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**Labor Market Outlook:**

**March 2022**

**10 March 2022**

**THE RISE IN EMPLOYMENT HALTS**

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**Executive Summary**

Since the number of employment decreased by 43 thousand and the number of unemployed persons increased by 21 thousand, the labor force declined by 22 thousand. As a result, the unemployment rate did not change from December to January and remained at 11.4%.

Seasonally adjusted female unemployment rate edged down by 0.3 pp MoM to 13.6% as the female employment and the female labor force rose by 79 thousand and 51 thousand, respectively. On the other hand, seasonally adjusted male unemployment rate rose by 0.2 pp to 10.3% following the decreases in male employment and male labor force by 122 thousand and 73 thousand, respectively. In January, female employment expanded more than female labor force, and the number of unemployed females decreased by 28 thousand while the number of unemployed males increased by 49 thousand. Following these developments, the gender gap in the unemployment rates of females and males edged down to 3.3%.

# Employment falls, the number of unemployed persons rises

According to the monthly seasonally adjusted data, the number of employed persons declined by 43 thousand MoM to 29 million 910 thousand and the number of unemployed persons increased by 21 thousand to 3 million 859 thousand. Therefore, the total labor force decreased by 22 thousand to 33 million 769 thousand (Figure 1, Table 1). As a result, the unemployment rate remained at 11.4% in January.

Figure 1 : Seasonally adjusted labor force, employment, and unemployment

Source: Turkstat, Betam

# Developments in the alternative unemployment rates

Box 1 reports the methods how Turkstat calculates the alternative unemployment rates. These measures consider both the time-related underemployment (those who are employed less than 40 hours a week but would like to increase their working hours, nevertheless, fail to do so) and the potential labor force (the individuals who are neither employed nor looking for a job but wish to work).

According to the seasonally adjusted data, "the combined rate of unemployment and the potential labor force" edged up by 0.1 pp to 19% while “general unemployment rate” remained at 11.4%. Potential labor force had risen by 272 thousand in December, then it increased by 14 thousand in January. On the other hand, "the combined rate of time-related underemployment and unemployment" increased by 0.1 pp to 15.7% from December to January. “The composite measure of labor underutilization”, which combines the two previous alternative unemployment metrics, rose from 22.8% to 22.9% (Figure 2, Table 4).

Figure 2 : Headline Unemployment Rate and Supplementary Indicators for Labor Force

Source: Turkstat, Betam

# On the developments of sectorial employment

As known, Turkstat began to release monthly labor statistics instead of 3-month-average as of January 2021. Nevertheless, it was evident that there were huge swings in the monthly sectorial employment levels, which cannot be attributed to the economic conjuncture.With the release of 2021 Q4 labor statistics on February 15th, Turkstat announced that the monthly sectorial employment statistics will no longer be published. Indeed, the labor statistics that was released on March 10th did not include sectorial employment data. From now on, Betam will analyze the sectorial employment developments in its quarterly notes.

# Female unemployment rate drops

Figure 5 shows seasonally adjusted unemployment rate for males (green) and for females (purple). Female employment rose by 79 thousand in January on top of the cumulative increase of 488 thousand in the last four months. On the other hand, the number of unemployed females decreased by 28 thousand. The female labor force rose by 51 thousand compared to the last month. Since female employment rose faster than female labor force, the female unemployment rate dropped markedly by 0.3 pp to 13.6% in January. To remind, the female unemployment rate had fallen from 14.3% to 13.9% in December. The number of unemployed males rose by 49 thousand while male employment decreased by 122 thousand. Hence, the unemployment rate of males edged up by 0.2 pp from 10.1% to 10.3% (Table 5). As a result of these changes, the gender gap in the unemployment rates of females and males receded to 3.3%.

Figure 3 : Seasonally adjusted unemployment rate by gender (%)

Source: Turkstat, Betam

The female employment rate rose by 0.2 pp, whereas the male employment rate dropped by 0.4 pp, respectively. Following these developments, the female employment rate rose from 29.5% in December to 29.7% in January. The female employment rate exceeded its pre-pandemic level (27.6% in January 2020) by 2.1 pp. It reached its peak in December 2017 (29.8%) as the economy recovers from the recession in 2018 and pandemic crisis. On the other hand, the male employment rate decreased by 0.4 pp to 63.8% due to the drop of 122 thousand in employment. The male employment rate is 2.6 pp below its record in July 2018 (66.4%).

