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Australia Station Intelligence Summary



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SECTION I.

R.A.N. AND OTHER COMMONWEALTH NAVIES.

(a) Royal Australian Navy.

Visit to Bangkok.

On the completion of Anzex One TOBRUK, ARUNTA, WARRAMUNGA and H.M.N.Z.S. KANIERE paid an official visit to Bangkok between 21st and 24th June.

While the ships were en route the total eclipse of the sun took place in the forenoon of 20th June but, to the disappointment of all, it could not be seen because of an over-cast sky.

Arriving off Bangkok Bar, each ship embarked a pilot and entered the dredged channel. The pilots' services were found to be almost essential for vessels visiting Bangkok for the first time, as the course of the river is devious and complicated in places by rows of fishing stakes, sometimes in midstream. Small craft, ranging from dugout canoes to fair-sized junks, abound in the river and tend to cause some anxious moments. Revolutions for speeds ranging from eight to fourteen knots were used during the passage against an ebb tide, and the 23 miles run upstream took two hours fifty minutes.

A programme of official calls by the Commanding Officers began immediately on arrival, calls being paid on the Australian Minister, Mr. Hay;

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the British Charge d'Affaires (in the absence of the British Ambassador); the Commander-in-Chief of the Royal Thai Navy, Admiral Luang Yuthasastr Kosol; the Pakistan Charge d'Affaires and the Indian Ambassador. The British Naval Attache, Commander J.S. Kerans, D.S.O., R.N., accompanied the C.O.'s during the visits, and the guide was Lieutenant-Commander Swang Khannabha, R.T.N., who had been detailed as Liaison Officer.

On the first evening officers from the four ships were entertained at a reception held by the Commander-in-Chief of the Royal Thai Navy at the Officers' Club, Thonburi Dockyard. A most lavish dinner was followed by a display of Thai folk dancing and hand-to-hand combat, the contestants in the various items using naked swords, knives and quarter-staffs. At once stage, when a girl with a short heavy sword in each hand made a succession of fierce attacks on a man similarly armed, disaster seemed imminent, but no blood flowed. This item ended with the man disarmed and prostrate and the girl standing triumphant with one foot on her opponent's chest!

During the evening the Commander-in-Chief, R.T.N., presented each of the visiting ships with a plaque of beautiful workmanship consisting of the badge of the Royal Thai Navy, and each captain with a personal gift of a silver cigarette-case appropriately inscribed.

The social programme, particularly for the Commanding Officers, continued without abatement for the rest of the visit. In order to obtain

some much-needed exercise, a golf match was arranged, starting at 0630 on the second day, 22nd June, at the Royal Sports Club. One peculiarity of the course is due to the fact that Bangkok is built on a river delta. The country is flat and is drained by many canals, so much so that every hole of the golf course has up to three considerable water hazards. These canals are known as Klongs, and therefore, in addition to four caddies, two "Klong" boys were fully employed recovering balls from the water.

Throughout the stay in Bangkok the hospitality was on a very generous scale. The British Club entertained 120 ratings daily to lunch, and the Royal Thai Navy organised daily sight-seeing tours for 150 ratings. In addition, members of the Australian and British communities entertained large numbers of the ships' companies in their own homes. Seventy ratings were taken to see the Australian War Cemetery at Kanchanburi, about 30 miles inland, on 22nd June.

Visit to Manila.

The other official visit on the completion of Anzex One was paid by ANZAC, QUADRANT, H.M.N.Z. Ships BLACK PRINCE and PUKAKI to Manila.

En route on 20th June the ships were fortunate to be within the area where it was possible to observe the total eclipse of the sun. The Navigators were thus able to fix their positions by star sight.

In the approaches and harbour at Manila no less than 40 sunken ships were counted outside the breakwater, and many more marked on the chart were not visible. Practically all of these wrecks were sunk by the United States Forces when they re-captured the area in 1945.

At Manila official calls were paid on the British and Australian Charges d'Affaires; the Philippines Department of Foreign Affairs; the Secretary of National Defence; the Chief of Staff of the Philippines Armed Forces; the Flag Officer-in-Command, Philippine Navy; and the Commander, United States Naval Forces, Philippines. These visits occupied the first day and a half of the stay.

On the second evening the Captain of ANZAC was taken to see the national indoor game of Hai Alai, which is played on a large court built on squash court lines. Curved baskets are strapped to the hand, and the ball is the same size as, but harder than a cricket ball. It is a fast and strenuous game, played by professionals imported from Spain.

The main impressions formed during the visit to Manila were :-

- (a) the very high cost of living (milk 2/9d. per pint wholesale, golf balls 15/- each, and a normal meal for two £12/10/-.)
- (b) the enthusiasm of the Filipinos to build up a united nation.

- (c) the high esteem in which Rear-Admiral Moore, the retiring Australian Ambassador, is held by all classes of the people.

H.M.A.S. MURCHISON.

During her tour of duty in Northern Australian waters earlier this year MURCHISON called at the isolated settlement of Cockatoo Island, Yampi Sound. The arrival date being a Sunday, the local residents lost no time in challenging the ship to a cricket match which was played on one of the few level spaces on the island and resulted in a close win for MURCHISON.

On the second day of the visit the Captain was taken on a tour of inspection of the island by the local Superintendent of the Broken Hill Pty.Ltd., which leases and administers Cockatoo Island.

The loading jetty, which is constructed of steel and concrete, can accommodate the B.H.P. iron ore ships at all stages of the tide. It is 700 feet long, with a least depth alongside of 30 feet, and the steel piles are electrolytically protected from corrosion.

Ships are loaded by conveyor belts which pass through a steel loading boom. This boom, powered by large electric motors, can be moved horizontally or vertically as required to cope with the great tidal range (25 to 30 feet).

The iron ore, which is so fine and powdery

that it needs special treatment before it can be processed in a blast furnace, is mined from an open cut on top of the island and transported by heavy diesel trucks to the crushers. After passing through the crushers it is conveyed by belt to the storage spaces in a natural gully above the loading jetty.

