

EMPLOYMENT INCREASED IN MANUFACTURING AND SERVICES

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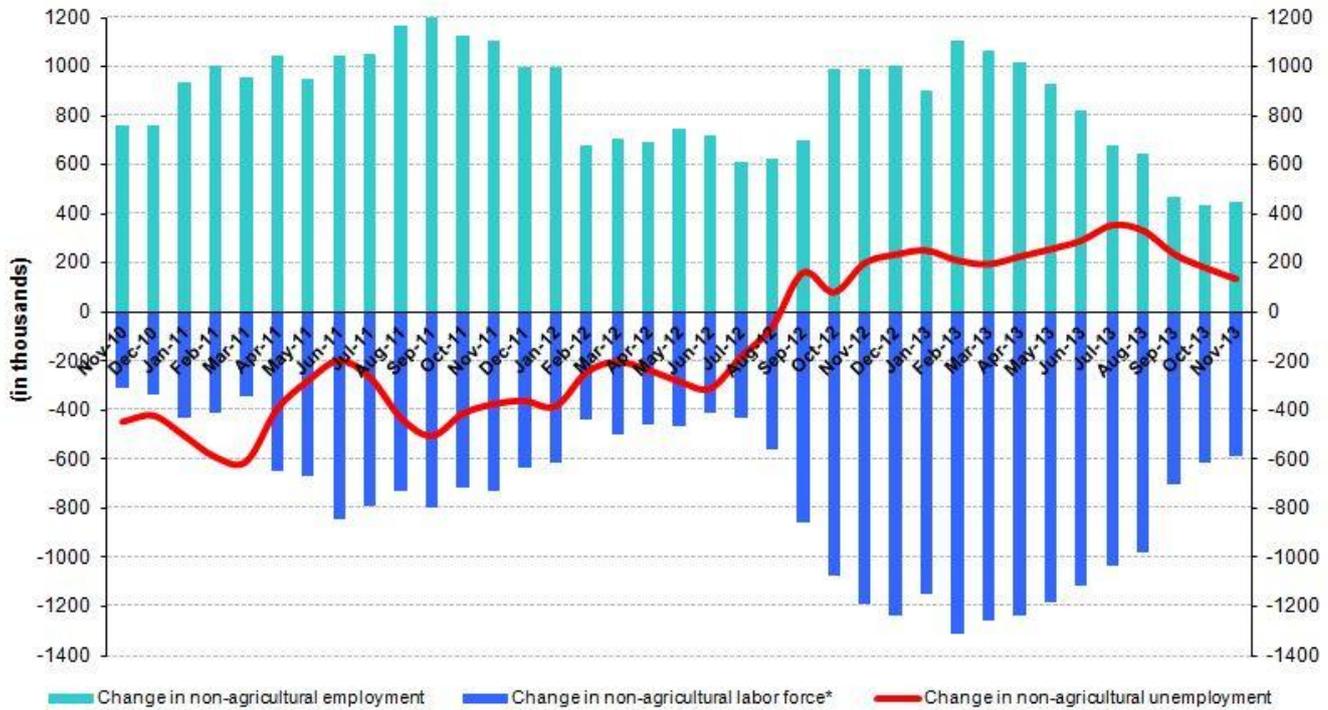
Abstract

Seasonally adjusted labor market data shows that non-agricultural unemployment rate remained at 12.1 percent in the period of November 2013. Increases in seasonally adjusted non-agricultural labor force and employment counterbalanced each other, and thus, non-agricultural unemployment remained stagnant. Increases in service employment has been accelerating during this period. Similarly, manufacturing employment that had been declining for the last five periods increased in this period.

Slowdown in increases in non-agricultural labor force and employment

According to the data released by TurkSTAT, non-agricultural labor force increased by 587 thousand (2.7 percent) and non-agricultural employment increased by 451 thousand (2.3 percent) in the period of November 2013 (Figure 1). Consequently, the number of persons unemployed in non-agricultural sectors increased by 136 thousand. Increase in non-agricultural labor force was counterbalanced with an increase in non-agricultural employment. Annual increases in non-agricultural labor force and employment decreased to below 600 thousand.

