

# Labor Market Outlook:

# October 2015

### 15 October 2015

### Eylül 2015

**NonAGRICULTURAL UNEMPLOYMENT DECREASED IN JULY 2015**

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**Executive Summary**

Seasonally adjusted labor market data shows that, compared to the previous period, nonagricultural unemployment rate increased from 12.6 percent to 12.4 percent (0.2 percentage points) in the period of July 2015. Employment decreased by 44 thousand in manufacturing while employment increased by 53 thousand and 74 thousand in construction and services respectively. Betam's forecasting model predicts that seasonally adjusted nonagricultural unemployment rate will increase in next period.

**Year-on-year increase in nonagricultural unemployment weakened**

According to data released by TurkStat in the period of July 2015, nonagricultural labor force increased by 940 thousand (4.0 percent), nonagricultural employment increased by 827 thousand (4.0 percent) and nonagricultural unemployment increased by 113 thousand compared the same period in the previous year (Figure1). Note that increases in both nonagricultural employment and nonagricultural labor force have grown stronger during this period. More specifically, the annual increase in nonagricultural employment is quite large compared to increases recorded during last five years. Thus, a significant part of the increase in nonagricultural labor force was employed and the increase in nonagricultural unemployment was limited to 113 thousand.

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



Source: Turkstat; Betam

**Seasonally adjusted unemployment decreased**

According to seasonally adjusted data in the period of July 2015, nonagricultural labor force increased by 41 thousand compared to the period of June 2015, and reached 24 million 200 thousand. Nonagricultural employment increased by 84 thousand, and reached 21 million 119 thousand (Figure 2, Table 1). In the period of July 2015 compared to the period of June 2015, the number of nonagricultural unemployed decreased by 43 thousand and nonagricultural unemployment rate decreased by 0.2 percent and reduced to 12.4 percent.

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



Source: Turkstat; Betam

**Nonagricultural unemployment would increase in next month**

Betam's forecasting model had predicted that nonagricultural unemployment would remain at the level of 12.6 percent in the period of July 2015. However, nonagricultural unemployment decreased contrary to our expectations. Betam's forecasting model estimates that seasonally adjusted nonagricultural unemployment rate will increase in the period of August 2015. Forecasting model details are available on Betam's website. [[4]](#footnote-4) Kariyer.net[[5]](#footnote-5) application per vacancy series used in the Betam forecasting model is depicted in Figure 3. Kariyer.net series is only one of the inputs of Betam forecast model. Indeed, several variables such as employment agency (İŞKUR) data, reel sector confidence index, capacity utilization rate are used in forecasting. Taken into account all these factors, Betam's forecasting model predicts that seasonally adjusted nonagricultural unemployment rate will increase in the next period.

Figure 3 Seasonally adjusted nonagricultural unemployment rate and application per vacancy



Source: Kariyer.net, Turkstat, Betam

**Employment losses in manufacturing and agriculture**

According to seasonally adjusted labor market series, employment decreased in both agriculture and manufacturing, and increased in services and construction in the period of July 2015 compared to the period of June 2015 (Figure 4, Table 2).[[6]](#footnote-6) Employment decreased by 24 thousand and 44 thousand in agriculture and manufacturing respectively. On the other hand, a 53-thousand increase in construction and a 74-thousand increase in services were recorded.

Figure 4 Employment by sectors (in thousands)



