Indonesia, Malaysia, and Turkey comparative analysis of labour market

Burcu Arısoy [a] [1], Beykent University, Istanbul, Turkey

Zeki Parlak [b], Istanbul University, Istanbul, Turkey

Abstract

This study aims to examine labour market indicators in developing industrial countries like Indonesia, Malaysia, and Turkey between 1999 and 2019. Indonesia, Malaysia, and Turkey's labour market indicators are taken into consideration. ILO's estimation taken from the Data Bank World website is used when comparing these countries' labour market indicators. The official statistics on the websites of these countries also contributed to the study. The years are chosen explicitly as after the 1999 crisis and 2008 crises, after 2015. Even though each country's dynamics vary, nearly all three countries implemented import substitution and export policies simultaneously and they exposed themselves to global markets during the same period. When the labour market indicators are assessed, the 15 – 64 age-old active group population is in constant growth, while the passive group is in decline. In this study, each country's labour market indicator is examined for the periods mentioned above, and the comprehensive analysis method is used. By reviewing labour literature, the labour markets and their implementations are assessed and compared with each other.

Keywords: Emerging Industrialized Countries; Indonesia; Labour Market Indicators; Malaysia; Turkey.

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* ADDRESS FOR CORRESPONDENCE: Burcu Arısoy, Beykent University, Istanbul, Turkey
   E-mail address: burcuarisoy@beykent.edu.tr

1. Introduction

After the 1980s, social-economic, and demographic changes affected employment and market relations (Allen, 2016; Abdurakhmanova & Abdurakhmanov, 2019). After the 1980s' neo-liberal policies were applied and liberalization and export orientation were a common trend in global markets. As emerging economies, Indonesia, Malaysia, and Turkey experienced the same process to maintain their competency.

To maintain their competency, these countries preferred flexible work which is required by labour markets. The demographic changes in labour markets should also be considered an important factor (Koval, Polyezhayev & Bezkhlibna, 2018). The population structure in emerging economies shows that the birth rates have decreased while the aged population has increased. These countries have the potential to lose their recognition as a young, populated country. 0 – 14 and 65 after years, the passive population in these countries started to decline, which continued for a long time. This shows that the active population will go down in time.

It can be said that unemployment rates in these countries rise, and young unemployment is still a problem in these countries' labour markets. Another issue in these countries is the lack of a skilled labour force. Fever participation of women in the labour force leads these countries to establish policies to solve this problem and take advantage of it (Doepke, Hannusch, Kindermann & Tertilt, 2022). The rate of informal economies in these countries is tremendous; low quality (and without social protection) jobs are among the common labour problems. Although the share of agriculture employment goes down, the percentage of the service sector goes up.

1.1. Purpose of study

Economic growth is experienced differently in each country, but they are all impacted by the crisis. After the crises, the emerging countries in Asia were impacted moderately in employment. In all three countries from 2019 to 2010, employment rates increased, and conversely, unemployment rates decreased. After the crisis, economic conditions improved. After 2010 in all three countries, unemployment rates went down, besides their growth rates, the employment rate also rose. This study aims to examine labour market indicators in developing industrial countries like Indonesia, Malaysia, and Turkey between 1999 and 2019. Indonesia, Malaysia, and Turkey's labour market indicators are taken into consideration.

2. Materials and Methods

2.1. Data collection

The study used secondary data. ILO's estimation taken from the Data Bank World website is used when comparing these countries' labour market indicators. The official statistics on the websites of these countries also contributed to the study. The years are chosen explicitly as after the 1999 crisis and 2008 crises, after 2015.

2.2. Participants

The study collected data from three countries: Indonesia, Turkey, and Malaysia.

3. Results

3.1. Indonesia

Indonesia is the largest archipelago economy in the world. It is comprised of 12.000 islands. 5 of them can be considered main, and they are listed as Java, Kalimantan, Sumatra, Sulawesi, and Papua. The population of the country is 259 million. 80% of the population lives in Java and Sumatra, while the rest lives on the other islands in which agriculture prevails as an economic activity (Ginting, Manning, and Taniguchi, 2018).

