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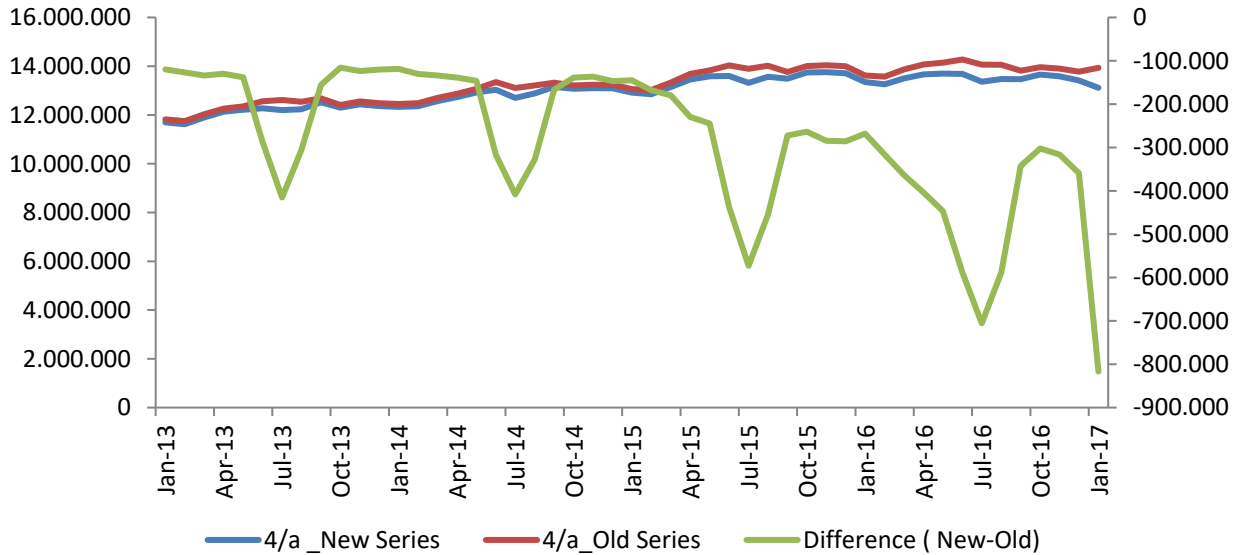
Methodology Change in the Social Security Institution Data

On 20 July 2017, the Social Security Institution (SSI) announced its new and improved monthly insurance statistics. The new dataset is used in the 62nd edition of TEPAV Employment Monitoring Bulletin that evaluates the data for April 2017. Different than the old series, the newly announced dataset does not include interns and trainees in the scope of 4/a, and optionally insured and the laborers insured for other reasons are not included in the scope of 4/c.

Due to this change, provincial and sector compositions of the old series are not comparable to the new data. Provincial and sector composition sections of the TEPAV Employment Monitoring Bulletin's old editions are not included in the new edition since Social Security Institution has not published them by using new series yet.

The comparison of the new and the old series for 4/a employees announced by SSI is shown in Figure 1. The difference between the old series taken from TEPAV İİB dataset and the new series taken from SSI is due to the increasing number of interns, especially in the summer months, which is not included in the new series. The reason for the decrease of 817 thousand in the number of employees in formal employment in January 2017 is the inclusion of vocational and technical high school interns as insured laborers in the old series even though they're excluded in the new series after the December 9 2016 change of regulation.

Figure 1. (4/a) Comparison of the number of employees in old and new series.

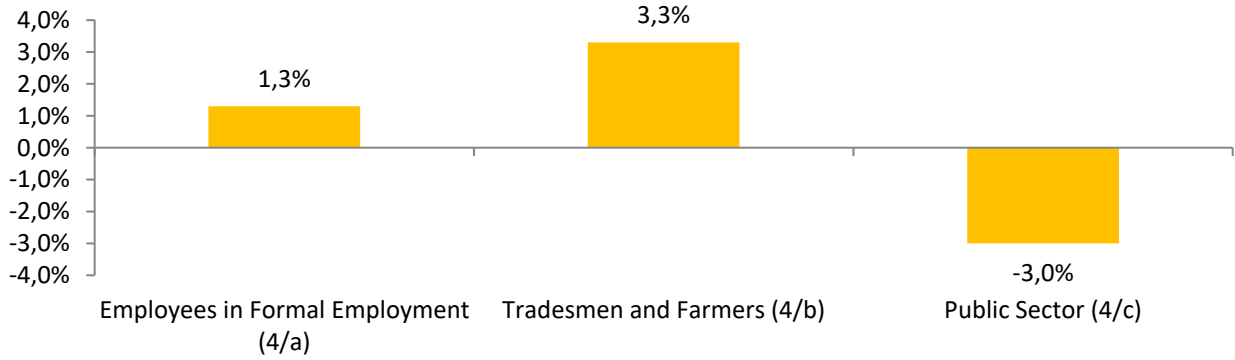


General Evaluation – April 2017

Using the Social Security Institution (SGK) data for April 2017, TEPAV Employment Monitoring Bulletin's 62st issue analyzes monthly and annual changes in the total formal employment, companies, SME, tradesmen, farmers and public sector employees.

