

# Australian Labor budget outlines record military spending

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The budget released by the Labor government last Tuesday confirmed that Australia's military spending will reach record levels in the 2023-24 financial year. For the first time, the 12-month defence allocation has exceeded \$50 billion, with a \$52.588 billion spend. That is a 7 percent year-on-year increase.

This again underscores the Labor government's commitment to a far-reaching militarisation, aimed, above all, at placing the country on the frontline of US-led plans for an aggressive war with China.

The budget was released just weeks after a Labor-commissioned Defence Strategic Review (DSR) outlined the largest build-up of the armed forces since World War II, and the adoption of a military doctrine centred on long-range strike capabilities.

The budget allocation is in line with a longstanding bipartisan commitment for military spending to be at least half a trillion dollars this decade. It means that annual defence expenditure is now at 2.04 percent of gross domestic product (GDP). Top figures in the US military establishment have previously emphasised that 2 percent is the baseline minimum to ensure Australian preparedness for a war in the Indo-Pacific.

The Australian military spending, as a percentage of GDP, is on par with, or higher than, other imperialist countries such as France and Germany. It is substantially greater than China's, underscoring the fraudulent character of claims that China is undertaking an unprecedented military build-up.

The defence expenditure also exposes the bogus depiction of the budget, by Labor and sections of the media, as being focussed on cost-of-living relief. In reality, amid the deepest cost-of-living crisis in decades, Labor has handed out only a pittance to the most vulnerable layers of the population.

In total, the cost-of-living measures amount to \$14.6

billion over four years. That includes an increase to the sub-poverty level JobSeeker unemployment allowance of just \$40 a fortnight, and other contemptuous measures. The defence spending, for a single year, is more than three-and-a-half times greater than these token policies over four years.

At the same time, the defence allocation is just an initial down payment. Vast sums, to which Labor and the political establishment have already committed, are being kicked down the road to be included in future budgets. Chief among those items is the \$368 billion over 30 years that it will cost for Australia to acquire a fleet of nuclear-powered submarines from the US and UK.

That means, as the DSR emphasised, that defence spending will grow to far higher levels over the coming years, both as a percentage of GDP and in absolute terms. The fact that much of the spending has been excluded from this year's budget was a transparent political decision, prompted by ruling-class nervousness over widespread anti-war sentiment within the population.

Even still, the measures included in the budget are a warning of what is being prepared.

That includes a \$4.2 billion spend on a new submarine agency, to oversee the plans for the acquisition of the AUKUS nuclear-powered vessels. That spend, however, does not include any of the cost of building submarines next decade or buying US vessels off the shelf in the interim. According to the budget papers, that will cost \$9 billion over the four-year forward estimates, and \$50-58 billion over the rest of this decade.

The centrepiece of the budget measures, as with the DSR, is the acquisition of strike capabilities. This is proceeding far more rapidly than the development of

the nuclear-powered submarines. Contrary to claims that the build-up will revive Australian manufacturing, the bulk of the assets are to be purchased from the US government and American arms manufacturers.

The government has committed to spend \$333 million this year and \$751 million over five years to purchase US LRASM and Norwegian Kongsberg Joint Strike Missiles. They are to be provided to the air force “to enable air-delivered strikes against well-defended maritime targets in complex and littoral environments.”

That again underscores the offensive character of the build-up. Such missiles have nothing to do with defending the relatively-isolated Australian continent and its approaches. Instead, they are aimed at preparing for bombing raids in the Indo-Pacific, targeting Chinese forces.

Another \$135 million is being spent this year and close to \$1 billion over five years on AIM-9X and AIM-120D air-to-air missiles, also for the air force.

JASSM-ER missiles will cost \$180 million this year and over half a billion over the decade. Developed by Lockheed Martin for the US military, they are described as a “large, stealthy long-range weapon with a 1,000-pound (450 kg) armor piercing warhead.”

A further \$172 million is being spent on small diameter bombs, with that allocation to exceed \$800 million over the next five years.

An extra \$52.7 million has been allocated to the Department of Foreign Affairs and Trade. As the *Australian Financial Review* noted, its purpose is “to carry out a diplomatic blitz in the face of repeated Chinese efforts to criticise the AUKUS deal.” In fact, AUKUS has been opposed by most of the larger states in the southeast Asian region, who warn that it threatens a region-wide militarisation and war.

Some \$1.9 billion has been allocated to expanding the police and military presence in the Pacific. That will include “the provision of security infrastructure and maritime security capability” to countries of the region, and the development of a web of diplomatic and security staff.

The Pacific has become a focus for the US confrontation with China. Australia is at the forefront. Since Labor was elected last May, Foreign Minister Penny Wong has continuously toured the region, threatening and bullying the leaders of the impoverished states there to insist that any deviation

from Washington and turn to China would not be tolerated.

For all that has been committed, much more is being demanded. Those sections of the corporate press with the closest ties to the military-intelligence establishment are continuing a campaign for even greater commitments.

Inevitably, moreover, the acquisition of advanced weaponry will cost far more than has been indicated. That is demonstrated by the fact that of the \$368 billion that the AUKUS submarines may cost, \$122 billion is “contingency funding,” a tacit admission that such projects invariably exceed baseline budgetary expectations.

It is significant that the record military spend, which will no doubt be exceeded many times, has taken place under a Labor government. So has the unprecedented AUKUS submarine announcement and the DSR, with its call for “impactful projection” through the region and beyond.

As in the 20th century, Labor is exposing itself as the preeminent party of Australian imperialism and war. Labor presided over Australian involvement in both world wars. Now, an even more catastrophic conflict is being prepared, which, if not prevented, will almost inevitably involve nuclear weapons.

In the next stage of these preparations, Australia is set to host US President Joe Biden and the leaders of Japan and India in a week’s time. They will gather, with Prime Minister Anthony Albanese, for a summit of the Quadrilateral Strategic Dialogue, a de facto alliance of four large military powers, directed against China.

All this underscores again that the fight against war is one against the Labor government. Such a struggle must be a part of the fight to build an international anti-war movement, uniting workers around the globe against the source of conflict, the capitalist profit system itself.



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