



Senate Estimates Opening Statement – 4 November 2024

Thank you, Chair, I appreciate the opportunity to update the Committee on the intensifying threats to Australia's security and prosperity.

Concurrent conflicts and other challenges continue to place unprecedented demands on Australia's National Intelligence Community.

Unfortunately, distance does not insulate Australia from strategic developments in the Middle East and Europe.

Since I last appeared at Senate Estimates, fighting has continued in Gaza, as well as spreading to southern Lebanon and escalating to direct military strikes and counter-strikes between Iran and Israel. Huthi attacks on shipping are further disrupting fragile supply chains.

These developments have serious implications for Australia's consular and economic interests, as well as our domestic security.

And, as Director-General Security Mike Burgess has outlined, foreign interference continues to jeopardise Australia's sovereignty, values and national interests, while the threat posed by espionage – particularly to AUKUS and our other advanced defence capabilities – remains intense.

Meanwhile, in Europe Ukraine continues to defend itself determinedly but faces a difficult winter and year ahead.

Russia is making gradual gains – albeit at great human and economic cost – helped by arms from North Korea and Iran, substantial dual-use materials and economic support from China, and now the concerning deployment of North

Korean troops to fight against Ukraine. Together these axis powers are having increasing strategic effect across multiple theatres.

Ukraine's ability to withstand the Russian onslaught and the level of support Kyiv receives from the West will have significant implications for broader European security and the global order – including here in the Indo-Pacific.

Events in the Middle East and Europe have taken some attention away from the Indo-Pacific. But trends in our own region are also concerning.

Long-term, strategic rivalry between the world's leading powers – at its sharpest in the Indo-Pacific – will define Australia's security and prosperity for decades.

China continues to expand its diplomatic, economic and military reach across the region – seeking every day to use its heightened para-military and military presence – combined with active lawfare –to create new facts at sea, in the air and on the ground if it is allowed to.

Beijing continues to ramp up its military and paramilitary pressure around Taiwan, incrementally changing the status quo in its favour using its full coercive toolkit.

Its reckless air and maritime interceptions are endangering Australian and other ships and aircraft operating in international waters and skies. And at Second Thomas Shoal and elsewhere in the South China Sea, Beijing is using intimidation and grey-zone tactics in an attempt to cow regional countries into compliance.

In separate ways, the fates of Ukraine, the Middle East and Taiwan are all tied to Western resolve and unity – defeat, or even a major setback, in one theatre would have significant consequences for all.

As I've emphasised before, this great-power contest is also broadening into aspects of global trade, investment and innovation – with trade frictions and economic fragmentation increasing, and intensifying efforts to acquire and exploit technological strength.

Greater disruption in the global economic landscape is likely as states seek to shore up and protect industrial and technological strengths, while also addressing other difficult challenges like climate change and the energy transition.

Technology is becoming increasingly important as a foundation of national power. Many of the economic and supply-chain quandaries we currently face – over renewable energy, critical minerals, telecommunications, smart cities and drones – have at their core the issue of technological advantage.

And technology is providing new domains for our adversaries to exploit, including in our homes, phones, cars, businesses, data holdings and major infrastructure.

Artificial intelligence will create other opportunities to target us at scale. For example, it offers ways to massively increase the quantity and, perhaps even more importantly, the quality of disinformation.

But it will also be important that our national security agencies can make effective use of AI tools to keep up with our partners, stay ahead of our adversaries, advance Australia's interests and protect our community, while also maintaining public trust.

Australia – a beneficiary of open trade, investment and innovation for much of our history and a producer of world-leading innovations – will have to work harder to ensure our future prosperity. ONI and other intelligence agencies are

increasingly involved in upholding our economic security as well as playing our more traditional role in national security.

I note the US elections occurring this week and would like to acknowledge our deep intelligence ties, which remain a key pillar of our alliance, and thank our US partners for the extraordinary work we do together and with the other Five Eyes countries. I'm confident those ties will continue to strengthen irrespective of the election outcome.

In this complex and dynamic environment, the role of intelligence is only becoming more crucial.

In closing I assure the Committee my colleagues and I are working hard to ensure ONI and the National Intelligence Community are in the best possible position to anticipate threats and challenges and continue to provide government with the insights it needs to make well-informed policy choices.