

The Labor Force and Unemployment – SMART Lesson

Lesson by

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Lesson description

The function of the labor market is to match available jobs with available workers. When the unemployment rate is low (a “tight” labor market), jobs are secure and relatively easier to find. Low unemployment is often associated with increased wages and, sometimes, improved working conditions. Conversely, economic downturns and slow growth often cause higher levels of unemployment. Researchers use surveys to gather data about the nature of and levels of unemployment during a given period. In this activity, students will learn the concepts of labor markets, the labor force, types of unemployment, and the most commonly used measure of the rate of unemployment. Students use scenarios to determine the classroom labor force, what type of unemployment they are experiencing, and the classroom unemployment rate.

Concepts

Labor market

Labor force (employed, underemployed, unemployed, discouraged workers, and out of the labor force)

Unemployment (frictional, structural, and cyclical)

Unemployment rate

Objectives

Students will be able to

- define labor, the labor force, unemployment, and the unemployment rate
- determine what type of unemployment the scenario cards represent
- calculate the classroom unemployment rate
- determine the national and state unemployment rates

Materials

SMART Notebook file The Labor Force and Unemployment

Procedure Instructions for the SMART Board have been put in italics. Content background is in regular type.

1. *Display slide 1 Start the SMART presentation.*
Introduce the students to the objectives for this lesson.
2. *Display slide 2 This information is for your general knowledge.*
3. *Display slide 3 Read the content to the students. Use your finger to drag the pull tab on your left, which will reveal additional information. Your students may ask why certain populations aren't included in the labor force. Click the picture on the right and it will take you to an article that explains why.*
http://seattletimes.nwsourc.com/html/business/technology/2008163174_terms07.html
Introduce the students to the labor force and who it represents.
4. *Display slide 4 Reinforce the points highlighted.*

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5. *Display slide 5 Reinforce the points highlighted. Disregard the blue arrow at the bottom for now.*
6. *Display slide 6 Introduce the types of unemployment to students. If you click the picture, it will take you to a podcast on unemployment. This activity is optional. The podcast is about nine minutes long.*
http://www.stlouisfed.org/education_resources/podcasts/economic_lowdownv1ep5.cfm
7. *Display slide 7 Introduce frictional unemployment to the students. Disregard the blue arrow at the bottom for now.*
8. *Display slide 8 Introduce structural unemployment to the students. When you have finished reading about the causes, tap the top picture. It will illustrate how obsolete products are phased out as new ones are phased in. Disregard the blue arrow at the bottom for now.*

The example of structural unemployment illustrated in this slide is the evolution of movies from videotapes to streaming on demand. You may have to remind students about making trips to the video store to rent videos and then having to return them two days later. Ask students about the disadvantages of this process. Possible answers include not having a chance to watch the movie, having to return it, and being late and incurring late fees. What are the advantages of on demand? Answers could include it's more convenient, you don't have to leave your house, and you physically don't have to return anything. The people who worked in video stores may not have the skill set needed to work with on demand technology. Most jobs at video stores have gone away permanently.

9. *Display slide 9 Introduce cyclical unemployment to the students. Disregard the blue arrow at the bottom for now.*
Ask the students what industries they think may be impacted by cyclical unemployment. Answers could include construction, sales, and manufacturing.
10. *Display slide 10 This slide is a scenario sort. Call on a row of students to come to the board and take turns sorting the scenarios. There are 30 cards. It is all right if students take more than one turn. Ask students to use their fingers and put the card into the category they feel is most appropriate. Cards that represent people not in the labor force should be placed to the left of the deck. If the students need help, click on the concept that they feel best describes the scenario. This will link back to the slide that illustrated the concept. Use the blue arrow at the top of the page to take you back to the scenario sort. Use the gold star with a check to make sure the answers are correct.*
11. *Display slide 11 This slide is the answer key for slides 10 and 12. The blue arrow at the top will take you back to slide 10. The blue arrow at the bottom will take you to slide 12.*
12. *Display slide 12 This slide will reveal the data of the classroom labor force. You may need to refer back to slide 11 to count the columns before revealing the answer. Use the blue arrow at the bottom of the page to review material. Use your finger to slide the green boxes to reveal the answers.*
Inform the students they will help determine the classroom unemployment rate. Ask for a volunteer to answer each of the questions.
13. *Display slide 13 Introduce the information on the classroom unemployment rate. Use the calculator to enter the number of unemployed and the total labor force. This will end up being $9 \div 27 = 0.33$. The student will then multiply 0.33 by 100 to arrive at a classroom*

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unemployment rate of 33 percent. Students will then write the answer in the blank provided. Check the answer by moving the blue box upward.

This slide is an introduction on how the U.S. Bureau of Labor Statistics finds the the country's unemployment rate.

- 14. Display slide 14 Introduce the Bureau of Labor Statistics to the students.*
- 15. Display slide 15 Discuss key points about the unemployment data that the Bureau of Labor Statistics collects. To reveal the bullets, tap the number.*
- 16. Display slide 16 This slide will let you explore the Bureau of Labor Statistics website and look at national, state, and local data. If time allows, give the students a copy of the handouts and follow along together to explore the data relevant to your location.*

Click the chart to begin. The national data are located at the center of the page. The state data are on the left-hand side of the page. You may have to scroll down to find your state. Once you are on your state's page and locate the unemployment rate, you can scroll to the bottom and locate the major metropolitan areas information or you can go to "Local Area Information," "Create Customized Maps," or "Counties." A map of your state with counties color coded by levels of unemployment should appear. Use your finger and tap on the counties to reveal the unemployment rate by county or you can scroll down to reveal a list. Ask your students to determine which county has the highest unemployment.

- 17. Display slide 17 This slide will act as an assessment of what the students have learned. Tap on the number of the blank to select across or down in the crossword puzzle. Once selected, the blanks will be highlighted in green. At the bottom right-hand side of the slide, pull the tab marked clue. When you know the answer, use the keyboard to type in the answer. (Note: You must select each box before it will accept a letter.) To reveal the answers to the puzzle, hit the solve button on the bottom right-hand side of the slide.*

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Assessment

Go to the BLS Web site (<http://www.bls.gov/>) to find answers to the following questions:

1. What is the national unemployment rate? _____
2. What is your state unemployment rate? _____
3. Is the unemployment rate in your state higher or lower than the national average?

4. What is the highest rate of unemployment in the past five years? _____
5. What is the lowest? _____
6. Is your state unemployment rate historically high, low, or about average?

7. What is the unemployment rate of the county you live in? _____
8. Which county in your state has the highest unemployment rate? _____
9. Which county has the lowest? _____
10. What is the unemployment rate of the metro area closest to where you live? _____