

OpenVoiceNews Australia

Transparent. Unbiased. Yours.

Economist Demolishes Rishworth's Unemployment Claim

July 17, 2025

— Categories: Economics



Leading economist Professor Ross Garnaut has sharply criticized Minister for Employment and Workplace Relations Amanda Rishworth's assertion that a June 2025 unemployment rise to 4.3% stemmed from global uncertainty, calling it a weak excuse for domestic policy shortcomings. This article examines Garnaut's critique, the Australian labour market's performance, and the broader implications of the Labour

government's economic narrative, highlighting concerns over accountability.

In a July 2025 interview with ABC's The Business, Professor Ross Garnaut, a respected economist, dismantled Rishworth's claim that global economic uncertainty drove Australia's unemployment rate from 4.1% to 4.3% in June, as reported by the Australian Bureau of Statistics (ABS). Garnaut argued that Australia's economy, with low unemployment and inflation near the Reserve Bank of Australia's (RBA) target, is well-positioned to achieve full employment without inflationary risks. "Blaming global factors ignores local policy failures," he stated, pointing to stagnant productivity and inadequate structural reforms as key culprits. He urged the Albanese government to leverage its strong electoral mandate to pursue bold reforms, rather than deflecting responsibility.

Rishworth, speaking at a July 17 press conference in Adelaide, attributed the unemployment uptick to global volatility, including Middle East tensions and trade disruptions, while touting 2,000 new jobs created in June. However, Garnaut countered that Australia's status as a trading nation does not justify sidestepping domestic issues like underinvestment in skills and infrastructure. X posts from economic analysts echoed this sentiment, slamming the Labour government for leaning on external scapegoats while domestic productivity lags. Sally Auld, NAB chief economist, noted in an ABC interview that Australia's low unemployment and stable inflation provide a solid foundation, undermining Rishworth's narrative of global-driven weakness.

The debate exposes deeper concerns about the Labour government's economic strategy. While Rishworth highlighted a record 14,619,300 Australians in work, critics argue the focus on headline figures masks

youth unemployment trends and reliance on part-time jobs. Garnaut's call for ambitious reforms, like those under past Labor leaders Curtin and Hawke, challenges the government to prioritize long-term growth over short-term spin. As Australia navigates Indo-Pacific tensions and domestic pressures, this critique underscores the need for accountability and decisive action to secure economic resilience.