The power-house, stores and workshops were seen to be extremely well equipped. The power-houses were spotlessly clean and are kept dust-free by means of oil filters and air pressure.

There is no natural water supply on the island and water is supplied by the iron ore ships which call on an average of one per week.

The settlement, which houses about 350 people, presents a pleasing appearance and consists of brightly-coloured timber or fibro bungalows and huts built on a hillside. In this area there is a large canteen, an open-air picture theatre and a well-equipped school (in which one schoolmaster performs the unenviable task of educating 43 children of all grades from infants to high school). Great efforts are being made to beautify the settlement by planting lawns and many varieties of tropical fruits and shrubs.

H.M.A.S. QUEENBOROUGH.

In early June QUEENBOROUGH visited the French port of Nantes in the Loire River Valley and remained there a week. The Mayor and

citizens of the town gave a cordial reception to the officers and men, for whom trips had been arranged to places of interest such as a local chateau, a vineyard, a brewery and a distillery.

One of the highlights of the visit was a party for sixty impoverished and orphan children given on board by the ship's company. The children were fascinated by an aborigines' cave which had been built on the deck and contained models of kangaroos, koalas, wombats, and kookaburras. As a climax to the party the children watched from the deck the destruction of a "pirate galleon" in the middle of the Loire River.

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(b) Indian Navy.

Transfer of Fleet Units from Royal Navy.

According to press reports, the Indian Navy will receive more than twenty warships, including a cruiser, from Britain during the next six years. The first two vessels of the transfer are Fleet Minesweepers which have already been commissioned in Britain and will join the Indian Fleet before October.

The new vessels will replace all India's present warships, except three Hunt-class destroyers. In addition to the two minesweepers already commissioned there will be the cruiser MYSORE (ex-NIGERIA) which will become the flagship, 12 anti-submarine and anti-

aircraft frigates, eight coastal minesweepers and a number of inshore minesweepers.

Exercises in the Mediterranean.

The cruiser DELHI and the destroyer RAJPUT, RANJIT, GODAVARI, GANGA and GOMATI are taking part in exercises in the Mediterranean with ships of the Royal Navy.

Naval Aviation Programme.

India's naval aviation programme has suffered a setback with the shelving of the plan to extend the main runway at the Cochin airfield.

The Cochin Air Station was commissioned in May, 1953, as I.N.S. GARUDA. The present establishment comprises 10 Short Sealand amphibian aircraft and 10 single-seater fighter aircraft.

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(c) Royal Pakistan Navy.

R.P.N. Visit to Thailand.

Four R.P.N. frigates are expected to visit Thailand in November, one wearing the flag of Rear-Admiral Choudri, Commander-in-Chief of the R.P.N.

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SECTION II.NAVAL AND OTHER ARMED FORCES INTELLIGENCE
INCLUDING TECHNICAL INTELLIGENCE.U.S.S.R.Possible Construction of Auxiliary Vessels for
the Soviet Navy in East Germany.

The construction of 3,000-ton freighters as reparations for the U.S.S.R. began in 1952 at the "Neptun" shipyard in Rostock. Shortages of steel-plate and faults in ships' engines and auxiliary turbines led to considerable delay, and the first freighter was not handed over until March 1954. East Germany was allowed to retain two vessels, and Bulgaria is to receive two; all the remainder (at least 20) are scheduled for delivery to the U.S.S.R. before the end of 1954.

In October 1954 the Soviet Union ordered the conversion of eight of these ships into what the East German Main Administration for Shipbuilding has called "Schwimmbrandwachen" (fire-guard or fire fighting ships). Construction of these eight vessels had not begun at this time. Towards the end of 1954 a special Soviet Commission arrived at Rostock to supervise the conversion operation, and the plan was put into effect in February 1955. The U.S.S.R. has apparently placed a high priority on these ships and is pressing for delivery of the first two-and, if possible, a further two-during 1955.

It is reasonably clear from a study of the conversion specifications that "Schwimbrandwachen" is a cover name, and that the real purpose of these vessels is something quite different. They will have no derricks, loading winches (apart from a small one for personal baggage), hatches or holds. They will be fitted with radar and will carry an exceptionally large crew (8-12 officers and 369 men). It has been suggested that they are either intended for use as troop transports or will serve as auxiliary vessels for the Soviet Navy. Although the first of these possibilities cannot be ruled out altogether, the size of the crew makes the second the more likely explanation. Further evidence of the interest shown by the Soviet Navy in this type of construction is provided by a recent report stating that in mid-1955 the "Neptun" yard will start building at least four 6,000-ton radar-fitted freighters for the U.S.S.R. and that these will possibly be used as submarine depot ships.

New Soviet Aircraft.

Although unfavourable weather conditions precluded a fly-past during the May Day Parade in Moscow this year, new types of Soviet aircraft were observed over the city during rehearsals.

Included in these new types were a single-jet fighter, a twin-jet all-weather fighter, a twin-jet transport similar in size to the British Comet airliner, a four-engined turbo-prop swept-wing aircraft described as a bomber and a large twin-rotor helicopter.

The new single-jet fighter, designated "FARMER" in accordance with the R.A.F., R.C.A.F., U.S.A.F., naming system for Soviet aircraft, has the following estimated characteristics :-

Length	...	35 feet
Wing Span	...	34 feet
All -up Weight	...	15,000-18,000 lbs.
Combat Radius	...	200 N.M.
Combat Ceiling	...	59,000 feet
Maximum Speed	...	640 knots at S/L. 585 knots at 40,000 feet.

Forty-seven of these aircraft were observed to take part.

The twin-jet all-weather fighter, 50 of which were seen, has been designated "FLASHLIGHT". Estimated characteristics are :-

Length	...	46 feet
Wing Span	...	42 feet
All-up Weight	...	25,000 lbs.
Engines	...	2 x 7,500-8,000 lbs. thrust.
Combat Radius	...	400 N.M.
Combat Ceiling	...	56,000 feet
Maximum Speed	...	610 knots at S/L. 530 knots at 40,000 feet.

It is equipped with an airborne intercept radar estimated to have a search range of 14 nautical miles and a lock-on range of eight

nautical miles.

