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**Labor Market Outlook:**

**December 2023**

**14 Dec 2023**

**UNEMPLOYMENT RATE IS BELOW 9 PERCENT AFTER 10 YEARS AS A RESULT OF STRONG MONTHLY INCREASE IN EMPLOYMENT**

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**Executive Summary**

While employment decreases from July to September, there is a strong increase of 246,000 people from September to October. While the number of unemployed people decreased by 163,000, the total labor force increased approximately 83,000. As a result, the unemployment rate decreased from 9 percent to 8.5 percent. The last unemployment rate was recorded as 8.8 percent in June 2013.

The seasonally adjusted female unemployment rate decreased by 0.8 percentage points from September to October, reaching 11.3 percent, as a result of a 144,000 increase in employment and 84,000 decrease in the number of unemployed. On the other hand, the male unemployment rate decreased by 0.4 percentage points, reaching 7 percent in October, following a 102,000 increase in employment and a 79,000 decrease in the number of unemployed males.

The female labor force level increased by 109,000, while the male labor force level increased by 23,000. Consequently, the gender gap in unemployment rates decreased from 4.4 percentage points to 4.3 percentage points in October.

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

Source: Turkstat, Betam

# Sharp decline in unemployment rate due to strong monthly increase in employment

According to seasonally adjusted data, the number of employed individuals increased by 246,000, reaching 31.835 million from September to October. In October, the number of unemployed individuals decreased by 163,000, reaching 2.961 million. The labor force increased by 83,000 and stands at 34.769 million (Figure 1, Table 1). As a result, the unemployment rate decreased by 0.5 percentage points from September to October, reaching 8.5 percent.

# Developments in the alternative unemployment rates

Box 1 reports the methods Turkstat uses 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 and 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 seasonally adjusted data, the "overall unemployment rate" in October was 8.5 percent, while the unemployment rate considering the potential labor force decreased from 16.7 to 16.6 percent, with a increase of 166,000 in the potential labor force. The high increase in potential labor force limited the decline in the “broadly defined unemployment” rate, accounting for time-related underemployment decreased by 0.9 percentage points to 13.7 percent.

The composite measure of labor underutilization rate, which is a combination of the last two alternative rates, decreased by 0.5 percentage points to reach 21.5 percent (Figure 2, Table 2).

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

Source: Turkstat, Betam

# High increase in male and female employment after a pause

Figure 3 shows the seasonally adjusted unemployment rate for females and males. From September to October, the level of female employment increased by 144,000, while the number of unemployed females decreased by 84,000, resulting in a net increase of 59,000 in the labor force. The female unemployment rate also decreased by 0.8 percentage points, reaching 11.3 percent from September to October. In September, female employment had decreased by 69,000, and the female unemployment rate had decreased from 12.4 percent to 12.1 percent. In October, male employment increased by 102,000, while the number of unemployed males decreased by 79,000, and the male unemployment rate stood at 7.0 percent. In September, male employment had increased by 3,000 and the male unemployment rate had remained at 7.4 percent.

