

SECRET

Australia Station Intelligence Summary



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S E C R E T

S E C T I O N I.

R.A.N. AND OTHER COMMONWEALTH NAVIES.

(a) ROYAL AUSTRALIAN NAVY.

H.M.A.S. FREMANTLE.

After completing duty in the Monte Bello Islands and a short period at Fremantle, H.M.A.S. FREMANTLE proceeded to Darwin to relieve QUADRANT on Northern Patrol and Fishing Surveillance duties on 1st August.

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New Construction and Conversions.

The latest estimates of completion of new construction and conversion are as follows :-

VOYAGER: January, 1957.
QUIBERON: September, 1957.
VENDETTA: July, 1958.
VAMPIRE: September, 1958.
Type 12 Frigate R.A.N. 01: March, 1960.
" " 02: September, 1961.
" " 04: September, 1960.
" " 05: October, 1962.

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Disposal of H.M.A.S. GLADSTONE.

H.M.A.S. GLADSTONE has been sold to the Port Phillip Pilot Service for conversion to a Pilot Vessel.

The conversion is expected to be completed in six months time and the ship will then replace the pilot vessel "VICTORIA", which is used as a replacement for the pilot vessel "WYUNA" when

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that vessel is out of service for docking and refitting.

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Opening of R.A.N. Apprentice Training Establishment, H.M.A.S. NIRIMBA.

On 2nd July, the Third Naval Member (Rear-Admiral (E) C.C. Clark, O.B.E., D.S.C.), accompanied by the Flag Officer-in-Charge, East Australian Area (Rear-Admiral H.J. Buchanan, O.B.E., D.S.C.) and the General Manager, Garden Island Dockyard (Captain (E) J.W. Bull, R.A.N.) officially opened the new R.A.N. Apprentice Training Establishment, H.M.A.S. NIRIMBA at Schofields, N.S.W., (Captain (E) F.L. George, R.A.N.).

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Operation "MOSAIC", as Viewed by M.W.L. 251.

The actual firing of G.1, went to plan. At the trial position the lighters rendezvoused with H.M.A.S. FREMANTLE and H.M.A.S. JUNEE. On anchoring, pre-wetting hoses were rigged and the engines were left at immediate notice for steam. All awnings were well frapped as a precaution against possible gale force winds from the shock wave. At 1145 all hands mustered on the port side of the boat deck and the count-down commenced at 1148. The count-down was carried out in 30 second stages down to 'H' hour - 60 seconds, then in five-second stages down to 'H' hour - 15 seconds after which it was continued in 1-second stages to 'H' hour. At 1151, although we had our backs turned towards Trimouille Island, we experienced a blinding flash of intense magnitude, followed by a slight burning feeling across the back of the neck and at the back of the knees.

This was only momentary and the intensity of the heat resembled the warmth of the sun on a December day. At 'H' plus 5 seconds, all hands were permitted to face the direction of Trimouille Island. On looking round we observed the last stages of the fireball. It resembled a huge oil fuel fire. As soon as it had contracted, a thick mass of dark-grey cloud

rose in a vertical direction at a terrific speed. The familiar mushroom cloud soon developed. Shortly afterwards, at approximately H plus 60 seconds, the blast wave was felt. From our trial position it resembled the report from a 4-inch gun when fired near at hand. This was followed by a dull rumbling similar to a thunderclap.

The mushroom cloud soon began to disperse in a north-easterly direction. As it changed shape, it also changed colour from that of a deep grey to a light peach colour. The final shape resembled the letter 'Z'. At this stage, the vapour trails of the 'Canberras' could be seen as they flew through the radio-active clouds.

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Cadet Midshipmen Training in H.M.A.S. SWAN.

The 56 Cadet Midshipmen who recently underwent Phase II of their training in H.M.A.S. SWAN were required to write essays setting out their impressions of the training received.

One of the essays submitted is considered deserving of reproduction in full :-

"On 10th February, a new experiment in the Royal Australian Navy began. H.M.A.S. SWAN was commissioned as the first Cadet Midshipmen's training ship in the R.A.N. The reason for this experiment was to give Cadets a first-hand knowledge of the running and maintenance of a warship from the viewpoint of both an officer and a rating. This would also eliminate the need to do our sea-time in the Royal Navy and so ease the cost of our training. The practical experience gained by working side by side with ratings would also develop in us a better understanding as to how a rating appreciates his job.

The training would also give the Cadets some valuable experience in practical seamanship and power of command, with also some knowledge of the workings of the various departments on board.

The cruise around Australian waters would also do much to stimulate interest in the opportunities available for officers in the R.A.N. in the minds of the people we come in contact with. The practical sea-time would also stand us in good stead for our training in the .U.K.

The majority of the crew is made up of Cadets, being fifty-six in number, with ninety-four Ship's Company (permanent) and eight officers. The Cadets would do most of the ratings' work and would also have to take a lot of the responsibilities of an officer such as Officer of the Watch, etc.

All of these aims in general have been accomplished with one or two minor exceptions. We all now have a very good idea of the working and maintenance of a warship. Working as ratings we have learnt how to work and maintain most of the fittings on board, from the boilers to the radar sets. There has also been the large task of keeping the ship clean and smart. Most of us have been over the side to paint the ship and we also have done between-deck tasks such as scrubbing out passages or heads' party. Though these tasks prove irksome, they give us a good idea of the importance of these small jobs both for the cleanliness and health of the ship.

