



TURKEY

REVIEW OF HUMAN RESOURCES DEVELOPMENT

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REVIEW OF HUMAN RESOURCES DEVELOPMENT

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PREFACE

This document discusses human resources development in Turkey in terms of options relating to the education of young people and the provision of educational support for adults throughout their professional lives. Special emphasis is put on the question of general labour market policies and reforms to support growth, particularly in relation to unemployment and disadvantaged groups in the labour market. This report highlights policies that offer opportunities for integration, gainful employment and enhanced social cohesion for marginalised and vulnerable citizens.

This report was prepared by the European Training Foundation (ETF) in response to a request from the Employment, Social Affairs and Inclusion Directorate General of the European Commission. It presents a sometimes challenging picture of the human resources development situation in Turkey. The document considers the achievements already made and sets out the opportunities supported by far-reaching policy reform, highlighting the challenges facing Turkey in various areas during this process, while confirming the great potential of the country.

We believe this report provides a firm basis to progress towards a medium-term operational programme for human resources development by addressing current challenges and clearly signposting the route ahead through future-oriented strategies.

The information used as a frame of reference for this study was taken from relevant national and international publications and research papers, and verified with key national stakeholders. In a series of missions from May to September 2010, the ETF team conducted interviews and discussions with a wide range of sources including: representatives from the Ministry of Labour and Social Security (MoLSS), the Ministry of National Education (MoNE), the Ministry of Family and Social Policies (MoFSP), the Turkish Employment Agency (İŞKUR), the Independent Industrialists and Businessmen's Association (MÜSİAD), the Southeastern Anatolia Project (GAP), the Confederation of the Turkish Real Trade Unions (HAK-İŞ), the International Labour Organisation (ILO), regional development agencies, the General Directorate of the Status of Women, the Turkish Confederation of Tradesmen and Craftsmen (TESK), the Turkish Confederation of Employer Associations (TİSK), the Social Security Institution (SSK), the State Planning Organisation, the General Directorate of Social Assistance and Solidarity (SYDGM), the Turkish Union of Chambers and Commodity Exchanges (TOBB), the research community and Turkish think-tanks, local governments in the provinces of Samsun and Amasya, schools and work placement centres in Samsun and Amasya and community-based organisations.

We wish to thank the Employment, Social Affairs and Inclusion Directorate General of the European Commission for entrusting us with the task of preparing this review. We would also like to thank all the experts and institutions in Turkey for their responsiveness, time commitment and valuable contributions.

We hope that this report will make an effective contribution to better-informed decisions and greater continuity in national policy making. We would like to assure the Turkish government that the ETF will continue to provide support in fostering the development of human resources in the country.



Madlen Serban
Director
European Training Foundation

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EXECUTIVE SUMMARY

This review aims to analyse how employment, social inclusion and education and training in a lifelong learning perspective contribute to the development of human resources in Turkey in line with the thematic priorities of the Instrument for Pre-Accession Assistance (IPA) on human resources development and the remit of the European Training Foundation (ETF).

Turkey has a population of nearly 74 million inhabitants and is ranked as the 17th largest economy in the world in terms of 2010 gross domestic product (GDP), placing it seventh in Europe excluding Russia. While the global crisis has had a direct impact on Turkey, the country's economy showed considerable resilience and bounced back with a real GDP increase of 11% in the first half of 2010. Turkey is rapidly developing an open economy comprising modern industrial and commercial sectors alongside a traditional agricultural base, and the nation's impressive economic performance in recent years provides a strong basis for the social policies currently being implemented.

Despite the strong economic performance of the country, human resources development and gender equality persist as important challenges. The United Nations Development Programme (UNDP) Human Development Index (HDI) places Turkey 83rd in the world ranking behind the European Union (EU) and Western Balkan countries. The biggest challenge facing the Turkish education system is the provision of quality education for the entire population in a country where teaching and learning techniques vary considerably and within the school system where the minority are in selective institutions and the majority attend non-selective schools. Issues such as gender, the rural/urban divide and social background present persistent additional challenges that are evident in enrolment figures, dropout numbers and graduation rates. Illiteracy affects 6% of the population – 2.2% of men and 9.9% of women – and net enrolment in primary education stood at 98.7% in 2011-12.

The government has recognized the challenges, outlining strategic development goals in the Ninth Development Plan for 2007-13. This plan establishes a vision of Turkey with stable growth, more equitable income distribution and increased global competitiveness as the country transforms into an information society.

With more than 20 million students, 67,000 education institutions and over 700,000 teaching staff, Turkey's education system is huge and full credit must be given to the country for recent advances such as: the expansion of educational coverage; progress made in modernising curricula; free-text book provision in primary education; reforms to secondary education and vocational education and training, and; the introduction of the Bologna process in higher education.

It is widely recognised that vocational high school graduates earn higher incomes than general secondary education graduates, and efforts to increase enrolment in vocational and technical education have therefore been a key policy since the 2000s. The European Commission has supported projects to improve the quality of vocational and technical education alongside other initiatives by the private sector and non-profit organisations. Lifelong learning has gained greater credence as it has become increasingly important in upgrading the skills of the working population, but this sector is only in the very early stages of development.

Public funding for education is low in terms of Organisation for Economic Cooperation and Development (OECD) averages and is calculated simply on an input basis, but systematic monitoring and evaluation of the impact of ongoing reforms on learning outcomes is needed to steer a more effective use of public funds. The Ministry of National Education (MoNE) has plans for a decentralization process that will provide increased autonomy at provincial and school level. Policies related to the selection and appointment of teachers need to be reviewed, as do current methods of in-service training as these practices are not conducive to the creation of effective learning environments.

The Turkish labour market is characterised by the underutilisation of human resources. The working age population (15+) counts for 52.5 million out of a total population of 73.7 million, but less than half of the working age population is economically active – 25.6 million. Also, 71.2% of the labour force are men and only 28.8% are women. Moreover, while rural women mainly work as unpaid family workers, the urban labour market participation of women is only 20.2%: the lowest of all candidate and pre-candidate countries (TurkStat, 2010).

Informal employment is another key feature present in Turkey. Slightly less than two thirds of employed individuals are regular or casual employees, while almost one third are self-employed or unpaid family workers. Most of those working in informal, precarious jobs have low educational attainment and this widespread informal employment deprives workers of basic social security while having negative effects on labour productivity.

Unemployment in Turkey fell to an average of 11.9% in 2010 after peaking at 14% in 2009, although the rates were higher for women and the youth population (Labour Force Survey, LFS 2010). Less than half of the number of unemployed shown in the LFS, 2010 are actually registered as unemployed with the Turkish Employment Agency (İŞKUR), and the unemployment benefit system has low coverage with only 23.3% of the registered unemployed receiving cash benefits (İŞKUR data for 2010).

Active labour market policies (ALMPs) are relatively new in Turkey but have become increasingly important against the backdrop of the economic crisis and given the urgent need to reduce structural unemployment and meet new skills shortages. Expenditures on ALMPs have traditionally been extremely low (0.003% of GDP in 2008), but substantial increases in 2010 and 2011 provided sufficient funding for 15.8% of the registered unemployed to have participated in activation measures in 2011. Vocational training accounts for the largest proportion of ALMPs, followed by public works, new internship schemes and hiring incentives where employers pay reduced social security contributions for their uptake of new employees.

The ongoing transformation of the Turkish economy requires modernising the labour market and continuing reform. The core challenges to its modernisation include dealing with low activity and employment rates, especially for women, young people and disadvantaged groups, and reducing high levels of informality to create more and better jobs with decent working conditions, social security coverage and higher labour productivity. Recommendations include a better balance between flexibility and security – a concept known as ‘flexicurity’ – and measures to improve matching between skills generation and skills demands in the economy.

Turkish institutions have made progress with the fight against poverty and social exclusion by placing particular attention on human development, human rights, gender equality and institutional capacity development. Poverty has been decreased and the social integration of vulnerable groups increased through the implementation of strategic policies to fight poverty such as cash support programmes, projects for universal basic education, and the wholesale expansion of education, healthcare coverage and unemployment insurance. Civil society involvement has been enhanced by encouraging institutional dialogue with marginalised groups, boosting their participation and uptake of responsibility in policy formulation, implementation and monitoring on both national and regional levels. New research is contributing to a redefinition of the poverty agenda in Turkey through the development of rights-based approaches. However the concepts of social inclusion, social cohesion and equity are relatively new to the policy discourse and they are not yet mainstreamed or explicitly referred to in the national policy-making processes and much work remains to be done in raising awareness of the concepts of social inclusion, social cohesion and equity and their added value for education and training, employment and broader social policy making.

Smart, sustainable and inclusive economic growth in Turkey is hampered by the restricted access and participation of marginalised groups in education, employment and society. Economic growth and the adoption of aspects of economic liberalisation policies has tended to increase polarisation, segregation and exclusion in big cities and less developed regions, impacting on various disadvantaged social groups by imposing stricter market discipline on some already underprivileged segments of society. An overarching consensus must be achieved as a pre-condition to consistent social policies

capable of cutting across the full range of political, cultural, religious and socio-economic issues. Efforts to combat social exclusion and poverty in Turkey are hampered by a somewhat segmented structure. The social inclusion issue requires research, cooperation and coordination between the multiple public institutions responsible for providing services and protection for disadvantaged people. Decision-making processes will benefit from enhanced monitoring of outcomes and policy impact assessments.

Social exclusion is a local and national concern and the central institutions have a mandate to combat this at central and regional level. National resources have been used in the massive expansion of education, health and employment facilities and in speeding up regional development. This has gone some way toward eliminating the economic and social imbalance between regions. Institutional partnerships have boosted vertical consultation between territorial levels and horizontal communication between public and socio-economic actors, leading to the formulation and implementation of regional policies that promote multi-level governance. These efforts and achievements have not, however, been able to completely resolve the considerable disparities across Turkey in terms of income, demographic structure, physical and social infrastructure, entrepreneurship, human resources, education level, access to health services, environmental quality, employment and the role of women. Central policy decisions will need to go hand in hand with visionary mayors and governors at the regional and local levels to address the wide range of disparities and engage all segments of the population. Regional and local authorities are expected to play an increasingly important role in the equitable distribution of financial and human resources to provide those social services which are considered to be the unquestionable entitlement of all citizens.

The horizontal conclusions put forward in this report are that public funds must be geared toward policies and strategies that promote greater social equity in education, employment and social inclusion. A state-of-the-art monitoring and evaluation system is of critical importance in evaluating the impact of the various policies and programmes.

The key recommendations for education, employment and social inclusion proposed in this report are:

- a well thought through decentralisation approach to implement change in the various regions of Turkey;
- a stronger focus on learning outcomes at all levels of education to ensure Turkish youth is well prepared for education challenges in the future. An important additional challenge lies in continued efforts to increase enrolment at all levels, especially for girls, on top of effective intervention strategies to reduce dropouts. Additional efforts to improve the quality and labour market relevance of vocational education and training (VET) and to position VET on an equal level playing field with other education sub-systems remain necessary. An intensified and coordinated effort to promote lifelong learning from its current early stages

of development in Turkey is needed to carry the concept forward, especially in the most disadvantaged regions of the country;

- an effective and coherent mix of labour market policies to counter the under-utilisation of the labour force, especially of young people and women, with further strengthened institutional capacity for İŞKUR and upgraded ALMPs. An appropriate balance must be found between flexibility and security in consultation with the social partners as a key

element in the modernisation of the Turkish labour market. A strategic and coordinated approach is needed to anticipate skills supply and demand and improve matching systems in order to reduce skills mismatch;

- efforts to overcome the varied realities and needs of different social segments and regions within Turkey to iron out the significant socio-economic disparities that currently challenge policy makers and practitioners and present an element of national concern.

1. POLITICAL AND SOCIO-ECONOMIC BACKGROUND

1.1 EU, REGIONAL AND NATIONAL POLITICAL CONTEXT

The economy in Turkey is booming in spite of persistent structural problems including extensive informality, deep regional disparities, the prevalence of businesses with a low return on investment activities and serious challenges in terms of human resources development and gender equity.

Turkey ranks 17th in the world in terms of 2010 GDP, standing in seventh position in Europe excluding Russia, and Turlu was one of the founder members of the OECD and the G20. Turkey has a rapidly developing open economy where modern industrial and commercial sectors stand alongside traditional agriculture, and impressive improvements in GDP over recent years (see **TABLES 1.5, 1.6 and 1.15**) have provided a stronger basis for the implementation of current social policies (Eurydice, 2010).

Turkey has a rich entrepreneurial tradition but many of the most common business activities provide low returns. Agriculture still accounts for 25.3% of total employment (TurkStat, 2010b) while micro-enterprises of up to 10 employees coupled with self-employment account for the overwhelming majority of firms, providing the largest share of total employment but accounting for less than 10% of total value added. The most dynamic sector of the economy lies in medium-sized enterprises (employing 10 to 249 people). Turkey also suffers from a prevalence of informal employment, 86% of which occurs in the agricultural sector, predominantly in Eastern Turkey (ETF, 2010).

Human resources development and gender equality persist as important challenges for Turkey, and the nation's position in the global knowledge economy is also a pressing concern. The UNDP HDI¹ places Turkey 83rd in the world behind the EU and Western Balkan countries (see **TABLE 1.9**) where Turkey performs well in terms of GDP income but lags behind on combined gross enrolment ratios in education (UNDP, 2010a), while its position on the gender-related HDI is far lower than for general HDI due to the immense gender gaps in literacy rates and combined enrolment ratios. UNESCO (2010) links the status of women to the degree of democracy in societies and social and child welfare, meaning this

gender differential is a point of concern for Turkey; indeed, the World Economic Forum (WEF) Gender Gap Index² ranked Turkey 126th in the world in 2010 (see **TABLE 1.12**), far behind all of the western countries and several of the Asian, African and Arab states (WEF, 2010b). Turkey's HDI outcomes are far lower than they should be in comparison to countries of similar per capita GDP, mainly as a result of low educational levels and high gender inequality. On the issue of preparedness for the knowledge economy, Turkey ranked 61st in the 2009 World Bank Knowledge Economy Index, coming in close behind the recently improved rankings of the Gulf States and Brazil (World Bank, 2009c). Similarly, the country ranked 61st, behind Tunisia, Malaysia, China and India, in the Global Competitiveness Index (WEF, 2009).

The government has recognised the challenges outlined above and established strategic development goals toward resolving the situation in the Ninth Development Plan 2007-13. This plan works toward a vision of Turkey with stable growth, more equitable income distribution and increased global competitiveness linked to the transformation to an information society.

The Ninth Development Plan 2007-13 lays out the Turkish government's development programme in three key documents that specify overarching development goals, a medium-term agenda for reform and specific actions and responsibilities within the government. The Turkish General National Assembly approved the plan in 2006 and passed it as Law No 877. The plan aims to provide an enhanced quality of life through an inclusive development process based on embedded development priorities clustered thematically around improved competitiveness and employment, equitable human and social development, and the efficient provision of high-quality public services, where all of the individual elements place emphasis on the reduction of regional differences. Alongside this document, the government action plan contains separate short and medium-term plans that translate the broader objectives of the Ninth Development Plan into specific operational actions according to the responsibilities of individual ministries and government agencies, while the Programme for Harmonisation with the EU acquis provides a detailed plan outlining specific actions to be implemented in order to fulfil the requirements of the 35 chapters of law necessary for EU accession.

MoNE has already initiated a number of the structural reforms recommended under the Ninth Development

¹ The Human Development Index (HDI) measures development by combining indicators of life expectancy at birth, adult literacy rate, gross enrolment ratio and GDP per capita (PPP USD) into a composite index. For more information, see <http://hdr.undp.org/en/humandev/hdi/>

² The WEF Gender Gap Index is probably the most comprehensive tool to indicate the degree of female exclusion as it measures the gap by combining four indicators: economic participation and opportunity, educational attainment, health and survival, and political empowerment. See http://www3.weforum.org/docs/WEF_GenderGap_Report_2010.pdf for the methodology and country rankings.

Plan, changing primary and secondary education curricula to promote learning and skills development instead of rote learning, and introducing student-centred and interactive teaching techniques. Mandatory secondary schooling has been extended from three to four years including grades 9 to 12 and work is underway to divide provision between Anatolian high schools with an emphasis on science and foreign languages, and vocational and technical high schools with an emphasis on work-related skills. The range of foreign languages available has been extended and many extra-curricular activities have been added. The ministry has set ambitious targets for secondary education by 2014 including: increasing gross enrolment to 90%; reducing regional inequalities; increasing completion to 96%; reducing dropouts to 5%; increasing schooling for girls, and; providing free transportation in rural and underdeveloped areas (Majcher-Teleon and Bardak, 2011).

1.2 DEMOGRAPHIC DEVELOPMENTS AND TRENDS, INCLUDING MIGRATION

The Turkish population presently has heavy weighting in the youth category; a situation that can be viewed as providing a window of opportunity for timely reforms to upgrade human capital. This period will not endure indefinitely however.

The population of Turkey is expected to grow from the present 73.72 million to 83.6 million by 2025 (TurkStat, 2010b) and by this time the population pyramid will be showing the initial signs of an aging population as can be seen in **FIGURE 1.1**. This changing demographic picture (see **TABLES 1.1-1.3**) means that providing appropriate education for the current school-age population will become a matter of increasing strategic importance as time goes on.

The decline in the birth rate expected by 2025 will result in a population profile clearly demonstrating the initial features of an aging population by 2030. At present, despite having a young population, Turkey has the lowest labour force participation rate (LFPR) of all OECD countries with male LFPR of 69.7% in April 2009 against female LFPR of 25.5%; the lowest female LFPR in the world for a country in this income band. The economic crisis had pushed unemployment up to 16% in mid-2009 against only 10% in mid-2008.

1.3 ECONOMIC DEVELOPMENTS AND TRENDS

The global crisis initially had a heavy impact on Turkey, bringing a peak-to-trough decline of nearly 14% of GDP; the deepest decline of all OECD countries. However, the Turkish economy showed considerable resilience,

bouncing back with a real GDP increase of 11% in the first half of 2010 (OECD, 2010a).

Notwithstanding these achievements, potential growth in Turkey is hampered by high levels of inactivity and insufficiently broad-based productivity growth linked to serious skills mismatches. Labour market regulations place constraints on the capacity to create new jobs and also provide incentives for the type of informal arrangements that impact negatively on productivity growth. Informal firms have restricted access to finance, are unable to participate in innovation networks and generally invest less in human capital. Estimates give labour productivity in the informal sector at 80% below the productivity expected of a fully-formal sector in a modern economy.

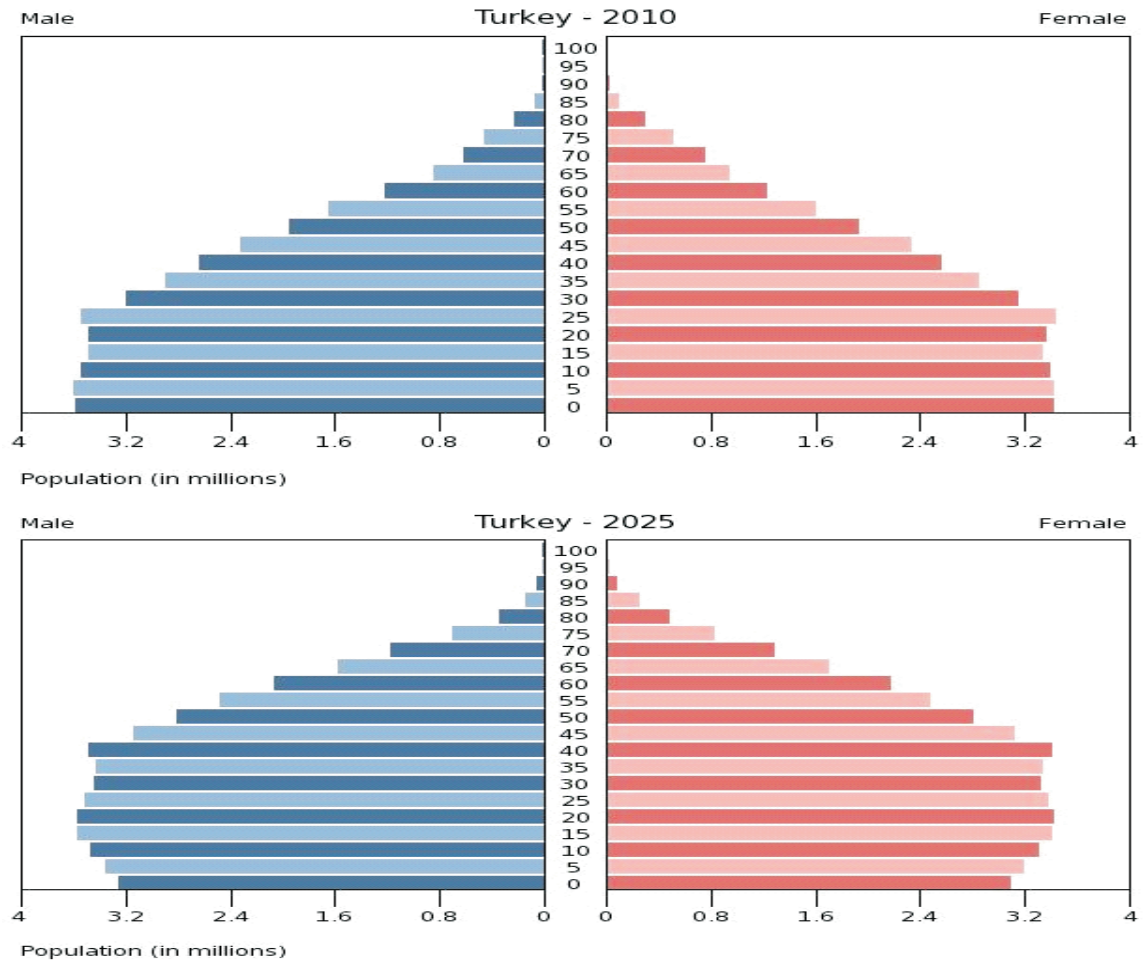
Turkey's large industrial zones provide employment for around one million people. There are 250 areas classified as 'organised industrial zones' (OIZs) across the country, with especially extensive OIZs located in Istanbul, Izmir, Gaziantep, Kayseri, Bursa and Eskisehir.

Annual industry and service statistics from 2009 (TurkStat, 2011d) counted 2,483,300 active enterprises, where the bulk of Turkish economic activity came from small and medium enterprises (SMEs) and the dominant employment pattern was still of micro enterprises with less than 10 workers. Consistent data on SMEs is not available, but data on enterprises in the manufacturing and services sector presented by the OECD in 2000 (OECD, 2004) stated that SMEs made up 99.8% of all enterprises, provided 76.7% of total employment, produced 26.5% of value added and took 5% of bank credits. The SME sector suffers from insufficient know-how and a low level of technology, specifically in information and communication technologies (ICT). There are a number of support schemes available for small businesses but these are unable to plug all the gaps as any activities related to business creation and self-employment have now been dropped from IPA component IV and these are now only available through the regional instruments (GTZ, 2007). However, a World Bank project with a total budget of USD 500 million provides financial support to SMEs and one of the 2010 crisis measures targets artisans and tradesmen by providing loans and grants as part of an SME support scheme. This SME support scheme includes extra supplements for female entrepreneurs and aims to reach 45,000 beneficiaries (Ercan, 2011).

Employment in the industry and services sectors is not growing strongly enough to absorb the rapid increase in the working-age population and provide jobs for all of the people migrating from rural areas. The consequent employment rate barely reaches 40%, remaining the lowest of all OECD countries. Migration to the cities and the array of interrelated socio-economic factors involved in the process lead women to withdraw further from the labour-force, resulting in a female employment rate of barely 20%. The combination of all these factors means Turkey's economy is at risk of becoming trapped at far below its potential level (OECD, 2010a).

TABLES AND FIGURES

FIGURE 1.1 TURKEY DEMOGRAPHIC TRENDS, 2010-25



Source: TurkStat, 2010b

TABLE 1.1 POPULATION, ANNUAL GROWTH RATE, NUMBER OF PROVINCES, DISTRICTS, TOWNS, VILLAGES AND POPULATION DENSITY

	Population	Population annual growth rate (‰)	Number of provinces	Number of districts	Number of towns and sub- municipalities	Number of villages	Population density
2007	70 586 256	–	81	850	2 294	34 438	92
2008	71 517 100	13.1	81	892	1 981	34 349	93
2009	72 561 312	14.5	81	892	1 978	34 367	94
2010	73 722 988	15.9	81	892	1 977	34 402	96
2011	74 724 269	13.5	81	892	1 977	34 425	97

Note: The number and population of provinces, districts, municipalities and villages are determined by taking into account administrative attachment and legal entity changes recorded by the General Directorate of Population and Citizenship Affairs in the National Address Database in accordance with the related regulation and administrative registers.

Source: TurkStat, Address-based Population Registration System

TABLE 1.2 AGE DEPENDENCY RATIO (%)

	Total age dependency ratio	Youth dependency ratio (0-14)	Elderly dependency ratio (65+)
2007	50.4	39.7	10.7
2008	49.5	39.3	10.2
2009	49.2	38.8	10.5
2010	48.9	38.1	10.8
2011	48.4	37.5	10.9

Source: TurkStat, Address-based Population Registration System

TABLE 1.3 LIFE EXPECTANCY AT BIRTH (YEARS)

	2005	2006	2007	2008	2009	2010	2011
Total	72.9	73.2	73.4	73.6	73.7	73.9	74.1
Males	70.9	71.1	71.2	71.4	71.5	71.6	71.7
Females	75.0	75.3	75.6	75.8	76.1	76.3	76.6

Note: Demographic indicators are estimated and projected based on the 2008 Address-based Population Registration System and Population and Health Survey.

Source: TurkStat

TABLE 1.4 CRUDE RATE OF NET MIGRATION PLUS ADJUSTMENT PER 1 000 PEOPLE

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
EU-27	1.5	1.3	3.8	4.2	4	3.1	3.7	3.9	2.9	1.8 ^(p)
Montenegro	-2.4	-1.8	-1.2	-1.1	-0.7	-1.5	-0.4	1.2	0.1	0
Croatia	-11.7	3.2	1.9	2.7	2.6	1.9	1.6	1.3	1.6	-0.3
MK	-1.2	-1.3	-12.2	-1.4	-0.1	-0.4	-0.3	0.1	-0.3	-0.3 ^(p)
Turkey	0.9 ^(e)	0 ^(e)	0 ^(e)	0 ^(e)	0 ^(e)	0 ^(e)	0 ^(p,e)	1.3 ^(b,e)	1.7	3.3

(b) Break in series. (p) Provisional value. (e) Eurostat estimate.

Source: Eurostat

TABLE 1.5 GDP GROWTH RATES – PURCHASER'S PRICE (%)

	GDP growth rates	
	(current prices)	(constant 1998 prices)
1999	49.0	-3.4
2000	59.3	6.8
2001	44.1	-5.7
2002	45.9	6.2
2003	29.8	5.3
2004	22.9	9.4
2005	16.1	8.4
2006	16.9	6.9
2007	11.2	4.7
2008	12.7	0.7
2009	0.2	-4.8
2010	15.4	9.2
2011	17.8	8.5

Source: TurkStat

TABLE 1.6 GDP BASED ON PPP PER CAPITA GDP (CURRENT INTERNATIONAL USD)

	GDP per capita (USD at PPP)
1998	8 122
1999	7 845
2000	8 169
2001	7 748
2002	8 224
2003	8 705
2004	9 844
2005	11 006
2006	12 107
2007	12 901
2008	13 124
2009	12 466
2010	13 392
2011	13 880
2012	14 402
2013	14 982
2014	15 641
2015	16 349

Note: Estimates start after 2009.

Source: International Monetary Fund, World Economic Outlook Database, October 2010

TABLE 1.7 GDP IN CURRENT PRICES BY TYPE OF ECONOMIC ACTIVITY (%)

	Agriculture	Industry	Services	Other	Total
1998	12.9	33.7	53.3	0.1	100
1999	10.7	31.0	58.1	0.1	100
2000	10.8	30.0	59.1	0.1	100
2001	9.4	28.5	61.9	0.1	100
2002	11.4	27.9	60.6	0.2	100
2003	11.1	28.0	60.7	0.2	100
2004	10.7	28.0	61.2	0.2	100
2005	10.6	28.0	61.2	0.2	100
2006	9.4	28.2	62.2	0.2	100
2007	8.5	27.8	63.5	0.2	100
2008	8.5	27.2	64.1	0.2	100
2009	9.1	25.1	65.5	0.2	100
2010*	9.5	26.0	64.3	0.2	100

(*) Nine months.

Source: TurkStat

TABLE 1.8 FOREIGN DIRECT INVESTMENT (% OF GDP)

	Net inflows	Net outflows
1999	0.31	0.26
2000	0.37	0.33
2001	1.71	0.25
2002	0.47	0.06
2003	0.56	0.16
2004	0.71	0.20
2005	2.08	0.22
2006	3.80	0.17
2007	3.41	0.33
2008	2.50	0.35
2009	1.28	0.25

Source: World Bank, World Development Indicators Database

TABLE 1.9 HUMAN DEVELOPMENT INDEX TRENDS

	HDI rank 2010	Value						
		1980	1990	1995	2000	2005	2009	2010
Montenegro	49					0.755	0.768	0.769
Croatia	51			0.690	0.720	0.752	0.765	0.767
Serbia	60					0.719	0.733	0.735
Albania	64		0.647	0.633	0.670	0.700	0.716	0.719
Bosnia and Herzegovina	68					0.698	0.709	0.710
MK	71			0.634	0.660	0.678	0.697	0.701
Turkey	83	0.467	0.552	0.583	0.629	0.656	0.674	0.679

Source: UNDP, 2010a

TABLE 1.10 GLOBAL COMPETITIVENESS INDEX

	GCI 2010		GCI 2009	Change 2009-10
	Rank	Score	Rank	
Montenegro	49	4.36	62	13
Turkey	61	4.25	61	0
Croatia	77	4.04	72	-5
MK	79	4.02	84	5
Albania	88	3.94	96	8
Serbia	96	3.84	93	-3
Bosnia and Herzegovina	102	3.70	109	7

Source: WEF, 2010a

TABLE 1.11 CORRUPTION PERCEPTION INDEX

	2010		2009		2008		2007		2006	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Turkey	56	4.4	61	4.4	58	4.6	64	4.1	60	3.8
Croatia	62	4.1	66	4.1	62	4.4	64	4.1	69	3.4
MK	62	4.1	71	3.8	72	3.6	84	3.3	105	2.7
Montenegro	69	3.7	69	3.9	85	3.4	84	3.3		
Serbia	78	3.5	83	3.5	85	3.4	79	3.4	90	3
Albania	87	3.3	95	3.2	85	3.4	105	2.9	111	2.6
Bosnia and Herzegovina	91	3.2	99	3	92	3.2	84	3.3	93	2.9
Kosovo	110	2.8								
Number of countries	178		180		180		179		163	

Source: Transparency international

TABLE 1.12 GENDER GAP INDEX

	2010		2010 rank among 2009 countries	2009		2008		2007		2006	
	Rank	Score		Rank	Score	Rank	Score	Rank	Score	Rank	Score
MK	49	0.700	49	53	0.695	53	0.691	35	0.697	28	0.698
Croatia	53	0.694	53	54	0.694	46	0.697	16	0.721	16	0.714
Albania	78	0.673	78	91	0.660	87	0.659	66	0.668	61	0.661
Turkey	126	0.588	125	129	0.583	123	0.585	121	0.577	105	0.585

Source: WEF, 2010b

TABLE 1.13 INDEX OF ECONOMIC FREEDOM 2011 AND ITS COMPONENTS

		Albania	BA	Croatia	MK	Montene- gro	Serbia	Turkey
Index of Economic Freedom	Score 2011	64.0	57.5	61.1	66.0	62.5	58.0	64.2
	Change from 2010	-2.0	1.3	1.9	0.3	-1.1	1.1	0.4
Business Freedom	Score 2011	67.1	60.4	65.2	64.6	71.3	59.0	68.7
	Change from 2010	-0.9	-0.9	3.7	-0.6	1.2	0.1	-0.2
Trade Freedom	Score 2011	79.8	86.0	87.6	83.6	83.6	75.2	85.4
	Change from 2010	-6.0	5.2	-0.2	0.3	0.4	0.0	-1.0
Fiscal Freedom	Score 2011	92.1	83.9	74.6	90.0	89.4	83.6	78.2
	Change from 2010	-0.5	0.7	4.3	0.7	-0.6	0.4	0.1
Gov't Spending	Score 2011	68.7	24.1	50.3	64.3	28.6	41.9	83.6
	Change from 2010	-5.5	-4.7	3.2	-1.6	-25.8	0.5	0.7
Monetary Freedom	Score 2011	79.9	80.6	78.5	84.5	76.0	66.0	72.7
	Change from 2010	1.2	5.9	2.7	5.5	2.8	1.5	2.7
Investment Freedom	Score 2011	65.0	70.0	70.0	60.0	55.0	60.0	70.0
	Change from 2010	-5.0	0.0	5.0	0.0	0.0	10.0	5.0
Financial Freedom	Score 2011	70.0	60.0	60.0	60.0	50.0	50.0	50.0
	Change from 2010	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property Rights	Score 2011	35.0	20.0	40.0	35.0	40.0	40.0	50.0
	Change from 2010	0.0	10.0	0.0	0.0	0.0	0.0	0.0
Freedom from Corruption	Score 2011	32.0	30.0	41.0	38.0	39.0	35.0	44.0
	Change from 2010	-2.0	-2.0	-3.0	2.0	5.0	1.0	-2.0
Labour Freedom	Score 2011	50.4	60.2	44.1	79.7	92.3	68.9	39.6
	Change from 2010	-1.7	-1.0	3.3	-3.4	5.9	-3.3	-1.5

(BA) Bosnia and Herzegovina.

