

THE STRONG RISE IN EMPLOYMENT CARRIES ON

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Executive Summary

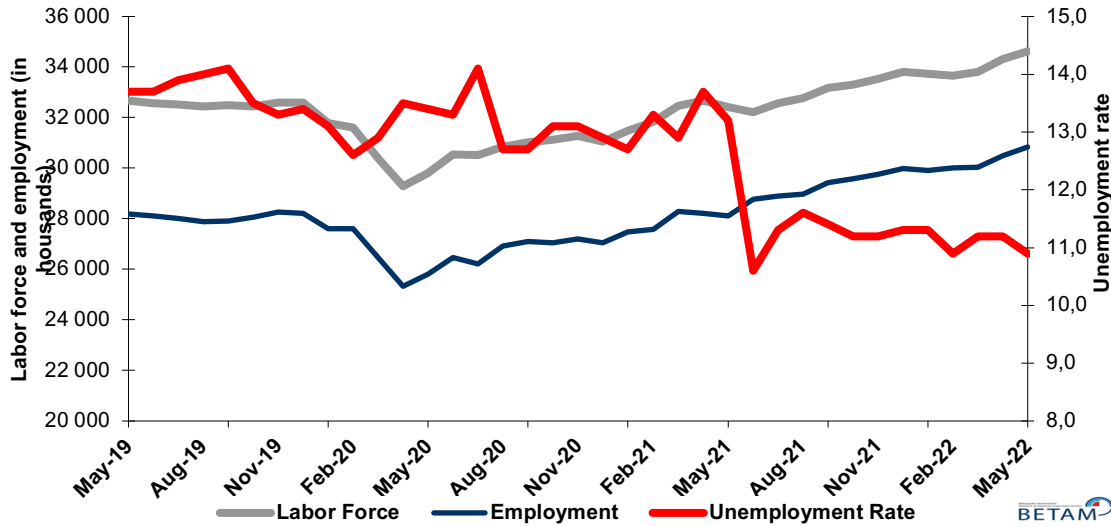
Since the number of employed persons increased by 358 thousand and the number of unemployed persons decreased by 56 thousand, the labor force rose by 302 thousand. As a result, the unemployment rate decreased 0.3 pp to 10.9% from April to May.

Seasonally adjusted female unemployment rate edged down by 0.5 pp MoM to 13.8% as the female employment rose by 173 thousand while the number of unemployed females decreased by 30 thousand. On the other hand, seasonally adjusted male unemployment rate declined by 0.2 pp to 9.5% following the increase in male employment by 186 thousand and the decline in the number of unemployed males by 27 thousand. Following these developments, the gender gap in the unemployment rates of females and males edged down to 4.3%.

The rise in employment reached 800 thousand in the last two months

According to the monthly seasonally adjusted data, the number of employed persons rose by 358 thousand MoM to 30 million 839 thousand and the number of unemployed persons decreased by 56 thousand to 3 million 785 thousand. Therefore, the total labor force increased by 302 thousand to 34 million 624 thousand (Figure 1, Table 1). In the last two months, labor force and employment increased by 802 thousand and 796 thousand, respectively. The rise in labor force was in tandem with the increase in employment. From March to May, the unemployment rate declined by 0.3 pp to 10.9% while the number of unemployed persons did not change.