From the working as ratings we have come to appreciate the rating's point of view of the job he has to do and this will benefit us greatly in later life when we have to take command over a body of ratings. Another important factor has been the allocation of ratings for each job. This is a ^{very} important factor in the working of a ship, as too many hands for one job will mean a shortage in another job and not enough hands cause discontent amongst the ratings.

There are nine departments in this ship and every Cadet does six days in each. During this time we are thoroughly acquainted with all aspects of that particular department.

The boats' department is one of the most interesting jobs, especially in places such as Norfolk Bay, Port Arthur or Apollo Bay.

The boats we run are both 32' motor cutters with Dorman-Ricardo engines. This is one of the main jobs of every Midshipman and gives us good experience in judgment and initiative.

Another interesting department was the engineering branch. During our time in this department, we learnt much of the internal working of the ship and also participated in boiler-room and engine-room watches. During these watches we actually did the work of a boiler-room or engine-room hand. We also learnt the importance of co-operation between the engine-room branch and the executives.

The navigation branch was perhaps the most important of them all so far as executives were concerned. We did an amount of chart reading, actual fixing and star sights. My opinion is that the navigation side should be dealt with in greater detail and more time.

In the gunnery department we learnt all about the armament and working of such on board. In this branch we did some shoots on both the four-inch gun and Bofors. This practical work was a great deal more interesting than the theoretical side.

Other departments were the Supply branch, Torpedo anti-submarine, Quartermaster and Officer of the Day, Communications, and Part of ship. Most of the departments were fairly straightforward and were not dealt with in much detail.

I think that if we had had more time in each department, we would have learnt much more and would appreciate the branch a great deal more. Our limited time limited our knowledge.

During the cruise we have done many evolutions, either in company with other ships or on our own. These evolutions have included such things as towing both forward and aft, transferring a light jackstay, station-keeping and rigging of a light ammunition derrick. Sea-boat drill is another thing that we have exercised frequently and we are now fairly proficient in this particular field.

These sea-boat drills have been turned into competitions with races around buoys or markers, thus making them much more interesting.

Cadets have also taken the ship to sea on several occasions. They have made up the complete officer complement, from Captain to Engineer Officer. These periods are the greatest value of all our jobs on the entire cruise.

The cruise in itself has been most interesting and we have visited many new and interesting places. These have included the capital cities of Hobart, Adelaide, Melbourne and Sydney. During this time we have met many new and interesting people and many good friendships have been made. We, on our part, have also done much to stimulate interest in the Royal Australian Navy with our displays and processions.

To my thinking, the cruise has been most successful. We have learnt much to benefit us in our position of a future Naval officer. Our working with the lower deck has broadened our outlook on the Navy a great deal and should be of value to us in later life. Although we have only spent a short time in SWAN, we have learnt more seamanship than we did in four years at the R.A.N.C. and gained more practical experience of shipboard life.

With the ship in such bad condition when we took over, we had much work to do before we had the ship in good enough condition to work her properly. Considering the amount of time taken to get her smart and ship-shape, we have done quite well to do as much training as we have.

All the work has been new to us and, though a lot of it has been rather menial, we can now appreciate the job of an ordinary rating - which is a very important thing to any officer.

When we first took over the SWAN we were all rather dismayed by the appearance of the ship, but now we have all

developed a pride in her, knowing that we have made her what she now is. I think now that most of the work has been cleared up she will develop into a first-class training ship and in time will be a valuable asset to the R.A.N. The whole training should make a great difference in the type of officer in the future.

I have greatly enjoyed my time in SWAN and think that it has greatly developed my outlook on life as well as developing a good sense of humour and mess spirit. I will always remember these few weeks as the most interesting and happy periods of my life."

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(b) ROYAL NEW ZEALAND NAVY.

H.M.N.Z.S. ENDEAVOUR.

The Royal Research Ship "PRETEXT" (formerly "JOHN BISCOE"), which is being acquired by the New Zealand Government for the N.Z. Antarctic Expedition to the Ross Dependency, will be re-named ENDEAVOUR and commissioned as a ship of the Royal New Zealand Navy.

ENDEAVOUR is a wooden-hulled ship of about 900 tons gross register and powered by diesel-electric motors. She was built in U.S.A. as a net-layer in 1944 and during the war served with the British Home Fleet as H.M.S. PRETEXT.

In 1947, when she was bought by the Falkland Islands Government and renamed "JOHN BISCOE", she was extensively refitted and fully equipped for ice conditions. This included sheathing the hull in 3" of green-heart timber. She has made a number of voyages to the Antarctic.

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H.M.N.Z.S.ROYALIST.

H.M.N.Z.S.ROYALIST, which commissioned as a unit of the Royal New Zealand Navy last April, is at present undergoing working-up

exercises with the Mediterranean Fleet at Malta. She is expected to arrive in New Zealand late in November.

