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Australia Station Intelligence Summary



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S E C T I O N I.

R.A.N. AND OTHER COMMONWEALTH NAVIES.

(a) ROYAL AUSTRALIAN NAVY.

H.M.A.S. ANZAC - Visit to Islands Territories.

After taking part with VENGEANCE and BATAAN in the escort of the Royal Yacht "GOTHIC" to Cocos Islands, ANZAC was detached from the group at Darwin on 14th April for a cruise in New Guinea waters. She will pay an official visit to Hollandia, the centre of administration in Dutch New Guinea, between 19th and 23rd April, and will take part in a ceremony on 22nd April to commemorate the tenth anniversary of the first Allied-landing at Hollandia. After sailing from Dutch New Guinea ANZAC will visit Manus (24th-26th April) Lae (27th) and Samarai (29th-30th). She is due at Cairns on 2nd May, and Sydney on 7th May.

H.M.A. Ships VENGEANCE and BATAAN.

VENGEANCE and BATAAN sailed from Darwin on 14th April for short visits to New Guinea and the Solomons. The ships will arrive at Manus on 20th April, at Honiara on 29th April, and will return to Sydney on 3th May.

Duke of Gloucester's Cup.

The Duke of Gloucester Cup, which is awarded annually to the ship of the Australian Fleet which the Flag Officer Commanding the Fleet considers has been foremost in efficiency, cleanliness, seamanship and technical training, was awarded for 1953 to AUSTRALIA.

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Northern Waters' Patrol.

HAWKESBURY, having just completed a full programme "showing the flag" in Islands waters, is at present en route from Port Moresby for Sydney, where she is due on 22nd April. She is being relieved for a short term by CONDAMINE, which sailed from Sydney on 5th April for Darwin.

On her way to Darwin CONDAMINE called at Willis Island, 350 miles East of Cairns, to disembark Dr. U. Radok of Melbourne University, who will study meteorological conditions in association with officers of the Commonwealth Meteorological Branch stationed on the island. Dr. Radok will return in ANZAC on 11th May.

After taking leave and refit until the end of July, HAWKESBURY will sail for another tour of duty in northern waters, and CONDAMINE will return to Sydney. Both ships will be based on Darwin and will keep a watch during the pearling season on Japanese fishing activities in the Arafura Sea.

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

The launching of the Daring class ship, VENDETTA, which was to have taken place at Williamstown Naval Dockyard in April, has been postponed until May 3rd.

Commissioning of H.M.A.S. QUEENBOROUGH.

The commissioning of QUEENBOROUGH has now been postponed from 1st July until 1st September, owing to a delay in the availability of equipment.

HAWKESBURY's visit to Bougainville and Solomons.

H.M.A.S. HAWKESBURY carried out a cruise during January to Bougainville Island and the British Solomon Islands and had several interesting and sometimes amusing experiences. Often she sailed in incompletely charted waters, through narrow, shallow, coral-fringed passages with swift currents.

In Buka Passage there are hazardous narrows, and a local native, coxswain of the Government launch, is the best local-knowledge expert available as a pilot. He is reputed to have piloted several Japanese ships through the passage with mixed success, putting two of them aground! However, although arrangements had been made for him to lead the ship up the channel in his launch, the 0530 start was too much for him and he did not arrive until the ship was nearly clear to seaward. Other interested locals, both white and native, were up even at this early hour to watch the ship steaming through at seven knots. The frequent use of her siren followed by functioning trials of the Bofors armament no doubt drew her presence to the attention of those who were still asleep!

On 13th January HAWKESBURY arrived at Numa Numa on the East coast of Bougainville. Before the war this coconut plantation was the largest in the Southern Hemisphere, with 20,000 palms in 4,000 acres, producing two million nuts a year. The Japanese destroyed large areas, and it is only gradually approaching its former size.

Kieta, which was visited the next day, was the original seat of German Government in Bougainville, and, until the war, the Australian District Headquarters. The centre of administration is now at Sohano, which has no well-sheltered harbour such as Kieta has,

but a limited anchorage which ships use at their peril.

Two days later at Honiara, the capital of the British Solomon Islands, the Captain and officers of HAWKESBURY were entertained at Government House by the High Commissioner for the Western Pacific, Sir Robert Stanley, K.B.E. On the following night a cocktail party was held on board HAWKESBURY to which eighty residents were invited. A tropical downpour during the party did little to dampen their gaiety, although the quarter deck awning was so helpless against the onslaught that everyone was soon soaked through. Many a hardened Islander was heard to call for whisky in his glass of rain water. Honiara has grown considerably in the last few years and there are now over 300 white residents, who showed themselves to be most hospitable.

The ship arrived at Port Purvis on 18th January to take in water. The natural water supply there is the only fresh water available to large ships in the Solomons. By anchoring off the cliffs and securing the stern to a convenient tree, the water is obtained through much canvas hose from an iron pipe jutting out from the bushes, the actual source being a spring 700 feet up an almost sheer cliff.

On the following day HAWKESBURY sailed into Auki Harbour in Western Malaita. The entrance to this harbour is narrow and the harbour itself offers only limited swinging room. As the ship crept into the narrowest part she was descended upon by several large canoes dressed overall with greenery and filled with loudly yelling natives who kept station a few feet on either bow until the anchor was let go. This vociferous welcome, although well intentioned, was bad for the Navigational Nerves.

The District Commissioner had arranged a full programme for the visit, including inspections of native villages, lagoon boat trips, a soccer match, native dancing exhibitions, spear fishing and crocodile shooting. On the second day of the Malaita visit a party of twenty native V.I.P's was embarked for passage to Malu'u on the north-western corner of Malaita. They appeared to be most impressed by two things during the trip - the unpleasantness of the noise made by the Bofors when the customary "departure display" was fired, and the pleasantness and novelty of a white man's breakfast.