Source: The Heritage Foundation

TABLE 1.14 IPA COUNTRIES AND EU BENCHMARKS – MACRO-ECONOMIC DATA

	EU-27	EU 2020 objecti- ves	AL	BA	IS	XK	ME	RS	HR	MK	TR
Gross domestic expenditure on research and development, % of GDP (2009) ^a	2.1	3		0.02 (07)	3.1		1.2 (07)	0.3 (07)	0.8	0.2 (07)	0.9
GDP per capita (000 PPP) (2010) ^b	30.4		7.5 ^(e)	7.8 ^(e)	36.6		10.7 ^(e)	10.8 ^(e)	17.7 ^(e)	9.7 ^(e)	15.5 ^(e)
GDP growth rate (2010) ^c	1.8		3.5	0.8	-3.5	4.0	1.1	1.8	-1.8	0.7	8.9
Share of agriculture as % of GDP (2009) ^d	1.7 (10)		20.8	8.0	7.1		10.0	12.9	6.7	11.3	9.4 (10)
Share of industry as % of GDP (2009) ^d	24.7 (10)		19.7	28.1	25.3		20.1	27.7	27.2	36.4	26.1 (10)
Share of services as % of GDP (2009) ^d	73.6 (10)		59.5	63.9	67.6		69.9	59.4	66.1	52.3	64.5 (10)

(e) Estimation.

Sources: (a) EU-27, IS, HR and TR: Eurostat; BA, ME and RS: World Bank, World Development Indicators Database; MK: Eurostat, 2010; (b) International Monetary Fund; (c) World Bank, World Development Indicators; EU-27: Eurostat; (d) EU-27: Eurostat; AL, BA, ME, RS, HR, MK and TR: World Bank, World Development Indicators; XK: data unreliable

2. KEY POLICY ISSUES, STRATEGIES AND CHALLENGES IN EDUCATION AND TRAINING IN A LIFELONG LEARNING PERSPECTIVE

For Turkey to take full advantage of the demographic window of opportunity described in Chapter 1, the country must ensure that its young people are adequately prepared with the skills they need to be employed in the national and international labour markets.

The Turkish education system is huge – with more than 20 million students, 67,000 education institutions and more than 700,000 teaching staff – and has undergone a series of developments in the past decade. Credit is due to the nation for both the expansion in size and progress made in a number of teaching and learning threads, most notably curriculum modernisation and the provision of free-text books in primary education. The achievements become clear when we consider that the number of students enrolled in secondary education increased from 2,300,000 to 4,200,000 between the 2000/01 and 2009/10 academic years, while primary education enrolment increased from 10,400,000 to 10,900,000 over the same period (Eurydice, 2010). The overall expansion of each level of the education system from primary to higher education is illustrated in **TABLE 2.1** which shows the increased net enrolment ratios over this period.

These achievements are, however, counterbalanced by problems with enrolment, dropout and graduation rates partly related to restricted access to education due to gender, location of residence (rural and urban) and social background. These problems are persistent and 6% of the population – 2.2% of men and 9.9% of women – are still illiterate (see **TABLE 2.7** for historical illiteracy figures). Net enrolment rates in primary education settled at almost 99% for both boys and girls in 2009/10 and 2011/12 (see Table 2.1) and there has been a steady increase in net enrolments in secondary education up from 43.9% in 2000 to 67.4% in 2009/10 (68.5% of boys and 66.1% of girls). By 2011/12, VET was seen to have strongly increased its share of secondary school students, taking 44% of the total as against 56% in general secondary education (see **TABLE 2.3**). Gross and net enrolment in higher education have practically doubled since 2005, but still only one in every six students passes the university entrance examination to make net enrolment in higher education of 33.1% for 2010/11 (men 33.4%, women 32.7%) (see Table 2.1). The growing participation in secondary education is expected to exert strong and steady pressure for the further expansion of higher education.

A significant increase in average productivity levels will be needed to improve Turkish living standards (as measured

by GDP per capita), coupled with on-going up-skilling of the labour force. At present, most workers in the informal sector have relatively little education, meaning that significant reform will be required for the education system to provide primary and high school graduates with appropriate skills for the required productivity increase (see **TABLE 2.14** for an illustration of the degree of skill mismatch). The overall educational attainment levels of the working population in Turkey remain low in comparison to the EU25 or other candidate countries, in fact nearly 60% of the Turkish labour force are educated to basic education or incomplete basic education level.

The government recognises these challenges, and vocational and technical education has been defined as a priority in the context of lifelong learning, with the Ninth Development Plan (2007-13) establishing the following reforms.

- Article 573 – Change to a modular and flexible system in vocational and technical education, vocational education at the secondary and higher education level will be integrated into a single structure with a holistic programme, and greater weighting will be placed on the applied education that plays an important role in creating a qualified workforce.
- Article 575 – Mechanisms will be developed within the organised industrial zones to help create environments for groups of vocational education practices to work in collaboration with service institutions and the private sector to meet the need for qualified workers.
- Article 577 – Efforts toward the development of a national qualifications network will be completed and a vocational structure sensitive to this system will be developed.

The following section will present further details of efforts undertaken to modernise the education system and will identify the persistent challenges to be addressed a precursor to successful implementation of the government's lifelong learning strategy.

2.1 INVESTMENT IN HUMAN CAPITAL

Public spending on education in Turkey stands at about 3% of GDP as against an OECD and EU-19 average of about 5% of GDP in 2007 (OECD, 2010b). It has,

furthermore, been argued that the OECD-average does not in fact indicate an appropriate financing target for Turkey given the size of the youth population in the country (SVET, 2005) and that appropriate additional public funding will be needed for Turkey to implement a truly ambitious education reform programme. While public sector spending on education is among the lowest of all OECD countries, spending on private tuition and school fees pushes total education spending up significantly. Private spending at all levels of education is worth the equivalent of more than half the total public education budget. According to a study conducted on the basis of data obtained through the 2006 Household Budget Surveys (Bakis et al., 2009), private spending on education is equivalent to 2.5% of GDP in Turkey against a rate of only 0.7% for OECD countries (Yilmaz, 2007). The high levels of private spending clearly demonstrate the importance of education for households here, even if education – as demonstrated by the levels of expenditure – does not appear to be such a high priority for public spending. These high levels of private spending are also likely to increase the inequalities facing students from less privileged socio-economic backgrounds.

Despite Turkey's public and private financial investments in education, visible results in terms of learning outcomes for 15 year-old students – as measured by the OECD Programme for International Student Assessment (PISA) – still fall short in comparison to the outcomes for students in other OECD countries (OECD, 2010c). Turkey's overall average score was 441 against an OECD average of 497 in 2003; 447 to an OECD average of 484 in 2006; and 464 to an OECD average of 499 in 2009 (see **TABLE 2.11** for a more detailed breakdown of the scores). The efficiency and effectiveness of total education spending in Turkey must be subjected to further scrutiny in order to determine paths to improve the overall performance of the education system.

Primary and secondary education budgets are modest, while one third of public spending is allocated to higher education. Annual per student expenses amounted to USD 1,197 in 2008, but actual per-student expenditure stood at around half that amount in some provinces, principally in the south-eastern and eastern regions (World Bank, 2005). Teacher salaries accounted for around 75% of the public budget, goods and services a further 15% and capital expenditure only 10%. In a World Bank study from 2005 a significant persistent equity gap in primary and secondary school spending was identified where no attempts were made to redress inter-regional, inter-provincial or urban-rural educational disparities through active funding strategies, leading to the conclusion that Turkey does not obtain results in line with the high level of combined public and private spending on education. Another study by the OECD in 2007 confirmed these findings on the basis of an efficiency analysis of public spending in primary and secondary education, ranking Turkey below the OECD countries.

2.2 LIFELONG LEARNING STRATEGIES, BROADENING THE EDUCATION AND TRAINING SUPPLY AND RECOGNISING QUALIFICATIONS

Turkey has adopted a Lifelong Learning Strategy Paper, finalised by MoNE in 2009. The broad-based strategy covers 16 priority issues for action, where Priority 7 is to update the curriculum in line with the changing needs of the country, and Priority 12 is the opening of transition pathways between the types and levels of education and between education and the world of work. Priority 12 places new emphasis on the school to business life and business to school transitions within a lifelong learning approach, encouraging cooperation between schools and businesses that extends beyond the bounds of vocational and technical education. This strategy paper (MoNE, 2009) states that Turkey is falling short of the EU target for 12.5% of adults to participate in lifelong learning, but also states the need for reliable data and data management systems to be used in stocktaking and the monitoring of future progress.

Training programmes, including classroom-based and on-the-job vocational training, could improve skills in the transition from school to work and could help address concerns about skill insufficiencies raised by young people in the ALMPs. Non-formal training of this type could be a particularly important tool for young people and adults entering the labour market with low or non-existent educational preparation. Little data or analysis is available on training outside the formal education system and the data that is available is scarce and somewhat outdated. The latest Turkish Statistical Institute (TUIK) data for 2002 show that non-formal vocational education accounted for 1.9% of total education expenditure, with 69% of the budget spent in public training institutions and 31% in private training centres.

Training is available through various public agencies and other departments, as well as universities, non-governmental organisations (NGOs) and private sector providers but most of the training is provided by MoNE and İŞKUR. MoNE provides training through 313 vocational training centres (VTC) for apprentices and 930 public education centres (PEC) for adults. These courses constitute a significant part of all non-formal training in Turkey. PEC courses primarily concentrate on traditional handcrafts of little labour market value, with additional literacy courses in some regions. İŞKUR offers limited training courses primarily to those receiving unemployment benefits. According to a European Commission report from 2009, the share of adults (15-64) participating in lifelong learning stood at 2.5% in Turkey, 2.0% in Croatia, 3.2% in the former Yugoslav Republic of Macedonia, against 9.1% in the EU-27 countries (see **TABLE 2.14**). While the EU benchmark target for participation in lifelong learning by 2010 was 12.5%, many

member countries exceeded this figure, most notably: Sweden with 32%, Denmark with 30% and Finland with 23%.

TUIK data shows trainees in private training institutions outnumber those in public centres. However, private training is predominantly in the form of *dershanes* – private tutoring classes to prepare students for university and college entrance exams, and driving schools. The labour market value of these private courses is therefore very limited and social and economic returns to education from this investment are likely to be low, although individual returns may be higher. The remaining private sector provision is dominated by courses in ICT and foreign languages.

In-house corporate training, however, is weak in Turkey. A recent Investment Climate Assessment for Turkey found that manufacturing firms in Turkey provide less formal training for their workers than firms in comparator countries (World Bank, 2008a) and a further study of higher education and the labour market in Turkey (Ercan, 2010c) confirmed these findings on limited training.

The MoNE Strategic Plan 2010-14 mitigates against this situation by encouraging Chambers of Commerce, occupational associations and employer and employee associations to create initiatives, ensure the provision of more on-the-job training and set up training units within enterprises. The private sector is encouraged to train the workforce to meet labour market demands with promises of simplified bureaucratic procedures and recognised certificates once training is complete. The plan also expects the number of cooperation agreements with companies to increase, but at this point in time no specific details have been given of the incentives that will be introduced to achieve these goals.

For lifelong learning to become a reality, the knowledge, skills and competences acquired outside of formal education must be valued and recognised, and Turkey has made some progress toward national policies on the validation of non-formal and informal learning. Law No 5544 of 2006 represents a significant development in this respect, moving toward determination of the principles of national qualifications in technical and vocational fields and establishment of a Vocational Qualifications Authority (VQA)³ to create and operate a national qualifications system in accordance with the European Qualifications Framework. The law also states that, a document or a certificate approved by the VQA and indicating the level of professional (technical or vocational) competency tailored to each profession will be awarded to individuals who are successful in the examinations.

The VQA was established in 2006 to assess and validate the skills gained by individuals through the process of lifelong learning. To date, one national qualification process has been fully created, with a further 40 in the pipeline. Occupational standards, testing and certification

will be performed by authorised organisations, in line with the legal requirements, while other forms of certification will be completed by organisations accredited by the Turkish Accreditation Agency (TÜRKAK) or other organisations within the European Accreditation Association, as approved by the VQA.

While firm foundations have been laid, lifelong learning is still in the early stages of development in Turkey and it does not yet take place as part of an established and structured approach. Most of the initial steps have been taken with the support of international projects, but the main elements are not yet organised in any usable form. The lifelong learning targets will only be achieved with strong political will supported by affirmative public action including the allocation of significant additional human and financial resources. There is currently little evidence that learning will become a lifelong process for a significant part of the population within the foreseeable future (Majcher-Teleon and Bardak, 2011).

2.3 EARLY SCHOOL-LEAVERS

The percentage of 18-24 year-olds leaving education and training early in Turkey with a maximum of lower secondary studies declined from 48.8% in 2006 to 43.1% in 2010 (see **TABLE 2.9**), but Turkey still falls short of the EU-27 average of 14.1% and the EU2020 objective of 10% (see **TABLE 2.15**). The percentages of early school leavers vary widely dependent on locality and gender (see **TABLES 2.9** and **2.10** for greater detail), but the overall seriousness of the issue is clearly reflected in the 2010 figures, where a total of 37.8% of boys and 47.9% of girls left school early.

Dropout rates for vocational schools are higher than those for other high schools: during the 2008/09 academic year, dropout rates for Anatolian science high schools stood at 0.3%, against rates of 9% for general high schools, 13% for vocational schools for preachers and prayer leaders, and 18% for vocational and technical high schools (ERI, 2010), as illustrated in **FIGURE 2.2**.

In addition, there is a high percentage of young people not in employment education or training in Turkey. In 2009, 44.3% of the population aged 18-24 attained at most lower secondary education and half of this group was unemployed. In 2010, 37% of female early school leavers and 25.5% of their male peers were unemployed. Some 32.8% of female early school leavers expressed no desire to work, as did 6.2% of their male peers. These young people run a heavy risk of becoming disengaged from socially inclusive experiences, pushing them into marginalisation at an early age. The high figures for unemployed early school leavers mean dialogue and policy making are urgently needed to improve teaching and learning conditions with special emphasis on region- and gender-specific issues, and the education of girls in particular.

3 See the VQA website at: www.myk.gov.tr/

2.4 ACCESS TO SECONDARY AND POST-SECONDARY VOCATIONAL EDUCATION AND TRAINING AND QUALITY OF PROVISION

Vocational high school graduates earn higher wages than the illiterate, primary and general secondary education graduates (Taymaz, 2010) and despite all the setbacks and inefficiency problems, vocational education appears to offer some advantages in terms of labour market outcomes (Tunali, 2003b). VET particularly pays off for women, making them more likely to be employed, although the rate does depend on the type of occupational skills acquired. Vocational education also offers some protection against unemployment for both sexes in urban areas and for men in rural areas (ibid.).

Efforts to increase enrolment in vocational and technical education have been a cornerstone of policy since the 2000s. Projects have been undertaken to improve the quality of vocational and technical education with the support of the European Commission, alongside initiatives from the private sector and non-profit organisations that aim to increase the demand for vocational and technical schools.

Direct transfers from high school to two-year higher vocational schools (Level 5 post-secondary education programmes) have also contributed to the popularity of vocational and technical education, and this stream is currently selected by 46% of boys and 40% of girls. When compared with figures for the EU-27⁴, however, it becomes apparent that the popularity of this stream lags behind the European trend, especially for boys, as 55% of boys and 44% of girls in the EU-27 selected vocational education in 2009.

The large increase in enrolment numbers has led to difficulties in meeting the physical infrastructure demands placed upon vocational and technical high schools.

While the government has an explicit goal to encourage greater participation in vocational-technical schools and firms are reporting difficulties in hiring qualified technical staff, students continue to select attendance at general comprehensive high schools over VET schools.

The World Bank Education Sector Study (2005), the OECD Economic Survey (2006) and the DG Enlargement Progress Report (2010) show the biggest challenge for the Turkish education system is to make good quality education accessible to the whole population. Selection examinations are held after primary school for secondary school entrance and after secondary school to enter university. Better-off parents pay considerable fees for private tuition before the science or Anatolian high-school selection exams sat by around 60% of the children in each age cohort, and the process is repeated for the

university entrance exams after high school. Only a very small number of able students are able to study in these exclusive secondary schools and most will have to attend non-selective schools. The quality of teaching and learning in the non-selective schools is far below world class standard provided in the selective schools.

FIGURE 2.4 shows how the PISA 2009 findings clearly demonstrate that reading, mathematics and science skill levels of vocational high school students rank significantly lower than the national average (see **TABLE 2.11** for OECD comparisons).

In addition, a study conducted by the Education Reform Initiative (ERI, 2009) reveals that socio-economic background plays a significant role in determining the type of secondary education institution to be attended by a student (the data in **TABLES 2.10** and **2.12** also illustrate this to some extent). The study shows that the places at the Anatolian high schools tend to be filled by the most socio-economically advantaged students, while the bulk of students attend general high schools and the least advantaged attend vocational schools; a pattern confirmed by Polat (2009) with the data shown in **TABLE 2.13**.

The PISA 2009 index on the quality of educational resources indicated that more resources are available to advantaged students than disadvantaged students (OECD, 2010c).

Educational resources continue to migrate toward the 'higher end' of the system, and the original concept for a merit-based system is no longer operational as students from higher-income families with more resources are favoured in the selection process, raising concerns related to both the efficiency and equity (OECD, 2006).

Turkey has a well-established career guidance system in formal and informal education and a web-based career guidance system is available to match student interests and abilities to available educational offerings and career opportunities (World Bank, 2011b). Additional guidance services will be developed for non-formal and informal learning settings as part of the EU-backed lifelong learning project 2011-13 (Akkök, 2010).

2.5 LEARNING IN SCHOOLS AND TEACHERS

A lot of emphasis is given to learning outcomes in mathematics in primary and secondary education as a pivot for success in future learning. At present, no systematic information is available on the quality of mathematics preparation for trainee primary and secondary teachers in Turkey. Low success levels in basic science, mathematics and theoretical classes persist in vocational schools providing higher education (YÖK, 2006). Research conducted on vocational schools providing higher education reveals that almost 95% of vocational school graduates lack basic mathematical skills (Erol and Alp, 2003). Other studies (Kayir et al., 2004)

showed that students are not satisfied with the system: 48 % of vocational high school students and 58% of students at technical schools stated that they would not choose to attend a vocational school if they were able to make the choice again. Many students in the last year of schooling question whether they have the necessary skills to practise their vocation.

In 2010, MoNE launched the Movement of Enhancing Opportunities and Improving Technology (FATİH) project, which aims to improve the technological infrastructure in schools and encourage the use of technological tools in education by providing schools with tablet PCs, smart boards and electronic content. It is predicted that this project will be implemented in three years and will cost between TRY 1.5 and TRY 3 billion. The project offers support to improve the technological infrastructure in all MoNE schools, content and software support to facilitate effective use of the infrastructure in teaching programmes and in-service training for teachers. All of the 620,000 classrooms in pre-school, primary and secondary schools will be provided with a laptop and means of projection, and every school will have a 'smart' classroom equipped with at least one multi-purpose copy machine, a smart board, a digital camera and a microscopic camera. However, comprehensive research into how technological tools can support learning was not undertaken before the project was initiated and no consideration was given to growing international experience in this area either (ERI, 2011).

Teachers are the most important factor in influencing learning outcomes within the education system, but the 2005 World Bank education sector study for Turkey showed that very few teacher preparation programmes actually develop the skills teachers need to engage students and transform them into learners. Furthermore, the in-service training seminars and workshops organised by MoNE are relatively ineffective because they do not provide any opportunity for practice, follow-up or reflection. Teachers consistently view these programmes as boring, unrelated to their needs and poorly implemented, lacking the career planning opportunities and other incentives required for any real reform process. As a result, the quality of education delivered is heavily influenced by traditional teaching and learning methods, poorly motivated teachers, ineffective teacher training, low quality and restricted access to teaching materials, and poor infrastructure in some regions.

The Teaching and Learning International Survey (TALIS) research conducted by the OECD in 2007-08 collected data from around 4,000 teachers and principals employed in secondary education in Turkey and concluded that a new perspective is needed in teacher education. The study results showed Turkish teachers had more limited experience of vocational development activities than colleagues in other participating countries. Furthermore, the average Turkish teacher reported less perceived need for professional development in 11 areas such as student evaluation, class management and teaching in multi-cultural environments, than their colleagues in other TALIS countries. TALIS data also revealed that the type of school leadership needed for the professional

development of teachers was not strong in Turkey, and that policies on vocational development and in-service training tended to concentrate on centralised practices with a seminar model that does not allow for dialogue and peer-learning. There is an urgent need for practices that emphasise the importance of vocational development in lifelong learning, allow teachers to learn from each other and liberate them to consider needs at the local level (ERI, 2011).

Teachers must be given a leading role in the system, as any type of reform is very unlikely to succeed if school leaders and teachers do not support the changes. The morale of teachers in Turkey is also a matter of concern, and teacher pay is a major contributing factor: for while a secondary education teacher with 15 years' experience earns 2.57 times the per capita income, the relatively high starting salaries in the profession lead on to the lowest maximum salaries of all OECD countries. These factors, coupled with potential resistance to change and the lack of rewards offered, show that problems continue to blight the system despite recent reforms to improve education quality.

2.6 ACCESS TO AND QUALITY OF HIGHER EDUCATION

Access to university education for students from vocational schools was subject to discriminatory practices until 2011 as their scores in the university entrance examination were multiplied by a negative coefficient, while the scores for students from selective secondary schools were multiplied by a positive coefficient. The penalty coefficient had been introduced by the Turkish Higher Education Council in 1999, mainly as a device to discourage enrolment of students in religious schools (the *Imam Hatip* schools) that are considered as vocational schools. The role of courses based on religion in the public schools in Turkey is a politically and socially sensitive issue that requires further discussion and a productive consensus. The penalty coefficient was finally abolished in November 2011 after many years of debate in a move widely interpreted as a major step toward an even level playing field for vocational education.

Turkey has continued to expand university provision with the inauguration of eight new private universities, bringing the total to 162 establishments. These universities vary considerably in terms of staffing and infrastructure. Also, 712 Turkish institutions offer two-year post-secondary vocational courses for students, most of whom select this option when they fail to get a place on a university programme.

Progress has been made in higher education with the introduction of a qualifications framework and learning outcome approach. The Bologna Process has been the top priority on the Higher Education Council agenda since Turkey first became involved in the process in 2001, and Turkey is now well-advanced in implementing the Bologna process recommendations: the Council has translated the eight reference levels of the EQF into general descriptors

for Higher Education qualifications and a 2011-13 project backed by the EU will support the Council in establishing an autonomous Quality Assurance and Accreditations Agency in line with European best practices (European Commission, 2011a).

Secondary VET education feeds into the two-year higher vocational programmes in higher education (ISCED 4 and/or 5B) and the vocational component at tertiary level has expanded as the demand for higher education has increased. The role of the Higher Education Council (YÖK) in formal vocational education has grown accordingly. There are around 450 post-secondary vocational schools (MYOs) in Turkey, most of which operate within the public university system⁵. However, unofficial estimates state that almost 40% of VET students are given no opportunity for practical training in enterprises and the situation is even worse for MYO students who are looked upon as a poorly-educated second-class choice by employers. In theory, MYOs are supposed to respond to local and regional needs for education and training, but, in fact, they continue to represent the weakest point in the system, although many new initiatives are currently being implemented. Many MYOs are poorly equipped and the type of MYO available in a given region will often not be adequately matched to essential local needs; professional organisations are rarely involved in designing or restructuring the curricula and many faculties do not have staff with recent industrial experience (Mikhail, 2006).

Despite all the challenges, a World Bank study on higher education and the labour market in Turkey (2008b) produced estimates of returns to post-secondary education that found positive returns for MYO graduates and university students in particular. The fact that returns to education are still rising, shows that labour demand has become more skills-intensive. These increasing returns refute the notion popularly held in Turkey that labour demand for highly-skilled workers is weak (Majcher-Teleon and Bardak, 2011).

2.7 INSTITUTIONAL ASPECTS IN EDUCATION AND TRAINING

The fragmentation of education policy making between MoNE and the Higher Education Council generally has eroding effects on secondary education. The university entrance examination administered by the Higher Education Council has a negative influence, creating an incentive for students to skip secondary school classes in order to prepare for this exam.

Examinations at the end of primary and secondary school are focused almost entirely on student selection of for the next step on the education ladder on the basis of academic ability. This perspective means the tests fail to provide any indication of the levels of knowledge and competencies acquired by students; information that would dramatically increase the broader relevance of this examination in other areas of life including the labour market (ERI, 2011c).

MoNE has implemented a number of reform projects to improve the education system in the last decade, using donor funding from entities such as the EU, World Bank, UNDP and the United Nations Children's Fund (Unicef).

Other examples of support for education reform can be seen in: the MoLSS Human Resources Development Operational Plan prepared under the EU Instrument for Pre-accession Assistance (IPA); MoNE reforms to primary education and projects such as the Lifelong Learning Strategy, Strengthening Vocational Education and Training, and the Human Resources Development-Vocational Education and Training initiatives, and; ALMPs implemented by İŞKUR. Turkey's inclusion in the 'Bologna Process'⁶ within the EU accession process, and its corresponding entry into the European Higher Education Area, create incentives for improvement and reform of the education and training system and also present a move toward better quality standards (Majcher-Teleon and Bardak, 2011). The voluntary cooperation framework presented for VET within the 'Copenhagen Process'⁷ has similar impacts.

An EU-funded MoNE Capacity Building project (MEBGEP) was completed in 2010 and a draft new Law on ministry structure was put forward in the 2010 Green Paper along with recommendations for decentralisation with a distinct role for provinces government and school boards.

The new governance model suggested in the Green Paper recommended reducing the sixteen Directorate Generals within MoNE to five, cutting the number of central organisational entities involved in policy making and monitoring, and promoting a province-centred model to bolster provincial directorates for national education as administrations with special decentralized budgets.

Dialogue on the role of school boards was opened in 2010 and MoNE restructuring began in the autumn of 2011 as positive signs of change, but the proposed governance reform will require a continuous participatory process in order for implementation of the reform agenda to be successful at all levels.

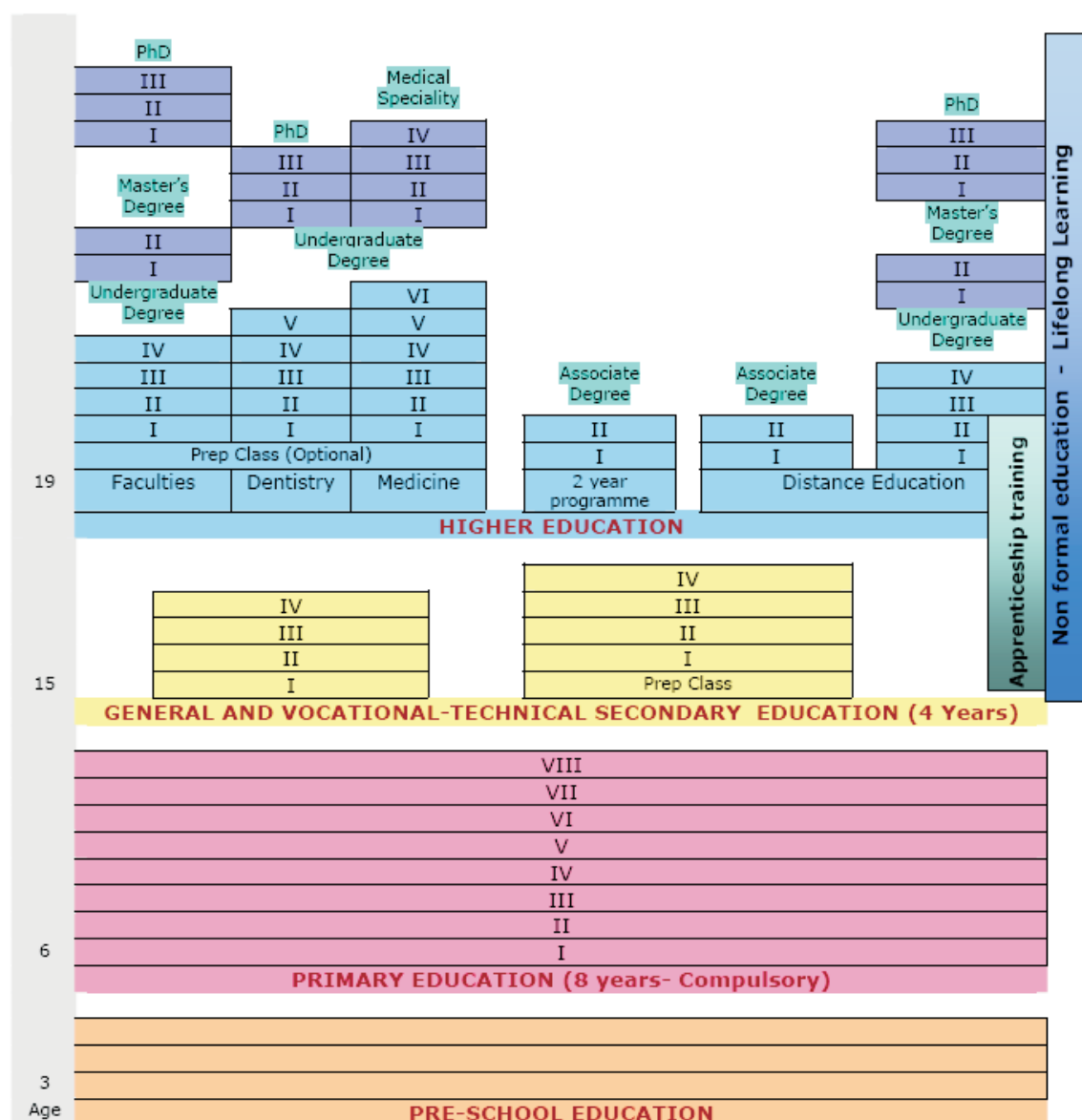
⁵ University education is in high demand in Turkey due to the large size of the youth cohort and securing a place at university is an extremely competitive process with a centralised student placement exam. The Higher Education Council (YÖK) listed the total number of universities at 154 in 2010 (102 State universities and 52 private universities) including two-year MYO courses (see www.yok.gov.tr/). However, there is ongoing debate on problems with the quality of provision at most new universities (both public and private) in the last decade due to insufficient preparation of the infrastructure and teaching staff.

⁶ The Bologna Process is the process to create the European Higher Education Area (EHEA) based on cooperation between ministries, higher education institutions, students and staff from 46 countries, with the participation of international organisations. The three objectives of the process are: easily readable and comparable degrees organised in a three-cycle structure (bachelor-master-doctorate); quality assurance standards and guidelines; and fair recognition of foreign degrees and other higher education qualifications in accordance with the Council of Europe and UNESCO recognition Convention.

⁷ The Copenhagen process is a voluntary cooperation framework in vocational education and training (VET) through: a single framework for transparency; quality assurance in VET; a credit transfer system, and; validation of non-formal learning within EU member states and candidate countries.

TABLES AND FIGURES

FIGURE 2.1 TURKISH EDUCATION SYSTEM



Note: In 2011 important reforms were introduced in education. An amendment to the Turkish Education Law (N° 222) was enacted in April 2012. One key element is the extension of compulsory education from 8 to 12 years, following a 4+4+4 instead of the traditional 8+4 system. The law allows for more flexibility to choose among different school types at lower secondary level (general or vocational schools or Imam Hatip schools for children from families with a religious inclination). These changes have not been discussed in detail in this report.

Source: Ministry of National Education, 2011

TABLE 2.1 SCHOOLING RATIO BY SCHOOL YEAR AND EDUCATION LEVEL (%)

	Schooling ratio	Primary education ⁽¹⁾			Secondary education			Higher education		
		Total	Males	Females	Total	Males	Females	Total	Males	Females
2000/01⁽²⁾	Gross	100.9	106.3	95.3	61.0	69.7	51.8	22.3	25.5	18.8
	Net	95.3	99.6	90.8	43.9	48.5	39.2	12.3	13.1	11.4
2001/02⁽²⁾	Gross	99.5	104.2	94.5	67.9	76.9	58.4	23.4	26.6	20.0
	Net	92.4	96.2	88.5	48.1	53.0	43.0	13.0	13.8	12.2
2002/03⁽²⁾	Gross	96.5	100.9	91.9	80.8	93.4	67.5	27.1	31.0	23.0
	Net	91.0	94.5	87.3	50.6	55.7	45.2	14.7	15.7	13.5
2003/04⁽²⁾	Gross	96.3	100.3	92.1	81.0	90.7	70.8	28.2	32.2	23.9
	Net	90.2	93.4	86.9	53.4	58.0	48.5	15.3	16.6	13.9
2004/05⁽²⁾	Gross	95.7	99.5	91.9	80.9	90.3	71.1	30.6	34.8	26.6
	Net	89.7	92.6	86.6	54.9	59.1	50.5	16.6	18.0	15.1
2005/06⁽²⁾	Gross	95.6	98.8	92.2	85.2	95.1	74.9	34.5	38.8	29.9
	Net	89.8	92.3	87.2	56.6	61.1	52.0	18.9	20.2	17.4
2006/07⁽²⁾	Gross	96.3	99.2	93.4	86.6	96.2	76.7	36.6	41.1	31.9
	Net	90.1	92.2	87.9	56.5	60.7	52.2	20.1	21.6	18.7
2007/08⁽³⁾	Gross	104.5	106.4	102.6	87.6	94.0	80.7	38.2	42.6	33.6
	Net	97.4	98.5	96.1	58.6	61.2	55.8	21.1	22.4	19.7
2008/09⁽³⁾	Gross	103.8	104.9	102.7	76.6	81.0	72.0	44.3	49.1	39.3
	Net	96.5	97.0	96.0	58.5	60.6	56.3	27.7	29.4	25.9
2009/10^(3,4)	Gross	106.5	107.1	105.9	84.2	89.1	79.0	53.4	58.1	48.5
	Net	98.2	98.5	97.8	65.0	67.6	62.2	30.4	31.2	29.5
2010/11⁽³⁾	Gross	107.6	107.4	107.8	89.7	94.4	84.7	58.5	62.7	54.0
	Net	98.4	98.6	98.2	66.1	68.2	63.9	33.1	33.4	32.7
2011/12⁽³⁾	Gross	108.4	108.2	108.7	92.6	95.7	89.3	–	–	–
	Net	98.7	98.8	98.6	67.4	68.5	66.1	–	–	–

Notes:

(1) Compulsory education was expanded to eight years with law No 4306 dated 18 August 1997 as of 1997/98 school year.