'ROYALIST' was first commissioned in 1943 at Greenock, and early in 1944, as the Flagship of an Assault Carrier Force, which accompanied units of the Home Fleet (including H.M.S. VICTORIOUS), took part in a successful attack on the German battleship TIRPITZ which was lying in Kaa Fiord, in the north of Norway. In July of that year 'ROYALIST' helped to cover the Allied landing in the south of France, and in 1945, as part of the 21st Aircraft Carrier Squadron, served in the Pacific.

After the Japanese armistice, a party from the ship took part in a parade at Singapore when the Japanese General Itagaki formally surrendered all Japanese forces in South East Asia.

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(c) ROYAL CANADIAN NAVY.

H.M.C.S. ST. LAURENT.

H.M.C.S. ST. LAURENT, Canada's most modern A/S Destroyer Escort, completed earlier this year, visited London on completing her duty as part of the escort of the Royal Yacht BRITANNIA during Her Majesty the Queen's visit to Stockholm. While in Sweden she was visited by Her Majesty.

ST. LAURENT is one of a class of 14 such ships being built in Canada.

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S E C T I O N I I .NAVAL AND OTHER ARMED FORCES INTELLIGENCE.INCLUDING TECHNICAL INTELLIGENCE.J A P A N .Naval Plans for 1957/58.

Tentative plans for the Maritime Self-Defence Force for the fiscal year 1957/58 will be submitted to the newly-constituted National Defence Council shortly.

Budget requirements for the M.S.D.F. are estimated at approximately £(A) 35 million, which will enable an increase of 5,700 men and an aggregate of 10 ships totalling 5,430 tons, including two 1,800-ton Destroyers, two 350-ton Minesweepers and two 330-ton Submarine Chasers.

An increase in Naval aircraft from the U.S. will total 46 planes consisting of 8 P2V's (Neptune), 24 S2F's (Grumman A/S Aircraft) and 14 SNB's (Beechcraft). It is also hoped to start local production of P2V aircraft in Japan during 1957/58.

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COMMUNIST CHINA.KRONSTADT Class Coastal Escorts.

Frequent sightings of "Frigate-type" vessels at Shanghai and Whampoa in recent months suggest the possibility that the Chinese Communists may have embarked on a building programme of large submarine-chasers similar to the Soviet KRONSTADT Class. It seems that as many as six have been built at Whampoa.

Estimated particulars of the KRONSTADT Class are as follows:-

Displacement (F.L.) :	380 tons
Length (overall) :	170 feet
Beam :	20 feet
Draught :	7 feet
Maximum Speed :	24 knots.

Submarine Building, Shanghai.

It is possible that submarines are being constructed at Kiangnan Dockyard, Shanghai. Early in July two submarines were observed fitting out alongside the Dockyard and two more were on the slips. Two other slipways exist at the dockyard but they are obscured by a fence.

The submarines were identified as possible Soviet "W" Class, estimated particulars concerning which are :-

Displacement:	1,500 tons
Surface	
endurance:	16,500 miles
Operational	
radius :	5,500 miles (approx.)
Speed :	17 knots (surface)
	13 knots (submerged)
Torpedo tubes :	8

This class of submarine has been designed for easy construction and is thought to be entirely conventional.

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C A M B O D I A .

Armed Forces Budget.

The Armed Forces Budget for 1956, as presented to the U.S. Military Aid Advisory Group (Cambodia) by the Cambodian Defence Ministry, totals 2,001,028,000 riels (57,190,200 U.S. dollars). It is based on an overall force level of 35,000. The budget provides that the U.S. gives 1,500 million riels

while Cambodia finds about 500 million riels. Maintenance costs absorb two-thirds of this budget, the remaining one-third being taken up with new equipment and capital improvements.

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B U R M A.

Warships for Rice !

A variant of the "Guns or Butter" slogan is provided by the announcement that Saunders, Roe have been offered £S1 $\frac{1}{2}$ million of rice in return for the supply to the Burmese Navy of a further five fast patrol boats.

The Saunders, Roe representative has returned to England to consult his directors on the feasibility of "opening a chain of grocery stores."

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I N D O N E S I A .

Attitude Towards the Royal Navy.

During the past few weeks ships of the Royal Navy have visited Indonesian ports, including Djakarta, Bali and Sourabaya.

The Indonesian Navy showed great friendliness towards the visitors and once again demonstrated their desire to obtain advice and assistance from the Royal Navy.

This attitude towards Britain has increased since Admiral Subijakto completed his world tour, and reports from the British Naval Attache, Djakarta, have shown that the Indonesian Navy are turning to Britain not only for assistance in training but also for equipment.

The Indonesians are now taking up every vacancy offered to them in the International Officers' courses, are trying to double the allocation, and are seeking information on the provision of destroyers and frigates from the Admiralty sales list with a view to purchase.

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S E C T I O N III.EXTERNAL POLITICAL, POLITICO-MILITARY AND
ECONOMIC INTELLIGENCE.J A P A N .Japanese Election Results and Disarmament.

Gains made by the Socialist Party in the elections just held for the Upper House of the Japanese Diet will prevent the Government (a coalition of the Conservative and Liberal Parties) from implementing its proposed constitutional reforms designed to legalise rearmament and the status of the Armed Forces.

Such reforms require a two-thirds majority in the Upper House and although the Government retains its majority, the Socialist gains have kept this majority below two-thirds.

Withdrawal of U.S. Far East Command.

