	ADRIANO II	20/11/45	Magg.1946
	"		" ENRICO II	17/12/45	15/4/46
	"		" GENERALE DIAZ	12/11/45	30/4/46
	"		" MIRIA	1/3/ 46	1/5/46
	"		" STORIONE	31/1/ 46	Apr./46
	"		" ARDITO	24/1/46	Giugno 46
082/1	Chioggia	M/p.	MARISA	1/3/46	30/4/46
	"		" ODINEO	1/3/46	30/4/46
	"				
083/1	Venezia	P/fo	ERNESTO	1/11/45	Maggio 46
	"		" CARLO ZENO	20/12/45	Giugno 46
	"	M/c.	ANITA	1/11/45	imprecisato
	"	P/fo	LIDO	Maggio 45	15/6/46
	"	P/c.	LAURETTA	15/9/45	30/4/46
	"		" POSEIDONE		
122/2	Catania	M/v.	MADONNA DELLE GRAZIE DEL CARMELO	-	25/3/46
	"		" MARCO M.	"	imprecisata
	"		" S.GIOVANNI	-	imprecisata
	"	M/p.	REGINA	-	aprile 46
	"	M/v.	AGA	-	"
123/2	Siracusa	M/v.	SAVERIO GIARDINO	Agosto 45	Aprile 46
	"		" VINCENZINA	15/11/45	"
	"	Nave	CUOR DI GESU'	Agosto 45	"
	"	Bil.	FAMIGLIA P.	Febbr.46	"

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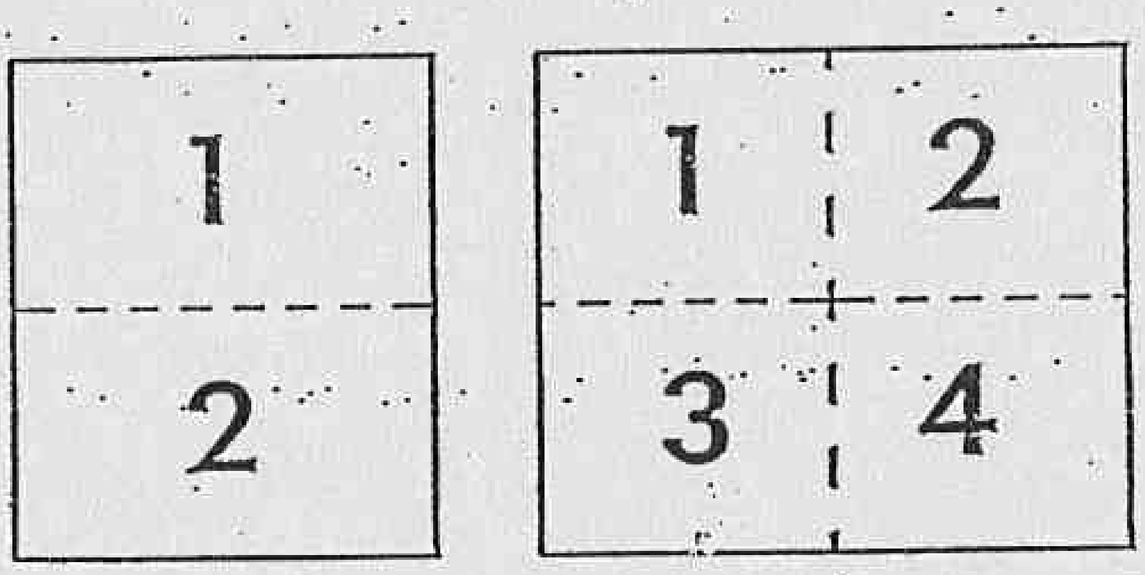
123/2	Siracusa	Bil. FAMIGLIA FAZIO	febbr. 46	Aprile 46
132/2	Trapani	M/v. MARIO COSTANTINI	-	Giugno 46
	"	R/m. MALTEMPO	-	Maggio 46
	"	M/v. EMANUELE PADRE	-	Maggio 46
	"	" S.RITA	-	imprecisata
	"	" MADONNA DI CUSTONACI	-	imprecisata
	"	" GIACOMO PADRE	-	Luglio 46
	"	P/fo GIACOMO COSTA	2/11/45	Aprile 46
133/1	Palermo	" LUIGI RIZZO	1/2/46	imprecisata
	"	" USTICA	25/3/46	12/2/46
	"			

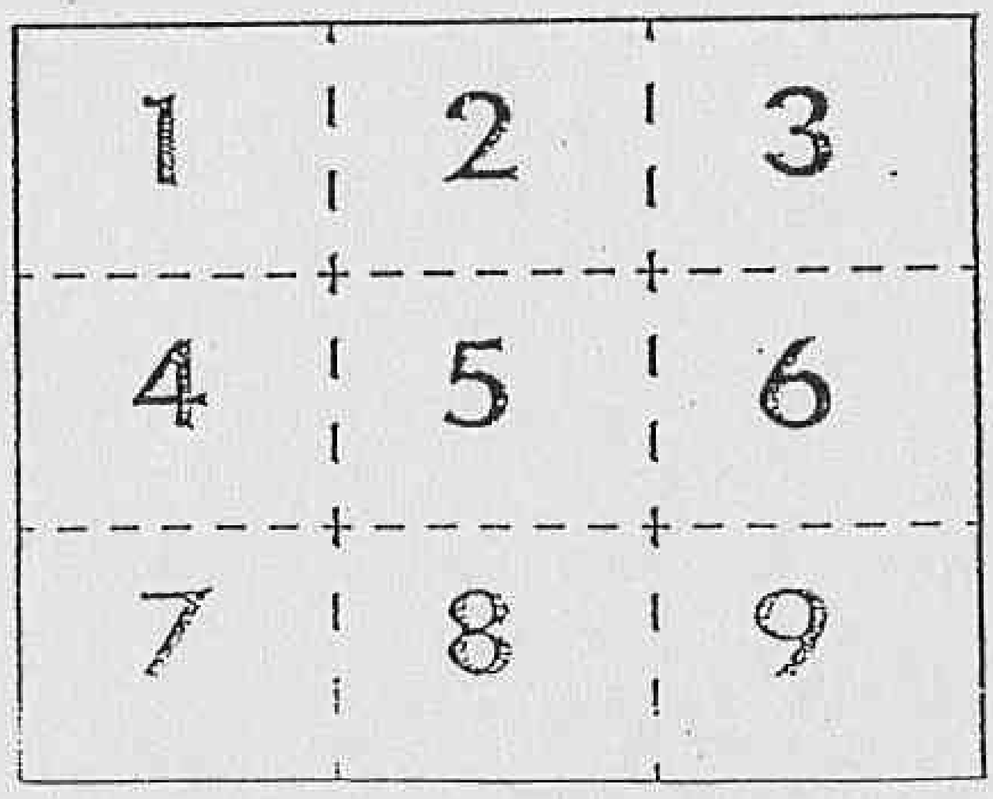
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MAPS AND CHARTS TOO LARGE TO FILM
ON ONE EXPOSURE ARE FILMED CLOCKWISE
BEGINNING IN THE UPPER LEFT CORNER,
LEFT TO RIGHT, AND TOP TO BOTTOM.

SEE DIAGRAMS BELOW.





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MERCI TRASPORTATE A MEZZO " C O S T I E R I " NEL ME DI A ILE

N A V E	DW.	nº viaggi	Tons. trasportate	Carbone	S A L E alim.	S A L E ind.	Fosfa	Bauxite	Pirite	Zolfo	Caolino
ABBAZIA	—	5	688								
AIDA	480	1	525		500						
ACILIA	300	4	293								
ALBISOLA	7000	2	12000	12000							
A.GIAMPAOLO	4930	1	4764				4764				
A.CONTARINI	1850	1	2071			1990					
A.GRITTI	10400	1	8000				8000				
A.MARTINI	1600	2	1715		1000						1000
ARSIA	1000	2	2000		1000						
ADRIANA	580	1	570					570			
BEATRICE	600	4	1310								
CAMPIDOGLIO	—	3	700								
CAPO MELE	5000	1	4800	4800							
C.GEROLIMICH	8070	1	7650				7650				
CHERCA	8520	1	7674	7674							
COSTANTE C.	930	4	4025			1000			3000		
CARSO	1000	2	580								
EDERA	8200	2	15800	15800							
FANNY BRENNER	3200	1	3428	3400							
FRANCESCA	2600	1	1650								
GAETA	8000	1	8000				8000				
IGLESIAS	400	2	800								
ISONZO	8580	1	7300				7300				
ITU	1850	1	1750			1750					
JANUS	500	1	480								480
JASON	612	3	670								
LANGANO	1880	2	2468		1900						
L.MOCENICO	—	5	355								
LIBERTA'	1000	3	930								
MADRE MARIA	450	2	925		925						
MISENO	1400	2	1798	1450							
MONTEPELMO	490	2	940					940			
ORIETTA	671	1	600								600
ORION	550	1	110								
PORTOVECCHIO	750	2	1760								
PAOLA	500	2	800								
PALLADE	1850	1	610							530	
PELAGOSA	920	3	2370		770			1600			
PERSIA	1050	2	2370								
PERTUSOLA	1850	1	2090			2000					
RINUCCI	1500	1	1550	1550							
SANDRINA	1000	2	1335	960							
SANTA CHIARA	1750	2	3682		3382						
SENIO	1400	3	3900						3900		

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ERCI TRASPORTATE A MEZZO " C O S T I E R I " NEL ME DI A ILE 1946

ons. spor-ate	Carbone	S A L E alim.	S A L E ind.	Fosfa	Bauxi te	Piri-te	Zol-fo	Caoli-no	Mgnera li	Mater. ferro-si	Ghia. sa	Prod. Petro-lifero	Merci varie
688													688
525		500											25
293													293
2000	12000												
4764				4764									
2071			1990										81
8000				8000									
1715		1000							100				615
2000		1000					1000						
570					570								
1310													1310
700													700
4800	4800												
7650				7650									
7674	7674												
4025			1000			3000							25
580													580
5800	15800												
3428	3400												28
1650											1500		150
8000				8000									
800									400	400			
7300				7300									
1750			1750										
480								480					
670										670			
2468		1900											568
355													355
930													930
925		925											
1798	1450												348
940					940								
600								600					
110													110
1760												1760	
800												800	
610							530						80
2370		770			1600								
2370										2370			
2090			2000										90
1550	1550												
1335	960												375
3682		3382											300
3900						3900							

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PORTOVECCHIO	750	2	1760									
PAOLA	500	2	800									
PALLADE	1850	1	610								530	
PELAGOSA	920	3	2370		770			1600				
PERSIA	1050	2	2370									
PERTUSOLA	1850	1	2090			2000						
RINUCCI	1500	1	1550	1550								
SANDRINA	1000	2	1335	960								
SANTA CHIARA	1750	2	3682		3382							
SENIO	1400	3	3900							3900		
SFINGE	7200	1	7200	7200								
T.CAMPANELLA	1000	1	1000			1000						
TERESA	547	1	300		300							
T.SCHIAFFINO	8300	1	7450	7450								
TUNISINO	1500	1	1390		1390							
TURIDDU	600	4	2555					2555				
ULISSE	3200	1	3200				3200					
VERA	500	2	1170	580		590						
	128060		152101	62864	11167	8330	38914	5665	6900	1530	1080	

R I E P I L O G O

		PROGRAMMATO :	TRASPORTATO :	
AGRUMI	TONN.	5.000	TONN. ==	=
VINO	"	10.000	" ==	
SALE ALIMENTARE	"	19.700	" 11.167	
SALE INDUSTRIALE SALGEMMA	"	14.800	" 8.330	
PIRITE	"	8.000	" 6.900	
BAUXITE	"	4.000	" 5.665	+
MINERALI	"	6.050	" 500	
PUNTELLI MANIERA	"	2.000	" ==	
CAOLINO	"	==	" 1.080	+
ZOLFO	"	5.000	" 1.530	
FOSFATI	"	35.000	" 38.914	+
CARBONE	"	85.000	" 62.864	
GHISA	"	==	" 1.500	+
MATERIALI FERROSI	"	1.200	" 3.440	+
PRODOTTI PETROLIFERI	"	==	" 2.560	+
GRANITO IN BLOCCHI	"	300	" ==	
MERCI VARIE	"	==	" 7.651	+
TOTALI	TONN.	196.050	TONN. 152.101	=

ROMA, 30 APRILE 1946

COMITATO GESTIONE NAVI
Co Ge Na
Uff. 9-02-0[illegible]
ROMA

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1760													1760	
800													800	
610							530							80
2370		770			1600									
2370											2370			
2090			2000											90
1550	1550													
1335	960													375
3682		3382												300
3900						3900								
7200	7200													
1000			1000											
300		300												
7450	7450													
1390		1390												
2555					2555									
3200				3200										
1170	580		590											
2101	62864	11167	8330	38914	5665	6900	1530	1080	500	3440	1500	2560	7651	

R I E P I L O G O

PROGRAMMATO :		TRASPORTATO :			DIFFERENZA :	
TONN.	5.000	TONN. ==	=	–	5.000	non disponibile
"	10.000	" ==		–	10.000	" "
"	19.700	" 11.167		–	8.533	(trasp.sospesi su ri
"	14.800	" 8.330		–	6.470	(chiesta dei caricat.
"	8.000	" 6.900		–	1.100	
"	4.000	" 5.665		+	1.665	
"	6.050	" 500		–	5.550	non disponibile
"	2.000	" ==		–	2.000	" "
"	==	" 1.080		+	1.080	ass.cav.marzo/aprile
"	5.000	" 1.530		–	3.470	non disponibile
"	35.000	" 38.914		+	3.914	
"	85.000	" 62.864		–	22.136	momentan.non dispon.
"	==	" 1.500		+	1.500	
"	1.200	" 3.440		+	2.240	
"	==	" 2.560		+	2.560	c/Alleati
"	300	" ==		–	300	non disponibile
"	==	" 7.651		+	7.651	
TONN.	196.050	TONN.152.101	=	–	43.949	

COMITATO GESTIONE NAVI
Co.Ge.Na.
Ufficio Presidenza
ROMA

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

HEADQUARTERS ALLIED COMMISSION
APO 394

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

FEBRUARY - 1946

Ref: 824/EC

15 April 1946

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

843

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

HEADQUARTERS ALLIED COMMISSION
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POLITICAL SUMMARY.

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

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

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

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

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

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

7. The Uomo Qualunque movement was much in prominence during the month and it announced that it will act together in concert with the Italian

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

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

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

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

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

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PART I - LIAISON GROUP REPORTS

LIGURIA LIAISON GROUP.

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

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

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

4. The grain and flour supply for the Region has been assured until about 14 March. The present season promises well, the weather has been good and the crops are coming along very well.

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

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

6. Both telegraph and telephone services were improved as work was carried out on routes and exchanges. A number of circuits have been resumed and traffic is being cleared with less delay than usual. During the first fifteen days of February all bids for haulage by road were successfully carried out, and the Italian Government Truck Pool "ASAL" was able to carry out port clearance in spite of the P.O.L. shortage. No difficulties were encountered with movements by rail into VIII Corps Area and traffic South of BOLOGNA. During the month a percentage of coal received was despatched to SWITZERLAND. Work continued on the reconstruction of railway lines throughout the Region satisfactorily, although the lack of material caused some delay. On 1 Feb 46 the first train from MENTONE arrived at VENTIMIGLIA with several French Authorities aboard.

LOMBARDIA LIAISON GROUP.

1. On the eve of local municipal elections the political front was calm due

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LOMBARDIA LIAISON GROUP.

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

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

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

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

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

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

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

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

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

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

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

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

PIEDMONT LIAISON GROUP.

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

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

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

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

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

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

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

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

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

VENETIA LIAISON GROUP.

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

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

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

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

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

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

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

34. The rising tide of unemployment continued to cause serious concern, and

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Carabinieri however did not show much initiative, chiefly through fear of the enemy. The political parties, and the severity of, and delay in, epuration also affected their morale.

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

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

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

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

35. During the last days of February grain stocks for the bread ration were sufficient to last only to the end of the month and the provision of fats also caused increasing anxiety. There were no stocks of sugar available for the month of March; prices however showed a reduction of from 20% to 40%.

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NAPLES LIAISON GROUP.

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

37. The stock of grain on 28 February was under 200 tons at CASTELLAMARE and TORRE ANNUNZIATA. In the other provinces the stock varied between 32.735 quintals (NAPLES) and 5.402 quintals (BENEVENTO). The pasta ration had been distributed in the province of COSENZA up to August 1945, CATANZARO up to November 1945 and REGGIO CALABRIA up to December 1945. However it was noticed that bread, pasta, flour and sugar (all rationed commodities) could be bought freely and openly without a ration card. More wheat was sown during the winter than in 1944/1945 and harvest prospects are good provided rain comes in March.

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

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

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

LIVORNO LIAISON GROUP.

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

42. The Security situation during the month was excellent and there were no violent political up-heavals, strikes or lockouts and as a result public morale improved. Although there was no widespread crime of a serious nature pilferage of PBS installations continued on a wide scale. Many thieves were killed and others badly wounded by Military Police and Military Guards. Carabinieri and Questura P.S. Agents cooperated with Military Police authorities, and appeared to be more active and more sure of themselves especially in areas where Military Police were also operating. The Guardia di Finanza, now much enlarged in LIVORNO Province, took over their big job of handling the newly re-opened Italian part of the large port area. Italian lawcourts functioned fairly well everywhere except in the immediate LIVORNO Zone Area. (See page 12, Legal S/C report).

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

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

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

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

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

BARI LIAISON GROUP.

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

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

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

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

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

SICILY LIAISON GROUP.

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

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

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

BOLOGNA LIAISON GROUP.

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

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

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58. Unemployment continued to be a grave problem. In BOLOGNA on 28 February there was a total of 12,193 unemployed and in the 6 other provincial capitals the figure varied between 1,279 and 4,768. There were no strikes of any consequence, but one or two stoppages of work by groups of about 50 people in the smaller communes occurred.

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

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

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

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

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

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

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

BOLZANO LIAISON GROUP.

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

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

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

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

70. 27,528 children have been enrolled in German speaking schools, and 9,214 in Italian speaking schools. 350 Germans were moved to MUNICH from BOLZANO during the month, and a further 210 are awaiting deportation.

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

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AMG UDINE.

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

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

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

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

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

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

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

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

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

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

82. During the month 1490 Italians and 478 non-Italian passed through the Refugee Centre. Half of these displaced persons arrived from VENEZIA GIULIA and the [illegible] from AUSTRIA and [illegible] area.

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

82. During the month 1490 Italians and 473 non-Italian passed through the Refugee Centre. Half of these displaced persons arrived from VENEZIA GIULIA and the remainder from AUSTRIA and UDINE Area.

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

84. An allocation of 18,000 square meters of flat-bed glass including 1842 sq.meters of printed glass was received during the month, but the need for glass was still large.

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

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

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

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

AMG VENEZIA GIULIA.

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

89. Progress in all matters connected with the VENEZIA GIULIA Police Force was extremely satisfactory; each day showed an improvement in the morale, discipline and efficiency of all officers and men. It is now 2,708 strong. Mounted units of the VENEZIA GIULIA Police Force (without Allied escorts) have appeared on the streets of TRIESTE and GORIZIA. The prisons in TRIESTE were still overcrowded and efforts are being made to transfer long-term prisoners elsewhere.

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

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

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

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

94. In the absence of fresh supplies of raw cotton, the Cotonificio mill at GORIZIA had to cut working hours from 48 to 32 per week. Output in all departments averaged about 60% and approximately 420,000 metres of cloth were produced. Electricity remained in short supply and restrictions will have to continue. The TRIESTE economy measures were most successful, and amount to 30% on November figures. It was agreed, from the economic point of view, and in particular as far as trade is concerned, that

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

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

97. The flow of displaced persons continued and 687 civilians and 81 ex P.W. passed through the area. The total number of unemployed for the territory was 29,136, an increase of 886 over the previous month. Several strikes were rumoured but none took place. In the Superior Court, TRIESTE, 38 cases were disposed of (as compared with 21 in January), on 42 charges (as compared with 27 in January). A sharp increase was noted in the number of cases for theft and illegal possession of Allied property (February 23, January 6). No Superior Court cases were tried in POLA Area, and only 2 in GORIZIA Area. The Civil Courts continued to function with reasonable satisfaction.

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

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

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

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PART II.

CIVIL AFFAIRS SECTION.

Local Government Sub-Commission.

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

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

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

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

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

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

LEGAL SUB-COMMISSION.

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

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

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

In UDINE Province a Special Court of Assise tried 28 cases and dismissed [illegible] resulting in 13 convictions and

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9. In UDINE Province a Special Court of Assize tried 28 cases and dismissed 40. In VENEZIA GIULIA 22 accused were tried, resulting in 13 convictions and 9 acquittals. The work of reviewing the cases of all persons confined in prisons progressed steadily and showed worthwhile results.

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EDUCATION SUB-COMMISSION.

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

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

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

PUBLIC HEALTH SUB-COMMISSION.

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

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

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

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

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

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

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PUBLIC SAFETY SUB-COMMISSION.

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

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

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

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

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

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

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

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

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

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

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

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

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

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

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

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

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

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PART III.

ECONOMIC SECTION.

FOOD DIVISION.

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

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

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

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

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

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

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

AGRICULTURE.

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

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

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

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

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amassed.

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

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

FINANCE BRANCH.

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

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

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

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

COMMERCE SUB-COMMISSION.

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

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

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

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

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

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

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of cotton textiles to that country. To date it has not been possible to approve any. The main items covered by the month's import applications are: cotton (25,500 tons), greasy or washed wool (4,600 tons), rayon, raw and fiocco (370 tons), tin plate (2,600 tons), collophony (212 tons), phosphates (50,000 tons), oats (6,500 tons), chemical products (850 tons), flax (100 tons), cellulose (515 tons), vegetable oils (1,000 tons), animal fats (210 tons), glycerine(75 tons), paraffin (150 tons), pencillin (510,000 phials), lead (230 tons), "corozo" nuts (2,000 tons) and 3,000 oxen.

INDUSTRY AND UTILITIES SUB-COMMISSION.

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

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

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

27. The production of Sardinian coal in January was 64.583 tons; it is estimated that 75,000 tons will be produced during February. According to the available figures at the end of the month imported coal discharges on all accounts for the month totalled approximately 520,000 tons. On 1 March UNRRA assumed the responsibility for coal supplies to ITALY excluding VENEZIA GIULIA and UDINE.

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

LABOUR SUB-COMMISSION.

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

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

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

32. Little industrial unrest occurred during the month; only two strikes [illegible] and are affecting

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

27. The production of Sardinian coal in January was 64,980 tons; it is estimated that 73,000 tons will be produced during February. According to the available figures at the end of the month imported coal discharges on all accounts for the month totalled approximately 530,000 tons. On 1 March UNRRA assumed the responsibility for coal supplies to ITALY excluding VENEZIA GIULIA and UDINE.

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

LABOUR SUB-COMMISSION.

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

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

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

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

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

TRANSPORTATION AND SHIPPING.

34. All remaining control over the movement of civilian traffic by rail and

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

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

CAPTURED ENEMY MATERIALS.

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

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

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

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

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

REQUISITION BRANCH.

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

42. Requisition Branch interest in YT requisitions continued despite the termination of its screening activities. Numerous conferences with Italian Government officials were held with the objective of coordinating the UNRRA 1946 import program with the YT program of procurement.

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

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

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

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS.

PUBLIC RELATIONS BRANCH

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

NAVY SUB-COMMISSION

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

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

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

LAND FORCES SUB-COMMISSION (MCIA)

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

ITALIAN PRISONER OF WAR DIVISION

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

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

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

9. All prisoners have now been repatriated from MALTA.

AIR FORCES SUB-COMMISSION

10. Training facilities during the month were limited in most phases and were handicapped by lack of equipment and no plan to secure the required equipment. There was a definite lack of classrooms and accomodation. Instructors, though

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

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

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

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

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

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

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

COMMUNICATIONS SUB-COMMISSION

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

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

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

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

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Brigadier,
acting Chief Commissioner.

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HEADQUARTERS
BASE LIAISON GROUP
ALLIED OCCUPIED

MONTHLY REPORT
MARCH 45

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HEADQUARTERS
FIRST ALLIED AIRBORNE ARMY
APO 512

MONTHLY REPORT
MARCH 46

CONFIDENTIAL

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HEADQUARTERS
BASE SECTION "D"
ALLIED COMMISSION

MONTHLY REPORT
MARCH 1946

11 April 1946

[illegible]

POLITICAL

Elections have been held in different Areas in the Base Area each Sunday during the month of March, and I have visited as many Towns as possible each Sunday.

In [illegible], my Executive Officer was unable to visit any Towns owing to a complete breakdown of the only vehicle placed at his disposal.

A replacement MU left from [illegible], just managed the journey to [illegible] and was returned to [illegible] forthwith as it was definitely a non runner.

Every where the elections were held in an orderly manner and the organisation to encourage voters to visit the polling stations was good.

Considerable political activity was shown by all Political Parties in the majority of the Communes - but in a few places, interest in the elections was definitely lacking.

A report on the elections held has been submitted each week to the Local Government Civil Affairs Section AFHQ.

From the returns for which the Democratisation Party are shown to be in a majority.

I have gathered from conversations with the [illegible] that it is his opinion that the morale of the people in the Base is on the low.

The rising prices of foodstuffs, shortage of water, unemployment, general lack of discipline, all combine to present a problem of considerable barriers to reconstruction, and the people want a strong government, so that they can, unmolested get on with the job of reconstruction and return to normal life.

The Communist Party in certain areas have been organising opposition by returning prisoners of war from [illegible], and [illegible] returning from America have been [illegible] by promising, if [illegible] so far as to put up slogans on walls "[illegible]" to publicly speak in favour of Italy becoming the

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11 April 1946

LMF.CH

POLITICAL

Elections have been held in different Towns in the M.M.I Area each Sunday during the month of March, and I have visited as many Towns as possible each Sunday.

Lt. [redacted], my executive officer was unable to visit any Towns owing to a mishap to his motor-bike, one of the only vehicles placed at his disposal.

A replacement MU sent from [redacted], just managed the journey to [redacted] - and was returned to [redacted] forthwith as it was definitely a one runner.

Every where the elections were held in an orderly manner and the organisation to enable the voters to visit the polling stations was good.

Keener political activity was shown by all Political Parties in the majority of the Communes - but in a few places, interest in the elections was definitely lacking.

A report on the elections held has been submitted each week to the Local Government Civil Affairs Section A/G 5.

From the returns for March the Democratic Party are shown to be in majority.

I have gathered from conversations with the Prefect of [redacted] that it is his opinion that the morale of the people in the area is on the low.

The high prices of foodstuffs, shortage of wearing apparel, generally lack of discipline, all combine to present a picture of Poland's problems to reconstruction, and the people yearn for nothing permanent, so that they can, unmolested settle down to the task of reconstruction and return to normal life.

The Communist Party in certain areas have been accused of using coercion by returning prisoners of war from [redacted], telling them that those returning from [redacted] have no employment, unless they do as they are told. The [redacted] Party publicly spoke in favour of Italy becoming the 49th State of America.

The people are not impressed with the letter they have received from our Home Government on the subject of their repatriation to Poland.

The people have no faith in the assurances and promises made by the Polish Government whom they distrust, and did not vote for returning to Poland so long as the present Government is in power.

It would appear that the percentage of Poles in this Area who are willing to be repatriated to Poland is not more than 5% and this figure is anything is on the high side.

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PUBLIC SAFETY

The present condition of Public Safety gives grounds for concern. Disorders are frequently breaking out in Towns on one pretext or another, but the real cause of the trouble can be traced to the fact that:

(a) The wages earned are out of all proportion to the cost of living and the people just cannot make ends meet.

(b) Veterans have been bitterly disappointed in not finding the employment they were led to expect by promises made by the Italian Government, and their womenfolk give vent to their feelings and disappointments, by staging noisy demonstrations - and when such demonstrations take place, the opportunity is seized by the rough elements of the town to indulge in looting of shops and stalls.

ECONOMICS

The food situation is still critical. Everything is being done to bring home to each individual the necessity of preventing wastage of foodstuffs - and all Mayors in Communes have been addressed by the Prefect of BARI instructing them to impress on the Public the grave situation as regards food and to tell the people they must do all they can to help in getting over this crisis.

Grain in stock is sufficient for another 10 days. Two grain ships are due to arrive in BARI during the month of April. The ration for March and April is being distributed.

The tendency is for prices of foodstuff to rise.

Dorequisitioning of premises continues satisfactorily. During the month the undermentioned were dorequisitioned.:-

10	W Houses
39	Apartments
3	Garages and Shops
16	Villas
6	Schools

Special attention is being given to buildings such as schools, hospitals, orphanages and other public institutions, and all possible steps are being taken to get them dorequisitioned.

Cost of Living

In spite of the increase with regard to foodstuffs, but prices of commodities which are a necessity show a tendency to decrease.

The shops are well stocked and almost anything can be purchased.

Agriculture

Rain is wanted and it is vital that it does rain - in the March

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promises made by the Italian Government, and their womenfolk give vent to their feelings and disappointments, by staging noisy demonstrations - and when such demonstrations take place, the opportunity is seized by the rough elements of the town to indulge in looting of shops and stalls.

BREAD.

The food situation is still critical. Everything is being done to bring home to each individual the necessity of preventing wastage of foodstuff - and all layers in Communes have been addressed by the Prefect of BARI instructing them to impress on the Public the grave situation as regards food and to tell the people they must do all they can to help in getting over this crisis.

Grain in stock is sufficient for another 10 days. Two grain ships are due to arrive in BARI during the month of April. The pasta ration for March and April is being distributed.

The tendency is for prices of foodstuff to rise.

Derequisitioning of premises continues satisfactorily. During the month the undermentioned were derequisitioned.:-

10	Villas
39	Apartments
2	Garages and Shops
15	Villas
1	Schools

Special attention is being given to buildings such as schools, hospitals, orphanages and other public institutions, and all possible steps are being taken to get them derequisitioned.

Cost of Living.

In so far as increases with regard to foodstuffs but prices are concerned, these are generally show a tendency to decrease.

The shops are well stocked and almost anything can be purchased.

Agriculture.

Rain is awaited and it is vital that it does rain - in the South of Italy rain will be required in April. The crops show a healthy appearance and the farmers are busy in their fields.

Labour.

The unemployment situation is still acute. The Italian authorities are doing what they can to find employment, especially for the Veterans who will cause trouble if employment is not found for them.

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The trouble is, that these people will insist on getting the kind of work which suits them and are not prepared to take up jobs they do not like.

(4) PUBLIC WORKS AND UTILITIES.

Provinces are busy carrying out repairs to roads and constructional works which were scheduled by the Central Government for the month of March. The work in question merely touches the fringes of unemployment.

(5) DISPLACED PERSONS.

Nothing special to report in this connection. The Camps are working normally and from my observations the people in the Camps appear to be happy enough, and the Camp Authorities especially the R.A.F. work hard to find employment in the Camp, and provide for recreation and entertainment in the shape of Cinemas and Dancing.

(6) PUBLIC HEALTH.

The state of Public Health is satisfactory, though with regard to small-pox 14 further cases were reported in the Province during the month.

(7) TRANSPORT AND COMMUNICATIONS.

The serious shortage of coal for the Railways has and is causing anxiety.

Trains services have had to be curtailed due to a shortage of coal.

The situation with regard to road transport is stationary due to a lack of tyres and P.O.L.

(8) LEGAL AND MAGISTRACY.

Indian Courts are functioning but slowly and this is due to the acute shortages of Magistrates in the Tribunals.

(9) MISCELLANEOUS.

Changes in Br. Units have taken place - the Northumbrian Horse, Khyber Rifles, some Sqn of the Queens Regiment have taken their place.

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Train services have had to be curtailed due to a shortage of coal.

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(9) LEGAL AND JUDICIAL

Indian Courts are functioning but slowly and this is due to the acute shortages of Magistrates in the Tribunals.

(10) GENERAL

Changes in formation have taken place - the Derbyshire Regt. Lorries left, some 3rd of the Queens Regiment have taken their place.

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L.L. WILLIS, Lt. Col.
Chief Liaison Officer
AJK Force

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SECRET



HEADQUARTERS

ALLIED MILITARY GOVERNMENT

13 CORPS

SECRET

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HEADQUARTERS

ALLIED MILITARY GOVERNMENT

13 CORPS

SECRET

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SECRET

SUMMARY
of
MONTHLY REPORT
for month ending 31 March 1946.

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1. Political Situation.

The political atmosphere in TRIESTE, never calm, was further disturbed by the arrival at the beginning of the month of the Four Power Inter-Allied Boundary Commission. Both the principal contending parties stepped up the intensity of their press expositions of their respective cases. In addition, the pro-Jugoslav movement complained loudly that the people in Zone 'A' were not given freedom to express their feelings, while Col.PONDA, leader of the pro-Italian CLN accused Allied Military Government of "too much impartiality" which left the Italians defenceless against Slav-Communist intimidation.

2. Local Government.

There has been little change in Local Government, although efforts are still being made to increase the number of Communes conforming to the terms of General Order No 11. On the 9th March, after much persistent work, a Communal Committee was appointed at DOBERDO (TRIESTE Area). DOBERDO is the first of the twenty almost completely Slovene Communes in the territory to cooperate with Allied Military Government under General Order No 11.

3. Venezia Giulia Police Force.

With the arrival of the Foreign Secretaries delegates on 7th March 46, and the resulting intensification of all forms of political activity, the month has been an extremely busy one for the Venezia Giulia Police Force. All reports, however, official and unofficial, indicate that they have passed through this trying period with "flying colours".

4. Food.

During March, the population received their normal rations with the exception of fats and pasta - these had to be cut by half due to shortage of supply.

5. Transportation.

26 first, and 16 third class bus services are now operating from this area to various points in ITALY, Zone 'B' and YUGOSLAVIA.

6. Agriculture.

Although the acreage that can be planted this year is almost double that of the preceding year, the factors of uncertain weather,

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With the arrival of the Foreign Secretaries delegates on 7th March 46, and the resulting intensification of all forms of political activity, the month has been an extremely busy one for the Venezia Giulia Police Force. All reports, however, official and unofficial, indicate that they have passed through this trying period with "flying colours".

4. Food.

During March, the population received their normal rations with the exception of fats and pasta - these had to be cut by half due to shortage of supply.

5. Transportation.

26 first, and 16 third class bus services are now operating from this area to various points in ITALY, Zone 'B' and YUGOSLAVIA.

6. Agriculture.

Although the acreage that can be planted this year is almost double that of the preceding year, the factors of uncertain weather, shortage of fertilizers and lack of certain seeds, will influence the final crop returns. There is already a shortage of rain, and the wheat harvest will suffer if the usual spring showers do not arrive soon. Many new plantings of nursery stock are also endangered. However, it is generally expected that the food produced in Venezia Giulia this summer will greatly exceed that of last year.

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7. Industry & Utilities.

Industrial activities have been overshadowed throughout the month by political demonstrations staged for the benefit of the Foreign Ministers' delegates. This culminated in a three days general strike in the middle of the month. Even at other times, workers have had little regard for their contracted liabilities.

8. Commerce.

The first consignment of 500 qls. of Sulphur Oil for soap making, which was allocated by the Italian Ministry of Industry and Commerce on 1st November, reached TRIESTE towards the end of March. Soap factories will now be supplied with this raw material in proportion to their respective capacity, and it is expected that soap will be ready for distribution towards the end of April.

26,443 tons of coal arrived during March. After normal distribution the balance in hand is now 9,226 tons.

9. Public Works.

When the unblocking of dismissals order is in force, a very much higher unemployment figure is expected for the territory. To ease this situation, a Public Work programme has been worked out which should absorb a large proportion of the unemployed. At present from 7 - 8,000 workers are employed on Public Works schemes, but by the 10th April it is hoped that this figure will be raised to 15,000.

10. Economics.

In order to bring about an improvement in industrial life of TRIESTE, which is at present functioning in only a very moderate degree, a programme of rehabilitation is being worked out to tie up with what is being done in both ITALY and JUGOSLAVIA by UNRRA. The Corps Commander has requested AFHQ to submit to CCS the pressing need for this programme to be put into effect.

11. Public Health & Welfare.

General health throughout the territory continues to be good, and scabies in POLA and GORIZIA as reported in February, is now on the decrease.

12. Displaced Persons.

AFHQ has now confirmed that the Assembly Centres in TRIESTE and UDINE will remain open for an indefinite period.

The movement of displaced persons shews considerable increase over the previous months. Details are as follows:-

	Entered	Evacuated
Civilians	995	995
Ex-PWs	102	101
Total figures	1097	1096

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Total figures	1097	1096

13. Finance.

The aggregate expenditure from Allied Military Government/Allied Commission Funds for this territory for the month of March was approximately lire 15,000,000. Every effort is being made to decrease this expenditure.

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14. Property Control.

During March 16 additional properties of all classes were recorded and taken under formal control, whilst 8 (all Greek) were returned to owners or legal representatives. Totals today: 371 properties belonging to 280 owners taken under control - 78 properties belonging to 53 owners restored.

15. Legal.

Summary Courts - During March 1946, a total of 518 accused were tried on 346 charges. These figures compare with 303 accused on 340 charges in February, an increase of 210 and 206. The increase is due mainly to the large number of cases in the TRIESTE Area for violation of the order for the conservation of electricity . (This is no longer operative).

16. Labour.

In spite of the large reforestation project for the TRIESTE Area, which has absorbed 2,500 men and women, and the extension of blocking of dismissals to 10th April 46, the labour market shews a total of 29,443 registered unemployed for the month of March - an increase of 307 over February.

17. Education.

Political unrest in VENEZIA GIULIA which became more pronounced during March, greatly upset the normal functioning of the schools. During the stay of the Foreign Ministers' delegates, most people were very sensitive to the daily political issues. This in turn affected the children and students.

18. Public Relations.

During March 75 news items and announcements concerning the activities of Allied Military Government were passed to the News Division of AIS for publication in the local press and for radio.

19. Telecommunications.

On 1st April 46, the new tariffs for foreign postal correspondence and the telephone service, will come into force.

20. Patriots.

The most outstanding patriot event of the month was the large funeral arranged by the Associazione Partigiani Giuliani, on Sunday 24th March, when the bodies of 12 partisans were brought into TRIESTE from Zone 'B' and reburied after a a large funeral procession through the streets of the city.

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belonging to 55 owners restored.

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SECRET

MONTHLY REPORT
for month ending 31 March 1946

1. POLITICAL SITUATION.

The political atmosphere in TRIESTE, never calm, was further disturbed by the arrival at the beginning of the month of the Four Power Inter-Allied Boundary Commission. Both the principal contending parties stepped up the intensity of their press expositions of their respective cases. In addition, the pro-Yugoslav movement complained loudly that the people in Zone 'A' were not given freedom to express their feelings, while Col.FONDA, leader of the pro-Italian CLN accused Allied Military Government of "too much impartiality" which left the Italians defenceless against Slav-Communist intimidation.

The Allied Military Government ruling that flags and political slogans must not appear on public buildings, or on private buildings without the permission of the occupier, was represented by the pro-Yugoslav Communists as a suppression of the people's rights. In several cases the order was disobeyed, and thus led to an unfortunate incident at SERVOLA on March 10th, when the police were asked to be present during the removal by the Church authorities of a Yugoslav flag which had been hoisted from the Church. The detachment of police became surrounded upon a pre-arranged signal by a hostile and abusive crowd, and eventually they opened fire killing two members of the crowd and injuring several others. A full inquiry held by 13 Corps into the incident revealed that it followed a sustained press campaign against the Civil Police in the pro-Yugoslav Communist press, and several days during which there had been attacks on the police resulting in serious injuries to individual policemen. This shooting was at once magnified both in the local papers, "Primorski Dnevnik" and "Il Lavoratore", and over Belgrade radio, and was represented as a typical act of terrorism on the part of the "Fascist" Civil Police. A strike committee drawn from the UAIS, the PCG and the Sindacati Unici called an immediate general strike, which proved to be more complete than the one of last December. A large crowd, many of whom came from the neighbouring countryside, formed a long funeral procession for the two victims. The strike leaders demanded the disbandment of the Civil Police. This was rejected outright by Allied Military Government who expressed their confidence in the Civil Police as a whole, while promising to investigate any particular charges of "Fascism" which might be brought against any particular members of the Force. After two days the strike was called off.

An article appearing in "Il Lavoratore" for March 9th, in which it was alleged that Civil Police broke into a school at SERVOLA frightening and firing on children, led to the trial of GASPARINI, the director of the paper. GASPARINI was accused of spreading a false rumour calculated to create unrest among the public. He was found guilty after the fullest hearing and sentenced to pay 100,000 Lire.

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Prior to March 24th, while there had been a continued display of flags by the pro-Yugoslav elements, the pro-Italian section of the population, following the instructions of their CLN, had refrained from any similar display. On that day, however, small groups of Italian youths began pro-Italian demonstrations which swelled to considerable proportions. Some scuffles occurred between these pro-Italian demonstrators and the pro-Yugoslavs who were holding one of their Partisan re-burial ceremonies.

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1. POLITICAL SITUATION. (Cont.)

A wave of nationalism apparently passed through the pro-Italian ranks and the centre of the city soon became a sea of Italian flags; pro-Jugoslav counter-demonstrations were hastily arranged, and demonstration and counter-demonstration continued for two days. The Civil Police worked with remarkable efficiency to prevent any serious clash between contending factions. On Wednesday 27th March the first official CLN sponsored pro-Italian demonstration took place, permission having been obtained from Allied Military Government. This was one of the biggest demonstrations held since the Allies came to TRIESTE. Col.FONDA addressing the demonstrators demanded the occupation of the whole of VENEZIA GIULIA by the Allies. Bands of pro-Jugoslavs, under orders to prevent this Italian demonstration, were frustrated in their aims by the Civil Police, who removed a variety of weapons from them including electric light bulbs filled with acid.

On 29th March, Boris KRAIGHER, Vice President of the FNOO and General Secretary of UAIS held a Press Conference, at which he declared "We are forced to affirm that fascist war-mongers in Zone 'A' and TRIESTE have Allied Military Government backing". Dr.BEVK, President of the FNOC, asked how it was possible that armed bands now appeared in the streets of TRIESTE, (although in this connection it is interesting to note that nearly all weapons removed from demonstrators came from Dr.BEVK's supporters, while a raid on a Communist Cultural Centre by the Police revealed a quantity of arms and ammunition).

The end of the month found pro-Italian stock slightly up with the pro-Jugoslavs making strenuous counter-preparations to restore the balance.

2. LOCAL GOVERNMENT.

There has been little change in Local Government, although efforts are still being made to increase the number of Communes conforming to the terms of General Order No 11. On 9th March, after much persistent work, a Communal Committee was appointed at DOBERDO (TRIESTE Area). DOBERDO is the first of the twenty almost completely Slovene Communes in the territory to cooperate with Allied Military Government under General Order No 11.

3. VENEZIA GIULIA POLICE FORCE.

(a) Civil Police -

With the arrival of the Foreign Secretaries delegates on 7th March 46, and the resulting intensification of all forms of political activity, the month has been an extremely busy one for the Venezia Giulia Police Force. All reports, however, official and unofficial, indicate that they have passed through this trying period with "flying colours".

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3. VENEZIA GIULIA POLICE FORCE. (Cont. of Civil Police)

During these demonstrations the conduct and reaction of the Civil Police was subjected to close observation by Allied Public Safety Officers, and all reports show that they behaved well and with commendable restraint and impartiality.
The policing of these demonstrations and the work of the police in their efforts to prevent clashes between 'overheated' rival factions, have produced the following 'balance sheet' for the whole of the occupied territory: -

Arrests	540
Fatalities	2(civilians)
Injuries to police	0
Injuries to civilians	Undetermined but over 150 (including several serious)

In many cases the arrests were protective detentions, whilst the remainder were for various offences such as possession of offensive weapons, assaults on police, breaches of the peace,etc. As a matter of interest, the offensive weapons confiscated included firearms, knuckledusters, hatchets, knives, lead filled rubber piping, dockers hooks, etc. During the major demonstrations the police did not resort to firearms, but three reports state that firearms were used against the police. There were no casualties, however. On another occasion, one of the Public Safety Officers in a Venezia Giulia Police wireless jeep was fired upon in the San Giacomo District of TRIESTE. So far no arrests have been effected in connection with these incidents.

In the early part of the month the morale of the Force received a severe set-back as a result of the incident at SERVOLA (see page 1), when police opened fire during a hostile demonstration, killing two civilians and wounding seventeen. After this particular incident, the 13 Corps Commander spoke personally to the Venezia Giulia Police Force Officers on the subject of use of firearms and morale. His words of instruction and advice were passed down to all ranks and the rise in morale was instantaneous. At present, morale in the Force remains excellent.

During the early hours of 30th March, following an armed assault on a member of the CID, a Communist Cultural Club in TRIESTE was raided under warrant by Venezia Giulia Police. As a result, 25 persons were placed in custody. The property found at this centre included: -

3 sub-machine guns with charged clips affixed, and 3 spare charged clips
1 pistol with charged clip
9 newly made knives or daggers
4 small hatchets similar to those recovered by police during the demonstrations
26 catapaults
3 axes
A large number of stones laid at strategical positions in the building
[illegible] small bags of fine stone had [illegible] in TRIESTE

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Arrests	54
Fatalities	2(civilians)
Injuries to police	9
Injuries to civilians	- Undetermined but over 150 (including several serious)

In many cases the arrests were protective detentions, whilst the remainder were for various offences such as possession of offensive weapons, assaults on police, breaches of the peace, etc. As a matter of interest, the offensive weapons confiscated included firearms, knuckledusters, hatchets, knives, lead filled rubber piping, dockers hooks, etc. During the major demonstrations the police did not resort to firearms, but three reports state that firearms were used against the police. There were no casualties, however. On another occasion, one of the Public Safety Officers in a Venezia Giulia Police wireless jeep was fired upon in the San Giacomo District of TRIESTE. So far no arrests have been effected in connection with these incidents.

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26 catapaults
3 axes
A large number of stones laid at strategical positions in the building
Sacks of fine stone - small bags of fine stone had been used as missiles by the demonstrators in TRIESTE
1 newly constructed and empty coffin

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The total strength of the Venezia Giulia Police Force is now 3,771 officers and men.

(b) Crime -

Two serious crimes reported during March are summarised as follows: -

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3. VENEZIA GIULIA POLICE FORCE. (Cont. of Crime)

On 1st March SEROLI Francesco, TRIESTE, was murdered. Facts indicate that robbery was the motive.

On 15th March Major GUNDER Stane, Yugoslav Army, was shot and seriously injured by two unknown individuals in Via San Nicolo'. The officer is still in hospital, but out of danger. Enquiries are still proceeding.

(c) Brothels and Prostitution -

There has been no increase in prostitution in the territory, and the Morality Squad of the CID continues to maintain striot supervision on all activities.

(d) Conduct of Allied Service Personnel -

The conduct of Allied Service Personnel continues to be satisfactory. Confining troops to barracks on the occasion of organised demonstrations has been of great assistance to the Civil Police.

(e) Civil Prisons -

The Prisons Division has during the month been incorporated into the Venezia Giulia Police with a strength of 8 officers and 240 guards.

Owing to the numerous arrests made in connection with the recent demonstrations, the prison population has reached a record number.
The following figures give the present position: -

Prison	Population as on 21 March	28 March
TRIESTE, Via Nizza	516	728
" Via Tigor	243	267
" Gesuiti	19	95
MONFALCONE	17	23
GORIZIA	154	203
POLA	89	105

The Gesuiti Prison, TRIESTE, had to be opened up fully before the completion of necessary repairs.

Arrangements for the transfer of long-term prisoners to suitable Penal Establishments in Italian Government territory are now complete, and movements will commence shortly.

On 28th March, 260 prisoners who had been arrested during the course of previous week's demonstrations, staged a

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Arrangements for the transfer of long-term prisoners to suitable Penal Establishments in Italian Government territory are now complete, and movements will commence shortly.

On 28th March, 260 prisoners who had been arrested during the course of previous week's demonstrations, staged a 'hunger strike' at the Via Nizza Prison. The charges against most of these persons were for the possession of offensive weapons, assaults, obstruction, etc.

4. FOOD.

During March, the population received their normal rations with the exception of fats and pasta - these had to be cut by half due to shortage of supply.

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4. FOOD. (Cont.)

The following items were received off the S/S HILL through VENICE: -

Meat and Vegetables	92 tons
Dried Peas	108 "
Soup	35 "
Lard	285 "
Dried Milk	109 "

The 275 tons of sugar scheduled on S/S BANTRIA from U.K. have been switched to S/S ESKADALEGACE. Sailing date unknown.

The S/S FURUSETH is now unloading 2,075 tons of white flour and 6,089 tons of grain in TRIESTE. Of this quantity, approximately 2,000 tons are being repaid to the Italian Government, and 2,000 tons to S & T. The balance is being distributed to UDINE and VENEZIA GIULIA.

The supply position is still unsatisfactory. The present shipments, after repaying loans, leave only sufficient grain to last until 23rd April 1946.

5. TRANSPORTATION.

(a) Port and Warehouse Section -

	Cargo received Inward tons	Outward to consumers tons
Ships (Military) Coal (Military, Railways and Allied Military Government)	26,443	26,443
Allied Military Government supplies received Warehouse 6	1,414	239
UCENA (Schooners) mixed cargoes	1,727	2,400
Total	29,584	29,082

(b) Road Section -

For movement and tonnages carried by Allied Military Government Truck Pool Vehicles as follows: -

	Inward	Outwards	Local	Total
tons.	30,[illegible]	6,[illegible]	4,[illegible]	54.3

(c) Rail Section -

Out of Zone 'A' 27,993 tons.

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The 275 tons of sugar scheduled on S/S BANTRIA from U.K. have been switched to S/S ENGADALEGACE. Sailing date unknown.

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(b) Road Section -

For movement and tonnages carried by Allied Military Government Truck Pool Vehicles as follows: -

	Inward	Outwards	Local	Total
tons.	30[illegible]3	6[illegible]6	1[illegible]2	254.3

(c) Rail Section -

Out of Zone 'A'	27,998	tons.
Into Zone 'A'	5,078	"
From Yugoslavia	1,341	"
To Yugoslavia	1,236	"
	35,653	tons.

(d) Tyres -

870 tyres of all sizes were received into the territory during March from both Army and civilian sources. These were distributed in conjunction with Commerce Division.

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5. TRANSPORTATION. (Cont.)

(e) Bus Services -

26 first class and 16 third class bus services are now operating from this area to various points in ITALY, Zone 'B', and YUGOSLAVIA.

6. AGRICULTURE.

(a) General -

Although the acreage that can be planted this year is almost double that of the preceding year, the factors of uncertain weather, shortage of fertilizers and lack of certain seeds, will influence the final crop returns. There is already a shortage of rain, and the wheat harvest will suffer if the usual spring showers do not arrive soon. Many new plantings of nursery stock are also endangered. However, it is generally expected that the food produced in VENEZIA GIULIA this summer will greatly exceed that of last year.

(b) Livestock -

During March, 36 horses from AUSTRIA were distributed around GORIZIA, 52 were distributed in the TRIESTE Area, and 4 in POLA. Altogether 430 work horses have been consigned to farmers, as well as 100 mules. Details are being worked out so that these horses can be purchased and owned permanently.

(c) Supplies -

At the last minute additional supplies of seed potatoes arrived. Grain seeds of fair quality have been ample and fertilizers, including 10tons of Ammonium Nitrate, 16 tons of Ammonium Sulphate, and 45 tons of Superphosphate arrived during March.

(d) Forestry -

Nearly two hundred thousand young trees have been planted, and at least seven hundred thousand will be put in this spring. This reforestation project for the Commune of TRIESTE is employing many thousands of people who would otherwise be out of work.

(e) Fisheries -

Many new fishing boats are being prepared for the fishing season, and it is expected that this summer's catch will be almost double that of the previous year.

7. INDUSTRY & UTILITIES.

Industrial activities have been overshadowed throughout the

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(a) General -

Although the acreage that can be planted this year is almost double that of the preceding year, the factors of uncertain weather, shortage of fertilizers and lack of certain seeds, will influence the final crop returns. There is already a shortage of rain, and the wheat harvest will suffer if the usual spring showers do not arrive soon. Many new plantings of nursery stock are also endangered. However, it is generally expected that the food produced in VENEZIA GIULIA this summer will greatly exceed that of last year.

(b) Livestock -

During March, 36 horses from AUSTRIA were distributed around GORIZIA, 52 were distributed in the TRIESTE Area, and 4 in POLA. Altogether 430 work horses have been consigned to farmers, as well as 100 mules. Details are being worked out so that these horses can be purchased and owned permanently.

(c) Supplies -

At the last minute additional supplies of seed potatoes arrived. Grain seeds of fair quality have been ample and fertilizers, including 10ntons of Ammonium Nitrate, 16 tons of Ammonium Sulphate, and 45 tons of Superphosphate arrived during March.

(d) Forestry -

Nearly two hundred thousand young trees have been planted, and at least seven hundred thousand will be put in this spring. This reforestation project for the Commune of TRIESTE is employing many thousands of people who would otherwise be out of work.

(e) Fisheries -

Many new fishing boats are being prepared for the fishing season, and it is expected that this summer's catch will be almost double that of the previous year.

7. INDUSTRY & UTILITIES.

Industrial activities have been overshadowed throughout the month by political demonstrations staged for the benefit of the Foreign Ministers' delegates. This culminated in a three days general strike in the middle of the month. Even at other times, workers have had little regard for their contracted liabilities.
The atmosphere of uncertainty created by these and other factors is making it difficult for major local industries to obtain orders from outside.

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7. INDUSTRY & UTILITIES. (Cont.)

An otherwise favourable offer of the Cantieri Riuniti dell'Adriatico to build a 17,000 tons passenger vessel for NORWEGIAN owners was rejected for the foregoing reasons. The management, backed by Allied Military Government, are making strenuous efforts to get the decision reversed.

Generally there has been no change in the industrial outlook, and the situation remains much as previously reported.

On the utilities side, an improvement in the electricity supply, following heavy rain early in the month, and which allowed restrictions to be lifted on 18th March, has been offset by a set-back to gas production in TRIESTE. Due to successive cargoes of unsuitable coal, the gas supply to the city was suspended indefinitely on 22nd March. Such small stocks of suitable coal which remain, are being used to keep the ovens hot.

Work on reconstruction of the port of TRIESTE is making satisfactory progress. Plans to increase the handling capacity to 8,000 tons daily by April 1946 appear unnecessary at the moment as the latest information indicates that UNRRA supplies will not exceed 3,000 to 4,000 tons per day, instead of the anticipated 7,000 tons.

8. COMMERCE.

(a) General -

Distribution of 303 tyres ex No 2 CEM Dump, VERONA, is now proceeding against the screened applications passed by Transportation Division. The March allocation from Comitato Comm, was 130 tyres and 38 inner tubes of all sizes.

The first lot of 500 qls. of Sulphur Oil for soap making, which was allocated by the Italian Ministry of Industry and Commerce on 1st November, reached TRIESTE towards the end of March. Soap factories will now be supplied with this raw material in proportion to their respective capacity, and it is expected that soap will be ready for distribution towards the end of April.

(b) Firewood -

Distribution has been on a very low level. This was due partly to the high price, and partly to mild weather.

For cooking purposes (30 Kg. per person) against 65,000 ration cards ..... qls. 2,700
For hospitals, schools, messes, etc. qls. 900

qls. 3,600

Availability on 31.3.46 qls. 44,000

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For hospitals, schools, messes, etc.	qls. 900
	qls. 3,600
Availability on 31.3.46	qls. 44,000
less shrinkage approx.	qls. 10,000
Balance in hand approx.	qls. 34,000

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8. COMMERCE. (Cont.)

(c) P.O.L. -

Petrol, Gasoil, Kerosene, Lubricants - Consumption, though still on a rather low level shows a slight increase over that of February. All demands have been met.
Industrial Oils and Greases - The situation has greatly improved due to the following facts: -

a) 22 tons of oil M 100 have been delivered to E.P.T. by R.N.
b) 450 gallons NS 2190 (turbine oil) have been supplied to E.P.T. by R.N.

The latter are willing to supply 5,000 gallons more of NS 2190 T (turbine oil with additives) if found suitable by consumers.

(d) Coal -

Arrivals during March	date of discharge	
S/S PAUL CHANDLER	9.3.46	8,114 tons
S/S FORT DEARBORN	19.3.46	9,203 "
S/S SANLUZON	25.3.46	9,126 "
		26,443 tons
Diverted to Military Railway		7,000 "
Balance for Civilian use		19,443 "

Civilian Distribution

TRIESTE	3,422 tons
GORIZIA	2,680 "
POLA	1,228 "
UDINE	4,700 "
	12,030 tons
Balance in dumps	7,413 "
February balance	1,813 "
Amount for April Distribution	9,226 tons

9. PUBLIC WORKS -

When the unblocking of dismissals order is in force, a very much higher unemployment figure is expected for the territory. To ease this situation, a Public Works programme has been worked out which should absorb a large proportion of the unemployed. At present from 7 - 8,000 workers are employed on Public Works schemes, but by the 10th April it is hoped that this figure will be raised to 15,000.

Bids have been opened to rebuild the distressed villages of MERNA, COMENO, RIFEMBERGO and CASIGLIANO. The contract for MERNA has been awarded. These contracts are for twenty houses in each village to be completed in three months. As the works progress, or as labour is

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Bids have been opened to rebuild the distressed villages of MERNA, COMENO, RIFEMBERGO and CASIGLIANO. The contract for MERNA has been awarded. These contracts are for twenty houses in each village to be completed in three months. As the works progress, or as labour is available, contracts for a further twenty houses will be awarded until the work in each village is completed.

Plans for the construction of all bonifica works are being pushed so that the maximum number of people are employed.

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9. PUBLIC WORKS. (Cont.)

Not only does this type of project employ a large number of workers, but many thousands of acres of land are put under cultivation. The biggest project at present in hand is the reforestation of the whole of TRIESTE Commune.

10. ECONOMICS.

During the month the question of labour conditions generally in VENEZIA GIULIA has been closely studied by the Economics Section. Legislation is in preparation for: -

a) The Unblocking of Dismissals
b) The institution of normal labour conditions by the publication of a labour charter based on rights of labour in BRITAIN and U.S.A.

In order to bring about an improvement in the industrial life of TRIESTE, which is at present functioning in only a very moderate degree, a programme of rehabilitation is being worked out to tie up with what is being done in both ITALY and JUGOSLAVIA by UNRRA. The Corps Commander has requested AFHQ to submit to COS the pressing need for this programme to be put into effect.

11. PUBLIC HEALTH & WELFARE.

(a) Hospitals General -

In TRIESTE, Dr. PECORARI, the Director of the Ospedale Maggiore, has been dismissed from his post and replaced by Dr. LAPENNA. The new Board of Management of the hospital is awaiting a decision of the Epuration Committee before finally taking over control. It is expected that under the new Director and Board of Management, the efficiency of the Hospital will be greatly increased.

In POLA, plans are in hand for a new 350 bed Tuberculosis Hospital. This will be housed in the Italian Royal Naval Barracks.

The Public Works Division is arranging to complete the re-building of the Civil Hospital at GORIZIA.

Schemes for the rehabilitation and re-building of various other hospitals and institutions are in hand, and are progressing well.

(b) Medical Supplies -

The programme from AFHQ for the delivery of drugs and dressings from surplus Army stocks has been received, and a small consignment (approximately 1 ton) has already been delivered here.

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(c) Sanitation and Hygiene -

The anti-rat campaign in TRIESTE is continuing, and a total of 16,666 rats were destroyed during the month.

At POLA, Public Shower Baths have been opened and are already in use by the local inhabitants.

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11. PUBLIC HEALTH & WELFARE. (Cont.)

(d) Infectious and other Diseases -

General health throughout the territory continues to be good, and scabies in POLA and GORIZIA as reported in February is now on the decrease.

Measures for the control of rabies have been tightened up considerably during March.

The number of admissions to hospital for VD show a considerable decrease;a total of 91 being admitted during March compared with 121 for February.

(e) Veterinary Disease -

The campaign for testing cattle for Malta fever continued during the month, 863 animals being tested with the new vaccine.

(f) Welfare -

With the assistance of the Italian Red Cross Liaison Officers, a Communal Committee formed by local civilians of standing, under the Presidency of the Zone President, has been formed.
The old system of keeping children from the streets through Recreatories has been put in effect, and at present 7 Recreatories are functioning.
A summer holiday scheme for children is being prepared.

The Ente Comunale di Assistenza is continuing its' welfare activity, and cooperation with the Public Health Division of Allied Military Government is proceeding most efficiently.
The distribution of blankets through Ente Comunale di Assistenza is continuing, though with the coming of warmer weather, the need is not quite as urgent and distribution may be discontinued altogether during the summer months.

During March, 2,000 people received Italian Red Cross food parcels.

12. DISPLACED PERSONS.

AFHQ has now confirmed that the Assembly Centres in TRIESTE and UDINE will remain open for an indefinite period.

The movement of displaced persons shews considerable increase over the previous months. Details are as follows: -

	Entered	Evacuated
Civilians	995	995
Ex-PWs	102	101
	1097	1096

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Ex-PWs	102	101
Total figures	1097	1096

13. FINANCE.

(a) AMG/AC Expenditure -

The aggregate expenditure from Allied Military Government/Allied Commission Funds for this territory for month of March was approximately lire 15,000,000. Every effort is being made to decrease this expenditure.

