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SOURCE Newspapers as indicated.

SMALL SHIPS PROFITABLE IN SOUTH CHINA TRADE;
KMT FORCES BLOCKADE LEI-CHOU PENINSULA

NATIONALIST BLOCKADE PROVIDING BIG BUSINESS FOR SMALLER SHIPS -- Hsin-sheng Wan-pao, 5 Feb 50

The present Nationalist blockade is causing heavy losses to the shipping companies engaged in trade between Hong Kong and the mainland of China, but only to the owners of large ships. For the most part, the large ships are forced to stay outside the Nationalist blockade, but the smaller ships continue to sail from Hong Kong to Shan-wei, Shan-t'ou, Hsia-men (Amoy), Fu-chou, Ch'uan-chou, and Shang-hai, and skillfully evade the blockade. These ships usually stay on the high seas during the day; then, as night falls, they steam into port, unload and load cargoes and passengers, and are out on the high seas again by daybreak. Thus, they avoid being caught by Nationalist planes and warships. Their great advantage is their mobility, and they are quite adequate for handling the small volume of trade to all ports, with the exception of Shang-hai.

Before Kuang-chou fell, the steamship Ch'eng-hsing, owned by the Ta-hsing Shipping Company, was rented for 40,000 Hong Kong dollars a month to a company running a Hong Kong--Kuang-chou line, but now the ship is rented to a Hong Kong--Shan-t'ou--Hsia-men line for about 120,000 dollars. Although the Ch'eng-hsing is a ship of only 254 tons, it is bringing in as much, or more, rent each month as a 2,000-ton ship running on the Hong Kong--Taiwan line. The distance between Hong Kong and Hsia-men is 310 nautical miles, and it usually takes only 4 days to make one round-trip.

All the shipping companies like to rent British ships, since they believe that the British have the best naval escort service in these waters.

EAST COAST OF LEI-CHOU PENINSULA CLOSED TO NAVIGATION -- Kung-shang Jih-pao, 2 Feb 50

Hai-k'ou, 1 February -- The Nationalist Navy and Air Force jointly announced that, effective 1 February 1950, the east coast of Lei-chou Peninsula, within the line connecting Tien-pai (21 28 N, 111 21 E) and Liu-chi Island, located off the coast near Wai-lo (20 33 N, 110 32 E), will be closed to all navigation.

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SAN-MEN ISLAND CLEARED OF PIRATES -- Hua-ch'iao Jih-pao, 26 Jan 50

Kuang-chou, 14 January -- On the morning of 6 January 1950, a strong force of Communist troops, including artillery, attacked the island of San-men outside the mouth of the Chu Chiang and in the path of ships passing between Macao and Hong Kong. This island had been occupied for a couple of months by a band of pirates under Ling Ping-ch'uan (Ueda: 683, 6824, 5529) who formerly operated in the vicinity of Hai-feng and Lu-feng, east of Kuang-chou. A large number of men were killed and, in addition, 150 men and their leader, Liang Kuo-hsing (4967, 1639, 9630), were captured.

TO USE 11 CMSNC SHIPS IN HONG KONG FOR STORAGE -- Hsin-sheng Wan-pao, 7 Feb 50

To provide more storage space for Hong Kong's bulging import and export trade, and also to derive income to pay wages to the crews, the China Merchants Steam Navigation Company is planning to use their 11 ships as floating storage while they are anchored in Hong Kong. Three ships, Hai-hsia, Hai-k'ang, and Teng-yu, are already being converted for this purpose, while the others, Hai-han, Ts'ai-o, Teng-k'eng, Hung-chang, Chiao-jen, Lin-sen, Cheng-kung, and No Chung-106, are to be available by the end of February 1950. Each ship is capable of storing 3,000 tons of cargo.

Heretofore, these 11 ships were supplying electricity to the other ships anchored in the harbor, but effective 10 February 1950, this service is to be discontinued to save coal.

ANOTHER CMSNC SHIP IN SINGAPORE RAISES COMMUNIST FLAG -- Kung-shang Jih-pao, 6 Feb 50

A radio broadcast from Pei-p'ing reports that the crew of the 10,000-ton steamship Hai-shun, belonging to the CMSNC, severed ties with the Nationalist government and joined the People's government on 24 January 1950, at Singapore.

NATIONALISTS HOLD PANAMANIAN SHIP AT TAKAO -- Kung-shang Jih-pao, 9 Feb 50

Taihoku, 8 February -- The Nationalist government is holding a ship called the Yen-tzu at Takao (Kao-hsiung), on the southwestern coast of Taiwan. The Yen-tzu, of about 500 tons' displacement, was sailing under the Panamanian flag. About 2 weeks ago, when trying to enter Hsia-men, it was detained by a Nationalist warship. Although the ship is owned by the K'o-lun [Colon?] Shipping Company, her captain is a British subject.

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