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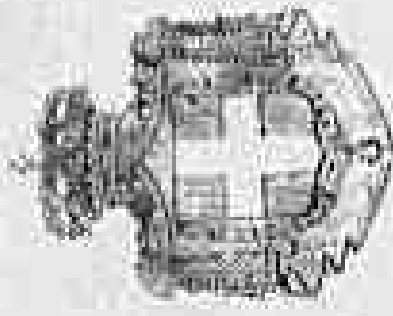
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MINUTES OF MEETINGS
AUG. 1944 - NOV. 1945



Ministero dei Trasporti

ISPETTORATO GENERALE DELLA MOTORIZZAZIONE CIVILE
E DEI TRASPORTI IN CONCESSIONE

SERV. V° = UFF. 1°

Divisione
Post. N. 13256 Allegato

Alla Sottocommissione Alleata
per i Trasporti

= S E D E =

Post. N. 13256

del

OGGETTO Circolazione automobilistica.

363

Come è noto a codesta Sottocommissione, la circolazione degli autoveicoli nel territorio liberato è contenuta entro modesti limiti, in quanto le assegnazioni di carburanti e di gomme, nella loro attuale misura, sono inadeguate a soddisfare tutte le esigenze economiche del Paese e debbono, quindi, essere riservate a quelle ritenute di maggior conto ed impellenza.

Tale stato di cose, in difetto di comunicazioni ferroviarie, ostacola e ritarda gravemente ogni attività volta a ridurre gli effetti delle distruzioni provocate dalla guerra e a ridare un minimo di benessere economico al Paese.

L'attuale situazione già per se stessa così preoccupante, non mancherà di aggravarsi con il sopraggiungere dei rigori invernali che influiranno sul fenomeno della disoccupazione, il quale ha già assunto proporzioni imponenti ed estremamente dolorose.

Allo scopo di esaminare il problema, rivolgo preghiera a codesta Sottocommissione perchè voglia far partecipare i propri rappresentanti ad una riunione da me indetta presso il mio Ufficio per il giorno 13 corrente alle ore 16.

IL MINISTRO

ISTITUTO POLIGRAFICO DELLO STATO

Circolazione automobilistica.

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Ad.

IL MINISTRO

Ugo da Hella

TRANSLATIONMINISTRY OF TRANSPORTGENERAL INSPECTORATE OF MOTORIZATION

5 November 1945

REF :- N° 13776

SUBJECT :- Circulation of Motor Vehicles

862

As your S/C is aware, the circulation of motor vehicles in the liberated territory is restrained within narrow limits inasmuch allocations of fuel and tyres in their present measure are inadequate to comply with all the economic requirements of the Country, and must be confined to those which are deemed to be of foremost importance and urgency .

Such a state of affairs, in default of railway communications , hampers and delays all endeavours aimed at reducing the effects of destructions caused by the war and at restoring the Country to a minimum of economic welfare .

The present situation, already so disquieting as it is, will not fail to get worse as the rigours of winter set in influencing the unemployment situation , which has already reached vast and extremely painful proportions.

In order to examine this problem, I kindly request your S/C to send representatives to a meeting which will be held in my Office on the 13th inst at 1600 hrs .

THE MINISTER

Signed) UGO LA MALFA

COPY No 20

80

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SECRET

Minutes of the Economics Section meeting held on 27 Oct 45 at 0900 hours.

PRESENT: - Lt.Col. BICKERSTETH

Major

DUNCAN

FODEN

RICHARDSON

TANNOCK

Captain

MARKER

COLEMAN

BAILEY

Economics

Commerce

Public Works

Public Works & Industry

POLA Area Supply Office

Industry

Transportation

Labour

861

SECRET1. ECONOMIC SECTION CONFERENCE.

Agriculture, Finance and Supply were not represented. Lt.Col. BICKERSTETH stressed the fact that heads of Divisions should attend the Economics Section meetings unless special circumstances prevented them.

2. CIVIL SUPPLIES PLANNING.

The planning team was continuing to work well, the amount of work would probably necessitate their staying another week.

3. WAR BOOTY COMMITTEE. (Industry & Commerce)

S.O.1 said that at the moment there was a complete deadlock on the matter of War Booty Industrial Claims between the Allies and the Jugoslavs because of difference in interpretation of a passage from the Hague Convention. The Jugoslav interpretation was that if the material of any firm was destined for use in the war then it was War Booty. The Allied view was that if the material was not the property of the German or Fascist Governments it was not War Booty.

What is most distressing is the fact that Industry is being held up and men were being put out of work etc; this was most undesirable.

Meanwhile meetings of the War Booty Committee continue. Many claims had been submitted to Lt.Col. BICKERSTETH (Industry & Commerce Member) for examination. Nothing much can be done

SECRET

27 October 45

4 NOV 1945

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Hq, Allied Commission

3.12

0900 hours.

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What is most distressing is the fact that Industry is being held up and men were being put out of work etc; this was most undesirable.

Meanwhile meetings of the War Booty Committee continue. Many claims had been submitted to Lt.Col.BICKERSTETH (Industry & Commerce Member) for examination. Nothing much can be done until AFHQ settle which interpretation is correct. If the Anglo-American interpretation was correct it would eliminate 80% of the industrial claims.

4. ILVA.

Lt.Col.BICKERSTETH stated that ILVA had asked for authority to remove machinery which had been brought from GENOA to prevent the Germans seizing it. This would be quite impossible to do without the knowledge of the Jugoslavs. Therefore he proposed to tell the Jugoslavs. He understood that the machinery was not assembled, could any Division confirm this? Industry was directed to look into and report the matter.

5. TIMBER & FIREWOOD.

A conference had been held during the week under the Chairmanship of Brig. RITCHIE. Plans for the production of the necessary firewood were proceeding. Difficulty is being experienced in that much of the firewood in UDINE is going on to the black market and contractors are filling their obligations slowly. A little firewood is coming into the Region but is being largely used up as it arrives. Therefore it is not possible to form a reserve store.

Labour said that quite a lot of firewood was being made available from tree stump raising. The wood after cutting was distributed by the Fuel Officer.

Lt. Col. BICKERSTETH was not satisfied that the price was correct and asked if the meeting wished the cost of firewood to be examined. Major RICHARDSON said that the whole matter was one of Finance with whom he had had recent discussion.

6. NON EXPORT OF NORTHERN ITALY MATERIAL TO JUGOSLAVIA.

Area Supply Officer POLA had authorized a certain Sig. VLACH Carlo to negotiate with Yugoslav Military Government authorities for the exchange of coal for cement, grain, and other agricultural products. S.O.1 stated that he was sorry this had been done because it committed the Allies to exporting our allotted imports from Northern Italy and UK/US sources. These were supplied solely for use in VENEZIA GIULIA. S.O.1 stressed the fact that it was the Yugoslav Government's responsibility to supply their part of occupied VENEZIA GIULIA, although he could see no objection to exporting such things as cement or finished articles manufactured in the area.

7. STAFF - ALLIED OFFICERS.

It is understood that American Officers with 75 points will leave next week.

REPORTS OF DIVISIONS

8. LABOUR. (Capt. BAILEY)

Work Projects. - Quite a number were now in progress and Labour Division would render a report to show how and what labour was being absorbed.

9. TRANSPORTATION. (Capt. COLEMAN)

(a) Rail. - Movement was going well and was normal except for one thing, the movement of private family furniture from FIUME seems to hinder rail movements. Lt. Col. BICKERSTETH said it would be interesting to know how many families were moving out of FIUME each week. Capt. COLEMAN replied

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(b) Transportation supplies requirements for Jan/Jun 46. - S.O.1 stated that the schedules for Transportation requirements were long overdue. These should be supplied as soon as possible.

(c) Civil & Allied Military Government Transportation. - Order No 25 on Establishment of Centro Autotrasporti was distributed during the week to all Areas except POLA. The only reaction was fear on the part of civil truck owners that the Allied Military Government Truck Pool might cut them out.

- 3 -

8. LABOUR. (Capt. COLEMAN) (Cont. of sub-para (c))

Maj. RICHARDSON (Public Works) asked what rates the Allied Military Government Truck Pool would charge. Transportation replied that the proposed rates were a little less than those in use in Northern Italy. S.O.1 asked the meeting if it was desired to revise Transportation rates. It was decided that Transportation Division would prepare a study on rates and submit it to the meeting.

10. COMMERCE. (Maj. DUNCAN)

859

(a) Staff. - On the question of staff, Lt. Col. BICKERSTETH said he was sure that great interest was being taken in VENEZIA GIULIA's Staff needs. S.O.1 had spoken to Col. DENSMORE Chief Staff Officer to Chief of Economics Section of Allied Commission who had assured him our needs were being fully examined.

(b) Timber. - Maj. DUNCAN reported that no headway had been made in the general supply situation on constructional timber. 12,000 cubic metres of timber were still required. Signals had been sent to all concerned with support by HQ 13 Corps, but this had not resulted in any action so far. S.O.1 stated that if only the Yugoslavs would cooperate it would solve the problem, but the only offer made by them would necessitate large minesweeping operations of FIUME Harbour, which AFHQ were not prepared to consider as a priority matter.

(c) Soap. - Raw material was available to enable a ration of 200 grams of soap per head per month to be issued if 50 quintals of sulphur oil were obtained. Industry & Commerce Divisions of HQ AC had been told where this could be obtained so it was expected that in time soap would be available. S.O.1 said that it should be distributed with a ration card through SEERAI.

11. POLA AREA SUPPLY OFFICER. (Maj. TAINOCK)

The Yugoslavs had claimed the Pola clothing factory as war booty.

S.O.1 said that a letter was being sent to all Area Commissioners explaining that the immediate removal of supplies awarded to the Yugoslav Army as war booty could be prevented on the grounds that they were required to prevent disease and unrest. This VETO will however be applied only by the SCAO. Therefore all claims to detain removal would be forwarded to the Economics Section for the personal attention of Col. BOWMAN.

12. INDUSTRY.

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12. INDUSTRY.

- (a) Planning. - The Committee for Civil Supplies Planning had completed their report except for chemicals.
- (b) Staff. - The Industry Division was still short of officers, even with the help of Lt. JACOBS, who was also to help in Price Control Division, until an Officer for the Division arrived.
- (c) Industrial Coal Supplies. - Capt. MARKER stated that AC had decided that ILVA would not be supplied with coal for steel production, the main reason being that other factories were working on electricity and therefore using less coal. But, Industry stated, if ILVA were put into production we could cut by half our present steel import.

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12. INDUSTRY. (Cont.)

- (d) Gorizia Cotton Mill. - S.O.1 asked Industry to make a check on the production of the Gorizia Cotton Mill.

13. PUBLIC WORKS. (Maj. FORDY)

858

- (a) ILVA Steel. - Complaints had been received from ILVA because the coal had been allotted to them for gas production was being turned over to other people. Public Works and Industry were requested to investigate this.
- (b) Salerno. - Maj. FORDY requested that a list of ships that builders and repairers were authorized to work on be supplied the Public Works Division. This was required because all materials asked for must be checked against work to be done. Industry said that this would be done.

14. DISTRIBUTION OF FOOD SUPPLIES AND WAGE SCALE. (Lt. Col. BICKERSTETH)

Allied Military Government pressed for a more equitable distribution of Food Supplies and the means of living, increase in wages is being urged. Labour Division would make a reliable study on the cost of living and report.

15. ECONOMIC FUTURE.

Lt. Col. BICKERSTETH suggested that publicity be given to the grave outlook for VENEZIA GIULIA during the winter months. It was decided that this should be done.

16. Please acknowledge receipt of this report on substitute AF A16 below.

BY ORDER of Colonel A.C. BOWMAN



D.S. BICKERSTETH
Lt. Colonel
Economics.

/ce

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[Signature]
C-10

D.S. BICKERSTETH
Lt. Colonel
Economics.

/cc

BEST COPY POSSIBLE

MINUTES OF MEETING RE HAULAGE OF WINE
7 NOVEMBER 1945.

PRESENT: Mr. Franklin
Major Downer } Roads Division, Tn. S/C, A.C.
Major Taylor }
Capt. Clinging } Movements Division, Tn. S/C, A.C.
Mr. Bompard }
Mr. Fuortes } ENAC
Mr. Costa }

MR. FRANKLIN: As you are aware, this meeting has been called to discuss the haulage of wine -- already, wine is being hauled up to a maximum of 60 kilometers. Due to the fact of infringements we have considered extending the policy a little.

857

MR. BOMPARD: You know the purpose of wine -- for the economy of Italy. It only possible for the South to consume the very small quantity of wine. ENAC has done all possible but we also see infringements are very great in number. You know that trip tickets are given in the North for the haulage of wine. Now -- the opinion of ENAC is this concerning the importance of wine in economy of Italy and also in the possibility of stopping illegal haulage of wine -- it is better to discipline this -- to make some concessions. It seems you are of the same opinion. Today we are trying to see what is the better system for organizing a new policy.

MR. FRANKLIN: One thing must be considered -- that is petrol. The Italian Govt. is going to have just so much petrol and it is going to be the responsibility of the Italian Government to distribute that petrol. So much will have to be used for the movement of essential foodstuffs and other things and if we extend the policy or make a broader policy in the movement of wine what is going to be the result?

MR. BOMPARD: Mr. Fuortes says (1) we will always give priority to the transport of foods and things of first necessity and then our idea will be to transport wine and that transport should be effected against the transport of other goods so that practically both transports would be made and not empty but rather always with some goods that are necessary.

MR. FRANKLIN: In other words, you feel that tankers should not run empty.

MR. BOMPARD: Yes.

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MAJOR DOWNER: What about trucks that have empty barrels and they cannot go South? What will you do about that?

MR. BOMPARD: About the barrels. A lot of people do not send back barrels. Some want them and some don't. In this case, barrels could be loaded on the train and the trucks and trailers and the trucks could be loaded with other goods. Today it seems it is not very expensive to break the barrels up and in this case there will be more space.

MAJOR TAYLOR: My point is that Movements have been laying on shipping for wine. The reason for the large amount of road transport for this purpose is to escape the price control. There are many shipping facilities if they will play and have the wine ready for shipping.

MAJOR DOWNER: I do not see how wine can be economically hauled from the South to the North.

856

MR. BOMPARD: People who are sending barrels of wine by shipping have a lot of losses. This loss of goods does not happen with a motor truck.

This is another technical point -- you know that wine from the South is used for blending wine in Tuscany and Piemonte -- then I don't see how it will be possible to limit the distance practically for taking wine out from Puglia it is necessary to send it North. Don't forget that if we fix a maximum of these things then the people will put wine in storage. One year ago it was common to give 3 trip tickets for wine. What happened was they took one for 350 kilometers and then another and another. This is the actual situation. Our point of view is that if you combine wine with some other goods -- we have a good step. You know that it will be necessary that you speak with the Italian Govt. Food Ministry because they have a for bidding wine from South to North. They decided that wine should be transported from South to North only against some other goods.

CAPT. CLINGING: Our rail cars are almost vacant -- not being used to capacity. Price control probably enters into it.

MR. FRANKLIN: The point I can't see is how price enters into it. How many wine trains are there a week?

CAPT. CLINGING: One train a day.

-3-

MR. BOMPARD: What is the capacity of a train?

CAPT. CLINGING: One car - 17 ton tanker - (etc.)

(Note: Here there was a discussion regarding SEPRAL and their movement of wine and comparison made with the free market. Also there was a discussion, headed by Maj. Downer, relative to the prices of wine in the South and how the prices were boosted so that it was not advantageous for the dealers in the North to make the haulage from the South to the North. Examples were given.)

MR. FRANKLIN: What would be the repercussion if we threw the movement of wine, south of Rome wide open?

MAJOR DOWNER: They are mostly concerned with long distance haulage - from South to the North.

MR. BOMPARD: (a small discussion about local and long distance haulage - emphasizing the need for long distance haulage.)

MR. FRANKLIN: Reference to petrol which is a very important factor in this discussion. Very shortly, the future provision of petrol will be solely the responsibility of the Italian Government. If they want to use the petrol for haulage of wine, shoes, or anything else - it is none of our business. What I would like to do is broaden the policy on movement of wine - that is throw the entire responsibility on the shoulders of the Italian people. I understand that during the past month in territory other than EMAG there were 683 violations of the haulage of wine. (there was some discussion about the violations being largely in AMG territory). What do you think, Major, Downer, about throwing open for free movement of wine in Italian Government territory.

MAJOR DOWNER: I am agreed.

MR. BOMPARD: This question is a very important one. We would like to examine this question also with the Italian Government Ministry of Food.

MR. FRANKLIN: We also would like to examine it.

MR. BOMPARD: Are we right in understanding that this is not a fixed proposal but a suggestion and informal discussion that you are conducting?

MR. FRANKLIN: That is right.

855

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MR. FRANKLIN: We are actually falling into line in turning back the railroads to the Italian Government and I see no reason why we should interfere with the haulage of wine in Italian Government territory.

MAJOR TAYLOR: The bulk of the illegal movement of wine is in AMG territory.

MR. BOMPARD: In any case, the question will be divided into two parts - the Kingdom of Italy and AMG territory?

MR. FRANKLIN: Yes, do you agree with that Major Downer?

MAJOR DOWNER: Yes.

MR. FRANKLIN: As of the end of this month, AFHQ, Pet. Sec. closes - therefore why should we be interested in the control of their movement?

CAPT. CLINGING: The only thing is - I think SETRAL will want to step in. 854

MR. FRANKLIN: That is alright. It is none of our business.

MR. BOMPARD: This is the reason we want to speak with the Italian Government Ministry of Food. Monday we will come back to you and give you returns of this meeting.

MR. FRANKLIN: I would like you to go into it and we will go into the question here but in line with general policy I think we should turn it all back to the Italian Government.

(Note: The meeting was adjourned with all parties agreeing that a quick decision should be forthcoming and each party (AC and Italian Government (EMAC)) would speak with their proper authorities and endeavor to reach an agreeable conclusion)

MINUTES OF CONFERENCE HELD AT MINISTRY OF
TRANSPORT ON 25 JULY 1945 -- (BETWEEN
MR. G. G. GROSS and DOCTOR LA MATA)

MR. GROSS:

When may we have the names of the representatives to be sent to the North -- Padova, Milano and Genoa and Turino -- for truck pools?

MINISTER:

There is a misunderstanding about 15 August in the letter I have here of 24 July.

MR. GROSS:

There should be some arrangement to have a separate organization handle spare parts. In the Minister's letter he said I.S.R. is going to handle spare parts. Doesn't the Minister feel that if I.S.R. handle it (spare parts) the truck pools would suffer?

MINISTER:

I said I.S.R. but I will organize it directly -- it will depend on me. I will divide it so that the truck pools and railroad have equal share. I will see that nobody gets more than what they deserve.

MR. GROSS:

If you will give some thought to that and let me have your suggestions as soon as you can it will be appreciated.

MINISTER:

I have told EMAC and Inspectorato di Motorizzazione that I will distribute myself. They will make propositions and I will examine them and see if they are equal. I will take care of it personally. I know personally that each service wants more that they deserve so I will examine them myself.

GROSS:

Any time that we can help in that matter you just call me.

MINISTER:

Do you suggest that I do it right away -- the 2 agencies -- one for truck pools and one from railroad?

MR. GROSS:

That would cause quite a bit of confusion. One organization should handle all spare parts. They must have an exchange.

MINISTER:

That is my idea too. The spare part that needs changing must be brought over to the agency and exchanged for a new one so that we know the new part is being used. I have suggested to I.S.R. to take these spare parts because they are the only organization that have work shops.

MR. GROSS:

It might be a good idea if you would keep a group of men there to work with the Maintenance Group so that they can take over these spare parts so that they will be familiar with all of the workings thereof.

What about these spare parts?

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It might be a good idea if you would keep a group of men there to work with the Maintenance Group so that they can take over these spare parts so that they will be familiar with all of the workings thereof.

With whom do you have connection for these spare parts?

Just with our people. Capt. Peterson in my office has been in on this but it is all going to be one organization. The Italian Government will indent themselves -- not to us -- and they will have these spare parts in one organization.

all Catigory A thru AC
Catigory B? P.

MR. CROSS:

MINISTER:

MR. CROSS:

MINISTER:

CROSS:

MINISTER:

MR. CROSS:

MINISTER:

MR. CROSS:

MINISTER:

MR. CROSS:

-2-

MINISTER: We have 2 inspectors -- one has gone to Capt. Paterson and one to Col. Carnes.

(MR. GROSS READ PAR. 4 OF LETTER FROM DIRECTOR, TRANSPORTATION SUB-COMMISSION DATED 24 JULY 1945)

MR. GROSS: We are working on a plan to turn over these spare parts.

MINISTER: And you need several helpers?

MR. GROSS: Right. That group should be headed by a very high type man. We will bring that group in and they will work with Col. Carnes' group. We will have a meeting either this afternoon or tomorrow morning with Col. Carnes' group. Out of that meeting will develop a program to be suggested to the Minister as to handling of these spare parts.

MINISTER: So we wait for your decision.

MR. GROSS: The only thing we are worried about is people to take over these trucks in the Northern Regions. We have had information from the Minister that his representatives could not get North because they had no transportation. That was the understanding I was given.

MINISTER: I will talk with Milano.

