

SECRET

# Australia Station Intelligence Summary



DATE OF ISSUE..... 1 OCT 1955

Naval Intelligence Division  
Navy Office  
Melbourne

S E C R E T

C O N T E N T S .

Page.

SECTION I. PRINCIPAL NAVAL ACTIVITIES.

H.M.A.S. QUEENBOROUGH - Visit to London	1
H.M.A.S. WARRAMUNGA	2
H.M.A.S. CONDAMINE	3
H.M.A.S. SHOALHAVEN	4
Return of H.M.A. Ships ARUNTA, WARRAMUNGA and QUEENBOROUGH to Australia.	5
H.M.A. Ships TOBRUK and ANZAC	5
Visit of French Warships to Manus	5

SECTION II. NAVAL (AND OTHER ARMED FORCES) INTELLIGENCE, INCLUDING TECHNICAL INTELLIGENCE.

U.S.S.R.	6
Japan	7
Communist China	9
Indonesia	10
U.S.A.	10

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

<b>Japan.</b>	13
Communist China	14
Nationalist China	15
South Vietnam	16
Cambodia	16
Indonesia	17
Burma	17

SECTION IV. AUSTRALIA STATION INTELLIGENCE.

Japanese in W.A. Pearling Industry	18
Mineral Sands, Capel, (W.A.)	18

/over

C O N T E N T S (Continued)

	<u>Page.</u>
<u>SECTION IV.</u> <u>AUSTRALIA STATION INTELLIGENCE (Contd)</u>	
Radio Beacon Stations at Western Australian Lighthouses.	19
R.S.L. Motion for Establishment of a Dock in Cockburn Sound.	19
Port Pirie Uranium - Treatment Plant.	19
Shipbuilding at Whyalla.	20
Ammunition Filling Plant, St. Mary's, N.S.W.	21
Papua-New Guinea.	21
Dutch New Guinea.	22
Shipping Information.	23
 <u>SECTION V.</u> <u>SPECIAL ARTICLES.</u>	
Nuclear Research in Communist China	26
Burma Today	29
Rebel Gangs in Indonesia.	34



S E C R E T

S E C T I O N I.

PRINCIPAL NAVAL ACTIVITIES.

H.M.A.S. QUEENBOROUGH - Visit to London.

On 2nd August QUEENBOROUGH sailed up the Thames and berthed in the Pool of London. Immediately after securing, the ship was invaded by large numbers of Press and B.B.C. representatives and other visitors, and in the following day's newspapers the arrival of QUEENBOROUGH, the first R.A.N. ship to visit London, was given some prominence. One feature of the publicity concerned the large proportion of beards amongst the ship's company. The London Press hazarded the guess that the reactions of wives and sweethearts having to be considered "there won't be a whisker in sight" when the ship returns to Australia.

Soon after arrival the Captain called on the Mayors of Stepney, Bermondsey and Southwark, all of whom expressed welcome and pleasure at seeing an Australian ship. On the following day at 1200 the Captain was somewhat surprised to welcome 38 return callers.

The ship was treated to much hospitality by many authorities and organisations, and much detailed interest was taken in her. A number of people who saw the ship were not aware that Australia had a navy; some could not recognise the "rat", "dog" (kangaroo) painted on the funnel, and there were many remarks to indicate that the visit was bringing to Londoners new light about Australians. Hundreds of pleasure boats passed close by, going up and down the river, and, as they came abreast, the "guides" announced their facts (mostly erroneous) about the ship.

On 9th August QUEENBOROUGH proceeded up the Thames to Blackwall to spend ten days in what is believed to be the oldest dock in London. On completion of the docking, the Mayor and Councillors of the borough of Queenborough (which had adopted the ship during the last war) arranged a reception

S E C R E T

in honour of the ship and came on board while QUEENBOROUGH was berthed at Chatham.

The ship sailed from the Thames on 22nd August for Plymouth, where she berthed immediately ahead of VENGEANCE. After embarking stores QUEENBOROUGH slipped to the strains of "Waltzing Matilda" played by the band of VENGEANCE, and proceeded to Londonderry to rejoin the Third Training Squadron, which consists of 15 destroyers and frigates.

On 31st August QUEENBOROUGH proceeded from port in company with the fast A/S frigate, H.M.S. URCHIN, to carry out exercises against H.M. Netherlands Submarine WALRUS, co-operating with French and United States aircraft from Ballykelly. These exercises were extremely successful in that international control and understanding were of a high level.

During the next three weeks QUEENBOROUGH took part in several anti-submarine exercises with Netherlands, Norwegian, Portuguese and British ships and submarines, and French, U.S., Netherlands and British A/S aircraft.

\* \* \* \* \*

#### H.M.A.S. WARRAMUNGA.

After taking part in A/S Hunter Killer exercises with units of the United States Navy, WARRAMUNGA arrived at Yokosuka on 3rd August. There was a large number of U.S.N. ships in port, including three aircraft-carriers, four heavy cruisers, and many destroyers, submarines and auxiliary vessels.

Sailing from Yokosuka on 5th August WARRAMUNGA paid an eight-day visit to Kure from 6th August, and then proceeded to Hong Kong for her refit.

On 25th August the Captain of WARRAMUNGA joined a party who paid a visit to the Hong Kong New Territories. Proceed-



ing by road from Kowloon by the Castle Peak Road over the Twisk Pass to Sekong Military Camp, the party picked up an Army officer who acted as guide. At a frontier post the party spent an interesting half hour observing Red China and the perambulations of Communist sentries across the border. It was found that it is the Police who control the frontier from a chain of observation posts. The Army takes no part in this work, but is ready in prepared positions to the rear should the need arise for action.

The party then visited the 7th Hussars Tank Regiment at Sekong, where the Captain of WARRAMUNGA had the unexpected experience of driving a 30-ton Comet tank around the tank park. At the nearby Tipoh airfield the Captain was taken on a flight in an Auster aircraft over the New Territories and along the frontier with China.