From a historical perspective, before 1945, Indonesia was a colonial country; in 1945, Indonesia gained independence under Sukarno and Muhammed Hatta's leadership. Sukarno's governance period is notorious for populist approaches and inefficient economic policies. In the 1950s with import substitution policies in the manufacturing sector, employment rates rose. However, the negative effects of war, such as population growth and faulty economic management, decelerated industrial development. Suharto governed the country from 1966 to 1998, and the industrialization of Indonesia was mostly established on his new industrialization policies. In Indonesia, industrialization mainly consists of petroleum and gas regaining, food, wood, rubber and textile, and tobacco, which are low value-added products. Industrial development occurred rapidly and extended with substitution policies (Call, 1998; Gordon & Rizwanul, 2001). In the early 1980's some economic reforms were implemented, and export-oriented policies were applied, bringing structural changes in labour markets.

Until the Asian Crisis, Indonesia showed a successful growth graph, however between 1997-and 98, The Unexpected global crisis led to a recession in the economy. Capital investments left the country resulting in devaluation. The majority of the banking system collapsed, many firms went bankrupt or temporarily closed, and mass layoffs were seen. In 1988 real gross domestic product (GDP) shrunk at a rate of 13% and fonds asked heavy conditions to come. Even in crisis conditions, some labour force key indicators showed normalization signs. For example, the rate of total employment decreased. Between the 1997 and 1998 Asian crises, the number of household workers went up, while the export-oriented manufacturing sector declined (Aziz & Khan, 2015; Hasibuan, 2017). Furthermore, self-employed units transformed into smallholdings in urban areas. However, women's unemployment rates were greater than men's. In 1996 the poverty rate was 15.7% and in 1999 raised to 27.1% (Ruyter & Warnecke, 2008). Thereby, it can be said that all of these conditions impacted living standards negatively,

In the aftermath of the Asian crisis, income and welfare started to increase, bringing about investments mainly in building construction. Hence, the rate of investments in GDP grew. However, in the 2008's Global crisis, Indonesia was less affected than the other Asian countries. From 2001 to 2009, in the manufacturing sector, the rate of men in waged workers was reduced by a rate of 0.2%, while the number of women by 0.1% increased. In 2003 the rate was 64.7%, in 2009, the rate was 61.6%. The share of women in the informal sector went down; in 2003, the rate was 69.5%, and in 2009 the rate was 64%; the waged workers' rate increased but at the same time temporary waged workers amount increased more. Temporary workers rates in 2001 6.7%, in 2009 it is 11% (Ruyter & Warnecke, 2008,154-163). If generally seen as low, the rate of youth unemployment is high. In 2019 the rate was 17%. The low young unemployment rates and low women participation in the labour force means the present labour force capacity is not used sufficiently.

Table 1
2013 – 2019 Indonesia Labour Force Markets Indicators

	2013	2014	2015	2016	2017	2018	2019
Total Population (million)	251.8	255.1	258.3	261.5	264.6	267.6	270.6
15 - 64 age population (million)	168.1	170.8	173.5	175.8	178.3	180.9	183.3
Employment (million)	112.8	114.6	114.8	118	121	127	126
Passive population	49.7	49.3	48.8	48.7	48.3	47.9	47.6
Employment Rate oranı (%)	64.1	64.1	63.4	63.3	64.2	64.4	64.3
Labour Force Participation (%)	69.2	69.1	65.7	68	69	69.2	69.3
- Women	37.8	37.8	38	38.3	38.8	38.8	39.2
- Men	83.4	83.0	82.7	81.7	82.1	81.9	82
Unemployment Rate (%)	6.2	5.9	6.2	5.61	5.5	5.13	5.2
- 15-24 age	15.8	15.7	17.1	15.8	15.3	16.3	17

Source: ILO (2018); Data World Bank(2020).

As it can be seen from the table, demographic changes impact labour markets. In 2015, two-thirds of the population lived in urban areas, while in 2010 half of the population lived in urban areas. The expectation for 2035 is that 85 million people will live in urban areas. This change will impact labour markets significantly. Workers' participation in the labour force in rural areas is higher than in urban areas; thus, unemployment in urban areas will increase. In 2035 young groups will share (15 - 29) in the working-age population will go down % 40 to % 34. This means that the working group is becoming older.

When the skill level of the labour force is considered, low-level educated workers will become dominant in the labour force. In the Indonesian labour force, there are 10 million highly educated workers. From 2010 to 2015 the number of workers with higher education increased by more than a million. In some sectors, the education system does not give enough graduates; graduates do not have proper skills in other sectors. In 2015, 52% of the employed portion of the population remained insufficient for their positions. There was a demand for qualified students, but the supply was insufficient. Workers have low skills and work in low-skilled jobs. For Indonesia to develop structural transitioning, productivity improvements and higher skill levels have to be accomplished. Especially the qualities of educational outcomes are continuing to be a problem. When valued in all areas of education, Indonesia is under the OECD average and cannot access electricity.

