

## NON-AGRICULTURAL EMPLOYMENT DID NOT INCREASE

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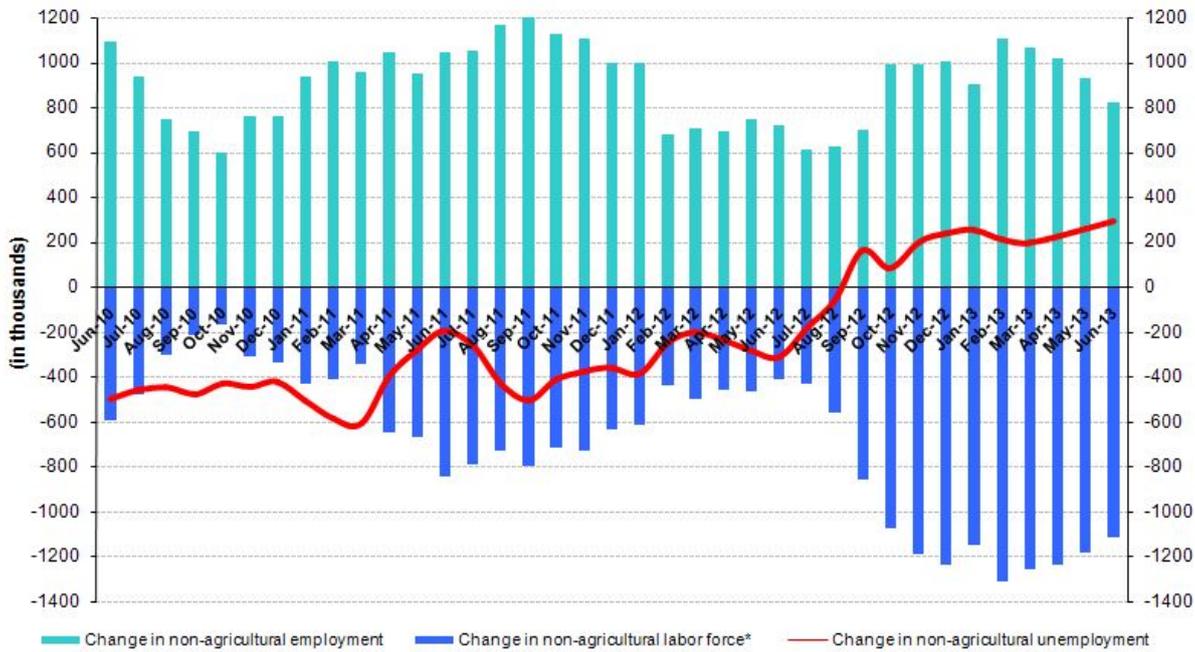
### Abstract

Seasonally adjusted labor market data shows that non-agricultural unemployment rate increased from 11.8 percent in the period of May 2013 to 11.9 percent in the period of June 2013. Strong increase in non-agricultural labor force and slight increase in non-agricultural employment are behind the increase in the unemployment rate. Non-agricultural employment increased only by 2 thousand from May 2013 to June 2013. We observe a slowdown in employment in all sectors. In this period, employment in construction and service sector increased by 15 thousand and 16 thousand respectively, while employment in manufacturing decreased by 29 thousand.

### Increase in non-agricultural employment weakens

According to the data released by TurkSTAT, non-agricultural labor force increased by 1 million 115 thousand (5.3 percent) and non-agricultural employment increased by 823 thousand (4.3 percent) in the period of June 2013 (Figure 1). We observe strong increases in non-agricultural labor force, while increase in non-agricultural employment weakens. Consequently, the number of persons unemployed in non-agricultural sectors increased by 292 thousand (13.5 percent).

