

SECRET

Australia Station Intelligence Summary



(New Series)

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SECTION I

R.A.N. MONTHLY NOTES - EXTRACTS FROM
REPORTS OF PROCEEDINGS, ETC.

REVIEW OF PRINCIPAL NAVAL ACTIVITIES.

H.M.A.S. AUSTRALIA. - *H.M.A.S. AUSTRALIA*, wearing the flag of Flag Officer Commanding Her Majesty's Australian Fleet, completed availability on 25th January. Owing to the cancellation of the Royal Tour, her programme was revised and she recommenced training on 18th February. *AUSTRALIA* will visit the New Guinea and Solomons Islands area during April and May.

H.M.A.S. SYDNEY. - After four months operations with the United Nations Naval Forces in Korea, during which she flew approximately 2,300 sorties, *H.M.A.S. SYDNEY* sailed from Melbourne on 27th January for Sydney via Hong Kong and Singapore. She arrived in Sydney on 5th March.

H.M.A.S. TOBRUK. - *H.M.A.S. TOBRUK* arrived in Sydney on 4th March after four months service with the United Nations Naval Forces in the Korean campaign. She returned from the Far-East in company with *SYDNEY*.

H.M.A.S. MURCHISON. - *H.M.A.S. MURCHISON* returned to Sydney from Korean waters on 19th February after approximately eight months service with the U.N. Forces.

H.M.A.S. ANZAC. - *H.M.A.S. ANZAC (D10)* joined F.O.C.A.F.'s flag on 20th February in Westernport Bay. She will accompany *H.M.A.S. AUSTRALIA* on her cruise to New Guinea and the Solomons, leaving Sydney on 2nd April.

H.M.A. Ships BATAAN and WARRAMUNGA. - *H.M.A. Ships BATAAN and WARRAMUNGA* are serving with the United Nations Naval Forces in Korea.

LAUNCHING OF H.M.A.S. VOYAGER. - *H.M.A.S. VOYAGER*, the first of the four Daring class destroyers to be built in Australian waters, was launched at Cockatoo Island dockyard, Sydney, on 1st March. Her probable date of completion is March, 1954.

TRANSFER OF FOUR R.A.N. MINESWEEPERS TO ROYAL NEW ZEALAND NAVY.

Under a recent agreement between the Governments of Australia and New Zealand, four minesweepers are to be taken out of reserve and handed over to the Royal New Zealand Navy.

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These vessels will effect docking and essential repairs in Sydney before proceeding to New Zealand. The four vessels are:-

H. M. A. S. KIAMA
 H. M. A. S. INVEPELL
 H. M. A. S. STAWELL
 H. M. A. S. ECHUCA

Increase in Permanent Naval Forces.

The Cabinet Defence Preparations Committee has approved an increase in the strength of permanent naval forces from 15,173 officers and men to 17,000.

In 1950 it was estimated that 15,173 officers and men would be adequate for the R. A. N. in peace-time; but experience has shown that naval aviation will require more men than previously allowed for, and this, coupled with other commitments undertaken during the last two years, is responsible for the increase.

Citizen Naval Forces.

The Naval Board has now been given discretionary powers to adjust the establishment of the various components of the Citizen Naval Forces so as to ensure the most satisfactory means of obtaining reserves needed on mobilization.

Refitting of Bathurst Class Minesweepers.

The Cabinet has approved the allocation of £730,000 for refitting of Bathurst Class Minesweepers by June 1953, and a further £470,000 after this period.

Recommissioning of H.M.A. Ships.

H. M. A. Ships HAWKESBURY and MACQUARIE (A/S Frigates) and H. M. A. S. KATOomba (Fleet Minesweeper) will be recommissioned in 1952. Recommissioning of HAWKESBURY will take place in May.

H. M. A. S. HAWKESBURY will relieve H. M. A. S. BARCOO (A/S Frigate) which will then revert to surveying duties.

**EXTRACTS FROM, OR SUMMARIES OF REPORTS OF PROCEEDINGS
 H.M.A.S. SYDNEY**

In the concluding term of her service in Korean waters, H.M.A.S. SYDNEY completed a comparatively uneventful period with a total of 50.3 sorties per flying day. Their main success was achieved in assisting friendly troops on the island of Yongho-Do, which had been invaded earlier in the day.

All friendly troops were evacuated, but SYDNEY is credited with saving 90 personnel who would have fallen into enemy hands had it not been for the excellent air cover provided by the aircraft.

Rear Admiral A.K. Scott-Moncrieff, O.B.E., D.S.O., spent a day in the Carrier and personally briefed the aircrew detailed for strikes on two targets on the North Bank of the Han River.

Bad weather prevented flying during last days of the operational tour, but it is noteworthy that the Type 960 Radar detected a single aircraft flying off the East Coast of Korea at a height of 42,000 ft. and a distance of 190 miles.

During the period twelve aircraft were either damaged by flak or other causes but all returned safely to the carrier with one exception. This was a Sea Fury piloted by Sub-Lieutenant R. J. Coleman, who has been posted missing, presumed dead.

