

Unemployment

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Unemployment - the presence in the country of people who are part of the economically active population, who are able and willing to work for hire, but can not find a job.

The population

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graph TD; A[The population] --> B[Adult population]; A --> C[Children (under 16 years)]; B --> D[labour]; B --> E[Not included in labor force]; D --> F[Busy]; D --> G[Unemployed]; E --> H[Students; Pensioners; Prisoners; Housewives.];
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A hierarchical flowchart illustrating the classification of a population. The root node is 'The population', which branches into 'Adult population' and 'Children (under 16 years)'. 'Adult population' further branches into 'labour' and 'Not included in labor force'. 'labour' branches into 'Busy' and 'Unemployed'. 'Not included in labor force' branches into a list of categories: 'Students; Pensioners; Prisoners; Housewives.'.

Adult
population

Children
(under 16
years)

labour

Not included
in labor force

Busy

Unemplo
yed

Students;
Pensioners;
Prisoners;
Housewives.

The measurement of unemployment

- ▶ The main indicator of unemployment is the unemployment rate - the percentage of the workforce that is busy

- ▶ Unemployment rate =
$$\frac{\text{Number of unemployed}}{\text{Number of labour}} \times 100 \%$$

Types of unemployment.

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graph TD; A[Types of unemployment.] --> B[Frictional unemployment]; A --> C[Structural unemployment]; A --> D[Cyclical unemployment]; B --> E[Due to the resignation with the aim of finding a new job]; C --> F[The inconsistency of the structure of supply and demand of labor]; D --> G[Caused by the decline in production];
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Frictional
unemployment

Due to the
resignation
with the
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new job

Structural
unemployment

The
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cy of the
structure of
supply and
demand of
labor

Cyclical
unemployment

Caused by
the decline
in
production

The effects of unemployment

- ▶ Decrease in the income.
- ▶ Qualification loss
- ▶ Production reduction
- ▶ Falling of the standard of living

The unemployment rate in different countries

	1997	2000	2005
Canada	9.2	6.8	6.8
Australia	8.6	6.6	5.2
France	12.3	9.7	10.0
United Kingdom	7.1	5.5	4.7
Italy	11.5	10.5	7.9
USA	4.9	4.0	5.1
Netherlands	5.5	3.3	6.7
Sweden	8.0	4.7	6.0
Germany	9.8	7.9	11.6
Japan	3.4	4.7	4.3
Russia	11.8	9.8	7.6

Conclusion

- ▶ Unemployment is an important problem for any country, whatever it was: developed, developing or undeveloped. It is inevitable, as in any country there are people who can't or don't want to work.
- ▶ The unemployment rate is decreasing only in Canada, Australia, Great Britain, Italy and Russia.