(2) Schooling ratios for the year 1997 and onwards were calculated according to the latest population projection based on the results of General Population Census 2000.

(3) Schooling ratios as of the 2007/08 school year were calculated according to the results of the Address-based Population Register System Population Census.

(4) 98,708 persons aged 6-13 who are in the compulsory education age and completed compulsory education are not included in the primary education net schooling ratio of 2009/10 due to the methodology used.

Gross schooling ratio is obtained by dividing the total number of students in a specific level of education by the population in the theoretical age group.

Net schooling ratio is obtained by dividing the number of students of a theoretical age group enrolled in a specific level of education by the population in that age group.

Source: National Education Statistics, Formal Education 2000-12

TABLE 2.2 LEVEL OF INTERNET SKILLS OF INDIVIDUALS* (%)

	2007	2010
All individuals	13	37
With no or low formal education	5	21
With medium formal education	26	68
With high formal education	41	81
16-24	16	61
With no or low formal education	9	50
With medium formal education	24	81
With high formal education	26	89
25-34	16	50
35-44	15	34
45-54	10	21
25-54	14	37
With no or low formal education	5	17
With medium formal education	30	65
With high formal education	46	83
55-74	3	6
With no or low formal education	1	2
With medium formal education	8	18
With high formal education	25	47

(*) Individuals who have used a search engine to find information.

Source: Eurostat

TABLE 2.3 SHARE OF VET ENROLMENT IN SECONDARY EDUCATION BY GENDER (%)

	Secondary education			General high school			Vocational and technical high school		
	Total	Males	Females	Total	Males	Females	Total	Males	Females
2001/02	100	100	100	65	62	68	35	38	32
2002/03	100	100	100	67	65	71	33	35	29
2003/04	100	100	100	65	62	69	35	38	31
2004/05	100	100	100	64	60	68	36	40	32
2005/06	100	100	100	64	61	68	36	39	32
2006/07	100	100	100	63	60	67	37	40	33
2007/08	100	100	100	61	58	64	39	42	36
2008/09	100	100	100	59	57	62	41	43	38
2009/10	100	100	100	57	55	59	43	45	41
2010/11	100	100	100	56	54	59	44	46	41
2011/12	100	100	100	56	54	58	44	46	42

Source: National Education Statistics, Formal Education 2000-12

TABLE 2.4 STUDENT TO TEACHER RATIO BY EDUCATION LEVEL AND PROGRAMME

	Pre-primary education	Primary education	Secondary education		
			Total	General high school	Vocational and technical high school
2001/02		17.7	28.1	17.8	23.0
2002/03		21.2	27.7	21.9	26.4
2003/04		19.7	27.3	20.4	24.7
2004/05		19.6	26.3	18.1	20.8
2005/06		26.3	27.4	17.6	20.2
2006/07		25.9	26.9	18.0	20.7
2007/08		27.1	24.4	17.0	18.6
2008/09		27.4	23.6	19.5	21.1
2009/10		23.0	22.5	20.5	21.6
2010/11		23.1	21.8	21.3	22.6
2011/12		21.0	21.3	20.2	21.7

Source: National Education Statistics, Formal Education 2000-12

TABLE 2.5 SHARE OF VET ENROLMENT IN SECONDARY EDUCATION BY GENDER AND REGION (%)

	Total secondary education			General			Vocational and technical		
	Total	Males	Females	Total	Males	Females	Total	Males	Females
2007/08									
Turkey	100	100	100	61	58	64	39	42	36
Istanbul	100	100	100	61	60	62	39	40	38
West Marmara	100	100	100	55	49	62	45	51	38
Aegean	100	100	100	57	51	63	43	49	37
East Marmara	100	100	100	49	45	55	51	55	45
West Anatolia	100	100	100	63	59	67	37	41	33
Mediterranean	100	100	100	67	63	71	33	37	29
Central Anatolia	100	100	100	60	56	65	40	44	35
West Black Sea	100	100	100	56	50	63	44	50	37
East Black Sea	100	100	100	50	46	55	50	54	45
Northeast Anatolia	100	100	100	67	66	68	33	34	32
Centraleast Anatolia	100	100	100	73	73	72	27	27	28
Southeast Anatolia	100	100	100	75	77	71	25	23	29
2008/09									
Turkey	100	100	100	59	57	62	41	43	38
Istanbul	100	100	100	60	60	61	40	40	39
West Marmara	100	100	100	54	48	60	46	52	40
Aegean	100	100	100	55	50	60	45	50	40
East Marmara	100	100	100	47	43	52	53	57	48
West Anatolia	100	100	100	60	57	64	40	43	36
Mediterranean	100	100	100	64	60	68	36	40	32
Central Anatolia	100	100	100	58	54	63	42	46	37
West Black Sea	100	100	100	53	48	59	47	52	41
East Black Sea	100	100	100	48	45	52	52	55	48
Northeast Anatolia	100	100	100	65	64	65	35	36	35
Centraleast Anatolia	100	100	100	69	70	67	31	30	33
Southeast Anatolia	100	100	100	73	76	69	27	24	31
2009/10									
Turkey	100	100	100	57	55	59	43	45	41
Istanbul	100	100	100	59	59	60	41	41	40
West Marmara	100	100	100	51	46	58	49	54	42
Aegean	100	100	100	52	47	58	48	53	42
East Marmara	100	100	100	46	42	50	54	58	50
West Anatolia	100	100	100	57	54	61	43	46	39

	Total secondary education			General			Vocational and technical		
	Total	Males	Females	Total	Males	Females	Total	Males	Females
Mediterranean	100	100	100	60	57	64	40	43	36
Central Anatolia	100	100	100	54	50	59	46	50	41
West Black Sea	100	100	100	50	45	56	50	55	44
East Black Sea	100	100	100	46	42	50	54	58	50
Northeast Anatolia	100	100	100	61	60	62	39	40	38
Centraleast Anatolia	100	100	100	65	67	63	35	33	37
Southeast Anatolia	100	100	100	72	76	68	28	24	32
2010/11									
Turkey	100	100	100	56	54	59	44	46	41
Istanbul	100	100	100	59	59	60	41	41	40
West Marmara	100	100	100	50	44	57	50	56	43
Aegean	100	100	100	50	45	56	50	55	44
East Marmara	100	100	100	45	41	50	55	59	50
West Anatolia	100	100	100	57	54	60	43	46	40
Mediterranean	100	100	100	59	56	63	41	44	37
Central Anatolia	100	100	100	53	49	58	47	51	42
West Black Sea	100	100	100	50	45	55	50	55	45
East Black Sea	100	100	100	45	41	49	55	59	51
Northeast Anatolia	100	100	100	61	60	61	39	40	39
Centraleast Anatolia	100	100	100	64	65	62	36	35	38
Southeast Anatolia	100	100	100	72	75	67	28	25	33
2011/12									
Turkey	100	100	100	56	54	58	44	46	42
Istanbul	100	100	100	59	59	59	41	41	41
West Marmara	100	100	100	51	45	57	49	55	43
Aegean	100	100	100	51	47	56	49	53	44
East Marmara	100	100	100	46	42	50	54	58	50
West Anatolia	100	100	100	57	55	59	43	45	41
Mediterranean	100	100	100	57	55	60	43	45	40
Central Anatolia	100	100	100	53	50	57	47	50	43
West Black Sea	100	100	100	50	45	55	50	55	45
East Black Sea	100	100	100	46	42	49	54	58	51
Northeast Anatolia	100	100	100	60	60	60	40	40	40
Centraleast Anatolia	100	100	100	61	62	59	39	38	41
Southeast Anatolia	100	100	100	70	73	65	30	27	35

Source: National Education Statistics, Formal Education 2007-12

TABLE 2.6 STUDENT TO TEACHER RATIO BY EDUCATION LEVEL, PROGRAMME AND REGION

	Pre-primary education						Primary education					
	2007/08	2008/09	2009/10	2010/11	2011/12	2007/08	2008/09	2009/10	2010/11	2011/12	2007/08	2011/12
Turkey	27	27	23	23	21	24.4	23.6	22.5	21.8	21.3		
Istanbul	19	20	21	18	14	32.3	30.9	29.4	28.7	28.2		
West Marmara	24	20	18	20	19	20.8	19.8	19.0	18.7	18.2		
Aegean	23	26	22	25	22	21.1	19.9	19.1	18.3	17.9		
East Marmara	28	30	24	22	21	24.2	23.1	21.8	20.6	20.5		
West Anatolia	19	17	17	18	16	22.0	21.1	20.6	20.0	19.4		
Mediterranean	27	28	25	27	27	23.7	22.9	22.1	21.1	20.4		
Central Anatolia	33	32	24	24	22	20.4	19.5	18.5	18.4	18.0		
West Black Sea	30	30	21	21	21	19.6	18.8	17.7	17.4	17.3		
East Black Sea	31	38	23	23	22	18.8	18.1	16.9	16.9	16.6		
Northeast Anatolia	36	35	24	21	19	22.5	23.6	21.3	20.6	20.1		
Centraleast Anatolia	41	38	26	27	23	25.6	25.4	23.8	23.3	21.4		
Southeast Anatolia	47	44	29	27	27	30.9	30.8	28.6	27.6	26.8		

Secondary education																
	Total	2007/08			2008/09			2009/10			2010/11			2011/12		
		General	Vocational and technical	Total	General	Vocational and technical	Total	General	Vocational and technical	Total	General	Vocational and technical	Total	General	Vocational and technical	Total
Turkey	17.0	18.6	14.9	19.5	21.1	17.6	20.5	21.6	19.2	21.3	22.6	19.9	20.2	21.7	18.5	18.5
Istanbul	21.7	22.0	21.1	25.3	25.7	24.8	26.7	26.3	27.2	28.4	28.5	28.3	26.7	27.0	26.2	26.2
West Marmara	14.4	15.7	13.0	16.5	17.6	15.4	17.2	17.9	16.5	17.3	17.4	17.1	16.4	16.9	16.0	16.0
Aegean	14.7	15.7	13.6	16.6	17.6	15.5	17.5	18.2	16.9	18.2	18.4	18.0	17.2	17.9	16.6	16.6
East Marmara	17.3	18.5	16.3	19.8	20.4	19.3	20.7	20.7	20.7	20.8	20.8	20.8	19.5	20.1	18.9	18.9
West Anatolia	14.4	16.9	11.5	16.3	18.8	13.7	17.2	19.0	15.2	18.7	20.4	16.8	17.7	19.7	15.5	15.5
Mediterranean	16.9	18.4	14.6	19.1	20.4	17.2	20.3	20.8	19.6	20.6	21.1	19.9	19.4	20.2	18.4	18.4
Central Anatolia	14.4	16.1	12.5	16.3	17.9	14.6	17.2	18.1	16.1	17.8	18.9	16.7	17.3	18.9	15.7	15.7
West Black Sea	13.6	15.1	12.2	15.6	16.6	14.5	16.7	17.4	16.1	17.2	18.0	16.4	16.5	17.6	15.4	15.4
East Black Sea	14.5	15.1	13.9	16.6	16.7	16.4	16.9	16.9	16.8	17.4	17.1	17.6	16.6	16.8	16.4	16.4
Northeast Anatolia	18.8	21.4	15.2	21.4	23.6	18.3	21.0	22.6	18.8	21.6	23.8	18.9	20.5	22.1	18.6	18.6
Centraleast Anatolia	20.1	21.8	16.5	22.6	24.1	19.9	22.9	24.2	20.8	23.1	25.0	20.3	20.8	22.5	18.5	18.5
Southeast Anatolia	24.1	26.2	19.6	28.8	31.0	23.9	29.3	31.7	24.5	30.5	34.0	24.2	28.7	32.5	22.5	22.5

Source: National Education Statistics, Formal Education 2007-12

TABLE 2.7 LITERACY RATES BY GENDER

Census year	Total	Female	Male
1935	80.8	90.2	70.7
1940 ⁽¹⁾	75.5	87.1	63.8
1945 ⁽²⁾	69.8	83.2	56.3
1950 ⁽³⁾	67.5	80.6	54.5
1955	59.0	74.4	44.1
1960	60.5	75.2	46.4
1965	51.2	67.2	35.9
1970	43.8	58.2	29.7
1975	36.3	49.5	23.8
1980	32.5	45.3	20.0
1985	22.6	31.8	13.5
1990	19.5	28.0	11.2
2000	12.7	19.4	6.1
2007 ⁽⁴⁾	8.1	12.9	3.4
2008 ⁽⁴⁾	7.7	12.3	3.1
2009 ⁽⁴⁾	7.1	11.5	2.8
2010 ⁽⁴⁾	6.0	9.9	2.2

Notes: (1) 1940 data estimated on the basis of 1935 and 1945 data. (2) Population aged seven years and over. (3) Population aged five years and over. (4) Address-based Population Registration System.

Source: TurkStat Population Census

TABLE 2.8 LIFELONG LEARNING – PEOPLE (25-64) PARTICIPATING IN EDUCATION AND TRAINING BY GENDER (%)

	2006	2007	2008	2009	2010
Total	1.8	1.5	1.9	2.3	2.5
Male	2.1	1.8	2.1	2.4	2.6
Female	1.5	1.3	1.6	2.1	2.4

Source: Eurostat

TABLE 2.9 EARLY LEAVERS FROM FORMAL EDUCATION AND TRAINING* BY GENDER AND EMPLOYMENT STATUS (%)

		2006	2007	2008	2009	2010
Total	Total	48.8	46.9	45.5	44.3	43.1
	Employment	19.3	18.2	17.8	16.7	17.7
	Non employment	29.4	28.7	27.8	27.6	25.3
	Want to work (whether seeking employment or not)	6.0	5.7	5.7	7.1	6.2
	Does not want to work	23.4	22.9	22.0	20.5	19.2
Male	Total	41.3	39.0	37.9	37.9	37.8
	Employment	28.1	26.4	25.3	23.7	25.2
	Non employment	13.2	12.6	12.6	14.2	12.6
	Want to work (whether seeking employment or not)	8.0	7.7	7.7	9.7	8.4
	Does not want to work	5.2	4.8	5.0	4.5	4.2
Female	Total	55.6	54.1	52.5	50.2	47.9
	Employment	11.4	10.8	11.0	10.3	10.9
	Non employment	44.2	43.3	41.5	39.9	37
	Want to work (whether seeking employment or not)	4.2	3.9	4.0	4.7	4.2
	Does not want to work	40.0	39.4	37.6	35.1	32.8

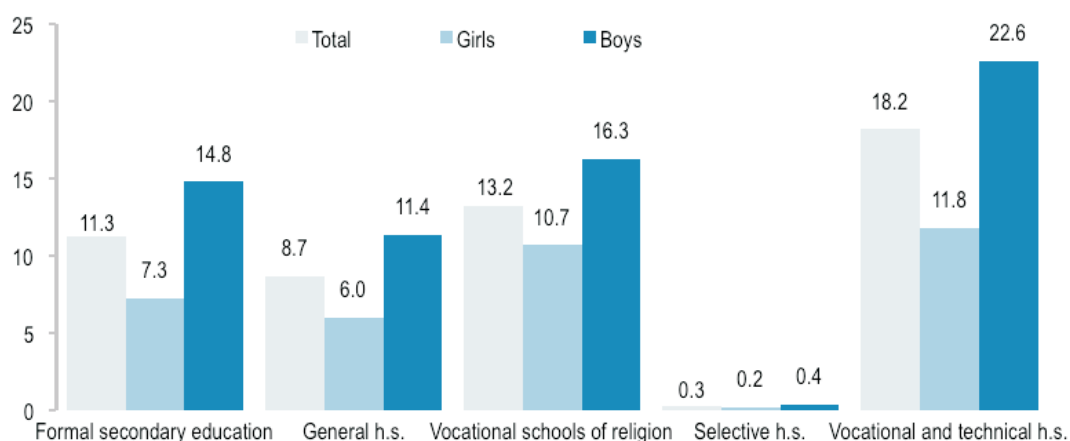
(*) Early leavers from education and training (formerly 'early school leavers') denotes the percentage of the population aged 18-24 having attained at most lower secondary education and not being involved in further education or training. The numerator of the indicator refers to persons aged 18-24 who meet the following two conditions: (i) the highest level of education or training they have attained is ISCED 0, 1, 2 or 3c short; and (ii) they have not received any education or training in the four weeks preceding the survey. The denominator in the total population consists of the same age group, excluding respondents who have not answered the questions 'highest level of education or training attained' and 'participation to education and training'.

Source: Eurostat

TABLE 2.10 EARLY LEAVERS FROM EDUCATION AND TRAINING BY GENDER AND NUTS LEVEL 1 REGION (%)

	2008			2009			2010		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Turkey	45.5	37.9	52.5	44.3	37.9	50.2	43.1	37.8	47.9
Istanbul	39.4	35.3	43.5	37.7	35.6	39.6	39	37	40.9
Bati Marmara	32.6	29.7	35.5	31.7	29.0	34.4	35.7	33.6	38
Ege	41.5	36.7	46.5	41.1	37.0	45.1	39	37.8	40.1
Dogu Marmara	38.5	32.5	44.2	37.3	31.1	42.8	35.4	29.9	40.7
Bati Anadolu	33.0	29.3	36.5	31.1	26.9	35.0	32.2	29.1	35.1
Akdeniz	47.5	40.4	53.6	45.7	38.8	52.2	42.5	36.2	48.6
Orta Anadolu	47.8	41.3	53.4	47.4	43.6	51.2	42.4	38.3	45.9
Bati Karadeniz	49.4	39.4	57.6	47.4	38.6	54.5	45.2	39.1	50.5
Dogu Karadeniz	36.8	28.2	45.0	37.5	33.3	41.7	36.8	30	43.9
Kuzeydogu Anadolu	59.4	40.9	72.1	59.4	45.3	69.9	58.1	46.8	67
Ortadogu Anadolu	56.1	40.0	68.9	57.0	41.8	69.9	57.9	46.1	67.5
Güneydogu Anadolu	70.0	56.6	81.1	65.8	53.4	76.8	60.0	50.3	68.3

Source: Eurostat

FIGURE 2.2 DROPOUT RATES BY TYPE OF HIGH SCHOOL, 2008/09 (%)

Source: ERI, 2010

TABLE 2.11 MEAN PERFORMANCE IN PISA 2003, 2006 AND 2009*

	2003		2006		2009		
	Total	Boys	Girls	Total	Boys	Girls	Total
Reading scale							
Turkey	441	427	471	447	443	486	464
OECD average	497	495	502	484	474	513	499
Mathematics scale							
Turkey	423	427	421	424	451	440	445
OECD average	500	489	478	484	496	481	488
Science scale							
Turkey	–	418	430	424	448	460	454
OECD average	–	492	490	491	501	501	501

(*) Turkey did not participate in 2000.

Source: OECD, 2010c; 2006 and 2009 gender details come from OECD databases

TABLE 2.12 AVERAGE PERFORMANCE IN READING BY SCHOOL LOCATION*, 2009

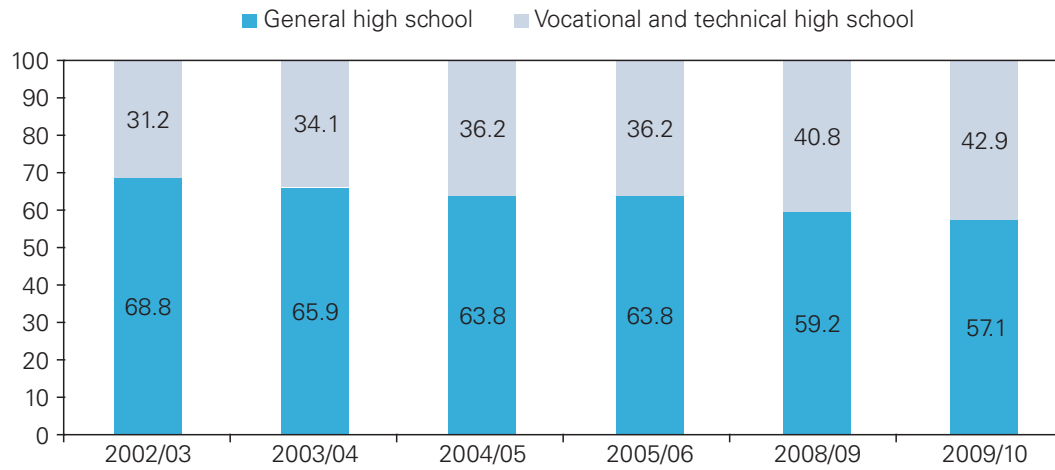
	Students attending schools located in a...				
	village, hamlet or rural area ^(a)	small town ^(b)	town ^(c)	city ^(d)	large city ^(e)
Turkey	360	443	467	481	464
OECD average	467	482	495	509	503

Notes: (*) Mean score.

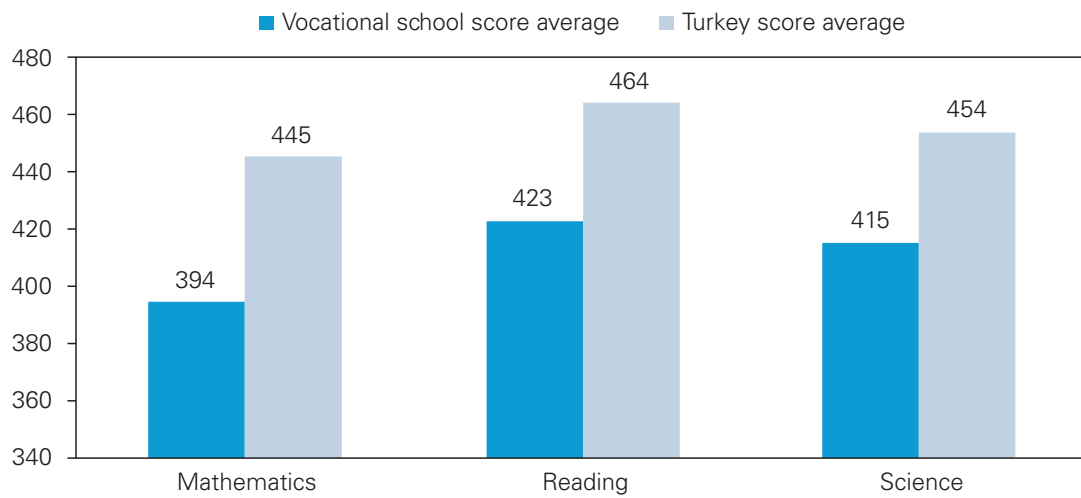
(a) Fewer than 3,000 people. (b) 3,000 to about 15,000 people. (c) 15,000 to about 100,000 people. (d) 100,000 to about 1,000,000 people.

(e) Over 1,000,000 people.

Source: OECD, 2010, PISA 2009 Results, Vol. II

FIGURE 2.3 DISTRIBUTION OF STUDENTS IN SECONDARY EDUCATION BY TYPE OF HIGH SCHOOL (%)

Source: MoNE, National Education Statistics

FIGURE 2.4 MATHEMATICS, READING AND SCIENCE SKILLS OF TURKISH STUDENTS, 2009

Source: EARGED, 2010

TABLE 2.13 PERCENTAGE OF STUDENTS IN EACH TYPE OF SECONDARY SCHOOL BY EDUCATION LEVEL OF PARENTS

	Science high school	Anatolian high school	Anatolian vocational high school	General high school	Vocational high school	Multi-programme high school	Total
Below elementary	–	0.9	2.8	4.6	2.5	7.3	4.0
Elementary	2.9	17.7	27.7	29.7	40.3	46.5	32.5
Middle school	2.9	9.1	14.7	20.1	26.3	21.8	20.6
High school	20.0	35.7	28.9	28.6	23.5	18.2	26.7
Vocational school of higher education	5.7	8.0	10.7	5.1	3.9	4.4	5.2
University	68.6	28.5	15.3	11.8	3.6	1.8	10.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Polat, 2009

TABLE 2.14 PERCEPTION OF EDUCATION QUALITY, 2009/10**How well does the education system in your country meet the needs of a competitive economy?**

Rank	Country	Score
Best performer		
1	Singapore	6.1
Western Balkans and Turkey		
37	Montenegro	4.4
54	Albania	3.9
59	Former Yugoslav Republic of Macedonia	3.9
86	Serbia	3.3
89	Croatia	3.3
95	Turkey	3.2
102	Bosnia and Herzegovina	3.1
Worst performer		
139	Angola	2.0

Note: 1 = not well at all; 7 = very well.

Source: WEF, 2010a (indicators derived from the WEF Executive Opinion Survey)

TABLE 2.15 IPA COUNTRIES AND EU BENCHMARKS – EDUCATION

	EU-27	EU 2020 objecti- ves	AL	BA	IS	ME	RS	HR	MK	TR
Early school leavers (2010) ^a % of 18-24 with at most lower secondary education and not in further education or training	14.1	10	39 (08)	65.1 (07)	22.6	15.5 ^(m) 9.2 ^(f)	10.7 (07)	3.9 ^(u)	15.5	43.1
Tertiary educational attainment (2010) ^b % of 30-34 who have successfully completed university or university-like education	33.6	40	17.2 (08)		40.9			22.6	17.1	15.5
Lifelong learning (2010) ^c % of 25-64 participating in education and training	9.1	15	2.0 (08)		25.2			2.0	3.2	2.5
Four-year-olds in education (2009) ^d participation rate (%)	90.5	≥95	54.9		95.5	29.7	50.9	54.9	22.9	14.3
Low performance in reading (2009) ^e % of pupils with low performance in the reading scale (level 1 or below)	19.6 ⁽¹⁾	<15	56.6		16.8	49.5	32.9	22.5		24.5

(m) Male. (f) Female. (u) Unreliable. (1) EU-25

Sources: (a) EU-27, IS, HR, MK and TR: Eurostat; AL: LFS (received from the country); BA: UNDP, National Human Development Report 2007; RS: Eurostat, 2010; ME: UNDP, National Human Development Report 2009; (b) EU-27, IS, HR, MK and TR: Eurostat; AL: LFS; (c) EU-27, IS, HR, MK and TR: Eurostat; AL: LFS (received from the country); (d) EU-27, IS, HR, MK and TR: Eurostat; AL, ME and RS: UNESCO; (e) OECD, PISA 2009 results: European Commission, 2011b

3. KEY POLICY ISSUES, STRATEGIES AND CHALLENGES IN EMPLOYMENT

The Turkish economy embarked upon the journey toward an outward-looking, market-oriented economy some decades ago with the modernisation of the labour market, privatisation of state enterprises and migration from rural areas to centres of urban growth. This transformation process is still ongoing; a situation that flags up the need for continuing labour market reforms and adaptation to changing global conditions and the EU acquis.

The Turkish labour market is characterised by the underutilisation of human resources. The working age population (15+) totals 52.5 million out of a total population of 73.7 million, but less than half of those in the working age bracket – only 25.6 million – are economically active (LFS 2010). Activity and employment rates here are among the lowest of all OECD countries, with only Kosovo⁸, the former Yugoslav Republic of Macedonia and Bosnia Herzegovina scoring lower in the group of enlargement countries. Moreover, while 71.2% of the labour force are men, only 28.8% are women. Only about one quarter of the female working-age population are in employment even when unpaid family work in rural areas is taken into account, while female labour market-participation in urban areas is even lower, at 20.2% (LFS 2010).

People classed as ‘employed’ include those in waged employment, but also high numbers of self-employed and unpaid family workers, and a general picture of widespread informal employment coupled with the predominance of micro and small enterprises perpetuates low productivity and skills demands, especially given the low educational levels of the workforce. Demographic pressure from a growing youth sector in the labour force leads to high demand for new jobs; estimated at 750,000 posts per year (TOBB, 2011). In 2010, the working age population increased by 855,000 while employment increased by 1,317 million, leading to a decline in unemployment from 14.0% in 2009 to 11.9% in 2010 (LFS 2010). This positive trend continued in 2011 (LFS 2011). Turkey is one of few enlargement countries to reduce unemployment in spite of the negative impact of the economic crisis on labour markets in 2009. Internal migration from rural areas to urban centres and more dynamic areas is transforming the economy, but the share of employment in agriculture is still very high at around 25%. Finally, the most important problem related to the youth issue lies in the high numbers of young people in neither education nor employment; a figure that stood at around 38% of 15-24 year-olds in 2009 (Ercan, 2010b).

The **main challenges** in the modernisation of the Turkish labour market can be summarised as follows:

- improving low activity and employment rates, most specifically among women, young people and disadvantaged groups;

- creating more and better jobs, with decent working conditions, social security coverage, and higher labour productivity while tackling the large informal sector in order to increase social security and unleash growth potential.

Both of these challenges are intrinsically linked to the low education level of the workforce and any substantial improvement will be dependent upon major efforts to increase educational levels for all, in particular through expansion of the quality and quantity of vocational training and improved matching between skills generation and the skills demands of the economy.

3.1 CHARACTERISTICS OF THE LABOUR MARKET

Turkey ranks very low in international comparisons of activity and employment rates, close to the levels of Bosnia and Herzegovina, Kosovo or the former Yugoslav Republic of Macedonia, and only Albania and Serbia have a higher share of employment in agriculture. But the benchmarks for unemployment are relatively better, with total unemployment close to that of Croatia, or even the EU average, and youth unemployment not far from EU figures, as can be seen in **TABLE 3.22** (see **TABLE 3.23** for a breakdown of figures for individual IPA countries).

The trends of the last five years as displayed in **FIGURE 3.1** show relatively stable, albeit low, activity and employment rates, where the moderate increases seen are largely due to greater female labour market participation, mostly through economic activity in the informal economy rather than in waged employment. Unemployment made a remarkable turnaround in 2010: down to 11.9% after increasing from 11% in 2008 to 14% in 2009. However, the 2010 rate is still higher than figures for the period directly preceding the economic crisis, and **FIGURE 3.2** clearly shows that unemployment in the non-agricultural sectors is higher than that in the agricultural sector (see also **TABLE 3.4** for further detail).

Structure of employment

A large part of the workforce continues to be engaged in agriculture, as can be seen in **FIGURE 3.3**. This sector accounted for 21.6% of total employment and contributed 9.3% to GDP in 2009, although official growth projections for the coming years indicate GDP growth for industry and services, but not for agriculture (Turkish Prime Ministry and State Planning Organisation, 2010).

⁸ So-called without prejudice to position on status, and in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence, hereafter ‘Kosovo’.

Distinctly low labour force participation of women

Figure 3.3 also shows the remarkable gender divide by economic sector, where almost half of all agricultural workers are female (46.6%), whereas they occupy only 23.7% of posts in the services sector.

The labour market participation of women in Turkey is lower than that of all the other OECD countries, EU member states or enlargement countries, and female activity and employment rates have decreased continually despite a range of favourable conditions being in place: women are better educated, they marry later and have fewer children (World Bank, 2009b). Long-term trends appear to show the decrease is due to negative impacts on the economic activity of women due to social and economic transformation since the 1980s – for while female employment rates have increased markedly in the Mediterranean EU member states (Italy, Portugal, Spain and Greece), the rate for Turkey has decreased from 30% in 1995 to only 24.2% in 2009 for the 15-64 age group.

The complex social, cultural, economic and political reasons for women's low participation in the labour market have been identified and analysed in many different studies, and policy goals and actions to counter the trend were defined in the National Action Plan for Gender Equality 2008-13 and the Ninth Development Plan. The challenge now is to implement coherent policies and obtain suitable results, with İŞKUR playing a key role in promoting the employment of women.

The figures on female labour market participation are somewhat misleading however, as the historically higher levels of 20 years ago were largely due to their core role as unpaid family workers in small family farms rather than any participation in waged employment in the labour market. Unpaid family work has decreased steadily over the years, while waged employment has increased insufficiently to cover the total reduction, making a negative net impact on the overall activity rate. The decrease in employment in agriculture is a consequence of urbanisation, modernisation and industrialisation, but was also further triggered by the government Agricultural Reform Implementation Programme that reduced subsidies for farming in several steps over the last ten years (World Bank, 2009b, p. 16). The women who had previously worked in small farms were unskilled in terms of the new labour market and they largely withdrew from the labour market once they migrated to urban areas.