Ashore at Malu'u on 20th January, a party from the ship was treated to the sight of a native dance of welcome, distinctive for its noisy accompaniment of Pan-like pipes, and for the fact that it was the first time for five years that the pagan natives from the hill-country had consented to perform it in public. The dancers who were all men - the women were allowed only to watch from a distance - wore decorations which were probably unique : tortoise shell, fretwork carved into beautiful four-inch discs mounted on mother-of-pearl formed a common decoration; necklaces and arm-bands of porpoise teeth, the porpoises having been captured by the simple-sounding method of driving them high and dry on a sandbank ahead of half a dozen canoes, whose occupants knock two stones together under water at the proper time, thus frightening the unfortunate animals into their suicidal death-slide; and ankle and wrist bands of mountain nuts to add tintinnabulation to the dance.

On 25th January, at Faisi Islands in the Shortlands, HAWKESBURY's soccer team, for the third time during the cruise, was defeated by the bare-foot tactics of a native team. This team, which played

soccer of a high standard, had been trained by the local Catholic Missionary, Father L'Estrange. At this anchorage many natives visited the ship, bringing with them gifts of fruit. Sweet potatoes were also obtained, in exchange for trade tobacco, to augment the ship's dehydrated vegetable supply.

HAWKESBURY anchored off Buin on 26th January, and, after the usual exchange of visits with the white residents, the ship was visited by native Luluais and Police-boys. Meanwhile libertymen either bathed on an outlying island or bargained ashore for the famous Buka baskets made in this area. The soccer team, dwindling now through earlier injuries, met with a further defeat. Buin suffers most as a port from the absence of any jetty or landing for boats, necessitating a transfer to a whaler or a canoe to land through the surf. Fortunately the sea was calm during HAWKESBURY's visit.

HAWKESBURY sailed from Bougainville on 28th January, via the Cartarets, Nuguria Islands and Enirau Island, and arrived alongside at Manus on 30th January after an enjoyable three-weeks' cruise.

(b) OTHER COMMONWEALTH NAVIES.

ROYAL MALAYAN NAVY.

Royal Malayan Navy's M.L.'s.

M.L.3507 was transferred from the R.N. to the Royal Malayan Navy on 4th March.

This brings the strength of M.L.'s in the Royal Malayan Navy up to seven.

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INDIAN NAVY.

The 8,000-ton Cruiser NIGERIA has been sold by the R.N. to the Indian Navy for sea training.

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SECTION II.

NAVAL (AND OTHER ARMED FORCES) INTELLIGENCE
(INCLUDING TECHNICAL INTELLIGENCE)U.S.S.R.Soviet Long Range Bombers.

According to an American publication, the Soviet is producing two new inter-Continental bombers identified as the Tupolev 200 and Ilyushin 38.

Both planes have turbo-prop engines and jet-driven propellers. The Tupolev 200 (TU-200) is of the same size as the B-36 class aircraft. It is said to have a maximum speed of 465 mph. and a range of 4,800 miles without aerial refuelling.

The Ilyushin 38 (IL-38) has swept-back wings resembling the eight-jet B-52 Strato-fortress. Its maximum speed is given as 480 mph. and it has a range of about 3,000 miles without aerial refuelling.

Both planes appear to carry radar domes for navigation and bombardment.

According to the American publication, "Aviation Week", there are more than 400 of these aircraft based across the polar icecap from the North American continent.

CHINESE PEOPLES REPUBLIC.Naval Air Force.

It is reported that the principal C.C.N.A.F. Air Station is at Weihsean, with subsidiary air-

fields at Tsangkao and Kiaoshien, (all in the Tsingtao area).

The same source said that Tsangkao appeared to be a training airfield. Aircraft sighted were probably LA9 or LA11, and YAK 11 or 12.

Russian and Polish advisers were reported.

Weihsean is under strict security measures, but the source reported that jet aircraft were seen and that these aircraft were naval-manned.

This is the first indication that C.C.N.A.F. personnel are jet trained. The report has not been confirmed.

New P.C. Type Craft.

These new type vessels, which are at least 100 feet long (probably longer) and armed with one 40 m.m. gun forward, one 20 m.m. aft, two twin 5 M.G.'s amidships abaft the bridge and racks on the stern were first sighted at Foochow in October 1953. They have since been reported at other Chinese Coast ports. These craft are believed to be Chinese-built, probably at Shanghai. Recent reports indicate that some are also being built at Amoy.

Four of these vessels were recently sighted fitted with a light cropesa sweep.

M.T.B's.

30 M.T.B's are located at Arkona I. Dockyard. They are powered by twin Douglas aircraft engines and maintained by Russian technicians. Many were fitted with U.S.(type S.O.) Radar.

M.T.B. crews were of high standard and morale and were probably Russian trained.

M.T.B. administrative and maintenance units were self-contained and mobile.

Frigates.

Two Castle Class frigates were reported at Shanghai on 20th February, instead of the usual one Castle Class frigate. The explanation may be that ex-H.M.C.S. "COPPERCLIFFE", last located in North China in 1949 operating as a merchant ship, has been taken over by the C.C.N., refitted and commissioned as a warship. The ship is reported to be armed with two 5" guns and two 4" guns in single mountings.

However, the report requires confirmation before it can be accepted that the C.C.N.'s. frigate strength has increased.

INDONESIA.

Naval Recruits.

Out of 624 youths from Padang and Pariaman who applied to join the Indonesian Navy, only 53 were able to pass the medical examination. The successful candidates have already been sent to Java to commence their training.