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



Source: Turkstat, Betam

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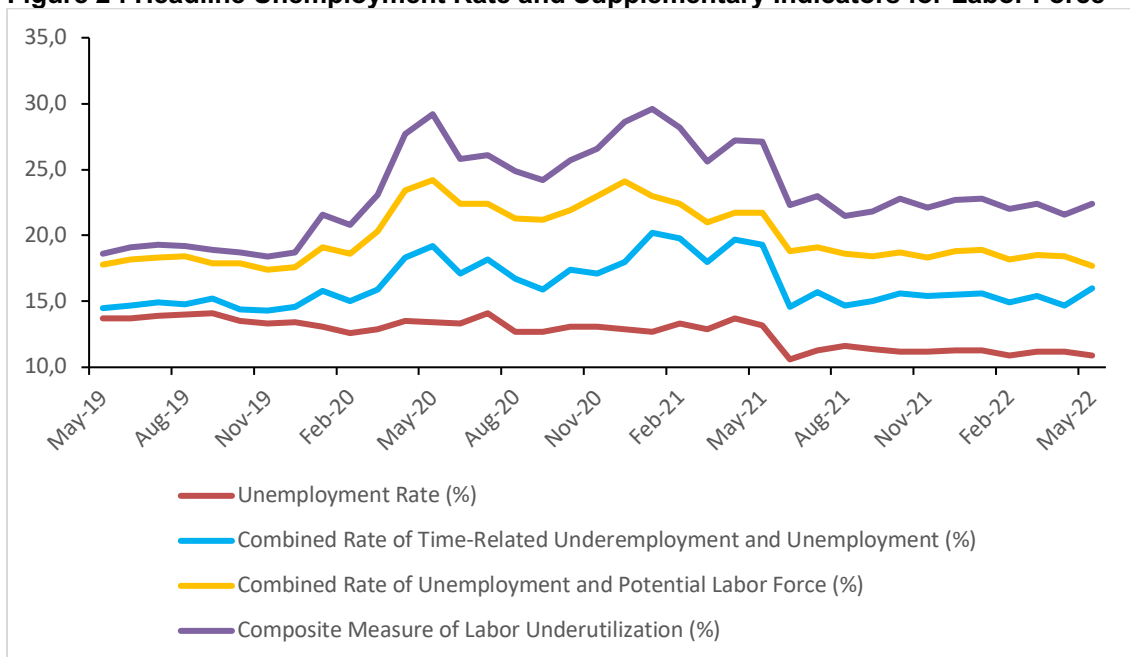
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Developments in the alternative unemployment rates

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" declined by 0.7 pp to 17.7% while "general unemployment rate" decreased by 0.3 pp to 10.9%. On the other hand, "the combined rate of time-related underemployment and unemployment" increased by 1.3 pp to 16% from April to May. In this period, the increase in the combined rate of time-related underemployment exceeded the rise in employment. "The composite measure of labor underutilization", which combines the two previous alternative unemployment metrics, surged by 0.8 pp from 21.6% to 22.4% (Figure 2, Table 4).

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



Source: Turkstat, Betam

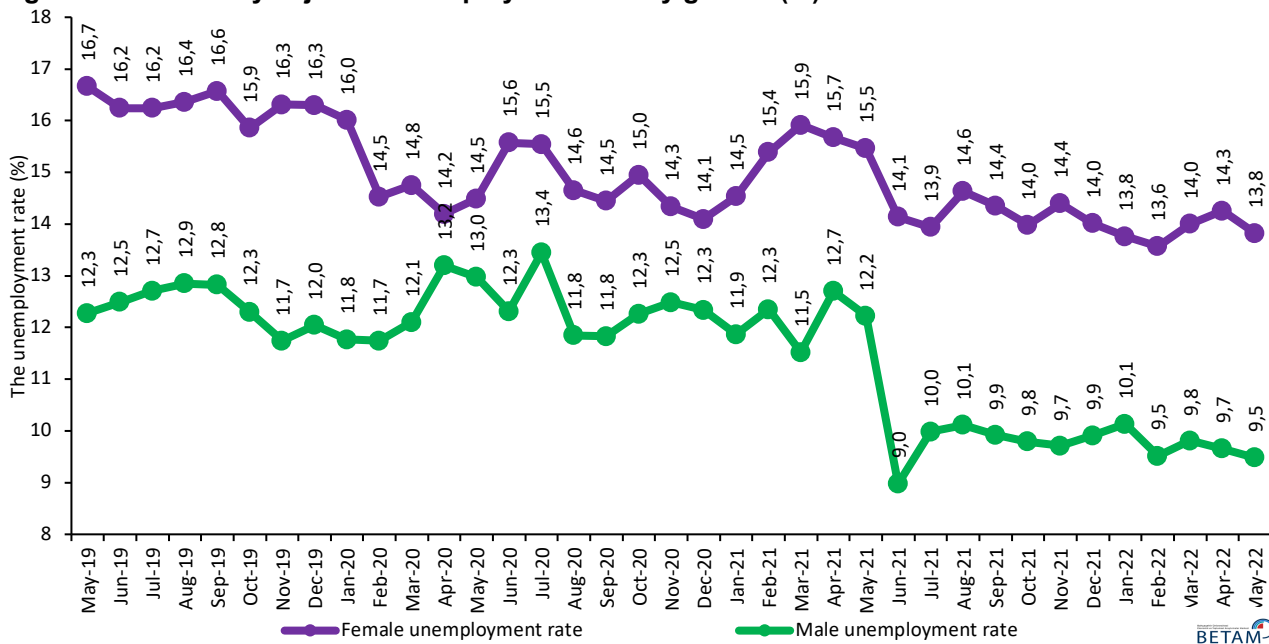
On the developments of sectorial employment