Seven swept-wing four-engined turbo-prop aircraft took part. This type has been designated "BEAR". Each of the four turbo-prop engines drives an eight-bladed, co-axial, counter-rotating propeller. Although described as a bomber it could be used as an aerial refuelling tanker or for long-range reconnaissance. Another possible role is that of maritime reconnaissance but this is doubtful due to its high speed and poor low-altitude range. Estimated characteristics are :-

Length	...	142 feet
Wing Span	...	153 feet
All-up Weight	...	280,000-300,000 lbs.
Prop. Diameter	...	About 17 feet
Shaft Horse Power		
each engine	...	12,000-15,000
Combat Radius	...	3,200 N.M.
Combat Altitude	...	40,000 feet
Bomb Load (Normal)	...	10,000 lbs.
Maximum Speed	...	500 knots at 35,000 ft.

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JAPAN.

Salvaging of Destroyer "NASHI".

The Japanese war-time destroyer "NASHI" which was sunk in a position 70 miles from Kure by U.S. Naval aircraft on 28th July, 1945, has been salvaged and turned over to the Maritime Self-Defence Force.

In spite of being submerged for practically ten years, her hull and machinery were in quite good condition, although the propeller shafts require replacement.

She will probably be used as a Training Ship.

Submarine Crew Completes Training.

A group of Japanese officers and men completed their training at a U.S. Submarine School in Connecticut and left for California on 20th June to take over the submarine to be lent to the Japanese Navy under the Mutual Defence programme.

The two Destroyer Escorts also to be transferred were handed over on June 14th.

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COMMUNIST CHINA.

Possible Transfer of more Soviet Warships to Chinese Communist Navy.

A force of Soviet warships, including two "Gordy" class destroyers, two "S" and two "M" class submarines, was sighted south-bound in Tsushima Strait on 26th June. This force was subsequently sighted at Tsingtao.

While it is possible that these vessels are visiting Tsingtao for exercises with the Chinese Communist Navy, it is perhaps more likely that they are intended for transfer to the C.C.N.,

the further build-up of which seems probable in view of the current development of Chinese Communist air strength.

If these vessels are transferred the C.C.N. destroyer strength will be increased to four Gordy class and its submarine strength to 6 "S" class and 6 "M" class.

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SOUTH VIETNAM.

Overseas Training for Army Officers.

The overseas training programme for Vietnamese National Army officers has commenced with a group of officers being selected for a Command and Staff College Course at Fort Leavenworth, U.S.A.

Another 160 Officers are undergoing a concentrated three-months course in the English language before proceeding to various military academies in the United States.

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THAILAND.

Naval Communications Training School.

A recent report on the Royal Thai Navy's Communications School at Fort Phra Chula Chom Klao states that it is situated in a swampy, mosquito-infested locality. The site is an

old fort adjacent to a number of brand-new stone buildings, the whole surrounded by some very ancient ones.

Between 250 and 280 ratings receive instruction each year, covering V/S, W/T, Radar and Electronics.

The new transmitting station (U.S. equipped under JUSMAAG) is complete except for a mast which is on order from the United Kingdom. An A.S.W. set will be in full operation shortly.

The report concludes with the comment that considerable development of the school will be necessary to attain any semblance of efficiency.

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INDONESIA.

Jet Aircraft.

On 20th May the Indonesian Air Force placed an order for their first jet aircraft, when they ordered 8 de Havilland 'Vampire' jets, (two-seater training aircraft (D.H.115)). The first will arrive in approximately four months time, and the other seven in eight to eleven months.

Three Indonesian Air Force engineers have been working on this type of aircraft at the de Havilland factory for the last twelve months. An engineer from de Havillands, who is at present attached to Garuda Indonesian Airways, will be

made available to the Air Force when the first aircraft is delivered.

Training of Jet Pilots.

The first Indonesian Air Force officer trained as a jet pilot in Britain returned to Indonesia recently, and is now an instructor for jet pilots training at the Indonesian Air Force. There are four other officers at present doing courses in Britain as jet pilots and technicians.

FRANCE.

"Diversity Radar".

The Compagnie Generale de T.S.F. recently gave a demonstration of their "Diversity Radar" equipment at Corneilles-en-Vexin near Pontoise.

Briefly, the equipment is designed to overcome some of the inherent shortcomings of present-day radars. "Diversity Radar" (by analogy with diversity systems already in use in the realm of telecommunications) is a system employing three standard transmitter/receivers, each of which operates in turn on a different frequency, uses one common aerial system and one so-called 'signal combiner'.

The principle underlying this system would appear to be the multiplication in pairs of received signals from each of the three channels; the partial products added together give a resultant signal with only small fluctuations and an improved overall signal/noise ratio. It is claimed that radar cover is thereby extended

and that the equipment is not easily jammed.

Commenting on this equipment, D.N.I. Admiralty states that improved performance figures for pulse radar equipments are at present being sought in several ways. Receiver performance, for example, has had considerable attention and the optimum sensitivities achieved by radar manufacturers throughout the world are just about equal. An improved performance, one school of thought holds, could be achieved by increasing the transmitter's power, whilst another favours an increase in pulse length; both these views are circumscribed by technological and operational limitations, so that the 'diversity' system described would certainly appear to provide a novel and promising approach, which, with a view to possible naval applications, merits closer consideration.

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SECTION III.EXTERNAL POLITICAL, POLITICO-MILITARY AND ECONOMIC INTELLIGENCE.JAPAN.Uranium Supplies.

It is expected that the U.S.A. will shortly conclude an agreement for the supply of enriched uranium concentrates to Japan.

The Japanese 5-year plan for the utilization of atomic energy, which began in 1954, was designed to produce a power reactor with an output of 600 to 1,000 k.w. constructed of locally-produced graphite, heavy water and natural uranium.

The conclusion of such an agreement will enable the Japanese to construct several small model reactors for experimental use which will accelerate Japan's industrial atomic research and expand the original plan for a 1,000 k.w. reactor to one of 10,000 k.w.