There are also some obvious barriers to waged employment for women, including low wages for low-skilled posts, that make working economically unviable, especially when extra costs are incurred for childcare. This gender divide strongly marks socio-economic and political life in all walks of life in Turkey, where the share of women in parliament (9%) and ministerial positions (4%) is lower than for all other southern EU countries (UNDP, 2009). Government policy documents such as the Ninth Development Plan and the National Action Plan for Gender Equality emphasise the importance of increasing female labour market participation and even set targets to increase the

employment rate of women from 24% to 29% by 2013 and 35% by 2030. Specific measures include support for female entrepreneurs and employment benefits in the form of reduced social security payments for employers for up to five years when employing women or young people. The reduced social security contribution programme approved in Law 5350 of 2005 contributed to moderate net job creation in 2009, but a greater impact is expected as the labour market recovers.

There are no consistent statistics available on the type of work contracts issued to employees, but the Fourth European Working Conditions Survey (EWCS) did cite that 16.6% of the total population were employed only part time, with figures closer to 30.8% for women (Eurofound, 2007).

Status of employment and informality

According to survey data from 2005, only 21% of workers had indefinite contracts, 9.3% had fixed-term contracts and 68% had no contract at all (Eurofound, 2007). Of the employed, only 60.9% were regular and casual employees, 20.1% were self-employed and 13.6% were unpaid family workers. This composition has remained almost unchanged over recent years, but there is also a clear gender divide; with far more male than female self-employment and with unpaid family work typically attributed to women. A large part of the employed workforce is not registered to any social security institution (43.3% in total are not insured, including almost all unpaid family workers, more than two thirds of the self-employed and a quarter of the 'regular' employed). Labour law permits social security coverage for the self-employed, but many do not pay their contributions even though the cost of these is low (Ercan, 2010a).

There is a negative correlation between job status and educational level, where those employed in informal, precarious work have the lowest educational levels (Ercan, 2010a). More than 70% of casual workers, self-employed and unpaid family workers had levels of education up to complete primary, but as many as 41.9% of employers were also in this education category. Regional differences are evident, with most informality in the eastern provinces due to the prevalence of agriculture and general low levels of education.

Ercan (ibid.) also estimated unregistered employment at 42%, although there is some apparent contradiction in the reported impact of the economic crisis on informality: for while many informal workers in the western industrial areas lost their jobs, informal female self-employment in urban areas and unpaid family work has increased to fill the gap.

The main causes of informal employment, repeatedly cited in many sources, include the relatively high levels of minimum wages and non-wage labour costs and the rigidity of labour legislation on issues such as severance payments and restrictions on temporary work (World Bank, 2010b). Supply-side labour market issues also make an impact, including the rather generous retirement provisions and early retirement ages that encourage many

'young' pensioners to continue working in the informal sector. It is estimated that around 4.2 million of the 7.2 million retired people in Turkey (58%) continue to work after retirement, currently accounting for 17% of the working population (Majcher-Teleon and Bardak, 2011). This group represents an important resource for the informal economy, as these people already have social security coverage and do not need to pay additional contributions.

The high share of informal employment represents an impediment to the sustainable operation of the social security system as it deprives workers of basic social security coverage and has a negative effect on labour productivity. A mix of approaches is required to effectively tackle the issue of informal employment in Turkey, ranging from awareness-raising, incentives and entrepreneurial training for employers and the self-employed, to stricter controls and sanctions for non-compliance with the law. Research findings also indicate that better-educated entrepreneurs are more likely to formalise their business (Taymaz, 2009) and this has obvious implications for the national education system.

Unemployment

The unemployment rate in Turkey showed a reduction in unemployment to 11.9% in 2010 (LFS for 15+), although the rate was closer to 13.0% for women and 23.5% for the youth population, specifically 20-24 year-olds.

Statistics, however, do not give a realistic picture of labour market structure. Benchmark data on employment and unemployment rates do not show a worse labour market performance in less developed regions. In fact the opposite appears to be true; figures for the booming Istanbul area are among the highest for unemployment and lowest for employment, although the apparent paradox may be attributed to women migrants exiting the labour market following the move to urban centres. Closer examination of the duration of unemployment also gives surprisingly low rates for long-term unemployment; the long-term unemployed (out for work for more than one year) make up only 28% of the total unemployed and only 4% have been out of work for more than three years (LFS, 2010), while the percentage of long-term unemployed within the working-age population is a mere 2.3% compared to an EU-27 average of 3% in 2009.

One salient feature, clearly shown in **FIGURE 3.4**, is that the administrative unemployment rate stands far below that given by LFS data, chiefly because less than half of the unemployed register with İŞKUR. This is presumably related to the low rate and short duration of unemployment insurance coverage and widespread informal employment.

Youth unemployment

In age groups, unemployment is highest among 15-24 year-olds, peaking at a rate of 25.3% in 2009 – the highest since 2000 – before falling to 21.7% in 2010. According to Ercan (2010b), 38% of this age group were neither in

education, employment nor training (NEET) and the high unemployment rate among young higher education graduates is especially worrying at 32.5%, with rates of 36.5% for female graduates. This raises the question of whether specific measures targeted on highly-skilled women should be considered. High school graduates are also disproportionately affected by unemployment in comparison with other educational groups (21.7% in total, 31.8% for women) (LFS 2010).

The anti-crisis measures of 2009 offered hiring incentives in the form of reduced social security contributions for employers of young people and women. Youth employment was also one of the priority areas covered in the Decent Work Country Programme drawn up with the ILO and a national youth employment pilot project was launched in Antalya within the framework of the UN joint programme entitled Growth with Decent Work for All (ILO, 2011a).

Unemployment of women

The disadvantaged labour market position of women becomes blatantly clear when considering female non-agricultural unemployment, in view of the fact that figures for this category stood at 20.2% in 2010; a rate markedly higher than the average female unemployment rate of 13.0% (all data from TurkStat, LFS).

Long-term unemployment

The share of long-term unemployed, expressed as the percentage of people out of work for more than one year (LFS data), showed a general decrease to 2009 before rising again to 28.6% in 2010. Women were at a disadvantage again here, with a markedly higher rate of long-term joblessness, at 36.8% (LFS 2010).

Regional differences

Regional disparities and gender gaps are interlinked. The regional differences are relatively modest, but there are strong differences in the gender dimension. In Southeast Anatolia, the region with the lowest labour force participation rate, the labour market participation of women is only 12.4% (with an employment rate of 11.5%). In contrast, the region with the highest employment and lowest unemployment rates (East Black Sea) shows relatively good data for the female population (45.4% labour force participation and 4.4% unemployment rate). Central Anatolia (with the capital Ankara) and the Istanbul region, meanwhile, also have low female labour force participation rates (23% and 24%) and high female unemployment rates (14.3% and 17.4%).

3.2 LABOUR LAW AND INDUSTRIAL RELATIONS

The cornerstones of the legal framework are formed by Labour Act No 4857 (enshrining the labour law of 2003), Trade Unions Act No 2821 and Law No 2822 of 1983 (regulating collective agreements, strikes and lockouts).

New regulations on temporary work agencies are in the pipeline and reform of the trade unions act is expected to bring about the long-expected removal of barriers to trade union membership.

The flexibility provisions within the 2003 Labour Act established a legal basis for atypical forms of employment in Turkey for the first time. Thus, more *de jure* flexibility was provided to firms in the formal economy, although there was actually little uptake of atypical or flexible contracts in the ensuing years, with only 11.2% of formal employed workers on fixed-term contracts and 8.3% on part-time contracts by 2008. It is important to note that social security coverage for atypical workers is largely inadequate and part-time workers must pay their own social insurance. Public authorities and the government have not implemented any active measures to stimulate uptake of part-time or flexible employment contracts, providing no incentives or supporting structures. As a result, the new flexible working provisions have yet to achieve predicted outcomes for formal employment or increased female employment; more frankly, in the words of the trade unionists, they have ‘still failed to create jobs’ (Majcher-Teleon and Bardak, 2011, p. 46).

Employers state that the Labour Act requires many further improvements in relation to flexibility, as most of the provisions made cannot be implemented in practice. Several elements form restrictions on the effective implementation of flexible working including: excessively tight conditions on the use of fixed-term contracts; practical restrictions on workers’ ability to supply compensatory work in return for leave or reduced working hours; excessive impediments on the use of subcontracting; limitations on the use of annual paid leave and unpaid leave; restrictive conditions for implementing short-time work; limited referencing periods for working time arrangements, and; the lack of temporary work agencies. Most of the rules are not clear in terms of practical implementation and workers’ representatives find it easy to block initiatives where their consent is needed. The new Labour Code did little to change previous rigid employment protection schemes (especially on dismissals and enhanced job security) and high firing costs (especially severance pay). Temporary work agencies are expected to become permitted under a planned amendment to labour law.

Trade unions also report that widespread abuses of the law are common practice and that many employers force new employees to sign blank letters of resignation that can be used at a later date to avoid the burden of dismissal rules and severance pay. The Confederation of Turkish Trade Unions (TÜRK-İŞ) adopts the stance that flexibility should be achieved through wider unionisation of the workforce (currently at 12.5%) and enhanced social dialogue (Majcher-Teleon and Bardak, 2011).

Employment protection and flexibility

The OECD 2008 indicator of employment protection used to measure employment protection legislation scored Turkey with a high or ‘very restrictive’

employment protection legislation index of 3.4, against an OECD average of 2.2 and a maximum rating of 6. This relatively high score is mainly due to regulations on temporary employment and the rules on severance are a further source of criticism as they represent a huge burden in terms of dismissal costs. Flexibility is restricted by regulations that establish rules such as: part-time work is only permitted for contracts with a minimum of at least 50% of regular working time, and; overtime must not exceed a ceiling of 45 working hours per week or 270 hours of extra time per year. The high levels of informal employment in Turkey make it evident that *de facto* flexibility is more important for employers as it is able to satisfy a wider variety of working arrangements in a way that outweighs the draw of *de jure* protection.

Regulations for short-time working arrangements are already in place in the event of force majeure (fire, flood, avian influenza, and earthquake) but they have also been adapted and implemented more widely as anti-crisis measure. Short-time work subsidies can be granted by İŞKUR to prevent imminent lay-offs in the case of temporary reduction of working time by one third or suspension for a minimum of four weeks and maximum of three months (for more details on implementation see Section 3.3 on ALMPs).

The World Bank (2009a) found the high cost of compliance with labour regulations (such as severance pay) prompts employers to increase working hours rather than create employment. Sural (2009) also states that strict dismissal regulations increase the cost of firing workers making companies reluctant to take on new staff and rendering the strict employment protection legislation one of the driving forces behind the over-sized informal sector. According to the Global Competitiveness Index (WEF, 2011), Turkey ranks 133rd out of 142 countries on labour market efficiency, mainly due to the notable disadvantages of low female labour participation, high redundancy costs and weak industrial relations.

Severance pay applies to workers who have been working for at least one year and who have been dismissed, but is also applicable in the case of termination of a work contract in specified conditions including: the death of a worker; compulsory military service, retirement or disability benefits, and; a female worker leaving to get married. Severance pay amounts to 30 days’ pay for each year worked in the company and with a ceiling set at the level of the retirement bonus paid to the highest-ranking civil servant (TRY 2,500 per month in 2010) but with no limit on the number of years for which the benefit will be received.

Severance pay was traditionally an important element in income security in the case of job loss, as no unemployment insurance system was in place until 1999. There has been much debate recently on whether severance pay should continue to be provided in the same way now that the unemployment insurance scheme has come into operation. One option under discussion in order to reduce extra wage costs is the introduction of a common severance payment fund.

Industrial relations and social dialogue

The foundations of modern industrial relations in Turkey were laid in the 1961 constitution where employees were given the right to unionise and conduct collective labour agreements with employers and the rights to strikes and lock outs were also outlined.

In the private sector, unionisation predominantly exists in the textiles, food and metallurgical industries with geographical coverage limited to Istanbul, Izmir, Bursa and Ankara. According to official employment data, around 12% of workers are affiliated to a union and only a very low share of workers are covered by collective bargaining agreements (Majcher-Teleon and Bardak, 2011). Concern has been expressed over the discrepancies between legislation and practice (ETUC, 2010), but a planned amendment concerning the right of workers to join a trade union should finally bring the law in line with ILO Convention 87⁹.

There are three main trade union confederations open to workers, all of which are members of the European Trade Union Confederation (ETUC). The largest of these is **TÜRK-İŞ**, founded in 1952, followed by **HAK-İŞ**, since 1976, and **DISK**, from 1967. Together, they represent about 60% of the Turkish workforce eligible for trade union membership, but this number only actually covers 5.4 million of the approximately 24.3 million workers in the country, due to the high levels of informal employment (ETUC, 2010). There are also five civil service trade union confederations that have a total union density of 57%, with membership strongest in the education sector.

Collective bargaining is mainly restricted to the enterprise sector, but even here it is regulated within strict thresholds and the number of workers covered by collective agreements has been decreasing over recent years.

For employers, the largest confederations include: the Turkish Confederation of Employer Associations (**TİSK**), since 1962; the Turkish Union of Chambers and Commodity Exchanges (**TOBB**), with compulsory membership since 1950; the Turkish Confederation of Tradesmen and Craftsmen (**TESK**); the Turkish Industrialists and Businessmen's Association (**TÜSİAD**), and; the Independent Industrialists and Businessmen's Association (**MÜSİAD**) amongst others.

Tripartite social dialogue

There are a number of tripartite advisory and consultative bodies at national level, including: the Economic and Social Council established in 2001; the Tripartite Consultation Board, since 2003; the Supreme Arbitration Board, and; the Minimum Wage Determination Board. Social partners are represented in the Apprenticeship and Vocational-Technical Training Council, National Occupational Health and Safety Council, Labour Market Information and Consultation Board, the board of management of the Unemployment Insurance Fund

(managed by **İŞKUR**), the Vocational Qualifications Authority and the Social Security Institution. These institutions provide openings for dialogue and discussion between social partners and the government, but the efficiency of this dialogue and the participation of social partners (namely the trade unions) in policy decisions is said to be weak.

Provincial employment and vocational training boards have been organised in the 81 provinces since 2008, constituting the most significant dialogue mechanisms at local level. Their task is to improve effectiveness and efficiency on issues of vocational training and employment at provincial level with varying degrees of effectiveness.

3.3 ACTIVE LABOUR MARKET POLICIES

Active labour market policies (ALMPs) have a short history in Turkey and are not yet embedded in the draft national employment strategy that has yet to be published. However, ALMPs gained momentum following the heavy impact of the 2008-09 economic crisis under which the economic transformation process was forced to deal with the combined effects of structural unemployment and skills shortages.

An initial employment package was implemented to tackle rising unemployment in 2008. This consisted largely of hiring incentives to encourage the employment of young people and women. The impact of these measures was moderate during the first year, but take-up of the offer improved as the economic framework conditions became more favourable. These hiring incentives have been further extended and promoted to include VET graduates, extending the maximum duration of the subsidies to up to 54 months.

To keep people in work through the crisis, the government re-launched the programme of Short-Time Work Compensation in 2009 previously enacted within Labour Law No 4857 of 2003. The measure benefitted 3,247 companies with a total of 503,000 employees, providing modest average per worker annual compensation of EUR 160. A change in the regulations broadened the possible applications of the programme from the event of an 'economy-wide crisis' to include an 'emerging regional or sectoral crisis' (Ercan, 2011).

Another wide-ranging employment measure was initiated with the implementation of a combined training and employment programme known as *Beceri'10* (Skills'10 in English). The project was launched by the MoLSS and implemented by **İŞKUR** and **TOBB** with the ambitious goal of training one million unemployed people within five years, placing 90% of them in jobs. In January 2011, the Turkish Economy Policies Research Foundation (TEPAV – a **TOBB** think tank) conducted labour market demand analyses in 19 pilot provinces accounting for 75% of

⁹ At present, any private sector worker who wants to join a trade union must complete an application form and have this certified by a public notary before it is forwarded to the union.

registered employment and 80% of registered unemployment in Turkey. The results confirmed that there is a mismatch between the skills level of the workforce and employer demand, with shortages in occupations such as metal worker, welder, and textile and clothing worker.

Under the project plan, 120 pre-selected specialised occupation training centres (UMEM) will be modernised and their teaching staff re-trained. İŞKUR is to organise training for the unemployed, in line with identified demands, and will follow this up by placing trainees in jobs offered under hiring incentives. The İŞKUR projected goals imply a total of 200,000 new jobs each year and a four-point reduction in the unemployment rate. According to information provided by İŞKUR: 28,022 unemployed people (24% of them women) began training during the first eight months of 2011. This approach is based on the identification of short-term needs at local level with innovative elements in the ex-ante research phase, partnership with the employer organisation TOBB, close cooperation with employers, and fully fledged public relations campaign (see also www.umem.org.tr). Monitoring and evaluation should provide more information about achievement of the highly ambitious goals and employment effects as time goes on.

Active labour market measures with a relevant dimension only started in 2009 with most offering vocational training and a lower number constituting public works (see **TABLE 3.19** for a breakdown of participant numbers). Internships were first offered in October 2009 for young job seekers with low skills to provide them with job experience and improve their employability. In 2009, 555 internships were organised with 1,285 participants (558 of whom were women). Plans for 2010 foresaw a total of 45,000 young people being placed in internships, but only 4,671 actually occurred (data provided by İŞKUR and Ercan (2010b, p. 7)).

The increased impact of ALMPs over the last two years has contributed to an activation rate of 15.8% of the registered unemployed, but this activation rate is only valued at 7.3% when unemployment is calculated on the basis of LFS data (ETF calculation based on İŞKUR data and LFS, see also **TABLE 3.21** for a year on year breakdown of comparative numbers).

The overall share of female participants in ALMPs stands at around 45% (43.8% in 2009 and 46.0% in 2010, dropping to 38.9% in January through August 2011). Women are included in ALMPs, but their representation varies according to the type of measure. When we consider that the share of females among the registered unemployed is less than one third (29.3% in 2010) the numbers tell an interesting story. While women occupy about 50% of places on labour market courses, they are underrepresented in public works (23%), and only 8.6% of employee training is provided to women. The recently initiated Skills'10 programme is expected to draw only low levels of female participation as the training sectors and enterprises selected are mainly focussed on the male-dominated technical-industrial occupations.

Some IPA-funded projects are specifically targeted on disadvantaged women, but female participation in ALMPs is generally not aligned with gender mainstreaming policies (GTZ, 2007). A combination of targeted and mainstream approaches is needed to achieve tangible impacts for women. The same applies for other groups such as young people or those who encounter difficulties in finding employment, such as the Roma and people with disabilities.

In 2010, 23.3% of the registered unemployed received cash benefits, but, if the unemployment figures from the LFS are taken as basis, coverage of the benefit was only actually around 10%. An overhaul of İŞKUR offices and service procedures was initiated within phase 1 of an IPA project to improve the quality of public employment services, and this new service model will now be rolled out to all offices.

İŞKUR also offers occupational guidance and counselling services for clients and organises school visits to provide information, however, a state-of-the-art career information, guidance and counselling service with relevant outreach remains to be developed. The majority of future new posts will be created to provide information, guidance and counselling services in career information centres.

In addition to the İŞKUR provision, the Small and Medium Enterprises Development Organisation (KOSGEB) supplies some support for the self employed and entrepreneurial start-ups. These services comprise entrepreneurial training (8,300 places in 2010) and micro-credits. A total of 60 business incubators provide services to improve the survival and growth prospects of start-ups.

The development of a solid and up-to-date evaluation practice, with ex-ante and ongoing, internal and external evaluation is of key importance in improving the relevance, efficiency and effectiveness of ALMPs.

3.4 UNEMPLOYMENT BENEFIT AND SOCIAL SECURITY SYSTEM

The unemployment benefit system makes a relatively limited contribution to the social security of people who are out of work and thus encourages employment in the informal labour market. Coverage is low at only approximately 10% of the unemployed population according to LFS data (Ercan, 2011) and İŞKUR figures show 23.3% of the registered unemployed were receiving cash benefits in 2010. In this context, it is important to point out the existence of a universal 'green card' health insurance system for those without work or insurance coverage.

The limited application of the unemployment insurance system is largely due to tight eligibility criteria that require 600 days of work in the last three years prior to

job loss (of which a minimum of 120 days must have been in the current year) in order to qualify for benefit. The maximum duration of the benefit ranges for between 180 and 300 days. These rules limit inflow to the register and create high outflows from it; a complication that goes some way toward explaining the discrepancy between the number of unemployed registered with İŞKUR and the number shown in the LFS (about double the amount). Obviously, the vast majority of people losing a job in the informal sector economy have no entitlement to benefits and even for those within the system the wage replacement rate is low as benefits amount to only 50% of their average wage during the last four months, with a ceiling set at the official minimum wage (Ercan, 2011).

The unemployment insurance system is funded by employee and employer contributions (1% from the employee, plus 2% of the employers' total payroll) and is managed by İŞKUR. No additional contributions are made by the state.

The pension system and the traditionally low retirement age threaten the sustainability of the entire social security system, and the employment rate for elder people is accordingly low (34.8% for 55-59 year-olds and 27% for 60-64 year-olds in 2010). For those entering the insurance system after September 1999, the retirement age was raised to 60 for men and 58 for women, while for those insured before September 1999, the retirement age ranges from a mere 41 to 56 years, having an impact that continues to exert heavy pressure within the system. Retirement ages will be gradually increased further from 2036, to reach a maximum of 65 for men by 2046, and 65 for women by 2048. Workers in the informal sector have no access to any form of pension system, although low levels of social assistance (around TRY 90.70 per month in 2009) are available for those elderly people classed as being in need.

3.5 JOB CREATION, BUSINESS ENVIRONMENT AND COMPETITIVENESS

A constantly high rate of close to a million new jobs must be created every year to maintain current employment levels and provide work to new labour market entrants. Job losses amounted to 1.3 million at the peak of the crisis (Ercan, 2011). Job creation has returned to a positive balance since 2010, albeit partly due to an increase in female unpaid family work and self-employment.

Minimum wage levels are set by a tripartite commission of government representatives, employers' entities and TÜRK-İŞ. From July 2011, the gross minimum wage was set at TRY 837.00 resulting in a net wage of TRY 655.57. The minimum wage presents a structural problem, as it does not respond to regional differences in cost of living or take account of the fact that taxes on low wages encourage employers and employees to rely partly or fully on undeclared labour.

The difference between before-tax and after-tax wages, otherwise known as the 'tax wedge', on labour in Turkey is among the highest of all OECD countries (World Bank, 2009a). This is partly caused by the high social insurance contributions paid by employers and employees, and a relative flat level of income tax that creates a high tax burden for low wages. This factor further fuels the informal employment option in order to avoid the payment of tax as the tax wedge is about 40% for a single worker on an average or above average wage.

Productivity gaps between the formal and informal economy are high with a substantial 30% to 40% difference (McKinsey Global Institute, 2003). Even larger gaps were found in a more recent study by Taymaz (2009) where the gap in manufacturing was seen to be about 107% compared with 60% in services.

There are marked differences in working conditions in the formal and informal economies. In 2006, waged workers in the informal economy were paid 47.8% less per month than formal workers. Workers in the informal economy also worked longer hours than their peers in the formal economy at 55.4 hours per week compared with 51.1 hours. Then again, part-time jobs are offered far more frequently in the informal economy. While the figures stated that 32% of waged workers were employed in the informal economy in 2006, this figure rose closer to 56.3% when part-time workers were included in the calculations (Ercan, 2010a).

There is no explicit system yet in place to anticipate skills demands, although the Skills'10 programme and other ALMPs and pilot projects base their measures on short-term assessments of skills demands in close cooperation with their local economies. Provincial VET and employment boards would also be suitable institutions for the further development and strengthening of cooperation between education and labour market systems in order to achieve improved matching at the local level. A more forward-looking national approach has still to be developed.

3.6 POLICY FRAMEWORK AND INSTITUTIONAL SET UP IN THE EMPLOYMENT POLICY FIELD

Policy framework

To date, Turkey has no explicit policy framework for employment. The draft National Employment Plan (NEP) has not yet been finalised and disseminated and the same applies to the Joint Assessment Paper of Employment Policy Priorities (JAP) which entered the first stages of preparation in 2003. The four priorities of the NEP are expected to be: (i) strengthening links between education and the labour market; (ii) flexicurity; (iii) strengthening links between social protection and employment; and (iv) increasing the employment rate of women, young people and disadvantaged groups. Implementation of an

action plan relating to the first priority began in 2010, and a monitoring committee made up of representatives from key ministries including MoLSS, MoNE, the Ministry of Industry and the State Planning Organisation was established. Until recently, all employment policies and programmes lacked quantitative targets or measurable outcomes but anti-crisis employment measures and the Skills'10 programme appear to have changed this pattern.

The Ninth National Development Plan 2007-13 contains long-term objectives defined in five priority axes. The priority entitled 'increasing employment' defines the improvement of labour market conditions, the establishment of better links between education and the labour market, and the development of ALMPs as its objectives. The main function of the State Planning Organisation Medium-Term Programme 2011-13 is to support the operational achievement of the plan. The policy framework also includes the National Action Plan for Gender Equality 2008-13 which sets a goal to increase female labour force participation from 27.6% in 2010 to 29.6% in 2013 and 35% in 2030.

Institutional set up

The department for labour at MoLSS handles employment policy and labour market statistics, as one responsibility of the Under-Secretary of State. The IPA department at the Ministry currently has a staff of 60 and a further increase of 50 new posts has been approved.

The former General Directorate on the Status of Women was integrated into the new Ministry of Family and Social Policies (MoFSP).

İŞKUR, the public employment service, has the same status as the Social Security Institute and the National Qualification Agency. These affiliated organisations function under the political responsibility of the Minister of Labour and Social Security. İŞKUR has 81 regional offices and some sub-provincial offices are also in operation, dependent on the size of the local workforce. In September 2011, these offices had a total of 3,500 staff but plans are in place for a considerable staff increase to 7,500 in two-years' time, 4,000 of whom will deliver career guidance services. Given that there are 1,415 million registered unemployed, this will still imply a high client to staff ratio and will result in a very high caseload. More regular staff training has now been organised with the support of IPA funding.

Expenditure on ALMPs has been extremely low in the past, at 0.003% of GDP in 2008 against an EU-27 average of 0.45%, but levels of spending increased considerably in 2010 and 2011. The development of modern, state-of-the-art job placement and referral systems is a matter of some urgency and importance, as this one thread should constitute the core business of any public employment service. Only about 20,000 people received individual counselling services in 2010 (İŞKUR, 2011a).

A new approach came into operation with the provincial employment and vocational training boards as these were chaired by the provincial governor and entailed horizontal

cooperation at the local level. The new boards are expected to develop provincial employment strategies, review annual labour market training plans and, monitor and evaluate the programmes. Their operational functions vary, mainly dependent upon the initiative shown by the local administration.

A few hundred private employment agencies are active in Turkey and planned changes to legislation are expected to permit the operation of temporary work agencies.

In terms of institutions, Turkey has a range of government organisations and boards in place at national and provincial levels, and work is underway with social partners and NGOs in the relevant fields. However, the consultation processes should be strengthened to include stakeholders at local levels as well as higher numbers of social partners. Finally, further strengthening of capacities for the planning, implementation, monitoring and evaluation of employment policies is of paramount importance at all levels, with regular scheduling of policy and programme evaluation.

3.7 IPA PROGRAMMING

The Operational Programme for Human Resources Development (HRD OP) is consistent and in line with national policy papers as well as with IPA, European Social Fund (ESF) and European Employment Strategy (EES) standards. The indicators given in the HRD OP are mainly output indicators and give little information on expected impact and results, making meaningful evaluation difficult.

The regional development component of the IPA programme (component III) is closely related to the HRD component and while implementation of support for self-employment and SMEs is planned exclusively under the regional development component, synergy and coordination may present a challenge within such a structure.

Close to 44% of IPA component IV funds for the 2007-11 period are dedicated to Priority axis 1, defined as 'Employment', with a total of EUR 353 million available, including national co-financing (see **TABLE 3.23** for a more detailed breakdown). Some 55% to 60% of these funds are earmarked for the 12 statistically disadvantaged eastern sub-regions defined under the Nomenclature of territorial units for statistics as NUTS 2 regions (see **FIGURE 3.6** for more details). A further 20% to 25% can be used to support activities in the other 14 NUTS 2 regions, and the remaining 20% is earmarked for programmes of national coverage. According to the HRD OP ex ante evaluation, the critical issue lies in the mainstreaming of outcomes, largely expressed as the transfer of experiences and results to other regions of the country.

Planned budget allocations for component IV over the next few years are: EUR 77.6 million for 2011, EUR 89.93 million for 2012, and EUR 96.00 million for 2013 on the basis of information provided by MoLSS from the Multi-annual Indicative Planning Document 2011-13.

Priority axis 1 on employment has the following objectives:

1. promote women's participation in the labour market, increase female employment, including those formerly employed in agriculture;
2. increase employment of young people;
3. promote registered employment;
4. improve the quality of public employment services.

Measures 1.1 and 1.2 will be implemented only in the 12 disadvantaged NUTS 2 regions, whereas measures 1.3 and 1.4 will be approached at national level. The measures for the 2010-11 period constitute a continuation of phase 1 efforts during the 2007-09 period (see the summary table on p. 98 for a more detailed breakdown). Some of the projects from the 2007-09 period are still being implemented, however, as funding for this phase remained unspent.