Even though the population seems young in Indonesia in 2025, the older population is expected to arise. Dependency rate in 1971 was 94%, in 2000 60.8%, in 2010 51.2% and in 2019 was 51.2%. It can be seen that dependency rates are falling (Goeltom & Juhro,2012). Between 2013 – and 2019 the population distribution is shown in Table 1. In 2013 the amount of population was 294 million and in 2019 decreased to 270.6 million. It can be said that population planning strategies are becoming important in this regard.

3.2. Malaysia

From a historical perspective, in the 18th and 19th centuries, Malaysia was a colonial state of England, and during World War II Japan conquered it. In 1948 under British governance, they merged as "Malay Federation". In 1957 Malay Federation gained independence (DEİK, 2014). The first phase of Malaysia's industrialization is from the late 1950s to the 1960s. The import substitution period began in 1969 and continued to the mid-1980s (Inagami,1998). After the 1980s, export-oriented industrialization policies were applied. From 1987 to July 1997 Asian financial crisis continued before the Malaysian crisis economy was one of the South-East Asian economies' highest growing economies (World Bank, 2016; Lım, 2018). The average annual growth rate was 8.5%, but the crisis took down the growth rate to 7.7%.

 In the recent 20 years, the growth rate increased. Even though the growth rate goes down after the Asian crisis, then rapidly, it has increased. Structural reforms speeded recovery from the 2008 financial crisis. In Malaysian economic history, development plans were applied. These development plans are in five years intervals (World Bank Group, 2018). To spread the impacts of economic growth on all income groups and maintain long-lasting, sustainable growth, and improve growth and development, Malaysia set up "Vision 2020" goals. This model aims to maintain sustainability and to spread high earnings to the population. With the 10th and 11th plans, Malaysia aimed to solve the skilled labour force's problem and strengthen its labour force. The 11th plan between 2016 – and 2020 aims to improve human resources, maintain sustainability and flexibility, and improve infrastructure for economic growth and restructuring of the economy to improve welfare (OECD, 2016a).

The low-skilled labour force in Malaysia's history continued its presence. The Malaysian government agreed with Indonesia in 1986. The aim was to solve the low-skilled labour force problem in agriculture and domestic services. In the early 1990s, new technical and industrial schools were established, and other reforms were realized. In 1992 Human Resource Development Law was issued. Malaysia lives the burden of the shortage of skilled labour force due to low productivity growth, less creativity, and flexibility. Thereby, low waged and unskilled labour force dependency is the fact. In 2010 % 58 of the

labour force graduated from secondary school, 13.2% from primary schools, and 2.6% had no education. Human resources and skill compatibility is aimed at economic development plans. In this context, the main considerations are stimulating the education system, improving students' outcomes, and developing their skills to provide employment.

In 2010 the Malaysian labour market's low educated share was 73.8%. More than 47% of the Malaysian labour force are foreigners (not Malaysian citizens) thereby, the government understands the necessity to achieve a new, knowledge-based education system. To heighten the skill of the labour force and achieve technical education, the government did some experiments, but the success rate was low. 10% of students registered at a technical school after secondary school (Prime Minister's Department, 2010).

The real wages had never been above twofold in the manufacturing sector. Even though low value-added activities, anti-unionist policies, and the import of foreign labourers in 2010, real wages increased. After 2000 the growth rate fell, investments decreased, while labour productivity increased. Anti-workers policies lead to lower labour productivity which is under expectations. Since 1988 in many industries, real wages have been negative, or growth is very small. The growth of average real wages between 2000 – 2005 is 0.6%, and between 2005 – 2010 the rate is 1.3%. Employment in sectors is shown in the below table. Between 1990 – and 2010 the share of the agriculture sector gradually decreased but the share of the manufacturing and service sectors increased (Rasiah et al, 2015).

Labour force indicators can be also seen in the table. The population growth is seen from year to year, and for 2019 the population is 32.6 million. When the share of the active population rose, the passive population decreased. Thus, this can be interpreted as the dependency rates in labour markets decreasing while the employment and participation rates increased. In 2019 the employment rate was 62.4%, and the participation rate was 68.1%. Nevertheless, men and women's participation rates did not change much from year to year. Also, unemployment and young unemployment rates did not change much for many years. In 2019 the unemployment rate was 3.3%, and the young unemployment rate was 11.2%.