Japan's present need for large-scale electric power development and her economic position make it extremely unlikely that she will be able to use uranium supplies from the U.S.A. for the construction of atomic weapons for some time to come.

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COMMUNIST CHINA.Railway Construction, South China.

Peking Radio has announced the construction of two lines in South China, namely a new 250-mile line down towards Luichow Peninsula from Li-tang to Tsam Kong (Fort Bayard) and a line (believed to be still under construction) from Foochow inland to the north-south main line.

The first line, which will be operating by 1st July, will provide communication for Luichow Airfield and Hainan Island, and the second will serve the airfields in the Foochow area.

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NORTH VIETNAM.Chinese Aid to the Vietminh.

Chinese aid to the Vietminh is now reported to be almost entirely industrial equipment which is brought in via the Langson-Hanoi railway. Quantities moved over this route are believed not to be on a large scale but they are steady.

Use of the railway for the movement of supplies leaves the Vietminh transport free for use in the interior, where it is probably being used on priority construction works.

Highest priority is at present being given to the construction of the Hanoi-Yunnan railway, especially the Hanoi-Nam Dinh section,

Port of Haiphong.

The Polish vessel "KILINSKI" unloaded 10,000 tons of rice at Haiphong in June, a gift from the Soviet.

Before entering the port the vessel discharged 6,000 tons of her cargo into lighters. Since "KILINSKI" draws 28 feet 6 inches and as it is estimated that the unloading of her cargo would lift her 10 feet, it would appear that vessels drawing more than 19 feet cannot enter the port.

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SOUTH VIETNAM.

Appointment of Successor to General Ely.

The appointment of M. Hoppenot as successor to General Ely in Indo-China has now been confirmed.

M. Hoppenot will be described as Ambassador on Extraordinary Mission, resident in Saigon. To avoid embarrassing implications with the Vietminh and to satisfy Vietnam susceptibilities he is not officially accredited to the South Vietnamese Government.

The new Ambassador will be charged with co-

ordinating French policy and the activities of French representatives in the Three Associated States of Indo-China and will also have a wide sphere of responsibility for French policy in the South East Asia area.

Elections in Vietnam.

The Premier of South Vietnam, Ngo Dinh Diem, has caused some embarrassment by stating that he would not enter into negotiations with the Viet-minh on the question of elections for Vietnam.

The negotiations were to commence by 20th July, the anniversary of the agreement. Diem claims, however, that since South Vietnam did not sign the agreement he is not obliged to abide by it.

On 20th July Government-inspired demonstrations aimed to show South Vietnamese unanimity against the elections got out of control and some demonstrators entered an hotel and ransacked the rooms of the Indian and Polish members of the International Control Commission.

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CAMBODIA.

U.S. Military Aid.

The conclusion of a Military Aid Agreement between the United States and Cambodia has provoked further outbursts by the Communists

that the U.S. have violated the Geneva Agreement.

Actually, despite the Communists' allegations that it is "a further U.S. aggressive move", U.S. military aid to Cambodia is within the letter of the Geneva Agreement, under which Cambodia is allowed to join alliances in conformity with the U.N. charter, to receive U.S. military aid for her self-defence and to permit the transport of U.S. military supplies across her territory.

Proposed New Port.

The site for the new port for Cambodia has now been selected. This is inshore from the small island of Coudee, just inside the South-East entrance to Kompong Som Bay. It is sheltered from the south-east by Coudee Island and from the north-west by a chain of hills 500 feet high. Very little dredging will be required since there is a depth of 45 feet only 200 yards offshore.

Plans drawn up by a French firm of engineers envisage a timber wharf 2,500 feet long and 45 feet wide and preparations for its construction are already being made.

According to Press reports, the French National Assembly has voted 24,000,000 sfg. towards the building of the new port, subject to its completion by May, 1956, while the U.S.A. has allocated £2,680,000 stg. for the provision of road and rail communication with Phnom Penh, 100 miles to the north-east. Press reports also state that, in conjunction with the development of the new port

the existing airfield at Phnom Penh will be enlarged and a new airfield built near the site of the port.

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INDONESIA.

Crisis over Appointment of New Army Chief of Staff.

Senior Indonesian Army officers refused to accept the appointment by the Government of Major-General Bambang Utoyo as Chief of Staff of the Army and this strong stand has led to the resignation of the Defence Minister Iwa Kusumasumantri and finally to the resignation of the Sastroamidjojo Government.

A caretaker government will be formed to bridge the gap until the elections in September.

Merchant Ships Ordered in the Netherlands.

Six ships have been ordered by the Indonesian Government from the "De Scheldt" shipyards at Flushing. These ships, which have been ordered on a credit basis, will cost about 52 million guilders.

The first of these ships which is now under construction will be a passenger and cargo vessel of 4,000 tons, with a speed of 16 knots. It is anticipated that the ship will be completed this year and delivered to the Indonesian Government in 1956.

The other five vessels will be smaller

(about 1,700 tons each).

It is understood that these ships will be placed under the operational control of the Pelni (Indonesian Government Shipping Organisation) on delivery.

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SECTION IV.AUSTRALIA STATION INTELLIGENCE.AUSTRALIAN TRADE WITH THE FAR EAST.

Imports from the Far East comprise about 16% of Australia's total imports and fall into three categories. Petroleum products, the most important group, which accounted for 37% of imports from this region in 1953/54, are drawn mainly from Indonesia and, to a lesser extent, from British Borneo and Singapore. Yet, although over 40% of total imports of petroleum products are drawn from the Far East, Australia depends more heavily on this region as a source of supply for other commodities. Malaya is the principal source of rubber, the second most vital import, but purchases are also made in Ceylon and Indonesia. Bags and sacks, necessary to Australia's export trade in primary products, are obtained from India, and jute fibre from Pakistan. Tea is imported largely from Ceylon. The second category of imports consists of manufactured goods, principally cheap textile piecegoods, from Japan and India. Trade in the third category has been of an occasional and stop-gap nature, comprising commodities such as metals and chemicals imported as opportunity offered, to meet various local shortages.