TABLES AND FIGURES

TABLE 3.1 WORKING AGE POPULATION (15+) BY LABOUR FORCE STATUS AND GENDER (MILLION)

	Total					Male					Female				
	Total	Labour force	Em- played	Unem- played	Popula- tion not in labour force	Total	Labour force	Em- played	Unem- played	Popula- tion not in labour force	Total	Labour force	Em- played	Unem- played	Popula- tion not in labour force
2010	52.54	25.64	22.59	3.05	26.90	25.80	18.26	16.17	2.09	7.54	26.74	7.38	6.43	0.96	19.36
2009	51.69	24.75	21.28	3.47	26.94	25.37	17.90	15.41	2.49	7.47	26.32	6.85	5.87	0.98	19.47
2008	50.77	23.81	21.19	2.61	26.97	24.92	17.48	15.60	1.88	7.44	25.86	6.33	5.60	0.73	19.53
2007	49.99	23.11	20.74	2.38	26.88	24.51	17.10	15.38	1.72	7.42	25.48	6.02	5.36	0.66	19.46
2006	49.17	22.75	20.42	2.33	26.42	24.09	16.84	15.17	1.67	7.26	25.08	5.92	5.26	0.66	19.16
2005	48.36	22.45	20.07	2.39	25.90	23.67	16.70	14.96	1.75	6.97	24.69	5.75	5.11	0.64	18.94
2004	47.54	22.02	19.63	2.39	25.53	23.25	16.35	14.59	1.76	6.90	24.29	5.67	5.05	0.62	18.62
2002	48.04	23.82	21.35	2.46	24.22	23.83	17.06	15.23	1.83	6.77	24.21	6.76	6.12	0.64	17.46
2001	47.16	23.49	21.52	1.97	23.67	23.39	17.04	15.56	1.49	6.35	23.77	6.45	5.97	0.48	17.32
2000	46.21	23.08	21.58	1.50	23.13	22.92	16.89	15.78	1.11	6.03	23.30	6.19	5.80	0.39	17.11

Source: TurkStat, Labour Force Statistics Database

TABLE 3.2 WORKING AGE POPULATION BY AGE GROUP, LABOUR FORCE STATUS AND GENDER, 2010 (MILLION)

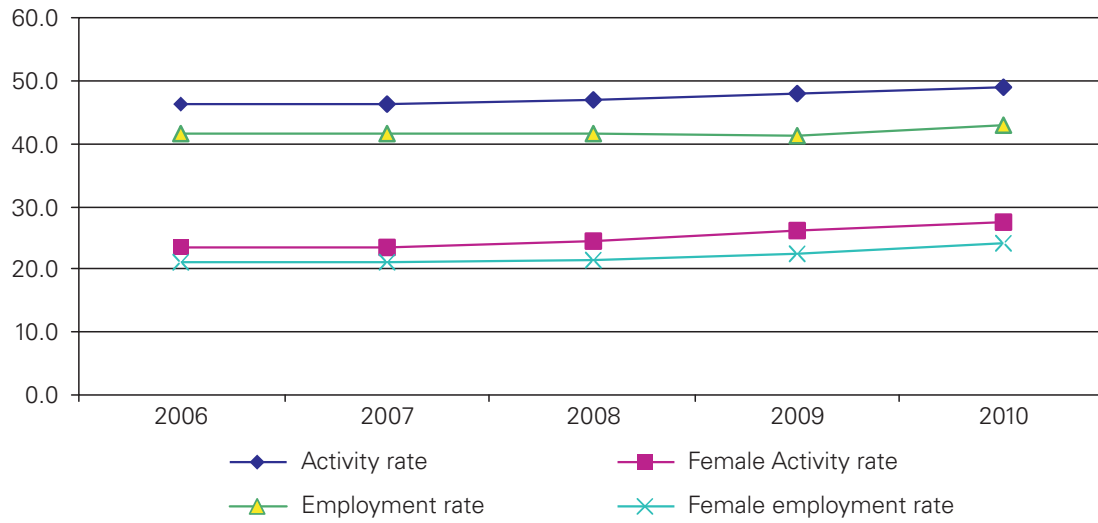
	Total					Male					Female				
	Total	Labour force	Em- ployed	Unem- ployed	Popula- tion not in labour force	Total	Labour force	Em- ployed	Unem- ployed	Popula- tion not in labour force	Total	Labour force	Em- ployed	Unem- ployed	Popula- tion not in labour force
15-19	6.25	1.66	1.35	0.31	4.59	3.24	1.15	0.93	0.22	2.09	3.01	0.51	0.42	0.10	2.50
20-24	5.30	2.76	2.11	0.65	2.53	2.40	1.72	1.33	0.39	0.68	2.89	1.04	0.78	0.26	1.85
25-29	6.24	4.06	3.45	0.60	2.18	3.11	2.87	2.48	0.39	0.24	3.13	1.19	0.98	0.21	1.94
30-34	6.03	3.97	3.56	0.41	2.06	3.04	2.91	2.63	0.28	0.14	2.99	1.07	0.93	0.13	1.92
35-39	5.37	3.57	3.23	0.34	1.80	2.70	2.57	2.34	0.23	0.12	2.68	1.00	0.89	0.11	1.68
40-44	4.84	3.15	2.88	0.27	1.69	2.44	2.28	2.08	0.20	0.15	2.41	0.87	0.80	0.07	1.54
45-49	4.35	2.48	2.27	0.21	1.87	2.19	1.86	1.69	0.17	0.33	2.16	0.62	0.58	0.04	1.54
50-54	3.80	1.70	1.56	0.14	2.09	1.90	1.26	1.14	0.12	0.64	1.90	0.44	0.42	0.03	1.46
55-59	3.05	1.06	0.99	0.07	1.99	1.51	0.77	0.70	0.07	0.75	1.54	0.29	0.29	0.01	1.24
60-64	2.31	0.62	0.60	0.03	1.68	1.10	0.44	0.42	0.03	0.66	1.20	0.18	0.18	0.00	1.02
65+	5.01	0.60	0.59	0.01	4.41	2.18	0.43	0.42	0.01	1.75	2.83	0.17	0.17	0.00	2.66
Total	52.54	25.64	22.59	3.05	26.90	25.80	18.26	16.17	2.09	7.54	26.74	7.38	6.43	0.96	19.36

Source: TurkStat, Labour Force Statistics Database

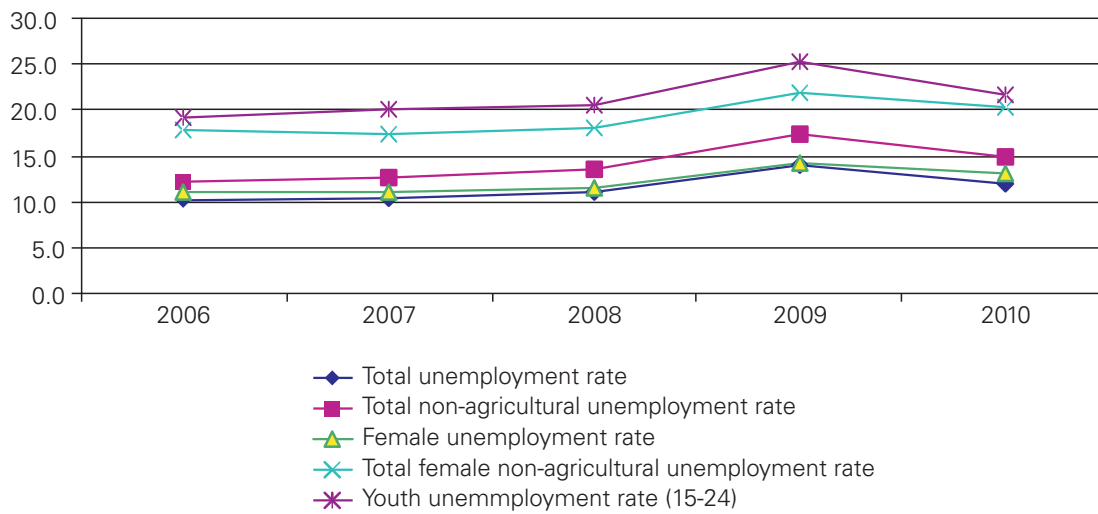
TABLE 3.3 WORKING AGE POPULATION (15+) BY EDUCATIONAL STATUS, LABOUR FORCE STATUS AND GENDER, 2010 (MILLION)

	Total						Male						Female					
	Total	Labour force	Em- played	Unem- played	Popula- tion not in labour force	Total	Labour force	Em- played	Unem- played	Popula- tion not in labour force	Total	Labour force	Em- played	Unem- played	Popula- tion not in labour force			
Illiterate	5.83	1.15	1.08	0.07	4.67	0.98	0.36	0.31	0.05	0.62	4.85	0.79	0.77	0.02	4.06			
Literate but no school completed	3.80	1.24	1.09	0.16	2.55	1.35	0.74	0.62	0.12	0.61	2.45	0.50	0.47	0.03	1.95			
Primary school	18.97	9.56	8.60	0.96	9.41	9.47	7.12	6.37	0.75	2.36	9.50	2.44	2.23	0.21	7.06			
Primary education	6.20	2.18	1.78	0.40	4.01	3.29	1.60	1.30	0.30	1.69	2.91	0.58	0.48	0.10	2.33			
Junior high school or equivalent vocational school	3.49	2.21	1.95	0.25	1.28	2.34	1.92	1.72	0.20	0.41	1.15	0.28	0.23	0.05	0.87			
High school	5.30	2.73	2.29	0.43	2.58	2.96	2.02	1.76	0.26	0.94	2.34	0.71	0.54	0.18	1.63			
Vocational school at high school level	3.82	2.51	2.18	0.33	1.31	2.40	1.95	1.74	0.21	0.45	1.42	0.57	0.44	0.13	0.86			
University or other higher educational institution	5.15	4.06	3.61	0.45	1.09	3.02	2.55	2.34	0.21	0.47	2.13	1.51	1.27	0.24	0.62			
Total	52.54	25.64	22.59	3.05	26.90	25.80	18.26	16.17	2.09	7.54	26.74	7.38	6.43	0.96	19.36			

Source: TurkStat, Labour Force Statistics Database

FIGURE 3.1 TRENDS IN ACTIVITY AND EMPLOYMENT RATES (15+) – TOTAL AND FEMALE (%)

Source: TurkStat, Labour Force Statistics Database

FIGURE 3.2 TRENDS IN UNEMPLOYMENT RATES (15+) – TOTAL, FEMALE AND NON-AGRICULTURE (%)

Source: TurkStat, Labour Force Statistics Database

TABLE 3.4 ACTIVITY, UNEMPLOYMENT AND EMPLOYMENT RATES (15+) BY EDUCATIONAL STATUS AND GENDER (%)

	Total					Male					Female				
	Labour force participation rate	Unempl. rate	Non-agri-cultural unempl. rate	Empl. rate	Labour force participation rate	Unempl. rate	Non-agri-cultural unempl. rate	Empl. rate	Labour force participation rate	Unempl. rate	Non-agri-cultural unempl. rate	Empl. rate	Labour force participation rate	Unempl. rate	Non-agri-cultural unempl. rate
2010															
Illiterate	19.8	6.0	21.1	18.6	36.8	13.7	24.9	31.8	16.3	2.4	14.3	15.9			
Literate but no school completed	32.8	12.5	22.3	28.7	55.2	16.3	23.0	46.2	20.4	6.8	20.1	19.0			
Primary school	50.4	10.0	14.1	45.3	75.1	10.5	13.3	67.2	25.7	8.6	18.1	23.5			
Primary education	35.2	18.3	22.5	28.8	48.7	18.9	21.6	39.5	19.9	16.7	25.9	16.6			
Junior high school or equivalent vocational school	63.3	11.5	12.9	56.0	82.3	10.4	11.5	73.7	24.6	18.9	23.0	20.0			
High school	51.4	15.9	16.9	43.3	68.1	12.6	13.5	59.5	30.4	24.9	26.6	22.8			
Vocational school at high school level	65.8	13.2	14.0	57.1	81.2	10.5	11.1	72.7	39.8	22.5	23.9	30.8			
University or other higher educational institution	78.8	11.0	11.2	70.1	84.3	8.0	8.2	77.5	71.0	15.9	16.0	59.7			
Total	48.8	11.9	14.8	43.0	70.8	11.4	13.2	62.7	27.6	13.0	20.2	24.0			
2009															
Illiterate	18.8	8.0	25.4	17.3	37.1	17.6	29.0	30.6	15.0	3.0	18.1	14.5			
Literate but no school completed	31.6	15.3	27.7	26.8	53.7	19.2	28.1	43.4	19.2	9.1	26.4	17.5			
Primary school	49.2	12.2	16.9	43.2	75.3	13.0	16.3	65.5	23.3	9.4	19.8	21.1			
Primary education	32.3	22.2	27.7	25.1	44.9	23.6	27.1	34.3	18.0	18.3	29.7	14.7			
Junior high school or equivalent vocational school	62.7	14.0	15.7	53.9	82.8	13.2	14.6	71.8	22.8	20.0	24.2	18.2			
High school	52.0	18.0	19.2	42.6	69.1	15.1	16.1	58.7	30.4	26.3	28.0	22.4			
Vocational school at high school level	65.4	15.6	16.5	55.2	81.0	12.7	13.4	70.8	39.1	25.9	27.1	29.0			
University or other higher educational institution	78.0	12.1	12.3	68.5	83.1	9.6	9.8	75.1	70.8	16.3	16.3	59.3			
Total	47.9	14.0	17.4	41.2	70.5	13.9	16.0	60.7	26.0	14.3	21.9	22.3			
2008															
Illiterate	18.1	6.3	20.7	16.9	36.0	14.1	23.8	31.0	14.5	2.5	14.5	14.2			
Literate but no school completed	30.2	12.1	23.2	26.6	50.7	16.0	24.7	42.6	18.5	5.9	18.4	17.4			

Primary school	47.8	9.4	13.0	43.3	75.1	10.0	12.4	67.6	21.1	7.5	16.9	19.5
Primary education	30.7	17.7	22.2	25.3	42.9	19.0	21.7	34.8	16.9	14.2	24.5	14.5
Junior high school or equivalent vocational school	62.7	10.9	12.1	55.9	82.9	10.0	11.1	74.6	21.6	17.6	21.0	17.8
High school	49.9	14.1	15.0	42.9	66.2	11.8	12.6	58.3	29.1	20.6	21.9	23.1
Vocational school at high school level	65.0	11.7	12.3	57.4	80.3	9.2	9.8	72.9	38.3	20.6	21.6	30.4
University or other higher educational institution	77.6	10.3	10.5	69.5	82.7	8.1	8.2	76.0	70.0	14.3	14.4	60.0
Total	46.9	11.0	13.6	41.7	70.1	10.7	12.3	62.6	24.5	11.6	18.1	21.6
2007												
Illiterate	18.1	5.2	17.4	17.1	36.9	12.4	22.1	32.3	14.4	1.7	8.4	14.2
Literate but no school completed	29.4	10.6	18.6	26.3	49.6	14.3	20.7	42.5	17.3	4.3	11.2	16.6
Primary school	47.4	8.7	11.9	43.2	75.0	9.4	11.4	68.0	20.5	6.5	14.8	19.1
Primary education	27.4	16.8	21.0	22.8	37.3	17.8	20.3	30.7	16.0	14.0	23.7	13.7
Junior high school or equivalent vocational school	62.5	10.2	11.3	56.1	82.8	9.6	10.5	74.9	22.7	14.7	17.6	19.4
High school	48.8	13.9	14.7	42.1	64.9	11.0	11.6	57.7	28.4	22.1	23.7	22.1
Vocational school at high school level	64.5	12.0	12.6	56.8	80.6	9.7	10.2	72.7	36.4	20.9	21.8	28.8
University or other higher educational institution	77.3	9.7	9.8	69.8	82.6	7.4	7.6	76.4	69.4	13.9	13.9	59.8
Total	46.2	10.3	12.6	41.5	69.8	10.0	11.4	62.7	23.6	11.0	17.3	21.0
2006												
Illiterate	18.7	4.8	15.5	17.8	39.2	11.0	18.8	34.9	14.7	1.6	9.4	14.5
Literate but no school completed	30.2	9.3	17.1	27.4	49.4	12.0	17.9	43.5	18.0	4.6	14.2	17.2
Primary school	47.9	9.1	12.3	43.6	75.7	9.5	11.6	68.5	21.1	7.6	17.0	19.5
Primary education	22.9	15.2	19.0	19.4	30.4	15.6	17.9	25.6	13.5	13.9	23.6	11.6
Junior high school or equivalent vocational school	61.1	11.2	12.4	54.3	82.0	10.4	11.4	73.5	22.9	16.2	19.8	19.2
High school	49.7	14.0	14.9	42.7	66.2	11.1	11.8	58.8	27.9	23.0	24.6	21.5
Vocational school at high school level	63.8	11.8	12.4	56.3	79.8	9.4	9.9	72.3	36.2	20.9	21.7	28.6
University or other higher educational institution	77.2	9.6	9.7	69.8	82.6	7.7	7.8	76.3	68.8	13.0	13.0	59.9
Total	46.3	10.2	12.7	41.5	69.9	9.9	11.3	62.9	23.6	11.1	17.9	21.0

Source: TurkStat, Labour Force Statistics Database

TABLE 3.5 ACTIVITY, UNEMPLOYMENT AND EMPLOYMENT RATES BY AGE AND GENDER (%)

	Total				Male				Female			
	Labour force participation rate	Unempl. rate	Non-agricultural unempl. rate	Empl. rate	Labour force participation rate	Unempl. rate	Non-agricultural unempl. rate	Empl. rate	Labour force participation rate	Unempl. rate	Non-agricultural unempl. rate	Empl. rate
2010												
15-19	26.6	18.8	23.9	21.6	35.6	19.0	22.3	28.8	17.0	18.5	28.7	13.8
20-24	52.2	23.5	27.0	39.9	71.6	22.4	24.5	55.6	36.0	25.2	31.5	26.9
25-29	65.0	14.9	16.6	55.4	92.3	13.6	14.5	79.7	38.0	17.9	22.4	31.2
30-34	65.9	10.3	11.5	59.1	95.5	9.5	10.0	86.5	35.7	12.5	16.6	31.2
35-39	66.5	9.6	11.2	60.1	95.4	9.0	9.7	86.8	37.4	11.2	16.2	33.2
40-44	65.0	8.5	10.3	59.5	93.7	8.7	9.7	85.5	36.0	8.0	12.4	33.1
45-49	57.0	8.6	11.0	52.1	85.0	9.3	10.8	77.1	28.7	6.3	12.2	26.9
50-54	44.8	8.3	12.3	41.1	66.4	9.2	11.9	60.2	23.4	5.7	14.8	22.0
55-59	34.8	6.7	12.7	32.4	50.7	8.7	13.4	46.3	19.1	1.8	7.5	18.8
60-64	27.0	4.4	10.7	25.8	40.0	5.7	11.0	37.7	15.0	1.1	7.8	14.9
65+	12.0	1.5	6.6	11.8	19.9	2.1	7.2	19.5	5.9	0.1	1.3	5.9
Total	48.8	11.9	14.8	43.0	70.8	11.4	13.2	62.7	27.6	13.0	20.2	24.0
2009												
15-19	27.5	23.6	29.5	21.0	37.0	24.2	28.2	28.0	17.3	22.2	33.0	13.5
20-24	51.7	26.3	30.0	38.1	72.3	26.2	28.5	53.4	34.5	26.5	32.8	25.3
25-29	64.1	17.5	19.3	52.9	92.7	16.7	17.8	77.2	35.8	19.4	23.6	28.8
30-34	65.1	12.6	14.1	56.9	94.7	12.2	13.0	83.2	34.8	13.8	18.1	30.0
35-39	64.6	11.2	12.9	57.4	95.0	11.0	11.9	84.5	34.1	11.7	16.4	30.1
40-44	63.1	10.2	12.1	56.7	93.6	10.3	11.4	84.0	32.1	9.7	15.0	29.0

45-49	54.2	9.5	12.2	49.1	82.5	10.3	11.9	74.0	25.7	7.0	13.7	23.9
50-54	43.4	9.2	13.7	39.4	65.1	10.8	14.0	58.1	21.7	4.5	11.6	20.7
55-59	33.6	7.7	14.6	31.0	49.7	9.8	15.1	44.9	17.8	2.1	9.7	17.4
60-64	25.6	4.1	10.6	24.5	38.1	5.6	11.2	35.9	14.4	0.6	4.1	14.3
65+	11.9	1.4	5.9	11.7	19.6	1.8	6.4	19.2	5.9	0.3	2.0	5.9
Total	47.9	14.0	17.4	41.2	70.5	13.9	16.0	60.7	26.0	14.3	21.9	22.3
2008												
15-19	27.3	19.6	24.5	22.0	36.7	20.1	23.1	29.3	17.1	18.6	28.8	13.9
20-24	50.6	21.0	24.0	39.9	71.8	20.1	21.8	57.3	33.2	22.6	28.3	25.7
25-29	62.7	13.2	14.6	54.4	92.3	12.6	13.3	80.7	33.3	15.0	18.6	28.3
30-34	63.5	9.7	10.8	57.4	94.8	9.2	9.9	86.0	31.5	11.0	14.5	28.0
35-39	63.7	8.2	9.5	58.4	94.8	8.1	8.7	87.2	32.4	8.8	12.6	29.6
40-44	61.4	7.7	9.1	56.7	93.4	8.0	8.7	85.9	28.7	6.8	11.2	26.8
45-49	52.8	7.6	9.7	48.8	80.7	8.2	9.5	74.1	24.7	5.4	11.1	23.3
50-54	42.4	6.8	10.1	39.5	64.6	7.9	10.2	59.5	20.3	3.4	9.2	19.6
55-59	32.1	6.0	11.3	30.2	48.2	7.5	11.6	44.6	16.4	1.6	8.2	16.2
60-64	24.7	3.7	9.3	23.7	37.7	4.9	9.5	35.8	13.1	0.8	7.1	13.0
65+	11.7	1.0	4.6	11.6	19.4	1.2	4.0	19.2	5.8	0.6	11.6	5.7
Total	46.9	11.0	13.6	41.7	70.1	10.7	12.3	62.6	24.5	11.6	18.1	21.6
2007												
15-19	26.8	19.7	23.9	21.6	36.3	20.0	22.7	29.1	16.6	18.9	27.6	13.5
20-24	49.9	20.1	22.9	39.9	71.4	19.3	20.8	57.7	32.1	21.7	27.4	25.1
25-29	61.7	12.4	13.7	54.1	92.0	11.8	12.5	81.2	31.8	14.3	17.9	27.3

30-34	62.8	8.7	9.7	57.4	94.8	8.3	8.7	87.0	30.3	10.0	13.6	27.3
35-39	62.6	7.4	8.5	58.0	94.4	7.1	7.7	87.7	30.7	8.1	12.1	28.2
40-44	60.9	6.8	8.0	56.8	93.1	7.0	7.7	86.6	28.0	5.9	9.8	26.4
45-49	52.0	7.0	8.8	48.3	80.7	7.8	8.8	74.4	23.1	4.3	8.6	22.1
50-54	41.2	6.2	9.1	38.7	63.1	7.4	9.5	58.5	19.3	2.2	6.3	18.9
55-59	31.3	5.0	9.3	29.7	47.2	6.2	9.3	44.3	15.9	1.6	9.6	15.7
60-64	24.4	3.2	8.4	23.6	37.0	4.1	8.7	35.5	13.3	0.8	5.9	13.2
65+	11.5	0.8	2.7	11.4	18.9	1.2	2.9	18.6	5.8	0.0	-	5.8
Total	46.2	10.3	12.6	41.5	69.8	10.0	11.4	62.7	23.6	11.0	17.3	21.0
2006												
15-19	26.6	17.4	21.5	22.0	35.2	17.1	19.2	29.2	17.3	18.1	27.9	14.2
20-24	49.5	20.1	23.1	39.5	71.5	19.0	20.7	57.9	31.3	22.1	28.2	24.4
25-29	61.7	12.9	14.3	53.7	91.8	12.4	13.1	80.4	31.9	14.6	18.6	27.2
30-34	62.5	8.6	9.7	57.1	94.8	7.9	8.4	87.3	29.7	10.9	15.2	26.4
35-39	62.6	7.4	8.6	58.0	94.2	7.3	7.9	87.4	30.5	7.7	11.4	28.2
40-44	60.7	6.9	8.3	56.5	92.8	7.2	7.9	86.1	28.1	6.0	10.4	26.4
45-49	52.3	6.6	8.5	48.8	81.4	7.4	8.5	75.4	23.0	4.0	7.9	22.1
50-54	42.0	6.8	10.0	39.1	64.1	8.2	10.4	58.9	19.8	2.3	6.8	19.4
55-59	32.5	5.3	10.1	30.8	49.2	6.6	10.3	46.0	16.6	1.5	8.2	16.3
60-64	24.2	2.8	7.2	23.6	37.2	3.8	7.6	35.8	12.9	0.3	2.5	12.8
65+	12.0	0.8	2.7	11.9	20.2	1.0	2.7	20.0	5.7	0.3	3.5	5.7
Total	46.3	10.2	12.7	41.5	69.9	9.9	11.3	62.9	23.6	11.1	17.9	21.0

Source: TurkStat, Labour Force Statistics Database

TABLE 3.6 ACTIVITY AND EMPLOYMENT RATES (15+) – TOTAL AND FEMALE (%)

	2006	2007	2008	2009	2010
Total activity rate	46.3	46.2	46.9	47.9	48.8
Female activity rate	23.6	23.6	24.5	26.0	27.6
Total employment rate	41.5	41.5	41.7	41.2	43.0
Female employment rate	21.0	21.0	21.6	22.3	24.0

Source: TurkStat, Labour Force Statistics Database

TABLE 3.7 UNEMPLOYMENT RATES (15+) – TOTAL, FEMALE AND YOUTH (%)

	2006	2007	2008	2009	2010
Total unemployment rate	10.2	10.3	11.0	14.0	11.9
Total non-agricultural unemployment rate	12.2	12.6	13.6	17.4	14.8
Female unemployment rate	11.1	11.0	11.6	14.3	13.0
Total female non-agricultural unemployment rate	17.9	17.3	18.1	21.9	20.2
Youth (15-24) unemployment rate	19.1	20.0	20.5	25.3	21.7

Source: TurkStat, Labour Force Statistics Data

TABLE 3.8 ACTIVITY, UNEMPLOYMENT AND EMPLOYMENT RATES (15+) BY REGION AND GENDER (%)

	Total			Male			Female		
	Labour force participation rate	Unemployment rate	Employment rate	Labour force participation rate	Unemployment rate	Employment rate	Labour force participation rate	Unemployment rate	Employment rate
2010									
Total	48.8	11.9	43.0	70.8	11.4	62.7	27.6	13.0	24.0
Istanbul	47.8	14.3	41.0	71.9	13.2	62.4	24.0	17.4	19.8
West Marmara	51.4	8.8	46.9	70.6	7.9	65.0	32.4	10.8	28.9
Aegean	50.9	12.0	44.7	71.0	10.7	63.4	31.7	14.8	27.0
East Marmara	48.6	11.5	43.0	70.7	10.6	63.2	26.7	13.9	23.0
West Anatolia	48.2	10.8	43.0	70.6	9.7	63.8	26.6	13.9	22.9
Mediterranean	53.2	13.9	45.8	74.3	13.3	64.4	32.9	15.3	27.8
Central Anatolia	45.0	12.2	39.5	68.3	11.5	60.5	23.0	14.3	19.7
West Black Sea	51.8	8.3	47.5	69.3	8.3	63.5	35.6	8.2	32.7
East Black Sea	58.2	6.1	54.6	71.3	7.3	66.1	45.4	4.4	43.4
Northeast Anatolia	51.9	8.2	47.7	73.8	10.3	66.2	31.2	3.3	30.1
Middle East Anatolia	45.7	14.3	39.1	70.8	15.0	60.2	21.9	12.3	19.2
Southeast Anatolia	37.9	12.4	33.2	64.7	13.4	56.0	12.4	7.6	11.5
2009									
Total	47.9	14.0	41.2	70.5	13.9	60.7	26.0	14.3	22.3
Istanbul	46.7	16.8	38.8	70.9	15.8	59.7	22.6	19.9	18.1
West Marmara	51.1	10.8	45.6	71.0	9.3	64.4	31.8	13.9	27.4
Aegean	48.4	14.1	41.6	69.5	13.3	60.3	28.4	16.0	23.9
East Marmara	48.8	14.4	41.7	71.8	13.5	62.1	26.2	17.0	21.8
West Anatolia	47.4	12.4	41.5	69.9	11.6	61.8	25.7	14.5	22.0

Mediterranean	51.3	17.5	42.3	74.3	17.0	61.7	29.0	18.9	23.5
Central Anatolia	42.0	13.9	36.2	67.5	14.5	57.7	17.7	11.8	15.7
West Black Sea	54.8	7.4	50.7	71.2	7.9	65.6	39.6	6.6	37.0
East Black Sea	60.7	6.0	57.0	74.0	6.9	68.9	48.0	4.7	45.7
Northeast Anatolia	51.7	8.5	47.3	73.4	11.0	65.3	31.3	3.0	30.3
Middle East Anatolia	43.9	16.6	36.6	70.3	17.8	57.8	18.5	12.3	16.2
Southeast Anatolia	36.3	17.4	30.0	64.2	18.4	52.3	9.7	10.5	8.7
2008									
Total	46.9	11.0	41.7	70.1	10.7	62.6	24.5	11.6	21.6
Istanbul	46.5	11.2	41.3	70.6	10.4	63.3	22.0	13.7	19.0
West Marmara	50.1	9.4	45.3	70.1	8.1	64.4	30.3	12.4	26.5
Aegean	46.2	10.5	41.3	68.5	9.8	61.8	24.7	12.3	21.7
East Marmara	48.4	10.5	43.3	72.4	9.6	65.4	24.8	13.2	21.5
West Anatolia	47.0	11.2	41.7	70.6	9.7	63.7	24.3	15.6	20.5
Mediterranean	49.5	13.9	42.6	73.0	13.3	63.3	27.1	15.6	22.9
Central Anatolia	39.0	10.9	34.7	66.0	11.1	58.7	13.9	10.2	12.5
West Black Sea	54.7	7.2	50.8	72.3	8.0	66.5	38.4	5.8	36.2
East Black Sea	61.1	5.8	57.6	74.5	6.2	69.9	48.2	5.2	45.7
Northeast Anatolia	51.6	5.9	48.6	72.6	7.9	66.8	32.5	1.9	31.9
Middle East Anatolia	40.7	14.4	34.9	68.0	14.7	58.0	15.6	13.1	13.6
Southeast Anatolia	35.7	15.8	30.1	63.8	17.3	52.8	9.6	6.6	9.0
2007									
Total	46.2	10.3	41.5	69.8	10.0	62.7	23.6	11.0	21.0
Istanbul	45.7	10.4	40.9	70.3	9.5	63.7	20.9	13.5	18.1
West Marmara	51.5	6.6	48.1	72.0	5.5	68.0	31.5	9.2	28.6

Aegean	46.7	9.4	42.3	68.7	8.9	62.6	25.3	10.7	22.6
East Marmara	47.6	9.7	42.9	71.4	9.2	64.8	23.7	11.0	21.1
West Anatolia	45.0	11.2	39.9	69.7	9.5	63.1	21.1	16.8	17.5
Mediterranean	48.8	12.0	43.0	72.2	11.5	63.9	26.5	13.2	23.0
Central Anatolia	41.6	10.8	37.1	67.9	10.4	60.8	17.1	12.0	15.0
West Black Sea	52.7	7.9	48.5	71.7	8.4	65.6	35.0	7.1	32.5
East Black Sea	59.2	6.6	55.3	71.4	7.7	65.9	47.5	5.0	45.2
Northeast Anatolia	47.2	5.8	44.4	70.6	7.2	65.5	26.9	2.7	26.1
Middle East Anatolia	41.6	12.9	36.3	67.1	13.6	58.0	19.0	10.5	17.0
Southeast Anatolia	34.0	16.9	28.3	63.3	17.6	52.2	6.8	10.5	6.1
2006									
Total	46.3	10.2	41.5	69.9	9.9	62.9	23.6	11.1	21.0
Istanbul	46.6	11.4	41.3	71.6	10.6	64.0	21.3	14.0	18.3
West Marmara	51.3	7.2	47.6	73.4	6.3	68.8	29.9	9.4	27.1
Aegean	46.8	9.3	42.4	69.2	8.8	63.1	24.9	10.4	22.3
East Marmara	47.5	9.7	42.9	70.8	8.7	64.6	24.1	12.4	21.1
West Anatolia	43.7	12.3	38.3	68.1	10.4	61.0	20.2	18.4	16.5
Mediterranean	48.3	12.5	42.2	71.5	12.0	62.9	26.1	13.9	22.5
Central Anatolia	41.5	11.0	37.0	67.1	10.4	60.1	17.9	13.1	15.5
West Black Sea	51.6	6.5	48.3	71.4	6.9	66.5	33.7	5.7	31.8
East Black Sea	61.0	5.6	57.5	73.7	6.1	69.2	49.0	4.9	46.6
Northeast Anatolia	49.6	5.0	47.1	72.8	6.2	68.3	28.9	2.3	28.2
Middle East Anatolia	41.8	11.2	37.1	66.5	12.1	58.4	20.2	8.4	18.5
Southeast Anatolia	33.7	14.2	28.9	63.0	14.7	53.7	6.3	8.8	5.7

Note: The results of 2006 were revised according to new population projections. Total figures may not be exact due to the rounding of the numbers.
Source: TurkStat, Results of Household Labour Force Survey

TABLE 3.9 YOUTH (15-24) ACTIVITY, UNEMPLOYMENT AND EMPLOYMENT RATES BY EDUCATIONAL STATUS AND GENDER (%)

	Total					Male					Female				
	Labour force participation rate	Unempl. rate	Non-agricultural unempl. rate	Empl. rate	Labour force participation rate	Unempl. rate	Non-agricultural unempl. rate	Empl. rate	Labour force participation rate	Unempl. rate	Non-agricultural unempl. rate	Empl. rate	Labour force participation rate	Unempl. rate	Non-agricultural unempl. rate
2010															
Illiterate	21.1	16.4	26.9	17.7	41.7	24.4	29.0	31.5	14.9	9.5	21.7	13.5			
Literate but no school completed	36.1	18.4	25.7	29.4	66.3	24.1	27.4	50.3	21.6	10.2	21.2	19.4			
Primary school	46.5	14.9	21.9	39.5	93.2	17.8	20.7	76.7	27.3	11.0	25.5	24.3			
Primary education	34.1	18.4	22.9	27.8	47.0	19.2	22.1	38.0	19.5	16.5	26.1	16.3			
Junior high school or equivalent vocational school	71.0	10.9	12.3	63.2	94.1	11.0	12.0	83.8	33.6	10.2	14.2	30.1			
High school	32.8	27.2	30.2	23.9	38.5	24.1	27.0	29.2	26.9	31.8	34.8	18.4			
Vocational school at high school level	57.0	23.1	24.9	43.8	65.6	20.6	22.2	52.1	45.6	27.9	29.7	32.9			
University or other higher educational institution	71.9	32.5	33.4	48.6	74.0	27.5	28.8	53.6	70.3	36.5	37.2	44.6			
Total	38.3	21.7	25.9	30.0	50.9	21.0	23.7	40.2	26.3	23.0	30.7	20.3			
2009															
Illiterate	19.9	19.5	31.3	16.0	37.2	32.7	35.1	25.0	14.3	8.3	22.4	13.1			
Literate but no school completed	34.4	23.0	30.5	26.5	63.6	27.7	31.9	46.0	20.1	15.6	27.3	16.9			
Primary school	47.2	17.9	23.9	38.8	92.6	21.5	24.7	72.7	24.0	10.9	21.0	21.4			
Primary education	31.7	22.4	28.1	24.6	44.0	24.0	27.7	33.5	17.8	17.9	29.5	14.6			

Junior high school or equivalent vocational school	71.8	21.6	23.6	56.3	94.7	21.1	22.6	74.8	29.9	24.7	30.4	22.5
High school	36.0	30.6	33.1	25.0	43.4	28.8	31.2	30.9	28.2	33.5	36.2	18.8
Vocational school at high school level	59.2	27.6	29.5	42.9	67.5	25.3	27.3	50.4	47.6	32.0	33.7	32.4
University or other higher educational institution	76.1	33.2	34.0	50.8	78.4	29.0	30.1	55.7	74.2	36.8	37.3	46.9
Total	38.7	25.3	29.8	28.9	52.2	25.4	28.4	39.0	25.8	25.0	32.9	19.3
2008												
Illiterate	17.8	11.0	19.6	15.9	28.7	22.1	26.9	22.4	14.9	5.3	9.1	14.1
Literate but no school completed	32.5	19.8	27.9	26.1	57.9	26.7	31.0	42.5	19.9	10.0	20.0	17.9
Primary school	45.9	14.3	18.7	39.3	90.8	16.3	18.4	76.0	22.5	10.2	20.0	20.2
Primary education	30.2	17.9	22.5	24.8	42.2	19.3	22.1	34.0	16.8	13.8	24.0	14.5
Junior high school or equivalent vocational school	69.5	18.7	20.4	56.5	92.3	17.4	18.7	76.2	29.5	26.0	29.8	21.8
High school	32.6	25.0	27.2	24.5	38.8	23.2	25.3	29.8	25.6	28.1	30.5	18.4
Vocational school at high school level	58.2	20.8	22.2	46.1	66.2	17.6	18.8	54.5	46.3	27.7	29.1	33.5
University or other higher educational institution	76.0	29.8	30.5	53.4	77.9	24.0	25.0	59.2	74.5	35.0	35.4	48.4
Total	38.1	20.5	24.2	30.3	51.7	20.1	22.3	41.3	25.1	21.2	28.5	19.8
2007												
Illiterate	17.5	16.7	25.9	14.6	36.8	28.9	32.6	26.2	13.0	8.6	14.6	11.9
Literate but no school completed	29.6	17.3	21.3	24.5	54.2	22.6	24.7	42.0	17.3	9.1	13.0	15.7

Primary school	46.1	14.7	19.2	39.3	90.0	17.0	18.9	74.7	22.0	9.4	20.2	19.9
Primary education	27.3	16.8	21.1	22.7	37.2	17.8	20.4	30.5	15.9	14.1	23.8	13.7
Junior high school or equivalent vocational school	67.9	19.3	21.4	54.8	90.9	18.5	20.2	74.1	30.3	23.2	27.6	23.3
High school	31.2	23.5	25.9	23.9	37.0	20.5	22.5	29.4	24.8	28.5	31.6	17.7
Vocational school at high school level	58.4	22.6	24.0	45.2	67.8	19.9	21.2	54.3	44.6	28.5	29.9	31.8
University or other higher educational institution	76.3	28.5	29.0	54.6	77.7	26.4	27.0	57.2	75.2	30.3	30.8	52.4
Total	37.7	20.0	23.3	30.2	51.6	19.6	21.5	41.5	24.4	20.8	27.4	19.3
2006												
Illiterate	18.4	12.5	20.4	16.1	39.8	22.9	25.3	30.7	12.9	4.1	11.4	12.3
Literate but no school completed	29.1	15.3	20.3	24.7	49.3	19.6	22.5	39.7	17.7	8.6	15.1	16.2
Primary school	45.3	14.7	19.5	38.7	85.3	16.3	18.2	71.4	24.5	11.7	23.8	21.7
Primary education	22.8	15.2	19.0	19.4	30.3	15.6	17.9	25.6	13.5	13.9	23.7	11.6
Junior high school or equivalent vocational school	59.9	17.9	20.5	49.2	82.9	17.2	19.1	68.6	28.0	20.6	27.0	22.3
High school	31.2	25.2	27.9	23.3	37.6	22.3	24.5	29.2	23.9	30.3	33.9	16.6
Vocational school at high school level	55.8	21.1	22.4	44.1	65.6	17.2	18.4	54.3	42.3	29.4	30.7	29.8
University or other higher educational institution	75.4	27.2	27.7	54.9	76.8	25.0	25.7	57.6	74.2	29.2	29.6	52.5
Total	37.4	19.1	22.5	30.3	51.1	18.3	20.2	41.8	24.4	20.6	28.1	19.3

Source: TurkStat, Labour Force Statistics Database

TABLE 3.10 EMPLOYMENT STATUS (15+) BY GENDER (MILLION)

	Total	Regular and casual employees	Employer	Self-employed	Unpaid family worker
Total					
2010	22.594	13.762	1.202	4.548	3.083
2009	21.277	12.770	1.209	4.429	2.870
2008	21.194	12.937	1.249	4.324	2.684
2007*	20.738	12.534	1.189	4.386	2.628
2006*	20.423	12.028	1.162	4.555	2.678
2005*	20.066	11.435	1.101	4.689	2.841
2004*	19.631	10.693	0.999	4.571	3.367
Male					
2010	16.170	10.502	1.120	3.725	0.823
2009	15.406	9.771	1.132	3.680	0.825
2008	15.598	9.962	1.172	3.707	0.757
2007*	15.382	9.725	1.114	3.769	0.773
2006*	15.165	9.358	1.093	3.895	0.819
2005*	14.958	8.967	1.051	4.022	0.918
2004*	14.585	8.430	0.950	4.081	1.123
Female					
2010	6.425	3.260	0.83	0.822	2.260
2009	5.871	2.999	0.77	0.749	2.045
2008	5.595	2.975	0.77	0.616	1.927
2007*	5.356	2.809	0.75	0.617	1.855
2006*	5.258	2.670	0.69	0.659	1.859
2005*	5.108	2.468	0.50	0.667	1.923
2004*	5.047	2.263	0.49	0.490	2.244

Note: (*) Revised according to new population projections. Total figures may not be exact due to the rounding of the numbers.