When employment across sectors is examined, the service sector's share in value-adding and employment is growing in agriculture, forestry, mining, and fishing; their share decreases from year to year. Between 2010 – and 2016, their share in employment rose in wholesale, retail, baiting beverage activities, governance, support services, and health and social services. Even though the share of manufacturing decreased in 2016, the shared employment of manufacturing wholesale and retail increased, the rate is one-third of total employment. In 2017 the share employment share of the service sector was 62%, the share of manufacturing was 17.5%, and in agriculture, the share was 11.2% (IMF Country Report, 2018).

Table 2

Malaysia Labour Force Indicators

	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Total Population (million)	29.4	29.8	30.2	30.6	31.1	31.5	32.6
15 - 64 age population (million)	20.1	20.5	20.9	21.2	21.5	21.8	15.8
Employment Rate oranı (%)	61.8	62.2	62.3	62.1	62.2	62.4	62.4
Unemployment Rate (%)	3.1	2.8	3.1	3.4	3.4	3.3	3.3
15-24 age	10	9.8	11.1	10.9	11	11	11.2
Passive population	45.9	45.1	44.5	44.3	44.1	44.2	44.1
Labour Force Participation (%)	67.1	67.5	67.8	67.7	67.8	67.9	68.1
– Women	37.2	37.8	37.9	37.9	38.2	38.3	38.3
– Men	80.8	80.5	80.6	80.3	80.3	80.4	80.6

Source: World Bank Group (2018)

3.3. Turkey

Turkey gained independence in 1923, inheriting debt from the Ottoman Empire. The production was done by craftsmanship. After the war, Turkey was not a participant in World War II, but army expenditures increased, and calling people for the army decreased the labour force. The share of agriculture in employment continues to protect its weight.

In 1946 Turkey became multi parties country. In 1950 the Democrat Party governance period began. In 1950, the Democrat Party government aimed at increasing investments and accomplishing industrialization. Outward economic policies were implemented, and a successful graph was seen in the early times of governance. From the mid-1950s government applied import substitution industrialization policies. In 1960 Democrat Party was removed by a coup, and the planned economy began. With import substitution, the social state understanding (which is a constitutional right) prevailed. In 1970 again, political disorders brought uncertainty to the 1973 oil crisis; in 1974 Cyprus war all fed political, social instability, and turmoil.

In the 1980s, many decisions were made, and many arrangements took place. On 24 January 1980 orders outward economy preferred and import at large scale liberated, import taxes lowered. After 1984 in the governance of Turgut Özal the economic developments were generally positive, but inflation, unemployment, and uneven spread of welfare continued as problems.

1990, 1994, 1999, November 2000, and February 2001 crises have been experienced. On the global scale, there were 1997 and Asian financial crises, besides the 1998 Russian crisis. Furthermore, Iraq conquered Kuwait, the Berlin wall was demolished, and SSCB (Union of Soviet Socialist Republic) gave birth to many independent Asian Turkish republics.

In addition, Turkey experienced the 1999 earthquake, and on 28 February 1997 national security committee decisions were declared. Even though in 1997, the Asian crisis Turkey was not impacted so much by the Russian crisis export negatively impacted, in 1998 experienced stagflation. In 1999, anti-inflationist IMF programs, strict monetary policies, a budget surplus, and social protection programs were implemented. In 2001 strong economic conversion program was preferred. Central Bank became independent, and merging banks allowed. After 2003, The Party of Adalet Kalkınma gained governance as a single party and maintained governance.

When the share of employment over the years is examined, it can be seen that the agriculture sector, which is the major sector in the republic's early days, is decreasing. In 2018 TUİK (Turkish Statistical Institute) data shows that the share of agriculture in employment is 18.4%. The industry share between 2002 – and 2018 did not show big changes; according to TUİK data in 2018, the rate realized 19.7%. The share of the services sector in 2018 was 54.9%.

2013 – 2019 labour force indicators are in the table. When we look at them, the active working population of 15 -64 increased, but the passive population (dependent population) decreased. The population in 2019 is 83.1 million. The same year active population count is 67.8 million. In 2019 dependent population rate, which goes down from year to year, is 47.5%.

While the employment rate increasing also, unemployment increased. In 2019 the unemployment rate was 13.7%, young unemployment rate realized 24.5%. In 2019 labour force participation rose, and the rate was 53%. Men's participation in the labour force rate was about % 70, while women's rate rose, and the value is 33.6%. While the share of agriculture in employment decreased, the share of industry and service sectors increased. For 2019, the share of industry in employment is 19.7%, and the share of services is 54.9%.

