

## DECLINE IN NON-AGRICULTURAL EMPLOYMENT

Seyfettin Gürsel\* Gökçe Uysal\*\* and Ayşenur Acar\*\*\*

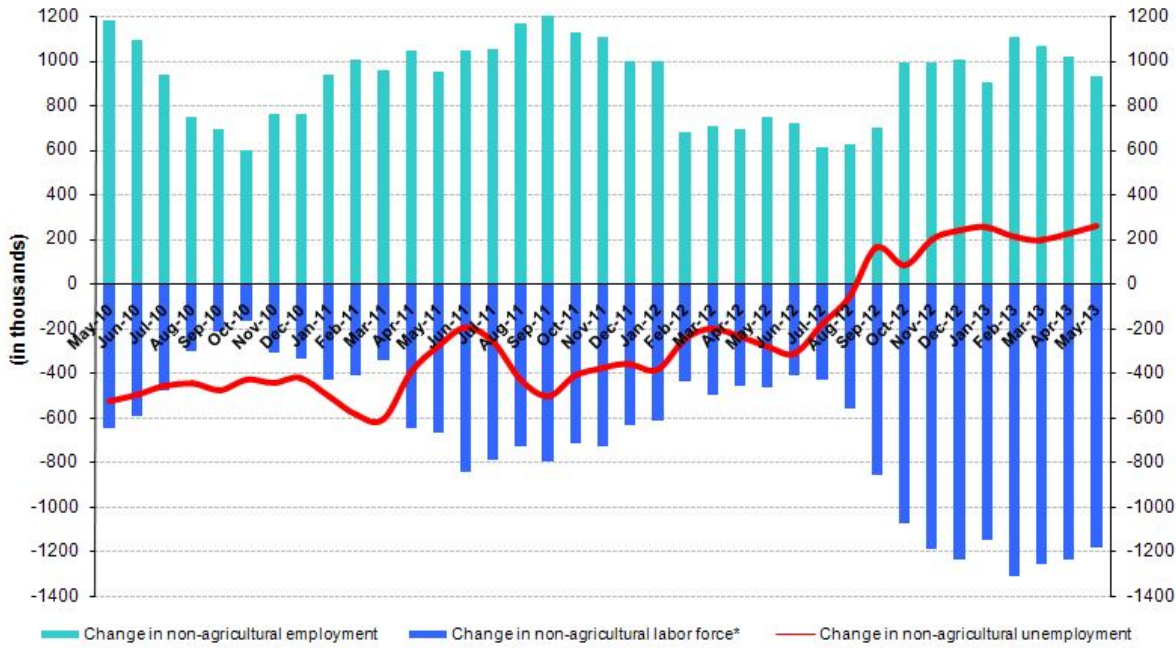
### Abstract

Seasonally adjusted labor market data shows that non-agricultural unemployment rate increased by 0.1 percentage point and reached 11.8 percent in the period of May 2013. Increase in monthly non-agricultural labor force slowed down and non-agricultural employment decreased in this period. Kariyer.net series indicate that non-agricultural unemployment might increase in the next period.

### Increases in both non-agricultural labor force and employment continue to slow down

According to the data released by TurkSTAT, non-agricultural labor force increased by 1 million 185 thousand (5.6 percent) and non-agricultural employment increased by 928 thousand (4.9 percent) in the period of May 2013 (Figure 1). We observe a slowdown in the annual trend.

Figure 1 Year-on-year changes in non-agricultural labor force, employment and unemployment



\* The change in labor force represented with a negative sign.



Source: TurkSTAT, **Betam**

### Non-agricultural unemployment increased in the period of April 2013

According to seasonally adjusted data, non-agricultural labor force increased by 23 thousand and reached 22 million 259 thousand in the period of May 2013 compared to the period of April 2013 (Figure 2, Table 1). Non-agricultural employment decreased by 11 thousand and retreated to 19 million 627 thousand. This is the first decline in seasonally adjusted non-agricultural employment since February 2012. Consequently, the number of