**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 continued to increase in the period of June 2013

According to seasonally adjusted data, non-agricultural labor force increased by 26 thousand and reached 22 million 258 thousand in the period of June 2013 compared to the period of May 2013 (Figure 2, Table 1). Non-

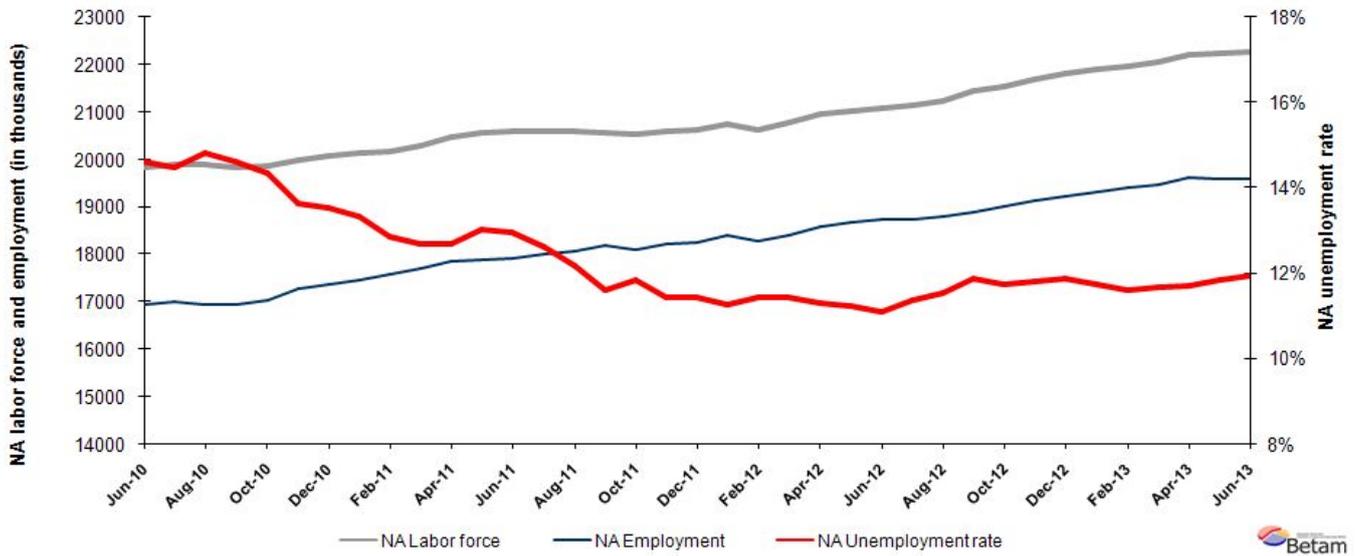
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agricultural employment decreased by 2 thousand and reached 19 million 600 thousand. Thus, the number of persons unemployed in non-agricultural sectors increased by 24 thousand and non-agricultural unemployment rate increased to 11.9 percent. Non-agricultural unemployment has been increasing slowly but consistently since February 2013.