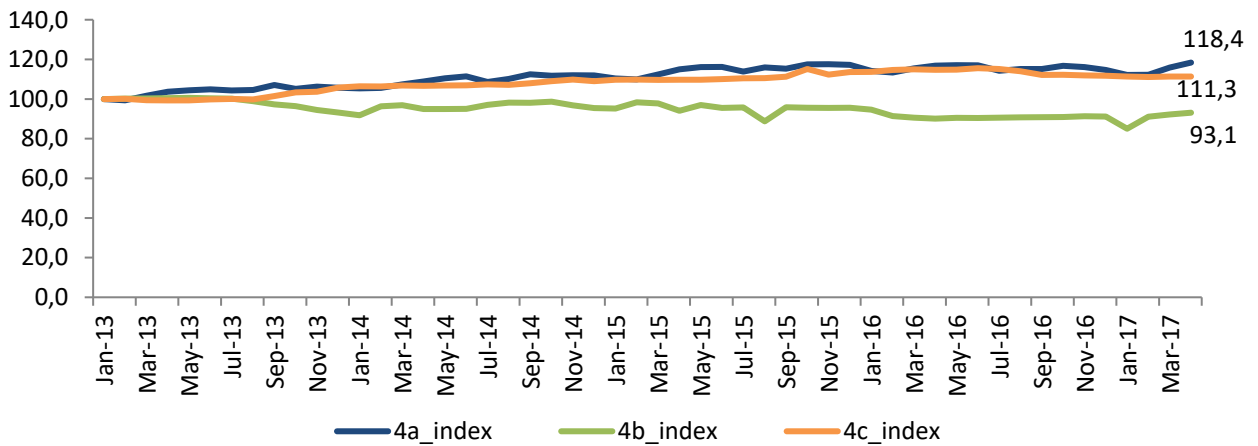
Looking at the changes in last year, the highest increase in April 2017 is seen in tradesman and farmers with an increase of 3,3 percent. While the number of employees in formal employment increased by 1,3 percent; public employees decreased by 3 percent.

Figure 2. The number of employee change (April 2017 - April 2016)



If the number of employees in formal employment (4/a), self-employed tradesmen and farmers (4/b), public sector employees (4/c) are taken as equal to 100 in January 2013, the values are 118,4 for employees in formal employment (4/a), 93,1 for self-employed tradesmen and farmers (4/b), and 111,3 for public sector employees (4/c).

Figure 3. The number of employees (January 2013=100)



Employment Increased by 183 Thousand in a Year, and by 165 Thousand between January-April

In April 2017, the number of employees in formal employment increased by 1,3 percent compared to April 2016, to 13 million 849 thousand. Looking at the seasonally adjusted values, compared to March 2017, the number of employees increased by 55 thousand. Looking at the effect of the employment incentive implemented in February, the difference in the number of employees between April 2017 and January 2017 shows an increase of 733 thousand in the seasonally unadjusted raw data. According to the seasonally adjusted values, an increase of 165 thousand compared to January in April was observed.

In April 2017, the number of tradesmen and farmers increased by 3,3 percent compared to April 2016, to 2 million 760 thousand. Looking at the seasonally adjusted values, the number of tradesmen and farmers increased by 30 thousand compared to March 2017.

In April 2017, the number of public sector employees decreased by 3 percent compared to April 2016, to 2 million 967 thousand. Looking at the seasonally adjusted values, the number of public sector employees decreased by 2 thousand compared to March 2017.

Table 1. Annual and Monthly Change in the numbers of 4/a Number of Employees, 4/b Number of Tradesman and Farmers, 4/c Public Sector Employees; (April 2017)

	Annual Change*	Monthly Change**	Difference between April 2017- January 2017*	Difference between April 2017-January 2017**
4/a Employees in Formal Employment	183.459	54.811	733.414	165.264
4/b Tradesman and Farmers	88.223	30.250	240.010	170.596
4/c Public Sector Employees	-92.101	-2.054	-1,166	-11.276

* Seasonally unadjusted value

** Seasonally adjusted value

Source: SGK, TEPAV

Detailed information and data on April 2017 are available in the accompanying Excel document.

