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Virginia Office Channels Millions in Australian Defense Contracts

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A low-profile consultancy in Fairfax, Virginia, has become a key intermediary in Australia's defense procurement strategy, brokering over \$13 million in contracts for retired U.S. Navy officers advising the Australian government—particularly on the AUKUS nuclear submarine program.

According to AusTender records, the Department of Defence (DoD) has paid \$11.7 million since 2015 to Burdeshaw Associates for strategic consultancy services, with a further \$1.5 million allocated through the Department of the Prime Minister and Cabinet in 2021. The firm, operated by ex-military officials, has played a central role in shaping Australia's naval strategy, including the shift from a \$90 billion French submarine deal in

2021 to a nuclear-powered fleet under the AUKUS partnership with the United States and the United Kingdom.

By late 2022, at least eight retired U.S. Navy officers were contracted to advise the Australian Defence Department. Among them was Vice Admiral William Hilarides, a former head of the U.S. Navy's ship sustainment program, who was formally appointed in 2023 to lead a review of Australia's naval integration strategy. Defence Minister Richard Marles defended the appointments, stating the consultants bring "vital expertise" for Australia's long-term defense capability planning.

However, the arrangement has drawn criticism over transparency and reliance on foreign expertise. Former senator and submariner Rex Patrick questioned whether Australia's national interests are being adequately prioritised, warning that overreliance on external actors may dilute sovereign oversight.

Critics, including Gary Slater of the Australian Defence Consulting Group, have also raised concerns about consultant fees and competitive equity. "While global input can be beneficial, the cost and influence of foreign consultants must be closely scrutinised," Slater said.

Data from the Australian Strategic Policy Institute (ASPI) shows a sharp increase in U.S. Foreign Military Sales (FMS) to Australia, with \$4.4 billion in contracts awarded in 2022–2023. Despite the growth of Australia's defense budget, only two local firms ranked among the top 10 defense contractors last year.

As Australia prepares to invest \$9 billion in domestic infrastructure to support the AUKUS submarine transition, the role of external advisers and overseas firms is expected to remain under close public and parliamentary attention. The government has not yet confirmed whether future AUKUS-related contracts will include additional foreign consultancy components or prioritise local industry partnerships.