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CENTRAL INTELLIGENCE AGENCY 25X1

REPORT

INFORMATION REPORT

COUNTRY China/Hungary

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SUBJECT Present Facilities and Planned Improvements in the Chinese Telephone System

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THIS IS UNEVALUATED INFORMATION

25X1 Contracts with Hungary

- 1. The Chinese Communist Government has entered into a contract with Hungary whereby Hungary has agreed to install in the latter part of 1951 a 60,000 line rotary telephone system in Peking and to construct, starting in 1951, in Tientsin a factory for the production of telephone equipment. Materials and equipment for the planned Peking rotary telephone system and for the planned Tientsin telephone factory are to come from the factories in Budapest formerly owned by International Telephone and Telegraph Company.

Telephone Systems

- 2. There is a modern rotary telephone system, equipment having been supplied by International Telephone and Telegraph Company, in Shanghai, Canton, Swatow and Hangchow. The approximate number of lines in each of these cities is as follows:

City	Number of lines
Shanghai	80,000
Canton	15,000
Swatow	2,000
Hangchow	3,000

Telephone exchanges in Shanghai include one located in central Shanghai on Kiangsi Road near 4th Avenue and one located on Fookan Road near Nanking Road. Telephone exchanges in Canton include one located on Fungning Road, one in Funshan on the Pak Tze Road, one located at Homan at Hai Long Park. All large cities in China employ rotary telephone systems.

Manufacturing Plants in Shanghai

- 3. There is a small plant on Lan Road in the Yang Shu-Po area of Shanghai formerly owned by China Electric Co., a subsidiary of International Telephone and Telegraph Company which produces such equipment as magnetos, small switchboards, and telephones. The Chung Hwa Wire and Cable in the Yang-Shu-Po area of Shanghai manufactures small cables and some lead covered cables.

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Telecommunications Administration

4. China for purposes of telecommunications administration is divided into six districts, as follows: Central District with headquarters at Peiping, Manchurian District, South Central District with headquarters at Hangchow, Northwestern District, Southeastern District, Shanghai District. Chu Hsueh Fang, is Minister of Chinese Posts, Telephone and Telegraph with headquarters at Peiping, his vice-minister is General Chung Fu Hsiang with headquarters at Hangchow. General Chung Tu Hsiang was formerly head of the Signal Corps of the Chinese Communist Army.

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