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# Australia Station Intelligence Summary



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SECTION I.

R.A.N. AND OTHER COMMONWEALTH NAVIES.

(a) ROYAL AUSTRALIAN NAVY.

Launching of H.M.A.S. VENDETTA.

The Daring class ship, VENDETTA, the second of that class being built by the R.A.N., will be launched at Williamstown Naval Dockyard in April by Mrs. Nancy Waller, widow of Captain H.M.L. Waller, D.S.O.<sup>2</sup>, R.A.N., who lost his life when PERTH was sunk in 1942.

VOYAGER, which was launched in March 1952, is due to be completed in April, 1956, and VENDETTA in August, 1956. VAMPIRE, the third Daring, is due to be launched at Sydney in March, 1955 and completed in March, 1957.

H.M.A. Ships BATAAN and WARRAMUNGA.

On completion of her modernisation in September, WARRAMUNGA will be commissioned by the ship's company of BATAAN which is to be paid off into reserve at Sydney commencing 14th June.

Refloating of G.P.V.953.

G.P.V.953, which ran aground on Culburra Beach, 10 miles north of Jervis Bay on 19th January, was successfully refloated by fleet tug SPRIGHTLY on 12th February and towed to Jervis Bay. Earlier attempts by COOTAMUNDRA and KANGAROO to pass a line to the G.P.V. were frustrated by the heavy surf and strong currents in Shoalhaven Bight. The officers

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and men of the three ships were congratulated on the successful conclusion of their efforts, in which they had been most persistent.

#### HAWKESBURY's Islands Cruise.

Some highlights of HAWKESBURY's recent 1,500-mile cruise in the New Guinea area are described in the Captain's Report of Proceedings for December, 1953 :-

"On clearing Madang Harbour (where the depth is over 200 fathoms close inshore) en route for Lae on 16th December, the opportunity was taken to combine exercises with an attempt to impress the native population. So, by prior arrangement with the District Commissioner, a large gallery of spectators on the shore, half a mile away, watched with great interest a high speed anti-submarine action with Squid and Bofors firings.

On 17th December HAWKESBURY arrived at Lae, a port which had not been visited by a major warship for some years, and our welcome was of a warmth that I later found to be typical of the Territory. Lae is a thriving and growing town with some 1,200 white residents, and is a busy air terminal with an average of 24 aircraft movements daily. The Markham River, whose muddy waters stain the sea for miles from the shore, is at present being bridged close to its mouth - a difficult task where nearly a mile of swift flowing silt-laden water and constantly shifting sand banks have to be crossed.

On the following day the ship arrived at Finschafen and berthed alongside Buki Wharf in Dreger Harbour. An examination of this wharf

showed it to be in moderately good condition, having been strengthened some months previously to permit a 4,000-ton merchantman to berth. Finschafen has a small white population of less than 30 who were very glad to see the ship. Libertymen spent most of their time in a cool and pleasant fresh water pool fed by waterfalls in a nearby stream - the pride of the district.

HAWKESBURY arrived at Kandrian, New Britain, on 20th December and anchored in Moevo Harbour. On landing we were given an impressive welcome. A native Police guard was awaiting my inspection, after which I met twenty Luluais, or native chieftains, some of whom, with their Tul Tuls or seconds-in-command, had walked for two or three days to reach Kandrian for the occasion. I was then led between rows of hundreds of colourful natives in variegated array. The local girls wore nothing but alluring grass skirts with provocative bustles right aft, gaily coloured, weighing up to 25 lbs. and peculiar to the district. On the lawns of the Residency beyond this welcoming throng I met the white residents, five men and three women. Later in the evening they entertained me and my officers at supper, and afterwards we watched the local natives disporting themselves in a traditional Sing Sing.

On the following day the Luluais, the school children and many of the adult villagers visited the ship, and by the afternoon over 300 natives had been on board. Libertymen meanwhile watched Sing Sings and war dances ashore, and swam in a natural fresh water pool of deep cobalt-blue, which rivalled in beauty and coolness the one found at Finschafen.

At Kandrian, as at all places visited by the ship during the cruise, the white residents could not stress enough the value they placed on the visit by a major warship to the area. It is eight years since the war and many of the natives are beginning to doubt that protection promised them by their white protectors unless they can see some concrete examples. Again, as Her Majesty is not visiting New Guinea in her current tour, the natives' outlook is that if they cannot have her a ship will do. Consequently I find myself acting the part of Royalty - inspecting guards, receiving rousing welcomes and addressing gatherings of native children or Head-men".

#### H.M.A.S. TOBRUK.

During January TOBRUK enjoyed a break from routine patrols when she visited the Japanese ports of Shimizu and Nagoya.

After berthing at Shimizu TOBRUK was besieged by an assembly of school children, and from morning until nightfall during the four days of her stay (6th - 10th January) there was a continual stream of children on the wharf viewing the ship.

Shimizu City was considered to be well worth a visit. It is clean, unspoiled by Occupation Forces, and a centre from which cheap sightseeing of interesting places, such as Fujiyama, may be enjoyed. The ship's company enjoyed the short stay, the people were pleasant and helpful, and excellent games of rugby, tennis and soccer were played against local teams who were most hospitable.

TOBRUK visited Nagoya between 11th and 13th January and found the port, though small and arti-



ficial, extremely busy and apparently growing in importance. The city has recovered remarkably from its war damage and is perhaps the most up-to-date and progressive of Japan's big cities. Nagoya is an active commercial centre of a large industrial Prefecture, and it possesses a number of fine modern buildings and departmental stores. During TOBRUK's two-day stay bus trips were arranged and a Rugby match was played against a local team.

#### WAGGA's Visit to Lord Howe Island.

WAGGA paid a short visit to Lord Howe Island in early December, and the Captain has provided the following description of the island :-

"Lord Howe Island, with its rich semi-tropical vegetation, the sweep of its lagoon and its year-round perfect climate, is brooded over by the bulk of two improbably huge mountains on the southern end; it must be one of the most beautiful and pleasant places in the world.

The islanders live much as they have done for years, although they are waxing rich on the tourist trade which is catered for by a twice-weekly flying boat service from Sydney. Heavy stores are ordered from the mainland in six-monthly lots, and light cargoes are brought in by air. The only method of unloading is in the open roadstead, except that when some really heavy item such as a motor truck, tractor or generator is to be landed, two surf boats are lashed together. The normal landing place is the "Jetty" through the break in the reef just south of North Bay.

The lagoon is very shallow and the flying boat can operate only within a couple of hours each

side of high water. From the air the water in the lagoon is usually not visible. It is said to be an interesting though disturbing experience to land in a flying boat on what appears to be an irregular mixture of coral, rock and sand."

#### MURCHISON's Visit to Tokyo.

The following extract from MURCHISON's Proceedings for January describes a visit to Tokyo:-

"The ship secured alongside Shibaura wharf at 0630 on Monday, 20th January, after being escorted up the channel by units of the Maritime Services Board. Originally a frigate from the Coastal Safety Force was to have escorted the ship up Tokyo Bay, but owing to the very bad weather and visibility on the previous day this frigate had either not put to sea from Yokosuka or had been unable to find the ship.

The four-day official visit, on the occasion of Australia Day, proved to be enjoyable, the arrangements being made by the Australian Embassy in conjunction with the British Naval Attache, Tokyo. The organisation was first-class and was very much appreciated by all on board MURCHISON. Unfortunately, all games had to be cancelled as snow lay heavily on the ground. This fall of snow in Tokyo was the heaviest recorded in January for many years, but the Ship's Company, many of whom had not seen snow, enjoyed the experience. The Emperor's Palace and surroundings looked very attractive under their snow-white mantle.

We were made very welcome by both the Japanese and the Australian community. During official visits the Captain was escorted by a Japanese police

car and a military police jeep from Ebisu Camp, both vehicles being equipped with chains. In the snow the journeys were conducted at high speed, the siren on the police car sounding continuously. At one crossing the jeep skidded through one hundred and eighty degrees before resuming its true course.