Approximate damage inflicted :-

86 Jun⁺
 317 Houses-Dwellings.
 2 Supply Dumps
 34 Ox Carts
 21 Enemy troops-killed
 11 Railway Bridges.

H.M.A.S. TOBRUK.

During January *H.M.A.S. TOBRUK* took part in a number of operations off the West coast of Korea which required bombardment of shore positions on several occasions. Severe weather conditions, including a blizzard and "icing up" were experienced during the operational tour.

H.M.A.S. GLADSTONE.

On 21st January, whilst on her Tasmanian cruise, *H.M.A.S. GLADSTONE* anchored off Three Hummock Island, which lies off the north-west coast of Tasmania, and took the opportunity of landing a short wave wireless set to Commander J.M. Alliston, R.N. (Ret'd), who has a lease of the island and intends to engage in the raising of sheep.

Recreation, fishing and shooting parties were landed and enjoyed a run ashore during the Dog Watches. With assistance from the ship's radio staff, the wireless was installed and tests carried out with *GLADSTONE* and with Hobart Radio.

SECTION II
EXTERNAL INTELLIGENCE

KOREA

Military Talks

Military talks for a cease-fire in Korea have continued and some progress has been reported. Agreement has been reached upon Item 5 of the agenda, "recommendations to Governments" of countries concerned on both sides. As a result a political conference will be held within three months of the signing of an armistice and its becoming effective. This conference will settle by negotiation the questions of the withdrawal of all foreign forces from Korea and the peaceful settlement of the Korean problem. Sub-delegations dealing with Item 3, Supervision of the Armistice, and Item 4, exchange of prisoners of war, have made little further progress. The latest disagreement which may prove a stumbling block in negotiations is the insistence by the Communists that Russia should be accepted as a neutral country and participate in the supervision of the armistice on neutral supervisory truce terms. The United Nations Command have accepted the Communists' nomination of Poland and Czechoslovakia as neutral countries, but refuse to accept Russia as a neutral.

Territorial Waters.

A proclamation that the "Syngman Rhee Line" would replace the "MacArthur Line" when the Japanese Peace Treaty comes into effect was made by the President of South Korea on 19th January. The "Syngman Rhee Line" is nearer to Japanese waters in the South than the "MacArthur Line" and in the East takes in Takushima Island which has been regarded as Japanese territory. The "MacArthur Line" defines the limits of the area within which Japan may legally engage in fishing activity. Japanese Foreign Office's reaction to the proclamation is that it violates the established principle of freedom on the high seas in that it claims sovereignty for Korea over marine resources up to 50 to 60 miles from its shores. Japan also fears that the proclamation may wreck the projected fisheries talks between the two.

Communist Capture of Islands in the Yalu Gulf

A delayed report which is from a usually reliable source and possibly true states that the Communists used a 173-foot sub-chaser mounting two 4" and 40m.m. guns to shell the islands before their capture by Chinese amphibious forces. An unarmed sub-chaser was handed over to Nationalist China as her share of the Japanese Navy and was reported to be in Chinese Communist hands.

Islands off the West Coast of Korea.

Recently the enemy has taken or occupied a number of islands off the West Coast of Korea. These include all the islands in the Yalu Gulf, five small islands in the Taedong Estuary, five islands off Ongjin Peninsula and two in the Haeju approaches. The United Nations forces still control three islands in the Taedong Estuary, two large and five small islands close to the mainland in Taedong Bay-Ongjin Peninsula area and six in the Haeju approaches. Of these islands it is considered that the following must be held at all costs; - Sokto and Chodo in the Taedong Estuary, Taechong-Do and Paengyong-Do in the Taedong Bay-Ongjin Peninsula area, Yongpyong-Do in the Haeju approaches and in addition Tokchok-To in the Inchon approaches. H.M. Naval forces are responsible for the sea and landward defence of these islands and U.S. Marine officers with small South Korean garrisons comprise the defence force on each of the islands.

JAPAN.

Japanese Peace Treaty.

The United Kingdom deposited its instrument of ratification of the Japanese Peace Treaty on 3rd January and is the first Allied country to ratify the Treaty. Japan ratified the Treaty on 28th November, 1951.

Japanese Relations with Nationalist China.

In a letter written by the Japanese Prime Minister, Yoshida Shigeru, to the United States Special Envoy, Mr. John Foster Dulles on 24th December, 1951, concerning the Japanese Peace Treaty, Mr. Yoshida stated that the Japanese Government had no intention of concluding a bi-lateral treaty with Communist China. He added that Japan did want a treaty with Nationalist China which would "re-establish normal

relations between the two governments in conformity with the principles set out in the Multi-lateral Treaty of Peace". It is reported that when the content of this letter was released on 16th January, it caused a considerable stir amongst Japanese business men who would like to see a resumption of Japanese trade with Communist China in view of the ability of the Chinese mainland to supply Japan with considerable quantities of raw materials at lower prices than elsewhere.

Japanese Socialist Party.

The Japanese Socialist Party, which split on the issue of the approval of the Japanese Peace Treaty and Security Pact in October last, is reported to be making an effort to re-unite under a general policy of :-

- (i) Complete neutrality to safeguard Japanese independence.
- (ii) Re-open trade with the Chinese mainland , India and Burma.
- (iii) Use all influence possible to end the Korean War before it could cause further unrest in Asia.

