**2.4. Measures of economic growth – Employment/Unemployment**

a) How unemployment is measured, using the International Labour Organization (ILO) definition.

b) The causes of unemployment:

• frictional

• seasonal

• structural

• demand deficiency

• real wage inflexibility.

c) The effects of unemployment on:

• consumers

• firms

• workers

• public finances

• resource utilisation and production possibility frontier

• society.

d) The distinction between unemployment and underemployment.

e) The significance of changes in rates of employment, unemployment and economic inactivity.

f) The significance of net migration for employment and unemployment.