LABOUR MARKET STRUCTURE AND DEVELOPMENT: TURKISH CASE

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Introduction

Mediterranean countries of Europe while endeavoring for economic growth an employment creation are also in the process of adapting their economies to the condionsnecessary for successful integration with their more developed partners in North-Western Europe. On the success of such an integration, we believe, the region's security, peace and welfare depends.

Although they stand at different levels of economic development, the Mediterranean countries of Europe display similar characteristics with regard to the conditions prevaling in their respective national labour markets. In fact, in 1960's all Mediterranean countries have directly contributed to the economic development of Europe, by sending their workers to be employed in various sectors of their northern neighbours where capital is relatively more abundant compared to labour supply.

Apart from relative capital scarcity compared to supply of labour, in general, the Mediterranean countries display a certain duality in their labour markets where modern

segment of the economy enjoys dynamism and high growth while in the more traditional segment the total number of employed decreases. This, above all, is a sign of important structural transformation through which these economies are progressing in their way to higher levels of social and economic development.

In the meantime, the art and science of the study of functioning of the labour market itself has been undergoning important developments more and more basing its perceptions on findings of empirical research rather than relying on casual empiricism. We therefore, welcome the idea of organizating this seminar which undoubtedly will serve as a vehicle for promoting better understanding and closer cooperation among our countries.

On this note, within the limitations of available data, we would like to present to the Seminar, an overview of labour market structure and development in Turkey.

I. Main Points in the Last Six Decades Development

1. Since the foundation of the Turkish Republic, value added per worker has increased more than seven times during the last 64 years. This means on average more than doubling of productivity level of workers at each decade (Fig. 1).

2. Employment in industry increased from a mere 213 thousand to 2.2 million; in services from 633 thousand to 4.7 million people. Agricultural employment moved from 5.5 million in 1923 to 8.8 million in 1950 reached a peak of 9.75 around 1965 and stabilized thereafter around 9.4 million people. (Fig 5 c, Table: 1).

3. The number of wage and salary earners rose from 0.6 million to 6 million people.

4. The ratio of agricultural employment to total, declined from about 86.7 percent in 1923 to 57.6 percent in 1987, and by the year 2000 it is expected to drop under 50 percent.

5. Among the employed the number of illiterates was reduced from 7.2 to about 2 million during last 25 years while at the same time the number of workers with 8-15 years of education increased from 0.7 to over 3.5 million people.

6. In 1985, of the 50.7 million total population, 25.9 million lived in urban sector where 10000 or more people inhabited. This means an urbanization ratio of 51.1 percent in 1985 while in 1950 this ratio was only 24.1 percent. (Fig. 5 a).

7. The total population which was 12.7 million people in 1923 rose to 50.7 million in 1985. In the mean time, the total labour force rose from 6.5 million to about 18.3 million people (Fig 5.a).

8. At the present time, around 9 million employed people are among the self employed and unpaid family labour group which comprises agricultural and non-agricultural small scale production units. This figure was about the same 25 years ago. 9. In the year 1986 among the 16.2 million employed approximately six million people including wage and salary earners, self employed and unpaid family workers occupied in non-agricultural and agricultural sectors were already brought under the coverage of social security system which provides for work injury and occupational diseases, sickness, maternity, disability, old age and death; however, unemployment insurance is not yet introduced (Fig. 6).

10. The total number of unionized workers in January 1987 was about 2 million people mostly covering modern manufacturing and services establishments in both private and public sector.

11. The total number of employees occupied in Government service in 1987 is about 1.4 million people and under the present policy of "Smaller Government" this figure is kept constant for the last seven years.

12. Although there is no unemployment insurance in Turkey, there is a Public Empolyment Service (PES) and their registered unemployed figure stood at 1137 thousand level in April 1987. Since the coverage of the Public Employment Service is not universal, there is another indirectly estimated official unemployment figure and it was 2172 thousand or 11.5 percent of the labour force for 1987 excluding 652 thousand people who are believed to be agricultural surplus. Taken together, these two figures gives us a total of 2.8 million surplus labour or 15 percent of the labour force. Please note however that according to the PES only 1137 thousand people were actively looking for a job.