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

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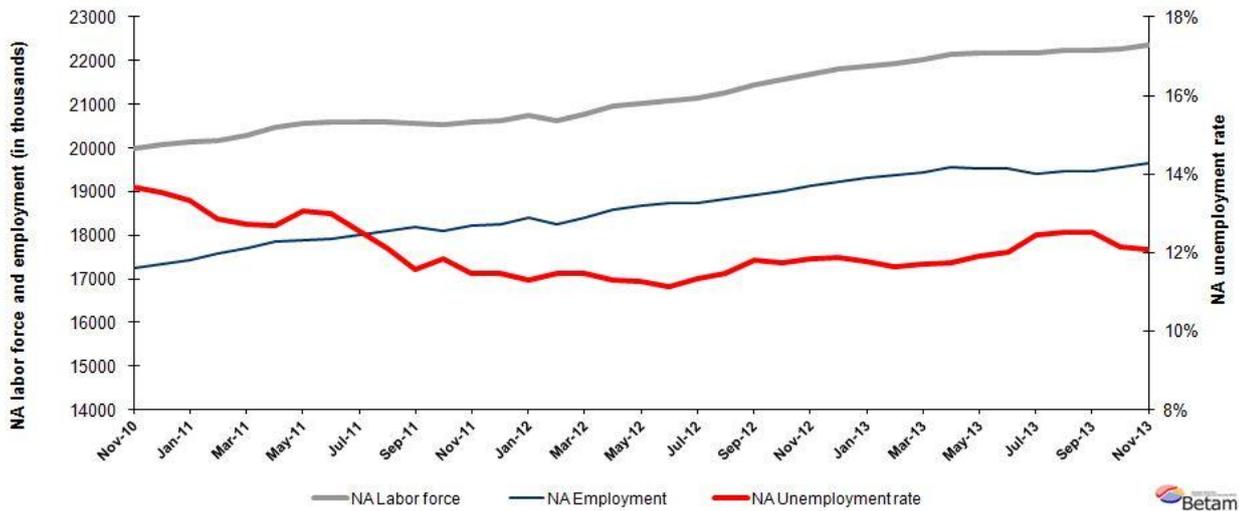
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Non-agricultural employment stagnates

According to seasonally adjusted data, non-agricultural labor force increased by 86 thousand in the period of November 2013 compared to the period of October 2013, and reached 22 million 347 thousand (Figure 2, Table 1). Non-agricultural employment increased by 90 thousand and reached 19 million 649 thousand. Hence, the number of persons unemployed in non-agricultural sectors decreased by 4 thousand and non-agricultural unemployment rate remained the same at 12.1 percent in the period of November 2013.

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

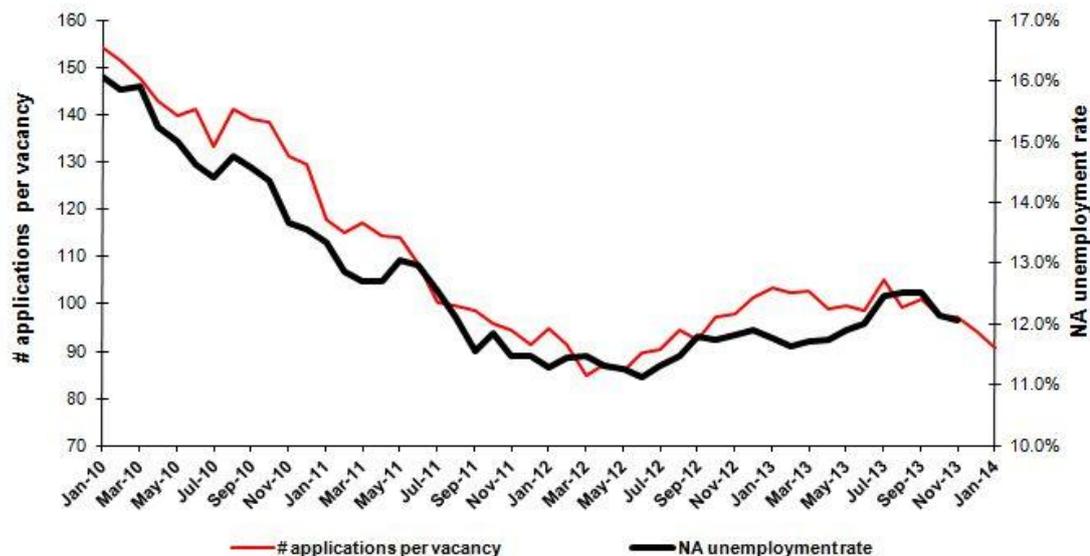


Source: TurkStat, **Betam**

According to Kariyer.net data, non-agricultural unemployment might slightly decrease in the next period