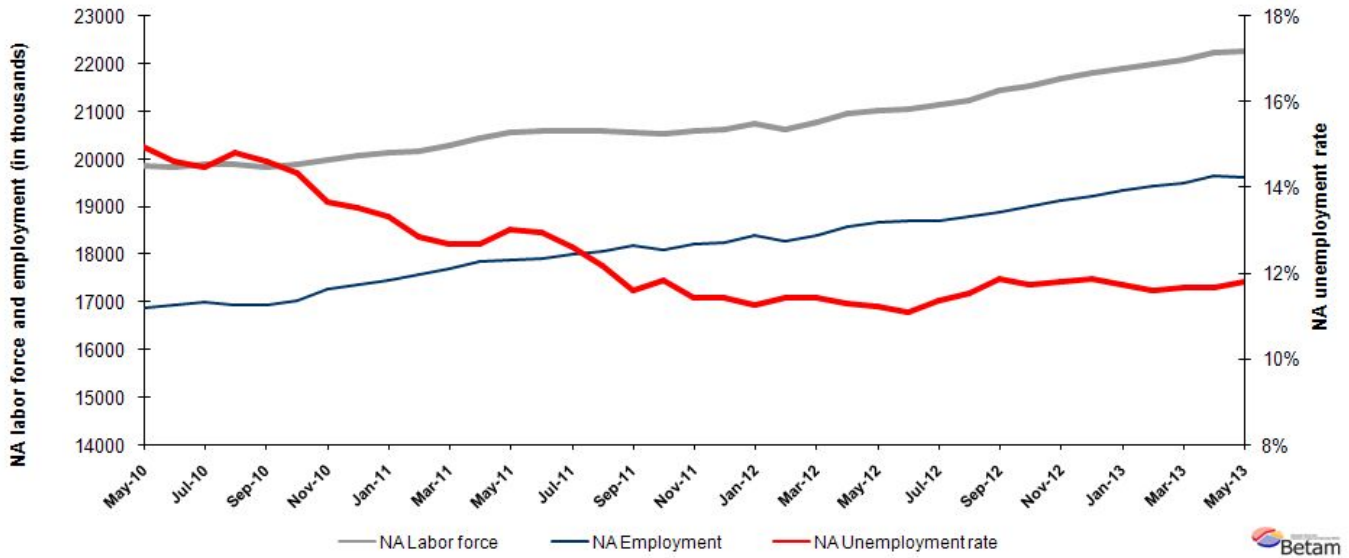
\* Prof. Dr. Seyfettin Gürsel, Betam, Director, seyfettin.gursel@bahcesehir.edu.tr

\*\* Yrd. Doç. Dr. Gökçe Uysal, Betam, Vice Director, gokce.uysal@bahcesehir.edu.tr

\*\*\* Ayşenur Acar, Betam, Research Assistant, aysenur.acar@bahcesehir.edu.tr

persons unemployed in non-agricultural sectors increased by 34 thousand and non-agricultural unemployment rate reached 11.8 percent.