Source: TurkStat, Results of Household Labour Force Survey

TABLE 3.11 EMPLOYMENT STATUS (15+) OF PEOPLE NOT REGISTERED TO ANY SOCIAL SECURITY INSTITUTION BY GENDER (MILLION)

	Total	Regular and casual employees	Employer	Self-employed	Unpaid family worker
Total					
2010	9.772	3.535	0.301	3.095	2.841
2009	9.328	3.349	0.325	3.031	2.624
2008	9.220	3.414	0.349	2.893	2.563
2007*	9.423	3.681	0.330	2.892	2.519
2006*	9.593	3.786	0.310	2.954	2.543
2005*	9.666	3.658	0.282	3.031	2.695
2004*	9.843	3.433	0.231	2.942	3.237
Male					
2010	6.015	2.678	0.280	2.348	0.709
2009	5.902	2.551	0.300	2.348	0.703
2008	5.950	2.622	0.324	2.335	0.670
2007*	6.170	2.839	0.309	2.329	0.692
2006*	6.283	2.912	0.286	2.364	0.721
2005*	6.348	2.837	0.264	2.421	0.826
2004*	6.455	2.691	0.217	2.499	1.048
Female					
2010	3.758	0.857	0.22	0.746	2.133
2009	3.426	0.798	0.24	0.683	1.922
2008	3.269	0.792	0.26	0.559	1.893
2007*	3.253	0.842	0.21	0.563	1.826
2006*	3.310	0.875	0.23	0.590	1.822
2005*	3.318	0.821	0.18	0.610	1.869
2004*	3.388	0.742	0.14	0.443	2.189

Note: (*) Revised according to new population projections. Total figures may not be exact due to the rounding of the numbers.
Source: TurkStat, Results of Household Labour Force Survey

TABLE 3.12 WORKERS' STATUS AND SOCIAL SECURITY COVERAGE, 2010 (%)

	Male share per status	Thereof without social security	Female share per status	Thereof without social security
Regular and casual employees	60.9	25.7	50.7	26.3
Employers	5.3	25.0	1.3	26.5
Self-employed	20.1	68.1	12.8	90.8
Unpaid family workers	13.6	92.2	35.2	94.4
Total	100		100	

Source: TurkStat, Results of Household Labour Force Survey

TABLE 3.13 EMPLOYMENT BY INDUSTRIAL SECTOR (% OF TOTAL EMPLOYMENT) AND SHARE OF GDP

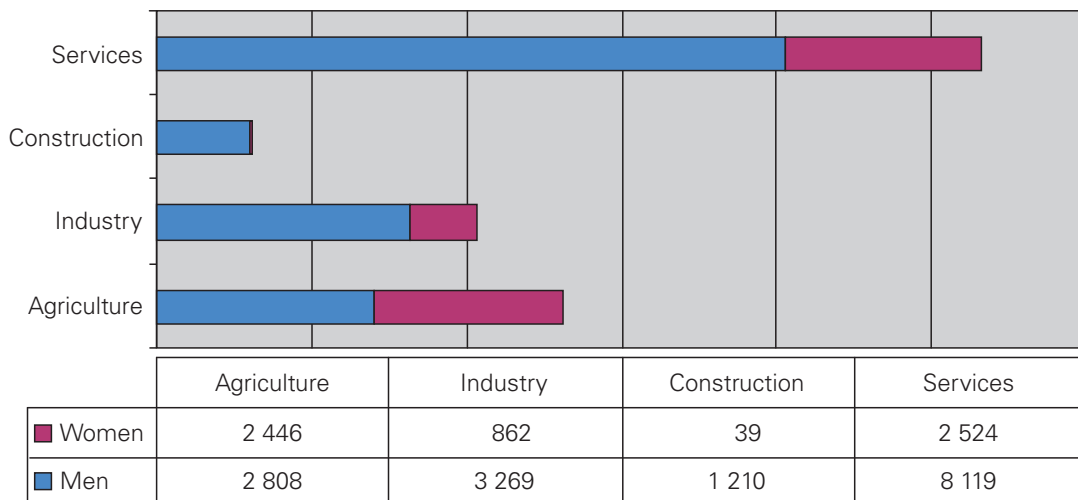
Civil employment	2007	2008	2009	Sector shares in GDP 2009
Agriculture	23.5	23.7	24.7	8.2
Industry	20.8	21	19.4	18.8
Construction	5.9	5.9	5.9	3.8
Services	49.8	49.5	50.0	69.2
Total	100.0	100.1	100.0	100.0

Sources: TurkStat, Results of Household Labour Force Survey; for shares in GDP: TOBB 2009 Economic Report

TABLE 3.14 EMPLOYMENT BY ECONOMIC SECTOR (%)

	2004*	2005*	2006*	2007*	2008	2009	2010
Total							
Total	100	100	100	100	100	100	100
Agriculture	29.1	25.7	24.0	23.5	23.7	24.7	25.2
Industry	20.0	20.8	20.9	20.8	21.0	19.4	19.9
Construction	4.9	5.5	5.9	5.9	5.9	5.9	6.3
Services	46.0	48.0	49.2	49.8	49.5	50.0	48.6
Male							
Total	100	100	100	100	100	100	100
Agriculture	21.6	18.6	17.2	16.8	17.1	18.2	18.3
Industry	21.5	22.4	22.7	22.7	23.1	21.2	21.8
Construction	6.5	7.2	7.6	7.8	7.7	7.9	8.5
Services	50.5	51.7	52.4	52.8	52.1	52.7	51.4
Female							
Total	100	100	100	100	100	100	100
Agriculture	50.8	46.3	43.6	42.7	42.1	41.7	42.4
Industry	15.6	16.1	15.7	15.4	15.0	14.7	15.0
Construction	0.5	0.5	0.7	0.7	0.8	0.7	0.9
Services	33.1	37.0	40.0	41.2	42.2	43.0	41.7

Source: TurkStat, Results of Household Labour Force Survey; (*) Revised according to the new population projections

FIGURE 3.3 EMPLOYMENT BY ECONOMIC SECTOR AND GENDER, 2009 (1 000s)

Source: TurkStat, Results of Household Labour Force Survey

TABLE 3.15 ANNUAL AVERAGE GROSS EARNINGS BY GENDER AND EDUCATIONAL ATTAINMENT, 2006

Educational attainment (ISCED, 1997)	Annual average gross earnings (TRY)	Payments comprising the earnings (%)			
		Basic wage payments	Regular payments	Irregular payments	In-kind payments
Total					
Total	14 252	82.0	8.9	6.7	2.4
Primary school and below	9 676	84.9	8.6	4.2	2.3
Primary education and secondary school	9 640	85.3	8.1	4.1	2.4
High school	11 802	83.9	8.2	5.2	2.7
Vocational high school	16 334	72.2	16.1	8.0	3.8
Higher education	27 310	81.8	7.2	9.1	1.8
Male					
Total	14 316	81.0	9.8	6.8	2.4
Primary school and below	9 952	84.1	9.0	4.5	2.3
Primary education and secondary school	9 999	84.6	8.6	4.5	2.3
High school	12 042	83.2	9.0	5.2	2.6
Vocational high school	17 312	70.2	17.4	8.5	3.9
Higher education	29 258	80.9	7.9	9.4	1.7

Educational attainment (ISCED, 1997)	Annual average gross earnings (TRY)	Payments comprising the earnings (%)			
		Basic wage payments	Regular payments	Irregular payments	In-kind payments
Female					
Total	14 036	85.4	5.8	6.4	2.4
Primary school and below	8 159	89.8	5.4	2.4	2.4
Primary education and secondary school	8 064	89.3	5.6	2.4	2.7
High school	11 182	85.9	5.9	5.3	2.9
Vocational high school	11 990	84.9	7.3	5.0	2.8
Higher education	23 899	83.7	5.7	8.5	2.0

Source: TurkStat, Results of Structure of Earnings Survey, 2006

TABLE 3.16 MONTHLY AVERAGE GROSS WAGE BY GENDER, EDUCATIONAL ATTAINMENT AND GENDER PAY GAP, 2006

	Distribution of employees			Monthly average basic gross wage (TRY)			Monthly average gross wage (TRY)			Gender pay gap (%)
	Total	Male	Female	Total	Male	Female	Total	Male	Female	
Total	100	100	100	994	986	1 021	1 103	1 107	1 091	1.4
Primary school and below	30.9	34.0	20.6	692	707	614	764	784	650	17.1
Primary education and secondary school	16.4	17.3	13.2	694	714	603	760	788	640	18.7
High school	22.4	21.0	27.2	840	850	814	922	943	870	7.7
Vocational high school	11.3	12.0	9.0	1 004	1 035	864	1 233	1 298	944	27.2
Higher education	19.0	15.7	30.0	1 920	2 035	1 719	2 088	2 231	1 837	17.7

Source: TurkStat, Results of Structure of Earnings Survey, 2006

TABLE 3.17 NUMBER OF REGISTERED UNEMPLOYED BY AGE AND GENDER

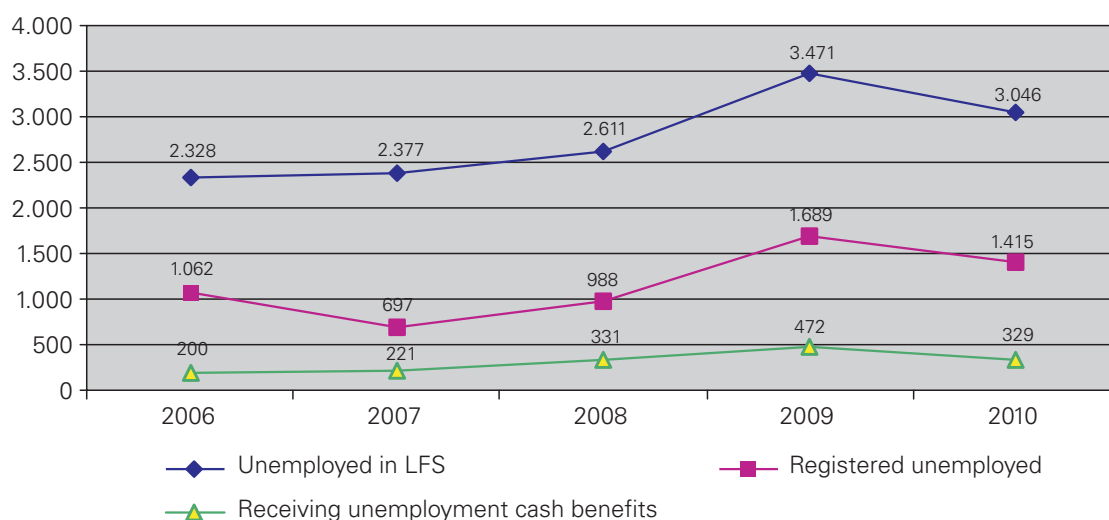
	2005	2006	2007			2008			2009	2010
	Total	Total	Total	Male	Female	Total	Male	Female	Total	Total
15-19	26 230	29 790	32 290	19 770	12 520	43 740	27 090	16 650	71 910	28 720
20-24	168 830	178 050	156 320	108 330	47 990	212 530	143 020	69 500	339 020	248 500
25-29	231 390	269 070	190 790	144 690	46 110	262 660	194 950	67 710	435 720	373 020
30-39	295 450	364 010	216 440	169 260	47 180	313 680	241 270	72 410	563 500	516 960
40-44	91 880	122 890	59 240	47 500	11 740	86 720	68 330	18 400	153 590	134 180
45-64	66 700	96 510	40 820	30 140	10 670	66 880	48 710	18 180	122 980	111 490
65+	780	1 540	640	440	200	1 630	970	660	2 630	1 690
Total	881 260	1 061 850	696 540	520 140	176 400	987 840	724 340	263 500	1 689 350	1 414 540

Sources: 2005-06 and 2009-10: İŞKUR; 2007: CPESSEC, Statistical Bulletin No 1, July 2008; 2008: CPESSEC, Statistical Bulletin No 2, July 2009

TABLE 3.18 REGISTERED UNEMPLOYMENT AND LFS UNEMPLOYMENT BY UNEMPLOYMENT DURATION AND GENDER

	2007			2008			2009			2010		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Registered unemployed												
Up to 1 year	569 840	416 160	153 680	726 960	516 080	210 880						
1 year +	126 700	103 970	22 720	260 880	208 260	52 630						
Total	696 540	520 140	176 400	987 840	724 340	263 500	1 689 350	1 186 220	503 130	1 414 540	999 570	414 970
LFS												
Up to 1 year	1 656 000	1 252 000	404 000	1 912 000	1 427 000	483 000	2 594 000	1 929 000	665 000	2 175 000	1 570 000	605 000
1 year +	720 000	464 000	255 000	699 000	449 000	251 000	877 000	562 000	315 000	871 000	518 000	353 000
Total	2 376 000	1 716 000	659 000	2 611 000	1 876 000	734 000	3 471 000	2 491 000	980 000	3 046 000	2 088 000	958 000

Sources: Registered unemployment: 2007: CPESSEC, Statistical Bulletin No 1, July 2008; 2008: CPESSEC, Statistical Bulletin No 2, July 2009; 2009–10: İŞKUR data; LFS: TurkStat

FIGURE 3.4 COMPARISON OF UNEMPLOYMENT DATA – LFS AND ADMINISTRATIVE DATA (100s)

Sources: Administrative data: İŞKUR (2011a); Data for 2010: İŞKUR; LFS: TurkStat, Labour Force Statistics Database

TABLE 3.19 PARTICIPANTS IN ACTIVE LABOUR MARKET MEASURES BY GENDER

	2009			2010			2011 (Jan–Aug)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Labour market training	86 477	81 075	167 552	76 847	85 493	162 340	28 058	33 150	61 208
Specialised occupation training							21 346	6 676	28 022
Apprenticeship programme	727	558	1 285	2 643	2 028	4 671	2 181	2 291	4 472
Training of employees	387		387	2 134	416	2 550	5 280	315	5 595
Entrepreneurship training							10 263	7 790	18 053
Public works	32 508	12 120	44 628	32 697	9 369	42 066	16 376	3 001	19 377
Total	120 099	93 753	213 852	114 321	97 306	211 627	83 504	53 223	136 727
Share of women (%)	43.8			46.0			38.9		

Source: İŞKUR data, received September 2011

TABLE 3.20 TURKISH EMPLOYMENT AGENCY STATISTICS

	2006	2007	2008	2009	2010
Number of registered unemployed by gender					
Women	279 201	176 403	263 502	503 130	414 972
Men	782 652	520 135	724 338	1 186 219	999 569
Total	1 061 853	696 538	987 840	1 689 349	1 414 541
Number of registered unemployed by age group					
15–19	72 576	32 292	43 739	71 913	28 715
20–24	178 051	156 316	212 528	339 024	248 495
25–29	269 066	190 793	262 663	435 718	373 019
30–34	213 575	130 382	181 407	317 613	297 963
35–39	150 438	86 058	132 270	245 882	218 996
40–44	122 891	59 241	86 723	153 587	134 177
45–64	96 511	40 816	66 884	122 981	111 491
65+	1 535	640	1 626	2 631	1 685
Number of registered unemployed by education level					
Illiterate	4 942	10 475	21 985	32 016	20 920
Literate	8 210	16 877	24 472	32 123	23 993
Primary education	267 618	568 510	445 480	769 783	636 628
High school	201 397	255 350	340 045	591 384	509 468
Two-year higher education	38 672	56 939	82 774	140 572	124 390
Bachelor's degree	42 790	42 652	70 078	118 058	95 209
Master's degree	759	1 085	3 006	5 413	3 933
Number of unemployed receiving cash benefits (unemployment insurance)	199 560	221 356	331 219	472 284	329 348
Number of unemployed participating in active measures					
Vocational training	14 513	14 978	23 423	159 576	146 888
Public works				45 467	42 066
Apprenticeship programmes				1 285	4 671
Entrepreneurship programmes	648	1 175	4 202	6 674	8 306
<i>Cazibe merkezler</i> project (business incubator)				450	1 903
Workers' vocational training				387	2 550
Privatisation social support project	1 945	5 537	4 581		
Number of vacancies	151 794	186 922	178 620	165 890	368 636
Active employment policy measures expenditure (thousand TRY)	27 974	29 672	35 511	306 366	392 644

Source: İŞKUR

TABLE 3.21 ACTIVATION RATE

	2006	2007	2008	2009	2010
ALMP participants	17 106	21 690	32 206	222 985	223 846
Activation rate (% of registered unemployed participating in ALMPs)	1.6	3.1	3.3	13.2	15.8
Activation rate as % of unemployed population in LFS	0.7	0.9	1.2	6.4	7.3

Source: ETF calculation based on data provided by İŞKUR and TurkStat LFS

TABLE 3.22 TURKEY AND EU BENCHMARKS – LABOUR MARKET

	Turkey		EU-27	
	2009	2010	2009	2010
Total activity rate (15–64)	50.8		71.1	
Female activity rate (15–64)	27.8		64.3	
Total employment rate (15–64)	44.3	46.3	64.6	64.2
Female employment rate (15–64)	24.2	26.2	58.2	58.2
Employment in agriculture ¹ (% of total)	24.7	22.4	4.6	4.7
Total unemployment rate (15+)	14.0	11.9	8.9	9.6
Female unemployment rate (15+)	14.3	13.0	8.8	9.6
Youth unemployment rate (15–24)	25.3	21.7	19.6	20.8

(1) Includes agriculture, forestry and fishing.

Sources: European Commission, 2010c; TurkStat, Labour Force Survey 2009

TABLE 3.23 IPA COUNTRIES AND EU BENCHMARKS – LABOUR MARKET

	EU-27 2010	EU 2020 obj.	AL 2009	BA 2010	IS 2010	XK 2009	ME 2010	RS 2010	HR 2010	MK 2010	TR 2010
Employment rate (20–64)	69.1	75.0			80.4			51.2	58.7	48.1	50.0
Employment rate (15–64)	64.2		53.4	39.0	78.2	26.1	47.6	47.2	54.0	43.5	46.3
Female employment rate (15–64)	58.2		43.6	28.6	76.2	12.5	41.0	40.1	48.8	34.0	26.2
Employment rate of older workers (55–64)	46.3		44.0 (2008)	33.0 (50–64)	79.8	27.9	46.2 (50–64)	32.8	37.6	34.2	29.6
Employment in agriculture ¹ (% of total)	4.7		44.1	19.7	5.4	6.2	12.9	18.5	12.5	19.8 ^(c)	22.4
Unemployment rate (15+)	9.6		13.8	27.2	7.6	45.4 (15–64)	19.7	19.2	11.8	32.0	11.9
Female unemployment rate (15+)	9.6		15.9	29.9	6.7	56.4 (15–64)	20.6	20.2	12.3	32.3	13.0
Youth unemployment rate (15–24)	20.8		27.2	57.5	16.2	73.0	47.1	46.2	32.5	53.7	21.7
Unemployment rate of the elder workforce (55–64)	6.9		8.2 (2008)	17.8 (50–64)	4.4	25.9	9.4 (50–64)	11.9	7.7 ^(u)	27.8	5.9
Total long-term unemployment rate ²	3.8		9.1 ^(a)	9.8		36.8 ^(b)	7.1	13.9	6.7 ^(u)	26.6	2.8

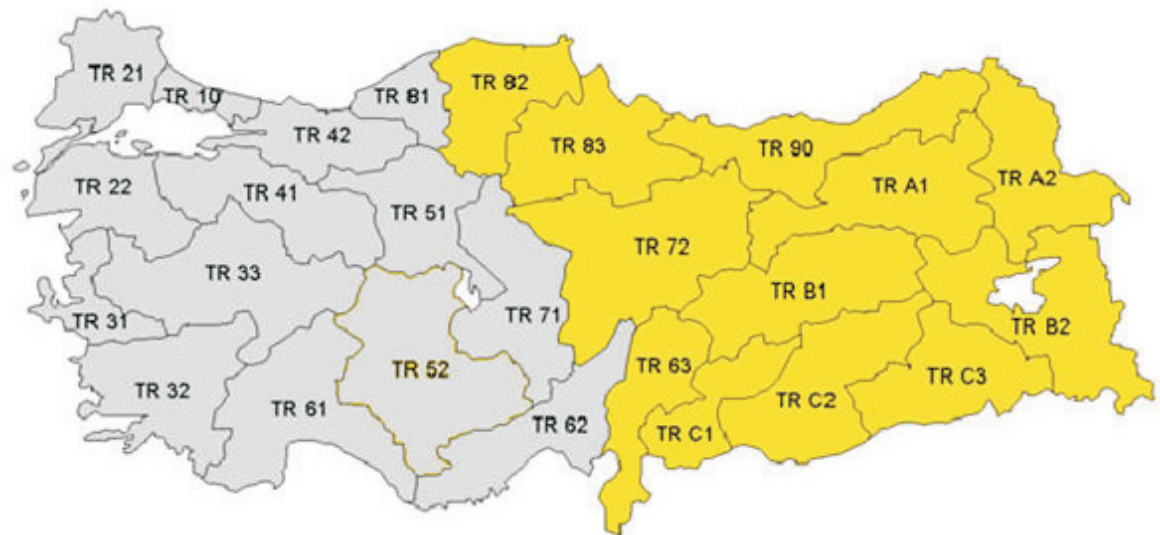
(1) Includes agriculture, forestry and fishing. (2) Long-term unemployed (≥12 months) as a percentage of the total active population.

(u) Unreliable figures.

Sources: EU-27, IS, HR, MK and TR: Eurostat databases; XK: ETF input to EC progress report; AL, BA, ME and RS: national statistical offices, LFS publications; Turkey unemployment rates (except long-term unemployment): TurkStat; KS estimated on LFS data; (a) As reported in LFS official publication (no information available on the calculation method); (b) Estimated on LFS data; (c) National Statistical Office, LFS 2010

FIGURE 3.5 ANNUAL AVERAGE EQUIVALISED DISPOSABLE INCOMES*, 2009

(*) The equivalised disposable income is the gross household income minus taxes 'scaled' by the size of the household.
 Source: TurkStat, Income and Living Conditions Survey

FIGURE 3.6 NUTS 2 REGIONS IN TURKEY

Source: www.ikg.gov.tr/en.html

4. KEY POLICY ISSUES, STRATEGIES AND CHALLENGES IN SOCIAL INCLUSION

Chapter 4 will focus on the key policy issues and challenges related to equity, access and participation for 'marginalised groups' in education, employment and society. In order to assess Turkey's performance in terms of education, employment and social inclusion, we will examine and process both input and output indicators.

Economic growth coupled with the selective adoption of economic liberalisation policies has increased levels of polarisation, segregation and exclusion in the big cities and less developed regions of Turkey in a way that has impacted negatively on various disadvantaged social groups by exposing some already underprivileged segments of the society to stricter market discipline.

The term social inclusion can be defined in a variety of ways, but for the purposes of this report we will use the 2004 European Commission definition of the term¹⁰ (European Commission and Council, 2004, p. 8). The superficially equivalent term *sosyal içerme* is also used in Turkish, but this covers a restricted group of elements relating only to aspects of social protection and social welfare. Similarly, while poverty (*yoksulluk*) has always existed in Turkey as a social fact, public and academic debate of the issue was uncommon until the aftermath of the devastating 1999 earthquake in the Marmara Region and the economic crises of 1994 and 2001. The joint issues of poverty and social exclusion in Turkey have been key issues in the Joint Inclusion Memorandum (JIM) process initiated in 2005, although to date the issue of the 'inclusion' of disadvantaged persons has been examined solely in terms of their inclusion in the labour market.

4.1 GENERAL POLICY INITIATIVES AND PROGRAMMES FOR VULNERABLE GROUPS

The principle of equal treatment and rights for vulnerable groups is guaranteed in Turkey by Article 10 of the constitution, and this, in combination with the Penal Code and key applicable laws, forms the basis of a regulatory framework aiming to provide adequate and efficient protection and services for the nationally identified disadvantaged groups.

The Turkish constitution and legal framework have been repeatedly revised and adapted to respond to the needs

of these groups in line with political, economic and social developments in Turkey and the EU. Since the constitutional referendum of September 2010 and the elections of June 2011, consensus has emerged on the need for a new constitution to replace the document adopted in the wake of the 1980 military coup (European Commission, 2011a). New anti-discrimination legislation and the establishment of a specialist body to promote equality in Turkey are expected to enhance the legal framework for protection against discrimination.

Turkey is party to a number, but by no means all, of the fundamental international agreements on the elimination of discrimination. Moreover, Turkey has not yet signed the Council of Europe Framework Convention for the protection of national minorities.

Institutional setting

Yükseker (2009) stated the widely recognised view that 'Turkey is for the first time institutionalising the fight against poverty through cash support programmes, projects for universal basic education, expansion of healthcare coverage and unemployment insurance [...] in very important stepping stones to increase social integration', and additional building blocks have been provided by World Bank-supported cash programmes, EU-funded projects for universal basic education, the expansion of health care coverage through Green Cards, and the Unemployment Insurance System established since the late 1990s. However, no poverty alleviation, social inclusion or national employment strategies as such are in place in Turkey, although a draft document on employment strategy is awaiting endorsement. In early 2005, Turkey initiated efforts toward joining the European Combating Social Exclusion Strategy with the JIM process, but the draft JIM document is still in the revision stage.

The key strategic document incorporating the main objectives for the sector is the Ninth Development Plan (2007-13). This plan is put into operation through the Medium Term Programme (2010-12) that includes the following four components under the heading of Strengthening Human Resources and Social Solidarity: (i) strengthening the education system; (ii) strengthening the health care system; (iii) improving income distribution, social inclusion and combating poverty; and (iv) increasing the effectiveness of the social security system. The government's operational plan identifies indicators to

¹⁰ Social inclusion is defined here as: 'a process which ensures that those at risk of poverty and social exclusion gain the opportunities and resources necessary to participate fully in economic, social and cultural life and to enjoy a standard of living and well-being that is considered normal in the society in which they live. It ensures that they have a greater participation in decision making which affects their lives and access to their fundamental rights.'

measure access to education, health, housing, social services and employment services for disadvantaged groups. These development programmes, coupled with public, private and other EU and international cooperation programmes, aim to avoid reproduction of the culture of poverty. These programmes pay particular attention to human development, human rights, gender equality and capacity development. However, the real challenge lies in coupling implementation of those programmes with underpinning laws and strategies that will ensure real changes take place as verified by objective indicators.

Effectiveness of government policies

Any assessment of the effectiveness of government social policy must be aware of the pre-existing institutional framework, as, in the words of Buğra and Candas (2011) ‘the inherited system of social security continues to shape both the impact and the response to the global reach of the market economy’. The social security regime that emerged after the Second World War has sometimes been presented as a prime example of the ‘Southern European welfare regime’ defined by Ferrera (1996) as a minimalist welfare regime in the context of a large informal sector. Significant changes were introduced in the 1980s and 1990s including: the creation of the means-tested Fund for the Encouragement of Social Cooperation and Solidarity, or Social Solidarity Fund, and; the introduction of the Green Card scheme for people living in poverty and excluded from the state subsidised health services.

Buğra and Candas (ibid.) conclude that ‘the need for a systematic approach to poverty alleviation through redistributive channels was acknowledged and the steps taken in this direction were mainly shaped by Turkey’s relations with the EU’, but other critics (Arts and Gelissen, 2002; Grütjen, 2008) have argued that the Turkish welfare system still falls short of the standards usually seen in the Southern European welfare regime in some crucial aspects. In reality, the Turkish system is a mixture between the minimalist Southern European approach and the pattern common in many Middle Eastern countries where high levels of informality combine with low employment rates, low female participation, low population coverage by the social protection system and low educational levels.

Furthermore, some serious institutional challenges and specific concerns in the management and implementation of inclusive social policies hinder the successful implementation of the government policies and programmes mentioned above. The first and most important of these is that Turkey inherited a segmented organisational structure for combating social exclusion and poverty that has rendered coordination among the institutions less effective. The primary consequence of this complication is the duplication of certain services combined with a total lack of provision of some other services for those in need.

This overcrowded institutional infrastructure is coupled with many other negative elements including: an apparent lack of a framework for achieving policy coherence; a lack

of integrated mechanisms (national versus regional) for establishing and updating strategic priorities; poor communication, coordination and cooperation among relevant responsible institutions; excessively weighty administrative procedures; constrained public human and financial resources for social policy, and; a perceived lack of any culture of evaluation and responsiveness to users in the delivery of social services to in-need groups.

The politicised nature of these policies, the role of hierarchy and patronage, and the prevalence of ‘institutional turfs’ (where institutions are loyal to their own restricted view on issues to the detriment of the bigger picture) are widely recognised and criticised by civil society and researchers in the field. Commentators have recognised that ‘the emphasis placed on the role of NGOs in dealing with poverty and the blurring of the boundaries between the activities of voluntary associations, central government agencies, municipalities and the [ruling] party seem [...] to be in conformity not only with the traditions of Islamic charity but also with the global social policy environment’ and that assistance is distributed in a non-transparent manner by both municipalities and local branches of the central welfare administration. In fact, according to official statistics, in 2009 ‘the amount of social assistance distributed by the General Directorate of Social Assistance and Solidarity increased threefold in the pre-election period’ (Buğra and Candas, 2011).

