**Labor Market Outlook:
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Betam
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HUGE MONTHLY SWINGS IN MALE AND FEMALE EMPLOYMENT AND UNEMPLOYMENT

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Executive Summary

Since the number of employed persons increased by 37 thousand and the number of unemployed persons increased by 4 thousand, the labor force increased by 41 thousand from February to March. As a result, the unemployment rate remained unchanged at 10.0%. We infer that Turkstat has been able to implement surveys in the 3 (Gaziantep, Kilis and Malatya) of 7 provinces which were affected by the tragic earthquake.

The seasonally adjusted female unemployment rate increased by 1.0 pp to 13.8% from February to March, as female employment dropped by 313 thousand and female unemployment increased by 95 thousand. It is worthwhile to note that female employment rose by 210 thousand and the unemployment rate fell to 12.8% from January to February (previous period). As for males, the seasonally adjusted unemployment rate went down by 0.5 pp to 8.1% following the strong increase in male employment by 351 thousand and the decrease in the number of unemployed males by 92 thousand. Similar to what happened for female labor force statistics, the number of male employed fell by 571 thousand in the previous period. This amount of swings in male and female labor force statistics can't be explained without further details regarding the sectoral employment. Following these developments, the gender gap in the unemployment rates of females and males increased by 1.5 pp to 5.7%.

Figure 1: Seasonally adjusted labor force, employment, and unemployment
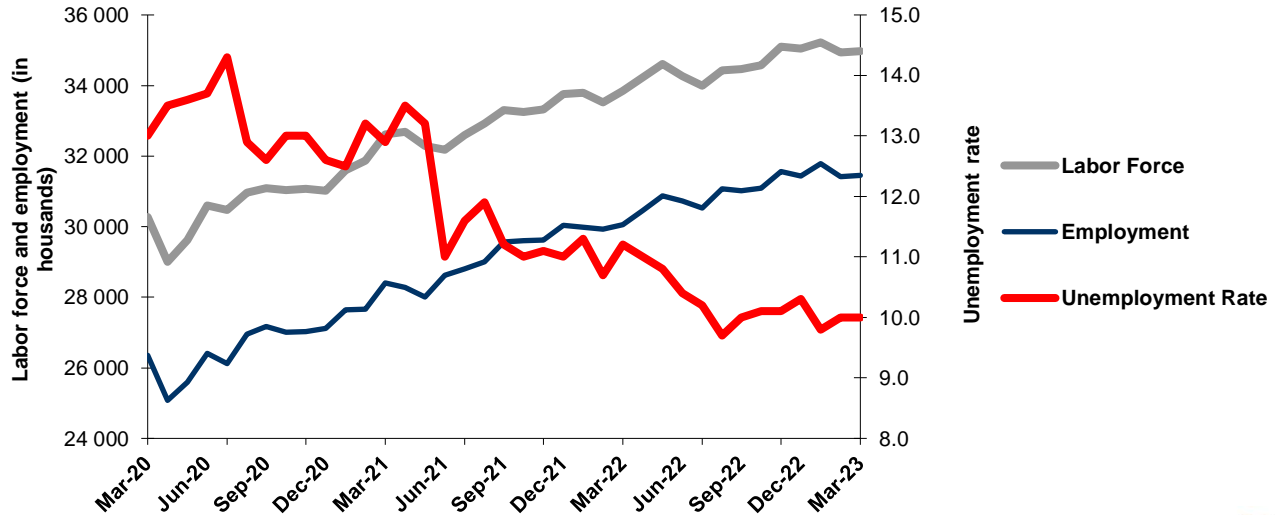
Source: Turkstat, Betam

The limited increase in employment

According to the monthly seasonally adjusted data, the number of employed persons increased mildly by 37 thousand MoM to 31 million 462 thousand, and the number of unemployed persons increased by 4 thousand to

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3 million 508 thousand. Therefore, the total labor force increased by 41 thousand to 34 million 970 thousand (Figure 1, Table 1). From February to March, the unemployment rate remained unchanged at 10.0%.

Developments in the alternative unemployment rates

Box 1 reports the methods Turkstat used to calculate the alternative unemployment rates. These measures consider both the time-related underemployment (those who are employed for less than 40 hours a week but would like to increase their working hours but 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 general unemployment rate remained at 10.0% from February to March. At the same time, following the striking decrease of 312 thousand in the potential labor force, the combined rate of unemployment and the potential labor force increased by 0.7 pp to 17.2%. We would like to remind that the potential labor force previously increased by 365 thousand from January to February. In addition, the combined rate of time-related underemployment and unemployment decreased by 0.9 pp and reached 16.0% in February. "The composite measure of labor underutilization" which combines the two previous alternative unemployment metrics, fell by 1.6 pp from 23.4% to 21.8% (Figure 2, Table 4).