Seasonally adjusted application per vacancy statistics calculated using Kariyer.net series indicate that non-agricultural unemployment might slightly decrease in the period of December 2013.¹

Figure 3 Seasonally adjusted non-agricultural unemployment rate and application per vacancy



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

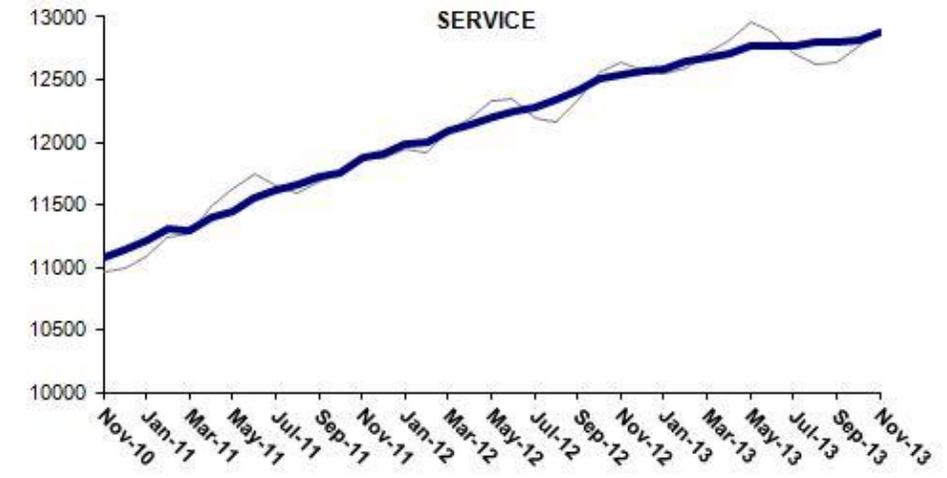
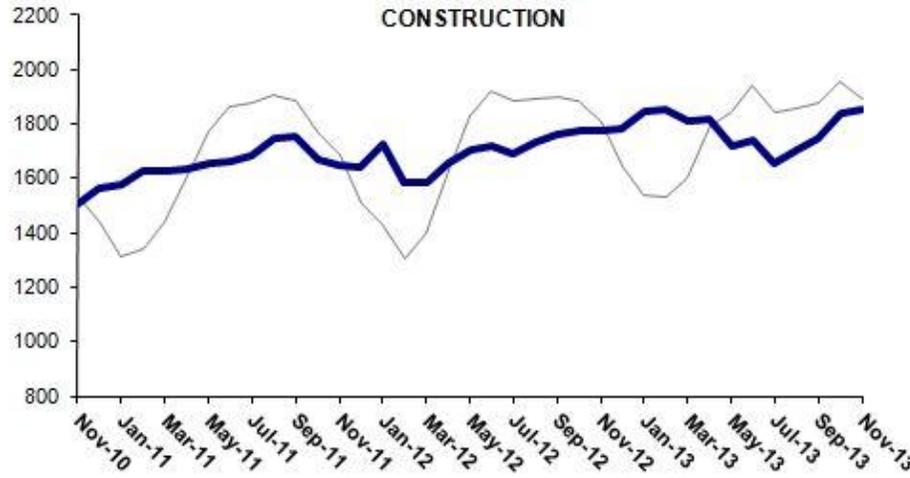