Figure 4 : Seasonally adjusted employment rate by gender (%)

Source: Turkstat, Betam

Table 1 : Seasonally adjusted labor force indicators (in thousands)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | **Labor force** | **Employment** | **Unemployment** | **Unemployment rate** | **Monthly changes** |
| **January-19** | 32126 | 27771 | 4356 | 13,6% | **Labor force** | **Employment** | **Unemployment** |
| **February-19** | 32430 | 27945 | 4484 | 13,8% | 304 | 174 | 128 |
| **March-19** | 32857 | 28300 | 4557 | 13,9% | 427 | 355 | 73 |
| **April-19** | 32408 | 27922 | 4486 | 13,8% | -449 | -378 | -71 |
| **May-19** | 32668 | 28185 | 4483 | 13,7% | 260 | 263 | -3 |
| **June-19** | 32578 | 28111 | 4467 | 13,7% | -90 | -74 | -16 |
| **July-19** | 32532 | 28020 | 4512 | 13,9% | -46 | -91 | 45 |
| **August-19** | 32442 | 27903 | 4539 | 14,0% | -90 | -117 | 27 |
| **September-19** | 32489 | 27926 | 4563 | 14,0% | 47 | 23 | 24 |
| **October-19** | 32448 | 28076 | 4372 | 13,5% | -41 | 150 | -191 |
| **November-19** | 32600 | 28282 | 4318 | 13,2% | 152 | 206 | -54 |
| **December-19** | 32595 | 28221 | 4374 | 13,4% | -5 | -61 | 56 |
| **January-20** | 31763 | 27587 | 4176 | 13,1% | -832 | -634 | -198 |
| **February-20** | 31586 | 27606 | 3980 | 12,6% | -177 | 19 | -196 |
| **March-20** | 30423 | 26489 | 3934 | 12,9% | -1163 | -1117 | -46 |
| **April-20** | 29296 | 25324 | 3973 | 13,6% | -1127 | -1165 | 39 |
| **May-20** | 29773 | 25759 | 4014 | 13,5% | 477 | 435 | 41 |
| **June-20** | 30539 | 26475 | 4065 | 13,3% | 766 | 716 | 51 |
| **July-20** | 30501 | 26203 | 4298 | 14,1% | -38 | -272 | 233 |
| **August-20** | 30851 | 26926 | 3925 | 12,7% | 350 | 723 | -373 |
| **September-20** | 31033 | 27106 | 3926 | 12,7% | 182 | 180 | 1 |
| **October-20** | 31157 | 27073 | 4085 | 13,1% | 124 | -33 | 159 |
| **November-20** | 31314 | 27221 | 4093 | 13,1% | 157 | 148 | 8 |
| **December-20** | 31074 | 27058 | 4015 | 12,9% | -240 | -163 | -78 |
| **January-21** | 31513 | 27493 | 4021 | 12,8% | 439 | 435 | 6 |
| **February-21** | 31766 | 27588 | 4179 | 13,2% | 253 | 95 | 158 |
| **March-21** | 32465 | 28250 | 4215 | 13,0% | 699 | 662 | 36 |
| **April-21** | 32671 | 28173 | 4498 | 13,8% | 206 | -77 | 283 |
| **May-21** | 32417 | 28121 | 4295 | 13,2% | -254 | -52 | -203 |
| **June-21** | 32192 | 28793 | 3399 | 10,6% | -225 | 672 | -896 |
| **July-21** | 32597 | 28939 | 3658 | 11,2% | 405 | 146 | 259 |
| **August-21** | 32775 | 28988 | 3787 | 11,6% | 178 | 49 | 129 |
| **September-21** | 33195 | 29419 | 3776 | 11,4% | 420 | 431 | -11 |
| **October-21** | 33286 | 29558 | 3728 | 11,2% | 91 | 139 | -48 |
| **November-21** | 33525 | 29735 | 3790 | 11,3% | 239 | 177 | 62 |
| **December-21** | 33791 | 29953 | 3838 | 11,4% | 266 | 218 | 48 |
| **January-22** | 33769 | 29910 | 3859 | 11,4% | -22 | -43 | 21 |