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13. FINANCE. (Cont.)

(b) Loans to Industry -

Advances amounting to Lire 95,000,000 have so far been made to various industrial concerns.

(c) State Expenditure -

The credits established in favour of Public Agencies up to the end of March are as follows: -

Area	Amount
TRIESTE	5,821,887,891.07
GORIZIA	996,779,170.77
POLA	672,195,770.67
	7,490,862,832,51

(d) Customs -

There has been a considerable increase in Customs Revenue.

(e) Monopoly -

The ration of cigarettes will be increased by import of a quantity of Swiss cigarettes, and other efforts are being made to obtain cigarettes from FIUME. Whilst the present low ration is maintained, an important source of revenue is being lost.

14. PROPERTY CONTROL.

(a) Allied Owned Property -

During March 16 additional properties of all classes were recorded and taken under formal control, whilst 8 (all Greek) were returned to owners or legal representatives. Totals today: 371 properties belonging to 280 owners taken under control - 78 properties belonging to 53 owners restored.

(b) Industrial and Commercial undertakings -

Special investigations are proceeding into the question of deliveries of Bauxite from S.A. Mineraria Triestina (Canadian owned Coy with office in TRIESTE, but with mines in Zone 'B') to Societa' Istriana Cementi.

(c) Italian State and Parastatal Property - Ex-Fascist Property -

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(c) Italian State and Parastatal Property - Ex-Fascist Property -

There is nothing special to report. The payment of arrears of salaries and of dismissal indemnities was authorised. The reallocation of ex-Fascist furniture is proceeding normally.

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15. LEGAL.

(a) Allied Military Government -

Summary Courts - During March 1946, a total of 518 accused were tried on 546 charges. These figures compare with 308 accused on 340 charges in February, an increase of 210 and 206. The increase is due mainly to the large number of cases in the TRIESTE Area for violation of the order for the conservation of electricity. (This is no longer operative).

Superior Courts - During March the Superior Courts disposed of cases involving 36 accused (compared with 38 in February) on 53 charges (as compared with 42 in February). The number of firearms cases remained at approximately the same level (March 17 - Feb 18).

General Court - No General Court cases were tried during the month.

(b) Civil Courts -

The Ordinary Civil Courts continue to function with reasonable satisfaction. The Ordinary Court of Assize which has jurisdiction of the more serious offences, was reconstituted in January and is now functioning normally. Six trials were held during the month, involving 10 accused. There were 6 convictions and 3 acquittals. 16 cases are pending.

(c) Special Court of Assize -

This Court deals with charges of collaboration with the Germans and the Fascist Republican State after 8th September 1943. (Proclamation No 5). There has been considerable criticism in the public press and in other quarters, at the Court's lack of jurisdiction to deal with Fascist offences committed before 8th Sep 1943. It has been said that the territory, particularly Trieste, has therefore become a "haven" for Fascist offenders. The Allied Commission's objection to extending the treatment of offences prior to 8th September 1943, was based upon law and policy. The matter was again placed before the Commission in February and in March, with the suggestion that the Italian Government, whose sovereignty over the territory continues, be asked to consent to the proposed extension thereby obviating the objection that such legislation would be beyond the power of an occupying force under international law. The Italian Government was contacted through the Legal Sub-Commission and the Ministry of Justice has consented to the publication of legislation for the prosecution of offences prior to 8th September 1943, providing in substance for such prosecution in the normal Civil Courts, following the procedure in effect in other parts of ITALY. The proposed order has been prepared, and has been submitted for approval to AFHQ.

16. LABOUR.

(a) General -

In spite of the large reforestation project for the Trieste Area, which has absorbed 2,500 men and women, and the extension of [illegible] to 10th April 46, the labour market shows

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Superior Courts - During March the Superior Courts disposed of cases involving 35 accused (compared with 38 in February) on 53 charges (as compared with 42 in February). The number of firearms cases remained at approximately the same level (March 17 - Feb 18).

General Court - No General Court cases were tried during the month.

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16. LABOUR.

(a) General -

In spite of the large reforestation project for the Trieste Area, which has absorbed 2,500 men and women, and the extension of blocking of dismissals to 10th April 46, the labour market shews a total of 29,443 registered unemployed for the month of March - an increase of 307 over February.
The Economics Section has called several meetings to approve projects designed to absorb 5 - 6,000 workers who are likely to become unemployed when the unblocking of dismissals comes into effect.

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16. LABOUR. (Cont.)

(b) Strike -

Several strikes were called during March. They were of a political nature, and were sponsored by the UAIS.
The main strike which was of two days duration, but which did not include railroad, bank and state employes, was called on 11th March as a protest against the shooting of civilians at SERVOLA (See page 1, under Political).

(c) Wage Levels and Agreements -

Negotiations for various category contracts under the general agreement continue. It is expected that the end of April will see the conclusion in all branches.
The ACEGAT agreement was finally concluded in the Ufficio del Lavoro, and a new contract drawn up.
The following agreements have been ratified: -

6.3.46 - Association free shipowners - Trieste - Wage Agreement
23.3.46 - Giulian Agriculture Association - Trieste- Wage Agreement
23.3.46 - Bakers Association - Trieste - Wage Agreement

(d) Social Insurance -

The 80 lire daily unemployment benefit has been authorized up to 30th June 1946, for all those dismissed after 1st September 1945.

(e) Cassa Integrazione -

The Cassa Integrazione system as applied in ITALY will be extended to this territory at the time of the unblocking of dismissals.

17. EDUCATION.

(a) Political trends in education -

Political unrest in Venezia Giulia increased during March, due partly to the arrival of the Foreign Ministers' delegates.
The pro-Italian and pro-Jugoslav manifestations of nationalism have greatly upset the normal functioning of the schools. Most people have been very sensitive to the daily political issues. It is natural, therefore, that children and students should be influenced by patriotic feelings aroused in them by the events.

Italian - both instructors and pupils have expressed a keen desire to keep the schools out of the political quarrels which disrupt and harm the educational process. Instruction has been regular and quite serene, except for some isolated instances where individual teachers expressed their nationalism in the classroom through the exhibition of posters or flags proclaiming the "italianita'" of Trieste.
Large numbers of students participated in the recent Italian demonstrations. However, reports from the "Sovraintendenze Scolastiche" which were under most severe instructions to keep all schools functioning, have stated that students participated in the parades

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Large numbers of students participated in the recent Italian demonstrations. However, reports from the "Sovraintendenze Scolastiche" which were under most severe instructions to keep all schools functioning, have stated that students participated in the parades only after their class hours without strikes or "ditching" of classes!
The Italian schools kept open throughout the two days (11 - 12 March) of the general strike in TRIESTE City. On both days several Italian schools were attacked and forced to close. At the elementary school of Via Guardiancila in the Slovene community of S.Giovanni in TRIESTE, the teacher was beaten and the children were forced out of the classrooms.

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17. EDUCATION. (Cont. of Political Trends in Education)

At the Liceo Petrarca fifty individuals entered the school by force, intimidated the principal, who in order to safe-guard the welfare of his students, dismissed classes against the objections of the entire student body. The Italian minority school of SERVOLA (Slovene Community of TRIESTE) obeyed the orders of the PNOO and dismissed classes, exhibiting also - against Allied Military Government directives - nationalistic and political flags. It is the only Italian school in TRIESTE which has not complied with instructions to keep the schools out of the existing political strifes.

Slovene - The School Section of the PNOO has become much bolder in its' illegal functions of government and recently has issued a profusion of direct orders to the Slovene teachers of the territory. The Education Officer whilst visiting several school districts has been told repeatedly by teachers that they were at a loss - intimidation was so real that they could not possibly disobey these illegal orders coming from the PNOO.

The two days strike (11 - 12 March) declared in protest against the SERVOLA incident, absorbed the children and students of six Slovene elementary, and three secondary schools in Trieste City. (For the Slovene secondary schools of Trieste, this was the third political strike in which the students participated during this school year).
The manner in which the schools were abandoned by the students and by some professors, demonstrated more than ever that the Slovene schools of Trieste had become a tool of propaganda.
As the Slovene students were out on strike, the Education Division of Allied Military Government declared all Slovene schools within the city of Trieste closed as from 13th March.
The order stating: - "When students and parents indicate that they wish seriously to avail themselves of the instruction until now placed at their disposal by the school administration, the schools will be reopened".
On 14 March, however, by order of the School Section of the PNOO the schools reopened contrary to Allied Military Government instructions. "Since the schools are the property of the people no one can order them closed", proclaimed the "Primorski Dnevnik".
On the same day Allied Military Government issued a second order closing the schools a second time - this time, however, a police guard was placed at the schools in order to enforce the directives. Three professors were dismissed for willful disobedience of Allied Military Government instructions.
On 16th March after all proper assurance had been received that the schools would be taken seriously, they were reopened.

The political influence of the moment has infiltrated into all schools in the territory - the Italian children and students wear red-white and green ribbons, and distribute prppaganda leaflets, and the Slovene students and children wear the red star!

18. PUBLIC RELATIONS.

31 correspondents from various parts of the world visited VENEZIA

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Slovene - The School Section of the PNOO has become much bolder in its' illegal functions of government and recently has issued a profusion of direct orders to the Slovene teachers of the territory. The Education Officer whilst visiting several school districts has been told repeatedly by teachers that they were at a loss - intimidation was so real that they could not possibly disobey these illegal orders coming from the PNOO.

The two days strike (11 - 12 March) declared in protest against the SERVOLA incident, absorbed the children and students of six Slovene elementary, and three secondary schools in Trieste City. (For the Slovene secondary schools of Trieste, this was the third political strike in which the students participated during this school year).
The manner in which the schools were abandoned by the students and by some professors, demonstrated more than ever that the Slovene schools of Trieste had become a tool of propaganda.
As the Slovene students were out on strike, the Education Division of Allied Military Government declared all Slovene schools within the city of Trieste closed as from 13th March. The order stating: - "When students and parents indicate that they wish seriously to avail themselves of the instruction until now placed at their disposal by the school administration, the schools will be reopened".
On 14 March, however, by order of the School Section of the PNOO the schools reopened contrary to Allied Military Government instructions. "Since the schools are the property of the people no one can order them closed", proclaimed the "Primorski Dnevnik". On the same day Allied Military Government issued a second order closing the schools a second time - this time, however, a police guard was placed at the schools in order to enforce the directives. Three professors were dismissed for willful disobedience of Allied Military Government instructions.
On 16th March after all proper assurance had been received that the schools would be taken seriously, they were reopened.

The political influence of the moment has infiltrated into all schools in the territory - the Italian children and students wear red-white and green ribbons, and distribute propaganda leaflets, and the Slovene students and children wear the red star!

18. PUBLIC RELATIONS.

31 correspondents from various parts of the world visited VENEZIA GIULIA during March and were looked after by the Public Relations Division. In addition, a party of 14 journalists spent a few days here in the second week of March. Their visit was arranged through Public Relations ROME by the Italian Government.

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18. PUBLIC RELATIONS. (Cont.)

During March 75 news items and announcements concerning the activities of Allied Military Government were passed to the News Division of AIS for publication in the local press and for radio.

The Daily Press Summary prepared in conjunction with AIS, and the weekly review of Press Opinion have been continued throughout the month.

19. TELECOMMUNICATIONS.

On 1st April 46, the new tariffs for foreign postal correspondence and the telephone service, will come into force.

The following circuits were opened during the month: -

Telephone: TRIESTE - ROME
TRIESTE - VIENNA
TRIESTE - PADOVA
TRIESTE - VENICE (No 3)

Telegraph: GORIZIA - SALCANO - O/H Iron Wire -

20. PATRIOTS.

The most outstanding patriot event of the month was the large funeral arranged by the Associazione Partigiani Giuliani, on Sunday 24th March, when the bodies of 12 partisans were brought into TRIESTE from Zone 'B' and reburied after a large funeral procession through the streets of the city.

As a reply regarding the status of the IX Corps has not yet arrived from BELGRADE, all claims from partisans of that Corps are being held up.

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APPENDIX 'A'

GENERAL ORDERS, ORDERS, AND ADMINISTRATIVE ORDERS PUBLISHED DURING MARCH 1946.

a. General Orders:

No 45 - Control of movement of goods into and from the territory -
No 46 - Granting of amnesty and pardon -
No 47 - Contributions for family allowances -
No 48 - Amendments to taxation regulations and modifications of taxes and fees due on documents produced to the public automobile registry -
No 49 - Rates of stamp duties and provisions for their payment -
No 50 - Regulation governing the validity and efficacy of certain sentences -

b. Orders:

No 81 - Stamp taxes on playing cards -
No 82 - Special temporary unemployment -
No 83 - Overhead expenses of managers of stores selling monopoly goods -
No 84 - Tax concessions to assist the re-building of war-damaged buildings - Supplement to General Order No 31 -
No 85 - Increase in supplementary family allowances - Supplement to General Order No 43 -
No 86 - Taxes on lighters and flints -
No 87 - Granting of an amnesty and pardon for offences of a financial character, remittance of surtaxes and of fines for infringements of financial laws.
No 89 - Approval of books in public schools -
No 90 - Customs - Labels for alcoholic spirits -
No 91 - Increase in special fee on passports for overseas countries -
No 92 - Family allowances to workers employed by political parties and trade unions -
No 93 - Tax reductions and concessions upon the merger, combination and change of partnerships and other companies (societa') -
No 94 - Supervision and control of Social Insurance -
No 95 - Authorized increase in life insurance premiums to Assicurazioni Generali -
No 96 - Increase of the allowances due to the judicial clerks (Cancellerie e segreterie giudiziarie)
No 97 - Postponement of examinations for attorneys - Amendment of Order No 65 -

c. Administrative Orders:

No 31 - Appointment of Rag.Luigi Vaglia as Commissario Straordinario of Societa' degli Autori ed Editori -
No 32 - Retention in service of judiciary officials who have

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c. Administrative Orders:

No 31 - Appointment of Rag.Luigi Vaglia as Commissario Straordinario of Societa' degli Autori ed Editori -
No 32 - Retention in service of judiciary officials who have reached the age of retirement -
No 33 - Appointment of Administrative Council of Liceo Musicale Triestino -
No 34 - Appointment of Sequestrator Societa' "Ing.C.Tolazzi & Co."

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In & Ship.

HEADQUARTERS
NAPLES LIAISON GROUP
ALLIED COMMISSION
APO 394

5 April 1946.

SUBJECT : Monthly Report for March 1946 by Colonel J.A.C. Pennycuick, Chief Liaison Officer Naples and South West Intaly.

TO : Headquarters Allied Commission.

(a) POLITICAL.

Naples has a new Prefect, Dott. VENTURA a "Career" prefect replacing Avvocato SELVAGGI. The latter who has been Prefect for 18 months, had the ability to get on with all parties and although not a so called "career" Prefect he will be missed on account of his tactful handling of disputes. The new Prefect is a Sicilian.

There were only 83 political meetings during the month in Naples ,mostly small affairs. The main interest has been centred in the elections which began in some provinces on the 10th of March and were in full swing in all provinces by Sunday the 31st. The Liaison team visited a total of 89 Communes during the month including selected Communes from all 9 Provinces. Transport was very fully stretched out. Details have been reported week by week but the Summary of visits is as follows :

		Number of Communes visited.
NAPLES)		12
AVELLINO (		14
BENEVENTO)	CAMPANIA	16
CASERTA (		17
SALERNO)		11
CAMPOBASSO		6
CATANZARO)		5
COSENZA (	CALABRIA	4.
REGGIO CALABRIA)		4
Total visited to 31 March 89		

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Features that have been general are (a) orderly conduct of elections; (b) a heavy poll, 80 % to 90 % of eligible electors voting; (c) as a corollary to (b) the

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large number of women voting.

The results so far have been ably summarized in the weekly bulletin and to the ordinary observer are puzzling as in the smaller Communes, it is personality rather than party that counts. This produces strange bedfellows for example at Arpaia in Benevento Province Christian Democrats and Communists combined in one list to oppose the liberals, again at CERARA in SALERNO the victorious Christian Democratic Councillors are reported to have elected as Sindaco, a Communist included in their ranks.

The Christian Democrats are the outstanding big party with liberals and Labour Democrats next. Communists appear in very small numbers. L'Uomo Qualunque party with the symbol of a pair of scales (justice) also has but a small following, there are many "Independants".

An additional election inspector has been appointed for Naples alone, Dott. Carlo ANGIUS, as there are complications owing partly to the large number of people (reported to amount to 16,000) living in Naples whose homes are in other parts of the country.

Another subject which may be included under the heading political is the disposal of Allied Ammunition and explosives. By agreement with the Italian Government authorities no more Ammunition is being sent via Torre Annunziata. American Ammunition for transport back to USA is passed through Bagnoli where it is shipped.

Explosives and ammunition for dumping in the sea are brought by road from Aversa area to Misano where a special pier has been constructed and the explosives transferred to barges, towed out to sea and dumped. A commencement was made with this procedure in March and 1500 Tons of explosives and Ammunition have been dumped in the sea by this route.

The disposal of the remainder will probably take about three months to complete as it is understood none is now being sold to the Italian Government. All moves are controlled under safety arrangements.

Other Ammunition dumps are dealt with under Public Safety .

The problem of accomodation and demands for de - requisitions continues to be a major issue.

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(b) PUBLIC SAFETY.

Colonel MAURO, CGRR arrived during the month to take over command of the Carabinieri from Col. MEOLI who, as reported last month, left in February. Colonel MAURO has been a prisoner of war in Germany and has just resumed service.

Naples has also a new Questore, Dott. COGLITORE who arrived in March, his predecessor having left in February. Dott. Coglitore is an energetic Sicilian.

Conditions as regards Public Safety have been satisfactory and there has been a further small decrease in cases of unlawful possession or stealing of Allied property. A particularly brutal murder of an RAF soldier was committed at a British Camp, San Rocco di Capodimonte, on the night of the 10th of March. Robbery was the motive and a Yugoslav (employed by the RAF) and 5 Italians are under arrest.

The general position of Ammunition Dumps is a cause of anxiety. The ammunition and explosive was spread out to lessen the risks from air attack, so that there are miles of stacks along roads near Nola and leading to Benevento. These stacks are unguarded and are too great a commitment for any ordinary civil police force. They are, however, an irrisistible temptation to thieves whose pilferings together with the local love of fireworks whenever a festa occurs, constitute a widespread menace.

Reduci have so far given little cause for complaint but the increasing number of returned POW is a potential danger coupled with unemployment from the closing of Allied installations.

Cases in which Allied troops have been involved in thefts or incidents with the civil populace total to 14 for the month of which 3 involved coloured personnel. There were in addition 3 cases of trouble with Polish soldiers and 2 with Yugoslavs, reported.

Prisons continue to be overcrowded, the requisitioned prisons at Nisida have been handed back to the Italian Authorities.

(c) ECONOMICS AND SUPPLY.

Derequisitioning. An insistant demand for factories, stores, etc. to be derequisitioned is a major issue. Some small progress

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Food. UNRRA have now assumed responsibility for food imports and the cut in the pasta ration to 500 grs a month has been

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accepted with a reasonable understanding of world conditions. Grain ships have just kept up with the demand for imports.

In the many Communes visited in all Provinces in connection with the Elections there have been no cases of complaint that the bread ration has not been received.

Cost of living. The cost of living which went up sharply and somewhat unexpectedly in March and April last year and then fell again has not repeated this phenomenom. It is going up slightly. For a family of 5 persons of the artisan class, the monthly figure has been worked out as follows by the Chamber of Commerce :

September	1943	just under 5000.00 Lire
December	1943	" 8000.00 "
December	1944	" 19000.00 "
April	1945	nearly 28000.00 "
June	1945	under 19000.00 "
December	1945	" 21000.00 "
March	1946	about 21000.00 "

The latest figures not yet complete show some rise over December for food but a drop in clothing prices.

Harvest Prospects. Except in Naples province itself where February and March have been dry months rain has been reasonably general over South Italy and the area sown with wheat approximates to the 1939 area. Harvest prospects up to the present are, therefore, good..

LABOUR. Unemployment is still increasing. There were 7 strikes or stoppages of work, the most serious being a 3 day strike of tram workers. There were no incidents. The British Army Command is still employing about 30,000 Italians, but the Navy and American Army have closed down the bulk of their activities employing labour.

(d) PUBLIC WORKS AND UTILITIES.

An allotment to Naples of 6 milliards of Lire has finally been made and it is hoped that work will start quickly on the Bolla water supply scheme and new port road. One of the biggest items will be work on the clearing and reconstruction of the port itself.

Yet another change in personnel is marked by the arrival of a new Provveditore delle Opere Pubbliche for Campania and Ing.re Lino BERTUZZI has taken up this post.

The reconstruction of the destroyed Volturno hydro-electric station at Colli is proceeding satisfactorily and it

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is hoped to have 6000 KW installed by the end of June and when reconstruction is complete to work to an output of 22,000 KW.

(e) PUBLIC HEALTH.

Small pox has died down, for the first half of March 5 cases were reported in Naples City and 6 in the Province. There has been an increase in measles with over 100 cases reported in Naples and presumably many more in the various crowded homes, but health remains good.

The Italian port and medical authorities have resumed control of inspection and quarantine of ships coming into the Port.

Venereal disease remains rampant 1135 women were treated in hospitals during the month with 534 out patients (last month the combined total cases was a little over 1500).

(f) TRANSPORT AND COMMUNICATIONS.

The responsibility for the movement of foodstuffs etc. passed to UNRRA on 1st of March and the A.C. transportation section is closed.

(g) LEGAL.

The COGENA case referred to in last month's report, presided over by Colonel J.K.WEBBER, resulted in the acquittal of the Director General Dott. E.SARNELLA , A.SARNELLA and Captain SANTO LOPORTO were found guilty of charges under Italian Law and sentenced to 1 and 2 years imprisonment respectively with a fine each of 10,000 lire. Sentence was suspended in both cases and fines have been paid.

A Court assembled on 12th March acquitted 3 defendants tried for the killing of an American soldier on the 18th of March last.

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No cases were tried by a Superior or Summary Court in March.

Italian Courts tried 421 cases of crimes against the Allied Forces. Of 651 defendants, 530 were convicted. Theft and receiving Allied goods were the main charges and there were 54 cases of prostitution.

The increase in juvenile crime in Naples is an unfortunate feature.

/s/ H.E. Pennyman

Colonel
Naples Chief Liaison Officer
Allied Commission

DISTRIBUTION:-

Hq. Allied Commission	16
Chief Liaison Officer	1
Liaison Officer Bari	1
Liaison Officer Sicily	1
No. 3 District	1
Hq. Naples Area	1
Hq. Railhead P.B.S. South	1
N.O.I.C.	1
Hq. No. 1 Base R.A.F.	1
G-5 A.F.H.Q.	1
UNRRA Naples	1
British Information Office	1
U.S.I.S.	1
British Consul General	1
American Consul General	1
Circulation	1
File	3
Spare	3
B.L.U. Torre del Greco	1



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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

JANUARY - 1946

Ref: 824/EC

26 March 1946

CONFIDENTIAL

Declassified E.O. 12356 Section 3.3/NND No. 785021

MONTHLY REPORT

JANUARY - 1946

Ref: 824/EC

26 March 1946

CONFIDENTIAL

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

JANUARY - 1946

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POLITICAL SUMMARY

1. During the first fortnight of January the Council of Ministers was chiefly occupied with attempts at a solution of the difficult situation arising out of the unwillingness of the State employees to accept the Christmas bonus which had been agreed on December 29th. The Government were prepared, in order to meet the vital needs of State employees, to grant a distribution of goods and foodstuffs which would involve an advance payment of 2½ milliards of lire, representing expenditure which would not be unduly heavy since it would be made during 1946, but they declared it was impossible to burden the State Budget with fresh expenditures. A supplementary sum of 500,000 lire was however allocated as a contribution by the State, 2 milliards of lire to be advanced for the purpose of loans to be repaid by instalments and 2½ milliards as a guarantee fund for the creation of an organisation for the purchase and distribution of clothes, footwear and so far as possible food to State employees.

2. On January 21 Signor De Gasperi gave an important address on foreign affairs in which he expressed his regrets that the Italians had not yet had an opportunity to demonstrate to the Soviet Union the effectiveness of their new democracy; he also stated that ITALY wished to cooperate with YUGOSLAVIA in the ADRIATIC and in assuring free access by neighbouring states to the port of TRIESTE. Passing to the ALTO ADIGE question he stated that the Government was prepared to give local autonomy to that region as to VAL D'AOSTA, but that ITALY had constructed great electrical plants there which were necessary for the industrial development of the PO valley. As regards the prospects for the peace treaty, the Prime Minister said that his trepidation was great. He had previously made a speech on January 12 to the Consultative Assembly in which he stated that, as soon as the MOSCOW communique' had become known on 27 December, he had sought interviews with the three Ambassadors of the victorious powers, to whom he had pointed out that ITALY, owing to her unique state of co-belligerency, had a right to come before other nations in the drafting of peace treaties. He reported that at the beginning of January the United States Ambassador had been authorised by his Government to inform the Italian Government that the MOSCOW Agreement did not change ITALY's situation as it had been defined at the POTSDAM Conference and that ITALY would not be placed in the position of having to accept a fait accompli. The British Government also agreed with this view. Dr. De Gasperi further stated that a very serious error would be committed by those who forgot that the Italian people had atoned for the crimes of their rulers and had waged a second war to rehabilitate themselves.

3. It was announced on January 10th that the President of the Council and the Spanish Ambassador in ROME had signed the protocols of the commercial agreement between ITALY and SPAIN. Under the agreement which is valid until 31 December 1946 SPAIN will supply goods to the value of 200,000,000 pesetas and ITALY will export to SPAIN goods to the value of 50,000,000 pesetas, the difference being made up by instalments repayment of the Italian loan to SPAIN. Ten days later an agreement was signed between UNRRA and the Italian Government covering the Italian supply programme for a period which was not stated.

4. The Communist Party's national congress concluded on January 6th, when the proposal for the party's fusion with the Socialists was approved. On January 11 the Minister of the Interior reported on the incidents which had disturbed public order in SICILY. He stated that the police had proceeded vigorously against the group of about 150 men with the result that some were captured and the rest took to flight and that he had ordered the immediate despatch of adequate reinforcements to restore law and order to the island, these took the form of one regiment of the Folgore Division.

5. The plenary session of the Consultative Assembly was convoked on January 9th when the right of the Assembly to convoke itself was voted down and the President

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5. The plenary session of the Consultative Assembly was convoked on January 9th when the right of the Assembly to convoke itself was voted down and the President of the Council declared that it would meet once a month regularly. Count SFORZA announced that a special committee had been formed to study the plans for the legislation covering the political elections. On 25 January this Committee recommended that the Constituent Assembly should consist of one deputy for every 75,000 inhabitants, or a total of 577 deputies. It was agreed that the majority system should be used in all communes exclusive of provincial capitals with less than 30,000 population, while the proportional representation system should be used in all other communes. It was also announced definitely that voting for communal council will take place as far as possible on Sundays March 10, 17, 24 and 31.

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PART I

REGIONAL REPORTS

LIGURIA REGION.

1. On the surface the general position in LIGURIA a peared to be very tranquil, and the handover of authority did not seem to have any serious repercussions. Exaggerated reports in the Italian and French newspapers on anything connected with the Franco-Italian border continued to appear. French propaganda was carried on in the immediate vicinity of the border, although there were no serious incidents.

2. Rice was in short supply during the month and the region had to operate on a six day flour reserve.

3. Industries continued to function as well as could be expected, in the face of the uncertainty which is being felt as regards ITALY's future, and the lack of coal and raw materials.

4. The Italian Law Courts were efficient, but slow, and prisons are very overcrowded owing to the long periods allowed to elapse between arrests and sentence, or release on bail.

5. Questura, Carabinieri Guardia di Finanza and Municipal Guards worked well, although still seriosly handicapped by lack of transport, adequate arms and clothing. The number of crimes for the month was less than for December and can be regarded as satisfactory; no serious crimes were reported. The public situation was in general tranquil, although each Commune experienced difficulty with "REDUCI" demanding employment.

6. Public health throughout the Region continued to be good and welfare organizations were in operation. Telecommunications improved by the fixing and balancing of cables and general repair work was being carried out where ever possible.

7. 142,995 tons of civilian freight were accepted and moved from the port of GENOA during the month, 5,747 tons from IMPERIA, and 6,616 tons from SAVONA.

8. The doubling of the railway lines from GENOA to MIGNANEGO proceeded another 500 metres, but work was held up from time to time due to bad weather, while work on the lines between S. BENIGNO and CAMPOBASSO progressed satisfactorily.

9. During the month 76 schooners carrying foodstuffs and 6 ships carrying general cargo arrived at the Port of GENOA. These figures show an appreciable increase over those of December. The work of clearing the Port continued, and all berths were made available for shipping, while the Ports of SAVONA and LA SPEZIA continued to discharge the ships normally.

10. All bids for haulage by road were met although the shortage of P.O.L and tyres was still serious. 1,272,533 quintals were hauled during the month.

LOMBARDIA REGION.

11. There was little political activity during the month, and all parties began to show more concern for the economic position of industry and the increasing unemployment than for political ideology and party strife. Progress was made in

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LOMBARDIA REGION.

11. There was little political activity during the month, and all parties began to show more concern for the economic position of industry and the increasing unemployment than for political ideology and party strife. Progress was made in the preparation for the Administrative Elections, the first of which will take place in a number of small Communes on the second Sunday in March.

12. Owing to consumers generally refusing to comply with Decrees for the curtailment and rationing of electric current, a critical stage was reached early in January which would have led to compltete exhaustion of the available power supplies by the middle of February. However assurances were given by the Prefect and the Mayor of MILAN that whatever measures were necessary to curtail consumption would have their full support. No industry, with the exception of the cotton industry, managed to work at full capacity owing to the coal shortage or lack of raw materials. Enforced retention of unproductive labour by industry caused considerable concern especially in the mechanical sector where certain firms were on the verge of closing down. Dismissals at a monthly scales rate are now permissable, but compulsory employment of "reduci" tends to offset this relief, and unemployment increased.

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The arrival from the U.S. of the first consignment of synthetic rubber to Pirelli was most welcome; a production of 1,000 tyres daily is estimated. About 50 large tanneries in N. ITALY are reported to be in operation and are holding large stocks of raw material accumulated through hoarding and hiding during the war.

13. Commerce was virtually at a standstill, and there was much discontent in commercial circles owing to the interference in "compensation" (barter) transactions with other countries.

14. The food situation in the Region was good in spite of a shortage of imported grain. Grain ships scheduled for VENICE and GENOA on February should sustain LOMBARDIA Region up to 14 February. Supplies of Sugar and Salt were good.

15. There were no strikes and the labour position was quiet, although there were spasmodic demonstrations by "reduci" demanding employment. At the end of the month there were 170,087 unemployed.

16. The situation regarding clothing and equipment, boots, transport, arms and ammunition for the Police Forces was still unsatisfactory. The Carabinieri have however quite a high standard of efficiency and their morale was good. The general public now have more confidence in them and regard them as the one body to be relied upon. The Guardia di Finanza functioned well, but were handicapped by shortage of transport, clothing and lack of weapons. In no province however has the general public any confidence in P.S. agents, and the general opinion appeared to be that they are either completely useless or else simply uniformed hooligans. The general public safety situation was better, and there was a decrease in all forms of crime. There were no civil disturbances of note during the month.

17. During January 1,370 refugees were evacuated; one camp was returned to the Italian military authorities and another handed over to UNRRA. Some 750 Italian miners and families are still awaiting repatriation to BELGIUM (see p.11 Displaced Persons S/C report), and a further 220 Italians were sent to GENOA for repatriation to BELGIUM and FRANCE.

18. No difficulties whatsoever were experienced in the running of rail services, and telecommunications were satisfactory.

PIEMONTE REGION.

19. The first month of control of the Region by the Italian Government brought no disorder and no break-down of vital functions. The situation on the Franco-Italian border remained quiet, although the constant stream of rumours kept the border inhabitants unsettled. Progress towards the elections was noted in each Province and several have completed their lists.

20. All provinces reported that they had stocks of grain or flour sufficient to supply them for ~~two~~ six weeks. Much bitterness was aroused by the high cost of living and industrialists realised that a modification of the value of the lira in terms of foreign exchange was most necessary.

21. Fiat, which employs about 60,000 workers, produced more than 1,000 trucks and cars during the month, although the shortage of coal presented a serious problem. The shortage of electrical power, throughout the north, also complicated the general industrial situation. Amassing continued but with small returns.

22. Unemployment registration showed a 25% increase during January; on 20 December [illegible] registered, and on 20 January 1946 there were 50617. Industrial

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22. Unemployment registration showed a 25% increase during January; on 20 December 1945, there were 43824 registered, and on 20 January 1946 there were 52617. Industrial unrest however decreased and only three strikes of consequence were reported. Public works projects supplied some much needed employment.

23. Judicial activity in the Region was satisfactory. The morale of the public security agencies was good, although the continued shortages in arms, equipment and transportation still caused concern. The crime situation was satisfactory, and robberies and thefts were on a decreasing scale. No important crimes were reported. Six truck loads of arms and ammunition were found in NOVARA.

24. Public health was good, with seasonal incidence of measles.

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29. Schools appeared to be operating satisfactory.

26. The main railway lines were all in operation, hauling an increasing tonnage, and all roads and highways were usable during the month.

VENEZIA REGION.

27. The political situation in the area was characterised by a policy of inaction on the part of most of the parties. The leftist elements did not, in general, succumb to the temptation to provide a rallying point for strong action by the "reduci" and the other unemployed, and it was noticed that the parties of the Right gained in courage, since avowed Monarchists talked openly in a manner which would not have been prudent last year. Administrative elections will be held in most of the provinces on 24th and 31st March. It is realised that these elections will probably represent a very real evidence of the respective strengths of the parties, and the result may be sufficient to cause an alteration in the make-up of the Government.

28. The public safety position was not unsatisfactory and the hand-over of authority to the Italian Government took place in a calm atmosphere. The Carabinieri and Questura agents continued to show increasing enterprise in tackling criminals although armed, robberies, usually by masked gangs, continued.

29. Industry continued to suffer from lack of raw materials, lack of money and high production costs, but it was realised that even if the raw materials were available, production costs would be so high that it would not be possible to manufacture articles at prices which the consumer could afford. During the month 40,000 tons of coal were imported through VENICE.

30. The amassed stocks of grain were practically exhausted and throughout January the region was fed on imported wheat. It is hoped that stocks in hand and deliveries will be sufficient to provide a bread ration until the end of February. Perhaps one of the most depressing features of the whole position is the bland and unfailing assumption that Allied supplies will continue to be received. To some extent this is induced by newspaper articles repeating in optimistic tones statements made by UNRRA and other formations in Rome as to the help to be given to ITALY. The fact is that the Region is living from hand to mouth.

31. The continued requisition of schools presented a serious problem at MESTRE, PADOVA and MONTEBELLUNA.

32. On the whole the fine weather during the month benefitted the entire Region and raised public morale, in spite of the unemployment problem and the spirit of bitterness among many of the "reduci".

ALLIED MILITARY GOVERNMENT VENEZIA GIULIA (XIII CORPS)

33. There was an increased flow of propaganda in the Jugoslav and local pro-Jugoslav press in anticipation of the expected visit of the Foreign Ministers' delegates. There are however definite indications of an anti-Tito movement amongst the Slovenes in the GORIZIA Area. During January a further two Communes changed from direct CAO to Government rule in accordance with the terms of General Order No 11, a further sign of Slovene acceptance of this order. All Areas now have Area Presidents and Councils and 20 of the Communes have Commune Presidents and Councils, all functioning in accordance with General Order No 11. The other 20 Communes still refuse to nominate officials, and are operating under direct rule of the CAO.

34. The public safety situation improved during January, due unquestionably to an increase in the strength and efficiency of the Venezia Giulia Civil Police Force. It

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34. The public safety situation improved during January, due unquestionably to an increase in the strength and efficiency of the Venezia Giulia Civil Police Force. At present the Force is composed of 2,482 officers and men. There was no noticeable increase in black market activities.

35. A general order is being prepared to establish the control of movement across the Morgan Line; all exports, imports and goods in transit are already controlled by a system of licensing. Supply ships have been in the habit of arriving almost two months behind schedule and it was therefore necessary to borrow food both from Army sources and the Italian Government. The normal AC ration scales were however maintained.

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36. Tonnages moved by road during January showed a marked decrease from those of preceding months, and 4,306 tons only were hauled outwards; 22,573 tons were handled in the ports. Only 31 tyres were received during the month for the whole of VENEZIA GIULIA.

37. The amassing of Indian corn progressed slowly. No more forced amassing laws for VENEZIA GIULIA are being considered, since voluntary amassing at economic prices has proved more satisfactory. Forty more horses recently arrived from AUSTRIA and have been consigned to needy farmers in the GORIZIA Area.

38. The month of January saw the final settlement of the general wage negotiations, and the settled basic wage was the "MILANO" or North ITALY rate, plus a contingency of 170 lire on a mobile scale to change every three months. On 4 January a demonstration was organised in TRIESTE to complain about the workers' wages, and a widespread strike among all the shipyards occurred on 31 January. An agreement was however reached the same day. The total number of unemployed was 28,250.

39. Work in the shipyards was marred by the labour troubles mentioned above which resulted in delayed and uncertain dates of completion. About 420,000 metres of cotton cloth were produced during the month from American cotton; the mills worked slightly under 50% capacity. More stringent restrictions were imposed on the use of electricity. Rehabilitation of the port of TRIESTE continued, and at present the port facilities are adequate in relation to the railway clearance facilities. During January consumption of petrol, gasoil and lubricants was less than in previous months, and all requirements were easily met; 24,105 tons of coal and 25,000 quintals of firewood were received.

40. Owing to bad weather little progress was made in the repairing of roads, but the work of repairing of houses in the distressed areas progressed satisfactorily.

41. Public health was remarkably good, and the incidence of diptheria showed a marked decrease.

42. The flow of displaced persons continued; 671 civilians and 76 ex Ps. W. passed through the area during the month. Ten additional properties of all classes were taken under Allied control, thus bringing the total to 335 to date.

43. 271 accused were tried by AMG courts on 331 charges, as compared with 294 accused tried on 335 charges in December 1945. Cases tried by the Superior Courts (21 on 27 charges) however showed an increase over the figures for December 1945. The indigent Civil Courts functioned with reasonable satisfaction.

44. All schools in TRIESTE City and in surrounding Communes were furnished with fuel, either coal or wood, and projects for school repairs and reconstruction are being approved. Good progress continued to be made in the acceptance by parents of AMG educational control, despite the resistance of the PNOO (see p.10 Education S/C report

45. Up to 31 January 1946 approximately 2,000,000 lire had been paid out to ex-partisans.

NAPLES.

46. The Italian Prime Minister visited NAPLES on 26/27 January, and made a speech which raised no controversial issues, and which was well received by all parties. Slow progress in the compilation of electoral lists was reported from NAPLES. In six other provinces however the completion is practically completed.

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47. On the evening of 21 January the serious explosion at TORRE ANNUNZIATA occurred when an ammunition train caught fire and blew up in a series of violent explosions. Over 40 persons lost their lives and about 250 more were injured. An immense amount o damage was done and the casualty list would have probably been considerably higher had there not been an interval of about an hour between the first and last serious explosio Fire services and relief organizations turned out quickly and by midnight the fire was under control and the seriously injured removed to NAPLES. The British Area Command rendered prompt assistance with the loan of food and tents, while UNRRA provided blank and medical stores.

48. The small stock of grain available in the depots caused much anxiety, and the pasta ration had to be suspended.

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49. The Xmas bonus helped the labour situation, but unemployment continued to grow in NAPLES, although in the Provinces, where the population is largely agricultural, returned prisoners were absorbed on the land and the problem was less acute. Three small stoppages of work occurred during the month.

50. Clearance of bomb damage made progress, and an extension of the railway to SORRENTO is also being considered in order to provide relief work for the unemployed.

51. 105 cases of petitions for pardon were dealt with during the month. An American War Criminal trial held in NAPLES during the month was an impressive display of legal procedure and justice.

52. The strength of the Carabinieri was increased by the return of 200 officers and men from BARI, which was greatly appreciated. Just under 2,050 cases of crime were reported as compared with 2,100 in December 1945 and the proportion of arrests remains high, 1,350 being made during the month. On 10 January a demonstration of returned prisoners of war produced a situation which was temporarily threatening. Fortunately good sense prevailed and order was maintained in the City. Other demonstrations elsewhere caused minor disorders.

53. General civilian imports to NAPLES were on a reduced scale but heavy grain shipments were dealt with at satellite ports in spite of damage to grain elevators at TORRE ANNUNZIATA. The shortage of wagons continued and clearance was not satisfactory.

54. Smallpox was not eliminated during the month, but no serious epidemic occurred.

TUSCANY.

55. There was considerable political activity throughout LIVORNO Region during the month, but there appeared to be no bitterness between the various parties. All preparations went forward for the administrative elections, which will be held in March.

56. Progress in the rehabilitaion of industry was slow, mainly owing to the lack of raw materials, tools and transport. Many military units moved out of plants and buildings formerly occupied by private industry and steps were taken to put these factories into operation as quickly as possible, although the acute shortage of coal and other fuels hindered their rehabilitation. The manufacture of pasta was suspended owing to the scarcity of wheat and, there were little or no oils or fats.

57. Considerable agitation was made by persons employed in Allied military units regarding the low pay scale under which they worked as compared with the scale in operation for employees of private firms and the Italian Government. Unemployment was widespread throughout the Region and public works projects were approved by the Prefect mainly in order to give the people something to do.

58. There were no demonstrations or displays during the month and public morale was excellent. There is however still a great deal of crime and bandits continued to attack motorists and wayfarers, although the wave of petty crime has been completely stamped out. Numerous arrests were made and many tons of loot were recovered. The presence of the military police in LIVORNO, FLORENCE, PISA and GROSSETO appeared to give the Questura, Public Safety Agents and Carabinieri moral support, and it was noticed that the agencies were far more efficient in these areas.

59. There was still some typhoid in the PISA-LIVORNO area, but not of serious proportions. In LIVORNO the CLN handled all refugees, and processed 14, 220 during January.

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reported as compared with 2,100 in December 1949 and the [illegible] high, 1,350 being made during the month. On 10 January a demonstration of returned prisoners of war produced a situation which was temporarily threatening. Fortunately good sense prevailed and order was maintained in the City. Other demonstrations elsewhere caused minor disorders.

53. General civilian imports to NAPLES were on a reduced scale but heavy grain shipments were dealt with at satellite ports in spite of damage to grain elevators at TORRE ANNUNZIATA. The shortage of wagons continued and clearance was not satisfactory.

54. Smallpox was not eliminated during the month, but no serious epidemic occurred.

TUSCANY.

55. There was considerable political activity throughout LIVORNO Region during the month, but there appeared to be no bitterness between the various parties. All preparations went forward for the administrative elections, which will be held in March.

56. Progress in the rehabilitaion of industry was slow, mainly owing to the lack of raw materials, tools and transport. Many military units moved out of plants and buildings formerly occupied by private industry and steps were taken to put these factories into operation as quickly as possible, although the acute shortage of coal and other fuels hindered their rehabilitation. The manufacture of pasta was suspended owing to the scarcity of wheat and, there were little or no oils or fats.

57. Considerable agitation was made by persons employed in Allied military units regarding the low pay scale under which they worked as compared with the scale in operation for employees of private firms and the Italian Government. Unemployment was widespread throughout the Region and public works projects were approved by the Prefe mainly in order to give the people something to do.

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APULIA AND SOUTH ITALY (as reported by A.C. Liaison Officer BARI).

60. It is thought that the Communist Party does not have so much support as it did, and there appeared to be more display of feeling against it than was previously the case. Italian prisoners returning from RUSSIA were most actively hostile to it. A distinct attitude of indifference was displayed towards the elections, but the peopl as a whole are in favour of the compulsory vote.

61. The public safety situation was satisfactory in every province except in BARI where the situation was worse than before. The police were generally insufficiently mobile and more transport is urgently needed.

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However it was apparent that the Carabinieri felt more sure of themselves and have greatly improved in their organisation and efficiency. Murders were few and robberies decreased. There are approximately 300 Carabinieri in BARI, and attempts are being made to bring them up to the desired strength of 700.

62. There was no change in the economic situation which was still critical owing to a shortage of raw materials and transport. Although the labour position in BARI itself was satisfactory, in the outlying districts there was a grave amount of unemployment, which is increasing. The Public Works department did their utmost to provide work for the unemployed who were also assisted by a subsidy from the Italian Government. The discontinuance of the pasta ration did not have any very noticeable repercussions.

63. 120 displaced persons were repatriated during the month. Public health was good the epidemic of smallpox (22 cases reported in BARI during January) having been checked.

SICILY (as reported by A.C. Liaison Officer).

64. The food situation was critical throughout the island, and in the absence of pasta rations there were no food reserves for the non agricultural coastal towns. The situation was further aggravated by the non-arrival of grain ships.

65. Banditry throughout the island was rife during the month, and the public safety situation was most serious. Raids were made by both sporadically organized groups and by well-disciplined bands whose programme was apparently that of harassing the police authorities, especially the Carabinieri. The motives of the bands remained unknown, although it was appreciated that the possibility of widespread civil strife was very real.

66. Coal and petrol remained in short supply, and the lack of road building materials hindered the carrying out of that type of public work.

EMILIA (as reported by A.C. Liaison Officer BOLOGNA).

67. With the approach of the elections political activity increased; all the parties held meetings and there was much propaganda by the Communists, Socialists and Christian-Democrats. Although nothing definite is known of the Squadre Azione Mussolini, its existence is very real and it appeared to be more active during the month.

68. Local provincial government functioned fairly satisfactorily, although there was a certain lack of discipline among the Sindaci. Lack of Communal funds also presented a serious problem, since every commune carried a deficit on its budget.

69. The food situation was not satisfactory, since stocks of grain held in the Region were sufficient for about 15 days only. Thereafter the population will have to depend entirely upon imported grain, although assignments from shipments which have already arrived at ports, or are due to arrive shortly, will be sufficient to maintain the ration until the end of February. Lack of coal, electric power and raw materials continued to hinder the rehabilitation of industry and commerce.

70. Unemployment increased somewhat but it is hoped that it has reached its peak. Lack of fuel and power further increased the problem. However in FORLI' Province employment was given to 1,000 workers in a silk factory and 600 workers in a hardware factory.

71. Public Works projects continued slowly as far as repairs to bridges, roads and

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71. Public Works projects continued slowly as far as repairs to bridges, roads and railways were concerned. Lack of raw materials and the exceedingly slow release of funds from the Italian Government caused much delay. The shortage of electricity continued, causing inconvenience and hardship in industry and in private homes.

72. All Italian Courts functioned satisfactorily but slowly, while the situation as regards Public Safety continued to be deplorable. During January there was an increase in crime and 48 arrests were made for the 212 crimes committed. The Carabinieri worked as well as could be expected bearing in mind their many handicaps, but the Questura showed no great improvement. Some reports of gun running from the Dalmation and Albanian coasts to FORLI', RAVENNA and FERRARA were received and are being dealt with by the appropriate police agencies. Prison breaks occurred at BOLOGNA and FORLI' and generally speaking the prison situation remained unsatisfactory. There were no public disorders or serious demonstrations during the month.

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73. Public health was generally good and there were no serious epidemics although there were some cases of diptheria in BOLOGNA and malaria in FERRARA.

74. Some schools had to close owing to the cold weather and lack of fuel, but conditions on thr whole remained satisfactory.

BOLZANO PROVINCE.

75. The change over fro. Allied Military Government to Italian Government control took place without any difficulties. The speech by the Prime Minister on the future of the ALTO ADIGE was not received with enthusiasm by the German-speaking population and the declared policy of the South Tyrolian Volkspartei, which is openly that of a return of the province to AUSTRIA, remained unchanged. The preparation of the electoral lists was impeded owing to a reversal of the instructions received late in December. Some 59 of the 91 Communes had already submitted their lists, which now have to be amended.

76. The Italian law courts were hampered by a shortage of judges and 236 cases were still awaiting trial at the end of the month. The public safety situation remained good, with the Carabinieri working satisfactorily. A number of arrests were made following a murder and some robberies, and the Questura continued to control civilian movement at the BRENNER frontier.

77. The food situation was satisfactory and all rations were regularly distributed. Meat, fats, vegetables and fruit were plentiful but only available at high prices.

78. Public health was, on the whole, good, although there were 64 cases of diptheri and 27 cases of typhus. It was stated that there were about 1,200 unemployed, althou there were no strikes or demonstrations on the part of the workers.

79. The derequisitioning of part of the building occupied by Allied Military Govern ment eased the problem of school accomodation, but the provision of text books for the German-speaking population remained unsatisfactory.

80. Progress in repatriation of German citizens was delayed by the non-arrival of the promised train from GERMANY, and as a result some 420 enemy aliens had to remain in the area. Some 2,000 in all remain to be repatriated.

ALLIED MILITARY GOVERNMENT UDINE PROVINCE.

81. January was a quiet month politically and the meetings of all the parties were invariably orderly. Yugoslav propaganda continued and terrorist methods were sometimes applied, which were strongly resented by the local inhabitants.

82. Local Government was satisfactory, but the bureaucratic methods of some of the Provincial and Communal offices tended to impede progress. Administrative elections will be held in some 22 Communes on 24 March; incomplete electoral rolls prevent others being held elsewhere in the Province.

83. The morale of the Carabinieri continued to improve in spite of all their disadvantages, but grave concern was felt over their lack of personnel. During the month some 22 arrests were made for murder, robbery, and extortion. The serious shortage of warm clothing, boots, arms and transport continued, and as a result many carabinieri were obliged to purchase clothing for themselves. Only by an improvement can th 400 Carabinieri available for 65 stations hope to cope with the persistence and daring of the modern bandits. Public morale continued to be adversely affected by doubts as to the future, unemployment, lack of accomodation, high prices and the lack of a strong police force. There were a few minor strikes, lockouts or demonstrations all

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84. During the month 87 cases were tried by AMG Courts, of which 18 were Superior Court cases.

85. The food situation was a constant source of anxiety owing to the lack of imports of basic rationed commodities. However a regular distribution of flour was made to all communes. The economic situation also continued to be serious owing to the high cost of living although prices of commodities have fallen in many instances. During the month 125,000 quintals of firewood were supplied to 5 provinces, while in UDINE Province itself 474,196 quintals were distributed. 136,462 quintals of wheat were

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amassed; amassing of maize continued slowly and it is not expected that the estimated figure of 60,000 quintals will be reached.

86. 2634 Italin and 520 non-Italian refugees passed through the Area in January.

87. The coal allocation for the month, 4,700 tons against a bid for 5,300 tons was insufficient for the needs of industry. The tyre situation was critical since no civilian tyres were available, and motor bus services, which have recently commen were seriously hindered by this shortage. A small quantity of raw cotton was receiv which enabled factories to commence production at 5% of their normal capacity. Many other factories resumed production at 60% of their normal capacity, although the lack of coal hindered their activity.

88. Repair work on military roads continued satisfactorily but on a reduced scale owing to weather conditions.

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PART II

CIVIL AFFAIRS SECTION

LOCAL GOVERNMENT SUB-COMMISSION.

1. The Special Commission of the Consulta which was studying the draft law for national elections has completed its work. The council of Ministers has approved the draft law for the reconstruction of the communal councils and for elections to these bodies.

2. The Italian Government has decided to hold elections for Communal Councils (in those Communes which are ready) on Sundays the 10th, 17th and 24th March. It has been announced so far that 413 Communes will hold elections on the 10th and 736 on the 17th of March respectively.

3. The figures given below indicate the position as regards electoral lists as at 15 January 1946.

a) Southern and Central ITALY

Total No. of Communes.....	3586
No. of Communes whose male lists have been approved.....	1397
No. of Communes whose female lists have been approved.....	1695

b) Northern ITALY (including AMG UDINE)

Total No. of Communes.....	3628
No. of Communes whose male lists have been approved.....	225
No. of Communes whose female lists have been approved.....	372

c) A total of 1456 Communes, constituting about 20% of all Communes in ITALY, excepting VENEZIA GIULIA, have both male and female lists approved.

4. A draft of a proposed General Order on the compilation of electoral lists in VENEZIA GIULIA was sent by the Italian Government to the A.C. for perusal and comments; it was in effect a consolidation of the Italian electoral laws.

LEGAL SUB-COMMISSION.

5. During the month of January AMG Courts were held in VENEZIA GIULIA and the province of UDINE only. In VENEZIA GIULIA 271 accused were tried by Summary Courts on 331 charges; only 7 cases of illegal possession of arms were reported, the majority of crimes being for theft and possession of Allied property. In the province of UDINE AMG Courts tried 87 cases, 18 of them Superior Court cases.

6. The Italian Courts in NAPLES faced serious obstacles, due to shortage of transportation, personnel and communication, but in LA SPEZIA, UDINE, LIVORNO and VENEZIA GIULIA the Civil Courts functioned with reasonable satisfaction. A decree was passed exempting from transfer-tax Allied property fictitiously sold to Italian nationals during the war in order to avoid confiscation.

7. A working system for the review of all cases where the persons are still in prison was put into operation during the month and good progress was made.

EDUCATION SUB-COMMISSION.

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EDUCATION SUB-COMMISSION.

8. Plans were worked out for giving special training in education and child psychology to agroup of Italian university professors; the necessity for this training arises from the complete absence of courses in this field in ITALY during the past twenty years of Fascism. Youth activities and adult education work continued to be extended.

10. AMG derequisitioned three floors of a school premises there (see p. 8 BOLZANO report). Textbooks in the German language have arrived in the province from SWITZERLAND.

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11. The request of certain communes in UDINE to have schools in Slovene and German has, after careful study and conference with the Minister of Public Instruction, been refused. Extra-curricural classes in these languages however will be permitted under official supervision.

12. Schools were reopened in VENEZIA GIULIA on 8 January and supplied with fuel. Schools at POLA reopened again after having been damaged by explosions from the nearby ammunition dump. Twenty million lire has been appropriated for re-equipping the schools of GORIZIA Area, and schools desks are being manufactured. 77% (125 out of 162) of the communes have now accepted the direction of the AMG school administration. The AMG school programs, in Slovene, were printed and distributed free to all teachers. Despite the organised opposition of the CLN, the villages are, for the most part, receiving the AMG educational directives warmly and parents seem glad to have their children attend schools free from political indoctrination.

PUBLIC HEALTH SUB-COMMISSION.

13. No cases of Bubonic Plague were reported from Southern ITALY during the month, but the incidence of Smallpox showed an increase.

14. Only one case of Typhus was reported; infant mortality rates showed an increase.

15. Deaths from all forms of tuberculosis in ROME numbered 198 in December as compared with 180 in November.

PUBLIC SAFETY SUB-COMMISSION.

16. Since the handover of the northern territory to the Italian Government on 1st January 1946 public safety conditions remained reasonably calm.

17. The morale and efficiency of the Italian Police Services continued to improve despite the shortage of clothing and equipment, and the agencies did some really good work in the prevention and detection of crime. The number of serious crimes still remained high especially in EMILIA Province where police resources are fully extended in dealing with them. Banditry flourished in SICILY but energetic action by the Carabinieri had a deterrent effect. There were a few minor strikes and demonstrations but none of them was of a serious nature.

18. A number of raids for arms were carried out by the Civil Police, with fairly good results, but large numbers of arms still remained concealed.

19. The prison situation remained acute owing to lack of accommodation. A demonstration occurred in the GENOA Prison but was quickly subdued by the Carabinieri who were called in to assist the Prison staff. During the month 2 prisoners escaped from FORLI' Prison, EMILIA, 10 from SALUZZO, 6 from MONCALIERI and 9 from ALBA, in PIEMONTE, but a number were recaptured.

MONUMENTS FINE ARTS & ARCHIVES SUB-COMMISSION.

20. Good progress was made in the completion of the photographic record of damage done to Italian monuments. Action was taken by the Italian Government in preventing further dispersion and thefts from among the archives of Fascist records, a measure rendered necessary by the continued appearance in the press of documents derived from archives of this kind.

21. Part II of the Final Report on Archives has been prepared and issued

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DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

22. The Repatriation Branch of the Sub-Commission was prepared for the handover to UNRRA with effect from 1st February 1946. Authority was however obtained from AFHQ for the retention of those Camps which are needed for the accommodation of Displaced Persons not acceptable by UNRRA.

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23. By 31 January a total of 947,084 Italians had been repatriated to ITALY and 761,919 Italians had been received from EUROPE since the occupation of GERMANY. During the month 445 Italian children and about 50 adults returned to their homes in TRIPOLITANIA, and 450 children returned to their parents in EGYPT. 250 Iraquis, Iranians and Afghans were accepted for transit through ITALY to their respective countries. Some 500 Italian miners who formerly worked in BELGIUM left GENOA for NICE by road on the first stage of their journey to BELGIUM.

24. All Medical Centres continued to be supplied with medical stores from UNRRA Medical Store, BOLOGNA.

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PART III

ECONOMIC SECTION

FOOD AND AGRICULTURE SUB-COMMISSION.

1. Owing to continued deterioration in supplies, both imported and local, suspension of the pasta ration throughout ITALY except in MARCHE and UMBRIA and six surplus grain-producing provinces was effected. The overall stock situation thereby improved somewhat at the expense of the ration. As a result 65,000 tons were saved during January. The proportion of the "generi da minestra" issued as rice in North ITALY was maintained at the December level. Cereal stocks on hand, excluding rice, were approximately 211,000 tons at the end of the month, less than a month's consumption figure.

2. A procedure has been put into operation whereby supplies originally requisitioned under the old Military Program "to prevent disease and unrest" are turned over to Peninsular Base Section, for sale to the Italian Government. This should eliminate any unnecessary delay in these supplies being placed on the market.

3. Information was received during January that CCS had accepted the final requisitions submitted by AFHQ for the civilian maintenance of VENEZIA GIULIA during the period 1 January to 30 June 1946. The call forward intended for the January maintenance will not be loaded until February and therefore probably not available for distribution in VENEZIA GIULIA until March. As regards wheat, the gap has been bridged partly by applying the procedure used during the period September - December 1945, that is part-load diversions of ships intended for the maintenance of ITALY, imported under the FEA Interim Program, and partly by certain further loans from military stocks which have been already arranged by AFHQ. Grain will be made available for UDINE, if only on a week-to-week basis, out of FEA programmed imports until the first shipment against the military requisition arrives. If is to be noticed that the military responsibility for the feeding of VENEZIA GIULIA has been fulfilled only by borrowing from the Italian economy.

4. A tentative chart has been sent forward by the Italian Government of estimated surpluses for export, reconciling the necessity of keeping as much food as possible for internal consumption and the advisability of not depressing a traditional source of foreign currency which will be needed for essential imports.

5. The amassing programs showed no improvement during January, as receipts of both cereals and olive oil were relatively small.

6. The inauguration of the 1946 agricultural supply program was marked by the receipt of shipments of seed potatoes, tractors, tractor spare parts, nitrogenous fertilizers and important spray materials. Port inspections made during unloadings showed all supplies to be arriving in good condition. Distribution to individual farmers was unnecessarily delayed by the indecision of the Italian Government in fixing the sale price of each item.

7. Moderate to sharp declines in the price of meat animals were registered during the month in most provinces. Further declines may be expected, as there is a growing apprehension on the part of producers that present high prices will not long be maintained. Prices of fresh milk and meats remained high with no noticeable changes reported.

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8. Firewood production during January greatly exceeded that of other months and was much above the goal set when the monthly cutting shhedules were originally established.

FINANCE SUB-COMMISSION.

9. The Italian Government have concurred in the Currency Agreement proposed in FAN 583; under this it accepts responsibility for the issuance of AM Lire.

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10. CCS stated that the Allied Financial Agency should be transferred as soon as possible from Allied Commission to the command of AFHQ, and it was arranged to carry out this transfer with effect from 15 January 1946.

11. During the month CCS ruled that since ITALY was now free to set exchange rates and to control her foreign trade, no objection should be raised by the Allied Commission to the "Conguaglio" program of the Italian Government. They further stated that the views of the U.S. and U.K. Governments on the relationship of the financing program to other economic matters would be discussed through diplomatic channels.

12. As part of the program to reopen private foreign trade, the Italian Government is completing the rehabilitation of its custom services.

13. Pursuant to TAM 737, the Italian Government was informed that it is no longer necessary for the Italian foreign exchange control authorities to obtain the approval of the Allied Commission before authorizing the transaction of insurance business outside ITALY.

COMMERCE (FOREIGN TRADE) SUB-COMMISSION.

14. Arrangements were made during the month for the restoration of private trading between ITALY and other countries, and a decree established the "conguaglio" by which imports are to be overpriced and exports are to be granted a premium. The purpose of this arrangement is to provide for the equalization of Italian exports to international prices.

15. Further restrictions on Italian foreign trade were removed by the closing down of the Allied Forces Local Resources Board at the beginning of the month. AFHQ decided that no military clearance of proposed exports is now required.

16. On 28 January it was announced that Italian declarations of exportable surpluses would no longer be screened by the Allied Commission. At the same time Italian exports ceased to be classified into two types, A and B, to which different marketing and pricing policies were applicable.

17. The most important items which ITALY is to obtain from AUSTRIA under the agreement made in January are timber, cellulose, magnesite, graphite, caolin, and fireproof material. The contract is for a period of six months, the exchange to take place on a barter basis without any exchange of money, and the ratio of qualities to be exchanged to be worked out on 1937 prices.