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.

New record in female employment

Figure 3 shows seasonally adjusted unemployment rate for males and for females. Female employment level, which rose by 347 thousand in April 2022, rose by 173 thousand in May 2022. On the other hand, the number of unemployed females decreased MoM by 30 thousand. In light of these developments, the female unemployment rate fell by 0.5 pp to 13.8%. The number of unemployed males dropped by 27 thousand while male employment increased by 186 thousand in May. Hence, the unemployment rate of males edged down from 9.7% to 9.5% (Table 3).

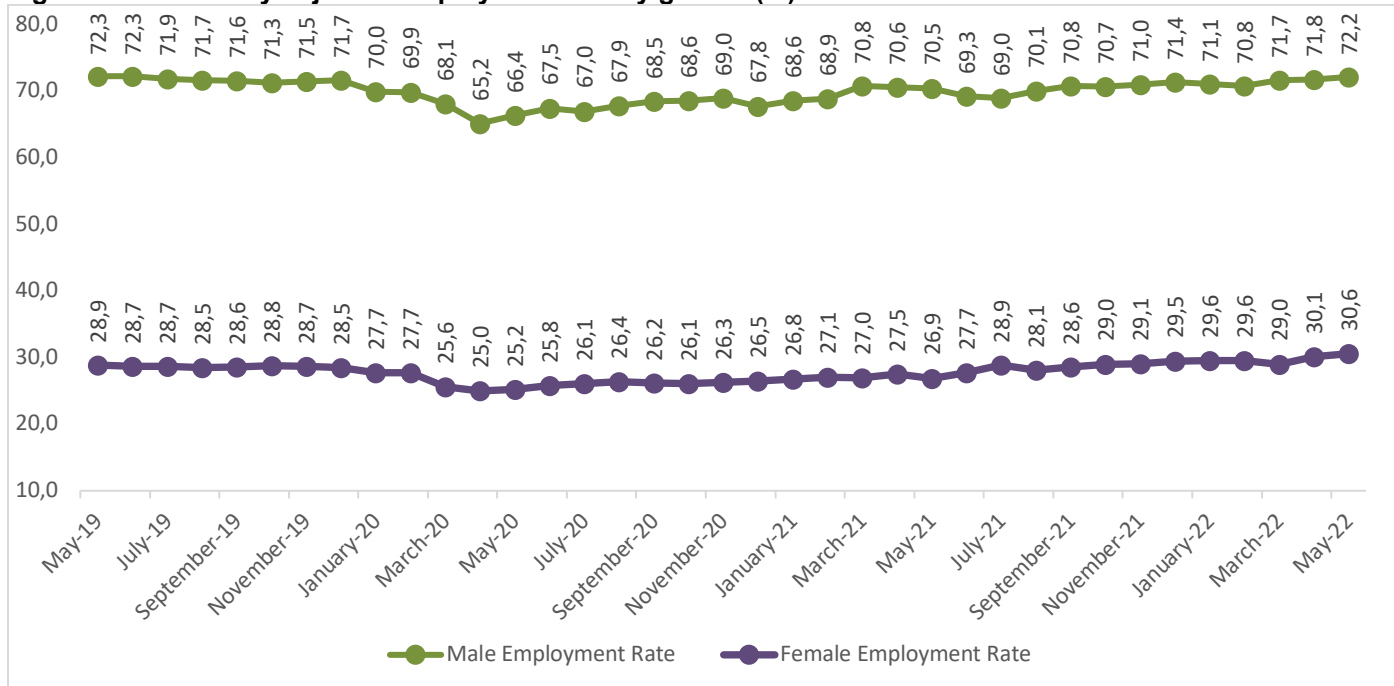
Figure 3 : Seasonally adjusted unemployment rate by gender (%)