Australia's exports to the Far East make up some 15% of total exports, and consist mainly of wool, wheat, and flour. Together these accounted for 75% of exports to the

region in 1952/53, although this proportion fell considerably in 1953/54. Japan, the fourth largest purchaser of all countries at last season's auctions, is the destination of practically all wool shipped to this region. Exports of wheat and flour are spread more widely. Large quantities are taken by India, Ceylon, Malaya, and Indonesia and, from time to time, by Japan, which is also an important buyer of coarse grains. Other food exports, principally milk and cream products, butter, and meat, constitute about another 15% of exports to the region and are directed mainly to Malaya, but India, Ceylon, and Hong Kong also provide useful markets. Manufactured goods, including an increasing proportion of capital equipment, constitute the balance of Australia's exports.

Australia's trade with the Far East is still subject to numerous restrictions on both sides designed to ameliorate balance of payments difficulties in the short term and, on a more extensive basis, to foster national industries.

The desire to foster local industry has been supplemented by a search by many Far Eastern nations for greater agricultural self-sufficiency. To the extent that this objective is achieved, demands from the Orient for Australia's primary products may be expected to fall. This is particularly true of the demand for cereals, which is conditioned, in any case, by the supplies of rice available. For obvious reasons, climatic and economic, there would seem to be little scope for expanding wool sales to the region.

other than, possibly, to Japan and, in certain circumstances, China. Expansion of exports of Australian manufactures, and particularly consumer goods, is made difficult partly because of the high level of Australian costs, partly because of the established market connections of other foreign suppliers, and partly because of protection to newly established domestic industries.

Nevertheless, important avenues of trade remain. Australia must continue to import oil (at least for some years to come) and many essential tropical raw materials, as must many Far Eastern countries continue to import foodstuffs. Rising standards of living in these countries will swell this demand. But possibly the most significant development in Australia's trade with the Far East has been the unobtrusive growth in exports of engineering and capital equipment, largely as part of various foreign investment programmes.

A minimum level of oversea assistance towards development in South and South-East Asia during the next three years is guaranteed by the Colombo Plan, under which Australia is pledged to contribute £31 million towards economic development. By June, 30th, 1954, over half of this amount had been spent or allocated for expenditure in Ceylon, India, Indonesia, and Pakistan, thus providing a direct stimulus to the export of both capital and consumer goods. Trucks, tractors, and diesel-electric locomotives have been supplied under the programme, as well as equipment for irrigation, agriculture, broadcasting, and telecommunicat-

ions. Wheat and flour have been supplied in quantity and the proceeds of local sales by the recipients applied to various projects. The basis of a large trade in machinery and capital equipment has been laid, and replacement demand may be expected to grow.

"FLYING DOCTOR" SERVICE R/T COMMUNICATIONS,
WESTERN AUSTRALIA.

The new "Flying Doctor" Service radio control station at Carnarvon has now come into operation. The primary purpose of this station was to take over outlying stations on the current Port Hedland and Meekatharra networks.

The "Flying Doctor" Service has also opened a new radio control station at Derby. It will work in conjunction with Wyndham.

FREMANTLE HARBOUR SIGNAL AND RADAR STATIONS.

A second storey is to be built on to the Fremantle Harbour Trust's Signal Station on Cantonment Hill, Fremantle. This will increase the visibility range considerably.

The Fremantle Harbour Trust is at present installing two radar units, giving a cover of the port and approaches up to a distance of 50 miles. One unit is being installed at the Cantonment Hill Signal Station and the other on Arthus's Head, with the display unit in the Harbour Master's office.

WHALING INDUSTRY, WESTERN AUSTRALIA.

The three local whaling enterprises all report very good progress in the current season. Whales are reported to be large and in good condition. Individual station reports are :-

- (i) Australian Whaling Commission - Commenced operations on June 8th and up to 13th July had taken 172 whales of the quota of 500.
- (ii) Nor-West Whaling Co. - The last to start operations in order to give the migrating whales more time to progress Northwards. This station commenced whaling on 27th June, and up to 13th July, had taken 84 whales of the 500 quota.
- (iii) Cheyne Beach Whaling Co. - Started first of the three and to the same date had taken 71 of its quota leaving 49 only to complete. As only one chaser is employed this figure is very good. Daily takes included two catches of five each day. One catch, a female humpback measured 50 feet 1 inch.

MANGANESE ORE SHIPMENTS FROM PORT HEDLAND.

On the 20th June, the vessel "YANDERRA" departed Port Hedland with a cargo of 3,800 tons of high grade manganese ore for the Broken Hill Pty.Co. Newcastle. This shipment follows almost nine months of negotiation by the Northern

Mineral Syndicate to secure a suitable ship able to negotiate the port. The difficulties at Port Hedland are an extremely high tidal range coupled with a comparatively narrow and shallow channel and turning space. Now that the "YANDERRA" has successfully fitted the requirements it is expected that further shipments of manganese ore may be forthcoming. The vessel is already scheduled for a second cargo of ore already in stock-pile and may remain on this run.

A local contractor has recently received an order covering the transport of the ore the 250 miles from Ragged Hills to Port Hedland. Five new 170 horse power diesel trucks of 30 tons capacity each will be imported from Germany. It is anticipated that they should be able to transport up to 9,000 tons before next Christmas.

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HARBOUR IMPROVEMENTS.

Port Adelaide.

Storage Sheds.

No.8. Completed with the exception of the final internal office fixtures and fittings, plumbing, electricity etc. These will take approximately another 4 months. Dimensions of this shed are 468 ft. x 150 ft. Effective shed area has not yet been calculated.

No.14. Demolished to enable berth to be re-

constructed.

Berths.

No.6. This has been re-constructed of concrete and is in alignment with Berths 4 and 5. The length is 460 ft. and it is dredged to a depth of 27 ft. Two rail tracks are at present being laid on the wharf.

No.7. With the re-alignment of No.6 Berth, approximately another 100 ft. has been added to this berth which is of steel sheet piling. It is now a blind berth and it is not planned to dredge it in the near future.

No.14. Has been closed to shipping and it is at present under re-construction.