MR. GROSS: We are giving 10 jeeps a piece to ENAC, Inspectorate di Motorizzazione and I.S.R. I presume that you want to personally direct the distribution of these jeeps?

MINISTER: Yes.

MR. GROSS: With relation to this 20,000 ton lift -- it is imperative that we work quickly to make contracts to repair these trucks. We must write A.R.I.Q. and tell them when and where they will be delivered and how quickly they can take the trucks. We must have an equivalent number of trucks to make up the 20,000 ton lift.

MINISTER: The maximum is 3 ton, isn't it?

MR. GROSS: If you get a British truck we figure that is 3 ton and the American truck is 5 5/4 ton.

MINISTER: How many vehicles will that make?

MR. GROSS: We don't know. We don't know how many trucks it will take to cannibalize to make that 24,000 ton lift.

852

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MINISTER: To set up this organization we must know where these trucks will be delivered.

MR. CROSS: We will deliver them to your plants.

MINISTER: Second to our possibilities -- some we can take down South from the North.

MR. CROSS: Most of them will be in the North. If you make these contracts with those in the North to start with then it will give you time to work in the South. Caproni, for instance, said he would take any part of it. He wanted to talk with the Minister.

852

*Who says so**Call Lt Col Brown Johnson**5-5 AFHQ*

-3-

MINISTER: You see the Fiat has an organization already for it and I can't leave Fiat out.

MR. GROSS: Isn't it just new trucks they are manufacturing?

MINISTER: They also have an organization for the repair of trucks.

MR. GROSS: We have no special interest in Caproni -- I was just citing it as an example.

MINISTER: I will call Caproni and other firms.

MR. GROSS: Yes, and make contracts. We are presently being pressed and we have to know where you want the trucks delivered. I am sorry that we have to crowd you but it is very necessary.

MINISTER: I will send right away and have all the firms come here and make contracts with them and then I will let you know.

MR. GROSS: You see, don't you, that with this plan - instead of the Allies paying for it the Italian Government can pay for it in the beginning and thus save all of the accounting details.

851

This matter and the matter of representatives for the North are the two priority matters. In the letter you have in front of you it states that the Allies are not interested in whom the contracts for the work are placed, providing there is no delay in the acceptance of the vehicles.

Can you give me any idea as to when we have this information?

MINISTER: Next week I will call on these people -- or rather will call them into Rome. I can't do this before then because of the communication difficulties.

MR. GROSS: (Reference telegram which was given to Mr. Gross) Did the Minister send this telegram (to the interpreter)? Our primary purpose is in maintaining these truck pools and where there are no truck pools in organizing them so that the government will have an organization already operating when they take them over. The telegram is alright but I thought perhaps you did not understand that this was our primary interest in organizing the truck pools.

(AT THIS POINT THE MINISTER PRESENTED A CONFIDENTIAL LETTER HE HAD RECEIVED REGARDING TRUCKS DELIVERED TO SIENA) In this letter the following analysis was made:

40 trucks that are good
 2 that are not good
 6 that are not good at all
 (32) are employed daily. Italian

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40 trucks that are good

2 that are not good

6 that are not good at all

The rest of the trucks (32) are employed daily. Italian Govt. can see a 60 to 70% daily decreasing as all of the trucks are losing parts. Before they were very efficient -- now they are not efficient at all -- they have no spare parts. No tires. They will not be able to go on with their work. No operating can be done of any kind. (All of the above facts were given by the interpreter from the letter)

-4-

MR. GROSS: I have sent Major Moyle to Livorno and Florence and he was told by the Italian operators that they knew all about their work and did not need Major Moyle's help in establishing the maintenance. He arrived back yesterday.

If the Director in Siena will make a list of the parts he needs and bring it to Col. Carnes we will be able to help them. The tires must be allocated from those tires turned over to the Italian Government.

Major Moyle offered to leave his Corporal there and they said it wasn't necessary. We are maintaining this service to help in organizing the maintenance of these trucks. We now have Major Downer in Bologna helping the truck pools to start their maintenance and instructing them so that they can keep these trucks on the road. I believe you want us to continue this.

MINISTER: Yes.

MR. GROSS: This service is purely advisory and we want to help whenever we can.

MINISTER: I sent that telegram just to prepare the situation and nomination of these functionaries.

MR. GROSS: Those representatives that are appointed to take over the trucks will present themselves to Col. Woodger in Padova; Lt. Col. Fitzgerald in Milano; Major James in Genoa and Major Saunders in Turino.

850

MINISTER: After the 1st of August -- right?

MR. GROSS: Yes. I would appreciate it if you would send me the names of these representatives and to what Regions they are going.

MINISTER: I am now waiting for the names of these representatives. As soon as I get them I will send them over to you.

MR. GROSS: We are taking very strong action to stop the unlawful haulage of wine from the North.

MINISTER: We will talk about that.

MINISTER: Do you have a special distance to these 20,000 ton lift?

MR. GROSS: That is the Ministry of Transport's problem. We are willing to help but that is all.

MINISTER: We are at this moment having so many requests from private concerns.

850

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MINISTER:

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MR. CROSS:

That is a matter for you. I might suggest that some of these trucks be used for Government enterprises such as roads, etc.

MINISTER:

As to the firms who work for the railroads - contractors.

MR. CROSS:

Because with this extremely high tariff it costs a fortune to haul locally and if the trucks belong to the Government and were operating for the Government the cost wouldn't be bad.

MINISTER:

Then there is the problem of the gasoline.

10. GZ055:

DISCUSSION:

DISCUSSION

MR. GROSS:

TESTS

TIME: 02:05:31

UNIT SYNERGIES:

Net, Gross:

ADMINISTRATIVE:

if: **ENDS:**

MINISTER:

NET, GROSS:

MINISTER: Permits for the transport of wine come from the North and that puts us in a difficult position. The local transporters of wine cannot understand why they cannot get permits if the people in the North can get them.

MR. GROSS: I am taking very strong action on the hauling of wine in the North. It would seem to me that when trucks come down into Italian Government Territory those trucks are under the jurisdiction of the Italian Government. If they are doing something illegal -- that is a question for the Italian Government.

MINISTER: If a truck goes to pick up rice or clothes in the North, from here it goes empty to the North -- not always but it can go empty and vice versa -- from the North it comes back loaded but can go back empty. 849

MR. GROSS: The railroads run from the North to the South now and every effort should be made to ship as far as possible by rail. If a concerted effort were put forth in using the rails where rails can be used, I believe that you would find the petrol problem very much relieved. We find that the railroads are not being used for this purpose -- not to their full extent.

MINISTER: We are tied up. We have presented a program to your Rails Division for goods and passengers, especially from Rome to Milano.

MR. GROSS: The Po River bridge was just finished the middle of this month. That leaves another problem open that we ought to be able to solve by shipping by rail.

MINISTER: The only way to economize on gasoline is to have railroads but then we have the problem of coal.

MR. GROSS: Most of the railroads in the North are run by electricity and there is no problem of electricity up there. *Get this printed 12/13*

MINISTER: The only problem is communication from Milano. Now the train runs from Rome to Bologna. *New York*

MR. GROSS: The track doesn't stop there, does it? It goes right on up. *New York*
 MINISTER: But we must have the trains. Also another problem I want to talk to you about is the wine deposits in Bari Region, Sicily and Toscana -- they are full of wine -- last year's -- and now it is the new wine and we daily receive people who ask to sell this wine.

MR. GROSS: It can be shipped by boat North.

MINISTER: The shipping is not sufficient. The military traffic today -- it goes from the North to the South -- and empty from the South to the North. For example, now there are 5 military trains per day -- Bari, Brendisi -- the return of these trains could be utilized for other goods. We can take this wine to the North without giving back the barrels -- we can ask the producers if this is so and later on ship them back.

Printed 12/13

-6-

MR. GROSS: This is why I am so insistent about wine not being carried by truck -- because of petrol.

MINISTER: The difficulty is in the controlling of this empty return in the road transportation.

MR. GROSS: I know it is, but if we get some kind of control maybe later we can work it out.

MINISTER: I would like to know something about the 20,000 ton lift -- In what condition -- the carnabilization?

MR. GROSS: It makes no difference as long as he receives enough trucks to make the 20,000 lift.

MR. GROSS: If you would like, I will get a contract that we have been using as a basis for you to work.

MINISTER: That would be very fine.

(AT THIS MINUTE ENGINEER COSTA APPEARED AND THE MINISTER QUESTIONED HIM AS FOLLOWS:)

MINISTER: Do trucks go away from here and come back with oil, figs, etc.?

COSTA: From Bari to Naples they are loaded and back loaded. Most part of it is from Bari to Naples -- they run empty and from Naples to Bari they carry fruit, vegetables, shoes, and any kind of goods.

MR. GROSS: There is a rail running from Naples to Bari. If ENAC would coordinate with the rails and receive a bid to haul goods from Naples to Bari they could send it by rail.

MINISTER: Yes, but it there is no coordination with these transports.

MR. GROSS: That is what should be arranged.

MINISTER: We are limited with the use of coal for railroads and petrol for cars.

MR. GROSS: Yes, but the train does run and what difference does it make if they use a few more cars?

MINISTER: There is also a limitation on the cars.

MR. GROSS: I don't say that this will solve the problem but if ENAC had a liaison man with the railroads they could help this problem.

MINISTER: One of the 3 agencies should be more free to act.

848

848

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MINISTER: One of the 3 agencies should be more free to act.

MR. GROSS: I was told by our Deputy Director that the rails - especially in the North were not being used to their full capacity and we are starting a program to educate our transportation offices to use the railroads wherever possible. We would like to see more stress put on the railroad lift.

MINISTER: The problem is now to organize a system that will shorten the time element for long distance transportation of goods.

-7-

MINISTER: Enac has made transport from Civitavecchia to Rome while there is a rail from this point to Rome.

MR. CROSS: That is why I say a liaison man should be assigned -- between the rail, shipping and road transports. If you will start on this then we will work on it.

MINISTER: A central commission and a local commission to coordinate movements? Like the Compartimenti of the railroads -- have it with ENAC to coordinate with them?

MR. CROSS: If ENAC receives a bid and it is a long distance haul, the liaison officer should be able to screen that without delay and then if it could be hauled by rail he will inform ENAC that it will be hauled by rail. Do you agree with me on that?

MINISTER: Yes. The minister would like a meeting with Rail, Shipping and Roads with the Director of Transportation Sub-Commission present for the purpose of establishing a liaison between ENAC, rail and shipping for the coordination of all shipping.

MR. CROSS: I will take steps to call such a meeting.

847

RESTRICTEDTN SEC
41
40EX 27775
JULY 25/1749BF/1273
JULY 25/2130B
ROUTINESIGNED
AMR SIGNED/CITE INFO

ALOGN FOR PUBLIC WORKS AND UTILITIES

INFO: AMR: RANC

846

RESTRICTED.

1. Minute 80 of Allied force local resources (Italian) heard electric power committee meeting dated 21 July refers.

2. Reference to lack of adequate transport not understood. Our T-11 dated 28 June 1 informed you that the supply of 4000 trucks to the Italian government, subject to availability, from theatre stocks had been approved. Your 200/56/TM.1 dated 3 July declined to accept them pending adjustment of the pol supply and pointed out that existing road transport was operating far below capacity. Our T-2 dated 13 July offered the 4000 vehicles again.

3. In these circumstances this HQ cannot accept your statement that the limiting factor to speeding up interconnection of southern and central Italy is lack of transport

LIST

ACTION : PUBLIC WORKS SC

INFO : CHIEF COMMISSIONER
SCM SEC
TM SC (2)
COMMISSION SC
FILS (2)
FLOATHEADQUARTERS
26 JUL 1945**RESTRICTED**

Ext. 220

HEADQUARTERS ALLIED COMMISSION
APO 894
TRANSPORTATION SUB-COMMISSION

MKT/oh

Phone 489081

540/67/Tn 1

9 July 1945

SUMMARY

of

845

Meeting held 9 July 1945 in the office of the Director, Transportation Sub-Commission, Allied Commission.

1. Does the Italian Government want 4,000 2½ to 3-ton trucks plus an additional number of trucks to be cannibalized to put the 4,000 trucks in road-worthy condition?
2. If the Italian Government wants these trucks, do they desire to enter into a contract with Engineer Smechi, Air Production Committee, to put the trucks in road-worthy condition?
3. Will Italian State Railways and ENAC nominate some agency to take over the maintenance facilities and spare parts now available to the Allied Commission?
4. If the Italian Government enters into a contract for the rehabilitation of these 4,000 trucks, will they also include American Ordnance, so that any vehicles of American Ordnance can be rebuilt under the terms of the same contract at a proportionate share of the cost?
5. If the Italian State Railways and ENAC take over the spare parts, tools and maintenance facilities available to the Allied Commission, would they agree to maintain Allied Commission's and relief agencies' automotive equipment on a cost-plus-small profit basis or at fixed prices to be later agreed?
6. Inasmuch as there is not enough POL allocated to operate highway vehicles at present available to the Italian Government, it would seem prudent for the Italian Government to improve their internal allocation of POL so that the Allied Commission may take up the question of a larger POL allotment with Petroleum Section, AFHQ, and demonstrate to the Petroleum Section, AFHQ, that the Italian Government are prudently reallocating the petrol which is allotted to them in bulk.
7. Until the question of POL is settled, Transportation Sub-Commission Allied Commission, cannot recommend that the Italian Government procure additional vehicles.
8. The full maintenance responsibilities for all highway transport Italy outside of 5th Army territory will be turned over the 15th of

-2-

Allied Commission and the Italian Government; therefore, immediate action on these questions is necessary.

9. In addition to spare parts, tools, and so forth, available to the Allied Commission, there are also available a number of jeeps and motorcycles. The ISR and ENAC have been asked to present their demands for motorcycles and jeeps. This request is again made for their requirements.

10. The question was raised whether Ordnance would provide some additional tools and spare parts for maintenance of present vehicles as well as additional vehicles. The question was also raised whether AFHQ would permit the Allied Commission to turn over spare parts and maintenance tools to the Italian Government to be used by the ISR and the Inspectorate of Motorization with the understanding that they in turn would agree to take over all maintenance for the Allied Commission and relief agencies at a reasonable price.

Merritt H. Taylor
MERRITT H. TAYLOR
Director

DISTRIBUTION:

Italian State Railways
ENAC
Ordnance, HTOUSA
Truck Maintenance Group
Engineer Sacchi - 1) Air Production Committee
Via Cerna 39, Milan
2) Corso Umberto 525, Rome
Economic Section
Economic Section, Supply Division
Road Division, Tn S/C
G-5, AFHQ

844

Mod. ENAC 10

21 GIU. 1945

Rome,

To the

ALLIED COMMISSION

Transportation Sub Commission

R O 1199

SUBJECT: minute of the meeting held on the 16th. June, 1945

1. - Reference is made to your AC/58/20/TN.5 of the 18th, enclosed to which were the minutes of the meeting of the 16th. At this regard we point out that, as you know, the last decision on the matter discussed on the 16th. is not the exclusive pertinence of E.N.A.C.

843

2. - The matter will be examined again by this Office, in order to fix further details. In the meantime the attention of your S/C. is called on the fact that the application of the proposal made during the above meeting would involve a complete alteration of the rate. The rate, even if studied and prepared by E.N.A.C. must be modified by a proper Law as, in origin, it has been issued with an Interministerial Decree (see para 8 of the Law Decree for the foundation of E.N.A.C.).

3. - It is also pointed out that the new duties which would be imposed to the truckers involve a radical alteration of all the present regulations of E.N.A.C. transportation.



Ente Nazionale Autotrasporti

ISTITUTO DI DIRITTO PUBBLICO
DALL'17 AGOSTO 1944 N. 168

DIREZIONE GENERALE

CA/Tecnico

Sa.

31-12/1991

Alleg. 2

Proposta di

Oggetto: verbali seduta 16.6.1945

1. - Ci riferiamo alla vostra AC/58/20/TN.5 del 18 corr., con la quale ci avete mandato i verbali della riunione del 16 corrente. Al riguardo facciamo presente che, come a voi noto, la decisione definitiva in merito a quanto discusso il 16 corr. non spetta esclusivamente all'E.N.A.C.

2. - Mentre ci riserviamo di ritornare sull'argomento per gli ulteriori dettagli, richiama l'attenzione l'attenzione di codesta S/C. sul fatto che l'applicazione delle proposte avanzate nella suddetta discussione comporterebbe una sostanziale modifica alla tariffa. Questa, anche se elaborata e preparata dall'E.N.A.C., deve essere modificata con legge, in quanto inizialmente è stata emessa con decreto interministeriale (vedi articolo 8 del Decreto Legge Istitutivo dell'E.N.A.C.).

3. - Raccogliamo anche rilevare che i nuovi obblighi che verrebbero imposti agli autotrasportatori, comportano una sostanziale modifica in tutta l'attuale regolamentazione.

Ente Nazionale Sub Trasporti

ISTITUTO DI DIRITTO PUBBLICO
DL 17 AGOSTO 1944 N. 188

DIREZIONE GENERALE

Perizia CA/ Tecnico
Data 31-12/1991
Proprietà 1°
Mog 2
dl

ALLIED COMMISSION

Transportation Sub Commission

R O E

Oggetto: verbali seduta 16.6.1942

SUBJECT: minute of the meeting held on the 16th. June, 1942

1. - Ci riferiamo alla vostra AC/ 58/20/TN.5 del 18 corr., con la quale ci avete mandato i verbali della riunione del 16 corrente. Al riguardo facciamo presente che, come a voi noto, la decisione definitiva in merito a quanto discusso il 16 corr. non spetta esclusivamente all' E.N.A.C.

1. - Reference is made to your AC/58/20/TN.5 of the 18th, enclosed to which were the minutes of the meeting of the 16th. At this regard we point out that, as you know, the last decision on the matter discussed on the 16th. is not the exclusive pertinence of E.N.A.C.

843

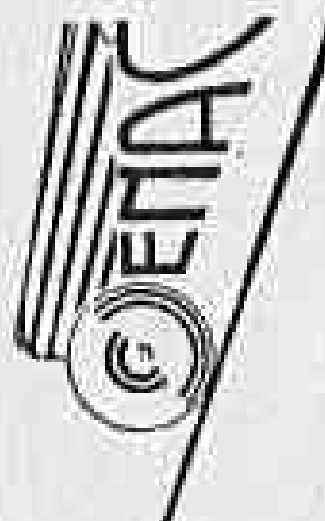
2. - Mentre ci riserviamo di ritornare sull'argomento per gli ulteriori dettagli, richiamiamo intanto l'attenzione di codesta S/C. sul fatto che l'applicazione delle proposte avanzate nella suddetta discussione comporterebbe una sostanziale modifica alla tariffa. Questa, anche se elaborata e preparata dall' E.N.A.C., deve essere modificata con legge, in quanto inizialmente è stata emessa con decreto interministeriale (vedi articolo 8 del Decreto Legge Istitutivo dell' E.N.A.C.).

2. - The matter will be examined again by this Office, in order to fix further details. In the meantime the attention of your S/C. is called on the fact that the application of the proposal made during the above meeting would involve a complete alteration of the rate. The rate, even if studied and prepared by E.N.A.C. must be modified by a proper Law as, in origin, it has been issued with an Interministerial Decree (see para 8 of the Law Decree for the foundation of E.N.A.C.).

3. - Facciamo anche rilevare che i nuovi obblighi che verrebbero imposti agli auto trasportatori, comportano una sostanziale modifica in tutta l'attuale regolamentazione dei trasporti E.N.A.C., ciò che non può essere effettuato che su istruzioni da emanarsi dall' Ispettorato Generale della Motorizzazione.

3. - It is also pointed out that the new duties which would be imposed to the truckers involve a radical alteration of all the present regulations of E.N.A.C. transports, which can be only effected after instructions to be issued by the General Inspectorate for Motorization.

Puttini



Ente Nazionale Autotrasporti Eser

ISTITUTO DI DIRITTO PUBBLICO
DL 17 AGOSTO 1944 N. 189

DIREZIONE GENERALE

Scrittura
Aut. N. 1
Regione del N. 1

To the Allied Commission -
Transport Sub Commission

R o m e

OGGETTO:

2°

4. - Trasmettiamo pertanto copia del vostro verbale all' Ispettorato Generale della Motorizzazione, insieme con le nostre considerazioni, invitandolo a far conoscere al più presto il suo definitivo pensiero.

4. - Copy of your minute, together with our considerations is therefore being forwarded to the General Inspectorate for Motorisation, requesting it to let this Office know its opinion at the earliest opportunity.

Per parte nostra, e fino a nuovo avviso, continueremo a regolarci per il rilascio dei fogli di viaggio per il Nord Italia in base alle istruzioni attualmente in vigore, che risultano dall'unità compita di due telegrammi concordati da questa Direzione Generale della Motorizzazione e indirizzati a tutte le nostre Direzioni il 31.5 e il 5.6 u.s.

This H.Q. will, until new instructions are received, continue to issue the trip-tickets for Northern Italy in compliance with the present directives, as mentioned in the enclosed copy of two signals, prepared by this H.Q. together with the General Inspectorate for Motorisation, addressed to all our Directorates on the 31st May and the 5th June.