Source: Turkstat, Betam

Table 2 : Unemployment, alternative unemployment rates (%) levels (in thousand)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Unemployment Rate (%)** | **Persons in Unemployment (in thousands)** | **Combined Rate of Time-Related Underemployment and Unemployment (%)** | **Time-Related Underemployed (in thousands)** | **Combined Rate of Unemployment and Potential Labor Force (%)** | **Potential Labor Force (in thousands)** | **Composite Measure of Labor Underutilization (%)** | **Total** |
| **Jan-19** | 13,6 | 4356 | 14,7 | 367 | 18,6 | 1989 | 19,7 | 6712 |
| **Feb-19** | 13,8 | 4484 | 15,1 | 413 | 18,0 | 1650 | 19,2 | 6547 |
| **Mar-19** | 13,9 | 4557 | 15,2 | 437 | 18,4 | 1824 | 19,7 | 6819 |
| **Apr-19** | 13,8 | 4486 | 15,0 | 375 | 18,0 | 1643 | 19,1 | 6504 |
| **May-19** | 13,7 | 4483 | 14,5 | 254 | 17,8 | 1620 | 18,6 | 6357 |
| **Jun-19** | 13,7 | 4467 | 14,7 | 322 | 18,2 | 1788 | 19,1 | 6576 |
| **Jul-19** | 13,9 | 4512 | 14,9 | 335 | 18,3 | 1764 | 19,3 | 6611 |
| **Aug-19** | 14,0 | 4539 | 14,8 | 262 | 18,4 | 1753 | 19,2 | 6554 |
| **Sep-19** | 14,0 | 4563 | 15,1 | 343 | 17,9 | 1526 | 18,9 | 6431 |
| **Oct-19** | 13,5 | 4372 | 14,4 | 301 | 17,9 | 1749 | 18,7 | 6422 |
| **Nov-19** | 13,2 | 4318 | 14,3 | 344 | 17,4 | 1640 | 18,4 | 6302 |
| **Dec-19** | 13,4 | 4374 | 14,6 | 385 | 17,6 | 1654 | 18,7 | 6413 |
| **Jan-20** | 13,1 | 4176 | 15,8 | 843 | 19,1 | 2337 | 21,6 | 7356 |
| **Feb-20** | 12,6 | 3980 | 14,9 | 726 | 18,6 | 2328 | 20,7 | 7034 |
| **Mar-20** | 12,9 | 3934 | 16,0 | 934 | 20,3 | 2813 | 23,1 | 7681 |
| **Apr-20** | 13,6 | 3973 | 18,4 | 1417 | 23,5 | 3806 | 27,7 | 9196 |
| **May-20** | 13,5 | 4014 | 19,2 | 1702 | 24,3 | 4255 | 29,3 | 9971 |
| **Jun-20** | 13,3 | 4065 | 17,0 | 1127 | 22,4 | 3577 | 25,8 | 8769 |
| **Jul-20** | 14,1 | 4298 | 18,1 | 1223 | 22,4 | 3266 | 26,0 | 8786 |
| **Aug-20** | 12,7 | 3925 | 16,7 | 1227 | 21,3 | 3362 | 24,9 | 8515 |
| **Sep-20** | 12,7 | 3926 | 15,9 | 1008 | 21,2 | 3367 | 24,2 | 8301 |
| **Oct-20** | 13,1 | 4085 | 17,4 | 1336 | 21,9 | 3506 | 25,7 | 8928 |
| **Nov-20** | 13,1 | 4093 | 17,1 | 1262 | 23,0 | 4038 | 26,5 | 9393 |
| **Dec-20** | 12,9 | 4015 | 18,1 | 1609 | 24,1 | 4577 | 28,6 | 10201 |
| **Jan-21** | 12,8 | 4021 | 20,2 | 2345 | 23,0 | 4191 | 29,6 | 10557 |
| **Feb-21** | 13,2 | 4179 | 19,6 | 2047 | 22,3 | 3739 | 28,0 | 9965 |
| **Mar-21** | 13,0 | 4215 | 18,1 | 1661 | 21,0 | 3294 | 25,6 | 9171 |
| **Apr-21** | 13,8 | 4498 | 19,8 | 1971 | 21,8 | 3356 | 27,3 | 9825 |
| **May-21** | 13,3 | 4295 | 19,3 | 1961 | 21,7 | 3499 | 27,1 | 9755 |
| **Jun-21** | 10,6 | 3399 | 14,5 | 1269 | 18,7 | 3224 | 22,3 | 7892 |
| **Jul-21** | 11,2 | 3658 | 15,6 | 1427 | 19,0 | 3130 | 23,0 | 8215 |
| **Aug-21** | 11,6 | 3787 | 14,7 | 1031 | 18,6 | 2837 | 21,5 | 7655 |
| **Sep-21** | 11,4 | 3776 | 15,0 | 1203 | 18,4 | 2858 | 21,8 | 7837 |
| **Oct-21** | 11,2 | 3728 | 15,7 | 1498 | 18,7 | 3071 | 22,8 | 8297 |
| **Nov-21** | 11,3 | 3790 | 15,5 | 1406 | 18,3 | 2870 | 22,2 | 8067 |
| **Dec-21** | 11,4 | 3838 | 15,6 | 1433 | 18,9 | 3142 | 22,8 | 8414 |
| **Jan-22** | 11,4 | 3859 | 15,7 | 1443 | 19,0 | 3157 | 22,9 | 8459 |

