

OpenVoiceNews Australia

Transparent. Unbiased. Yours.

Australia's Artificial Jobs Boom Exposed as Unemployment Hits 4-Year High

July 19, 2025

— Categories: Economics



Australia's job market is showing dangerous cracks as unemployment surges to 4.3% – the highest since 2021 – despite record migration levels that were supposed to fuel economic growth. The latest Australian Bureau of Statistics (ABS) data reveals a troubling paradox: 33,600 more Australians are jobless while businesses still struggle with 339,400 unfilled positions. This disconnect exposes how the Albanese government's migration policies have created an “artificial” employment bubble in taxpayer-funded sectors like the National Disability Insurance Scheme (NDIS), rather than generating productive private sector jobs.

The Institute of Public Affairs (IPA) warns migration is now working against Australian workers, with net permanent arrivals hitting 245,890 in the past year – 6% above 2023's record. "It's unconscionable to flood the labor market with migrants while unemployment rises," says IPA's Saxon Davidson. AMP chief economist Shane Oliver agrees, noting 80% of recent job growth occurred in low-productivity government and care sectors that simply absorbed migrants rather than building economic capacity. This unsustainable model is now unraveling as NDIS growth slows.

Australia faces a dual crisis: businesses can't find skilled workers due to rigid labor markets, while migrants and locals compete for limited private sector opportunities. Job vacancies have exceeded 300,000 for four consecutive years, yet red tape and taxes prevent businesses from expanding. The solution isn't more migration but smarter policies – cut business taxes, streamlining hiring processes, and aligning visas with genuine skill shortages rather than using migration to prop up GDP figures while per-capita growth stagnates.



This jobs crisis reveals the fundamental flaw in Australia's economic strategy – mistaking population growth for prosperity. True recovery requires shifting focus from government-funded make-work schemes to enabling private enterprise. As the RBA considers rate cuts to stimulate activity, policymakers must recognize that no amount of monetary easing can compensate for structural failures in labor and migration policy. The artificial jobs boom is ending, and Australia must choose between continuing down this unsustainable path or embracing reforms that create real, productive employment. The time for economic illusions is over.