IL DIRETTORE GENERALE

[Signature]

THE GENERAL MANAGER

842

MINUTES OF MEETING HELD ON 19 JUNE 1945

AT H.Q. ALLIED COMMISSION

CHAIRMAN -- Mr. M. H. Taylor, Director, Tptn. Sub-Commission

PRESENT -- Col. H. B. Eyles, Petroleum Section, A.F.H.Q.

Lt. Col. J. I. King " "

Col. M. J. Sieff, Tptn. Sub-Commission

Mt. G. G. Gross " "

Lt. Col. G. Fernyhough, Tptn. Sub-Commission

Capt. W. G. Peterson " "

Maj. R. Roger, Industry Sub-Commission

Capt. J. L. Cowlin, Commerce Sub-Commission

Lt. G. L. Devine " "

Mr. M. Cusciara, Ministry of Commerce

Mr. M. Allegra " "

Mr. C. Cola, C.I.P.

Ing. M. Costa, ENAC

Mr. P. Bompard, "

Ing. V. Ferraro "

P.O.L.

1. Mr. Taylor explained that the meeting was called at the request of ENAC and the Ministry of Transport to discuss essential requirements of P.O.L., tires and spare parts for ENAC. He stated that during his tour of Northern Italy he found that only 50% of road transport was in operation due to lack of P.O.L. Lombardia had consumed its entire allocation during the first 15 days of June. He was advised also that the harvest amassment in Bari and Foggia areas was being seriously prejudiced by lack of P.O.L. At this date there was insufficient P.O.L. to clear 3,000 tons of goods from Bari depots between 20 and 30 June. The AC truck pools at Campobasso, Ascoli and Macerata would not be able to operate after 20 June for the same reason. 841

2. Mr. Taylor explained the serious shortage of P.O.L. available for the transport of essential civilian supplies. There were 2 methods of approach, (a) to examine overall P.O.L. allotment to Italian Government, and (b) to investigate the distribution by the Italian Government to the various classes of users.

3. We could not meet our commitments to prevent disease and unrest unless measures were taken without impairing exports from Italy. We must export Italian citrus fruit crop since Italy needs dollars and sterling credit with which to rehabilitate the country. Sulphur must be exported and also hemp which is needed by the Allied Armed Forces. The wheat harvest in Ancona and Macerata must not again be permitted to rot in the fields as last year. Mr. Taylor therefore requested Petroleum Section, A.F.H.Q. and Commerce Sub-Commission to review the overall allotment of P.O.L. to Italy for civilian use.

4. Mr. Taylor stated that railroads in Italy are not operating at more than 50% of civilian capacity while only one-third of existing space is allotted to civilian supplies. The coastal shipping position had been improved but capacity was still short of pre-war capacities. For these reasons an additional burden of essential traffic had been thrown upon road transport. In all these considera-

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5. During his tours of many thousands of miles in Italy, Mr. Taylor had observed that P.O.L. is being squandered and wasted by the people of Italy. The people are using P.O.L. for personal pleasure to an extent which would not be tolerated either in Great Britain or the U.S.A.. If Italy expects the Allies to help her, which it is the desire of the Allies to do, Italy must discipline

Col. M. J. Sieff, Tytn. Sub-Commission
 Lt. Col. G. Bernyough, Tytn. Sub-Commission
 Capt. W. G. Peterson
 Maj. R. Roger, Industry Sub-Commission
 Capt. J. L. Cowlin, Commerce Sub-Commission
 Lt. G. L. Devine
 Mr. M. Casciana, Ministry of Commerce
 Mr. M. Allegra
 Mr. G. Cola, C.I.P.
 Ing. M. Costa, ENAC
 Mr. P. Bonpard,
 Ing. V. Ferraro

-2-

herself.

6. Mr. Costa stated that ENAC use only petrol which is assigned to them by the Ministry of Commerce. Black market haulage is run on petrol stolen from depots. ENAC does not allot P.O.L. for private cars.

7. Mr. Cusciana stated that the following figures showed the bulk allotment for the month of June of petrol and gasoil made to the Italian Government and the amounts allocated to ENAC:

	Italian Govt.	ENAC
Petrol	34,277 glis	15,569 glis
Gasoil	42,965 "	10,234 "

The above figures are exclusive of Sicily, Sardinia, Umbria, Marche and Toscana. During the same period the allocation for schooners was 4,300 glis of gasoil. The allocation of P.O.L. made to ENAC is an agreed percentage of that allocated for agriculture, fishing, cars and industry.

8. Mr. Taylor stated that the above figures proved that the Italian Government must re-examine allocations of P.O.L. to transport and other users in order to determine whether a larger allotment for road haulage is not justified. There are too many private cars on the roads; there are too many trucks hauling people and too many buses operating in view of the difficult military situation. Every gallon of P.O.L. used in Italy must be brought by ships and the number of ships limits the amount of P.O.L. which can be allotted to the Italian Government by the Allied Governments.

9. Mr. Cusciana stated that they have not requested Petroleum Section to increase the allocation of P.O.L. to ENAC but to increase the total to the Italian Government. If it is not possible to increase the bulk allotment to the Italian Government the Ministry of Commerce would be unable to augment supplies to ENAC since they must have regard to other important factors. The allocation to private cars is made by the Motor Section and distributed by Provincial offices of the Ministry of Commerce. ENAC was allotted 50% of the total allotment while allotment to cars has been reduced to 70%.

10. Col. Sieff drew attention to the considerable black market trading both by trucks and for pleasure riding. He wished to know what was the general policy of the Italian Government regarding (a) how this trading is occurring, and (b) what action is taken to prevent recurrence.

Mr. Cusciana replied that this was a matter for the Ministry of Interior who had been informed many times.

Col. Sieff suggested that the Ministry of Commerce should obtain a statement of policy from the Ministry of the Interior and send a copy to the Transportation Sub-Commission.

11. In Mr. Taylor's view the issue was clear. The Italian Government must take means to control the black market and they must allocate P.O.L. in the best possible manner. There could be no sense in supplying petrol for the growth of wheat when the wheat could not be hauled to market. He requested that the

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11. In Mr. Taylor's view the issue was clear. The Italian Government must take means to control the black market and they must allocate P.O.L. in the best possible manner. There could be no sense in supplying petrol for the growth of wheat when the wheat could not be hauled to market. He requested that the Ministry of Commerce would provide an answer to these issues and he proposed to approach the Ministry of Transport for a reply. He suggested that under the chairmanship of the Petroleum Section the overall allotment of P.O.L. to Italy be investigated together with the allocation to ENAC. He believed that the Transportation Sub-Commission could make valuable data available to Petroleum Section and Commerce Sub-Commission and asked for sympathetic consideration by Petroleum Section, A.F.H.Q. ENAC was requested to take immediate action regarding critical shortage of P.O.L. in the Bari area, Campobasso, Macerata and Ascoli truck pools. He also wished to remind Petroleum Section and the Italian Government of the tremendous problem in the movement of refugees which was now

before Transportation Sub-Commission.

12. Colonel Eyles wished to emphasize the Chairmans remarks. The situation was that the tightness and shortage of P.O.L. is getting worse, not better, owing to the increased number of countries liberated and to the great distances of transport to the Far East. He had already received indications that the allocations made to the Italian Government are considered high in relation to the quantities available for the rest of Europe. He was sure that the Petroleum Section would do everything to assist in essential tasks which need to be performed. It was unlikely that there would be sufficient changes to augment the present bulk allotment.

13. Major Beger stressed the important question of hemp in the North. There was some 6,000 tons to be moved in the next 6 weeks. For this, considerable P.O.L. would be required.

14. There was considerable discussion regarding the supply of petrol for the Northern Regions. It appeared that Regional Transportation Officers were not knowledgeable of the allocations made by Petroleum Section.

Colonel Eyles stated that the demands made by the civil P.O.L. authority in the North had been accepted without any cut whatsoever. Information regarding current distribution channels for P.O.L. in the North had now been made available to those concerned.

TYPES

15. Lt. Colonel Fearnough stated that ENAC had also requested a total of 36,000 tires and 15,000 tubes of various sizes. He would like to know from Commerce Sub-Commission (a) what number of tires had been allotted to ENAC this year and (b) to what extent it would be possible to meet this large demand. Mr. Costa stated that up to now no allocation of tires had been made to ENAC by the Ministry of Commerce. He expected that 1,044 tires would be received by ENAC in June but some of these must be used for bus services. According to Lt. Devine 1,000 tires and tubes had been allotted this month to the Ministry of Commerce who had taken no steps to collect. He required the Ministry to provide him with a list showing distribution of these tires. Colonel Sieff considered this to be a most serious situation. Mr. Taylor requested Commerce Sub-Commission to take up the matter energetically with the Ministry of Commerce and report results to the Economic Section who would, if necessary, refer it to the Prime Minister.

SPARE PARTS

16. Lt. Col. Fearnough mentioned the long list of spare parts which were included in ENAC demands. Mr. Taylor requested Commerce Sub-Commission to examine the list with a view to supplying parts to ENAC from stocks in the North and frozen stocks in the South in order that civilian trucks might be kept on the road. Mr. Costa stated that 200 tons of parts had been released to ENAC by Fiat of Turin. Captain Peterson stated that the shipments of civilian spare parts from North Africa were beginning to arrive in this country. MMIA were now prepared to accept requisitions from ENAC on these stocks. He had informed the maintenance engineer of ENAC some time ago that he should now submit such requisitions, but it appeared that no action had been taken. Mr. Taylor said that the maintenance engineer should submit a requisition forthwith and requested that the ENAC representatives see that this also be done without delay. Meanwhile, Commerce Sub-Commission were in possession of the ENAC list of spare parts required which could be put in the hands of MMIA immediately.

HEADQUARTERS ALLIED COMMISSION
APO 394
TRANSPORTATION SUB-COMMISSION

OF/ep

Ref: AC/58/24/Tn5

My dear Mr. Minister:

I attach hereto copy of minutes of meeting held on 19 June 1946, at this Headquarters. The meeting was called at the request of the Ministry of Transport and ENAC to discuss essential requirements of P.O.L., tyres and spare parts for ENAC.

Referring to paras. 4, 8 and 11, I have no doubt you will wish to approach the Ministry of Commerce, Industry and Labor with a view to their increasing the allocation of P.O.L. made to ENAC. It is the opinion of Petroleum Section, A.F.H.Q., who make the bulk allotment to the Italian Government, that such a course is justified. You may also wish to urge the Ministry of Commerce to supply the 1,014 tyres to ENAC mentioned in para. 15.

Very truly yours,


G. FERRYHOUGH,
LT. COLONEL, R.A.

H.E., The Minister of Transport,
Piazza della Croce Rossa
Roma

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HEADQUARTERS ALLIED COMMISSION
Transportation Sub-Commission
Roads Division.

Mr. Gross
8/58 **22**

MINUTES OF MEETING HELD IN ROOM 68, 3RD FLOOR ANNEX
16 JUNE 1945

PRESENT: Mr. C.G. Gross - Chairman, Road Division
Lt. Col. Fernyhough - Roads Division
" " Christensen - Movts. Division
" " L. Harris - G-5 15 Army Group
Mr. M. Costa - ENAC
Mr. Bompard - ENAC

File

(In these minutes "A.G. Territory" will be referred to as Area "A" and Italian Govt. Territory as Area "B".)

1. The Chairman explained that the Meeting had been called to decide:-

- (a) What Tariff Rate for road haulage should be put into operation in A.G. Territory in N. Italy to supersede that laid down in G.O.42.
- (b) Conditions and regulations for the haulage of goods by road between A.G. Territory and Italian Govt. Territory.

TARIFF FOR A.G. TERRITORY

2. Lt. Col. Harris explained that the G.O.42 Tariff was still officially in operation in the 5 Northern Regions under command 15 Army Group. In view of Mr. Antolini's directive at the Milan Meeting on 16 May, the U.D.T. Tariff dated 19 March '45 was now, in fact, being applied, except in EMILIA Region, where the G.O.42 Tariff was still in operation. There was, however, no uniformity of application since each Reg.T.O. interpreted the tariff differently and as a result the same over all charge was not in force in all Regions.

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3. The Chairman stated that it was now desirable to introduce a tariff which would give uniformity of charge throughout Italy and suggested that the existing ENAC Tariff dated 30 Jan. 45 should be the basis. Lt. Col. Harris stated that it was undesirable to apply a tariff in excess of the U.D.T. Tariff in view of the effect in raising the

price level generally. It was his opinion that a rate midway between the ENAC and U.D.T. Tariffs should be introduced.

4. It was agreed that the ENAC Tariff should be introduced in "Area A" with the following amendments:-

- (a) No payment to be made for empty return trips.
- (b) The Govt. tax and additional 0.06 lire per quintal kilometre to be excluded.

The changes would then be based entirely on the fixed charge for vehicle plus rate per quintal kilometre laid down in Appendix A to the ENAC Tariff. On this basis the scale of charges would, in general, be lower than both the U.D.T. and full ENAC Tariffs. It was further decided that a rate for hire of trucks by the hour should be added.

5. Lt.Col.Harris signified his acceptance of the above tariff on behalf of 15 Army Group and suggested that G.O. 42 should be amended accordingly and issued to Regions for immediate application. He undertook to inform AMG Armies and Regional Commissioners that the new G.O.42 was approved for introduction by 15 Army Group.

6. The Chairman then drew attention to the fact that the present ENAC Tariff was introduced on 8 Feb. for a trial period of 3 months at the request of the Minister of Transport. The Minister had agreed with A.C. that the tariff would be reviewed at the end of the trial period. In May the Minister was requested to review the tariff with a view to reducing charges but no reply had been received.

The Chairman proposed that the ENAC Tariff in Area B should now be revised by the exclusion of payment for empty return trips and the addition of an hourly rate of hire, to bring it into line with the new G.O. 42 Tariff to be applied in Area A.

Mr.Coats disagreed the proposal and stated that a higher tariff was needed in Italian Govt.Territory.

The Chairman stated that he was not in agreement with Mr. Costa's opinion and proposed to refer the question to the Minister of Transport.

7. It was emphasised that the new G.O. 42 Tariff would apply in Area A during Phases I and II. If the same tariff were in operation in Area B plus the Govt tax and 0.06 lire per quintal km. extra charge, it would be necessary only to add these two charges to the G.O. 42 Tariff to provide a standard tariff throughout Italy on the inception of Phase III in the North.

CONTROL OF ROAD HAULAGE BETWEEN AMG TERRITORY AND ITALIAN GOVERNMENT TERRITORY.

8. It was agreed as a general principle that AMG must control all movement from Area A to Area B and that I.C. must control movement in the reverse direction.

Lt. Col. Christensen pointed out that Movements Div. (Road) Memorandum No. 1, dated 6 April 45 contained instructions for bidding, screening and movement of such traffic. It was now merely necessary to amend the Memorandum to fit the altered Area A conditions now pertaining in Area A under control of 15 Army Group.

9. The questions of bidding procedure, trip tickets, payment for haulage, tariff and F.O.L. Supply were raised. After discussion the following decisions were agreed by all present:-

(a) Bidding Procedure:-

- (i) For traffic originating in Area A all bids will be approved by AMG I.O's.
- (ii) For all traffic originating in Area B all bids will be made to ENAC and referred to I.C. for approval.
- (iii) This rule will apply equally to truckers located in Area A hauling return loads from Area B to Area A and vice versa for truckers located in Area B.
- (iv) Return loads pre-arranged by truckers must be cleared through the above channels before the outward journey commences.

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(b) Haulage Charges.

(i) Charges will be computed in accordance with the tariff applied in the area from which goods are moved e.g. revised G.O.42 Tariff in Area 1 and ENAC Tariff in Area 3.

(ii) No payment for the return journey will be made to truckers at the point of origin.

(iii) If a return load is available at destinations the trucker will be paid in full for the return journey either by ENAC in Area B or the U.A. office in Area A before departure on return trip.

(iv) If no return load is pre-arranged or obtained at destinations, the trucker will receive no payment for the return trip.

(c) Trip Tickets.

(i) Truckers must obtain an AIG ticket in Area A or an ENAC ticket in Area B to move goods from the respective areas.

(ii) Neither U.A. offices in Area A or ENAC offices in Area B may issue trip tickets covering return journeys.

(iii) Where no return load is available a ticket marked "No load available" will be issued, and the trucker instructed to report to despatch offices en route for a load. Each despatch office visited will frank the ticket in the same way and sign it, unless a load can be provided.

(iv) Trip tickets will be issued in duplicate and one copy will be handed in either to U.A. office or ENAC office on completion of return trip.

(v) All trip tickets will be written in ink or indelible pencil.

(d) P.O.L.

(i) On departure from point of origin sufficient POL will be allotted with the trip ticket for the outward trip only.

(ii) At destination POL for the return journey will be issued with the return trip ticket only.

(iii) Where no back-load is available at destination only sufficient POL to reach the next despatch office in route will be issued, except in cases where no despatch office exists on the direct route.

(iv) The problem of additional POL required by ENAC and U.A. for issue on return trips will be raised at the POL Meeting on 19 June.

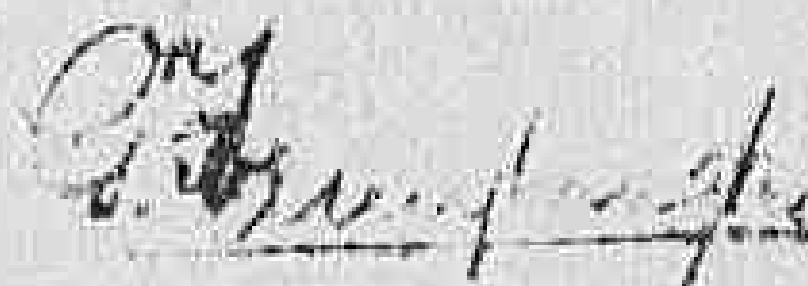
10. Lt.Col.Harris agreed, on behalf of 15 Army Group, that the revised Movements Memorandum No.1, together with an Instruction containing the above regulations, should be issued to Regional Commissioners in Area A for immediate implementation. He undertook to advise AMG 5 and 8 Armies, to whom copies would be sent, and to signify the concurrence of 15 Army Group to all concerned.

The Chairman stated that the revised Memorandum No 1 and Instruction would be sent to ENAC simultaneously for application in Area B.

11. In order to relieve A.C. of the screening responsibility for movement ex Area B, Lt.Col.Fernyhough suggested that a "stop list" of goods not to be moved out of Area B should be compiled by agreement with all Sub-Commissions concerned, and handed to ENAC. It would then be practicable to transfer the screening work to E.N.A.C. Lt.Col Christensen agreed to take action on the proposal.

836

12. Mr. Costa mentioned the necessity of publishing the new regulations in the Press. The Chairman stated that Public Relations Branch would be requested to produce a suitable notice for insertion in the Press both in Area A and Area B before the revised Memorandum No 1. was put into effect.


G. FERNYHOUGH,
Lt. Colonel, R.A.

Distribution

Director
Deputy Director
Movts Div. (3)
Roads Div. (4) ✓
Lt. Col. Harris G-5
15 Army Gp. (2)
ENAC (2)

NOTES ON CONFERENCE BETWEEN MR. GROSS, ENGINEER MARINO (I.S.R.),
MR. BOMPAUD (ENAC) and MR. COLA (C.I.P.)
ON 13 JUNE 1945.

0 A458

File #11

GROSS: How do you intend to operate these trucks? And does Engineer Marino understand there is a break in the railway?

MARINO: Yes. But it is rather difficult to substitute rail in that break because these trucks are very small carrying capacity.

GROSS: We are doing it with the same trucks now.

MARINO: But the difficulty is to find installations there to maintain and to shelter these trucks.

GROSS: Are they doing that?

MARINO: We sent some of the people down there.

GROSS: A large part of the railway between Forli (or Bologna) and Cremona is out and goods is being hauled by trucks alone that we are going to lose. Engineer Marino is going to have to look into supplementing that lift.

MARINO: The railway goes up to Bologna. That distance is very great. We need to know the tonnage.

GROSS: 1,000 tons a day.

MARINO: We will let you have a map bearing all lines we want to establish with these trucks. Wherever the railroads are not working are going to substitute railroads by these trucks.

GROSS: You must not lose sight of the fact that we are going to operate in North and not use all of the trucks in the South. 835

MARINO: Milano radio announced that 2,000 more trucks have been given to Italians in Milano.

GROSS: Do not believe anything in newspapers or radio releases -- when you get the news from this office you can believe it. At the end of the 2,000 trucks there will be no more trucks. Must supplement railroad in North.

MARINO: We have not even thought of communicating with Bologna. Have the problem of maintaining and sheltering vehicles.

GROSS: Doesn't I.S.R. have railroad shops?

MARINO: They have been destroyed. We don't have even one. The Bologna station had about 50 runways -- now only have 4 left. We use to have big work shops in Bologna but they have all been destroyed. (speaking about I.S.R. work shops)

-2-

GROSS: Are any steps being taken to enter that country and establish work shops for maintenance of the trucks.

MARINO: We hadn't thought of Norther regions at all up to now.

GROSS: It is my understanding that the greater part of truckage is in Northern Italy.