Source: Turkstat, Betam

Female employment rate, which rose by 1.1 pp and exceeded 30% for the first time in April 2022, reached a new record at 30.6% following the rise of 0.5 pp in May 2022. On the other hand, the male employment rate increased by 0.5 pp to 65.3% (Figure 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		
					Labor Force	Employment	Unemployment
May-19	32,666	28,185	4,481	13.7%			
June-19	32,576	28,106	4,470	13.7%	-90	-79	-11
July-19	32,530	28,019	4,511	13.9%	-46	-87	41
August-19	32,437	27,896	4,541	14.0%	-93	-123	30
September-19	32,489	27,922	4,567	14.1%	52	26	26
October-19	32,445	28,074	4,371	13.5%	-44	152	-196
November-19	32,593	28,274	4,319	13.3%	148	200	-52
December-19	32,595	28,216	4,379	13.4%	2	-58	60
January-20	31,788	27,609	4,179	13.1%	-807	-607	-200
February-20	31,612	27,618	3,995	12.6%	-176	9	-184
March-20	30,397	26,468	3,929	12.9%	-1,215	-1,150	-66
April-20	29,285	25,329	3,956	13.5%	-1,112	-1,139	27
May-20	29,808	25,800	4,009	13.4%	523	471	53
June-20	30,553	26,475	4,077	13.3%	745	675	68
July-20	30,507	26,201	4,306	14.1%	-46	-274	229
August-20	30,851	26,922	3,929	12.7%	344	721	-377
September-20	31,015	27,091	3,924	12.7%	164	169	-5
October-20	31,124	27,045	4,079	13.1%	109	-46	155
November-20	31,285	27,198	4,087	13.1%	161	153	8
December-20	31,040	27,037	4,003	12.9%	-245	-161	-84
January-21	31,488	27,485	4,002	12.7%	448	448	-1
February-21	31,831	27,590	4,241	13.3%	343	105	239
March-21	32,477	28,284	4,193	12.9%	646	694	-48
April-21	32,662	28,203	4,459	13.7%	185	-81	266
May-21	32,415	28,122	4,293	13.2%	-247	-81	-166
June-21	32,208	28,781	3,427	10.6%	-207	659	-866
July-21	32,577	28,898	3,679	11.3%	369	117	252
August-21	32,775	28,980	3,795	11.6%	198	82	116
September-21	33,189	29,418	3,771	11.4%	414	438	-24
October-21	33,293	29,577	3,716	11.2%	104	159	-55
November-21	33,520	29,749	3,771	11.3%	227	172	55
December-21	33,799	29,993	3,806	11.3%	279	244	35
January-22	33,741	29,917	3,824	11.3%	-58	-76	18
February-22	33,656	30,002	3,654	10.9%	-85	85	-170
March-22	33,822	30,043	3,779	11.2%	166	41	125
April-22	34,322	30,481	3,841	11.2%	500	438	62
May-22	34,624	30,839	3,785	10.9%	302	358	-56