Many of the Japanese diplomats and government officials met at receptions spoke excellent English and some had spent time in England or Australia before the war. The assistance given to the ship by the United States Army Tokyo Quarter-master's Depot, in which Shibaura wharf lies, could not have been bettered, and their band farewelled us on the wharf as the ship departed."

#### EXERCISE "SMASHEX".

The following is a delayed report of a sunken submarine search-and-rescue exercise (SMASHEX) undertaken in the East Australian Area on Thursday, 19th November, 1953, in the approaches to Broken Bay.

The exercise was carried out in accordance with C.B.4000(2)(4)1949, Article 472 (C.A.F.O.'P' 52/52). S.M.X.22, Article 4, Type "D", was chosen for this exercise, i.e., "A/S vessels and aircraft search for bottomed submarine."

As no similar exercise had been carried out for a long period, advance notice was given to ships and establishments that such an emergency was to be exercised in the near future, but no warning was given of the date or time. The two Ocean Mine-sweepers based on Sydney, and also a Boom Working Vessel, were brought to two-hours' notice for steam prior to the exercise. However, these vessels

were unaware of the reason for their notice for steam being shortened.

The following forces took part :-

Ships:

H.M.S. TELEMACHUS	(Bottomed submarine)
H.M.A.S. QUADRANT	Fox One, who assumed the duties of Senior Officer, Search Forces.
H.M.A.S. WAGGA	
H.M.A.S. COOTAMUNDRA	
H.M.A.S. KOALA	(Salvage vessel)
Two S.A.R. craft	

Aircraft:

One S.A.R. Dakota (R.A.A.F.)  
Six Fireflies.

TELEMACHUS sailed from her berth at Balmoral Naval Depot early on the morning of Thursday, 19th November, dived off Broken Bay and bottomed in a depth of approximately 15 fathoms. The submarine actually dived at 0600K and, for the purposes of the exercise, it was assumed that she would surface at 0700K. At 0800K the submarine had not yet surfaced and, thus, for the purposes of the exercise, it could be assumed that "her safety was in doubt and her surfacing <sup>signal</sup> was one hour overdue." (C.N.O.No.14/52, paragraph 16.)

When no surfacing signal had been received from TELEMACHUS by 0800, the authority to whom her diving signal had been sent (in this case, the Commander of the 4th Submarine Squadron (SM4)) originated the SMASHEX ONE signal. One hour later, at 0900, the Shore Conducting Authority (F.O.I.C.E.A.) originated the SMASHEX TWO signal in accordance with paragraph

16(b) of S.M.X.22. In each of these signals the submarine's diving position, which was the datum position for the search, was given as 15 miles from her actual position on the bottom.

After TELEMACHUS had bottomed she released one Indicator buoy, the failure of which to watch added considerably to the realism of the exercise. The originating of the SMASHEX TWO signal indicated that the exercise had really begun, and the surface ships were soon under way. The Air Officer Commanding Home Command, R.A.A.F., was an addressee of both SMASHEX signals, and an S.A.R. Dakota, which is always held in readiness at Richmond, was soon airborne and closing the datum position (Position KK). On clearing harbour, the Senior Officer of the First Frigate Squadron (Fox One - Captain S.H. Beattie, V.C., R.N.) disposed the Search Force as follows :-

QUAIRANT, WAGGA and COOTAMUNDRA to carry out a creeping-line-ahead search, commencing on the southern limits of the area and advancing slowly north. One S.A.R. craft to carry out a high-speed visual search, starting at the northern limit of the area and covering in a southerly direction. The second S.A.R. craft to carry out a similar search in the centre of the area.

The first indication of the "sunken" submarine's position came from an aircraft report of the sighting of smoke candles, and all surface forces were ordered to close the reported position. Shortly afterwards, H.M.A.S. COOTAMUNDRA gained S.S.T. contact with TELEMACHUS and held it throughout the remainder of the exercise. Meanwhile, the salvage vessel H.M.A.S. KOALA, which had taken aboard the diving party and equipment from H.M.A.S. RUSHCUTTER and had been ordered to the datum position, proceeded northwards and prepared to put down a diver. KOALA moored herself over TELEMACHUS and a diver was sent down with an air hose. He was successful in

locating the submarine, but, due to lack of time, was unable to connect the hose.

When TELEMACHUS had been located, the Commander (S/M) Fourth Submarine Squadron (Commander E.J.D. Turner, D.S.O., D.S.C., R.N. .) who, together with the Medical Officer and party, had embarked in an S.A.R. craft at Balmoral, transferred to H.M.A.S. QUADRANT to assume charge of rescue operations. The diver having been recovered, TELEMACHUS was ordered to surface and this highly successful exercise terminated at 1800K - the exercise having lasted just two hours less than the maximum laid-down period of 12 hours.

(b) OTHER COMMONWEALTH NAVIES.

ROYAL CANADIAN NAVY.

Naval Strength.

A review of Royal Canadian Naval activity at the end of 1953 showed that the R.C.N. had more ships in commission and more men than at any time since the 1939/45 war.

Ships in commission included one aircraft-carrier, two cruisers, eight destroyers, one destroyer escort, five frigates, four minesweepers, five coastal escort vessels, and sixteen miscellaneous craft. The Reserve Fleet comprised fifty-six ships, of which twenty have been modernised, while the remainder are in varying stages of modernisation. Additional ships, including an aircraft-carrier, fourteen destroyer escorts and one Arctic Patrol vessel are under construction. Nine naval vessels including three frigates are on loan to other Government Departments.

The minesweepers are the first of fourteen new construction vessels due to be completed in 1954. Of these, six will go to France under a mutual aid agreement.

Total personnel borne at the end of 1953 was 16,887 officers, men and Wrens. Of these 3,500 have served in Korea, where the R.C.N. maintained three destroyers, "ATHABASKAN" having had three tours of Korean duty, totalling 34½ months.

Five R.C.N. ships, including the Aircraft-Carrier H.M.C.S. "MAGNIFICENT" and the Cruiser H.M.C.S. "QUEBEC" took part in the NATO exercise 'Mariner'.

A Coronation Squadron of six ships - MAGNIFICENT, ONTARIO, QUEBEC, SIOUX, SWANSEA and LA HULLOISE represented Canada at the Coronation Spithead review.

Additions to the Fleet during 1953 included H.M.C.S. ALGONQUIN, converted from a fleet destroyer to an anti-submarine destroyer escort; and the three modernised frigates PRESTONIAN, TORONTO and LAUZON. These three are the first of sixteen frigates to be re-equipped and modernised to meet present-day requirements.

Canada's first Naval Reserve Air Squadron was formed at Toronto in 1953, and before the end of the year two more squadrons, one at Kingston and the other at Victoria, were formed.

During the year it was announced that U.S.-manufactured "BANSHEE" jet all-weather fighters would be purchased for the R.C.N.

The first Canadian-built naval torpedo has been accepted from Canadian Westinghouse Limited. The current defence programme includes torpedo contracts worth \$40,000,000.

A.S.W. Experimental Unit.

The forming of a Helicopter A.S.W. Experimental Unit during 1954 is dependent upon the U.S.N. final evaluation of Helicopter-borne "DUNKING SONAR", and the availability of the Piasecki H21 Helicopter.

The requirement for the A/S Helicopter is based upon the need to augment the limited number of A/S escorts available. The existence of helicopter squadrons with trained personnel and facilities will enable inexpensive and efficient reinforcement of screening capacity on the outbreak of hostilities.

The helicopter is considered a satisfactory sonar platform for three reasons :-

- (a) It has little own ship noise.
- (b) It is relatively unaffected by surface sea conditions. The helicopter can operate in wind speeds up to 50 knots.
- (c) It can overcome layer conditions by varying transducer depths.

Other advantages of the helicopter as an A/S Weapon, briefly summarised, are :-

It is an economical and practical means of supplementing surface A/S escorts; since it does not require large overhaul and repair facilities, and since industry would be capable of rapid manufacture and replacement. It is relatively in-



vulnerable to submarine attack and since it would be operating in conjunction with surface support, its vulnerability to air attack is discounted. It does not require an aircraft-carrier as a base, and could well be operated from a merchant vessel or suitable surface escort. The H-21 is capable of carrying an active homing torpedo in addition to Sonar gear, but though a "one-shot" weapon, this disadvantage is offset by its tracking capabilities.