Figure 2: Headline Unemployment Rate and Supplementary Indicators for Labor Force
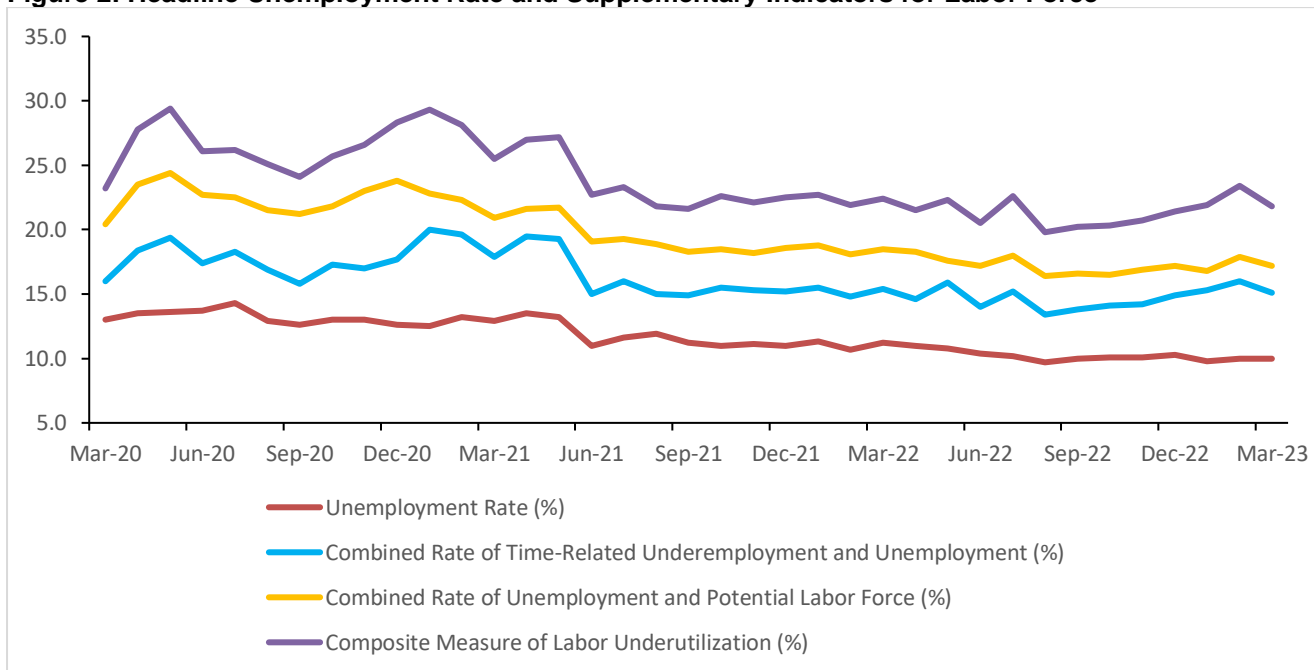
Source: Turkstat, Betam

Female and male labor force indicators moved in opposite directions

Figure 3 shows the seasonally adjusted unemployment rate for males and females. In the month of March, the level of female employment decreased severely by 313 thousand while the level of unemployed females went up by 95 thousand, implying a 217-thousand-decrease in the labor force. Consequently, the female unemployment rate increased by 1.0 pp from 12.8% to 13.8%. The losses in the level of employment in this period outmatched the gains of the previous period. At the same time, the number of employed males increased by 351 thousand and the number of unemployed males decreased by 92 thousand. As a result, the male unemployment rate dropped from 8.6% to 8.1% (Table 3).