Ryukus.

On 6th December, 1951, G.H.Q. S.C.A.F. announced that islands in the Ryukus Group, which lie north of 29 deg.N., latitude would be returned to the "governmental and administrative jurisdiction" of the Japanese Government "subject to the authority of G.H.Q.", effective immediately. This division of the Ryukus Group does not include Amami-Shima Island, the return of which to Japan has been actively pressed for by its inhabitants. Amami-Shima is within the area which is under United States jurisdiction pending the making of trusteeship proposals by the United States.

CHINA.

Chankiang.

A Chinese press report from Chankiang (Zwengchowwan), on the East coast of Lui-chow peninsula, in South China dated November 1951, states that the Chinese People's Government is planning to build Chankiang into an important commercial port and naval base. The report goes on to say that all wharves have been rehabilitated and that the port

military installations have been strengthened.

An auxiliary naval base has been constructed on the island of Tung Hoe, about eight miles south of Chankiang, and a "Tung Hoi Island Patrol of the South China Navy" has been set up on the island. The construction work at both Chankiang and Tung Hoi Island is being carried out under the supervision of Soviet advisers from Canton.

It is also reported that a regular passenger bus service is maintained between Canton and Chankiang. The journey by this overland route takes three days. In addition a regular passenger-freight service is maintained by sea by five vessels between the two cities.

Paratroop Divisions

The C.C.A. is reported to have had four para-divisions, each between 6,000 and 7,000 strong, in training under Soviet instructors in Manchuria in June, 1951. The report adds that the target is six fully trained and equipped divisions by 1953.

Taku Harbour.

The planned date for the completion of the new harbour at Taku is reported to be the end of 1952. Work on the project is proceeding but it is thought that large-scale dredging will probably be necessary to enable ships to enter without unloading outside the bar.

Panamanian Shipping in the Far-East.

Since its announcement in July, 1951, that severe penalties would be imposed on ships of Panamanian Registration carrying war materials to Communist ports in Asia, the Panamanian Government has taken action to prevent the sailing of ships from North European and Indian ports with cargoes destined for Communist China. The registration of S.S. "MOLLY" (3317 GRT) has been cancelled for attempting to carry strategic materials from Hong Kong to Communist China ports.

Another interesting development is the transfer of certain Panamanian ships to the Chinese Communist flag. The following are the vessels concerned:-

- "WILLBOO" (1874 GRT) - Renamed "HAI WAI"
- "WALTER" (1804 GRT) - New name not known
- "WEST BAY" (3506 GRT) - Renamed "TAIER CHUANG"

In addition "TALUEI" (882 GRT) has been renamed "LINDA" and application for Portuguese registration has been made.

It is also reported that Chinese Nationalist authorities have requested the Panamanian Government to impose a total ban on all Panamanian ships trading with Communist China and to cancel the registration of 19 Panamanian ships alleged to have failed to comply with certain technicalities in the process of transfer to Panamanian registry.

INDO-CHINA

Military Situation.

Hoà Binh, the French strong-point 40 miles South-West of Hanoi, was evacuated on 24th February and the French and Vietnamese forces now occupy defensive positions on the Tongking delta perimeter in the approximate location of those held last November before General de Lattre launched his offensive. Despite very heavy casualties the Viet Minh were able to infiltrate French positions in strength and virtually surround Hoà Binh, which was strongly held. No doubt the evacuation of Hoà Binh was forced by the inability of the French to supply the garrison from the air due to the prevailing Crachin mist season (ists which drift in from the sea and seriously restrict visibility in coastal areas between mid January and March or April) which seriously limits air activity.

New Command Appointments.

General de Lattre de Tassigny, French High Commissioner and Military Commander in Indo-China, died on 11th January 1952, in Paris. General Salan is now Acting Military Commander and a civil High Commissioner, M. Letourneau has been appointed.

Viet Minh Domestic Propaganda.

Since mid 1951, Viet Minh domestic propaganda has been designed to promote admiration of the Chinese Communist Party, but in late December this was carried a stage further and Mao Tse-tung was represented as the principal leader of Asiatic Communism and the main theorist of the Viet Minh movement. No mention was made of Ho Chi Minh as an intellectual leader of Communism in Indo-China.

Establishment of Vietnamese Navy.

Arrangements have been set in train for the establishment of a Vietnamese Navy.

A training centre is being built near Nha Trang (12 degs. 15 mins N., 109 degs. 12 min. E). Officers will commence their

training in France towards the end of this year.

Landing craft type ships are being obtained from the United States.

French Cruiser "DUGUAY-TROUIN"

The above French Cruiser has recently returned to France for dismantling and transfer to the obsolete list for use as a Station ship.

Her history has been varied during her 29 years of active commission.