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
May-19	13.7	4481	14.5	256	17.8	1622	18.6	6359
Jun-19	13.7	4470	14.7	319	18.2	1783	19.1	6572
Jul-19	13.9	4511	14.9	336	18.3	1765	19.3	6612
Aug-19	14.0	4541	14.8	260	18.4	1749	19.2	6550
Sep-19	14.1	4567	15.2	371	17.9	1521	18.9	6459
Oct-19	13.5	4371	14.4	301	17.9	1750	18.7	6422
Nov-19	13.3	4319	14.3	342	17.4	1637	18.4	6298
Dec-19	13.4	4379	14.6	380	17.6	1648	18.7	6407
Jan-20	13.1	4179	15.8	844	19.1	2339	21.6	7362
Feb-20	12.6	3995	15.0	747	18.6	2316	20.8	7057
Mar-20	12.9	3929	15.9	904	20.3	2813	23.1	7646
Apr-20	13.5	3956	18.3	1403	23.4	3782	27.7	9141
May-20	13.4	4009	19.2	1714	24.2	4228	29.2	9951
Jun-20	13.3	4077	17.1	1148	22.4	3566	25.8	8790
Jul-20	14.1	4306	18.2	1246	22.4	3257	26.1	8809
Aug-20	12.7	3929	16.7	1223	21.3	3357	24.9	8510
Sep-20	12.7	3924	15.9	1007	21.2	3364	24.2	8296
Oct-20	13.1	4079	17.4	1337	21.9	3505	25.7	8920
Nov-20	13.1	4087	17.1	1263	23.0	4037	26.6	9387
Dec-20	12.9	4003	18.0	1584	24.1	4582	28.6	10169
Jan-21	12.7	4002	20.2	2359	23.0	4208	29.6	10569
Feb-21	13.3	4241	19.8	2062	22.4	3723	28.2	10026
Mar-21	12.9	4193	18.0	1653	21.0	3326	25.6	9171
Apr-21	13.7	4459	19.7	1975	21.7	3357	27.2	9792
May-21	13.2	4293	19.3	1963	21.7	3501	27.1	9757
Jun-21	10.6	3427	14.6	1275	18.8	3237	22.3	7939
Jul-21	11.3	3679	15.7	1436	19.1	3144	23.0	8258
Aug-21	11.6	3795	14.7	1023	18.6	2827	21.5	7645
Sep-21	11.4	3771	15.0	1207	18.4	2862	21.8	7841
Oct-21	11.2	3716	15.6	1478	18.7	3087	22.8	8281
Nov-21	11.2	3771	15.4	1391	18.3	2892	22.1	8055
Dec-21	11.3	3806	15.5	1433	18.8	3138	22.7	8377
Jan-22	11.3	3824	15.6	1440	18.9	3148	22.8	8412
Feb-22	10.9	3654	14.9	1361	18.2	3021	22.0	8036
Mar-22	11.2	3779	15.4	1430	18.5	3041	22.4	8249
Apr-22	11.2	3841	14.7	1204	18.4	3032	21.6	8078
May-22	10.9	3785	16.0	1755	17.7	2847	22.4	8387