Osborne (Port Adelaide River).

The No.1 Berth has been reconstructed of concrete and dredged to a depth of 28 feet.

The No.3 Berth has been dredged to a depth of 27 feet.

Concrete foundations for the extension of the conveyer system and tracks for the grab cranes at No.1 Berth have been laid.

Glanville Dockyard (Port Adelaide).

The new concrete wharf on the Western side

of Fletcher Dock has been completed. It is 700 ft. long and the depth alongside is 15 ft.

With workshops situated alongside, this wharf could prove valuable in war-time for berthing ships up to frigates or with more dredging - destroyers. The wharf is in an enclosed area 100 yards from H.M.A.S. TORRENS and is adjacent to the Port Adelaide Slip, owned by the South Australian Harbours Board. This can take a vessel up to 1,100 tons and 250 ft. in length.

The Public Works Standing Committee has recommended the filling in and reclaiming of Hawker's Creek in the dockyard area to within 150 feet of the Northern extremity of Musgrave Wharf. It is proposed to construct a wharf across the mouth of the creek on this alignment. This and the Fletcher Dock berthing space will be used for the growing S.A. Harbours Board fleet of tugs, barges, launches and deepening plant.

R/T LINK BETWEEN AUSTRALIAN MAINLAND AND THURSDAY ISLAND.

The radio-telephone link between the Australian mainland and Thursday Island (which will replace the Horn Island - Cape York cable) is nearing completion.

The Cape York radio terminal will be at Bamaga Native Settlement, approximately 5 miles from Red Island Point.

IRON BARON AND IRON PRINCE IRON ORE DEPOSITS.

Broken Hill Pty.Ltd. will resume quarrying iron ore on a large scale at Iron Baron and Iron Prince (Whyalla Area), and the plant will be modernised on the same lines as at the Iron Monarch deposit.

A transmission line is being built to the two hills from the 12½ mile post on the Iron Knob railway. The power will be used to operate the 6 cubic yard shovels, conveyor belts and crushers. Instead of using electric locomotives as at Iron Monarch, 30-ton diesel trucks will carry the ore to the crushers. The crushed ore will be transported on the existing railway to Whyalla for shipment.

NEW ATOMIC TESTING GROUND, MARALINGA (S.A.)

It has been announced that a new permanent atomic testing ground is to be established in the far North-West of South Australia at Maralinga, on the edge of the Great Australian Desert, for the Weapons Research Establishment. Watson, a small railway settlement on the Transcontinental line, will be the jumping-off point for the village which has already been surveyed. A modern airfield is planned to handle the regular courier service planes that will fly between the new site, Salisbury, Woomera, and the U.K.

The S.A. Mines Department has found underground water in large quantities in the area.

PROPOSED OIL REFINERY, PORT ADELAIDE.

The South Australian Government has made an offer to certain large oil interests (unnamed) to prepare within ten months an initial forty acres for the erection of a refinery on the 135-acre site reserved near Pelican Point on Le Fevre Peninsula, with the understanding that the refinery will be completed by 1958-9. The Government will reclaim the virgin land, extend the new Outer Harbour Road and provide rail, power and water facilities to the boundary of the site.

As the proposed oil dock could not be completed by the time the refinery was ready to take deliveries, it is proposed to berth tankers at No.4 berth, Outer Harbour, and run a temporary pipeline $1\frac{1}{2}$ miles to the refinery. Present oil storage facilities would continue to be used but a local refinery would enable direct distribution of products to nearby major consumers such as the Electricity Trust of S.A., S.A. Gas Company, and S.A. Railways. Later it is proposed, under the revised Harbours Board plan, to run pipelines under the Port Adelaide River and across Torrens Island to a new oil distribution centre in the Wingfield area (a suburb 3 miles East of Port Adelaide).

PROJECTED VISIT TO AUSTRALIA OF JAPANESE MERCHANT TRAINING SHIP "TAISEI MARU".

The Japanese Ministry of Foreign Affairs has requested permission for a training ship to visit Australia.

The training ship would be the "TAISEI MARU", under the command of Captain Shina which visited Rabaul and New Guinea earlier this year with the members of the Japanese War Graves Mission. She is registered as a Training Ship of 1,993 tons but was enlarged to 2,430 tons in 1953.

During the visit to New Guinea she carried, in addition to the War Graves Mission, a number of Merchant Service Cadets, and it is believed that she will carry upwards of 113 trainees from Merchant Marine schools if she visits Australia.

NORTHERN TERRITORY.

Japanese Pearling Fleet.

The Japanese pearling fleet operating in North Australian waters during the present season comprises the Mother Ship, "YAMATO MARU", the Fisheries Inspection Vessel "KENYO MARU", the Investigation Vessel, "KIMI MARU" and 25 luggers. Two members of the staff of C.S.I.R.O. embarked at Darwin in "KIMI MARU" to undertake research on the quality, quantity and size of the pearl shell.

A Japanese diver from the lugger "ARAFURA MARU" died from diver's paralysis on 4th June. He was buried, under Naval supervision, at Piper Head. A party of 30 Japanese attended the funeral.

Thirty-eight Japanese divers have now joined the local Australian-operated pearling

fleets at Darwin and Broome. The North Australian Workers Union has declared 'black' all pearl shell fished by Darwin-owned luggers.

Oil Exploration.

The Director of Mines, Northern Territory, has announced the granting of permits to four companies to carry out prospecting for oil in an area totalling 34,200 square miles. The following are the companies to which the permits will apply :- Associated Freney Oilfields N.L. (9,200 square miles in the Victoria River District); Associated Australian Oilfields N.L. (7,600 square miles in the Victoria River coastal area); Westralian Oil Ltd. (7,400 square miles in the Victoria River District and Frome Broken Hill Co.Pty.Ltd., (10,000 square miles stretching to the Queensland border from the southern central area of the Territory and embracing Borroloola in the north).

New Catholic Mission, Daly River.

It is reported that a New Roman Catholic Mission will be established on the Daly River, 80 miles from Darwin during this dry season. Work on this new project has commenced, a school and a hospital being the first buildings to be erected. On the 900 acres at the mission, it is planned to grow sorghum, paw paw, pine-apples, peanuts, and eventually tobacco.

