

Name: _____ Date: _____ Block: _____

SSEMA1 Unemployment Practice Questions

1. When Alison, a college math professor, leaves her job at a small rural college and starts looking for a job at large urban university, she is _____ unemployed.
2. If Bob loses his job at the GM plant because car manufacturing is slow due to a downturn in the economy, you can conclude that he is _____ unemployed
3. If someone is 16 years of age or older and currently looking for a job or has a job they are considered part of the _____.
4. If someone is 16 years of age or older and are actively looking for a job but do not have one, they are considered what?
5. The percentage of people who are age 16 and older who are actively searching for a job but do not have one is known as the _____.
6. Michelle had a job at Burger King. She has quit that job and is currently looking for another one. Michelle is currently considered
 - A) Not to be part of the labor force
 - B) Unemployed
 - C) Over Employed
 - D) Suffering from inflation

Explain why.
7. A Lunch box factory worker named Mariah who loses her job because the company has purchased a machine that can put the handle on the lunch box faster than she can is an example of what type of unemployed?
8. If Q loses his job at the Chocolate plant because manufacturing is slow due to a downturn in the economy, you can conclude that he is what type of unemployed?
9. When Caleb leaves his job at El Rio to look for a career as a Road Kill scooper, he is _____.
10. Explain underemployment.

11. Which of the following would be included as a member of the labor force?
- A full time college student.
 - A recent high school graduate looking for a first job.
 - A homemaker contributing 15 hours per week as a volunteer worker in a hospital.
 - A retired teacher collecting social security benefits.
12. Which of the following people would be considered unemployed?
- A full-time college student.
 - A recent high school graduate looking for a first job.
 - A retired school teaching collecting social security benefits.
 - A homemaker contributing 15 hours per week as a volunteer worker in a hospital.
13. Which one of the following persons would NOT be considered unemployed?
- An autoworker vacationing in Florida during the layoff period, before the production of new models begins next month. He does not know for sure whether he will be called back to work when this happens, and looked for a new job last week.
 - A college student actively searching for a summer job.
 - A construction worker who has given up looking for work after 18 months without a job.
 - A retiree actively looking for part-time work to supplement Social Security income.
14. The labor force participation rate measures the number of people:
- In the labor force.
 - In the labor force as a percentage of the total population.
 - In the labor force as a percentage of the population at least sixteen years old.
 - Who are working as a percentage of the labor force.
15. Unemployment caused by a recession is called:
- Frictional unemployment.
 - Cyclical unemployment.
 - Natural unemployment
 - Structural unemployment.
16. Frictional unemployment often occurs when:
- The economy enters a recession.
 - People first enter the labor force.
 - People are discriminated against.
 - People lose a job because their skills are no longer needed.
17. Workers at a steel plant are laid off because the economy is weak and the demand for products requiring steel has fallen. What type of unemployment best describes the workers' situation?
- Cyclical unemployment.
 - Full unemployment.
 - Structural unemployment.
 - Frictional unemployment.
18. Which of the following types of unemployment is considered to be the most controllable through macroeconomic policy?
- Frictional unemployment.
 - Natural unemployment.
 - Cyclical unemployment.
 - Structural unemployment.

19. Workers at a car-manufacturing plant in Flint, Michigan are laid off because the economy is weak and GM cars aren't selling well. GM isn't sure when the plant will reopen. What type of unemployment describes the workers' situation?
- Cyclical unemployment.
 - Full unemployment.
 - Structural unemployment.
 - Frictional unemployment.
20. Suppose more men decided to stay at home and raise their pre-school aged children. We would expect:
- The labor force participation rate for males to increase.
 - The labor force participation rate for males to decrease.
 - The labor force participation rate for males to remain the same.
 - The impact on the labor force participation rate for males to be unpredictable.
21. The total population (aged 16 and older) of Pageland is 48 million. Of this total, 4 million are unemployed and 36 million currently hold jobs. What are the rates of unemployment and labor force participation of Pageland?
- The rate of unemployment is 11 percent, and the labor force participation rate is 83 percent.
 - The rate of unemployment is 10 percent, and the labor force participation rate is 75 percent.
 - The rate of unemployment is 10 percent, and the labor force participation rate is 83 percent.
 - The rate of unemployment is 11 percent, and the labor force participation rate is 90 percent.
22. Which of the following are consequences of unemployment?
- A rising price level, which reduces the purchasing power of consumers.
 - A rising aggregate output and income.
 - An increase in the money supply which increases inflation.
 - A decline in output and income.