

BY THE NUMBERS:

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

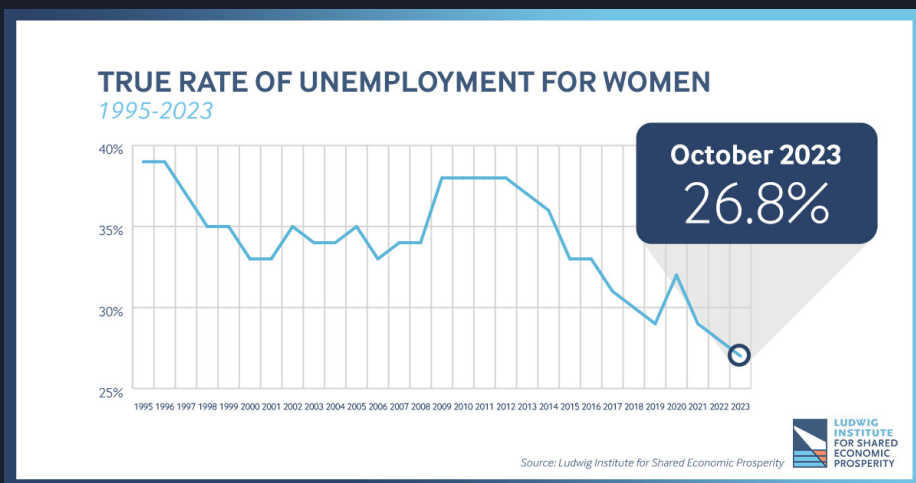


Ludwig Institute for Shared Economic Prosperity

November 14, 2023

OVERVIEW:

The Ludwig Institute for Shared Economic Prosperity (LISEP) has issued its monthly True Rate of Unemployment (TRU) for October 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 22.7% for the month of October, a 0.1 percentage point increase over the July rate.



KEY TAKEAWAYS:

- **The overall True Rate of Unemployment decreased by 0.1 percentage points from September to October**, from 22.8% to 22.7%. Similarly, the U.S. Bureau of Labor Statistics reported a marginal change, but in the other direction — an increase in the jobless rate, from 3.8% to 3.9%.
- **Women workers saw a notable improvement:** the female TRU decreased 0.6 percentage points, improving from 27.4% to 26.8%. This, coupled with the male TRU increasing by 0.5 percentage points (from 18.5% to 19%), has narrowed the gender gap to 7.8 percentage points, compared to 8.9 percentage points in September.
- **This is the second lowest TRU for women dating back to 1995** (the earliest LISEP has records), surpassed only by the 26.4% TRU posted in June of this year. The female TRU has been at or near its lowest level since the start of 2022, with the ten lowest values ever recorded all occurring during that time.
- **Functional unemployment increased slightly** for the three racial and ethnic demographic groups in the LISEP report, with the TRU for Black workers increasing by 0.1 percentage points (from 25.1% to 25.2%); 0.3 percentage points for Hispanic workers (26.0% to 26.3%), and 0.1 percentage point for White workers (21.5 to 21.6%).