Table 3

Turkey Labour Force Indicators

		2013	2014	2015	2016	2017	2018	2019
Total Population (million)		75.9	77.2	78.5	79.8	81.1	82.3	83.1

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15 – 64 population	66.3	66.4	66.6	66.7	66.8	67	67.8
Employment Rate	45.3	45.1	45.7	46.1	46.9	46.8	45.7
Unemployment Rate	8.7	9.8	10.2	10.8	10.8	10.8	13.7
15 – 24 ages	16.5	17.4	18.1	19.1	20	19.9	24.5
Passive population	50.7	50.4	47.6	47.2	47.2	47.4	47.5
Labour Force Participation (%)	50.2	50.4	51.2	51.9	52.7	52.4	53
- Women	31.2	31	31.7	32.2	32.7	32.7	33.6
- Men	70.3	71.2	71.7	72.1	72.6	72.5	71.1

Source: World Bank, 2016; TUIK, 2018.

3.4.1994 - 2014 Labour Productivity Growth

Between 1999 -and 2018 in Indonesia and Malaysia, the inflation rate increased, but in Turkey, the inflation rate in 2019 is lower than the rate in 1999. This result is due to economic stabilization programs. However, among the three countries, the highest inflation rate is in Turkey, 8.81%. In the same period countries, growth rates show fluctuations yearly. In 2015 with the highest growth rate, Turkey realized 2.6% growth. In 2018 the least of all three countries. GDP in every three countries rose. In 2018 Indonesia had the highest GDP; the amount is 1.022.450 million $. Nevertheless, GDP per capita was the highest in Malaysia in 2018.

Between 1994 and 2014 the labour productivity rate of countries and other labour force indicators are shown below due to the other competitive countries in the region and low investment in Malaysia labour productivity is not as much as in other countries in 1994 and 2014. Besides, the scarcity of educated, skilled labour force and insufficient technologic innovations is valid for Malaysia's arrangements for competitiveness, the compliance of small and mid-size institutions to the economy to improve the productivity of utilities to improve labour market processes' workability will improve the productivity. (OECD,2016b) The growth in labour productivity in the period mentioned above in Turkey is 2.78%, in Malaysia at 2.65%, and in Indonesia at 2.58%.

Figure 1

1994 - 2014 Labor Productivity Growth
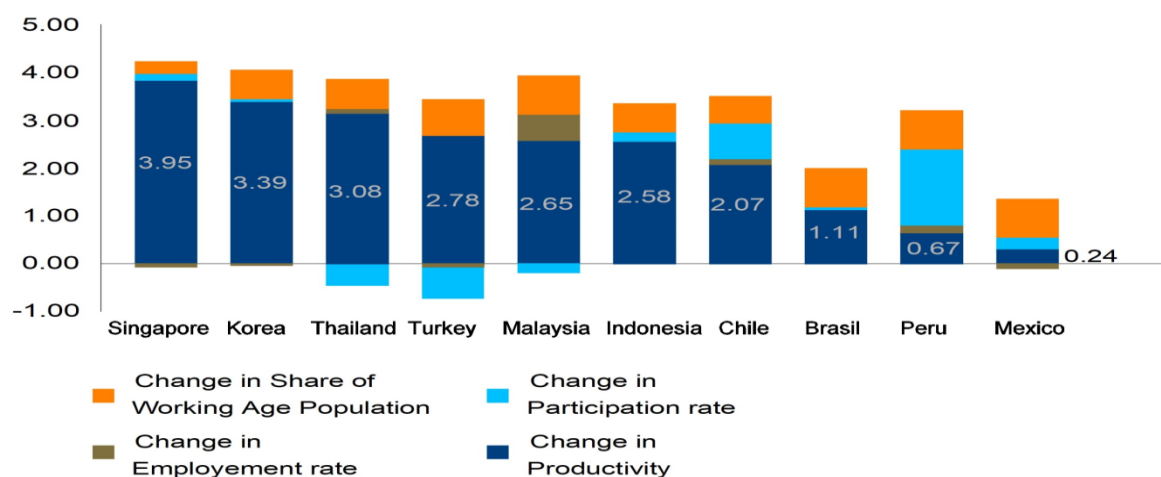
Source: ILO (2018)

The labour force indicators of countries are comprehensively shown in Table 4. A few important labour force indicators are chosen to make a comparison. While making the comparison, data are mainly taken from ILO expectations on the Data Bank World website. In addition to the statistical institution data of countries are also used. The years after the 1999 crisis, after the 2008 crisis, and after 2015 are

chosen. When the data on the table is examined, the most significant population with 270.6 million belongs to Indonesia. The Population of Malaysia is 32.6 million, and Turkey's Population is 83.1 million. In defined years while Indonesia's population decreased, the other hand, the population of Turkey and Malaysia increased.