- 1923 - 1939 Undertook long campaigns from her normal base.
- 1939 - 1940 Incorporated in Force X, which operated in the Mediterranean, with battleship LORRAINE and cruisers DUQUESNE, TOURVILLE, and SUFFREN.
- 1940 On the armistice being declared these ships were immobilised at Alexandria.
- 1943 Transitted through Suez Canal and appeared in Morocco.
- 1944 - 1945 Took part in last stages of World War II especially in Provence Landing, for which she received a citation
- 1946 Overhaul.
- 1947 Left France on 9th May and took part in quelling Madagascar rebellion. Her accomplishments included shelling Mananjary and Manakara and a defensive role in Tamatave. She received her second citation for her part in this action and after the trouble had subsided, proceeded to Saigon on the 14th November to become Flag-ship, Far-East
- 1948 - 1951 Four years of continued operations with 400 days being spent on active war missions. Her tasks were many and varied, namely, shelling of key positions, troop-carrying, hospital ship; and as a point of historical interest, was the meeting-place of His Majesty Bao-Dai and the High Commissioner, when Viet-Nam received its independence.

THAILAND:

Political Situation.

The political situation in Bangkok is still confused;

thus it is difficult to assess the effects of the recent coup.

Field-Marshal Pibul Songgram, whose Government was displaced, has been re-appointed Prime Minister and his appointment has been approved by Royal Proclamation. Royal decree has also approved the re-establishment of the 1932 Constitution subject to certain amendments and has ordered that the House of Assembly shall consist of appointed members until elections can be held.

The new Assembly consists of 99 service officers and 24 civilians, appointed members, and includes all ministers in the Provisional Cabinet. Service members of the Assembly include most senior officers of the Army, Police, Navy and Air Force. All members of the Prachachon, Independent and Ratsadorn parties have been excluded from the Provisional Cabinet. These parties were earlier reported to be opposed to Pibul Songgram's displaced Government.

An order imposing censorship and prohibiting all political meetings issued by the Provisional Executive Committee prior to the formation of a Provisional Cabinet is believed to be still in force.

Pibul Songgram's position in relation to service and police groups which staged the coup is not known, but it is possible that he has been retained temporarily as a figure-head. It seems likely that a struggle for power will now take place between the service and police groups and that still further coups may take place in the future.

The new Government is reported to be even more anti-Communist than its predecessor. Also, it is unlikely that there will be any change in the country's foreign policy. Nevertheless, on present indications it seems that Thailand will not be able to settle down to any reasonable period of stable government.

New Naval C. in C.

Rear-Admiral Yudhasat^{Kosal} has been appointed Commander-in-Chief of the Navy in succession to Vice-Admiral Luang Polasint Tavanat, who has been appointed Adviser to the Joint Staff, Ministry of Defence. Rear-Admiral Kosal is reported to have virtually left the Navy in 1933 with the rank of Commander. In addition to his normal duties he has been appointed Minister for Agriculture in the new Cabinet. Under these conditions it seems unlikely that the Navy could be rebuilt into an effective force.

MALAYA.

Bandit activity has increased again in the period under review but the type of activity has altered slightly. There has been a decrease in the number of rubber tree slashings but attacks in transport have increased. Intimidation of labour continues and has resulted in stoppages of work but on a far less serious scale than in the latter part of 1951.

The dropping of paratroops in the bandit stronghold area of Perak in Northern Malaya has disorganised the bandits, who are in danger of losing the initiative in this area as well as their chief supply bases and rest areas. If the Security Forces can consolidate their gains in the North they may well isolate the bandits from the known source of arms supply from across the Thai border.

Recent reports indicate that a courier service for smuggling arms from Thailand is in existence and it is also believed that considerable numbers of arms are being diverted from Indo-China because of the fact that the Malayan bandits can pay much higher prices for the equipment. However, if the Thailand route can be sealed off most of these arms will have to come by the sea route, which may well prove too costly even for the apparently wealthy Malayan bandits.

BURMA.*Internal Situation.*

The internal situation in Burma is still causing concern although no major developments have been reported. Recently the leader of the Burma Communist Party (Thakin Than Tun) is reported to have ordered an intensification of operations. There are also indications that the area of operations may include Lower as well as Upper Burma. Thus it seems that when the Communists do launch an offensive it is likely to be on a larger scale than was originally thought and could possibly include active intervention by Communist China. There is little direct evidence to support the contention that China might intervene openly, but China is keeping alive the best pretext for such action by her recent spate of propaganda from Peking accusing the United States of planning to use K.M.T. forces in Burma against China.

The Anti-Fascist Peoples' Freedom League (A.F.F.F.L.)

was generally successful in the second round of the Burmese National Elections which commenced on 16th November 1951, and continued through till the early part of January 1952. Polling is still incomplete in 25 constituencies out of 375 (250 for the Chamber of Deputies and 125 for the Chamber of Nationalities) and as the Election Supervision Commission responsible for the conduct of the elections was dissolved early in January the new Government will be responsible for holding elections in the remaining 25 constituencies.

The main opposition parties in the Burmese Parliament, Dr. Ba Maw's Mahabama Party, the Burma Workers and Peasants Party and U Aung Than's People's Peace Front, recently formed a United Front after protracted negotiations. These parties are left-wing parties and from the tone of the speeches made by the respective leaders at the announcement of the formation of the United Front it seems likely that they will lend support to the Communist cause in Burma.

British Oil Interests in Burma.