The United States Far East Command in Tokyo will be withdrawn in one year and will be placed under the command of Admiral Stump, U.S. Pacific Commander-in-Chief (at Pearl Harbour).

A small U.S. headquarters group will, however, remain in Tokyo, in accordance with the U.S.-Japan Security Treaty.

The United Nations Command will be moved from Japan to Korea.

Shipping Industry.

For the first time for four years shareholders in Japanese shipping companies are to receive a dividend. The companies paying the dividend do not include the three largest in the industry, the Nippon Yusen Kaisha, Osaka Shosen Kaisha and the Mitsui Line, but are, in the main, tramp and tanker operators.

The net profit of the 48 major shipping companies for the half-year ending March 1956, was just over £3 million sterling, and as a result of this improvement in the industry's financial position owners have shown a desire to build with their own funds instead of relying on the Government's ship-building allocation.

The resumption of dividend payments will also facilitate the raising of additional capital and it is expected that the Government will further assist the industry by reduced taxation and lower interest rates.

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COMMUNIST CHINA.

Foreign Policy.

Chou En-lai's speech to the Third Session of the First National Peoples' Congress held in Peking foreshadowed no new developments in Chinese foreign policy. On the subject of Formosa, he again professed willingness on the part of the Chinese Government to reach a negotiated settlement with the Chinese Nationalists and said that the possibility of the "peaceful liberation" of the island was increasing.

Steel Production.

The Deputy Premier of the Chinese People's Republic recently announced that the target for production of steel and lathes by the end of 1956 would be 4,516,000 tons and 27,363 units respectively.

These figures presumably relate to ingot steel and machine tools, and if they are realised it means that Communist China would be 82 per cent and 73 per cent self-sufficient in these commodities by the end of 1956.

Soviet Ships Under Repair at Dairen.

A recent report indicates that Soviet merchant ships

are taking advantage of the dock facilities available at Dairen. Six vessels were reported to be undergoing repair, while a Liberty-type ship was being extensively altered for possible troop or deck passage accommodation.

The Sino-Soviet Shipbuilding Company, Dairen, is believed capable of building ships of up to 8,000 tons and of undertaking all types of marine repairs to vessels of up to 16,000 tons.

Port Improvements, Shanghai.

The Chinese Communist press reports that the Kaiping Wharf at Shanghai has been completed. It is said to be capable of handling ships up to 10,000 tons and is linked by double-track railway with the Shanghai railway station. The new wharf will thus become the first to be connected with a main railway in Shanghai and it is estimated that a saving of £S.1,500,000 per annum in transportation charges will result.

The exact location of the new wharf is not known, but it is considered that it may well be the old railway wharf near Lunghwa which has been under renovation.

The surrounding river area is classified as a prohibited anchorage and in consequence information is still limited.

Fort Bayard.

Communist Press reports state that Fort Bayard (Tsam Kong) has been ready for receiving three 10,000-ton ships since 1st May. Photographs purporting to be of the harbour show modern cranes and wharves.

However there has been no sign of any 10,000-ton ship (which has to be other than Chinese) starting to use this port. There is little doubt, however, that the Chinese are

pressing hard to build up Fort Bayard as a commercial port now that the railway to the hinterland is finished, and it will probably be in use quite soon.

In spite of long-standing rumours, there is no evidence that this new port has a naval application.

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SPARTLEY ISLANDS.

French Claim.

France has become the fourth nation to renew a claim to the Spratley Islands. The claim is based on French occupation of the islands in 1932-1933.

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I N D I A .

Indo-Soviet Shipping Agreement.

An Indo-Soviet shipping agreement has been signed in New Delhi providing for regular services between Bombay/Calcutta and Black Sea Ports. Six ships of 8,000 tons each from each country will be employed. There will be reciprocal concessions in port dues.

Move to Purchase Soviet Aircraft.

Under the Second Five-Year Plan, Indian International Airlines are likely to purchase five Viscounts, together with 28 medium-range aircraft. In the latter connection, it is reported that Soviet IL 14's are under consideration to replace the obsolescent Dakota fleet.

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I N D O N E S I A .New Ambassador to Australia.

Dr. A.Y. Helmi, formerly Indonesian Ambassador to Switzerland, has been appointed to Australia. He will replace Dr. R.H. Tirtawinata, who took over the post of Ambassador last October.

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AUSTRALIA STATION INTELLIGENCE.CULTURE-PEARL INDUSTRY.

The Japanese vessel "OTAMA MARU", (65 tons register), with 16 Japanese specialists on board, arrived at Broome on 21st June to commence work on a culture-pearl industry in the vicinity of Augustus Island.

About 35,000 immature oysters will be seeded in the first year of operation. These will be supplied by pearlers operating in Broome.

This venture marks the first attempt in the production of culture-pearls in Western Australia since the W.A. Government declared the process illegal in 1922. The embargo was lifted in 1949.

Since the war the pearling industry in Western Australia has relied almost completely on the financial return from shell only.

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GREEK DIVERS IN PEARLING INDUSTRY.

The latest attempt (at Broome) to introduce Greek sponge divers into the Australian pearling industry has also met with failure. During the four months that the Greeks were at Broome they worked the shell beds for a period of five weeks only.

