On Your Bike (Policy Exchange no Longer Insane)

It's interesting to see the government raising the issue of helping people move to take advantage of job offers, given the way they got their fingers burned when Policy Exchange suggesting something very similar sometime before the election.

I think the evidence on this is clear. Some places are better at generating job opportunities than others. For many years policy has tried to fix this by creating more job opportunities in places that are not generating enough employment. This policy has not worked very well. Therefore, it seems sensible to put more focus on helping people to move to jobs (rather than moving jobs to people). Two important caveats. First, it's important not to overstate the likely impact. Where you live is far less important a determinant of job market outcomes than who you are. Unemployment in London remains a big problem for those at the lower end of the labour market. Second, high house prices in better performing areas are a crucial economic barrier that prevent people from moving to take advantage of opportunities. It is still unclear how government intends to address the question of providing LAs with adequate incentives to address this problem.