\* \* \* \* \*

#### H.M.A.S. CONDAMINE.

On 3rd July CONDAMINE arrived in Kure from Hong Kong, and on 6th July the First Escort Squadron of the Japanese Maritime Self-Defence Force, consisting of five ships including two destroyers, arrived in harbour and secured at adjacent berths to CONDAMINE. One of the destroyers was KEYAKI, flying the flag of Vice-Admiral Taniguchi, the Commander-in-Chief. The Captain of CONDAMINE called officially on the Admiral, and the R.A.N. and the Japanese Self-Defence Force were toasted with a milky non-alcoholic drink named "Calpis". Vice-Admiral Taniguchi said that he hoped alcoholic beverages would be introduced in the near future "when the Self-Defence Force was more stabilised."

On 30th July the Captain, in company with N.O.I.C. Kure, attended the launching ceremony at Kure Dockyard of "SINCLAIR PETROLORE", a vessel built for the National Bulk Carriers Incorporated of America. The ship was "launched" from a wet basin by Miss Shigemitsu, the

daughter of the Japanese Foreign Minister. The ceremony was conducted from a floating launching platform on which guests and visitors were accommodated. Before the ship was launched several speeches were made in English and Japanese, and the Kure City Band played the national anthems of Japan, the United States and Liberia, the last-named being the country under whose flag the ship will be registered. This must have been the first occasion on which the Kure Band had ever played the Liberian anthem; during the ensuing cacophony most faces were hidden behind handkerchiefs or fans.

"SINCLAIR PETROLORE" represents a new departure from the standard ore-carrier. As her name implies, she is a combination oil and ore-carrier, at present the largest in the world, being 55,000 d.w.t. (32,000 gross tons). She has an overall length of 789 feet with 106 feet moulded breadth. Her 12,500 S.H.P. turbines are expected to give a cruising speed of fourteen knots. A remarkable feature of the ship is a large gantry, similar in appearance to a Typhoon Crane, which travels the length of the upper deck on "tram" lines. This gantry is in effect a type of dredge which is capable of unloading ore from the ship at a rate of 4,000 tons per hour.

The launching ceremony was completed in the traditional Japanese manner by the bursting of a large paper ball about ten feet in diameter suspended over the stem from the ship's fo'c'sle, the ball containing banners, paper tokens, confetti, streamers and six live doves.

\* \* \* \* \*

#### H.M.A.S. SHOALHAVEN.

SHOALHAVEN sailed from Darwin on 17th September to take in tow the Carpentaria Light Vessel which had broken adrift from its moorings west of Booby Island in Torres Strait. SHOALHAVEN arrived at Thursday Island with the Light Vessel on 23rd September, and returned to Darwin on 28th September.

\* \* \* \* \*



Return of H.M.A. Ships ARUNTA, WARRAMUNGA and QUEENBOROUGH to Australia.

QUEENBOROUGH, en route from the United Kingdom to Australia, will join ARUNTA and WARRAMUNGA in Singapore on 3rd December and will sail in company with them for Sydney on 5th December. The ships are due in Sydney on 19th December. ARUNTA will be paying off in March, 1956.

\* \* \* \* \*

H.M.A. Ships TOBRUK and ANZAC.

TOBRUK and ANZAC, who will be replacing ARUNTA and WARRAMUNGA on the Far East Station, are due to sail from Sydney for Singapore in mid-November. They will call at Fremantle en route on 23rd November.

\* \* \* \* \*

Visit of French Warship to Manus.

The French frigate FRANCIS GARNIER paid an unofficial visit to Manus between 9th and 11th September while en route from the Far East to Noumea, New Caledonia. Her Captain is Capitaine de Frigate Sirouy, and her ship's company comprises 8 officers, 38 petty officers and 120 men.

\* \* \* \* \*



S E C T I O N   I I .NAVAL AND OTHER ARMED FORCES INTELLIGENCE  
INCLUDING TECHNICAL INTELLIGENCE.U. S. S. R.Possible Increase in Soviet Naval Strength in the Far East.

The sighting off the Murman coast of three groups of ships including cruisers and submarines was reported in A.S.I.S.No.33 wherein the possibility of their transfer to the Pacific via the Northern Sea Route was hinted.

On 6th September a report from a Japanese source stated that a Soviet force of two SVERDLOV class cruisers, 12 destroyers, 12 coastal escorts and 12 submarines, probably accompanied by a number of merchant ships, was proceeding towards Soya Straits (between North-Western Japan and South-Western Sakhalin) after making the passage of the Northern Sea Route.

On 9th September the two cruisers, 11 destroyers and 15 merchant ships and small craft passed through the Straits; the 12 submarines previously reported were not sighted.

With the addition of these ships the Soviet Naval strength in the Far East in these types would be :-

Cruisers	-	4
Destroyers	-	45
A/S Escorts	-	27
Submarines	-	119 and 35 midgets.

\* \* \* \* \*

JAPAN.Enlarging the Self-Defence Forces.

The controversial National Defence Bill which was passed by the Lower House of the Diet has been held up by the Upper House which has shelved the measure for discussion later this year.

As an interim measure the Government set up a temporary organisation called the Defence Deliberation Council which was to include amongst its members the Director-General of the Defence Board, the Foreign Minister, the Finance Minister, the Director of Economic Planning and two other Ministers.

The Council announced a tentative defence programme which was to serve as a basis for discussion between the Foreign Minister and the U.S. authorities.

The programme, to be completed by 1960, envisages :

Ground Self-Defence Forces (Army).

Strength to be increased to 180,000 by 1958, but not further increased after that year. (June 1955 figure was 139,618). Aircraft strength for G.S.D.F. will be 360 and there will be 20,000 personnel on the Reserve List.

Maritime Self-Defence Forces (Navy).

A total of 180 vessels including 20 Destroyers (1,600-ton Class), 6 Destroyer Escorts (1,000-ton Class), 18 Frigates, 2 Submarines, 50 Minesweepers, 24 Patrol Ships, 50 L.S.S.L's and others, 180 aircraft. Total personnel will be 33,000 (June 1955 total 16,385).

Air Self-Defence Forces (Air Force).

A total of 1,284 aircraft including 525 F86F Fighters,



150 F86D all-weather fighters, 54 RF fighter-reconnaissance planes, 48 C46 transports, 230 jet trainers and others. Total number of personnel will be 38,000 (June 1955 total 6,738).

It also proposes that the status of the Defence Board be raised to that of Defence Ministry.

Such a programme would raise the annual defence expenditure by 15 million yen to 200 million yen.