The studies that are available indicate that outcome indicators and intermediate indicators linking public spending to outcomes are missing. Many high-level indicators (such as the incidence of absolute poverty) involve more than one sector and are difficult to analyse because of the attribution of responsibilities between the various agencies and actors. On top of this, reliable base-line data are often not available or comprehensive enough, hindering effective assessments of programme outcomes. Information that could feed into policy making is also based on poverty monitoring tools that measure input indicators which only assess physical outcomes. Most of these are not linked to budget information on financial execution, so it is difficult to link disbursement to actual service outcomes. A key weakness lies in the monitoring of outcomes and impact assessment that is not always linked to the decision-making process; an element that has resulted in limited progress toward completion of the social inclusion agenda in Turkey.

In response to these challenges, a new Ministry of Family and Social Policies (MoFSP) was established after the June 2011 elections, merging a number of institutions responsible for issues such as social protection, social assistance, women, children, the disabled and family issues, in an effort to overcome institutional fragmentation in this field.

Groups with high levels of poverty and social exclusion

Turkish government data show a serious challenge with relative poverty, where ‘relative poverty’ is defined as any individual living below the average welfare level of a society. The absolute poverty rate is relatively low in

Turkey, with estimates of only 0.22% living below the income threshold of USD 2.15 per day in 2009, but according to official Turkish data, complete poverty including both food and non-food consumption affected 18.08% of the population or approximately 13 million people in the same year (see **TABLE 4.1** for further details). This does, however, represent an improvement on 2003 figures, when complete poverty affected 28.12% of the population or approximately 20 million people.

Turkey has highly unequal income distribution with the Gini index of 0.42 in 2009 although levels vary from region to region within the country (see **TABLE 4.4** for more details). This index is above levels for the rest of the IPA region (World Bank, 2011a), however, and the country ranked 83rd in the HDI (UNDP, 2010b); up one position since 2009, but still far behind the EU, Eastern Europe and the Western Balkan countries. The Gender Gap Index also presents a bleak picture, with Turkey in 126th position in 2010, well behind all of the western countries and several Asian, African and Arab states (Hausmann et al., 2010). The human development rankings, particularly on education, health and labour market indicators, reflect the deficiencies in human development and uneven economic growth in the country. Women and minorities, including non-Muslims and the disabled, are underrepresented in the Turkish Parliament, public administration and political life in a way that mirrors the degree of marginalisation of a very large part of Turkish society itself.

Socially excluded groups

Vulnerable groups in Turkey, defined as those at highest risk of poverty and social exclusion, can be classified in the following ways: (i) general social groups; (ii) hidden marginalised groups; and (iii) spatially or regionally defined groups. These group classifications often in fact overlap, and all of them are negatively affected in terms of access to information, entitlements and any rights-based demands in general (as distinct from benefits derived from charities operating on the basis of religious conviction).

General social groups include groups with generally low educational attainment where various dimensions of deprivation culminate, and also more specific social groups defined in terms of gender (women with restricted access to benefits in general and education and employment in particular and representation in politics, as well as senior positions in public administration, the government, political parties and trade unions), age (vulnerable children and older people left behind in migration areas) or disability. There is also the wider category of the unemployed and those excluded from participation in the labour force. Furthermore, there are the less visible excluded groups, which include people with disabilities, people migrating in from rural areas, seasonal workers (mostly agricultural workers), internally displaced persons (IDPs), working children, street children, elderly people left behind by moving families, women exposed to domestic and street violence, young people, former convicts, former prisoners and former drug users.

‘Hidden’ marginalised groups are a more contentious issue as these groups are given no official recognition and the category could include a range of groups affected by overall social disadvantage and exclusion (Minority Rights Group International, 2011).

Finally, spatially or regionally defined groups include a broad spectrum of populations defined within the process of internal migration, most especially those affected by rapid rates of urbanisation in the big cities of Turkey. They also include populations affected by more general regional and spatial inequalities, unequal regional growth and the creation of ‘zones of exclusion’ in urban areas and elsewhere. Other such groups are created by conflict-induced forced migration and the ensuing return – a situation that affects substantial numbers of people in the South-Eastern provinces and elsewhere, and those with IDP status in particular.

4.2 SOCIAL INCLUSION IN EDUCATION

MoNE has recognised social exclusion as a crucial issue in education, taking impressive steps to extend the school infrastructure network, increase enrolment rates, provide more teachers – especially in the less developed regions – supply better books and teaching materials and organise transport, scholarships and grants for pupils and students from poor and socially marginalised backgrounds. A campaign has been initiated to get more girls into school, with the implementation supported by NGOs. Strong measures have been taken to reduce dropouts from primary education although the number of early school leavers after eight years of schooling is still very high, particularly for girls¹¹. Adult and women-only literacy programmes have been conducted. A number of changes have been introduced to legislation and educational policies as part of efforts to ensure equity and inclusion regardless of cultural background, socio-economic status and ability.

Recent policies and initiatives under the MoNE Directorate General for Primary Education¹² have included the establishment of an information management system to register absenteeism and a catch-up education programme for primary-age children excluded from the system. Other important steps towards a more inclusive education system are being taken through ongoing research and joint work on policy by Unicef, MoNE and the Education Reform Initiative to improve (i) electronic systems for better monitoring and prevention of absenteeism and dropouts; (ii) transition rates of from primary to secondary education; and (iii) the financial management of schools.

MoNE programmes and projects specifically target those marginalised groups identified by the government, such as: people with disabilities, girls and the children of rural and seasonal migrant workers. Other groups including the Roma have only recently received recognition in

¹¹ Eurostat gives the rate of early school leavers in Turkey as 43.1% in 2010, a figure that represents a percentage of 18-24 year-olds with at most lower secondary education and not in further education or training.

¹² Amalgamated with the Directorate General of Pre-Primary Education under the newly established Directorate General for Basic Education

government policy papers. In December 2010, MoNE launched initiatives to improve access to education among Roma children through awareness-raising campaigns delivered in a series of national workshops involving Roma NGOs and key national and local stakeholders.

MoNE issued a circular on the Education of Seasonal Migrant Agricultural Workers in April 2011 following publication of a document from the Prime Minister on Improving the Work and Social Lives of Seasonal Migrant Agriculture Workers, in a move that is viewed as an important step towards catering for the needs of children who face multiple disadvantages. The two circulars encourage provincial authorities to organise coordinated efforts and implement flexible methods to improve access to education, through consideration of new concepts such as mobile teachers and education provision.

The EU and other international donors including the World Bank, Unicef and the UNDP have played a key role in helping the Ministry to strengthen cooperation with public and private funders. MoNE has the support of NGOs, employers, universities and think-tanks in the implementation of these policies. Civil society involvement has been enhanced through the process of encouraging institutional dialogue with marginalised groups in a way that has boosted their participation and acceptance of responsibility for policy formulation, implementation and monitoring on national and regional level.

Unequal access to education: the poor, women, unregistered children, minorities

Two broad issues stand out in the discussion of social inclusion in education in Turkey: inequality in access to education and the social marginalisation of some disadvantaged communities.

The issue of unequal access is reflected in a variety of general trends in areas including, in order of importance, poverty, gender discrimination, regional conditions and urban/rural differences¹³. In 2007/08, 442,625 children aged 6 to 13 were not registered for education in Turkey – amounting to 4 in every 100 children. Almost 60% of these were girls and around half were from central and south-eastern Anatolia. There are also large numbers of children whose births were not registered at all in the civil registry, and who are therefore uncouned in any statistics (Majcher-Teleon and Bardak, 2011). Child labour represents another barrier to education. Data from 2006 show around one million children working in Turkey, with girls aged 5-14 working around 30 hours a week and boys of the same age working over 25 hours, placing the country third after Mali and Senegal in ILO ratings on the issue. The TurkStat child labour report states that 6% of 6 to 17 year-olds are in work and that 66% of these are boys. Some 41% of this group work in agriculture, 28% in industry, 23% in trade and 9% in the service industries. Many of these vulnerable children belong to marginalised groups such as the Roma, children of families emigrating from rural areas, seasonal agricultural workers, IDPs, girls, and people from the Eastern regions of Turkey.

Recent projects initiated by MoNE with EU support, aim to address the challenges presented by the current exclusive approach of the Turkish education system. However, many teachers are not well enough prepared to provide good quality integrated or inclusive education, and the shortage of teachers with appropriate counselling and special education training sits at the heart of the problems encountered (ERI, 2011b).

The position of disadvantaged communities is another important concern and Kaya (2009) succinctly states that 'Turkey's most disadvantaged communities, such as [the] internally displaced population and Roma, remain extremely marginalised, including in education.' The EU accession process has had a positive influence on this policy agenda, raising awareness of the importance of education for all children, and especially for the children of disadvantaged groups, by providing evidence of lessons learned in EU-countries over the last five years.

Education of Roma children

The most frequently encountered problems of social exclusion for Roma are institutional constraints and restrictions in terms of resources. Although there are a number of local initiatives, mainly started by NGOs in cooperation with government, there are no comprehensive policies regarding access to education. On the other hand, some general policies targeting poor and socially excluded groups in general, have achieved a degree of success. For example the Green Card health insurance for the underprivileged appears to have provided good coverage among the Roma.

Education for the Roma in Turkey remains at an alarmingly poor level. Low school attendance and attainment levels, early school leaving and discriminatory practices are the key concerns. Although there is no concept of segregated school classes in Turkey, Roma children tend to attend schools where they constitute a significant proportion of the school population or sometimes the absolute majority. This is related to the fact that children in Turkey attend the nearest neighborhood school and that the Roma live in clearly circumscribed areas. Key policy challenges for the education of Roma children include issues such as: unregistered Roma children in the school system; early childhood development; early school dropouts; school attainment, and; transition to secondary education with a particular emphasis on Roma girls. Poverty is reported to be the main barrier to schooling at all levels for Roma children (Fundación Secretariado Gitano, 2010).

In the last two years there has been some progress towards finalisation of the JIM process working toward a more comprehensive definition of social inclusion and clearer identification of marginalised groups including the Roma. This work reflects recent political developments such as the 'Roma opening' process launched by the Turkish government in 2009 with an apology for past discrimination and the promise of new policies and plans. Since then, a number of workshops have been organised jointly by the Turkish government and the European

¹³ For a case study on the quality of education in rural schools, see Taneri and Engin-Demir (2011).

Commission with the participation of high level officials, Roma communities, civil society organisations, academics and representatives of the EU and international organisations. İŞKUR has also organised various forms of consultation process.

The Turkish government approach to the Roma population is couched within context of the *Milli Birlik ve Kardeşlik Projesi* (National Unity and Brotherhood Project) that aims to address social exclusion at all levels.

The Roma civil society movement is perceived as rather inexperienced and fragmented, with only a limited number of Roma organisations considered really active and effective. However, a large number of new Roma organisations have been established in the two years since the government announcement of new measures. Many stakeholders stress that strengthening the capacity of these organisations as a matter of urgency and calls have been issued for the creation of an umbrella structure for Roma groups that could act as an effective counterpart to the government.

Although the present constitution of the Republic of Turkey dates from 1982 and makes no reference at all to minorities, some articles are currently under review by the government.

Turkey has been invited to cooperate within the EU Roma platforms (2010-15) that provide systematic monitoring of inclusion and propose related actions. The Commission has held a series of seminars on Roma issues in Turkey to encourage the country in efforts for a national action plan to fight discrimination and improve Roma integration, particularly in terms of education, employment, housing, health and civil registration. No official response to the initiative has yet been received from the Turkish authorities.

4.3 SOCIAL INCLUSION IN EMPLOYMENT

The growth of the Turkish economy over the past decade has undoubtedly provided general benefits in the field of employment. In particular, the introduction of the Unemployment Insurance System from the end of the 1990s has been beneficial in terms of social inclusion, but only for a small number of unemployed people who have lost jobs in the formal sector. However, as has been pointed out in remarks on general policy initiatives, the welfare system still partly or entirely excludes vast sectors of Turkish society.

Turkish welfare and employment systems

In assessing the effectiveness and impact of Turkish social inclusion policies in employment, two general issues should be kept in mind.

The first is the sheer size of the informal sector in the Turkish economy, especially in terms of employment, which heavily affects all aspects of social policy. In the words of Buğra (2007), the Republic of Turkey is also

affected by 'the continuing significance of peasant agriculture, [making] Turkey an exceptional case among most medium-income countries at the same level of economic development.' In 2005, agriculture employed 34% of the labour force, although it accounted for only 11% of GDP (Altuğ et al., 2008).

The second related point is that the Turkish welfare system is a hybrid system that is not simply a variation of the Southern European model (Grütjen, 2008). This mitigates against progress 'in important policy areas, most notably the labour market trends and gender divisions in employment, [where] the country has yet to match the performance of other south European states' (Aybars and Tsarouhas, 2010). As was pointed out earlier, the piecemeal introduction of elements of market-oriented social policy has in fact contributed to an increase in social exclusion as is confirmed by recent data shown in

TABLE 3.14.

Labour market programmes and their effectiveness

İŞKUR is responsible for many programmes and projects. These projects focus on employment, social inclusion and culture, art and sport as part of efforts to increase employability, develop a more qualified labour force, reduce poverty, facilitate access to employment for disadvantaged segments of the society and improve living standards. In addition, TRY 139.3 million was allocated to İŞKUR in the 2008-12 period for implementation of the social development component of the *Güneydoğu Anadolu Projesi* (South-eastern Anatolia Project, GAP) which aims to support social development in the region. The additional resources allocated to GAP provinces are expected to produce a significant increase in employment rates in the region and allocation of this fund to İŞKUR as part of the 'employment services' approach represents an important step toward implementing inclusive employment policies and services in a region with high unemployment and a concentration of recognised disadvantaged groups. İŞKUR is expanding operations and has created many additional posts, although staffing levels are still below the required numbers, particularly in local posts. Demand for İŞKUR services from employers are increasing, as are placement rates.

Additional projects receive funding from the national budget, EU coffers and other sources with a social inclusion perspective. Turkey is involved in several activities relating to EU community programmes and a memorandum of understanding was signed between the Republic of Turkey and the European Commission in 2007 for participation in the programme for employment and social solidarity progress (PROGRESS). The EU Coordination Department within MoLSS is the body responsible for the implementation and coordination of all activities and projects under PROGRESS.

Notwithstanding these advances, the institutional capacities of both the Ministry and İŞKUR need further strengthening to better address the challenges presented by social inclusion in relation to the labour market involvement of disadvantaged groups.

ALMPs are the main instrument available to the government to increase the labour market participation of disadvantaged groups, but Turkish İŞKUR appears under-sized and under-funded in relation to the expected scope of their actions when compared with equivalent EU agencies in this field. In fact, Majcher-Teleon and Bardak (2011) conclude that ‘ALMPs currently play a limited role in facilitating labour market transitions and improving employability although they provide a remedy to a limited extent. There is still a large problem in catering for those job seekers most disadvantaged in the labour market such as the low-skilled job seekers in the informal sector who form a large part of the working population and females’.

4.4 TERRITORIAL (REGIONAL) COHESION

Regional disparities

The nation-state of the Republic of Turkey was created on the basis of a centralist model and territorial and regional cohesion has always been an extremely sensitive issue (Ertugal and Dobre, 2011). The eastern regions, in particular, have always remained less advanced both economically and socially, and at the end of the first decade of the 21st century Wolleb and Daraio (2009) concluded that ‘Turkey [still] suffers large regional development disparities [...] significantly larger than in EU15 countries, and at the high end of disparities prevailing in new EU members’. They further stated that the disparities in regional economic development were reflected in disparities in household income, particularly in the East, to such an extent that the lack of opportunities in the region could prompt further migration to the larger urban centres of western Turkey.

Economic and social indicators reveal that there are considerable disparities between national average incomes in Turkey and indicators for the provinces in underdeveloped regions such as Eastern and South-Eastern Anatolia, the Black Sea and Central Anatolia regions in particular.

The data show imbalances between territories of different scales in terms of income, demographic structure, physical and social infrastructure, entrepreneurship, human resources, education level, access to health services, environmental quality, employment and the role of women. Poverty is closely correlated to place of residence, educational level and employment status. The poverty rate is higher among the illiterate and low-skilled, people employed in agriculture in the rural and eastern areas, informal and casual workers and largely female unpaid family workers (Ercan, 2010c). The majority of the Roma live in western Anatolia and Thrace while the proto-Roma Dom and Lom groups mostly live in southeastern and eastern Turkey (Marsh, 2008).

The EU-funded HRD OP is being implemented in the 12 NUTS 2 regions of Turkey with per capita GDP of less than 75% of the national average, concentrating efforts to ensure sufficient coverage and eliminate regional

disparities. Moreover, the Strategic Coherence Framework identifies the 15 cities of Kars, Van, Batman, Erzurum, Diyarbakır, Şanlıurfa, Gaziantep, Kayseri, Sivas, Trabzon, Elazığ, Malatya, Kastamonu, Samsun, and Kahramanmaraş as potential ‘growth centres,’ and these have been allocated the majority of the funds available under the HRD OP. The areas surrounding the growth centres within the 12 NUTS 2 regions are referred to as the ‘hinterlands’.

Major regional development policies implemented in Turkey

In 2002, Turkish territorial distribution was reorganised in accordance with the Nomenclature of territorial units for statistics (NUTS) classification of regions, sub-regions and provinces in alignment with EU regulations. Under the new classification system, 81 level 3 provinces were grouped into 26 level 2 clusters and 12 new adjacent province groups were labelled as level 1. A key element in this restructuring process was the creation of NUTS 2 regions equipped with regional development agencies (RDAs) (Emini, 2010).

Central regional development policy governance has shown continuity as the State Planning Organisation is still the main central unit responsible for national regional planning. According to Law No 5449 (Official Gazette, 2006) on the establishment of RDAs, the organisation is the central coordinating entity responsible for providing orientation for general regional policy at the national level. Legislation passed by the Turkish Parliament in 2006 provided an opportunity for transition toward regionalised economic development through the establishment of a national system of semi-private RDAs. The State Planning Organisation is responsible for ensuring coordination among the regional programmes prepared by the RDAs as well as evaluation of their performance (Official Gazette, 2006).

In July 2011, the State Planning Organisation became the Ministry of Development under the 61st Turkish government, and it then established a High Council of Regional Development and the Regional Development Committee to ensure the coordination of regional development policies among central institutions and local authorities. Further progress has also been made towards the accreditation of the Operating Structures in place to manage IPA components III and IV in the line ministries (European Commission, 2011a).

Various development instruments such as integrated regional development plans, investment incentives, priority development area policies, organised industrial estates, small industry sites and rural development projects have been used as basic tools to speed up regional development and eliminate the imbalance between regions (Özaslan et al., 2004). However, the actual impact of these newly formed RDAs remains to be seen.

One of the main problems encountered in regional development in Turkey is the difficulty in obtaining access to qualified data, as is also the case in other OECD

countries. The Turkish government has therefore placed heavy emphasis on improving information gathering and evaluation systems in Turkey. The UNDP HDI supported Turkey to improve the transparency of its data in order to reveal national and regional disparities even more clearly.

The provision of up-to-date and accurate information has provided a great support in the planning of public services and efficient use of public resources. Information from the Social and Economic Development Index rankings process has also contributed to development and planning initiatives conducted on various territorial scales in Turkey, from districts and provinces, to geographical zones and NUTS 1, 2 and 3 regions.

Nonetheless, this regional reform strategy is complicated by the highly centralised state tradition in the country and by the unequal levels of economic development across the territory, both of which form significant obstacles to vibrant regional economies even though the new Turkish regional development agencies have unique potential to encourage regional economic growth (Young-Hyman, 2008).

Large-scale regional programmes

Güneydoğu Anadolu Projesi (the South-eastern Anatolia Project or GAP) is a massive regional development project for the Southeast of Turkey. GAP was initially handled as an infrastructure project consisting purely of energy and irrigation initiatives, but it has moved on now to a new status as an integrated regional development programme that promotes local initiatives by benefiting the common cooperation platforms of development agencies.

The rise of a Central Anatolian business class (ESI, 2005) has certainly altered the picture in terms of regional disparities and the Black Sea regions have also experienced significant progress over recent decades. In the last ten years in particular, significant progress has even been seen in the South-East following the relative stabilisation of the region. There has been a massive expansion of educational facilities, including universities, all over Turkey, even in the Black Sea and South-Eastern regions.

Although many of these measures have been very impressive, they have been of mixed effectiveness, with some projects, like the irrigation scheme in the South-East, falling short of the intended impact.

Regional development projects and employment pacts

The regional development projects in Turkey are based on employment pacts as indicated in the Ninth Development Plan. Under Law No 5490 on the Establishment, Coordination and Tasks of Regional Development Agencies of 25 January 2006, the social pact for regional development (that forms the basis for employment pacts) is embedded in the Regional Development Agency (RDA). Membership of the RDA is diverse and inclusive, based on agreements involving local government, regional government, employers associations and trade unions,

with the additional support of various political groups. Community-based organisations and NGOs also play an important role in these formalised pacts.

The central institutions responsible for combating social exclusion are involved in the decision-making processes in the form of boards, councils and platforms at national and regional levels along with public organisations and institutions. Even though public service policies are created on the basis of equal opportunities and non-discrimination, discrepancies often occur between the policy-making and implementation stages, leading to unequal opportunities that can unintentionally lead to the reinforcement of certain inequalities on occasion.

From an institutional point of view, Turkey offers a rich variety of central and local government organisations and boards that are highly active in designing ways of implementing central policies at the local level. It is clear though that the most successful current regional level implementation of policies and Local Equality Action Plans occur in the relatively rich regions of Turkey. The recent active implementation of Local Equality Action Plans in Şanlıurfa, Kahramanmaraş and to some extent Gaziantep can be seen as reflections of the entrepreneurial capacity of the local mayors who make considerable contributions to the mobilisation of local potential and partnerships in these regions. There is still much to be done to enhance the consultation processes, especially in relation to the most at-risk disadvantaged groups.

The Turkish government supported 1,660 projects within the Social Support Programme (SODES) in 2011 and allocated TRY 200 million (approximately USD 109 million) to the Programme that provides assistance to 30 Turkish provinces. SODES projects operate under the coordination of governors to increase employment, deal with poverty and support social, cultural and artistic activities at the local level. SODES supports projects in Adiyaman, Gaziantep, Diyarbakir, Mardin, Siirt, Sanliurfa, Batman, Sirnak, Kilis, Agri, Bingol, Bitlis, Elazig, Erzincan, Erzurum, Hakkari, Kars, Malatya, Mus, Tunceli, Van, Bayburt, Ardahan, Igdir, Gumushane, Adana, Mersin, Hatay, Osmaniye, and Kahramanmaraş where the large-scale programme aims to mobilise local potential and partnerships. Involved actor are the local-level provincial employment and vocational training boards coordinated under the chairmanship of the governor with other members consisting of: local mayors and the general secretary of the special provincial administration; the provincial directors of education, industry and trade, and İŞKUR; the head of the provincial chamber of commerce and industry; representatives from each trade union confederation, the employer union confederations and the confederation of disabled people; NGOs representing disadvantaged groups; the head of the provincial tradesmen and artisans union, and; academics or researchers in the related area. All of these stakeholders are involved in the design and implementation of these projects, and there remains much to be learned on this score. The impact of their policy and practice must be assessed with the aim of main-streaming the outcomes.

The Skills'10 programme, discussed in Section 3.3, has introduced a new governance system due to its requirement for the participation of all stakeholders at the local level. Local labour market information is retrieved to provide a basis for local course design and management. This project makes MoNE, MoLSS and the Chambers of Industry and Commerce work together, thereby developing a culture of institutional collaboration that can form the backbone of integrated inclusive policies at regional and local level.

Central policy alone will be insufficient to reduce regional disparities in Turkey without the support of visionary mayors and governors capable of operating as 'brokers' for social and employment pacts at the local and regional levels. The key role of the mayors and governors is to operate as interlocutors for their city or region, representing the various needs of the diverse sectors of their population and mobilising their support through the fair distribution of resources for the provision of community-based social services. Access to social services should be an unquestionable entitlement for every citizen.

TABLES

TABLE 4.1 POVERTY RATES OF INDIVIDUALS ACCORDING TO POVERTY LINE METHODS (%)

	2002	2003	2004	2005	2006	2007*	2008	2009
Food poverty	1.4	1.3	1.3	0.9	0.7	0.5	0.5	0.5
Complete poverty (food + non-food)	27.0	28.1	25.6	20.5	17.8	17.8	17.1	18.1
Below USD 1 per capita per day ¹	0.2	0.0	0.0	0.0				
Below USD 2.15 per capita per day ¹	3.0	2.4	2.5	1.6	1.4	0.5	0.5	0.2
Below USD 4.3 per capita per day ¹	30.3	23.8	20.9	16.4	13.3	8.4	6.8	4.4
Relative poverty based on expenditure ²	14.7	15.5	14.2	16.2	14.5	14.7	15.1	15.1

(1) Worth TL 618 281, TL 732 480, TL 780 121, TRY 0.830, TRY 0.921, TRY 0.926, TRY 0.983 and TRY 0.917 for 2002, 2003, 2004, 2005, 2006, 2007, 2008 and 2009 respectively as the equivalent of USD 1 PPP. (2) Based on 50% of equivalised median consumption expenditure.

(*) Figures revised according to new population projections.

Source: TurkStat, Results of 2009 Poverty Study

TABLE 4.2 POVERTY RATES BY GENDER AND EDUCATIONAL STATUS OF HOUSEHOLD MEMBERS (%)

	2002			2003			2004			2005		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Total	27.0	26.7	27.2	28.1	27.9	28.3	25.6	25.2	26.0	20.5	20.0	21.0
Children under 6 years of age	33.2	32.9	33.4	37.8	38.2	37.2	34.2	34.2	34.2	27.7	27.9	27.6
Illiterate or literate without a diploma	37.0	37.7	36.5	38.0	38.4	37.8	37.5	36.9	37.9	31.5	30.9	31.9
Primary school	26.1	28.1	24.3	27.6	29.8	25.5	24.4	27.5	21.5	17.1	19.9	14.5
Elementary school	26.4	28.4	24.1	29.6	29.1	30.0	25.5	25.4	25.6	22.4	21.8	23.0
Secondary school and equivalent vocational school	18.8	19.5	17.4	18.3	19.7	16.0	13.0	15.0	9.4	8.4	9.7	5.6
High school and equivalent vocational school	9.8	11.0	8.2	11.2	12.3	9.7	8.3	9.7	6.4	6.8	8.0	5.1
University, faculty, masters, doctorate	1.6	1.2	2.1	2.7	3.0	2.1	1.3	1.6	0.9	0.8	0.8	0.7

	2006			2007*			2008			2009		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Total	17.8	17.3	18.3	17.8	17.3	18.3	17.1	16.7	17.5	18.1	17.1	19.0
Children under 6 years of age	24.8	25.1	24.4	24.5	24.9	24.1	22.5	22.9	22.2	24.0	22.9	25.3
Illiterate or literate without a diploma	28.1	27.7	28.3	29.0	29.1	28.9	30.5	30.8	30.3	29.8	30.3	29.5
Primary school	14.2	16.5	12.1	14.2	15.9	12.7	13.4	15.9	11.2	15.3	16.9	13.8
Elementary school	18.1	16.5	19.7	19.2	19.8	18.6	17.2	18.7	15.7	17.8	17.2	18.4
Secondary school and equivalent vocational school	8.1	9.7	4.9	9.2	11.1	5.6	8.3	9.9	5.8	9.8	10.9	7.8
High school and equivalent vocational school	5.2	6.1	4.0	5.9	7.1	4.1	5.6	6.0	5.1	5.3	5.7	4.8
University, faculty, masters, doctorate	1.0	1.3	0.6	0.8	1.0	0.5	0.7	0.9	0.4	0.7	0.9	0.4

(*) Figures revised according to new population projections.

Source: TurkStat, Results of 2009 Poverty Study

TABLE 4.3 DISTRIBUTION OF ANNUAL EQUIVALISED HOUSEHOLD DISPOSABLE INCOMES BY QUINTILES ORDERED BY EQUIVALISED HOUSEHOLD DISPOSABLE INCOME

		(%)	Average (TRY)	Median (TRY)
2006	Total	100	6 395	4 702
	Quintiles	First*	5.1	1 615
		Second	9.9	3 157
		Third	14.8	4 727
		Fourth	21.9	6 989
		Last*	48.4	15 487
2007	Total	100	8 050	6 082
	Quintiles	First*	5.8	2 340
		Second	10.6	4 251
		Third	15.2	6 121
		Fourth	21.5	8 675
		Last*	46.9	18 870

		(%)	Average (TRY)	Median (TRY)
2008	Total	100	8 372	6 328
	Quintiles	First*	2 427	2 523
		Second	4 342	4 354
		Third	6 347	6 329
		Fourth	9 185	9 059
		Last*	19 560	15 637
2009	Total	100	9 396	7 044
	Quintiles	First*	2 617	2 730
		Second	4 832	4 815
		Third	7 083	7 044
		Fourth	10 085	9 939
		Last*	22 368	17 690
2010	Total	100	9 735	7 429
	Quintiles	First*	2 841	2 924
		Second	5 151	5 131
		Third	7 457	7 429
		Fourth	10 658	10 511
		Last*	22 573	17 927

Note: Reference period for income information is the previous calendar year.

(*) When the individuals are listed from the least amount to the most amount by equivalised household disposable income and divided in five parts, the bottom income group is defined as 'the first quintile' and the top income group is defined as 'the last quintile'.

Source: TurkStat, Income and Living Conditions Survey, 2006-09

TABLE 4.4 GINI COEFFICIENT BY REGION

	2006	2007	2008	2009	2010
Turkey	0.428	0.406	0.405	0.415	0.402
Istanbul	0.375	0.346	0.362	0.363	0.373
West Marmara	0.350	0.321	0.331	0.361	0.360
Aegean	0.426	0.376	0.387	0.381	0.387
East Marmara	0.392	0.393	0.335	0.368	0.341
West Anatolia	0.413	0.379	0.402	0.408	0.367
Mediterranean	0.421	0.418	0.387	0.403	0.397
Central Anatolia	0.342	0.328	0.339	0.395	0.362
West Black Sea	0.372	0.360	0.366	0.382	0.348
East Black Sea	0.378	0.346	0.365	0.359	0.327
North East Anatolia	0.381	0.405	0.436	0.407	0.404
Central East Anatolia	0.404	0.397	0.405	0.415	0.417
South East Anatolia	0.396	0.366	0.395	0.411	0.404

Note: Reference period for income information is the previous calendar year.

Source: TurkStat, Income and Living Conditions Survey, 2006-09

5. EU AND INTERNATIONAL DONOR INTERVENTIONS

5.1 IPA PROGRAMMING: OVERVIEW OF IPA COMPONENT IV

The HRD OP is consistent and in line with national policy papers as well as with IPA, ESF and EES standards. However, the way the indicators have been defined is a critical issue as those included in the HRD OP are mainly output indicators that give little information on the expected impact and results, making meaningful evaluation difficult if not impossible. An interim evaluation of the HRD programme by IBF International Consulting (2011) comes to a similar conclusion, even recommending the redefinition of indicators.

A total of EUR 353 million (including national co-financing) will be spent on IPA component IV, with 55-60% of this earmarked for the 12 disadvantaged eastern NUTS 2 regions (see **FIGURE 3.6** for a map of these areas), 20-25% for support activities in the other 14 NUTS 2 regions, and the remaining 20% for programmes with national scope. According to the HRD OP ex ante evaluation, the critical issue lies in mainstreaming, specifically in terms of the transfer of experiences and results to other regions of the country.

The regional development component of the IPA programme is closely related to the HRD component as implementation of self-employment and SME support is planned exclusively under the regional development component. Synergy and coordination between the regional development and the HRD components may be a

challenge under this structure (see **TABLE 5.1** for component I and **TABLE 5.2** for component III).

The budget allocations planned for component IV in the forthcoming years are: EUR 77.6 million for 2011, EUR 89.93 million for 2012, and EUR 96 million for 2013 on the basis of information provided by MoLSS from the Multi-annual Indicative Planning Document 2011-13.

PRIORITY AXIS 1: EMPLOYMENT

Out of the total budget for IPA component IV, 44% of the funds budgeted for the period 2007-11 (EUR 155 million) are dedicated to Priority axis 1 on employment.

The objective of Priority axis 1 is to 'attract and retain more people in employment, particularly by increasing labour force participation of women, and decrease unemployment rate, especially for young people'.

Relevance

The measures planned under Priority axis 1 are generally in line with IPA, ESF and EES standards. However, their relevance concerning the achievement of national employment targets cannot be assessed as the National Employment Strategy and the JAP are not finalised and available for consultation. Another critical issue lies in the gaps in addressing the main objectives of the employment guidelines. The measures are relevant for employment Guideline 7 (aiming to increase labour market participation and improve quality of jobs by promoting registered employment) but do not explicitly address

BUDGET OF IPA COMPONENT IV (INCLUDING NATIONAL CO-FINANCING)

Priority axis	2007-09	2010-11	Total 2007-11	
	Budget (EUR million)	Budget (EUR million)	Budget (EUR million)	% allocation to axes
1. Employment	82.150	72.988	155.138	44.00
2. Education	36.012	23.082	59.094	16.76
3. Lifelong learning	20.000	30.000	50.000	14.18
4. Social inclusion	37.342	29.859	67.201	19.06
Technical assistance	11.202	9.953	21.155	6.00
Total	186.706	165.882	352.588	100.00

Source: HRD OP 2007-09

structural unemployment. The measures planned under Priority axis 3 partly address Guideline 8 (developing a skilled workforce responding to labour market needs and promoting lifelong learning), but a coherent approach linking education and training with labour market needs is missing. Priority axis 4 for social inclusion relates to Guideline 10 (promoting social inclusion and combating poverty) and may bring together the main actors in social and employment policy at a systems level, as they are the final beneficiaries.

