



## **Labor Market 101: A Guide for Students**

### **What is the labor market?**

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The labor market consists of the jobs and careers that are in demand for employees in relation to the number of people looking for a certain job. In demand means there is more opportunity to pursue a job within that career field. When there are less job openings in an occupation, it will be more competitive to get a job in that occupation.

### **What is the difference between local and national labor markets?**

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National labor markets will have information about employment across the whole country. Local labor markets will have information about only a small area.

There may be some similarities between the two. For example, with more people using technology, jobs in Information Technology are likely to be in demand locally and nationally.

There may also be some differences. A particular area or region may have a certain resource that makes jobs related to that more available in that area. For example, near the Great Smoky Mountains National Park, there may be lots of park and wildlife-related jobs.

### **What is the difference between local and national labor markets?**

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**Credentials** – these are the qualifications you may need to be eligible for a job, such as training, certifications, or licenses.

*Example:* Nora is interested in being a school bus driver which has credentials of a commercial driver's license and hearing and vision requirements.

**Earnings** – money earned from a job (also called income, wages, salary, pay).

*Example:* The labor market in Amy's local area showed that childcare is in demand and these jobs provide slightly higher earnings than retail workers.

**Economy** – the system of how money is made and used nationally or locally.

*Example:* In Nolan's small rural town, the economy is largely based on farming, including cotton and dairy products.



**Employed**- having a paid job.

*Example:* Marcus is currently employed at his local grocery store.

**Industry** – A group of businesses that make similar products or perform similar services

*Example:* Factories are part of the manufacturing industry.

**Job Growth** – When jobs are created in an area. Job growth can be for all jobs or one particular job.

*Example:* Eli looked at fast growing occupations on the U.S. Bureau of Labor Statistics website and found that physical and occupational therapy assistants have the highest job growth.

**Occupation** – a job

*Example:* On O\*Net, Andre searched by occupation since she knew she was interested in being an animal trainer.

**Occupational** – relating to a job

*Example:* An occupational hazard is a hazard experienced in the workplace, such as working with dangerous machinery or chemicals.

**Outlook** – a forecast of how a job or its growth might change over a period of time

*Example:* Alex learned that bicycle repair has a bright outlook and is expected to grow rapidly in the next several years.

**Trends** – a general direction in which something is developing or changing

*Example:* Due to the pandemic, there is a trend suggesting that more people may work remotely.

**Unemployment** – not having a paid job.

*Example:* Krysta explored the labor market in her area and found that unemployment levels were low, showing that many people were finding jobs easily.

**Wages** – money earned from a job (also called income, earnings, salary, pay).

*Example:* Paul learned that the minimum wage for hourly pay in his state is \$7.25 but may increase in coming years.



## What questions should I try to answer as I explore the labor market?

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- Where will I be able to find this job?
- What education or training programs are available to help me get this job?
- What is the outlook for this job in the future?
- What common skills are required across jobs in the labor market?

## What else can I do to learn about and explore the national and local labor market?

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- Explore the labor market in your local area using Jobs4TN. Download the [Jobs4TN Exploration Activity](#), which includes instructions on how to navigate the site and a recording form for the information you have learned
- Explore the United States Bureau of Labor Statistics website. See the [BLS Scavenger Hunt](#) to learn more
- Attend a career fair to learn more about jobs available in your local area
- Conduct an informational interview with a recruiter . He or she will be able to tell you about the industry or company they work for and how the labor market will change in the future for that career.