

Short Answer Questions

Chapter 28.

1. Outline some of the difficulties that governments face in defining unemployment.
2. What is the claimant count measure of unemployment?
3. How does the International Labour Organisation (ILO) define unemployment?
4. Explain why unemployment and employment rates can rise at the same time.
5. Explain the relevance of the concept of the natural rate of unemployment.
6. Why do many governments express concern about a rise in the number of people unemployed for a year or more? Explain your answer.
7. Why is it not possible to ever have zero unemployment?
8. Some economists have emphasised the importance of investing in improving job search programmes in a country. Why do you think this is so? Explain your answer.
9. What factors affect the extent to which minimum wage laws affect unemployment?
10. To what extent do trade unions help improve the operation of the labour market?