

BLS Facts Answer Key

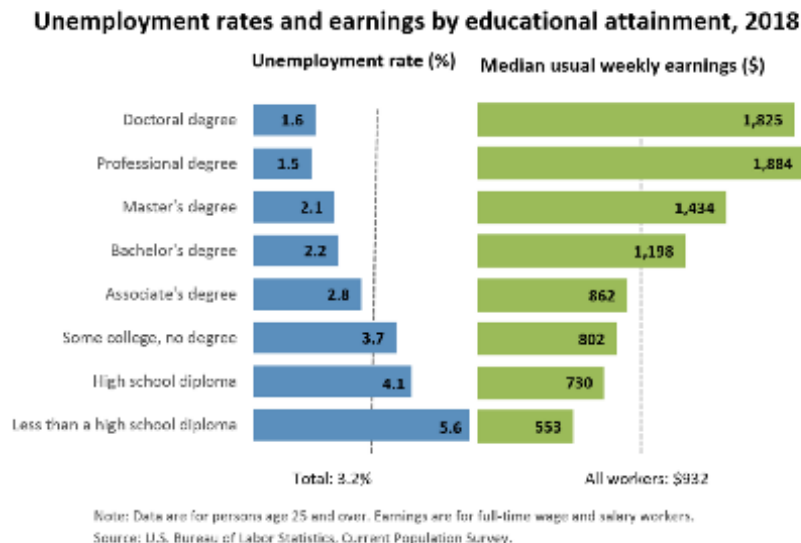
Directions: Read each of the following questions and write your answers in the space provided. Be prepared to share your answers with the rest of the class.

1. Why does the Bureau of Labor Statistics provide data of use to you, current and potential workers, employers, and other private and public entities?

Accept a variety of answers that identify the BLS as collecting and interpreting data to help individuals, companies, and others make sound decisions regarding labor markets, such as job trends, wages, educational requirements, etc

2. Conduct a search on the BLS website on “unemployment and education” and review the data on rates of unemployment and employment projections provided. What do the data suggest about the relationship between educational attainment and unemployment?

The data suggests that individuals with more education are less likely to experience unemployment than their counterparts. You may want to project the below graph which can be found at <https://www.bls.gov/emp/chart-unemployment-earnings-education.htm>.



3. For your state, research the [BLS's State Occupational Employment and Wage Estimates](#). Identify the three jobs with the highest mean annual wage and the three jobs with the lowest mean annual wage. Using what you know about the factors that influence wages explain the differences in the highest and bottom, with special attention drawn to supply and demand forces.

Answers will vary but should mention some of the following: that (i) the high paid professionals are relatively more scarce than the lower paid professions given demand for each group; (ii) the higher paid professionals are more productive and offer highly valued services to employers and their customers relative to their counterparts, and (iii) education is more expensive with respect to money, time, and opportunity costs for the top wage earners.

4. Use economic reasoning and what you have learned about the factors the influence wage to explain why LeBron James earns higher wages and gets better benefits than your teacher. In particular, consider the balance of demand and supply forces for the two markets - the market for LeBron versus the market for teachers.

Answer: LeBron James is highly skilled in a job for which his skills are in high demand. He also has many, many fans who are able and willing to pay to see him play and buy products endorsed by him. By contrast, there is many substitutes for your teacher who have similar skill sets and knowledge. Therefore, people are willing to pay less for teachers' services.