The Burmese Government and the British Oil Companies in Burma have agreed to form a joint company to exploit oil fields in Burma. It is stated that under the terms of this agreement the Burmese Government will acquire a one-third share in the joint company with the option of increasing its share at a later date if it so desires. The conclusion of the agreement to form the joint company enables the Burmese Government to take advantage of a £2,500,000 loan recently offered by the United Kingdom Government towards financing the purchase of Burma's share.

Exchange of Diplomatic Representatives with Australia.

An agreement between Australia and Burma to exchange diplomatic representatives on the level of Ministers Plenipotentiary was recently announced in both Rangoon and Canberra.

Change of Title of Commander of Burma's Armed Forces.

It is reported that General Ne Win has relinquished the title Supreme Commander and assumed the title G.O.C. Army, Navy and Air Force. It is suggested that the change in title could indicate the possible future separation of these three appointments.

NEPAL.

India has agreed to furnish certain military and financial aid to Nepal but is believed to have advised the Nepalese authorities of the desirability of avoiding friction with the Chinese Communists controlling Tibet.

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India's action in furnishing aid to Nepal is doubtless prompted by the announcement that the Chinese Communists intend setting up a military Headquarters at Lhasa and by the fact that it is believed that the Nepalese representative in Tibet has already been approached with the suggestion that the time has now come for a revision of existing treaty relations between the two countries.

It will be recalled that the boundaries between Nepal and Tibet have never been clearly defined and it is worthy of note that under existing treaties between the two countries Nepalese traders in Tibet are exempt from tax and duty payments and cannot be tried by Tibetan courts. This gives the Chinese Communists grounds for action and it can be assumed that they will not be slow in taking advantage of them.

It is now believed that the recent insurrection in Nepal was the result of Communist activity in creating internal unrest.

INDONESIA.

Internal Situation.

The prospects of the present Indonesian Government's survival seem to be limited because of the fact that Indonesian political opinion of all shades now condemns the administration as incompetent and disunited, and a political collapse seems imminent.

The difficulty of forming another Government may prolong its existence, but it is considered possible that in due course a dictatorship of the Right will emerge as the Government of Indonesia.

The Government is faced with a serious problem in the Celebes, brought about mainly by lack of foresight and ineptitude in its dealings with Kahar Muzzakkar, the guerrilla leader in the Islands. Muzzakkar was willing to negotiate, but the inflexible attitude of the Indonesian negotiators left him with no choice but to continue hostilities.

After three months of operations against ^{his} guerrillas by the Indonesian Government troops, Muzzakkar still has the major portion of his forces intact, moderately armed and well clothed, and spread over the two southern peninsulars of the Celebes, whilst the Government troops are reported to have suffered heavy casualties and there is no certainty that there have not been some desertions to the guerrillas.

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Recent reports indicate that there has been financial assistance for the Darul Islam from Indonesian Communists. This assistance is believed to have come through Chinese hands. Although Kartosuwirjo, the Darul Islam leader, is thought to be anti-Communist (he is reported to have refused an offer of active assistance from the Communists) it is possible that some sections of Darul Islam are willing to receive arms and financial assistance from any source willing to contribute.

Recruitment of Germans for Merchant Service.

It is reliably reported that the Indonesians are hoping to recruit 230 German officers and engineers for their Merchant Navy. Later it is intended to recruit a smaller number of former German Naval officers for the Indonesian Navy.

SECTION III

AUSTRALIA STATION

DUTCH NEW GUINEA.

During the talks now taking place at The Hague, between representatives of the Dutch and Indonesian Governments, the question of the sovereignty of Dutch New Guinea has again been discussed. (A press report, as yet unconfirmed, states that the talks have been suspended).

Commenting on these talks, Mr. A. G. Casey (Minister for External Affairs) in a recent statement said that Australia recognised Dutch sovereignty over Dutch New Guinea and that their sovereignty over the territory should continue.

Regarding Indonesian activity in the area, reports of varying reliability give indications that infiltration into Dutch New Guinea is taking place on a minor scale and is of two types:-

- (i) Infiltration by Indonesians, including the normal drift of labour to and from the oil-fields area at Sorong.
- (ii) Infiltration by anti-Indonesian Government Ambonese, the majority of whom appear to be refugees from the South Moluccas.

Indonesian Naval Patrols have been reported in West New Guinea waters and it would appear that one of their tasks is to prevent the escape of these refugees.

There is no reliable evidence of forces concentrating in any area adjacent to Dutch New Guinea which would portend the mounting of a major operation. Any such preparation would be difficult to conceal.

Evidence suggests that for some months at least, Indonesian forces in the area adjacent to Dutch New Guinea will be pre-occupied by the "mopping up" operations in the South Moluccas.

REPORTED SIGHTING OF A SUBMARINE AT LAUMONA (SOLOMON ISLANDS).

A Coast-Watcher at Laumona, in the Shortlands Group, Solomon Islands, has reported that two natives sighted a submarine between Fauro Island and Shortland Island on 31st January. The submarine was reported as being painted white, but no markings were observed. After 15 minutes she submerged on a course towards Ballelei Island. The present grading of this report is C.3., but an endeavour is being made to obtain further particulars of the sighting.