II. The Labour Market in 1962-87 Period

1. Income Growth:

During 1962-77 period when an inward looking industrialization based on import substitution was applied, Turkey has achieved a GNP growth of 6.5 percent on average. Following the two oil shocks during the difficult period of 1977-83 on average this rate was reduced to 2.2 percent (especially in 1979 -0.4 and in 1980 -1.1 percent). After the introduction of stabilization program with an export drive in 1980, the growth resumed and for 1983-87 period it has reached over 5.5 percent level on average.

2. Demand for Labour and Total Labour Surplus:

In the face of 6.5 percent GNP growth during 1962-77, the rate of increase in total domestic demand for labour was 1.2 percent per year. In addition to this, about 1 million Turkish workers received employment in Western Europe and elsewhere.

As the growth rate of total domestic demand for labour was 1.2 percent, the agricultural employment sector continued to decline at a rate of -0.12 percent, while employment in industry and services sectors recorded important increases at 3.7 and 5.0 percent rates respectively. This growth pattern, in fact, reflected the movement of labour force away from agriculture into non-agricultural sectors. During the difficult period of 1977-83 as the average growth of income decreased to 2.2 percent level, the rate of job creation in industry and services also dropped to 1.0 and 1.9 percent rates respectively; as the employment in agriculture continued its secular decline, the total domestic labour demand was down to 0.5 percent per year.

In the face of total population growth at a 2.2 percent level, the 2.2 percent income growth together with, the 0.5 percent rate of job creation brought in a standstill in per capita income growth, at the same time pushed up the total labour surplus from 1.8 million in 1972 to 2.9 million people in 1983. Percentagewise this meant an increase in the total surplus labour from 12.3 to 16.1 level. Returning home of Turkish workers from Western Europe where world economic recession rendered them redundant has also exacerbated the unemployment problem during this period (Table 4).

Recovery period of 1983-87 registered on average an income growth rate over 5.5 percent which brought back the labour absorption rate to its prc-recession period level, and by the year 1987 the ratio of total labour surplus was stabilized.

3. Labour Supply:

First we would like to point out that in the early period of the Republic when to economy was overwhelmingly agricultural almost everybody worked. In fact, as in 1923-50 period the agriculture occupied 86.7 to 82.9 percent of working population, the total labour force participation rate (LFPR) was at a very high level of 87-88 percent, and by 1962 it has gradually declined to 78.8 percent (Fig. 5 a).

1962-77 period witnessed an accelerated decline in the total participation rate from 78.8 to 66.3 percent.

3.1. Male LFPRs

Universally, the male participation rates does not differ much from country to country especially for the prime working age group of 25-54. After 1970, as the workers emigration to overseas dwindled. Firstly, LFPR for this group has declined from 97 to 92 percent. Secondly, for the youngest (15-19) and oldest (65 and over) male population groups decrease has been most pronounced from about 90 to 68 percent. Increased rate of scholarization and early retirement were responsible for this decline. Thirdly, the remaining (20-24 and 55-64) male population groups have also registered substantial LFPR drop from 95 to around 82 percent. Decline in these two groups seems to have resulted as much from relative scarcity of job opportunities as it was caused by increasing scholarization for the younger and earlier retirement for the elder groups. (Fig. 7 and 9).

3.2. Female LFPR

The whole female LFPR profile has constantly been shifting downwards from about 80 percent in 1950 to 40 in 1975. That is, all the age groups, young, middle aged and elderly have been more and more moving out of the labour force, the main reason for the elimination of female jobs in agriculture was the agricultural mechanization, such as increased application of artificial weedkillers, also use of electrical milking machines. Furthermore, increased scholarization for the young females and early retirement for the elderly have also been in operation (Fig. 8 and 9).