**Figure 2 Seasonally adjusted non-agricultural labor force, employment and unemployment**

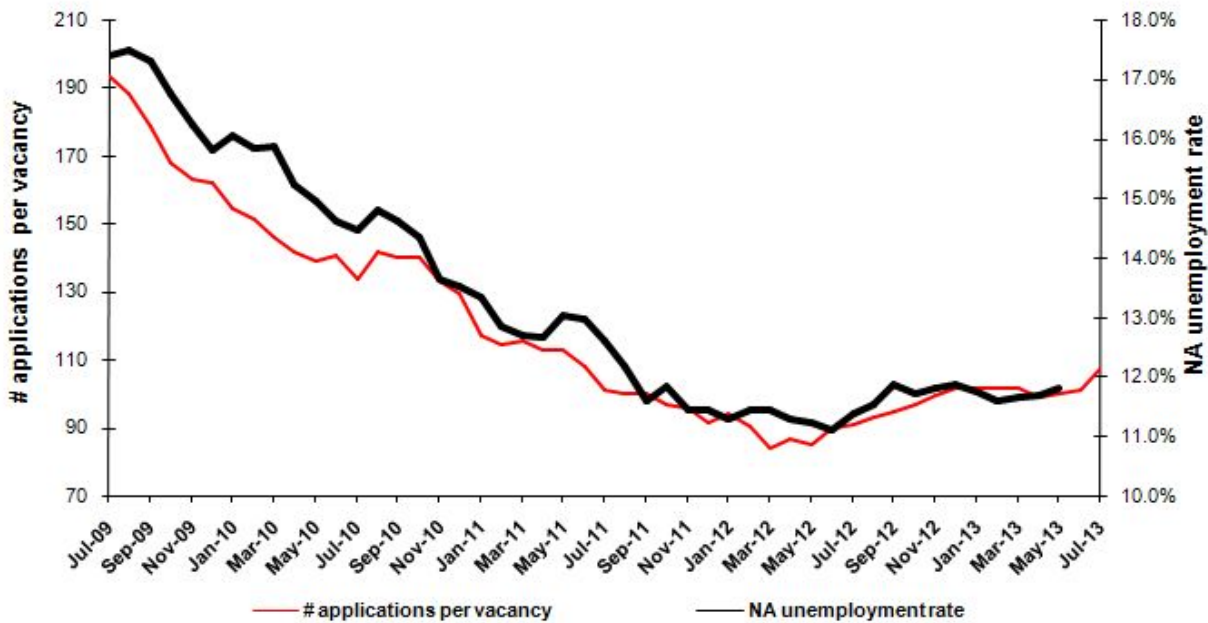


Source: TurkStat, **Betam**

**According to Kariyer.net data, non-agricultural unemployment might increase**

Application per vacancy statistics calculated using Kariyer.net<sup>1</sup> series indicate that non-agricultural unemployment rate will increase in the period of June 2013.

**Figure 1 Seasonally adjusted non-agricultural unemployment rate and application per vacancy**



Source: Kariyer.net, TurkStat, **Betam**

<sup>1</sup> Betam has been calculating application per vacancy using series released by Kariyer.net for a while. Seasonal and calendar adjustment procedure is applied to application per vacancy series. A decrease in applications per vacancy may be caused by an increase in vacancies or by a decrease in the number of applications. An increase in vacancies signals economic growth while decreasing number of applications indicates a decrease in number of people looking for a job.

