



Visual 1

Key Facts about the Unemployment Rate

The unemployment rate represents the number of unemployed people as a percentage of the labor force. It is measured by the U.S. Bureau of Labor Statistics and released the first Friday of every month.

Unemployment is often an indicator of economic health:

- As an economy expands, firms tend to hire more employees to increase their production of goods and services. As more and more people find employment, the unemployment rate decreases.
- During recessions, firms tend to reduce their production levels and also the number of workers they employ. As more people lose their jobs, the unemployment rate rises.