

Opening Statement

Senate Estimates 24 February 2025

The world has kept changing apace since I last appeared before the Committee so I'd just like to briefly update the Committee on some of those developments where they bear most significantly on Australia's interest.

Putin's war of aggression against Ukraine continues, with horrific loss of life on both sides – but particularly Russia's.

What's at stake now in the conflict is whether US-led diplomatic efforts can fashion an outcome that secures Ukraine, stabilises the European security order and deters future aggression – not only in Europe but also in the Indo-Pacific. This will be a tall order, with significant implications for Australia.

The US administration is also seeking to catalyse peace in the Middle East – obviously a laudable goal but one fraught with difficulties.

It's clear President Trump is determined to shake the parties out of their entrenched positions. That will be complex and will entail new risks. But it's worth recalling that the first Trump administration had some success in the region, fashioning the important Abraham Accords between Israel and a number of Arab neighbours.

Iran's position as regional spoiler and destabiliser – chiefly through its proxies – has been severely weakened by Israeli operations. It is clear the Trump

administration has little or no tolerance for Tehran's nuclear weapons program.

My colleague the Director-General of Security has addressed the domestic security outlook comprehensively in his recent Annual Threat Assessment, so I will not go into the onshore implications of these conflicts now.

Suffice to say though that individually and collectively the axis of Russia, Iran, North Korea and China continue to pose significant cyber, espionage, military and interference threats to the interests, security and prosperity of Australia and of our allies and partners.

On the latter score, I can assure the Committee that ONI is working closely with our partners in the National Intelligence Community and with the Australian Electoral Commission – through the Election Integrity Assurance Taskforce – to ensure the integrity of the forthcoming Federal election at a time of elevated foreign interference risk.

Meanwhile, Australia's immediate strategic environment continues to deteriorate.

The National Intelligence Community has been providing 24/7 support to Government and to the Australian Defence Force's robust response to the passage of a Chinese People's Liberation Army Navy Task Group through waters proximate to Australia.

The Prime Minister, Deputy Prime Minister and Foreign Minister have made clear publicly that the vessels are operating in accordance with international law - albeit

short of the best practice the ADF consistently employs in such circumstances.

Our preliminary view is that the deployment demonstrates China's growing capability to project military power into our immediate region, now matched by an increasing intent to do so.

The largest and least transparent military build-up since the Second World War means the PLA will be able to operate at greater distances from mainland China, in greater numbers, including into Australia's immediate seas and skies. This is the furthest south a PLA-N Task Group has operated and at least some of its activities seem designed to be provocative. We judge Beijing intends to normalise this sort of presence, shape the responses of those in the region, and observe and learn from our reactions.

In the South Pacific, important Government initiatives have shored up our influence and position in an increasingly competitive strategic environment. PICs signed up to a regional policing agreement at last year's Pacific Island Forum summit; then agreed to October's Pacific Defence Ministers' Meeting to establish a regional response group based in Brisbane with a focus on humanitarian assistance and disaster relief. And in December, Australia landed the NRL deal with PNG; an agreement to support Solomon Islands policing; and also the Nauru-Australia treaty.

But the Cook Islands' move to sign a Comprehensive Strategic Partnership with China and recent tensions

between Kiribati and New Zealand highlight the continuing challenges we face in this strategically critical region for Australia. And we assess that China will continue to step up its own efforts in the region this year.

Finally, having recently met my new US intelligence counterparts I'm pleased to inform the Committee that I'm heartened by their commitment to working closely with us and continuing to build our vital intelligence partnership.

I've also come away from other recent meetings with counterparts – whether from the UK, Canada, New Zealand, Japan, India, Southeast Asia or Europe – likewise reassured that our intelligence partnerships are in good shape to navigate this complex and difficult period.

Thank you.