18. The commercial agreement between ITALY and SPAIN was signed on 10 January 1946. The agreement covers the current year up to 31 December 1946 and it is stipulated that consideration will be given during the year 1946 to the conclusion of a further agreement for the year 1947.

19. Essential oils and citric acid were deleted from the Reserved Commodity List during January, and it is no longer necessary to clear with WASHINGTON citrus juices, fresh citrus fruit, tomato paste and canned tomatoes.

20. A gross weight total of approximately 5,000 tons of goods was exported from ITALY during January, the total value amounting to approximately 1,140,000 dollars. This represented a considerable increase over December shipments, the total value of which was 650,000 dollars.

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18. The commercial agreement between ITALY and SPAIN was signed on 16 January 1946. The agreement covers the current year up to 31 December 1946 and it is stipulated that consideration will be given during the year 1946 to the conclusion of a further agreement for the year 1947.

19. Essential oils and citric acid were deleted from the Reserved Commodity List during January, and it is no longer necessary to clear with WASHINGTON citrus juices, fresh citrus fruit, tomato paste and canned tomatoes.

20. A gross weight total of approximately 5,000 tons of goods was exported from ITALY during January, the total value amounting to approximately 1,140,000 dollars. This represented a considerable increase over December shipments, the total value of which was 650,000 dollars.

21. During the month, a steadily increasing number of applications for imports were submitted by the Italian Government. At the end of the month, the responsibility for screening Italian foreign trade was relinquished by Allied Commission, except for items included in the Reserved Commodity List.

INDUSTRY AND UTILITIES SUB-COMMISSION.

22. Lack of electric power in Northern ITALY and reduced imports of coal resulted in the industrial situation becoming more critical in January than in previous months. The Northern Italian Steel Plants are operating at

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approximately 30% capacity, owing to lack of power, coal, and raw materials. This figure is well below their economic level.

23. Prices of cotton and woollen goods fell as a result of a standstill in sales. It is estimated that the present stock of cotton goods amounts to 100 million kilograms, and a large amount of unfinished goods exists owing to the reduced operation of the finishing plants through lack of coal and dyes etc.

24. Production of tyres recommenced at the Pirelli Plant in MILAN and 2,000 tyres and tubes were made in January.

25. 13,914 tons of cotton, 1,059 tons of wool and 15,015 tons of French phosphate rock were imported during the month. 51,481 tons of Sardinian coal were mined in December, the decrease resulting from lack of pit props. 55,000 tons are estimated to be mined in January.

26. There was an improvement in the January loadings of coal from the U.S., which conformed more closely to ITALY's allocations. February arrivals are expected to be in the region of 450,000 tons but after the deduction of 200,000 tons for military and railway purposes it will be realised that the quantity of coal remaining for industry is far below that which is required.

27. Owing to the non-arrival of tankers from U.S., stockpiles of P.O.L. were reduced to a very low level towards the end of the month and it was necessary to warn the Italian Government to reduce February allocations to a strict minimum until the scheduled tankers arrived.

28. The February 1946 power allocations for Central and Southern ITALY were practically the same as the January 1946 allocations, but are to be subject to downward revision if the drought conditions continue during February. The TERNI reservoirs only hold about fifteen days supply at the present rate of withdrawal. The continued drought affected the power supply in all ITALY and necessitated control measures, rationing and feeder cuts. 70,000 KW capacity was put out of service for a period of fifteen days at the Sila plants which supply Southern ITALY, owing to a landslide at the intake. In North ITALY rationing measures only produced about 13% reduction as against the 30% required to provide sufficient power for the months of March and April. The only important plant which was restored to service during the month was a unit of 12,000 KW capacity at the natural steam plant at CASTELNUOVO.

LABOUR SUB-COMMISSION.

29. Basic wage rates were reviewed during the month and proposals put forward to standardise the cost of living bonuses into variable scales for application in cities, small towns and country districts. A formula for consideration by representatives of the Italian Government, Italian private industry and the Allied Force Labour and Wage Committee was, as a result, prepared for consideration. In the North implementation of the wage agreement negotiated in ROME proceeded, but there were no major changes in the prevailing rate of wages.

30. The percentage of "reduci" which firms in Italian industry must employ in relation with their total payroll was laid down by a decree of the Council of Ministers. Pending publication of this decree the Prefects received instructions to give immediate effect to its provisions.

31. At NAPLES on 10 January there was a demonstration by repatriated [illegible] returning from labour in GERMANY, and

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31. At NAPLES on 10 January there was a demonstration by repatriated Italian prisoners of war and workers returning from labour in GERMANY, and on 31 January workers in restaurants, cafes and bars in ROME proclaimed a general strike for the pirpose of obtaining a wage increase which was subsequently granted.

32. Discussions were in progress during the month concerning the emigration of Italian workers to FRANCE and BELGIUM, and a mission to promote emigration of Italian workers to S. AMERICA left ITALY during the month.

33. In January 1946 the number of civilians employed by the Allied Forces

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was 182,766, which represents a decrease of 16,632 on December 1945.

34. The monthly food expenditure in ROME in January of a family of five persons on a standard food budget with a caloric value of 2,200 calories per consuming unit was 14,767 lire. Of this total 1,109 lire was spent on food purchased by Food Card, and 13,658 lire on food purchased on the free market.

35. This figure has been calculated on a revised basis instituted by the Central Institute of Statistics. Hitherto the standard budget was fixed on a national basis, but the quantity of each item purchased was changed month by month and area by area according to the availability and distribution of rationed food, only the number of calories remaining constant. On the revised basis a standard budget has been fixed for each of the four main geographical divisions of ITALY, North, Centre, South and the Islands, and the quantity of each item purchased will remain constant.

36. The January figure cannot in consequence be compared with figures quoted in previous reports, but for comparative purposes the cost of food for previous months in ROME calculated on the new basis is as follows:

December 1945	13,677 Lire
November "	14,198 "
October "	12,069 "
September "	11,614 "
August "	10,730 "
July "	9,928 "

In 1938, cost of food in ROME on the same basis was 416 lire.

37. Figures for other principal cities in ITALY, calculated on the new basis are as follows:-

	July 1945.	August 1945.	Sept. 1945.	Oct. 1945.	Nov. 1945.	Dec.45.
BOLOGNA	9,672	11,006	11,307	12,877	13,827	13,350
FIRENZE	8,760	9,647	11,267	11,961	12,660	12,512
GENOVA	11,339	12,559	11,820	13,267	13,628	13,733
MILANO	11,181	11,832	12,604	12,980	14,726	14,003
NAPOLI	9,211	9,539	10,070	13,179	13,704	12,948
PALERMO	6,684	8,059	8,548	9,781	10,763	10,891
TORINO	10,854	11,361	11,846	13,209	13,328	14,451

TRANSPORTATION SUB-COMMISSION.

38. A comparison of the tonnages moved in all ITALY by rail between January 1945 and January 1946 shows a considerable increase. The Italian State Railways are now responsible for all movement by rail except in the compartments of TRIESTE and VENICE. Refugee trains and salt trains run satisfactorily, but the movement of wine by train continued to present difficulties.

39. All control of roads has now passed to the Italian Government and ENAC officials have been appointed to the Northern compartments.

40. A total of 99,590 tons was moved by Italian coastwise and intra-Mediterranean shipping, which is an increase over the figure for December. Arrivals of ships from the U.S.A. were again less than planned. The port and warehouse installations at ROME

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36. The January figure cannot in consequence be compared with figures quoted in previous reports, but for comparative purposes the cost of food for previous months in ROME calculated on the new basis is as follows:

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PROGRAM COORDINATION BRANCH.

41. With the publication of "Italian Import Requirements 1946" and its despatch to WASHINGTON and LONDON on 24 December 1945, the work of the Program Coordination Branch of Allied Commission came to an end. UNRRA took over the responsibility for meeting the import needs of the Italian people with the January loadings.

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CAPTURED ENEMY MATERIALS BRANCH.

42. Great difficulty continued to be experienced in persuading ARAR to deal with releases made to them by Captured Enemy Materials Branch. Much time was spent in attempting to make the department understand that a quick turnover by them to the industrialists of the country was essential for the early recovery of economic life. Dumps at LAMAGNANO, BRUNICO, LOGGIO, SCHIO, EGNATASSA and PONTE S. PIETRO were handed over to ARAR during the month.

43. Fourteen vehicle hulks were sold in January for 466,000 lire. An inventory was made for the purpose of handing over a dump at BOLZANO; it was emphasized that the responsibility for collecting and making inventories of captured enemy material is a military commitment.

44. 22 ammunition dumps and 1 salvage vehicle dump were released; 63 miscellaneous releases were also made.

SURPLUS AND SPECIAL MATERIALS BRANCH.

45. The Surplus and Special Materials Branch, with a view towards its impending liquidation, began to arrange for the disposition of its functions, and conferences were held with UNRRA and other organizations to this end. Virtually all personnel were released or transferred to other branches of the Allied Commission or to UNRRA, leaving only a skeleton administrative staff to perform the remaining tasks of the Branch.

46. The Italian Government, through ARAR, appointed a number of sub-agents in various parts of the country to receive from the Office of Foreign Liquidation Commissioner surplus fixed assets and installations sold to the Italian Government.

REQUISITION BRANCH.

47. An examination of the requisitions to be paid for out of YT (Troop Pay Account) funds has been initiated and a parallel investigation is being made by the Italian Government. The object of both studies is to determine what requisitions should be cancelled in the light of the reactivation of Italian industry and the consequent desirability of importing raw materials rather than finished goods. It is hoped that considerable savings of dollar exchange may be effected as a result of the investigation.

48. Discussions have been held with the office of the Foreign Liquidation Commission, Peninsular Base Section, and AFHQ, relating to the disposal of Military Government supplies brought into ITALY after 30 November. Agreement was reached that Federazione Consorzi should warehouse the goods pending transfer from the Army to the Italian Government through OFLC. Some technical financial difficulties, however, remain to be surmounted.

49. Loans of Italian civil supplies continued to be made to VENEZIA GIULIA and UDINE, as yet, none have been repaid. The Combined Chiefs of Staff and Allied Force Headquarters have intimated that loans made in 1945 may not be repaid but Allied Commission is continuing to press the matter. AFHQ has, however, decided that loans made in 1946 must be repaid in kind.

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50. Work on Ships' Documents was handicapped by the failure of shipping documents to be made for the disposal of cargo.

51. Work was commenced on the merger of UNRRA's and AC's supply accounting records, and procedures for UNRRA's supply accounting were established.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS.

PUBLIC RELATIONS BRANCH.

1. The Allied Publications Board was dissolved on 19 January, with the Italian representative affirming the Italian Government's intentions to carry on the policies established by the Board. Travel facilities to Italian journalists were withdrawn since it was considered timely that this responsibility should be assumed by the Italian agencies.

2. The weekly publication of Economic Notes was started and published under the joint sponsorship of the Allied Commission and UNRRA.

NAVY SUB-COMMISSION.

3. The screening and release of captured enemy materials to the Italian Royal Navy continued. Arrangements were made for the Italian naval authorities to withdraw provision items from Italian army depots; part of the requirements, however, will be supplied from British depots at BARI and NAPLES. The transfer of the fuelling bases of TARANTO, NAPLES and LEGHORN to Italian control and responsibility took place on 1 January 1946.

4. Throughout the month progress was made in handing over minesweeping responsibilities to the Italian Navy. Bad weather brought operations almost to a standstill although some minesweeping was effectively carried out in certain parts of N. ITALY and in the TARANTO area. The British Admiralty approved the loan to the Italian Government of a mobile wiping unit to assist in the clearing of magnetic mines, and an agreement was also reached to loan the Italian Navy 32 British minesweepers. These ships have been turned over to the Italians in small groups and are manned by Italian ratings.

5. Italian cruisers were steadily employed repatriating Italian prisoners of war. The "Duca degli Abruzzi" made two trips with prisoners from the LEVANT and PORT SAID, and the hospital ship S.S."Toscana" arrived in TRIPOLI on 26 January from NAPLES to disembark 600 children returning to their homes from ITALY. It then sailed to PORT SAID with 400 children returning to their families in EGYPT.

6 Extensive data was collected and compiled pertaining to French ships in Italian waters.

LAND FORCES SUB-COMMISSION.

7. The actual strength of the Italian Army as at 1 January 1946 was 124,991, excluding 66,028 Carabinieri. The concentration of the infantry divisions for training was under active consideration, although accommodation difficulties in North ITALY made large scale moves difficult.

8. Work progressed favourably on obtaining accommodation for the recruit training centres, and despite difficulties in the areas of BOLZANO, BARI and UDINE it is anticipated that all the centres will be ready for the first intake of personnel.

9. Plans were made to continue the demobilization of the older age

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9. Plans were made to continue the demobilization of the older age classes as new intakes are received from call ups. Progress was made with the return of Italian prisoners of war in British hands, some 32,000 being repatriated during the month, together with some 19,000 from other hands.

10. The Carabinieri were given a high priority in the provision of arms, transport and clothing, and although stocks of these items were not large, considerable quantities were issued during the month. The vehicle situation remained serious and difficulty was encountered in the release of MT spares and tyres from captured enemy material stocks.

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AIR FORCES SUB-COMMISSION.

11. The first course in flying control began on 10 January, with 17 officers under instructions. The Italian organization is operating on a few of the airfields, but under present regulations it deals only with flight clearances and tower control.

12. Minor reconnaissance operations unaccompanied by any offensive action were carried out by a flight of several Italian type transport aircraft in support of a ground force operating against Sicilian bandits. Sanction has been given for the Italian Air Force to revert to the use of international call signs on all W/T services.

13. During the month meteorological reporting stations were opened at PISA, VENEGONO, SESTO CALENDE, VERCELLI, ORBETELLO, AREZZO, PIOMBINO and MONTEFLASCONE. There are now 121 stations open, the target being 140 stations in ITALY and the Islands. British pilot balloons were supplied to the Air Ministry and to the Sardinian Meteorological Service for distribution. The rubber needed by Pirelli for the manufacture of these balloons has not yet been released and further efforts are being made to obtain supplies.

14. There was a decrease of about 2,000 in the total number of IAF personnel during January, chiefly owing to the partial discharge of the 1920 and 1921 classes. The average rate of pay for NCOs (Aircrew) is 8,600 lire per month, for specialist NCOs 8,200 lire and for aircrews 1,400 lire. Flying pay has recently been increased from 900 to 3,000 lire per month. Serviceability of fighter aircraft was maintained at a high level, while the serviceability of the P.39s showed a big improvement. Further IAF vehicles were located in the MILAN and TURIN areas and release certificates obtained from No. 2 District.

15. A marked decline in the industrial position of aircraft firms was experienced during the month. The ban on all branches of aircraft construction was not lifted and efforts to bridge the interim period by the production of peacetime articles were in many cases abandoned for economic reasons. High production costs, reluctance of consumers to buy owing to lack of money and the expectation of a fall in prices combined to reduce sales to a minimum and no market was found to absorb the bicycles and light vehicles produced by Breda, Macchi, Caproni and S.I.A.I. Marchetti. All these firms were as a result forced to stand down workers, thus aggravating the unemployment situation. Efforts are still being made to find new channels into which surplus labour and machinery can be diverted, but many directors are convinced that only the permission to return to at least a limited programme of aircraft construction will solve the problem. Lack of coal compelled the Fiat works at TURIN to suspend 60,000 workers.

16. All the work in connection with the rehabilitation of the Cadet College at NAPLES was completed during the month, and candidates for the first course are being selected. Only 300 ex-Air Force prisoners of war were repatriated in January.

COMMUNICATIONS SUB-COMMISSION.

17. Improvement in the speed of mails and increase of telecommunication facilities continued during the month. There was a marked improvement in the Posts and Telecommunications Ministry, the employees of which showed a

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17. Improvement in the speed of mails and increase of telecommunication facilities continued during the month. There was a marked improvement in the Posts and Telecommunications Ministry, the employees of which showed a greater amount of energy and initiative than at any time since the Allied landings in SICILY. Two new departments were opened in the Ministry during the month, a Traffic and a Long Lines Department, the lack of both of which had been keenly felt. The Long Lines Department is charged with overall supervision of long distance telephone circuits, and it is hoped that in a comparatively short time all Allied Military long distance circuits will be operated entirely by Italians.

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18. Additional telephone circuits were released by the Allied Military for civilian use and international circuits to LUGANO and ST. MORITZ were added.

19. An air mail service, AMSTERDAM - BATAVIA via NAPLES, CAIRO and INDIA was instituted by the Dutch Air Lines, and air mail service to HUNGARY was commenced. During the month surface mails were instituted to AUSTRIA and DUTCH EAST INDIES; services to both these countries are limited to correspondence of a personal or non-transactional commercial nature.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Declassified E.O. 12356 Section 3.3/NND No. 783021

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APPENDIX "A".

ITALY is one of the principal countries in EUROPE where a major and urgent refugee problem exists. This problem is one which, in order to be solved properly, must be treated internationally. Below is a detailed statement giving the present nationalities, numbers and locations of refugees in this country, together with short comments as to their prospects for the future.

a) (i) Refugees in Camps, Evacuation Centres, or other Organised Groups:

32,000

NB. This figure excludes 12,000 Croats in care of AFHQ and 100,000 Poles of Polcorps.

(ii) Scattered about in the country, but not under organized control:

Receiving assistance under UNRRA Charter:-	15,000
Not falling into this category (estimated):-	10/20,000

b) The following figures and statements give a general picture regarding the refugee problem in ITALY.

(i) Poles:- 6,700 civilians

In addition to this figure there are over 100,000 Poles in Polcorps for whose future a solution will be required. About 14,000 Poles were repatriated to POLAND at the end of 1945.

The Poles in ITALY represent the officer class, landed and middle class, and the peasant agricultural class.

(ii) Yugoslavs:

Of these 1,829 are Serbs, 2,747 are Croats and 2,010 are Slovenes. In addition, there are 12,000 Croats, surrendered enemy personnel at EBOLI, near NAPLES, in the care of AFHQ. These twenty thousand odd Yugoslavs, augmented in spite of every effort to control the flow on the frontiers, are dissident to the present regime in YUGOSLAVIA. The majority of these Yugoslavs are professional and shopkeeping middle class, with a leavening of the landed class and richer peasants. There are no difficulties over the repatriation of such Yugoslavs who desire to return.

(iii) Jews:

It is difficult to estimate the exact number of Jews who have entered ITALY illegally since the conclusion of hostilities and whose intention is to reach PALESTINE. The following statistics are based on data provided by Camp Returns and Jewish Welfare Organizations.

In Camps	(UNRRA Camps in the "Heel" of ITALY	6,500
	(CHERONA	800
In "Kebuzzim" and other collective Jewish institutions		8/10,000
Living in cities under precarious conditions		4,000
	Total	19/21,000

Although most of these Jews claim to be "Palestinians" or "Stateless," the following table has been compiled from Camp Returns and is believe to be a relatively accurate picture of their nationality breakdown.

Polish	75%	German	1/2%
		Baltics	1/2%

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(ii) Scattered about in the country, but not under organized control.

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Polish	75%	German	½%
Rumanian	7%	Baltics	1½%
Czech	5%	Others (Russian,	
Hungarian	5%	Yugoslav, Greek,	
Austrian	2%	genuine Stateless)	4%

These Jews, who represent a part of those who escaped persecution in EUROPE under Nazi rule consist mostly of small tradesmen and shop-keepers. Jewish youth is being actively trained as agriculturists in

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the hope of future emigration to PALESTINE. A small percentage are professional men, but this class of Jew seems to find plenty of outlet for its activities in ITALY.

(iv) Various dissidents and unrepatriables living in Camps:-

Hungarians	400
Albanians	470
Rumanians	120
Baltics	300

(v) There are about 600 Italians accommodated in Allied National Camps. These are mostly persons who have lived outside ITALY and members of whose families have acquired or claim to have acquired the nationality of their country of previous pre-war residence.

(vi) "Turks," of which 400 are accommodated at AVERSA, are believed to be mostly dissident Caucasians, and, as such, Soviet citizens or Moslems from YUGOSLAVIA, who remained in that country after the break-up of the Ottoman Empire. Their claim to Turkish citizenship is at present being examined by the Turkish Consular Authorities in ITALY.

(vii) Similarly, there are about 300 persons, called for convenience "of undetermined national status," in Camps and Reception Centres in ITALY. These are dissident Soviet citizens or "Stateless" Russians, who were holders of "Nansen" passports before the war.

(viii) A further 1,835 persons of many nationalities, race, religion and creed are under Allied care in ITALY. They are gradually being sorted out and repatriated, but it is estimated that about 20% of these will be unrepatriable.

(ix) Apart from the information given in sub-paras (i) and (viii) and as already mentioned, there are an estimated 10/20,000 Displaced Persons who are scattered throughout ITALY. Exact figures will only be known when the Italian authorities will be able to undertake the proper documentation of all foreigners in ITALY. However, it is thought that the following breakdown, compiled from data from Consular and other sources, gives a relatively true picture of Displaced Persons scattered throughout ITALY.

Jews			4,000
Yugoslavs	2,000	-	6,000
Poles	2,000	-	4,000
Soviet citizens	1,000	-	2,000
French, Belgians, Dutch and other minor Axis collaborators	500	-	2,000
Others	500	-	2,000

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HEADQUARTERS ALLIED COMMISSION
APO 394

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

DECEMBER - 1945

Ref: S24/EC

12 March 1946

CONFIDENTIAL

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MONTHLY REPORT

DECEMBER - 1945

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DECEMBER - 1945

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POLITICAL SUMMARY.

1. During the first part of the month the political crisis still dominated thought in all Italian circles. On 4 December 1945 Sig. de GASPERI issued a communiqué to the press stating that he would undertake the task of forming a Government, and on the evening of 10 December he was able to announce the new Cabinet. Some difficulties with the Liberal Party were experienced at the beginning of the month, which had even lead to a statement that the Government would be formed on a five, instead of on a six, party basis. However, in the end the Liberals decided that Sig. de GASPERI met with their approval, since he belonged to a party of the Right, and they expressed their willingness to serve under him. The new Cabinet showed very little change from the former Government; including the Prime Minister, fifteen of the nineteen ministers served with Signor PARRI. It is noteworthy that, for the first time since 1860, the Italian Government is headed by a member of the Catholic Party, whose tact, skill and firmness at the crucial moment of the crisis have won high praise. The Socialists also seem to have gained, although the crisis was opened with the avowed intention of weakening the left-wing parties, and, also for the first time since 1860, a Socialist is Minister of the Interior. The Liberals do not seem to have won any of the points for which they precipitated the crisis for the Government has not broadened its base, it does not appear to have freed itself from the control of the Committee of National Liberation, and Signor de GASPERI has not specifically accepted their recommendations.

2. At noon on 12 December, on instructions from the Combined Chiefs of Staff through the Supreme Allied Commander, the President of the Council was informed that the remaining territory under Allied Military Government, including the islands of LAMPEDUSA, LINOSA and PANTELLERIA, but excluding VENEZIA GIULIA and the Province of UDINE, were to be returned to Italian administration on 31 December 1945. On 21 December Signor de GASPERI reported that he had on the previous day signed the transfer document. He then made an important declaration regarding the ALTO ADIGE, with which the imminent transfer of territory would now put the Italian Government in direct contact. He declared explicitly that the Government could not admit that the question of the frontier of a state of 45 million Italians could be decided by a small fraction inhabiting the province bordering on that frontier, although the Italian Government was ready to make all the concessions to local autonomies that a democratic State could make, and would be glad to resume diplomatic contacts with AUSTRIA, provided unacceptable preliminary conditions of a territorial nature were not laid down.

3. The most important item of news in foreign affairs was the publication of the communiqué of the three Foreign Ministers after the meeting in MOSCOW. The reaction to the communiqué in ITALY was extremely bitter, and the first comments in the press reflected a sense of frustration and disappointment; in fact, it developed into a regular campaign of "Justice for ITALY," and on 28 December the Council of Ministers announced that, after listening to the statement by the President of the Council on the international situation, it appealed to the solemn declaration of POTSDAM and expressed its firm expectation that ITALY's position as a cobelligerent would be adequately considered and rightly appraised in the forthcoming peace negotiations.

4. The first Council meeting of the new Government was held on 13 December and it approved a draft decree for the use of the German language in administrative and judidial offices in BOLZANO Province. It was also decided to grant State employees a Christmas bonus of 3,000 lire. In

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5. On 29 December the Italian Communist party opened its Fifth National Congress in ROME. Signor TOGLIATTI, the Communist leader, covered the whole of his party's programme in his opening speech, the chief points of which were that a Government which approved compulsory voting must take into consideration the fact that it would have to resign the next day because it could no longer count on Communist support, that ITALY needed peace for several generations and must therefore direct her foreign policy along the lines of the great democratic powers, that to take her place amongst the United Nations she must be assured of her economic independence at an early date, and that she must remain a homogenous State since the Communists were opposed to federalism.

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SUMMARY OF AMG.

1. At the close of December 1945, Allied Military Government, with the exception of VENEZIA GIULIA and the Province of UDINE, came to an end. Thus the first attempt at rehabilitating a conquered country under the direction of the Allies was also terminated.

2. Allied Military Government was planned at BOUZAREA and CHERA, NORTH AFRICA, in the early months of 1943. Its officers landed with the armies invading SICILY on 10 July 1943 and from that date to 31 December 1945 they were engaged in the difficult and often disappointing task of endeavouring to create order out of chaos, and economic stability out of devastation and ruin.

3. Moreover, the policy underlying the administration of military government underwent many changes. AMGOT in SICILY was planned for the occupation of an enemy territory. Throughout ITALY it has been based on the administration of the territory of a cobelligerent, to whom the responsibility for self-government was handed over in various stages. (In APULIA Allied Military Government never functioned at all). After the occupation of ROME and the establishment of the six party Government, it became advantageous to effect this handover more rapidly than before. ROME, for instance, was under AMG for a period of weeks only. Although the slow down in the advance of the Allies during the winter of 1944 kept regions under AMG longer than was perhaps politically or administratively desirable (at any rate in the eyes of the Italians) more and more was done to assimilate military government with the principles desired by the Italian Government.

4. More Italian courts were set up, and as the Italian Government established itself more firmly, more Italian legislation was made applicable to military government areas. In planning for the Northern Regions of LIGURIA, PIEMONTE, LOMBARDIA and VENEZIE, great stress was laid on the increased use of Italian local government and economic machinery and the necessity of administering with an even lighter hand and with increased regard for a rapid turnover to the Italian Government. That this was not effected made the task of Allied Military Government in the North even more difficult.

5. A letter from the Chief Commissioner to Regions in the North and the letter from the Italian Prime Minister which are printed below are adequate tribute to the great work done by officers of Allied Military Government in the twelve Regions into which ITALY was divided.

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of the territory of a cobelligerent, to whom the responsibility for self-government was handed over in various stages. (In APULIA Allied Military Government never functioned at all). After the occupation of ROME and the establishment of the six party Government, it became advantageous to effect this handover more rapidly than before. ROME, for instance, was under AMG for a period of weeks only. Although the slow down in the advance of the Allies during the winter of 1944 kept regions under AMG longer than was perhaps politically or administratively desirable (at any rate in the eyes of the Italians) more and more was done to assimilate military government with the principles desired by the Italian Government.

4. More Italian courts were set up, and as the Italian Government established itself more firmly, more Italian legislation was made applicable to military government areas. In planning for the Northern Regions of LIGURIA, PIEMONTE, LOMBARDIA and VENEZIE, great stress was laid on the increased use of Italian local government and economic machinery and the necessity of administering with an even lighter hand and with increased regard for a rapid turnover to the Italian Government. That this was not effected made the task of Allied Military Government in the North even more difficult.

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HEADQUARTERS ALLIED COMMISSION
Office of the Chief Commissioner
APO 394
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21 December 1945.

To the Regional Commissioners
of Northern Italy.

On 31 December the work of Allied Military Government in your Regions will come to an end. You and your predecessors and your staffs have achieved much. You have faced great difficulties. The long months of training were beset with shortage of personnel and transport, and were chequered with disappointments and delays. When the break came large areas fell to your administration in a matter of days and you were stretched to the limit to cover them. No sooner had you established Regional Administration than the demands of redeployment and release schemes reduced your staffs to a mere shadow.

You found a territory split by civil war, recently occupied by a defeated enemy, and abounding with arms. You were faced with political controversies which threatened to undermine the whole system of local government. You found great industries completely lacking raw material and coal with the consequent threat of widespread unemployment.

You have overcome these difficulties magnificently. Your numbers have invariably been insufficient. Your quality has never deteriorated.

You have maintained law and order, established good government and started economic rehabilitation.

You and all hands serving under you - officers and men - have done much for Allied interests, for the restoration of Italy, and for the cause of freedom and democracy. You may be proud of your work as I am proud to have commanded you. To all of you, whether you remain with the Commission or serve elsewhere, I send you my warm gratitude and wish you good fortune.

/s/ Ellery W. Stone.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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Rear Admiral, USNR
Chief Commissioner

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Translation.

The President of the Council of Ministers

10951.14/1.1.26.

Dear Admiral,

Since the greatest part of the national territory is now being handed back to Italian administration, it is a pleasure for me to tell you how deeply the Italian Government appreciates the work done by the Allied Military Government for over two years, throughmemorable events, against all kinds of difficulties and with unchanged feelings of sympathy towards our country.

Such feelings were always answered by those of the population, who considered the organisers of the Allied Military Government sincere collaborators of our reconstruction, while it welcomed the victorious soldiers of the United Nations as liberators.

I am happy to remind you that while the liberation war was raging, AMG had to cope with the worst difficulties; keep away the ghost of famine, bring relief to the refugees, prevent the spreading of epidemics, rehabilitate public services and private industry in devastated areas.

The way in which such difficulties were overcome with intelligent energy and abundant means will remain a vivid and grateful memory with the Italians.

I beg you, my dear Admiral, to express to the Allied Military Government the gratitude of the Italian Government and the Italian Nation, and I trust that the friendly attitude inspired by the action of the United Nations will be maintained and confirmed.

Believe me,

Sincerely yours,

/s/ De Gasperi.

Admiral Ellery W. Stone
Chief Commissioner,
Allied Commission,
Rome.

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Chief Commissioner,
Allied Commission,
Rome.

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11. Below is a list of the Regions in ITALY and the Islands administered by Allied Military Government from July 1943 to December 1945, together with a list of the Regional Commissioners.

Region.			Regional Commissioner.
Region I	-	SICILY	Col. C. POLETTI (A) relieved by Lt.Col. HANCOCK (B) relieved by Brig. M. CARR (B)
Region II	-	MATERA	Lt.Col.G.H.McCAFFREY(A)relieved by Col. J. T. ZELLERS (A)relieved by Col.J.A.G.PENNYCUICK(B)
Region III	-	NAPLES (afterwards Southern Region)	Col. C. POLETTI (A) relieved by Col. J.W.CHAPMAN(A) relieved by Col.C.C.TEMPERLY(B) relieved by Brig.J.K.DUNLOP (B)
Region IV	-	ROME	Col. C. POLETTI (A) relieved by Brig. M. CARR (B) relieved by Brig. J.K.DUNLOP(B)
Region V	-	AQUILA (afterwards ABRUZZI-MARCHE Reg.)	Col.F.L.WHITLEY (A) relieved by Col.R.P.MARSHALL(A) relieved by Lt.Col.C.H.A.FRENCH (B)
Region VI	-	SARDINIA	Brig.J.K.DUNLOP (B) relieved by Brig.M. CARR (B) relieved by Col.J.A.C.PENNYCUICK (B)
Region VII	-	CALABRIA	Col.R.G.KIRKWOOD(A) relieved by Lt.Col.G.G.FEASEY (B)
Region VIII	-	TOSCANA	Lt.Col.A.C.BOWMAN(A) relieved by Col.R.G.KIRKWOOD (A)
Region IX	-	EMILIA	Lt.Col.A.C.BOWMAN(A) relieved by Col.F.E.THOMAS (A) relieved by Col.R.G.KIRKWOOD (A)
Region X	-	LIGURIA and PIEMONTE (later divided)	Lt.Col.G.G.FEASEY(B) relieved by Brig. M. CARR (B) relieved by Col. J.G.SELBY (B)
		PIEMONTE	Col.R.P.MARSHALL (A) relieved by Col.F.E.THOMAS (A) relieved by Lt.Col.E.R.McPHEE(A)
Region XI	-	LOMBARDIA	Col.C. POLETTI (A) relieved by Col. A.N.HANCOCK (B)
Region XII	-	VENEZIE	Col.C.M.GEVERS (A) relieved by Col.T.N.PAGE (A) relieved by Brig.J.K.DUNLOP (B)
A.M.G.	-	VENEZIA GIULIA	Col.A.C.BOWMAN (A)

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PART I.

REGIONAL REPORTS.

AMG LIGURIA REGION.

1. The gradual transition from AMG to Italian control was made with much goodwill and a real appreciation of the efforts made by the Allied Governments. There was some regret expressed at the termination of AMG by those who feared a swing to the Left but, on the whole, there is now a real stimulant to the Italian officials and Italian people to have the responsibility for their own Government. It is believed that the CLN will be more active and aggressive. The preparation of election lists continued fairly well.

2. The food situation during the month was satisfactory although it was necessary to borrow 3,000 tons of flour from the Austrian reserve to cover the Christmas period. Distribution of flour was on a day to day basis, with SAVONA having one day's supply, IMPERIA nine days, LA SPEZIA three days, and GENOA four days. About 10% distribution was made of the stocks of clothing and other stores which have been held in the warehouses at GENOA for some time.

3. Steel production in the region amounted to 8,646 tons for December, an increase of 2,771 tons over November; the rationing of electricity prevented the production of an even larger tonnage. Cement production at the GENOA plant amounted to 5,231 tons; coal distribution seemed to be satisfactory and was sufficiently elastic to meet urgent demands of key industries. The amount of grain amassed was relatively small.

4. Wages remained constant, with the exception of industrial wages which have increased about 12% as a result of the ROME Conference held in November. Labour still remained a grave economic problem, with 40% to 50% of the population under employed, and about 35% of this number unemployed. Some unrest was caused by the efforts of AMG to compel the restoration to work of many men who were illegally suspended by irregular epuration. The problems which still remain unsolved of high prices, unemployment, wages inadequate to meet the cost of living, damaged buildings, winter with limited heating facilities and a flourishing black market have all combined to increase labour unrest. The housing situation improved a little as determined efforts were made by AMG to stimulate the local housing authorities to give empty accommodation to those whose shelter was inadequate.

5. The customs service is believed to be capable of operating with normal efficiency. A considerable backlog of incompleted and newly authorized projects gave promise of some employment during the winter months and the accomplishment of some useful buildings. The rationing of electricity and the danger of an acute shortage retarded industrial development and aggravated the hardships of the people. Economy in the use of power was not particularly successful since the saving of current was about 12% instead of the expected 25%.

6. No AMG Judicial Courts were held during the month, although 267 cases involving Allied interests were handed over to the Italian courts for disposition, of which 89 cases were disposed of satisfactorily. The Carabinieri were up to full strength by the end of the month, with each man in possession of an overcoat, while the Guardia di Finanza worked well. However, armed hold ups occurred in isolated areas, and no appreciable reduction in crime is anticipated until better economic

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7. Public health remained good, in spite of the cold weather and inadequate housing, and schools operated fairly satisfactorily. The railway from LA SPEZIA to PISA was opened during the month, and the lines to PARMA and GENOA are expected to be operating within a short time. All other main railway lines are in operation.

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AMG LOMBARDIA REGION.

8. The political situation remained quiet and the handover produced no reaction, although it was obvious that the Right and non-political elements would have preferred AMG to have remained until the political elections. All branches of the Italian administration were reported as functioning satisfactorily at the end of the year.

9. 7,000 tons of cotton arrived from the U.S.A. and 80 tons of rayon were produced. The output of bicycle tyres, tubes and rubber articles was maintained at the usual rate, and a small scale production of automobile tyres was also started. The production of glass, chemicals and yeast was satisfactory.

10. Grain arrivals continued to be poor and it was only possible to maintain the bread ration by using AMG stocks. Italian officials were requested to maintain a strict watch over all bread shops, mills and pasta factories in order to try and ensure that black market traffic in bread and flour was eliminated. Wheat amassing by 29 December 1945 was 1,478,731 qtls., representing 89.94% of the Italian High Commissioner of Agriculture's estimate of 1,644,000 qtls., while rough rice amassed up to 15 December 1945 was 974,836 qtls., as against the estimated quantity of 3,379,720 qtls.

11. Apart from one or two minor controversies affecting comparatively few workpeople there were no disputes involving a stoppage of work. As anticipated the conferences which took place in ROME between representatives of employers and workers' organizations and the Italian Government resulted in a general wage agreement for Northern ITALY. A further conference was held in MILAN on 6 December to deal with outstanding points such as piecework rates; and the agreement was concluded and signed on that date. An agreement was also concluded providing for the payment of a contingency indemnity and improved conditions for agricultural workers.

12. A substantial number of public works projects for relief of unemployment were submitted and approved during the month. The use of electricity was curtailed still further for both domestic and industrial consumption.

13. No major incidents or civil disturbances occurred during the month. An improvement was visible in the clothing position for the police agencies and this naturally increased their morale and efficiency. There is, however, still a great need for clothes and warm underwear, particularly for the guards on the frontier. Whilst there has been an improvement in police efficiency, the several agencies still lack proper coordination to enable them to meet all contingencies and it is unfortunate that the Italian Authorities have shown little zeal or initiative in providing adequate training for the newly enrolled police and prison personnel.

14. During the month approximately 250 Italians were returned to BELGIUM, to commence work again in the various mining industries where they were employed prior to the war. 2,011 refugees of all nationalities passed through the various camps in the Region.

15. 1,032,793 tons were handled by rail during the month, and the weekly programmes submitted were in every case well-balanced.

16. A MILAN - LONDON connection was opened on 7 December through SWITZERLAND. Government calls only are at present allowed as tariffs have yet to be agreed on. A civilian organization known as LARESPE has been [illegible] routes, since

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AMG PIEMONTE REGION.

17. Throughout the Region the news of the formation of the new Italian Government created little political repercussion and the handover of AMG territory was, on the whole, received quietly. The Leftist parties appeared to be elated that it has at last taken place, although the parties on the Right fear that it might create an opportunity for the CLN to seize more power. It is thought that the majority of the people would have preferred AMG to remain until after the elections. Lack of civic responsibility on the part of the Italian local government officials was evident.

18. Distribution of rationed foodstuffs continued smoothly and prices remained practically unaltered, with the exception of meat, which decreased to between 200 and 400 lire per kilo. Grain amassing continued slowly and failed to come up to expectations.

19. Shortage of raw materials seriously hampered industry throughout the Region and with the rationing of electricity this problem was aggravated. Commerce appeared to have come to a standstill in some provinces, due mainly to the undecided financial policy of the Government. It was reported that the allocation of POL for December was not sufficient for all requirements. Some strikes were reported, but these were only local and no trouble ensued. Shortages of raw materials, rationing of electricity, and the prevailing high prices all contributed towards a critical situation in the labour market. Savings and investments increased although in other financial fields there was little activity. The lack of confidence in AMG currency continued to be evident as the percentage of counterfeits increased.

20. Damage caused by floods in October was repaired and the TENDA railway tunnel was officially opened on 4 December. All AMG judicial cases were turned over to the Italian authorities; Italian courts functioned smoothly.

21. An improvement in the efficiency of the Carabinieri was reported and it is thought they are now capable of dealing with any but the most serious disorders. Their need for clothing and transport, however, is still acute. The training of Public Safety agents continued with satisfactory results and the energy displayed by the mobile battalions was far superior to that of other police bodies. The Guardia Finanza performed excellent work and in VERCELLI Province they reduced effectively the power of the Black Market. Crimes of a serious nature were fewer than usual, especially in TURIN Province, although public morale did not remain very high

22. Public health throughout the Region was good. 303 Italians passed through the refugee camps during the month, eight of whom were ex-Ps.W, and 174 Allied and other nationals.

AMG VENEZIE REGION.

23. The news of the closing of AMG in the North was accepted calmly in the VENETO, and the general feeling seemed to be that, with the New Year, the Italians ought to be prepared to shoulder their responsibilities. In BOLZANO, however, the German-speaking population clearly expressed their regret that AMG was ending. No great change took place in the relative position of the Parties except that the Christian Democrats definitely emerged from the crisis with added prestige. The announcement of the commutation of the death sentences on the three SCHIO murderers was received with appreciation although there was markedly little comment in the press.

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24. 101 Superior Court cases and 105 Summary Court cases were held in the Region. The work of the Italian Ordinary and Extraordinary Courts and of Committee of Epuration proceeded normally.

25. The public safety situation did not deteriorate seriously during the month. The Italian police agencies maintained their improvement and their morale was good and was reflected in the increasing confidence with which

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they carried out their duties. There is still, however, a shortage of arms and equipment, especially in UDINE Province. Serious crime showed a regrettable increase, particularly as regards murders and armed robberies. Most of the cases were of a non-political nature, and the political situation gave no cause for disquiet.

26. A Provincial Decree was issued in BOLZANO at the end of the month, establishing secondary German schools.

27. The industry of the Region continued to develop during the month and the import of raw cotton allowed several mills to open up production. 60,000 tons of coal arrived during the month of December, 15,000 tons of which were allocated to the important firm of Vetrocoke at PORTO MARGHERA. The glass ovens of this plant turned out 13,000 square metres of glass daily. A rationing scheme of electricity, owing to the serious threat of drastic reduction, was set in operation with fair success.

28. The food situation by the end of the year was serious and it appeared likely that by mid-January, local supplies of grain would be exhausted. The planned arrivals of grain ships appeared sufficient to meet the emergency but, in fact, the first ship to arrive did not commence discharging till the end of the year, and the margin of safety was too small for comfort.

29. Additional captured enemy funds recovered in December 1945 totalled Lire 75,111,994. This brought the total of enemy funds recovered by the Region to Lire 10,599,223.

30. During the time AMG VENEZIE Region was operating 2,243 non-military and 98 military public works were approved at a cost of 2,562,076,363 Lire and 274,400,085 Lire respectively.

AMG VENEZIA GIULIA.

31. December was a comparatively quiet month politically, and apart from the exaggerated interest which was centred on the suspension of the Slovene-Communist paper "Primorski Dnevnik" (suspended on 5 December for the failure of the editor to retract inaccurate and abusive criticisms of AMG's education policy) little of note occurred. Generally it is felt that the workers are becoming more out of sympathy with the pro-Jugoslav Communists, and with a gradual realisation that the strikes always end on a political note, support is noticeably less each time. It seems certain that when the civil police force is strong enough in all areas to guarantee the workers complete freedom from intimidation strike organisers will have little success. During the month active steps were taken to implement General Order Number 11 in all areas and communes are now either functioning in accordance with the terms of the order or are under direct C&O rule.

32. The VENEZIA GIULIA Police Force, now 1,950 strong, continued its satisfactory progress. In spite of their very limited period of training the civil policemen are showing an aptitude for police work and have earned the respect of the public. But for a few exceptions the month passed quietly as far as law and order was concerned, although prisons in the area were still very full.

33. The supplies programme, which included the increased food ration for POLA and the special two months reserve, was approved by CCS. Three commissions were appointed to control and endeavour to equalise prices,

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30. During the time AMG VENEZIE Region was operating 2,243 non-military and 90 military public works were approved at a cost of 2,562,076,363 Lire and 274,400,085 Lire respectively.

AMG VENEZIA GIULIA.

31. December was a comparatively quiet month politically, and apart from the exaggerated interest which was centred on the suspension of the Slovene-Communist paper "Primorski Dnevnik" (suspended on 5 December for the failure of the editor to retract inaccurate and abusive criticisms of AMG's education policy) little of note occurred. Generally it is felt that the workers are becoming more out of sympathy with the pro-Jugoslav Communists, and with a gradual realisation that the strikes always end on a political note, support is noticeably less each time. It seems certain that when the civil police force is strong enough in all areas to guarantee the workers complete freedom from intimidation strike organisers will have little success. During the month active steps were taken to implement General Order Number 11 in all areas and communes are now either functioning in accordance with the terms of the order or are under direct CAO rule.

32. The VENEZIA GIULIA Police Force, now 1,950 strong, continued its satisfactory progress. In spite of their very limited period of training the civil policemen are showing an aptitude for police work and have earned the respect of the public. But for a few exceptions the month passed quietly as far as law and order was concerned, although prisons in the area were still very full.

33. The supplies programme, which included the increased food ration for POLA and the special two months reserve, was approved by CCS. Three commissions were appointed to control and endeavour to equalise prices. Rations on the normal A.C. scale were issued to the population and special Christmas issues were made to the very needy. Difficulty was experienced in preventing food from being taken illegally into Zone "B" and YUGOSLAVIA, where it is sold at a high price.

34. 18,561 tons were imported during the month and 17,755 tons exported, while 27,145 tons were hauled by road. Supplies for forestry and fisheries were delivered, and with seed and fertiliser requirements arriving in increasing quantities the whole agricultural position has very much improved. The total amount of wheat amassed was 12,800 quintals.

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35. An extension was requested of the recent temporary wage adjustment until the position could be stabilised and it was agreed to extend it until the end of January. 28,437 were unemployed during December as compared with 28,536 in November. This decrease was largely due to requests for extra help over the holiday season. The cost of living rose to 40,527 lire a month.

36. 1,680 tons of coal, 12,160 litres of petrol, 27,975 litres of kerosene and 22,425 litres of gasoil were allocated to industries, although many raw materials were in short supply. Owing to the drought only a restricted import of electric power into VENEZIA GIULIA was possible during the month but due to the special political and economic situation there it was considered undesirable to cut off power from industrial commercial and private houses for two or three days a week. Therefore a modified rationing scheme was introduced aiming at a reduction of import of about 30%. Cotton arrived in reasonable quantities and an allocation of 166 quintals of hemp per quarter was secured. It was expected that 12,500 tons of firewood would arrive from UDINE for November and December, but 6,098 tons only were received; 5,830 tons are at present held in TRIESTE. 15,536 tons of coal were distributed out of the 20,913 tons received during December. Supplies of raw materials for public works projects become available in increasing quantities and greater progress in many repair schemes was made.

37. The health of the people in the area was excellent although sporadic cases of infectious diseases occurred. 50,000 blankets were received for distribution to the poor and sick. 1,128 displaced persons passed through the area during the month, 253 being ex-Ps.W.

38. During the month 294 accused were tried on 335 charges in the Summary Courts while 12 persons were accused on 16 charges in the Superior Courts. All ordinary civil courts functioned satisfactorily.

39. The new elementary school programmes for Italian schools were distributed free to all elementary school teachers of the three areas; it is hoped to distribute the Slavic programme early in January. There were three strikes by students in TRIESTE and GORIZIA, partly against the lack of heating and partly against the suspension of the "Primorski Dnevnik"; coal, wood and gas were immediately made available and by January all schools will have adequate supplies. The School Section of the PNOO (Slavic National Liberation Committee) continued to issue directives in contrast to AMG's education policy.

40. Efforts were made to increase AMG publicity in the local press and over the radio; payments were begun to next of kin of patriots and to wounded partisans. Up to the end of the year approximately 500 claims were received, and payments amounted in all to 920,000 lire.

AMG NAPLES COMMUNE.

41. NAPLES had its usual numerous political meetings during the month, the most important being that held by the Republican Party at the SAN CARLO Opera House at which the Monarchy was blamed for the lack of attention to ITALY at MOSCOW. All meetings were orderly. Regrets were expressed openly at the closing down of AMG before a stable elected Government was in being. Progress with preparations for the election went forward steadily. Cost of living and prices did not rise as much as had been expected; the

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42. The grain position was not satisfactory, and the Province of COSENZA had enough grain to produce the ration until 3 January only. The remainder of the provinces have sufficient until mid-January, although no case has yet been reported of the failure of the bread ration. Distribution of grain and flour was slow. All provinces reported difficulties over the olive oil rationing owing to a poor crop.

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43. There was little labour unrest. Three stoppages of work were reported, but none of them was important. Over 100,000 people are reported as being unemployed, but although Peninsular Base Section have reduced Italian labour by 30,000, other reductions by the Allies have not had a great effect as yet. The cost of living since the rather unaccountable rise of over 50% in April and May last dropped back in June and the year ended with comparatively little rise over the figures at the close of 1944 in spite of the notable increase in salaries. Increased wages are sanctioned by Italian Government decrees, but the resultant large budgets are often rejected or delayed. As a result normal municipal functions such as street cleaning and the removal of refuse are left undone.

44. A project for bringing water from the wells near BOLLA (north east of NAPLES) and for the enlargement of the NAPLES reservoirs was prepared. It will be comparatively inexpensive and provide much needed employment. Clearance of bomb damage continued at a somewhat slow rate. Trouble was experienced with one of the generators of the SILA hydro-electric station and the shortage of power caused anxiety.

45. Italian courts continued to function satisfactorily. Crime with violence increased and bands of well armed criminals held up trains and committed armed robberies over a wide area. Two police drives were carried out in the AVERSA and NOCERA areas. Both had a good effect on morale and the latter yielded a fair haul of weapons. The Carabinieri and other police forces, handicapped by lack of numbers, maintained a satisfactory record. Eight vehicles were obtained to form mobile quads.

46. A serious explosion of Italian Government explosive destined for SARDINIA took place near AVERSA on the night of 30 November - 1 December. Four people were killed and twenty-seven injured.

47. There were eleven cases of smallpox in NAPLES City as against twenty-six in November and sixteen in October. One case of typhus occurred in an Italian POW repatriated from RUSSIA. Disinfection measures were taken and no other cases have been reported. There is a shortage of hospital beds in NAPLES, only about 4,500 being now available.

48. UNRRA food distributed through schools to children reached a notable scale. Civil supplies shipped in to NAPLES port were few, although grain shipments increased.

LIVORNO ZONE

49. The fall of the Parri Government and the taking over by the De Gasperi Cabinet had no visible repercussions in TOSCANA. There were no public disorders or unauthorised meetings during the month in LIVORNO and there was a general feeling among the people that the elections might take place sooner as a result of the change of Government.

50. The food situation remained unchanged although there were rumours that little or no flour was available. Industry and the smaller businesses became more active daily and started to give employment to a few people. Unemployment, however, was still widespread but there were no labour troubles or strikes.

51. More electric energy was needed as circuits in operation were overloaded. A plan was made during the month to allocate the maximum amount of power to military installations and essential business firms, and at the

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51. More electric energy was needed as circuits in operation were over-loaded. A plan was made during the month to allocate the maximum amount of power to military installations and essential business firms, and at the same time to prevent the useless consumption by many hundreds of other consumers who do not actually need it. High winds had destroyed many vital feeder lines from the North which had to be repaired. Rivers were abnormally low and energy could not be produced to any satisfactory degree. It is hoped, however, that the situation will improve when the lines are repaired and rain causes the rivers to rise. The supply of water was low for several days owing to a break in a large line when a bridge collapsed.

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52. The crime wave still persisted although reserves of Carabinieri and Public Safety agents arrived to assist the local police in their efforts to fight it. In one month guards shot 22 thieves and killed 7, while scores were arrested every week. Many bands of thieves were caught and much loot recovered. However, it became obvious that the Italian judicial system had failed completely to cope with the problem and that criminals had no fear of action being taken against them through Italian channels. AMG Courts were therefore re-established on 10 December, with the cooperation of PBS, and 59 cases were tried by the end of the month. The Court was a great success and increased the morale of the military and civilian police forces. There was some public disorder in FLORENCE when a fight occurred between civilians and units of the FOLGORE Division called in by the Italian Local Government authorities, and when the unemployed staged a demonstration and parade demanding jobs and food. The Carabinieri and Public Safety agents broke up both successfully.

53. There were still some cases of typhoid, but not to any great extent. The CLN continued to handle refugees in transit through the area; 24,877 passed through the camps during the month.

PUGLIA and South East ITALY (as reported by ACLC BARI)

54. The population as a whole appeared impatient at the prevailing unrest and disorder, the slowness of rehabilitation and apparent lack of planning. While they did not appear to desire another dictatorship they inclined in the large majority to the Right, and in BARI Province particularly to the Uomo Qualunque Party. The functioning of the Giunte Comunali left much to be desired due to the lack of agreement between its members and their apparent unsuitability for their task. There was a marked improvement in the preparation of the electoral lists.

55. The unloading of 6,883 tons of grain was nearly completed. Including this amount, there will be sufficient grain to supply six provinces until the end of January. Prices for food continued to rise, although the cost of clothing appeared to drop. The economic situation remained critical owing to shortage of raw materials and transport, and electric power and light was reduced in APULIA owing to repairs being carried out at sub-stations and on cable lines.

56. Grave discontent was shown by all civil servants owing to the high cost of living and at Christmas time they went out on strike for seven days. The workers of the salt monopoly in MARGHERITA DI SAVOIA (FOGGIA Province) also struck for the same reason, and an increase of 30% on their wages was granted. There are at present 91,000 unemployed; this number is being swelled daily due to workers being dismissed by the Allied Military authorities. Public works schemes were inaugurated in all provinces and large subsidies have been granted for them.

57. Public Safety still gave ground for concern and the Carabinieri and Public Safety agents were insufficiently mobile for their task. The crime wave in BARI City reached grave proportions and a curfew is being enforced. Pilfering of Allied foodstuffs imported for civilian consumption and raiding of warehouses reached such proportions in BARI Province that special measures were planned to protect the supplies.

58. The general state of health was satisfactory; one further case of plague (not fatal) was reported from TARANTO and thirty cases of smallpox in BARI. School buildings in all provinces, with the exception of BARI, have

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58. The general state of health was satisfactory; one further case of plague (not fatal) was reported from TARANTO and thirty cases of smallpox in BARI. School buildings in all provinces, with the exception of BARI, have now been derequisitioned. 376 refugees passed through the area during the month.

59. Docks clearance by road transport proceeded satisfactorily and there was considerable traffic of salt from MARGHERITA DI SAVOIA to many parts of ITALY. The present operation of the monopoly, however, is far from satisfactory and many instances occurred in which it failed to load wagons

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as programmed. Rail wagon availability continued to be poor due to increased military requirements although traffic did not exceed that of the previous month. 65,587 tons were moved by rail out of 82,677 tons programmed, and 11,832 tons were exported by sea.

SICILY.

60. The news of the handover of all the AMG areas to the Italian Government, including the islands of PANTELLERIA and LAMPEDUSA, came as a surprise to the people and was received with mixed feelings, as the islanders were afraid they would not get fair treatment from the Italian Government. There seemed to be a decline in the popularity of the Left parties, especially amongst the Communists. Electoral lists have finally been returned to PANTELLERIA and the lists from LAMPEDUSA have been approved and sent back to the Commune.

61. The food situation in SICILY remained unchanged; there was sufficient grain to last until 26 January. Much grain was wasted through being left uncovered in the rain, and being transported in open trucks. The islands of LAMPEDUSA was practically without food during the Christmas period. Clothing and shoes appeared in the shops in much greater quantities and at lower prices than a few months ago.

62. Unemployment at the middle of December was about 10,600; the expansion of the public works programme provided employment for more people and repairs began to be made to the roads. The shipbuilding yards at PALERMO were handed over to the Italians on 14 December 1945; it is hoped that the 1,000 workmen employed there will be absorbed by the new company operating the shipyard.

63. The electric power and water situation were satisfactory as there was heavy rainfall. Owing to lack of coal several loaded trains had to remain in the dockyards, but a coal boat is expected in the very near future when it is hoped the situation will improve.

64. Crime was not so widespread, although the organised gangs became more daring. Two Carabinieri barracks were attacked by them, and about Christmas a battle was fought between the Carabinieri and an armed gang, many of whose members belonged to the EVIS (Army of the Separatist movement). The Carabinieri were forced to use mortars to dislodge their opponents.

65. The clandestine departure of Jews from SICILY to PALESTINE was investigated; it is thought they must have received help in their journey from BARI to SICILY and thence to SYRACUSE as there seems to be no trace of any of them experiencing any difficulties en route.

66. The SS LAMPEDUSA, which was due to start its trips to PANTELLERIA and LAMPEDUSA on 26 December was unable to do so, owing to lack of coal. 980 tyres for SICILY arrived during the month and consequently the transport situation has improved. The two islands were handed over to the Italian Government on 31 December 1945, although there were no means of communication between them and SICILY for days owing to bad weather.

AC IO BOLOGNA.

67. Meetings of all political parties on all kinds of subjects continued to be as numerous as ever. The Left parties were the best organized but it appears that there is a large section of the public who are at present

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AC LO BOLOGNA.

67. Meetings of all political parties on all kinds of subjects continued to be as numerous as ever. The Left parties were the best organized but it appears that there is a large section of the public who are at present completely undecided in their political views. Provincial administration suffered owing to the inexperience in public affairs of some Prefects and many Sindaci, while political views and considerations overrode all ideas of responsibility towards the public. Work on the electoral lists continued and progress was satisfactory.

68. The food situation varied in each province, and the movement of grain northwards will necessitate imports for BOLOGNA Province within a month. Milk and sugar were in short supply, especially in the towns. Industries

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continued to be hampered by lack of raw materials and damaged premises, and a further serious set back was the reduction in the number of permits during the next licensing period for petrol driven vehicles. Dispute, which was fostered by the Communist party, continued over the system of the middle man being involved in every agricultural transaction, and owners and their agents were continually threatened.

69. All provinces reported increases in the number of unemployed. Most communes showed a deficit in their budgets although bank deposits remained substantial. Repairs to bridges, roads, and railways continued slowly as lack of raw materials, especially iron and cement, hindered operations. Shortage of electricity due to lack of rain caused considerable trouble in both factories and private homes, and all provinces were forced to curtail the domestic supply.

70. Italian justice functioned slowly and inefficiently, but the Extra-ordinary Courts of Assize worked well and reasonably. Some death sentences were carried out. There was no improvement in the public safety situation and armed robberies and murders continued in every province, while the percentage of illegally carried arms remained alarming. On 11 December a gang of some sixty men held up a village for some five hours and looted the bank, post office, shops and private houses. Clothing and equipment for the Carabinieri has begun to arrive, but the questori were helpless in the face of the general dearth of trained personnel, complete unreliability of their staffs and the presence of an overwhelming number of Partisan police agents. The prison situation was unsatisfactory and one break was reported at FORLI.

71. Public health remained good and UNRRA medical supplies began to arrive. Progress was made in clearing and dredging the port of RAVENNA and rail communications generally improved.

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PART II

CIVIL AFFAIRS SECTION

Epuration.

1. It was learnt that the office of the High Commission for Epuration is in the process of being abolished and the epuration of grades 1 to 7 handed over to the various Ministries; this will leave very little authority with the High Commissioner. It has been decided that out of a total of 4,984 persons belonging to the first five grades 393 will be subject to epuration.

LOCAL GOVERNMENT SUBCOMMISSION.

2. A copy of the revised draft decree concerning local elections was transmitted by the Italian Government to the Allied Commission at the end of the month.

3. The figures given below indicate the position as regards the electoral lists as at 14 December 1945. In Italian Government territory preparation commenced on 1 February 1945 and in Military Government territory on 15 July 1945.

a) Italian Government territory

Total nr. of communes.....3555
Nr. of communes whose male lists have been approved 870 = 24%
Nr. of communes whose female lists have been approved 1044 = 29%
The corresponding figures for lists approved in November were 593 male and 704 female, or 17% and 20% respectively.

b) Military Government terrotory

Total nr. of communes..... 3633
Nr. of communes whose male lists have been approved 28 = 1%
Nr. of communes whose female lists have been approved 72 = 2%
The corresponding figures for lists approved in November were 1 male and 1 female only.

The system of reference to the Judicial Record Offices remained the principal handicap to progress in the preparation of these lists. The Italian Government has decided to dispense with the proposed registration of Italian nationals resident outside ITALY, who intended to come to ITALY to vote.

4. Registration of voters in BOLZANO commenced on 13 November and on 21 December a directive was issued by the Allied Commission clarifying the citizenship problem created by the Italo-German Accords of 1939. This directive ruled that all citizens should be registered who were prima facie qualified according to existing Italian law, with the proviso that any doubtful cases could be examined by a special Commission which could direct cancellation from the register if necessary. Owing to the above complications eight communes only out of the total of 92 have compiled their male and female election lists and none of these has so far been approved.

5. The Allied Commission has formally approved the 25 names submitted by the Italian authorities for the new Council of the VAL D'AOSTA.

LEGAL SUBCOMMISSION.

6. In VENEZIA GIULIA 294 persons were tried in AMG Courts during the month. There were only 8 cases for possession of arms; nearly half of the other cases tried

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LEGAL SUBCOMMISSION.

6. In VENEZIA GIULIA 294 persons were tried in AMG Courts during the month. There were only 8 cases for possession of arms; nearly half of the other cases tried were for theft and possession of Allied property. In LIGURIA all cases involving Allied interests were tried in Italian Courts. Extraordinary Courts of Assize in VENEZIA GIULIA held seven public trials during December resulting in 4 convictions and 3 acquittals. 350 cases were still pending on 31 December.

7. Proclamations covering the handover of territory to the Italian Government were prepared.

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8. The most important issue on constitutional law which arose as a result of the resumption of power by the Italian Courts was the qustion of the right to commute Death Sentences which was formerly invested in the Sovereign. After lengthy discussions it was decided to hand over to the Lieutenant General of the Realm all the pending petitions for mercy.

EDUCATION SUBCOMMISSION.

9. Educational jurisdiction was transferred to the Minister of Public Instruction in all regions with the exception of VENEZIE and VENEZIA GIULIA.