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

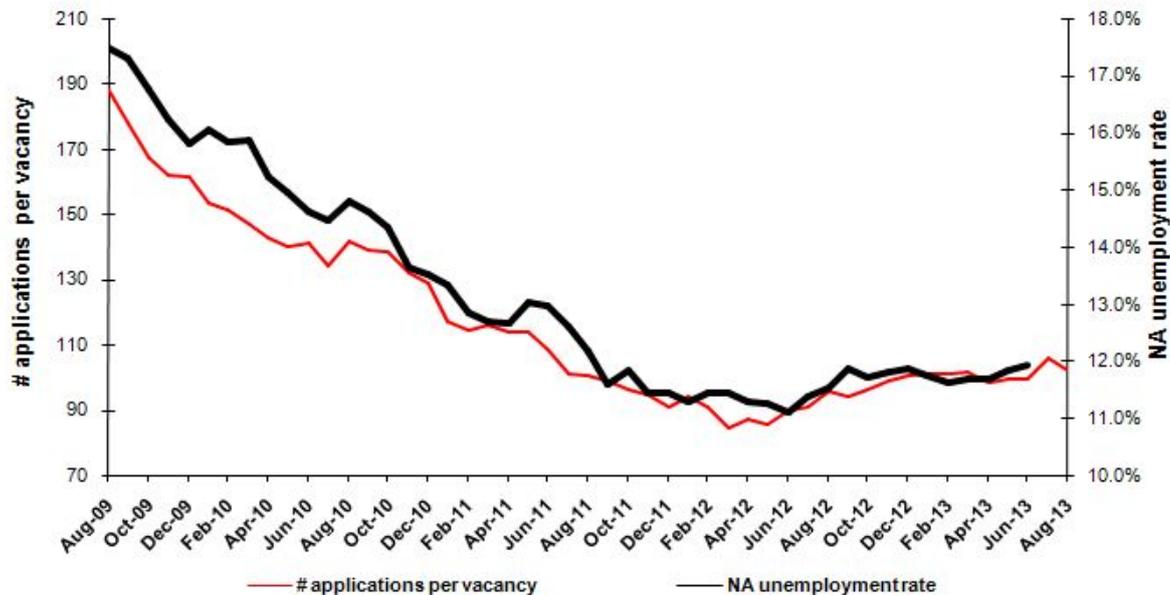


Source: TurkStat, **Betam**

**According to Kariyer.net data, non-agricultural unemployment will stagnate**

Per vacancy statistics calculated using Kariyer.net<sup>1</sup> series increased in July 201 and decreased in August 2013. Hence, we expect that that non-agricultural