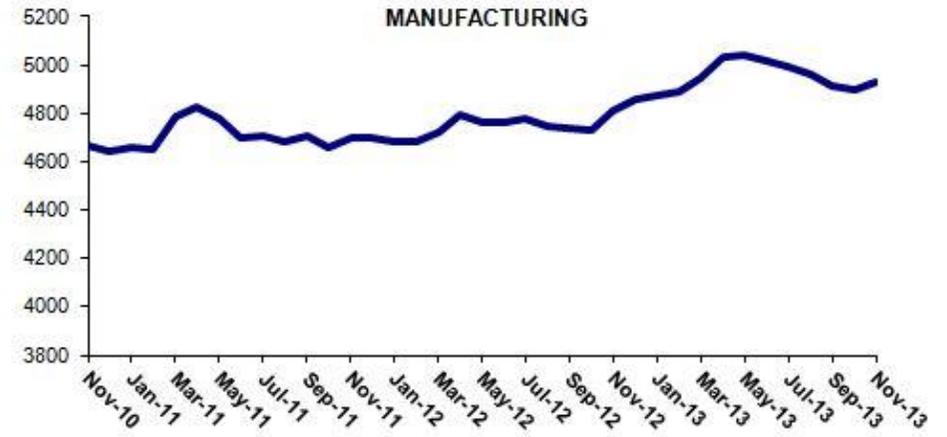
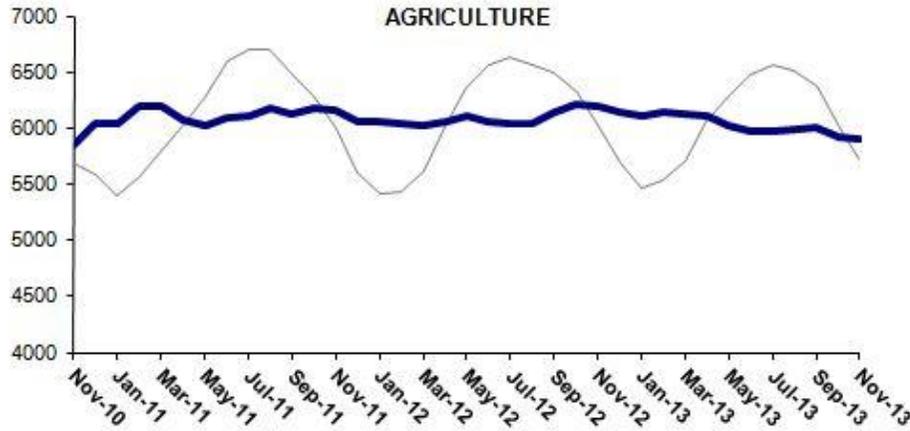
¹ Betam has been calculating application per vacancy using series released by Kariyer.net for a while. Seasonal and calendar adjustment procedure is applied to application per vacancy series. A decrease in applications per vacancy may be caused by an increase in vacancies or by a decrease in the number 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.