A feature of a recent Hunter/Killer Exercise conducted jointly by R.C.N. and U.S.N. destroyers was the use of Sonar-equipped helicopters to close the gap between finding the submarine by long-range aircraft and attack by the surface attack unit. Though beset by technical failures and fuel limitations, the helicopters achieved considerable success. The submarines used were Guppy types.

One of the recommendations arising from this exercise was : "That serious study be given to the possibility of carrying helicopters in A/S escorts, and as part of that study, to include ways and means of fuelling them at sea, whether they are carried or not."

#### Relics and Records of Nares Expedition.

Glaciologist Geoffrey Hathersley-Smith and Geologist Robert Blackner, investigating the ice shelf bordering the Northern coastline of Ellesmere Island, 400 miles south of the North Pole, have recovered records and relics of U.S. Admiral Peary's expedition in 1906 and Vice-Admiral Nares' 1875/1876 expedition.

As a young officer Vice-Admiral Nares served

on the Australia Station and for sometime was engaged on hydrographic surveys of the North Australian Coast.

In 1872/74 he commanded the "CHALLENGER" on the famous deep-sea exploration voyage.

PAKISTAN NAVY.

An unconfirmed report states that H.M.S. "CHIVALROUS" is to be loaned to the Pakistan Navy.

## SECTION II.

NAVAL (AND OTHER ARMED FORCES) INTELLIGENCE(INCLUDING TECHNICAL INTELLIGENCE)U.S.S.R.Soviet Armed Forces Concentration at Port Arthur.

The Japanese Press reported a Soviet combined Services Concentration in the Port Arthur-Dal'nen Area. The Army component is reported to be in excess of six divisions, including Artillery, while the aircraft include jet fighters and bombers, with a preponderance of fighters.

The reported Naval component includes light cruisers as flagships, Fleet destroyers and Second-class destroyers (the latter listed as gun-boats), while the number of L.S.T.'s included suggests a force with some amphibious character.

The submarine component includes M type and S type submarines.

This report has not been confirmed.

Infra-Red Detection Devices.

U.S.S.R. Naval interest in Infra-red detection devices is illustrated by a brochure "Detections and Communications in a Warship" written by Engineer Vice-Admiral S.N. Arkhipov.

Naturally, no details of research are given, but

the article mentions an instrument designed for detection known as a Thermal Direction Finder, and comments that in rain or fog attenuation is considerable.

### COMMUNIST CHINA.

#### Naval Activity.

Communist Chinese Naval vessels recently sighted in Shanghai included three frigates, twelve M.T.B.'s, a number of L.S.T.'s. and several trawlers.

C.C.N. frigates are of two main types, namely, the ex-Japanese MAIBOKEN class, being 220/230 feet in length, with a displacement of 800/900 tons, speed 17 knots and mounting two 4.7 guns and eight A/A automatic weapons from 20 m.m. to 40 m.m., and ex-Flower class corvettes.

A new boom vessel under construction in Shanghai is nearing completion. It may be fitted with radar.

A 1500-ton tanker is reported to be fitted with a three-inch gun aft.

#### Training at Tsingtao.

The C.C.N. Training School at Tsingtao includes torpedo training in its curriculum.

#### Chinese Communist Naval Air Force (C.C.N.A.F.)

It would now appear that the Chinese Communists have a Naval Air Force. Recent reports state that the C.C.N.A.F. was first formed towards the end of

1951, probably as an alternative to an increase in the Naval strength afloat. Its activities at present are largely devoted to training but it is believed that elements of two divisions are in an operational state.

All aircraft and equipment used by the C.C.N.A.F. are of Soviet origin and Russian advisers play a major part in training and organisation.

Mixed units of the C.C.N.A.F. are stationed in the Shanghai and Tsingtao areas. These units use T.U.S (light bomber, twin-engined, propeller-driven) aircraft and La II (single-engined, propeller-driven) aircraft. The total number of operational aircraft of these types is about 80.

#### JAPAN.

##### National Safety Agency.

Reports from Japan indicate that it is not unlikely that the National Safety Agency (the cloak worn by Japan's Armed Services) will soon be re-organised along the lines of a Department of Defence. Firm and final proposals are expected in the budget for the fiscal year commencing April, 1954.

The question of the cost of joint defence undertaken under a Mutual Security Agreement with the U.S.A. has been the subject of some stalling and argument; and the Japanese are pressing for a reduction of their share of 62,000 million yen.

Press comment in Japan is that the 1954 Budget will allow for increases in the strength of the N.S.F. (Army) C.S.F. (Navy) and for the estab-

lishment of a separate Air Force.

Coastal Safety Force.

The Coastal Safety Force has an authorized strength of 10,689, and an actual strength of 9,900, which is sufficient to man the 18 frigates, 50 L.S.S.L's from the United States, and the mine-sweepers received from the Maritime Safety Board.

The Japanese appear to be working on a build-up to an estimated maximum tonnage of 150,000 tons during the next five years.

The 1954 Budget is expected to allow for 8 A/S vessels of 300 tons, 3 M.T.B's of 60 tons and 3 in-shore Minesweepers.

In addition the Japanese hope to receive from the United States 2 destroyers of 2,425 tons, 3 destroyers of 1,630 tons, 2 Destroyer escorts, 4 Auxiliary Minesweepers, 2 L.S.T's of 1,600 tons and 1 Destroyer Depot Ship of 7,000 tons. They are also expected to request the loan of one or two Submarines for A/S training. No agreement has yet been reached on this transfer.

C.S.F. Air Stations

Air Stations have been planned at Tateyana in the Saiba Prefecture and at Kanaoya in Southern Kyushu near Kagoshima. Tateyana Air Station was actually opened on 1st December, 1953.

The only aircraft at present available are four Bell Helicopters. Since no aircraft-carrier is envisaged in the construction programme it can

be assumed that the Coastal Safety Force Air Arm will be land-based.

The Japanese are taking some pains to emphasise the defensive character of their rearmament.

#### N.S.F. Air Arm.

It is reliably reported that the intended air build-up of the N.S.F. during the next five years will include Jet trainers in Year One, a small number of Sabre aircraft in Year Two, increasing to 300 in Year Five, when Neptune bombers will be added.

#### Jet Aircraft Construction.

A press report claims that the Kawasaki Aircraft Company has received from the Lockheed Company of America all rights necessary for the manufacture of the Lockheed T-33, a 2-seater Jet Trainer, and the F-94C Starfire, an all-weather Jet fighter.

The Company will also manufacture under licence the jet engines for these aircraft when present negotiations are completed between the Company and the Allison Division of General Motors.

It is expected that it will be at least a year before building commences and in the meantime the Kawasaki Aircraft Company will overhaul and repair American jet aircraft.

It is not known whether these aircraft will be service aircraft lent to the Company in order to gain experience in handling them.

INDO-CHINA.U.S. Military Aid.

The U.S. has sent 200 aircraft technicians to Indo-China to instruct in the use of technical aid which has been made available under the Mutual Assistance Programme.

Seven Landing Ships are also to be transferred from the U.S. "mothball" fleet to the French Naval Forces in the Far East.

THAILAND.U.S. Military Aid.

H.T.M.S. PANGAN, with T.3, T.4 and T.5 in company, is reported to have left an Indonesian port for Bangkok.

These vessels, the T.3, 4 and 5, are believed to be ex-American Coastguard Cutters which have been supplied to Thailand under the Mutual Assistance Programme. PANGAN is a Naval Transport and was recently reported in the Philippines area.

A number of Thai naval personnel have been in the U.S. undergoing training and were probably used to man these vessels for at least part of the journey home.

INDONESIA.Naval Training.

A naval training establishment is under construction at Macassar, and should be completed in



1955. It is intended as a rating and Commando training centre.

A School of Mercantile Navigation is expected to be instituted in Djakarta. This was announced by the Indonesian Minister for Communications, who said that a similar school had been opened at Macassar in December. This follows reports of disaffection among officers of the Merchant Marine.