Although there are an estimated 250 aborigines in the area, it is planned to cater only for the aged, infirm and sick, and school

children at the mission. Able-bodied natives will be encouraged to remain in their jobs on farms and stations in the district.

It is hoped by establishing this mission that the remnants of the once powerful Daly River Aboriginal tribe will be preserved.

NEW HEBRIDES.

New Resident Commissioner.

Mr. J. S. Rennie, O.B.E., has succeeded Brigadier H. Flaxman as British Resident Commissioner, New Hebrides.

Mr. Rennie has previously been stationed at Mauritius.

DUTCH NEW GUINEA.

Rice Production.

A large-scale experiment in the production of rice is being undertaken at Koenbe (near Merauke). The construction of a road leading 8 miles in from the coast has already begun, and it is the intention to build a narrow-gauge railway to the rice-producing area. Equipment for the narrow-gauge railway has already been landed. About £A5 million is to be spent on the project.

Air Services.

Internal air services in Dutch New Guinea are now being operated by a joint organisation

composed of KIM Royal Dutch Airlines and the Netherlands New Guinea Government. Three D.C.3's and two de Havilland "Beavers" are being used.

SHIPPING INFORMATION.

Australia - West Pacific Line.

The Australia - West Pacific Line (Rederiaktiebolaget Helsingborg, Sweden) will place a further vessel in service next January.

The vessel has a deadweight capacity of 6,500 tons and a service speed of 16 knots. She has accommodation for 12 passengers.

With "DELOS", "AROS", and "CITOS" the service (which operates from Australia to the Philippines, Hong Kong and Japan) will then provide a three-weekly service with New Guinea ports, with quarterly calls at Honiara and Vanikoro, B.S.I.P.

Conversion of W. A. Shipping Service Vessels "DULVERTON" and "DORRIGO".

The Western Australian State Shipping Service has planned a conversion programme for the vessels "DULVERTON" and "DORRIGO" at an estimated cost of £170,000. One of the major items will be to change most of the auxiliary machinery from steam to diesel-electric power. Additional space for both general cargo and cattle will be provided.

Australian Shipping Boards' Collier "YARRUNGA".

The Australian Shipping Board's Collier "YARRUNGA", built by Broken Hill Pty.Ltd., is now in commission. The vessel is 325 feet in length and has a deadweight tonnage of 4,700.

The engine-room is set well aft, and a single cabin is provided for each of the crew of thirty-three.

Sale of Melbourne Steamship Company's vessel "LOWANA".

The Melbourne Steamship Company's cargo vessel "LOWANA" (3,039 gross tons), built in 1924 at Glasgow, has been sold to Hong Kong buyers.

Sale of S.S. "KOOMILYA".

The 26 year old interstate freighter "KOOMILYA" owned by McIlwraith McEacharn has been sold to Italian interests and re-named "ROSA PELAGI". She called at Port Pirie on 10th June to load a full cargo of wheat and then sailed for Beira.

APPOINTMENT OF UNITED STATES NAVAL ATTACHE.

Captain J.A. Gage, Jnr., U.S., has been appointed United States Naval Attache to Australia and New Zealand in succession to Captain R. A. Macpherson, U.S.N.

Captain Gage's previous appointment was that of Aide-Flag Lieutenant to the Commander-in-Chief, United States Pacific Fleet. Prior to that appointment he was Executive Officer of the Seaplane Tender "TIMBALIER". His war-time appointments were :-

- July, 1940-November, 1941 - N.A.S., Miami - Assistant Operations Officer.
- November, 1941-July, 1943 - Patrol Squadron 82 - Operations Officer.
- July, 1943-November, 1944 - Air Group Cdr.-Fleet Air Wing Eleven.
- November, 1944-July, 1946 - Staff Commander, Hawaiian Sea Frontier.

INTELLIGENCE OFFICERS IN H.M.A. SHIPS.

Lieutenant-Commander A.T. Gould, R.A.N. has assumed the duties of ship's Intelligence Officer in H.M.A.S. VENGEANCE.

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SECTION V.SPECIAL ARTICLES.A RUBBER PLANTATION IN CAMBODIA.

Mr. C. D. Rowley, M.A., Principal of the Australian School of Pacific Administration, Sydney, recently undertook an extensive tour of South-East Asia on behalf of UNESCO. An article on rubber plantations in Indo-China contributed by him to "South Pacific", the A.S.P.A.'s quarterly journal, gives an interesting insight into conditions in the rubber industry in Indo-China and describes the precautions taken to defend the rubber plantations against the depredations of the Vietminh. The following extract from the article describes a rubber plantation in Cambodia :-

"Near Kompong Cham, Cambodia, is Chhup Plantation; with 12,000 hectares planted; it is claimed to be the largest single rubber plantation in the world. The "Compagnie Du Cambodge" which controls it is one of the subsidiaries of "Terres Rouges", which is one of the three main rubber growing concerns in Indo-China. Rubber is exported from nearby Kompong Cham in small overseas ships: one seen loading was going direct to Singapore. This plantation continued to produce and export throughout the war against the Vietminh, who did all they could to prevent it. There were special arrangements to defend the plantations as well as the roads and bridges. Every few kilometres from Phnom Penh to Kompong Cham the square block-houses, with barbed-wire and earth-works, are still

standing - many of them still manned - but with the soldiers of King Norodom Sihanouk, Chhup had, and still has, its own special defence force: according to the General Manager, it is solely a 'Company' force, paid and controlled by himself for the company. It is more likely, however, that the Cambodian Government supplies the troops and that management pays the cost. They are still at their posts: at night the searchlights sweep approaches to key points like the factory, staff quarters, manager's house, water supply etc. Road entrances to the plantation are guarded: troops are stationed permanently in fortress towers beside all administrative buildings, living quarters and recreation area (club, swimming pool, etc.) of the French (all of whom live on the first floor of their very fine houses, or above). In addition there is a network of high-tension electric wires. Throughout the war, and since, Chhup has had direct air communication with Saigon: and labour continued, up till the Geneva convention, to be flown in as required from North Vietnam. Every French owned plantation, in Cambodia or Vietnam appears to have an air-strip capable of taking a DC3.