#### New Naval Construction.

The 1,600-ton destroyer YUKIKAZE was launched at the Mitsubishi Yards, Kobe in August. She is the first warship of any size to be laid down in Japan since the war. Her keel was laid on 17th December, 1954, and she is due for completion in January, 1956.

The armament to be fitted in YUKIKAZE will be 3 x 5", 2 quadruple 40 m.m., 8 K. guns and 2 Hedgehogs and she will be equipped with Sonar. Her speed is expected to be in the vicinity of 30 knots.

A Cable-layer, TSUGARU, built in the Mitsubishi Yards, Yokohama, for the Maritime Self-Defence Force was launched in July. The vessel is of 950 tons and is powered by two 3,200 H.P. diesel engines which will give her an estimated speed of 16 knots.

It is interesting to note that TSUGARU was launched on a bed of ball bearings instead of greased blocks. Officials of the Yard stated that this has now become standard practice in Japan and was developed towards the end of the War when the necessary fats for greasing blocks were not available in sufficient quantities.

\* \* \* \* \*

COMMUNIST CHINA.Rocket-Launching Apparatus in L.S.T's.

Following the reports mentioned in A.S.I.S.No.33, of rocket-launching apparatus fitted in L.C.I's, a report has now been received of two L.S.T's in Shanghai being similarly equipped.

In the L.S.T's the launchers, which were covered, were mounted on the upper deck - 14 on one L.S.T. and 15 on the other. They were considerably smaller than those fitted on the L.C.I's which were estimated to be about twelve feet long by five feet wide, to have six or eight rails and to be capable of taking a 4-inch rocket.

Small Frigate-type Ships Under Construction at Shanghai.

Three small frigate-type ships have been observed under construction in Shanghai at Kaingnan Dockyard. One was alongside fitting-out, one was on a slipway ready for launching, and the third was in a less advanced stage on another slipway.

These vessels are estimated to be between 180 and 200 feet long, and with a hull similar to a destroyer. They have a slight sheer to their fore'side deck and the upper deck slopes down from forward to aft, as in American destroyers. They have a cruiser stern and are thought to be twin-screw ships. The bridge is square or perhaps slightly rectangular in shape; the funnel is rather short and squat.

National Service.

Under the regulations governing the service of officers and men, officers will all be members of the regular forces and in future will be commissioned from Military Training Academies. Promotion from the ranks



will only be possible in wartime. Officers are to have ranks as we know them. Previously officers only held authority by virtue of their "appointments" and <sup>no</sup> badges of rank were worn.

\* \* \* \* \*

### INDONESIA.

The Indonesian Navy is reported as having carried out exercises in the Java Sea early in August.

The ships taking part in the exercises (which included action information damage control, A/S exercises and amphibious landing of the Korps Kommando with fire support), were the destroyers GADJA MADA, the corvettes HANG TUAH, BANTENG, RADJAWALI, the minesweepers PULAU RAU, PULAU RAAS, PULAR ROMA, PULAR ROTI, the L.C.I's PIRU, NAMLEA, AMAHAI, and the tanker TJEPU.

Particular emphasis is believed to have been placed on communications exercises.

The GADJA MADA is understood to have embarked 200 additional live 4.7" shells, 4,000 rounds of live 20 m.m. shells and 900 rounds of 20 m.m. practice shells for the exercises.

\* \* \* \* \*

### U.S.A.

#### New U.S. Navy Jet Fighter.

A new jet fighter, the XF 8U-1, built by Chance Vought Aircraft and designed to operate from carriers at supersonic speeds, has completed flight tests successfully. Specifications for the XF 8U-1 called for a high rate of climb, exceptional combat ceiling, and supersonic speed in level flight.

Its engine is Pratt and Whitney's after-burner - equipped J-57-P-4 turbo jet.

### U.S.N. Antarctic Task Force.

The U.S.N. force which is proceeding to the Antarctic in December this year to undertake phase one of Operation Deep Freeze has been designated Task Force 43.

The force which comprises six ships, an air squadron and a special mobile construction battalion will build facilities and airstrips and deliver supplies to support American participation in the International Geophysical Year 1957-58.

During phase one of operation Deep Freeze which will continue until February, 1956, the bulk of construction work will be completed.

The second phase will begin in late 1956 when further construction will be completed and the scientists will be put ashore to make observations.

In the third phase the Force will pick up the scientists who have completed their observations from at least three bases and return them to the United States in 1959.

### Nuclear Powered Submarines.

The U.S.N.'s second nuclear-powered submarine U.S.S. SEAWOLF, which was launched in July, will be fitted with a different type of reactor from that in the first nuclear-powered submarine U.S.S. NAUTILUS.

SEAWOLF will be fitted with what is known as a submarine intermediate reactor; it is cooled by liquid sodium. The power plant in NAUTILUS is called a submarine thermal reactor and is cooled by high pressure water.



Miniature Weather Recording Set Developed for U.S.N.

A new weather recording set now undergoing service evaluation tests at sea is designed to supplement standard permanent weather instruments under conditions which make it impractical or dangerous to use them. The new equipment, when held at arms length for a few moments, is capable of recording atmospheric pressure, temperature, relative humidity, wind speed and direction; a lever locks all readings in place for subsequent noting and recording in a sheltered area. Weight of the equipment is six pounds and its height is 23 inches.

Atmospheric pressure is measured over a range of 940 to 1,060 millibars by an aneroid barometer mechanism; temperature over a range of minus 10 degrees F. to 120 degrees F. by a bi-metallic thermometer; relative humidity over a range of 15% to 95% by a multiple hair element; wind speed over a range of 3 to 60 knots by an eight-vane plastic propeller-driven magnetic drag tachometer; and wind direction over the full 360 degrees azimuth range by a double-tailed vane which positions the rotating head on an azimuth dial. A sight is provided for obtaining a reference direction from some known fix.

\* \* \* \* \*

S E C T I O N III.EXTERNAL POLITICAL, POLITICO-MILITARY AND ECONOMICI N T E L L I G E N C E .JAPAN.Conversion of Ships for Bulk Carrying.

Japanese shipbuilding firms are at present engaged in lengthening and converting old Liberty ships and ex-U.S. wartime tankers of the T-2 Type for ore and bulk carrying.

