

Australia's \$2B Missile Deal Reflects Deepening Defense Commitment.

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Australia is doubling down on its defense commitments with a major A\$2 billion (US\$1.3 billion) missile purchase from the United States, reinforcing its preparedness in a region marked by growing military tensions, particularly with China's rising influence.

Defense Industry Minister Pat Conroy confirmed that Australia will acquire AIM-120C-8 and AIM-120D-3 air-to-air missiles, which are designed by U.S. defense contractor Raytheon Technologies. These missiles will be used on the Royal Australian Air Force's F/A-18 and F-

35 fighter jets, as well as a new Australian Army brigade capable of striking aerial targets up to 500 kilometers away.

“This is a crucial step forward in strengthening our national security and enhancing the strike capability of our armed forces,” Conroy said.

The announcement follows increasing pressure from the United States for its allies to ramp up military spending. Washington has urged Canberra to lift its defense budget to 3.5% of gross domestic product. However, Prime Minister Anthony Albanese has so far held off, with current forecasts showing Australia’s defense spending will rise to 2.3% by 2033.

Foreign Minister Penny Wong, during a visit to Washington where she met U.S. Secretary of State Marco Rubio, emphasized that Australia’s approach is based on building capabilities rather than simply hitting budget targets.

“Australia has already committed to the largest increase in peacetime defense funding in our history,” Wong told Sky News Australia. “We will continue to invest in the capabilities our country truly needs.”

While Albanese was due to meet President Donald Trump on the sidelines of the G7 summit, the meeting was called off after Trump abruptly left due to escalating tensions in the Middle East. Despite the cancellation, officials say efforts are underway to reschedule the high-level discussions.

This missile deal is part of a broader, ambitious defense strategy that includes an A\$74 billion (US\$47 billion) pledge made by Albanese last year. That package includes A\$21 billion to build a Guided Weapons and Explosive Ordnance Enterprise within Australia, an effort to not just buy, but also eventually manufacture advanced weapons systems on home soil.

In April, the U.S. Congress was notified of the missile sale through the U.S. Foreign Military Sales program, and a further US\$2 billion in electronic warfare equipment for Australia’s Super Hornet and Growler fighter jets was proposed in June.

Australia’s latest moves underscore its growing focus on regional stability, modernizing its military capabilities, and staying aligned with key allies while still setting its own pace and priorities when it comes to defense spending.