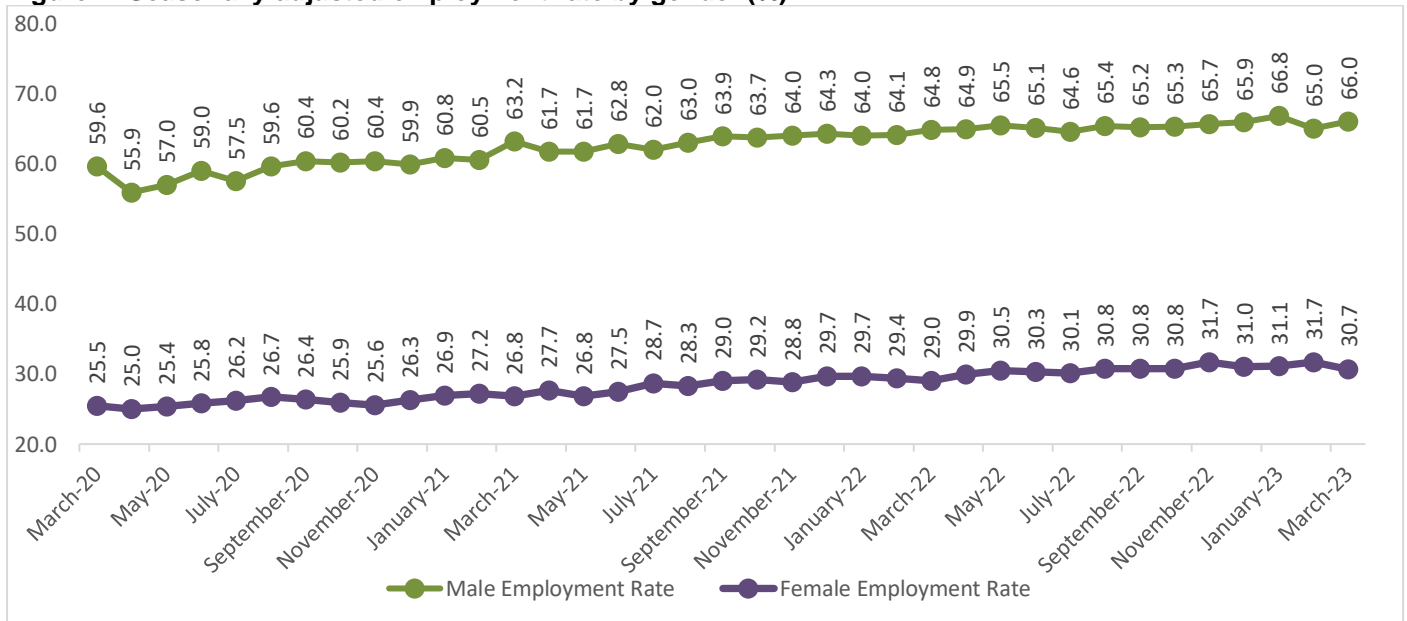**Figure 3: Seasonally adjusted unemployment rate by gender (%)**
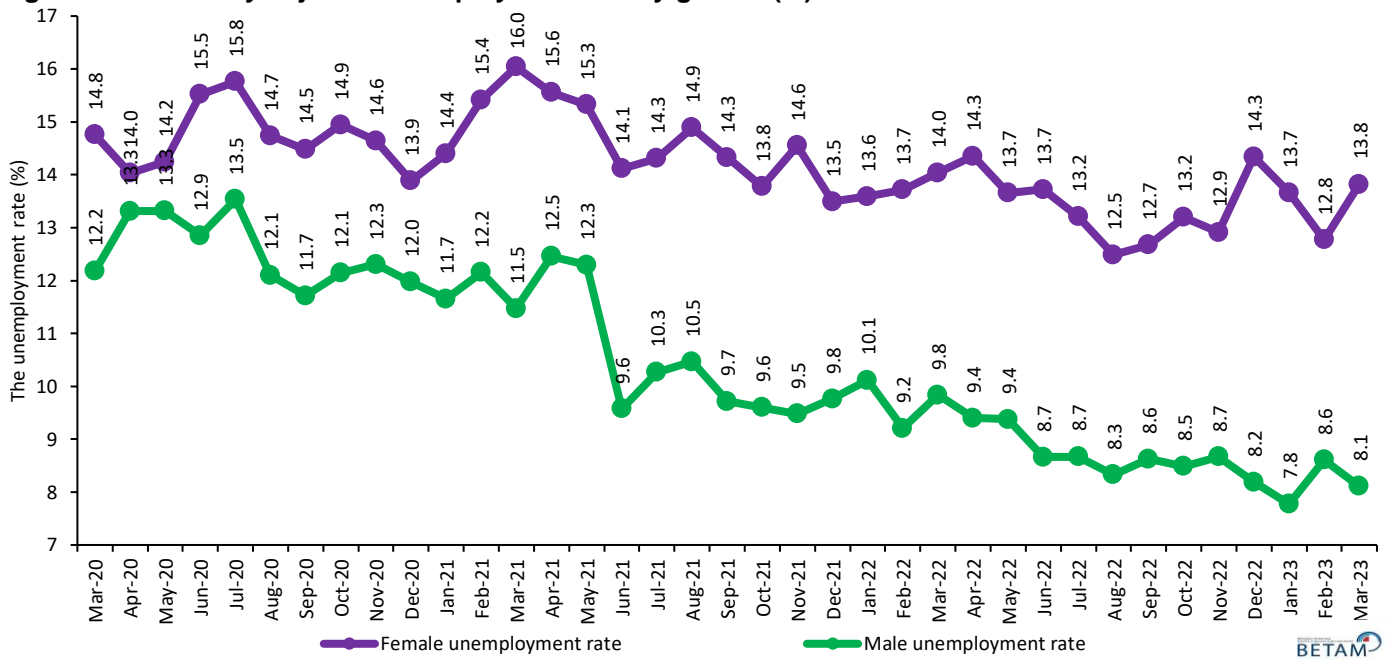
Source: Turkstat, Betam

