



*This discussion guide is designed to accompany the ELCA World Hunger video, "Kenneth's Story – Milwaukee." You can also download a discussion guide on criminal justice. Find the video and discussion guide at [ELCA.org/hunger/resources](http://ELCA.org/hunger/resources) under the "Stories and Videos" tab.*

## UNEMPLOYMENT AND UNDEREMPLOYMENT

### Measuring unemployment

According to the Bureau of Labor Statistics of the U.S. Department of Labor, there is only one official definition of "unemployment" – "people who are jobless, actively seeking work and available to take a job." This statistic is collected each month by the bureau in a sampling of the total U.S. population. The other categories to which people are assigned are "employed" and "not in the labor force." A person's status is determined by a series of questions surrounding a person's recent work activities. In the survey, participants are never given the opportunity to determine their own labor force status nor are they specifically asked if they are unemployed. After these statuses are assigned and counted, the unemployment rate is calculated. This is the number of unemployed as a percentage of the total labor force.<sup>1</sup>

The "employed" category contains all people who have worked for pay or profit during the week of the survey. This includes part-time and temporary work, including those who may have settled for a part-time job but need full-time work. A person would also be considered employed if they worked at a family-run farm or business without pay for 15 hours or more per week. As stated in the definition, an unemployed person must be actively looking for work. This means that in the past four weeks a person must have used an "active" job search method. Passive methods, such as attending a job training program or reading through classified ads, do not qualify. People who are deemed not to be seeking work are put in the category of "not in the labor force." This status also includes people who are not able to take a job, predominantly those who are in institutions, such as correctional, mental health and residential nursing-care facilities.

### Underemployment

One issue that is missed when the focus is solely on unemployment is "underemployment." The definition of underemployed is not as clear-cut as unemployment. People who are considered underemployed could be working in a job that does not appropriately use their education, training and skills. It could also include people who are not being paid enough for their work or those who wish to find full-time work but are unable to. Since there is no definite criteria, it is difficult to exactly measure underemployment, but from a large body of research, it is clear that this is a serious problem that affects a great number of Americans and may undermine more substantive policies to ensure full employment for those who are able to work. According to the Economic Policy Institute, as of April 2015, 11.1 percent of American women and 10.7 percent of American men aged 16 years or older are underemployed.<sup>2</sup> While these rates are down from peaks higher than 15 percent in 2009, they are still among the highest rates in the last 20 years.

<sup>1</sup> Bureau of Labor Statistics. [http://www.bls.gov/cps/cps\\_htgm.htm#def](http://www.bls.gov/cps/cps_htgm.htm#def)

<sup>2</sup> Economic Policy Institute, "Both genders suffer from sustained high underemployment, 1994-2015." Available at [www.stateofworkingamerica.org/charts/underemployment-gender/](http://www.stateofworkingamerica.org/charts/underemployment-gender/).