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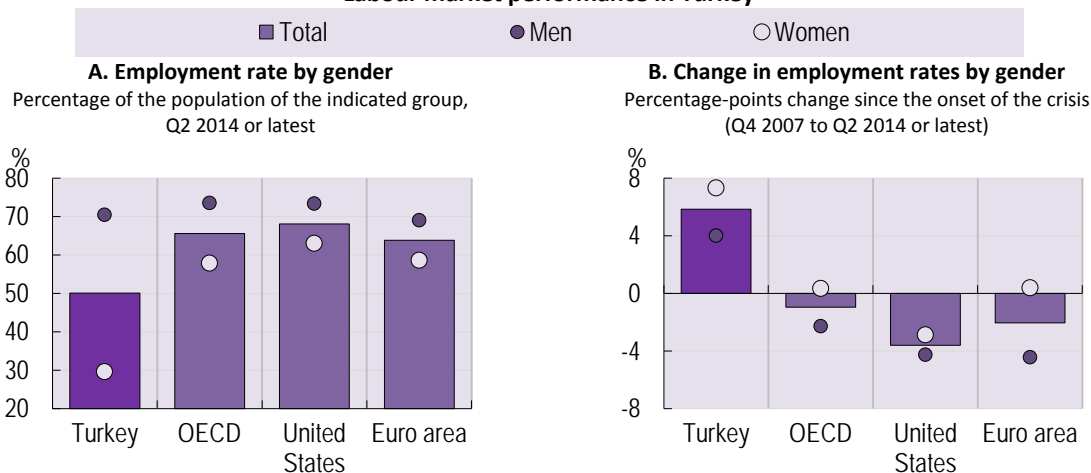
OECD Employment Outlook 2014

The 2014 edition of the OECD Employment Outlook reviews recent labour market trends and short-term prospects in OECD and key emerging economies. It zooms in on how the crisis has affected earnings, provides country comparisons of job quality, examines the causes and consequences of non-regular employment, and estimates the impact of qualifications and skills on labour market outcomes.

For further information: www.oecd.org/employment/outlook

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Labour market performance in Turkey



Source: OECD Short-Term Labour Market Statistics (database), (<http://dx.doi.org/10.1787/data-00046-en>).

Turkey is recovering well from the crisis but some groups, especially low-skilled women and youth are still vulnerable

The *OECD Employment Outlook 2014* finds that while the impact of the global crisis was initially severe for Turkey, it was shorter than in the rest of the OECD area and there was a much sharper rebound. The unemployment rate was 9.1% in the first quarter of 2014 in Turkey, still above the OECD average (7.3%), but lower than in the pre-crisis period (9.4% in Q4 2007). Despite rising substantially since 2007, the overall employment rate (50.0%) still remains much lower than OECD average (65.6%) and euro area average (63.8%). This reflects a relatively low employment rate for women, although it has risen by 7.3 percentage points since 2007. The increase reflects an improvement in women's human capital but from a low base as 78% of the female working-age population still has less

than a high school education. A large proportion of women, especially those with few qualifications, are employed informally. Further labour market reforms are needed to reduce effective employment costs and facilitate flexible employment in the formal sector. This would help to enhance the quality of female employment, improve incentives for female labour force participation and strengthen social inclusion.

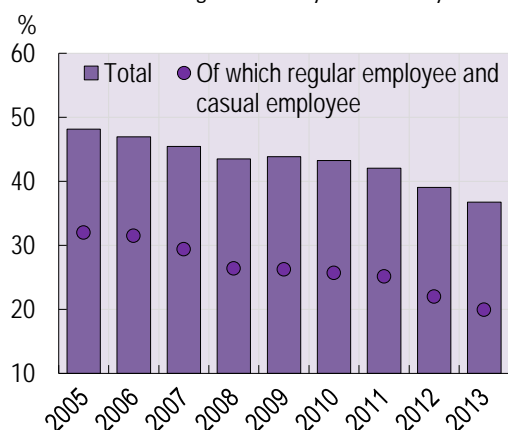
Youth are another potentially vulnerable group. In the first quarter of 2014, the youth unemployment rate was 16.1%, slightly above the OECD average. The proportion of youth who Not in Education, Employment or Training (NEET) remains high at 24.6% in 2013 compared with the OECD average of 14.3%. However Turkey is the country which has experienced the biggest fall in NEET rate by 14.8 percentage points since the start of the crisis.

Very rigid labour market rules increase the degree of informality

The Outlook confirms that in crucial areas, such as temporary employment, employment through work agencies, and severance costs, Turkey has still some of the OECD's most rigid employment protection rules. This has contributed to a high incidence of informal work in the Turkish labour market, mostly in low-productivity firms, although it has declined over recent years to 36% in 2013.

Trends in informality in Turkey, 2005-13

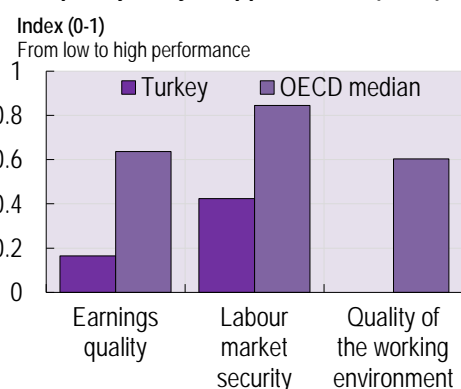
Share of workers not registered to any social security institution



Source: OECD calculations based on national labour force survey.

The quality of Turkish jobs is very low in comparison to the OECD average

Job quality and job opportunities (2010)



Source: OECD Employment Outlook 2014.

The 2014 *Employment Outlook* investigates the level of job quality across OECD countries. Job quality is measured in three dimensions: earnings quality (the level of earnings and degree of inequality); labour market security (risk of job loss and income support available); and quality of the working environment (work demands and conditions, and resources and support available to cope with work demands).

Turkey ranks poorly among OECD countries in all the three dimensions. In particular, according to the OECD's calculations, Turkey has the poorest working environment on average among the 32 OECD countries. Many workers report having difficult and stressful working conditions and insufficient resources (autonomy, flexibility, etc.) and support to cope with these demands. It also scores low on earnings quality because of both high inequality and low average earnings. Finally, labour market security is ranked as below the OECD average because of the relatively high unemployment risk that Turkish workers face and the restricted access to social insurance.

OECD Employment Outlook 2014 is available to journalists on the **password-protected** website or on request from the Media Relations Division. For further comment on Turkey, journalists are invited to contact Mark Keese (+33 1 45 24 87 94; mark.keese@oecd.org) or Elena Crivellaro (+33 1 45 24 80 85; elena.crivellaro@oecd.org) from the OECD Employment Analysis and Policy Division.