Liberty ships are lengthened by 70 feet and tankers by 41 feet. No change in the propelling machinery is involved in the process and the loss of speed is claimed to be negligible.

The process increases the deadweight tonnage of Liberty ships by 1,500 tons and tankers by 1,270 tons.

Conversion of a Liberty ship takes from 30 to 60 days and costs about £100,000, whereas a new vessel of comparative size would take about 18 months to complete and cost approximately £800,000.

Fishing Fleet.

Since the signing of the Peace Treaty there has been a tendency for Japanese fishing vessels to move from coastal waters to offshore fisheries.

This has resulted in a marked increase in the construction of fishing vessels of 100 tons and over. Vessels of this type increased in 1954 from 535 to 636 and all are equipped with wireless and a large proportion with radar.

Whilst these vessels are necessary for Japan's



fishing industry, a proportion could readily be adapted for minesweeping and local patrol duties in time of emergency.

\* \* \* \* \*

## COMMUNIST CHINA.

### Food-rationing System in Cities.

A United Press report, quoting Peking Radio, states that the Chinese Communist Authorities will shortly introduce new food rationing systems in cities. It appears that municipal direction of food rationing will be replaced by direct governmental control. City population will be classified on the basis of occupation and age; a monthly ration will be stipulated for each group. Available information does not indicate whether prevailing ration levels will be lowered. Centralised control of rationing, however, may enable authorities to enforce a further saving in urban food consumption, and thus permit a more equitable distribution between city and rural areas and/or increased exports.

### Internal Security.

During the recent annual session of the National People's Congress considerable anxiety was manifested about the degree to which "counter-revolutionaries" were menacing the regime's rural and industrial programmes.

It was stated that 364,604 (!) counter-revolutionary cases had been brought before the courts between January 1954 and May 1955, and that peasants who had obstructed agricultural socialisation were being dealt with by 3,796 itinerant tribunals.

These figures should perhaps be qualified by the fact that the extensive use of the word "counter-revolutionary"

may have exaggerated the internal security problem, covering, as it does, minor defections.

Regulations for the Control of Radio Equipment in Communist China.

Regulations for the control of radio equipment in Communist China were promulgated on 23rd July. The main change from the provisional regulations of August 1954 appears to be the stipulation that private individuals now require prior public security authorisation for purchase, sale, or repair of radios.

One reason for this action may be to prevent the reception of adverse radio comment on the measures against counter-revolutionaries referred to above.

\* \* \* \* \*

NATIONALIST CHINA.

Agitation by Formosans in Exile in Japan.

Formosans in exile in Tokyo have announced the establishment of a "provisional National Congress" to fight for the liberation of the island from the Nationalist Chinese.

The Congress, formed by American-educated Dr. Thomas W. I. Liao and his "Formosan Democratic Independence Party", elected as its president Dr. Go Chin Nad, the party's Vice-President.

Foreign policy was outlined as "pro-Japanese, anti-Communist, seeking U.N. protection.

\* \* \* \* \*



SOUTH VIETNAM.Vietminh Infiltration.

Reports indicate that Vietminh infiltration of the border area of South Vietnam is going on unhindered. Meetings are held every night in the villages and there is a constant stream of young men going north to attend Cadre schools over the 17th Parallel.

Little is being done to combat Vietminh propaganda and the regional Director of Security has admitted that the Vietminh strength is very real in his area. The worst areas are Hue and Quang Tri, where the Vietminh are operating quite openly.

Anti-French feeling is running high and the French themselves do not appear to have helped matters by their attitude to the Vietnamese.

There is, however, one ray of hope in the situation. The Revolutionary Committee of the South has set up the only strongly organised anti-Vietminh force in the Central regions. They claim that they can combat the Vietminh by playing them at their own game, that is infiltrating the Vietminh ranks and using their own propaganda against them. The idea is certainly not democratic but it may prove effective.

\* \* \* \* \*

CAMBODIA.Elections.

Ex-King Norodom, leading his Popular Socialist Community Party, won all 91 seats in the National Assembly in the general election held in Cambodia on 11th August.

Norodom is pro-British, pro-Western and, above all, very anti-Communist. \* \* \* \* \*

S E C R E T

INDONESIA.Trade Talks with Singapore.

The Singapore Goodwill Mission in Djakarta and representatives of the Indonesian Government have been discussing plans for trade talks.

After discussion it was announced that a "full economic trade mission" from Singapore would be welcomed by Indonesia in December.

The Federation of Malaya would be asked to join it.

\* \* \* \* \*

BURMA.Economic Situation.

Burma's financial position has steadily deteriorated during the financial year which ends on 30th September. This has been occasioned by the fall in the world price of rice.

The export of rice provides 80% of Burma's export earnings, and the profits of the State Agricultural Marketing Board which handles the rice marketing, provide 40% of Government revenue.

Burma has depended very heavily on the proceeds of rice sales to finance her eight-year economic development plan which, however, was drawn up in 1952 when the world price of rice was not expected to fall below £55 stg. per ton; lately she has been finding it difficult to obtain £40 stg. per ton with the result that her foreign exchange reserves have fallen to less than half of their mid-1954 level of £65 million stg.

The Government is expected to take action in the new budget to arrest this trend. \* \* \* \* \*



S E C T I O N    I V .A U S T R A L I A    S T A T I O N    I N T E L L I G E N C E ,J A P A N E S E    I N    W . A . ,    P E A R L I N G    I N D U S T R Y .

A total of 71 Japanese has now been admitted for service in the Western Australian pearling industry, 66 being allocated to Broome and five to Onslow. They have all been signed on in specialist categories, i.e., divers, engineers and tenders.

Two Japanese businessmen, Ichiyo Irobe and Hiroshi Iwaki, who arrived at Broome recently, are investigating the practicability of the establishment of a cultured pearl industry. Beds for the culture of pearls have already been laid East of Sunday Island.

\* \* \* \* \*

M I N E R A L    S A N D S ,    C A P E L    ( W . A . )

A syndicate proposes to explore a considerable deposit of black sand at Capel, a small town sixteen miles south of Bunbury. The deposit of sand is spread over an area of 800 acres and could be in the vicinity of 4,000,000 tons, and speculation is rife locally as to whether the sands contain the minerals ilmenite, zircon, rutile and monazite. Ilmenite is the main source of titanium, which is used as a pigment in various products such as paints, lacquers and plastics.

