Youth unemployment "hotspots"

A new report from the Centre for Cities on youth unemployment makes for depressing reading. Youth unemployment stands at around 900,000 and is set to top the 1m mark. The spatial distribution of increases in youth unemployment is quite uneven.

The report discusses the role of the government's new Future Jobs Fund in tackling rising youth unemployment. Centre for Cities argue that, given the short term nature of the jobs created, this fund is best aimed at places suffering unexpectedly high short run increases in youth unemployment. Other policy initiatives should then continue to focus on longer term structural problems. This seems sensible.

Note, however, that the fund identifies "hotspots" as those places where the rate of unemployment is more than 1.5% above the national average. If Centre for Cities are right, this focus on levels instead of changes is not very useful for identifying places where the policy intervention is most likely to benefit young people.

Is this another example where policy gets it wrong by focusing on places rather than people?