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
May-19	10,744	8,954	1,790	21,922	19,231	2,691	34.6	28.9	72.3	63.4
Jun-19	10,645	8,916	1,729	21,930	19,190	2,740	34.3	28.7	72.3	63.2
Jul-19	10,676	8,942	1,734	21,854	19,077	2,777	34.3	28.7	71.9	62.8
Aug-19	10,606	8,871	1,735	21,831	19,025	2,806	34.0	28.5	71.7	62.5
Sep-19	10,683	8,914	1,770	21,805	19,008	2,797	34.2	28.6	71.6	62.4
Oct-19	10,676	8,983	1,693	21,769	19,091	2,678	34.2	28.8	71.3	62.6
Nov-19	10,734	8,982	1,751	21,859	19,292	2,567	34.3	28.7	71.5	63.1
Dec-19	10,651	8,915	1,736	21,943	19,301	2,643	34.0	28.5	71.7	63.1
Jan-20	10,341	8,685	1,656	21,447	18,924	2,523	33.0	27.7	70.0	61.8
Feb-20	10,166	8,689	1,477	21,446	18,928	2,518	32.4	27.7	69.9	61.7
Mar-20	9,457	8,062	1,395	20,940	18,406	2,534	30.1	25.6	68.1	59.9
Apr-20	9,195	7,891	1,305	20,089	17,438	2,651	29.2	25.0	65.2	56.6
May-20	9,310	7,961	1,349	20,498	17,838	2,660	29.5	25.2	66.4	57.8
Jun-20	9,664	8,159	1,505	20,888	18,316	2,572	30.6	25.8	67.5	59.2
Jul-20	9,761	8,244	1,517	20,745	17,956	2,789	30.8	26.1	67.0	58.0
Aug-20	9,789	8,356	1,434	21,061	18,566	2,495	30.9	26.4	67.9	59.8
Sep-20	9,723	8,319	1,405	21,292	18,772	2,519	30.6	26.2	68.5	60.4
Oct-20	9,759	8,300	1,459	21,365	18,745	2,620	30.7	26.1	68.6	60.2
Nov-20	9,758	8,358	1,399	21,528	18,840	2,688	30.7	26.3	69.0	60.4
Dec-20	9,839	8,451	1,387	21,201	18,585	2,616	30.9	26.5	67.8	59.4
Jan-21	9,996	8,543	1,453	21,492	18,942	2,550	31.3	26.8	68.6	60.5
Feb-21	10,230	8,656	1,574	21,601	18,934	2,667	32.0	27.1	68.9	60.4
Mar-21	10,260	8,627	1,633	22,218	19,657	2,560	32.1	27.0	70.8	62.6
Apr-21	10,471	8,830	1,641	22,191	19,373	2,818	32.7	27.5	70.6	61.6
May-21	10,219	8,639	1,580	22,196	19,483	2,713	31.8	26.9	70.5	61.9
Jun-21	10,364	8,898	1,465	21,844	19,883	1,961	32.2	27.7	69.3	63.1
Jul-21	10,798	9,293	1,505	21,779	19,605	2,174	33.5	28.9	69.0	62.1
Aug-21	10,622	9,068	1,554	22,153	19,912	2,241	32.9	28.1	70.1	63.0
Sep-21	10,779	9,232	1,547	22,410	20,186	2,224	33.4	28.6	70.8	63.8
Oct-21	10,892	9,369	1,523	22,401	20,208	2,193	33.7	29.0	70.7	63.8
Nov-21	11,010	9,425	1,585	22,510	20,324	2,186	34.0	29.1	71.0	64.1
Dec-21	11,123	9,564	1,559	22,677	20,429	2,247	34.3	29.5	71.4	64.3
Jan-22	11,153	9,618	1,535	22,588	20,299	2,289	34.4	29.6	71.1	63.9
Feb-22	11,137	9,626	1,511	22,519	20,376	2,143	34.3	29.6	70.8	64.0
Mar-22	10,983	9,445	1,538	22,839	20,598	2,241	33.8	29.0	71.7	64.6
Apr-22	11,420	9,792	1,628	22,902	20,689	2,212	35.1	30.1	71.8	64.8
May-22	11,563	9,965	1,598	23,061	20,875	2,187	35.5	30.6	72.2	65.3

Source: Turkstat, Betam

Box 1 : Definitions of alternative unemployment rates¹

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 =

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

3) Combined rate of unemployment and potential labor force =

$$[(\text{persons in unemployment} + \text{potential labor force}) / (\text{labor force} + \text{potential labor force})] * 100$$

4) Composite measure of labor underutilization =

$$[(\text{persons in time-related underemployment} + \text{persons in unemployment} + \text{potential labor force}) / (\text{labor force} + \text{potential labor force})] * 100$$

¹ 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>