In Central Sumatra, 118 out of 1,000 candidates have been accepted. This figure includes the 53 from the Padang district.

Instructional Group, R.N.N.

The Dutch Naval Mission, now renamed the Instructional Group, Royal Netherlands Navy, does not complete

its duties until 25th June and it is to be replaced by Indonesian Naval officers and civilians (nationality unknown). It is known that the two German Naval officers who acted as advisers to the Indonesian Naval Purchasing Commission while it was in West Germany during 1953, have applied for appointments in Indonesia.

New Minesweepers.

A small Naval party left Djakarta in March for Hamburg to observe the trials of the 8 minesweepers ordered by the Indonesian Navy in 1951. The complement of the newminesweepers is expected to be 3 officers and 30 ratings.

JAPAN.

National Defence - 1954 Budget.

Now that the Budget has been accepted by the Japanese Cabinet it is possible to anticipate the future build-up of the Armed Forces.

Expenditure: Total budget allocation to the National Safety Agency (Defence Forces Ministry) will be 78,830,768,000 Yen (approximately £A97,141,000).

Personnel: Total number of personnel in the Defence Forces will be 164,540 (a rise of 41,387)

National Safety Force (Army): Strength will be increased to 140,580 men, including 130,000 in uniform. Six Regional Headquarters will be established together with engineering corps, tank battalions and AA groups with 90 n.m. A.A. batteries.

Coastal Safety Force (Navy):

Personnel: Strength to be increased to 16,393, including 15,808 uniformed officers and men.

Ships: To be built in Japan under the 1954 budget:-
 3-30 ton Motor Minesweepers
 8-300 ton A/S Vessels
 3-60 ton M.T.B's.

Note: Under the 1953 budget Japan is building
 2-1,600 ton Escort Vessels, 3-1,000 ton A/S vessels,
 1-1,000 ton minelayer, 4-320 ton minesweepers,
 6 M.T.B's.

To be loaned by the United States :-

2-2,425 ton Destroyers.
 3-1,630 " "
 2-1,400 ton Destroyer Escorts
 2-1,600 " Submarines
 4-320 " A.M.F.
 1-30 " Motor Minesweeper
 1-7,000 " Destroyer Depot Ship (Tender)
 2-1,600 " L.S.T's.

Note: The United States has indicated that these ships may be available on loan but no firm agreement has yet been reached.

Air Defence Force.

An Air Force under the 3rd Staff Office is to be established. It is intended to recruit 6,765 men including 1,300 radar personnel. The following schools and establishments are to be set up :-

6 Air Training Schools
2 Educational Establishments
1 Supply Depot
1 Signal School.

Navy and Army Air Arms.

Both the Coastal Safety Force (Navy) and National Safety Force (Army) will retain small air forces.

It is believed that initial training for the Coastal Safety Force and National Safety Force air arms will take place under the new Air Defence Force.

Aircraft.

The total number of aircraft for the Air Defence Force will be 258, of which 87 will be purchased under the 1953 Budget, 30 from the 1954 Budget and 141 will be supplied by the United States. In the first year aircraft will include trainers including jet trainers helicopters and transports, by 1956 they will include Sabres and Starfires and by 1959 Neptunes.

SWEDEN.

Naval Fire Control Systems.

Two types of fire control are now coming into service with the Swedish Navy which will be fitted to new construction and will gradually replace existing equipment in some older ships. These are :-

(a) The NV HOLLANDSE SIGNALAPPARATEN equipment. This is to be used for long and medium range LA and AA control and could be described perhaps as a 'maid of all work'. The director, having a stabiliser mounted

rather vulnerably in front, provides a triaxially stabilised line of sight, follow-the-pointer and auto-follow transmission and radar range. In addition, the layer's and trainer's binoculars are fitted with radar tracking arrangements whereby a vertical or lateral line (depending on the operator) is adjusted until it is central in the binoculars, thus aligning the director on the target. No special search arrangements are fitted, target acquisition being carried out by the trainer following a pointer for bearing alignment, and the layer searching in elevation. The computer, stated to be very bulky, is separate from the director and situated in a compartment below it. Some interesting figures are as follows :-

- (i) The radar is capable of tracking up to a range of at least 10,000 yards.
- (ii) The computer will function to a range of 7,000 yards.
- (iii) The maximum relative target speed which can be handled is about 720 m.p.h.
- (iv) The time interval between target indication and the first round is about 8 seconds.
- (v) The equipment requires five operators, two in the director, and three in the T.S.

From the information available, it appears that the full "blind" control is provided but this is not certain and confirmation is being sought.

(b) The BOFORS equipment for close range weapons. This will be used to control a single 40 m.m. L/70 mounting and twin 40 m.m. L/60 mountings. (Other

40 m.m. mountings, will still retain reflector sights). The director, somewhat similar to our STD, has a reflector "ring" type sight mounted on a sight bracket which is elevated by hand. The range-only radar reflector, of bowl type, approximately 2'6" diameter, is mounted in front of and below the sight. The control equipment measures angular rates by the use of two tachogenerators, and a double twin gyro is used for stabilisation. The director provides auto-follow magslip transmissions.

SECTION III.

EXTERNAL POLITICAL, POLITICO - MILITARY, AND ECONOMIC
INTELLIGENCE.CHINESE PEOPLES REPUBLIC.Report on Dairen.

The Master of a British Merchant vessel which visited Dairen recently reports that conditions there were quiet.

There were no definite sightings of Naval craft. Although "CHUNGKING" has previously been reported as being at Dairen non-operational, nothing resembling a cruiser or a frigate was seen, and the only aircraft sighted were one I.L.28 and one M.I.G.15, both of which flew across the harbour.