The villages for plantation workers, of which Chhup has nine or ten, are permanent settlements of individual houses in stuccoed brick., Each has a Catholic Church (most labour used to come in from the Hanoi-Haiphong region), and a Buddhist Pagoda. There is in each village a recreation hut, sports ground, permanent water supply, individual garden

plots; a village would contain up to 100 houses. There is a Vietnamese plantation employee in charge, and a policeman to keep the peace. At present there are earth works, some barbed wire, blockhouses, and the garrisons. Some have schools: where there are none, children are taken to a village where there is one. The teachers are Cambodian Sisters, of a Catholic teaching order: and education facilities are apparently better than in the Cambodian villages. While I was there, people were keeping children away because of a story of maniacs offering up children as human sacrifice: a story I had heard also in Bangkok. But the main point is that Plantation as well as French Government policy had long been to recruit workers with their families, and make proper provision for them. There is, for instance, a large well-equipped central hospital, equipped for x-ray work and surgery. A fully trained medical officer is in charge, and there are orderlies, and Catholic Sisters (more Vietnamese than Cambodian) to do the midwifery and general nursing. Another central service is a large market, with stalls and shops let to individual merchants. The plantation management keeps a ceiling on prices for rice and meat by maintaining its own stocks: a rise above the level fixed by policy is dealt with by placing stored rice on the market, and slaughtering plantation cattle or pigs. The neighbouring rice villages thus have an assured market, and are necessary to Chhup's economy: they were accordingly defended against the Vietminh, and attempts were made to locate resident Vietminh.

I was assured that the plantation now depends largely on a generation of workers born in the plantation villages: that conditions are so good that it is not necessary to bind many by contract. This hardly squared with the complaint that the former main source of recruits in north Vietnam now supplied none: that it is necessary to recruit Cambodian villagers: that the Cambodian, as usual with Asian peasants, is unwilling to perform regular work: and that it was therefore necessary to house and provide services and rations for two Cambodian families to ensure the presence of one worker on the job for the whole week, so that the housing and services in the plantation villages would have to be extended."

Mr. Rowley also visited several rubber plantations in Vietnam, namely, those at Suzannah, Ong Zue, and An Loc, all owned by the Societe Indo-Chinoise des Plantations d'Havea. These were organized and defended on similar lines to the Chhup Plantation in Cambodia. He remarks :-

"Nine years of war have left their mark on the plantations: the Vietminh were very active in the area, and according to management some plantation villages were "removed" because of Vietminh sympathies (and, apparently activities). There are the earth-works, barbed wire, the army in occupation, and French tanks still. About 25 per cent of French managing staff were said to have been killed or wounded since 1946, mostly from ambush. But the wives and children have remained.

When I asked whether the Vietminh had v

much influence in the plantation villages, I had two kinds of answer. One was that they had none, the other was that great care had to be taken to prevent contacts between plantation workers and the Vietminh: one purpose served by armed forces would be to seal off the plantation villages as far as possible from outside influences. Another might well have been to keep them at work, and on the plantations. One gained a similar impression even at Chhup, where the Vietminh had been less active - that for all the physical paraphernalia of welfare, management had won but doubtful loyalty: that Vietminh were established in plantation as in other villages, in spite of an apparent preference given to Catholics in recruiting."

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NAVAL FORCES OF THE REPUBLIC OF KOREA.

The Navy of the Republic of Korea (South Korea) is now largely built up on U.S. lines and the United States Naval Advisory Group (USNAG) provides advice and assistance and has assumed logistic responsibility.

The Chief of USNAG (a Captain USN) acts as adviser to the Korean Chief of Naval Operations and in practice controls to a great degree the administration and operational requirements.

Individual ships with efficient officers operate within the U.N. Command and carry out

inshore patrols, minesweeping and fishing control.

In comparison with the Chinese Communist Navy the R.O.K. Navy is inferior in strength and cannot yet be considered as up to C.C.N. standards although it has recently taken over complete responsibility for the East Coast Patrol.

Present strength is :-

Frigates.	4
Sub.Chasers (PC)	5
Small Sub.Chasers (SC)	4
Coastal M/S	2
Auxiliary Motor M/S (AMS)	13 (including 1 used as Training Ship)
M.T.B's	3
<u>Amphibious craft.</u>	
L.S.T's	4
L.S.S.L's	4
L.S.I.L. (Survey Vessel)	1
<u>Auxiliaries.</u>	
Supply Ships	5
Oil Tankers	2
Harbour Tankers	5
Hospital Ship (Immobile at Pusan)	1

Of the above ships the following are normally non-operational, either undergoing refit or in a care and maintenance state :

Frigates	1
Sub-Chasers	8
Minesweepers	4
M.T.B's	1
Supply Ships	3

Possible Transfers in 1955.

Escort Vessels (DE)	2
Control " (PCEC)	4
L.S.T's	4
L.S.M's	12
Fleet Auxiliaries	5

Personnel.

Navy	1,455 Officers	11,390 Men
Marines	1,900 Officers	25,000 Men

Marine Corps.

The Marines have had considerable assistance from liaison parties of the U.S. 1st Marine Corps and are considered the elite of the R.O.K. Navy. Their pay rates are better than those of Naval Rates. In January 1955 the 1st R.O.K. Marine Division was activated and includes 163 Officers and 1,009 men of the R.O.K. Navy. This Division will take over from the 1st U.S. Marine Division now withdrawn from the line in Korea.

All Marines are recruited from volunteers and the selection system ensures that only the best material available is accepted.

Bases.

There are two main Naval Bases situated at Pusan and Chinhae with minor bases at Inohon, Mukholin, Mok-Po and Cheju-Do.

Normally refits and overhauls are carried out at Yokosuka and Sasebo but it is hoped that eventually this will not be necessary as more U.S. equipment is turned over to the R.O.K. at Pusan.

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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