#### Netherlands Military Mission.

The Netherlands Military Mission was dissolved at the beginning of this year. All members have returned home with the exception of 80 members of the Naval component of the Mission, which will continue its activities until July.

#### Naval Construction.

An Indonesian contract with the Italian firm of Ansaldo provides for the purchase of two Escort vessels of 1,400 tons at a cost of 3,120,000 U.S. dollars per ship.

Despite Indonesian denials, it is believed that a tender has been placed in Holland for one small destroyer.

#### U.S.A.

#### Naval Construction.

The contract for the third of the United States 60,000-ton FORRESTAL aircraft-carriers has been let to Newport News, Virginia Shipbuilding and Dry-dock Company for a reported figure of 117,750,000 dollars.

The total cost is expected to be 182,000,000 dollars. This will include Navy-supplied equipment.

The first of this class, the FORRESTAL, is under construction at Newport News and the overall cost is expected to be 218,000,000 dollars. The second, the SARATOGA, is being built at New York Naval Shipyard, Brooklyn, at a cost of 212,000,000 dollars.

Three SHERMAN class destroyers have been contracted to the Quincy Yard, Massachusetts, of the Bethlehem Steel Corporation. The reported contract price is 53,000,000 dollars.

### NETHERLANDS.

#### Naval.

The 10,000-ton cruisers DE RUYTER and DE ZEVEN PROVINCIEEN commissioned on the 18th November and the 17th December respectively. It is reported, however, that the mainmast will be repositioned because of deterioration of electrical and electronic equipment.

The sixth of 12 A/S destroyers, the "GRONINGEN", was launched in Amsterdam on 9th January. Details released show her to be a twin-screw ship of 2,478 tons powered by 60,000 H.P. Turbines giving a speed of 36 knots. Armament includes four 12 c.m. dual purpose guns in twin turrets and six 40 m.m. close-range weapons and unspecified A/S weapons. The ship's complement is 268.

The modernised Royal Netherlands Navy will include one aircraft carrier, 2 Cruisers, 12 destroyers, 17 frigates, 82 Minesweeper/Minelayers, 7 submarines and 9 Patrol Vessels.

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The total cost will be £190,000,000, of which N.A.T.O. funds will provide £70,000,000.

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## SECTION III.

EXTERNAL POLITICAL, POLITICO-MILITARY, AND  
ECONOMIC INTELLIGENCE.U.S.S.R.Soviet Relations with Satellites.

As a result of recent changes, Soviet Foreign Office representatives in satellite countries are now largely Communist Party officials rather than career diplomats. Since diplomacy in the usual sense plays little part in relations between Moscow and the Satellite capitals, it is probable that the new men have been chosen for their ability to ensure the reliability of the local Communist parties.

COMMUNIST CHINA.Increased Prestige for the Chinese Communist Army.

General P'eng Teh-huai, Deputy C-in-C., Chinese Peoples Liberation Army, has been elevated to the Chinese Communist Politburo (Central Committee). The consequent increased prestige for the Army seems to be in line with recent events in the U.S.S.R.

Purge of Chinese Communist Party Members.

Recently the Central Committee of the Chinese Communist Party recommended a purge of Party members who cannot stand criticism. Mao tse-tung was not present at the meeting and is said to have been ill. It has been suggested that his illness could have been "diplomatic" and might require convalescence in Moscow.

Chinese Communist Propaganda in Indo-China.

China has recently increased the volume of its propaganda on Indo-China. This has been directed against U.S.A., accusing her of direct participation in the war through the supply of technicians and arms - something which Communist China has been doing for some considerable time.

Sea Transportation Bureau.

A Sea Transportation Bureau has been set up. As originally formed, this organisation was a State-owned Shipping Company. It is now empowered to impress or charter ships from private companies, and it exercises control over other private and semi-nationalised companies. It fixes freight and wage rates and records cargo and shipping movements.

Moscow-Peking Railway Link.

Peking claims that the first through train from Moscow arrived early in February after a nine-day journey. The report goes on to say that the time taken shows a speed of advance of 600 miles a day, which is good by any standard for a trans-continental trip.

KOREA.Political Conference.

The Berlin Conference of the Foreign Ministers of U.K., U.S., France and U.S.S.R. decided that a conference to discuss Korea should be held in Geneva on 26th April.

Countries that will participate in the Con-

ference will be the Four Powers, U.K., U.S.A., France and the U.S.S.R., with Communist China, North and South Korea and the 16 U.N. nations which too part in the defence of South Korea attending by invitation.

It has been emphasised by the Western Powers that Communist China will not be recognised as an equal partner with the Four Powers during the Conference.

### JAPAN.

#### Status of U.N. Forces.

United Nations armed forces, with the exception of the armed forces of the Republic of Korea, can now enter Japan without the necessity of a Japanese visa.

For Armed Forces Personnel all that is needed is a personal identity card and a travel order, individual or collective, issued by armed forces authorities.

Civilian components and dependants need only a passport containing normal details.

#### Shipbuilding.

Japan now ranks second to the United Kingdom in the ship-building industry. Estimated tonnage built in 1953 was 626,000 tons.

The Hitachi Shipbuilding Company is believed to have signed a \$1 million contract to construct a 5,000-ton freighter and 9 smaller ships for the U.S.S.R.

This Yard is already repairing Soviet ships under a barter agreement concluded early in 1953.

INDO-CHINA.Internal Situation.

A state of deadlock now exists in Indo-China. The Vietminh, after their advance on Luang Prabang, stopped short of their objective and are reported to be withdrawing to the north-east again.

The French have failed to launch any counter-attacks, which may be due either to the announcement that the Indo-Chinese question is to be discussed at Geneva in the near future or the presence in Indo-China of several high-ranking politicians and military personnel, including the French Defence Minister, M. Pleven.

It appears that M. Pleven had extraordinary powers to make "on the spot military decision", and the sudden lack of French initiative may be significant.

The Vietminh offensive was obviously timed to coincide with the Berlin Foreign Minister's Conference and reports indicate that orders were issued to step up action throughout the country. This has been done and the plan has displayed a remarkable degree of co-ordination from the Chinese border to Saigon.

It is believed that the Vietminh plan was to take as much of Tongking and Northern Laos as possible in order to be in a strong position should a conference be held to discuss a peace settlement in Indo-China.

BURMA.KMT Evacuation.

The evacuation of the KMT recommenced on 14th February and over 1,000 persons have so far been evacuated. \$75,000 in the form of dollars, rupees and gold bars, is to be divided among the KMT Generals who evacuate. In addition, each evacuee will receive 15 dollars pocket money. The Evacuation Committee expected that a greater number of arms be surrendered during this evacuation owing to an offer of payment for them, but as yet practically no arms have been surrendered.

There has been no official date set for the completion of the evacuation.

PAKISTAN.Turco-Pakistan Agreement and United States Aid.

On 15th February, at Karachi, an agreement was concluded between Turkey and Pakistan for defence, political and economic co-operation. It was stressed that this agreement will not be a close military alliance but, in the words of the Pakistan Prime Minister, will "give substance to the Pakistan-Turkey Treaty of Friendship of July, 1951". Mohammed Ali also stated that this was "the first concrete step towards strengthening the Moslem world".

Turkey has informed Iraq, Persia, Afghanistan and India of the agreement, and in the advice to Iraq has asked her to join in the agreement. It is anticipated that Persia may also be invited to be a signatory, but only when her defence arrangements have improved considerably. When this stage is



reached, the agreement will have developed towards a new Middle East Defence Organisation, and will amount to a barrier against possible Soviet aggression in the Middle East.

On 22nd February it was announced that Pakistan had made a formal request to the United States for military assistance under the Mutual Security Aid Agreement. A United States mission will probably be sent to Pakistan to determine what degree and type of aid is appropriate.

India's objection to the Turco-Pakistan pact has now been followed by a statement by President Nehru that the proposed United States aid to Pakistan will further endanger Indo-Pakistan relations.