The female employment rate, as a result, dropped by 1.0 pp and retreated back to 31.7, while the male employment rate, partly offset its losses of the previous period and increased to 66.0 percent. (Figure 4).

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

Source: Turkstat, Betam

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

	Labor force	Employment	Unemployment	Unemployment rate	Monthly changes		
					Labor Force	Employment	Unemployment
March-20	30282	26351	3931	13,0%			
April-20	29003	25077	3926	13,5%	-1279	-1274	-5
May-20	29618	25588	4030	13,6%	615	511	104
June-20	30592	26403	4189	13,7%	974	815	159
July-20	30467	26124	4343	14,3%	-125	-279	154
August-20	30968	26959	4009	12,9%	501	835	-334
September-20	31085	27173	3913	12,6%	117	214	-96
October-20	31039	26999	4040	13,0%	-46	-174	127
November-20	31072	27024	4048	13,0%	33	25	8
December-20	31016	27115	3901	12,6%	-56	91	-147
January-21	31603	27643	3959	12,5%	587	528	58
February-21	31868	27660	4208	13,2%	265	17	249
March-21	32609	28403	4207	12,9%	741	743	-1
April-21	32680	28284	4397	13,5%	71	-119	190
May-21	32292	28013	4278	13,2%	-388	-271	-119
June-21	32172	28625	3547	11,0%	-120	612	-731
July-21	32596	28813	3783	11,6%	424	188	236
August-21	32919	28999	3919	11,9%	323	186	136
September-21	33310	29569	3741	11,2%	391	570	-178
October-21	33256	29606	3651	11,0%	-54	37	-90
November-21	33325	29612	3713	11,1%	69	6	62
December-21	33752	30042	3710	11,0%	427	430	-3
January-22	33790	29984	3806	11,3%	38	-58	96
February-22	33520	29935	3585	10,7%	-270	-49	-221
March-22	33855	30065	3790	11,2%	335	130	205
April-22	34231	30451	3780	11,0%	376	386	-10
May-22	34603	30865	3738	10,8%	372	414	-42
June-22	34268	30720	3548	10,4%	-335	-145	-190
July-22	33991	30529	3462	10,2%	-277	-191	-86
August-22	34420	31074	3346	9,7%	429	545	-116
September-22	34456	31017	3440	10,0%	36	-57	94
October-22	34571	31089	3482	10,1%	115	72	42
November-22	35108	31558	3551	10,1%	537	469	69
December-22	35045	31443	3602	10,3%	-63	-115	51
January-23	35222	31786	3436	9,8%	177	343	-166
February-23	34929	31425	3504	10,0%	-293	-361	68
March-23	34970	31462	3508	10,0%	41	37	4

