

# BY THE NUMBERS:

Summary of True Rate of Unemployment  
For the Month of **July 2023**



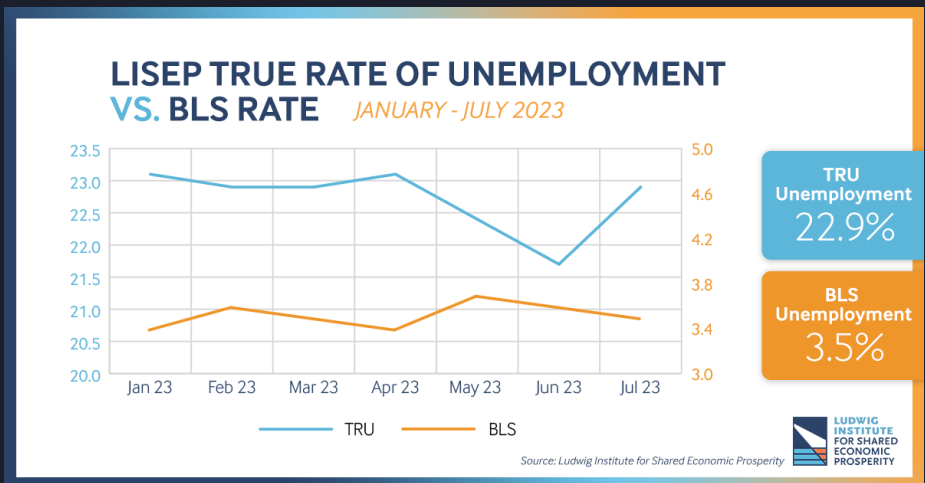
**LUDWIG  
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ECONOMIC  
PROSPERITY**

Ludwig Institute for Shared Economic Prosperity

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## OVERVIEW:

The Ludwig Institute for Shared Economic Prosperity (LISEP) has issued its monthly True Rate of Unemployment (TRU) for July 2023. The TRU, which measures the percentage of “functionally unemployed” in the American workforce – defined as the jobless, plus those seeking but unable to find a full-time job that pays above the poverty level after adjusting for inflation – stands at 22.9% for the month of July, a 1.2 percentage point jump over the June rate.



## KEY TAKEAWAYS:

- **The overall True Rate of Unemployment jumped from 21.7% to 22.9%** from June to July, a 1.2 percentage point increase. This contradicts the trend indicated by the government report released by the U.S. Bureau of Labor Statistics (BLS), where the reported unemployment rate decreased from 3.6% to 3.5% over the same timeframe.
- **Hispanic workers bear the brunt of the TRU increase** with a whopping 3 percentage point jump, from 24.9% to 27.9%. White workers saw only a modest increase of 0.4 percentage points (from 20.7% to 21.1%) and Black workers saw a 0.6 percentage point improvement, dropping from 25.5% to 24.9%.
- **The gender gap remained relatively unchanged for the month of July, but is still substantial.** The TRU for men rose 1.2 percentage points, from 17.7% to 18.9%, while women saw a similar 1.3% increase, rising from 26.4% to 27.7% – with a resulting gender gap of 8.8 percentage points.
- **Unlike months when the TRU increased due to individuals entering or returning to the labor force,** the participation rate is flat – meaning the inability of more workers to earn a living wage is entirely due to loss of living wage employment, reduction in hours, or loss of buying power due to rising prices.