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

Source: Turkstat, Betam

The female employment rate increased to 31.6 percent as a result of the 144,000 increase in employment, while the male employment rate stood at 65.8 percent (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 |
| September-20 | 31.087 | 27.172 | 3.915 | 12,6 | Labor Force | Employment | Unemployment |
| October-20 | 31.076 | 27.006 | 4.070 | 13,1 | -11 | -166 | 155 |
| November-20 | 31.080 | 27.016 | 4.064 | 13,1 | 4 | 10 | -6 |
| December-20 | 31.009 | 27.093 | 3.917 | 12,6 | -71 | 77 | -147 |
| January-21 | 31.608 | 27.645 | 3.963 | 12,5 | 599 | 552 | 46 |
| February-21 | 31.916 | 27.672 | 4.244 | 13,3 | 308 | 27 | 281 |
| March-21 | 32.573 | 28.396 | 4.177 | 12,8 | 657 | 724 | -67 |
| April-21 | 32.626 | 28.289 | 4.337 | 13,3 | 53 | -107 | 160 |
| May-21 | 32.278 | 28.007 | 4.271 | 13,2 | -348 | -282 | -66 |
| June-21 | 32.178 | 28.631 | 3.547 | 11,0 | -100 | 624 | -724 |
| July-21 | 32.567 | 28.807 | 3.760 | 11,5 | 389 | 176 | 213 |
| August-21 | 32.895 | 28.981 | 3.914 | 11,9 | 328 | 174 | 154 |
| September-21 | 33.314 | 29.567 | 3.747 | 11,2 | 419 | 586 | -167 |
| October-21 | 33.311 | 29.615 | 3.696 | 11,1 | -3 | 48 | -51 |
| November-21 | 33.349 | 29.615 | 3.734 | 11,2 | 38 | 0 | 38 |
| December-21 | 33.761 | 30.039 | 3.722 | 11,0 | 412 | 424 | -12 |
| January-22 | 33.793 | 29.987 | 3.805 | 11,3 | 32 | -52 | 83 |
| February-22 | 33.641 | 30.003 | 3.639 | 10,8 | -152 | 16 | -166 |
| March-22 | 33.822 | 30.078 | 3.744 | 11,1 | 181 | 75 | 105 |
| April-22 | 34.197 | 30.510 | 3.687 | 10,8 | 375 | 432 | -57 |
| May-22 | 34.575 | 30.849 | 3.726 | 10,8 | 378 | 339 | 39 |
| June-22 | 34.304 | 30.760 | 3.544 | 10,3 | -271 | -89 | -182 |
| July-22 | 33.896 | 30.450 | 3.446 | 10,2 | -408 | -310 | -98 |
| August-22 | 34.363 | 31.010 | 3.354 | 9,8 | 467 | 560 | -92 |
| September-22 | 34.407 | 30.957 | 3.449 | 10,0 | 44 | -53 | 95 |
| October-22 | 34.646 | 31.098 | 3.548 | 10,2 | 239 | 141 | 99 |
| November-22 | 35.099 | 31.517 | 3.582 | 10,2 | 453 | 419 | 34 |
| December-22 | 34.988 | 31.378 | 3.610 | 10,3 | -111 | -139 | 28 |
| January-23 | 35.135 | 31.699 | 3.436 | 9,8 | 147 | 321 | -174 |
| February-23 | 34.874 | 31.341 | 3.533 | 10,1 | -261 | -358 | 97 |
| March-23 | 34.621 | 31.162 | 3.459 | 10,0 | -253 | -179 | -74 |
| April-23 | 35.138 | 31.632 | 3.505 | 10,0 | 517 | 470 | 46 |
| May-23 | 35.004 | 31.705 | 3.299 | 9,4 | -134 | 73 | -206 |
| June-23 | 34.631 | 31.340 | 3.290 | 9,5 | -373 | -365 | -9 |
| July-23 | 34.920 | 31.680 | 3.241 | 9,3 | 289 | 340 | -49 |
| August-23 | 34.832 | 31.656 | 3.176 | 9,1 | -88 | -24 | -65 |
| September-23 | 34.713 | 31.589 | 3.124 | 9,0 | -119 | -67 | -52 |
| October-23 | 34.796 | 31.835 | 2.961 | 8,5 | 83 | 246 | -163 |