10. A successful experiment was carried out whereby teachers formed into groups to discuss certain problems on which the Italian Ministry of Education desired advice. After a discussion one representative was elected out of each group to the next higher level, where the process was repeated, until the pyramid of small groups reached the Minister. The potentialities of such an organisation are very great and it is hoped to make the scheme nation-wide.

11. The Union of Naturalists in ROME studied the re-organisation of secondary schools' science curricula and requested the Allied Commission for information in this field from the UNITED STATES and GREAT BRITAIN. Arrangements were initiated for admitting University students from the Polish Army in ITALY to Italian universities. The course in democratic citizenship, organised for Italian officers and non-commissioned officers, was successful and well received.

12. Schools continued to be requisitioned in VENEZIA GIULIA and the position was critical, while the School of Engineering in TRIESTE University will be forced to close unless the Army derequisition the wing occupied by them. No outstanding difficulties were encountered in VENEZIA GIULIA as far as education was concerned; for details see page 9 (AMG VENEZIA GIULIA report).

13. A survey of the proportion of children in ITALY who complete various amounts of schooling has been finished. It was found that 58% of Italian children do not get more than three years of elementary education (ages 6 to 9); 83% get five years or less of schooling (normal ages 6 to 11); only 12% get lower secondary school training (ages 11 to 14) and about 5% complete secondary school education.

PUBLIC HEALTH SUBCOMMISSION.

14. The Italian Red Cross, assumed responsibility for the MERANO Hospital Command on 15 December. During November 1,116 patients arrived from RUSSIA; they were all in poor health and had received no medical attention en route. Work proceeded in the organisation of SONDALO Sanatorium for the reception of tubercolar cases from MERANO and much equipment was obtained.

15. No futher cases of plague were reported from TARANTO; one case occurred in REGGIO CALABRIA in a seaman who had just returned from that town. Three cases of typhus occurred in repatriates, two of whom had returned from RUSSIA and one from JUGOSLAVIA. The incidence of smallpox showed a marked decrease during the month. Only 36 hibernating mosquitoes were found in the TIBER Delta area in December. The November infant mortality rate in ROME Commune was 69.04 per 1,000 as compared with 66.5 in October; deaths from all forms of tuberculosis in ROME numbered 180 in November as compared with 196 in October.

PUBLIC SAFETY SUBCOMMISSION.

16. The morale and efficiancy of Italian police agencies continued to improve. The supplying of clothing, arms, and transport, while not yet satisfactory, continued at a reasonably steady rate. There was no substantial change in the crime

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PUBLIC SAFETY SUBCOMMISSION.

16. The morale and efficiancy of Italian police agencies continued to improve. The supplying of clothing, arms, and transport, while not yet satisfactory, continued at a reasonably steady rate. There was no substantial change in the crime situation, except an increase in organised gangs in Southern ITALY. A slight decrease in crime was reported from EMILIA for the first time for several months. Armed robberies and holdups constituted the majority of reported crimes although those which caused the gravest concern were attacks in force on goods trains, warehouses, police stations and villages.

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17. A few minor strikes and demonstrations occurred throughout the country but none were of a serious nature. Raids for the recovery of arms decreased during the month due to greater difficulty in locating arms and to the decrease in M.P. personnel.

18. The augmentation and construction of the VENEZIA GIULIA Police Force continued its satisfactory progress and the policemen worked quietly and competently.

19. The prison situation was unchanged, with overcrowding still the major problem. There is a serious shortage of competent prison directors, and several attempted prison breaks and riots occurred during the month, although in every case they were quickly controlled. As the year closed the internal security situation was generally quiet but unchanged.

MONUMENTS FINE ARTS AND ARCHIVES SUBCOMMISSION.

20. An investigation was started regarding the reported removal of books from a library in PERUGIA and similar enquiries were initiated in connection with the allegedly irregular requisitioning of the Palazzo del Podesta' at NOVARA.

21. A full report was issued to Military Government authorities in AUSTRIA and GERMANY on all known illegal and questionable exports of works of art during the years immediately preceding the Armistice of 1943. An important change of policy was effected whereby the responsibility for entering claims of restitution lies with the Government of the nation from which the works of art were illegally removed. During December the Sub-commission's report was completed; it is hoped that this report, a comprehensive detailed of the present state of every monument in ITALY, may prove to be a reference document of considerable value.

DISPLACED PERSONS AND REPATRIATION SUBCOMMISSION.

22. It is hoped that UNRRA will take over as many Displaced Persons camps as possible during January.

23. The flow of Italians repatriated from the north again considerably decreased, only 5,528 being received against the 20,433 in November. Of these 2,426 came through the BRENNER Pass and SWITZERLAND. As at 31 December a total of 946,598 Italians had been returned to their homes; 761,433 being repatriated from EUROPE since the occupation of GERMANY.

24. December was relatively quiet from the repatriation point of view. 4,500 Italian miners who lived in BELGIUM before the war were authorised to return to that country, and movement commenced at weekly intervals at the end of December. A further 437 children were accepted by TRIPOLITANIA and are expected to leave ITALY in the middle of January. 1,149 Polish refugees were repatriated to POLAND; the illegal entry of non-Italian Jews into ITALY continued, although in fewer numbers The flow of Italian families from TUNISIA was regulated as the result of an agreement between the Governments concerned. 400 persons, with means of support in ITALY will be shipped over in the second half of January while the remainder will stay in TUNISIA until the Spring.

25. The first handover of a DPRSC Medical Establishment to UNRRA was effected on 21 December. Cases of infectious diseases notified during the month were chiefly confined to children, with 4 cases of measles, 3 of diptheria, 3 of scarlet fever and 2 of typhus being reported.

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PART III

ECONOMIC SECTION

FOOD AND AGRICULTURE SUBCOMMISSION

1. The cereal position remained critical throughout December. Deficient areas were maintained on a virtually day to day basis by the transfer of indigenous grain from provinces which in some cases did not actually have a surplus over their annual needs, and by direct movement of imported grain from the docks. During the month 105,555 tons of wheat were discharged at Italian ports. Shortfalls on the import programme for 1945 amounting to approximately 310,000 tons accounted in part for the extremely low level of stocks in urban and other areas.

2. The bread ration was maintained satisfactorily but the pasta ration had to be suspended in December in a number of areas. Increased quantities of rice were substituted for pasta in Northern ITALY.

3. The distribution of the fats and oil ration for November was completed but few provinces received their full issue for December. Of the 14,500 tons of oil programmed to be shipped in the period 1 September to 31 December 1945 less than 3000 tons had arrived by the end of December. Every effort was made during the month to transfer from the South to Northern ITALY as much olive oil as possible but the quantity actually moved fell below expectations.

4. Stocks of all imported commodities other than wheat and fats were satisfactory. Movements of salt and wine by rail to Northern ITALY more than doubled in December as compared with November.

5. At the end of December 967,162 metric tons of wheat had been delivered to the "Granai del Popolo", of which 573,324 tons were collected in Northern ITALY and 402,838 tons south of the APPENINES. Collections of barley, rye and corn added 60,049 tons. Rough rice collections through December totalled 156,047 metric tons which corresponds to 121,717 tons in wheat equivalent.

6. The olive oil harvest continued with rather unfavorable results, and deliveries to the "Oleari del Popolo" were adversely affected by publication of the 1945-46 amassing decree. This decree provides for the delivery of only 60 per cent of the average quantity amassed during the period 1940-43 and was meant to apply only to crops planted in 1945 and harvested in 1946. However, the wording of the decree had led olive oil producers to believe that it was applicable to the present harvest.

7. The 1946 sugar beet crop is estimated to yeld 220,000 tons of sugar and 70,000 tons of molasses. The earliest date at which any of this sugar will become available to consumers is 1 December 1946. Fuelwood production during December exceeded expectations.

8. Formal approval, in agreement with the Italian Government, was given to the proposed UNRRA program of food and agriculture imports for the first half of 1946.

FINACE SUBCOMMISSION.

9. With effect from 31 December 1945 Finance Subcommission had no further operating functions regarding the financial administration of Italian Government territory.

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10. The consideration by the Italian Government of the proposed currency agreement was of course interrupted by the Government crisis. The Italian Government was only just beginning to consider the agreement on a high level when the crisis occurred; the new Minister of the TREASURY, Prof. CORBINO, did not take office until 10 December, and he was immediately confronted with a number of urgent financial problems, including an increase in pay to Italian STATE employees and, in addition, the payment of a Christmas bonus to such employees. However, he indicates at the outset that he was anxious to deal with the proposed currency agreement as soon as possible.

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11. Finance Sub-Commission was advised by AFHQ that upon the cashing by U.S. ARMY Disbursing Officers of military payment orders held by returning Italian ex--POW, the amount of dollars to the credit of the Italian Government in the net troop expenditure account is increased, and that amounts so credited are notified to the Italian Embassy in WASHINGTON by the U.S. Department of STATE.

COMMERCE (FOREIGN TRADE) SUB-COMMISSION.

12. Owing to the Government crisis, very little was done to advance the project for the reestablishment of private trade between ITALY and other countries. On the Allied side it was arranged that all shipping orders should be channelled through ICE (Institute for Foreign Trade) to the Ministry of Marine, for programming and onward transmission to UMA (United Maritime Authority). This will prepare the Italian Government for their additional duties when private trade is reintroduced

13. At a meeting on 31 December 1945 between members of the Allied Commission and the Italian Government it was revealed that in order to stimulate export trade the Italian Government had decided to overprice imports and grant a premium on exports (at a standard co-efficient in each case). It is intended that this "conguaglio" shall be 125% and will be applied equally to all private imports and exports, except private compensations. By means of this "conguaglio", when applied to exports, exporters will be able to quote prices bearing a close relation to world prices. It was also stated that the Italian Customs Service are fully organized in the matter of personnel but report that in no single port do they have customs control over all quays.

14. Progress was made during the month with the various pending trade agreements between ITALY and other European countries. While awaiting the final list of Italian goods proposed for export to BELGIUM, application has been made to WASHINGTON for allocation of RCL (Reserved Commodity List) items definitely decided upon and all but one of these items have now been approved. The Ministry of Foreign Affairs has been informed that there is no objection in principle to the general terms of the Italo-Spanish agreement, as they have so far been reported. Application has been made for allocation by the Combined Boards of all Reserved Commodity List items listed for export to SPAIN and import to ITALY. The Italo-Swedish agreement has been signed and an exchange of notes is awaited to implement it.

15. The British and American Governments submitted "Notes Verbales" to the Italian Government objecting to an arrangement for restarting commercial relations between ITALY and SWITZERLAND which would provide for the settlement of debts incurred by ITALY during the period of hostilities from 10 June 1940 to 8 September 1943. The Italian Government replied that the disallowment of this settlement might result in a cancellation of the proposed Swiss loan (of 80 million Swiss Francs) and might delay the resumption of normal commercial relations with SWITZERLAND. They stated however that they would approach the Swiss Government with a view to examining modifications to be made in the agreement stipulated in August.

16. True hemp and mica were deleted from the Reserved Commodity List during the month. On 31st December the Combined Production and Resources Board and the Combined Raw Materials Board terminated their activities. The international control of commodities previously vested in these two Boards is now limited to tin, rubber, hides, coal, and cotton goods. The control is by five independent committees.

17. During the month 6,900 tons of goods were reported by ICE as having been exported from ITALY by sea for a total value of 65 million lire. They consisted chiefly of four items which have always been important as Italian exports namely

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17. During the month 6,900 tons of goods were reported by ICE as having been exported from ITALY by sea for a total value of 65 million lire. They consisted chiefly of four items which have always been important as Italian exports namely lemons, hemp, silk and bergamot oil. The Italian Government has started to approve large numbers of temporary and "franco valuta" imports. The chief commodities concerned are wool, cotton and turpentine. No imports involving the use of foreign exchange have yet been sanctioned.

INDUSTRY AND UTILITIES SUBCOMMISSION.

18. The lack of electric power in Northern ITALY has resulted in a slow-down of production in almost all industries; it is not expected that this situation will be alleviated before March. Approximately 13,000 tons of pig iron have been released

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to ITALY from TRIESTE and this is expected to relieve the shortage in ITALY to some extent. Although shipments of raw cotton continued to arrive, the finished products are stockpiling as a result of a general standstill in the sale of cotton goods. It is estimated that there are 75,000 tons of cotton type goods in stock.

19. 4,500 tons of French phosphate rock, 7,390 tons of cotton, 502 tons of electrodes and 8,119 tons of petroleum coke were imported during the month.

20. The production of Sardinian coal in November was 63,307 tons; the estimated production of December is 55,000 tons.

21. During the 3 months October-December the Allied Commission in the Italian YB coal programme has bid for 1,253,000 tons; 881,852 tons have been shipped and received, which leaves a shortfall of 371,148 tons. Unless shipments arrive as scheduled in January a serious coal shortage will result. Approximately 34,000 tons of Sardinian coal were shipped to the Italian Mainland and SICILY during December.

22. During the month the control of electric power allocations aws transferred to the "Central Commission for the Distribution and Utilization of Electric Power" of the Italian Government established under Decree No 95 dated 5 April 1944. Military services are to receive priority on electric power. Power allocations established for January 1946 for Southern ITALY totalled 175,500 KW of demand and 90,350,000 KWH of energy and for Central ITALY, including the LEGHORN and FLORENCE areas, 231,500 KW of demand and 148,800,000 KWH. The fourth and last 35,000 KW generating unit at GALLETO Plant at TERNI was restored to operation during the month, bringing the total restored capacity of this plant to 140,000 KW. The 150,000 volt transmission line between Central and Southern ITALY in the FOGGIA area has been restored to service and 20,000 KW of capacity began flowing from Central ITALY to Southern ITALY, helping to relieve the difficult situation which has existed in that area.

23. To meet the electrical situation in Northern ITALY a rationing order was issued restricting power usage, and additional coal allocations were made to the gas plants in Northern ITALY sufficient to increase the availability of artificial gas from 2 to 4 hours daily commencing in January 1946. In order to equalize the cost of the thermal plant operation a surcharge was authorized for all consumers of .30 lire per KWH for the first 15,000 KWH used in each billing period, and .15 lire for all in excess of 15,000 KWH. The Italian Government has been requested to take the necessary steps to institute rationing measures in Central ITALY due to the continued drought and increased loads; in Southern ITALY rationing of Electric Power has been in effect for several months. Increased loads in all areas is largely attributed to lack of fuel and artificial gas for domestic and commercial use resulting in those consumers resorting to electric power for cooking and heating.

LABOUR SUBCOMMISSION.

24. Negotiations between industrialists and representatives of labour in Northern ITALY progressed in connection with the extension of the agreement regarding surplus labour, which was due to expire on 31 December. Representations were made that the Allied Forces Wage Scale should be brought into line with the new industrial basic rates, and revision and consolidation has commenced.

25. The Italian Council of Ministers decided to grant a special Christmas bonus to State employees, consisting of 3,000 lire in large cities and 2,500 lire in small towns, an amount less than the bonus paid in private industry. As a result there was considerable unrest amongst Civil Servants (see page 12 PUGLIA and S.E. also paid to personnel employed by the Allied

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26. The monthly food expenditure in ROME in December of a family of five on a standard food budget was 12,718 lire which represents a slight increase on the food expenditure for November. 13,762 tons of washed coal were produced for the week ending 22 December 1945 in SARDINIA; the average total number of men employed underground was 5,083.

27. A trade union delegation from GREAT BRITAIN visited Northern ITALY as guests of the C.G.I.L. (General Italian Union of Labour). The visit was a great success and

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served to bring together more closely the workers of the two countries. The recruitment of coal miners for work in BELGIUM and of general workers for FRANCE continued during the month.

TRANSPORTATION AND SHIPPING SUBCOMMISSION.

28. A greater tonnage of traffic was moved in December than in previous months, but the end of November saw the virtual finish of the movement of refugees into ITALY via the BRENNER Pass, and internal movement is nearing completion.

29. A total of 82,900 tons of Italian coastwise and Intra-Mediterranean traffic was moved during the month.

30. Operation and traffic control under Italian State Railways jurisdiction continued in a satisfactory manner and they now have full charge of reconstruction to their lines.

31. A mixed military-civilian tri-weekly passenger service from NAPLES to VIENNA via VILLACH was inaugurated during the month. Heavy demands for increased services were received, but shortages of coal and rolling stocks hindered these being met. Civilian schedules are being carefully screened.

32. The general distribution of wagons continued to improve, and offloading time has been reduced with beneficial results. Civilian traffic increased steadily as military traffic decreased.

33. All Italian transport offices were transferred to ENAC (National Association for Motor Transport) control concurrently with the handover of Allied Military Government Regions in NORTHERN ITALY.

34. A total of thirty Allied vehicles were transferred to the Italian Government during the month.

35. During the month, pilferage of AC and UNRRA supplies increased greatly at ports and warehouses. A preliminary meeting was held with representative of UNRRA, WSA, MWT, MMLA and Federazione and plans to remedy this situation were discussed. Issues of supplies from warehouses in general exceeded receipts.

REQUISITION BRANCH.

36. After screening by Allied Commission the following programs for UDINE for the first half of 1946 were sent to CCS by AFHQ: Agriculture, Coal Signal Stores Food, POL, Public Health and Textiles and Shoes. Only the revision of the Textiles Program mentioned above, and the requirements of miscellaneous raw materials for industry, remain to be handled by A.C. In order to assist procurement officers of 13 Corps, A.C. has prepared a list of agricultural commodities locally available and was indicated where in ITALY they may be procured. Upon receipt from the Italian Government of authority for the expenditure of YT (troops pay account) funds, a requisition for truck spare parts was forwarded to WASHINGTON.

37. Records have been maintained of loans to VENEZIA GIULIA but as yet none have been repaid and AFHQ has been asked to clarify its intentions on repayments as outlined in TAM 690.

38. Examination of shipping documents received by A.C. revealed that their usefulness was lessened because they frequently arrived too late and, in the case of general cargo ships, contained inadequate information. Accordingly, WASHINGTON was asked to send modified cable manifests as soon as possible after ships' sailings

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REQUISITION BRANCH.

36. After screening by Allied Commission the following programs for UDINE for the first half of 1946 were sent to COS by AFHQ: Agriculture, Coal Signal Stores Food, POL, Public Health and Textiles and Shoes. Only the revision of the Textiles Program mentioned above, and the requirements of miscellaneous raw materials for industry, remain to be handled by A.C. In order to assist procurement officers of 13 Corps, A.C. has prepared a list of agricultural commodities locally available and was indicated where in ITALY they may be procured. Upon receipt from the Italian Government of authority for the expenditure of YT (troops pay account) funds, a requisition for truck spare parts was forwarded to WASHINGTON.

37. Records have been maintained of loans to VENEZIA GIULIA but as yet none have been repaid and AFHQ has been asked to clarify its intentions on repayments as outlined in TAM 690.

38. Examination of shipping documents received by A.C. revealed that their usefulness was lessened because they frequently arrived too late and, in the case of general cargo ships, contained inadequate information. Accordingly, WASHINGTON was asked to send modified cable manifests as soon as possible after ships' sailings.

39. Two reports on the status of the Program of Basic Supplies for ITALY (the socalled YB Program) have been prepared and reports have been received of 200 requisitions approved for procurement out of Italian YT funds (the socalled Troops Pay Account).

40. Routine functions of making status reports of procurement abroad of items under requisition continued.

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PROGRAM COORDINATION BRANCH.

41. Great attention was given during the month to the compilation of two programs:

(1) Total Italian Import Requirement for 1946 (for the internal market).

(2) Recommendation, with the agreement of the Italian Government, for a presumed UNRRA allocation of $ 450,000,000 (freight included).

42. At a meeting with representatives of the Italian Government, held on December 5th, the joint policy of AC and the Italian Government in respect of the recommended UNRRA plan was fixed and a close collaboration between AC and the Interministerial Committee for Reconstruction (designated by the Government as liaison organization) established. On December 21st, letters were addressed by the President of the Council of Ministers, as President of the Interministerial Committee for Reconstruction, to AC and UNRRA Italian Mission submitting the recommendation for the 1946 UNRRA Italian program. This recommended program was embodied in an AC publication entitled 'Italian Import Requirements 1946' which was forwarded to WASHINGTON as an enclosure to MOC Airgram 131 on 24 December 1945.

43. Advance information on total requirements and the recommended UNRRA program for 1946 was cabled to WASHINGTON with MOC 421 on 22 December 1945.

CAPTURED ENEMY MATERIALS BRANCH.

44. Over 90 releases of Dumps and Civilian Material were made during the month and also a release of 67 ammunition dumps.

45. Few release notes have as yet been returned by the Italian Government, and in many instances the big releases have not even been inspected. Action has been taken with ARAR to hasten the return of release note receipts.

46. The work in connection with the collection of German Credits held by Italian Industrial and Commercial concerns was re-instituted on recipt of instruction from AFHQ. Actual collections will be made during the month of January.

47. The question of the return of industrial plant moved to the BOLZANO Area continues to be studied with a view to making a complete hand-over to the Italian Government.

SURPLUS AND SPECIAL MATERIALS BRANCH.

48. At the close of the year a preliminary report was submitted on the 1946 minimum clothing requirements for ITALY. This study, which is the culmination of several week's statistical inquiry, is the first of its kind to suggest minimum standards for clothing and household textiles on a per capita and family basis. It concludes with a series of statistics showing the aggregate amount of each article of clothing, footwear, and household textiles required by the various segments of the population.

49. After a careful review of the study both by the Allied Commission and by the Italian Government, it is proposed further to develop the report in order to ascertain the aggregate amounts of raw and semi-finished materials needed to produce the articles called for by the minimum standards schedules.

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50. The Branch took steps during December to expedite the transfer of U.S. surplus fixed assets and installations to the Italian Government by arranging for the designation of sub-agents throughout the country to receive such surpluses that may become available in the future.

51. During the month ending 15 November 1945, U.S. surplus property sales to the Italian Government totalled $ 10,390,630.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS

PUBLIC RELATIONS BRANCH

1. During the month Public Relations Branch was instrumental in coordinating with the Allied Publications Board and the Italian Government the handover of press functions in the Northern Provinces. These were formerly delegated to the Allied agency, but it was decided that it powers, except in UDINE Province, should be assumed by the Government which will send a representative of the President of the Council to MILAN to take over.

2. Issuance of press releases continued, though on a diminished scale. The most important related to coal imports and the transfer of the northern territories to Italian Government jurisdiction. Approval has been given for a new weekly publication called 'Economic Notes' to be produced in both English and Italian, for primary distribution to Italians.

3. Travel arrangements and news data were provided for Italian journali

NAVY SUBCOMMISSION

4. The Ministry of Marine has been informed that the restrictions on the activities of Italian naval personnel in the islands of PANTELLERIA, LAMPEDUSA and LINOSA, which existed before the administration was restored to the Italian Government, will be maintained. Lists of former French vessels and naval material in Italy, claimed, removed, of disposed of by the French naval authorities have been received, while investigation and recovery by the Italian Ministry of Marine of naval enemy material continued.

5. The port and shipyard of PALERMO was returned to the Italian Royal Navy together with substantial lists of equipment and port facilities. It is hoped to turn over all surplus naval stores and material, amounting to some 50,000 tons, at TARANTO upon the withdrawal of the Royal Navy Base on 31 January 1946.

LAND FORCES SUBCOMMISSION (MMIA)

6. The total strength of the Italian Army as at 1 January 1946 was 198,705 including 66,098 Carabinieri. The Folgore Infantry Division moved into the area around FLORENCE and PERUGIA towards the end of December.

7. Considerable difficulty was experienced in finding suitable sites for territorial training centres, especially in North Italy where the most suitable accomodation is still occupied by Allied troops. By the end of the month however there were only two territories to be finally settled, UDINE and BOLZANO. The organization and siting of schools for specialist training progressed favourably.

8. The Carabinieri continued to receive priority in the distribution of clothing and equipment and the position is now comparatively satisfactory. Good progress was made in the recovery of Italian Army vehicles from those recaptured in the north, although the general situation was still unsatisfactor 1,800 Army vehicles have been lent to civilian transport agencies and have not yet been replaced by the Italian Government.

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IPOW Division

9. Approximately 900,000 prisoners of war out of a total of approximate 1,250,000 have been repatriated.

10. Arrangements were made during the month to ship 11 tons of Red Cross stores to IPW in French hands in North AFRICA. The French authorities will onl release 12,000 Ps.W in North AFRICA if they are replaced by German PW, and it is hoped that these will be sent from AMERICA.

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11. Reports are constantly received of ill treatment of IPW in YUGOSLAVIA, and although food is sent to these individuals it is doubtful if it reaches them. It was reported that all IPW were repatriated from the U.S. zones in EUROPE by about 12 December 1945.

12. During the month of December the remittances by Italian PW held in British hands to their families totalled L. 43,797. Statements of credit bala in respect of IPW repatriated from British and US custody for the total amount of L. 59,705 were forwarded to the Italian Government for payment. 166 claims for non-receipt of remittances and a few claims for the non-receipt of family allowances were received and passed to the Italian Ministry of Post War Assistance for inspection and payment where possible.

AIR FORCES SUBCOMMISSION

13. A bi-weekly Italian Military Service from ROME to CATANIA Via NAPLES (POMIGLIANO) has been planned to begin on January 3rd, and a new seaplane servi to GENOA from ROME will also be inaugurated in January. Permission in princip has been granted for the Italia. Air Ministry to charge fares for certain type of airlift on the Italian Military Courier Service.

14. Further reductions were made in December in the Italian Air Force stre to comply with the readjustment of its composition to the 31,000 level.

15. Groundwork was laid during December for the initiation of a programme designed to transport by air perishable foods from ITALY's remote sections to the metropolitan centres and approval has been obtained for the first of these plans to go into effect. This will entail the carrying of some 7,000 kilos of fresh fish daily from VENICE to MILAN.

16. Progress is being made in the repair of ex-enemy recovered vehicles, but delay in the completion is being experienced through lack of essential part Serviceability of Italian-type fighters, Allied-type fighters and Bomber transp was maintained at a comparatively high level.

17. Aircraft firms continued to divert their energies as far as possible to peacetime products; the MACCHI Firm at VARESE is now producing light 3-wheel vans, threshing machines for farm work, and barges (60 and 300 ton types) made in sections. A few firms still retain skilled operatives and machines-tools for aircraft production hoping that authority may be granted for a return to the work upon which their name and reputation has been built.

COMMUNICATIONS SUBCOMMISSION

18. Additional train services and use of RAF air services helped to speed up internal and external postal services. ITALY has now postal and telegraphic communications with nearly all the countries in the world and practically all the normal peacetime internal postal services are in operation with the excepti of the parcel post. Newspaper post from the rest of ITALY to VENEZIA GIULIA was restored, and surface mail services were restored to CZECHOSLOVAKIA and HUNGARY.

19. A general improvement took place in the connection od small telephone exchanges to the main network, and the long distance service has been further improved in efficiency now that the recently trained operators are benefitting by practical experience.

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20. The flood of gift parcels from the UNITED STATES arrived during the month and difficulty in accomodating them in NAPLES was experienced, the trouble being accentuated by shortage of rolling stock. The Civil Censorship Group was dissol and all internal censorship was abolished, except in XIII Corps Area. External censorship is still in force, operated in Italian Government territory by the Italian Government.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

Ref: LSC/606 19th March, 1946.

SUBJECT: Report of Labour Sub-Commission, Allied Commission, Italy, for the month of February, 1946.

TO: Economic Section.

OUTLINE.

A. INTRODUCTION
B. WAGES, HOURS AND WORKING CONDITIONS
C. SOCIAL INSURANCE
D. INDUSTRIAL UNREST
E. COST OF FOOD
F. MISCELLANEOUS LABOUR MATTERS.

A. INTRODUCTION.

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

2. The Sub-Committee appointed by the Labour and Wages Committee on the 28th December, 1945, to consider simplification of the wage system for Allied Force employees, following a request made by the Deputy Director of Labour, G.H.Q., C.M.F., formulated wage scales in collaboration with representatives of the Italian Government and Italian Labour.

These proposals, which set out basic wage rates for five categories of daily paid workers and an appropriate variable cost of living bonus, were accepted by the Labour and Wages Committee for submission to A.F.H.Q. Similar proposals are under preparation in respect of administrative, office, clerical, hotel, mess, club and marine workers.

3. Little industrial unrest occurred during the month; only two strikes of importance were reported, one affecting electrical workers in Naples and one affecting clerks in Turin.

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

B. WAGES, HOURS AND WORKING CONDITIONS.

1. Wage Rates of Allied Force Civilian Employees.

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B. WAGES, HOURS AND WORKING CONDITIONS.

1. Wage Rates of Allied Force Civilian Employees.

(i) The Sub-Committee of the Labour and Wage Committee appointed on 28th December, 1945, to explore possibilities of simplifying the system of calculating payment of wages and bonuses to civilian employees of the Armed Forces has had further meetings during the month, viz. on 15th February, when Allied representatives met in the morning and resumed in the afternoon with the attendance of the Italian representatives, and on the 19th February, when both Allied and Italian representatives were present.

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On the basis of proposals submitted by Labour Sub-Commission consideration was given to:-

(a) Existing occupational classification of Armed Force employees with a view to consolidating the classifications into a relatively few general categories, and establishing appropriate basic rates;

(b) Existing local variations in the cost of living bonuses paid by the Armed Forces with a view to establishing a uniform variable scale.

(ii) The Sub-Committee found that the proposals submitted conformed to the Italian industrial agreement of 6th December,1945, which established basic principles of wage calculation and bonus payment in respect of specified categories, and that the revised scales could be applied without any major disturbance of existing Allied Force wage levels.

They accordingly agreed to recommend:-

(a) The division of industrial daily paid workers into five categories, viz: specialised, qualified, apprentices, semi-skilled and unskilled;

(b) That a distinction be drawn in future as regards workers who are heads of families and those who are not heads of families. (This important distinction is an innovation in Allied Force employment but can be readily introduced because heads of families can produce suitable evidence, and the distinction as regards new engagements should in due course effect a saving in expenditure).

(c) Acceptance of the revised basic wage rates which had been calculated having regard to the minimum basic wages established by the above-mentioned Italian industrial agreement in respect of zone 2, and relating to the mechanical, iron, building and wood-working industries, that is to say, those trades which appeared to be most closely related to the types of employment and conditions of labour of the civilian workers employed by the Allied Forces.

(d) Acceptance of the schedule of revised cost-of-living bonus rates which had also been prepared on the basis of the Italian agreement. The schedule provided a bonus for workers not heads of families, which was identical for the various categories of workers; and a bonus for heads of families which included the equivalent amount of Family Allowance for a notional family of wife and two children, as well as an additional element superior to that received by a worker not head of family. This second element was calculated in accordance with Italian industrial practice for heads of families.

(iii) Representatives of the Italian Government and a representative of the Italian General Confederation of Labour, after

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(c) Acceptance of the revised basic wage rates which had been calculated having regard to the minimum basic wages established by the above-mentioned Italian industrial agreement in respect of zone 8, and relating to the mechanical, iron, building and wood-working industries, that is to say, those trades which appeared to be most closely related to the types of employment and conditions of labour of the civilian workers employed by the Allied Forces.

(d) Acceptance of the schedule of revised cost-of-living bonus rates which had also been prepared on the basis of the Italian agreement. The schedule provided a bonus for workers not heads of families, which was identical for the various categories of workers; and a bonus for heads of families which included the equivalent amount of Family Allowance for a notional family of wife and two children, as well as an additional element superior to that received by a worker not head of family. This second element was calculated in accordance with Italian industrial practice for heads of families.

(iii) Representatives of the Italian Government and a representative of the Italian General Confederation of Labour, after having considered the proposals for revised basic rates and cost-of-living bonus, expressed the agreement in principle of the Italian Government with the Sub-Committee's recommendations, recognising and accepting the necessity for compounding family allowance as for a notional family of wife and two children for heads of families, and welcoming the proposal to differentiatebetween such workers and those who are not heads of families. They also recognised the necessity of stipulating the minimum and maximum of the basic scale; and agreed that a variable cost-of-living bonus should be added.

/ (iv)

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(iv) With regard to the application of the revised wage rates, the Italian Government representatives made firm proposals for a variable cost-of-living bonus for various zones. They selected three scales of cost-of-living bonus payments, recommending that scale "O" should apply to the largest centres such as Rome, Naples, Milan, Turin and Genoa, all industrial centres with the highest cost-of-living, that scale "B" apply to centres with an average cost-of-living or of a mixed industrial and agricultural nature, and scale "A" to zones predominantly agricultural or with the lowest cost-of-living.

They also agreed that the cost-of-living bonus scales should vary quarterly according to variations in the cost-of-living, that the Central Institute of Statistics should obtain the necessary data and should produce the appropriate indices for calculating variations in the bonus scale.

The Sub-Committee agreed with these proposals and recommendations of the Italian representatives.

(v) The Sub-Committee finally decided to recommend to the Labour and Wage Committee the adoption, for submission to higher authority, of the revised wage scale and cost-of-living bonus schedules, and to proceed with categorisation on similar lines of all other Allied Force employees.

2. Private Italian Industry.

(i) The Building and Printing trade workers in Rome concluded negotiations for substantial wage increases during the month.

The Building trade manual workers received a 45 per cent. increase on their basic rates and clerical workers a percentage varying from 30 per cent. to 38 per cent. Both categories received in addition a special indemnity of 50 lire a day. As a result a specialised building trade worker in Rome now received a daily rate of 461 lire and a building trade labourer 414 lire.

The Printing trade workers have been granted a new higher basic rate which brings the daily wage of a specialised worker to 397 lire and that of a labourer to 343 lire.

(ii) The Committee established to determine the cost of living figures in the North and to fix the variation in the Contingency Indemnity at three monthly intervals is now operating, and an alteration in the Contingency Indemnity as from 1.1.46 was agreed. Information is not yet available as to the effect of the change.

(iii) In the South preparations are being made for negotiations between the Italian Government, Confederation of Industrialists, C.G.I.L. and other interested bodies to arrive at a general wage agreement to cover all industries on the lines of the agreement covering the North.

C. SOCIAL INSURANCE.

No changes during the month.

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C. SOCIAL INSURANCE.

No changes during the month.

D. INDUSTRIAL UNREST.

(i) Clerks and maintenance personnel of the S.M.E. Electrical concern struck during the last week in February in the Naples area against the terms of a new negotiated wage agreement. The Naples delegate refused to sign the agreement and carried some 2,000 to 2,500 workers with him. Settlement was obtained after 6 days of negotiations, the men accepting the main clauses of the new agreement with modifications in the classification of employees and certain other conditions. Stoppage of the supply of electrical power was avoided.

/ (ii)

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(ii) Strikes also occurred in Naples amongst chemical workers and bakers for pay increases. The first has been settled, but negotiations are still proceeding in the latter case.

(iii) On 21st February a strike of clerical workers occurred in Turin. The clerks requested the general application of a wage agreement reached in the Fiat works, which provided for eight grades of clerical workers, and also the application of a two yearly promotion rule. The strike threatened to extend to the whole of Lombardia and Piemonte.

(iv) Employees of the Italian Labour Offices are threatening to strike over the failure of the government to pay them the wage increase granted by decree to State employees last October.

The decree provided that the wages of employees in Labour Offices would be considered separately.

The question is complicated by the fact that the legal position of the Labour Offices is still undefined.

E. COST OF FOOD.

The monthly food expenditure in Rome in ~~January~~ February of a family of five persons on a standard food budget with a caloricvalue of 2,200 calories per consuming unit was 12,559 lire. Comparative figures for previous months were as follows:-

January 1946	14,767 lire	October 1945	12,069 lire
December 1945	13,677 "	September 1945	11,614 "
November 1945	14,198 "	August 1945	10,750 "
		July 1945	9,928 "

Figures for principal cities outside Rome for January 1946 were as follows:-

Milan	14,490 Lire
Turin	14,972 "
Alexandria	14,496 "
Genoa	14,006 "
Venezia	15,235 "
Naples	13,792 "
Florence	13,597 "
Taranto	13,687 "

F. MISCELLANEOUS LABOUR MATTERS.

1. Works Committees.

Negotiations between representatives of the Fiat Works and the Italian Government have resulted in the transformation of the Works Management Committee in the Fiat establishments into a General Consultative Committee. The Consultative Committee will meet periodically to consider such questions as improvement of workers' living conditions, labour saving and economy in the cost of

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December 1945	13,677 "	September 1945	11,614 "
November 1945	14,198 "	August 1945	10,750 "
		July 1945	9,928 "

Figures for principal cities outside Rome for January 1946 were as follows:-

Milan	14,490 Lire
Turin	14,972 "
Alexandria	14,496 "
Genoa	14,006 "
Venezia	15,235 "
Naples	13,792 "
Florence	13,597 "
Taranto	13,687 "

F. MISCELLANEOUS LABOUR MATTERS.

1. Works Committees.

Negotiations between representatives of the Fiat Works and the Italian Government have resulted in the transformation of the Works Management Committee in the Fiat establishments into a General Consultative Committee. The Consultative Committee will meet periodically to consider such questions as improvement of workers' living conditions, labour saving and economy in the cost of production, increasing means of production and organising production programmes. An Arbitration Board has also been established, composed equally of representatives of workers and management.

2. Italian General Confederation of Labour.

The C.G.I.L. have pressed for revision of current legislation for the payment of insurance contributions in industry. As a result of war conditions insurance contributions have been met entirely by the employer for more than a year, and recent legislation requiring compliance with the normal rule by which workers pay their share is

/ alleged

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alleged to have caused hardship and discontent. The matter was discussed between Ministers and workers' representatives on 28th February but the result is not yet known.

3. Coal.

Output of coal from the Sardinian mines fell slightly during the beginning of the month. The total number of men engaged underground in the mines on 9.2.1946 was 5,657, an increase of over 100 on the January figure. Output for the same week was 15,845 tons of washed coal.

4. Unemployment.

At the end of January, 1946, statistics collected by the Italian Government show 1,428,101 persons registered as unemployed at local employment exchanges. This is an increase of 103,438 over the December figure.

The figures do not include unemployed who are not registered or workers surplus to requirements of industrial undertakings but retained on the pay roll.

W.H. BRAINE.

Director
Labour Sub-Commission.

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4. Unemployment.

At the end of January, 1946, statistics collected by the Italian Government show 1,428,101 persons registered as unemployed at local employment exchanges. This is an increase of 105,438 over the December figure.

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Transportation
65/3.11

HEADQUARTERS
LOMBARDIA REGION LIAISON GROUP
ALLIED COMMISSION
APO 394

28 February 1946.

LOMB/CLO/13

REPORT FOR FEBRUARY 1946

A. POLITICAL

1. On the eve of local municipal elections the political front is calm and quiet. Popular opinion appears to be impressed by the Government's policy and the skilful handling of such issues as the referendum on the institutional question, the compulsory vote, and the outspoken claim for the integrity of Italian territory has probably helped to create a more peaceful atmosphere among the political parties and the populace.

2. An increasing anti-British attitude is noted in the communist newspaper "Unita'".

3. On the part of the Socialists there is a growing tendency to become autonomous. In most Communes of Lombardia Region and especially where socialists hope to obtain the majority, Socialists and Communists will submit two separate lists of candidates.

4. On February 22nd Dr. Filippo Papa the new Questore of Milan Province took possession of his office. An attempted hostile campaign by means of posters signed G.A.P. (Partisan Action Group) accusing him in threatening terms of collaboration with the Fascist Republican Government, was indignantly refuted at a Press Conference the day of his arrival and ultimately faded out. He has made a promising start.

5. Avv. Craxi has been appointed Prefect of Como in place of Avv. Bertinelli. Previously a non-career Vice Prefect of Milan (CLNAI appointment) he did not inspire much confidence.

6. Avv. G. Foggio has been appointed Prefect of Brescia in place of Avv. Bulloni.

7. Dr. A. Rodano has been appointed Prefect of Bergamo to fill the vacancy occasioned by the sudden demise of the former Prefect.

B. PUBLIC SAFETY

1. The outstanding feature of the month has been the remarkable success achieved by the Milan police - particularly the Carabinieri - which has earned for them the very high esteem of all sections of the public and press including AVANTI and UNITA'.

The astonishing thing is that they are able to do such good work notwithstanding all sorts of handicaps. There has been very little improvement in the way of clothing; equipment, transport, arms and ammunition during the month and now that C.E.M. stocks have been handed over to the Minister of Post-War Assistance practically nothing more can be done to help them. The most serious problem just now is gasoline. In every province the quantities allocated to the Police Agencies are hopelessly inadequate and in some cases even farcical. As

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an example, Como Questura received 220 litres for the month against 3000 received monthly during AMG period. In Milan the amount allotted is sufficient for 10 days.

2. Drastic changes have taken place in Milan Questura. The new Questore arrived on 15 February 1946 and brought with him several career officials from his previous station La Spezia. Four Vice-Questori and 11 Commissari have since been transferred and replaced by new career officials from other places. There has been a general tightening up in all departments of the Questura.

3. San Vittore prison, Milan, is once again a source of trouble, but this time the inmates are not responsible. Essential repairs commenced in August and which were to be completed in 6 weeks are not yet finished, and what has been done is far from satisfactory.

The Ministry of Grace and Justice has decided to reduce the per dien allowance for prisoners from 43 lire to 42 lire. The contractor states it is impossible to carry out his commitments at the new figure. The Ministry has also introduced a reduced wage scale for warders retroactive to 1 October 1945. This means that many warders will be compelled to reimburse from 14,000 to 22,000 lire to the Ministry. The guards refuse to accept the new scale and to repay any money to the Ministry. The Governor of the prison is to discuss the matter with Togliatti at a very early date.

4. Relations with all C.L.N. and security formations are very satisfactory. A few cases of Italian police road-blocks in the Milan area firing at Allied vehicles and wounding military personnel caused legitimate concern at 2 District and 59 Area. On 20 February 1946 a conference was held in the office of C.L.O. to discuss the matter and provide a solution which would afford the best possible safety to allied personnel without interfering with the work of the Italian police. The D. C. 2 District, AFM 59 Area and representatives of all the Italian Police Forces attended and it was decided that the C.M.P. should stage a demonstration on 5 March 1946 at which representatives of the Military Police and Italian Police Forces would assist to determine the type of road-block to be uniformly adopted in future.

The activities in Milan of the Military vice-Squad have led to resentment in many quarters and to avoid undesirable publicity in the press the Public Safety Liaison Off. has arranged for a conference of all concerned to take place on March 7, 1946.

5. The Carabinieri and Agents of P.S. are still very active in dealing with unlawful possession of arms. Fortyone raids were made during the month resulting in the arrest of 37 persons. Other 18 persons were arrested for unlawful possession of arms. On 17 February 1946 the Prefect of Milan issued a decree stating that all persons in possession of arms without proper authority could surrender them within 10 days and no questions would be asked. No information is yet available as to the result of this announcement.

6. The crime situation is slowly improving except in the City and Province of Milan where there have been 72 armed hold-ups or raids.

C. ECONOMIC

1. Cost of living generally is decreasing and only items in short supply are maintaining high prices. The tendency is for prices of goods and commodities to sag and both wholesalers and retailers complain of bad trade.

2. Food and Agriculture - Grain - The bread situation has been difficult owing to delay in the arrival of imported grain. The deficiency was met by withdrawals from reserve stocks and from Emilia. Instead of pasta the ministry ...

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in Lombardy will consist of 500 grammes of rice. Inconvenience in urban centres is envisaged and steps are being taken to try to increase the ration in large towns and abolish it entirely in producing areas. Meanwhile deliveries are not too satisfactory particularly due to non-delivery of rough rice to mills. Fats and cheese - General situation is not too good. Distributions of seed oil and margarine were made to cover January allowance and part of February. The new decree on free production and sale of dairy products was enacted, with exceptions for "grana" cheese, fresh milk for alimentation, condensed and powdered milk and butter. Sugar - Supplies regular. Salt - A ration of 1 kg. per person is assured for the month of March. Wine - Situation satisfactory. A measure is under examination to remove restrictions on the sale of wine. Miscellaneous - No distribution of Allied products was made during the month. No demand for dehydrated eggs especially due to the seasonal drop in egg prices. Firewood - Satisfactory. Prices have greatly decreased.

Although the Ispettorato Regionale has requested precise instructions from the central authorities so that control of foodstuffs can be fully re-established, laxity is still noted in this direction. Action by and reenforcement of food control police was requested in order to prevent illegal movement of rice which has caused the low deliveries to the "ammassi".

Local authorities are prone to experiment with cereal control. "Prenotation" of bread ration by consumers with a given baker was abolished regardless of the good results obtained by its compulsion. AMG fought vigorously to enforce it, thereby obtaining a saving of over 1500 tons of flour per month. During October 1945 (without prenotation) Milan consumed 17200 tons of flour, during the following months (with prenotation) the consumption was: November 15,700 tons, December 15,400 tons and January 15,100 tons. In view of the critical grain situation an experiment of this kind is difficult to justify.

Livestock - The captured animals account between Allied Forces and the Italian Government is regarded complete as of February 1, 1946 and final settlement will be made on numbers recorded on that date. Several cases of serious horse disease have occurred in Northern Italy which are said to have been introduced by animals imported into Italy by the Germans. Appropriate measures have been taken.

Fertilizers - Intervention by Food and Agriculture Division has made it possible to improve distribution.

Agricultural machinery - Arrivals of tractors and relative spare parts are reported from Venice.

Pasture salt - A further distribution was made in Lombardy during the month.

The Commissariato per l'Agricoltura e Foreste North Italy was handed over to the Ministry in Rome.

3. Labour - Situation unchanged. The unemployment bogey appears to scare both employers and employed who sense the lurking danger in its growth.

4. Industry and Commerce - Industry generally is faced with the same difficulties as for the previous month. The enforced retention of unproductive labour is still weighing heavily (in some cases it goes as far as 40-50%) and the limited possibility of dismissing excessive personnel on a monthly scaled rate is of serious concern from the financial standpoint.

In the iron-work sector production is about 50% of pre-war due to lack of coal, electric power and scrap-iron. Firms specialised in the manufacture and

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repair of railway rolling stock have work on hand for some time provided supplies of raw material are available. Certain firms have taken on extra workers (O.M., Brescia, 400), for the Repair Department and have increased piece-work rates to accelerate output.

The cotton spinning and wool combing and spinning industries are generally better off and most mills have work for six to nine months, much of which is for third party account.

It is reported that some 100 million tons of textiles are still in store in N. Italy, but high prices and inferior "autarchy" quality are obstacles to selling.

The North Italy Industrial Council is still awaiting its new denomination and absorption as an organ of the Ministry of Industry and Commerce. Meanwhile it continues to function as hitherto, with Vice-President Dott. Trencloni, who has resigned, still in charge.

While a decree for the recognition of Consigli di Gestione for industrial concerns is still under consideration, discussions are still going on as to their composition. A meeting called for this purpose by the Centro Economico per la Ricostruzione voted a resolution proposing that Consigli di Gestione be given deliberating powers and include representatives both of capital and labour. Industrialists on the other hand demand that Consigli di Gestione have only advisory functions.

It is reported that during the first fortnight of February the Pirelli works produced 8500 car and 3000 truck tyres.

D. PUBLIC WORKS AND UTILITIES

1. In order to coordinate the control of electric power supply, which is still serious, a "Commissariato Elettricita'" for Northern Italy has been formed with Ing. Ercole Bottani of the Istituto Politecnico Milan as Commissioner.

2. Drastic reductions in power supplies have been enforced throughout the Region and the rest of N. Italy, along the lines of AMG orders issued in November and December 1945.

3. In spite of demonstrations and threatened strikes, especially in the entertainment world, the rationing of light and power has ultimately been accepted as inevitable. It is now felt that the peak of the crisis is past and that it will be possible to carry on without further restrictions until the spring thaw sets in to refill the mountain reservoirs.

4. Public works during the month for an amount of Lire 2,329,658,965,00 employing 16,307 workers, have been carried out.

E. DISPLACED PERSONS

1. General - "B", "C" and "D" Group HQ. were amalgamated into HQ N.W. Group D.P.& R.S.C. on 8 February 1946, with offices in the old "D" Group HQ in Milan.

Acceptance and confirmation of hand-over of IT Camp 77 Milan to UNRRA w.e.f. 10 January 1946 is still awaited from UNRRA Rome. It is understood that UNRRA will take over IT 71 Camp Genoa and IT 17 Camp Turin but to date no information has been received.

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2. MEDICAL

IT. 17 Camp Turin	
a) No. of patients treated during February 1946	139
b) No. infectious diseases during month	1
c) No. of patients sent to Civ. hospital during month	5
IT. 71 Camp Genoa	
a) No. of patients treated during February 1946	554
b) No. of infectious diseases during month	0
c) No. of patients sent to Civ. hospital during month	8
IT. 77 Camp Milan	
a) No. of patients treated during February 1946	194
b) No. of infectious diseases during month	17
c) No. of patients sent to Civ. hospital during month	25

The general state of people arriving at IT 17 Camp Turin is frightful from the point of hygiene and sanitation. 91 cases of Scabies alone arrived during this month. There is only one disinfestor and in consequence people had to be confined to their quarters for days while disinfestation was carried out. Verminous cases were also numerous. The standard of personal hygiene is very low due, in the main, to a violent dislike of soap and water, which are not lacking. There is also an objection to fresh air and inmates will neither go out nor open windows unless compelled to. A first class clinic with duty nurses - day and night - together with hot milk, children's bath, etc. is now in force. The difficulty is to get the mothers to use this. They prefer the backyard style of "brewing up" against the outside walls of the building.

3. REFUGEES

a) IT Camp 17 Turin	
Refugees in Camp 1st February 1946	261
Arrivals during month	456
Evacuated	40
In camp 28 February 1946	677
b) IT. Camp 71 Genoa	
Refugees in Camp 1st February 1946	187
Arrivals during month	1499
Evacuated	1522
In camp 28 February 1946	164
c) IT. Camp 77 Milan	
Refugees in Camp 1st February 1946	660
Arrivals during month	613
Evacuated	613
In Camp 28 February 1946	660

4. REPATRIATION and WELFARE - Repatriation of Italian minors and families to Belgium and France from Novara and Milan to Genoa and then to Nice is still proceeding. A considerable financial saving has been made by using Group transport for repatriation to France. Negotiations are now in progress to send refugees to Nice direct by train. The French Security officials in Nice have not yet agreed to this proposal although the frontier police and Italian and French railway officials are prepared to offer every assistance.

5. WELFARE - Various workshops have been started at IT 17 Camp Turin for static refugees, and M.T. and wireless classes have also been started. It is

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considered essential that a welfare worker either UNRRA or BRCS be sent to IT 17 Camp Turin as soon as possible.

F. PUBLIC HEALTH - Normal

G. TRANSPORT AND COMMUNICATIONS

1. Railways - Work continued satisfactory. Closest liaison maintained with the I.S.R. and settlement of any difficulty is promptly effected. When the Transportation Office Liaison Group closes down arrangements have been made and instructions issued to Capi Compartimento for direct application to 13 Corps for movements of goods by rail into 13 Corps area.

2. Road - Truckers are very dissatisfied regarding control and issue of work tickets by E.N.A.C. and strikes have occurred at which demands have been made to limit the functions of E.N.A.C. to those solely administrative. Rumours are circulating to the effect that the sale of trucks by the appropriate Italian Ministry, will be effected contrary to recommendations of C.M.M. Branch and Transportation Office Liaison Group; if such does occur considerable trouble may be expected from those to whom trucks were originally leased by A.M.G. and to whom, it was recommended, should be given first option to purchase.

3. Air - Owing to trucking difficulties, delay is being experienced in carrying goods by air.

4. Waterways - Progress is being made.

5. Communications - General - For the first time in Italy a long lines Office has been set up in Rome to allocate and coordinate all long distance circuits. This is a radical departure from Italian communications practice with long lines being treated by each individual department of the Ministry concerned without reference to a central coordinating Office. Telephones - International telephone and telegraph traffic direct with France via Modane tunnel cable has been officially discontinued until a new cable can be laid. Limited facilities exist Via Switzerland.

Telegraphs - With few exceptions all provincial offices clear their traffic with greater speed. Mantova however still sends 20% of all traffic by post. The work of connecting up all village offices in time for elections is proceeding.

H. LEGAL AND EDUCATION - Nothing to report.

Col. A. N. HANCOCK, O.B.E.
Chief Liaison Officer

Distribution:

Executive Commissioner HQ. A.C.	10
Each Region Liguria, Venezia, Piemonte, Julia	2
HQ 59 Area	1
HQ 2 District	1
American Consul General, Milan	5
British Consul General, Milan	5
A. M. G. Venezia Giulia	2

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Tn. + Ship

SECRET



HEADQUARTERS

ALLIED MILITARY GOVERNMENT

13 CORPS

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HEADQUARTERS

ALLIED MILITARY GOVERNMENT

13 CORPS

MONTHLY REPORT FEBRUARY 1946

Declassified E.O. 12356 Section 3.3/NND No. 783021

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
15 CORPS

SUMMARY
of
MONTHLY REPORT
for month ending 28 February 1946.

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1. Political Situation.

There has been a considerable amount of political activity, with both sides preparing for the visit of the Foreign Ministers' delegates.
As usual, the pro-Jugoslavs have been most aggressive with their propaganda, and criticism of Allied Military Government has been one of the main features in the pro-Jugoslav press.

2. Local Government.

There has been little change in Local Government since the last report.
It may be possible to form a Communal Council in DOBERDO soon. This is an almost 100% Slovene Commune, but the CAO is confident of getting a President and Committee together. If this does succeed, DOBERDO will be the first Slovene Commune to function in accordance with G.C.

3. Venezia Giulia Police Force.

Progress in all matters connected with the Venezia Giulia Police Force has been extremely satisfactory during the month. Each day has shown an improvement in the morale, discipline and efficiency of all officers and men.

4. Economics.

During the month final agreements were made to set up control of movement of goods across the Morgan Line.

The immediate supply position of this territory is still unsatisfactory, and so far no reserves can be built up as shipping arrivals under the January/June 1946 programme are almost two months behind schedule.

5. Food.

Supplies of foodstuffs under the maintenance programme failed to arrive in the month of February. However, with the exception of fats, it was possible to issue the normal rations by borrowing from the Army and the Italian Government.

6. Transportation.

During the month four new passenger bus services were

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6. Transportation.

During the month four new passenger bus services were authorized, bringing the total to 44 first and third class services.

A further 41 Army vehicles have been assigned to the Truck Pool with a loading capacity of 127½ tons. These vehicles now bring the total held at the Pool to 116 vehicles (including trailers), with a potential lift of 410 tons in all.

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7. Agriculture.

The amassing of wheat i practically finished for this season, although another 30 quintals w re consigned to the Granai del Popolo during the month of February. Indian corn is still being brought in and the total amount amassed during February was 315 quintals.

Notification has been received of the arrival of 3,000 quintals of seed potatoes.

In spite of critical shortages in some supplies, the general picture is encouraging.

8. Industry & Utilities.

Although the influence of the political situation on industry in general has not abated, and the atmosphere remains tense, there has been no actual stoppage of work in the shipyards during the month. On the other hand, propaganda focussing attention on the need for freedom from labour troubles as an essential in securing new orders seems to have had a good effect.

9. Commerce.

A very important matter of policy was settled during the month. It was agreed, from the economic point of view, and in particular as far as trade is concerned, that this territory should be linked up with the Italian Government programmes of imports and exports. Such an arrangement [illegible]he only practical one to allow merchants of this territory to trade. They would be considered on the samefooting as Italian merchants, receiving foreign exchange and other facilities which we cannot offer.

10. Public Works.

All public works are progressing satisfactorily, and every effort is being made to absorb the maximum number of unemployed on the various projects.

The rebuilding of distressed villages is proceeding.

11. Public Health & Welfare.

General health continues to be extremely good,
Scabies still persists in the POLA and GORIZIA areas, and two deaths from rabies have been reported at POLA. Stringent instructions have been issued in regard to the control of dogs in TRIESTE, GORIZIA and POLA Areas.

12. Displaced Persons.

The flow of displaced persons continues and the figures shew a slight increase over the previous month.
The Assembly Centre in TRIESTE dealt with the following persons: -

	Entered	Evacuated

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	Entered	Evacuated
Civilians	692	687
Ex-P's	80	81
Total figures	772	768

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13. Labour.

Cost of living computation tables have finally been revised to conform with those of northernITALY so that comparison will be possible.

The Previdenza Sociale has finally been authorized to begin payment of the 80 lire per day indemnity for unemployment (for those discharged after 31st August) from 1st January to 31st March 1946,

The total number of unemployed for the territory is now: 29,136, an increase of 886 over the previous month.

14. Finance.

Credits authorized in favour of public bodies during February amounted to nearly 1, million lire. About 50% of this amount relates to public works and repair of war damaged property.

Italian decrees are being adapted wherever possible, and more responsibility is being put on the Italian State officials in regard to the preparation of revenue decrees for this territory.

A plan is being prepared for the establishment of checking posts and customs on the main crossing points of the Morgan Line.

15. Property Control.

During February 14 additional properties of all classes were taken under control, making 3 to date. The return to owners of 2, authorized some time ago, was completed, making 70 returned in all.

By Administrative Instruction Ref. No AMG 85/36 dated 22nd February 1946 the Jewish Office in TRIESTE was closed, and its' functions in so far as they coincide with the directives relating to the administration of Allied Property, were assumed by the Property Control Division AMG 13 Corps.

16. Legal.

Summary Courts - During February 1946, a total of 308 accused were tried by Summary Courts on 340 charges. These figures compare with 271 accused on 331 charges in January 1946, an increase of 37 and 9 respectively.

Superior Courts - In the Superior Courts, TRIESTE, 38 cases were disposed of (as compared with 21 in January) on 42 charges (as compared with 27 in January).

Cases involving the illegal possession of firearms were substantially the same as those of January (February 18 - January 17), but a sharp increase was noted in the number of cases for theft and illegal possession of Allied property (February 25, January 6).

17. Education.

Slovene elementary school programmes were distributed to all

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17. Education.

Slovene elementary school programmes were distributed to all the Slovene and Croat elementary schools.

On the 12th, 13th, and th of February, Slovene secondary school students of TRIESTE went on strike protesting against the employment of Prof, BARAGA in the Education Division. (Prof. BARAGA was condemned to death as a traitor by a peoples' court at LJUBLJANA on 7th February 1946). The Slovene students of GORIZIA followed suit on the 14th, 15th, and 16th of February.

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17. Education.(Co[illegible])

The Slovene Communist paper "Primorski Dnevnik" continued to attack Allied Military Government's education policy, and is requesting complete autonomy for the Slavic schools of VENEZIA GIULIA.

18. Telecommunications.

A telegraph circuit TRIESTE-LUBIANA was opened up during the month.

The new postal tariffs will be implemented on 1st March.

Decree No 35 and Finance Notice No 10 which allow a general licence to conduct transactional and non-transactional correspondence with the non-enemy world, will come into force on 5th March. Copies of these decrees and notices will be sent by the Chief Finance Officer to the VENICE censor Control Station and the Communications Sub-Commission, who are arranging to forward copies to the Italian Civil Censor for the information of GENOA.

19. Public Relations.

23 correspondents visited VENEZIA GIULIA during the month and were looked after by Public Relations.

The trends in the local press campaign, which has become intensified on both sides with the imminent arrival of the Boundary Commission, have been carefully watched and reported on by the Public Relations Section, who have been careful to check any misrepresentation or misunderstanding of Allied Military Government policy and intentions.

Over 60 News Items and announcements concerning the activities of the various Divisions of Allied Military Government were passed during the month to the News Division of AIS for onward transmission to the local Press.

20. Patriots.

Bonuses to next of kin and wounded partisans are continuing, and up to 28th February claims of:

152	next of kin
55	wounded
32	hospital charges

were paid.

An announcement has been sent to the press stating that all claims must be deposited in the Patriots Office before 31st March 1946.

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SECRET

ALLIED [illegible] GOVERNMENT
[illegible]

MONTHLY REPORT
for month ending 28 February 1946

1. POLITICAL SITUATION.

There has been a considerable amount of political activity, with both sides preparing for the visit of the Foreign Ministers' delegates.
As usual, the pro-Jugoslavs have been most aggressive with their propaganda, and criticism of Allied Military Government has been one of the main features in the pro-Jugoslav press.

Throughout the month, reports of a steady influx of Slovenes from Zone 'B' continued to come in, causing some apprehension on the part of the Italian population.

Red starred Jugoslav flags were being placed in the most prominent positions, triumphal arches and numerous pro-Tito road and wall signs were appearing everywhere. Many false rumours of the arrival of the Foreign Ministers' delegates, caused crowds to assemble in the main squares, although most of the people behaved in an orderly manner.

Reported Jugoslav troop movements in Zone 'B' did little to ease a situation which by the end of the month was becoming tense.

The U.A.I.S continued their violent anti-Venezia Giulia Police campaign, and the two following incidents were amongst many reported throughout the territory.

On 25th February at CAPORETTO (GORIZIA Area) about 600 people gathered in the main square to protest against the newly arrived detachment of Venezia Giulia Police, and also against the dismissal of a Slovene teacher. Members of the Venezia Giulia Police Force who were sent to the scene to ensure law and order, were immediately met by threats and insults. The crowd eventually dispersed and order was restored.

A similar demonstration, in which approximately 400 people took part, occurred at PLEZZO on 27th February. Enquiries later proved that about 90% of the demonstrators had come from Zone 'B'.