The Number of Companies Increased in 56 out of 88 Sectors in A Year

The number of companies operating throughout Turkey in April 2017 increased by 2,6 percent (46 thousand) compared to April 2016, to 1 million 783 thousand.

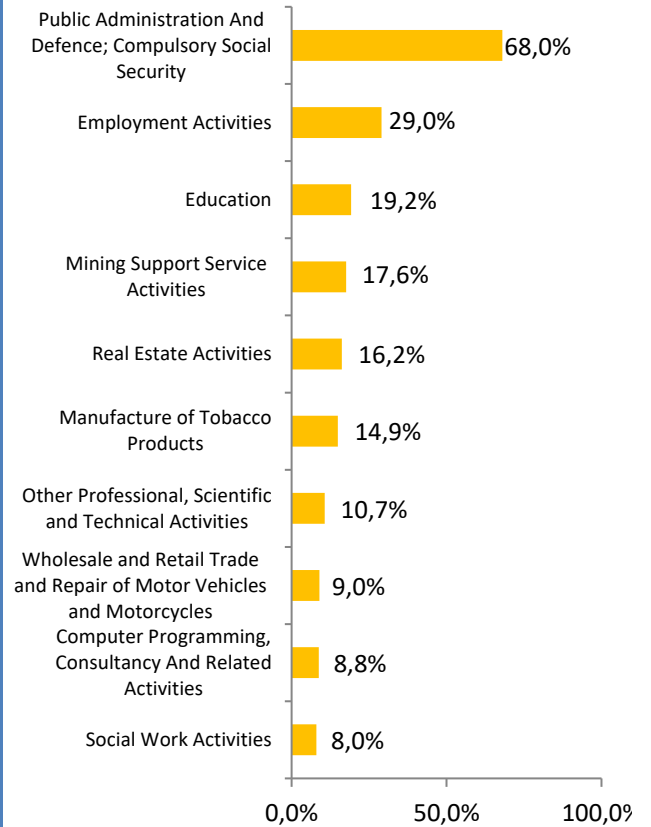
The highest increase took place retail trade with 11 thousand in comparison to April 2016, followed by real estate activities, wholesale trade, food and beverage service activities and education sectors. Examining the percentage changes, public administration and defense, compulsory social security sector increased by 68 percent in one year. This sector is followed by employment activities and education sectors.

Table 2. Top 10 Sectors with the Largest Increase In the Number of Companies (April; 2017 - 2016)

Sectors	Annual Change*
Retail Trade	10.699
Real Estate Activities	7.925
Wholesale Trade	7.019
Food and Beverage Service Activities	6.799
Education	6.251
Wholesale and Retail Trade and Repair of Motor Vehicles and Motorcycles	4.191
Legal and Accounting Activities	1.529
Specialised Construction Activities	1.386
Human Health Activities	1.370
Public Administration and Defence; Compulsory Social Security	1.309
All Sectors	45.876

* Seasonally unadjusted value
Sorted by annual change

Figure 4. Top 10 Sectors with the Fastest Increase In the Number of Companies (April; 2017 - 2016)



Source: SGK, TEPAV

Detailed information and data on April 2017 are available in the accompanying Excel document

The Number of Companies Increased in All Provinces

In April 2017, the number of companies increased in all provinces according to April 2016. In Turkey, the number of companies increased by 46 thousand (2,6 percent) in one year.

In the last year, the provinces that increased the number of companies the most were İzmir, Bursa, Kocaeli, Konya with 2 thousand each, followed by Diyarbakır, Mersin, Van and Trabzon. The number of companies increased the fastest in Hakkari with 35,7 percent, followed by Şırnak, Van, Bingöl ve Mardin.

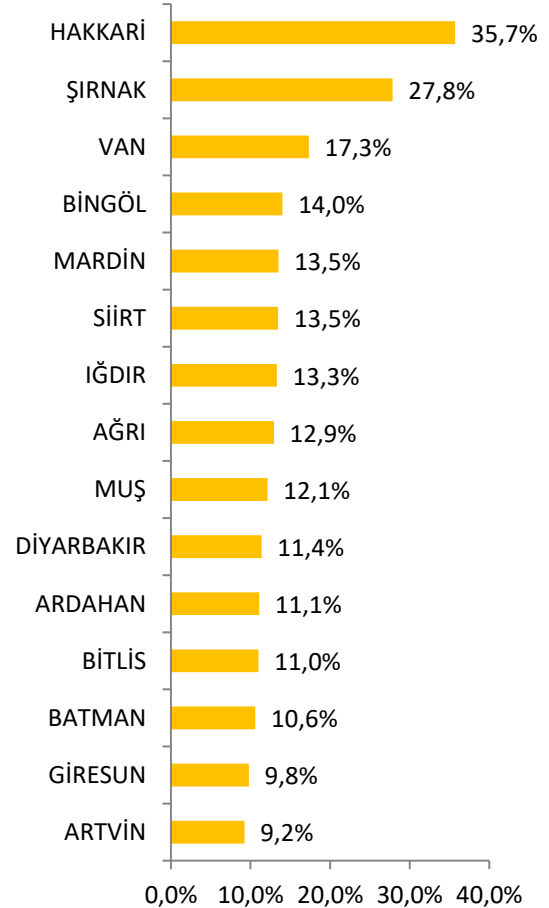
Table 3. Top 15 Provinces with the Largest Increase In the Number of Companies (April; 2017 - 2016)