The other mineral which could be of considerable importance is monazite. Local rumours are circulating regarding the installation of large works and processing machinery and the possible effects on the port of Bunbury are being discussed.

\* \* \* \* \*

RADIO BEACON STATIONS AT WESTERN AUSTRALIAN LIGHTHOUSES.

The two new radio beacons at Cape Borda and Cape Leeuwin lighthouses are now in operation. The interstate passenger ship "WESTRALIA" has taken bearings from the Cape Borda beacon from a point 4.00 miles westward. The Cape Borda signal has also been received clearly at the Leeuwin station.

Work on the Troughton Island station is proceeding.

\* \* \* \* \*

R. S. L. MOTION FOR ESTABLISHMENT OF A DOCK IN COCKBURN SOUND.

At the 39th annual congress of the Western Australian Returned Servicemen's League, held in Perth recently, a motion was passed to the effect that the Commonwealth Government be asked to establish a dock in Cockburn Sound. The delegate putting the motion said that such a dock could readily be established in the Sound, and the need for it to serve both Naval and Merchant ships was obvious; Fremantle being the first and last port of call on the lanes to Europe and the islands in the north.

\* \* \* \* \*

PORT PIRIE URANIUM-TREATING PLANT.

The £1½ million uranium refining plant at Port Pirie has commenced operations. Uranium concentrate from Radium Hill, sulphuric acid from Broken Hill Associated Smelters, salt from Snowtown (Port Pirie area) calcine magnesite and 'caustic mud' or lime from I.C.I. at Osborne, unlimited water from the Murray pipeline and Bectaloo reservoir and fuel oil refined in Australia are the ingredients of the entire process.

The plant, which can easily handle the uranium



concentrates from Radium Hill without operating on a full-scale basis, will supply uranium oxide for the U.K. and U.S. purchasing authorities for materials required in atomic energy plants.

\* \* \* \* \*

#### SHIPBUILDING AT WHYALLA.

Lady Slim, wife of His Excellency the Governor-General, Field-Marshal Sir William Slim, has accepted an invitation to launch the S.S. "LAKE EYRE" at the Broken Hill Pty. Ltd.'s shipyard at Whyalla on 8th October. The "LAKE EYRE" is the first of three coal-fired, 10,000-ton bulk cargo carriers ordered by the Australian Shipbuilding Board. The other two will be "LAKE TORRENS" and "LAKE ILLAWARRA", and the keel of the former will be laid after the launching of "LAKE EYRE".

The "LAKE EYRE" will, when fully loaded, have a draught of 26 feet, and a speed of 12 knots. Her dimensions are 435 feet long, 58.6 feet breadth and 34 feet depth to the upper deck.

The machinery will consist of a Parsons steam turbine of 3,500 shaft horse power with double-reduction gearing, two marine water-tube boilers and two coal-fired water-tube boilers with spreader stoker and ash-extractor. The turbines are coming from England and will arrive at an early date; the boilers will be supplied by John Thompson Ltd. of Melbourne.

Under construction on No.3 slipway at Whyalla is the S.S. "IRON SPENCER", a sister ship to the S.S. "IRON WHYALLA" launched on 31st March, 1953.

\* \* \* \* \*

AMMUNITION FILLING PLANT, ST. MARY'S, N.S.W.

Construction of the ammunition-filling plant to be built at St. Mary's will be undertaken by Utah (Australia) Limited and Concrete Constructions Pty. Ltd., who hope to complete the work by December, 1957.

This is a major project, the estimated cost of construction being £23 million.

The factory will make conventional explosives and assemble shells, bombs and depth charges.

\* \* \* \* \*

PAPUA-NEW GUINEA.Landing Craft for Oil Search Operations.

Three landing craft, specially designed to carry heavy machinery along jungle rivers and swamps, have been built at Wallsend-on-Tyne for Australasian Petroleum Co. Pty. Ltd., which is searching for oil in Papua.

Each craft is 110 feet long by 26 feet wide and capable of carrying 120 tons of heavy gear such as drilling equipment, bulldozers and pipes. Their deck equipment will include three-ton derricks and masts for loading purposes.

Cargo can be off-loaded along swamp and river banks where there are no jetties through landing craft bow doors which can be raised and lowered as required.

The first of the vessels, "GIMADA", was launched in May, and the other two, "GEBOSA" and "GURIBI" were due to be completed in August. They will be towed to Papua by an ocean-going tug.

The biggest handicap to oil exploration under jungle



conditions has been the difficulty of transporting drilling gear and ancillary machinery through areas where there are no roads or even tracks. Previously helicopters have been used, but they are unable to lift very heavy gear. The landing craft will solve the problem as rivers and swamps provide the most direct route to likely sites.

#### Medical Patrol Vessel "HEDURU".

B. Halvorsen Ltd., Sydney, have built a medical patrol vessel for the Papua and New Guinea Administration. The vessel, named "HEDURU", is 56 feet long, with a beam of 16 feet and a maximum draught of 5 feet. She is powered with a Gardiner Diesel and will be equipped with an operating theatre. Normally she will carry a European Master, seven native crew, and seven medical personnel, including four native nurses.

The New Guinea Medical Services possess two other medical patrol vessels, namely the converted trawlers "ARAWA" and "HEKHARA".

All three vessels are equipped with R/T.

"HEDRU" will operate up to 500 miles upstream to Lake Murray and up various tributaries where surgical cases will be taken on board and, if necessary, a surgeon flown from Port Moresby to a suitable point.

\* \* \* \* \*

#### DUTCH NEW GUINEA.

##### Radio Broadcasting Station.

A commercial, Dutch-owned and operated Radio broadcasting station is located on the north-west shore of Lake Sentani, to the south-west of Hollandia.

The station is known as Rong (Radio Omroep Nieuw Guinea) and Dutch language broadcasts are on the air at the following times :-

Monday to Friday (inclusive)	10 a.m. to 11 a.m. 7 p.m. to 9.30 p.m.
Saturday	1 p.m. to 2.30 p.m. 7 p.m. to 9.30 p.m.
Sunday	10 a.m. to 2.30 p.m. 7 p.m. to 9.30 p.m.