The Slovene Communist paper "Primorski Dnevnik" again attacked the Allied Military Government's education policy, and is now requesting complete autonomy for the Slavic schools of VENEZIA GIULIA.

On the 12th, 13th, and 14th of February, Slovene secondary school students of TRIESTE went on strike protesting against the employment of Prof.BARAGA with the Education Division of Allied Military Government. (Prof.BARAGA was condemned to death as a traitor by a people's court at Ljubljana on 7th February 1946.) The Slovene

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2. LOCAL GOVERNMENT.

There has been little change in Local Government since the last report.

It may be possible to form a Communal council in DOBERDO soon. This is an almost 100% Slovene Commune, but the CLO is confident of getting a President and Committee together. If this does succeed, DOBERDO will be the first Slovene Commune to function in accordance with the terms of General Order No 11.

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5. VENEZIA GIULIA POLICE FORCE.

(a) Civil Police -

Progress in all matters connected with the Venezia Giulia Police Force has been extremely satisfactory during the month. Each day has shewn an improvement in the morale, discipline and efficiency of all officers and men.

The dis-association of Military and Civil Police has proceeded according to plan, and all 'official' vulnerable points such as prisons, Government buildings etc, in the territory are now under Civil Police guard.

With the intake of 256 recruits from the training school on 15th February 1946, coupled with the direct recruiting of certain trained and technical personnel, the strength of the force to date is 2,788 officers and other ranks.

At POLA on 4th February, contingents of Military and Civil Police were inspected by the Corps Commander, Lt.General Sir John HARDING, who paid high tribute to the smartness and turn-out of the Venezia Giulia Police Force contingents.

Mounted units of the Venezia Giulia Police Force (without Allied escorts) have appeared on the streets of TRIESTE and GORIZIA.

The Traffic Police Branch in its' drive against traffic offenders, has done really excellent work, 763 reports of offences have been submitted and dealt with.

Eleven more Police sub-stations have been opened and manned; five in TRIESTE Area and six in GORIZIA Area. Five sub-stations in GORIZIA Area are now manned exclusively by Venezia Giulia Police personnel.

(b) Crime -

Two of the more serious crimes which have come to light are reported as follows: -

1) On 31st January a Jugoslav named ERCTULIPAC Giovanni was murdered by another Jugoslav - BENCIC Lino - in broad daylight in one of the principal streets of TRIESTE. The murderer was immediately arrested. A definite political motive was behind this crime.

2) At SISTIANA, during the night of 20th February, a man named COBAL Giuseppe was murdered in his house. Robbery was probably the motive. So far no arrests have been made.

(c) Black Market -

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2) At SISTIANA, during the night of 20th February, a man named COBAL Giuseppe was murdered in his house. Robbery was probably the motive. So far no arrests have been made.

(c) Black Market -

There has been no noticeable increase in black market activities.
Economic road blocks have been instituted along the Morgan Line, and the General Order controlling the export and import of goods is now awaited.

(d) Brothels and Prostitution -

There is no increase in prostitution in the territory. The Morality Squad of the CID continues to maintain a close watch on the activities of clandestine prostitutes, and the following

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3. VENEZIA GIULIA POLICE FORCE.(Cont.of Brothels and Prostitution)

figures prove they are achieving results:

- TRIESTE -

Prostitutes registered in brothels	223
" detained for medical inspection	1,164
" found infected and sent to hospital	111
" expelled from the occupied territory	33
" arrested for other offences	9

- GORIZIA -

Prostitutes detained for medical inspection	40
" sent to hospital	37
" expelled from occupied territory	7
" found infected	10
Premises placed "Off Limits"	1

- POLA -

Prostitutes registered in brothels	95
" found infected and removed to hospital	8

(e) Civil Prisons -

The prisons in TRIESTE are still overcrowded, and in an attempt to alleviate this position HQ Allied Commission have been requested to approach the Italian Government with a view to the possible transference of certain long-term convicted prisoners to penal establishments in ITALY.
There has never been any suitable penal establishment in this area, and previously all long-term prisoners were transferred to prisons in other parts of ITALY. As the number of this class of prisoner is about 200, a satisfactory reply to this request will be of great assistance in reducing overcrowding.

(f) Forgery and Uttering of Allied Currency Notes -

One case has been reported in TRIESTE of an attempt to pass a false 1,000 lire note to purchase contraband cigarettes.

Twenty cases have come to light during the month in GORIZIA Area; enquiries are proceeding.

4. ECONOMICS.

During the month final arrangements were made to set up control of movement of goods across the Morgan Line, although up to the end of February the actual order had not been put into force.

A system of import, export and transit licences is now in use by the Commerce Division, and this is proving most useful in controlling movement of goods into and out of the territory.

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The immediate supply position of this territory is still unsatisfactory, and so far no reserves can be built up as shipping arrivals under the Jan/June 1946 programme are almost two months behind schedule.
Latest notifications of shipping are the S/S A.P.Hill due in VENICE during the first week of February with approximately 5,000 tons of miscellaneous cargo for VENEZIA GIULIA, and a further ship now loading, the S/S Andrew Furusuth, with 7/8,000 tons of wheat and flour, also for this territory.

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5. FOOD.

Supplies of foodstuffs for the maintenance programme failed to arrive in the month of February. However, with the exception of fats, it was possible to issue the normal rations by borrowing from the Army and the Italian Government.

Fats were issued on the following scales:

TRIESTE - (City and Area) - 150 grams of fats against the January ration.
GORIZIA - (City and Area) - 1/10 Litre of vegetable oil on a/c Feb "
POLA - 150 grams on a/c of February (half POLA's ration).

Free market prices showed little change over January.
As from 1st March the salt ration will be increased from 300 to 400 grams per person, in keeping with the increase in ITALY. The whole territory received 100 grams of imported soap during the month.

6. TRANSPORTATION.

(a) General -

During the month four new passenger bus services were authorized, bringing the total to 44 first and third class services.

A further 41 Army vehicles have been assigned to the Truck Pool with a loading capacity of 127½ tons. These vehicles now bring the total held at the Pool to 116 vehicles (including trailers), with a potential lift of 410 tons in all.

Only 40 tyres of various sizes were brought into the Zone during the month, and these were distributed in conjunction with the Chamber of Commerce at Controlled Prices.

(b) Port and Warehouse Section -

	Cargo received	
	Inward Tons	Outward to consumer Tons
Ships (Military) Coal (Military, Railways and Allied Military Government)	17,898	17,729
Allied Military Government supplies received Warehouse 6	2,010	1,886
UGENA (Schooners) mixed cargoes	1,572	1,713
Ex SS "JOHN HENRY" (Wheat discharged VENICE in account of SEFRAL)	2,578	2,578
Total	24,058	23,906

(c) Road Section -

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(c) Road Section -

The tonnages moved by road are as follows: -

	Inward	Outward	Within Area	Total
TRIESTE Area	9,26[illegible]	2,956	19,230	31,501
GORIZIA Area	1,8[illegible]	1,574	1,230	4,643
POLA Area	1,5[illegible]	5	2,346	3,857
Totals for VENEZIA GIULIA	12,617	4,533	22,956	40,006

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6. TRANSPORTATION. (Cont.)

(d) Shipping Section -

The S.S.POLA is now at VENICE undergoing overhauling in preparation for the TRIESTE-POLA service. It may be possible to carry 800 persons and 12 wagon loads of freight, and will probably make the journey three times a week.

(e) Rail Section -

Bids into Zone 'A'	5,451	tons
" from " "	14,114	"
	19,565	tons
Bids into Zone 'B'	780	tons
" from " "	553	"
	1,333	tons

Total bids accepted by 'Q' Movements for February 1946: 20,898 tons.

7. AGRICULTURE.

(a) General -

The amassing of wheat is practically finished for this season, although another 50 quintals were consigned to the Granai del Popolo during the month of February.
Indian corn is still being brought in, and the total amount amassed during February was 315 quintals.

Notification has been received of the arrival of 3,000 quintals of seed potatoes. This quantity is far below the needs of the territory, and further quantities have been requested.
Copper sulphate has arrived, but the 1,000 quintals divided between TRIESTE and GORIZIA still leave a shortage of 500 quintals, and a request for this additional quantity has been submitted. There is also a serious shortage of perphosphate fertilizer.

In spite of critical shortages in some supplies, the general picture is encouraging. Increased plantings will bring greater harvests and cut down the need for imported foodstuffs. The decrease in retail prices for foods, already reflects the improved agricultural trend, and better organization among farm agencies has raised the morale of the small producers. Despite the uncertain political future, many farmers feel that control agencies and aids to stabilize and assist the producers will be continued for some time. Many new barns are being built, and new livestock of better breeding quality is being purchased whenever possible.

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(b) Livestock -

The veterinary service has investigated reports of horse diseases among stock in the northern parts of ITALY, but has found no epidemic spread anywhere in VENEZIA GIULIA. Scattered cases of scabies were found among horses brought in from AUSTRIA, but quick creoline treatments are wiping out this

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7. AGRICULTURE. (Cont. of Livestock)

minor disease.

Horses and mules distributed now approach a total of 500. During the coming month, notice will be given that these equines may be purchased and owned by the farmers, instead of merely temporarily consigned as at present. This will please the farmers, who dislike fattening and conditioning an animal which, they fear, may be taken back at any time by government agencies.

(c) Fisheries -

New nets have been made up and boats are being put into repair to ensure a sizeable increase in fish production this Spring.

The fresh water fish hatcheries at CAPORETTO are now reconstructed, and the Isonzo and other streams will be restocked this Summer.

(d) Forestry -

Forestry projects are now under way.
The 2,000,000 trees requested from ROME, were found to be available in state nurseries throughout ITALY, and digging and transportation are now being arranged. Extensive nursery schemes in this area are being planned, so that sufficient nursery stock will be available locally for next season's replanting.

(e) Land reclamation -

Some of the land reclamation projects in the flats near GRADO have been completed, and others are nearing completion. Many new projects are awaiting favourable approval by Finance.
Due to drainage, irrigation repairs, the filling in of tank-traps and reclamation schemes etc., it is expected that the acreage planted this coming spring will be nearly double that of the past season.

8. INDUSTRY & UTILITIES.

Although the influence of the political situation on industry in general has not abated, and the atmosphere remains tense, there has been no actual stoppage of work in the shipyards during the month. On the other hand, propaganda focussing attention on the need for freedom from labour troubles as an essential to securing new orders seems to have had a good effect.

The "Citta' di Tunisi", converted for use as a troopship, left the S.MARCO yard on 27th February and good progress is being made on reconversion of the "Impire Mac Cabe" at MONFALCONE. Work continues on other ships referred to in earlier reports.

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The Engine Works of S.ANDREA are engaged on Diesel engines and turbine gears for various ships under construction, and are also repairing six steam locos for the state railways.

The Aero Works at MONFALCONE are now actively engaged on repairing railway wagons.

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8. INDUSTRY & UTILITIES. (Cont.)

In the absence of fresh supplies of raw cotton, the Cotonificio Triestino mill at GORIZIA had to fall back on its' reserves, and working hours were cut from 48 to 32 per week. Output in all departments averaged about 60%, and approximately 420,000 metres of cloth were produced.

Smaller industrial establishments, better able to look after their own supplies of raw materials, have done reasonably well. Foundries, however, have been handicapped by the poor quality of coke produced by ILVA. Much of the coal imported during the month has had a coking factor of less than 5, and only by exchanging 1,200 tons for a similar quantity of more suitable coal held by a local B3D, has the gas supply in TRIESTE been maintained.

In GORIZIA and POLA the gas supply has been maintained without difficulty.

Electricity remains in short supply and present restrictions will have to continue for the time being. The TRIESTE economy measures are still the most successful in the territory, and amount to 30% on November figures.

Reconstruction in the port of TRIESTE continues satisfactorily, and the improvement in the weather is facilitating outdoor construction. With the disbanding of 932 Pioneer Coy, all reconstruction is now controlled by the Industry & Utilities Division.

9. COMMERCE.

(a) General -

A very important matter of policy was settled during the month. It was agreed, from the economic point of view, and in particular as far as trade is concerned, that this territory should be linked up with the Italian Government programmes of imports and exports. Such an arrangement is the only practical one to allow merchants of this territory to trade. They would be considered on the same footing as Italian merchants, receiving foreign exchange and other facilities which we cannot offer.

(b) Firewood -

Due to the high price and mild weather, firewood is being distributed very slowly. The total amount issued during February was: 16,927 qls.
The total balance in hand is 37,557 "

(c) P.O.L. -

POL consumption has been on a rather low level in February. This may be due to the unsteady development of transportation activities.

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76 tons of industrial oils and greases were received at the end of January. Certain types of lubricants are still lacking, therefore this stock has brought about only a partial improvement in the industrial oils and greases situation. A further [illegible] tons are expected about the 8th March. After receipt, an inventory will be made and H.Q.A.C. advised, so as to speed up deliveries of other special types required.

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9. COMMERCE. (Cont.)

(d) Coal -

Arrivals during February	Date of discharge	Tons.
S/S William Love Watson	5.2.1946	8,469
S/S Empire Fawley	18.2.1946	9,429
S/S Port Jasper	27.2.1946	8,562
		26,460

Diverted to Military users:	Tons.
88 Div UDINE	3,000
55 Area	1,500
C.E.	1,500
M.S.R.	3,000
Railway	1,000
	10,000

Civilian distribution:	Tons.
I.L.V.A.	4,000
TRIESTE	3,022
GORIZIA	2,680
POLA	1,228
UDINE	4,700
	15,630

Balance in dumps: Tons. 830

Expected Arrivals: S/S Kenneth McKenzie " 7,751

10. PUBLIC WORKS.

All public works are progressing satisfactorily, and every effort is being made to absorb the maximum number of unemployed on the various projects.

The rebuilding of distressed villages is proceeding. The system practised heretofore of building the village by direct labour (economia) has been abolished, as it was found to be too slow and too expensive. The system now employed is for the local citizens to designate twenty houses for repair. These are then let out to contract. If the labour is available, several groups of twenty may be undertaken at one time. Two villages in TRIESTE Area, CARESANA and CASIGLIANO, have been declared distressed, and work will start on them shortly.

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Diverted to Military users:	Tons.
88 Div UDINE	3,000
55 Area	1,500
C.E.	1,500
M.S.R.	3,000
Railway	1,000
	10,000

Civilian distribution:	Tons.
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11. PUBLIC HEALTH & WELFARE.

(a) General -

General health continues to be extremely good.
Scabies still persists in the POLA and GORIZIA Areas. Two deaths from rabies have been reported at POLA and stringent instructions have been issued in regard to the control of dogs in TRIESTE, GORIZIA and POLA Areas.

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11. PUBLIC HEALTH & WELFARE. (Cont. of General)

The anti-rat campaign in TRIESTE continues to make good progress.

(b) Hospitals General -

At TRIESTE as previously reported, there continues to be a good deal of political intrigue among the staff of the Ospedale Maggiore, chiefly concerned with Epuration and other political problems.
It centres mainly around Dott.ZECCHARI, the Director of the hospital, who is the chairman of an unofficial body which calls itself the Sindacato dei Medici, and has no legal standing. It is hoped that when the new Board of Management, which is now under discussion, is finally elected, some measure of control will take effect to curb these undesirable influences.

Steady progress continues to be made with hospital rehabilitation and rebuilding schemes.

(c) Medical Supplies -

Owing to non-arrival of Allied Military Government medical supplies, stocks are getting very low. The matter has been taken up with the Economic and Supply Divisions with a view to hastening delivery.

(d) Venereal Disease -

Figures for VD have remained comparatively stationary. The new ambulatorio of the Questura, TRIESTE, is working well, and conditions at POLA have greatly improved since the institution of the anti-VD scheme.

(e) Welfare -

During the month much hard work has been done by the Italian Red Cross Liaison officers on the problem of child welfare. The old system of providing "ricreatori" where children could be kept from the streets is to be revived.
A Committee of local welfare officials has been formed and the Commune is represented. No precise details can as yet be given but it is expected that the scheme will be working in time for the next monthly report.

The Ente Comunale di Assistenza continues its' welfare work.

When supplies of Red Cross parcels are received, the outlying Areas of GORIZIA and POLA will be considered. To date no supplies of clothing are available.

12. DISPLACED PERSONS.

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12. DISPLACED PERSONS.

The flow of displaced persons continues and the figures show a slight increase over the previous month.

The Assembly Centre in TRIESTE dealt with the following persons:

	Entered	Evacuated
Civilians	692	687
Ex-PWs	80	81
Total figures	772	768

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13. LABOUR.

(a) Cost of living -

Cost of living computation tables have finally been revised to conform with those of Northern ITALY so that comparison will be possible.

(b) Wage agreements -

The varied, separate category contracts are rapidly being concluded for TRIESTE Area with little or no trouble. The whole job is still to be done for both POLA and GORIZIA. It has been decided that these negotiations will take place in TRIESTE in the near future. No great difficulty is expected, in that the only question to be resolved is whether or not POLA and GORIZIA accept the TRIESTE agreements. If not, the few changes to be made are too slight to weigh very much.
An agreement must also be made for ACEGAT wages. Negotiations will begin on 8th March 1946 and contracts will be based on the industrial wage contract.

(c) Strikes -

Only the insurance workers walked out to follow the general pattern of the strike which took place in north ITALY, and walked in again when agreement was reached in MILANO.

Several strikes were rumoured (the normal run of political ones) but none took place.

(d) Unemployment Benefit -

The Previdenza Sociale has finally been authorized to begin payment of the 80 lire per day indemnity for unemployment (for those discharged after 31 August) from 1 January to 31 March 1946.

(e) Unemployment -

The total number of unemployed for the territory is now: 29,136, an increase of 866 over the previous month.

14. FINANCE.

(a) State Expenditure -

Public Agencies - Credits authorised in favour of public bodies during February amounted to nearly 1,500 million lire. About 50% of this amount relates to public works and repair of war damaged propert
The proportion in respect of TRIESTE Area is about 4/5 of the whole, mainly due to the fact that there are public agencies in TRIESTE which administer branches in GORIZIA and POLA.

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(b) Legislation -

Good progress is being made in the adaptation of Italian decrees, and nine General Orders are in course of preparation. Five Orders became law in February, and eleven other Orders are in course of publication or preparation.

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14. FINANCE. (Cont. of Legislation)

Italian decrees are being adapted wherever possible, and more responsibility is being put on the Italian State officials in regard to the preparation of revenue decrees for this territory.

(c) Customs -

A plan is being prepared for the establishment of checking posts and customs on the main crossing points of the Morgan Line.

(d) Finance Guards -

The pre-war establishment was 2,500 whereas now it is less than 500. Owing to the financial investigations which they are required to conduct, a competent body of Finance Guards is essential.

(e) Monopoly -

It is hoped to increase the weekly ration of pipe and cigarette tobacco.

Offers have been received to supply foreign cigarettes to this territory and negotiations are proceeding.

15. PROPERTY CONTROL.

(a) Allied Owned Property -

During February 14 additional properties of all classes were taken under control, making 349 to date. The return to owners of 2, authorized some time ago, was completed, making 70 returned in all.

(b) Italian State, Para-statal and ex-Fascist Property -

Although much work has been done in clarifying the position of this class of property, nothing further was taken under formal control.

(c) Enemy Property -

A great deal of spade work has been carried out on this class of property and it is hoped that the results will become apparent before the end of March.

(d) Jewish Property -

By Administrative Instruction Ref. No. AMG 85/36 dated 22 February 1946 the Jewish Office in TRIESTE was closed, and

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(d) Jewish Property -

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16. LEGAL.

(a) Allied Military Courts -

Summary Courts - During February 1946, a total of 308 accused were tried by Summary Courts on 340 charges. These figures compare with 271 accused on 331 charges in January 1946, an increase of 37 and 9 respectively.

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16. LEGAL. (Cont. of Allied Military Courts)

Superior Courts - In the Superior Court, TRIESTE, 38 cases were disposed of (as compared with 21 in January), on 42 charges (as compared with 27 in January).

Cases involving the illegal possession of firearms were substantially the same as those of January (February 18 - January 17), but a sharp increase was noted in the number of cases for theft and illegal possession of Allied property (February 23, January 6).

No Superior Court cases were tried in POLA Area, and only 2 in GORIZIA Area.

General Court - No General Court cases were tried during February.

(b) Civil Courts -

The Civil Courts continue to function with reasonable satisfaction.

(c) Preparation of Legislation -

Among the Orders in the course of preparation is an Order for the compilation of electoral rolls for the territory. The Order has been approved in substance by the Allied Sub-Commission on local Government.

(d) Proclamations and Orders -

Details of the proclamations, general orders, and orders etc. published during February 1946 are attached as Appendix 'A'.

17. EDUCATION.

During the month Lt.Col.C.W.WASHBURNE, Director of Education, Allied Commission, arrived in VENEZIA GIULIA for a several weeks' visit. He participated actively at the teachers' congress held in TRIESTE on 19th and 20th February, and with the Chief Education officer, visited Italian and Slavic schools throughout the territory.

Slovene elementary school programmes were distributed to all the Slovene and Croat elementary schools.

On 8th February all Slovene schools celebrated the 97th anniversary of the death of the great Slovene poet FRAN PRESEREN. Only a few schools turned the occasion into a semi-political demonstration.

On the 12th, 13th, and 14th of February, Slovene secondary school students of TRIESTE went on strike protesting against the

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On the 12th, 13th, and 14th of February, Slovene secondary school students of TRIESTE went on strike protesting against the employment of Prof.BARAGA in the Education Division. (Prof.BARAGA was condemned to death as a traitor by a peoples' court at LJUBLJANA on 7th February 1946). The Slovene students of GORIZIA followed suit on the 14th, 15th, and 16th of February.

The Slovene Communist paper "Primorski Dnevnik" continued to attack Allied Military Government's education policy, and is requesting complete autonomy for the Slavic schools of VENEZIA GIULIA.

In many sectors of the region, Slovene parents held demonstrations against the dismissal of a number of Slovene teachers "on security grounds".

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17. EDUCATION. (Cont.)

In accordance with the FSS, the Education officer will review each case. Where the individual dismissed is not actually considered a threat to security, dangerous, conducting subversive activities, or receiving pay from the FNOO or the Jugoslav Government in addition to his teacher's salary, he will be reinstated.

The "Refezione Scolastica" is moving along at full steam in all the territory. In TRIESTE Commune, over 5,000 elementary school children will be served one free meal per day beginning 1st March.

18. TELECOMMUNICATIONS.

During the month a loan of 15 million lire was arranged through the Chief Finance officer for the TELVE Telephone Coy. The main condition to the loan was that it would not in any way affect Zone 'B'. The Direttore gave an assurance that it would not do so.

The following telegraph circuit was opened during the month: -

TRIESTE - LUBLANA

The new postal tariffs will be implemented on 1st March.

Decree No 35 and Finance Notice No 10 which allow a general licence to conduct transactional and non-transactional correspondence with the non-enemy world, will come into force on 5th March. Copies of these decrees and notices will be sent by the Chief Finance Officer to the VENICE Censor Control Station and the Communications Sub-Commission, who are arranging to forward copies to the Italian Civil Censor for the information of GENOA.

19. PUBLIC RELATIONS.

23 correspondents visited VENEZIA GIULIA during the month and were looked after by Public Relations.

The trends in the local press campaign, which has become intensified on both sides with the imminent arrival of the Boundary Commission, have been carefully watched and reported on by the Public Relations Section, who have been careful to check any misrepresentation or misunderstanding of Allied Military Government policy and intentions.

Over 60 News items and announcements concerning the activities of the various Divisions of Allied Military Government were passed during the month to the News Division of AIS for onward transmission to the local Press.

A special Press conference was held during the month at which Major FODEN, Chief Industry Officer of Allied Military Government 13 Corps, explained progress in the work on the rehabilitation of the port of TRIESTE. This was followed up a week later by a conducted tour of local journalists around the port, where many questions were

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The SCAO's Press Conferences have been continued throughout the month.

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20. PATRIOTS.

Bonuses to next of kin and wounded partisans are continuing, and up to 28th February claims of:

152	next of kin
55	wounded
32	hospital charges

were paid.

An announcement has been sent to the press stating that all claims must be deposited in the Patriots Office before 31st March 1946.

The Associazione Partigiani Italiani has now started a building cooperative society to assist ex-partisans, and has received orders for work from Allied Military Government.

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APPENDIX 'A'

GENERAL ORDERS, ORDERS, AND ADMINISTRATIVE ORDERS PUBLISHED DURING FEBRUARY 1946:

a. General Orders:

No 42 - Disabilities of directors or Vice-directors, auditors and receivers of private enterprises by reason of Fascist participation or sympathies or collaboration with Germans -
No 43 - Supplementary family allowance and re-arrangement of existing allowances -
No 44 - Further provisions implementing General Order No 5 restoring Jewish personal rights -

b. Orders:

No 66 - Commissions and additional compensation of collectors of direct taxes -
No 67 - Appointment of additional assessors of Ordinary Court of Assize from POLA -
No 68 - Amendment to General Order No 20 - Re-organization of the professions -
No 69 - Competition for appointment of Judicial administrators -
No 70 - Examination for attorneys - Supplement to Order No 65 -
No 71 - Price control of essential commodities and services - Amendments to General Order No 26 -
No 72 - Repayment of costs for thermo-electric power -
No 73 - Increase in amount of fines for traffic offences -
No 74 - Establishment of Territorial Medical Commission of Appeal for Merchant seamen -
No 75 - Payment of a Christmas bonus to public employees and pensioners -
No 76 - Permission to accept a bequest made to the S.MARIA MAGGIORE in TRIESTE church -
No 77 - Permission to accept a gift made to the Roman Catholic church of S.NICOLO' of ARIS (Chiesa Cattolica Romana di S.NICOLO' di ARIS) -
No 78 - Arbitration and mediation in Labour relations -
No 79 - Repeal of existing law that unregistered transfers of real property rights are void -
No 80 - Termination of contributions from salaries of commercial workers for certain emergency indemnities -

c. Administrative Orders:

No 26 - Temporary appointment of Dr.PASCOLI Bruno as substitute of local magistrate -
No 27 - Retention in service of judiciary officials who have reached the age of retirement -
No 28 - Appointment of Dott.ROMBA Giorgio as Ispettore

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reason of fascist participation or sympathies in collaboration with Germans -
No 43 - Supplementary family allowance and re-arrangement of existing allowances -
No 44 - Further provisions implementing General Order No 3 restoring Jewish personal rights -

b. Orders:

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No 67 - Appointment of additional assessors of Ordinary Court of Assize from POLA -
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No 27 - Retention in service of judiciary officials who have reached the age of retirement -
No 28 - Appointment of Dott.ROBBA Giorgio as Ispettore Dermosifilografo -
No 29 - Appointment of KRECIC Giorgio as first secretary, Chief administrative section, and of GOIA Amelio as Chief of the statistical section of the territorial Inspectorate of Agriculture -
No 30 - Provisional appointment of honorary vice-pretors in the Mandamento of TRIESTE -

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Fr. & Ship.

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

Ref: LSC/606 19th March, 1946.

SUBJECT: Report of Labour Sub-Commission, Allied Commission, Italy, for the month of February, 1946.

TO: Economic Section.

OUTLINE.

A. INTRODUCTION
B. WAGES, HOURS AND WORKING CONDITIONS
C. SOCIAL INSURANCE
D. INDUSTRIAL UNREST
E. COST OF FOOD
F. MISCELLANEOUS LABOUR MATTERS.

A. INTRODUCTION.

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

2. The Sub-Committee appointed by the Labour and Wages Committee on the 28th December, 1945, to consider simplification of the wage system for Allied Force employees, following a request made by the Deputy Director of Labour, G.H.Q., C.M.F., formulated wage scales in collaboration with representatives of the Italian Government and Italian Labour.

These proposals, which set out basic wage rates for five categories of daily paid workers and an appropriate variable cost of living bonus, were accepted by the Labour and Wages Committee for submission to A.F.H.Q. Similar proposals are under preparation in respect of administrative, office, clerical, hotel, mess, club and marine workers.

3. Little industrial unrest occurred during the month; only two strikes of importance were reported, one affecting electrical workers in Naples and one affecting clerks in Turin.

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

B. WAGES, HOURS AND WORKING CONDITIONS.

1. Wage Rates of Allied Force Civilian Employees.

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B. WAGES, HOURS AND WORKING CONDITIONS
C. SOCIAL INSURANCE
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B. WAGES, HOURS AND WORKING CONDITIONS.

1. Wage Rates of Allied Force Civilian Employees.

(i) The Sub-Committee of the Labour and Wage Committee appointed on 28th December, 1945, to explore possibilities of simplifying the system of calculating payment of wages and bonuses to civilian employees of the Armed Forces has had further meetings during the month, viz. on 15th February, when Allied representatives met in the morning and resumed in the afternoon with the attendance of the Italian representatives, and on the 19th February, when both Allied and Italian representatives were present.

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On the basis of proposals submitted by Labour Sub-Commission consideration was given to:-

(a) Existing occupational classification of Armed Force employees with a view to consolidating the classifications into a relatively few general categories, and establishing appropriate basic rates;

(b) Existing local variations in the cost of living bonuses paid by the Armed Forces with a view to establishing a uniform variable scale.

(ii) The Sub-Committee found that the proposals submitted conformed to the Italian industrial agreement of 6th December, 1945, which established basic principles of wage calculation and bonus payment in respect of specified categories, and that the revised scales could be applied without any major disturbance of existing Allied Force wage levels.

They accordingly agreed to recommend:-

(a) The division of industrial daily paid workers into five categories, viz: specialised, qualified, apprentices, semi-skilled and unskilled;

(b) That a distinction be drawn in future as regards workers who are heads of families and those who are not heads of families. (This important distinction is an innovation in Allied Force employment but can be readily introduced because heads of families can produce suitable evidence, and the distinction as regards new engagements should in due course effect a saving in expenditure).

(c) Acceptance of the revised basic wage rates which had been calculated having regard to the minimum basic wages established by the above-mentioned Italian industrial agreement in respect of zone 2, and relating to the mechanical, iron, building and wood-working industries, that is to say, those trades which appeared to be most closely related to the types of employment and conditions of labour of the civilian workers employed by the Allied Forces.

(d) Acceptance of the schedule of revised cost-of-living bonus rates which had also been prepared on the basis of the Italian agreement. The schedule provided a bonus for workers not heads of families, which was identical for the various categories of workers; and a bonus for heads of families which included the equivalent amount of Family Allowance for a notional family of wife and two children, as well as an additional element superior to that received by a worker not head of family. This second element was calculated in accordance with Italian industrial practice for heads of families.

(iii) Representatives of the Italian Government and a representative of the Italian General Confederation of Labour, after

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payment in respect of specified categories, and that the revised scales could be applied without any major disturbance of existing Allied Force wage levels.

They accordingly agreed to recommend:-

(a) The division of industrial daily paid workers into five categories, viz: specialised, qualified, apprentices, semi-skilled and unskilled;

(b) That a distinction be drawn in future as regards workers who are heads of families and those who are not heads of families. (This important distinction is an innovation in Allied Force employment but can be readily introduced because heads of families can produce suitable evidence, and the distinction as regards new engagements should in due course effect a saving in expenditure).

(c) Acceptance of the revised basic wage rates which had been calculated having regard to the minimum basic wages established by the above-mentioned Italian industrial agreement in respect of zone 2, and relating to the mechanical, iron, building and wood-working industries, that is to say, those trades which appeared to be most closely related to the types of employment and conditions of labour of the civilian workers employed by the Allied Forces.

(d) Acceptance of the schedule of revised cost-of-living bonus rates which had also been prepared on the basis of the Italian agreement. The schedule provided a bonus for workers not heads of families, which was identical for the various categories of workers; and a bonus for heads of families which included the equivalent amount of Family Allowance for a notional family of wife and two children, as well as an additional element superior to that received by a worker not head of family. This second element was calculated in accordance with Italian industrial practice for heads of families.

(iii) Representatives of the Italian Government and a representative of the Italian General Confederation of Labour, after having considered the proposals for revised basic rates and cost-of-living bonus, expressed the agreement in principle of the Italian Government with the Sub-Committee's recommendations, recognising and accepting the necessity for compounding family allowance as for a notional family of wife and two children for heads of families, and welcoming the proposal to differentiatebetween such workers and those who are not heads of families. They also recognised the necessity of stipulating the minimum and maximum of the basic scale; and agreed that a variable cost-of-living bonus should be added.

/ (iv)

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(iv) With regard to the application of the revised wage rates, the Italian Government representatives made firm proposals for a variable cost-of-living bonus for various zones. They selected three scales of cost-of-living bonus payments, recommending that scale "C" should apply to the largest centres such as Rome, Naples, Milan, Turin and Genoa, all industrial centres with the highest cost-of-living, that scale "B" apply to centres with an average cost-of-living or of a mixed industrial and agricultural nature, and scale "A" to zones predominantly agricultural or with the lowest cost-of-living.

They also agreed that the cost-of-living bonus scales should vary quarterly according to variations in the cost-of-living, that the Central Institute of Statistics should obtain the necessary data and should produce the appropriate indices for calculating variations in the bonus scale.

The Sub-Committee agreed with these proposals and recommendations of the Italian representatives.

(v) The Sub-Committee finally decided to recommend to the Labour and Wage Committee the adoption, for submission to higher authority, of the revised wage scale and cost-of-living bonus schedules, and to proceed with categorisation on similar lines of all other Allied Force employees.

2. Private Italian Industry.

(i) The Building and Printing trade workers in Rome concluded negotiations for substantial wage increases during the month.

The Building trade manual workers received a 45 per cent. increase on their basic rates and clerical workers a percentage varying from 30 per cent. to 38 per cent. Both categories received in addition a special indemnity of 50 lire a day. As a result a specialised building trade worker in Rome now received a daily rate of 461 lire and a building trade labourer 414 lire.

The Printing trade workers have been granted a new higher basic rate which brings the daily wage of a specialised worker to 397 lire and that of a labourer to 343 lire.

(ii) The Committee established to determine the cost of living figures in the North and to fix the variation in the Contingency Indemnity at three monthly intervals is now operating, and an alteration in the Contingency Indemnity as from 1.1.46 was agreed. Information is not yet available as to the effect of the change.

(iii) In the South preparations are being made for negotiations between the Italian Government, Confederation of Industrialists, C.G.I.L. and other interested bodies to arrive at a general wage agreement to cover all industries on the lines of the agreement covering the North.

C. SOCIAL INSURANCE.

No changes during the month

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C. SOCIAL INSURANCE.

No changes during the month.

D. INDUSTRIAL UNREST.

(i) Clerks and maintenance personnel of the S.M.E. Electrical concern struck during the last week in February in the Naples area against the terms of a new negotiated wage agreement. The Naples delegate refused to sign the agreement and carried some 2,000 to 2,500 workers with him. Settlement was obtained after 6 days of negotiations, the men accepting the main clauses of the new agreement with modifications in the classification of employees and certain other conditions. Stoppage of the supply of electrical power was avoided.

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/ (ii)

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(ii) Strikes also occurred in Naples amongst chemical workers and bakers for pay increases. The first has been settled, but negotiations are still proceeding in the latter case.

(iii) On 21st February a strike of clerical workers occurred in Turin. The clerks requested the general application of a wage agreement reached in the Fiat works, which provided for eight grades of clerical workers, and also the application of a two yearly promotion rule. The strike threatened to extend to the whole of Lombardia and Piemonte.

(iv) Employees of the Italian Labour Offices are threatening to strike over the failure of the government to pay them the wage increase granted by decree to State employees last October.

The decree provided that the wages of employees in Labour Offices would be considered separately.

The question is complicated by the fact that the legal position of the Labour Offices is still undefined.

E. COST OF FOOD.

The monthly food expenditure in Rome in January of a family of five persons on a standard food budget with a calorievalue of 2,200 calories per consuming unit was 12,559 lire. Comparative figures for previous months were as follows:-

January 1946	14,767 lire	October 1945	12,069 lire
December 1945	13,677 "	September 1945	11,614 "
November 1945	14,198 "	August 1945	10,730 "
		July 1945	9,928 "

Figures for principal cities outside Rome for January 1946 were as follows:-

Milan	14,490 Lire
Turin	14,972 "
Alexandria	14,496 "
Genoa	14,006 "
Venezia	15,255 "
Naples	13,792 "
Florence	15,597 "
Taranto	13,687 "

F. MISCELLANEOUS LABOUR MATTERS.

1. Works Committees.

Negotiations between representatives of the Fiat Works and the Italian Government have resulted in the transformation of the Works Management Committee in the Fiat establishments into a General Consultative Committee. The Consultative Committee will meet periodically to consider such questions as improvement of workers' living conditions, labour saving and economy in the cost of production, increasing means of production and organising production programmes. An Arbitration Board has also been established, composed

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2. Italian General Confederation of Labour.

The C.G.I.L. have pressed for revision of current legislation for the payment of insurance contributions in industry. As a result of war conditions insurance contributions have been met entirely by the employer for more than a year, and recent legislation requiring compliance with the normal rule by which workers pay their share is

/ alleged

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alleged to have caused hardship and discontent. The matter was discussed between Ministers and workers' representatives on 28th February but the result is not yet known.

3. Coal.

Output of coal from the Sardinian mines fell slightly during the beginning of the month. The total number of men engaged underground in the mines on 9.2.1946 was 5,657, an increase of over 100 on the January figure. Output for the same week was 15,845 tons of washed coal.

4. Unemployment.

At the end of January, 1946, statistics collected by the Italian Government show 1,428,101 persons registered as unemployed at local employment exchanges. This is an increase of 103,438 over the December figure.

The figures do not include unemployed who are not registered or workers surplus to requirements of industrial undertakings but retained on the pay roll.

W.H. BRAINE.

Director
Labour Sub-Commission.

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HEADQUARTERS
NAVY LIAISON GROUP
ALLIED COMMISSION

MONTHLY REPORT
JANUARY 46

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HEADQUARTERS
BASE RELEASE GROUP
ALLIED COMMISSION

AUTHENTIC RECORD
U.S. ARMY 46

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

HEADQUARTERS
BARI LIAISON GROUP
ALLIED COMMISSION

MONTHLY REPORT
FEBRUARY 46

LG / 65

14 March 1946

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(1) Reference HQ AC letter 825 / 276 / G5 dated 8 March 1946 received this Office 11 March 1946.

(2) POLITICAL

The elections in the Communes commenced 10 March 1946 and will be held in this Liaison Group Area every Sunday till and including 7 April.

On the 10 March I visited CERIGNOLA in the FOGGIA Province. There were some 25.000 electors, and 25 polling stations to deal with them.

Each station was controlled by Carabinieri and Civil Police and the whole election was well organised and done in a very orderly fashion.

The Communist Party, with their propaganda and organisation were most in evidence. The result of the polls for CERIGNOLA have been announced and the Communist Party have been elected by a large majority.

On the way to CERIGNOLA I observed that there were small meetings in the towns between MOLFETTA and BARLETTA - all of these meetings under the Communist banner.

My Executive Officer, Lieut. LEWIS went South of BARI and visited CASTELLANETA (Bari), CAVALLINO and ACAYA (Lecce).

In all places the elections were being held in a quiet and orderly way and it was obvious that the Italian Authorities had organised the elections efficiently and no friction between the parties took place.

These three places appear to favour by a large majority the Democristian Party.

Care was taken by Lieut. LEWIS and myself to be as inconspicuous as possible and we made use of our interpreters to mix with the crowds at the polling stations and gather the information required.

The crowd were in good humour, the only grumbling came from the women who grudged the amount of time they had to waste, waiting to record their votes.

I cannot help feeling that a very appreciable percentage of the population in the BARI Liaison Area are apathetic to the election

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14 March 1946

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In all places the elections were being held in a quiet and orderly way and it was obvious that the Italian Authorities had organised the elections efficiently and no friction between the parties took place.

These three places appear to favour by a large majority the Democratic Christian Party.

Care was taken by Lieut. LEWIS and myself to be as inconspicuous as possible and we made use of our interpreters to mix with the crowds at the polling stations and gather the information required.

The crowds were in good humour, the only grumbling came from the women who grudged the amount of time they had to waste, waiting to record their votes.

I cannot help feeling that a very appreciable percentage of the population in the BARI Liaison Area are apathetic to the elections and its only because on a Sunday they have nothing better to do than throng the streets, that they listen to any party propaganda - put out mostly by the Communists and in a lesser degree by the Democristiani and Uomo Qualunque parties.

The Uomo Qualunque Party appear to be gathering strength and are far more in evidence than they were a short time back.

A special report on the observations made on Sunday the 10th is being made to Civil Affairs Section AC HQ.

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(3) PUBLIC SAFETY

Law and order on the whole is good.

A serious outbreak occurred at ADRIA, a town some 12 Km. West of ROVIGO. Some 1500 to 2000 of the civil population had armed themselves and had taken possession of ADRIA and the approaches to the town.

I visited ADRIA on the 6th inst. on receiving news of the outbreak. In the town itself I drove up to a mob of 600 to 800 strong, the majority of which appeared to have weapons of some kind or another. The attitude towards me was respectful and the leaders offered to conduct me to which ever route I wish to go - but after a look round and a few exchanges of conversation with one or two who appeared to be anxious to air their knowledge of English, I returned to the other end of the deserted street to where the Civil Police had barricaded themselves in, with machine guns covering the approaches in all directions.

I told police that we had passed 4 tanks and about 10 or 12 Carabinieri who were on their way up from PADUA and that these reinforcements would reach ADRIA about 2000hrs or 2100hrs. This was at 1600hrs, and I then returned to PADUA as there was nothing more to be seen at ADRIA.

Next morning the Carabinieri who had been reinforced by a force approx. 500 restored order and occupied ADRIA and made about 17 arrests.

The result of the demonstration was :-

3 Carabinieri killed
6 Carabinieri wounded
6 Civilians killed
15 Civilians wounded

I visited ADRIA again on Sunday 10 and everything was normal and there is little fear of further outbreak, or of the trouble spreading. ADRIA always has been a hot bed of trouble and I am of the opinion that the disturbances were staged by the Communist Party in order to intimidate the population prior to the elections in order to force voters to elect Communist candidates. The election which had been fixed for Sunday 10th was postponed by the Prefect and will now be held 7th April.

(4) DISPLACED PERSONS

There is a lot of trouble in the UNRRA Camps.

The Jewish Displaced persons are billetted in requisitioned villas in the villages. There are 4 such camps. A large number of the hooligan stamp of displaced person are making themselves a perfect nuisance to the Italian civil population.

The owners of the villas see their property being wantonly destroyed and hotly resent it. The UNRRA Camp Commandants appear at a loss to know what to do.

Of course all these displaced persons are treated as civilians, but even then it appears that the local civil police are reluctant to take any action.

I would suggest that the Camp Commandants call for the immediate

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I told police that we had passed 4 tanks and about 10 or 12 Carabinieri who were on their way up from BARI and that these reinforcements would reach ANDRIA about 2000hrs or 2100hrs. This was at 1600hrs, and I then returned to BARI as there was nothing more to be done at ANDRIA.

Next morning the Carabinieri who had been reinforced by a force approx. 500 restored order and occupied ANDRIA and made about 17 arrests.

The result of the demonstration was :-

3 Carabinieri killed
8 Carabinieri wounded
6 Civilians killed
14 Civilians wounded

I visited ANDRIA again on Sunday 10 and everything was normal and there is little fear of further outbreak, or of the trouble spreading. ANDRIA always has been a hot bed of trouble and I am of the opinion that the disturbances were staged by the Communist Party in order to intimidate the population prior to the elections in order to force voters to elect Communist candidates. The election which had been fixed for Sunday 10th was postponed by the Prefect and will now be held 7th April.

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The Jewish Displaced persons are billetted in requisitioned villas in the villages. There are 4 such camps. A large number of the hooligan stamp of displaced person are making themselves a perfect nuisance to the Italian civil population.

The owners of the villas see their property being wantonly destroyed and hotly resent it. The U.N.R.R.A. Camp Commandants appear at a loss to know what to do.

Of course all those displaced persons are treated as civilians, but even then it appears that the local civil police are reluctant to take any action.

I would suggest that the Camp Commandants call for one inhabitant from each of the villas where the displaced persons are billetted and he be told he will be held responsible for the discipline and good behaviour of the rest of the persons in the villa and that moreover, those persons who do not obey orders and conduct themselves properly will render themselves liable to be turned out and left to fend for themselves or as an alternative to this, will be deported to camps in the North of Italy.

Some strong steps are necessary to be taken to stop the annoyance which the displaced persons are causing to the Civil population, who appear to be getting to the end of their patience, and endurance with displaced persons.

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BARI

I would be glad to be informed whether there is official approval and recognition of villas being requisitioned and occupied by (Jewish) Displaced Persons in BARI.

These persons who are now living in villas quite outside the jurisdiction of the No.1 Displaced persons camp - appear to be under the care and supervision of two representatives of either AC and UNRRA by the name of Mr. LEVINE and Mr. LUSTIG - and I cannot ascertain quite what the position of these two gentlemen are except they sign letters as "Jewish Chaplain Welfare 54 Area, Director of Educational Board, AC HQ".

I have not as yet made contact with either of these two people as I first wish to know exactly what their credentials (and status) are so far as AC or UNRRA are concerned and what the policy is with regard to setting up a colony for Jewish displaced persons as distinct from the No. 1 Displaced persons camp.

I have addressed a separate letter on this subject, in reply to a query made by Executive Commissioner as per his letter 4755/513/30 dated 5 March 1946.

(5) PUBLIC WORKS AND UTILITIES

All Provinces have begun to carry out the repairs to roads and other reconstructions, particularly in FOGGIA Province, where the percentage of war damaged buildings is very high.

200 Millions have been granted by the Italian Government for Public Works in APULIA.

(6) PUBLIC HEALTH

Good generally. Four fresh cases of small-pox reported, three at BARI and one at ANDRIA.

(7) TRANSPORT AND COMMUNICATIONS

Docks clearance by road transport proceeded satisfactorily during the month. Rail traffic to and from this Compartimento and the North is increasing.

There is a serious shortage of tyres and tubes for public services.

(8) EDUCATION AND RELIGION

Nothing to report

(9) GENERAL

Prefects

A new Prefect has arrived in TARANTO on 18 January for the area of BRINDISI and one at FOGGIA, Avv. TRINCHERA. Both sent me telegrams and letters "reporting" their arrival and expressing their greetings and kind regards.

I replied thanking them and said I would pay a courtesy call at the earliest opportunity.

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the position of these two gentlemen are exactly as Chaplain Welfare 5A Area, Director of Educational Board, AC H.Q".

I have not as yet made contact with either of these two people as I first wish to know exactly what their credentials (and status) are so far as AMG or UNRRA are concerned and what the policy is with regard to setting up a colony for Jewish displaced persons as distinct from the No 1 Displaced persons camp.

I have addressed a separate letter on this subject, in reply to a query made by Executive Commissioner as per his letter 4759/513/G3 dated 5 March 1946.

(5) PUBLIC WORKS AND UTILITIES

All Provinces have begun to carry out the repairs to roads and other reconstructions, particularly in FOGGIA Province, where the percentage of war damaged buildings is very high.

200 Millions have been granted by the Italian Government for Public Works in AUSTRIA.

(6) PUBLIC HEALTH

Good generally. Four fresh cases of small-pox reported, three at BARI and one at AUSTRIA.

(7) TRANSPORT AND COMMUNICATIONS

Docks clearance by road transport proceeded satisfactorily during the month. Rail traffic to and from this Compartment and the North is increasing.

There is a serious shortage of tyres and tubes for public services.

(8) LEGAL AND EDUCATION

Nothing to report

(9) GENERAL

Prefects.

A new Prefect has arrived in TRIESTE on 18 January by the name of BERTA and one at FOGGIA, Avv. TRONCHETTI. Both have been to call and letters "receiving" their arrival and expressing their goodwill and kind regards.

I replied thanking them and said I would pay a courtesy call at the earliest opportunity.

L. B. VILLIERS, Lt. Col.
Chief Liaison Officer
AC H.Q.

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COPY No. 20 : Chief Liaison Officer, AC NAPLES

COPY No. 21 : 38 P.S.S.

COPY No. 22 : File

COPIES No. 23 - 24 : Spare

In lieu of AF A/F

RECEIPT FORM

To : HQ. Bari Liaison Group
Allied Commission, CMF

Receipt is acknowledged of Monthly Report for the month of FEBRUARY 1946 dated 4 March 1946, Copy No. 6

Date _____ Signed _____

Organisation _____

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RECEIPT FORM

To : HQ. Bari Liaison Group
Allied Commission, CMF

Receipt is acknowledged of Monthly Report for the month of MARCH 1946 dated 14 March 1946, Copy No. 6

Date _____ Signed _____

Organization _____

[redacted]

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HEADQUARTERS

ALLIED MILITARY GOVERNMENT

13 CORPS

Es DIST
1 2Ech S/C
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2 Esp

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HEADQUARTERS

ALLIED MILITARY GOVERNMENT

13 CORPS

ES DIST
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1 Sup
2 CSO

737

MONTHLY REPORT **JANUARY 1946**

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SUMMARY
of
MONTHLY REPORT
for month ending 31 January 46

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1. Political Situation.

The main trend in political activity has been towards an increased flow of propaganda in the Jugoslav and local pro-Jugoslav press in anticipation of the expected visit of the Foreign Ministers' delegates. Most of the propaganda stresses the need for the incorporation of VENEZIA GIULIA with JUGOSLAVIA, and protests against the possible internationalisation of the city of TRIESTE.

2. Local Government.

During January a further two Communes changed from direct CAO rule to Government in accordance with the terms of General Order No 11. These were TURRIACO, and S.PIER d'ISONZO in TRIESTE Area.

3. Venezia Giulia Police Force.

Statistics show that the public safety situation has improved throughout the territory during January, and unquestionably this is due to an increase in the strength and efficiency of the Civil Police Force. The present strength of the Force is 2,482 officers and men.

4. Economics.

A general order is being prepared to set up control of movement across the Morgan Line. All exports, imports, and goods in transit are now controlled by the Commerce Division by a system of licensing. No customs will be charged in either direction between Zones A and B of VENEZIA GIULIA, and ITALY proper.

5. Food.

During January, rations in accordance with the normal AC scale were issued to the population, with the exception of POLA. This Area received additional rations of dried vegetables and fish or meat plus increases in the bread, fat, and pasta/rice scale.

6. Transportation.

Tonnages moved by road during January show a marked decrease from those of preceding months. This can be accounted for, in part, by a normal slowing of business following the Christmas season, and bad weather conditions.

7. Agriculture.

No more forced requisitioning laws for VENEZIA GIULIA are being

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2. Local Government.

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3. Venezia Giulia Police Force.

Statistics show that the public safety situation has improved throughout the territory during January, and unquestionably this is due to an increase in the strength and efficiency of the Civil Police Force. The present strength of the Force is 2,482 officers and men.

4. Economics.

A general order is being prepared to set up control of movement across the Morgan Line. All exports, imports, and goods in transit are now controlled by the Commerce Division by a system of licensing. No customs will be charged in either direction between Zones A and B of VENEZIA GIULIA, and ITALY proper.

5. Food.

During January, rations in accordance with the normal AC scale were issued to the population, with the exception of POLA. This Area received additional rations of dried vegetables and fish or meat plus increases in the bread, fat, and pasta/rice scale.

6. Transportation.

Tonnages moved by road during January show a marked decrease from those of preceding months. This can be accounted for, in part, by a normal slowing of business following the Christmas season, and bad weather conditions.

7. Agriculture.

No more forced amassing laws for VENEZIA GIULIA are being considered, since voluntary amassing at economic prices has proved more satisfactory.

Forty more horses recently arrived from AUSTRIA and have been consigned to needy farmers in the GORIZIA Area. The total number of mules and horses already distributed in VENEZIA GIULIA has passed the three hundred and eighty mark, and more are expected later in the month.

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8. Labour.

The month of Janurry has seen the final settlement of the general wage negotiations, which have been the centre of much discussion during the last three months.

9. Industry & Utilities.

Work in the shipyards has been marred by labour troubles resulting in delayed and uncertain completion dates.

About 420,000 metres of cotton cloth were produced during the month by the Cottonificio Triestino from American cotton ordered on behalf of this Company.

10. Commerce.

During the month steps were taken to secure a suitable agency, which will be known as the Venezia Giulia Commercial Company, to be the Commerce Division's unit for operating memorandum accounts.

24,105 tons of coal and 25,000 qls of firewood were received during January.

11. Public Works.

The Public Works programme in general is going well ahead.

A survey of all port facilities, apart from those controlled by the Magazzini Generali, has been initiated. The Port Section of the TRIESTE Genio Civile has been reorganized with the idea of getting the small ports back in condition.

The work of repairing houses in the distressed areas is progressing satisfactorily.

12. Public Health and Welfare.

The general health of the people in the area has been remarkably good. The incidence of diphtheria shews a marked decrease, but scabies is still very persistent both in the POLA and GORIZIA Areas.

The work of the Ente Comunale di Assistenza (ECA) continues on normal public assistance basis.

13. Displaced Persons.

During the month the Assembly Centre in TRIESTE dealt with the following persons:

	Entered	Evacuated
Civilians	645	671
Ex-PWs	72	76
	717	747

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During the month the Assembly Centre in TRIESTE dealt with the following persons:

	Entered	Evacuated
Civilians	645	671
Ex-PWs	72	76
	717	747

14. Finance.

Permission for the establishment of an economic control on the Morgan Line has been authorised by AFHQ.

A draft order is being prepared to give effect to continuance of the payments to unemployed on the basis of Disoccupazione Dopoguerra from 1st January.

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15. Property Control.

During January 10 additional properties of all classes were taken under control making 335 to date. The return to owners of 10, authorised some time ago, was completed, making 68 returned in all.

16. Legal.

A total of 271 accused were tried in the Summary Courts during January.

In the Superior Courts 21 accused were tried on 27 charges.

17. Education.

During the holiday period all schools in TRIESTE City and in surrounding Communes were furnished with fuel for heating purposes.

Projects for school repairs and reconstruction are being approved as soon as estimates are submitted to the Genio Civile.

A teachers' congress will be held on the 19/20 Feb at the Casa del Popolo, TRIESTE.

18. Telecommunications.

The proposed scheme for transactional correspondence to other countries has been held up.

A telegraph circuit between TRIESTE and LUBLANA will be opened up immediately.

19. Public Relations.

About 10 to 15 news items per week concerning Allied Military Government activities have been issued to the press and particular care is taken to explain the general import of each Allied Military Government order in non-legal language. Emphasis has been put on all activities with a reconstruction angle to combat adverse criticism of Allied Military Government's reconstruction achievements.

20. Patricts.

The work of this Division continues to increase, as owing to the late date on which payment to partisans was commenced in this territory, the task of sorting the true from the spurious partisans becomes more complicated. Payments to next of kin of dead partisans and to wounded partisans continue to be made. A start was also made during January with the payment of 50 Lire per day for each day a partisan spent in a hospital due to wounds.

Up to 31st January 46 approximately 2,000,000 Lire had been paid out to ex-partisans.

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS CONFIDENTIAL
MONTHLY REPORT
for month ending 31 January 46

1. POLITICAL SITUATION.

The main trend in political activity has been towards an increased flow of propaganda in the Jugoslav and local pro-Jugoslav press in anticipation of the expected visit of the Foreign Ministers' delegates. Most of the propaganda stresses the need for the incorporation of VENEZIA GIULIA with JUGOSLAVIA, and protests against the possible internationalisation of the city of TRIESTE. Innumerable telegrams of this nature have been despatched to the Jugoslav representative in LONDON. One form of pro-Jugoslav activity has been an attempt on the part of certain Slovene elements to persuade householders to part with their Italian flags. This is a keen effort to ensure a predominance of Jugoslav flags during the visitors' stay in the area. In many of the Slovene populated areas, Jugoslav flags are already very much in evidence, but as usual, in predominantly Italian areas the Slovenes are waiting until the last minute before hoisting the red-starred Jugoslav flags in order to prevent a possible eclipsing counter display by the Italians.

There are reports too that many organized bands of youths with large pots of red paint are getting ready to daub every available wall with pro-Tito signs and slogans such as the usual "This is JUGOSLAVIA".

On 11th Jan 46 at TRIESTE the UAIS organized a demonstration to complain about the workers' wages. Approximately 10,000 people gathered in the main square, and after forming a procession, a deputation proceeded to the TRIESTE City Area Commissioner's Office to present their grievances. The crowd subsequently dispersed in an orderly manner, and no incidents were reported.

A strike which began in the S.MARCO shipyards on 29th Jan, over an epuration question, spread by 31st Jan to all other shipyards. Work however was resumed soon after, following a decision to appoint a Committee of workers and employers to discuss the epuration question. The trouble originally arose because certain workers who were unofficially epurated during May of last year had since been re-instated in their old jobs (See under Labour). This all too frequent use of strikes by the Slovene-Communists for political purpose, is steadily leaving its' mark on the workers, who are becoming increasingly reluctant to support such causes.

There are definite indications of an anti-Tito movement amongst the Slovenes in GORIZIA Area, and in a recent speech, Boris KRAIGHER, Secretary of the UAIS, went out of his way to attack these "Slovene reactionaries".

2. LOCAL GOVERNMENT.

During Jan a further two Communes changed from direct CAO rule to Government in accordance with the terms of General Order No 11. These were TURRIACO, and S.PIER d'ISONZO in TRIESTE Area. The position is now as follows:

All Areas have Area Presidents and Councils functioning in

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All Areas have Area Presidents and Councils functioning in accordance with General Order No 11.

20 of the 40 Communes have Commune Presidents and Councils functioning in accordance with General Order No 11.

The other 20 Communes still refuse to nominate officials, and are operating under the direct rule of the CAO.

It is interesting to note that approximately seven-eighths of the total population live in territory which is governed in accordance with the terms of General Order No 11.

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3. VENEZIA GIULIA POLICE FORCE.

(a) Civil Police -

Statistics show that the public safety situation has improved throughout the territory during January, and unquestionably this is due to an increase in the strength and efficiency of the Civil Police Force. At present the strength of the Force is 2,482 officers and men.

The following are important developments during the month: -

1) Recruits totalling 485 completed initial training and have since passed into the Force.

2) Specialist courses in wireless, C.I.D. and fiscal duties have commenced at the Training School.

3) Sub-stations have been opened up and manned throughout the territory.

4) Wireless sets for mobile and ground stations have been received from military sources.

5) The training of mounted police has been completed and patrols are now operating in TRIESTE.

6) Motor-cycle patrols of the Traffic Police Branch have also commenced operating in the area and are concentrating upon traffic offences, especially unlicensed vehicles - the results to date have been good.

7) During the hours of daylight in certain areas of TRIESTE, GORIZIA, and POLA, police on ordinary foot patrol duties have been disarmed and firearms replaced with truncheons - so far this experiment has been successful.

(b) Crime -

Three serious crimes reported during January are detailed as follows: -

1) On 3 Jan 46 an English soldier was murdered, and another English soldier wounded by persons unknown. The crimes were committed at an unauthorised "check post" manned allegedly by Jugoslav elements near S.GIBBA on the TRIESTE-POLA road.

2) On 3 Jan 46 at SERVOLA, during an attempted house-breaking, MASICH Carol (a Slovene) was killed in mistake by his accomplices when they fired on the house-holder. Enquiries to trace culprits are proceeding.

3) On 8 Jan 46 at DUTTOGLIANO, BRUNDOLA Antonia was shot and killed during a quarrel, allegedly by GONNICELLI Ermanno who has been arrested.

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3) On 8 Jan 46 at DUTTOGLIANO, BRUNDOLA Antonia was shot and killed during a quarrel, allegedly by GOMMICELLI Ermanno who has been arrested.

(c) Black Market -

There has been no noticeable increase in black market activities, and especially where rationed goods are concerned, a diligent watch is being kept by the various divisions to to check this undesirable business.

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5. VENEZIA GIULIA POLICE FORCE. (Cont.)

(d) Prostitution and Brothels -

As a result of the intensified campaign against prostitution which began on the 1 Jan 46, VD figures in the whole area have shewn a marked decrease on last month's figures.

(e) Conduct of Allied Service Personnel -

Discipline in the Area remains good and Allied Police have dealt in an efficient manner with the few Military offenders.

(f) Civil Prisons -

All prison guards have been trained in the use of firearms and as soon as they have had sufficient practice, a number of automatic firearms will be handed to them to improve prison security.

Via NIZZA Prison - Three candidates as Director of this Prison have been suggested and screening is taking place. It is hoped that by February 10th the appointment will be made and a new Director will be on duty.
On January 15th 9 detainees escaped from the Prison. 2 have since been recaptured by CID - VGPF. Investigations are proceeding.

GORIZIA Prison - A proposal for the assumption of a new Director in substitution of the present one (who is also acting as Public Attorney and cannot shoulder both positions) has been made, and approval by the Area Commissioner of GORIZIA is awaited.

POLA Prison - Ten sub-machine guns and ammunition were allotted to this Prison for security purposes. All Prison guards have been trained in their use.

(g) Forgery and Uttering of Allied Currency Notes -

The following forged Allied Military Currency and Italian Bank notes have been discovered during the month in the POLA Area. Enquiries have been made, but so far there have been no arrests.

Allied Military Lire: -

1,000	Lire	Series A 03001877	A
"	"	" A 47577502	A
"	"	" A 25477861	A
500	"	" A 32103320	A
"	"	" A 37161036	A
"	"	" A 80171753	A
"	"	" A 21715025	A
"	"	" A 50673498	A
"	"	" A 16858593	A

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" "	"	A 21715025 A
" "	"	A 50673498 A
" "	"	A 46858593 A
" "	"	A 19518894 A

Italian Lire: -

1,000 Lire	Series	E 57 021748
500 "	"	O 21 9873
" "	"	S 43 72413

In GORIZIA Zone 1 forged Allied Military note has been discovered. no arrests have been made.