Source: Turkstat,Betam

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Labor force** | **Employment** | **Unemployment** | **Unemployment rate** | **Monthly changes** | | |
| **June-12** | 20691 | 18663 | 2028 | 9.8% | **Labor force** | **Employment** | **Unemployment** |
| **July-12** | 20793 | 18714 | 2079 | 10.0% | 103 | 51 | 52 |
| **August-12** | 20865 | 18758 | 2107 | 10.1% | 72 | 44 | 28 |
| **September-12** | 21067 | 18876 | 2191 | 10.4% | 202 | 118 | 84 |
| **October-12** | 21185 | 18982 | 2203 | 10.4% | 118 | 106 | 12 |
| **November-12** | 21358 | 19094 | 2264 | 10.6% | 173 | 112 | 61 |
| **December-12** | 21455 | 19138 | 2317 | 10.8% | 97 | 44 | 53 |
| **January-13** | 21522 | 19219 | 2303 | 10.7% | 67 | 81 | -14 |
| **February-13** | 21478 | 19201 | 2277 | 10.6% | -44 | -18 | -26 |
| **March-13** | 21592 | 19260 | 2332 | 10.8% | 114 | 59 | 55 |
| **April-13** | 21780 | 19406 | 2374 | 10.9% | 188 | 146 | 42 |
| **May-13** | 21843 | 19462 | 2381 | 10.9% | 63 | 56 | 7 |
| **June-13** | 21848 | 19488 | 2360 | 10.8% | 5 | 26 | -21 |
| **July-13** | 21838 | 19414 | 2424 | 11.1% | -10 | -74 | 64 |
| **August-13** | 21900 | 19447 | 2453 | 11.2% | 62 | 33 | 29 |
| **September-13** | 21965 | 19483 | 2482 | 11.3% | 65 | 36 | 29 |
| **October-13** | 22007 | 19586 | 2421 | 11.0% | 42 | 103 | -61 |
| **November-13** | 22006 | 19585 | 2421 | 11.0% | -1 | -1 | 0 |
| **December-13** | 22253 | 19827 | 2426 | 10.9% | 247 | 242 | 5 |
| **January-14** | 22502 | 20004 | 2498 | 11.1% | 249 | 177 | 72 |
| **February-14** | 22785 | 20256 | 2529 | 11.1% | 283 | 252 | 31 |
| **March-14** | 22938 | 20369 | 2569 | 11.2% | 153 | 113 | 40 |
| **April-14** | 22999 | 20400 | 2599 | 11.3% | 61 | 31 | 30 |
| **May-14** | 23081 | 20404 | 2677 | 11.6% | 83 | 4 | 79 |
| **June-14** | 23170 | 20390 | 2780 | 12.0% | 89 | -14 | 103 |
| **July-14** | 23270 | 20361 | 2909 | 12.5% | 99 | -29 | 128 |
| **August-14** | 23357 | 20461 | 2896 | 12.4% | 88 | 100 | -12 |
| **September-14** | 23564 | 20571 | 2993 | 12.7% | 206 | 110 | 96 |
| **October-14** | 23691 | 20706 | 2985 | 12.6% | 128 | 135 | -7 |
| **November-14** | 23732 | 20718 | 3014 | 12.7% | 41 | 12 | 29 |
| **December-14** | 23735 | 20768 | 2967 | 12.5% | 3 | 50 | -47 |
| **January-15** | 23852 | 20894 | 2958 | 12.4% | 117 | 126 | -9 |
| **February-15** | 23887 | 20973 | 2914 | 12.2% | 36 | 79 | -43 |
| **March-15** | 23815 | 20933 | 2882 | 12.1% | -73 | -40 | -33 |
| **April-15** | 23890 | 21023 | 2867 | 12.0% | 75 | 90 | -15 |
| **May-15** | 24079 | 21117 | 2962 | 12.3% | 189 | 94 | 95 |
| **June-15** | 24159 | 21115 | 3044 | 12.6% | 80 | -2 | 82 |
| **July-15** | 24200 | 21199 | 3001 | 12.4% | 41 | 84 | -43 |

