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Fewer Living-Wage Jobs in U.S. Economy for November, Ludwig Institute Analysis Finds
Women losing ground in American workforce, contrary to government-reported data

WASHINGTON, D.C. – More than a quarter of Americans desiring full-time work found themselves without a living-wage job in November, with women losing substantial ground in the workforce, according to a report released by the Ludwig Institute for Shared Economic Prosperity (LISEP).

In its monthly analysis, LISEP released its True Rate of Unemployment (TRU), a measure of the percentage of American workers who are “functionally unemployed” – defined as anyone desiring full-time work who is unemployed, or unable to secure employment that lifts them above the poverty line. LISEP’s findings indicate that for the month of November, 25.7 percent of American workers were unable to earn a living wage, an increase over October’s TRU of 25.5 percent. This is in stark contrast with the U.S. Bureau of Labor Statistics (BLS) unemployment rate released earlier in the month, which reported a 6.7 percent jobless rate, down from 6.9 percent in October.

“What we are seeing is a stagnation, if not outright reversal, in the ability of Americans to secure full-time, living wage jobs, which is particularly bad news as we enter the holiday season,” said LISEP Chair Gene Ludwig. “The true measure of a recovering economy is not just the quantity of jobs, but the quality of new jobs created – and this report shows neither.”

The LISEP data also revealed a widening gender gap among American workers, with nearly 30.9 percent of women unable to find a living-wage job, compared to 21.5 percent for men. This is the inverse of the numbers in the BLS report, which indicates women have a lower jobless rate than men, 6.1 versus 6.7 percent.

“This is where the misleading nature of the government-reported statistics comes into play. While a larger percentage of women may have some form of employment, those jobs fail to provide a living wage,” Ludwig said. “If the TRU reports are any indication, the glass ceiling has been reglazed and double-paned in terms of opportunities for women in the workforce.”

Introduced in October, TRU measures the percentage of the U.S. labor force that is *functionally* unemployed. Using data compiled by BLS, TRU tracks the percentage of the U.S.

labor force that does not have a full-time job (35+ hours a week) but wants one, has no job, or does not earn a living wage, conservatively pegged at \$20,000 annually before taxes. An income of \$20,000 or less per year is below the poverty level set by the U.S. Department of Health and Human Services in every state.

“With a new administration and a new economic team taking over, it is imperative that they have relevant data that presents the full economic picture to make policy decisions that will move us out of this pandemic recession,” Ludwig said. “And that begins with a focus on job creation that reduces income inequality and provides opportunity for all.”

LISEP issued the white paper “Measuring Better: Development of ‘True Rate of Unemployment’ Data as the Basis for Social and Economic Policy” upon announcing the new statistical measure in October. The paper and methodology can be viewed [here](#). LISEP issues TRU one to two weeks following the release of the BLS unemployment report, which occurs on the first Friday of each month. The TRU rate and supporting data are available on the LISEP website at www.lisep.org.

LISEP was created in 2019 by Ludwig and his wife, Dr. Carol Ludwig. The mission of LISEP is to improve the economic well-being of middle- and lower-income Americans through research and education, and seeks to advance the dialogue around policy solutions to improve the well-being of all Americans.

In addition to his role as LISEP chair, Gene Ludwig is founder of the Promontory family of companies and Canapi LLC, the nation’s largest financial technology venture fund. He is the CEO of Promontory Financial Group and chairman and CEO of Promontory MortgagePath, a technology-based mortgage fulfillment and solutions company. Ludwig is the former vice chairman and senior control officer of Bankers Trust New York Corp., and served as the U.S. Comptroller of the Currency from 1993 to 1998. He is also author of the book [The Vanishing American Dream](#), which investigates the economic challenges facing low- and middle-income Americans. It was released in September by Disruption Books.