Four ships (two Chinese and two Russian) gave the impression of being naval auxiliaries. Two craft resembling British trawlers were observed proceeding independently in and out of harbour. They were armed with a 6-pounder forward and their crews wore uniforms resembling Communist China Navy winter 'blues'.

Two large Russian motor tankers were berthed at No.1 Pier. They were between 8,000 and 9,000 tons deadweight and were fitted with Decca type navigational radar.

Tsingtao.

Amplification of previous reports on Tsingtao suggest that considerable new Naval barrack construction is being undertaken. The Chinese are, however, very security-conscious.

The dry dock is operational and some improvements have been made. The noise of welding and rivetting indicates that some construction is taking place in the Naval Construction Yard. This yard is thought to be capable of producing MFV type craft and M.T.B's.

Area defences include A/A guns, searchlights and radar (presumed to be air warning).

Food Situation.

China is reported to be suffering from a severe food shortage. Riots are said to have taken place in various Provinces, and the Army is reported to be on half rations.

KOREA.

Geneva Conference on Korean War.

Briefly, the points leading up to the decision at the Berlin Four-Power Conference to hold a conference on Korea at Geneva are as follows :-

During the Four-Power Conference at Berlin the Soviet suggested a Five-Power Conference to discuss world affairs in general. The Western Powers countered this with a proposal to hold a conference to discuss Korea and Indo-China. Towards the end of the Berlin Conference this was agreed upon, and the conference will be held at Geneva on 26th April. With regard to the Korean question it was agreed that the Soviet should invite Communist China and North Korea and that the U.S. would invite the sixteen nations representing the U.N. Command in Korea. Neutrals are not being invited.

R.O.K. Naval Forces.

The four frigates of the R.O.K. Navy assigned to operate on the West coast of Korea are employed on routine duties under the control and guidance of the C.T.U. concerned but are not permitted to patrol unless accompanied by another U.N. vessel.

These frigates carry no cryptic or operational orders but are given sufficient instructions by C.T.U. to enable them to carry out their current tasks.

Libertymen are not allowed ashore on the islands, but conducted visits may be arranged by C.T.U.

JAPAN.Reparations.

Japan's inability to make large cash reparation payments over a short period appears to be behind the recent agreements for salvage operations in countries of South-East Asia.

She has convinced these countries that she can meet fairly substantial reparation commitments by the provision of expert services, some capital equipment and consumer goods.

Japan Now a Member of Hague Court.

Japan became a member of the International Court of Justice at The Hague on 2nd April.

She had applied for membership last October in order to settle the dispute with Australia over pearl fishing rights in the Arafura Sea.

INDO-CHINA.Military Situation.

The Vietminh, despite their superiority in numbers, have failed to reduce the Dien Bien Phu garrison. French supplies are, however, believed to be at a dangerously low level, particularly as far as ammunition is concerned. This has been caused through the inability of the French to operate because of bad weather and the continued use by the VM of radar-controlled AA guns.

There have been some aircraft lost to AA and some supplies have fallen into VM hands but re-inforcements have been successfully flown in.

French intelligence is reported to have no definite proof that the AA guns are manned by Chinese but it is known that Chinese advisers are in the field with the VM up to Divisional level.

A VM force from the Pak Se area in Southern Annam is reported to have captured the North Cambodian border town of Voeunc Sai. This is the first time that the VM have operated in Northern Cambodia.

It is now generally conceded that the VM are strenuously trying to extend their scope of action throughout Indo-China in order to create as much disturbance on as wide a front as possible before the Geneva Conference so that they will put the French in a difficult position to bargain in the event of a cease-fire. They may also be attempting to force the French to come to some arrangement before the Conference meets.

Naval Command.

It is proposed to transfer Rear-Admiral Querville from his present sea-going command to a shore command at Haiphong, covering the whole of the Northern Naval Area, including the coast and inland waterways.

SINGAPORE.New Dock for Singapore.

The contract to build a new dry dock for Singapore at a cost of 5,500,000 Malayan dollars has been awarded to the firm of Gammon (Malaya) Ltd. The new dock, designed by the staff of the Singapore Harbour Board, will be 621 feet long (capable of extension to 659 feet) and 102 feet wide, and will provide a water depth of 34 feet 6 inches. When completed, it will take ships up to 26,000 tons. Two pumps will empty the dock in an hour.

INDIA.Defence.

There is a belief in certain quarters of India that the country's defences should be strengthened as a result of U.S. aid to Pakistan. The most forcible expression of this was a statement in Parliament that the allocation in the Budget for defence was not enough and that the Government should speed up the manufacture of defence stores and equipment. The Defence Minister, S. Chandra, announced that "very important industries" which would produce complex defence equipment were to be started soon and that an ambitious Defence Industries Development Plan would be started during the next three or four years.

A small arms factory at Kanpur has started manufacturing machine-guns and new types of ammunition have been developed in the ordnance factories. The Defence Industries have been considerably assisted by the supply of equipment produced at the tool factory at Amberhath; Bharat Electronics would soon render the country self-sufficient in signalling equipment and there was more than adequate production of rifles both for current requirements and for stock.

On March 5th the House of the People adopted a private Members' resolution urging the Government to provide immediately all proper and practicable facilities for rifle training, with a view to inculcating discipline, marksmanship, initiative and leadership into Indian youth. The Home Minister advised against linking this resolution with the question of the "military threat from Pakistan".

The Government are prepared to give free instruction, storage facilities for arms and financial subventions to rifle associations.

PAKISTAN.

Visit of King of Iraq.

Faisal, King of Iraq, accompanied by the Crown Prince Abdul Nillah, has just completed a week's tour of West Pakistan visiting Karachi, Quetta, Peshawar and the North West Frontier. Later this year the King of Saudi Arabia will visit Pakistan.

