

Three Types of Unemployment

- **Structural** unemployment: workers **do not have skills** currently in demand

■ Librarian, travel agent

□ **Frictional** unemployment workers who have the necessary skills

■ Recently graduated, persons looking to relocate

- **Cyclical** unemployment workers who have the necessary skills, but lack of demand prevents firms from hiring them back

■ Workers who lost their jobs during the Covid 19 pandemic

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Unemployment Rate is Never Zero