For the more educated females the participation rate has always been markedly higher than the illiterates and uneducated. However, the number of females moving out of agriculture has not been matched by the increase in non-agricultural female employment.

Universally, the LDC and DCs have higher female LFPRs than semi-industrialized countries like Latin Arr_a ca. In LDC's predominance of agricultural activity is the main cause for higher LFPR. In DC's on the demand side increasing employment opprtunities in service sector and on the supply side increasing female education level explains the substantially higher female LFPRs. (Fig. 10 and 11) Presently, Turkey is in the semi-industrialized development stage where female activity decline in agriculture is not yet absorbed by non-agricultural sectors demand for female labour. This situation will continue until the year 2000, with the exception of two female young population (15-19 and 20-24) age groups. These two female age groups have been acquiring more education and they have been forcing their way into the labour market in urban areas and in new occupations. Consequently, youth female unemployment rates are higher than the rest. LFPR levels for the other female age groups, it seems, will either continue declining or stabilize in their present levels (Fig. 12 a).

Since the male labour LFPR is not expected to change much in the near future the growth of total labour supply will largely be determined by the behavior of the female labour supply. Competition from increasingly more educated female population will probably continue the pressure on wages in service sector jobs especially (Fig. 12 b).

4. The Unemployed:

4.1. Total and by Age

While the indirectly estimated total surplus labour in 1987 has been about 2.9 million people, the active unemployment according to the Public Employment Service was 1130 thousand in September 1987, around 200 thousand of which females.

Household labour force survey (HHLFS) of August 79.4 thousand unemployed. 1969 HHLFS for urban places of 15000 and over registered 92.5 thousand unemployed. 1980 population for 10000 and over places reported 755.5 thousand unemployed (for all Turkey 1,044,3 thousand). The three latest urban (10000 and over) HHLFSs for 1982, 1983 and 1984 reported 780.9 thousand, 986.3 thousand and 1062.3 thousand unemployed respectively (Table: 5).

In terms of percentages, in 1980 male and female unemployment rates were 11.2 and 14.6 respectively. The 1984 HHLF survey on the other hand, while indicating about the same rate for male, has reported almost two times high rate for females: 30.8. The total figure involved here, however, for urban unemployed is not large: 333.5 thousand. In other words, according to the HHLFS in October 1984 in urban areas where 23.7 million people of all ages lived, there were 333.5 thousand female and 728.8 thousand male unemployed people.

That is, although the 30.8 unemployment rate for orban female population seems high, the absolute size of it is not unreasonable.

The most striking feature of age specific unemployment rates are that the youth unemployment rates are 2 to 3 times as high as the middle age group unemployment rate. For the elderly, the rates are also higher than the middle aged group rates but not as high as the youth unemployment rates.

This seems only natural since during 1977-82 period the modern non-agricultural sector jobs has not been increasing at all. In fact for 1977-82, the number of employed in the modern sector as measured by the number of workers covered under the Workers Insurance Institute (the Social Security System) stayed constant around 2.2 million. Also, the number of Government employees was and still is freezed around 1.4 million people.

4.2. by Education

Both male and female illiterates have higher unemployment rates, in 1984, 23.1 and 30.7 percent respectively. While male primary school graduates had the lowest unemployment rate of 10 percent, the female primary graduates had above aeverage rate of almost 35 percent (Table: 6).

Classical lycee graduates, however, have been suffering the highest unemployment rates. In fact, for males 16.4, for females 40 percent unemployment rates were reported in 1984 HHLFS. Middle school graduates of both sexes have also been suffering from high unemployment rates.

Higher education graduates of both sexes, on the other hand, have been having unemployment rates of one half or one third of the average, that is, 5 percent for the male and 9 percent for the female population (Fig. 4).

Another aspect of the trends of educational unemployment rate is that between 1969 and 1984, where the figures are nearly more comparable, the relative burden of unemployment has shifted from primary to the lycee graduates. As it is known, the ratios of illiterates and primary graduates, in almost all subsectors of manufacturing and services, as well as agriculture have all been progressively decreasing. This meant fewer jobs for the relatively less educated population.