Rumours of a plot to assassinate Faisal were supported by the arrest of three prominent citizens of Karachi prior to Faisal's arrival. The Secretary of the Ceylon High Commission was implicated and sent

out of the country. He is known to have close relations with members of the Soviet Embassy.

The attack could have been aimed at discrediting Pakistan with Arab countries. Faisal's visit is almost certainly connected with the proposed Middle East Alliance.

Political Repercussions from East Bengal Elections.

Mohammed Ali, commenting on the East Bengal elections, said the United Front would be called on to form a Government in East Bengal and would receive cooperation from the Central Government. He also stated that the Constituent Assembly would not be dissolved as they wish to complete the Constitution by the end of the year.

Comment: It is unlikely that East Pakistan will accept this decision as East Pakistan members of the Constituent Assembly are members of the Muslim League and no longer represent the majority. Also, the elections were fought and won by the United Front on these issues, the United Front standing for increased political autonomy and alterations in the draft of the Constitution.

Haj has promised to co-operate with the Central Government, but presumably on his own terms - scrubbing the draft constitution under consideration, etc. Suhrawardy has demanded dissolution of the Constituent Assembly.

INDONESIA.

Trade relations with Communist China.

So far as is known, no contracts have yet been

made under the Sino-Indonesian Trade Agreement.

Though rubber sales may take place, the Chinese desire estate rubber, whereas the Indonesians wish to sell low-quality small holders' rubber. However, a trade delegation from the Chinese Peoples' Republic was expected in Indonesia in March to discuss the implementation of the agreement.

China's continued desire to obtain Indonesian rubber can hardly originate from her own needs. She is getting 50,000 tons of rubber a year from Ceylon under the 1952 Rice/Rubber Agreement, and has recently been offered additional quantities by Ceylon, besides having received small consignments from Burma. China's own consumption needs of raw sheet rubber, on the other hand, are believed to be not more than 50,000 tons.

It is impossible at present to estimate the volume of Chinese re-exports of rubber to other countries of the Soviet bloc; but such exports are known to have taken place, and late in 1953, a single shipment of 570 tons went from China to Czechoslovakia. It is likely, therefore, that any increase in China's rubber imports over the level of 50,000 tons will go to augment the rubber supplies of other bloc countries.

Indonesian Shipping.

Indonesia has ordered eleven ships from Japanese ship-builders, including four passenger vessels that can carry up to 1,000 passengers. The new ships are already under construction in the Hitachi Shipyards for the Inaco-Indonesian Navigation Company.

Norwegian shipyards have received inquiries

from Indonesia regarding the building of thirty-four ships to a total value of £20 millions. Norwegian firms would be glad to accept this order, as they expect a depression in the shipbuilding industry as a result of that in the freight market, but the credit facilities for which the Indonesian authorities are asking will need official Norwegian support. It is learned that similar requests have also been made to other shipbuilding countries.

P.N.I. (Indonesian Nationalist Party) - F.K.I.
(Indonesian Communist Party) Relations.

Interest has been aroused by the recent statement of Manai Sophiaan, a leading member of the PNI Board and former Secretary General of PNI, at a recent party meeting in Palembang. He declared that the "Communist danger" was seeking to expand its offensive throughout the world, including Indonesia, and the group in Indonesia who were supporting this aim would be fought by the PNI.

As this is the first time since the formation of the present Government that a prominent member of the P.N.I. has publicly criticised the Communists, and taking into account recent divergences of views of the two groups on (1) land distribution, (2) on Labour matters and (3) on foreign investments together with the increase of the influence of moderates in the P.N.I., and the growing feeling amongst the P.N.I. that a "stalemate has developed between the Government and the opposition", it is felt that the two may part company. The likelihood of this would be increased if the P.N.I. can woo the Socialists, Catholics and other Christians.

SECTION IV.

AUSTRALIA STATION GENERAL INTELLIGENCE.HARBOUR IMPROVEMENTS.Port Pirie.

A recommendation has been made by Broken Hill Associated Smelters' engineers that an additional 7½ tons electrical portal luffing jib crane be installed at the B.H.A.S. Wharf, Port Pirie.

Port Adelaide.Additional Floating Crane at Port Adelaide.

A 90 ft. x 40 ft. steel pontoon, built at Whyalla, is now stationed at Port Adelaide.

A 10-ton or 20-ton crane will be mounted on it.

Newcastle.

Satisfactory progress is being made with construction of the cargo wharf at Merewether Street. This wharf, which will be 1,100 ft. long and about 70 ft. wide, and is expected to be completed towards the end of the year, is part of a long-range plan to improve Newcastle's wharfage facilities.

The foreshore line will extend further into the harbour when the wharf is completed. The new area is being filled with sand pumped by a bar dredge, which is dredging at the Stockton crossing. There

will be 22 ft. of water in front of the wharf. The new wharf is on the site of wharves built more than eighty years ago. Lines of coal staiths where coal from Newcastle mines was shipped in sailing ships to all the parts of the world were near this point.

Fremantle.

Preliminary work has commenced on the new berth on the North side of the harbour between the present limit of the wharf and the railway bridge. This new berth will be 650 feet in length and will have a transit shed of 500 feet. In the area involved the R.A.N. Small Craft Repair Base is located, and notice has been received from the Fremantle Harbour Trust requiring its removal by the end of June, 1954.

Albany.

Approximately one-half of the concrete piles for the first berth of the new alongside wharf of the Albany Harbour scheme have now been driven. The construction of the concrete half-caps on the driven piles is also proceeding well, and much of the timber structure to carry the wharf decking has been completed at the eastern end of the wharf.

Behind the wharf the driving of concrete sheet-piling to form a permanent retaining wall is proceeding smoothly.