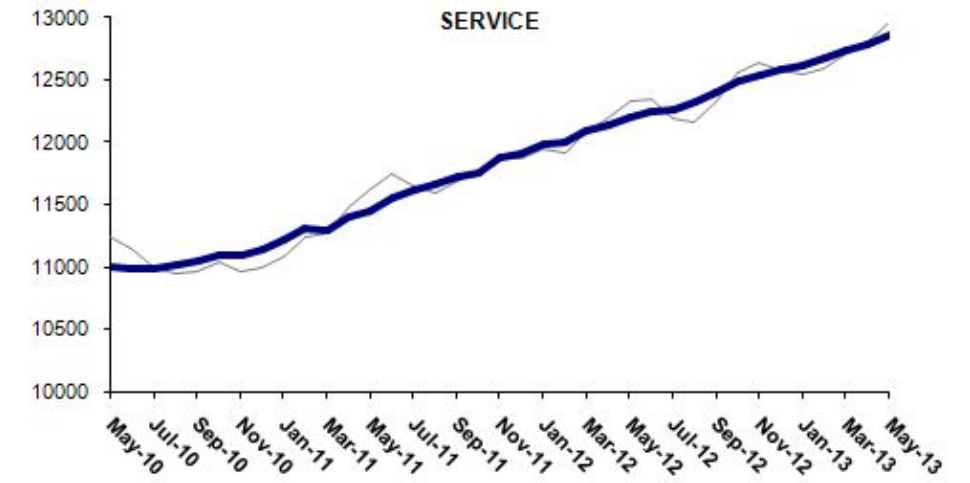
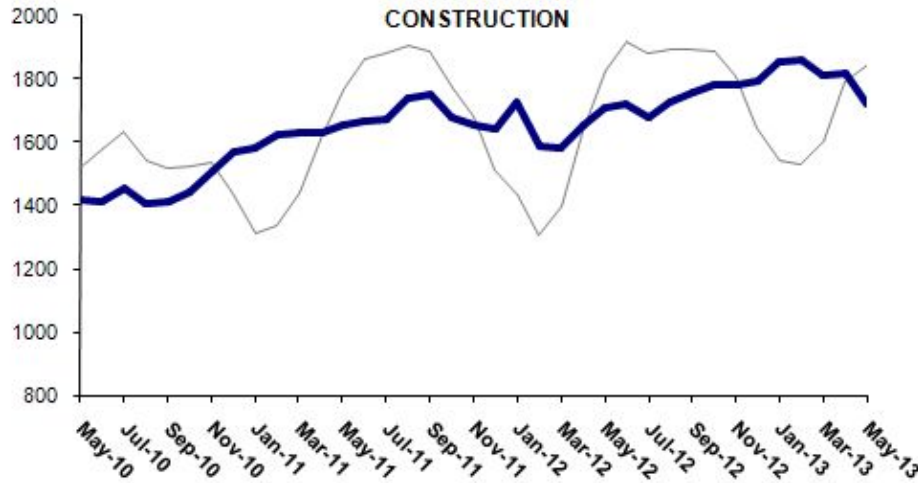
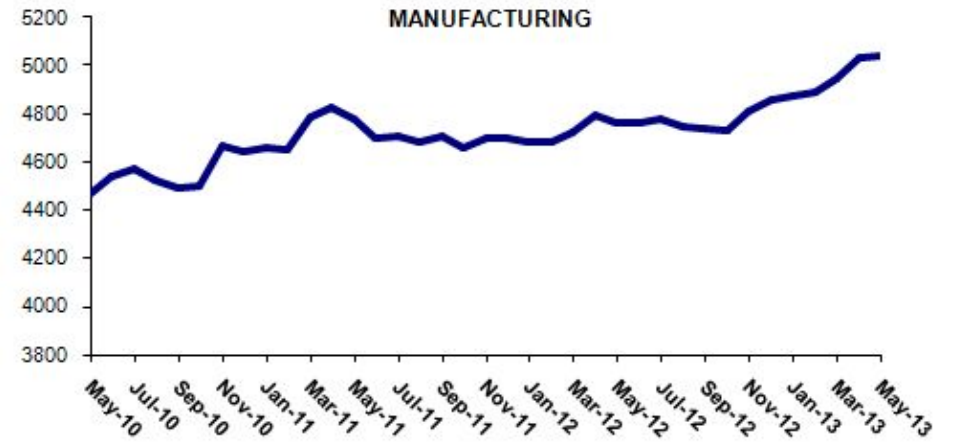
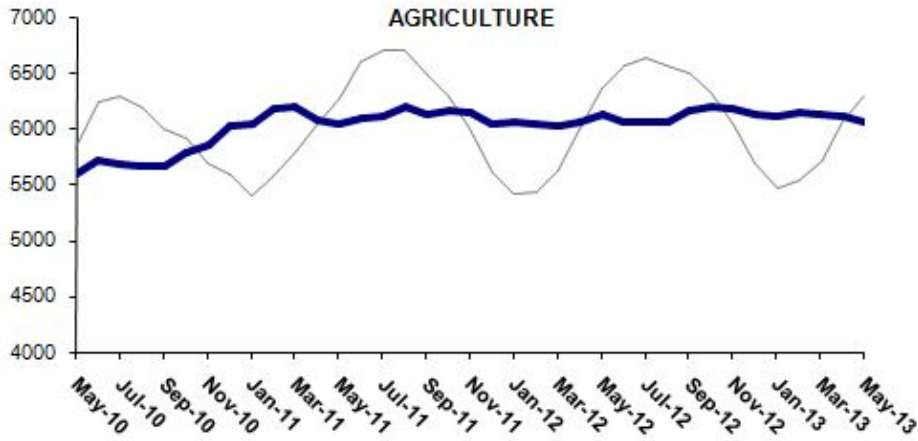
## **Employment increases in services, declines in construction**

Seasonally adjusted series show that increases in service sector continue in the period of May 2013 (Table 2, Figure 4).<sup>2</sup> In this period, employment in service sector increased by 72 thousand. We observe a slight increase in manufacturing employment (14 thousand), while employment in construction decreased by 97 thousand (5.6 percent). Developments in the construction sector require further research.

---

<sup>2</sup> Employment in each sector is seasonally adjusted separately. Hence the sum of these series may differ from the seasonally adjusted series of total employment. The difference stems from the non-linearity of the seasonal adjustment process.

Figure 2 Employment by sectors (in thousands)<sup>3</sup>



Source: TurkStat, Betam



<sup>3</sup> Grey lines indicate seasonally adjusted series, where dark blue lines represent raw data.