#### INDONESIA.

##### Political Situation.

The dispute in the Defence Ministry has fizzled out after a compromise solution was reached at the "re-union" of officers convoked by the President, Sukarno, on 31st December. Here it was decided that both the Defence Minister, Iwa Kusumasumantri, and the Chief of Staff of the Armed Forces, Bambang Sugeng, would stay at their posts. The disputed Army staff appointment of Lubis, Abimanju and Sapari, made by Iwa without consulting Sugeng have been confirmed, although the Chief of Staff's authority regarding future appointments of this type has been acknowledged. It is also likely that Sugeng will be allowed to decide what duties will in fact be allocated to these officers.

The effect of this settlement has been to re-

duce the Defence Minister's prestige as well as his freedom to introduce far-reaching changes in the Army. His authority to arm Communist-dominated organisations has also been curtailed by a Government bill introduced on 30th December. This states that all volunteer bands formed on the lines of the Armed Forces to aid the State instruments in maintaining security and public order can be armed only after the written permission of the Prime Minister has been obtained.

Meanwhile the Raja of Kokas (West New Guinea), who has a long record of opposition to Dutch rule, for which he has in the past suffered imprisonment, recently arrived in Djakarta. The purpose of his visit was to talk with Indonesian authorities concerning the inclusion of West New Guinea in Indonesian territory.

#### Indonesian - Japanese Relations.

In January an Inter-Ministerial Conference was opened to decide on a broad policy towards the protection of Indonesian fishing against foreigners. According to reports no decision has yet been made.

Recently, however, the Indonesian Government protested to the Japanese Government about the Japanese craft that landed on Indonesian territory when coming from Australian waters, and threatened to bring the matter to an issue if this practice continued. As a result the Japanese Authorities have instructed their craft not to encroach on Indonesian territorial rights.

An interim Agreement between Japan and Indonesia on reparations and the salvage of sunken vessels has been signed. The agreement provides

for a Japanese expenditure of 6,500,000 dollars for salvage purposes. No provision has yet been made for the disposal of salvaged material.

H.M.A.S. PERTE and H.M.A.S. VOYAGER were lost in Indonesian waters.

### Indonesian Trade Relations.

With Europe. Indonesia is showing her desire to trade with European countries without intermediaries by her favourable reaction to Rumanian suggestions for active trade between the two countries, and by the negotiations that began in January between Indonesian and Danish trade delegations, which have as their aim the renewal of the trade agreement that expired in September last year.

With Malaya. The Singapore Trade Mission and the Indonesians Economic Delegation have also discussed the possibility of the revival of Indonesian imports from Singapore. Indonesia is now even prepared to accept entrepot goods from Malaya, on condition that prices are competitive and quality satisfactory.

With Chile. Chile, with whom the Indonesians have recently signed a trade pact, is to export amont other items 30,000 tons of nitrates yearly to the Republic. In return for 10,000 tons of nitrates to be rushed by special freighter from Chile, Indonesia is to send back tea, sugar and other products.

### Shipping (New Construction).

Contracts for 34 ships totalling 68,000 tons have been divided between Holland and Japan.

## SECTION IV.

AUSTRALIA STATION GENERAL INTELLIGENCE.JAPANESE FISHING ACTIVITIES.

Reports have recently been received of Japanese fishing vessels operating both in the Coral Sea amongst reefs to the east of the Barrier Reef and off the Western Australian coast. Previously these fishing activities had been confined to the New Ireland-New Britain-Solomon Islands area.

One sighting was by the Master of M.V. "TRIENZA" who on third January saw five small and one large fishing craft in position 22 degs. 40 mins.S., 156 degs., 36 mins.E., about 380 miles east of Rockmpton near Cato Island.

The Master of M.V. "BULOLO", on 18th January, circled a Japanese lugger in position 19 degs. 23 mins.S., 152 degs. 53 mins.E., approximately 360 miles east of Townsville. Markings sighted were "MISAKIKO NO.2 KOTOSHIMARU", with "K.N.I.110" on the wheelhouse. Asiatics on deck were engaged in line fishing. Earlier on the same day "BULOLO" had sighted a similar vessel 100 miles to the north.

The sighting by H.M.A.S. HAWKESBURY of one of these vessels 300 miles east of Mackay in November, 1953, was described in A.S.I.S. No. 16.

There is reason to suppose that Japanese fishing vessels may have penetrated even further south in these waters, as on 22nd January a fishing mark light buoy with Japanese markings was found washed ashore on Moreton Island. The markings were translated to read "KURISHIO MARU NO.15."

The first report of Japanese fishing off the Western Australian coast was provided by the Master of M.V. "CHARON". On 27th February, while en route from Singapore for Carnarvon, he sighted four 800-ton Japanese luggers fishing 40 miles N.N.W. of North-West Cape.

None of these sightings, however, has been within territorial waters.

Reports continue to be received of Japanese fishing in the New Guinea Area. One report describes the grounding of the "ENYO MARU" on Pinepell Island (4 degs. 20 mins.S., 154 degs.10 mins.E) in the Green Island Group on 13th January. The crew of 26 were taken off the vessel by two other luggers, "NO.5 AZUMA MARU" and "ZUIYO MARU".

On 16th February, S.P.C.1324 surprised a Japanese fishing vessel close to the southern end of Ambitle Island. When approached the ship made off to the south-east at a speed superior to that of the S.P.C.

Another report concerns the sighting by H.N.M.S. VAN KINSBERGEN on 6th February of the "USINGPO MARU NO.8" northwest of Hollandia in position 2 degs. 10 mins.S., 140 degs. 25 Mins.E. This report, which was supplied by the Netherlands authorities, did not state whether the Netherlands warship had taken any action.

#### LICENCES ISSUED TO JAPANESE PEARLING VESSELS.

The Commonwealth Government has announced that about 25 licences under the 1953 Pearl Fisheries Act will be issued to Japanese pearling luggers intending to operate in Northern Australian waters in

1954. The Japanese pearling fleet is expected to arrive in the pearling area about late April and to continue operations until November.

#### HARBOUR IMPROVEMENTS.

##### Newcastle.

Steady progress is being made with the construction of a new wharf at Merewether Street, Newcastle. It is expected to be completed before the end of 1954. It will be about 1,200 ft. long and 70 feet wide.

The site is being prepared by reclaiming a section of the foreshore, using filling pumped from a dredger operating on Stockton Crossing.

##### Onslow.

Progress made in the repair of the Onslow jetty indicates that the jetty will be fully serviceable in April. This is considerably later than anticipated, due mainly to a shortage of labour. In the period during which the jetty has been out of commission a cargo service has been operated by two DUKW's on loan from the Department of Lighthouses & Navigation and the lighter "NICOL BAY". Although slow, the cargo service has proved satisfactory.

##### Kwinana (Western Australia).

Current progress reports on the construction of the Kwinana refinery after twelve months work are :-

- (i) JETTY - Concrete surfacing of the shore area of the main jetty is now being carried out. Pile driving for the

600 yard sea arm is well under way.

- (ii) LABOUR - 2,200 men are employed on the site, not including those engaged by private contractors at the housing site. This number will be increased to 3,000 by the middle of this year.
- (iii) REFINERY - Distillation units, a vacuum unit, catalytic cracking plant, platformer and hydrafiner are in various stages of construction. Pipe work is practically completed. Some of the 70 tanks have been completed and others are in various stages.
- (iv) DREDGING - Is reported to be ahead of schedule. However, a verbal report recently received indicates that, although quantities of material dredged are above the estimated figure, the overall pattern of the channel being dredged is not as satisfactory. Over-dredging of 'holes' has been carried out in the hope that tide and sea action would level the bottom at the required depth. So far this has not happened. The bottom in these banks consists of fine sand with a high content of lime which packs hard and does not move freely. It may be necessary at a later stage to trail a suction dredge along the channel to level off. This position is being continually watched, and the effects of the heavier sea and swell next winter will be studied. Completion is scheduled for December, 1954.

Mackay.