Also there was disagreement between the divers and the tender, resulting in his return to Greece. Following this the Greeks refused to take their lugger "POST BOY" to sea until their demands for increased allowances to their families were met. While on their second trip to sea the Greeks lost their No. 1 diver when his air-line was severed by the lugger's propeller.

S E C R E T

The general opinion in Broome is that Greeks are temperamentally unsuitable for the work of pearl diving. Every assistance was given to them both by the Government and by members of the pearling industry who incurred expense in fitting out "POST BOY".

The lugger has now been acquired by the Commonwealth Government, and, under the direction of the Department of Primary Industry, will be employed in patrolling the Japanese pearling fleet operating in North and N.W. Australian waters.

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NOR' WEST WHALING COMPANY.

The Nor' West Whaling Company has acquired, by tender, the Australian Whaling Commission's assets at Babbage Island, Carnarvon, and the Western Australian Government has agreed to lease the site of the station to the Company for a period of 21 years.

The Company will not operate its Point Cloates Station this season and will take the full quota of 1,000 whales at Carnarvon. It will operate two of the three of its chasers "POINT CLOATES", "HALEREMAI" (ex-Fairmiles) and "VIGILANT" and also the chasers "CARNARVON" and "GASCOIGNE" acquired from the Australian Whaling Commission.

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NEW TYPE JAPANESE FISHING FLOAT.

A Northern Queensland Coast Watcher recently forwarded for examination a strange looking object which he had found on the beach near Port Stewart (East coast of Cape York Peninsula). At first sight the object, which was semi-circular in shape, and had a meringue-like appearance, was thought to be a marine biological specimen; but on examination by experts was pronounced as being of plastic manufacture, the suggestion being made that its probable use was to serve as a fishing float or

marker buoy. As Japanese fishing craft had been operating in the area, this theory is accepted.

At the base of the object, which was creamy-white in colour, and bore several markings in brown, there was an indentation caused probably by a rope or line, and it would seem that it represented one-half only of the complete buoy or float. The object was extremely light and buoyant.

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SOVIET VESSEL TO VISIT MELBOURNE OLYMPIC GAMES.

The Soviet vessel "POBEDA" (14,500 tons gross), now under construction, will visit Melbourne for the Olympic Games to be held in November.

It has been stated that her visit is primarily for the purpose of carrying competitors' gear. She is a passenger vessel with a complement of about 350, which presumably includes some of the Russian visiting teams.

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BEACH SAND MINING IN NEW SOUTH WALES AND QUEENSLAND.

A £70,000 beach sand mining plant, was opened at Port Macquarie on 19th June. The plant was erected by Carpcoc, an American construction company, for the Zircon Rutile Company and will produce 7,000 tons of rutile a year from 28,000 tons of concentrate. The plant is designed for 15 - 20 years operation on the site at Tacking Point and rutile extracted will be bagged and sent by road to Brisbane for shipment.

Another firm, Crescent Rutile Pty.Ltd., of Adelaide, South Australia, has been allowed to mine rutile at Killcare (fourteen miles south of Gosford, N.S.W.) by the Gosford Shire Council and will establish a processing plant at Kincumber, seven miles away.

The establishment of these two firms coincides with the increase of applications for leases to mine rutile by farmers on coastal properties. There has been a steady increase of activity in such mining all along the coast from Newcastle to Coolangatta. The following table shows the growth of the industry in New South Wales and Queensland since 1945 :-

Production of Rutile Concentrates (tons).

	<u>New South Wales</u>	<u>Queensland</u>	<u>Total.</u>
1945	3,360	600	3,960
1951	23,060	12,129	35,189
1952	24,450	13,564	38,014
1953	21,915	16,124	38,039
1954	22,733	21,925	44,658
1955	34,402	25,210	59,612

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AUSTRALIAN PEACE ASSEMBLY.

Members of the Australian Peace Council have convened an Australian Assembly for Peace to be held in Sydney in September, "to discuss Australia's peaceful development and relations with other countries." Reports indicate that, in addition to supporters of the Peace Movement in Australia, prominent church, cultural and scientific personalities from other countries have also been invited.

The Communist Party of Australia is actively supporting this Peace Assembly and assisting in the preparations for it, as in the past, including that of selling the pacifist and Communist peace ideas to other non-pacifists throughout the trade union and working class movements to enlist their support for the coming Peace Assembly.

In fact, the Communist Party claims now that the peace and foreign policies of the Australian Labour Party and the Communist Party provide a wide common ground for unity of action in deeds

for the defence of peace, which would open the way to a reversal of the present foreign and budgetary policies of the Federal Government, in favour of current Communist Party and A.L.P. policies on these matters.

The Communist Party is, therefore, in other words, angling for a united front of workers and workers' movements for the implementation of its policies, the Australian Peace Assembly being an excellent opportunity to be used for this purpose.

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NORTHERN TERRITORY.

Report of Sighting of Unidentified Submarine.

A R.A.A.F. officer who was a passenger in a R.A.F. Hastings aircraft en route from Djakarta to Darwin reports having sighted at 1720 Local Time 22nd July in position 12° 04' S, 129° 55' E, (15 miles South-West of Bathurst Island) an object which he believed to be a submarine.