4.3. by Rural-urban Origin

Unfortunately, the rural-urban origin of the unemployed has not been inquired in the HHLFs, with the exception of the one for August 1966 which covers only the largest six city centers.

The August 1966 urban HHLFs has reported that people who came to city during last two years have been suffering higher unemployment rates than the rest of the urban population. In other words, only two years of difference in arriving to city, meant higher unemployment rate for the newcomers. In fact, female rural-origined newcomers suffered a 16.1 percent unemployment while non-newcomers were having 12.1 percent unemployment rate. And male urban-origined newcomers had 8.1 percent, the non-newcomers suffered 6.1 percent unemployment rate. Controlling the socio-demographic characteristics of these two groups,, further study may show a reduced difference between them.

As the unemployment rates are educated groups, some non-newcomers may now be more exposed to the risk of unemployment. This is a point where further research is needed.

5. Job Seeking and Pattern of Interregional Population Movements:

As it is observed universally, during the process of economic development the ag ricultural sector suffers from progressively diminishing relative "value added per worker". Only at very high levels of per capital income, this relative position of farmers is redressed (see Chenery and Syrquin, 1975). In 1962 the ratio of agricultural "value added per worker" to national average was 0.47 in Turkey and by 1987-88 it reduced to 0.33. This means that although (in 1982 prices) real value added per worker in agriculture had increased from 93.5 thousand TL. in 1962 to about 215 thousand in 1987-88, it relatively lost its position vis a vis the national average income, from that of half to a mere one third during the last 25 years (Tables: 7 and 8).

Among many other important factors, this loss of relative income in agricultural sectors has contributed to the rural to urban imigration. In fact, 6 percent urban population growth was registered during the last three decades while the total population growth was about 2.5 percent. Presently as the population growth reduced to 2.2 percent, the ur banization rate slowed down.

5.1. 1980 and Before

In 1980 the top 10 provinces which suffered most from unemployment retained 36 percent of the total unemployed. Of these 10 provinces only 6 were net population importer while the remaining 4 have been exporting more population than they received.

Research shows that those provinces which exported largest number of people to high unemployment provinces, were not after all among the least developed ones. With the exception of two provinces they were not from the South-East, they were mostly from North-East, and some from the North, and central parts of the country. One third of those largest exporter provinces, have been experiencing chronic unemployment. That is, these provinces had higher than average ratios of long duration unemployed.

5.2 After 1980

The findings explained above refers to the population who have already moved to a province other than where he was born. It gives information about the effects of cumulative population movements that took place before 1980.

Another source, that is October 1983 HHLFS, provides information on the regions where the unemployed are searching work. It is interesting to note that only 4.4 percent of the unemployed were seeking work overseas (and only 1.4 percent were seeking work in Western Europe). It is also striking that among those who have been seeking work in other regions within Turkey, the largest group, 37.5 percent, were seeking work in relatively less developed Eastern Region, in contrast to 34.2 percent seeking work in developed regions of West and South West (that is Marmara, Aegean and Mediterranean Regions). Central region was still found attractive by a 23 percent of the job seekers.

Undoubtedy, more information is needed on job oriented interregional potential and actual population movements. It is possible that important development projects which are presently in progress will in the near future change the existing pattern of population movements.

6. Recent Developments in Employment:

The economic policy changes which have been introduced since 1980 had important impact on production activity and employment creation. Before 1980, most important factors affecting the level of capacity utilization in manufacturing sector were (a) the availability of foreign and domestic raw materials, labour problems, and availability of energy input, while domestic and foreign demand problems and availability of finance were only of secondary importance lo the firm. After 1980, just the opposite picture has emerged, that is, domestic and foreign demand and availability of finance have become most important factors, white availability of raw materials and labour problems become factors only of secondary importance.

Exports and tourism industry has been growing fast, investments in some subsectors of manufacturing is continuing. Investments in infrastructure, energy sector and especially in housing have been booming since 1985.