Caltex (Aust) Pty.Ltd., intend building at a

cost of £150,000 an overseas oil terminal at Mackay, N.Q. This terminal is to have an initial storage of 1,500,000 gallons.

Completion date is scheduled for 1955.

#### CALTEX OIL COMPANY REFINERY, KURNELL, SYDNEY.

The foundations are at present being laid at Kurnell, Botany Bay, for Caltex Oil Company's new refinery. Silt dredged from the Bay has been used as filling for the site. Work has also commenced on the jetty, alongside which tankers drawing 32 feet will be able to berth. The tank farm attached to the refinery will have storage for 100,000 tons of crude oil, 130,000 tons of intermediate grade oil, and 85,000 tons of refined products. The refinery is due to go on stream in 1957.

#### AUSTRALIAN COMMUNIST PARTY ACTIVITIES.

Highlights of Communist Party activities anticipated for 1954 appear to be campaigns for increased wages, restoration of quarterly basic wage adjustments and a renewed campaign to defeat the "Menzies" Government this year for "Peace, national independence and for democracy". The Communist Party is also advocating the adoption of the manifesto issued by the 3rd World Trade Union Congress held by the W.F.T.U. at Geneva last October, which calls for unity of the working class and a united struggle for increased wages, improved living conditions, democratic freedom and for peace.

#### COAL PRODUCTION - NEW SOUTH WALES.

New South Wales coal production for 1953 was 14,200,000 tons, compared with 15,022,000 tons for



1952. Although there was a slight drop in total production, the total is made up of 12,485,000 tons from underground mines and 1,715,000 from open cuts, the latter coal being of a far inferior quality.

Export of coal rose from 153,000 tons in 1952 to 356,000 tons in 1953, the bulk of this coal going to Japan and Korea.

#### KINGSFORD SMITH AERODROME.

Facilities at the "new" Kingsford Smith airport will include cafes, a hotel, stores, a post office, an artificial lake, garden plots and a raised tarmac for jet aircraft. Plans are being considered to rebuild and modernise the airport, and the work of reconstruction should begin during 1954.

The present terminals will become maintenance, engineering, and stores depots, while the new terminals will be built along General Holmes Drive which skirts the airport.

Plans provide for a first-floor tarmac at the future overseas terminal. Lifts will bring passengers and freight from the ground floor, and aircraft will be brought up an incline to the first floor level. After embarkation they will coast down to the apron with motors cut off.

Kingsford Smith airport last year handled nearly 900,000 passengers. The airport's new 6,000 ft. runway is scheduled to be ready in March or April, and will handle the latest aircraft, including jets.

NEW URANIUM FIND NEAR ADELAIDE.

Uranium has been found in the Wild Dog Valley, two miles south of Myponga, which is about 30 miles south of Adelaide.

The presence of uranium in the area had been suspected for some time, but the importance of the strike was the discovery, for the first time in Australia, of pitchblende (one of the most important uranium minerals) in massive form on the surface. The S.A. Director of Mines has stated that this rich surface indication of resinous-looking pitchblende shows that there may be a well-defined lode at Myponga at depth and that his Department will begin diamond drilling and sinking shafts in search for the lode. Because of pitchblende's richness in uranium oxide, any refining treatment would not be nearly as difficult as that for the uranium ore being obtained from the mine at Radium Hill and would be less expensive. If an ore body is found of the same high quality as samples already collected, the Mines Department Thebarton plant in Adelaide will be capable of treating the output.

The Public Works Committee is to investigate a Government proposal to construct a 5,000 million gallon reservoir on the Myponga Creek. Water from this reservoir is primarily intended to augment the water storage for Adelaide and to give reticulated water over a large area south of Myponga, but water from this source would be readily available for any mine established near the recent uranium find. As the Myponga field is more favourably situated in this respect and also as regards transport and distance from Adelaide than other uranium deposits in S.A., it is unlikely that the Government will have to

resort to any large-scale borrowing for its development - as is necessary in the case of Radium Hill.

### OIL SEARCH.

#### Queensland.

Intense prospecting activity by several companies has developed in North Queensland for both oil and uranium.

Permits granted now cover most of the Northern half of the State; some extend as far south as Southport.

Frome-Broken Hill Pty.Ltd., which recently obtained a 161,000 square mile prospecting authority is prepared to spend £1.million to test the theory that oil fields extend from the Gulf of Papua to Cape York Peninsula and the Gulf of Carpentaria. Investigation will take five years.

#### Western Australia.

Permits to explore for oil in an area of more than 233,000 square miles have been granted to seven companies or syndicates. Companies involved are :-

- (i) Abo Gold Exploration and Floatations Ltd.
- (ii) Atom Minerals and Oil Ltd.(jointly)-  
Bremer Bay area (13,000 sq. miles)
- (iii) Jackson Exploration - Albany area  
(15,800 sq. miles)
- (iv) Australasian Oil Exploration N.L.-  
North-West (55,000 sq. miles).
- (v) Goldfields Petroleum Discovery Syndicate-  
Eucla area (19,500 sq. miles)

- (vi) Frome-Broken Hill Co.Pty.Ltd.-Eucla basin area (91,000 sq.miles)
- (vii) Carnegie Syndicate - Lower Northern Territory border area (39,000 sq.miles)

### YAMPI SOUND.

There has been a considerable increase in the volume of shipping (mostly iron ore carriers) visiting Yampi Sound, where Australian Iron and Steel Limited are excavating iron ore.

In the financial year ended 30th June, 1953, the figures were :-

<u>Description</u>	<u>No.of Vessels.</u>	<u>Gross Tons</u>
Entered from ports beyond the Commonwealth	1	5,591
Entered from Interstate ports	55	473,048
Entered from W.A. Coastal Ports	74	52,397

Over 500,000 tons of iron ore were shipped.

### TANTALITE - WODGINA AREA.

The Northern Mining Syndicate is assembling plant to treat about 500 tons per day of columbite-tantalite ore at its leases about 20 miles from Wodgina, (South-East of Port Hedland). Actual treatment should start during April. The area

has been well tested and samples show particularly high gradings. Sufficient water is available in the area to work the leases.

#### COAL PRODUCTION - COLLIE.

Records in production continue to be broken at the Collie Field, despite the fact that restrictions have been placed on the working of the open cuts. Production for 1953 was 889,113 tons, an increase of 4,000 tons over the previous record established in 1951. Value of the 1953 output was £2,953,413.

The open cuts produced almost one-half of the coal gained.

#### WESTERN AUSTRALIAN CRAYFISHING INDUSTRY.

Although the Crayfishing Industry in Western Australia continues to be a large-scale dollar producer, there are indications that the industry is becoming overcrowded.

At the present time there are about 90 boats engaged in an area stretching from Mandurah (South of Fremantle) to Beagle Island (South of Geraldton) with new boats coming forward regularly. Numerous complaints have been made by the fishermen concerned that the areas they normally work are being "poached" by others, with lines of pots laid alongside and over their own. It is claimed also that pots have been stolen or their contents removed. In one instance the skipper of the vessel "Rondine" reported that his craft had been deliberately rammed by the boat "ESTRA" - both vessels were

working the same area. This occurrence and the general feeling of dissatisfaction amongst the fishermen have been developed to the degree that some fishermen are even talking of taking rifles with them for protection against "acts of piracy". While these reports are probably considerably exaggerated there is no doubt of the fact that this general ill-feeling among the predominantly foreign fishing community could give rise to serious trouble.

### NORTHERN TERRITORY.

#### Native Pearling Fleet.

The Chairman of the North Australia District of Methodist Overseas Missions, the Rev. A. Ellemore, reports that natives at Elcho Island Mission intend pearl diving from 16 foot double-ended native canoes. It is understood that the natives will skin-dive for shell from the canoes. A pearling license has been applied for. This undertaking is in the experimental stage at present, but if it proves successful a native pearl fishing fleet will be established at Elcho Island.

#### New Pearling Company.

A company known as the North Pearling and Trading Company Ltd., with a capital of £75,000, is in process of formation.

The company has already purchased a 50-foot lugger and a boatsman in Darwin and it is anticipated that three further luggers will be operating shortly. The company will engage in pearling and associated industries in the Northern Territory.