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 |
| Sep-20 | 12,6 | 3.915 | 15,9 | 1.028 | 21,2 | 3.395 | 24,1 | 8.338 |
| Oct-20 | 13,1 | 4.070 | 17,4 | 1.337 | 21,9 | 3.503 | 25,7 | 8.910 |
| Nov-20 | 13,1 | 4.064 | 17,1 | 1.251 | 23,1 | 4.051 | 26,6 | 9.366 |
| Dec-20 | 12,6 | 3.917 | 17,8 | 1.603 | 23,8 | 4.545 | 28,3 | 10.064 |
| Jan-21 | 12,5 | 3.963 | 20,0 | 2.359 | 22,8 | 4.202 | 29,3 | 10.523 |
| Feb-21 | 13,3 | 4.244 | 19,7 | 2.043 | 22,4 | 3.744 | 28,1 | 10.031 |
| Mar-21 | 12,8 | 4.177 | 17,9 | 1.654 | 20,9 | 3.326 | 25,4 | 9.156 |
| Apr-21 | 13,3 | 4.337 | 19,4 | 1.992 | 21,4 | 3.365 | 26,9 | 9.695 |
| May-21 | 13,2 | 4.271 | 19,3 | 1.959 | 21,7 | 3.491 | 27,2 | 9.720 |
| Jun-21 | 11,0 | 3.547 | 15,0 | 1.280 | 19,1 | 3.213 | 22,7 | 8.039 |
| Jul-21 | 11,5 | 3.760 | 15,9 | 1.418 | 19,3 | 3.129 | 23,3 | 8.308 |
| Aug-21 | 11,9 | 3.914 | 15,0 | 1.020 | 18,9 | 2.840 | 21,8 | 7.774 |
| Sep-21 | 11,2 | 3.747 | 14,9 | 1.217 | 18,3 | 2.876 | 21,6 | 7.840 |
| Oct-21 | 11,1 | 3.696 | 15,6 | 1.501 | 18,6 | 3.071 | 22,7 | 8.268 |
| Nov-21 | 11,2 | 3.734 | 15,4 | 1.402 | 18,2 | 2.855 | 22,1 | 7.991 |
| Dec-21 | 11,0 | 3.722 | 15,2 | 1.410 | 18,6 | 3.142 | 22,5 | 8.274 |
| Jan-22 | 11,3 | 3.805 | 15,5 | 1.433 | 18,8 | 3.138 | 22,7 | 8.376 |
| Feb-22 | 10,8 | 3.639 | 14,9 | 1.374 | 18,2 | 3.036 | 21,9 | 8.049 |
| Mar-22 | 11,1 | 3.744 | 15,3 | 1.431 | 18,4 | 3.038 | 22,3 | 8.213 |
| Apr-22 | 10,8 | 3.687 | 14,3 | 1.203 | 18,1 | 3.056 | 21,3 | 7.946 |
| May-22 | 10,8 | 3.726 | 15,8 | 1.737 | 17,6 | 2.863 | 22,3 | 8.326 |
| Jun-22 | 10,3 | 3.544 | 14,0 | 1.259 | 17,1 | 2.801 | 20,5 | 7.604 |
| Jul-22 | 10,2 | 3.446 | 15,2 | 1.706 | 18,0 | 3.238 | 22,6 | 8.390 |
| Aug-22 | 9,8 | 3.354 | 13,4 | 1.251 | 16,4 | 2.729 | 19,9 | 7.334 |
| Sep-22 | 10,0 | 3.449 | 13,9 | 1.334 | 16,6 | 2.713 | 20,2 | 7.495 |
| Oct-22 | 10,2 | 3.548 | 14,3 | 1.406 | 16,6 | 2.642 | 20,4 | 7.596 |
| Nov-22 | 10,2 | 3.582 | 14,3 | 1.437 | 17,0 | 2.873 | 20,8 | 7.892 |
| Dec-22 | 10,3 | 3.610 | 14,9 | 1.603 | 17,2 | 2.908 | 21,4 | 8.121 |
| Jan-23 | 9,8 | 3.436 | 15,3 | 1.940 | 16,8 | 2.965 | 22,0 | 8.340 |
| Feb-23 | 10,1 | 3.533 | 16,1 | 2.082 | 17,9 | 3.300 | 23,4 | 8.915 |
| Mar-23 | 10,0 | 3.459 | 15,0 | 1.734 | 17,4 | 3.105 | 22,0 | 8.299 |
| Apr-23 | 10,0 | 3.505 | 16,9 | 2.433 | 17,3 | 3.112 | 23,7 | 9.051 |
| May-23 | 9,4 | 3.299 | 15,7 | 2.197 | 16,6 | 3.012 | 22,4 | 8.507 |
| Jun-23 | 9,5 | 3.290 | 16,4 | 2.389 | 17,8 | 3.497 | 24,1 | 9.176 |
| Jul-23 | 9,3 | 3.241 | 14,7 | 1.892 | 17,7 | 3.572 | 22,6 | 8.705 |
| Aug-23 | 9,1 | 3.176 | 15,2 | 2.118 | 17,4 | 3.492 | 22,9 | 8.787 |
| Sep-23 | 9,0 | 3.124 | 14,6 | 1.944 | 16,7 | 3.209 | 21,8 | 8.277 |
| Oct-23 | 8,5 | 2.961 | 13,7 | 1.806 | 16,6 | 3.375 | 21,3 | 8.143 |