unemployment will stagnate in the period of July 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.

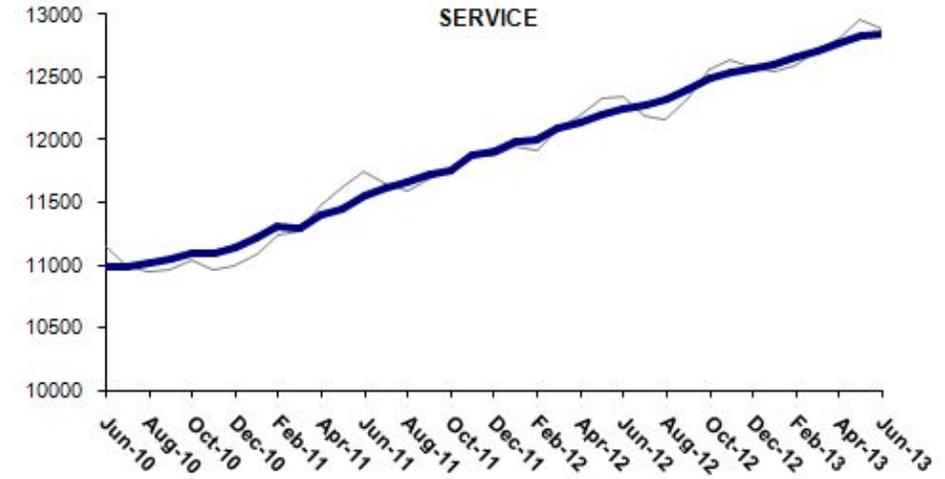
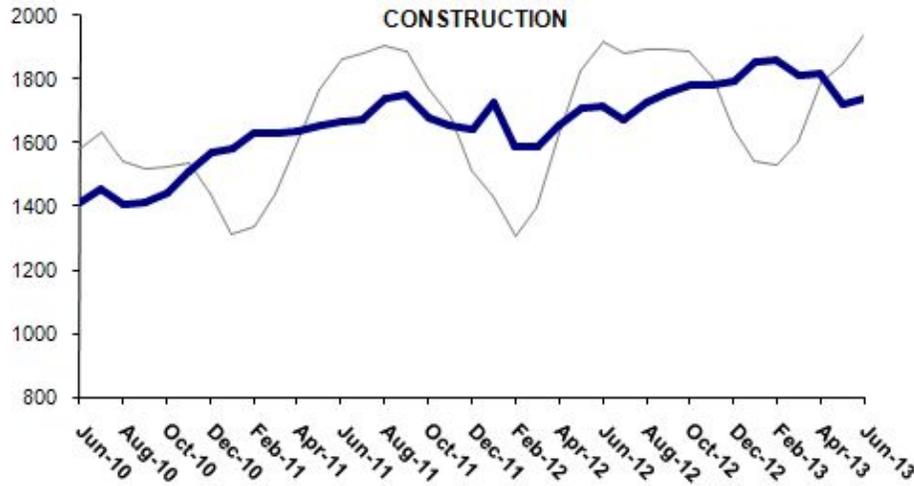
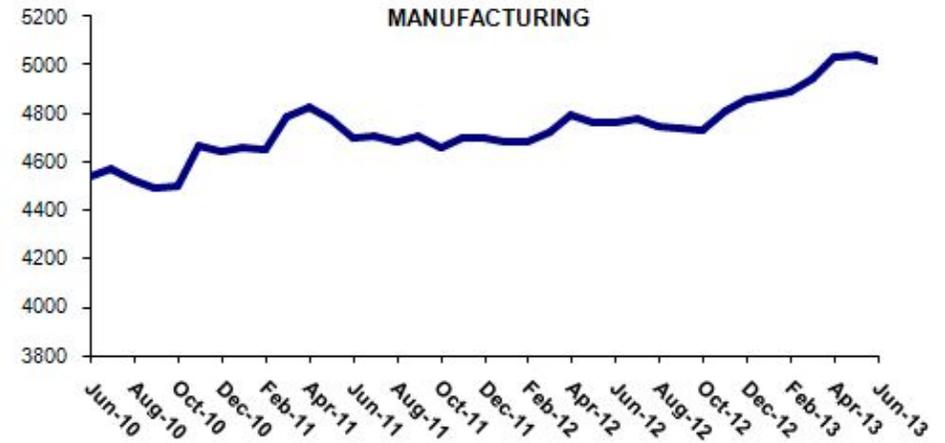
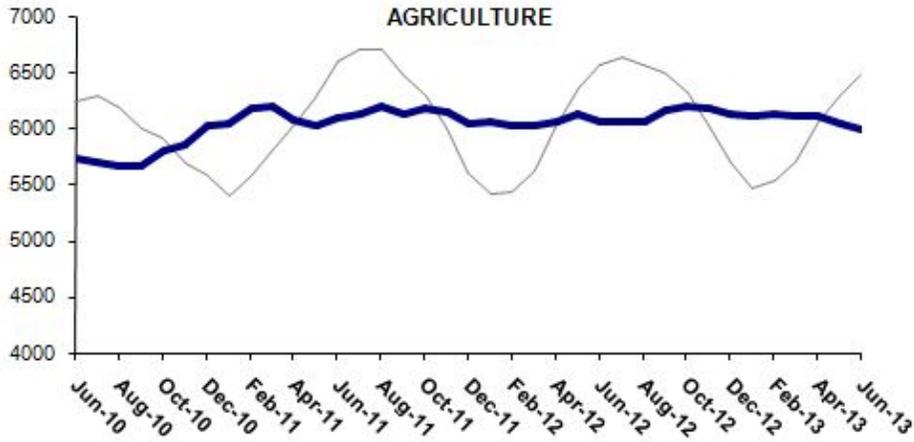
## **Employment losses in manufacturing, slight increases in both construction and services**

