More good news on jobs, whilst sterling rises

The pound drew level with the rate it reached prior to the referendum, hitting $1.43 again. The only negative forecast of the Remain campaign that they kept repeating after the event because they thought it had more chance of success has now joined the others as wrong.

During the Referendum campaign I was frequently asked by interviewers to defend why I thought jobs would go up, housing would be unaffected and the economy would continue to grow, as the Remain camp with all the official forecasters behind them said the opposite. They told us with all the authority of establishment error and malfunctioning models that in the first year or so after the vote we would have a recession, jobs would fall, unemployment would rise, the pound would fall and house prices would fall. I said the opposite of all of those save for the pound. There I said after we vote to leave the pound will go up and down depending on our policies compared to other countries policies, as it has done for many years all the time we have been in the EU. The Bank decided on loose money in 2016 so the pound fell, and has decided to tighten money this year so it is rising.

Yesterday we learned that another 55,000 jobs were added to the total in the three months to February. Employment is up by 427,000 compared to a year ago, with most of the new jobs being full time. This takes unemployment down again to 4.2%, way below the average levels in the Eurozone. Pay went up by 2.8%, so we are back with real increases in pay now inflation is subsiding. There has been no fall in real incomes since the vote. Unemployment is well below the levels prior to the vote and pay in money terms is rising faster now than in 2016.

The UK economy is good at generating extra jobs. Now we need to encourage businesses to put more capital into boosting productivity, so we need fewer new people to come in to the UK to take low paid jobs, and so we can boost pay more for people already working and living here.