Malay language broadcasts of news and notes on the news are on the air every evening between 7 p.m. and 7.30 p.m. As broadcasts are only on the air for the times shown above this station may have only one transmitter.

Initial construction work on a radio station for Rong has been undertaken on Biak and it is believed that Rong will move there when this work is completed.

#### Naval Dispositions.

The destroyer "KORTENAER" will arrive at Hollandia on 20th March, 1956, to relieve "PIET HEIN" which will depart from Hollandia for the Netherlands on 22nd March, 1956.

The survey ship "SNELLIUS" will arrive in Dutch New Guinea waters on 15th December, 1955, probably as a relief for "LUYMES".

\* \* \* \* \*

#### SHIPPING INFORMATION.

##### M.V. "NILPENA".

The Australian Shipping Board's new motor vessel



"NILPENA" (1,468 tons) has been placed on the Victoria-Tasmania cargo run.

M.V. "NOONGAH", a sister ship, entered the same service in March.

Sale of S.S. "MADONNA".

S.S. "MADONNA" (753 tons), a former corvette engaged in the Australia-New Zealand trade, has been sold to the Southern Marine and Mercantile Co., Hong Kong, for breaking-up or conversion to a lighter.

New Cargo Vessels for Union S.S. Co. of New Zealand.

The Union Steamship Company has increased its order with Alexander Stephen and Son, Glasgow, from two to four cargo vessels of 5,300 tons deadweight.

The first two ships ordered were the "KAWERAU" and "KAMIRO", both being built for the trans-Tasman trade. They are single-screw ships of the "KOMATA" class.

Coast Steamship's M.V. "PARNDANA".

The new diesel vessel "PARNDANA" arrived at Port Adelaide from Holland via the Panama Canal on 23rd August. She was built by Van Diepon Bros. for Coast Steamships Limited and is 462 tons gross, 169 tons net and 457 tons D.W. Length is 157 feet, breadth 26 feet with a loaded draught of 10 feet. Full speed is 10.7 knots and service speed 9.5 knots. There are two hatchways to the one hold with a bale capacity of 18,300 cubic feet. Insulated cargo space is 235 cubic feet.

The "PARNDANA", replacing the 43-year old "KOPOOLA", joins the "KARATTA" on the Port Adelaide-Kangaroo Island

run. This trade is steadily increasing. The "KOPoola" is now tied up at Port Adelaide and will probably be sold as scrap.

\* \* \* \* \*



S E C T I O N V.S P E C I A L A R T I C L E S.

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

\* \* \* \* \*

N U C L E A R R E S E A R C H I N C O M M U N I S T C H I N A.

At the close of the Geneva conference on the peaceful uses of atomic energy, the Russian delegation announced that the U.S.S.R. would make available to Soviet bloc countries, at cost price, nuclear reactors and fuel. The biggest of the reactors was to go to China. In view of this announcement, the following summary of available information on nuclear research in China may be of interest.

Research.

In 1951-52 an Atomic Energy Research Office was established within the Academy of Sciences, probably as an adjunct to the Institute of Modern Physics in Peking. This was initially engaged almost entirely in theoretical work and the collection and collation of literature, but an "atomic fission project" - probably a research laboratory - was reliably reported to be in course of construction in the outskirts of Peking in late 1953. In July 1953, it was officially stated that the Academy was preparing for the establishment of a nuclear physics research institute, while in September 1953 it was announced that the Academy had been working on nuclear physics for the past four years. In February 1955, a committee of seven leading scientists of the Academy was formed to plan wider application of nuclear energy. On 8th June 1955, at a meeting of the Academy, a speaker referred to the establishment of a scientific experimental centre for atomic energy, the

utilisation of radioactive isotopes, and the application of atomic energy to industry.

### Personnel.

There are more than 30 Western-trained physicists and mathematicians in China competent to plan and direct a programme of research aimed at the industrial use of atomic power, utilisation of radioisotopes, etc. It is known that at least three physicists have received post-doctorate training in atomic energy in Western countries. Two of the outstanding Chinese personalities in this field are Chao Chung-yao and Ch'ien San-chiang, both nuclear physicists. The former studied at the California Institute of Technology, was observer for Nationalist China at the Bikini atomic bomb test in 1946, returned to China from the United States in 1950, and is now Deputy Director of the Atomic Energy Research Office and a research worker at the Institute of Modern Physics, Academy of Sciences. The latter studied in Paris with Joliot-Curie in 1947, led a delegation from the Chinese Academy to the U.S.S.R. Academy of Sciences in 1953, and is now a Director of both Atomic Energy Research Office and Institute of Modern Physics.

General technical aid and assistance in scientific training have been received from the U.S.S.R. under the Sino-Soviet Co-operation Agreement signed in 1951. There has been an interchange of visits by scientists of the Chinese and Russian Academies, but an unknown number of Chinese students have been sent to Russia for post-graduate training. In May 1955, the Japanese press reported the presence in north-west China of the Italian nuclear scientists Bruno Pontecorvo with a team of ex-German assistants from the Moscow Institute of Atomic Research. They were said to be engaged in the construction of China's first atomic pile.



Sources of Fissionable Material.

Recent low-grade reports suggest that uranium is being mined in Sinkiang, but there is no direct evidence of mine location or scale of production. An article in the Chinese Communist press in October 1953 stated that uranium deposits had been discovered there and that Dr. Weng Wen-hao, one of China's foremost geologists, had been sent to take charge of their development. A Russian expert, Kovkuz, from the U.S.S.R. Academy of Sciences was reported to have joined Weng to discuss the project.

Although there is no evidence that China is producing refined natural uranium, it is logical to assume, from considerations of technical ability, that this could be done. It is, therefore, probably correct to suppose that the fuel offered by Russia is enriched uranium, as it is most unlikely, for technical and financial reasons, that China could construct the large and complicated plant necessary for the separation of uranium isotopes and the production of enriched fuel.

Equipment.

Some equipment which might be used in nuclear research has been imported into China from East Europe, but close security has prevented an assessment being made, on this basis, of China's ability to conduct nuclear research. The Geneva announcement itself, however, suggests that China has been, or will be, supplied by Russia with sufficient equipment to operate the promised reactor and to continue further research on the application of nuclear energy and the production of radioisotopes .