Considering the existing structure of factor prices one might, in the face of recent high income growth rates, have expect a higher level of job creation. One reason that this has not been the case may be reflected in recent changes in the percentage of imports of capital goods to total investments, in fact this ratio have almost doubled during last 7 years, moving from 11.3 percent in 1979 to 18 percent in 1986. That is, it seems that the composition of investments in recent years was of capital using rather than labour using kind. Special investment subsidy awarded in order for encouraging investment activity might also affected the preference for more capital intensive technology.

In other words, recent high income growth was associted with such production technologies where more sophisticated machinary was used more extensively. Construction of highways, large dams, other energy projects and most other infrastructure projects were also using more capital than labour. Therefore although the labour input was not expensive, and other labour problems such as strikes and lock-outs were not there, the recent high income growth produced modest increases in employment.

However, the full effect of the recent high income growth is expected to create more employment, in the coming years.

III. CONCLUSIONS

1. The recent economic growth has stabilized the active unemployment around 1.1 million. With sustained growth at the present level the unemployment is expected to be brought under control.

2. The size of the govcrment services employment has been kept constant since 1980. The privatization programme which is been introduced is expected to reduce the size of the public sector. The total employment in the public sector is about 2.2 million.

3. Modern sector em_{P} yment has been increasing considerably during last 25 years reaching 2 million in 1986 from a mere 330 thousand in 1960.

4. Agricultural-rural and nonagricultural-urban self-employment segment of the labour force together with the unpaid family laburors still employs about % million people.

There is considerable interaction among many of these segments. Research in these aspects of the labour market is certanly needed.

Turkey achieved important income growth. The labour force recorded important progress. With greater cooperation and global improved international economic relations, Turkey will undoubtedly display sustained progress both in terms of income growth and in the labour market.



FIGURE: 1 - Sectoral Real Income Per Person Empoleyd, Turkey, 1923-75.

FIGURE: 2- Trends In Comparative Labour Productivity (1923-75).

(National income per employed in agriculture, industry and services and the general average for Turkey)





(1965 figures for agriculture in 39 countries)



FIGURE: 4

SOME STYLIZED

Transformation in the structure of the labour force

Turkey, 1923-87 s. 2000





FIGURE 5 LABOUR FORCE MARTINAPATION THE, TOTAL POPULATION & EMPLOYMENT (15 years old and +)

1923-87 & FORERAST TO 2000



FIGURE : 5 TITAL POPULATION NON-WORKING CIVILIAN POPULATION (IS years old and over), CHILD POPULATION (0-14 age group) MARSH - CLUBER AND CORE





FIGURE : 5

NUMBER OF EMPLOYED IN THE MAIN SECTORS, ALF, IS YALL GENERAL ONLY 11:3 27 KD FLOCADE (C. 2000)









FIGURE: 6- TOTAL EMPLOYMENT AND WORKERS

- FIGURE: 7- Trends in Turkey for Labour Force Partication Rate of the Famale Population According to Age (1950 - 75)
- FIGURE: 8 Trends in Turkey for Labour Force Partication Rate of the Famale Population According to Age (1950 - 75)





FIGURE: 9 - Profile for Labour Force Partication Rate of the Famale and Male Population (1950 - 75 Figures and Forecast for 1990)











Turkey I(1923 - 2000) of age

FIGURE: 12 Female Child Population,, 0-14 yrs Male Child Population, 0-14 yrs of age Turkey l(1923 - 2000)