500 Lire	Series	A 03802416 B

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4. ECONOMICS.

A general Order is being prepared to set up control of movement across the Morgan Line. All exports, imports, and goods in transit are now controlled by the Commerce Division by a system of licensing. No customs will be charged in either direction between Zones A and B of VENEZIA GIULIA, and ITALY proper.

The position of the shipyards at MONFALCONE and TRIESTE is still unsatisfactory due chiefly to the fact that unsettled labour conditions aggravated by the political situation, make ship owners loath to place contracts there. During the month one of the small aircraft carriers, the Empire McKay, which had been sent here for conversion, was recalled into service.

Supply ships are arriving almost 2 months behind schedule, and because of this it has been necessary to borrow food from both Army sources and the Italian Government.

The possibility of UNRRA's taking over the supply programme for this territory is under discussion between AFHQ and combined Chiefs of Staff.

Several meetings were held during the month for the purpose of suggesting ways and means of increasing the capacity of the port of TRIESTE in the handling of UNRRA supplies for JUGOSLAVIA, CZECHOSLOVAKIA and AUSTRIA. A suggestion was put forward, and is still under discussion, that all military supplies should be handled by the port of VENICE, leaving TRIESTE free for UNRRA and civil imports.

In last month's report it was stated that both reserves had been approved by the combined Chiefs of Staff. This is not correct. The general reserve is approved, but the reserve of critical commodities is still under discussion.

5. FOOD.

During January, the normal AC rationed scales, namely:

200	grams	of bread per day
2,000	"	" pasta and/or rice per month
180	"	" fats per month
200	"	" sugar per month

plus special classes (heavy workers, hospitals, etc.) were issued to the whole population, with the exception of POLA which received:

300	grams	of bread per day
2,500	"	" pasta/Rice per month
300	"	" fats per month
200	"	" sugar per month
2,000	"	" dried vegetable per month
100	"	" fish/Meat per month.

Due to its' non-arrival the TRIESTE City ration of fat could

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300	" "	fats per month
200	" "	sugar per month
2,000	" "	dried vegetable per month
100	" "	Fish/Meat per month.

Due to its' non-arrival, the TRIESTE City ration of fat could not be distributed for January. To make up for the deficiency, it was necessary to borrow 50 tons of cooked lard, and 50 tons of seed oil from S & T sources. The January fat ration will therefore be issued in February.

Due also to late arrivals in the 6 monthly grain programme, it was necessary to borrow from S & T sources 2,000 tons flour and Atta flour. The Italian Government arranged to loan a further 500 tons of grain, ex S/S Pollock now unloading in VENICE. These quantities should cover VENEZIA GIULIA up to the end of February.

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5. FOOD. (Cont.)

The free market prices of fats are shewing a downward curve, and thanks to the expected large-scale arrivals of fruit by sea from SICILY, prices of fruit have dropped considerably.

The following direct Allied Military Government supplies, inclusive of the above mentioned loans, arrived in January:

Wheat	400	tons
Milk Evaporated	15	"
Fats	54	"
Seed Oil	50	"
Soap	100	"
Dried Vegetable	1	"
Flour	[illegible]	"

6. TRANSPORTATION.

(a) Port and Warehouse Sections -

The following table will shew details of tonnages handled in these sections during January:

	Cargo Received	
	Inwards Tons	Outwards to Consumers Tons
Ships (Military) Coal (Military, Railways, and Allied Military Government)	24,105	15,836
Allied Military Government Supplies received Warehouse 6	108	559
UGENA (Schooners) Mixed Cargoes	6,288	2,178
Ex SS "ROBERT HOWE" (Wheat discharged VENICE in account of SEPRAL)	4,000	4,000
Total tonnages received	34,501	22,573

(b) Road Sections -

Tonnages moved by road during January shew a marked decrease from those of preceding months. This can be accounted for, in part, by a normal slowing of business following the Christmas season, and bad weather conditions.

	Freights hauled	
	Inwards	Outwards

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Seed Oil	50	"
Soap	100	"
Dried Vegetable	1	"
Flour	--	"

6. TRANSPORTATION.

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(b) Road Sections -

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	Freights hauled	
	Inwards Tons	Outwards Tons
Tonnages hauled by Autotrasporti: Allied Military Government Truck Pool No 1 and SEPRAL vehicles:		
TRIESTE Area	9,200	2,356
GORIZIA Area	2,751	1,928
POLA Area	3,337	22
Total for VENEZIA GIULIA 13 Corps Area	15,288	4,306

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6. TRANSPORTATION. (Cont. of Road Section)

There are 1,327 truck vehicles registered in the various Agencies of the Autotrasporti of VENEZIA GIULIA. Of this number 500 are owned by private firms for their own account, and 827 are operated by trucking firms for the account of third parties. The total lift of these vehicles is approximately 5,000 tons. Vehicles of the Allied Military Government Truck Pool are in addition to those shewn above. There are 81 of these vehicles, of which 71 are located in TRIESTE, 5 in GORIZIA Area, and 5 in MONFALCONE. Only 39 of the vehicles in TRIESTE are road-worthy at the present time.

Only 31 tyres were received during the month for the whole of VENEZIA GIULIA.

(c) Rail Section-

Total of bids accepted by 'Q' Movement for Jan 46	24,813	tons
" " " for Movement into TRIESTE	9,287	"
" " " " " from TRIESTE to other points	15,526	"

(d) Sea Section -

The Motor Vessels "Lino" and "Maria" have returned from their first trip to SICILY with 684 tons of citrus fruits and other food stuffs. The Motor Vessel "Mirella T" is reported to be at BARI on its' return journey carrying 240 tons citrus fruits.

7. AGRICULTURE.

(a) General -

The amassing of Indian corn is progressing slowly, being hampered somewhat, according to many farmers, by certain groups of individuals who stop and turn back loaded carts on the road. These groups have also written letters to the Agriculture Division protesting against the amassing law as favouring the large proprietors against the interests of the share cropping farmer. However, the actual share croppers have never made these complaints, and the general complexion is political. Additional police cooperation has been requested for those desiring to bring in their grain to the amassing warehouses, instead of selling on the black market. It is probable too that some producers will use these alleged threats as an excuse to sell corn on the market and avoid amassing under the law. No more forced amassing laws for VENEZIA GIULIA are being considered, since voluntary amassing at economic prices has proved more satisfactory.

(b) Livestock -

So far only six cases of foot and mouth disease have been discovered, appearing in cattle from around TREVISO and VENICE. All animal diseases are now under control and careful inspections are being made at the slaughter houses. Despite

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" " " " " from TRIESTE to other points	15,526	"

(d) Sea Section -

The Motor Vessels "Lino" and "Maria" have returned from their first trip to SICILY with 684 tons of citrus fruits and other food stuffs. The Motor Vessel "Mirella T" is reported to be at BARI on its' return journey carrying 240 tons citrus fruits.

7. AGRICULTURE.

(a) General -

The amassing of Indian corn is progressing slowly, being hampered somewhat, according to many farmers, by certain groups of individuals who stop and turn back loaded carts on the road. These groups have also written letters to the Agriculture Division protesting against the amassing law as favouring the large proprietors against the interests of the share cropping farmer. However, the actual share croppers have never made these complaints, and the general complexion is political. Additional police cooperation has been requested for those desiring to bring in their grain to the amassing warehouses, instead of selling on the black market. It is probable too that some producers will use these alleged threats as an excuse to sell corn on the market and avoid amassing under the law. No more forced amassing laws for VENEZIA GIULIA are being considered, since voluntary amassing at economic prices has proved more satisfactory.

(b) Livestock -

So far only six cases of foot and mouth disease have been discovered, appearing in cattle from around TREVISO and VENICE. All animal diseases are now under control and careful inspections are being made at the slaughter houses. Despite reports that glanders (MORVA) exists among horses and mules in Zone 'B', no cases have been reported in this territory. Cart horses bringing produce over the line are being watched at the public stalls where they are put up for the night, as these places could become focal points for the disease.

Forty more horses recently arrived from AUSTRIA and have been consigned to needy farmers in the GORIZIA Area. The total number of mules and horses already distributed in VENEZIA GIULIA has passed the three hundred and eighty mark, and more are expected later in the month. These will be supplied to farmers in the POLA and TRIESTE Areas.

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7. AGRICULTURE. (Cont.)

(c) Forestry -

The formation of the new Forestry Corps under the tutelage of the VENEZIA GIULIA Police Force has been published in the Gazette and is now operating under legal status instead of acting de facto as a mere subsidiary body under less formal authority. This has greatly raised the morale of the Corps and extensive plans are getting under way not only for better protection of the standing woods, but for several reforestation projects.
A project for the Commune of TRIESTE has been set up, employing 5,000 people and covering three months of work. The 250,000 small trees in the Bazovitza nurseries will be used first, and the larger nursery stock will be utilized in parks and Communal recreation centres in the city itself. Two million trees have been requested for immediate delivery through the Forestry service in ROME, and an extensive planting of seed for nurseries will be undertaken to assure adequate planting stock in the future.

The experiments with DDT against the Tent Caterpillar or Processionaria worm have proved successful and five tons of the insecticide, and sufficient gasoil to make efficient spray have been requested from the proper procurement agencies.
Much enthusiasm is being shown by the forestry experts and agriculturalists at the possibility of eliminating this devastating pest, and at costs a mere fraction of the inefficient controls previously employed. As soon as the necessary supplies arrive, organized teams of workers will cover the forests to work on this extermination project.

(d) Supplies -

Notification has been received of the assignment of 3,000 quintals of seed potatoes for VENEZIA GIULIA, on ships arriving within a few days. Since requirements are nine times that quantity, and the planting season starts in the middle of February, some anxiety is felt. Assurance of adequate arrivals were given from ROME, and it is assumed that deliveries will be made before the deadline of the planting season around the end of March.
Sufficient quantities of copper sulphate have been allocated to the territory, and farmers have been notified through the newspapers not to buy the copper sulphate being offered on the black market at extreme prices. Also quantities of sulphur and salt have been coming through.

8. LABOUR.

(a) General -

The month of January has seen the final settlement of the general wage negotiations, which have been the centre of much discussion during the last three months.

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8. LABOUR.

(a) General -

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In the December report it was stated that the temporary wage adjustment would be extended until the end of January, but if no agreement was reached by 8 January, the Labour Office would intervene.
On the 9th, 10th, and 11th of January the Syndicates and Employers' Association continued discussions in the presence of the Area Labour Officer, but no agreement was reached, and the two sides retired to prepare their cases for a meeting arranged for the 12 January and in which Allied Military Government would participate.

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8. LABOUR. (Cont. of General)

This meeting took place, and many further meetings, until a settlement was finally reached on 31st January. The settled basic wage was the "MILANO " or North ITALY rate, plus a contingency of 170 Lire - and on a mobile scale to change every 3 months: The contingency rate is higher than that in ITALY, but the cost of living index will be examined every 3 months.

(b) Strikes -

There were two strikes of short duration during the month. From 12.00 hours on 25 January to 08.00 hours on 26 January, workers went on strike in the shipyards as a protest against the alleged brutal methods used by the Police in arresting certain workers during the previous evening. There was no evidence that the Police had been guilty of such tactics.

On 29 January at 12.00 hours workers went on strike in the SAN MARCO shipyards and the SAN ANDREA machine shop as a protest against the re-instatement of workers who had been unofficially epurated by the auto-nominated Epuration Commission under the Jugoslavs, in May 1945, but which was cancelled on the appointment of the Official Epuration Commission for the TRIESTE Zone. The strike spread by the 31st January to other shipyards, but was finally settled the same day.

(c) Unemployment -

The unemployment register shows a further slight decrease on the November and December figures, and the total number for the territory is now 28,250.

9. INDUSTRY & UTILITIES.

Work in the shipyards has been marred by labour troubles resulting in delayed and uncertain completion dates. In consequence M.W.T., the principal provider of work, is extremely dissatisfied with the position in the shipyards. A further disappointment was caused by the recall into service of the carrier "McKay" which had already arrived for reconversion in the SAN MARCO yard. A second carrier, the "Empire Macabe" is in course of reconversion. Other work on hand in the shipyards and Engine works includes a number of smaller vessels, and repairs to five steam locos of the state railways.

The control of the release of solid and liquid fuel to industry continued, and through the good offices of M.W.T. 300 tons of calcium carbide were obtained for the Cantieri Riuniti dell'Adriatico for the carrier reconversion programme.

About 420,000 metres of cotton cloth were produced during the month by the Cottonificio Triestino from American cotton ordered on behalf of this Company.

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The mills worked to slightly under 50% capacity.

Processing of crude oil residues has been encouraged in order to give occupation to local refineries, and a survey has been made of the refinery situation in VENEZIA GIULIA.

Work in Foundries has been stimulated to some extent since coke produced in the gas works has become available. The poor quality of the coke, however, has been a limiting factor.

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9. INDUSTRY & UTILITIES. (Cont.)

Gas works have been in operation throughout the month in TRIESTE, GORIZIA, and POLA, the coal allocated by ALCOM for this purpose giving a daily three hours supply in each town.

More stringent restrictions have had to be imposed on the use of electricity. TRIESTE is nearing its' economy target, but outlying districts still have a long way to go and special attention is being directed to them.

Rehabilitation of the port of TRIESTE continues, and at present the port facilities are adequate in relation to the railway clearance facilities. The Military Authorities are improving the latter, and completion of work on hand on the port will maintain the balance.

10. COMMERCE.

(a) General -

During the month steps were taken to secure a suitable agency, which will be known as the VENEZIA GIULIA Commercial Company, to be the Commerce Division's unit for operating memorandum accounts.
The Finance Division is writing up the articles of association.

A meeting was held on the 10th January, during which various matters were discussed, including the submission of suitable names of a committee of delegates to visit AUSTRIA and CZECHOSLOVAKIA. A decision on this matter is still awaited from the Chamber of Commerce.

(b) P.O.L. -

During January consumption of petrol, gasoil and lubricants was less than in previous months. All requirements were easily met. Generally it is considered that the bad weather conditions account for the decrease in amounts used.

76 tons of industrial oils and greases arrived in TRIESTE at the end of the month. The position before was not satisfactory as due to lack of stock in certain of these items, it was necessary to use lubricating oils and greases intended for vehicles.

Release has been obtained of 750 tons of fuel oil for space heating. This will be distributed for the remainder of the season as follows:

TRIESTE and GORIZIA	400 - 430 tons
UDINE	300 "
POLA	50 - 70 "

(c) Coal -

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Release has been obtained of 750 tons of fuel oil for space heating. This will be distributed for the remainder of the season as follows:

TRIESTE and GORIZIA	400 - 430 tons
UDINE	300 "
POLA	50 - 70 "

(c) Coal -

The total amount of coal received during January was 24,105 tons. This was made up as follows: -

From the S/S James Gordon Bennett	8,047 tons
" " S/S William Prouse	8,096 "
" " S/S John Easy Ward	7,962.

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10. COMMERCE. (Cont.)

(d) Firewood -

Timber - Owing to snow in the mountains, deliveries from BELLUNO (Army Area) and CIVIDALE have stopped.
Receipts in January from all sources - 20,000 quintals
Distribution - For cooking purposes (50 Kg. per head in districts without gas) 3,500 qls
Hospitals, Schools, Industries, Messes 5,000 "
Italian State Railway 2,000 "
Cantiere (released qls 2,000) 410 "
Space-heating (10 qls per head) 4,300

Total 20,210 qls

Distribution of Firewood for space heating continues; a total of 20,000 qls will be used for this purpose.

11. PUBLIC WORKS.

The Public Works programme in general is going well ahead. The greatest users of man power are the bonifica works and agriculture projects, and one - the Bonifica Vittoria - has advanced to the point where an extra 600 hectares will be under cultivation this season. This will help the food supply of this area. There is also a possibility that another 500 hectares will be available, but that depends largely on the weather and labour conditions. Several large projects which do not come under the scope of war damage, but which will give a great deal of employment and also put more land into cultivation, have been presented to the Economics Section for approval.

Due to bad weather there was not much work done on road repairs, although a large number of men were employed in the GORIZIA Area on snow removal.

A survey of all port facilities, apart from those controlled by the Magazzini Generali, has been initiated. The Port Section of the TRIESTE Genio Civile has been reorganized with the idea of getting these small ports back in condition. There are fifteen ports in the TRIESTE Area, the majority of which are very small but play a big part in the local trade and life of the Region.

The work of repairing houses in the distressed areas is progressing satisfactorily. At one time there was a great deal of resistance and complete lack of cooperation on the part of contractors in many of the villages, but these contractors are now accepting contracts for repair work, and are getting on with the job.

12. PUBLIC HEALTH AND WELFARE.

(a) General -

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12. PUBLIC HEALTH AND WELFARE.

(a) General -

The general health of the people in the area has been remarkably good. The incidence of diphtheria shews a marked decrease, but scabies is still very persistent both in the POLA and GORIZIA Areas. Eight people who were bitten by dogs suspected of having rabies were treated at POLA with vaccine supplied from TRIESTE, and orders were issued for the destruction of all wandering animals without owners, and for the dogs to be muzzled.

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12. PUBLIC HEALTH AND WELFARE. (Cont.)

(b) Hospitals General -

There has been some unrest in the hospitals mainly through political causes. This has been especially so at the Ospedale Maggiore, where the new Director Dr. PECORARI, although an honest man, is a prominent politician having been a leading member of the Christian democratic party. As such he shows typical political intolerance of people with other convictions and aspirations. The situation is being carefully watched.

In POLA too there has been some friction among the staff partially political in origin but also partially due to the fact that some doctors took over Public appointments without authorization of the President of the Zone or Allied Military Government. This is being investigated.

(c) Medical Supplies -

Supply and distribution remain satisfactory. The indents submitted for the next six months period have been held up because of queries from AFHQ over quantities of supplies required. Negotiations are proceeding with AFHQ to clarify matters through the Economics and Supply Division of this Headquarters.

(d) Venereal Disease -

An ambulatorio for the examination of licensed women is now in operation at the Questura of TRIESTE. This has greatly relieved the pressure in the Ospedale Maggiore. However, in accordance with a resolution made at a meeting at Rear Corps Headquarters on 12 December 1945, it has been arranged that, because of the large number of women involved, they need only attend once per week at the ambulatorio. However, to comply with Italian law, which orders three examinations per week, certain selected doctors have been given authority to carry out the two other prescribed examinations and issue certificates. There has been a definite decrease in the number of admissions to hospital in TRIESTE.
The campaign against VD at GORIZIA has been very active and great support and assistance has been obtained from the US 88 Infantry Division.

(e) Veterinary -

A supply of Brucceline vaccine has now been received for the testing of cattle for Malta fever.

(f) Welfare -

The work of the Ente Comunale di Assistenza (ECA) continues on normal public assistance basis. The budget for the months of January-February-March for the Communal ECA of TRIESTE City shews a considerable increase upon the previous quarterly

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The ECAs of TRIESTE City, GORIZIA, and POLA have been charged with the distribution of blankets to needy, and transfer of these supplies from Welfare warehouse to ECA warehouses is proceeding. 20,000 blankets have been sent out by the Welfare Division in the last few days.

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12. PUBLIC HEALTH AND WELFARE.(Cont. of Welfare)

The work of the Pontifical Commission continues throughout the Zone, much free food being distributed by the Churches.

Stocks of welfare clothing and footwear are now almost exhausted, but it is hoped to obtain new supplies from sources in ITALY.

The American Red Cross team which has done fine welfare work in the Zone has now been withdrawn. On the suggestion therefore of the Chief Public Health Officer, two Italian Red Cross Liaison Officers have been assigned to this Headquarters.

13 DISPLACED PERSONS.

The flow of displaced persons continues, and as expected the numbers month by month show a downward tendency.

During the month the Assembly Centre in TRIESTE dealt with the following persons:

	Entered	Evacuated
Civilians	645	671
Ex-P/s	72	76
	717	747

14. FINANCE.

(a) State Expenditure -

The credits established in favour of public agencies from date of occupation to 31 January are as follows:

TRIESTE	3,444,235,000	Lire
GORIZIA	558,003,000	"
POLA	346,887,000	"
	4,349,125,000	Lire

(b) Customs -

Permission for the establishment of an economic control on the Morgan Line has been authorised by AFHQ. The Customs procedure for handling parcel post has now been laid down.

(c) Finance Guards -

The serious shortage of Finance Guards will have an adverse effect on the future fiscal organization of this territory.

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The Customs procedure for handling parcel post has now been laid down.

(c) Finance Guards -

The serious shortage of Finance Guards will have an adverse effect on the future fiscal organization of this territory. However the amount of contraband seized by the present small staff indicates the good work done.

(d) Monopoly -

As a result of a meeting with a delegation of the Ministry of Finance, a number of decisions have been reached on the supply and distribution of monopoly products.

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14. FINANCE.(Cont.)

(e) Tax Collection -

Considerable difficulty is experienced in the collection of taxes and in meeting costs of collections in Slovene Communes, and appropriate action is contemplated.

(f) Excise Duties -

A general order is being prepared to legalise an instruction issued, raising the rates of duty to correspond with those in Italian Government territory.

(g) Insurance -

Unemployment Benefits - A draft order is being prepared to give effect to continuance of the payments to unemployed on the basis of Disoccupazione Dopoguerra from 1st January.

Finances of Social Insurance Institutions - Statements indicate excess of expenditure over income in all the principal institutes for month of December.

Legislation - Eleven General Orders are in course of preparation for adaptation of Italian decrees in this territory.

15. PROPERTY CONTROL.

(a) Allied Owned Property -

During January 10 additional properties of all classes were taken under control making 335 to date. The return to owners of 10, authorised some time ago, was completed making 68 returned in all.

(b) Italian State, Para-Statal and ex-Fascist Property - 1 statal, and 5 para-statal concerns have been formally taken under control during the month.

16. LEGAL.

(a) Military Courts -

Summary Courts - During January 46, a total of 271 accused were tried on 331 charges. These figures compare with 294 accused on 335 charges in December 45 - a decrease of 23 and 4 respectively.

Superior Courts - Cases tried by the Superior Courts shew an increase over December 45. The Superior Courts during January tried 21 accused (as compared with 12 in December) on 27 charges (as compared with 16 in December). It is not felt that the increase has any significance since the figures are still less than for November (23 accused on 44 charges), and substantially less than October (34 accused on 46 charges).

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In one of the Superior Court cases at GORIZIA, a prison sentence of 5 years was imposed on the accused person for assisting in the escape from the GORIZIA prison of a prisoner held on Allied charges. This was the highest prison sentence so far imposed by an Allied Court in the territory.

General Court - No General Court cases were tried during January.

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16. LEGAL (Cont.)

(b) Civil Courts -

The Civil Courts are functioning with reasonable satisfaction.

The Ordinary Court of Assize which has jurisdiction over the more serious offences, was reconstituted with the appointment of 60 assessors and with certain necessary changes in procedure, by Order No 55, 1st Jan 46. The first public session of the Court will be held on 11th Feb 46.

(c) Special Court of Assize for Fascist Crimes -

This Court deals with charges of collaboration with the Germans and the Fascist Republican Government after 8 Sept 43 (Proclamation No 5).

12 public trials were held during January resulting in 10 convictions and 2 acquittals.

(d) Epuration -

Epuration Commission under General Orders No 7 and 8 (Public Officials and Employees in Private Industry) - During January provisional Orders of dismissal were made in 96 cases. Final Orders of dismissal after trial were made in 25 cases.

Epuration Commissions for the Professions and Arts (General Order No 13) - These Commissions are functioning in each Area. 737 Schede Personali were received during January. Provisional Orders of suspension were issued in 87 cases. Final Orders of suspension were made after trial in 6 cases.

Territorial Epuration Commission of Appeal - This Commission is now fully organized. Two additional members were appointed to the Commission in January.
During the month 12 appeals were decided. The decision of the Commissions of the First Instance were affirmed in 10 cases and quashed in 2 cases. In 9 of the cases affirmed, the penalty (suspension or dismissal) was reduced. 115 appeals are pending.

(e) Proclamations and Orders -

Details of the proclamations, general orders, and orders etc. published during January 46 are attached as Appendix 'A'.

17. EDUCATION.

(a) General -

During the holiday period all schools in TRIESTE City and in surrounding Communes were furnished with fuel, either with coal or wood. (During the month of December students of both Italian and Slavic schools strongly protested against the cold classrooms in which they were required to study - fuel was then

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Epuration Commissions for the Professions and Arts (General Order No 13) - These Commissions are functioning in each Area. 737 Schede Personali were received during January. Provisional Orders of suspension were issued in 87 cases. Final Orders of suspension were made after trial in 6 cases.

Territorial Epuration Commission of Appeal - This Commission is now fully organized. Two additional members were appointed to the Commission in January.
During the month 12 appeals were decided. The decision of the Commissions of the First Instance were affirmed in 10 cases and quashed in 2 cases. In 9 of the cases affirmed, the penalty (suspension or dismissal) was reduced. 115 appeals are pending.

(e) Proclamations and Orders -

Details of the proclamations, general orders, and orders etc. published during January 46 are attached as Appendix 'A'.

17. EDUCATION.

(a) General -

During the holiday period all schools in TRIESTE City and in surrounding Communes were furnished with fuel, either with coal or wood. (During the month of December students of both Italian and Slavic schools strongly protested against the cold classrooms in which they were required to study - fuel was then on the way, and in many places it had been delivered).

Projects for school repairs and reconstruction are being approved as soon as estimates are submitted to the Genio Civile. Repairs to the elementary school of Via S.GIORGIO in TRIESTE, were completed and the school opened this month. In it, function also the schools of Via TARTINI and Via COMBI.

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17. EDUCATION. (Cont. of General)

A new Slovene text book "Svobodna Pota" (Free Roads) with rather strong Communistic teaching has appeared in the Slovene Areas of Zone 'A'. It is a book prepared by the Council of Liberation of TRIESTE (MCS). It was never submitted for approval to the Education Division of Allied Military Government. The PNOC has requested the parents' councils to purchase the book for distribution to the second elementary school classes.

A teachers' congress will be held on the 19/20 Feb at the Casa del Popolo, TRIESTE.

(b) Education Policy -

During the month the Education Officer started the procedure of meeting weekly with the representatives of the Cultural Section of the Councils of National Liberation - PNOO and MCS - Regional and of TRIESTE City and Area. Three conferences were held during January. Each conference placed new light on the reasons for the resistance movement against Allied Military Government education policy. These conferences revealed that true cooperation will be impossible, for the Cultural Section will not agree to promote our directives no matter how excellent they may be, unless the Cultural Section is accepted and adopted by Allied Military Government. The weekly conferences however will continue.
The following are the basic requests which Allied Military Government would be required to meet in order to have the collaboration of the PNOO Cultural Section: -

1) Complete autonomy to be granted the Slavic schools. The "Sovraintendente Scolastico" would handle the payment of teachers only.

2) Allied Military Government would remain as a controlling unit.

3) An Executive Committee elected by the PNOO and approved by the Education Division would handle all school affairs.

4) Text books, programmes, teaching and administrative personnel would be under the above Executive Committee which would dictate also the character of the Slavic schools. (The President of the Committee stated: "This Committee would then be ready to take over all school activities immediately if the territory passes to JUGOSLAVIA").

5) All professors and teachers now employed who do not meet with the approval of the Committee would be dismissed.

6) For GORIZIA Area schools the "Sovraintendente" would have to be a Slovene.

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5) All professors and teachers now employed who do not meet with the approval of the Committee would be dismissed.

6) For GORIZIA Area schools the "Sovraintendente" would have to be a Slovene.

18. TELECOMMUNICATIONS.

As the result of further investigations by the civil police into the theft of wire etc. four more suspects have been imprisoned. This makes a total of five. The police have been asked to try and locate the stolen material.

It is hoped that during February all Postmen will be issued with a new uniform and overcoat.

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18. TELECOMMUNICATIONS. (Cont.)

As the result of a meeting with the Telecommunications and Postal Directors at FIUME, it was agreed that a telegraph circuit will be opened forthwith between TRIESTE and LUBLANA. The conditions will be as for traffic abroad. All traffic on this line is subject to strict censorship at LUBLANA; only messages of a very definite non-transactional and family nature will be accepted, and there will be no prepaid telegrams.

As the result of a meeting with the Postal Director from FIUME, slight adjustments were made with regard to the delivery of mails from Zone A to Zone B. A comparison of Postal Services existing in each Zone and between Zones revealed that everybody is satisfied. In principle all services are working except those which are of a financial, commercial or legal character.

On the receipt of verbal instructions from 13 Corps, the Finance Division's proposed scheme for transactional correspondence to other countries is held up.

19. PUBLIC RELATIONS.

Seven press correspondents, including American, British, French, and Danish visited VENEZIA GIULIA during January and were looked after by Public Relations.

The S.C.A.C. has continued to hold weekly Press Conferences for local journalists, and these have been well reported in the local press. In addition two Press Conferences were held at which the Chief Public Works Officer, explained the Allied Military Government Public Works projects for the repair of war-damaged houses. These received considerable prominence in all sections of the local press and it is intended to extend this type of press conference to other Divisions very shortly.

A weekly review of local press trends is produced by the Section and the circulation of the Daily Press Summary prepared jointly with A.I.S. has been increased to include all Divisions.

About 10 to 15 news items per week concerning Allied Military Government activities have been issued to the press and particular care is taken to explain the general import of each Allied Military Government order in non-legal language, and to clear up any misunderstandings. Emphasis has been put on all activities with a reconstruction angle to combat adverse criticism of Allied Military Government's reconstruction achievements, based in many cases on ignorance of the facts.

A feature of the local press in recent weeks has been even more strenuous campaigning on the part of the opposing factions on the subject of the future of the area. This appears to have been precipitated by the reported imminent arrival of the Foreign Ministers' delegates.

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20. PATRIOTS.

The work of this Division continues to increase, as owing to the late date on which payment to partisans was commenced in this territory, the task of sorting the true from the spurious partisans becomes more complicated. Payments to next of kin of dead partisans and to wounded partisans continue to be made. A start was also made during January with the payment of 50 lire per day for each day a partisan spent in a hospital due to wounds.

Up to 31st January 46 approximately 2,000,000 lire had been paid out to ex-partisans.

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20. PATRIOTS. (Cont.)

The Associazione Partigiani Italiani continues its' work of protecting the interests of Italian partisans and during the month has become affiliated to the A.N.P.I. This Association has realised that partisans must now revert to normal citizenship and is assisting them in this direction. An employment exchange is operated by the Association.

The Associazione Partigiani Giuliani continues to press upon Allied Military Government the claim for preferential treatment for ex-partisans. A Partisan Week was organised by the Association during January with the object of obtaining funds for the assistance of the families of the fallen partisans and for the payment of large scale funerals. In all the work of this Association the Slovene character of the partisan movement is heavily stressed. The claimsas to the number of partisans in the area put forward by this Association are somewhat exaggerated. The present figure advanced by them being:

Dead	42,800
Wounded	,000
Deported	95,460

A start was made during January to obtain nominal rolls of all partisan formations, so that if at a later date a demobilization bonus is contemplated, the way will be prepared for speedy payments.

So far no reply has been received from the Jugoslav Military Mission regarding the status of the IX Corps. All claims from members of this Corps are being deferred until the status of the Corps is defined.

H.P.P.ROBERTSON
Colonel,
D/S.C.A.O.

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APPENDIX 'A'

GENERAL ORDERS, ORDERS, AND ADMINISTRATIVE ORDERS PUBLISHED DURING JANUARY 46.

a. General Orders:

No 35 - Correspondence with countries outside the territory
No 36 - Consumer Tax
No 37 - Increase in fees due to notaries
No 38 - Additional tax on textile goods - Amendments to the R.D.L. 11 January 1943 No 65
No 39 - Revision of laws relating to registration, mortgages taxes, death and succession duties
No 40 - War profit tax
No 41 - Special Court of Assize

b. Orders:

No 53 - Formal declaration of enemy Status of GERMANY and JAPAN
No 54 - Indemnities for lay assessors of the Special Court of Assize
No 55 - Ordinary Court of Assize
No 56 - District and Area Tax Commissions
No 57 - Increase in radio license fee
No 58 - Amendments to provisions of the law 17th March 1932 No 368 and to the relevant regulation approved by R.D. 23th June, 1932 No 904, concerning the standards of flour and bread
No 59 - Establishment of commissions to enable heavy workers to obtain supplementary food rations
No 60 - Liquidation of "Ente per gli scambi commerciali e approvvigionamenti dei territori annessi al Fiumano" (E.S.C.A.T.A.)
No 61 - Increase of financial benefit for the catholic clergy
No 62 - Reduction of prescribed period of practice to qualify as a lawyer - Supplement to Order No 32
No 63 - Temporary determination of state pensions and constitution of pension commissions therefore
No 64 - Re-constitution of the Forestry offices
No 65 - Examinations for attorneys

c. Administrative Orders: -

No 19 - Retention in service of judiciary officials who have reached the age of retirement
No 20 - Appointment of Dott.Guido HUGHES as Commissario Straordinario of Ente Nazionale per le tre VENEZIE
No 21 - Appointment of sequestrator for the "Danubio-Concordia" Societa' Anonima di Assicurazioni Generali
No 22 - Rules of Procedure of the Territorial Epuration Commission of Appeal
No 23 - Appointment of Special Commissario for Cassa Marittima Adriatica
No 24 - Appointment of Territorial Inspector and Vice Inspector of Agriculture

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No 25 - Appointment of Dott.Ettore Pescatori as Director of the Territorial Office of the "Consorzi Agrari".

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AMG 13 Corps M.R. 714

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SUMMARY
for the month ending 31 Dec 45

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1. Political Situation.

December has been a comparatively quiet month, and apart from the exaggerated political interest which has been centred on the suspension of the Slovene-Communist paper "PRIMORSKI DNEVNIK", there is little of note to report. The Slovene-Communist paper "PRIMORSKI DNEVNIK" was suspended for an indefinite period on the 5 Dec, for failure to keep a commitment of the editor to retract inaccurate and abusing criticism of the Allied Military Government's education policy. The editor, at the time of the promise, had admitted to the falsity of the articles. The suspension became the chief concern of all pro-Slav elements, and strong support was given to sympathizers by the LUBIANA Press. Repercussions were soon forthcoming, and a general strike resulted.

2. Local Government.

During December active steps were taken to implement General Order No 11 in all areas, and communes are now either functioning in accordance with the terms of General Order No 11, or are under direct G.O rule. (Details of the exact state in each commune will be embodied in the next report).

3. Venezia Giulia Police Force.

The augmentation and construction of the VENEZIA GIULLA Police Force has continued its satisfactory progress. In spite of their very limited period of training before proceeding on duty, the civil policemen are shewing an aptitude for police work and are working quietly and competently. The general public has accepted them in a manner which augurs well for the future, and but for a few exceptions the month has passed quietly as far as law and order is concerned.

4. Economics.

The supplies programme so far submitted, which includes the increased food ration for POLA, and the special two months reserve, has been approved by the combined chiefs of staff.

5. Food.

During the month rations on the normal [illegible]

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During the month rations on the normal AC scale were issued to the population.

Special Christmas issues were made to the very needy classes and although the amounts involved were small, (in relation to the stock position) the issues were very well received.

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6. Transportation.

The first consignment of the vehicles promised by 13 Corps has arrived at REME Workshops, and will be taken over by the Transportation Division on 7th Jan 46.

7. Agriculture.

Supplies for forestry and fisheries are coming in, and with seed and fertilizer requirements arriving in increasing quantities, the whole agricultural position is very much improved. Seed potatoes are expected in before the middle of February.

8. Labour.

Both the Sindacati Unici and the Camera del Lavoro came forward on the 24 Dec to request an extension of the recent temporary wage adjustment until the wage position can be stabilized. It was agreed to extend this adjustment until the end of January, but with the stipulation that if no agreement is reached by the 8th Jan, the Labour Office will intervene.

9. Industry & Utilities.

Under supervision of the Industry & Utilities Division, 1,680 tons of coal, 12,160 litres of petrol, 27,975 litres of Kerosene and 22,425 litres of Gascil were allocated to industries. Most raw materials continued to be in short supply, and the shortage of Carbide was especially felt, as shipyards and metal working industries cannot continue production without it. The list of materials required for the industries of VENEZIA GIULIA in the first half of 1946, was completed and forwarded to HQ ALCOM for onward transmission to AFHQ.

10. Commerce.

During the month many requests have been received for goods to cross the Morgan Line to Zone 'B' and JUGOSLAVIA. Permits have been given in cases where the goods were originally from old stocks in TRIESTE, but for fresh supplies which are imported from ITALY and are in transit through this territory, suppliers have been told that they must have: -

1) export permit from the Italian Government
2) import permit from the Jugoslav Government.

11. Public Works.

Supplies of raw materials for Public Works projects are becoming available in increasing quantities, and greater progress in many reapir schemes is being made.

Many of the villages which were destroyed during

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Many of the villages which were destroyed during the war, and are now declared distressed areas, have been inspected, and work on repairs started.

12. Public Health and Welfare.

The health of the people in the area has been excellent although sporadic cases of infectious disease have occurred.

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13. Displaced Persons.

The flow of displ oed persons continues, and as expected, the numbers month by month show a downward tendency.

14. Finance.

Statal and Para-Statal Budgets have been received from practically all Agencies and have been approved.

No further progress has been made since Nov on the establishment of economic control line between the Anglo-American and Jugoslav controlled Zones of VENEZIA GIULIA. The matter rests with AFHQ.

15. Property Control.

During the month 95 additional properties of all classes were recorded and taken under control making a total of 325. No additional properties were returned to owners, and the number remained at 58.

16. Legal.

Summary Courts - During Dec 45, a total of 294 accused were tried on 335 charges.

Cases disposed of by the Superior Courts during Dec shewed a sharp decrease.

17. Education.

A complete report covering the educational activities in VENEZIA GIULIA during 1945, is now in the course of preparation.

The new elementary school programmes for the Italian schools were distributed free to all elementary school teachers of the three areas.

The Slavic (Slovene language) elementary school programmes are being printed by the Allied Information Service and it is hoped that they will be distributed by the early part of January.

18. Telecommunications.

Due to continued th fts of wire etc. no new circuits were completed during Dece ber. It is hoped that a conference between AMG 13 Corps Telecommunications Officer and the OC Area Signals, will lead to the reduction of military control over civilian apparatus, and to a reduction in the number of military telephones and circuits in TRIESTE. A reduction is also sought in the number of civilian personnel employed by the Signals units. This would enable the civilian organizations to function with greater efficiency.

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19. Public Relations.

Efforts have been made to increase Allied Military Government publicity in the local press and over the radio. Since 12 December over [illegible] news stories and items, emanating mainly from divisions in the HQ AMG building, have appeared in Allied daily papers, and most of them in other newspapers. All items have been broadcast. These stories and items are in addition to those obtained and put out by the news Divisions of AIS.

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20. Monuments and Fine Arts.

The work of repairing war damage to monuments in this area has continued steadily.

The area was visited by Capt.T.H.BROOKE, MFAA Branch Land Steiermark, between 4th and 7th Dec 45.

21. Patriots.

Up to the end of the year approximately 500 claims were received, and out of these 34 payments were made to next of kin, and 24 to wounded. This amounted in all to 920,000 lire.

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SECRET

MONTHLY REPORT
for month ending 31 December 45

1. POLITICAL SITUATION

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On the 13 and 14 Dec, demonstrations and short local strikes took place in TRIESTE and in several towns and villages, during which threats of further disorders were made.

On the 15 Dec, the UAIS called a general strike. The Sindacati Unici took part, but mainly because the issue was purely political, the Sindacati Giuliani declared themselves against it. The strike, which was called for 24 hours, partially faded out by the end of the morning, and chiefly through the Sindacati Giuliani's decision to withhold support, was entirely unsuccessful. This failure gives a good indication of the Italian population's increased confidence in public order, and the gradual loss of power by the pro-Jugoslavs.

Generally it is felt that the workers are becoming more and more out of sympathy with the pro-Jugoslav Communists, and with a gradual realisation that the strikes always end on a political note, support is noticeably less each time.

It seems certain that when the civil police force is strong enough in all areas to guarantee the workers complete freedom from intimidation, strike organizers will have little success. The UAIS in particular realize this, and their present campaign which aims at provoking resentment and undeserved criticism against the VENEZIA GIULIA Police Force, bears this out. By pursuing this campaign, the UAIS admit that their power and prestige will count for little once a really strong and efficient police force is established.

2. LOCAL GOVERNMENT.

During December activ steps were taken to implement General Order No 11 in all areas, and communes are now either functioning in accordance with the terms of General Order No 11, or are under direct CAO rule. (Details of the exact state in each commune will be embodied in the next report).

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DNEVNIK", there is little of note to report.

The Slovene-Communist paper "PRIMORSKI DNEVNIK" was suspended for an indefinite period on the 5 Dec, for failure to keep a commitment of the editor to retract inaccurate and abusing criticism of the Allied Military Government's edusation policy. The editor, at the time of the promise, had admitted to the falsity of the articles. The suspension became the chief concern of all pro-Slav elements, and strong support was given to sympathizers by the LUBIANA Press. Repercussions were soon forthcoming, and a general strike resulted.

On the 13 and 14 Dec, demonstrations and short local strikes took place in TRIESTE and in several towns and villages, during which threats of further disorders were made.

On the 15 Dec, the UAIS called a general strike. The Sindacati Unici took part, but mainly because the issue was purely political, the Sindacati Giuliani declared themselves against it. The strike, which was called for 24 hours, partially faded out by the end of the morning, and chiefly through the Sindacati Giuliani's decision to withhold support, was entirely unsuccessful. This failure gives a good indication of the Italian population's increased confidence in public order, and the gradual loss of power by the pro-Jugoslavs.

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The task of enforcing direct CAO rule was especially difficult in SESANA, TRIESTE Area. It was not possible to form a District Council under General Order No 11, and the CAO had the hard task, in face of open hostility on the part of the dismissed local Liberation Committee, of building up from nothing, a District or Communal Administration.

The identity card programme has been completed, except for a few stragglers (composed mainly of invalids) in outlying areas.

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3. VENEZIA GIULIA POLICE FORCE.

(a) Civil Police -

The augmentation and construction of the VENEZIA GIULIA Police Force has continued its satisfactory progress. In spite of their very limited period of training before proceeding on duty, the civil policemen are shewing an aptitude for police work and are working quickly and competently.
The general public has accepted them in a manner which augurs well for the future, and but for a few exceptions the month has passed quietly as far as law and order is concerned.
Sub-stations are being opened as rapidly as possible in all districts, but the problem of securing accommodation is delaying progress.
During December, 242 men passed out of the VENEZIA GIULIA Police School, and a further 264 are at present training. In addition to the normal entrants through the school, 64 men have been through a searchlight training course at MONFALCONE and are now in service. 96 men have been taken directly into the VENEZIA GIULIA Police Force as drivers and armoured car crews, but these men will all go through the school later.
The present strength of the VENEZIA GIULIA Police Force is 1,950 (this includes all ranks).

On the 8th Dec 45, Major General J.Y.WHITFIELD, CB DSO OBE Divisional Commander 56 London Division, inspected and took the "salute" at the "passing out parade" of 242 new police guards at the Police Training School. The Divisional Commander also inspected the school premises and buildings and expressed satisfaction as to the parade and the inspection.

(b) Crime -

Two serious crimes which were reported during December, are detailed as follows: -

1) On the 16th Dec, an unfortunate incident occurred at TRIESTE, when a VENEZIA GIULIA Policeman whilst off duty in a cafe, apparently became embroiled in an argument with some civilians. The policeman, who had been drinking, walked to the door of the cafe, turned and opened fire on the civilians with his machine carbine. As a result, two persons were killed and two others wounded. The policeman was apprehended shortly afterwards at the Police Barracks.

2) On the 24th Dec, near MONTESPINO, an American soldier who was engaged on repairs to sabotaged

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2) On the 24th Dec, near MONTESPINO, an American soldier who was engaged on repairs to sabotaged signal lines, was shot and killed by persons unknown.
The SIB took charge of enquiries. Two Jugoslav soldiers are suspected, and are required for questioning.
Application has been made by the British Military Authorities to the Jugoslav Mission, for those suspected assassin. to be extradited.

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3. VENEZIA GIULIA POLICE FORCE. (Cont.)

(a) Black Market -

The situation regarding black market activities still remains around the same level. Finance guards and Municipal guards, together with harbour patrols, are all combatting this menace with the utmost zeal.

It is difficult to prevent food etc. from being taken illegally into Zone 'B' and JUGOSLAVIA. A considerable amount of merchandise and food is being purchased in the POLA Area, and is going into Zone 'B', where it is sold at a high price.

(d) Prostitution and Brothels -

In TRIESTE Area, prostitutes examined during the month of December are shewn as below. (November figures are quoted for comparison).

	Dec.	Nov.
1) Examined and found clean	127	154
2) Examined and found infected	49	47
3) Examined - Result awaited	18	12

Cases of Allied Troops infected in the territory of 5$ Area totalled 3d.
Registered practising prostitutes have decreased by 64, there being 595 at the end of the period under review, compared with 659 at the end of November.

(e) Conduct of Allied Service Personnel -

Discipline in the area continues to be good. All Allied Police have dealt energetically with military offenders, particularly in regard to traffic contraventions.

(f) Fire Brigades and Civil Defence -

At 13,40 hours on 5th Dec, a call was answered to the Arsenale Governativo Munitions store, at POLA. The building appeared to be completely destroyed by the force of an explosion which had previously occurred. The fire service was among the first on the scene, and removed one dead and 13 wounded to hospital by brigade transport. Excellent work appears to have been done; two detachments were sent to the coal quay where a big fire had developed, and they succeeded, after working under conditions of great danger, in preventing another explosion of the large amount of munitions in the vicinity. Another detachment attended the rope factory which was well alight, and within a short time of arrival, succeeded

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	Dec.	Nov.
1) Examined and found clean	127	134
2) Examined and found infected	49	47
3) Examined - Result awaited	18	12

Cases of Allied Troops infected in the territory of 5S Area totalled 38.
Registered practising prostitutes have decreased by 64, there being 595 at the end of the period under review, compared with 659 at the end of November.

(e) Conduct of Allied Service Personnel -

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At 7 p.m. on 17th December, a call was received from the Electric Society - Societa' Elettrica della VENEZIA GIULIA -, where a transformer had caught fire. After an hour's hard work the fire was brought under control. The loss was estimated at 150,000 lire. Cause was probably due to the overheating and subsequent ignition of the oil.

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3. VENEZIA GIULIA POLICE FORCE. (Cont.)

(g) Civil Prisons -

Prisons in VENEZIA GIULIA are still very full, but there is now a slight tendency towards a general decrease in the number of detainees.

A request has been made by the Chief of Police to 13 Corps Commander, for all prison staff to become members of the VENEZIA GIULIA Police Force. This will ensure that a suitable guarantee can be made to prison personnel for a minimum salary, and for the issue of suitable clothing and rations etc. In the meantime prison guards continue to do outside guard duties under trying climatic conditions, wearing their own civilian clothes, or dyed khaki drill supplied through the kindness of Army Quartermasters.

(h) Forgery and Uttering of Allied Currency Notes - One case has come to light at GORIZIA during the month, of two forged notes being received at the Bank: -

1) 1,000 lire note No A 21082882 A
2) 100 " " No A 52342683 A

Enquiries were made by CID, but with a nil result.

4. ECONOMICS.

(a) General -

The supplies programme so far submitted, which includes the increased food ration for POLA, and the special two months reserve, has been approved by the combined chiefs of staff.

Although action on the raising of several sunken ships is being held up by Jugoslav War Booty claims, efforts are being made to obtain consent and willingness of all parties concerned to raise these ships and to pay for the refloating and repairs when a decision as to ownership is finally reached. In the meantime Allied Military Government would raise the ships and operate them in trust pending a decision.

(b) Price Control -

During the month the Price Control Order has been published, (General Order No 26) and three Commissions, as follows, and common Secretariat have been appointed:-

1) Price Fixing Commission - The inspectors of this Commission are now working on the costing of the

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During the month the Price Control Order has been published, (General Order No 26) and three Commissions, as follows, and common Secretariat have been appointed:-

1) Price Fixing Commission - The inspectors of this Commission are now working on the costing of the commodities to be controlled, and it is expected that in the near future new prices will be fixed for many items.

2) Price Enforcement Commission - A paid director has been appointed, and 20 civilian controllers are now being trained by the VENEZIA GIULIA Police Force.

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4. ECONOMICS. (Cont. of Price Control)

3) Price Equalisation Commission - This Commission consists of an economic expert, a commercial expert, and three qualified accountants. The commission has already made investigations into the position of three electricity concerns: SELVEG, SVEM, and GORIZIA MUNICIPALITIES, and as a result the tariffs of these concerns have been adjusted. The Commission is now investigating the following: -

I) Cost of coke production at ILVA
II) Costing of work by Cantieri Riuniti
III) Financial position of ACEGAT
IV) Financial position of SOSITSIC.

5. FOOD.

Rations on the normal AC scale were issued to the population. To all consumers these items were distributed: -

Commodities	TRIESTE Town	TRIESTE Province	GORIZIA Town	GORIZIA Province	POLA
Bread gr.	250	200	200	200	200 to all
Pasta gr.	2000+)	2000+)	2000+)	2000+)	2500 " "
Fat gr.	180	180	180	180	180 " "
Sugar++) gr.	500	500	500	500	500 " 0-4 years
" gr.	250	250	250	250	250 " 4-19 "
" gr.	200	200	200	200	200 "19-65 "
" gr.	250	250	250	250	250 " up 65"
Milk powd. gr.	1000	-	-	-	- " 0-1 "
" " gr.	-	-	-	-	1500 " 0-4 "
" evap gr.	1000	-	1000	-	- " 0-1 "
" " gr.	3000	-	1000	-	- " 1-4 "

+) 1000 gr. to make up for the short issue in November.
++) Sugar issue to 19-65 age group was effected for December.

Special Christmas issues were made to the very needy classes and although the amounts involved were small, (in relation to the stock position) the issues were very well received.

The Allied Military Government supplies which arrived during Dec45 were made up as follows: -

	Net metric tons.
Flour	750
Barley	44
Cons. fish	6

Latest ration card statistics show the population of

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Bread gr.	200	200	200	200	200	to all
Pasta gr.	2000 +)	2000 +)	2000 +)	2000 +)	2500	" "
Fat gr.	180	180	180	180	180	" "
Sugar ++) gr.	500	500	500	500	500	" 0-4 years
" gr.	250	250	250	250	250	" 4-19 "
" gr.	200	200	200	200	200	"19-65 "
" gr.	250	250	250	250	250	" up 65"
Milk powd. gr.	1000	-	-	-	-	" 0-1 "
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	Net metric tons.
Flour	750
Barley	44
Cons. fish	6

Latest ration card statistics show the population of the territory as follows: -

TRIESTE	325,520
GORIZIA	123,288
POLA	33,168
	481,976

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APPENDIX 'A'

GENERAL ORDERS, ORDERS, AND ADMINISTRATIVE ORDERS PUBLISHED DURING DECEMBER 45.

a. General Orders:

No 28 - Protection of buildings and other property
No 29 - Repeal of General Order No 19
No 30 - Repeal of fascist and racial laws; abolition of death penalty and other changes in penal laws and procedure
No 31 - Tax concessions to assist the re-building of war-damaged buildings
No 32 - Turnover tax
No 33 - Public Wages - Revision of Gen.Order No 15
No 34 - Annulment of fascist pensions; general and special increase in public pensions; and temporary cost of living allowances to public pensioners.

b. Orders :

No 44 - Increases and adjustments of fees of doctors retained by the Istituto Nazionale per l'Assistenza di Malattia ai Lavoratori
No 48 - Amendment of General Order No 14 - Statement of ownership by Communal Presidents
No 49 - Liquidation of Ente Nazionale Distillazione Materie Vinose
No 50 - Failure to possess identity card or special registration certificate - Supplement to Order No 14
No 51 - Exemption from customs duties
No 52 - Radio licence fee

c. Administrative Orders:

No 14 - Unification of "Udis" with "Sopral"
No 15 - Appointment of Dr.RAKUSCEK as Counsellor of Appeal
No 16 - Appointment of additional members of the Territorial Epuration Commission of Appeal
No 17 - Appointment of Avv.MAGNARIN Albino as Area Vice President, POLA Area
No 18 - Appointment of CANDEL-BENUSSI Raimondo as Inspector of the Istituto Nazionale per l'Assicurazione contro gli infortuni sul Lavoro, and of ZANINI Attilio as Inspector of the Ente Nazionale di Previdenza ed Assistenza per i dipendenti Statali.

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No 31 - Tax concessions [illegible]
of war-damaged buildings
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6. TRANSPORTATION.

(a) General -

The first consignment of the vehicles promised by 13 Corps has arrived at REME Workshops, and will be taken over by the Transportation Division on 7th Jan 46.

A meeting was held by the Chief Transportation Offr in GORIZIA, and cordial relations were established between the Area President and representatives of Autotrasporti in GORIZIA Area. The Centro Autotrasporti GORIZIA Agency should now function more smoothly.

(b) Port and Warehouse Sections -

The following table will shew details of tonnages handled in these sections during November -

	Cargo handled	
	Inwards Tons	Outwards to Consumers Tons
Ships (Military) Coal (Military, Railways and Allied Military Government)	15,242	15,242
Ships (Allied Military Government Supplies) received Warehouse 6	823	1,336
Ugena (Schooners) Mixed Cargoes	2,496	1,177
Total tonnages handled	18,561	17,755

(c) Road Section -

Tonnages hauled by Autotrasporti and Allied Military Government Truck Pool: -

	Freights hauled	
	Inwards	Outwards
TRIESTE Area	16,033	5,344
GORIZIA "	2,675	1,337
POLA "	1,203	553
	19,911	7,234

(d) Rail Section -

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(d) Rail Section -

Total of bids accepted by 'Q' Movements for Dec 45: tons. 66,632

Total of bids for Movements into TRIESTE tons. 9,014
" " " " " from " tons. 29,818

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7. AGRICULTURE.

(a) General -

Supplies for forestry and fisheries are coming in, and with seed and fertilizer requirements arriving in increasing quantities, the whole agricultural position is very much improved. Seed potatoes are expected in before the middle of February.

Drainage ditches are being cleared in the MONFALCONE and GRADO Districts, despite the cold weather and icy water. This provides a great deal of employment, and further work which will drain and irrigate other extensive areas during the coming spring, is in the hands of Public Works Division.

(b) Amassing -

The total amount of wheat amassed to date is 12,800 quintals. This brings the campaign practically to an end.

(c) Livestock -

One hundred mules and fifty four horses have arrived from AUSTRIA and have been distributed in the GORIZIA Area. Previously one hundred and sixty captured enemy horses were distributed to farmers in the TRIESTE Area.

(d) Forestry -

The forestry police are controlling to some extent the damage which is being done in the forests, although a great deal of reforestation will have to be started in the spring to try to repair damage already done.

8. LABOUR.

(a) General -

Both the Sindacati Unici and the Camera del Lavoro came forward on the 24 Dec to request an extension of the recent temporary wage adjustment until the wage position can be stabilized. It was agreed to extend this adjustment until the end of January, but with the stipulation that if no agreement is reached by the 8th Jan, the Labour office will intervene.

A strike was called for 24 hours commencing on the 15 dec. This was called as a protest against the suspension of the Slovene-Communist paper "HRIMORSKI DNEVNIK". The strike did not have the full sympathy of the workers, and was considered a failure. (Full details are under

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8. LABOUR. (Cont.)

(b) Unemployment -

The unemployment register shews a slight decrease due to requests for extra help over the holiday season. Figures are as follows: -

	November	December
TRIESTE	21,223	20,965
GORIZIA	3,510	4,045
POLA	3,003	3,427

(c) Cost of living -

Cost of living in the territory shews a slight tendency to rise and the latest figures (food items only) are as follows: -

TRIESTE	13,156	lire monthly
GORIZIA	13,331	" "
POLA	14,040	" "

9. INDUSTRY & UTILITIES.

Under supervision of the Industry & Utilities Division, 1,680 tons of coal, 12,160 litres of petrol, 27,975 litres of Kerosene and 22,425 litres of Gasoil were allocated to Industry. Most raw materials continued to be in short supply, and the shortage of Carbide was especially felt, as shipyards and metal working industries cannot continue production without it. The list of materials required for the industries of VENEZIA GIULIA in the first half of 1946, was completed and forwarded to HQ ALCOM for onward transmission to AFHQ.

Owing to the drought in Northern ITALY, only a restricted import of electric power into VENEZIA GIULIA was possible during the month of December. Due to the special political and economic situation in VENEZIA GIULIA, it was considered undesirable to order a cut as drastic as the one in force in ITALY, which cut off power from industrial, commercial and private users for two or three days a week. Therefore a modified rationing scheme was put into effect aiming at a reduction of import of electric power from 950,000 KWH a day to 630,000 KWH a day, a cut of about 30%.

For the first time in approximately 9 months, TRIESTE City has been supplied with gas. Although supplies were only for 3 hours - 11,00-12,00 and 18,00-20,00 - the service was very much appreciated. Similar rationed supplies were also available in GORIZIA and POLA.

The following work was carried out by the different yards and work shops of the Company: Cantieri Riuniti dell'Adriatico: -

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	November	December
TRIESTE	21,223	20,965
GORIZIA	3,510	4,045
POLA	3,803	3,427

(c) Cost of living -

Cost of living in the territory shews a slight tendency to rise and the latest figures (food items only) are as follows: -

TRIESTE	13,156	lire monthly
GORIZIA	13,331	" "
POLA	14,040	" "

9. INDUSTRY & UTILITIES.

Under supervision of the Industry & Utilities Division, 1,680 tons of coal, 12,160 litres of petrol, 27,975 litres of Kerosene and 22,425 litres of Gasoil were allocated to Industry. Most raw materials continued to be in short supply, and the shortage of Carbide was especially felt, as shipyards and metal working industries cannot continue production without it. The list of materials required for the industries of VENEZIA GIULIA in the first half of 1946, was completed and forwarded to HQ ALCOM for onward transmission to AFHQ.

Owing to the drought in Northern ITALY, only a restricted import of electric power int VENEZIA GIULIA was possible during the month of December. Due to the special political and economic situation in VENEZIA GIULIA, it was considered undesirable to order a cut as drastic as the one in force in ITALY, which cut off power from industrial, commercial and private users for two or three days a week. Therefore a modified rationing scheme was put into effect aiming at a reduction of import of electric power from 950,000 KWH a day to 630,000 KWH a day, a cut of about 30%.

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The following work was carried out by the different yards and work shops of the Company: Cantieri Riuniti dell'Adriatico: -

(a) S.MARCO Shipyard: Work on the construction of two floating cranes, on the repair and reconstruction of eight ships and a R.N. floating dock, continued.

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9. INDUSTRY & UTILITIES. (Cont.)

(b) MONFALCONE Shipyard: Construction continued on four 400 tons cargo motor-ships, on two 1000 tons cargo motorships, and on two 9000 tons motortankers. The Merchant Aircraft Carrier "Empire Maccabe" arrived for reconversion into a tanker.
All materials and machinery moved from this yard to Villa Vicentina for protection during the war, were returned to MONFALCONE.

(c) S.ROCCO Shipyard: Repair work on four ships and work on the conversion of a motortanker continued. Construction work on 6 small coasters continued, one of which was completed and launched in December.

(d) The Dock and Harbour works in the port of TRIESTE (Magazzini Generali) continued their work of rehabilitating TRIESTE's port facilities. Repairs on warehouses, light and water plants, wharves, cranes, grain elevators etc, continued.

10. COMMERCE.

(a) General -

During the month many requests have been received for goods to cross the Morgan Line to Zone 'B' and JUGOSLAVIA. Permits have been given in cases where the goods were originally from old stocks in TRIESTE, but for fresh supplies which are imported from ITALY and are in transit through this territory, suppliers have been told that they must have: -

1) export permit from the Italian Government
2) import permit from the Jugoslav Government.

Permission will be sought in ROME for a small Committee to visit VIENNA and to contact ACABRIT and the QUADRIPARTITE Committee, with a view to establishing trade between VENEZIA GIULIA and AUSTRIA. This would be a big step forward, and would in time extend to visiting and establishing trade relations with other countries.

Cotton is arriving in reasonable quantities, and two consignments, one of 800 bales and one of 1,200 bales, will enable the GORIZIA mills to continue working. Approximately 210 tons of Sicilian cotton are expected, although many difficulties were encountered in obtaining release of this. The cloth produced from the first consignment of 800 bales, has a poor appearance, due to the low quality of the cotton.

An allocation of 166 quintals of hemp per quarter has been secured. This was originally intended for the Canapificio Istriano at POL A, but this factory was

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An allocation of 166 quintals of hemp per quarter has been secured. This was originally intended for the Canapificio Istriano at POLA, but this factory was destroyed in the recent explosion. If the Jutificio & Canapificio Triestino are able to make the type of materials most needed in the territory, arrangements will be made to turn over the allocation to them.

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10. COMMERCE. (Cont. of General)

220 tyres and 30 tubes from the monthly allocation, were stolen on the night of 12 Dec 45 from the warehouse of Viale Miramare 29. These tyres were stored pending allocation by Buoni. The matter was immediately reported to VENEZIA GIULIA Police.