When interrogated in N.I.D. Melbourne, the R.A.A.F. Officer, who has had A.J.S.S. experience, stated that at the time the aircraft was flying at an altitude of 5,000 feet and he sighted the object at a distance of about $3\frac{1}{2}$ miles. The sea was slight (wind force 5 - 8 knots) and the sky cloudless. The object, which was proceeding East, remained in view for about two minutes and then submerged, and what appeared to be periscope feather was visible for a brief period.

The Norwegian tanker "ELISE", which was proceeding to Darwin (and which was also sighted by the R.A.A.F. Officer) recorded a blip on its radar screen when in the area of the reported sighting.

The report is evaluated B.3.

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TERRITORY OF PAPUA AND NEW GUINEA.Fuelling Facilities, Rabaul.

H.M.A.S. SPRIGHTLY reports that Coconut Products Limited now have diesel and oil fuel installations of limited size which are connected by pipe-line with Toboi Wharf, located on the north-western shore of Simpson Harbour.

The Toboi Wharf is 80 feet long, with 26 feet of water M.L.W.S. alongside. There are two dolphins and the total berthing space is 500 feet.

Particulars of the two installations are appended :

Diesel fuel: One in number 4-inch diameter steel pipe-line to wharf. Standard 4-inch British Standard Pipe flange connection. Gravity feed 18-foot head above wharf with empty tank. Fuelling rate approximately 50 tons per hour. Tank capacity 280 tons with S.G. 0.860. Coconut Products plant operates continuously between the months of January and October. Supply of diesel during this period is governed by the Company's own needs. Up to 100 tons can be supplied with 24 hours notice. During the three months when the plant is not operating, up to 280 tons can be supplied at any time.

Furnace fuel: One in number 4-inch diameter steel pipe-line to wharf. Standard 4-inch British Standard Pipe flange connection. Fuelling rate 25 tons per hour. Tank capacity 700 tons with S.G. 0.940. Furnace fuel is available throughout the year.

Automotive distillate : Nil stocks carried.

Situated close westward of the Main Wharf, Rabaul, the Shell Company have a tank farm comprising :-

<u>Tank.</u>	<u>Capacity.</u> (in tons)	<u>Contents.</u>
No.1	1,533	Motor Spirit .
No.2	1,415	Motor Spirit .
No.3	1,764	Automotive distillate.
No.4	1,600	Lighting kerosene.
No.5	2,170	Avgas.
No.6	1,764	Automotive distillate.
No.7	1,785	Diesel oil.

Two 8-inch pipe-lines connect the diesel oil tank with the Main Wharf, which is 399 feet in length, with 26-32 feet of water alongside. Maximum fuelling rate, 120 tons per hour.

Water is piped to the Toboi Wharf through 2-inch diameter galvanised steel line connected to 2 $\frac{1}{2}$ -inch Standard Fire Brigade fitting. Tank capacity 90 tons per 24 hours. Discharge rate 20 tons per hour.

Report of United Nations Trusteeship Council Mission.

The report of the United Nations Trusteeship Council Mission which visited New Guinea recently appears to have met with a favourable reception in Australian official quarters.

The Mission's principal recommendations are :-

- (i) Acceleration in the setting-up of Local Government Councils;
- (ii) Gradual replacement of pidgin English by proper English;
- (iii) Imposition of direct taxation;
- (iv) New Guinea native representation in Town and District Advisory Councils;
- (v) Abolition of curfew restrictions imposed on natives in European settlements.

The Mission's report is now under consideration by the United Nations Trusteeship Council in New York.

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PORTUGUESE TIMOR.Oil Exploration.

A party consisting of seven representatives of the Dodson Trading Company, which, in partnership with a Portuguese in Lisbon named Veiga Lima, holds a concession for oil exploration in the Aliambata and Suai areas on the south coast of Portuguese Timor recently proceeded to Dili by chartered aircraft to inspect these areas.

The leader of the party was Mr. J.E. Becker, a Company director, of Adelaide and it included a Canadian, Mr. John Antliff, Managing Director of Oil Drilling and Exploration Limited, and a Brisbane geologist, Mr. R. Traves.

It is likely that test drills will be shortly carried out in the concession areas.

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NEW CALEDONIA.Civil Aviation.

The D.C.3 bought from the U.S. by the T.A.I. with the idea of advancing the New Caledonia - New Hebrides Service, arrived in Paris on 1st June. It is now being examined and its delivery at Noumea is expected in August. It will be based at Magenta, where a hangar is being built for it.

Sale of "NEO HEBRIDAIS II".

"NEO HEBRIDAIS II" has been sold to Hong Kong buyers. She sailed from Noumea for Hong Kong via Santo on 11th June. Her crew are being flown back to Noumea.

"NEO HEBRIDAIS II" was placed on the Sydney-Noumea run in June, 1953, replacing the old "NEO HEBRIDAIS", which ended her

days as a pontoon at Kouaoua, New Caledonia.

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SHIPPING INFORMATION.

Motor Vessel for Melbourne - Launceston Service.

The Commonwealth Government has decided to order a modern 6,000 ton motor vessel for the Bass Strait service. The ship will have a speed of 18 knots and will provide a fast overnight service. She will have a large car deck capable of carrying up to 100 cars, trucks and trailers on the "drive on, drive off" system.