(3) SEMI - DEVELOPED CONTRESC (2A) LFPR

TABLE 1: SECTORAL EMPLOYMENT

15+ AGE GROUPS		M +	F	(Thousand population)			
Sectors	1923	1950	1962	1967	1972	1977	
Total Agriculture (including disguised	6358.5	10585.4	12619.8	13276.8	14036.9	15121.3	
unemployment in ag.) Mining	5513.0 7.4	8775.9 42.0	9742.2 68.0	9692.1 85.4	9589.8 95.7	9545.8 116.3	
Manufacturing	203.0	686.0	947.8	1149.9	1353.5	1591.6	
Energy Construction	2.4 45.0	11.0 155.0	32.3 272.2	43,8 362.6	58.2 435.7	93.0 547.2	
Trade	124.0	230.0	310.4	394.0	514.9	637.0	
Banking Transportation	3.7 52.0	14.5 142.0	48.7 247.6	79.3 314.9	137.7 384.2	197.8 494.7	
Other Services Unspecified	208.0 200.0	529.0	857.6 93.0	1052.8 102.0	1324.2 144.0	1641.5 256.0	

TABLE 2: LABOUR MARKET BALANCES

15+ AGE GROUPS		M +	F		(Thousand population)			
Sectors	1923	1950	1962	1967	1972	1977		
LFPR (%)	87.0	88.4	78.8	74.2	70.5	66.3		
Civilian Labour				×				
Supply	6615.4	10975.5	13040.0	13766.6	14973.0	16366.0		
Civilian Labour								
Demand	6358.5	10585.4	12619.8	13276.8	14036.9	15121.3		
Non-agricultural								
Labour Supply	256.9	390.1	420.2	489.8	936.1	1244.7		
Agricultural								
Labour Surplus	0.0	219.1	950.0	1050.0	900.0	740.0		
Total Surplus Labour	256.9	609.2	1370.2	1539.8	1836.1	1984.7		
The Ratio of Total								
Surplus Labour to								
Total Supply	3.9	5.5	10.5	11.2	12.3	12.1		

15 years of age and over	M + F		(Thousand j	population)
	1980	1985	1986	1987
Agriculture	8520	9390	9363.9	9337.8
Industry	1771	2052.5	2170.4	2339.8
Mining	124	118.6	127.8	
Manufacturing	1548	1802	1902.2	
Energy	99	131.9	140.4	
All Services	3940	4512.67	4749.7	4914.9
Construction	581	623	651.7	
Trade	628	762.8	812.5	
Banking	211	229	235.2	
Insurance, Real Estate				
Transportation	480	541.4	566.4	
Services	1767	2083.4	2210.9	
Unspecified	273	273	273	
Sources:				
Year Source 1980-81 Fifth Five Year Devel	opment Plan Prepara	tion Documents	······································	
1982 1985 Yearly Program				
1983 1986 Yearly Program				
	- 000 511 070			

TABLE 3: SECTORAL EMPLOYMENT. TURKEY, 1980-87.

1987 Yearly Programme, p. 293. Table 263. 1984-87

TABLE 4: LABOUR MARKET BALANCES, TURKEY, 1980-87

15 years of age and over	M + F		(Thousand population)		
	1980	1985	1986	1987	
Civilian Labour Supply	17063	18269	18512	18764.4	
Demand for Labour	15231	15955.1	16284	16592.5	
Non-agricultural					
Labour Surplus	1832	2313.9	2228	2171.9	
Agricultural					
Surplus Labour	700	665	652	652	
Total Labour Surplus	2532	2978.9	2880	2823.9	
Total Surplus Labour Ratio	14.8	16.3	15,5	15	
Sources:					
Year Source					
1980 Fifth Five Year Plan, pa					
1981 Fifth Five Year Plan Pr	eparation Document	8			

Fifth Five Year Plan Preparation Documents 1982 1985 Yearly Programme, p.279, Table 244.

1983 1986 Yearly Programme, p. 284, Table 241.