**Table 1 Seasonally adjusted non-agricultural labor force indicators (in thousands)**

|                     | Labor force | Employment | Unemployment | Unemployment rate | Monthly changes |            |              |
|---------------------|-------------|------------|--------------|-------------------|-----------------|------------|--------------|
|                     |             |            |              |                   | Labor force     | Employment | Unemployment |
| <b>April-10</b>     | 19771       | 16762      | 3009         | 15.2%             |                 |            |              |
| <b>May-10</b>       | 19851       | 16881      | 2970         | 15.0%             | 80              | 119        | -39          |
| <b>June-10</b>      | 19826       | 16928      | 2898         | 14.6%             | -25             | 47         | -72          |
| <b>July-10</b>      | 19883       | 17005      | 2877         | 14.5%             | 57              | 78         | -21          |
| <b>August-10</b>    | 19888       | 16943      | 2945         | 14.8%             | 6               | -62        | 68           |
| <b>September-10</b> | 19841       | 16941      | 2900         | 14.6%             | -47             | -2         | -45          |
| <b>October-10</b>   | 19880       | 17027      | 2853         | 14.4%             | 39              | 85         | -46          |
| <b>November-10</b>  | 19993       | 17263      | 2730         | 13.7%             | 113             | 237        | -124         |
| <b>December-10</b>  | 20073       | 17357      | 2716         | 13.5%             | 80              | 93         | -14          |
| <b>January-11</b>   | 20129       | 17448      | 2681         | 13.3%             | 56              | 91         | -35          |
| <b>February-11</b>  | 20175       | 17584      | 2591         | 12.8%             | 46              | 136        | -90          |
| <b>March-11</b>     | 20286       | 17711      | 2574         | 12.7%             | 111             | 128        | -17          |
| <b>April-11</b>     | 20457       | 17864      | 2593         | 12.7%             | 171             | 153        | 18           |
| <b>May-11</b>       | 20552       | 17874      | 2679         | 13.0%             | 95              | 9          | 86           |
| <b>June-11</b>      | 20587       | 17918      | 2669         | 13.0%             | 34              | 44         | -10          |
| <b>July-11</b>      | 20600       | 18002      | 2597         | 12.6%             | 13              | 85         | -72          |
| <b>August-11</b>    | 20590       | 18082      | 2508         | 12.2%             | -9              | 80         | -89          |
| <b>September-11</b> | 20576       | 18188      | 2389         | 11.6%             | -14             | 106        | -119         |
| <b>October-11</b>   | 20524       | 18095      | 2430         | 11.8%             | -52             | -93        | 41           |
| <b>November-11</b>  | 20587       | 18230      | 2357         | 11.4%             | 63              | 135        | -72          |
| <b>December-11</b>  | 20617       | 18256      | 2361         | 11.5%             | 30              | 26         | 4            |
| <b>January-12</b>   | 20745       | 18406      | 2339         | 11.3%             | 128             | 150        | -22          |
| <b>February-12</b>  | 20629       | 18268      | 2361         | 11.4%             | -116            | -138       | 22           |
| <b>March-12</b>     | 20785       | 18405      | 2380         | 11.4%             | 156             | 137        | 18           |
| <b>April-12</b>     | 20946       | 18582      | 2364         | 11.3%             | 161             | 177        | -16          |
| <b>May-12</b>       | 21031       | 18666      | 2365         | 11.2%             | 85              | 84         | 1            |
| <b>June-12</b>      | 21059       | 18719      | 2340         | 11.1%             | 28              | 53         | -25          |
| <b>July-12</b>      | 21127       | 18722      | 2405         | 11.4%             | 68              | 2          | 65           |
| <b>August-12</b>    | 21241       | 18791      | 2450         | 11.5%             | 114             | 69         | 45           |
| <b>September-12</b> | 21433       | 18888      | 2544         | 11.9%             | 191             | 97         | 94           |
| <b>October-12</b>   | 21535       | 19009      | 2526         | 11.7%             | 103             | 121        | -18          |
| <b>November-12</b>  | 21695       | 19132      | 2563         | 11.8%             | 160             | 123        | 37           |
| <b>December-12</b>  | 21816       | 19227      | 2589         | 11.9%             | 121             | 95         | 27           |
| <b>January-13</b>   | 21909       | 19336      | 2572         | 11.7%             | 92              | 109        | -17          |
| <b>February-13</b>  | 21980       | 19429      | 2551         | 11.6%             | 72              | 93         | -21          |
| <b>March-13</b>     | 22074       | 19499      | 2575         | 11.7%             | 94              | 70         | 24           |
| <b>April-13</b>     | 22236       | 19638      | 2598         | 11.7%             | 162             | 139        | 23           |
| <b>May-13</b>       | 22259       | 19627      | 2632         | 11.8%             | 23              | -11        | 34           |