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
Mar-20	13,0	3931	16,0	914	20,4	2822	23,2	7667
Apr-20	13,5	3926	18,4	1411	23,5	3777	27,8	9114
May-20	13,6	4030	19,4	1716	24,4	4229	29,4	9974
Jun-20	13,7	4189	17,4	1134	22,7	3565	26,1	8888
Jul-20	14,3	4343	18,3	1232	22,5	3241	26,2	8817
Aug-20	12,9	4009	16,9	1225	21,5	3375	25,1	8608
Sep-20	12,6	3913	15,8	998	21,2	3397	24,1	8309
Oct-20	13,0	4040	17,3	1330	21,8	3487	25,7	8856
Nov-20	13,0	4048	17,0	1234	23,0	4024	26,6	9306
Dec-20	12,6	3901	17,7	1589	23,8	4568	28,3	10058
Jan-21	12,5	3959	20,0	2362	22,8	4205	29,3	10526
Feb-21	13,2	4208	19,6	2038	22,3	3730	28,1	9977
Mar-21	12,9	4207	17,9	1630	20,9	3297	25,5	9134
Apr-21	13,5	4397	19,5	1976	21,6	3395	27,0	9768
May-21	13,2	4278	19,3	1954	21,7	3486	27,2	9718
Jun-21	11,0	3547	15,0	1279	19,1	3211	22,7	8037
Jul-21	11,6	3783	16,0	1432	19,3	3108	23,3	8323
Aug-21	11,9	3919	15,0	1019	18,9	2839	21,8	7777
Sep-21	11,2	3741	14,9	1222	18,3	2882	21,6	7845
Oct-21	11,0	3651	15,5	1504	18,5	3069	22,6	8224
Nov-21	11,1	3713	15,3	1386	18,2	2875	22,1	7974
Dec-21	11,0	3710	15,2	1420	18,6	3155	22,5	8285
Jan-22	11,3	3806	15,5	1431	18,8	3136	22,7	8374
Feb-22	10,7	3585	14,8	1376	18,1	3031	21,9	7992
Mar-22	11,2	3790	15,4	1424	18,5	3035	22,4	8248
Apr-22	11,0	3780	14,6	1218	18,3	3041	21,5	8038
May-22	10,8	3738	15,9	1764	17,6	2855	22,3	8356
Jun-22	10,4	3548	14,0	1250	17,2	2833	20,5	7631
Jul-22	10,2	3462	15,2	1705	18,0	3239	22,6	8406
Aug-22	9,7	3346	13,4	1266	16,4	2750	19,8	7362
Sep-22	10,0	3440	13,8	1315	16,6	2733	20,2	7488
Oct-22	10,1	3482	14,1	1393	16,5	2661	20,3	7536
Nov-22	10,1	3551	14,2	1434	16,9	2867	20,7	7852
Dec-22	10,3	3602	14,9	1620	17,2	2930	21,4	8151
Jan-23	9,8	3436	15,3	1953	16,8	2982	21,9	8371
Feb-23	10,0	3504	16,0	2085	17,9	3347	23,4	8936
Mar-23	10,0	3508	15,1	1772	17,2	3028	21,8	8308

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
Mar-20	9418	8028	1390	20864	18323	2541	29,9	25,5	67,8	59,6
Apr-20	9145	7862	1283	19858	17215	2643	29,0	25,0	64,5	55,9
May-20	9333	8004	1329	20286	17584	2702	29,6	25,4	65,7	57,0
Jun-20	9647	8151	1497	20945	18253	2692	30,5	25,8	67,7	59,0
Jul-20	9852	8300	1553	20615	17825	2790	31,1	26,2	66,5	57,5
Aug-20	9913	8452	1461	21054	18507	2548	31,3	26,7	67,8	59,6
Sep-20	9806	8386	1420	21280	18786	2493	30,9	26,4	68,4	60,4
Oct-20	9675	8229	1446	21364	18770	2594	30,4	25,9	68,6	60,2
Nov-20	9562	8162	1400	21509	18862	2647	30,0	25,6	68,9	60,4
Dec-20	9721	8370	1350	21295	18744	2550	30,5	26,3	68,1	59,9
Jan-21	10049	8601	1447	21554	19042	2512	31,5	26,9	68,8	60,8
Feb-21	10274	8690	1584	21594	18970	2624	32,1	27,2	68,9	60,5
Mar-21	10200	8564	1636	22409	19839	2570	31,9	26,8	71,4	63,2
Apr-21	10509	8874	1635	22171	19410	2762	32,8	27,7	70,5	61,7
May-21	10151	8595	1556	22140	19419	2722	31,6	26,8	70,3	61,7
Jun-21	10280	8829	1451	21892	19796	2096	32,0	27,5	69,5	62,8
Jul-21	10791	9247	1544	21805	19566	2239	33,5	28,7	69,1	62,0
Aug-21	10704	9110	1594	22214	19889	2325	33,2	28,3	70,3	63,0
Sep-21	10939	9372	1567	22371	20197	2174	33,9	29,0	70,7	63,9
Oct-21	10952	9443	1509	22305	20163	2142	33,9	29,2	70,4	63,7
Nov-21	10911	9324	1588	22413	20288	2125	33,7	28,8	70,7	64,0
Dec-21	11126	9624	1501	22627	20418	2209	34,3	29,7	71,3	64,3
Jan-22	11166	9649	1517	22624	20334	2289	34,4	29,7	71,2	64,0
Feb-22	11066	9549	1518	22454	20387	2067	34,0	29,4	70,5	64,1
Mar-22	10959	9422	1538	22896	20644	2252	33,7	29,0	71,9	64,8
Apr-22	11373	9741	1632	22857	20710	2148	34,9	29,9	71,6	64,9
May-22	11527	9954	1574	23075	20912	2164	35,3	30,5	72,2	65,5
Jun-22	11458	9885	1572	22810	20834	1976	35,1	30,3	71,3	65,1
Jul-22	11340	9842	1498	22651	20687	1964	34,7	30,1	70,7	64,6
Aug-22	11532	10092	1440	22888	20982	1906	35,2	30,8	71,4	65,4
Sep-22	11545	10082	1463	22911	20935	1976	35,2	30,8	71,4	65,2
Oct-22	11623	10089	1534	22948	21000	1948	35,4	30,8	71,4	65,3
Nov-22	11957	10413	1544	23151	21145	2007	36,4	31,7	71,9	65,7
Dec-22	11913	10205	1708	23132	21238	1894	36,2	31,0	71,8	65,9
Jan-23	11850	10231	1619	23372	21555	1817	36,0	31,1	72,5	66,8
Feb-23	11969	10441	1529	22960	20984	1976	36,3	31,7	71,1	65,0
Mar-23	11752	10128	1624	23219	21335	1884	35,7	30,7	71,9	66,0