MARINO: The destruction which has been wrought in the Northern Region on railway communication is much lesser than the remainder of Italy, therefore expect to run practically on through the country in a month or two time. -- From Milano to Roma. Within the month of July to Veroni and Venice. At present time only going from Mestra to Genoa. All lines of turin are alright. Already running from Genoa to Milano. Except from Milano to Cestocalevano they are in order. By the 1st of August -- expect to have a line from Bologna, Beciensa, Turin. Some lines have been inoperative for a year -- Roma -- Pescara -- Campobasso to Benivento -- Campobasso to Siena. There are some lines in Southern Italy but the military traffic is such that there is no room left for the civil traffic -- in other cases the railroad trucks are so few that you can't traffic available for civil goods.

GROSS: Do you plan on using these trucks only for emergency hauling of civil supplies or does the I.S.R. plan on making normal traffic?

MARINO: Want to make regular normal lines which will be notified to the public. We will also have a time table. For instance, start from Rome each Monday, Wednesday and Friday and from Pescara each Tuesday, Thursday and Saturday.

GROSS: There is a railraad, I understand, on down through the South. Do you intend to use these trucks down there?

MARINO: (interruption)

GROSS: What about competition with

MARINO: Will go for local transport -- do not intend to enter into competi-
tion with that.
The truck pools are hauling big quantitles of food stuffs -- this cannot be done with small trucks like we are going to have.

GROSS: You will have to. That is what it is for.

MARINO: There is a lot of miscellaneous goods to be hauled such as luggage.

GROSS: How is food stuffs to be hauled into Campobasso.

MARINO: Do they haul foodstuffs to Campobasso?

GROSS: I don't know of any Province that is self-contained.

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-3-

MARINO: We will take foodstuffs to Benivento by rail, thence by truck to Campobasso.

GROSS: Have you started to establish technical and maintenance staff?

MARINO: Are looking for them. Of course, we are having difficulty in finding them. Are calling for drivers -- for instance, from I.S.R. -- those who have drivers licenses. For the time being have applied to private firms to have drivers.

GROSS: Of 2,000 trucks there will normally be 200 off the road every day.

MARINO: Have put 500 off the road each day of the trucks we now have. Present consumption for all liberated Italy -- including AMG territory to line for all civil services in Italy -- 5,000 tons. This about 25% of that figure. Need petrol.

GROSS: I grant you must have petrol to operate the trucks. We are speaking with the supposition that petrol will be forthcoming.

MARINO: Are now going to collect these trucks. When we are ready to work on these trucks we must have petrol -- where are we going to get it from?

GROSS: When that time comes we will find out about the petrol. I want to see 500 ready to go. There is a meeting on Friday -- we are working on it.

COLA: If a quantity of petrol is to be issued to these trucks we must know before hand.

GROSS: If issued you will be notified.
These trucks must in no way compete with existing truck pools.

MARINO: In order to avoid any sort of competition we will have an agreement with EMAC.
About gasoline -- can we have are gasoline title from C.I.F.

GROSS: That would have to be settled by Industry and Commerce.
(conversation relative to this above subject -- statement made by all Italians present that "Industry and Commerce are extremely difficult to deal with".)

MARINO: If you had told us a month beforehand you wouldn't have had so much difficulty on this matter.

GROSS: I want you to understand operations between truck pools and I.S.R. and wish you would bear in mind break in railways that I have referred to.

MARINO: Within month of July hope to have Ancona line repaired.

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TOP
SECRETHEADQUARTERS
MOTOR TRANSPORT GROUP
ALLIED COMMISSION (I.A.P.)
APO 394TOP
SECRETTel. 886324
Ext. 8

JHB/ga

Ref. AC/TB/104/1

12 April 1945

SUBJECT: Minutes of Meeting held at 11.00 hrs 6th April 1945.

TO : Transportation Sub-Commission.

Reference is 754/35/Tn3 dated 6th April 1945.

1. Para 3 (b). Drivers.

The position regarding the Q.M. Coys of the 1st Truck Bn. is that, as any one Coy never has more than 40 vehicles on the road, they are capable of operating 24 hours in a case of emergency.

To withdraw drivers from Coys at present being formed to provide extra drivers for G.T. Coys already operating will mean delay in the actual Coys being formed, as the new vehicles will be available. It is therefore considered more satisfactory to go ahead with all possible speed to form the Coys complete in order that the extra lift as well as drivers will be available.

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2. Para 4 (ii) (b).

The 4th, 5th, and 6th Q.M. Coys have been placed on 48 hours notice to move. A.M.G. 5th Army have also been informed. This was done personally by Lt. Col. Bordass with Lt. Col. Toscani and the C.O. 1st Truck Battalion.

The two platoons of 1000 Gen. Tpt Coy have been placed on 48 hours notice to move. Signal to Capt. Bent copy to A.M.G. 8th Army and yourselves.

It was understood by Lt. Col. Bordass at the meeting, that two platoons of 1000 Gen. Tpt. Coy would move down, when necessary, to the 7th Q.M. Coy's location and release the 7th Q.M. Coy to move forward to join the 4th, 5th and 6th Coys.

3. Para 4 (ii) (c).

The date when the 221 Tpt Coy A.C. was expected to be ready to commence operations was given as the 16th April and not the 11th as stated in the minutes.

TOP SECRET

The correct position regarding the 240 new vehicles assembled by R.E.M.E. is as follows:

240 delivered to 9th Vehicle Park Capua of which:

120 have been collected by DISTHREE

106 awaiting collection by DISTHREE

(They were expected to collect 11 April 1945)

9 still in R.E.M.E. workshops undergoing repairs due to poor assembly.

5 in vehicle Park undergoing repairs for minor mechanical defects. Expected to be ready in two or three days.

Chaffin, Maj
 JAMES J. CARNES
 Colonel, Infantry,
 Commanding,
 MOTOR TRANSPORT GROUP.

831

1934

16

Vice Com Mass
1 Italian Clerk

3 tons supplies

HEADQUARTERS ALLIED COMMISSION

APO 394

Transportation Sub-Commission

CWAP/fd

R/58
6/69

AC/R/58/Tn 5 30 January 1945

Meeting in Colonel Carnes' Office

SUBJECT : Methane - Conversion of W.D.Trucks for use of.

Present : 1.Colonel Carnes
 2.Colonel Eyles
 3.Lt.Col.Bordass
 4.Lt.Col.Harris
 5.Maj. Brereton
 6.Maj. Pepper
 7.Mr. West
 8.Mr. Velani
 9.Mr. Piga

830

The meeting was opened by Colonel Carnes for the purpose of determining the advisability of trying to make some plan to convert Government trucks to use Methane rather than gasoline in view of saving shipping and making utilization of a local product.

Colonel Carnes stated that certain difficulties presented themselves and asked the CIP representatives to state their position, and the Road Division representative to give information as to what AC's responsibility was in reference to military trucks, lifts, etc., in order that a decision could be reached as to how many, if any, trucks should be converted to use methane.

Colonel Eyles stated that before the Allies came into Italy the Italians had developed the use of the Methane gas as a natural product, so that an equivalent of 60,000 tons of gasoline could be produced, 8,000 tons used in Florence area and 52,000 tons in the north. The weight of the apparatus used restricted range of action. If vehicles were to run a radius of 60 miles, containers must be transported for use. The weight of the containers and the shortage of transport was such, that the question of the transport of full containers had not been considered. The re-introduction of this was being tried in Florence, with some success, using Italian trucks (no WD vehicles were being used) and an attempt

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The question was raised as to whether or not the conversion material was available; it was brought out that there was no accurate knowledge of the number of vehicles which had been converted before, but that a large number of vehicles had been converted from which the containers had been removed so that they could run on gasoline.

Colonel Carnes stated that it might be possible to get pipes, gauges, lines, but that AC did not have the carburetors which would be required for Methane. In answer to Colonel Lyles' question of whether or not 3-ton trucks could be converted to use Methane, it was stated that the mixture was to be adapted to the carburetor. It was pointed out that a special carburetor was not necessary; that it could be introduced into a normal carburetor and have double carburation for use either with methane or gasoline. Colonel Carnes asked whether we could use standard equipment, and was told that additional equipment would be necessary, and that it might be possible to get a certain amount of it.

Mr. West stated that since it was more convenient to use gas than methane, where they had double carburation, the operator would use gasoline.

Colonel Carnes asked whether or not the number of W.D. trucks that would have to be modified would warrant such necessary modification i.e. was it not possible that a number of civilian trucks might be found already so equipped sufficient to consume all the Methane available.

Mr. West stated that there was available in well heads in the Po Valley more methane than could be consumed by the number of vehicles that were likely to be found there.

He also stated that there was 16,000 cubic meters of methane in Florence for vehicles' use at present, and it could not be envisaged how half of it could be used in the next two or three months.

Colonel Lyles stated this was partly due to Italian opposition to the use of methane, since there was no black market in this commodity as in the case of gasoline.

Colonel Carnes suggested that it might be possible, as an experiment, to convert some of the W.D. trucks now being employed in the Florence area, but it was pointed out that such trucks were employed on comparatively long distance hauls, rendering the use of methane intractable owing to the amount

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Colonel Tyles stated that the Petrol Section had asked AMG to supply the names of all owners whose vehicles had at any time been converted to the use of methane, in order that the conversion equipment could be collected.

Colonel Carnes asked whether, in the event of it being possible to collect the equipment, it would be practicable to use same on civilian vehicles in the Rome area.

Colonel Eyles replied that such procedure would be impossible in view of the fact that Methane would have to be transported from the Florence area to Rome (due to lack of any pipeline) which would not be practicable procedure owing to the enormous weight of the containers.

It was then pointed out that one of the main hauls would be along the route Forli, Bologna, Parma, Milan, and that it was known that a pipeline existed in that vicinity and that an adequate number of compressing stations had been established. Provided that these could still be utilized, Methane could be used, at any rate on that route, with advantage. It was then decided that A.C. would furnish CIP with a truck which would be converted for the use of Methane. This truck would operate in the Florence area for the purpose of determining the effect, if any, of the use of Methane on the vehicle; it would also permit CIP to determine the equipment necessary for modifications. It was agreed that CIP would collect and prepare all equipment necessary to modify W.D. trucks, and upon arrival in the area they would turn this equipment over, with plans for modification, to the Truck Battalion so that these modifications could be made quickly.

It was further agreed that all trucks modified would operate on either Methane or Gasoline.

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Chapman, Maj.
Major R.A.S.C.
Admin. Officer
Roads Section

R/58

MINUTES OF MEETING WITH THE MINISTERS OF
THE ITALIAN GOVERNMENT AND MEMBERS OF
HQ. ALLIED COMMISSION, 4 JAN 1945

PRESENT:

Col. Densmore, Acting Vice-President, Economic Section, AC
Mr. Cleveland, Executive Director, Economic Section, AC
Mr. Garavaglia, Economic Section Staff, AC
Lt. Col. M. B. Thomas, Deputy Director, Transportation E/C, ES, AC
H. E. Ruini, Minister of Public Works
H. E. Cerabona, Minister of Transportation
H. E. Pesenti, Minister of Finance
Gen. Di Raimondo, General Director of Railways
Eng. Melleni, Ministry of Transportation
Prof. Saraceno, Ministry of Industry, Commerce & Labor
Dr. Bozzi, General Secretary of the Inter-Ministerial
Reconstruction Committee

SUBJECT UNDER DISCUSSION:

TRANSPORT

Colonel Densmore opened the meeting at 1620 hours.

RUINI: Declared that he had taken notice of the granting of a thrice weekly train from Rome to Naples for the use of civilian passengers for which he expressed appreciation because he is fully aware of how important it is for the Allies to first attend to transportation requirements for the war effort. However, since military transport is carried out on such a large and because Italy has no motor vehicles he asked that, insofar as possible, civilian needs be recognized. Minister Cerabona will put forward the wishes of the Italian Government on this point.

THOMAS: Pointed out that at present the line between Rome and Naples is needed, but hoped that train service for civilians would be effected between the 15th and 20th of January. As for the running of a thrice-weekly train (passenger and goods) requested by the Italian Government, on the Rome-Leghorn, Rome-Avezzo and Rome-Ancona he said that it was out of the question for the present due to military requirements.

CERABONA: Has gathered from the press that the train time from Rome to Naples is 12 hours and is a 12-hour trip on the return run. (The train leaves Rome at 0700 and arrives in Naples at 2000 on Monday; leaves Naples at 0700 and returns to Rome at 2000 on Tuesday) 12 hours is a very long time for a journey of only 250 kilometers -- Minister Cerabona would like to know if it would not be possible to shorten the time.

THOMAS: This information is correct. The reason for the length of time required for the trip is due to the fact that there is, at present, only a single line available and no other.

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THOMAS: This information is correct. The reason for the length of time required for the trip is due to the fact that there is, at present, only a single line available and priority must be given, of course, to military transport. For the moment nothing can be done about it.

DENSMORE: The essential thing is to get this service started; we can then hope for gradual improvement in the service.

RUINI: Interrupted by asking that as soon as possible, permission be granted to run trains on the other lines as requested, particularly on the Rome-Avezzo line where there are 300,000 tons of lignite ready to be transported to Rome.

THOMAS: The problems concerning the working of railways and of mines

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can be discussed at the same time.

RUINI: Declared that he must still insist on the question of tiles which have been ready for some time at Sinalunga, and which are quite indispensable for roofing of houses. This problem is of the greatest importance and he requested that the Allied authorities do their best to solve it.

DENEMORE: To put into effect the transportation of the tiles, is it a question of mending the railway line or only a question of running a train?

RUINI: In some places short sections of railway line must be repaired

DIRAIMONDO: Interrupted to state that the company which owns the brickworks of Sinalunga would undertake the contract of repairing the Chusi-Sinalunga section of the Chusi-Siena line themselves at a cost of about 15 million lire.

RUINI: Returned to the problem of the transportation of lignite, repeating that it would only be necessary to add two trucks a day to a military train to transport to the glass factory at Vietil sul Mare all the lignite necessary to make windows for all the houses to be repaired. This, also, is a very urgent problem.

DENEMORE: Reminded Mr. Cleveland that Minister Ruini made this request three weeks ago and asked if we had sent any reply.

CLEVELAND: Not yet.

RUINI: All the rebuilding and mending of houses, discussed in last week's meeting, cannot be carried out without glass or tiles, for without these accessories, houses are not inhabitable. Also, without windows, hospitals cannot admit the sick and wounded, schools cannot admit children, or asylums, the old and infirm.

CLEVELAND: Can these requested railway trucks reach the places where the material to be transported is stocked, or would it be necessary to build railway junctions for this purpose?

DIRAIMONDO: In some cases it would be sufficient to use existent junctions.

THOMAS: According to our information, a road and a railway junction is now being built to reach the Pietrafitta mines.

DIRAIMONDO: There are other important lignite mines at Morgnano, near Spoleto in the Province of Perugia, and at Ribolle in the Province of Grosseto.

RUINI: Will send a detailed list to the AC of the amount of material already excavated and ready for transport at the mineheads (totalling about 80,000 tons for all mines.).

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DENSMORE: Pointed out that the fighting forces have priority on all material for the needs of war and that it is possible, therefore, that there will be a much smaller quantity available for civilian use than that indicated by Minister Ruini. For this reason it would be necessary that only the quantity really indispensable for civilian use be indicated in this list.

CERABONA: It would be easier for the AC rather than for the Italian Government to know how much material the fighting forces intend to claim. However, a list of the entire amounts of material available will be sent to AC who will subtract the amount which it thinks fit.

DENSMORE: Declared that he knows that all coal (local, Sardinian and

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imported) passes through the allocation offices of the Allied Forces. Will try to learn the amounts to be reserved for civilian use.

DIRAMONDO: There is a quantity of solid fuel, allotted by the Allied authorities for orphanages, hospitals and other beneficent institutions, which it has not been possible to send to its destination for lack of means of transport. (For instance, 780 tons of lignite from the Morgnano mines near Spoleto.) If it were possible to have a fixed allocation of a certain number of railway trucks a day to be coupled to military transport trains which come back empty, the Italian Government could count on a certain amount of daily transport.

DENSMORE: Expressed the desire that no time be wasted in rebuilding houses while these problems are being studied.

RUINI: Work is going on in more than 300 communes. He will send AC a list of all these communes but, he added, it is necessary to think of the future and to obtain at least a minimum of the help requested, without which he would not feel able to continue in the work of reconstruction which he had begun.

DENSMORE: Assured Minister Ruini that AC will do all that is possible to assist him.

CERABONA: Asked if it would not be possible to obtain two rail motor cars to speed up the service on the Rome-Naples via Formia line, since it is impossible to do so on the Cassino line.

THOMAS: This would not be possible for military traffic is very intense and there is but a single track line between Rome and Formia.

RUINI: Asked if he could raise the fares on the railway, tripling the rates in force in 1939.

DENSMORE: Was any increase in the rates made after July 1944?

DIRAMONDO: No.

CERABONA: Expressed the desire that permission be granted to start mending the Avellino-Rocchetta S. Antonio line and the Avellino-Genovento line which would connect the three Provinces of Benevento, Avellino and Salerno. With such work the Tyrrhenian and the Adriatic basins would again be united.

THOMAS: What particular industries are there in that zone?

CERABONA: The zone is important from an agricultural point of view as these three Provinces are very fertile.

DENSMORE: What reply to this request was given by the concerned Sub-Commission?

DIRAMONDO: No reply has been forthcoming as yet.

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D'ARAGONDO: No reply has been forthcoming as yet.

DENSMORE: Here is a typical case in which it is correct to complain to the AC. Will inquire why the Sub-Commission in question did not reply to this matter.

CERABONA: Observed that the material for mending the Avellino-Rocchetta S. Antonio line is near at hand. For instance, the girders of a bridge lie in the river bed. Therefore, all that is needed is permission to start work, for which 16 million lire and 200 days' work would be needed.

THOMAS: Will study this project and give a reply in due course.

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CLEVELAND: There are two points which have never been cleared up that should be clarified: The requested derequisition of two factories;

a - The buildings of the Società Metallurgica Meridionale of Castellammare (Naples)

b - The accumulator Partenopea Factory (F.A.P.) (Naples)

DENSMORE: AC agrees to the derequisitioning of these two factories but the final decision rests with the General Headquarters of the Allied Forces; the AC can act only as intermediary.

CLEVELAND: It is up to Minister Gronchi to prepare a memorandum containing convincing reasons for the necessity of derequisitioning these firms and the AC will transmit the memorandum to Allied Force Headquarters.

PRESENTI: Interrupted to ask that tobacco factories of Scafati and Benevento be derequisitioned also. He will write a report on this matter which he will send to the AC.

CERARONA: Would like to have an explanation of the allocation of gasoline to the E.N.A.C. (Ente Nazionale Autotrasporti Cose).

DENSMORE: Declared at once that it would not be possible to allocate gasoline to the E.N.A.C. in the desired quantities. Therefore, another solution must be found. General Headquarters have allocated a certain amount of gasoline for civilian uses and the AC has asked General Headquarters for further instructions. If the allocation of gasoline should prove insufficient, then a request for increased allocation could be made, but not now. In the meantime, Col. Denmore, asked how does the E.N.A.C. intend to carry out control of the gasoline allocated to it for civilian uses.

CERARONA: Control will be carried out by means of fuel coupons (carte carburante). All the gasoline goes to the C.I.P. (Consorzio Italiano Petrolio). Everybody must request a circulation permit from the Office of the Inspector for Civilian Motorization. This office, when issuing a permit, will also issue the fuel coupon for a certain amount of gasoline for each journey, or a monthly supply, dependent upon whether or not it is required for continuous service.

The amount of fuel will be allocated according to the type of motor vehicle and to relative gasoline consumption.

RUINI: The fuel requested corresponds to the need of E.N.A.C. If this fuel is not granted the lorries will continue to run on gasoline bought on the Black Market and, consequently, will not be able to transport goods at the prices fixed by E.N.A.C.

DENSMORE: At present the General Headquarters are not able to increase the amount of gasoline for civilian use. How is it that, with the present allowance of gasoline, about 8000 motor lorries besides other motor vehicles are able to circulate?

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CERABONA: Of the 8000 motor lorries in circulation, only 3000 run on gasoline allocated to them; the other buy gasoline on the Black Market which they can easily afford as they make so much money.

DENSMORE: Why is the number of private motor cars in circulation not reduced? The gasoline not used by them would then be available for a greater number of motor lorries.

CERABONA: The number of private motor cars could be reduced to a limited extent for the reason that the needs of doctors, engineers, firemen, authorities and hospitals must be considered.

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RUINI: There are about 25,000 motor vehicles registered of which about 50% have circulation permits. This makes an average of from 500 to 600 motor vehicles per province, so that there is little to be hoped for in a further reduction in the number of private cars in favor of an increased number of motor lorries.

DENSMORE: There are 8000 motor lorries registered, but are all of them running?

CERABONA: Nearly all of these vehicles are in circulation. The registered vehicles need a certain amount of gasoline; if this is not granted, only a half or possibly only a third will be able to circulate. It would be necessary, if the E.N.A.C. is to function properly, and to put an end to the Black Market, that all the vehicles be in operation. If the E.N.A.C. does not operate, the Black Market will continue to exist, and E.N.A.C. cannot operate without the necessary fuel.

CLEVELAND: Two points must be made clear:

1. The General Allied Command cannot increase, as yet, the amount of gasoline for civilian use.
2. It must be shown that E.N.A.C. is already working and really does control the consumption of gasoline.