During the past twelve months there have been eight alleged submarine sightings on the Australia Station. While the majority of these reports have originated from natives in New Guinea and the Solomon Islands, some at least are believed to be authentic and there seems to be no doubt that Russian submarines have been present in our Northern waters during this period. There is no evidence to show that any form of infiltration or gun-running has been attempted, and it appears likely that these visits are part of a training programme, with possibly an additional object of finding out where clandestine fuelling bases could be established.

ANGLO-IRANIAN OIL COMPANY'S REFINERY, WESTERN AUSTRALIA.

The Anglo-Iranian Oil Company's refinery, to be erected in the Kwinana-Cockburn Sound area, will, it is estimated, supply 40 percent of Australia's oil needs.

When operations commence Australia's total refinery capacity will be 6,500,000 tons. Oil will be obtained from the Persian Gulf area, particularly from Bahrain, and 3,000,000 tons will be processed annually.

All grades of oil will be produced, and a modern catalytic cracking plant will have a large output of motor spirit, aviation gasoline and other by-products. The storage installation attached to the refinery will have a capacity of 1,000,000 tons.

A labour force of 4,000 will be employed on the construction of the refinery, which should be completed by 1956. The steel and other materials for its construction will be imported from the United Kingdom. There will be a permanent operating staff of 1,000 men.

Commonwealth Oil Refineries Limited, in which the Anglo-Iranian Oil Company holds a 49 per cent share, will act as the distributing agency for the products within Australia. The C.O.F. refinery at Laverton (Vic.), a small single-column refinery, will continue to function for at least four years and probably until the plant becomes inefficient.

The Western Australian Government is co-operating with the Anglo-Iranian Oil Company in providing the necessary harbour and communication facilities for the refinery and is prepared to spend up to 25 million in the undertaking. It will be necessary to provide 1,000 homes and suitable roads and

suitable roads and railways. The "South of the River" railway to by-pass the city and suburbs, will have the first priority.

When the new refinery is established and working to full capacity, a 12,000-ton tanker will be berthed daily, and at a later date much larger tankers will berth every three days. The Tydeman Plan for the development of Fremantle Harbour has been reviewed to allow for the accommodation of these tankers, and Parmelia and Success Channels will be dredged to a depth of 38 feet.

DERBY (W. A.) - PROPOSAL TO CONSTRUCT A DEEP-WATER PORT.

The Western Australian Government has announced that, subject to assistance on an equal basis by the Commonwealth Government it is intended to construct a deep-water port at Derby.

The selected site is Black Rocks (17 degs 05 mins South 123 degs. 35 mins East approximately). The work which would be involved includes the provision of a jetty, goods shed, water supply and associated equipment.

Black Rocks is located approximately 15 miles from the present town of Derby; but so far there has been no mention of moving the township - as was done in the case of Onslow.

The cost of the scheme is estimated at £100,000 annually for each Government over a period of six years.

BARGARA (Q) - POSSIBLE DEVELOPMENT AS A DEEP-WATER PORT.

An estimate is being prepared by the Queensland Department of Harbours and Marine for submission to the Queensland Treasury for the construction of a deep-water port at Bargara, situated on the coast due east of Bundaberg.

If this project materialises, Bargara would provide a deep-water port for Bundaberg. An alternative proposal for the deepening of the Burnett River was rejected on account of the cost.

NAVAL OIL FUEL INSTALLATIONS.

Cairns.

The Department of Works and Housing are at present engaged in effecting repairs to both the furnace and distillate lines at Cairns. No bunkering can be undertaken, therefore, but it is estimated that furnace oil will be available for bunkering purposes in early April, and distillate a little later.

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Townsville.

Tests have shown that water is present in all parts of the Eastern Wharf Furnace Oil Line at Townsville and instructions have been issued to the Department of Works and Housing to blow back this line to No. 2 tank and to reflood from No. 1 tank. The Western (concrete wharf) line is under repair.

In consequence, bunkering of furnace oil at Townsville will not be available for some time.

NORTHERN TERRITORY.

New Newspaper

On 8th February a new local newspaper, "The Northern Territory News," made its appearance in Darwin. This newspaper, which will be published weekly, represents an attempt by some of the business men of Darwin to give the people of the Northern Territory news that is not "extremely left wing" or tinged with "Red"

For some years the only newspaper in Darwin has been the "Northern Standard", the official organ of the North Australian Workers' Union; and as the N.A.W.U. has been Communist-controlled for a considerable time the leaders and articles in the "Northern Standard" were very much "agin the Government". Perhaps one of the brighter editorial gems was a vitriolic article castigating "Menzie's and his War-mongering Associates" for causing an outbreak of poliomyelitis in Darwin! In this article, the reasoning was so puerile that it completely misfired and instead of stirring up trouble on the water front as was intended, it caused a great deal of amusement to all classes and was primarily responsible for the Editor being replaced.

The new paper claims to be non-partisan, and the initial issue was very well received. Some 5,000 copies were sold - a creditable effort in a town whose total population is about 8,000, of which a small percentage is illiterate.

It is believed that the "Northern Standard" (popularly known as The Moscow Times or Northern Sub-Standard) will eventually cease publication.

"The Northern Territory News" is printed and published by Mr. J.R. Coleman, of Darwin. Two ex-Sydney journalists

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hold executive positions in the company, Mr. D. Whittington being Managing Director and Mr. E. White Chairman of Directors.