As wharf construction advances, preparations will be made for the land-based installations behind the wharf. They will include a big transit shed to handle general cargo, and a gantry system to convey grain from the bulk terminal to the ship's holds.

Meanwhile, rock drilling is going on steadily in the fairway adjacent to the wharf, to remove a rock outcrop which projects above the dredged area.

NEW VICTORIA BRIDGE PLAN, BRISBANE RIVER.

The Queensland Government has approved the location and layout of the new Victoria Bridge.

The project calls for :-

Construction of a new bridge with half along-side and upstream of the present bridge, and the downstream half on the present site; an underpass on the North Quay side. The underpass to join up with Elizabeth Street on the downstream end and, on the upstream end, to join with Adelaide Street, which is to be extended to North Quay.

Preliminary designs for the Bridge and site are now being drawn by the City Council.

Diamond drilling to prove the rock formation on which to build the piers is expected to be completed in about three months.

Ansett Airways - Extension of Services.

Ansett Airways Pty.Ltd., have commenced a daily air service from Brisbane to Mackay and Townsville.

The Company has also instituted a daily air service from Sydney to Brisbane via Coolangatta.

The weekly flying boat service from Sydney to Brisbane and Hayman Island is being changed to a bi-weekly service and will be extended to Cairns.

EXMOUTH GULF - PORT FACILITIES.

Captain J.S. Musser, of the Marine Section of California Texas Corporation, and Mr. E.J. Nelson, of the Engineering Division, have visited Exmouth Gulf for the purpose of gathering data for the erection of jetties and berthing facilities in connection with W.A. Petroleum Company's oil exploration work in the area.

W.A. Petroleum Company has recently purchased drilling plant owned by the Commonwealth Government at a reported cost of £375,000.

BUNBURY (W.A.) POWER STATION.

Work has commenced on the first stage of the construction of the power station at Bunbury, which will form a major part of the South West Power Scheme.

The station, when completed, will be the largest in Western Australia. It will be capable of development to an ultimate capacity of 400,000 kilowatts. The first section alone will have a capacity of 120,000 K.W. Output from the station will be fed into the South-West system and to the metropolitan area. Collie coal in a pulverised form will be used at the station.

The location is on the North-Eastern side of Koombanah Bay.

COMMUNIST PARTY ACTIVITIES.

The Communist Party has nominated over 40 candidates to contest seats at the Federal elections to be held on 29th May.

Its present propaganda line is being directed towards securing a united front among workers in an effort to unseat the present Federal Government, and towards that end it is supporting the recent action of the A.C.T.U. in calling for a repeal of the Arbitration Act and for the establishment in lieu, of a new system of Conciliation Committees. In this connection it is making capital out of the Arbitration Court's decision to defer marginal pay and basic wage adjustments.

NORTHERN TERRITORY.

New Darwin Wharf.

The plans for the new Darwin wharf have been altered to provide for a loading ramp to enable cargo to be run from the sorting shed to waiting trucks without being lifted. There will be two sloping ramps at each end of the sorting shed, and the seaward side of the wharf, constructed with timber decking, will be three feet higher than the landward side, which will be built of concrete.

Uranium.

Rio Tinto Company, one of the largest mining companies in the world, is expected to develop a large uranium field in the Northern Territory. The Company's chief executives have paid several visits to the Northern Territory and one of their geologists, Dr. Junner, spent several weeks examining one field. Mr. C.W.Pegg, Chief Geologist in charge of uranium development for the Company, will shortly visit Darwin, when it is expected that the firm will be granted the holding of a large uranium-bearing area for development. It is believed that an area of 750 square miles in the Adelaide River - Daly River district may be the holding granted.

Copper.

A copper field has been discovered approximately 50 miles south-west of Alice Springs. Over a distance of 100 miles, outcrops of low-grade copper have been discovered in sedimentary rocks, which are similar in some respects to those on the Rhodesian copper fields. The copper field has been discovered in 4,200 square miles of country held under exploration license by Mr. H.J. Sullivan, former Assistant Chief Commonwealth Geologist. Mr. Sullivan is supported by an Alice Springs syndicate and it is understood that the National Lead Corporation of America will develop this lease.

Greek Sponge Fishermen.

The first group of Greek sponge divers will arrive in Darwin during April, in order to commence diving for pearl shell at the opening of the 1954 season. The members of this advance party are from the Dodecanese Islands and are being assisted by the Federal Government in the payment of their passage. It is now believed by master pearlery that the industry will amply absorb all the Greek divers available and that they will more than materially assist in the obtaining of pearl shell as they are considered to be second only to the Japanese divers.

R.A.A.F. Winjeel Tests.

Tests are being conducted in Darwin on fuel consumption, engine performance, and general handling qualities under tropical conditions, of the single-engined Winjeel, built by the Commonwealth Aircraft Corporation for the R.A.A.F. This low-

winged monoplane with radial engine has been designed to replace the Wirraway as a training aircraft. It is understood that three of these aircraft have been built by the Corporation solely for testing, prior to the commencement of large-scale production.

TERRITORY OF PAPUA AND NEW GUINEA.

Raluana. Natives Petition Government.

Raluanas, natives of the Raluana District, who were responsible for an assault on the District Commissioner, New Britain last year, are still refusing to obey the Administration's order to them to form a Village Council.

The most recent move of the Raluana natives has been to petition the Administration to leave them out of Village Councils until they have sought legal advice.

Written petitions were tendered by fourteen villages in the Rabaul-Kokopo area, including six Raluana villages. In all 3,654 names were subscribed to the fourteen petitions.

