

# OpenVoiceNews Australia

Transparent. Unbiased. Yours.

## Prime Minister Confirms Scheduled \$800m AUKUS Payment

July 23, 2025

— Categories: Defence & Security



Prime Minister Anthony Albanese has confirmed that Australia has made a second \$800 million payment to the United States as part of the Australia, United Kingdom, United States (AUKUS) nuclear submarine agreement, despite an ongoing US internal review of the pact. This development raises questions about the strategic value and financial

management of Australia's costly commitment amid growing regional security challenges.

On July 23, 2025, Albanese announced the payment, which follows an initial \$500 million transfer made in February 2025. The payments contribute to a broader \$3 billion Australian investment aimed at expanding US shipbuilding capacity—a critical bottleneck in delivering nuclear-powered Virginia-class submarines to Australia by the early 2030s. The entire AUKUS nuclear submarine program is projected to cost Australia around \$368 billion over three decades, intended to enhance deterrence against China's expanding influence in the Indo-Pacific.

“There is a scheduled series of payments designed to bolster US industrial infrastructure,” Albanese explained to the Australian Broadcasting Corporation (ABC). He stressed that the deal is also facilitating the development of Australian skills and infrastructure in Adelaide, preparing the nation for eventual submarine construction.

However, the timing of this second payment has sparked debate. The US Department of Defense is conducting a review led by Elbridge Colby, a known critic of expansive US foreign commitments, under the Trump administration's “America First” policy framework. Critics, including opposition leader Peter Dutton, have expressed concern that Labor's financial commitment risks Australian taxpayers' money without ironclad assurances on delivery timelines or outcomes, given US production constraints.

“We need guarantees that this deal truly strengthens Australia's defence capabilities, rather than simply supporting US industrial interests,” Dutton

stated, calling for increased defence funding beyond the current \$50.3 billion budget.

Political analyst Bruce Wolpe from the United States Studies Centre remarked, “While the quiet payment signals commitment, the lack of public detail fuels doubts about oversight.”

As China accelerates its military modernization, Australia’s reliance on the AUKUS partnership to maintain regional strategic balance will require ongoing scrutiny to ensure that national security interests are not compromised by diplomatic and financial risks.