The ship, which is a development of the cross-channel ships operating in Europe, will provide overnight accommodation, will be built in Australia and will be operated by the Australian Coastal Shipping Commission.

The ship is expected to take about three years to build.

Australia-China Line's new vessel "EASTERN ARGOSY".

The fleet of the Australia/China Line was considerably strengthened by the arrival in Sydney on 15th June of S.S. "EASTERN ARGOSY", on her maiden voyage from the United Kingdom with a cargo for Australian ports.

The "EASTERN ARGOSY" was built in the Dumbarton yards of William Denny and Brothers Limited, for the Indo China Steam Navigation Co. Ltd., Hong Kong, and was especially designed for trade between Australia, Hong Kong and Japan.

A fast modern vessel, she embodies all the best features of latest cargo design and has luxurious accommodation for a limited number of passengers. There are two 2-berth suites with private bathroom, and eight single cabins with private

shower attached. The "EASTERN ARGOSY" has a gross tonnage of 6,906 tons, a length of 467 ft. 4 in., a breadth of 63 ft., and a moulded depth of 39 ft. Her load draft is 26 ft. 2 in.

Korea-Sydney Shipping Service.

The South Korean President, Dr. Syngman Rhee, has approved a plan to open a regular freight shipping service between Pusan (South Korea) and Sydney.

The freighters "MASAN" and "PUSAN", each of 3,800 tons, and owned by the South Korean Government, will operate the service.

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SPECIAL ARTICLES.

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

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THE SITUATION IN TIBET.

During the past months there have been continuous rumours of uprisings by the people of Tibet against the Chinese Communist invaders. Chinese censorship is strict, but the information available having been carefully sifted and scrutinised, a fairly clear picture has emerged. It is more sensational than was earlier supposed.

In February, the Goloks, tribesmen in the North East of the country, rose in revolt against the Chinese Communists and apparently defeated a Chinese garrison of eight hundred men. There was much loss of life. The causes of the revolt were mixed, but the chief ones were the resentment against Chinese rule and the protest against the impossibly heavy taxes imposed by the Chinese. There was also requisitioning of grain.

The Chinese Communist Army took drastic retaliatory action, A large military force was sent as a punitive expedition, and the Chinese Air Force bombed the Golok villages. The clash has been the sharper because the Goloks are the Tibetan people who attacked the Chinese Communist army during its long march in the Civil War. Old resentments have rankled.

It is doubtful whether the trouble is over. The Chinese Moslems, who live on the Tibetan borderland, joined the Goloks in their revolt. The Moslems of the area are fiery. They will not be suppressed easily. The Khams of Amido Province are reported also to be on the verge of rebellion.

In other parts of Tibet the discontent and unrest are growing sharper every month. This is true even in Lhasa, where the

Chinese are most in control. Recently there has been persistent mention of a Tibetan underground resistance movement, called the Memang. Tibet is a long way from Europe, but the Memang recalls the Maquis, the resistance in war-time France against the occupying Germans.

It is possible that the Chinese Government may not altogether regret it, if these smouldering flames break out into a general conflagration. That would give them the excuse for even more basic changes and repressive measures on a very large scale.

Because the reports of the disturbances have begun to reach the outer world, the Chinese are trying to seal off Tibet more effectively. They have refused to allow the Dalai Lama and the Panchen Lama to travel to the Buddhist holy lands in India for the celebration of the Buddhist 2,500th Anniversary.

It is a remarkable commentary on the Chinese handling of Tibetan affairs that they seem to have alienated both Buddhists and Moslems. The news of the unrest is not surprising. The Tibetans are an ancient and proud people, tenacious of freedom. Ever since the fall of the Manchu Emperors in 1911, they had asserted their complete independence of China. They had struggled for it for centuries: then for over forty years they enjoyed it, proving their capacity to live in full separation. When the Chinese Army re-entered Tibet in 1950 it was conquest pure and simple. Now the national spirit of Tibet is revolting in protest.

These events throw a strange light on the claim of Communism to be a liberation force, sympathetic with national aspirations. For the Tibetans are a nation quite different from the Chinese. They have a different language, history, traditions, customs. The Communist invasion meant their subjugation to alien rule. The Tibetans also fear that it will also mean Chinese immigration into Tibet.

The Communist Government in Peking is reviving the old imperial ambition of the Chinese imperial dynasties. Throughout history, China has been an expansionist power. The Chinese Empire began in a comparatively small area in the river basins of the Chinese mainland. It has expanded to include the vast areas on the periphery. Tibet is one of these.

The present action by Peking in restoring its control over Tibet had its counter-part in an attempt by the Manchu Government, a little before its fall, to tighten its grip upon the country. That led to prolonged fighting, dreadful massacres, and oppression which continued until the Tibetans throw off the yoke. During this time the Dalai Lama fled the country.

The fate of the Tibetans may be instructive for the rest of China's neighbours. Peking claims to incorporate Tibet in the Chinese Empire, though there are no affinities between the peoples of China and the Tibetans. From time to time in the past centuries, most of China's neighbours have been subject to China. Nepal, Annam, Burma, have all been tributary. It is understandable if they have a fellow-feeling with Tibet in its present tribulations.

(C.S.O.(I), Far East).