Source: Turkstat, Betam

Table 3 : Seasonally adjusted female and male labor market indicators (thousands)

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|   | **Total labor force, Female** | **Total Employment, Female** | **Total Unemployed, Female** | **Total labor force, Male** | **Total Employment, Male** | **Total Unemployed, Male** | **Women LFPR** | **Women Employment Rate** | **Men LFPR** | **Men Employment Rate** |
| **Jan-19** | 10.634 | 8.956 | 1.678 | 21.492 | 18.815 | 2.677 | 34,5 | 29,0 | 71,3 | 62,4 |
| **Feb-19** | 10.706 | 8.950 | 1.756 | 21.724 | 18.996 | 2.728 | 34,6 | 29,0 | 72,0 | 62,9 |
| **Mar-19** | 10.783 | 8.976 | 1.807 | 22.074 | 19.324 | 2.750 | 34,8 | 29,0 | 73,0 | 63,9 |
| **Apr-19** | 10.786 | 8.995 | 1.791 | 21.622 | 18.927 | 2.695 | 34,8 | 29,0 | 71,4 | 62,5 |
| **May-19** | 10.746 | 8.954 | 1.792 | 21.922 | 19.231 | 2.691 | 34,6 | 28,9 | 72,3 | 63,4 |
| **Jun-19** | 10.650 | 8.920 | 1.730 | 21.928 | 19.191 | 2.737 | 34,3 | 28,7 | 72,2 | 63,2 |
| **Jul-19** | 10.675 | 8.943 | 1.732 | 21.857 | 19.078 | 2.779 | 34,3 | 28,7 | 71,9 | 62,8 |
| **Aug-19** | 10.610 | 8.876 | 1.734 | 21.832 | 19.027 | 2.805 | 34,1 | 28,5 | 71,7 | 62,5 |
| **Sep-19** | 10.686 | 8.917 | 1.769 | 21.803 | 19.009 | 2.794 | 34,2 | 28,6 | 71,5 | 62,4 |
| **Oct-19** | 10.679 | 8.985 | 1.694 | 21.769 | 19.091 | 2.678 | 34,2 | 28,8 | 71,3 | 62,6 |
| **Nov-19** | 10.740 | 8.990 | 1.750 | 21.860 | 19.292 | 2.568 | 34,3 | 28,7 | 71,6 | 63,1 |
| **Dec-19** | 10.653 | 8.920 | 1.733 | 21.942 | 19.302 | 2.640 | 34,0 | 28,5 | 71,7 | 63,1 |
| **Jan-20** | 10.315 | 8.665 | 1.650 | 21.449 | 18.923 | 2.526 | 32,9 | 27,6 | 70,0 | 61,8 |
| **Feb-20** | 10.148 | 8.676 | 1.471 | 21.438 | 18.929 | 2.509 | 32,3 | 27,6 | 69,8 | 61,7 |
| **Mar-20** | 9.469 | 8.074 | 1.395 | 20.954 | 18.415 | 2.539 | 30,1 | 25,7 | 68,1 | 59,9 |
| **Apr-20** | 9.206 | 7.884 | 1.322 | 20.091 | 17.440 | 2.651 | 29,2 | 25,0 | 65,2 | 56,6 |
| **May-20** | 9.274 | 7.921 | 1.353 | 20.499 | 17.838 | 2.661 | 29,4 | 25,1 | 66,4 | 57,8 |
| **Jun-20** | 9.662 | 8.156 | 1.506 | 20.877 | 18.319 | 2.558 | 30,6 | 25,8 | 67,5 | 59,2 |
| **Jul-20** | 9.761 | 8.246 | 1.515 | 20.740 | 17.957 | 2.783 | 30,8 | 26,1 | 66,9 | 58,0 |
| **Aug-20** | 9.791 | 8.358 | 1.432 | 21.060 | 18.567 | 2.493 | 30,9 | 26,4 | 67,8 | 59,8 |
| **Sep-20** | 9.736 | 8.332 | 1.403 | 21.297 | 18.774 | 2.523 | 30,7 | 26,3 | 68,5 | 60,4 |
| **Oct-20** | 9.780 | 8.323 | 1.457 | 21.377 | 18.749 | 2.628 | 30,8 | 26,2 | 68,6 | 60,2 |
| **Nov-20** | 9.772 | 8.377 | 1.395 | 21.542 | 18.844 | 2.699 | 30,7 | 26,3 | 69,0 | 60,4 |
| **Dec-20** | 9.857 | 8.474 | 1.383 | 21.217 | 18.584 | 2.633 | 30,9 | 26,6 | 67,9 | 59,4 |
| **Jan-21** | 9.997 | 8.553 | 1.444 | 21.516 | 18.940 | 2.576 | 31,3 | 26,8 | 68,7 | 60,5 |
| **Feb-21** | 10.196 | 8.634 | 1.563 | 21.570 | 18.954 | 2.616 | 31,9 | 27,0 | 68,8 | 60,4 |
| **Mar-21** | 10.273 | 8.640 | 1.634 | 22.192 | 19.610 | 2.582 | 32,1 | 27,0 | 70,7 | 62,5 |
| **Apr-21** | 10.471 | 8.791 | 1.681 | 22.200 | 19.382 | 2.817 | 32,7 | 27,4 | 70,6 | 61,7 |
| **May-21** | 10.195 | 8.606 | 1.589 | 22.222 | 19.515 | 2.706 | 31,8 | 26,8 | 70,6 | 62,0 |
| **Jun-21** | 10.369 | 8.901 | 1.468 | 21.822 | 19.892 | 1.931 | 32,3 | 27,7 | 69,3 | 63,1 |
| **Jul-21** | 10.820 | 9.318 | 1.503 | 21.777 | 19.621 | 2.155 | 33,6 | 28,9 | 69,0 | 62,2 |
| **Aug-21** | 10.626 | 9.074 | 1.552 | 22.149 | 19.914 | 2.235 | 33,0 | 28,1 | 70,1 | 63,0 |
| **Sep-21** | 10.771 | 9.227 | 1.544 | 22.424 | 20.192 | 2.232 | 33,4 | 28,6 | 70,9 | 63,8 |
| **Oct-21** | 10.879 | 9.361 | 1.517 | 22.407 | 20.196 | 2.211 | 33,6 | 29,0 | 70,8 | 63,8 |
| **Nov-21** | 10.998 | 9.421 | 1.577 | 22.527 | 20.313 | 2.214 | 34,0 | 29,1 | 71,0 | 64,1 |
| **Dec-21** | 11.112 | 9.562 | 1.550 | 22.679 | 20.391 | 2.288 | 34,3 | 29,5 | 71,4 | 64,2 |
| **Jan-22** | 11.163 | 9.641 | 1.522 | 22.606 | 20.269 | 2.337 | 34,4 | 29,7 | 71,1 | 63,8 |