15 -64 age-old active population group rises in all three countries, but the passive population we call dependent decreases from year to year. The passive population is similar to each other. The highest employment rate is in Indonesia, and the lowest rate is in Turkey. The highest unemployment rates belong in Turkey. The rate in 2019 in Indonesia is 5.2% in Malaysia 3.2% and in Turkey 13.7%. In young unemployment rates, Turkey is the highest. In 2019 in Indonesia the rate is 17%, in Malaysia, 11.2%, and in Turkey is 24.5%.

When looking at labour force participation rates in all three countries, it can be concluded that men's participation in the labour force is more than women's. In 2019 women's participation rates for Malaysia were 38.3%, for Turkey 33.6 %, and for Indonesia were 39.2%. Raising women's participation in the labour force is the main challenge for all three countries. The other problem with the labour force in all three countries is the shortage of skilled labour force and the surplus of unskilled ones Malaysia to overcome these established education reforms.

From 1999 to 2019, in all three countries, employment rates declined, and unemployment rates increased. All three countries experienced the impact of the Asian crises from 2009 to 2010, employment rates increased in all three countries, and the unemployment rates decreased. After the crisis, three countries bettered after 2010 employment rates increased. The rates are for Indonesia 64.3% for Malaysia 62%.4 and Turkey 45.7%.

Table 4

Labour Force Indicators Comparison among Countries Between 1999 – 2019

	Labour Force Indicator	1999	2009	2010	2015	2016	2017	2018	2019
	Total Population	208.6	238.6	241.8	258.3	261.5	264.6	267.6	270.6
	15 - 64 Age Population	133.8	157.5	160	173.2	175.6	178.1	180.7	
	Employment Rate	63.5	62.4	63.2	63.6	63.4	64.3	64.2	64.3
	Unemployment Rateı	6.3	6.1	5.6	4	4.3	4.1	4.3	5.2
INDONESIA	15 - 24 Age	17.8	18.5	17.1	17.1	15.8	15.3	16.3	17
	Labour Force Participation Rate	67.7	66.4	66.9	65.7	68	69	69.2	69.3
	Women	37.9	37.8	38.1	38	38.3	38.8	38.8	39.2
	Men	84.6	82.5	82.8	82.7	81.7	82.1	81.9	82
	Passive Population Rate	55.8	51.4	51	48.8	48.7	48.3	47.9	47.6
	Total Population	22.6	27.7	28.2	30.2	30.6	31.1	31.5	32.6
	15 - 64 Age Population	14.1	18.4	18.9	20.9	21.2	21.5	21.8	15.8
	Employment Rate	59.6	58.1	58.3	62.3	62.1	62.2	62.4	62.4
	Unemployment Rateı	3.4	3.6	3.2	3.1	3.4	3.4	3.3	3.2
MALAYSIA	15 - 24 Age	11	11.6	10.8	11.1	10.9	11	11	11.2
	Labour Force Participation Rate	61.7	60.4	60.3	64.3	64.3	64.4	64.6	68.9
	Women	35.6	35.6	34.8	37.9	37.9	38.2	38.3	38.3
	Men	78.3	76.2	76.1	80.6	80.3	80.3	80.4	80.6
	Passive Population Rate	60.6	50	48.9	44.5	44.3	44.1	44	44.1
TURKEY	Total Population	62.8	71.3	72.3	78.5	79.8	81.1	82.3	83.1

15 - 64 Age Population	39.2	46.8	47.6	66.6	66.7	66.8	67	67.8
Employment Rate	47.7	40.7	42.6	45.7	46.1	46.9	46.8	45.7
Unemployment Rateı	7.6	12.5	10.6	10.2	10.8	10.8	10.8	13.7
15 - 24 Age	14.7	22.2	19.2	18.1	19.1	20	19.9	24.5
Labour Force Participation Rate	51.7	46.6	47.6	51	51.7	52.4	53.2	53
Women	29.5	27.6	29.1	31.7	32.2	32.7	32.7	33.6
Men	74.9	72.6	69.6	71.7	72.1	72.6	72.5	71.1
Passive Population Rate	58.7	52.2	51.7	47.6	47.2	47.2	47.4	47.5

Source: TUIK, 2018; CEIC Global Economic Data, Indicators, Charts & Forecasts,(2022).