Source: TurkStat, **Betam**

**Table 2 Seasonally adjusted employment by sector (in thousands)**

|              | Agriculture | Manufacturing | Construction | Service | Monthly changes |               |              |         |
|--------------|-------------|---------------|--------------|---------|-----------------|---------------|--------------|---------|
|              |             |               |              |         | Agriculture     | Manufacturing | Construction | Service |
| April-10     | 5672        | 4381          | 1437         | 10944   |                 |               |              |         |
| May-10       | 5587        | 4470          | 1417         | 10994   | -85             | 89            | -21          | 51      |
| June-10      | 5719        | 4536          | 1414         | 10978   | 132             | 66            | -3           | -16     |
| July-10      | 5687        | 4575          | 1453         | 10977   | -31             | 39            | 40           | -1      |
| August-10    | 5664        | 4525          | 1408         | 11011   | -23             | -50           | -46          | 34      |
| September-10 | 5659        | 4489          | 1410         | 11042   | -6              | -36           | 2            | 32      |
| October-10   | 5791        | 4498          | 1442         | 11087   | 133             | 9             | 32           | 44      |
| November-10  | 5845        | 4667          | 1512         | 11085   | 54              | 169           | 70           | -2      |
| December-10  | 6028        | 4642          | 1569         | 11146   | 183             | -25           | 57           | 61      |
| January-11   | 6033        | 4656          | 1582         | 11210   | 5               | 14            | 13           | 64      |
| February-11  | 6178        | 4652          | 1627         | 11305   | 145             | -4            | 45           | 95      |
| March-11     | 6198        | 4790          | 1630         | 11292   | 19              | 138           | 3            | -13     |
| April-11     | 6082        | 4828          | 1633         | 11403   | -116            | 38            | 3            | 112     |
| May-11       | 6036        | 4777          | 1652         | 11445   | -46             | -51           | 19           | 41      |
| June-11      | 6093        | 4697          | 1667         | 11554   | 57              | -80           | 15           | 109     |
| July-11      | 6115        | 4710          | 1673         | 11619   | 22              | 13            | 6            | 65      |
| August-11    | 6192        | 4682          | 1742         | 11659   | 77              | -28           | 68           | 40      |
| September-11 | 6131        | 4707          | 1751         | 11730   | -60             | 25            | 9            | 71      |
| October-11   | 6167        | 4657          | 1679         | 11758   | 36              | -50           | -72          | 28      |
| November-11  | 6145        | 4700          | 1657         | 11873   | -22             | 43            | -22          | 114     |
| December-11  | 6045        | 4701          | 1645         | 11910   | -100            | 1             | -12          | 37      |
| January-12   | 6052        | 4685          | 1729         | 11992   | 7               | -16           | 84           | 82      |
| February-12  | 6033        | 4684          | 1588         | 11996   | -19             | -1            | -141         | 4       |
| March-12     | 6027        | 4721          | 1585         | 12100   | -6              | 37            | -4           | 104     |
| April-12     | 6065        | 4792          | 1653         | 12137   | 38              | 71            | 69           | 37      |
| May-12       | 6128        | 4760          | 1707         | 12199   | 64              | -32           | 54           | 62      |
| June-12      | 6055        | 4761          | 1719         | 12240   | -74             | 1             | 12           | 40      |
| July-12      | 6054        | 4778          | 1676         | 12268   | 0               | 17            | -43          | 28      |
| August-12    | 6055        | 4745          | 1726         | 12320   | 1               | -33           | 50           | 52      |
| September-12 | 6155        | 4735          | 1758         | 12395   | 100             | -10           | 32           | 75      |
| October-12   | 6190        | 4732          | 1784         | 12493   | 34              | -3            | 26           | 98      |
| November-12  | 6176        | 4814          | 1782         | 12536   | -14             | 82            | -2           | 43      |
| December-12  | 6131        | 4856          | 1792         | 12579   | -45             | 42            | 10           | 43      |
| January-13   | 6110        | 4870          | 1856         | 12611   | -21             | 14            | 64           | 32      |
| February-13  | 6135        | 4886          | 1860         | 12683   | 25              | 16            | 5            | 72      |
| March-13     | 6120        | 4948          | 1814         | 12737   | -14             | 62            | -46          | 54      |
| April-13     | 6111        | 5030          | 1818         | 12790   | -10             | 82            | 3            | 54      |
| May-13       | 6051        | 5044          | 1721         | 12862   | -60             | 14            | -97          | 72      |

Source: TurkStat, **Betam**