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BRIEF SURVEY OF CONDITIONS IN DUTCH NEW GUINEA.

It was recently reported that the oilfields in the Vogelkop Peninsula were failing and that experimental drilling will take place in other areas of Dutch New Guinea.

Since oil exploration was started in 1935 by the New Guinea Oil Company, a sum of £40 million has been spent, whilst oil revenue which started coming in during 1950 has so far yielded only £10 million. A considerable amount of the £40 million has been taken by the Dutch Government as taxation and has been used for development of the Territory, and in addition the Oil Company has undertaken on its own behalf the

development and establishment of oil ports and roads and the opening-up of some unexplored areas in the hinterland. Many of the employees of the Oil Company are now returning to Holland and the tempo of development has slowed.

The Netherlands Government must now increase its annual grant, thus adding fuel to the Socialist Party in Holland, which desires to see the Territory run as a Condominium responsible to the United Nations Trusteeship Council. Any change in the political status of Dutch New Guinea would, however, require a two-thirds majority vote in the Netherlands Parliament.

The Dutch are at present spending £7 million yearly, but the Territory is still far behind Papua New Guinea in development and in the value of exports. Dutch New Guinea exports for the last year were valued at approximately £4 million, of which oil and copra accounted for 85%. Although the country is very difficult of access, there is still scope for tremendous development, particularly in the fields of copra, cocoa and mineral exploitation. The principal difficulty lies in the lack of interest shown by the youth of Holland - very little migration takes place and most of the population of slightly under 15,000 are employed by the Government, its subsidiaries or by the Oil Company. The general feeling in Holland appears to be that the Territory is too far from home, and doubt as to its political future makes the risk of migration not worthwhile. Similarly, Dutch investors have shown a reluctance to provide funds for commercial enterprise in the Territory.

Many of the native population of some 800,000 have never seen a white man and live as did their forefathers, whilst the coastal natives who come into contact with the Dutch are a very different proposition, apparently holding very little respect for them and showing a marked dislike for regular employment. There is an Indonesian element which came over with the Dutch from Indonesia, many of whom were employed in the oilfields. Many of these Indonesians have become dissatisfied, but there is little likelihood of revolt, although should Indonesia at any

time invade the Territory, it is probable that she would get a certain amount of assistance from these dissentients.

The Dutch as a whole, have no intention of relinquishing the last of their "East Indies Empire" and have placed the defence of the Territory in the hands of the Navy. A Rear-Admiral has now be appointed as Commander-in-Chief, Naval Forces, Dutch New Guinea. A destroyer and two frigates based on Biak carry out patrols along the coast at frequent intervals, whilst ground forces^{of} approximately 4,000 marines and naval personnel are based at Hollandia and Biak, with detachments located at various points throughout the Territory. The movement of troops can take place rapidly by means of Catalina and Martin Mariner aircraft (amphibious), using a system of strategically-placed defence air strips.

Frequent air patrols are carried out over the South Coast to prevent any further repetition of the "Etna Bay Affair" when a number of armed Indonesians made a landing in 1954.

The standard of Dutch forces in Dutch New Guinea may not be as high as desirable; the rank and file are largely conscripts whose average age is 19 - 20 and who regard their period of duty in the Territory more or less as punishment.

The fact that Indonesia is not capable of putting an effective force in the field and is not likely to be in a position to do so for some time leaves the matter static for the moment. It is to be hoped, however, that additional oilfields are discovered or some impetus given to development in other fields in order that the Dutch hold in the Territory may be strengthened in the future.

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ATTITUDE OF SOCIALIST INTERNATIONAL TO COMMUNIST
UNITED FRONT PROPOSALS.

The Bureau of the Socialist International has issued a statement on relations between Communist and Socialist Parties,

in which it "firmly rejects any united front, or any other form of political co-operation, with the parties of dictatorship", and "thus rejects all forms of co-operation with Communist parties".

The text of the Socialist International's statement in part, is as follows :-

"Socialism and Communism have nothing in common. The Communists have merely perverted the very idea of Socialism. Where they are in power they have distorted every freedom, every right of the workers, every political gain and every human value which Socialists have won in a struggle lasting several generations.

We believe in democracy; they don't. We believe in the Rights of Men, they mock them. This is not changed by the refutation of Stalinism.

Repudiation by those who - whether in fear of their lives or in genuine complicity - previously helped in Stalin's crimes and praised his sins, has not fundamentally altered the character of the Communist regime. Even with collective leadership it yet remains a dictatorship; and what they now call "Leninism" is nothing but an earlier edition of the misconceptions and misdeeds of Stalinism.

We note the professed desire of the Communist Party of the Soviet Union for some form of co-operation with Socialist parties.

But where Socialist parties in the Russian-dominated part of the world have co-operated with them, they were crushed out of existence, compulsorily merged, or otherwise eliminated by the ruthless methods of a dictatorship which ironically calls itself People's Democracy.

Nor can we forget that Socialists are denied all political rights in the countries of the Soviet bloc, and

that many are still in prison whose only crime was to believe that there are more roads to Socialism than one.

Therefore, the Council of the Socialist International has already stated that the recent changes of Communist tactics provide no grounds for departing from the position taken up by democratic Socialism, which firmly rejects any united front or any other form of political co-operation with the parties of dictatorship."

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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