MEMORANDUM FOR THE MEMBERS OF USCIB:

Subject: Press Reports of Australian COMINT Activity.

The enclosed Memorandum for the Senior U. S. Liaison Officer, London (CIB #00127), dated 16 April 1954, is circulated for information.

RUFUS L. TAYLOR
Captain, U. S. Navy
Executive Secretary, USCIB

Enclosure
a/s
SECRETS

UNITED STATES COMMUNICATIONS INTELLIGENCE BOARD
WASHINGTON 25, D. C.
OFFICE OF THE CHAIRMAN

GIB # CO127

16 April 1954

MEMORANDUM FOR THE SENIOR U.S. LIAISON OFFICER, LONDON:

VIA: DIRECTOR, NATIONAL SECURITY AGENCY.

Subject: Press Reports of Australian COMINT Activity.

1. The following press report was noted on United Press wire service on 15 April 1954:

"CANBERRA, AUSTRALIA--AUSTRALIA HAS CRACKED THE CODES USED BY SOVIET SECRET POLICE TO TRANSMIT REPORTS TO MOSCOW, RELIABLE SOURCES SAID.

THESE SOURCES SAID DOCUMENTS TURNED OVER BY REFUGEE SOVIET EMBASSY THIRD SECRETARY VLADIMIR PETROV CONTAINED SUCH DETAILED BLUEPRINTS OF RUSSIA'S CODES THE SOVIET WOULD HAVE TO DRAFT NEW SYSTEMS.

THE DISCLOSURE CAME AS PRIME MINISTER ROBERT G. MENZIES DENIED AS 'LUDICROUS' SOVIET CLAIMS THAT PETROV HAD BEEN 'KIDNAPPED' INSTEAD OF SEEKING POLITICAL ASYLUM VOLUNTARILY.

MENZIES SAID HE WAS SATISFIED PETROV WAS NOT A RUSSIAN 'PLANT' WHO GAVE HIMSELF UP MERELY TO GATHER FURTHER INFORMATION.

'THE DIRECTOR GENERAL OF SECURITY COL. CLM F. SPRY INTERROGATED PETROV TO ENSURE HE WAS NOT A RUSSIAN PLANT,' MENZIES SAID. 'SPRY ALSO INTENSIFIED AUSTRALIAN SECURITY WITH PARTICULAR REFERENCE TO COMMUNIST ACTIVITIES. THE RESULT HAS BEEN INCREASING DIFFICULTIES FOR COMMUNIST ESPIONAGE.'

MENZIES DENIED A CLAIM BY SOVIET AMBASSADOR NIKOLAI GENERALOV THAT THE EMBASSY APPLIED TO THE AUSTRALIAN GOVERNMENT FOR PERMISSION TO SPEAK TO PETROV. IF THIS IS DONE, MENZIES SAID, PETROV WILL BE CONSULTED FIRST."

2. Please draw this matter to the attention of LSIB security authorities with suitable indications that we would be grateful for information as to their views and whether any action is feasible and is contemplated in this instance.

(Signed)
RUFUS L. TAYLOR
Captain, U. S. Navy
Executive Secretary, USCIB

Copy to:

(SECRET)

Enclosure with USCIB 10./10 dtd 20 Apr 1954.