Increases in manufacturing and service employment

Seasonally adjusted labor market series show that manufacturing employment increased by 28 thousand in the period of November 2013. The increase in manufacturing employment, which has been declining since the period of June 2013, is in line with the increase in manufacturing production index (Table 2, Figure 4).² Similarly, the increase in service employment had been weakening since the period of June 2013. However, it increased by 51 thousand in the period of November 2013. Meanwhile agricultural employment decreased by 20 thousand and construction employment increased by 11 thousand.

² 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 4 Employment by sectors (in thousands)³



Source: TurkStat, Betam

³ 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
October-10	19877	17021	2856	14.4%			
November-10	19991	17258	2732	13.7%	114	237	-123
December-10	20070	17351	2719	13.5%	80	93	-14
January-11	20127	17443	2684	13.3%	57	92	-35
February-11	20175	17581	2594	12.9%	47	137	-90
March-11	20288	17709	2578	12.7%	113	129	-16
April-11	20459	17862	2597	12.7%	172	153	19
May-11	20557	17873	2684	13.1%	98	10	87
June-11	20588	17915	2673	13.0%	31	43	-12
July-11	20600	18014	2587	12.6%	12	98	-86
August-11	20585	18089	2496	12.1%	-15	76	-90
September-11	20569	18191	2378	11.6%	-16	102	-118
October-11	20519	18088	2432	11.9%	-50	-103	54
November-11	20583	18223	2360	11.5%	64	136	-72
December-11	20614	18250	2364	11.5%	31	26	4
January-12	20743	18401	2342	11.3%	129	151	-22
February-12	20629	18265	2364	11.5%	-114	-136	22
March-12	20788	18403	2384	11.5%	158	139	20
April-12	20949	18580	2369	11.3%	161	177	-16
May-12	21033	18662	2370	11.3%	84	82	2
June-12	21067	18724	2343	11.1%	35	62	-27
July-12	21146	18752	2394	11.3%	79	28	50
August-12	21255	18818	2437	11.5%	109	66	43
September-12	21450	18918	2532	11.8%	195	100	95
October-12	21553	19024	2529	11.7%	104	107	-3
November-12	21693	19126	2567	11.8%	140	102	38
December-12	21806	19213	2593	11.9%	113	87	27
January-13	21885	19309	2576	11.8%	79	96	-17
February-13	21943	19387	2555	11.6%	57	78	-21
March-13	22020	19440	2580	11.7%	78	52	25
April-13	22160	19557	2603	11.7%	140	117	23
May-13	22169	19530	2639	11.9%	8	-27	36
June-13	22184	19522	2663	12.0%	16	-8	24
July-13	22187	19422	2765	12.5%	3	-100	103
August-13	22248	19461	2787	12.5%	61	39	21
September-13	22245	19460	2785	12.5%	-3	-2	-2
October-13	22261	19559	2702	12.1%	17	100	-83
November-13	22347	19649	2698	12.1%	86	90	-4

Source: TurkStat, **Betam**

Table 2 Seasonally adjusted employment by sector (in thousands)

	Agriculture	Manufacturing	Construction	Service	Monthly changes			
					Agriculture	Manufacturing	Construction	Service
October-10	5801	4498	1437	11086				
November-10	5855	4667	1507	11084	53	169	70	-2
December-10	6035	4642	1564	11145	181	-25	57	61
January-11	6039	4656	1578	11209	4	14	14	64
February-11	6188	4652	1625	11304	149	-4	46	95
March-11	6200	4790	1628	11291	12	138	4	-13
April-11	6077	4828	1632	11402	-123	38	4	111
May-11	6020	4777	1652	11443	-56	-51	20	41
June-11	6092	4697	1666	11552	71	-80	14	109
July-11	6111	4710	1686	11618	19	13	20	66
August-11	6182	4682	1749	11658	72	-28	64	40
September-11	6120	4707	1755	11729	-63	25	6	71
October-11	6183	4657	1673	11757	63	-50	-82	28
November-11	6159	4700	1652	11872	-23	43	-21	114
December-11	6053	4701	1640	11909	-107	1	-12	38
January-12	6056	4685	1725	11991	4	-16	85	82
February-12	6042	4684	1586	11995	-15	-1	-139	4
March-12	6027	4721	1583	12099	-15	37	-2	104
April-12	6057	4792	1652	12136	31	71	69	37
May-12	6111	4760	1708	12195	53	-32	55	59
June-12	6051	4761	1718	12245	-60	1	10	50
July-12	6048	4778	1690	12284	-3	17	-28	40
August-12	6044	4745	1734	12339	-4	-33	45	55
September-12	6144	4735	1762	12420	100	-10	28	82
October-12	6210	4732	1777	12515	66	-3	15	95
November-12	6195	4814	1776	12536	-15	82	-1	21
December-12	6140	4856	1786	12571	-55	42	10	35
January-13	6114	4870	1850	12589	-26	14	64	18
February-13	6144	4886	1857	12644	30	16	7	55
March-13	6120	4948	1813	12679	-24	62	-44	35
April-13	6103	5030	1816	12711	-18	82	3	32
May-13	6031	5044	1722	12764	-72	14	-94	53
June-13	5972	5015	1737	12770	-59	-29	15	6
July-13	5968	4991	1655	12775	-4	-24	-82	6
August-13	5991	4964	1704	12793	23	-27	48	18
September-13	6010	4914	1747	12799	19	-50	43	5
October-13	5917	4899	1841	12819	-93	-15	94	20
November-13	5897	4927	1852	12870	-20	28	11	51

Source: TurkStat, **Betam**