Source: Turkstat, Betam

**Box 1 : Definitions of alternative unemployment rates[[4]](#footnote-4)**

**The time-related underemployment**: Persons employed in the reference week who actually worked less than 40 hours as total (in main job and additional job/s), were willing to work additional hours and were available to do so, but could not find a job for the extra hours.

**The potential labor force:** Persons not in employment who would like to work, but for whom the existing conditions limit active job search and/or availability.

**The unemployed:** The unemployed comprises all persons 15 years of age and over who were not employed during the reference period had used at least one active channel for seeking a job during the last four weeks and were available to start work within two weeks.

**1) Unemployment rate** = [persons in unemployment/labor force]x100

**2) Combined rate of time-related underemployment and unemployment =**

 [(persons in time-related underemployment + persons in unemployment) / labor force] \* 100

**3) Combined rate of unemployment and potential labor force =**

 [(persons in unemployment + potential labor force)/ (labor force+ potential labor force)] x 100

**4) Composite measure of labor underutilization =**

[(persons in time-related underemployment + persons in unemployment + potential labor force) / (labor force+ potential labor force)] x 100

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4. Detailed information is available in the ***Metadata*** section of the link : <https://data.tuik.gov.tr/Kategori/GetKategori?p=istihdam-issizlik-ve-ucret-108&dil=1> [↑](#footnote-ref-4)