Melville Island - Zircon and Rutile.

Three representatives of the Australian subsidiary of a British Engineering Company (Dowsett Engineering (Aust) Pty.Ltd.) are negotiating for permission to visit Melville Island with a view to carrying out a careful investigation of the black sands on that island. It is understood that the company is anxious to extract zircon and rutile from the sands. These rare minerals are used in the manufacture of heat resistant steel, jet engines and turbines.

Brocks Creek Uranium Field.

After an inspection of the new uranium field at Brocks Creek being worked by the Territory Uranium Syndicate, Sir Douglas Mawson, the eminent Australian geologist, has stated that there was no doubt that the area contained large uranium deposits.

It is understood that the original find which showed a 2% uranium reef only a few inches wide at shallow depth, has widened to three feet 6 inches at a depth of six feet. Marketable uranium-bearing ore has also been observed, exposed over a width of three feet on the floor of the most advanced pit which has now been worked to a depth of 10 feet. It is further reported that Doria Gold Mines, N.L., has a two-thirds proportionate interest and Territory Scheelite a one-third interest in this new syndicate.

Darwin Airport.

Darwin has now become one of the major international airports in Australia. In the 12

months ended 30th November, 1953, more than 30,000 International passengers and crew used the airport en route. There were 914 scheduled flights by Qantas and B.O.A.C. transporting 22,515 passengers, plus 136 charter flights, transporting 2,351 passengers; in addition 8,800 crew members passed through the airport.

#### ARNHEM LAND AIRMAIL SERVICE.

On 15th February MacRobertson Miller Aviation Co., Darwin, commenced a regular fortnightly service to eight of the isolated mission stations. The stations to be covered by this service are Bathurst Island, Garden Point, Snake Bay, Croker Island, Oenpelli, Millingimbi, Elcho Island and Yirrkala. Some of these stations have hitherto been without mail for up to three and a half months at a time during the wet season.

#### TERRITORY OF PAPUA - NEW GUINEA.

##### Disposal of Government Shipping Service vessels.

The thirteen vessels previously operated by the Government Inter-Islands Shipping Service recently offered for sale realised the sum of £147,705.

Burns, Philp and Company, Colyer, Watson Limited, and the Roman Catholic Mission are believed to have been among the purchasers.

##### Fishermans' Island Airstrip.

The emergency airstrip constructed on Fishermans' Island, off Port Moresby, was used for the



first time by a Qantas D.C.3 on New Year's Day.

The aircraft was en route from Momote to Townsville and on arrival over Port Moresby weather conditions had closed Jackson Airfield.

Qantas abandon Air Service to Trobriands.

The air service to the Trobriands Islands which has been maintained by Qantas in the post war years is to be discontinued, as the landing area has been found too small for Sandringhams.

The landing area was established outside the reef at Losuia to give a greater area but landing proved impracticable due to high seas and South East winds.

The mooring buoys provided by the Department of Civil Aviation will remain in case of weather conditions allowing of a landing in the case of an emergency.

Australian - New Guinea Shipping Service to be Augmented.

The present Australia-New Guinea Service operated by "SOOCHOW" and "SHANSI" will soon be strengthened by the return to the run of "SINKIANG".

The additional ship would assure a rigid three-weekly service being maintained from Australia to the Territory by this Line, and will enable people to ship goods direct from Melbourne to the Territory, where before it was necessary to ship goods from Melbourne to Sydney for transshipment to the Territory.

DUTCH NEW GUINEA.

The Netherlands Minister for Foreign Affairs, Mr. Luns has stated that he was asking the Vatican, through the Papal Nuncio, to withdraw Dutch New Guinea from "jurisdiction" of the Nuncio in Djakarta. He hoped the Vatican would transfer it to the Nuncio in the Netherlands. Failing this he hoped they would agree to put it under the Apostolic Delegate in Australia. This is in line with the Dutch Government policy of treating New Guinea as outside the Indonesian area. In addition a "Catholic Missionaries Committee for Dutch New Guinea" has been founded in Holland.

Defence.

A report suggests that a destroyer instead of a frigate will be based permanently on Dutch New Guinea. It is also planned to have a second destroyer "in dock or refitting", and a further two smaller vessels in reserve in case of hostilities.

Civil Aviation.

At the request of Governor van Baal, K.L.M. are investigating the possibilities of a helicopter service, before a decision is reached on the extension of present internal air services in Dutch New Guinea.

SHIPPING INFORMATION.Adelaide Steamship Company's M.V. "MOONTA".

After having maintained a passenger-and-cargo service between Port Adelaide and Spencer Gulf Ports since November 1931, the Adelaide Steamship

Company's motor vessel "MOONTA" is to be sold. The "MOONTA" has been losing money heavily on this run for several years. The Company are now looking for a vessel of smaller tonnage as a replacement for the "MOONTA" to carry cargo to the northern ports of Spencer Gulf.

#### M.V. "ISABEL".

The Panamanian vessel "ISABEL" arrived at Darwin from Dili, 0800IK 28th January to tow the lighter "JACO", which had been purchased by the Portuguese Government. "JACO" had been moored in Darwin harbour for 12 months awaiting a tow to Dili, The Master of "ISABEL", Captain A.M. Troyan, a Russian by birth, but now stateless, had a crew comprising 3 Portuguese and 23 Chinese. This vessel was previously the Japanese Tanker "TALUEI" built in 1944, now owned by Isabel Navigation Co., S.A.Panama, with John Manners and Co. acting as agents.

"ISABEL" remained at anchor in the stream during the short period she was in Darwin. At 1015IK 29th January, she departed Darwin for Dili with the "JACO" in tow, and from information received it is understood that she reached her destination with the lighter safely in tow on 3rd February.

#### Launching of Collier "YANDERRA".

On 23rd January, 1954, the 4,750-ton dead-weight 'E' Class collier "YANDERRA" was launched at Whyalla. This was the twenty-fourth ship launched at the Broken Hill Proprietary Company Limited's shipyards in 13 years. The "YANDERRA", built for the Australian Shipping Board for the Australian

coastal trade, is a single-screw, raised quarter-deck ship with an overall length of 330 feet and a breadth of 48 feet.

#### NEW JAPAN - AUSTRALIA SHIPPING SERVICE.

Two major Japanese shipping companies, Mitsui and Yamashita Kawasaki, have combined to form a Japan-Australia Line, which commenced service in February. This Line, whose Australian agents are Heine Bros.(A'asia) Pty. Ltd., plans to make nine round voyages a year.

The first ship, "WAYO MARU", 6,769 tons, sailed from Japan on 25th February and is expected in Melbourne on 29th March.

At present the bulk of the Japanese trade is carried by four British-Australian lines and one Swedish.

#### NEW VESSEL FOR WESTERN AUSTRALIAN STATE SHIPPING SERVICES.

A contract has been signed with the Australian Shipbuilding Board for the construction of a passenger-cargo vessel for the Western Australian State Shipping Service. The vessel will be built at the N.S.W. State Dockyard at Newcastle. Some modification to the "KABBAPLI" design will be carried out to give improved ventilation and comfortable accommodation for 62 passengers. The vessel will have 15,000 cubic feet of refrigerated space and a total cargo capacity of about 2,000 tons.

Dependent to a large degree on the supply of machinery, completion is scheduled by the end of 1955.

NEW TUG FOR SYDNEY.

The new tug "WOONA", built for the Waratah Tug & Salvage Co. Pty. Ltd., for service in Sydney Harbour, underwent her trials towards the end of January. She will leave for Australia, via Suez, at an early date. "WOONA" was launched at Jas. Lamont & Co's yard, Port Glasgow, on 26th October. Her dimensions are 105 feet by 30 feet by 14 feet. She is fitted for oil or coal-burning with a triple-expansion engine developing 1,100 I.H.P., and is also fitted with Kort Nozzle for increased towline pull.

NEWCASTLE-SYDNEY COLLIER SERVICE.