The type of reactor to be supplied is not known. If it is similar to the graphite enriched-uranium reactor exhibited by the Russians at Geneva, this would explain why fuel has also been offered. This type is designed

for power production, but can also be used for further research, for training in the operation of nuclear reactors and for the production of radioisotopes for use in industry, medicine and many branches of scientific research. It is most unlikely that it would be used as a source of plutonium for nuclear weapons, since the amount of plutonium produced in such a reactor is only a very small fraction of the fuel consumed.

### Conclusion.

There seems to be no reason to doubt that China now has the ability to operate a nuclear reactor which will provide a valuable means of further research and training in the operation of power reactors.

(J.I.B. Melbourne)

\* \* \* \* \*

### BURMA TODAY.

The following is an abridged version of an article on Burma appearing in "The World Today", the monthly journal issued by the Royal Institute of International Affairs :

In the past two or three years internal security in Burma has greatly increased, while a plan has been prepared and the first bricks laid in the establishment of a Welfare State. But the country still remains suspended in a period of transition: the old order is officially dead, but the new has not yet been born.

### Parties and Politics.

The anti-Fascist Peoples' Freedom League, the coalition that won independence for Burma, has - like the Congress in India - confounded many observers by continuing to rule as a political monarch long after its raison d'etre has gone. Various political elements have left (or been expelled from) the AFPFL, but its



original character has not greatly changed. The 'ideology' of the League is supplied largely by the Socialist Party, whose president is U Ba Swe; its secretary, U Kyaw Nyein, is also general secretary of the AFPFL. The Socialists' philosophy is derived almost entirely from Marx and Lenin, and they advocate the nationalisation of all the processes of production and distribution.

The extent to which the AFPFL dominates Parliament is strikingly brought home to the visitor to the public gallery of the House who looks down on a sea of AFPFL supporters with, in one corner, two small benches of Opposition members. All important policy decisions are first registered by the AFPFL at their party conferences, and although there is perfect freedom of debate Bills are passed with little discussion and no amendment. Several major Bills may be completed in one day's sitting. This AFPFL domination of the life of the nation has led many ambitious or self-seeking persons to join the party merely for their own gain. And, whereas the Cabinet and many Members of Parliament may be men of principle, deeply concerned for their nation's welfare, probably the bulk of the party bosses in the districts are interested only in a life of power, prestige, idleness, and comfort. U Nu and his fellow leaders are fully aware of this situation and have recently conducted a campaign of castigation of these leeches of the League. But words alone will not clear them out. And the country people compare these bullies and bosses, whose only aim is to enrich themselves, with the underground Communists who, despite their faults, stay close to the people, enduring discomforts and dangers for the cause. Here is one reason for the continuation of unrest, and the point of danger in the rule of the AFPFL.

In order to win support of the public, U Nu as early as May 1949 put forward a fourteen-point programme, and this has been the foundation stone of much subsequent



development. The Prime Minister laid the greatest emphasis on two points: the 'democratisation' of local government, leading to a reform of the bureaucratic administration, and the nationalisation of the land and its distribution to the peasants. Despite much legislation and publicity, the great changes heralded in these reforms have still to become apparent.

### Launching the Welfare State.

Democratisation of the local administration was introduced in an Act of 1949. It provided for the setting-up of a hierarchy of local authorities, with village and ward councils at the base, elected by the people, with township councils and district councils as second and third 'tiers', elected by the authorities subordinate to them. This hierarchy would, in time, inherit all the administrative powers of the district officer and his staff, while the village councils would also enjoy wide judicial powers. This 1949 Act was never put into force, and has been superseded by an Act of 1953 which was more carefully drafted, and which adopted certain new provisions, such as compulsory voting at elections. Within twelve of the thirty-three districts of Burma proper elections have by now taken place to bring the local authorities into being. An unusual feature of the elections has been the contests between candidates of the AFPFL and those of the all Burma Peasants' Organisation - which forms part of the AFPFL! As yet, none of these councils has been set to work.

It may be asked why there has been so much delay in the introduction of 'democratisation'. Among the reasons are the continuing lack of Government control in the country districts, problems of finance, the proper reluctance of the Government to hand over functions prematurely and so by failure to discredit the scheme, and, finally, the reluctance of the other Ministries concerned - those for education, health, social services, etc. - to surrender their control over subjects which should pass to the local author-



ities. The Government is committed to decentralisation: the various Ministries cling to centralisation. In part this is due to departmental jealousy, in part to a reluctance to give up the advantages of overall planning and a fear that local bodies may be unequal to their job.

### Economic and Foreign Affairs.

To most Burmans, the new Welfare State means, above all, a transformation of the old 'colonial' economy based upon the export of certain raw materials - rice, timber, and minerals. They look forward to an economy in which agricultural production will be diversified and reinforced by industries and manufactures. The greater part of the planning activities of the Government and its advisers has been focused upon the creation of new industries. The broad aim is to make Burma independent of foreign imports in respect of certain articles in common use: there will be no attempt to enter export markets. With a high-cost economy, Burma could not hope to compete with India or Japan: indeed, Burma's products will only be able to compete in the home market from behind a high tariff barrier. Naturally, Burma's "industrial revolution" is still at a very early stage. The only big schemes so far completed are a State textile mill and the international airport at Mingaladon. Both have been costly, inefficient, and wasteful in their beginnings. Other projects include the construction of a steel rolling mill, developments of a possible coalfield, and other power schemes, all still in various stages of implementation. Another branch of the Government's industrial activities is the nationalisation of existing undertakings: sea and river transport, electricity supplies, a cement factory, a brewery. In addition, the Government has entered into joint ventures with existing British concerns in the oil industry, mining, and now in tea production. Joint ventures with Japanese companies are also coming into operation. But all this activity does not earn the necessary income to finance the administration and the new Welfare State. This, since 1947, has depended

entirely on a single sector of the old 'colonial' economy: the sale of rice.

In the sphere of international affairs Burma looks first to China. Her foreign policy is based squarely on the proposition that war means ruin and therefore the two opposing blocs must 'adopt an attitude of give-and-take'. As U Nu said in an address at Maymyo on 13th September, 1954, in what is probably the most explicit statement of the ideals of his country's foreign policy, Burma's role as a small State 'must be correct in our deeds, words, and thoughts, even though others may be wrong. We must keep ourselves clear of war, however keen others may be to wage one. We must be careful not to be caught under the clash of swords.'