The sectoral distribution of employment by selected years is given in Table 5. In these specific years, when the spread of employment is looked at, it is seen that agriculture's share decreased in all three countries—the lowest rate in Indonesia with 11%. The share of services increased in all of them in years. The share of industry in Turkey and Indonesia increased but decreased in Malaysia.

When the spread of employment is examined, it can be seen that in years the share of agriculture raised in all three countries, it is clear that the lowest rate belongs to Malaysia at 11%. From year to year, the share of the services sector increased in all three countries. The share of the industry increased in Turkey and Indonesia but decreased in Malaysia.

Table 5

1999 – 2018 Comprehension of Employment Distribution in Sectors among Countries

	Sector	1999	2009	2010	2015	2016	2017	2018
INDONESIA	Agriculture (%)	43.2	40.4	39.1	33	31.8	30.7	20.5
	Industry (%)	17.8	18.2	18.6	22	21.7	22	21.9
	Servive(%)	38.9	41.2	42.2	44.9	46.4	47.1	47.4

	Sector	1999	2009	2010	2015	2016	2017	2018
MALAYSIA	Agriculture (%)	18.3	13.5	14.2	12.4	11.3	11.2	11
	Industry (%)	31.7	27	27.7	27.5	27.4	27.3	27.3
	Servive(%)	49.9	59.4	58	60	61.1	61.3	61.6

	Sector	1999	2009	2010	2015	2016	2017	2018
TURKEY	Agriculture (%)	41.4	22.9	23.7	20.4	19.5	19.3	19.2
	Industry (%)	22.7	25.3	26.2	27.2	26.7	26.5	26.3
	Servive(%)	35.8	51.7	50	52.3	53.7	54	54.4

Source: Data World Bank (04.08.2019)

4. Discussion

Among countries, informal sector comparisons show variances. In Indonesia, the informal sector works more than 8 hours a day, and working hours are extended while the wages are low regardless of gender difference, the quality of services is poor, and there is no social security for workers (Tadjoeddin & Chowdhury, 2019). In Malaysia informal sector complies with ILO standards; the informal sector produces all of the unregistered products or at least one of them. They employ ten or fewer workers, and their workers lack rights, social protection, and union membership. The firms which are not out of agriculture are called informal. In Turkey, the informal sector is one or more household managing firms not registered and employing unregistered refugees who are not subject to work laws. Self-employees

who are not covered by social security and labour laws, non-waged household workers, workers who are in undetermined workplaces, and trade people who employ three or fewer workers are all considered in the informal sector. Non-waged household workers, workers in undetermined workplaces, and workers who work less than three months are considered informal. Even across the countries, the definition varies; but the informal sector workers work without social security.

In Indonesia, considering accessible data between 2005 and 2011, informal sector employment decreased; in 2011 was 65.7%. In 2016 the sector expected agriculture was 78.6%; in 2017, the rate decreased to 77.3%. The informal sector shares between women and men are such that in 2008 men's informal sector share of men was 77.2%; in 2017, the rate was 77.3%. In 2008 the share of women in the informal sector was % 39.84; in 2011, the rate was % 41.94. In 2016 the informal sector, excluding agriculture, the rate of women was 80.4%, in 2017, the rate was 80.2% (Data World Bank,2017).

In 2015 the informal sector rate in Malaysia was 10.6%; in 2017, it was 9.4%. In 2015 the informal sector was 50.9%, and women's share was 49.1%. In 2017 the rates increased to respectively 61.5 % and 38.5%. (Department of Statistic Malaysia,2018). In Turkey, in 2014, the workers in the informal sector were 38.5%. In the same year, women's share in the informal sector was 48.4 %, and men's share was 29.3%. In 2015 the rates accordingly were % 33.6, 42, and 30.2 (DİSKAR, 2019).

Indonesia has the highest informal sector share among the three countries; the rate is 78.5%. (2017) From 2015, informal sector shares of all three countries decreased. The highest women's share in the informal sector is the highest in Indonesia at 77.3%. In Malaysia, the share of men in the informal sector is greater than the share of women. In Turkey and Indonesia, the situation is similar. The share of women in the informal sector is more than men in both countries. However, the rate in Turkey is not so high as in Indonesia.