Rum Jungle Uranium field.

Large-scale mining of rich radio-active ore at Rum Jungle, 70 miles south of Darwin is planned. It is believed that the Commonwealth Government plans to have over 100 men on the field by the middle of the year. They will be equipped with the most modern mining machinery available. Special accommodation will be provided for married personnel.

It has not yet been decided whether underground working should continue or open cut operations developed. Extensive developmental work has been carried out during the past 12 months by members of a geological survey party, in testing the quality and extent of the field, and two shafts, each over 70 ft. deep, were sunk. The results of these operations are being considered by the Commonwealth Bureau of Mineral Resources, which is controlling the project.

FRENCH EXPEDITION TO ADELIE LAND, 1952.

M.V. "TOTTAN" returned to Hobart on 31st January, 1952, from Adelie Land after relieving the French Antarctic expedition.

A considerable number of large icebergs were encountered 300 miles from the Antarctic Continent but ice conditions generally were good and the approach to the base at Port Martin was made without difficulty. The stores were again unloaded on pontoons successfully.

On 23rd January, when the new scientific party had settled in and operations had been completed, a fire, which is believed to have been caused by an electrical short in the engine hut, swept through the camp on a sixty-knot gale and destroyed the expedition's living quarters. Only the outlying instrument huts were not destroyed.

This disaster caused a change of plans; it was decided to proceed with the establishment of the second base at Pointe Geologie, fifty miles to the westward of the Port Martin base, and to abandon the latter. Pointe Geologie is more suitable as a base so far as living conditions are concerned, being sheltered from all gales, a disadvantage, however, lies in the loose ice which is liable to accumulate there in easterly winds and effectively block approach by sea. The journey by land from Port Martin to Pointe Geologie occupies eight to ten days. The

expedition has two weasels (one serviceable) at Port Martin which it will transfer to Pointe Geologie, where a serviceable weasel was landed by "TOTAN".

Radio communication will normally be with Macquarie Island, as the only available transmitter is a small one of limited range.

While at Pointe Geologie one of the missions of the expedition will be to observe the habits and prepare a comprehensive report on the Emperor Penguin, of which there is a large rookery in the area.

NEW CALEDONIA.

Japanese Interests.

There are signs that pre-war Japanese commercial interest in New Caledonia is reviving. Japanese firms are reliably reported to be offering extremely high prices for New Caledonian nickel, but it now appears that the heavy requirements of the French re-armament programme will prevent any substantial movement of nickel exports to Japan for some considerable time to come. Licensing restrictions have been lifted on export to Japan by the various small nickel mining interests outside the Societe le Nickel, but it is understood that a limitation of 50,000 tons has been imposed on the overall amount of nickel ore which may be exported from all sources to Japan during 1952.

The former Japanese owner-manager of the iron-mining Societe le Fer at Goro is anxious to return to New Caledonia and resume activity. The mine is still under a sequestration which should soon be terminated, the French Government apparently having complete discretion as to the disposal under the Japanese Peace Treaty, although there is some possibility that the legality of the sequestration could be called in question by New Caledonian shareholders. The Societe le Nickel would probably oppose the revival of the Japanese company in any form as competitively dangerous to its own iron-mining activities.

Unconfirmed reports indicate that certain other Japanese or Japanese-American groups are interested in new mining development on their own account. The Managing Director of the

Societe Le Nickel is believed to have been approached by a Japanese financial group regarding the possible acquisition of shares in his company.

It is reported that only 2,514 tons of scrap iron have so far been exported to Japan of the 5,000 to 6,000 tons collected for export.

It is extremely difficult to gauge the accuracy of the frequent rumours relating to possible Japanese commercial financial and investment interest in New Caledonia, but there is no doubt that the interest is reviving.

Indonesian Community.

Little evidence has been encountered of political activity among Indonesians in New Caledonia, although the Indonesian Consul estimates that Communists and Communist sympathizers may number as many as twenty per cent of the community. Few, if any, of these, according to the Consul, have any real understanding of Communism or political ideas generally.

The majority of the community, however, is undoubtedly nationalist in sympathy. This factor is probably due more to the tenacity with which Indonesians have retained their communal identity and avoided racial inter-mixture, than to the activities of the Indonesian Consul. These include the distribution of some publicity and propaganda material published in English, French and Malay by the Indonesian Ministry of Information, and the showing of a number of films. On 17th August an official reception was held in commemoration of the Indonesian Independence Day, and on the following day a programme of Javanese dances was given in the presence of a small number of European officials and notabilities and an audience of at least 500, in the course of which the Indonesian audience responded enthusiastically with shouts of "Merdeka".

Indonesians in Noumea were called on to register at their Consulate between 1st September and 7th October last. Indonesians resident up-country are to be registered at a later date.

There is still no prospect of repatriation of any substantial number of Indonesians to Java. Until repatriation is effected, there is little or no possibility that the Indonesian Government would sanction the emigration of new contingents to New Caledonia. There may be some danger that

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the Indonesians now remaining in the Territory, who should have been repatriated immediately after the last war, may develop into a permanent racial minority, nationally self-conscious, unless replaced and returned to their homeland in the predictable future.