1987 Yearly Programme, p. 292. Table 262. 1984-87

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MALE				
	Aug. 1966	Nov. 1969	Oct. 1980	Oct. 1984
	(1)	(2)	(3)	(4)
TOTAL 12+	6.4	= D 0	11.2	11.6
12-14	15.3		38.7	24.0
TOTAL 15+	6.2	3.5	10.3	11.2
15-19	13,4	9.0	26.3	22.9
20-24	10.6	8.4	12.6	21.9
25-54	4.1	2.1	5.6	7.6
55-64	9.3	3.0	8.3	10.5
65+	14.2	2.4	21.2	12.2

TABLE 5: URBAN UNEMPLOYMENT RATES (%), 1966-84 BY AGE AND SEX

FEMALE

13.2		14.6	30.8
33.7	. ===	36.7	53.7
12.3	5.0	13.6	30.1
14.5	12.6	39.3	57.0
11.5	5.2	16.3	42.1
11.6	2.7	3,1	14.9
6.6	4.0	4.3	16.3
6.7	2.6	1.1	22.2
	33.7 12.3 14.5 11.5 11.6 6.6	33.7 12.3 5.0 14.5 12.6 11.5 5.2 11.6 2.7 6.6 4.0	33.7 36.7 12.3 5.0 13.6 14.5 12.6 39.3 11.5 5.2 16.3 11.6 2.7 3.1 6.6 4.0 4.3

Explanations for the columns no:

(1) Six largest city only, HHLFS Survey

(2) Places with 15000 population and over, HHLFS

(3) Places with 10000 population and over. Population Causes

(4) Places with 10000 pop. and over, HHLFS.

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TABLE 6: URBAN UNEMPLOYMENT RATES (%), 1966-84

BY EDUCATION AND SEX

MAL	E
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12 years of age and over

	Aug.1966 (1)	Nov. 1969 (2)	Oct. 1984 (3)
TOTAL	6.8	3.4	11.6
0. Illiterate	11.0	5.2	23.1
1. Literate	8.2	4.0	14.9
5.Primary	6.3	3.4	10.3
8. Middle School	4.7*	2.7*	12.0
a. vocational	n.a.	n.a.	15.2
b. classical	*	*	11.9
11. Lycee	3.2*	2.3*	14.6
a. voc	2.3**	1.8**	12.3
b. class.	3.2	2.3	16.4
15. Higher Educ.	1.7	1.6	5.0

FEMALE

12 years of age and over

TOTAL	13.2	5.0	30.8
0. Illiterate	17.0	6.3	30.7
1. Literate	14.3	5.5	35.2
5.Primary	15.1	6.2	34.9
8. Middle School	8.1*	5.9*	34.9
a. vocational	n.a.	n.a.	25.0
b. classical	*	*	35.5
11. Lycee	8.1*	2.8*	34.2
a. voc	10.0*	2.9*	25.5
b. class.	*	*	40.0
15. Higher Educ.	7.5	0.01	9.0

(*) classical schools only.

(**) voc. middle-school and voc. lycee together

(n.a.) not available

0,1,5,... etc represents number of years of schooling

For other explanations see Table footnote.

TABLE 7: TRENDS IN THE MAJOR SECTORAL LABOUR PRODUCTIVITY LEVELS, TURKEY; 1962-88

Value Added per Labourer				Thousand TL. in 1982 Prices			
Sectors	1962	1967	1972	1977	1982	1983	1987-88 estimate
Agriculture	93,5	109,1	103,3	153,1	173,8	180,4	214,9
Industry Construction +	494,3	680,3	876,5	1.167,0	1.192,4	1.232,0	1.521,2
All Services	577,2	65,3	774,7	886,5	913,2	931,3	1.093
TOTAL	196,9	260,7	345,5	457,0	493,1	512,7	652,6

TABLE 8: Trands in Major Relative Sectoral Labour Productivity Ratios,

Turkey, 1962-88

Relative Sectoral Value Added per Labourer Ratios National Avarege: 1.00 1972 1982 Sectors 1962 1967 1977 1983 1987-88 estimate Agriculture 0,35 0,47 0,42 0,38 0,34 0,35 0,33 Industry 2,54 2,42 2,51 2,61 2,55 2,40 2,33 Construction + 2,24 1,85 All Services 2,93 2,55 1,94 1,82 1,67 TOTAL 1,00 1,00 1,00 1,00 1,00 1,00 1,00

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