Only then can it be said that the allocation of gasoline is insufficient, and only then can a further allocation be requested from General Headquarters.

RUINI: Expressed a fear that the day when E.N.A.C. begins to function, without having first obtained the necessary fuel, the drivers will no longer be able to buy gasoline on the Black Market because of the reduced rates and transport would cease altogether with disastrous results. He considers that it is impossible for E.N.A.C. to start working without previously having the necessary supply of gasoline guaranteed. This would mean that the E.N.A.C. would start working later and the Black Market would continue to flourish.

CLEVELAND: Would it not be possible for E.N.A.C. to start working in certain provinces only to show the advantages which would result from this organization (goods at lower prices, diminishing of the Black Market, etc.) and to show, at the same time, that the E.N.A.C. is ready to function in all the other provinces with equally good results.

RUINI: Minister Cerabona will study a plan for the operation of E.N.A.C. in one or two provinces just to show how it works, although on such a reduced scale the same results cannot be arrived at.

DENSMORE: Requested an explanation as to the organization of E.N.A.C.

CERABONA: There are various compartmental and provincial officers besides the general office; all sub-divided into sections, departments, stations of the provincial commissions and by fixed and movable con-

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1949

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CLEVELAND: Two points must be made clear:

1. The General Allied Command cannot increase, as yet, the amount of gasoline for civilian use.
2. It must be shown that E.N.A.C. is already working and really does control the consumption of gasoline.

Only then can it be said that the allocation of gasoline is insufficient, and only then can a further allocation be requested from General Headquarters.

RUINI: Expressed a fear that the day when E.N.A.C. begins to function, without having first obtained the necessary fuel, the drivers will no longer be able to buy gasoline on the Black Market because of the reduced rates and transport would cease altogether with disastrous results. He considers that it is impossible for E.N.A.C. to start working without previously having the necessary supply of gasoline guaranteed. This would mean that the E.N.A.C. would start working later and the Black Market would continue to flourish.

CLEVELAND: Would it not be possible for E.N.A.C. to start working in certain provinces only to show the advantages which would result from this organization (goods at lower prices, diminishing of the Black Market, etc.) and to show, at the same time, that the E.N.A.C. is ready to function in all the other provinces with equally good results.

RUINI: Minister Cerabona will study a plan for the operation of E.N.A.C. in one or two provinces just to show how it works, although on such a reduced scale the same results cannot be arrived at.

DENSMORE: Requested an explanation as to the organization of E.N.A.C.

CERABONA: There are various compartmental and provincial officers besides the general office; all sub-divided into sections, departments, stations of the provincial commissions and by fixed and movable controlling places (posti di blocco). In cases of emergency or of perishable goods, the local Mayor can issue a travelling permit, giving registration numbers and reasons for journey.

DENSMORE: As regards the controlling places (posti di blocco), since these are also held by the Allied police, it is indispensable that precise instructions and regulations be issued so that everyone will know exactly what to do; also, so that General Headquarters can give similar instructions and regulations to their police.

RUINI: Requested of Colonel Denmore that the subject of next Thursday's meeting be the urgent problem of fertilizers. If no fertilizers are distributed in 1945 very little will be produced in 1946 and in 1947 it will be necessary to request still greater assistance.

DENSMORE: Agreed. Meeting adjourned by Col. Denmore at 1915 hours.

1. Who is responsible for application to AFHQ for:-

- a. Load-carrying vehicles *Trans: S/C*
- b. Control Vehicles "
- c. Requisitioned civilian vehicles in lieu of b.

2. Who is responsible for detailed arrangements with AFHQ *Trans:* concerning collection of such vehicles, when released? *S/C*.

3. Who is responsible for the assignment to Regions or Military Units of a, b, and c above? *Trans: S/C*.

4. Who is responsible for the Administration, Operational Direction, Maintenance, and Supply of the above vehicles?

F u n c t i o n s .

1. Administration.

- a. Who is responsible for administering the Military Units? *Trans: Unit*
- b. Who is responsible for administering the balance of W.D. Vehicles? *Trans: S/C through R.C.'s*
- c. Who is responsible for administering the civilian load-carrying vehicles, both foreign and local, working under the direct supervision of either A.C. or ENAC? *Trans: S/C*

2. Operational Directions.

- a. To whom is the Commanding Officer of the 1st Truck Bn, and the C.O.'s of subsequently formed Truck Battalions, answerable? *Trans: S/C through Regimental C.O.*
 - b. To whom are the Regional Transportation Officers answerable for the movement of essential civilian supplies in the case of an inter-Regional move? *Trans: S/C*
 - c. Who is responsible for the rehabilitation of civilian vehicles, and allocating them in order to release W.D. Vehicles for forward Areas? *Regional Trans: C.*
- II. Salvage W.D. Vehicles. *Unit*

3. Maintenance.

- a. Who is responsible for indenting, collecting, warehousing, and issuing maintenance equipment for 3rd, 4th, and 5th

823

Filey
W.D.

R/SB

- c. Requisitioned civilian vehicles in lieu of b.
2. Who is responsible for detailed arrangements with AFHQ Trans. concerning collection of such vehicles, when released? *s/c.*
 3. Who is responsible for the assignment to Regions or Military Units of a, b, and c above? *Trans: s/c.*
 4. Who is responsible for the Administration, Operational Direction, Maintenance, and Supply of the above vehicles?

F u n c t i o n s .

1. Administration.

- Units? *Trans. Unit*
- a. Who is responsible for administering the Military
 - b. Who is responsible for administering the base of W.D. Vehicles? *Trans: s/c through R.C.'s.*
 - c. Who is responsible for administering the civilian load-carrying vehicles, both foreign and local, working under the direct supervision of either A.C. or ENAC? *Trans: s/c.*

2. Operational Directions.

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- a. To whom is the Commanding Officer of the 1st Truck Bn, and the C.O.'s of subsequently formed Truck Battalions, answerable? *Trans: s/c through Regional C.O.*
- b. To whom are the Regional Transportation Officers answerable for the movement of essential civilian supplies in the case of an inter-Regional move? *Trans: s/c.*
- c. I. Who is responsible for the rehabilitation of civilian vehicles, and allocating them in order to release W.D. Vehicles for forward Areas? *Regional Trans. C.*
II. Salvage W.D. Vehicles. *Unit*

3. Maintenance.

- a. Who is responsible for indenting, collecting, warehousing, and issuing maintenance equipment for 3rd, 4th, and 5th Echelon shops? *G-4, A, B, & C.*
- b. Who is responsible for the formation Location, Operation of these shops? *Regional Trans. C, guided by Trans: s/c.*
- c. Who is responsible for directing the maintenance of all vehicles, both W.D. and civilian controlled and/or operated by A.C.? *Regional T/O, under guidance of Trans: s/c.*

4. Supply (Spare Parts and Tyres)

a. How will Regions or Military Units indent for their requirements in the case of:-

1. U.D. Load-carrying and Control Vehicles (Am.)
2. Ditto British.
3. Civilian load-carrying and Control Vehicles (American, British and Italian).

Vehicles

b. Who is responsible for:-

1. Requisitioning in bulk on AFHQ.
2. Collection, when released.
3. Warehousing.
4. Issue.

c. What will be the procedure of issue and who will establish priorities?

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

Tel: 558

BDM/rsm

24 November 1944

SUBJECT: Meeting at Ministry of Interior, 24 October
to discuss conditions in Provinces of the
Abruzzi-Marche Area.

TO : All Sub-Commissions.

1. At the subject meeting, at which under-Secretaries of the Interior, Treasury, Public Works, Justice and several other interested Italian Government Agencies as well as representatives of the AC were present, reports were received from the Prefects of the provinces in the Abruzzi-Marche Area.
2. There is attached a copy of the minutes of the meeting and it will be noted that matters of interest to your Sub-Commission were raised.
3. Col. Cripps, who was present at the meeting, advises that the Devastated Areas Division intends to discuss various aspects of the meeting with each interested Sub-Commission and these minutes are forwarded to you so that appropriate information may be ready when it is requested by that Division.

[Signature] 821
L. D. DUNN
Col., FA, CSO
Economic Section

Enclosure (1)
Minutes of the Meeting

MINUTES OF MEETING
(Translated from Italian)

On October 24, 1944 at 10 a. m. in the Viminale Palace a meeting took place at which were present the following persons:

H. E. Canevari - Undersecretary of State for the Interior.
H. E. Nares - Undersecretary of State for the Treasury.
H. E. Spataro - Undersecretary of State for the Press.
H. E. Bruno - Under Secretary of State for Public Works.
H. E. Bassano - Undersecretary of State for Justice.
H. E. Colimena - General Director of Public Health.
H. E. Vicedomini - General Director of Civil Administration.
H. E. Marotta - Director of the Superior Institute of Health.
Lt. General Crivaro - General Director of the Engineer Corps.
General Caldarola - General Director of Military Health.
Ing. Costa Michele - Representative of the Department of Communications.
Avv. Zenotti-Bianco - President of the Italian Red Cross.
Marquis Theodoli - Representative of the National Committee for Distribution of Relief in Italy (ENRDI).
Prof. Jacchia - Representative of the High Commission for Refugees.
Dr. Mastromarino - Representative of the General Direction of Alimentation.
The Prefects of: Chieti, Pescara, Aquila, Teramo, Aieti and Viterbo.

Ambassador Taylor, who was unable to attend the meeting was represented by Mr. Barr.

There were also present numerous Allied Officers, representing the various Sub-Commissions of the Allied Control Commission, headed by Col. Cripps.

Secretary: Dr. Venezzo, of the General Direction of Public Health.

The meeting was presided over by H. E. Canevari, who stated that at a meeting which took place at the Allied Commission on October 12, the Officers of the Allied Government, regional supervisors of the Abruzzi-Marche area, had reported that the populations of these regions live under very serious conditions for lack of lodgings, food, and other necessities. A great part of these persons are

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H. E. Bruno - Chief Secretary of State
 H. E. Bassano - Undersecretary of State for Justice.
 H. E. Solimena - General Director of Public Health.
 H. E. Vicedomini - General Director of Civil Administration.
 H. E. Marotta - Director of the Superior Institute of Health.
 Lt. General Crivaro - General Director of the Engineer Corps.
 General Caldarola - General Director of Military Health.
 Ing. Costa Michele - Representative of the Department of Communications.
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The Italian Government must therefore immediately provide for:

- mine clearing (war Department)
- lodgings (Public Work Ministry)
- eventual evacuation of the population (High Commissioner for Refugees).
- clothing, food and medical supplies (Agriculture Ministry, Italian Red Cross, EMISI, General Direction of Public Health, Gen. Direction of Military Health, Gen. Direction of Civil Administration).
- transportation (Communication Department).

Having organized the assistance supplies, a system must be planned for the distribution, to be done through the various R. C. A., and the Committees constituted in the chief towns or in single Communes.

H. M. Canevari, having received instructions from H. M. the President of the Council of Ministers, has assembled the representatives of some Ministries, the Prefects of the provinces in question, in order to examine the actual situation, and to find out the relief needed in this present moment.

He then opened the meeting expressing the hope that this meeting would bring concrete results.

H. M. Canevari asked the Prefects to take the floor.

Chieti's Prefect told of the painful situation in which his province has fallen, nine months after the end of the war in that area. The homeless persons total 107,000, and of them 74,000 are practically without clothes.

Food consists of a daily ration of 200 gr. of bread. To be sure of this quantity it remains necessary to bring an additional 80,000 quintals of flour of the 130,000 which is the total need. This presents enormous transportation difficulties, because there is a complete absence of normal transport, the roads are in very bad condition, and, what is much more serious, hundreds of bridges are destroyed. Military steel bridges, in good condition, have been removed by Allied Forces for military purposes. The coming winter with its extreme climate makes the situation much more serious in the mountain country. This area will be isolated by snow and bad weather.

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In this province there are 21 communes completely destroyed, and the population is starving.

The sanitary condition of this province is very bad, because of the lack of houses, the need of clothes, the serious food shortage, the lack of fuel and the means to cook. At Chieti gas production is nearly ended because of the lack of coal.

Tuberculosis in children is increasing. Scabies has reached large proportions because there is no soap and too many people live together. Typhus, whooping cough and malaria too have very much increased.

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To further aggravate the situation in which the population lives it must be noted that there is scarce hospital assistance. The few hospitals of the province (Ortona, Lanciano, etc.) are destroyed, and the one in Chieti is not sufficient for the area.

Another very serious question is that of the mines and unexploded shells. The prefect told how he escaped by mere chance the explosion of a mine which caused the death of three persons, wounded several, during an inspection of the province. To bed the wounded and sick they are obliged to use chopped-straw on the bare ground.

Gasoline for the few remaining cars is very scarce. There is an urgent need of materials to repair roofs, especially of some of the half-destroyed hospitals.

Chiati's Prefect finished by expressing the hope that the tremendous situation in his province will be examined by the Commission with the greatest attention, in order to help this population that has suffered so much by this war. This also to avoid any popular rebellion which would upset the public order.

Pescara's Prefect began to speak. He recalled the recent visit in the province of the Undersecretary of the Interior, who personally saw the terrible conditions of the population. He stated that two-thirds of the town of Pescara is a second Rome. The few buildings in which one could live are without window panes. With the arrival of winter there are no clothing supplies. In Pescara city there are 30,000 homeless persons who, for the most part, are obliged to sleep on the bare ground. The luckiest are those who sleep in stables, with the animals, without thought of the danger of contagious diseases. He drew the attention of the Commission to the existence at Lecce of a large quantity of window glass, which, with the coming winter, could be very useful.

The food conditions of the province, the Prefect stated, are upsetting the calm of the population. Hunger is a "black and preoccupying" reality. It is impossible to live with only 200 gr. of bread. Very often these persons do not have a portion of soup to supplement the bread ration.

In this regard the Prefect stated that it is not right to say that during the German occupation the population was satisfied with 150 gr. of bread. At that time each family obtained one quintal of corn as an extra assignment, beyond the normal bread ration.

The food situation regarding fats is much more difficult because for seven months the population has not had a drop of oil.

The physical degeneration of the population has broken their self control and presents in this way a danger of a rebellion. This is possible also because 1,500 railway men, that represent families totalling 7,000 persons, have not been paid for two months. The sanitary conditions of the province are very serious especially for the lack of medicines and for the great difficulty of distributing the little at their disposal.

Pescara's Prefect finished by drawing the attention of the Government to the Patriot's impatience.

H. A. Canevari spoke in regard to the report presented by the Prefects of Pescara and Chiati, and drew the attention of the Allied Commission to the existence in the Pescara area of an undamaged cement factory. This factory could produce 600-700 quintals of cement a day. This factory cannot work for the lack of coal. He

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The Prefect of Chieti stated that at Momba, near Chieti, there is another cement factory which, having enough coal, could furnish about 2,000 quintals of cement.

The Prefect of Aquila then took the floor. He said that 26 of the 103 communes of his province are practically destroyed. (Avezzano, Castel di Sangro, Caracoli, etc. are leveled).

The problem of unexploded mines is very serious also in this province. There are mines near the houses and many in the fields.

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In regard to the food condition, it is necessary to act very quickly in order to keep the population alive.

The Prefect says that on August 14, he made strong representation to the Agriculture Ministry for assistance to his population. Some improvements were, in reality, obtained. It is necessary, however, to obtain the immediate transportation of 200,000 quintals of grain, which represents the total need, before the winter.

The problem of homeless persons is one of the most serious and urgent, especially because it has not been possible to begin to build barracks. This project would cost 150,000,000 lire. The Allied Authorities have not given their permission to begin this work. For this reason many refugees are coming from the countryside to the biggest centers. Refugees from Roccaraso and Castel di Sangro arrive daily in devastated Sulmona. The Prefect asks therefore at least a sufficient allocation of window glass for the buildings which are partially inhabitable.

H. L. Canevari stated that for this purpose some glass substitute called "Vetroleim" should be sent from America.

The Prefect of Teramo began his report by observing that the situation in this province, which has been untouched by the war, is very different from that of the other provinces, and not so dramatic. In effect the most serious destructions are those of the bridges, 150 in all the province. This represents a great difficulty for transportation. For this purpose some proposals have been made but have not been yet accepted by the Allied Authorities.

In regard to the food situation the province of Teramo is sufficient in itself and can also export something. By order of the Allied Command, 62,000 quintals of grain can be exported to Chieti and 53,000 to Aquila.

As to shelter, Teramo has not been touched and is sheltering 21,000 refugees. These persons need clothing supplies and blankets very urgently. The few remaining cars are without tires and therefore insufficient to the Province's need. There is a great lack of coal for cooking and winter heating. The Prefect suggests that the Province could furnish the necessary coal, if the Agriculture Ministry would approve this project. 11,000 q. of the existing 150,000 could be sufficient for the whole Teramo Province.

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The Prefect of Rieti stated that this coal, especially that of the south-western Sabina, is taken by private firms to the City of Rome, and in smaller quantity to the City of Naples. For this reason in Rieti the price of coal has become very high.

The Prefect of Pescara said that the Agriculture Ministry, should control the distribution of coal, as Pescara also is experiencing a grave lack of coal.

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The Prefect of Teramo continued his relation, saying that in his province he has set up some popular kitchens, which distribute to workers who are out of work about 3,000 soup meals a day. To help the population he has also established a special taxation to the persons who enriched themselves during the war.

Some financial help from the Government would be very useful.

The danger presented by mines and unexploded shells is very serious in this province. Some special soldiers are clearing the area, which can be again cultivated.

As the other Prefect, the Prefect of Teramo thinks that 200 gr. of bread is insufficient. For seven months the population has received little food, beyond very rare distributions. A few days ago a rebellion arose and he was obliged, in order to calm the population, to distribute 4 kg. of bread to each person.

H. B. Manes, remarked that, with the new oil production, this problem will be over.

The Prefect of Teramo said that the need of work in the province is very great, especially as to the workers of cement and bricks, as the factories are closed for lack of supply and transportation. Those who work are paid very little. The situation for the employees is the same. For this reason he had proposed to the Allied representative increases in wages. This was not accepted.

In regard to clothing, shoes are especially needed for agriculture workers.

The Prefect of Viterbo reported that the general situation in his province is better than in the other ones. He said that the war operations, especially those of last year, have damaged 25 of the 53 communes of his province. Two-fifths of the houses in Viterbo are destroyed, so that the lodging problem is the most urgent one. For this reason a special commission is listing the houses which can be used. For the houses which need to be repaired, the owners will be helped by special contributions and loans. If they will not agree with these dispositions the houses will be requisitioned. As for public buildings, window panes are very urgently needed especially for hospitals and schools. The few glasses that are to be found on the local market are sold at very high prices.

Transportation doesn't allow coal supplies for cooking and heating. **816**

In regard to mines and unexploded shells, the War Department has been told to clear the area and bring away the grenades, which cannot be kept by the local carabinieri and would represent a danger because of local unrest.

Another serious problem is that of the overcrowding, due to the presence of refugees who also need clothing supplies and blankets.

The Prefect of Viterbo finished by speaking of the insufficient wages.

H. B. the Undersecretary of State for the Treasury observes that this is a general and not a local problem.

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The Prefect of Rieti said that without presenting a tragic story as in the other provinces, his area suffered by the war, especially in the German robberies and destructions. About 150,000 are homeless. These people live in unhealthy surroundings. Their living conditions will be worse with the coming winter. Therefore, clothing, blankets, shoes and windowpanes are very necessary. To aggravate the situation in the province and in the town of Rieti itself, there is a lack of coal, although coal is a local production. This is due to lack of transportation and tires. The destruction of 165 bridges in the province creates extreme transportation difficulty.

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The food situation is bad because the population has no oil, and in a short time the population will also be without grain. In fact, the province produces 80,000 quintals and 110,000 quintals is its need. The difficulty of oil supplies is due to the fact that all the oil produced in Sabina is sent to Rome.

In regard to the lodging situation, the Prefect referred to the fact that the local population has helped the refugees. The lack of coal, especially for cement and brick manufacturing hinders the beginning of reconstruction. He hopes that railways would resume so that the province can obtain some coal from Terni and other supplies for the industrial establishments of the province which are undamaged.

The health conditions of the population are good.

The Prefect of Chieti drew the attention of the Commission to the great number of lodgings requisitioned by the Allied Forces (in Ortona, where there are 19,000 refugees, there are 1,000 requisitioned rooms). If these rooms could be free, the lodging problem for many refugees would be solved. For such purpose some requests have been made to the Allied authorities but, until now, with no result.

On this subject also the Prefect of Pescara referred to the fact that he has personally requested the Allied authorities to leave some villas, which could lodge nearly all the refugees. This was not obtained it seems because Pescara is considered a closed town.

S. E. Canevari, after having remarked that most of the problems presented are general ones, asked the Representative of Military Center to inform the Commission of the means used to clear the areas from mines and shells.

General Crivaro of the War Department said that this problem is actually one of the most serious ones. The General Direction of the Genio has for a long time pointed out the difficulties that it had to face. The War Office has tried to have at its disposition some Italian specialist soldiers of the Genio, but the Allied authorities have replied that the soldiers were necessary for war purposes not for local purposes, such as these.

He pointed out the serious danger to which the persons who clear the mines are exposed, because in German mine fields there are many booby traps.