(b) Firewood -

It was expected that 12,500 tons of firewood would arrive from UDINE Province for the months of Nov - Dec, but the actual quantity received was 6,098 tons. Fortunately the public demand in the whole area has been less than half the amount originally allowed for and the deficiency will not have any serious effect. Present stocks of firewood in TRIESTE total: -

5,830 tons.

(c) Coal -

Of the 20,913 tons of coal received during December, 15,536 tons were distributed. The balance was not unloaded by the end of December, so will be carried forward for January. 25,339 tons are expected in for January.

11. PUBLIC WORKS.

Supplies of raw materials for Public Works projects are becoming available in increasing quantities, and greater progress in many repair schemes is being made.

Many of the villages which were destroyed during the war, and are now declared distressed areas, have been inspected, and work on repairs started.

The office of the Inspector General (Civilian Chief of the Genio Civile) of the territory is now functioning, and is proving of great assistance to the Public Works Division.

12. PUBLIC HEALTH AND WELFARE.

(a) General -

The health of the people in the area has been excellent although sporadic cases of infectious disease have occurred.

The diphtheria epidemic previously reported in GORIZIA has subsided.

Steady progress is being made in the rehabilitation

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Steady progress is being made in the rehabilitation and repair of hospitals and institutions.

The anti-rat campaign in TRIESTE continues, and approximately a further 10,000 rats have been accounted for.

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12. PUBLIC HEALTH AND WELFARE. (Cont.)

(b) Hospitals General -

The general situation with regard to hospitals has been satisfactory, in spite of some financial and supply difficulties.

The coal problem in the hospitals became critical during the last week of December, but energetic action on the part of Allied Military Government's Fuel officer averted a serious situation.

Efforts are still being made to find a Capo Sanitario for the POLA Area but so far without success. A similar situation occurred in GORIZIA. This seems to have been due to the misinterpretation of General Order No 11 by the President of the Zone. A conference was therefore held with the Area Commissioner, the Public Health Officer of the Area, the President, and the C.P.M.O., and a general policy agreed upon in regard to the appointment of medical officials and the formation of the local medical concilio.

The epuration committees for professional men are now in full swing. If vacancies occur as a result of this process, appointments will be advertised throughout the VENEZIA GIULIA Area, so that they may be appropriately filled.

(c) Medical Supplies -

Normal distribution has been maintained, and the situation is satisfactory.

(d) Veterinary -

Estimated requirements for drugs and dressings necessary for the treatment of animals in VENEZIA GIULIA, have been submitted through the Economics Division.

(e) Welfare -

Owing to the forthcoming departure of the American Red Cross Field representatives, efforts have been made to obtain suitable Italian Red Cross Liaison officers to replace them. A scheme was therefore submitted to the President General Italian Red Cross, ROME, who has agreed in principle.

50,000 blankets have been received for distribution to poor and sick in the Area.
It has been recommended that the issue should be

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50,000 blankets have been received for distribution to poor and sick in the Area.
It has been recommended that the issue should be free.

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13. DISPLACED PERSONS.

The flow of displaced persons continues, and as expected, the numbers month by month show a downward tendency.

During the month the Assembly Centre in TRIESTE dealt with the following persons: -

	entered	evacuated
Civilians	879	875
Ex-POW	217	253
	1096	1128

An index of persons deported from this Area (now known as Zone 'A') into JUGOSLAVIA during the Jugoslav occupation, is being compiled and will soon be completed.

14. FINANCE.

(a) State Expenditure -

Statal and Para-Statal Budgets have been received from practically all Agencies and have been approved. Communal Budgets show a great improvement, and only a few communes have not yet submitted requests for funds.

(b) Legislation -

Four new orders were completed and became law during Dec.

Although moving slowly due to lack of suitable staff, the introduction of new revenue legislation is proceeding satisfactorily.

(c) Customs -

No further progress has been made since Nov on the establishment of an economic control line between the Anglo-American and Jugoslav controlled Zones of VENEZIA GIULIA. The matter rests with AFHQ.

(d) Contraband -

Seizure of contraband continues in ever increasing quantities.

(e) Monopoly -

Tobacco and salt prices have been raised to the level

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Tobacco and salt prices have been raised to the level existing in Italian Government territory.

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14. FINANCE. (Cont.)

(f) Insurance -

Unemployment Benefits - Payments to unemployed on the basis of Disoccupazione Dopoguerra will be discontinued as from 31 Dec 45. Henceforth the unemployed in VENEZIA GIULIA will be on the same footing as the unemployed in Italian Government territory, viz. they will receive 30 lire per day, plus 5 lire for each child. Additional assistance will be provided by E.C.A. which will investigate individual cases of hardship.
The payments from Cassa Integrazione which were to cease on the 31 Dec 45 will be continued for a further three months.

15. PROPERTY CONTROL.

(a) Allied Owned Property -

During the month 95 additional properties of all classes were recorded and taken under control making a total of 325. No additional properties were returned to owners, and the number remained at 58.

(b) Italian State, Para-Statal, and Ex-Fascist Property. -

The recording and classifying of this is now well advanced and it is hoped to supply accurate figures next month.

(c) Abandoned Property - Property of Absentee owners -

The necessary Orders and instructions for dealing with this have now been issued, and reports from Areas are awaited.

(d) Confiscated Jewish Property -

Nothing further to report.

16. LEGAL.

(a) Military Courts -

Summary Courts - During Dec 45, a total of 294 accused were tried on 335 charges. These figures compare with 275 accused and 318 charges in November, an increase in December of 19 and 17 respectively.

Superior Courts - Cases disposed of by the Superior Courts during Dec showed a sharp decrease. Superior Courts during Dec tried 12 accused (as compared with 23 in Nov) on 16 charges (as compared with 44 in

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Superior Courts - Cases disposed of by the Superior Courts during Dec showed a sharp decrease. Superior Courts during Dec tried 12 accused (as compared with 23 in Nov) on 16 charges (as compared with 44 in Nov). Charges for the illegal possession of firearms dropped from 29 in Nov to only 9 in December.

General Court - No General Court cases were tried during December.

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16. LEGAL. (Cont.)

(b) Civil Courts -

All Ordinary Civil Courts are functioning with reasonable satisfaction. The Ordinary Court of Assize which has jurisdiction over the more serious offences, has been functioning on the investigative side but has not yet held public trials. This Court, which is a section of the Court of Appeal, consists of a President and 4 lay assessors. The delay in holding trials has been due to the difficulty of selecting suitable assessors. A list of 80 has now been chosen and an Order is now being prepared appointing them.
It is anticipated that the first public trial will be held on or about 15 Jan 46.

(c) Special Court of Assize -

This Court deals with charges of collaboration with the Fascist Republican Government and the Germans (Proclamation No 5).

Seven public trials were held during Dec, resulting in 4 convictions and 3 acquittals.

(d) Epuration -

Epuration Commissions of the First Instance under General Orders No 7 and 8 (Public officials and employees in private industry) - So far as can be ascertained at the moment these Commissions seem to be operating with reasonable efficiency.

(e) Proclamations and Orders -

Details of the proclamations, general orders, orders etc. published during December are attached as Appendix 'A'.

17. EDUCATION.

(a) General -

A complete report covering the educational activities in VENEZIA GIULIA during 1945, is now in the course of preparation.

The new elementary school programmes for the Italian schools were distributed free to all elementary school teachers of the three Areas.
The Slavic (Slovene language) elementary school programmes are being printed by the Allied Information Service, and it is hoped that they will be distributed

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The new elementary school programmes for the Italian schools were distributed free to all elementary school teachers of the three Areas.
The Slavic (Slovene language) elementary school programmes are being printed by the Allied Information Service, and it is hoped that they will be distributed by the early part of January.

The TRIESTE and PCLA secondary school students went on strike protesting against the lack of heat in their school. The strike lasted from one to two days, and only a comparatively small number of students missed classes.

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17. EDUCATION. (Cont. of General)

In TRIESTE, the Slovene secondary school students (only those sympathizing with the Slavic National Liberation Committee) went on strike. They included in their requests: -

1) the immediate heating of their school
2) the dismissal of all professors not of their political creed i.e. approved by the PNOO
3) the re-instatement of the "JADRANSKI DNEVNIK" suspended Slovene daily paper.

At GORIZIA the Slovene secondary school students went on strike, chiefly as a protest against the suspension of the "JADRANSKI DNEVNIK".

The above strikes occurred during the week beginning 2 December. However all schools were kept open until the established date for the beginning of Christmas vacation.
Coal, wood, and gas were immediately made available (the responsible agencies had already begun distribution) and by January all schools will have sufficient supplies of fuel so that work may be resumed without loss of time.

Christmas and New Year holidays began on 23 Dec 45, and will end on 8 Jan 46.

The School Section of the PNOO (Slavic National Liberation Committee) continued to issue directives in contrast to the Allied Military Government's education policy. Through the local parent councils established by the PNOO in each commune, orders were given to adopt Slovene elementary school text books prepared by the PNOO, but not approved by the properly established Slavic text book committee and by the Education Division of Allied Military Government; the text books were not designed according to programme requirements.

18. TELECOMMUNICATIONS.

Due to continued thefts of wire etc. no new circuits were completed during December. It is hoped, that a conference between AFG 13 Corps Telecommunication Officer and the OC Area Signals, will lead to the reduction of military control over civilian apparatus, and to a reduction in the number of military telephones and circuits in TRIESTE. A reduction is also sought in the number of civilian personnel employed by the Signals units. This would enable the civilian organizations to function with greater efficiency.

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Nothing further has been arranged about a LUBIANA Telegraph circuit, as so far, contact has not been made with the appropriate responsible official in Zone 'B'.

There still exists a misunderstanding at the Genoa Civil Censorship Office, over countries with which VENEZIA GIULIA is able to conduct non-transaction correspondence.

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18. TELECOMMUNICATIONS. (Cont.)

The Telecommunications Division has been besieged by local merchants who have had their correspondence returned with a slip of paper referring them to the "Local Postal Officer of Allied Military Government".

19. PUBLIC RELATIONS.

Efforts have been made to increase Allied Military Government publicity in the local press and over the radio. Since 12 December over 30 news stories and items, emanating mainly from divisions in the HQ AMG building, have appeared in Allied daily papers, and most of them in other newspapers. All items have been broadcast. These stories and items are in addition to those obtained and put out by the news divisions of AIS.

The AIS Daily Press Summary staff now works in close cooperation with Public Relations. This staff supplies a translation service when required.

Public Relations is now represented on the following:-

1) Electricity Sub-Committee of Industry Division
2) Economics Section weekly conference
3) Welfare Entertainment monthly conference
4) War Booty Committee.

This is in addition to the SCAO's conference, the SCAO's weekly press conference, and the AIS weekly conference.

Nine press correspondents, American, British, and Swedish, visited VENEZIA GIULIA during December, and were looked after by Public Relations.

Public Relations has made a substantial contribution, in the form of articles, to the educational scheme for the troops.

20. MONUMENTS AND FINE ARTS.

The work of repairing war damage to monuments in this area has continued steadily. The area was visited by Capt.T.H. BROOKE, MFAA Branch Land Steiermark, between 4th and 7th Dec 45.

TRIESTE-The Roman Theatre has been cleared of rubble, and a start made to repair the perimeter wall. The anti-bomb blast walls and support in the Cathedral of S.GIUSTO have now been removed, and the work of restoration of the mosaic of the Madonna will commence shortly. Work will also commence during January of the mosaics of GRADO Cathedral.

POLA - Work is progressing on the Temple of Augusto, the Cathedral, and the Chiostro of S.FRANCESCO, all of which were

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POLA - Work is progressing on the Temple of Augusto, the Cathedral, and the Chiostro of S.FRANCESCO, all of which were damaged by bombs.

GORIZIA - Schemes and estimates are being prepared for the restoration of the Castles Lantieri at RIFEMBERGO, and Coronini at MONCORONA.

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21. PATRIOTS.

With the start of payments to next of kin and to wounded partisans, the Division has had to expand. Up to the end of the year approximately 500 claims were received, and out of these 34 payments were made to next of kin, and 24 to wounded. This amounted in all to 920,000 lire.

The Associazione Partigiani Giuliani has been very active in pressing the claims of its members, both by visits to the Patriots Office and in the local press. A number of its' members attended the reception of the "Special Battalion" held at POSTUMIA on the 23rd Dec. A letter of protest at the suspension of "PRIMORSKI DNEVNIK" was sent by the Associazione Partigiani Giuliani to "Il Lavoratore" and published on 15th Dec. The Associazione Partigiani Giuliani considers that all persons holding their "Partisan Identity Card" should be accepted by this Division as true partisans without further enquiries. However some of the documents issued by this Association have been found to be false.

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Int + Hist

HEADQUARTERS
NAPLES LIAISON GROUP
ALLIED COMMISSION
APO 394

6 March 1946

SUBJECT: Monthly Report for February 1946 by Colonel J.A.C. Pennycuick, Chief Liaison Officer Naples and South West Italy.

TO : Headquarters Allied Commission.

PART I

ABRIGED REPORT

1. Naples was quiet in February, items of interest being: the Agricultural convention, an Electrical workers strike which threatened to be serious and the alteration of the exchange rates.

2. On the 18th an Agricultural convention to study problems of policy, seed, fertilizers etc. for Central and South Italy opened in Naples, and lasted four days. It was presided over by Ing. Micillo and was attended by HoN.Gullo, minister of agriculture. Delegates from all over Central and South Italy attended. Harvest prospects are reasonable provided rain comes in march.

3. In the last week in March the Prefect, who is a patient and able arbitrator, had three strikes to deal with simultaneously:

(a) - Clerks and maintenance personnel of S.M.E. Electrical Company (about 2000 to 2500)
(b) - Bakers
(c) - Chemical workers.

(a) and (c) were settled, not before the outlook for the cutting off of electricity in South and Central Italy appeared serious. The bakers are still reported as not satisfied with new rates of pay, 100 lire a day above old rates.

4. Relief work at Torre Annunziata has now been taken over entirely by the Italian Agencies and arrangements have been made for further shipments of explosives for dumping in the sea to be carried out from an isolated pier at Miseno.

5. Grain is still in short supply, though it is noticeable that

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5. Grain is still in short supply, though it is noticeable that bread, pasta, flour, sugar, in fact all rationed commodities can be bought freely and openly without a ration card in Naples and elsewhere in the country.

6. The town planning exhibition aroused considerable interest and its life was extended for a second week. Work on clearing away bomb damage is proceeding and Naples is looking cleaner. One result of the passing of AMG seems to be a noticeable increase of private cars, taxis, and buses on the roads, no

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doubt the credits being extended to Italy, make motoring easier.

7. The alteration of the exchange rate does not seem to have affected shop prices much as yet. The effect of NAAFI prices is plainer. For example for an officer to have his hair cut in an officers Club for which requisitioned building no rent is paid, by an Italian barber, whose pay has not been increased, using Italian scissors and a German clipper, now costs 22* lire as against the previous price of 10 lire

* NOTE - The cost has since been reduced to 20 lire

J.A.C. Pennycuick

Colonel
Naples Chief Liaison Officer
Allied Commission

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HEADQUARTERS
NAPLES LIAISON GROUP
ALLIED COMMISSION
APO 394

6 March 1946

TO : Headquarters Allied Commission.

PART II

(a) POLITICAL REACTION AND POPULAR OPINION.

February was quiet. Christian Democrats and Communists held meetings of some importance, and there were the usual large number of small political meetings - 94 in all. No disorders.

The American P.B.S. Command is closing down fast and the Royal Navy has largely shut down. In spite of derequisition clamour the departure is looked upon with regret. The British Information Office is making headway and their articles and exhibits are very well received.

A curiously naive reaction to the Bevin-Vyshinsky exchanges in the U.N.O. came from a schoolmaster priest. He explained Mr. Eden's "mistake" in his rapprochement to Russia and went on to ask for help to trace a brother lost fighting in what he regarded as the common cause against the Bolsheviks. Asked when this brother disappeared he said it was in the Spring of 1943 in one of the great battles on the Don. This educated man had genuinely convinced himself that his brother was really fighting on the side of the Allies and not that of the Germans at that critical time. This seems to be a not uncommon reaction.

As a result of the Torre Annunziata explosion strong feeling was raised against any further shipments of explosives from that area, and this has been met by arrangements to ship them from the isolated pier at Miseno.

The most general and persistent request in Naples is for buildings of all sort to be derequisitioned.

(b) LOCAL GOVERNMENT.

The necessary 45 day notice for the coming elections was given at the end of [illegible] and the Commune elections start [illegible] and continue on successive Sundays there

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(b) LOCAL GOVERNMENT.

The necessary 45 day notice for the coming elections was given at the end of February, and the Commune elections start on the 10 of March and continue on successive Sundays there after. Elections in the large centres such as Naples and Caserta, follow in April.

A new Prefect has been appointed at Reggio Calabria,, Dott. Aria, who replaces Dott. Ciraolo.

(c) FOOD.

The stock of grain on 28 of February was under 2000 tons at Castellammare and Torre Annunziata. Province stocks were as follows:

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	Quintals
NAPLES	32.753
AVELLINO	13.334
BENEVENTO	5.402
CAMPOBASSO	19.100
CASERTA	7.590
SALERNO	6.807
COSENZA, CATANZARO, REGGIO CALABRIA	Non yet known

The pasta ration in the Southern Provinces has been distributed up to and including the following months only:

COSENZA	August 1945
CATANZARO	November 1945
REGGIO DI CALABRIA	December 1945

Sugar has been distributed up to the end of the year 1945.

Rationed foodstuffs, flour, pasta, sugar, etc, continue to be sold openly, without ration cards, and freely displayed in shops throughout the Country.

UNRRA assumed A.C. responsibilities for food imports as from February

More wheat has been sown this winter than in 1944/1945 and harvest prospects are good provided rain comes in March. So far there has been less rain and less snow than usual, which is a cause of anxiety coming on top of last year's drought.

(a) LABOUR.

There was some unrest in February and in the last week there were 3 strikes going on simultaneously. Clerks and maintenance workers of the Edison Electrical concern struck against the terms of a new agreement worked out to replace the fascist agreement by the Federazione dell'Industria e Federazione del Lavoro. The Naples delegate dissented, refused to sign and carried the 2000 to 2500 workers with him. After 6 days of negotiation a settlement was obtained by the Prefect and a stoppage of electrical power avoided. The men have accepted the main clauses of the new agreement with modifications as regards the classification of employees and certain other conditions which will depend on how the clauses of the agreement are interpreted.

Another strike was among chemical workers for adjustment of pay and was settled by the Prefect, but the third strike by Bakers who are not satisfied by an increase of about 100 Lire a day is still not done with. The Prefect appears to have shown patience, tact and great skill in dealing with difficult situations. There were five other strikes or lockouts in Naples Area and two in Campobasso during February.

PUBLIC WORKS AND UTILITIES.

The town planning exhibition opened at the end of January was

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PUBLIC WORKS AND UTILITIES.

The town planning exhibition opened at the end of January was kept up for a fortnight. It is hoped that the construction of the new port road will be started to give the plan a foundation.

(5) LEGAL.

The postponed COGENA case involving the trial of:

Dott. E. Sarnella	-	Director General of Cogena
Sig. A. Sarnella)	-	Cogena Directors
Capt. Santo Loporto)		

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has been proceeding since the 17th of February and a verdict is expected on the 2nd of March.

The war criminal trial of Capt. Sommaville ended in an acquittal.

Difficulties with military police usurping the functions of the civil traffic police appears to be over.

The Italian Courts have ruled that there was no case against Italians charged with transactions in Allied currency and coins under an AMG proclamation and ordered the restitution of gold coins etc. seized.

(g) PUBLIC SAFETY.

The Colonel Commanding Naples Carabinieri Col. Mooli has left Naples. Lt Col. Vana is deputizing for him until the arrival of the successor Colonel Maucro.

The Naples Questore Dott. Broccoli has been changed but his successor Dott. Coglitori has not yet arrived. Dott. Martinelli is deputising for him. Dott. Broccoli has cooperated readily with the Allies during his tenure of office.

There has been a small decrease in the number of cases of crime from the customary figures of about 2000 for the month and an increase in the already high proportion of arrests. Cases of Allied Soldiers attacking and/or robbing civilians have also decreased slightly from 20 to 17 possibly as a result of a reduction in the number of troops.

The most serious disturbance occurred on the night of the 23rd when there was a fight and an exchange of shots between French soldiers and Italian sailors. It resulted in the death of one Italian civilian and injury to 6 persons. Military police intervened and an enquiry is being made by P.S.S.

Carabinieri mobile scads are continuing to show good results. Combined raids by MPs and Carabinieri have continued and have resulted in the seizure of a certain number of fire arms, tyres, fuel oil, and foodstuffs but nothing of a sensational nature. Carabinieri equipment and particularly transport have been found lacking in Provinces visited outside Naples.

Traffic control has been taken over entirely by the Italian Authorities from the Military Police. Traffic accidents, of which 50% are concerned with military vehicles, are diminishing slightly.

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(h) TRANSPORTATION AND WAREHOUSES.

A case in which the allotment of railway trucks by the Joint allotment board was set aside and a move of seed potatoes from the Port delayed is being investigated.

The high cost of tyres purchased from Allied stocks and resold by the Italian Government is of interest. Tyres bought at a flat rate of 1200 Lire are sold for as much as 65,000 Lire, the cost of a Jeep type tyre being 25000 Lire.

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Naples becomes a type C port under British Military control from the 1st March on which date the American port authorities cease to operate. More piers have been handed over to Italian Control.

Naples warehouses held a total of over 23,000 tons of foodstuffs and general goods at the end of the month, partly A.C. and partly UNRRA.

UNRRA assume A.C. responsibilities as regards transportation of food and imported stores as from 1st March.

(i) PUBLIC HEALTH.

No serious epidemics are reported and smallpox is less, though there has been an increase of measles in Naples Area. Venereal disease and inadequate accommodation in civil hospitals for the treatment of infected women has caused concern. Once 1500 women were treated in hospital. Naples Venereal hospitals are full with 456 inmates on the 28 February. The hospital of Caserta and Santa Maria had a further 80 patients.

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File	3
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HQ ALLIED COMMISSION
ECONOMIC SECTION
MAY 11 1946

Declassified E.O. 12356 Section 3.3/NND No. 785021

ALLIED COMMISSION
LIAISON GROUP
PIEMONTE REGION

1 March 1946

File : PR/CLO/MR

Subject : Monthly Report - February 1946.

To : HEADQUARTERS, ALLIED COMMISSION

173

P A R T I

Progress has been noted, in self-reliance, on the part of Italian Agencies, governmental and otherwise. Considerable political activity is seen, with the party press active in support of its program. Allegations are freely made that left wing groups are purchasing and securing arms, for use at election time, particularly in the city of Torino and the Provinces of Novara and Vercelli.

Demonstrations on a large scale are threatened in Asti Province against the substitution of the Prefect by the Vice-Prefect of Turin who is alleged to have had Republican antecedents.

Electoral lists are being completed satisfactorily.

At the moment, the food situation is reasonably good, except for pasta, rice, and fats. But a crisis is anticipated by the middle of March unless imports of grain arrive.

The electrical power shortage still causes concern. Enforcement of the economies has made some progress.

A shortage of live stock exists and wheat amassing is almost at a stand still.

Labor and capital have made some progress toward working together, harmoniously, for the common interest.

Public Safety is generally fair, with three political murders at Pinerolo, in Torino Province and one at Novara. The Carabinieri do not show much initiative to proceed against radical groups. Epuration among the Carabinieri has affected morale.

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A. POLITICAL REACTIONS

Italian agencies, governmental and otherwise are making better use of their own normal Italian channels of communication. A tendency in the early days of the transition after the turnover, to consider the Liaison Groups as successors to A.M.G. is disappearing. The result is that local governments are standing on their own feet and doing their job.

There has been much criticism of certain units of the Cremona Division on the part of the left wing Press, for alleged activity against some radical Officers and men. The Division itself, stands high as an efficient military unit.

Rumors continue that left wing groups are purchasing and securing arms, to be available at election time. These rumors are particularly present in Torino City and the Provinces of Novara and Vercelli.

A considerable agitation exists in Asti Province against the substitution of the Prefect by the Vice-Prefect of Turin who is alleged to have Republican antecedents. Demonstrations are threatened on a large scale.

B. LOCAL GOVERNMENT.

In general, the units of local government, the Provinces and Communes are operating reasonably well. It is believed that the Officials, themselves, render more optimistic reports, than less interested witnesses would report. The Italian Official usually states "everything tranquil," Underneath there is a considerable play of politics.

In Novara and Vercelli, left wing elements are active and often prevent the Carabinieri from taking an aggressive stand.

Some changes in Prefects and Questori are in prospect.

Election lists are being completed, without much serious complaint. Elections will begin in March.

The French border is quiet, although some propaganda from French newspapers and sympathizers continues.

C. ECONOMIC RESOURCES

1. Food.

On the basis of 200 grams bread ration, with one day a week substituting polenta, the Provinces are provided for as follows:

Alessandria	through	3	March
Aosta	"	2	"
Asti	"	17	"
Cuneo	"	10	"
Novara	"	9	"
Torino	"	9	"
Vercelli	"	9	"

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C. ECONOMIC RESOURCES

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Asti	"	17	"
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Novara	"	9	"
Torino	"	9	"
Vercelli	"	9	"

With expected arrivals of imported grain and flour the situation is satisfactory.

Fats are in short supply or non existant in every province. No pasta ration has been possible for Piemont during the month because of the failure of the rice supply.

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Unless the SS Bonville, which has been diverted to Leghorn, is replaced by another wheat ship for Piemonte, the Federazione states the bread situation will become serious by the middle of March.

2. Commerce.

It is too early to note an improvement in exports, attendant upon the devaluation of the lira, for export and import purposes. However, a keen interest exists in this area, with its large inventories of manufactured textiles and its industrial capacity. Italy, itself, is an available market but, what amounts to a buyers' strike, is still in effect. People will not or cannot buy at present prices.

3. Industry.

Fiat is in operation, although handicapped by lack of fuel and power. Inventories of manufactured textiles are high and the problem of marketing what is on hand, without sacrificing profit, is a real one.

The electric power shortage is still a cause of concern. Turin has not applied economy measures as whole heartedly as some other areas, but progress has been noted. As of February 1, 1946 a 15% decrease over November 1945 was reported. With a better enforcement, the saving of power should show improvement during this month.

D. AGRICULTURE.

Because of favorable weather, this month, farm work has been normal. Due to lack of fodder, many cattle have been slaughtered. The shortage of animals for farm labor and the lack of fuel and lubricants for machinery will probably have an adverse effect on crops for 1946. No cattle have been taken to the amassing centers. Wheat amassing has been almost negligent. Fertilizer is in short supply.

E. LABOR.

The basis for a closer association of capital and labor has been created by the agreement between the Fiat management and its workers creating a "Consultative Works Council". This will end the C.L.N. factory regime.

The wage contract for Northern Italy has been completely applied and the minimum wages fixed.

No marked change in price has developed, during this month, although butter and eggs have shown a seasonal drop. Textile prices are about the same, in Turin.

F. FINANCE.

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F. FINANCE.

Some embarassment has arisen in this area, due to unwillingness of business concerns to accept AMG lira in payment. The reason cited for this hesitancy is the prevelance of counterfeit notes, still in circulation. AMG lira can be exchanged at the banks for the Italian notes.

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G. PUBLIC WORKS.

Public works projects, instituted by AMG before the turnover, have been carried on and much useful employment has resulted.

H. LEGAL.

No particular change is noted in the court system. There exists a serious shortage of qualified personnel, both in the professional and clerical staffs.

I. PUBLIC SAFETY.

The situation regarding public order remains unchanged. There have been no mass demonstrations of any magnitude and no instances of mob violence. Crime appears to be on the increase in some provinces, whilst abating somewhat in others. Police Agencies generally are having a fair amount of success in dealing with crimes in their areas. Incidents of highway robbery are diminishing but there continue to be numbers of cases of serious robberies from private houses.

There have been two further cases in Pinerolo of "ex-fascists" found murdered and again typewritten notices have appeared on the walls stating that they have been "executed by sentence of a People's court". A further murder at Novara is attributed to political motives, the victim being an ex-republican fascist. These are the only cases reported in the Region during the month and there are no indications that they form part of a widespread movement of political vendetta.

CC.RR. at Pinerolo have been weakly reinforced, but no great efforts appear to have been made to bring the murderers to justice and this and other indications suggest a distinct unwillingness on the part of Police Agencies generelly to take action against the parties of the left.

A certin amount of clandestine arms have been recovered by Police during the month, but here again it is possible to detect reluctance by the Police to offend the "parties" by too vigorous action.

Epuration of Police Forces, particularly the CC.RR., is causing consternation, both by the fact that when it is exercised it is said to be too severe, and also by the fact that proceedings are being apparently unduly delayed, and those concerned, not knowing what is to happen to them in the future, are becoming unsettled as to their future livelihood and, in consequence, morale is suffering.

There have been no incidents of any gravity on the international boundaries, but Police are occupied with numbers of persons trying to cross into France to obtain employment etc., and efforts are constantly directed to prevent such clandestine emigration.

J. PUBLIC HEALTH.

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J. PUBLIC HEALTH.

Public Health is satisfactory.

K. EDUCATION.

Schools have functioned normally considering the difficulties of communications, housing and shortage of teachers.

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5. COMMUNICATIONS.

1. Rail.

With the opening of the Genoa - Pisa line a more direct route to Rome is now available.

2. Road.

Highways are in a satisfactory condition except for the lack of bridges on the secondary road system. The important city of Alba, in Cuneo Province is dependant upon a ferry.

3. Telecommunications.

Telephone and telegraph is fairly normal.

4. Posts.

The postal system is satisfactory, in view of the difficulties of communications.

William R. Jordan
WILLIAM R. JORDAN
Colonel - C.A.C.
Chief Liaison Officer, PIEMONTE

Distribution:

Hq. Allied Commission	(12)
Hq. No.2 District	(3)
59 Area	(3)
O.C. 75 Med. Regt. R.A.	(3)
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C.L.O. Liguria	(3)
C.L.O. Emilia	(2)
C.L.O. Venezia	(3)
U.S. Consul, Turin	(2)
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L.O. Tenda	(1)
S.L.U. Turin	(1)
File	(3)

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HEADQUARTERS
FAR LIAISON GROUP
ALLIED COMMISSION

MONTHLY REPORT
JANUARY 46

Declassified E.O. 12356 Section 3.3/NND No. 785021

Declassified E.O. 12356 Section 3.3/NND No. 785021

3827

MONTHLY REPORT
JANUARY 45

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CLASSIFICATION CANCELLED
DECLASSIFIED

box No 8

CONFIDENTIAL

HEADQUARTERS
BARI LIAISON GROUP
ALLIED COMMISSION

MONTHLY REPORT
JANUARY 46

13 February 1946

LL/65

LEV/ci

(1) The undersigned took over charge of the BARI Liaison Group on 1st February 1946 from Major LEVILLY proceeding on release.

(2) GENERAL CONDITIONS

No change.

(a) Political

The Political Parties exhibiting most energy are the Communist and Socialist Parties, and these have organised public meetings in connection with the coming elections. There have been no incidents during the meetings. It is my opinion that the Communist Party do not have so much support as they had, nor do they carry the same weight, in fact there appears to be more display of feeling against the Communist Party than previously was the case. This is an important point and will be closely watched by obtaining information in the towns as well as in the out-lying areas. Returning Italian Prisoners from RUSSIA are most actively hostile to the Communist Party.

(b) Security and Public Safety

Nothing to report with regard to Military Security. In connection with security of personnel, on the 10th January 1946 a British Officer was shot and wounded and is now doing well in hospital, and a British soldier was also shot, not seriously, on the same date. In the first case the culprits are known and are being searched for and in the second the culprits are under arrest awaiting trial. The situation of Public Safety is good in every Province, with the exception of BARI, its Prefect states that the situation is worse than before. The Police Forces are generally insufficiently mobile. More transports are needed. On the 15 January 46 two CC.RR. tanks were sent to ANDRIA and MINERVINO areas. They will remain there. The Special Investigating Section of the Royal Guard of Finance in BARI has discovered a big contraband traffic of MD Diesel Oil. Constant watch is being kept to avoid MT petrol being sold in the Black market.

(c) Illicit Travelling in ITALY

Persons wishing to get out of ITALY, if they can pay the necessary [illegible] provided with facilities to do so, undoubtedly assisted by persons with genuine

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(c) Illicit Travelling in ITALY

Persons wishing to get out of ITALY, if they can pay the necessary money, are provided with facilities to do so, undoubtedly assisted by persons with powers and in the necessary position to afford such facilities. It is becoming increasingly difficult to get a passage on a recognised ship due to a close vigilance being maintained at the ports. I, as yet, have not had time to go into this matter but I hope by the next report I will be able to obtain some useful information on this subject.

(d) Law and Order

The Carabinieri are feeling more sure of themselves and have greatly improved in their organisation and efficiency. Murders have been few and far between, and robberies have decreased. There are approximately 300 Carabinieri in BARI, 15 in

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and TRA and only 5 in ANCONA. Endeavour are being made to get the Carabinieri up to strength, there being all told 700 in ANCONA Province. The Carabinieri get timely advice of intended meetings or proposed demonstrations and are present at such gatherings to deal with any situation which might arise. The four Officers Commanding the Units of the Carabinieri in ANCONA have been to see me and they will keep me in touch with events.

(e) Elections

There is a distinct attitude of indifference displayed by the average man in the street, with regard to the elections, and the two political parties who appear to make the only endeavours to stimulate interest in the elections are the Communists and Socialists. This may be due to the fact that generally speaking the impression is that there's 'lots of time to get going' before the elections, and that the necessary propaganda will be "put across" by other political parties in sufficient time to have their desired effect, and that they will gain the upper hand over the Communists. The people as a whole are in favour of the compulsory vote.

(f) Economic

There is no change in the economical situation which is still critical due to a shortage of raw materials and transport. There is a tendency for prices of commodities other than food to come down. Markets have been adequately supplied with fresh fruits and vegetables.

(g) Feeling of the people

The discontinuance of the pasta ration has not had a very noticeable repercussion other than protests. Those who can afford it, obtain their pasta requirements from the black market and those who are unable to do so are living on what they have hidden. Farmers have hidden their flour and farms are selling the flour to the people living in areas around the farms. When this latter source of supply becomes exhausted as is likely, undoubtedly there will be demonstrations and clamouring for the pasta. Help is being extended to the poorer classes by the UNITE CONTRE FASCISTA which is set up in each town and village. The funds of this distributing agency are supplied by the Italian Government.

(h) Displaced Persons

The following number of Displaced Persons were directly repatriated from No.1 Transit Camp during the month of January:-

YUGOSLAVIA	24
GREECE	95
PALESTINE	1
total	120

During the month no infectious diseases were reported. After the Garrison Engineer had visited the Camp personally, it was possible to procure G.S. [illegible] with less trouble than beforehand.

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PALESTINE	1
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(i) Agricultural Prospects

The prospects are satisfactorily if it rains during the month of Feb, but a lack of rain during Mar will cause a failure on the crops. There is a general lack of foodstuffs with the exception of fresh vegetables and fruits. There is a sufficient fish to be had, but at a price. The fishing fleets are functioning off the west coast, and the catches brought in are eagerly bought up. There is a serious shortage of fodder and fertilizer.

(j) General Health

General health is good, the epidemic of small-pox (22 cases reported in

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and during January) has been checked and all cases have been isolated.

(k) Labour Conditions

The labour position in LAKI itself is satisfactory, but in the outlying districts there is a grave shortage of unemployment and this is on the increase. It is hoped in the near future to employ some 40.000 workers in the Tobacco Plantations. The Public Works Dept. is their utmost to find as much employment as they can, and the unemployed are assisted by a subsidy from the Italian Government, and also, Army rations by the Government as the distributing agency, the Inter Communale Assistenza, is given to those unemployed with families who are mostly in need of help.

As is common knowledge, the high cost of living is the source of great discontent, and this high cost is, as is well known, due to the fact that foodstuffs and material which should be available to the people through direct agency, find their way to the people through the black market. Until some check can be put on the unlawful diversion of stuff to the Black Market, the high cost of living will remain. Imported stuff is blatantly and openly sold by black marketeers.

L. E. WHITE, Lt. Col.
Chief Liaison Officer
AC BARI

(XXXXXXXX)

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Chief Liaison Officer
AC EATO

(CONFIDENTIAL)

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In lieu of AF 615

RECEIPT FORM

To: HQ, Serd Liaison Group,
Allied Commission, U.K.

Receipt is acknowledged of Monthly Report for the month of January 1946 dated 15 Feb 46, copy No. _____

Signed _____ 080

Date _____ Organization _____

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15 FEB 1946

1 T n & Shipping S/C

2 Labor S/C

ES 14/c

ALLIED COMMISSION
LIAISON GROUP
PIEMONTE REGION

FAA
173/Tu1

5 February 1946

File : PR/CLO/MR

Subject : Monthly Report - January 1946.

To : HEADQUARTERS, ALLIED COMMISSION.

P A R T I

The first month of control, of this Region, by the Italian Government has brought no disorder, no break down of vital functions, and no revolution. The ease and tranquility of the transition constitutes a testimonial to the loyalty and good sense of the Italian Officials and the Italian people.

Business and industry are concerned with the difficulties of foreign trade, foreign exchange, lack of coal, raw materials, and the shortage of electric power. Labor is still concerned with the increasing spread between wages and the high cost of living.

The Italian*French border has been the focal point for rumors. At various times, it has been reported that large areas will go to France and the next day that no territory will be ceded. This war of nerves has kept the areas, near the border, in a state of unrest and has seriously affected the ability of the people to make plans for their own future. Actually things are quiet, with no tangible basis for nervousness, except the fact that the treaty discussions are going on in London.

Considerable progress in preparing for the elections, has been made in each Province. Some Provinces are ready for local elections during the last half of March and all indicate that the electoral lists will be completed fairly soon. The political parties seem to be cooperating peacefully.

The food situation is generally good, with small reserves of grain on hand. Fats, rice, and pasta are lacking. Food prices continue to increase in the free markets.

Unemployment has shown a 25% increase, although it has not been accompanied by corresponding unrest.

Public Safety agencies show improved morale, although they will lack equipment, arms and transportation. The general public safety is good.

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PART II

A. POLITICAL REACTIONS

The Economic problem of Italy is fundamental. If the people can be fed, clothed, housed and given an opportunity to work, other problems can be solved in due course.

Labor is fairly quiet. Food has been forth coming and full or partial employment has been kept available. Few strikes have developed. There is much bitterness toward the high cost of living. The sight of full shop windowns, with workers unable to buy their needs, is everywhere. Some minor decreases in prices especially in textiles can be found. It is possible that the refusal or inability of people to pay in fantastic prices may contribute to these decreases.

Industrialists recognize that a modification of the valuation of the lira in terms of foreign exchange is necessary. They are, all, greatly concerned with the problem of payments to labor even though not working. Even the largest and strongest concerns cannot long continue these payments. The implications of bankruptcy for industry or depriving thousands of workers of all income, are grave.

The Communist Party has strength in the industrial areas but there is also considerable latent or open support to the Monarchy in Piemonte.

The French - Italian border is quiet. Newspapers and individuals have spread rumors, either Pro-French or Pro-Italian. These rumors have kept the border inhabitants unsettled. The Commune of Tenda has uncut tumber. Employment is needed for its people and the timber could readily be sold in Italy. But purchasers hesitate to buy it because of the rumors and possibility that France will take over this territory. A firm decision on the border would be extremely beneficial. As long as a French liaison Officer is stationed in that area, it will be regarded ad disputed territory. Propaganda in favor of annexation to France appears on the French side of the border, from Ventimiglia to Aosta.

The turn over by Allied Military Government to the Italian Government occurred on 31 Dec 1945. The first month of Italian control has brought no disorder, no break down of vital functions and no revolution. The ease and tranquility of the transition is a strong testimonial to the loyalty and good sense of the Italian people.

B. LOCAL GOVERNMENT

At the end of the first month of Italian Administration, an all day meeting was held by the Liaison Group, with all the Prefects, the President of the Council of Aosta and all the Questori present. These Officials give the impression of being earnest in their efforts, well advised about their provinces and conscientious in the performance of their duties. They appear to be on top of their jobs.

Some changes in personnel are already in progress but

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Some changes in personnel are already in progress but the Provincial and Communal Governments have the stability to permit changes, especially when career Officials will be brought in.

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Progress towards the elections is noted in each Province. Several have completed their lists. Other anticipate completion in time for the elections to be held late in March or early in April. The Political parties have generally cooperated well in this work and have exercised restraint on their people.

C. ECONOMIC RESOURCES

1. Food.

The change over from A.M.G. to Italian Government Administration, with respect to food, has been accomplished without special incident in Piemonte Region. In general, the present official ration has been observed throughout this area. Some minor modifications have been necessary because of road conditions. The minestra ration has been omitted in almost all provinces because of the failure of Ente Risi to fulfill its allocations. No fats were distributed due to total failure of allocations. All provinces report stocks of grain or flour, sufficient for supply for periods of two to six weeks.

2. Commerce.

Commercial activity, with other nations, awaits a solution of the currency exchange problem and the general approval of foreign commerce. At the rate of exchange (31 Jan 1946) it is almost impossible for other nations to purchase goods in the Italian market. The Borsalino factory at Alessandria has a sufficiency of raw materials, labor, coal etc., and are in a position to make hats that could be used abroad. They need only the green light to commence exportation, and an exchange rate that will permit America and England to buy. The Textile Industry at Biella maintains a large inventory of manufactured textiles. If this quantity of material cannot move, soon, the industry will have to close down, thus throuwing many out of work.

3. Industry.

Fiat, which employs about 60,000 workers, is now producing more than 1000 trucks and cars per month. This enterprise has been greatly concerned about its coal allotment. If no coal is received, the plant must close, with possible political and economic reverberations. So far, by rigid economy, they have been able to operate. Some help has been obtained through the Italian Ministry of Industry, who are fully conversant with the situation.

The shortage of electrical power, throughout the north, has also complicated the general industrial situation. When the gravity of the shortage is clearly explained, excellent cooperation, looking toward economy, has resulted.

D. AGRICULTURE.

The heavy snowfall of January resulted in the suspension of most agricultural work. There is a shortage of fodder which is causing the slaughtering of some cattle. A good cereal crop is predicted. Amassing continues but with small returns. This is

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E. LABOR

Unemployment registration shows 25% increase during January. On 20 Dec. 1945, there were 43824 registered. On 20 Jan 1946 there were 52617. During the same period, workers, employed less than 40 hours per week (receiving the "Cassa-Integrazione" benefits) increased from 137880 to 142290.

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Industrial unrest has definitely tended to decrease as compared to previous months, only three strikes of consequence having been reported.

The cost of food studies show an increase in all provinces but particularly in Torino, Novara and Aosta. Textiles show a slight decrease in cost.

F. FINANCE.

No particular problems in Finance have been brought to the attention of this headquarters.

G. PUBLIC WORKS.

With the close down of A.M.G. and the assumption of responsibility by Italian agencies, public works leaves a back log of approved projects. This uncompleted work is filling a useful spot in carrying over those, who otherwise would be unemployed.

H. LEGAL.

In general, judicial activity in this Region is satisfactory. There are delays, inherent in the Italian legal system, aggravated by insufficient transportation and an inadequate number of judges and depleted clerical staffs. For instance, in normal times, the Tribunal of Torino has 65 judges. At present 43 are available. The Public Prosecutor's office normally employs 11, now 6. A similar shortage exists throughout the Region. Yet nevertheless, the number of cases has sharply increased. The Italian Government is aware of the situation and is attempting to find a remedy.

Some judges may soon be released from the extra judicial demands upon their time by the Epuration Courts, for normal duties.

I. PUBLIC SAFETY.

The morale of the public security agencies is good, with continued shortages in arms, equipment and transportation still causing concern.

The crime situation is satisfactory. There are still robberies and thefts but on a decreasing scale. No important political crimes are reported. No disorderly incidents have arisen from political meetings. The President of the Tribunale at Vercelli was forced to transfer a case, to Torino, because of threats and disturbance.

A search, in the Province of Novara, uncovered six truck loads of arms and ammunition, which were confiscated. A raid in Alessandria netted a small number of rifles and some ammunition.

The number of Railway Police will be sharply curtailed as a result of a visit of a Commissario from the Ministry of Interior.

The conduct of Allied troops has been good.

The overall picture of public security in the Region

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With the close down of A.M.G. and the assumption of responsibility by Italian agencies, public works leaves a back log of approved projects. This uncompleted work is filling a useful spot in carrying over those, who otherwise would be unemployed.

H. LEGAL.

In general, judicial activity in this Region is satisfactory. There are delays, inherent in the Italian legal system, aggravated by insufficient transportation and an inadequate number of judges and depleted clerical staffs. For instance, in normal times, the Tribunal of Torino has 65 judges. At present 43 are available. The Public Prosecutor's office normally employs 11, now 6. A similar shortage exists throughout the Region. Yet nevertheless, the number of cases has sharply increased. The Italian Government is aware of the situation and is attempting to find a remedy.

Some judges may soon be released from the extra judicial demands upon their time by the Epuration Courts, for normal duties.

I. PUBLIC SAFETY.

The morale of the public security agencies is good, with continued shortages in arms, equipment and transportation still causing concern.

The crime situation is satisfactory. There are still robberies and thefts but on a decreasing scale. No important political crimes are reported. No disorderly incidents have arisen from political meetings. The President of the Tribunale at Vercelli was forced to transfer a case, to Torino, because of threats and disturbance.

A search, in the Province of Novara, uncovered six truck loads of arms and ammunition, which were confiscated. A raid in Alessandria netted a small number of rifles and some ammunition.

The number of Railway Police will be sharply curtailed as a result of a visit of a Commissario from the Ministry of Interior.

The conduct of Allied troops has been good.

The overall picture of public security in the Region appears to be good, and the turnover to Italian Authorities has been without incident.

J. PUBLIC HEALTH

The general health of Piemonte is good, with seasonal incidence of measles. Milk sanitation is not good. Medical supplies are short.

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K. EDUCATION.

Schools appear to be operating fairly satisfactory.

REFUGEES.

Displaced Persons Sub-Commission still control the Jewish Refugee Camp, U.N.R.R.A. not yet having assumed the responsibility for it.

M. PATRIOTS.

Nothing to report.

N. COMMUNICATIONS.

1. Rail.

The main rail lines are in operation, hauling an increasing tonnage.

2. Road.

Roads and highways are usuable throughout Piemonte. However, during January heavy snows rendered many main highways impassable for several days. In general, and in view of the shortage of equipment, a creditable job of clearing the snow was done. Effective work was done in the business areas of Turin.

3. Telecommunications.

Telephone and telegraph lines continue to function up to the standard of Italy.

4. Posts.

The Italian Postal system is operating normally, subject to difficulties of transportation.

WILLIAM R. JORDAN
Colonel - C.A.C.
Chief Liaison Officer
Allied Commission - PIEMONTE

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U.S. Consul, Turin (2)
[illegible] Consul, Turin (2)

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HEADQUARTERS
NAPLES LIAISON OFFICE
ALLIED COMMISSION
APO 394

6 February 1946

SUBJECT: Monthly Report for January 1946 by Colonel J.A.C. Pennycuick, Chief Liaison Officer Naples and South West Italy.

TO : Headquarters Allied Commission.

PART I

ABRIGED REPORT

1. The main features of January 1946 in Naples, were the ending of Allied Military Government in Naples Commune and port, demonstrations by Reduci asking for work, a disasterous explosion at Torre Annunziata in the South Eastern part of Naples bay and a visit by the Prime Minister, De Gasperi.

2. Allied Military Government in Naples Commune came to an end on the 31st of December and it took a little time for the military authorities to realize that "out of bounds" notices traffic restrictions and other emergency measures carried out under AMG regulations required to be coordinated with Italian Covernment decrees. This is now adjusting itself. Naples remains by far the most important centre in the Liaison area which extends as far as Reggio Calabria in the South and Campobasso to the N.E.

3. On the 10th of January a demonstration of returned prisoners of war joined by other unruly elements produced a situation that was temporarily threatening. Fortunately good sense prevailed and order was maintained in the city. Other demonstrations elsewhere caused minor disorders.

4. At Torre Annunziata, about 13 miles S.E. of Naples proper, an ammunition train caught fire and blew up in a series of violent explosions on the evening of the 21st of January. Over 40 persons lost their lives and about 250 more were injured.. An immense amount of damage was done and the casualty list would have probably been considerably higher had there not been an interval of about an hour between the first and last

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5. There is now no Allied Commission organization to take immediate charge, as in the days of the 1944 Vesuvius eruption,

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and the British Naples Area Command, which stepped in with help in the way of food, tents for the homeless and clothing, were angered by finding food purloined and tents brought in for the homeless loaded into fishing boats and stolen. U.N.R.R.A. agencies helped with blankets and particularly with medical stores.

5. The Italian Prime Minister De Gasperi paid a welcome visit to Naples on the 26th/27th of January. He made a speech at the San Carlo Theatre mainly intended to raise the morale of the Neapolitans, but in which he also paid a tribute to Britain. He opened a well organized town planning exhibition to show plans for the proper rebuilding of war damaged Naples and later visited Torre Annunziata to see the scene of the explosion and relief measures in hand.

6. The grain position continued to cause anxiety and the damage done to grain stores at Torre Annunziata did not help. The making of pasta and the pasta ration has had to be suspended. This affects not only food but also employment as Naples makes pasta for other provinces.

7. Outside Naples, Provinces visited, which included Campobasso have functioned normally. Some turbulence was reported from Catanzaro in the South. Normal liaison work has, however, [redacted] ceased owing to lack of reliable transport.
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A. Pinsent

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Naples Chief Liaison Officer
Allied Commission.

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American Consul General	1
British Consul	1
Circulation	3
File	3
Spare	1
UNRRA	

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HEADQUARTERS
NAPLES LIAISON OFFICE
ALLIED COMMISSION
APO 394

6 February 1946

TO : Headquarters Allied Commission.

PART II

(a) POLITICAL REACTIONS AND POPULAR OPINION.

The stage in January was held by the Christian Democrat Party who organized the arrangement at the San Carlo for the Prime Minister, De Gasperi, on the 27th. The speech raised no controversial issues. Naples was reminded of its position as capital of South Italy and praised for reconstruction work. Britain also received tribute for the energy and courage shown by her people in the war. The Prime Minister asked for recognition of the efforts made by Italy as a co-belligerant. The speech was well received.

There is a good deal of discontent over apparent slowness in derequisitioning, fostered by petty grumbling by radio and certain sections of the press. The liberal paper "IL GIORNALE" being in evidence on this score. Press criticism in other papers is not unrelieved by humour. The Voce (communist) for example depicts a scene in which a man praises the Allies for fighting for freedom of the printing press. The reply is to the effect "yes, the free printing of Am-lire in particular is remarkable."

The Christmas bonus has helped the Labour situation where unemployment is growing with the gradual closing of military institutions.

(b) TORRE ANNUNZIATA. EXPLOSIONS.

A brief account of this disaster deserves a special mention. On the evening of the 21st a train of 22 trucks loaded with American ammunition and explosives en route for dumping in the sea caught fire. The origin of the fire is believed to be a flare or firework fired from the town. Between 1800 hrs and 1915 hrs there were 3 heavy explosions the last being the most severe and 16 trucks blew up leaving 6 damaged trucks on the line. A huge crater was made, many houses knocked down, and a great many more damaged. Over 40 persons lost their lives and 250 were injured on whom 50 to 60

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Ambulances, fire services, Carabinieri and Italian soldiers were soon on the scene and by midnight the fire was under control and the seriously injured had been removed to Naples. The next day there was confusion and the British Area Command assisted with the loan of food and tents, for a camp organized by the Sindaco, while UNRRA assisted with blankets and medical stores. The local police proved unreliable, food distribution for the homeless population was

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not properly supervised and some food and stores, including tents, were stolen, which angered Naples Area Command. The Prefect of Naples and Naples food agencies (SEPRAL) all sent help generously after the initial confusion passed, but relief organization has been poor.

In connection with explosives the Commune of Cicciano affords an example of the lack of understanding of the inherent dangers. This area is surrounded by British ammunition dumps and, on account of the irresponsible habit of the inhabitants of letting off fireworks and crackers on the occasion of festas, all fireworks were banned as being dangerous by a Prefecturial decree, last September. Yet, in spite of the example of the Aversa disaster, on the 21st of January, the very day of the Torre Annunziata explosion, the Sindaco organized and held a fireworks display in defiance of the Prefect's decree and protests of the local British Commander. The attention of the Prefect of Naples has been drawn to this Commune. It should, however, be noted that during the critical war period when much explosive was handled by Italian stevedores and other civilian labour serious explosions did not occurr. The disasters now observed may be due to irresponsibility, not ill will.

(c) ELECTIONS.

Naples Province is making rather slow progress but other Provinces report a good position. Avellino, Benevento, Campobasso, Salerno and possibly Caserta would all be ready now for the 45 days notice to be given of the date of the elections.

(d) FOOD.

The small stock of grain available in the depots is still a cause of anxiety. The position of the Provinces on the 20th of January was as follows:

	Tons
NAPLES	5.354
AVELLINO	1.272
BENEVENTO	572
CAMPOBASSO	2.119
CASERTA	832
SALERNO	538
COSENZA)	
CATANZARO)	Figures not available
REGGIO CALABRIA)	

In addition the Castellammare and Torre Annunziata sales held 1678 tons. Two ships of 8000 tons each arrived by the end of the

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(e) LABOUR.

Three small stoppages of work occurred during the month one at the San Carlo Theatre where the corus and stage hands tried to take advantage of both Allied an Italian rules regarding the Christmas bonus and acted in defiance of their recognized labour leaders.

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Unemployment is growing in Naples and the Prefect, Sindaco and Engineering representatives went to Rome to plead for money for Public Works which it is understood they were successful in having promised to them.

In the Provinces, where the population is largely agricultural, returned prisoners have been absorbed on the land and unemployment is less acute.

The grain shortage which has caused the stoppage of pasta will affect employment - Naples exports pasta and about 6000 find employment in the mills.

(f) PUBLIC WORKS AND UTILITIES.

Clearance of bombdamage is making progress and a vast dump in the sea at Santa Lucia is growing steadily. An excellent scheme has been worked out for increasing the Naples water supply by tapping new springs at Bolla (near Casoria) and building a new acqueduct and reservoir.

An extension of the Railway to Sorrento is also to be pushed forward to provide relief work for unemployed.

On the 27th of January the Sindaco's office opened a Town planning exhibition at the San Carlo opera Foyer to show how it is proposed to rebuild damaged Naples. The exhibition, which is well arranged, drew wide spread interest.

(g) LEGAL.

The Legal Division which was closed in November and had to be re-opened dealt with 105 cases of petitions for pardon and a large correspondence concerning past cases and the sorting out of procedure with the passing of Allied Military Government in Naples Commune.

It was found that although AMG courts closed, a traffic court run by Military Police opened up in January using AMG forms. This has been put an end to.

The Cogena case due to start on the 28th January has been again postponed on a petition by the defences, to the 12th February.

An American War Criminal trial held in Naples during the month was an impressive display of Legal procedure and justice. Four Germans were accused of murdering American and British personnel in a prisoner of war camp at Bolzano and torturing witnesses brought before them at enquiries. These accused were defended by an American lawyer in uniform who intervened and

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(h) PUBLIC SAFETY.

The strength of the Carabinieri was increased in the Province by the return of 200 officers and men from Bari a much

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needed re-adjustment. Efforts are being made to get Allied authorities to release Carabinieri employed on guard duties which are not connected with normal police work. A more useful employment of the Finance Guards has also been suggested to the Italian Authorities.

There was a further fall in reported cases of Allied soldiers attacking and/or robbing civilians, to 20 (from 32 in December and 40 in November) 7 of the cases involved coloured personnel.

Just under 2,050 cases of crime were reported (2100 in December) and the proportion of arrests remains high, 1350 in January.

The Carabinieri and other police agencies continued their policy of raids in the Provinces but only confiscated a small number of firearms. The news of the capture of the bandit La Marca at Spezia whence he had fled from the Nola Area is welcome.

Small disturbances in connection with "reduci" or returned prisoners of war occurred at 4 places in Naples Province and a fire in municipal building, at Ischia was started by one party. The general complaint is lack of work or arrangements to get work.

In Naples a demonstration was organized on the 10th of January and about 2,000 men, including unruly elements that were probably not returned prisoners of war, marched to the Prefettura. The Italian Police arrangements were adequate but the Police personnel hesitant in dealing with demonstrators. At one time the Prefettura was surrounded and menaced by elements bent on mischief. A small party of Allied Military Police took action to safeguard a park of Allied vehicles near the Prefettura and cleared the crowd away from that neighbourhood. Later some damage was done in different parts of the town but the general disturbance was fortunately small. The Prefect dealt with a deputation and promised help in getting work on public work schemes and in giving preference to men over women who were not the sole supporters of families.

(h) TRANSPORTATION AND DEPOTS.

General civilian imports in to Naples were on a reduced scale but heavy grain shipments were dealt with at satellite ports in spite of damage to grain elevators at one of those ports (Torre Annunziata).

Declassified E.O. 12356 Section 3.3/NND No. 785021

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Rail wagons continue to be a difficulty and this month shipments of seed potatoes from England have been left at the ports uncleared. Railway clearance is not satisfactory.

Projects are in hand which include the erection of hutting, to increase dock warehouse facilities. Sufficient stevedoring gear and equipment to handle Italian civilian supplies was released by the Allied authorities.

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(i) PUBLIC HEALTH.

Smallpox is still not eliminated. Outbreaks die down as soon as vigorous vaccination is carried out which indicates a general failing in this respect until an emergency arises.

At Castellammare a small outbreak led to the temporary dismissal of 500 workmen employed by the RAF until vaccination could be carried out and be seen to have been effective.

No serious epidemics have, however, occurred. The Allied Commission Public Health Division is closed down, but close touch is maintained with UNRRA medical services.

J.A. Pennycuick

Colonel
Naples Chief Liaison Officer
Allied Commission

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HEADQUARTERS
LOMBARDY REGION LIAISON GROUP
ALLIED COMMISSION
APO 394

LvRW/PF

18 January 1946

Ref. AMG/ECNI/1.00/33
Tel. 632.141.Ext.00

= REPORT OF ECONOMIC COMMISSION FOR NORTH ITALY =
= DECEMBER 1945 =

1. Formation of the Economic Commission. -

After long discussions extending during the month of November, there was issued on 28 November Executive Order N.84 from Headquarters, Allied Commission, which abolished the Office of the Representative of the Chief Commissioner in Northern Italy and created the Office of the Economic Commissioner Northern Italy, effective 1 December. The offices of the Economic Commission formed a part of A.M.G. Lombardia Region.

The Economic Commissioner Northern Italy was responsible for all AC/AMG economic activities in Liguria, Lombardia, Piemonte and Venezia Regions, and reported directly to and received directions from Vice-President, Economic Section, Rome.

The following divisions were part of the Economic Commission: Food and Agriculture, Industry, Public Works and Utilities, Finance, Labor, Transportation, and C.E.M. The officers of the various divisions were reassigned in certain cases in order to consolidate operations and make for increased efficiency.

It was planned to prepare a directive for each division indicating precisely its various duties and functions, such a directive to be approved and issued by the Vice-President Economic Section, A few of these directives were issued, but there were others that had not been prepared at the time of the closing of the Economic Commission.

With the closing of A.M.G. on 31 December and the passage of the four northern regions to Italian Government control, the Economic Commission Northern Italy brought its activities to an end.

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2. Rationing of Electric Power.

The gravest problem which confronted the Economic Commission was the critical shortage of electric power. After long discussions held between the various officers of the Public Utilities and Industry Divisions with representatives of the Italian Government, North Italy Industrial Council, the interested industrial committees and the electric companies, an ordinance limiting the use of electric power was drawn up. This ordinance was submitted to the regional commissioners for consideration at their meeting of 11 December in Milan and was approved with minor alterations, It was finally in the form issued of regional ordinances and in addition to suspending power for other than essential purposes also cut all industrial and civilian consumers to 70% of their November consumption.

In addition to the a/m regulations, with the co-operation of the Coal Division, coal was obtained and several of the North Italy thermal stations were placed in operation which aided to a certain extent in relieving the deficit of power from hydro-electric sources. A supplementary ordinance was issued on 29 December, regulating the rates to be charged for electric power in order to cover the increased costs of thermal energy.

Despite the measures, however, that have been taken, the supply of electric power is still critically short and without rain the situation will become more grave in the next two or three months.

3. Food and Agriculture Division.

a) General Food situation.

The general food situation remains virtually unchanged. This Division has received numerous reports of shortages in provinces but upon investigation it has been found that the usual amount of exaggeration and unfounded stories in the press have been the cause for these reports. The situation remains and will remain tight until a feeling of responsibility towards maintenance of the ration and towards making what they have go the furthest possible way in feeding the people is created in the minds of the civilian popul tion.

b) Grain.

Due to forces beyond our control the programme of arrivals of grain ships has fallen even further behind the schedule laid down. The slowness of the final phases of the national programme of wheat flour is due to various factors i.e. rail car shortage and difficulties made by exporting provinces.

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With the addition of provinces in Venezie Region to the importing programme it can be seen that unless the shipping situation improves and a much tighter rein held on the Sepral there will be no improvement in the position of Northern Italy.

c) Sugar.