Source: Turkstat, Betam

Box 1: Definitions of alternative unemployment rates[1]

The time-related underemployment: Persons employed in the reference week who worked less than 40 hours in 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 =

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

4) Composite measure of labor underutilization =

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

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[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

Box 2: The effects of the Türkiye-Syria earthquake

In addition to the tragedies that it caused, the horrific earthquake that had been felt through Turkiye and Syria on 6th of February 2023 disabled Turkstat to implement surveys in 7 provinces (Adıyaman, Gaziantep, Hatay, Kahramanmaraş, Kilis, Malatya and Osmaniye) of Turkiye. Turkstat excluded these provinces from the sample and used reweighting methods to analyze the overall labor market[2]. We used 2022 yearly labor market statistics to give a brief information about the level of labor force in those provinces and estimate the size of shock in terms of the labor market.

The table below features the labor force levels by the NUTS-II regions, which aggregates Gaziantep, Adıyaman and Kilis in a region (TRC1), and also aggregates Hatay, Kahramanmaraş and Osmaniye in another region (TR63). As for Malatya, we assumed that its share of employment and unemployment levels in the TRB1 region, comprising of Malatya, Elazığ, Bingöl and Tunceli, is very similar to its population share in the TRB1 region.

Table: The level of employment and unemployment in 7 provinces (2022, thousand)

	Gaziantep, Adıyaman, Kilis	Hatay, Kahramanmaraş, Osmaniye	Malatya[3] (TRB1*0,46)	Türkiye
Employed	879	1036	275	30752
Unemployed	105	177	24	3582
Employment share of Türkiye (%)	2,9	3,4	0,9	100,0
Unemployed share of Türkiye (%)	2,9	4,9	0,7	100,0

Source: Turkstat

Undoubtedly, the employment levels in those provinces at the time of the earthquake would be higher than the sum of the first row and first-three columns (2 million 190 thousand). Assuming that the share of employed people remains almost unchanged from 2022 to the time of the earthquake, it can be said that the level of employment before the earthquake was 7 percent of the employment level in Türkiye.

The disastrous effects of the earthquake were not distributed uniformly in those 7 provinces, namely that the effects were much more severe in Hatay and Kahramanmaraş. Assuming that the half of the employment in 7 provinces were lost due to the earthquake, the decrease in the number of employed people is calculated as 1.1 million, equaling the 3.6 percent of total employment in Türkiye.

We calculate that the number of unemployed people comprises 8.5 percent of the number of unemployed people in Türkiye. Due to the forced migration resulting from the earthquake, it is difficult to estimate how much of the remaining residents in the provinces are seeking for work. It is not probable that the forced migrants started looking for work in the regions that they fled. Therefore, it would be quite difficult to estimate the actual unemployment rate were Turkstat able to implement surveys in 7 provinces. It would be reasonable to think that the forced migrants have transitioned from labor force to the potential labor force due to them being displaced.

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[2] For greater detail, see the Turkstat page (Source)

[3] The population share of Malatya in TRB1 region is 46.0%.