S.S. "KAMIRO", built by Cammell, Laird & Co., Birkenhead, England, in 1930 for the Union Steam Ship Co. of New Zealand, has been purchased by R.W. Miller & Co. Pty. Ltd. of Sydney, for the coal trade between Newcastle and Sydney.

The vessel will be renamed "BRANSTON" and will be the largest collier on the Newcastle-Sydney service, being a 2,591-ton single-screw steamer with a length of 281 ft., breadth of 46 ft., and depth of 20 ft. 9 inches and a speed of 11 knots. There are six hatches with six sets of unloading gear.

INTELLIGENCE OFFICERS IN H.M.A. FLEET.

The following Officers have been appointed Intelligence Officers in ships of H.M.A. Fleet:-

H.M.A.S. AUSTRALIA - Lieut.G.J.H. Woolrych, RAN  
H.M.A.S. VENGEANCE - Lt.-Cdr.B.G.O'Connell, RAN  
H.M.A.S. HAWKESBURY - Lieut.L.G.Baly, RAN.  
H.M.A.S. TOBRUK - Lieut.P.J.M.Shevlin,R.N.

## SECTION V.

SPECIAL ARTICLES.

(The Director of Naval Intelligence is not necessarily in agreement with the views expressed in Section V. of A.S.I.S.)

TIBET AND INDIA.

The following are some extracts from an article on Tibet and India contributed to the "Contemporary Review" by Lieut. Colonel H.E. Crocker, D.S.O.

The menace of the occupation of Tibet by the Chinese Government is fully realised by the Indian Government, which has taken energetic steps to guard the two thousand miles frontier. Frontier posts have been reinforced and the villagers are being trained in the use of firearms. Military missions have been sent to Nepal for the purpose of organising and training Nepalese forces. Exports of many articles to Tibet have been stopped and a check has been imposed on Chinese using the new roadway from Lhasa to India.

The frontier between India and Tibet is formed by the independent states of Bhutan, Nepal and Sikkim, with the exception of about 250 miles on the northern border of Uttar Pradesh, formerly known as the United Provinces. The Nepalese Government have long since recognised the danger that threatens them from the Communist occupation of Tibet and it is possible that the liberation of Nepal will be undertaken before very long. The formation of a Nepalese Council for Democracy, financed by the Soviet, lends

support to this belief. The 'Council' consists mainly of deserters and disgruntled officials with a following of ruffians who are merely out for loot.

The Chinese army of occupation in Tibet is now reported to have increased to about 25,000 men and has absorbed the Tibetan Army except for 500 men who act as guard of honour for the Dalai Lama. Tibetan officers are allowed to retain their swords and to receive the same rates of pay as the Chinese officers of equal rank.

The Chinese grip on the country has been firmly established. Airfields have been built and others are under construction which allow a regular air service with China. Existing roads and tracks have been improved and new roads laid out between Tibet and China, as well as from Lhasa westwards to Kashmir and south and east to the border States which will be able to carry heavy military traffic.

The occupation of Tibet by the Chinese must inevitably influence the strategic situation of India to a degree that can scarcely be reassuring to the Indian Government. Besides the command of the air over the Eastern Provinces of India, the Chinese Government have gained control over the Himalayas and so over India itself.

Were India attacked from Tibet, the attitude of Pakistan would be problematical. Would she come to the assistance of India or would she remain aloof? Pakistan would be threatened as well as India, either directly or through Kashmir, and her efforts to assist India would thus be neutralised.

India is threatened with Communist political infiltration no less than by direct military action. Hordes of Communist agents are infiltrating into the country from Tibet and are spreading Communist propaganda. They are in close contact with the strong Communist Party in Hyderabad and in the Congress itself, where they form the only recognisable opposition to the Government.

Recently the Governments of India and Burma have discovered a plot by the Communists in Tibet to send monks to the Buddhist shrines as spies and agitators from among a certain sect known as "Ch'oundakys" who have always given their approval to the Chinese Communists and acted as a fifth column during the occupation of Tibet.

On the other side of the picture, there have been anti-Chinese riots in Lhasa and attempts to assassinate the Quisling Sawang Ngabou. Gun-running from both India and Pakistan has assumed serious proportions, and on both fronts a sharp look-out is being maintained for Communist political agents, who were largely responsible for anti-India demonstrations at Khatmandu after the return of the Everest team.

Tibetan refugees who have arrived at Kalimpong near Darjeeling have reported that food in Tibet is scarce and that the economic situation is getting worse, partly owing to the requisitions to feed the Chinese soldiers who are living on the country.

#### BAHREIN.

The Bahrein Islands form an archipelago covering 200 square miles, and are situated 20 miles from the Al Hasar Province of the Saudi



## Arabian Empire on the Persian Gulf.

The main island is Bahrein, which means "Two Seas". It is the largest of the group, being 20 miles long and 10 miles wide. The other large island is Muharraq which is 5 miles by 1 mile. These two islands are connected by a causeway, a bridge which swings open to allow shipping through. Here is the flying-boat base of the British Overseas Airways Corporation. The highest point on the archipelago is on Bahrein, 450 feet above sea-level.

The population of the islands is 150,000, and is divided into the Shia and Sunni sects, representing the two principal Islamic sects and the division in the family of the Prophet after his death. The capital is Manamah, on Bahrein. Muharraq, which has the second largest community, also has a capital of the same name.

The principal products of the islands are dates, lucerne, citrus fruits and a famous breed of white donkeys.

For centuries the Bahrein Islands were famous as the world's largest producers of pearls, and pearl merchants went there from the East and West. Then came the cultured pearl and the pearling industry was severely hit. But when world conditions, particularly those of Asia, are sound, a considerable business is done. The pearling season lasts for six months of the year.

Then in the 1930's something happened to the Bahreini. The group has been a British Protectorate for most of the past century, and a Canadian engineer discovered oil on both Bahrein and Muharraq. A company was formed, the Bahrein

Petroleum Company, known more familiarly as Bapco, and affluence returned to the islands, more than compensating for the decline in the pearling industry.

The development of the oil industry has continued apace. The local headquarters of Bapco are at Awali, where the refinery is situated. From the refinery the oil is piped to the loading jetties at Cira, at which 70 tankers load each month, shifts working around the clock to get them quickly laden and away.

Long before the oil was discovered Bahrein was well known to seamen. It was the entrepot for the Arabian centres of Nejd and Hasar, and it was famous for the fresh water which rises through the sea and which brought many a sailing ship there to replenish supplies.

The Bahrein Islands are of some interest to Australia because of the substantial quantity of petroleum products we receive from there annually.

These islands are an interesting example of what the discovery of oil in quantity can mean for a Middle East State. The establishment of Bapco has meant a transformation which awakens memories of the "Arabian Nights" stories. The archipelago is a remarkable example of what western science and British protection have done in advancing the social and economic life of a community. Bahrein is a microcosm of progress towards methods of life and industry.

Although Bahrein produces less than one per cent of world oil, the figures are, nevertheless, impressive. The production in 1951 was 1,570,000

tons, and in 1952, 1,620,000 tons. The supply of oil from the Bahrein wells is supplemented by some 6,000,000 tons, piped across the 20-mile strait from the Saudi Arabian fields.

The effect of the oil industry on governmental finance has been tremendous. To the Bahreini, as to the Iraqis and the Saudi Arabians, the industry is producing more money than they could have ever believed existed in the world. For example, before the depression the Government's revenue was about £A130,000. Then with the depression and the consequent decline in the pearling industry, it dropped to £A70,000. In 1951 the Government's revenue had risen to almost £A250,000, of which 61% was derived from the oil concession royalties, and 39% from Customs and other sources, including port dues on the hundreds of tankers berthing at Cira, the oil-loading port.

There is no unemployment on the islands, as 10% of the male population is directly employed in the oil industry, and the constant expansion of other activities provides for the remaining workers.

The Bahrein communities could well be used as an example of world citizenship. The population is mainly composed of the islanders, but there are considerable communities of Indians, Arabs from the mainland, Pakistanis and some 8-900 whites. Moslem sects, Christianity, Buddhism and other Asiatic religions are represented on Bahrein and Muharraq.

**SECRET**

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