Through the interest of the Allied authorities two of the six companies who have been requested, and two other companies formed by non-specialized soldiers, who have been recalled to sow the wheat, are working now. Actually one company clears the Frosinone area and the other one the Pescara area. The problem of mine clearing is serious and important. The Allies have tried to find a solution by entrusting the work to civilian enterprises. The War Department has been opposed to this entrusting to civilian enterprises, for the

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The health conditions of the population are good.

The Prefect of Chieti drew the attention of the Commission to the great number of lodgings requisitioned by the Allied Forces (in Ortona, where there are 19,000 refugees, there are 1,000 requisitioned rooms). If these rooms could be freed, the lodging problem for many refugees would be solved. For such purpose some requests have been made to the Allied Authorities but, until now, with no result.

On this subject also the Prefect of Pescara referred to the fact that he has personally requested the Allied Authorities to leave some villas, which could lodge nearly all the refugees. This was not obtained it seems because Pescara is considered a closed town.

H. E. Canevari, after having remarked that most of the problems presented are general ones, asked the Representative of Military Center to inform the Commission of the means used to clear the areas from mines and shells.

General Crivaro of the War Department said that this problem is actually one of the most serious ones. The General Direction of the Genio has for a long time pointed out the difficulties that it had to face. The War Office has tried to have at its disposition some Italian specialist soldiers of the Genio, but the Allied Authorities have replied that the soldiers were necessary for war purposes not for local purposes, such as these.

He pointed out the serious danger to which the persons who clear the mines are exposed, because in German mine fields there are many booby traps.

Through the interest of the Allied Authorities two of the six companies who have been requested, and two other companies formed by men-specialized soldiers, who have been recalled to now the wheat, are working now. Actually one company clears the mine area and are working now. The problem of mine clearing is the other one the Pescara area. The problem of mine clearing is serious and important. The Allies have tried to find a solution by entrusting the work to civilian enterprises. The War Department has been opposed to this entrusting to civilian enterprises, for the great expense which it would cause. To avoid speculation and interference the State organization is being created. The civilian enterprises would always try to hire the specialized workers who come from the military training centers. For this work technical training is absolutely necessary and good will by the persons who risk their lives.

Gen. Crivaro considers the mine-clearing worker as a soldier, sometimes more exposed to danger than the front line soldier, because he is exposed to an invisible enemy who always lies in wait. It is not to be considered that untrained workers could be employed for such work. This is to avoid frequent and serious accidents, which could provoke total desertion from the work.

In regard to the expense, he says that according to his information, for the clearing of the ground around Rome (4th Region), civilian enterprises have asked the Allied Authorities for 400 million lire.

It has therefore been decided with the Allied Authorities to establish 5 training centers (at Pisa, Spoleto, Viterbo, Capua and Chieti), which will train workers, who once were soldier demolition experts, who have been dismissed by the manufacturers and are now without work, and voluntary patriots. He hopes to have in the first fortnight of November a first company of such workers. To reach this aim the Treasury has been requested to pay good salaries to the workers. These salaries have already been proposed by General Crivaro, to compensate for the sacrifice of the workers, who always risk their lives. These salaries are about 300 lire a day for the head workers and 250 for the common workers, including a sick indemnity of 50 lire.

There is under discussion a proposal to pay these workers on a basis of the number of mines they find. He remarked that the clearing of a ground fit to sow and a vineyard is a different thing. In order to have the workers accept more willingly the work of clearing the ground he also has proposed to give them, beyond the special indemnity of 50 lire a day, 5-10-15 lire for each discovered or destroyed mine, according to the different clearing grounds. These could be divided in three categories: of easy clearing, of middle difficulty clearing and of difficult clearing. General Crivaro is still awaiting an answer from the Treasury. He had to insist in order to have this project accepted, because he found out that in the General State accounts there was a project to reduce the risk indemnity from 80 to 60 lire a day, according to the increases which have been established in these days to the workers.

He spoke also of an accident insurance for the workers for whom it is necessary to calculate a great percentage of dead, wounded and ill. Some workers have to be dismissed because, by working under continuous nervous tension, always with the fear of the explosion of some mine, they develop nervous ailments.

General Crivaro says also that the workers have to obtain in addition to their salary a good pension in case of accident. He referred to the fact that insurance cost is a heavy burden, which, according to information obtained by a civilian enterprise, has been calculated by the Istituto Nazionale delle Assicurazioni at 45 percent of the daily salary. This to insure the injured, who are unable to work, a monthly pension of about 1500 lire, this would cost 135 lire on a salary of 300 lire a day.

Then he addressed himself to the Undersecretary of the Treasury to obtain his help for the accepting of the proposals on salaries.

He said that by giving a good salary to the workers it is possible to have them work with all their attention, so that the solution of this very serious problem would become easy. After an

Capua and Chieti), which will train workers, and once they are trained, demolition experts, who have been dismissed by the manufacturers and are now without work, and voluntary patriots. He hopes to have in the first fortnight of November a first company of such workers. To reach this aim the Treasury has been requested to pay good salaries to the workers. These salaries have already been proposed by General Crivaro, to compensate for the sacrifice of the workers, who always risk their lives. These salaries are about 300 lire a day for the head workers and 250 for the common workers, including a sick indemnity of 80 lire.

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Then he addressed himself to the Undersecretary of the Treasury to obtain his help for the accepting of the proposals on salaries.

He said that by giving a good salary to the workers it is possible to give them work with all their attention, so that the solution of this very serious problem would become easy. After an experimental period there can be no objection to the establishment of cooperative system among the workers and technicians, who are occupied in the clearing operations, so that all the benefits could be divided among those who do this work.

With regard to window panes it was observed that the Allies should meet the most urgent difficulties by sending the glass substitute, which is very useful. Besides the difficulty of coal for the glass manufacturing, it is necessary to think of the difficulty of transport means from the production place to the needy area, and also the difficulty of good packing, so as to avoid having glass arrive in fragments.

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In regard to the requisitions, he put in evidence the number of apartments and houses requisitioned by the Allies. (At Naples the Allied Forces have issued about 11,000 requisition orders). The necessities that are presented continually by the Allies are many and he asked that they reduce them to the minimum. In light of the difficulties in which the populations live. For Rome it has been asked that some hotels should be left free, but the requests have obtained no answer.

To answer all that had been said up till then, Col. Cripps, senior officer among those present for the different Sub-Commissions, began to speak. He said that he had listened with great attention to all that had been said, and that he will refer everything to his superiors, because he has no authority to decide by himself. In any case he thought that the problem had to be examined with three points of view:

- (1) to help as soon as possible the populations, who are threatened by the coming winter;
- (2) to increase the rations;
- (3) to re-establish communications by restoring the bridges and railways.

For these problems Col. Cripps asked if a committee exists, to which each province could apply from time to time, referring to their specific necessities. If it does not exist, he proposes its constitution with the participation of Allied Officers. In regard to the requisitions, he stated that this is a problem for Allied Military Forces. He agrees and several Generals think as he does that it will be necessary to limit requisitions to the minimum.

H. E. Canevari declared that what the Allied Officer had said was too general and could not solve the problem. He then asked the Under-Secretary of Public Works to give some information about this to the Commission.

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H. E. Bruno explained the program which is already in action by his Board, for the resolution of the problem. In effect, while at first it has been attempted to procure for the homeless persons all the immediately disposable rooms, the Civilian Genio has been charged with the inventory of all habitable apartments, repairing those partially damaged, and then requisitioning and assigning them. In the meantime it has been thought to proceed to the building of emergency houses, which for the completely destroyed areas (as Valmontone) could be perfectly apt to this purpose. The difficulties therefore are enormous, especially for transportation, because there are no means of transport, and for the lack of cement and bricks which are blocked, while the cement factories cannot work for lack of coal.

In regard to the production of glass, he says that the long flame coal, which is necessary to this industry, doesn't exist in Italy.

H. E. Bruno considered then the problem of the homeless persons, and he proposed as a temporary solution the utilization of several

senior officer among those present for the first time. He began to speak. He said that he had listened with great attention to all that had been said, and that he will refer everything to his superiors, because he has no authority to decide by himself. In any case he thought that the problem had to be examined with three points of view:

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H. E. Bruno considered then the problem of the homeless persons, and he proposed as a temporary solution the utilization of several buildings at the disposition of the War Department. He remembers that the town of Coenza which gives shelter to 30,000 refugees uses barracks, which could be utilized elsewhere while waiting for the beginning of the construction of the "rapid houses", for which he asks the Allies permission to have the cement in Southern Italy.

General Crivaro suggests barracks should be used for refugees.

H. E. Bruno declares that his Board has no intention of creating any "Modern Shanghai", which could very soon be full of bugs.

In regard to reconstruction and arrangement of bridges, this problem is very difficult and can't be resolved immediately.

He also said that requests for mine clearing arrive in his Ministry, although this doesn't concern his Board.

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In regard to the proceedings of reconstruction surveys, he said that without the Allied O. K. he is permitted to proceed with surveys of projects up to 500,000 lire. To use blocked material Allied authorization is always necessary. Actually 500,000 lire are very easily reached and the use of blocked materials is inevitable. He therefore asks the Allied Authorities to let the proceedings be easier, according to the actual need.

The representative of Allied Public Work Subcommission remarked that perhaps it is true that there is too much control, but thinks that with 1,000,000 lire (this is the sum now for which there is no need of authorization) it is always possible to do something, especially if many surveys are put in execution together.

In each region there is a Sub-Commission engineer who should be consulted more often. His opinion is that reconstruction works are local problems. He remembers that the sindaco of Avezzano area, together with the local engineer did "miracles". In any case the Italian Government should not by itself think of all the reconstruction problems, because this is a too big matter for its possibilities. He therefore thinks that the best thing to do is to leave the initiative to the local authorities, while the Government should only issue laws on the reconstruction. It would be useful to start with the quickest and most useful works and finish with those which require a longer work.

In regard to bridges he refers to the fact that military needs have to have absolute precedence and that therefore the first bridges to be fixed up will be those which are important for military operations. The Italian Authorities could forward the requests for the bridges necessary for civilian purposes.

He finished by asking what are the proposals of the Government and suggested that the Prefects and the Sindaci should always work together with the Allied regional officer and engineer in these inspections, so as to be constantly in contact. In regard to the delay in approving the reconstruction proposals he thinks that this is ~~812~~ ⁸¹² of the Italian authorities.

H. B. Canovari agreed to the proposal suggested by the Allies for the constitution of a permanent Committee, presided over by himself and whose members should be the Undersecretaries of Agriculture, Treasury, Press, Public Works, Communications and Commerce. In this Committee should also be the General Directors of Public Health Service and of the Civilian Administration, the President of the Italian Red Cross, the Representatives of the C. R. A., and the Representative of the High Committee for Refugees. The Representatives of the different Allied Subcommissions should also be present.

The Committee will have to examine, after having heard the Prefect of the different provinces, all the most urgent problems, as: assistance, public health, food situation, lodging for refugees. The task will be to simplify these problems and control the distribution of relief supplies. The Committee should meet every week to examine all the proposals and resolve them in short time.

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M. E. Canevari agreed to the proposal suggested by the Allies for the constitution of a permanent Committee, presided over by himself and whose members should be the Undersecretaries of Agriculture, Treasury, Press, Public Works, Communications and Commerce. In this Committee should also be the General Directors of Public Health Service and of the Civilian Administration, the President of the Italian Red Cross, the Representatives of the C. R. A., and the Representative of the High Committee for Refugees. The Representatives of the different Allied Subcommissions should also be present.

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Col. Cripps, promised that he would refer these proposals to his superiors and would give an answer.

The Allied Officer of the Food Subcommission said that according to the requests of the Prefects and Sindaci, concerning the ration increase, the question has been brought up in London and Washington. It is impossible to establish the new ration proposed to be distributed north of the Naples-Campobasso line as shipping is needed for military purposes. It is considered that in devastated areas the local production can't be sufficient to feed the population.

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The reasons for the Italian pasta ration are the same.

He insisted that Italy feed its population thinking only of its resources, because imports are only done for devastated areas where harvests have been destroyed.

From census which have been taken it appears that in some districts where the grain production is very high, very little of it has been delivered for public use. This problem, which is a national one, is now being examined by the Allied Authorities. The Officer continued deploing the special issue of 4 Kg. of bread in Teramo, saying that a very important national problem had been forgotten for a local one.

Regarding olive oil, the Allied Officer remembered that the last crop was bad, due to the war operations. This is the reason for the scarce rations. This year in some regions the crop is supposed to be good, and in some other scarce, so that there is foreseen a per capita ration of 400 grams. Moreover the Allied Commission can supply limited transport. The importations from now on will be very scarce, therefore it will be necessary to exploit to the highest degree the local sources. In regard to this he says that, together with H. E. Gullio, he hopes to put on the market a great quantity of food, because he thinks that the basis of the alimentations are bread and oil. In regard to means of transport for food distribution, the Allied Officer said that it is absolutely necessary for the Italian Government to see that the trucks, which the Allied could put at its disposition, would carry only food and not other less useful things.

H. E. Canevari told of his satisfaction with the help which the Allies promise in food distribution. In regard to the efficiency of the public food centers, this is almost true, but still in many provinces (Littoria, Groszone, etc.) the grain could not be harvested because the fields were full of mines. Many considerations must be therefore given to this problem.

In regard to the special bread distribution made by the ^{81st} of Teramo, H. E. Canevari said that he has to examine the question in relation to the special circumstances in which things happened.

He concluded remembering what has been done by the Allies for the liberty of Italy and of the world, but asked them to leave greater initiative to the Italian Government. He emphasized that this is the only way to improve the conditions of the population, notwithstanding the great distractions and the great difficulties.

He finished by again expressing Italian gratefulness to the Allies and thanking the authorities present for their attention.

The meeting was over at 1:30.

HEADQUARTERS ALLIED COMMISSION
Transportation Sub-Commission

AG 394

AG 394

AC/IS/W/58

Nov. 19, 1944

SUBJECT: Conference NAME Officials.

TO : Director Transportation Sub-Commission
Headquarters AG 394

1. On 11 Nov. 1944, meeting was held at your office to review the position regarding the Pirelli Tyre Repair Plant, Via Assisi 41, Rome:

Present:

Col. Adams, Director Tn. Sub-Comm.
Col. Garnea, Director Road Rec. Tn. Sub-Comm.
Lt. Col. Frenkel, AFHQ G-5
Lt. Col. Kinley, Inspection Team AFHQ
Lt. Col. Field, AFHQ
Major Hawgill, AFHQ
Major Galt, AFHQ

a. It was stated by Lt. Col. Field that HMM had no interest whatsoever in operating the Pirelli Tyre Plant at Tivoli.

Col. Adams stated that AG had completed plans in detail for the re-activation of this Plant on a commercial basis by the Pirelli Company and that it will employ approximately 600 people. He asked Lt. Col. Field if HMM would object if AG put this Plant on a commercial basis? Lt. Col. Field said there would be no objections.

b. Lt. Col. Field stated that HMM under no circumstances would release the Pirelli Plant on Via Assisi in Rome. The question was raised by AG as to the return to the Tivoli Plant of the following machines:

1 Plantification Over	Complete
3 Cutting machines for preparation of Synthetic Rubber -	Complete
1 Extruder (4")	Complete

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Present:

Col. Adams, Director Tn. Sub-Comm.
Col. Garner, Director Road Sec. Tn. Sub-Comm.
Lt. Col. Francis AFHQ 2-5
Lt. Col. Kinley Inspection Team AFHQ
Lt. Col. Field AFHQ
Major Howgill AFHQ
Major Galvert AFHQ

a. It was stated by Lt. Col. Field that HHS had no interest whatsoever in operating the Pirelli Tyre Plant at Livoli.

Col. Adams stated that AG had completed plans in detail for the re-activation of this plant on a commercial basis by the Pirelli Company and that it will employ approximately 500 people. He asked Lt. Col. Field if HHS would object if AG put this plant on a commercial basis? Lt. Col. Field said there would be no objections.

b. Lt. Col. Field stated that HHS under no circumstances would release the Pirelli plant on Via Assisi in Rome. The question was raised by AG as to the return to the Livoli plant of the following machines:

1 Plastication Oven	Complete
3 Cutting Machines for preparation of Synthetic Rubber -	Complete
1 Extruder (4")	Complete

These machines were removed from the Livoli plant to the Pirelli Via Assisi plant in Rome under the direction of No. 1 Adv. Base Work-shop HHS.

Lt. Col. Field stated there would be no objections to the removal of these machines back to the Pirelli plant in Livoli.

c. Lt. Col. Field further stated that he had no interest in the tyre repair moulds in the Via Assisi plant and that AG could remove these from the plant also if desired.

Col. Adams pointed out the need for tyre repair facilities and stated that this might be done.

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11. Col. Field said that the machinery of the Government was not set up for civil types only and did not include the party would be necessary to operate these machines. 14. Col. Field then stated that he had not seen any material in the Government supply and that no more British material could be used for repair of the types; he also stated he was not talking about local materials but materials transported from overseas.

Col. Adams then pointed out that it was essential that it secure two plants and repair types independent of WHEAT. The question of repayment of materials used for repair of 10 types was then discussed. Lt. Col. Field stated that in view of the fact the output at the Jinnah Plant in Bari was so little that he felt that 10 could then nothing; also that WHEAT would not call on 10 for repayment of cost of labor or of any of the material used in the Pirelli Plant in Rome.

J. J. CANNON,
Col. Infantry,
Director Food Section,
Transportation Bureau.

பெரியபுத்தூர் 163

Lt. Col. Crowley 9-5 AFHQ
 Lt. Col. Kinsley Inspection Team AFHQ
 Lt. Col. Field HQAF AFHQ
 Cite.

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HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

October 13, 1944

My dear Sir:

You will, I am sure, agree that the time has come when we must face the facts of the present food distribution problem. I have no hesitancy to indicate to you the situation is extremely grave. In light of the responsibility that rests with you, I feel it is imperative that we meet together to outline an action program.

To this end I respectfully request a meeting in my office on ~~Sunday~~ ^{Tuesday}, October 16th at 4:30 p.m. (1630 hrs.). So that you may be prepared for this meeting I submit for your consideration the following points on the agenda:

1. Rationing.
2. Barter.
3. Review of restrictions and controls in the distributive mechanism.
4. The movements of supply from surplus to deficit areas.
5. Review of the fishing industry restrictions.

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In order that we may all point our discussion to the problem, perhaps it would be advisable to spell out, in brief, a few of the salient issues under each point of the agenda.

1. Rationing - The extremely short supply of both imported and domestic foods, coupled with transportation, makes it imperative that a realistic inventory of the present mechanism be reviewed. Questions that arise in this review are:

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(a) Is the maximum effective use being obtained of the present available supply? If not, why not?

(b) Are the geographical features of this country recognized in the present rationing scheme? If not, why not?

(c) Are the rationed commodities equitably distributed in the proper relationship of the need? If not, why not?

(d) If bread is to be maintained on a universal basis, can we establish a selective rationing scheme for the products in the miscellaneous group of the ration diet?

2. Barter - Review and consideration might be given to the establishment immediately of certain practical and simple barter schemes to induce supply. The most outstanding example is the use of salt from Santa Margherita to induce the supply of potatoes from Avezzano. Will this approach foster the flow of supply? If not, why not? Are there sufficient significant items, such as salt, lacking in other areas which could be introduced? If not, why not? Will this mechanism offset the need of price increase? If not, why not?

3. Review of restrictions and controls in the distributive mechanism - This is an extremely controversial point but it must be faced and the criterion must be one to attain the most practical and effective result of food distribution. The theories of control are well understood. The practical aspects of free distribution are significantly required. If permit controls and all other restrictions on the movement of goods are to be eliminated would it be effective to limit this freedom to all commodities except Grain, Fats and Oils and Milk Products? If not, why not? How far can we eliminate controls without endangering transport control as envisaged by ENAC? What end must we reach in order to enforce as much unrationed supply and what effect will it have on the cities and of the poor in the cities? What advantage have we in blocking pulses?

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4. The movements of supply from surplus to deficit areas - Without reflection on the ENAO plan, and eliminating all pride of authorship, is this a practical plan for the emergency needs of transport facing us today? If it is determined that ENAO is administratively burdensome and operatively ineffective, serious consideration must be made to correct the situation and introduce some practical effective ad hoc program. There is no mystery to the transportation problem as such. There just isn't sufficient transport to cater to the urgent needs of liberated Italy. Hence, we must quickly and efficiently review and inventory what we have and operate it to its maximum use.

5. Review of the fishing industry restrictions - It is imperative that we have a clear understanding of the important role the fishing industry can play in supplementing the national food position. This Commission is prepared to present a clear operational program to the Naval Command based on recommendations of the Italian Government.

Any direct action taken by the Government, if it reflects expediency measures to face a serious national problem, would be warmly applauded by your constituents. I would sincerely request that you be prepared to come to this meeting with the single purpose of finding an immediate solution to effect this result.

As I anticipate that this meeting will last until 7:00, I would be very pleased to have you join me at dinner so that we may there review and formulate the action program considered at the meeting. I have requested the following Ministers to attend and to dine with me: His Excellency Minister Gullo, His Excellency Minister Cerabona and His Excellency Under Secretary of Agriculture Bergami.