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 |
| Sep-20 | 9.809 | 8.387 | 1.422 | 21.278 | 18.786 | 2.493 | 30,9 | 26,4 | 68,4 | 60,4 |
| Oct-20 | 9.697 | 8.231 | 1.466 | 21.379 | 18.775 | 2.604 | 30,5 | 25,9 | 68,6 | 60,3 |
| Nov-20 | 9.563 | 8.153 | 1.410 | 21.517 | 18.863 | 2.654 | 30,0 | 25,6 | 68,9 | 60,4 |
| Dec-20 | 9.717 | 8.356 | 1.361 | 21.292 | 18.736 | 2.556 | 30,5 | 26,2 | 68,1 | 59,9 |
| Jan-21 | 10.049 | 8.603 | 1.446 | 21.559 | 19.042 | 2.517 | 31,5 | 27,0 | 68,8 | 60,8 |
| Feb-21 | 10.280 | 8.699 | 1.581 | 21.636 | 18.973 | 2.664 | 32,2 | 27,2 | 69,0 | 60,5 |
| Mar-21 | 10.177 | 8.558 | 1.619 | 22.396 | 19.838 | 2.558 | 31,8 | 26,7 | 71,3 | 63,2 |
| Apr-21 | 10.485 | 8.886 | 1.600 | 22.141 | 19.403 | 2.737 | 32,7 | 27,7 | 70,4 | 61,7 |
| May-21 | 10.144 | 8.587 | 1.558 | 22.134 | 19.420 | 2.713 | 31,6 | 26,8 | 70,3 | 61,7 |
| Jun-21 | 10.286 | 8.835 | 1.451 | 21.891 | 19.795 | 2.096 | 32,0 | 27,5 | 69,5 | 62,8 |
| Jul-21 | 10.764 | 9.232 | 1.531 | 21.803 | 19.575 | 2.228 | 33,4 | 28,7 | 69,1 | 62,0 |
| Aug-21 | 10.685 | 9.091 | 1.595 | 22.209 | 19.890 | 2.319 | 33,1 | 28,2 | 70,3 | 63,0 |
| Sep-21 | 10.949 | 9.370 | 1.578 | 22.366 | 20.197 | 2.169 | 33,9 | 29,0 | 70,7 | 63,9 |
| Oct-21 | 10.987 | 9.446 | 1.540 | 22.325 | 20.169 | 2.156 | 34,0 | 29,2 | 70,5 | 63,7 |
| Nov-21 | 10.928 | 9.324 | 1.604 | 22.421 | 20.292 | 2.130 | 33,7 | 28,8 | 70,7 | 64,0 |
| Dec-21 | 11.130 | 9.620 | 1.510 | 22.630 | 20.418 | 2.212 | 34,3 | 29,7 | 71,3 | 64,3 |
| Jan-22 | 11.175 | 9.658 | 1.518 | 22.618 | 20.330 | 2.288 | 34,4 | 29,7 | 71,2 | 64,0 |
| Feb-22 | 11.119 | 9.598 | 1.521 | 22.523 | 20.405 | 2.118 | 34,2 | 29,5 | 70,8 | 64,1 |
| Mar-22 | 10.940 | 9.422 | 1.518 | 22.882 | 20.656 | 2.226 | 33,6 | 29,0 | 71,8 | 64,8 |
| Apr-22 | 11.320 | 9.750 | 1.571 | 22.877 | 20.760 | 2.117 | 34,7 | 29,9 | 71,7 | 65,1 |
| May-22 | 11.525 | 9.956 | 1.569 | 23.050 | 20.893 | 2.157 | 35,3 | 30,5 | 72,2 | 65,4 |