INTELLIGENCE OFFICERS IN H.M.A. SHIPS.

Lieutenant R. H. Percy, R.A.N., has assumed the duties of Intelligence Officer in H.M.A.S. LATROBE.

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SECTION IV

SPECIAL ARTICLES

JAPANESE MARITIME SAFETY BOARD

A Royal Naval Officer who recently visited the 7th (Kyushu) District of the Japanese Maritime Safety Board at Moji and later undertook a two-day patrol in one of the Board's vessels operating from Sasebo considers that at present the Japanese Maritime Safety Board is not the embryo of a future Japanese Navy. In his opinion, if the Japanese Government decides to expand the Board into some form of a Navy the problem would resolve itself into two parts - the material side and the personnel side.

On the material side the Board already possesses a variegated minesweeping fleet of 72 vessels and if its new construction patrol ships are armed they will, in addition to their present duties, be able to undertake the task of fishery protection. Other than these any warships would have to be obtained from the United States or built in Japan and in the latter case financial assistance would almost certainly be required from America and for the first two or three years the weapons and their accompanying control gear would have to be obtained from abroad. In this connection some of the officers at Moji mentioned that they were expecting to receive some frigates from the United States next spring although they were very vague as to the precise meaning of the word "frigate".

On the personnel side, to build any sizeable Naval force it would be necessary to make use of trained Naval Officers, but the impression was gained that the present officers of the Maritime Safety Board will strongly oppose the admission of any ex-Naval Officers with the exception possibly of technicians and those who were of junior lieutenant's rank or below at the end of the war. On the one hand the merchant service officers who now hold senior posts in the Maritime Safety Board harbour resentment against the regular Naval Officers who looked down upon them prior to and during the war, and on the other hand there are those officers of the Board who feel confident of their own ability to handle any expansion of the force into a Navy (many of them had small

ship experience during the war) and who are anxious that any promotions or rise in prestige should accrue to them.

It was noticed that there is a "merchant service" spirit prevalent throughout the organisation and no matter how efficient the officers and men may be, they regard the Maritime Safety Board as merely a pleasant job when compared with the normal life of a merchant serviceman with its long days at sea and short hours at home. The spirit of service is fundamentally lacking.

In conclusion, the officer points out that the Japanese Maritime Safety Board is essentially a civilian organisation carrying out an important and necessary function. Up to a point it may be expanded into a Navy but this would be in addition to, rather than instead of its present work; however, the lack of a spirit of service would probably impede the development of an efficient fighting force.

FORCED LABOUR IN U.S.S.R. AND EUROPEAN SATELLITE COUNTRIES.

(Unclassified)

The story of the growth of the vast forced labour system in the U.S.S.R. and Soviet-controlled Europe is told in a special report issued by the International Confederation of Free Trade Unions (I.C.F.T.U.) under the title of "Stalin's Slave Camps", published in Brussels by the I.C.F.T.U.

Much of the evidence quoted by the report is already on record, having been presented, largely by the U.K. delegations, to various sessions of the U.N. Economic and Social Council and its subsidiary Commission on Human Rights.

Oppressive Labour Laws.

The report begins by showing that in the Soviet Union no worker is free, as freedom is understood in non-Communist countries, for example :

- (1) A worker who leaves his work of his own accord is regarded as a "deserter", and decrees provide a penalty of ten years of forced labour in such cases.
- (2) A worker must accept any employment to which he is assigned.
- (3) By a law of 9th June, 1948, all strikes are illegal.

Legal Basis of Forced Labour.

Abundant evidence is quoted to show that the laws of the U.S.S.R. recognise the forced labour system. The Criminal Code of the R.S.F.S.R. (August, 1948) lists various "Crimes" for which offenders may be sentenced to forced labour. They include "instruction of minors in religious doctrines".

It is even possible to be condemned to forced labour for no crime at all.

Members involved.

The Soviet Union preserves strict secrecy on the matter, but it is known that very large numbers are in forced labour camps. It was officially announced that 127,000 of the forced labourers who had constructed the Baltic-White Sea and Moscow-Volga canals were amnestied when the projects were finished. It has been variously estimated that the number of persons in forced labour camps is between 8 and 12 millions.

Conditions in the Camps.

The report goes on to examine conditions inside the camp. It shows that political prisoners are placed under ordinary criminals.

The scale of rations provided is much below normal standards.

Economic Implications of the System.

The report develops at length the implications of the forced labour system in Soviet economic planning. The system ensures that there is available a vast reservoir of regimented labour which can be moved about at will, even to the remotest Arctic regions.

Forced Labour in Satellite Countries.

Evidence in the report shows that the forced labour system has been established also in the Soviet satellite countries, and quotes, for example, a Czechoslovakian Criminal Code of July, 1950, that sentences up to two years forced labour could be imposed "if, from the manner the petty offence was committed, it is evident that the offender has manifested, or intended to manifest, an attitude inimical to the people's democratic legal order of the Republic or to

the establishment of Socialism".

While there is abundant proof from official decrees that the forced labour system is established in Soviet satellite countries, no accurate information is available as to its extent and the numbers involved.

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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