The ration of sugar has been increased as per orders received from Rome. This increase came as a great surprise to this Division as it is well known that sugar is in short supply the world over. Local supplies will last only until the end of February and Northern Italy will then be one hundred per cent dependent on imported sugar until the end of the month of September.

d) Fats.

There has been no allocation of imported fats for the month of December, however it is expected to make an allocationin January Small towns and villages are not too hard pressed, but the large cities i.e. Milan, Turin, Genoa are feeling the shortage acutely.

e) Rice.

The entire rice crop is being used to substitute the pasta or " generi di minestra" ration. There is a large amount of illegal traffic in this product and only a small part of the total illegal shipments are being stopped. If the screening programme continues to be as unsuccessful as it has in the past there will be sufficient rice to give only one kilogramme per person until the new harvest is brought in.

f) Cheese.

The cheese programme has progressed but only with the strongest possible opposition from all the producers, as they hope to retain their 1942-43-44 production for free export. The Commissariato Interregionale Alimentazione has done an excellent job in collecting over sixty per cent of total stocks for shipment to Central and Southern Italy.

4. Labour Division

a) General

There were no important changes in the general industrial situation in North Italy during the month. There were further indications of labour unrest over wage rates and high living costs

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and a number of disputes invclving a stoppage of work were reported Ih most cases, however, these affected comparatively few workpeople and in all cases the stoppage was short-lived. There was considerable agitation amongst Statal employees for payment in lieu of the annual holidays to which they were entitled but did not enjoy in 1945 owing to pressure of work and payment of salary for the thirteenth month as a gratification". In the Bergamo province of Lombardia the Statal employees sent a telegram to the Ministry of the Interior in Rome threatening to take strike action in 7 days if, in the meant time, their demands were not met. They decided later, however, to await the result of the negotiations that were taking place between the C.G.I.L. and the Italian Government on these issues.

The number of registered unemployed in each of the four regions increased during the month. In Venezia region the total unemployed -as shown on the registers of the Collocamento Offices - exceeded 170.000 at the end of December, an increase of over 10.000 as compared with the total unemployed register on 30th.November.

b) Wage Agreement for Northern Italy.

The negotiations which commenced in Turin in October between representatives of Employers' and Workers' Organizations and the Italian Government and were later continued in Rome and Milan, resulted in a general wage agreement for Northern Italy. The agreement provides for new minimum basic wage rates for specialized, qualified, semi-skilled and unskilled workers according to industrial group and geographical location and also for the contingency indemnity to be adjusted periodically in accordance with variations in the cost of living.

The agreement,which should dispose of most current wage issues concerning industrial workers, has been welcomed by the trade unions concerned and the Camera del Lavoro while prominent industrialists have expressed the view that although the new minimum basic rates were somewhat higher than they had been prepared for the agreement as a whole was rather better than they had anticipated.

c) Agricultural Industry -Wage negotiations.

Negotiations between Associazione Produttori Agricoli and Federterra dei Lavoratori della terra have been in progress during the month, with a view to new agreements governing wage rates and other conditions of employment of agricultural workers - for the agricultural year commencing 11th November 45. In the Milan province these negotiations presented considerable difficulty and a claim by the workers representatives for the payment of a contingency

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...mity ... rates as were paid to industrial workers led to a temporary breakdown. The joint discussions were however resumed following the intervention of the Prefect and eventually an agreement was reached on all points in dispute. In most other provinces agreements have also be reached.

d) Social insurance.

The delay in regularizing the position in Northern Italy as regards social insurance contributions and benefits has been a source of unrest amongst the workers who are pressing for the restoration of the unified contribution on system and certain other provisions od the decree of the "Duce" n.376. This question was recently considered by the Lombardia Regional Joint Advisory Committee who after consulting representatives of Previdenza Sociale and other insurance institutes prepared a report on the whole position. The Committee's report has been forwarded to Labour Sub-Commission(Allied Commission HQ.) for appropriate action.

5. Finance Division.

a) Salaries and bonuses.

Further increases of salaries, salaries for Government Officials in lieu of holidays, Xmas bonus for statal and parastatal employees as well as emergency indemnity for postal employees, payment of overtime at Ric vitorie Postali and gratifica 1944-were all matters which this Office dealt with with the various agencies concerned.

b) Saccarine.

The transportation from Turin to a trustworthy warehouse in Milan of 26 qls. of saccharine, was authorised in December. The Ufficio Tecnico II FF supervised the distribution of same in accordence with the regulations set out by this HQ. and on payment of the sugar tax.

Similar provisions ware under consideration for "dulcina" another chemical product for sweetening purposes - but could not be carried out in time. Further consideration to this matter would be useful. In Piemonte Region provisions were issued in time for control of the production.

c) State and Communal financing.

The Administrative accounting office ceased granting funds on behalf of AMG as of 31 December 1945. In order to secure

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the good functioning of this service in the transition period, the Regia Tesoreria Provinciale has been authorized to accept the credit orders issued by that Office until 20 January 1946. Beginning from 1 January 1946, the State and Communal Agencies requiring funds will have to apply directly to the respective central administrations. Only in cases of exceptional urgency, the funds can be authorized in Milan by the administrative accounting office in accordance with the provisions of Decree 21 August 1945 N.524.

6. Transportation Division.

a) Rail

Rails have been worked during the period under review under the ISR and the working of same has been most exemplary. Increased tonnages have been moved especially from the ports of Genoa and Savona. The handing over to the ISR and subsequent working of Rails by ISR happened with great smoothness.

b) Road.

The control of trucking has been in the hands of Italian organizations and the working of same has been most satisfactory.

c) Busses

The authorization of bus services is now a matter for the appropriate Italian organization. A standard rate for travel by bus was established on the 3rd of December and this standard rate is applied throughout the whole of Northern Italy.

d) Water.

Movement of goods by Inland Waterways is increasing and general progress is being made; and expected extension of tonnages moved will prove a great relief to the over worked railways. N.B. It is a matter of deep concern that no progress whatsoever has been made for the clearing of a passage through the mine field to the mouth of the Po, which if effected would open up the Po river. If such a passage were cleared very considerable tonnages could be moved along the Po.

e) Air.

Progress is being made and it is expected that before long a small movement of goods will be effected by this means.

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7. Industry and Commerce Division.

A. Chemicals Industry :

a) Nitrogenous fertilizers;

All the production has been obtained from electrolitic hydrogen.

b) Superphosphates.

No phosphate rock having arrived so far, only bone superphosphate has been produced.

c) Sulphoric Acid.

Satisfactory situation of the pyrites stockpile and supply.

d) Copper sulphate.

The production from the 3000 tons of imported blister copper has been started in four plants.

e) Calcium carbide.

No production has been possible so far, because, despite the repeated warnings from this office, the coke has been allocated only at the end of November when the electric power was no longer available.

f) Caustic soda.

The production of the electrolitic caustic soda is extremely low, owing to the very reduced flow of the rock salt supply.

g) Hydrochloric acid.

The plants working by the double substitution process have been operating at about 50% of their capacity. A small production has been carried out directly from chlorine and hydrogen.

h) Carbon bisulphide.

Only one thermic plant has been operating with a monthly production of about 250 tons.

i) Synthetic methanol.

The production is carried out in one plant at the rate of about 600 tons per month.

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j) Pharmaceuticals.

The production of all pharmaceutical deriv tes of phenol has been very low due to the shortage of this raw material. The production of chlorosulphonic acid for sulpha drugs, which has been started towards the 15th of November, is still going on in two plants.

k) Dyes.

There has been a little increase in the production of dyes, due to small deliveries of benzol from the cokeries.

B. Mines and Quarries.

a) The envisaged reorganization of the Comitato Miniere e Cave, as reported in the Inter Office Memo of 4 Dec.45 has not been effected during December owing to lack of instructions from Ministry of Industry and Commerce in Rome, and so the Coritato continues to carry out its function as first.

b) Concerning the production of the mines the following observations may be made :

Domestic Coal : Some 40.000 tons were extracted in November (6.000 tons more than in Oct.) and the same figures are expected in December (exact figures are not yet available). It may be supposed that the a/m figures are inferior to the real production, as some 4-5000 tons are sold on the black market without being registered. Lignite Mines Bagnasco (Cuneo Province) and Cadibona (Savona Province) have been visited in December.

Asbestos production has diminished owing to flooding which damaged the mines in Nov. but now the production is normal.

Ore-mines Pestrema: This mine is still greatly disorganized: mineral, explosives and lastly even machinery have been continually robbed. Intervention of AMG Piemonte Region has been requested, but the result is still unknown.

Lead-ore is still not extracted because no melting possibilities exist in North Italy. Clerici and FAC plants in Milan have been surveyed in order to examine the possibility to adapt them for lead ore melting, but owing to the transportation difficulties the question in not yet clear.
As there is a great demand for metallic lead and the mines can start, ore extraction at once the problem of lead melting is of great importance.

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c) Production, deliveries and stocks of main minerals (in tons) :

	Stocks 31/10	Nov. Prod.	Act. Delivery	Stocks 30/11
Anthracite raw	6.400	10.000	--	4.600
" washed	3.300	9.500	9.400	3.400
Triassic Coal	600	2.300	2.500	400
Lignite (picea)	800	15.200	14.900	1.100
" (xiloide)	4.800	12.400	12.700	4.500
Turf	5.800	10.000	13.000	2.000
Talc	14.600	2.100	600	14.600
Graphite	4.300	200	200	4.400
Asbestos	200	400	400	200
Iron ore raw	90.000	4.900	--	94.900
" enriched	139.000	--	--	139.000
Manganese	16.100	--	--	16.100
Baryte	18.000	500	400	18.100
Clay	12.000	1.500	1.900	11.500
Feldspar	2.600	--	200	2.400
Lead ore	1.300	--	--	1.300
Zinc ore	13.000	300	2.100	11.200
Nickel ore	3.200	--	--	3.200
Pyrite	32.700	6.000	4.500	34.200
Flonzino	5.000	--	400	4.600

C. Electrotechnical and Mechanical branches - Industry.

a) Mechanic.

With reference to the restriction in the use of electric power, some firms applied in order to obtain a derogation to the fixed rulings.

Three applications were approved.

Many important materials as lead, zinc, copper, iron sheets, oil, cotton, etc. captured from the Germans have been allotted to Pirelli Co.

An inspection was carried out at Vulcanic dynamite Factory and the firm has been recommended for an allotment of artillery shells to be unloaded.

The fishing industry in Southern Italy needs glass globes for fishing lights. On request from Rome, a search was carried out in order to find the factories now able to make these globes. Regular report has been sent to Rome.

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b) Electrotechni .

Approval was given to the partition plan for the 1350 tons of copper to be distributed to electrotechnical industries; 680 tons were given to Pirelli for cables construction.

The distribution plan for the 650 tons of copper wire bars for electric power production is still under examination. This copper will be distributed on national scale.

D. Steel and non ferrous metals.

a) The activity during the month of December has been reduced in a remarkable way and has been limited to inspections to factories and operations of control and adjustments in connection with material to be imported under 1946 plan, etc.

b) The matter of importation of magnesite and magnesite bricks as refractory materials for steel works has been dealt with further, but not practical results have been achieved up to now.

Alterations have been made in the types, quantities and sizes of electric resistors materials and nickel to be imported from USA after several meetings held among the leading manufacturers of Italy upon request of this Commission.

Inspection have been carried out of Industrial works of the Bolzano Trento Region, viz. Montecatini Bolzano, Acciaierie Bolzano, Officine Elettrotecniche Trentine, Officine Galileo Trento, in connection with coal and electric power available.

CIAI has approved a Board of advisers regarding the production of Electrodes as suggested by this Division.

Close contact has been kept with Rome in connection with the breakdown plans of materials under arrival from USA for which plans have not been worked out in time by Committees.

E. Textiles.

a) Particularly as regards cotton, wool and silk this O Office has been busy in examining all questions concerning the transportation, allocation and distribution of the above material, as well as the manufacture of technical articles such as Filters, Fishing Net Yarn, Sewing Twine, Typewriter Ribbons, etc.

Efforts are being made to create a closer cooperation between this Office and the various national organizations dealing with the important question of textile fibres.

So far 25.000 kilos of cotton have arrived and distributed to about 3000 firms together with about 35.000 tons of coal allocated to the Textile Industry during the last 4 months.

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F. Ex German materials.

a) Large quantities of captured enemy material ex Leghorn in the shape of civilian cloth and garments, were distributed.

b) Clothing and material to the value of 16 million lire was sold to the public.

c) Clothing was provided for the guards of Milan Prisons.

d) Overalls to the value of ½ million lire were manufactured and distributed through the Camera del Lavoro.

e) 2500 Christmas parcels of clothing shoes and thread were distributed to the poor.

f) As a result of the above activities there has been a marked decline in the prices of cloth , and the tendency continues downward.

Compliments.

[illegible]
Civil Liaison Officer.

cipher

I N C O M I N G M E S S A G E

HEADQUARTERS ALLIED COMMISSION

Originator's Reference: SEC/8 Message Centre No: G/7852

Date/Time of Origin: 211730A Date Time Rec'd: 23 0915

Precedence: PRIORITY

FROM ACAB.IT VIENNA

TO TROOPER (GCLD , FREEDOM (FOAGS) USFCO VIENNA. ALLIED COMMISSION ROME

CONCOSS INFO: HQ 5.ACOMO VIENNA. ANGLO SAGO KLAGENFURT SAGO STEIERMARK

RESTRICTED:

REFERENCE ACABIT CIPHER SEC/6 OF 20 JANUARY IN PAR. 4 NOT 2 AMEND

QUOTE ITALY UNQUOTE TO READ QUOTE (SWITZERLAND ? ..

AC LIST

ACTION: INFORMATION DIV

INFO : CHIEF COMMISSIONER

DEPUTY SEC

LEGAL

TRANSPORT

FINANCE

DISPLACED PERSONS

LABOUR

POLITICAL ADVISER

POLITICAL

CONTROL S/C

PUBLIC HEALTH

ADMIN

HEADQUARTERS
23 JAN 1946
A. C.

Declassified E.O. 12356 Section 3.3/NND No. 785021

FROM LCASBAIT VIENNA

TO TROOPERS (COLB , FREEDOM (FORCE) USFCO VIENNA ALLIED COMMISSION FOR

CONCOSE INFO: HQ BAOMO VIENNA AMEMB SOFIA AMLEGATION BUDAPEST

AMLEGATION BUCHAREST

RESTRICTED:

REFERENCE LCASBAIT CIPHER SEC/6 OF 20 JANUARY IN PARA 4 NOT 2 ALLIED

QUOTE MILITARY QUOTE TO READ QUOTE (SWITZERLAND ?).

LCO LIST

ACTION: INFORMATION DIV

INFO : CHALF COMMISSIONER

ECON SEC

LEGAL

TRANSPORT

FINANCE

DISTR

LABOUR

PR COMMISSIONER

P. & P.I.O.

CONTROL S/C

P. RELIT:

FILE

PLOT

CIPHER TELEGRAM

THIS MESSAGE WILL NOT BE DISTRIBUTED OUTSIDE BRITISH OR U.S. GOVERNMENT DEPARTMENTS HEADQUARTERS OR RETRANSMITTED EVEN IN CIPHER WITHOUT BEING PARAPHRASED. (MESSAGES MARKED C.O.S. NEED NOT BE PARAPHRASED.)

HEADQUARTERS
25 JAN 1946
A. C.

659

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TNA S

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
REGION LOMBARDIA
APO 394

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ABRIDGED REPORT FOR DECEMBER 1945.

1. Political Reaction and Popular Opinion: All quiet. The hand-over produced no reaction worth noting.

2. Local Government - Provinces: All branches of the Italian Administration were reported as functioning satisfactorily at the time of the hand-over.

The provinces of MILAN and BERGAMO are without Prefects.

3. Economic Resources and Agriculture:

Wheat amassing stood at almost 90% at 29 Dec. '45, but figures for rice amassing were very poor compared with the estimated amassable quantity.

Wood fuel arrivals have improved.

Fertilizer production has been held up.

Grain arrivals were a source of considerable concern and the bread ration was maintained only by the use of AMG stocks.

The Milan Offices of SEFRAL were raided by the bakers and certain records were destroyed.

Salt arrivals have been good.

4. Communications:

a) Telephones - A Milan-London cct. was opened on 7 Dec. '45.

b) Telegraphs - 64,000 telegrams were dealt with in MILAN on Christmas Eve.

c) Postal - Air mail service was resumed between Great Britain and Italy.

5. Public Health: Good.

6. Public Safety: No major incidents or civil disturbances occurred during the month.

The Questore of SONDRIO was changed and a new career Questore arrived in BERGAMO.

7. Public Works and Utilities: A substantial number of projects for relief of unemployment was examined and approved.

Considerable curtailing in the use of electricity was enforced, both domestic and industrial.

Limited gas distribution for cooking was made available during the month.

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
REGION LOMBARDIA.
APO 394

REPORT FOR DECEMBER 1945

A. POLITICAL REACTION AND POPULAR OPINION.

1. Provincial Commissioners report all quiet on the political front in every Province.

2. The hand-over, which had been threatened at almost fortnightly intervals ever since the beginning of September, produced no reaction worth noting as it had come to be taken as an inevitable step. There is no doubt, however, that the left rejoiced, whilst the right and non-political elements would have preferred AMG to have remained, at least, until the political elections.

B. LOCAL GOVERNMENT - PROVINCES.

1. All branches of the Italian Administration were reported as functioning satisfactorily at the time of the hand-over. However, the Province of Milan, whose former Prefect has become Minister of Transport, is urgently in need of a successor as the absence of one is seriously hampering the proper administration of the Province. Whilst at first the political parties, particularly the left, were against the appointment of a career official, there is now a desire that an appointment be made as soon as possible irrespective of whether the new Prefect is a career or a political one, since even the political parties are fully aware of the embarrassing situation in which the Prefecture is placed owing to the absence of a responsible head at this important moment.

2. The Province of Bergamo is without a Prefect owing to the death of Avv. Zambianchi.

C. ECONOMIC RESOURCES AND SUPPLY.

1. Commerce - The last month of activity has been devoted to the settlement of a few matters still in the hands of Allied Administration, such as:

a) Supervision of P.O.L. allotments to Comitato Olii Minerali.
For December P.O.L. allocations have been increased compared with November 1945.
The P.O.L. section has distributed coupons and supervised the allocations in all the provinces and special requests made by the Allied Authorities.
Instructions have been given to the provincial U.P.I.C.s to forward bids and request coupons in future to Ministero Industria & Commercio - Roma.
Various requests have been sent to A/C Roma, in order to obtain instructions regarding autovehicles circulation for the first six months 1946 but, so far, no answer has been received.
Meanwhile a press communique' has been issued concerning the renewal of permits for cars in January 1946 following which the permanent permits have been automatically renewed to 31st of January, pending instructions from the competent Italian authorities.

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b) Handing over to Comitato Fibre & Industrie Tessili of about 200 bales of Sicilian cotton sequestrated by A.M.G. during the months of July and August 1945.
As far as Sicilian cotton is concerned, it has been agreed that the owners of the cotton be paid the average price of L. 220 per Kilo against an average cost to them of L. 500 so that punishment for having transported this merchandise illegally into the region has been resolved into a large fine.
Yarns will be used for the making of sheets for charity institutions and hospitals.

c) Control of the distribution to the spinners of the American cotton, allocated by the Associazione Cotoniera Italiana and the Istituto Cotoniero.

2. Industry: Christmas and New Year holidays and irregular coal deliveries have reduced activity and production. Hemp - Situation unchanged. Raw materials are still supplied fairly regularly from Emilia Region. Cotton - Additional 7000 tons arrived from USA, to be distributed amongst manufacturers according to spindles and looms available at each factory. Rayon - Snia Viscosa at Cesano Maderno has produced 80 tons Rayon (including some 30 tons high resistance fiber for truck tires) and Soc. Gerli at Cusano Milanino 75 tons Staple-fiber (fiocco). Marine Engines - Demand by the Italian Fishing Organization decreased considerably. However, during the month 40 fishing boat engines have been produced by the firms of Sisma and Carraro. Rubber - Output of bicycle tires and tubes and rubber articles maintained at the rate of the previous months. Small scale production of automobile tires has been started, pending arrival of larger quantities of synthetic rubber expected from USA. Chemicals - Montecatini output: 2000 tons sulphuric and 210 tons Hydrochloric acid; 300 tons Caustic Soda and 120 tons dyes beside good amounts of various other chemicals. Yeast - Output of Distillerie Italiane at Sesto S.G. maintained around 260 tons. Glass - No change in the output of window glass by Luchini & Perego at Porto Valtravaglia and Milano, Via Savona, plants. Milano Porta Romana factory of the same firm reactivated at the end of December. Manufacture of other glass products (bottles, medicinal bottles, etc.) is being slowly revived. Cement - Situation unchanged; monthly output stabilized on some 30/35.000 tons. Mines - 13,226 tons lignite were obtained during the month from the Valgendino Mines. Steel - Falck's output: 11,127 tons steel ingots and 7,311 tons rolled products. Output of other steel works slightly decreasing; 7 open hearth furnaces are still in operation in the Region, but several electric furnaces had to be stopped for shortage of power. Motor Vehicles - December output: 237 trucks; 113 trailers; 43 tractors; 169 three wheelers; 111 Motorcycles (and 11,000 bicycles).

3. Food and Agriculture: Grain arrivals continue to give extreme preoccupation and it has only been possible to maintain the bread ration by using AMG stocks. The situation continues to be precarious and will need careful watching. Some disturbance occurred in Milan when pronoting of bread customers was enforced and the bakers actually raided the SEPRAL of Milan, destroying certain records. Vigorous action has been taken and the pronotation records should now be available. Italian authority has been requested to maintain a strict watch over all bread shops, mills and pest factories in order to try and ensure that black-market traffic in bread and flour is eliminated. A number of persons have been arrested on the initiative of the Food Division for illegal [illegible] including an official of Ente Risi. Without doubt a very

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Cotoniero.

2. Industry: Christmas and New Year holidays and irregular coal deliveries have reduced activity and production. Hemp - Situation unchanged. Raw materials are still supplied fairly regularly from Emilia Region. Cotton - Additional 7000 tons arrived from USA, to be distributed amongst manufacturers according to spindles and looms available at each factory. Rayon - Snia Viscosa at Cesano Maderno has produced 80 tons Rayon (including some 30 tons high resistance fiber for truck tires) and Soc. Gerli at Cusano Milanino 75 tons Staple-fiber (fiocco). Marine Engines - Demand by the Italian Fishing Organization decreased considerably. However, during the month 40 fishing boat engines have been produced by the firms of Sisma and Carraro. Rubber - Output of bicycle tires and tubes and rubber articles maintained at the rate of the previous months. Small scale production of automobile tires has been started, pending arrival of larger quantities of synthetic rubber expected from USA. Chemicals - Montecatini output: 2000 tons sulphuric and 210 tons Hydrochloric acid; 300 tons Caustic Soda and 120 tons dyes beside good amounts of various other chemicals. Yeast - Output of Distillerie Italiane at Sesto S.G. maintained around 260 tons. Glass - No change in the output of window glass by Luchini & Perego at Porto Valtravaglia and Milano, Via Savona, plants. Milano Porta Romana factory of the same firm reactivated at the end of December. Manufacture of other glass products (bottles, medicinal bottles, etc.) is being slowly revived. Cement - Situation unchanged; monthly output stabilized on some 30/35.000 tons. Mines - 13,226 tons lignite were obtained during the month from the Valgandino Mines. Steel - Falck's output: 11,127 tons steel ingots and 7,311 tons rolled products. Output of other steel works slightly decreasing; 7 open hearth furnaces are still in operation in the Region, but several electric furnaces had to be stopped for shortage of power. Motor Vehicles - December output: 237 trucks; 113 trailers; 43 tractors; 169 three wheelers; 141 Motorcycles (and 11,000 bicycles).

3. Food and Agriculture: Grain arrivals continue to give extreme preoccupation and it has only been possible to maintain the bread ration by using AMG stocks. The situation continues to be precarious and will need careful watching. Some disturbance occurred in Milan when pronoting of bread customers was enforced and the bakers actually raided the SEPRAL of Milan, destroying certain records. Vigorous action has been taken and the pronotation records should now be available. Italian authority has been requested to maintain a strict watch over all bread shops, mills and past factories in order to try and ensure that black-market traffic in bread and flour is eliminated. A number of persons have been arrested on the initiative of the Food Division for illegal traffic in rice, including an official of Ente Risi. Without doubt a very

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large amount of rice is being illegally moved and sold on the black-market. Fast repercussion has been seen in this region after the introduction of new milk decree which establishes a minimum delivery of milk per cow. In some provinces, due to the usual attitude of the Prefects, the minimum quantities were established at a very low yield. Investigation of this matter disclosed complete apathy on the part of the responsible Italian Agriculture agencies. Liberty of contracting granted in the same decree to the dairy-farmers supplying the cheese and butter factories has also disturbed the already weakened discipline in this field. All types of rationed cheese are to be had on the "free" market whilst it becomes increasing difficult for the Italian Alimentation offices to find the meagre amount given out as a rationed item. Press notices are insisting that all milk by-products be allowed free sale. Salt arrivals, for the first time in 7 months, have been good. Wheat amassing up to 29 Dec. 1945 for the Region of Lombardia was of 1,478,731 qtls, representing 89.947% of the Italian High Commissioner of Agriculture's estimate of 1,644,000 qtls. Rice amassed up to 15 Dec. 1945 was of 974,836 qtls, rough rice, against the estimated amassable quantity of 3,379,720 qtls. Wood-fuel arrivals have improved. Mortality in captured enemy animals in Varese province has increased. Undoubtedly the flesh is going to black-market, likewise the hides. A number of captured enemy animals illegally held by farmers has been found. Fertilizer production at the Mirano Sinigo plant has been held up, but deliveries should be resumed in January. Compensation of breeding cattle with Switzerland is going on and developing steadily.

D. LABOUR.

1. General Apart from one or two minor controversies affecting comparatively few workpeople the region has during the month been free from disputes involving a stoppage of work. A threatened strike by statal workers in Bergamo province in support of their demand for payment in lieu of holidays not taken during 1945, did not materialise.

As anticipated in last months report the conferences which took place in Rome between representatives of employers and workers organization and the Italian Government resulted in a general wage agreement for Northern Italy. The agreement provides for new minimum basic wage rates for specialized, qualified, semi-skilled and unskilled workers according to industrial groups and geographical location and also for the contingency indemnity to be adjusted periodically in accordance with variations in the cost of living. A further conference was held in Milan on the 6th December to deal with points outstanding, such as piecework rates, and the agreement was concluded and signed on that date.

In Lombardia region the agreement was welcomed by the trade unions concerned and the Camera del Lavoro while prominent industrialists expressed the view that although the new minimum basic rates were somewhat higher than they had been prepared for the agreement as a whole was rather better than they had anticipated.

2. Agricultural industry - wage negotiations. The negotiations between Associazione Produttori Agricoli and Federterra dei Lavoratori della Terra with a view to a new wage agreement concerning agricultural workers in Milan province were resumed early in December and eventually an agreement providing for the payment of a contingency indemnity and improved working conditions was concluded.

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The wage negotiations in other provinces which in most cases had been held up pending the result of the joint discussions in Milan, have since been resumed.

3. Social Insurance. The delay in regularizing the position in Northern Italy as regards social insurance contributions and benefits has been a source of unrest amongst the workers who are pressing for the restoration of the unified contribution system and certain other provisions of the decree of the "Duce" N. 376. This question was recently considered by a Sub-Committee set up by our Regional Joint Advisory Committee. The Sub-Committee after consulting representatives of Previdenza Sociale and other insurance institutes prepared a report on the whole position which has been forwarded to Labour Sub-Commission (A.C.H.Q.) for appropriate action.

E. FINANCE

1. Financing of Industries. Advances have been granted to Aeroplani Caproni Taliedo on existing RFE contracts. Other advances were made to CEMSA Caproni Taronno and Isotta Fraschini in accordance with the provisions covering Italian Government debts contracted prior 8 September, 1943.

2. Advances for Industrial Undertakings. Detailed lists of advances granted by the various Intendenti di Finanza of Lombardia to industrial companies, were forwarded to A.C. Rome.

3. Increasing of capital. Various applications for increase in capital of joint stock Companies have been sent to A.C. Rome to be transmitted to the Ministry concerned.

F. PUBLIC WORKS AND UTILITIES.

1. General. To the normal series of projects for repair of War Damage received during the month, has been added a substantial number of projects for relief of unemployment in accordance with programmes already approved in principle by A.C. - Examination of projects and submission to A.C. for definite approval has thus had to proceed at high pressure.

With regard to the navigable canal from Milan to the Po at Cremona (referred to in last report) the pre-existing Commissioner who controlled the relevant Consorzio has been discharged. He has been replaced by a new representative Commission, which is making preliminary arrangements to initiate the works. In view of the imminence of the transfer of North Italy to control of Italian Government, it has been decided that AC/AMG will not endorse the proposed Italian Ministerial decree authorising the expropriations necessary for this project. The Minister LL.PP. will be free to publish and enforce these decrees without AC/AMG endorsement as from 1 January 1946.

A proposal was made during the month for institution of a Provveditorato del Genio Civile for Lombardia, with offices in Milan. In effect, this would avoid reference to Ministry LL.PP. at Rome of many relatively minor matters and physical initiation of projects would thus be hastened after transfer of control to Italian Government. The proposal was recommended for adoption not only in Lombardia, but also in Piemonte and Liguria.

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2. Electricity. Amendments were made during the month to the pre-existing rationing system, curtailing still further the use of electricity for both domestic and industrial use, by means of Regional orders for which all interested parties were consulted at numerous lengthy meetings. Gas. Limited gas distribution for cooking is now in operation, with favorable results.

G. PUBLIC SAFETY.

1. No major incidents or civil disturbances have occurred during the month. Some increased activity has been shown by fascist organizations but numbers of arrests have been made without incident. An improvement has been made with regard to clothing for the several police agencies and the resultant beneficial effect upon moral and service has been apparent. There is, however, still a great need for clothing, especially for warm underclothing and particularly for the guards on the frontier. The economic position still presents a potential source of danger to public security, and unfortunately whilst there has been an improvement in police efficiency, the several agencies still lack proper coordination effectively to meet all contingencies. It is regretted that the Italian authorities have shown little zeal or initiative in providing adequate training for the newly enrolled police and prison personnel. Those who have done least show a tendency to blame A.M.G. for all their deficiencies. One cannot help feeling that had a more concerted effort been made, particularly by those responsible for blocking materials and equipment, the police could have been in a better state of efficiency than they are. The Questore of SONDRIO was changed and a new career Questore arrived at BERGAMO.

H. REFUGEES AND DISPLACED PERSONS.

1. General. During the month of December approximately 250 Italians were returned to Belgium, to commence work again in the various mining industries throughout Belgium where they were employed prior to the war. A further convoy will be leaving sometime during January. St. Christopher Barracks, Como Static Camp for Jews, are expected to be returned to Italian Military to be used as a military training centre, alternative accommodation is required and the finding of such is presenting a lot of difficulty. It is estimated that accommodation for 4-5000 will be required in the next few weeks. 2011 Refugees of all nationalities passed through Camps at Milan and Como.

2. Refugee Camps

IT CAMP 77 Milan

Refugees in 1 Dec. '45	905
Arrivals during month	821
Evacuated	1045
In Camp 31 Dec. '45	681

IT Camp 78 Como

Refugees in Camp 1 Dec. '45	310
Arrivals during month	850
Evacuated	966
In Camp 31 Dec. '45	194

As at 31 Dec. '45 183 of 194 are Jews.

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Since the formation of "D" Group D.P.R.S.C. Lombardia Region until the 31 Dec. 1945 the following Refugees have passed through camps in Lombardia.

Italian Civilians	168,318
Italian Military	44,411
Allied and other Nat.	16,618
Total	229,347

3. ORGANIZATION

a) Instructions have been received that UNRRA will take over IT 77 Refugee Camp Milan and IT 82 Refugee Camp Cremona w.e.f. 1 Jan. 46. This take over is now taking place, but will take some little time before operating under UNRRA. For the time being all military personnel are continuing to fulfill their original duty.

b) IT. Camp 78 Como, HQ "D" Group and the central Store of D.P.R.S.C. Milan are not earmarked to be handed over to UNRRA and for the time being will continue to operate under D.P.R.S.C.

4. WELFARE At both Camps in Milan and Como surprise parties were given to all Refugees during the Xmas festivities including Christmas trees and distribution of presents to Refugee children. Much hard work was accomplished by Commandants and Administrative staff and all presents and toys were made in the camps by civilian employees and Refugees. Midnight mass was arranged for Xmas Eve. A further allocation of coal has been authorised for heating and cooking purposes and delivery is awaited. W.V.H.D. are releasing a large stock of clothing from the dump at MERANO this will be collected and stored in Milan and Bolzano pending disposal instructions from Rome.

Approximately 1500 Southern Italians were returned to the South from Milan. A similar number will be moved during the month of January.

I. COMMUNICATIONS AND TRANSPORTATION.

1. Rail: Freight hauled: 8523 tons A.C. account
" " : 180,493 " Civilian account

The weekly programmes submitted by Capo Movimento for approval were in every case well balanced as regards priorities and few alterations had to be made. Tonnages were also kept within the total block tonnages allocated. A sleeping berth has been reserved daily for A.C. personnel as from Jan. 17, 46 from Milan to Rome on the civilian 0845 train.

2. Road: Total efficient civilian trucks 17,370
" NOT efficient 2,058
" efficient carrying capacity 31,331.87 tons

Recovery: Registered vehicles and trailers 2,844
Carrying capacity 11,237 tons

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3. Communications: Telephones - A Milan-London cct. was opened on the 7 Dec. through Switzerland. Government calls only are at present allowed as tariffs have yet to be agreed on. Telegraphs - On Xmas eve a total of 64,000 telegrams (nearly double normal traffic) was dealt with in the Milan office, maximum delay to Rome that day being 8 hours. Royal signals - Civilian organization known as MARESPE has been organised to take over the maintenance of all army over head routes. Signals are cutting down their own staff drastically. Postal - United States of America Gift Parcel Scheme. The number of parcels received for the N.W. Regions of Italy from the United States under the Gift parcel scheme is still extremely small and it is not considered that the extended scheme will effect the postal traffic in the Regions of Liguria, Piemonte and Lombardia to any noticeable extent. Foreign Mails - Authority has been given to the Ministry of Posts and Telecommunications to re-establish mails with Czecho-Slovakia and Hungary and these mails will circulate via Venice Trieste and Yugoslavia. Airmail - Air mail letter service has now been resumed between Great Britain and Italy.

Distribution:

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HQ 2 District	1
P.C. each	1
Divisions each	1
Office of Economic Commissioner N.I.	10

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HEADQUARTERS
ALLIED COMMISSION
LIAISON OFFICE
NAPLES

TN

173

8 January 1946

SUBJECT: Monthly Report for December 1945 by Colonel J.A.C. Pennycuick, Commissioner Naples Commune and Liaison Officer South West Italy.

TO : Hq Allied Commission.

PART I

ABRIGED REPORT

1. The grain position remains precarious, stocks will meet requirement to about mid-January. Further shipments have been notified but Communes cut off by bad Winter weather, may have periods of short rations.

2. Politically there has been a curious expression of disappointment over the Moscow Big Three meeting with its lack of reference to Italy. Naples had its usual numerous political meetings, the most important being that of the Republican party at the San Carlo opera house at which the Monarchy was blamed for the lack of attention to Italy at Moscow. All meetings were orderly.

3. Reduction of Labour employed by American forces has been felt and about three quarters of the 40,000 employed have now been dispensed with. Very little change in the larger number employed by the British has, however, as yet occurred. Official unemployment is rated at over 100000 in Naples. Other Provinces are not yet much affected.

4. The cost of living since the rather unaccountable rise of over 50% in April and May last dropped back in June and the year ended with comparatively little rise over the figures for the close of 1944 in spite of the notable increase in salaries.

5. Crime with violence has increased and bands of well armed criminals have held up trains and committed armed robberies over a wide area. The Carabinieri and other Police Forces handicapped by lack of numbers, have maintained a satisfactory record.

A serious explosion took place near Aversa on the night of the 30 November - 1st December 1945 of Italian Government

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A serious explosion took place near Aversa on the night of the 30 November - 1st December 1945 of Italian Government explosive destined for Sardinia; 4 people being killed and 27 injuried with much damage to property. The cause was probably due to action by thieves whose depredation in the

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dumps of explosives and ammunition are serious.

No special manifestations have occurred from subversive movements.

6. Health has remained good and smallpox is decreasing. The rat campaign by the forces is handicapped by the failure of Municipal authorities to remove garbage.

7. Morale at the first peace Christmas has been high. The conduct of troops has been good and there was a noticeable absence of drunkness at the festive season. 56 Area have inaugurated a remarkably good scheme for the large scale distribution of children's clothing made from British salvaged materials. With the close of 1945 A.M.G. control ceases in Naples and most activities, including Public Health and Legal, shut down. A Liaison Allied Commission staff will continue and regrets have been expressed openly at the passing of A.M.G. before a stable elected Government is in being.

JAC Bompard

Colonel
Naples Chief Liaison Officer
Allied Commission

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HEADQUARTERS
ALLIED COMMISSION
LIAISON OFFICE
NAPLES

8 January 1946

TO : Hq. Allied Commission.

PART II

(a) POLITICAL REACTIONS AND PUBLIC OPINION.

The Moscow conference seemed to have raised hopes for special reference to Italy for some obscure reason and its result caused disappointment.

In Naples in December the principal meeting was by the Republican Party which held the stage in a Sunday morning session at the San Carlo theatre. The meeting was orderly. The speakers made out that disappointment over the results of the Moscow conference was the fault of the Monarchy.

Progress with election preparations is going forward steadily. Naples Province itself appears to be one of the backward provinces and reasons put forward include such minor difficulties as the lack of linseed oil to paint the ballot boxes.

In Campania generally the expectation is of liberal majority, particularly if the vote is compulsory, with Christian Democrats and Labour Democrats next. The Communist party shows its greatest strength in the southern Communes bordering Apulia and, being one of the best organized, does not want a compulsory vote for other people. An unknown factor is introduced by the women voting for the first time. They are expected to follow the advice of the priests. Another unknown factor is caused by the small number of people inscribed in the various parties. This is put as low as 10% and if there is a compulsory vote there may be surprises.

So called patriotic associations formed to collect together the persons who opposed the Germans on the four days 27-30 September 1943 have drawn some attention.
With other partisan groups and together with the Uomo Qualunque entusiasts they probably number over 5000. Almost without exception the leaders of these various groups have been in trouble with the police in their past; records show accusations varying from murder downwards. Discontent with derequisitioning is also being espressed.

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Cost of living and prices have not gone up as much as had been expected. The first peace Christmas brought some cheerfulness and on the whole morale is good.

(b) LOCAL GOVERNMENT.

Election preparations well in hand in Avellino, Benevento, Salerno. Naples somewhat backward.

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(c) ECONOMIC RESOURCES AND SUPPLY WITH SPECIAL REFERENCE TO FOOD.

The grain position is not satisfactory, the worst Province being Cosenza with grain to produce the ration until only the 3rd of January. The remainder of the Provinces have sufficient until mid-January. No case has yet been reported of the failure of the bread ration in spite of exaggerated reports. In Castellammare owing to an incorrect return from the Commune, flour ran out one morning. A supply had to be sent out from Naples which enabled the bread ration to be issued in the evening instead of the morning of the day it was due. Prices of rationed bread remain 16 to 18 Lire a kilo; pasta 18 to 25 Lire a Kilo.

Distribution of grain and flour etc has been slow and as a result the distribution of pasta has been behind hand and, in Naples, sugar distribution was somewhat late.

All Provinces are reporting difficulties over the olive oil ration owing, it is explained, to a poor crop. The prices of olive oil varies up to 240 Lire a litre, the black market price being three times as much.

The assistance given by U.N.R.R.A. supplies is being of increasing benefit.

(d) AGRICULTURE.

A scheme has been put forward to improve conditions of the important orange growers of Sorrento.

(e)) LABOUR.

There was little actual unrest. 3 stoppages of work were reported one of which was a revival of grievances of hospital nurses. Unemployed are now given as over 100,000, but although P.B.S. reductions have dropped labour employed by the Allies by 30,000 other reductions have not had a great effect as yet.

An example of the effect of the claims for industrial premises to be derequisitioned comes from Castellammare where persistent appeals for the Cantieri Metallurgici to be derequisitioned were met by the R.A.F. The result is that 1500 men have lost employment and the management have only been able to take on 700 in the works. Even this number can only be maintained if raw materials are forthcoming.

(f) FINANCE.

Rising wages are reflected in Communal budgets. The increased wages are sanctioned by Italian Government decrees, but the resultant swollen budgets are often rejected or delayed. As a result normal municipal functions are left undone. Candidates

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(f) FINANCE.

Rising wages are reflected in Communal budgets. The increased wages are sanctioned by Italian Government decrees, but the resultant swollen budgets are often rejected or delayed. As a result normal municipal functions are left undone. Complaints have been received from the military authorities in 5 Communes: Portici, Resina, Ottaviano, Casoria and San Giorgio a Cremano that street cleaning and collecting of refuse had ceased. Enquiry brought the answer "No money" and if this insanitary practice spreads a serious health problem may be created.

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With the help of the previous finance officer in Naples, Lt. Col. Battensby, the Naples budget for the next three months has been put forward for approval.

Fines and Bails - On 31st December the position was:

Balance on hand in Bank	Lire	655,532
Bails to be returned	"	458,170

Funds pending decision amounting to about 2 million lire including gold and British, American and French currency.

(g) PUBLIC WORKS AND UTILITIES.

A meeting was called to endeavour to coordinate water economy to stop the undisciplined use of fire hydrants by the civil population and waste of water in the Port. The Serino springs showed the lowest yield for 100 years during this month, and water is still cut off each night in Naples.

Fortunately testwells put in six months ago near the Bolla Acqueduct North East of Naples now give promise of a supply of water that will augment existing supplies by about 50%. A project for the Scheme and for the enlargement of the Naples reservoirs, which will be comparatively inexpensive and provide much needed employment, is being prepared.

Clearance of bomb damage continues in Naples at a somewhat slow rate.

More trouble with one of the generators of the Sila hydro-electric station caused difficulties and shortage of power for the flour and pasta mills which supply Rome and other outlying provinces caused anxiety.

The Public Works and Utilities Section has now been closed down.

(h) LEGAL.

The Legal Section which had been closed down has re-opened.
General Court - COGENA case presided over by Colonel Weber Chief Legal adviser A.C. adjourned to 25th January 1946.
Summary Courts - 177 cases disposed of.
Italian Courts - continued to function satisfactorily.

(i) PUBLIC SAFETY.

32 cases in December as against 40 in November of Allied Soldiers attacking and/or robbing civilians. 6 involved coloured personnel as compared to 14 in November. 2100 cases of crime (2500 in November) half again being thefts. Prostitution and black market competing for second place.

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There were 47 cases of violent crime including 5 cases of train robbery and the holding up and robbing a British officer in day light in Nola area.

96 public meetings were held, no incidents.

Two police drives were carried out against Aversa area and Nocera area. Both had a good effect on morale and the latter

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yielded a fair haul of weapons including a sub-machine gun and 7 rifles.

The shortage of Carabinieri and other police to deal with the very well armed bands of robbers now investing the country is a serious handicap.

8 vehicles have been obtained to help with the formation of mobile squads, the Carabinieri mobile units having been taken over to Bari.

(j) PUBLIC HEALTH.

Small-pox 11 cases in Naples City as against 26 in November and 16 in October. Naples Province 12 cases as against 44 in November and 20 in October. So the year ends with this position definitely improved.

Typhoid - Naples City 35 cases - 35 in November. Province 15 cases as against 41 in November.

Typhus one case of an Italian POW repatriated from Russia. This man died on 17th December. Disinfection measures were taken and no other cases have been reported. Plague one case at Reggio.

Venereal disease - The number of women under treatment in the Pace Hospital is now 215 as compared to a previous average of 300.

There is a shortage of hospital beds in Naples only about 4500 being available as compared to a previous availability of 20,000.

The energetic anti-rat campaign, sponsored by the military authorities, is handicapped by the failure of the Municipal authorities to provide for the efficient removal of garbage. Garbage dumps, which form play grounds for rats, are blots in Naples and surrounding Communes.

(k) SCHOOLS.

Students at the Naples schools demonstrated and struck work against the reinstitution of war suspended written examinations, but it is understood with little result.

UNRRA food distributed through schools to children has reached a notable scale.

(l) REFUGEES.

Nothing to report.

(m) PATRIOTS.

Nothing to report, but see (a).

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(l) REFUGEES.

Nothing to report.

(m) PATRIOTS.

Nothing to report, but see (a).

(n) TRANSPORTATION.

(i) and (ii) - Road and Rail Division were consolidated under one officer preparatory to final closing down.
(iii) - Telecommunications - Nil.
(iv) - Post. Parcels from USA came in large numbers and caused

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some confusion. Shipments of parcels were held at first for payment of duty but this was finally waived.

(v) - Port - Civil supplies shipped in were at a low level, but grain shipments increased.

(vi) - Warehouses - Congestion and slow distribution is still a feature. Stocks of flour and grain are very low.

(o) PROPERTY CONTROL.

Nothing to report.

(p) MONUMENTS AND FINE ARTS.

Nothing to report.

H.H. Pennicke

Colonel
Naples Chief Liaison Officer
Allied Commission

DISTRIBUTION:

HQ Allied Commission	16
Chief Liaison Officer	1
Liaison Officer Bari	1
Liaison Officer Sicily	1
No. 3 District	1
HQ 56 Area	1
HQ Southern District PBS	1
N.C.I.C.	1
RAF 214 Group	1
G-5 AFH	1
MMIA Naples	1
UNRRA Naples	1
British Information Office	1
U.S.I.S.	1
American Consul General	1
British Consul	1
Circulation	1
File	3
Spare	3

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Naples Chief Liaison Officer
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(CONFIDENTIAL)

ALLIED COMMISSION
LIAISON OFFICE
BARI

MONTHLY REPORT
DECEMBER 45

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(CONFIDENTIAL)

ALLIED COMMISSION
LIAISON OFFICE
BARI

MONTHLY REPORT
DECEMBER 45

976

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CONFIDENTIAL

ALLIED COMMISSION
LIAISON OFFICE
BALI

L / 65

COPY NO. 2
A.L.O. (B)

MONTHLY REPORT
DECEMBER 45
PART I

(1) The people as a whole are impatient of the present situation. Their minds revert to the order and prosperity of Fascist days. While they do not desire a new dictatorship they incline in the large majority to the right.

(2) There is a marked improvement in the preparation of Electoral Lists.

(3) The stock of grain is very low and sufficient until only the 20th January 46.

(4) Food prices are still rising. The price of clothing appears to be stationary or in some cases actually dropping.

(5) The economical situation is still critical owing to shortage of raw-materials and transport.

(6) Grave discontent is being shown by all Civil Servants owing to present high cost of living and insufficiency of Xmas Bonus.

(7) The state of Public Safety still gives ground for concern. CC.KR and Public Safety Agents are insufficient mobile for their tasks.

(8) Pilfering of Allied foodstuffs imported for civilian consumption and raiding of warehouses by armed bands has reached such proportion in BALI Province, that special measures are being planned to protect the supplies.

(9) The general state of public health among the population is satisfactory. One further case of plague has been reported from TABANAN. Some cases of small-pox have been reported in BALI City.

(10) The situation of education has been improved by the dorequisitioning of school buildings in every Province.

(11) Ship discharges of commodities continued satisfactorily.

(12) Rail wagon availability continues to be acute due to increased military requirements.

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(7) The people as a whole are impatient of the present situation. Their minds revert to the order and prosperity of Fascist days. While they do not desire a new dictatorship they incline in the large majority to the right.

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(7) The state of Public Safety still gives ground for concern. CC.RR and Public Safety Agents are insufficient mobile for their tasks.

(8) Pilfering of Allied foodstuffs imported for civilian consumption and raiding of warehouses by armed bands has reached such proportions in BARI Province, that special measures are being planned to protect the supplies.

(9) The general state of public health among the population is satisfactory. One further case of plague has been reported from BARLETTA. Some cases of small-pox have been reported in BARI City.

(10) The situation of education has been improved by the derequisitioning of school buildings in every Province.

(11) Ship discharges of commodities continued satisfactorily.

(12) Rail wagon availability continues to be acute due to increased military requirements.

(13) The attitude of the civilians towards the Allies remains friendly.

G.A. REYNOLDS, Major
Acting Chief Liaison Officer
Allied Commission, APW.

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CONFIDENTIAL

ALLIED COMMISSION
LIAISON OFFICE
BARI

12 January 1945

LO/65

[illegible]
[illegible]
[illegible]

POLITICAL REACTIONS AND PUBLIC OPINION

(1) The people as a whole are impatient at the present economic, the unrest and disorders, the slowness of rehabilitation and apparent lack of peace. They would prevert to the order and prosperity of Fascist days. While they do not welcome a dictatorship they incline in the large majority to the right, and in Rome [illegible] particularly to the UOMO QUALUNQUE party which seems to be offering what the mass of the population want, namely order, stability and firm action.

(2) The political situation is practically stationary. Political leaders apparently working for their own ends, and not for the benefit of the country.

(3) The Communist Party in particular is losing ground to the UOMO QUALUNQUE.

(4) The left strongly protested at the bomb outrage on the Communist H.Q. in ROME.

LOCAL GOVERNMENT - PROVINCIAL

(5) The functioning of the GIUNTA COMUNALE leaves much to be desired on account of the lack of agreement between its members, also their apparent unsuitability for their allotted task, being nominated only upon the recommendation of the Communal Committee of Liberation.

(6) Only 84 Communes out of 244 in the Lazio Region are under the control of COMMISSARIO PREFETTIZIO.

(7) No noticeable improvement has been observed in the Communal Provincial Administrations.

(8) The Famili Tax has been very unfavourable received.

ELECTORAL LISTS

(9) There is a marked improvement in the preparation of the electoral lists.

FOOD SUPPLIES AND SUPPLY

(10) Regular distribution of Rationed Foodstuffs but in short supply. Rome has been abundantly supplied with fresh fruits and vegetables.

CONFIDENTIAL

(4) The people as a whole are impatient at the present situation, its unrest and disorders, the slowness of rehabilitation and apparent lack of plans. They mainly revert to the order and prosperity of fascist days. While they do not desire a new dictatorship they incline in the large majority to the right, and to full freedom particularly to the UOMO QUALUNQUE party which seems to be offering what the country most pertinently want, namely order, stability and firm action.

(5) The political situation is practically stationary. Political leaders apparently working for their own ends, and not for the benefit of the country.

(6) The Communist Party in particular is losing ground to the UOMO QUALUNQUE.

(7) The left strongly protested at the bomb outrage on the Corriere della Sera.

LOCAL GOVERNMENT - PROVINCES

(8) The functioning of the GIUNTA CONSULTA leaves much to be desired on account of the lack of agreement between its members, also their apparent irresponsibility for their allotted task, being nominated only upon the recommendation of the Provincial Committee of Liberation.

(9) Only 61 Communes out of 244 in the Salerno Region are under the control of COMMISSARIO PREFETTIZIO.

(10) No noticeable improvement has been observed in the Finances of Provincial Administrations.

(11) The Wealth Tax has been very unfavourably received.

PUBLIC UTILITIES

(12) There is a marked improvement in the preparation of the electric power.

FOOD, ARMED FORCES AND SUPPLY

(13) Regular distribution of Rationed Foodstuffs but in short supply hospitals have been quite regularly supplied with fresh fruits and vegetables.

(14) The S/S "ROBERT MORELEY" is nearing completion of discharge of 7,500 Tons of grain. Including the above, there is sufficient grain on hand to supply the Provinces of NAPLES, SALERNO, CASERTA, BENEVENTO and POTENZA until January 15th next.

(15) Attention is called to the present situation in regard to the petrol supply, with a view of being able to build up supplies in hand. Tanks being emptied up to a very low level, before replacements arrive. This in particular applies to the

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(13) Food prices are still rising. The prices of clothing appears to be stationary or in some cases actually dropping.

(14) The economical situation is still critical owing to shortage of raw materials and transport.

(15) The production of tobacco in the Provinces of LECCE is diminishing considerably (approx. 55%)

(16) The tunny fishery at GALLIPOLI has had to be closed owing to lack of fishing gear.

(17) Electric Power and light has been reduced in APULIA owing to repairs being necessary at hit stations and cable lines.

AGRICULTURE

(18) The Olive harvest is at present being gathered in, but generally the crop is poor.

(19) Sufficient quantities of fresh fish have been distributed to the population during the past month, but the price is still high.

LABOUR

(20) Grave discontent is being shown by all Civil Servants, owing to present high cost of living. Also owing to insufficiency of Xmas Bonus, In Italy between 23rd - 25th December all civil servants of the Municipio, Provincial Administration, Civil Hospital and ECA went out on strike for the above stated reasons. Also the workers of Italy Monopoly in MANFREDONIA DI GARGAL (FOGGIA Province) struck for the same reasons. An increase of 30% on their wages was granted.

(21) The following figures in regard to unemployment are submitted:-

TARANTO	5,000
LECCE	59,000
FOGGIA	27,000

(22) The ranks of unemployed are daily being swelled on account of workers being dismissed by the Allied Military Authorities.

(23) In LECCE Province the Prefect though ECA distributed 185,000 kilos of clothing and 7750 pairs of shoes to persons in need.

PUBLIC WORKS AND UTILITIES

(24) Ex soldiers are being slowly absorbed into Civilian life, largely owing to the Public Works schemes, which are being inaugurated in all Provinces. The Government having granted large subsidies for this purpose.

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LABOUR

(20) Grave discontent is being shown by all Civil Servants, owing to present high cost of living. Also owing to insufficiency of Xmas Bonus, in BARI between 22nd - 25th December all civil servants of the Municipio, Provincial Administration, Civil Hospital and ECA went out on strike for the above stated reasons. Also the workers of Salt Monopoly in MARGHERITA DI SAVOIA (FOGGIA Province) struck for the same reasons. An increase of 30% on their wages was granted.

(21) The following figures in regard to unemployment are submitted:-

TARANTO	5,000
LECCE	59,000
FOGGIA	27,000

(22) The ranks of unemployed are daily being swelled on account of workers being dismissed by the Allied Military Authorities.

(23) In LECCE Province the Prefect though ECA distributed 183,300 Units of clothing and 7750 pairs of shoes to persons in need.

PUBLIC WORKS AND UTILITIES

(24) Ex soldiers are being slowly absorbed into Civilian life, largely owing to the Public Works schemes, which are being inaugurated in all Provinces. The Government having granted large subsidies for this purpose.

(25) All Prefects report the seriousness of many families being without lodgings.

PUBLIC SAFETY

(26) The state of Public Safety still gives ground for concern. The CCRS and Public Safety Agents are insufficiently mobile for their task. More transport is urgently required.

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(27) The crime wave in BARI City has reached such proportion that the Prefect by Royal Law instituted the Prefect to enforce adult curfew from 2400 hrs to 0400 hrs and for juveniles from 1930 hrs to 0600 hrs.

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(30) Pilfering of Allied foodstuffs imported for civilian consumption and the finding of caches of the FIGHTING COMMUNIST ARMY and COMMUNIST ARMED [illegible] by armed bands has reached such proportions in BARI Province that special measures are being planned to protect the supplies. Additional PCRs or Royal Guards of Finance and Customs Agents are being allocated to this task, but their numbers are not sufficient to provide adequate protection. It is therefore proposed to form a Special Corps of warehouse watchmen, to be recruited by the COMMUNE concerned from ex-soldiers, ex-Carabinieri, carefully screened by the Questure. In view of the fact that the Corps will have to deal with Armed Gangsters, it is desired to arm its men with rifles. It is planned to keep the weapons, when not in use, in a central armoury under control of the C.C.S.

(29) All Prefects report that prostitution has increased.

PUBLIC HEALTH

(30) The general state of health among the population is satisfactory. One further case of plague has been reported from CA ASTO (not rural).

(31) During December 38 (thirty) cases of small pox, none fatal, were reported in BARI City

(32) All necessary precautionary measures have been taken, including vaccination, this being compulsory.

EDUCATION

(33) The situation has been improved by the derequisitioning of school buildings in every Province, the exception being BARI City.

REFUGEES

(34) The number of displaced persons moving North by rail from this Zone during the month was 603.

(35) During the month the two security compounds of No.1 Transit Camp were closed down. In the case of barrack "Z" some of the inmates were repatriated and the rest transferred to P.W. Camps. In the case of barrack "5" the inmates transferred to 1 SEP Reinforcement and Holding Centre RIMINI.

(36) During the month only one case of infectious disease was reported from No.1 Transit Camp, namely ANGINA DIFTERICA.

(37) The following number of Displaced persons were directly repatriated from No, 1 Transit Camp during the month :-

GREECE	287
JUGOSLAVIA	32
ALBANIA	55
PALESTINE	2
Total	376

COMMUNICATIONS

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(29) All Prefects report that prostitution has increased.

PUBLIC HEALTH

(30) The general state of health among the population is satisfactory. One further case of plague has been reported from BARI (not fatal).

(31) During December 30 (thirty) cases of small pox, none fatal, were reported in BARI City

(32) All necessary precautionary measures have been taken, including vaccination, this being compulsory.

EDUCATION

(33) The situation has been improved by the dorequisitioning of school buildings in every Province, the exception being BARI City.

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ALBANIA	55
PALESTINE	2
Total	376

COMMUNICATIONS

ROADS

(38) Docks clearance by road transport proceeded satisfactorily during December.

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(39) Negotiations are pending between the Allied Commission Transportation Office, BARI, and 1019 Port Maintenance Coy for permission for the CONSCOMM AGELLO to use a large weighing machine at BARI Docks. The use of this weighing machine would accelerate grain discharge.

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(42) No. 1 Truck Pool, FOGGIA, operated by the Italian Government, sho... ...ression of improvement. A high percentage of vehicles are not road worthy, due to bad ...aintenance.

(43) There is considerable traffic of salt from [redacted] to many parts of Italy.

(44) In some of the remote communes of POTENZA Province temporary wooden bridges have been built to replace those blown by the Germans, and in many cases the winter rains have swept these away.

(45) Investigations have now been completed into the illegal issue of ...rig tickets by EMAC BARI, covering transport of wire in barrels from this Compartiment to MILAN and other northern Cities, contrary to regulations. As a result of which the Provincial Director EMAC has been suspended from duty.

SALT.

(46) The present operation of the Salt Monopoly in [redacted] is far from satisfactory, and many instances have occurred in which it failed to load wagons as per programme. It is suggested that Italian Governmental Authorities be requested to inspect and take appropriate measures to improve operations at the Salt...

(47) Rail wagon availability in the Compartimento of BARI continues to be acute due to increased military requirements. Rail traffic to and from this Compartimento and the North has not exceeded that of the previous month. It is anticipated that wagon availability in this Area will progressively deteriorate with the opening of regular traffic North of BOLOGNA. Freight movement for the month were as follows:-

Tonnage Programmed	82,677	tons
Tonnage Moved	65,587	"
Tonnage not Moved	17,090	"
Tonnage not moved due to lack of wagons	8,047	"

SHIPPING

(48) Ship discharges of commodities continued satisfactorily.

EXPORT BY SEA -Grain	11,420	Tons
EXPORT BY SEA -Wine	412	"

With effect from 17th December 45 the duties of Naval Control Service have been undertaken by Italian Royal Navy.

RELATIONS BETWEEN ALLIES AND CIVILIANS

(47) The attitude of the civilians towards the Allies remains friendly.

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(42) In view of the remote communes of POTENZA Province temporary wooden bridges have been built to replace those blown by the Germans, and in many cases the winter rains have swept these away.

(43) Investigations have now been completed into the illegal issue of trip tickets by BALE MAGGE, covering transport of wine in barrels from this Compartimento to MILAN and other northern Cities, contrary to regulations. As a result of this the Provincial Director EMA has been suspended from duty.

RAIL

(44) The present operation of the Salt Monopoly in MANFREDONIA IN BARI is far from satisfactory, and many instances have occurred in which it failed to load wagons as per programme. It is suggested that Italian Governmental Authorities be requested to inspect and take appropriate measures to improve operations at the Saline.

(45) Rail wagon availability in the Compartimento of BARI continues to be acute due to increased military requirements. Rail traffic to and from this Compartimento and the North has not exceeded that of the previous month. It is anticipated that wagon availability in this Area will progressively deteriorate with the opening of regular traffic North of BOLOGNA. Freight movement for the month were as follows:-

Tonnage Programmed	82,677	tons
Tonnage Moved	65,587	"
Tonnage not Moved	17,090	"
Tonnage not moved due to lack of wagons	8,047	"

SHIPPING

(46) Ship discharges of commodities continued satisfactorily.

IMPORT BY SEA -Grain 11,420 Tons

IMPORT BY SEA -Wine 412 "

With effect from 17th December 45 the duties of Naval Control Service have been undertaken by Italian Royal Navy.

RELATIONS BETWEEN ALLIES AND CIVILIANS

(47) The attitude of the civilians towards the Allies remains friendly.

G.A. [illegible], Major
Acting Chief Liaison Officer
Allied Commission, BARI

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CCFA No.18	:	HQ 82 Area
CCFA No.19	:	HQ 84 Area
CCFA No.20	:	Acting British Consul,BARI
CCFA No.21	:	UNRRA (ITALY),BARI
CCFA No.22		Commissioner ADG,NAPLES Province
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