In getting to know the nations of the world, Burma's best ambassador is U Nu. This mild, unassuming, friendly, unworldly man, who will chat easily with a village crone or a schoolboy or a Naga headhunter, can also speak as an equal to the leaders of the world. He has established personal relationships with Nehru, Chou En-lai, and Tito; and he commands their respect. U Nu's steadfast courage has played a large part in bringing Burma through the last eight years of civil war. He is one of the few Burmese leaders in whom other races, and especially the estranged Karens, have faith: he is utterly without racial prejudice and a genuine believer in the 'Union' ideal. U Nu personifies the Buddhist belief of Burma, a steadfast absorption in spiritual values and a rejection of materialism and its Communist ends. With his high moral authority, U Nu can, if he chooses, go on to give a lead in finding peace to-day in Asia.

\* \* \* \* \*



REBEL GANGS IN INDONESIA.

Although five years have now passed since Indonesia gained her independence, the Indonesian Government has not succeeded in enforcing its authority throughout the Republic.

It has been estimated that 35,000 guerrillas are still active, the main areas of disaffection being North Sumatra, West and Central Java, South East Sulawesi, and Ceram. The most widespread of these movements is the Darul Islam, which originated in West Java and has since been joined by indigenous movements in North Sumatra and South Celebes.

In August 1949 Kartosuwirjo, a religious fanatic, established a Darul Islam state in the Priangan area in West Java, and declared his intention of fighting to enforce Moslem laws throughout Indonesia. He set up a civil administration, which is continually shifting its location in the mountainous terrain, as well as an armed force (Tentara Islam Indonesia), the strength of which has been given in estimates which range from 4,000 to 10,000.

Among his followers are many Dutchmen, consisting of deserters from the Netherlands East Indies Armed Forces and followers of Turco Westerling. The presence of this element has resulted in disunity in the Darul Islam.

A left-wing group with nationalist-communist affiliations known as the 'Bambu Runtjing' (Bamboo Spears) is operating in West Java, and in Central Java there is a further rebel gang called 'Pembela Itermanan Ratjit' (Defenders of the Security of the People).

In the Celebes there is a rebel movement led by Kahar Muzakkar, who in 1953 announced that he has joined the Darul Islam. He is reported to have between 1,000 and 3,000 troops organized into five battalions. As

the gang is well-organised and led it is a force to be reckoned with, although its relations with the civilians have deteriorated.

From time to time Lt. Col. Warouw, the de facto Military Commander of the area, has been accused of having covert dealings with Kahar Muzakhar.

Numerous small gangs, either off-shoots of the Darul Islam or independent rebels, complicate the situation by warring amongst themselves as well as against the Government.

Located in the Pare Pare area and led by Osman Bolo and Hamid Ali, there is a gang called T.K.R. (People's Security Army), which is a break-away group from Muzakhar's force. The situation has eased, however, and Osman Bolo has again offered to surrender, declaring his readiness to fight the Darul Islam - Tentara Islam Indonesia forces.

In Menado there are 8,000 "Troops for the Defence of Justice", followers of No Korompis, who is again discussing surrender terms with the authorities. However, as he has surrendered twice before and each time resorted to arms, again, this conciliatory action does not necessarily mean the end of the affair.

In September, 1953, Achinese discontent, which had been simmering since 1949, flared into open revolt under the leadership of Teungku Daud Beureuh, (ex-Military Governor of Atjeh, northernmost state of Sumatra). In spite of its declared affiliation with the Negara Islam Indonesia, this insurrection was local in origin, having its roots in the people's traditional separatism, religious sentiment and economic grievances.

Resentment caused by the stationing of Christian Batak and ex-KNIL Javanese and Ambonese troops in Atjeh, by the omission of the Masjumi Party from the Ali Sastroamidjojo Cabinet and by the Djakarta Government's long-standing neglect of the Achinese rice surplus, was



given direction by the Ulama's (Moslem priests), who had successfully wrested power from the feudal lords. So far attempts to restore order have cost the Government six million rupiahs, and the rebellion has by no means been broken. Though Djakarta forces have regained control of the towns the outlying areas are still rebel-held. Despite the fact that the Masjumi Party shares the religious beliefs of the Achinese, it has no connection with the revolt.

Another bid for independence has been simmering inconclusively in East Indonesia since March, 1945, when a group of Christian Ambonese, supported by ex-KNIL personnel, proclaimed the "Republic of the South Moluccas".

The Movement unsuccessfully appealed to the United Nations in 1950, and by the end of the year, the Indonesian Government had restored its authority on Ambon Island. Many of the insurgents, however, fled to Ceram, where they have intermittently carried on the struggle for independence.

In December, 1954, when renewed activity on the part of the rebels took the form of six landings on Ambon from Ceram, the forces of the "South Moluccan Republic" were believed to number about 800 troops. They are no longer well-trained and are poorly-equipped, their arms being virtually the same as those held in 1949. Earlier this year a state of "War and Siege" was said to exist in ten islands of the South Moluccan Group, but fighting, except for guerrilla raids, has virtually come to an end.

In South-East Borneo there is a small rebel movement known as K.R.J.T. (Union of Oppressed Peoples) led by Ibnu Hadjar. Some of the gang surrendered when a state of Military Assistance was declared in May, but Hadjar has asked Kahar Muzakhar for advice, weapons and money.

When the Ali Sastroamidjojo Government fell from grace in July this year the security situation could be described at best as one of stabilised chaos. The most hopeful development is the emergence of a spirit of co-operation between the Government forces and the civilians in the harassed areas. This tendency ranges from denial of supplies to the terrorists to the formation of village home guards. The recently inaugurated desa companies consist of eight groups of 16 persons, under a village head, who acts as commander. Their activities are co-ordinated by a desa Security Council and the whole is supervised by the Army Command post in each district. As desa companies' equipment is usually confined to bamboo spears their role is mainly defensive. However, in Borneo, where they are equipped with guns, the companies have successfully carried out offensive operations against the outlaws.

\* \* \* \* \*



**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