



Opening Statement from Mr Andrew Shearer, Director-General of National Intelligence

Senate Finance and Public Administration Legislation Committee, 7 October 2025

Given the pace and significance for our interests of international developments since my last appearance before the Committee, I appreciate the opportunity to briefly update members on Australia's shifting strategic outlook.

Regrettably, our strategic environment continues to deteriorate at an accelerating pace. Crises are more frequent, and both state and non-state actors are more willing to test boundaries. The result is a more contested, less predictable world and region.

For Australia, this means less warning time, greater risks across our society and increased exposure to crises that begin far from our shores.

Since February, frequent shocks and quickening trends have unsettled the international system.

Artificial intelligence has advanced more quickly than many anticipated, and adversaries are already exploiting it.

Today – two years after Hamas launched its appalling attack on Israel, triggering so much suffering – there's a fragile prospect the fighting may cease in Gaza and that Israeli hostages may finally return home.

This follows the twelve-day war which erupted in June between Iran and Israel damaging Iran's nuclear and other military facilities, as well as successful IDF operations against the terror network of Hezbollah.

Still, Iranian proxies carry on with their use of political violence and online agitation.

As the Committee is aware, as a result of excellent work by ASIO and the AFP, Australia traced recent anti-Jewish attacks on our soil to Iran's Islamic Revolutionary Guard Corps – starkly underscoring the regime's role in sponsoring violence internationally.

The Director-General of Security's public attribution of these activities showed Australia will not resile from calling out state-backed interference and aggression, irrespective of the source.

In May, India and Pakistan – both nuclear-armed – clashed dangerously.

And border fighting between Cambodia and Thailand underlined how fragile peace can be in our region.

Meanwhile, in Europe, Putin's costly war in Ukraine grinds on, with implications not only for Europe's security order but for deterrence here in the Indo-Pacific. Russian-linked actors are still conducting regular cyber intrusions, sabotage and disinformation campaigns in Europe and beyond.

Incursions by Russian drones and aircraft have repeatedly tested NATO's boundaries.

And North Korea persists with developing nuclear weapons and increasingly sophisticated means of delivering them – funding its efforts from widespread cyber theft.

Closer to home, China's forces continue to probe and harass Australia's partners and allies in the East and South China Seas and to tighten the pressure on Taiwan.

Together, these developments highlight how the so-called 'grey zone' – the space between genuine peace and overt war – is now central to strategic rivalry and the global struggle between a new axis of authoritarian powers and democracies.

Cyber attacks, political interference, disinformation, economic coercion, and the use of paramilitary and proxy forces to pressure and intimidate are now routine.

These methods exploit our openness and restraint. They are hard to counter. And the objectives are clear: to weaken cohesion within democracies such as Australia and between allies, and to make the world safer for authoritarianism.

For our adversaries, day-to-day coercion is relatively cost-free and effective: applying sustained pressure imposes a cumulative toll on our security, economy and social stability without incurring the much greater costs of conflict.

They seek to undermine our resilience and ultimately to break our resolve.

Much of this activity takes place covertly, in the shadows and interstices of the international system. But increasingly these efforts to reshape the world order are playing out in more overt displays – reflecting growing confidence and strategic intent.

With arms control weakening and deterrence eroding, states are feeling freer to test boundaries, use shows of force to intimidate and shape – and, increasingly, cross the threshold to conflict.

Beijing's September military parade showcased nuclear, hypersonic and unmanned systems. It had a clear message: that China's military capabilities and strategic intent are advancing in step, and its ability to project force at range and sustain it is growing.

Rules and norms that once buttressed international prosperity and security are fraying, and multilateral institutions that have often served our interests are now increasingly deadlocked and, in some cases, hollowed out as a result of great-power rivalry.

For Australia – and for our regional allies and partners – the implications are profound.

In this challenging environment, the demands on the National Intelligence Community are relentless and increasing.

We face more threats from a growing range of malign actors. And the Government rightfully expects us to deliver clarity amid uncertainty and complexity, speed when events accelerate, and dispassionate, rigorous judgment in a polluted and contested information environment which makes it ever harder to distinguish signal from noise.

Today I would like to reassure the Committee that our agencies are up to it – as the most recent Independent Intelligence Review found. And also, I can attest that our incredible intelligence professionals are definitely up for it – whatever our adversaries throw at us.

Every day, the dedicated men and women of the NIC deliver precious intelligence insights into the capabilities and intentions of our adversaries; disrupt threats to our security, prosperity and sovereignty; provide vital support to the Australian Defence Force; and support our diplomats in the contest for influence in our region.

Their work sometimes entails significant risk. It is almost always stressful and psychologically demanding. And it is seldom publicly acknowledged.

At our recent NIC annual awards, we recognised individuals and teams for their outstanding service and cross-agency collaboration.

By their nature, these awards cannot be publicised and capture the efforts of only a fraction of our workforce. But they reflect very well our Community's dedication to Australia, our collective commitment to mission, and our determination to protect the Australian people from growing threats.

With the Committee's indulgence, I'd also like to thank my own extraordinary team at the Office of National Intelligence.

It's a very different organisation from the one I first joined 35 years ago.

But the sense of purpose and commitment to Australia's interest has not changed. Nor has the high standard of professionalism, analytic rigour and integrity. Or the welcoming, caring, supportive culture – which ultimately is the key to success and the best evidence of a healthy, high-performing organisation.

I'm very grateful and it's a privilege to lead you.