

4 week: In-class Learning Activity

Unemployment rate Example

Q1) If a country has a working-age population of 200 million, 135 million people with jobs, and 15 million people unemployed and seeking employment, then what is its labor force?

Answer)

$$\text{Labor force} = \text{unemployed} + \text{employed} = 15 + 135 = 150 \text{ million}$$

Q2) If a country has a working-age population of 200 million, 135 million people with jobs, and 15 million people unemployed and seeking employment, then what is its unemployment rate?

Answer)

$$\text{Unemployment rate} = \text{unemployed} / \text{labor force} = 15 / 150 = 10\%$$

Q3)

Employed adults:	200 million
Labor force	208 million
Unemployed adults	8 million
Adults not in labor force	30 million
Non-adults (under 16) population	40 million

Based on the table above, calculate the unemployment rate and the total population.

Answer)

$$\text{Unemployment rate} = \text{unemployed} / \text{labor force} = 8 / 208 = 3.85\%$$

$$\text{Unemployment rate} = 3.85\%$$

$$\text{Total population} = 200 + 8 + 30 + 40 = 278 \text{ million}$$