Source: Turkstat, Betam

Table 2 Seasonally adjusted employment by sectors (in thousands)\*

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Agriculture** | **Manufacturing** | **Construction** | **Service** | **Monthly changes** | | | |
| **June-12** | 5236 | 4900 | 1760 | 12004 | **Agriculture** | **Manufacturing** | **Construction** | **Service** |
| **July-12** | 5251 | 4926 | 1747 | 12041 | 15 | 26 | -13 | 37 |
| **August-12** | 5253 | 4892 | 1770 | 12097 | 2 | -34 | 23 | 56 |
| **September-12** | 5320 | 4911 | 1786 | 12179 | 67 | 19 | 16 | 82 |
| **October-12** | 5366 | 4917 | 1788 | 12276 | 46 | 6 | 2 | 97 |
| **November-12** | 5371 | 5003 | 1800 | 12291 | 5 | 86 | 12 | 15 |
| **December-12** | 5345 | 5051 | 1778 | 12310 | -26 | 48 | -22 | 19 |
| **January-13** | 5324 | 5073 | 1795 | 12351 | -21 | 22 | 17 | 41 |
| **February-13** | 5332 | 5023 | 1788 | 12389 | 8 | -50 | -7 | 38 |
| **March-13** | 5284 | 5083 | 1769 | 12407 | -48 | 60 | -19 | 18 |
| **April-13** | 5267 | 5176 | 1803 | 12428 | -17 | 93 | 34 | 21 |
| **May-13** | 5199 | 5200 | 1760 | 12501 | -68 | 24 | -43 | 73 |
| **June-13** | 5163 | 5163 | 1801 | 12523 | -36 | -37 | 41 | 22 |
| **July-13** | 5183 | 5146 | 1738 | 12529 | 20 | -17 | -63 | 6 |
| **August-13** | 5213 | 5117 | 1756 | 12574 | 30 | -29 | 18 | 45 |
| **September-13** | 5212 | 5096 | 1780 | 12607 | -1 | -21 | 24 | 33 |
| **October-13** | 5126 | 5090 | 1851 | 12645 | -86 | -6 | 71 | 38 |
| **November-13** | 5079 | 5064 | 1792 | 12728 | -47 | -26 | -59 | 83 |
| **December-13** | 5052 | 5131 | 1890 | 12806 | -27 | 67 | 98 | 78 |
| **January-14** | 5387 | 5232 | 1931 | 12841 | 335 | 101 | 41 | 35 |
| **February-14** | 5575 | 5359 | 2013 | 12885 | 188 | 127 | 82 | 44 |
| **March-14** | 5606 | 5365 | 1965 | 13039 | 31 | 6 | -48 | 154 |
| **April-14** | 5564 | 5373 | 1904 | 13124 | -42 | 8 | -61 | 85 |
| **May-14** | 5558 | 5364 | 1875 | 13165 | -6 | -9 | -29 | 41 |
| **June-14** | 5471 | 5332 | 1831 | 13227 | -87 | -32 | -44 | 62 |
| **July-14** | 5401 | 5243 | 1818 | 13301 | -70 | -89 | -13 | 74 |
| **August-14** | 5363 | 5257 | 1856 | 13347 | -38 | 14 | 38 | 46 |
| **September-14** | 5356 | 5306 | 1873 | 13393 | -7 | 49 | 17 | 46 |
| **October-14** | 5361 | 5353 | 1892 | 13462 | 5 | 47 | 19 | 69 |
| **November-14** | 5379 | 5273 | 1935 | 13510 | 18 | -80 | 43 | 48 |
| **December-14** | 5425 | 5266 | 1929 | 13573 | 46 | -7 | -6 | 63 |
| **January-15** | 5444 | 5349 | 1922 | 13622 | 19 | 83 | -7 | 49 |
| **February-15** | 5313 | 5351 | 1877 | 13745 | -131 | 2 | -45 | 123 |
| **March-15** | 5480 | 5308 | 1932 | 13692 | 167 | -43 | 55 | -53 |
| **April-15** | 5492 | 5326 | 1911 | 13786 | 12 | 18 | -21 | 94 |
| **May-15** | 5506 | 5404 | 1873 | 13839 | 14 | 78 | -38 | 53 |
| **June-15** | 5527 | 5380 | 1860 | 13876 | 21 | -24 | -13 | 37 |
| **July-15** | 5503 | 5336 | 1913 | 13950 | -24 | -44 | 53 | 74 |

Source: Turkstat, Betam

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4. For detailed information on Betam's forecasting model, please see Betam Research Brief 168 titled as "Kariyer.net Verisiyle Kısa Vadeli Tarım Dışı İşsizlik Tahmini"

   <http://betam.bahcesehir.edu.tr/tr/2014/06/kariyer-net-verisiyle-kisa-vadeli-tarim-disi-issizlik-tahmini/> [↑](#footnote-ref-4)
5. Betam Kariyer.net tarafından sağlanan verilerden açık bulunan iş pozisyonu başına yapılan başvuru sayısını hesaplıyor. Bu seri hem mevsim hem takvim etkilerinden arındırılmıştır. İlan başına başvuru sayısının azalması bir yandan münhal işlerin artmasına diğer yandan da başvuru sayısının azalmasına bağlıdır. Münhal işlerin artması büyümenin hızlanmasına bağlanırken, başvuruların azalması iş arayan sayısının azalmasına bağlı olacaktır. [↑](#footnote-ref-5)
6. 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 [↑](#footnote-ref-6)