Provinces	Annual Change*
İzmir	2.473
Bursa	2.112
Kocaeli	1.698
Konya	1.658
Diyarbakır	1.497
Mersin	1.279
Van	1.246
Trabzon	1.180
Balıkesir	1.178
K.Maraş	1.132
Ankara	1.076
Tekirdağ	1.034
Hatay	1.032
Samsun	1.013
Adana	1.006
All Provinces	45.876

* Seasonally unadjusted value
Sorted by annual change

Source: SGK, TEPAV

Figure 5. Top 15 Provinces with the Fastest Increase in the Number of Companies (April; 2017 - 2016)



Detailed information and data on April 2017 are available in the accompanying Excel document

The Number of SMEs Increased by 45 Thousand in a Year

Compared to April 2016, the number of small and medium enterprises (SMEs) increased by 45 thousand in April 2017.

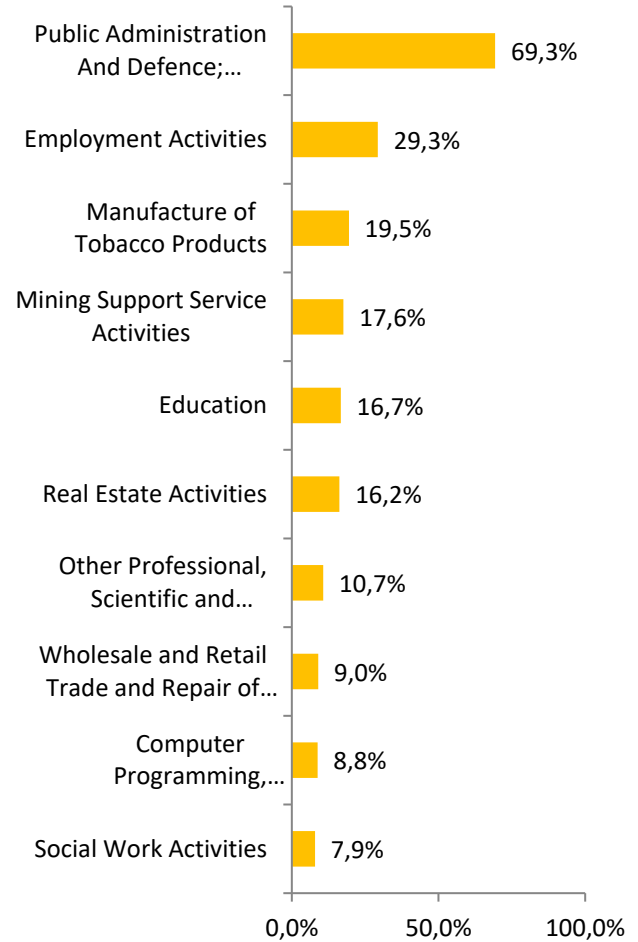
In April 2017, the highest increase took place in İzmir, Bursa, Kocaeli and Konya with 2 thousand each, followed by Diyarbakır, Mersin, Van and Trabzon. Sector distribution of the data shows that the fastest increase took place in public administration and defense, compulsory social security sector with 69,3 percent, followed by employment activities, manufacture of tobacco product and mining support service activities sectors.

Table 4. Top 15 Provinces with the Largest Increase In the Number of SME (April; 2017 - 2016)

Provinces	Annual Change*
İzmir	2.402
Bursa	2.049
Kocaeli	1.654
Konya	1.637
Diyarbakır	1.473
Mersin	1.251
Van	1.231
Trabzon	1.170
Balıkesir	1.155
K.Maraş	1.110
Tekirdağ	1.019
Hatay	1.003
Samsun	996
Ankara	971
Adana	966
All Provinces	44.682

* Seasonally unadjusted value
Sorted by annual change

Figure 4.a Top 15 Provinces with the Fastest Increase in the Number of SME (April; 2017 - 2016)



Source: SGK, TEPAV

Detailed information and data on April 2017 are available in the accompanying Excel document