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SPECIAL ASSISTANT TO THE SECRETARY

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*Submitted 4/21/54*  
**RM/R**  
**FILE**  
*Acting Sec just*  
*The boss*  
*JK*

April 21, 1954

MEMORANDUM

To: The Acting Secretary

Through: S/S *[Signature]*

Subject: Intelligence Note: Declining Communist Influence in Australia

Communist influence in Australia has declined sharply since 1951 and should continue to do so. The forthcoming investigation of the Petrov (MVD defector) case will increase the Australian government's already keen awareness of the Communist danger and further strengthen the government's hand in dealing with it.

Prior to 1951 the Communists had gradually gained a stranglehold on Australian heavy industry and transport by winning control of a few key offices in major unions. They had acquired this position by a combination of fraud, corruption, skillful exploitation of genuine grievances, and rank-and-file apathy. They were ousted because the Menzies government passed legislation providing for secret, court-conducted ballots in case of disputed union elections and because Australian Labor Party cells in the unions mobilized anti-Communist sentiment.

At the present time Communist influence in Australia is weaker than at any time in recent years. In the labor movement, where the Communists' strength had been concentrated, they have lost control of the major mining, industrial, and land transport unions. The Communists are not represented in the federal parliament, the state legislatures, and most local government bodies. Known Communists and Communist sympathizers have been removed from sensitive government posts. Communist Party membership has declined 50 percent since 1949, and is now down to 6,000. Front organizations have also greatly declined in influence and membership.

The Communists' influence is nevertheless out of all proportion to their numbers. They dominate the small Seaman's Union, can usually persuade the dockers to follow their line, and are influential in coal mining unions and some locals of other unions. Earlier this month, in fact, the dockers delayed a shipment of munitions to Indochina. The Communists also retain a considerable potential for agitation through front organizations.

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Rev 07  
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Copies to:

*[Signature]*  
W. Park Armstrong, Jr.

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