Commenting on the petitions, the Acting Administrator (Justice Phillips), said :-

"Everyone in the Territory has the right to petition the Administrator, and, in submitting their fourteen petitions, the native petitioners have adopted a lawful and constitutional approach.

"The petitions have accordingly been referred to the Administrator in Australia for his consideration."

A later report regarding the submission of the petitions states that the petitions included names of natives who knew nothing about them.

DUTCH NEW GUINEA.

Naval Forces.

The Naval forces in Dutch New Guinea are to be increased - a tentative suggestion being that two destroyers will be stationed there instead of frigates.

A further report (unconfirmed) states that Admiral Schaper (Naval Air) is at present in the U.S.A. attempting to negotiate the purchase of 15 Martin Mariner aircraft for the Navy, most of them for use in New Guinea.

Air Services.

A Government subsidised internal air-service will be inaugurated by K.L.M. in Dutch New Guinea by October of this year. Aircraft used will be De Havilland "Beavers". Seven new landing strips will be constructed during 1954 which will increase the number of strips to 15.

Biak Airstrip.

The new airstrip at Biak can be used by most modern troop-carriers and heavy bombers.

The airstrips built during the war by the Allied Forces are being maintained in first-class condition.

Loading of Oil at Moetoeri.

A recent report states that the Shell Company's tanker "LLANISHEN" left Sydney on 6th April to load oil at Moetoeri, Dutch New Guinea. This is the first report of the loading of oil at Moetoeri, which is one of two new oilfields in the Voegelkop Peninsular.

Moetoeri is situated on McCluer Gulf, in position Lat. 2 degs. 10 mins. South, Long. 133 degs. 42 mins. East.

PORTUGUESE TIMOR.Clash between Portuguese Timor Police and Indonesians.

A clash occurred recently between Portuguese Timor police and Indonesians in the Lautem area, resulting from the Indonesians' attempt to pilfer stocks and small arms abandoned in caves by the Japanese during their war-time occupation of Portuguese Timor.

The Portuguese authorities in Dili appear to be indifferent to the ultimate fate of these stocks of arms.

SHIPPING INFORMATION.VISITS OF JAPANESE SHIPS.

Recently three Japanese merchant vessels, "TOSHO MARU", "JAMAHARU MARU", and "NIPPOH MARU", visited South Australian ports to load barley for Japan.

This is part of an arrangement whereunder

Australia will export 200,000 tons of barley this year.

Apparently, local residents are becoming more accustomed to seeing Japanese seamen, as no protests have been made against the crews of the vessels using cameras.

Jas. Patrick & Co's. vessel "CARDROSS".

James Patrick & Co. Pty. Ltd. have purchased the Swedish vessel "VIRGINIA" (2,298 tons gross) and have re-named her "CARDROSS" - (the name of a previous vessel owned by Jas. Patrick & Co. Pty.Ltd.)

P. & O. Cargo Vessel "PATONGA".

The P. & O. Line's new steamship "PATONGA" is now in Australian waters on her maiden voyage.

Of 10,110-tons gross and with a service speed of 16-knots, "PATONGA" is the first of three modern cargo liners for the P. & O. Line. The other two ships will be named "BALLARAT" and "BENDIGO".

"PATONGA" has 391,000-cubic feet of refrigerated cargo space. Her holds are insulated and have fans to circulate cool air throughout the cargo.

INTELLIGENCE OFFICERS IN H.M.A.FLEET.

Lieutenant J.P. Brent has assumed the duties of Intelligence Officer in H.M.A.S. SYDNEY.

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.)

THE SITUATION IN MALAYA.

The Emergency is still the dominant factor in Malaya, and in some areas, notably in Perak, Pahang, Johore and Negri Sembilan, terrorist activity tends to make life insecure and uncomfortable; but even when the Emergency was at its worst there was never any serious interference in the economic life of the country and there has been a considerable improvement in the last two years. "White" or safe areas have been proclaimed in several districts and Emergency restrictions in these areas have been relaxed. Furthermore, there is some evidence that the Malayan Republican Liberation Army - the actual guerrilla force in the jungle - is finding difficulty in recruiting sufficient men to keep its numbers up to 6,000. Almost all terrorists killed, captured or surrendered recently had been in the jungle for a number of years.

However, terrorist incidents, though less frequent, are wide-spread and well-planned. The Min Yuen - the Communist underground organisation in the towns - is still active and most difficult to get at and the end of the Emergency is by no means in sight.

The Emergency has created issues between Malaya and Thailand, as terrorist groups have retired across the border into Thailand under pressure from Security

Forces. The Thai police are now co-operating with the Malayan Government to prevent the terrorists from moving freely across the border, but Thai co-operation is purely local in character and the control thus established is by no means water-tight.

Largely because of the Emergency the economics of tin and rubber production have assumed more than ordinary significance in the Federation. During the 1951 tin and rubber boom export levies brought in sufficient revenue to support the Emergency on quite a lavish scale, but with the fall in prices the Federation has found it increasingly difficult to finance the Emergency, which requires something like 150,000,000 dollars on top of the normal budget. Emergency costs have been pruned, but the Federation is now to a great extent dependent upon loans and grants of aid from London, Brunei and Singapore.

Although there are complaints about production costs from the rubber and tin interests and some criticism has been levelled at America for withholding purchasing power that would keep Malaya prosperous, export prices have actually returned to something like normal after the boom and if it were not for the extra financial burden of the Emergency Malaya's economic position would probably be satisfactory. As it is, the Emergency has meant the postponement and drastic revision of plans for economic development and social welfare.