In Indonesia, the export-oriented investments in productive fields caused welfare increases and better income inequalities. Infrastructure investments supported economic developments. However, the Indonesian government has to seek ways to improve the labour force's skill level and improve productivity; for this purpose, more investment is needed (Whiteshield Partners Strategy & Public Policy Advisory 2020; Nomaan & Nayantara, 2018). At present, supporting growth, improving people's welfare, maintaining sustainable growth, and providing economic flexibility and macroeconomic stability will be the main concerns.

Indonesia, because of dignified macroeconomic policies, continued the trend of strong growth. In 2017 – 2018 even after a good economic period, challenges continued. Indonesia's economic troubles mostly were caused by powerful foreign countries; China's slow liberation impact, undetermined financial crisis conditions, and global demand stagnancy. Domestic difficulties such as poverty, inequality, unemployment, low national production capacity, limited finance capacity, macroeconomic instability, and climatological changes are among them.

The cause of high poverty in Indonesia is natural disasters and the increase in prices of essential foods. Due to an informal sector and natural improvement, employing lesser people is much harder. Besides gender inequality, low productivity is among the other problems (G20, 2017). For 2018 – 2020 the growth target is 5.4%. However, taking into consideration reduced to 2.4%. In Indonesian rupiah devalued (Asian Policy Brief, 2020). The domestic consumption of a big population and positive demographic features are going to be driving forces. Investments and varieties of export goods are strong features. The weak points are sensitive external balance, weak infrastructure investments, and graft. Highways and port qualities are not good, and the supply of electricity is inadequate. Public investments share in GDP is 3%. The rate in Malaysia and India is one-third. Police and justice, and political parties are involved in graft. Because of all these factors and an inflexible labour force, the Indonesian economy is weaker than the other two countries. However, the Indonesian economy is expected 5th economy in the world in 2030 (Othman, 2020).

With stable finance policies, Turkey's expected growth rate for 2020 is 3% having high productivity levels. General economic scenery is uncertain and fragile. High inflation, high unemployment,

contracted investments and institutions, and the finance sector's fragile risks are all experienced. Skilled labour force problems and low education levels in labour force participation and gender inequality are common problems. The impact of Covid -19 will give negative expectations for Turkey. (Data World Bank,2020).

In Malaysia, there is an imbalance in labour force demand and supply. The ongoing young unemployment and newly graduated skilled labour force unemployment and the low skilled foreign labour force's dependency are issues. Even the Malaysian economy expected to sustain flexibility to make prescience is risky. This is because of mild-moderate growth and fluctuations in financial, and economic markets. In Malaysia, the over 60 age population is expected to 2030 15%, which will cause the older population problems. The welfare vision of 2030 for Malaysia includes a few targets. One of them is a knowledge-based high skilled community with whom full participation on all community levels will be provided and improve economic restructuring realization. The second aim is to remove inequalities. The third target is heightening the level of the country to make the country prosperous and dignified (Othman, 2020). The impact of COVID– 19 did not reflect in the Malaysian statistical department data of February 2020. From February 2020 unemployment rate is 3.3% it can be said that the impact of the pandemic on unemployment started to be seen in March 2020.

5. Conclusion

Differences were studied comprehensively, and the governments of the studied countries did not take appropriate measurements oriented to the aged labour force in labour markets, and it can be claimed that they can confront labour force shortages in the near future. In another situation, the participation rates as the case in developing countries, are low, and these rates must be increased with related policies to the labour force markets differences of countries examined. It can also be said that the informal sector is large, and the majority of the labour force lacks social protection.

Each country from the point of independence and democratization varies. The earliest country that gained independence was Turkey. Indonesia and Malaysia were colonials and gained their independence after world II. Although the democratization process is different in all three countries, their integration into global markets is similar. Historically, each of the three countries in the 1960s transformed import substitution regimes after the 1980's they preferred export-based industrialization.

The Malaysian economy is a planned process. Turkey also applied a planned economy. In the early years of their state establishment, their economy's driving force was agriculture, then with industrialization, the manufacturing and service sectors rose, and the agriculture sector rate decreased. The most significant employment rate is in Indonesia, while Turkey has the highest rate percentage of unemployment in 2019. When the category of unemployment is considered, it can be seen that the youth unemployment ratio is significant in all these countries. The percentage of women's participation in labour markets is similar in the three countries and lower than the OECD countries' average.

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