Sincerely yours,

A. G. ANTOLINI
Acting Deputy Chief of Staff
Economic Section

H.E. Prof. Giovanni Gronchi
Minister of Industry, Commerce
and Labor
Italian Government
Rome

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(THIS DOCUMENT IS THE PROPERTY OF HIS BRITANNIC MAJESTY'S GOVERNMENT).

SECRET

COPY NO. 66

S.L.A.O. (IT)(44)15

WAR CABINET
OFFICIAL COMMITTEE ON SUPPLY QUESTIONS IN LIBERATED AND
CONQUERED AREAS

ITALIAN SUB-COMMITTEE
RESTORATION OF ITALIAN PRODUCTION AND RESOURCES

At the 3rd Meeting of the Italian Sub-Committee, it was agreed that a paper, supplementary to the Survey of Northern Italian Resources (S.L.A.O.(IT)(44)1) should be prepared giving Departments' views on the restoration of Italian production and resources. The attached paper was considered in draft at the fifth Meeting of this Sub-Committee and accepted subject to minor amendments which have now been incorporated.

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(Signed) G. McGleary,
Secretary.

Ministry of Production,
Great George Street, S.W.1.

14th September, 1944

RESTORATION OF ITALIAN PRODUCTION AND RESOURCES

1. The purpose of this paper is to give a general indication of those Italian resources and industries which civilian department in London consider should have priority in any plans for stimulating or restoring Italian production.
2. The problem is not here considered from the point of view of long-term general economic policy towards Italy but solely to see how far Italian resources can be used during the early part of re-occupation either to meet local needs, thereby reducing demands from overseas or to meet requirements for purposes essential to the war effort, or for relief. Long term reconstruction of the industry of Italy, as an ex-enemy country, depends on issues of policy which will be considered by the Economic and Industrial Planning Staff. This paper omits consideration of Italian munition and allied industries, and does not deal specifically with other branches of the engineering industry."
3. Italy has received to date nearly a million tons of supplies which constitutes a considerable shipping commitment. A large proportion of these shipments has been necessary because the North of Italy was the most fertile and productive area, and Southern Italy cut off from the North was dependent on the United Nations for essential needs in foodstuffs and other materials. As soon as the plain Lombardy and the Northern industrial area round Milan and in Piedmont are liberated and in production it should be possible to cut down very considerably Italian imports of many of the goods which have been sent to the country during the last nine months.
4. It emerges from this paper that there are comparatively few essential goods or raw materials which Italy can export at this stage. Our chief aim now should therefore be to make her as self-supporting as possible and not to expect any importation contribution to war or relief needs for some time to come.
5. It is, of course, a pre-requisite of any economic activity - particularly in the industrial field - that transport and public utilities including hydroelectric power be restored to some kind of working order. No special mention is made to them in this survey since it is not known to what extent they will have been repaired by the military authorities for their own purposes. If this is not the case, it is important that estimates of spare parts and equipment needed for repairs be made known as soon as possible to the Supply Departments. If necessary, the panel of public utility experts could prove assistance in drawing up these estimates.

see how far Italian resources can be used during the period of re-occupation either to meet local needs, thereby reducing demands from overseas or to meet requirements for purposes essential to the war effort, or for relief. Long term reconstruction of the industry of Italy, as an ex-enemy country, depends on issues of policy which will be considered by the Economic and Industrial Planning Staff. This paper omits consideration of Italian munition and allied industries, and does not deal specifically with other branches of the engineering industry."

3. Italy has received to date nearly a million tons of supplies which constitutes a considerable shipping commitment. A large proportion of these shipments has been necessary because the North of Italy was the most fertile and productive area, and Southern Italy cut off from the North was dependent on the United Nations for essential needs in foodstuffs and other materials. As soon as the plain Lombardy and the Northern industrial area round Milan and in Piedmont are liberated and in production it should be possible to cut down very considerably Italian imports of many of the goods which have been sent to the country during the last nine months.

4. It emerges from this paper that there are comparatively few essential goods or raw materials which Italy can export at this stage. Our chief aim now should therefore be to make her as self-supporting as possible and not to expect any importation contribution to war or relief needs for some time to come.

5. It is, of course, a pre-requisite of any economic activity - particularly in the industrial field - that transport and public utilities including hydroelectric power be restored to some kind of working order. No special mention is made to them in this survey since it is not known to what extent they will have been repaired by the military authorities for their own purposes. If this is not the case, it is important that estimates of spare parts and equipment needed for repairs be made known as soon as possible to the Supply Departments. If necessary, the panel of public utility experts could prove assistance in drawing up these estimates.

6. Details of the individual industries and resources which should be encouraged are given below. For greater convenience they have been divided into two parts - the first covering raw materials and consumer goods and the second covering food and agriculture.

PART I.

The industries in this Section are divided into four categories:

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I. Industries which should be brought into full operation in order to provide materials needed for essential war purposes; these are goods which may be exported to U.S., U.K. or the Mediterranean area. They are comparatively few in number, being chiefly hemp, silk, sulphur, leather and hides and coal.

II. Industries which should be encouraged in order to meet essential Italian needs. These include (a) those which might eventually provide an export surplus for relief and (b) those which will have no surplus.

III. Industries which need to be restored to provide essential raw materials for the industries grouped in categories I and II.

IV. Miscellaneous Industries which should receive little or no encouragement.

Appendix C attempts to give a rough indication of priorities for the industries in the first three categories. It must be emphasized however that it is impossible to establish a clear cut list of relative priorities and the appendix is attached more as a summary of Part I than as hard and fast guide on priorities. In particular, in allocating scarce raw materials among industries, it may on occasion, be desirable to give preference to a lower priority industry if the amount of such raw material required is small in relation to the output of the industry which can thereby be effected.

803

CATEGORY I

(a) Hemp.

Total U.K. requirements in 1945 from all Italy is likely to be around 10/12,000 tons. The total Italian hemp crop prewar was about 100/120,000 tons. Production in the North is more important than in the South, the Northern crop in pre-war years being roughly two thirds total production. Production of raw hemp should be maximized for use by local industry, thereby obviating the need for imports of other fibres, e.g. jute and sisal, and for export. The U.K. requirement of raw hemp from Northern Italy will depend on the success of experiments with Italian hemp sisal mixture in substitution for pure sisal, on our future allocations of hemp from the Naples area (the C.R.M.B. allocated the first 5,000 to the U.K.) and on our purchases in India.

The Italian hemp manufacturing industry should be maintained or restarted to the extent necessary (a) to meet essentially local civilian needs, (b) to meet Service requirements in the Mediterranean area, and (c) to provide exports particularly for liberated

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The Italian hemp manufacturing industry should be maintained or restarted to the extent necessary (a) to meet essentially local civilian needs, (b) to meet Service requirements in the Mediterranean area, and (c) to provide exports particularly for liberated territories.

The Ministry of Supply consider that it will be necessary to send out at least one and probably two experts in addition to their representative who is already in Naples.

(b) Silk.

Production of raw Silk should be maximized and the raw silk made available for export to the United Nations, except in so far as it is needed for approved use by local silk industry.

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The latter should operate only to the extent that it can produce, for export to the United Nations for the prosecution of the war, manufactured silk (e.g. yarn for parachute fabric) in specifications acceptable for Service requirements.

(c) Sulphur.

With C.R.M.B. authorization, the U.K. has already obtained 10,000 tons of sulphur from Sicily to meet a specific urgent demand. Further shipments of sulphur from Sicily to U.K. are not likely to be wanted, but there is considerable urgent demand for sulphur in the Mediterranean basin which must otherwise be met by long haul shipments from the Gulf of Mexico. Further, sulphur will be urgently wanted for liberated Europe and C.R.M.B. have therefore recommended that Sicilian production be maximised. Italian mainland sulphur will be wanted for Italy's own requirements, mainly for agriculture, and production should be raised to a level sufficient to meet these requirements.

A representative of the Ministry of Supply has already visited Italy and Sicily in connection with the acquisition of the 10,000 tons mentioned above. It is unlikely that we shall need to send anyone else out in the near future.

(d) Coal. 802

High priority has already been given to developing the output of Sardinian coal since this production is regarded as the first source of supply for all Mediterranean requirements except for those purposes for which considerations of quality and size render it unsuitable. It is unlikely that U.K. will be able to make good deficiencies which may arise if the Indian ocean supplies fall short. It is essential therefore that Sardinian coal be used to the maximum extent practicable. So far there has been comparatively little outlet, but it appears probable that a greater proportion of it can be used in the regions now being liberated since industry in the Rome area and northward is better adapted to use this type.

(e) Leather and Hides.

Heavy Lombardy hides must be made available for export in exchange for other hides which we would supply. 500 tons a quarter is suggested as a target for Lombardy hide exports. The leather industry should be maintained or restarted to the extent that hides are available (see also Category IIb).

(f) Chestnut extract.

Italy normally exported an appreciable quantity of this

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(f) Chestnut extract.

Italy normally exported an appreciable quantity of this for tanning and other purposes. U.K. would be glad to take any available supplies.

CATEGORY II.

Industries in this second category are grouped into two sub-divisions: (A) those which when in full operation might eventually provide not only for essential Italian needs but also for

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an export surplus for relief needs in Europe and (B) those which are not likely to provide any such surplus.

A. (a) Textiles.

Of manufactured goods in this category, Italy's considerable textile production is easily the most important. Though production south of the Pisa-Rimini line is by no means negligible, the question of an exportable surplus will not arise until we are in possession of the Lombardy Plain. The 1943 production in the Rayon Industry alone reached a maximum of 200,000 tons. It is essential, for the proper direction of the textile industry, that experts be sent out to investigate conditions immediately the Northern plants come into our possession, to report on the machinery and spare parts needed to restore that industry and also to what extent rayon plants could be converted to the use of raw wool and cotton in place of pulp, which it would be impossible to supply from overseas for some time to come.

861

Home production of indigenous reeds and beechwood pulp, which has recently been developed and should be maintained, will supply 25% of the pulp needs of the rayon and staple fibre industry. But if a part of the industry could be reconverted to natural fibres, raw cotton and wool could be made available.

As regards imports of machinery, these should only be sent on a first-aid basis. It would obviously be prejudicial to the long term interests of the textile industries of the Allied Nations, if the Italians were to achieve priority in long term reconstruction and were the first to equip themselves with improved machinery or increase capacity through the accident of being the first to be out of the war.

For the same reasons, we attach importance to the selection of markets for exportable surpluses from Italy and to the strict control of the types of goods to be manufactured for export. It is clearly desirable that Italian textile exports should be limited to the relief range of goods and should be sent to territories with immediate needs.

(b) Pyrites.

Italian pyrites are wanted for local production of sulphuric acid (see III b below). Pyrites cinders are used as raw material for the production of pig iron. The Ministry of Supply would not wish to switch from Spain to Italy as a source of pyrites, as the British sulphuric acid industry is now

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(c) Zinc and Lead.

C.R.M.B. has recommended that lead and zinc production in Sardinia is desirable and that the mines should be operated with a view to getting maximum output of lead. Subject to the Combined Coal Committee, coke should be supplied to operate the lead smelter in Sardinia. We have suggested that

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when electric power is again available, zinc smelters in Sardinia and at Cotrone should be re-started. The lead and zinc metal should be reserved for the Mediterranean area, particularly Italy, for stockpiling against relief and rehabilitation needs or for other needs as may be determined by C.R.M.B. The lead and zinc deposits in North Italy are much smaller and it is doubtful whether it will be necessary to start up the mainland mines if the Sardinian mines are in production.

(c) Carbon disulphide.

Production should be increased as far as possible. Carbon disulphide is needed in the production of synthetic textiles, olive oil extraction for soap making and for pesticides.

CATEGORY II B

(a) Footwear.

Footwear production should be developed as much as possible. Considerable capacity existed before the war for leather footwear and also for soles made from substitute materials such as cork, wood, etc.

(b) Timber.

Production of timber to meet essential local needs should be encouraged, but it is important that timber should not be wasted. It seems unlikely that it will be possible to develop an export surplus.

(c) Paper

Italy has been relying recently on native plants for fibre for the paper-making industry and we should like to see the paper industry started up again to the extent that indigenous raw materials are available. The stumbling block, however, is likely to be coal, which is essential to the industry.

(d) Jute - substitutes.

The Italian jute substitute industry using domestically produced broom root fibre and hemp tow has been developed since supplies of jute were cut off. As the jute supply position is not easy at present, it will be extremely useful if this industry could be started up in order to meet jute sack requirements in Italy. Production of sacks from other substitute materials, e.g. spun paper, should also be encouraged.

(e) Rubber

Any production of synthetic rubber would be encouraged.

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(e) Rubber

Any production of synthetic rubber would be welcome but it is likely that the Germans will either remove or destroy the key units of the plants at Ferrara and Terni before the Allied advance.

CATEGORY III.

The third category consists of those industries which need to be restored in order to supply raw materials or essential services for the industries grouped in categories I and II. It is of course essential to the restoration of any considerable

industrial activity that the hydro-electric power plants be got into working order as soon as possible, since 90 per cent of all manufacture and nearly one-third of the railway system in Italy depends on electric power.

(a) Iron and Steel.

Steel is a basic industry. If transport equipment and hydro-electric installations need substantial repair or replacement, considerable quantities of steel will be wanted, as they will also for the restoration of other manufacturing industries and for building. The supply position of steel products is, in general, tight, and local production of steel should be encouraged in order to minimize demands for imported steel for essential repairs, at any rate for some time after the end of the war in Europe.

The raw materials for steel are pig iron and/or scrap. Italian pig iron requires imported coking coal for its production from native ores and pyrites cinders. It is thought that there will be adequate supplies of local scrap, and it is important that these should be made available to steel plants which will entail giving their transport adequate priority. Until all Italy is liberated, local conditions and availabilities particularly of electric power and coal, must determine whether particular iron and steel plants, as they come under Allied control, can be kept going or re-started. Wherever practicable, this should be done. Plants capable of producing steel without imported materials (e.g. plants making electric furnace steel from scrap) and plants requiring only relatively small quantities of imported coal to help out local resources (e.g. electric blast-furnace iron-smelting plants) should in general have priority over plants dependent mainly on imported coal, although there may be exceptions.

When the North is liberated, a survey should be made to estimate the minimum tonnage of imported coal required to achieve the then desired level of steel production. After Germany's defeat the Italian steel industry should probably revert to using German coal if available, and may be able to obtain pig iron from the Linz plant in Austria.

(b) Sulphuric Acid.

Essential for the fertilizer and rayon industries which alone take up to 75% of production. Sulphuric acid is an extremely difficult cargo to transport and imports into Italy are out of the question. Sufficient pyrites should be available to enable sulphuric acid to be made in Italy.

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(c) Soda Ash and Caustic Soda.

Both these depend on native salt of which there are ample supplies. Soda Ash and Caustic Soda are both at present difficult in the U. K. and the U. S. A. They are essential for the paper, rayon, soap, and olive oil refining industries, 85% of Caustic Soda production being used for rayon and staple fibre. Unless sufficient power is available coal would be required for production on roughly a ton for ton basis. The two most important soda factories are in the North at Trieste and Legnaro.

CATEGORY IV.Miscellaneous.

(a) No special measures should be taken to start up the following industries, but they would be useful when in production:

(i) Asbestos. This is non-spinning grade only. There are ample supplies in Canada, but local supplies would save shipping. Non spinning grade asbestos is used in the building trade and demands are likely to be heavy.

(ii) Alcohol. This might be wanted for use as a substitute fuel.

(iii) Coal carbonization products. Restriction of coking coal will limit the extent to which this industry can be started up.

(iv) Tin.

(v) Plastics.

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(b) It is unnecessary to start up the following industries until the emergency period is well over, as ample supplies are available elsewhere:-

(i) Mercury, Antimony, Copper, Nickel. Italian production of the last two is insignificant.

(ii) Bromide, Iodine.

(iii) Raw Cotton (because it competes with food).

(iv) Flax.

PART II

1. It is of primary importance that Italian agricultural resources should be fully exploited in order that imports of foodstuffs should be kept to a minimum. Provided that agricultural production could be restored to near normal levels and crops and livestock products can be successfully amassed, Italy as a whole should be able to do without any substantial imports of foodstuffs. In order to achieve this every effort should be made to stimulate the production of the staple foodstuffs - wheat, rice, olive oil, sugar - and from this follows the necessity to give high priority to the related industries, flour mills, bakeries and spaghetti factories ranking highest, with olive oil plants and sugar beet factories (the latter in

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2. Appendix A shows the proposed priority, using the same scale as in Part I, of the main agricultural and food industries in order to attain Italian self-sufficiency in foodstuffs, together with possible exportable surpluses, and Appendix B discusses briefly the regional availability of foodstuffs and agricultural requisites.

3. Below are given some details in support and amplification of the priorities shown in Appendix A.

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4. Wheat.

So far as Italy south of the Pisa/Rimini line is concerned unless wheat emassement could be so effective that it would be possible to mobilize the entire crop, less the quantity to which the peasant is legally entitled for seed and household consumption, imports would be necessary in order to maintain even the minimum level of urban consumption.

5. Rice.

This is grown exclusively in Northern Italy, and given a normal crop it should be possible to obtain a quite substantial surplus though it might be necessary to import an equivalent amount of wheat.

6. Sugar Beet.

This is also almost entirely grown in the North. Every effort should be made to process the 1944 beet crop, particularly in the main sugar producing areas of Veneto and Emilia, although this might mean a sudden heavy demand on transport and labour. This sugar could be traded for the surplus olive oil from Southern Italy, if the latter can be effectively emassed.

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7. Olive Oil.

The main producing areas are in the South and, as suggested in the preceding paragraph, this might (assuming occupation of Italy above the Pisa/Rimini line) be exchanged for sugar from the North.

8. As there is a shortage of animal protein foods, high priority should be given to meat and meat processing, cheese making and fishing. It would not, however, be necessary to give such a high priority to the two former industries in the area South of the Pisa/Rimini line since commercial cheese making and meat processing are largely confined to the area North of this.

9. Agricultural Requisites.

In order to maintain and increase agricultural output and thereby minimize imports it is important that supplies of agricultural machinery, seeds, pesticides and fertilisers are assured. These industries should be given high priority though ranking below the essential food industries. Production of superphosphate plants, the raw materials for which are phosphate rock and sulphuric acid (45% of the production of the latter is normally taken up for fertilisers), should be maximised to the extent that phosphate rock can be imported from Tunisia. the extent that phosphate rock can be imported from Tunisia.

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extent that raw materials, sulphuric acid and scrap copper, are available. The question whether, if there is a deficiency of copper scrap, this should be imported from the U.K. or U.S.A. will require consideration. The vegetable seed-growing industry should be stimulated to meet Italy's own requirements and provide a surplus for relief needs.

10. Soap.

Unless imports of oil seeds and vegetable oil can be obtained, the soap industry will have to depend on olive residue oil and animal and waste fats. Caustic Soda will also be required (see also Category III(c).)

11. Exports.

As indicated in paragraph 3, so far as food and agriculture are concerned it is felt that the emphasis should be on attaining Italian self-sufficiency. However, assuming a normal crop it should be possible to obtain a quite substantial surplus of rice, though against this imports of wheat might be necessary. There should also continue to be surpluses of seeds, fruits, nuts, wine and tartaric products, some of which are already being exported to U.K. and U.S. In addition, certain supplies of fertilisers, soap and some types of agricultural machinery might be available for relief if the industries can be quickly rehabilitated but, as shown above, this would be dependent on certain imports of raw materials.

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This paper sets out the views of supply departments at the present date. At any moment, the supply position may change and so affect the relative priorities indicated here so that a further review will be necessary from time to time. It is suggested therefore that this paper should automatically come under revision in a few months' time.

Since the purpose of our policy is in the nature of short term first-aid repairs rather than long term restoration of industry, it follows that any necessary equipment, spare parts or raw materials which it is agreed should be sent, should be supplied as quickly as possible. It is however very doubtful in the light of other known demands on our industrial capacity and labour whether substantial quantities of equipment, necessities etc., could be made available from the U.K. in 1944 or even 1945 for use in Italy. Thus if the vital hydro-electric power plants are badly damaged their restoration will have to depend largely on equipment from the U.S.A. On the other hand if any vital industry were not badly damaged and could, with prompt supplies of a few repair items be brought quickly into production it would

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Departments are also, anxious to emphasize as strongly as possible that the restoration, even on a short term basis, of Italian industry should be accompanied by effective control of the goods produced. The desired reduction in imports can be achieved only if Italian home consumption is kept down to relief standards and this necessitates equitable distribution, rationing and price controls. Unless such controls can be effectively exercised, the

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Imports of equipment and raw materials to stimulate production of consumer goods would not be justified and might arouse resentment in Allied Liberated Territories less favourably situated in regard to indigenous production of such goods.