The most recent political development of importance is the completion of a report by the Federal Elections Committee which recommends the establishment of a partly elective legislature (with an official and nominated majority) but which avoids mention of a specific date for a federal election. This report

has the approval of the more conservative elements and will probably be the blueprint for future political developments, but the U.M.N.O.- M.C.A. Alliance has refused to be associated with it and continues to insist upon elections this year for a legislature with an elected majority. The Alliance is supported in its opposition by the Pan-Malayan Labour Party and the Indian National Congress, among other groups.

There is evidence that these groups privately acknowledge the impossibility of holding nation-wide elections before the end of next year at the earliest. The Federation is faced with the problem of working out a Federal system of government for a collection of nominally sovereign sultanates and two British territories, all at different stages of development, and of encouraging a variegated and largely backward population to learn to govern the country. Not only must a widespread political apathy and ignorance of the rudiments of parliamentary democracy and the elective system be overcome but there are as yet no political parties in the accepted sense and no political platforms. There are also racial and religious cleavages to be absolved.

Singapore remains a prosperous, still growing cosmopolitan and commercial community, governed fairly efficiently. Communism, driven underground in the late 1940's, came into prominence again in 1951 and although undoubtedly a source of food and finance for the Federation terrorists, is held in vigorous check by the police.

Recently there has been a resurgence of gang-warfare, stemming largely from the activities of

Chinese Secret Societies which could be exploited by the Communists.

The belief in Singapore that its position as the principal entrepot of trade in the area is unchallengeable has resulted in a great deal of complacency and smugness. This is reflected in the Singapore reaction to the ban placed by Djakarta on Singapore's traditional re-export trade to Indonesia. The general feeling in Singapore is that Indonesia cannot manage without the commercial facilities available in Singapore and will eventually come to heel. A beginning has however been made to settle the dispute amicably.

Singapore is politically in advance of the Federation and has had a large elected component in its legislative council for several years. It is expected that the report of the Rendel Commission, which was set up at the end of 1953 to recommend constitutional changes in the Colony will contain suggestions on the question of a union between the Federation and Singapore. There are various reasons for the separation and consequent ill-feeling between the two territories; the Federation cannot reconcile themselves to an addition to the Chinese community in Malaya of another million Chinese from Singapore, and the commercial community in Singapore does not want to share in the cost of the Emergency and to be dragged in the wake of the politically more backward Federation. However, there are signs that the Joint Co-ordination Committee set up last year by the two governments has made at least some progress in discussing common services.

NAURU.

Nauru, a small island remote from civilisation in the Central Pacific, has an area of 5,263 acres and a

circumference (it is oval-shaped) of about 12 miles. Although the island is close to the equator, the climate tends towards the sub-tropical, being tempered by sea breezes. The annual rainfall averages 80 inches.

The Territory is administered jointly by Australia, the United Kingdom and New Zealand under the United Nations Trusteeship Agreement for Nauru of 1947. This Agreement has a provision that Australia is to be responsible for the legislation, administration and jurisdiction in the island.

The Administrator, who is invariably an Australian, is assisted by a Public Service comprising 16 Europeans, 280 Nauruans and 31 Chinese. Local government is carried out by a council consisting of nine Councillors (Chiefs) elected by Nauruans by universal suffrage. One Councillor is elected as Head Chief.

The total population of Nauru in June, 1952, was 3,244 of whom 1,672 were Nauruans, 759 Chinese, 253 Europeans and 560 Gilbertese and other Pacific islanders. Of the non-indigenous communities, the Europeans are almost entirely of British stock, the Chinese come from Hong Kong, and the Gilbertese (Micronesians) from the Gilbert and Ellice Islands, 300 miles east of Nauru.

The Nauruan natives are mainly a mixture of Polynesian, Micronesian and Melanesian types, although they seem more closely related to the Polynesians. They vary in pigmentation of the skin, which is mainly brown, and have thick black hair. The men are of an average height of 5 feet 6 inches and the women are 2 or 3 inches shorter.

There are no traces of an indigenous religion at Nauru. The islands have adopted Christianity which was introduced 60 years ago, and are members of one or other of the two Christian Missions (Protestant and Catholic).

The sole industry and source of income is the mining and export of phosphates. The industry dates back to 1900, when deposits of phosphates were first discovered; mining was commenced in 1906 by the Pacific Phosphate Company. In 1919, when the League of Nations gave the United Kingdom, Australia and New Zealand a mandate for the administration of the island and the working of the phosphate deposits, the British Phosphate Commission, an agency of the three governments, commenced operating the industry.

At present the average annual production of phosphates is one million tons with a value of £1,725,000. The phosphates are exported to Australia and New Zealand, and the profits are divided between the British, Australian and New Zealand governments. If the present rate of production continues, it is estimated that the phosphate industry at Nauru should last for another 65 to 70 years.

There is no shipping permanently based at Nauru; all vessels that visit the island are owned by or under charter to the British Phosphate Commissioners. Ships calling at Nauru are moored at buoys placed in deep water on the seaward side of a reef on the western side of the island, so there are no jetties for berthage. Inward cargoes are discharged from the ships to lighters which are towed by powered barges or launches into the boat harbour. The

phosphate is loaded on to ships moored inshore by means of an electrically-operated cantilever phosphate loader. The rate of the loader, which has two arms, is 1500-1600 tons an hour. There are no watering or fuelling facilities for ships.

For a native people, the living and social conditions in Nauru are of a high standard. The policy of the Administration is directed towards the progressive development and improvement of the standard of living of the inhabitants. There are housing schemes underway, the hospital is fitted with modern equipment, and transport systems and communications are ample for the island. Education is free and compulsory for all children between the ages of 6 and 16 years, and adult education is also encouraged.

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SECRET

Transit List

This document is to be treated as "SECRET". It is to be passed by hand from Officer to Officer and finally returned to the Commanding Officer.

Name of Officer to be passed to	Initials of Officer read by, and date passed on