| Jun-22 | 11.465 | 9.899 | 1.566 | 22.838 | 20.861 | 1.978 | 35,1 | 30,3 | 71,4 | 65,2 |
| Jul-22 | 11.277 | 9.789 | 1.488 | 22.619 | 20.661 | 1.958 | 34,5 | 29,9 | 70,6 | 64,5 |
| Aug-22 | 11.499 | 10.050 | 1.449 | 22.865 | 20.960 | 1.905 | 35,1 | 30,7 | 71,3 | 65,4 |
| Sep-22 | 11.563 | 10.080 | 1.483 | 22.844 | 20.878 | 1.966 | 35,3 | 30,8 | 71,2 | 65,0 |
| Oct-22 | 11.675 | 10.095 | 1.581 | 22.971 | 21.003 | 1.968 | 35,6 | 30,8 | 71,5 | 65,3 |
| Nov-22 | 11.990 | 10.419 | 1.571 | 23.109 | 21.098 | 2.011 | 36,5 | 31,7 | 71,8 | 65,6 |
| Dec-22 | 11.919 | 10.206 | 1.713 | 23.069 | 21.172 | 1.897 | 36,3 | 31,0 | 71,6 | 65,7 |
| Jan-23 | 11.842 | 10.223 | 1.619 | 23.293 | 21.476 | 1.817 | 36,0 | 31,1 | 72,2 | 66,6 |
| Feb-23 | 11.882 | 10.356 | 1.526 | 22.992 | 20.985 | 2.008 | 36,1 | 31,4 | 71,2 | 65,0 |
| Mar-23 | 11.572 | 9.976 | 1.595 | 23.049 | 21.185 | 1.864 | 35,1 | 30,3 | 71,4 | 65,6 |
| Apr-23 | 11.956 | 10.295 | 1.661 | 23.182 | 21.338 | 1.844 | 36,3 | 31,2 | 71,7 | 66,0 |
| May-23 | 11.891 | 10.360 | 1.530 | 23.113 | 21.344 | 1.769 | 36,0 | 31,4 | 71,5 | 66,0 |
| Jun-23 | 11.719 | 10.195 | 1.524 | 22.911 | 21.145 | 1.766 | 35,5 | 30,9 | 70,8 | 65,3 |
| Jul-23 | 11.886 | 10.381 | 1.505 | 23.034 | 21.298 | 1.736 | 36,0 | 31,4 | 71,1 | 65,8 |
| Aug-23 | 11.870 | 10.401 | 1.468 | 22.962 | 21.254 | 1.708 | 35,9 | 31,4 | 70,8 | 65,6 |
| Sep-23 | 11.757 | 10.332 | 1.425 | 22.956 | 21.257 | 1.699 | 35,5 | 31,2 | 70,8 | 65,5 |
| Oct-23 | 11.816 | 10.476 | 1.341 | 22.979 | 21.359 | 1.620 | 35,7 | 31,6 | 70,8 | 65,8 |

Source: Turkstat, Betam

Box 1: Definitions of alternative unemployment rates[[3]](#footnote-3)

**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 =**

 [(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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3. 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-3)