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APPENDIX ARestoration of Italian Production
and ResourcesPart 2Main Food and Agricultural Industries

Flour Mills	1
Bakeries	1
Spaghetti	1
Olive Oil	1
Meat and Meat processing	1
Cheese making	1
Fishing	1
Sugar refining	1
Rice	1
Agricultural machinery	2
Fertilisers (nitrogenous)	2
(phosphatic)	2
Pesticides	2
Ice and cold storage	2
Fruit and vegetable packing	2
Fish preserving	2
Tartaric products	2
Citric products	2
Wine making	2
Soap	3

APPENDIX B

Notes on Regional Availability of
Food Supplies and Agricultural
Requisites

1. Wheat Of the six main producing areas, four are in the North, Emilia, Lombardy, Veneto and Piedmont, and of these Emilia is the only one likely to have a substantial surplus. Piedmont might possibly grow a small surplus, while Veneto would possibly have to import. In the South, Sicily normally produced sufficient to meet the bulk of domestic needs but imported rather more soft wheat than she exported "durum". Puglia should be self-sufficient; although half of the wheat grown is "durum" and normally there was a surplus of this, pre-war she probably imported somewhat larger quantities of soft.
2. Rice Is grown exclusively in Northern Italy the main areas being Piedmont and Lombardy, accounting for nearly 50 per cent and 40 per cent respectively of the total production. Out of a pre-war crop of some 800,000 tons, Italy used to export about one-quarter.
3. Sugar Beet Is almost entirely grown in the North, Veneto and Emilia producing between them about 85 per cent of the Italian crop. About three-quarters of pre-war production in these two regions was surplus to local consumption.
4. Olive Oil The main producing areas are in the South - Puglia, Calabria and Sicily - of which Puglia had an average annual surplus of nearly 50,000 tons, Calabria had a small surplus over local needs and Sicily exported olive oil against an almost equivalent import of other and cheaper vegetable oils.
5. Fishing Industry While this was more or less general, the main fishing ports (with the exception of Bari (Puglia) and Ancona (Marche)) appear to be in Veneto, Emilia, and Venezia Giulia and Zara, where there are fish-preserving and canning industries.
6. Cheese Production Lombardy and Emilia are the main producing areas and the pre-war export of 20,000 tons probably came almost entirely from these two regions.
7. Agricultural Machinery Emilia and Veneto are believed to have the two main manufacturing firms at Leggio and Verona respectively. There is a small production at Imola and Pinerolo.

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2. Rice is grown exclusively in Northern Italy the main areas being Piedmont and Lombardy, accounting for nearly 50 per cent and 40 per cent respectively of the total production. Out of a pre-war crop of some 800,000 tons, Italy used to export about one-quarter.

3. Sugar Beet is almost entirely grown in the North, Veneto and Emilia producing between them about 55 per cent of the Italian crop. About three-quarters of pre-war production in these two regions was surplus to local consumption.

4. Olive Oil The main producing areas are in the South - Puglia, Calabria and Sicily - of which Puglia had an average annual surplus of nearly 50,000 tons, Calabria had a small surplus over local needs and Sicily exported olive oil against an almost equivalent import of other and cheaper vegetable oils.

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6. Cheese Production Lombardy and Emilia are the main producing areas and the pre-war export of 20,000 tons probably came almost entirely from these two regions.

7. Agricultural Machinery Emilia and Veneto are believed to have the two main manufacturing firms at Reggio and Verona respectively, there is a small production at Imola and Rimini (Emilia) and in Piedmont there are a considerable number of firms making agricultural machinery and implements.

8. Nitrogenous fertilisers Of the twelve main synthetic ammonia plants six are in the North and six in the South.

9. Phosphatic Fertilisers Normally the Italian capacity is ample. There are numerous factories but the larger plants are apparently mainly in the North - two in Piedmont (Novara and Alessandria); one in Liguria (Genova); two in Tuscany (Leghorn and Pescia); one in Veneto (Mira) and one in Calabria (Crotona).

10. Soap Vegetable and animal oils and fats, chiefly copra, palm oil, groundnuts, soybeans, low-grade domestic olive oil, and animal fats are used in the Italian soap industry in normal times. Pre-war production was about 200,000 tons of all kinds of soap, but, during war-time, the production and quality of the soap has greatly declined, and certainly the quantities of toilet soap available were insufficient to meet the ration. There are over 1,500 soap works, and, of the nine largest, seven are in the North, one in Rome and one in Naples.

Restoration of Italian IndustriesPart ICategory I

For export either to U.K./U.S. or
to Mediterranean Area

Category II

To make Italy self-sufficient.

- A) with possible surplus for relief etc.
B) with no possible surplus

To p
raw

	Priority		Priority	
Hemp	1	Textiles	1	Trans
Silk	1	Pyrites	2	pub
Sulphur	1	Zinc and Lead	2	inc.
Coal	1			Hydro-
Leather and Hides	1	Footwear	1	Iron
		Timber	2	Sulph
		Paper	2	Soda
		Jute	2	Gaust
		Rubber	2	

APPENDIX CRestoration of Italian IndustriesPart ICategory IICategory III

I
to U.K./U.S. or
Mediterranean Area

To make Italy self-sufficient.

- A) with possible surplus for relief etc.
B) with no possible surplus

To provide necessary plant or
raw materials for Categories
I and II

Priority		Priority		Priority
1	Textiles	1	Transport and other	1
1	Pyrites	2	public utilities	
1	Zinc and Lead	2	including	
1			Hydro-electric power	1
1	Footwear	1	Iron and Steel	1
	Timber	2	Sulphuric acid	1
	Paper	2	Soda ash and	1
	Jute	2	Caustic Soda	1
	Rubber	2		

wrm/edg

Col. J. P. Warden Report on Visit to U.S. (1.1.42)

On arrival in U.S. contact was made with War Office (1.1.42) who arranged meetings with Ministry of Supply, Ministry of Food, Ministry of Production and Board of Trade.

Col. Warden (1.1.42) wished to make the following points: "It is most important that you should make it clear to the Civil Departments that your visit is on an unofficial basis, because they are very apt to seize upon anything which is said in the course of discussion for use in argument regarding Civil Affairs policy generally. This is particularly true of the Ministry of Food. When Colonel Todd was over here they took detailed notes of everything he said and then sent copies to the War Office in support of a particular argument which was then going on regarding the Ministry of Food Ultra representative".

Ministry of Supply (Mr. Workman, Miss Wolcott, Col. Crossman, Col. W. P. Evans).

Silk

Production of raw silk should be maximised and the raw silk made available for export to the United Nations, except in as far as it is needed for approved use by local silk industry.

The latter should operate only to the extent that it can produce, for export to the United Nations for the prosecution of the war, manufactured silk (e.g. yarn for parachute fabric) in specifications acceptable for service requirements.

Mr. Workman stated that Mr. Hutton would be returning shortly to U.K. for consultation in connection with the silk industry and a decision would then be taken as to whether he would return to Italy or not. Mr. Gaddam, Deputy Silk Controller, would probably visit Italy as soon as developments in the silk industry in Northern Italy were possible.

The Ministry is interested in the entire silk industry output at least until the end of the war with Japan.

There is little or no availability of cocoons from abroad for implementing the Italian silk industry.

Sulphur

Possibility of increased sulphur production was discussed. Meeting was informed that increased production was entirely dependent on the receipt of mining supplies, which had been rationed.

It is unlikely that further shipments of sulphur from Sicily to U.K. will be required, but as there is considerable urgent demand for sulphur in the Mediterranean basin which must otherwise be met by long haul shipments from Gulf of Mexico, Sicilian production should be maximised. Further, sulphur will be urgently wanted for liberated Europe.

Italian mainland sulphur will be wanted for Italy's own requirements, mainly for agriculture, and production should be raised to a level sufficient to meet those requirements.

Lead & Zinc:

Lead and zinc from Sardinia will be of interest as soon as output is available and mines should be operated with a view of getting maximum output. Where electric power is again available, zinc smelters in Sardinia and at Cotrone should be re-started.

The lead and zinc metal should be reserved for the Mediterranean area, particularly Italy, for stockpiling against relief and rehabilitation needs. The lead and zinc deposits in North Italy are much smaller and it is considered doubtful whether it will be necessary to start up the mainland mines if the Sardinian mines are in production.

Carbon disulphide:

Production should be increased as far as possible as it is needed in the production of synthetic textiles, olive oil production, extraction for soap making and pesticides.

Pyrites:

Pyrites are wanted for local production of sulphuric acid. Sufficient pyrites should be available to enable sulphuric acid to be made in Italy as sulphuric acid is an extremely difficult cargo to transport and imports into Italy are out of the question.

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Pyrites are in demand for export, but information is required by Ministry of Supply regarding port facilities at Pollenzo, Pinerolo.

Hemp:

The U.K. requirements of raw hemp from Northern Italy will depend on the success of experiments with Italian hemp/sisal mixture in substitution for pure sisal, on future allocations of hemp from the Naples area (the C.R.M.B. allocated the first 5,000 to the U.K.) and on purchases from India.

The Italian hemp manufacturing industry should be maintained or restarted to the extent necessary a) to meet essential local civilian needs, b) to meet Service requirements in the Mediterranean area, and c) to provide exports particularly for liberated areas.

Mr. Jones has been earmarked for the Hemp Industry in the North of Italy. Mr. McGee will be temporarily attached in connection also with hemp industry.

Total U.K. requirements in 1945 from all Italy is likely to be around 10/12,000 tons. The total Italian Hemp crop pre-war was about 100/120,000 tons.

Production of raw hemp should be maximised for use by local industry, thereby obviating the need for imports of other fibres, e.g. jute and sisal, and for export.

Tyres:

The possibility of providing moulds for tyre manufacture was considered. As the possibilities of manufacture at the Pirelli plant in Rome were not known it was decided that it would not be worthwhile to go further into the question until the Pirelli Factory near Milan became available.

It was pointed out that unless tyres of the following sizes were provided, the greater part of the A.C. motor cars would become immobilised as they consisted of Italian requisitioned cars mounting tyres that could not be provided from standard army stocks.

400	x	15
500	x	15
550	x	15
140	x	40
15	x	45
600	x	18

The matter was referred to Lt. Col. Colton, C.A. War Office who suggested that a request should be made for the required number of tyres through A.F.H.C., pointing out that the tyres were an Army requirement for A.C. officers. If the request were approved by Ordnance it might be possible to obtain priority for production to start within one month of order being placed.

It is however essential that good justification of the essential military need be put up as well as pointing out that the use of Italian requisitioned cars using these tyres enables A.C. to free Army cars for use of the Military.

It must also be made quite clear that the tyres are not for civilian needs whose requirements should be ordered through normal channels.

Raw cotton, wool, rags and textile waste:

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Raw cotton and wool can be provided if requisitions are placed through normal channels.

Rags and textile waste are available from Turkey and it is suggested these might be used at Prato in Tuscany. The quantity available is about 18,000 tons and the total expenditure involved would be about L. 2,152,352. It is not known whether the Italians have any means of payment in Turkey, but the proposal is suggested to A.C. as an alternative.

Information is requested by Ministry of Supply as to whether Prato has been taken by Allied troops intact, and what is the extent of the damage to the mills and machinery.

Ball bearings:

Ball bearings are available for export from U.K. if required.

Ministry of Food: (Mr. Knight, Mr. Seymour, Mrs. Jones-Parry, Col. Crawshaw, Col. W.P. Evans were present).

Interest was shown in the operations of the Istituto Commercio "Atero" which were explained in detail as far as regards exports, also the proposed

method of payment for all exports by Bank of Italy, on behalf of the Italian Treasury.

Mr. Seymour, who proposes visiting Italy within a few weeks, suggested that in view of the fact that the Italian citrus fruit inspectors in Sicily would henceforth be on the pay-roll of the I.O.E. and consequently acting on behalf of the sellers rather than the buyers as heretofore when they were paid by A.C., a hold back of 10 or 20% be made on payments pending report on condition of fruit on arrival at terminal port.

Both Mr. Knight and Mr. Seymour expressed some doubt regarding the reliability of the Italian fruit inspector but finally agreed that it was worth giving them a trial.

Mr. Knight stated that Mr. J. Graham was to be considered the senior representative of the Ministry of Food in Italy and that both he and any other representative of the Ministry of Food, working in Italy, came under the direct supervision of A.C.

Regarding the question raised by Mr. Graham as to whether the Ministry of Food Office should be set up in Sicily or in Rome, the general consensus of opinion was that, in view of the fact that the greater part of exports were, at least for the moment, from Sicily, it would be advisable for the Office to be in Sicily. Mr. Graham could easily come to Rome for consultation whenever necessary.

Financial arrangements have already been made through the War Office for the opening of credits in Sicily to meet office expenses of Ministry of Food in Sicily.

Mr. Knight remarked on the great delay in communications with Ministry of Food representatives in Sicily which in some cases had been as long as 45 days. He suggested that Ministry of Food communicate direct with Mr. Graham with copy to A.F.H.Q. G-5 and copy to A.C.H.Q. War Office (G-4) are in agreement but approval of A.F.H.Q. G-5 is necessary also A.C.H. .

The question of providing motor cars from U.K. for Ministry of Food representatives in Italy was considered. The conclusion arrived at was that considering the difficulties and delays in providing cars from U.K., A.C. would endeavour to solve the transport difficulties with Italian requisitioned cars. This will depend on the possibility of obtaining suitable size tyres.

In addition to citrus fruit and by-products, wine, nuts, argols seeds, the Ministry of Food are very anxious to obtain all the mustard seed available as well as canned tomatoes. Permission has been requested for Mr. L. A. Worn to visit Italy for the purpose of ascertaining the state of the industry and the possibility of putting in hand practical arrangements for the growing and canning of tomatoes.

Board of Trade (Mr. Shevington, Miss McLeary, Mrs. Evans, Col. W. P. Evans were present).

I.O.E. functions were discussed.

The July report of the Commerce Sub-Commission was the first and only report ever received by the B.O.T. It was suggested that the number of copies sent to A.F.H.Q. should be increased in order to ensure a sufficiency for distribution even to the B.O.T. This also applies to the Industry Sub-Commission.

Leather and Shoes:

Owing to a world shortage in leather there is no prospect of importing leather into Italy.

Composition alabs, substitute for sole leather are available from U.S.A. and should be requisitioned through ordinary channels.

Footwear production should be developed as much as possible and use made of substitute material such as cork, wood etc.

There is no surplus availability of footwear for export from U.K.

Clothes rationing:

Interest was shown in the clothes rationing scheme in Italy. If rationing experts from U.K. would be acceptable to the Italian Government the B.O.T. would be prepared to give favourable consideration to such a request.

It is felt that the restoration, even on a short term basis, of Italian industry should be accompanied by effective control of the goods produced. The desired reduction in imports can only be achieved if Italian home consumption is kept down to relief standards and this necessitates equitable distribution, rationing and price controls. Unless such controls can be effectively exercised, the imports of equipments and raw materials to stimulate production of consumer goods would not be justified and might arouse resentment in Allied Liberated Territories less favourably situated in regard to indigenous production of such goods.

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Textile and other machinery:

Textile machinery exports for the rehabilitation of the textile industry are available if required.

The policy to be followed is in the nature of short term first-aid repairs rather than long term restoration of industry and consequently any necessary equipment, spare parts and raw materials which it is agreed should be sent to Italy, should be supplied as quickly as possible.

It is however doubtful in the light of other known demands on U.K. industrial capacity and labour whether substantial quantities of equipment, necessities etc., could be made available from U.K. in 1944 or even 1945 for use in Italy.

Thus if vital hydro-electric plants are badly damaged their restoration will have to depend largely on equipment from the U.S.A.

On the other hand if any vital industry were not badly damaged and

could, with prompt supplies of a few repair items, be brought quickly into production, it would be worth while making a special effort to assist in providing the necessary spare parts.

Reports from Italy:

Any exportable surplus should be notified, through channels, for consideration.

F 5 War Office (Mr. Wade, Mr. Hampshire, Col. Crawshaw, Lt. Col. Southard, Col. W. P. Evans were present).

Operations of I.C.R. were discussed, payments of exports by Bank of Italy on behalf of Italian Treasury and other financial matters which it is presumed will be reported by Col. Crawshaw.

Ministry of Production (Mr. Harden, Miss McLeary, Col. H. Crawshaw were present).

Mr. Harden expressed surprise that during his visit to Italy no one could enlighten him regarding the 12 month programme (Sept to Sept) of Italian requirements. Col. Evans informed him that as far as he could remember the Italian Ministry of Industry and Commerce was busily engaged drawing up its requirements and that the matter would be looked into on his return to H.Q.

Interviews were also held with Mr. Stamford, Director of C.A. War Office and Major Gen. Anderson, D.D.C.A. The subjects referred to were those already mentioned in this report.

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In the course of conversation with the various officials mentioned in this report information was sought regarding U.R.C.C. and U.S.C.C. activities in Italy and whilst no definite ruling was given, the impression formed was that U.R.C.C. and U.S.C.C. would not operate in Italy. A.C. would carry on for the time being and in all probability there would be an infiltration of civilians possibly drawn from U.R.C.C. officials. If civilian personnel is required application should be made, through channels, specifying qualifications and type of civilian required.

A paper on "Restoration of Italian Production and Resources" was unofficially handed to Col. Evans by Miss McLeary, Secretary of S.I.A.C. Copy is hereby attached and it contains much useful information that could serve as guidance in the restoration program of Italy. It is suggested that copies be made and circularised, with this report to the various Sub-Commissions of the Economic Section.

W. P. EVANS
Colonel
Director
Commerce Sub-Commission

GMS/lab

15 Aug 44

SUBJECT: Food for Rome.

1. A conference was held in the office of the Executive Director at 1700 hrs, 12 Aug 44 to consider proposals whereby an improvement could be made in the supply organization and the amount of supplies to be distributed in Rome.

Present:	Brig. General O'Dwyer)	
	Mr. A. G. Antolini)	
	Mr. A. L. Villa (	Economic Section
	Lt. Col. Sharp (	
	Major Thompson)	
	Major Sullivan)	
	Lt. Col. Martino -	Requisition Division
	Lt. Col. Hartman)	
	Lt. Comdr. Mulieri)	Agriculture Sub-Commission
	Col. Legg -	Food Sub-Commission
	Col. Smith -	Labour Sub-Commission
	Col. Adams)	
	Col. Carnes (	Transportation Sub-Comm.
	Lt. Col. Boddess)	
	Lt. Col. Ames)	
	Lt. Col. Bonham-Carter (	Region XV
	Major Cate)	
	Capt. McCarthy)	

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1. Lt. Col. Ames apologized for the absence of Col. Poletti, Regional Commissioner, Region IV, who had been detained at Terni.

2. Col. Legg detailed the daily diet scale operating in Rome. He had discussed the question of food supplies for Rome with Col. Poletti yesterday and with Major Cate today. Tonnages of supplies which could be made available for the one and one-half million population in Rome (according to Major Cate there are one million, four hundred thousand daily basic ration issues). He proposed that 40,000 tons of supplies per month should be brought into Rome. Of this tonnage 16,000 was for supplies imported from abroad and 24,000 for miscellaneous local products.

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3. Brig. Gen. O'Dwyer thought that this tonnage was insufficient, since less than 2 lbs per head for the population would thus be made available. After a detailed explanation from Col. Legg he agreed to accept this tonnage purely as an interim target to be increased as and when possible. Major Gate stated that as the present imports to Rome only permitted distribution of approximately one pound per head the 40,000 tons target, if achieved, would considerably improve the existing situation.

4. Col. Legg's schedule of areas where surplus food supplies were available included, Naples, Foggia, Grosseto, Macerata, Campobasso, Elba, Cosenza, Catanzaro, and Sicily. Very long distances were involved. At the moment little was being moved by rail and water and road transport facilities would be taxed to the utmost. If possible, coasters should be obtained to assist in this work. Col. Legg also referred to the large amount of supplies available in the immediate vicinity of Rome. These would be additional to the centrally planned collections. At the present time individuals were allowed to bring in to Rome, through the road block check points, up to 10 kilos of non-rationed food supplies. Major Gate agreed that an attempt should be made to direct all other supplies to the central market.

5. Consideration was given to the proposed use of the 60,000 tons of potatoes estimated as available from September in the Avezzano area. General O'Dwyer agreed to resist all demands made by the Allied armies for allocations of potatoes from this area. 25,000 tons would give Rome, at the present scale of issue, a four and one-half months supply. If these potatoes were raised immediately the total yield would be diminished considerably as a potato's development is most rapid in the last few weeks in the ground. As potatoes are required now they should be obtained from the Naples area. The Italian Government must be told to have the potatoes brought from the farms to the Consorzi so that Food Sub-Commission may advise Transportation of the amount of potatoes to be brought from this location to Rome.

6. Col. Adams stated that as soon as he was given the tonnage and periods over which potatoes should be brought from Avezzano to Rome he would work out detailed transportation requirements and ensure that transport was made available.

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7. It was agreed that Region IV representatives should attend a meeting to be held in Col. Legg's office at 1430 hrs, Sunday, August 13 to consider Rome's food requirements. Region IV should estimate total requirements, the amount that could be made available locally and the amounts to be made available by Food Sub-Commission. Region IV would have full responsibility for administering the distribution of the supplies brought in for the use of Rome.

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establishing such control was available.

12. Gen. O'Dwyer asked Region IV to prepare and forward to him each morning a report of the previous day's tonnage of supplies brought into Rome, the mileage involved, and the petrol used. Region IV agreed to submit such a report.

G. M. Sharp. Lt Col

G. M. SHARP, Lt. Col., R.A.
S.O.I. (CA) Economic Section.

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