According to the seasonally adjusted labor market series, manufacturing employment decreased by 29 thousand in the period May 2013 (Table 2, Figure 4).<sup>2</sup> On the other hand, employment in construction and service increased by 15 and 16 thousand, respectively. Remarkable increases in service employment observed since March 2012 weakened in this period. Agricultural employment continued to decline. There was a decrease of 55 thousand in the period of June 2013.

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<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
May-10	19852	16881	2971	15.0%			
June-10	19824	16927	2897	14.6%	-28	46	-74
July-10	19881	17005	2876	14.5%	57	78	-21
August-10	19887	16943	2944	14.8%	6	-62	68
September-10	19840	16941	2899	14.6%	-47	-2	-45
October-10	19879	17026	2853	14.4%	39	85	-46
November-10	19993	17263	2730	13.7%	113	237	-123
December-10	20073	17356	2716	13.5%	80	93	-13
January-11	20129	17448	2681	13.3%	56	91	-35
February-11	20175	17584	2591	12.8%	46	136	-90
March-11	20287	17712	2575	12.7%	111	128	-17
April-11	20458	17865	2593	12.7%	172	153	19
May-11	20554	17874	2680	13.0%	96	9	86
June-11	20585	17917	2669	13.0%	31	42	-11
July-11	20598	18001	2597	12.6%	13	85	-72
August-11	20589	18082	2507	12.2%	-9	80	-89
September-11	20575	18187	2388	11.6%	-14	106	-119
October-11	20523	18094	2429	11.8%	-52	-93	41
November-11	20586	18229	2357	11.4%	63	135	-72
December-11	20617	18256	2361	11.5%	31	26	5
January-12	20746	18406	2339	11.3%	129	151	-22
February-12	20630	18268	2362	11.4%	-116	-138	22
March-12	20786	18406	2380	11.5%	156	138	19
April-12	20948	18583	2365	11.3%	162	177	-16
May-12	21029	18664	2366	11.2%	82	81	1
June-12	21069	18729	2340	11.1%	39	66	-26
July-12	21132	18728	2405	11.4%	64	-1	65
August-12	21246	18796	2450	11.5%	113	68	45
September-12	21435	18892	2544	11.9%	190	96	94
October-12	21536	19010	2526	11.7%	101	119	-18
November-12	21692	19130	2563	11.8%	157	120	37
December-12	21810	19221	2589	11.9%	118	91	27
January-13	21899	19326	2572	11.7%	88	105	-17
February-13	21966	19414	2552	11.6%	67	88	-21
March-13	22054	19478	2576	11.7%	88	64	24
April-13	22209	19610	2599	11.7%	155	132	23
May-13	22231	19598	2633	11.8%	22	-12	34
June-13	22258	19600	2658	11.9%	26	2	24

Source: TurkStat, **Betam**

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

	Agriculture	Manufacturing	Construction	Service	Monthly changes			
					Agriculture	Manufacturing	Construction	Service
May-10	5582	4470	1417	10994				
June-10	5723	4536	1413	10978	141	66	-4	-16
July-10	5691	4575	1453	10977	-32	39	40	-1
August-10	5667	4525	1407	11011	-24	-50	-46	34
September-10	5660	4489	1409	11042	-7	-36	2	32
October-10	5793	4498	1441	11087	132	9	32	44
November-10	5845	4667	1511	11085	53	169	70	-2
December-10	6028	4642	1569	11146	182	-25	57	61
January-11	6032	4656	1582	11210	4	14	14	64
February-11	6177	4652	1628	11305	144	-4	45	95
March-11	6195	4790	1630	11292	18	138	3	-13
April-11	6078	4828	1634	11403	-117	38	3	112
May-11	6030	4777	1653	11445	-48	-51	19	41
June-11	6099	4697	1666	11554	69	-80	13	109
July-11	6119	4710	1673	11619	21	13	6	65
August-11	6195	4682	1741	11659	76	-28	68	40
September-11	6134	4707	1751	11730	-61	25	10	71
October-11	6169	4657	1679	11758	35	-50	-72	28
November-11	6146	4700	1657	11872	-23	43	-22	114
December-11	6045	4701	1645	11910	-101	1	-12	37
January-12	6050	4685	1729	11992	6	-16	84	82
February-12	6030	4684	1589	11996	-20	-1	-141	4
March-12	6022	4721	1585	12100	-8	37	-3	104
April-12	6059	4792	1654	12137	36	71	69	37
May-12	6121	4760	1708	12196	62	-32	54	59
June-12	6062	4761	1718	12250	-59	1	10	55
July-12	6060	4778	1675	12275	-2	17	-43	24
August-12	6060	4745	1725	12326	0	-33	50	51
September-12	6159	4735	1758	12399	99	-10	32	73
October-12	6193	4732	1784	12494	34	-3	26	96
November-12	6177	4814	1782	12534	-16	82	-2	40
December-12	6130	4856	1792	12573	-47	42	10	39
January-13	6107	4870	1856	12600	-23	14	64	27
February-13	6131	4886	1861	12667	24	16	5	67
March-13	6115	4948	1815	12715	-16	62	-46	48
April-13	6103	5030	1819	12762	-12	82	3	47
May-13	6041	5044	1722	12832	-62	14	-97	71
June-13	5986	5015	1737	12848	-55	-29	15	16

Source: TurkStat, **Betam**