The measures under Priority axis 1 are to:

- 1.1 promote women's participation in the labour market, increase female employment, including those formerly employed in agriculture;
- 1.2 increase the employment of young people;
- 1.3 promote registered employment;
- 1.4 improve the quality of public employment services.

Measures 1.1 and 1.2 are implemented only in the 12 disadvantaged NUTS 2 regions, whereas measures 1.3 and 1.4 are applied at the national level. The Priority axis 1 summary table shows how the measures for the 2010-11 period are a continuation of the phase 1 measure of 2007-09 (see also **TABLE 5.3** for data on both periods). Some of the projects of the 2007-09 period are still in the implementation phase, as not all of the funding awarded for this period was used up.

Indicators

Overall, a clear distinction is missing between process, output and results indicators, as is any definition of the qualitative and quantitative results to be achieved. It is

therefore to be expected that monitoring and evaluation will be difficult if not impossible beyond any simple measurement of input indicators.

The Priority axis 1 summary table shows output indicators for measures 1.1 and 1.2 (training and counselling) that specify the number of participants, but the result indicators are relatively vague as they describe an immediate outcome not any concrete labour market results. The result indicators are not very ambitious (at around 30% of job placement rates after labour market training). Ideally, these indicators should also include tracing and monitoring of results after the participants have finished the training.

The output and the results indicators defined for measure 1.3 (promoting registered employment) are performance indicators rather than results indicators and the expected labour market outcome remains to be defined.

For measure 1.4 (improving the quality of public employment services), the indicators are poorly connected with the project outline and fail to include any qualitative dimensions.

Operation beneficiaries, final beneficiaries and partnership approach

The operation beneficiaries for Priority axis 1 on employment 2007-09 have mainly been İŞKUR and, to a lesser extent, the Social Security Institution on the promotion of registered employment. For the 2010-11 period, the operation beneficiary for phase 2 of the employment measures for women and young people remains to be defined, whereas MoLSS was defined as

PRIORITY AXIS 1, PERIOD 2010-11: MEASURES, BUDGETS AND TARGETS

Measure (and operation beneficiary)	Target groups	Output indicators (number of participants)	Total budget (incl. national co-financing) EUR million
1.1 Women's participation in the labour market II	Long-term unemployed and inactive women	2009: 35,200 2011: 54,660	30.000 (Service and grant component)
1.2 Increase youth employment II	Young unemployed, early school leavers, students	2009: 25,500 2011: 36,500	33.000 (Service and grant component)
1.3 Promote registered employment II (SSK)	Unregistered workers, staff of institutions, social partners	Staff training in relevant institution	7.000 (Service and grant component)
1.4 Improve quality of public employment services II (MoLSS)	Staff of MoLSS, İŞKUR, provincial employment committees, social partners	Staff training and more effective services	2.988 (Service and supplies)
Subtotal			72.988

Source: MoLSS, HRD OP, second version

the operation beneficiary for phase 2 on the measure to improve the quality of public employment services.

A wider range of organisations, including social partner organisations and NGOs, are eligible to participate in the grant schemes. This provides options for an improved partnership approach at national and local levels, however, the capacities of beneficiaries to make best use of the IPA funds varies in different provinces. According to the interim evaluation, the active involvement of İŞKUR, regional development agencies and other local actors should be enhanced in regional programming. Gender equality and the participation of target group representatives in advisory boards should be ensured (IBF International Consulting, 2011). Overall, the chief remaining challenges lie in encouraging partnership and mainstreaming good practices into more sustainable approaches.

As İŞKUR is the main operation beneficiary for Priority axis 1 on employment and MoNE the main beneficiary for Priority axes 2 and 3 on education, adaptability and lifelong learning, horizontal cooperation is essential in ensuring closer contact between the labour market and education and training systems.

PRIORITY AXES 2 AND 3: EDUCATION AND LIFELONG LEARNING

For the 2007-11 period, 16.76% of the funds available for the IPA component IV (EUR 59 million) were allocated to Priority axis 2 on education.

The stated objective of this axis is 'to invest in human capital by increasing the quality of education, improving the linkage between education and the labour market, and raising enrolment rates at all levels of education, especially girls'.

Relevance

The measures given under Priority axis 2 address the strategic priorities identified in government strategic

documents in line with broader EU policies relating to educational reform. The Priority axis 2 summary table provides an overview of the measures.

Indicators

The indicators used to measure progress made in relation to the educational reform under Priority axis 2 do not provide a sound basis for measuring the impact of these efforts as the definitions of most of the indicators are too broad or a clear distinction is missing between inputs, outputs and outcomes.

Operation beneficiaries, final beneficiaries and partnership approach

MoNE is the operation beneficiary for Priority axis 2 along with the MoNE Provincial Directorate. In some areas the Council of Higher Education has a pivotal role in implementation of Priority axis 2 in the 12 NUTS 2 regions. The wide range of final beneficiaries includes schools, students, parents and employers. Close cooperation between İŞKUR and MoNE is essential for effective implementation of the fine-tuning needed between the education sector and the labour market.

PRIORITY AXIS 3: LIFELONG LEARNING

For 2007-11, 14.18% of the funds available for the IPA component IV (EUR 50 million) were allocated to Priority axis 3 on lifelong learning. The objective of this axis is to increase the adaptability of workers, enterprises and entrepreneurs, in particular promoting lifelong learning and encouraging investment in human resources. The Priority axis 3 summary table provides an overview of this situation.

PRIORITY AXIS 2, PERIOD 2007-11: MEASURES, BUDGETS AND TARGETS

	Measure (and operation beneficiary)	Target groups	Output indicators	Total budget (incl. national co-financing) EUR million
2.1	Increase enrolment rates especially for girls	Girls in secondary education	2009: 77% 2011: 85% (enrolment)	25.647
2.2	Improve the quality of education especially in VET	Students, teachers and entrepreneurs	2009: 50% 2011: 70% (level of satisfaction with VET)	33.447
Subtotal				59.094

Source: MoLSS, HRD OP, second version

PRIORITY AXIS 3, PERIOD 2007-11: MEASURES, BUDGETS AND TARGETS

	Measure (and operation beneficiary)	Target groups	Output indicators (number of participants)	Total budget (incl. national co-financing) EUR million
3.1	Develop and implement coherent strategies for lifelong learning	Unskilled workers and women, workers and women in need of additional training and skills	418 primary and secondary education graduates to be certified	30.000
3.2	Increase the adaptability of employees	Workers and women in need of increased skills for promotion or new job in another sector, employers, private sector	15% 15%	20.000
Subtotal				50.000

Source: MoLSS, HRD OP, second version

Relevance

The importance of setting up a system to promote lifelong learning is stressed in government policies, independent research on the topic and broader European policies and practices. Priority axis 3 provides the support needed to create a basis for an environment conducive to lifelong learning.

Indicators

The indicators used to measure progress toward the education reforms listed under Priority axis 3 do not provide a sound basis for measuring the impact of the efforts made as most of the indicators are either too broadly defined or they fail to make a clear distinction between inputs, outputs and outcomes. These indicators and are therefore not fit for purpose as in the early stages of development lifelong learning requires coordinated efforts from all the partners involved on the basis of strategic project design with clearly established baseline data.

Operation beneficiaries, final beneficiaries and partnership approach

MoNE and the MoNE Provincial Directorate are the operational beneficiaries for Priority axis 3. In some areas, the Council of Higher Education has a pivotal role to play in the implementation of Priority axis 3 in the 12 NUTS 2 regions. There is a wide group of final beneficiaries including: MoNE, education institutions, universities, the Vocational Qualifications Authority (VQA), YOK, KOSGEB, social partners, relevant NGOs and local authorities.

PRIORITY AXIS 4: SOCIAL INCLUSION

Out of the total budget for IPA component IV, 19.06% of funds for the 2007-11 period (EUR 67.201 million) were earmarked for Priority axis 4 on social inclusion.

The stated objective of Priority axis 4 is to 'promote an inclusive labour market with opportunities for disadvantaged people, with a view to their sustainable integration into the labour market force and combat all forms of discrimination in the labour market'.

Relevance

The measures planned under Priority Axis 4 are generally in line with IPA, ESF and EES standards. However, their relevance concerning the achievement of national social inclusion targets cannot be assessed as there is no national strategy and operational plan for poverty reduction and social inclusion in Turkey. The draft JIM document has still not been finalised and is consequently not available for consultation. Another critical issue raised in the interim HRD programme evaluation was that HRD OP makes no specific mention of poverty reduction as a main focus area, whereas the Europe 2020 Strategy does. Turkey is facing a larger number of more basic and extensive problems than the EU and the country does not have the same means available for the pursuit of greater income equality between regions. However, the poverty reduction issue is definitely considered in selecting the participant regions for the HRD OP and in a deeper and more or less explicit sense in the definitions used for the rationale of each of the priority axes (IBF International Consulting, 2011).

The measures planned under Priority axis 4 address Guideline 10 (promoting social inclusion and combating poverty) and more support is needed to improve coordination between institutions and mechanisms and enhance integrated measures aimed at all four priority axes, uniting the main players in education, employment and social policy at a systems level.

The measures established under Priority axis 4 are:

- 4.1 increase the employment of disadvantaged persons, facilitate their access to the labour market and eliminate barriers to entering the labour market;
- 4.2 better functioning and coordination among institutions and mechanisms in the field of labour market and social protection, particularly in order to facilitate the integration of disadvantaged persons into the labour market.

Measure 4.1 is implemented only in the 12 disadvantaged NUTS 2 regions, whereas measure 4.2 is applied across the nation. The Priority axis 4 summary table shows that the measures for the 2010-11 period are a continuation of phase 1 in the 2007-09 period (see also **TABLE 5.3** for data on both periods). Some of the projects from the 2007-09 period are still being implemented.

Indicators

As indicated in the interim evaluation of the HRD programme, there are no impact indicators as such, only input, output and result indicators. The distinction between process, output and results indicators is sometimes blurred and a clear distinction among them is missing, as is any definition of the qualitative and quantitative results to be achieved. The difficulties encountered in the identification of output indicators on social inclusion are intrinsically connected with the politically and socially sensitive issues raised earlier in this

report. This complicates the process of defining marginalised groups as target groups and makes it difficult to obtain reliable data and statistics as these are often not available. This raises obstacles to monitoring and evaluation that limits efforts to the simple measuring of input indicators, as is shown in the interim evaluation.

The output indicators for measures 4.1 and 4.2 given in the Priority axis 4 summary table specify the number of participants, begging the question of why there is an apparent tendency to favour male recipients in the target numbers of male and female recipients. It is clear that the implementation of the measures under 4.2 have worked on the basis of old baseline surveys (2006) which might throw some doubt on the impact indicators for this measure. All marginalised groups can be defined as 'disadvantaged persons' in a way that leaves the degree of targeting of these measures and the kind of impact they can have on the most needy as per their definition open to criticism. The data collected from the Management Information System during the interim HRD OP evaluation revealed that there was only limited participation of individuals from the identified marginalised groups – people with disabilities, terror victims, Roma in need special care, former convicts, the poor or those at risk of poverty, other people in need of special care such as those with substance addiction, female victims of domestic violence, the family and parents of working children, immigrants – with percentages that ranged from 1% to 9%.

Operation beneficiaries, final beneficiaries and partnership approach

İŞKUR has been the operation beneficiary of Priority axis 4 on social inclusion 2007-09, especially in terms of the measure to promote active inclusion in Turkey, and MoLSS, İŞKUR and the Social Security Institution have been the operation beneficiaries for 2010-11. Although the

PRIORITY AXIS 4, PERIOD 2010-11: MEASURES, BUDGETS AND TARGETS

Measure (and operation beneficiary)	Target groups	Output indicators (number of participants)	Total budget (incl. national co-financing) EUR million
To increase employability of disadvantaged persons	People with disabilities, at risk of poverty, ex-convicts, IDPs, Roma, other disadvantaged persons	2009: 11,545 (100,000 reached by awareness-raising activities) 2011: 20,585 (170,000)	29.859 (Service and grant component)
Better coordination among institutions to facilitate integration of disadvantaged people in the labour market	Staff of relevant institutions and NGOs, people with disabilities, at risk of poverty, ex-convicts, IDPs, Roma, other disadvantaged persons	2009: 7,000 (staff trained), 1,250,000 (registered), 1 monitoring system established 2011: N.A.	0.000
Subtotal			29.859

Source: MoLSS, HRD OP

operational and management structure of the HRD OP are considered professionally and technically well-equipped, concerns still exist on their understanding of how to connect with the expertise of technical staff within the line ministries and the associated institutions at central and regional level. The number of indicators tends to create tension between education and employment institutions. Solid technical cooperation is required in relations between MoNE and İŞKUR (as the main operation beneficiary of 4.1) but this is lacking at present.

Cooperation becomes even more difficult when the time comes to turn the results of demand surveys into a workable proposal for the education sector as İŞKUR still lacks the basic tools and techniques required for the job while the education institutions cannot be bound into cooperation as they operate with a relatively high degree of autonomy, notably in the VET/TVET sector where most are founded on the basis of a university-type approach (IBF International Consulting, 2011).

IPA I and IV funding has had an impressive impact on the number of partnerships among several of the line ministries, associated institutions, public private institutions, social partner organisations and NGOs and community-based organisations representing the neediest groups. The fact that the whole wide range of organisations is eligible for the grant schemes means they have been able to boost their technical and negotiating capacities in a way that works favourably with the improved partnership approach at national and local levels. However, as indicated previously in this document, there is still a big need for improved beneficiary capacities to make best use of the IPA funds at central and regional level with some variation across the different provinces.

According to the interim evaluation, the active involvement of İŞKUR, the Chamber of Commerce, regional development agencies and other local actors should be enhanced in regional programming with efforts made to strengthen involvement and cooperation through appropriate legislation. Gender equality and the participation of target group representatives in advisory boards should be ensured, but the importance of these issues should not be overestimated and made to outweigh competence, experience and will-power in terms of quality of work underway (IBF International Consulting, 2011).

Overall, partnership and the mainstreaming of innovative and good practices into more sustainable approaches continue to present a challenge.

As İŞKUR is the main operational beneficiary for Priority axis 1 on employment and Priority axis 4 on social inclusion and MoNE is the main operational beneficiary for Priority axis 2 on education and Priority axis 3 on adaptability and lifelong learning, there is a need for enhanced vertical and horizontal cooperation between these operation beneficiaries. This would place them in a better position to implement inclusive education and employment for disadvantaged and marginalised

groups; an issue that needs to be revisited and redefined.

5.2 INTERNATIONAL DONOR INITIATIVES

Turkey is also participating in a range of EU Community Programmes including the Seventh Research Framework Programme, the Lifelong Learning Programme (Comenius, Erasmus, Leonardo da Vinci, Grundtvig, Jean Monnet), Youth in Action, the Culture Programme, the Competitiveness and Innovation Framework Programme and PROGRESS.

In addition to financial support from the EU, Turkey receives significant financial assistance from the World Bank. Other important donors and partners include the ILO (for employment and social dialogue in particular), UNDP (social inclusion) and the International Organisation for Migration (IOM), supporting policy development and implementing specific initiatives, mainly at provincial level (see **TABLE 5.5** for an overview of international support).

The core mandate of the ILO Ankara Office is to promote international labour standards in Turkey. ILO Ankara also develops implements and monitors technical cooperation programmes and projects in the fields of child labour, women's employment, youth employment, and social dialogue in the context of industrial restructuring. The youth project (National Youth Employment Programme and Pilot Implementation in Antalya) is still ongoing. Primary beneficiaries include the Labour Inspection Board (for child labour) and İŞKUR for the other programmes (see also **TABLE 5.6** for a list of ILO projects).

The World Bank has been an important donor to İŞKUR, providing loans to develop occupational standards, vocational guidance and institution building. The two major projects in the field of employment are presented below.

- Restoring Equitable Growth and Employment Programmatic Development Policy Loan, phase 1 and 2 in 2010 and 2011: The project defines specific goals for the labour market, some of which have been achieved (an unemployment rate of below 12% in 2011 and increased job placement rate for İŞKUR, for instance) while others have not (female labour force participation of 27% by 2011, 400,000 İŞKUR training participants by 2011).
- Competitiveness and Employment Development Policy Loan, phase 1 and 2 in 2007 and 2008: This project included measures for the restructuring and privatisation of state-owned enterprise (World Bank Turkey, 2011).

The World Bank has also supported the Secondary Education Project (2005-11) aiming to modernise curricula and provide assistance to teacher re-training and career guidance systems. A number of policy papers have been published by the World Bank and the OECD related to challenges and opportunities for the education and reform options.

Unicef has a long standing engagement in Turkey with firm goals in the five priority areas of immunisation, early childhood development, girls' education, HIV/AIDS prevention and protecting children from violence, exploitation, abuse and discrimination.

The IOM is engaged in migration issues and supporting Turkey to establish a national coordination mechanism in line with the EU accession process. IOM is working to promote national debate and create a platform for dialogue at inter-institutional levels to enhance understanding of the complex relationship between migration, human security and community development, and this entity funded the project entitled 'Supporting the Capacities of Local Municipalities on Migration Management in Turkey'. This project was designed to enhance the capacities of Turkish municipalities and strengthen their ability to deal with the humanitarian and social needs of migrants in line with the Turkish framework and international best practices through training and meetings.

In recent years, Turkey has increasingly engaged in development cooperation in the role of an active donor, and the country has expanded its traditional engagement from Central Asia to Africa. Despite the emergent role of Turkey as a donor, Turkey is a net aid recipient (Deniz, 2011).

Coordination among donors

The increasing support of multilateral and bilateral development agencies has provided important financial contributions to the huge investment needed for urban infrastructure, transport, energy and environment, and human resources.

Cooperation and coordination should be further strengthened to create greater synergy and sustainable results. Pehlivan (2009) cites strategic coordination at government level; transparent and more widely accessible information; standards and quality of related research, and; local absorption capacities as the main challenges facing the country, but the same elements also constitute levers for improving coordination and maximising synergies. Effective donor coordination mechanisms at sector level need to become a regular practice as does horizontal cooperation.

Some of the IPA measures such as the employment of women and young people address the same core issues as the ILO projects. There is also potential synergy between IPA projects and national and local labour market programmes in elements such as ALMPs and lifelong learning. The lessons learned and the outcome of these projects can only be translated into sustainable results if there is functioning coordination between the measures. An enhanced partnership approach including social partners and NGOs would support mainstreaming of pilot projects and good practices in other provinces or even across the country. Finally, evaluation capacities and practices need to be further developed to inform mutual learning from successes and failures and a continuous improvement of approaches.

TABLES

TABLE 5.1 IPA COMPONENT I – TRANSITION ASSISTANCE AND INSTITUTION BUILDING* (HRD PROJECTS)

Project number	Project title	Budget (EUR million)				
		2007	2008	2009	2010	2011
Priority axis 1 – Progress towards fully meeting the Copenhagen political criteria						
TR 07 01 04	Empowerment of women and women NGOs in the least developed regions of Turkey	5.000				
TR 08 01 04	Promoting services for people with disabilities		3.800			
TR 08 01 05	Strengthening special education		6.150			
TR 08 01 06	Strengthening preschool education		13.900			
TR 08 01 08	Civil society development for active participation		3.040			
TR2009/0136.01	Democratic citizenship and human rights education			7.650		
TR2009/0136.02	Women's shelters for combating domestic violence			9.135		
TR2009/0135.01	Improved integration of disabled persons into society			3.215		
TR2010/0136.02	Support to the Local Human Rights Board and women's rights awareness				2.250	
TR2010/0136.03	Prevention of domestic violence against women				2.790	
TR2010/0136.04	Promoting gender equality in education				3.240	
TR2010/0136.05	Increasing primary school attendance rate of children				2.880	
TR2010/0136.06	Supporting social inclusion through sports education				2.070	
TR2010/0136.07	Fight against violence towards children				2.700	
TR2011/0136.03	Economic and social integration of IDPs in Van Province					3.420
TR2011/0136.06	Students learning about EU					3.210
Priority axis 2 – Adoption and implementation of the acquis communautaire						
TR 07 02 13	Strengthening the Vocational Qualifications Authority and national qualifications system in Turkey	10.900				
TR 07 02 20	Improving occupational health and safety at workplaces	4.075				
TR 07 02 21	Development of regional laboratories of the Occupational Health and Safety Centre (İSGÜM)	1.800				
TR 07 02 22	Capacity building of Social Security Institution	1.110				

Project number	Project title	Budget (EUR million)				
		2007	2008	2009	2010	2011
TR 07 02 23	Strengthening the statistical capacity of MoNE	2.000				
TR 07 02 24	Strengthening the statistical capacity of MoLSS	1.000				
TR 07 02 25	Strengthening the statistical capacity of ARAE	1.150				
TR 08 02 18	Promoting gender equality in the work place		0.950			
TR2009/0322.01	Capacity improvement in the Economic and Social Cohesion Policy Phase II			1.800		
TR2009/0326.01	Aligning higher education with the European Higher Education Area			4.250		
TR2010/0314.01	Improve maritime education and training				1.235	
Priority axis 3 – Promotion of EU-Turkey civil society dialogue						
TR 07 03 03	Continuation of the Jean Monnet Scholarship Programme	6.980				
TR2009/0135.02	Continuation of the Jean Monnet Scholarship Programme			6.882		
TR2011/0465.09	Turkey's participation in EU programmes and agencies (Lifelong Learning Programme, Youth in Action, etc.)	125.736	56.970	88.216	67.607	56.270

(*) Including national co-financing.

Sources: National Programme for Turkey under the IPA Transition Assistance and Institution Building Component for the years 2007, 2008, 2009, 2010 and 2011

TABLE 5.2 IPA COMPONENT III – REGIONAL DEVELOPMENT*

Measure	Beneficiaries	Budget 2007-09 (EUR million)	Budget 2010-11 (EUR million)	Total budget 2007-11	
		(EUR million)	(EUR million)	(EUR million)	Allocation to axes (%)
Priority axis 1 – Improvement of business environment					
1.1	Development of industrial infrastructure	Public institutions/agencies, enterprise development institutions, authorities of OIZs and SSIEs, chambers of industry and commerce, unions, foundations and associations	34.583	n.a.	
1.2	Development of financing instruments	Capital funds (credit guarantee, micro-loan, equity finance, seed capital, start-up)	48.416	n.a.	
1.3	Improvement of R&D, innovation, technology, ICTs	Public institutions/agencies, Technology Development Centres and Technology Development Zones, universities, research centres, chambers of industry and commerce, sector associations, foundations	34.583	n.a.	
1.4	Improvement of tourism infrastructure	Ministry of Tourism and Culture, public institutions/agencies, chambers of industry and commerce, sector associations, foundations	20.749	n.a.	
Priority axis 2 – Strengthening of enterprise capacity and foster entrepreneurship					
2.1	Providing basic information and consultancy support for enterprises	Public institutions, research centres, universities, non-profit organisations, chambers of industry and commerce, unions, associations, foundations, SMEs	22.432	n.a.	
2.2	Strengthening of cooperation in industry corporate sector		14.955	n.a.	
Technical assistance					
3.1	Support to the OP preparation, management, implementation, monitoring, control and evaluation		9.336	n.a.	
3.2	Publicity, information and promotion of the OP measures		1.850	n.a.	
Total		186.934	165.596	352.530	100.0

(*) Including national co-financing. (n.a.) Not available.

Sources: Republic of Turkey, Ministry of Industry and Trade, Regional Competitiveness Operational Programme 2007-09

TABLE 5.3 IPA COMPONENT IV – HUMAN RESOURCES DEVELOPMENT*

Measure	Target groups	Beneficiaries	Budget (EUR million)		
			2007-09	2010-11	Total 2007-11
Priority axis 1 – Employment					
1.1	Women's participation in the Long-term unemployed and inactive women	MoLSS, İŞKUR, social partners, educational institutions, NGOs, chambers, local authorities	27.150	30.000	
1.2	Increase youth employment	Young unemployed, early school leavers, students	23.000	33.000	
1.3	Promote registered employment	Unregistered workers, staff of institutions, social partners	15.000	7.000	
1.4	Improve quality of public employment services	Staff of MoLSS, İŞKUR, provincial employment committees, social partners	17.000	2.988	
Priority axis 2 – Education					
2.1	To increase enrolment rates particularly for girls	Students, parents of girls, teachers	16.012	9.635	
2.2	To improve the content and quality in VET	Students, teachers, VET graduates, employers	20.000	13.447	
Priority axis 3 – Adaptability-lifelong learning					
3.1	To promote comprehensive strategies for lifelong learning	VET students and teachers, illiterate adults, MoNE-VQA staff, unemployed	15.000	15.000	
3.2	To increase adaptability	SMEs employees, employers, social partners	5.000	15.000	
			82.150	72.988	155.138
			36.012	23.082	59.094
			20.000	30.000	50.000

Measure	Target groups	Beneficiaries	Budget (EUR million)		
			2007-09	2010-11	Total 2007-11
Priority axis 4 – Social inclusion					
4.1	To increase the employability of disadvantaged persons	People with disabilities/in poverty, ex-convicts, IDPs, Roma	37.342	29.859	67.201
4.2	Better coordination among entities in the field of labour market and social protection	MoLSS, MoNE, MoJ, MoI, İŞKUR, social security institutions, SHCEK, SYDGM, Adm. for people with disabilities, NGOs, social partners	30.342	29.859	
		MoLSS, İŞKUR, social security institutions, SHCEK, SYDGM, Adm. for the disabled, NGOs, local administrators	7.000	0.000	
Technical assistance					
5.1	Support for programming, management, implementation, monitoring, control, evaluation and dissemination		11.202	9.953	21.155
			6.202	7.000	
5.2	Support for absorption capacity		3.000	1.500	
5.3	Information and publicity activities		2.000	1.453	
Total			186.706	165.882	352.588

(*) Including national co-financing.

Sources: Republic of Turkey, Ministry of Labour and Social Security, Human Resources Development Operational Programme 2007-09, CCI No 2007TR05PO001

TABLE 5.4 EU SUPPORT IN EDUCATION – OVERVIEW, 2006-11

Programme/project	Type	Beneficiary	Period	Budget (EUR million)
Increasing the capacity of pre-school education	EU-IPA I (grant)	MoNE	12 months	5.27
Support to HRD through vocational education and training	EU (TA + supply)	MoNE	2008-10	15.40
Regional development in Samsun, Kastamonu and Erzurum NUTS 2 regions	EU-IPA III (grant + TA)	SPO	2006-08	52.30
Ağrı, Malatya, Konya, Kayseri NUTS 2 regional development	EU-IPA III (grant + TA)	SPO	2006-08	90.00
Strengthening statistic capacity of the Ministry of National Education	EU-IPA I (TA)	MoNE	20 months	1.85
Democratic citizenship and human rights education	EU-IPA I (grant)	MoNE	36 months	9.10
Strengthening special education	EU-IPA I (TA + supply)	MoNE	2010-ongoing	7.00
Increasing enrolment rates especially for girls – Operation I	EU-IPA IV (TA + grant + supply)	MoNE	2011-ongoing	16.00
Promotion of lifelong learning – Project 1	EU-IPA IV (TA + grant + supply)	MoNE	24 months	15.00
Strengthening pre-school education	EU-IPA I (TA + grant + supply)	MoNE	2011-ongoing	16.27
Promotion of lifelong learning – Project 2	EU-IPA I (TA + grant + supply)	MoNE	24 months	15.00
Increasing enrolment rates especially for girls – Operation II	EU-IPA IV (TA + supply)	MoNE	2012	9.60
Fight against violence towards children	EU-IPA I (service)	MoNE	24 months	3.00
Promotion of gender equality in education	EU-IPA I (TA)	MoNE	2012, 30 months	3.60
Promoting the quality of vocational and technical education	EU-IPA IV (TA + grant + supply)	MoNE	24 months	9.00
Improving the quality of vocational education and training in Turkey – II	EU-IPA IV (TA + grant)	MoNE	24 months	24.00
Increasing the primary school attendance rate of children	EU-IPA I (TA)	MoNE	24 months	3.20
Supporting social inclusion through sports education	EU-IPA I (TA)		2012	2.10
Aligning higher education in Turkey with the European Higher Education Area	EU-IPA I (TA)	Council of Higher Education	2012	5.00
Students learning about the EU common values, fundamental rights and policies	EU-IPA I (TA + supply)	MoNE	2013	3.60

(TA) Technical assistance.

Sources: MoNE, Projects Coordination Unit (<http://projeler.meb.gov.tr/pkmttr/index.php?lang=en>), EU Delegation in Turkey (www.avrupa.info.tr/DelegasyonPortal.html)

TABLE 5.5 INTERNATIONAL AND BILATERAL DEVELOPMENT PARTNERS' SUPPORT – OVERVIEW, 1992-2011

Programme/project	Type	Beneficiary	Period	Budget (USD)
ILO				
ILO's International Programme on the Elimination of Child Labour (IPEC)	101 action programmes	Labour Inspection Board of MLSS	1992-2006	
Active labour market policies for advancing gender equality through decent employment for women	Pilot project	İŞKUR staff and social partners in Ankara, Gaziantep and Konya provinces	2009-10	398,748
Active labour market policies for restructuring	Pilot project	Employment services in Kocaeli		
Growth with decent work for all: National youth employment programme and pilot implementation in Antalya	UN joint programme – MDG Achievement Fund	İŞKUR, local authorities, civil society	2009-12	3.9 million
Harnessing sustainable linkages for SMEs in Turkey's textile sector	UN joint programme – MDG Achievement Fund	Local business communities in Malatya, Adıyaman, Gaziantep and Kahramanmaraş	2010-12	2.7 million
UNDP				
Localising the UN Millennium Development Goals in Turkey through the Local Agenda 21 Governance Network		Local authorities	2006-09	1.5 million
Bridging the digital divide: Empowerment of youth for the e-transformation of Turkey		Young people	2007-10	750,000
Support to the development of an internally displaced people programme in Turkey	Technical assistance	Ministry of the Interior	2008-10	403,000
Eastern Anatolia tourism development		Local Tourism Boards in Coruh region, local communities	2007-11	752,500
Innovations for women's empowerment: A workable model for women in Turkey's Southeast Anatolia region	Financial (Swedish) + Technical Assistance	Women cooperatives	2008-11	907,360

Programme/project	Type	Beneficiary	Period	Budget (USD)
World Bank				
Competitiveness and employment	Development Policy Loan	Undersecretariat of Treasury	2007-08	500 million
Restoring equitable growth and employment (I and II)	Development Policy Loan	İŞKUR	2010-11	1 300 + 700 million
Secondary education	Specific Investment Loan	MoNE	2005-11	104 million
Turkey health transformation and security reform	Adaptable Programme Loan	MoH, MoLSS	2009-13	75.13 million
Unicef				
2011-15 Country Programme Action Plan			2011-15	42.180 million
GIZ				
Private sector promotion in Anatolia		Chambers of industry, employers' and trade associations, SMEs in Kahramanmara and Ankara/Ostim	2003-10	

Sources: ILO-Ankara (www.ilo.org/public/english/region/europro/ankara/); UNDP in Turkey (www.undp.org.tr/); World Bank in Turkey (www.worldbank.org.tr/); Unicef Turkey (www.unicef.org.tr/); GIZ-Turkey (www.gtz.de/en/weltweit/europa-kaucasus-zentralasien/663.htm); DPT-GTZ, Ex Ante Evaluation HRD OP 2007-09 Final Report, Ankara, September 2007

TABLE 5.6 MAIN ILO PROJECTS IN THE LABOUR MARKET FIELD

Title	Source of funding	Implementation partners	Duration	Goals and results
UN joint programme 'Growth with decent work for all: National youth employment programme and pilot implementation in Antalya'	MDG Achievement Fund (Government of Spain)	İŞKUR (primary beneficiary), ILO, IOM, FAO, UNDP	2009-12	Goals: reducing youth unemployment and increasing the labour market participation of young women Planned results at national level: National Youth Employment Action Plan Target group for pilot implementation: unemployed and unskilled youth, including youth from internally migrated families
Pilot project on active labour market policies for advancing gender equality through decent employment for women in Turkey	Government of Norway	İŞKUR	2009-10	Implementation in provinces of Ankara, Gaziantep and Konya Capacity development at province level (İŞKUR, social partners), development of gender sensitive policies and programmes, enhance the employability of unemployed women
Programme to combat child labour	ILO International Programme on the Elimination of Child Labour (IPEC)	Labour Inspection Board of MLSS	1992-2006	Coherent approach including studies, awareness-raising, monitoring 50,000 children were reached, 60% of them placed back in school; counselling services were provided to 25,000 families
Active labour market policies for restructuring		İŞKUR	2003	Pilot implementation in Kocaeli (İzmit), with coherent approaches in the case of restructuring and redundancies, to optimise redeployment and matching

Source: ILO Ankara Office. Last accessed 23 September 2011 at: www.ilo.org/public/english/region/eurpro/ankara/index.htm

6. MAIN CHALLENGES, STRATEGIC PRIORITIES AND RECOMMENDATIONS

6.1 HORIZONTAL PRIORITIES AND RECOMMENDATIONS

Equity is the most important challenge in the three policy reform agendas. Inequalities should be taken into consideration when formulating and implementing policies. Sufficient public funding is needed in consideration of Turkey's young population. Adequate governance and management policies are indispensable for an effective and equalising use of public funds.

Turkey has made tremendous efforts in education, employment and social inclusion but lacks the institutional set-up for monitoring and evaluation and tools robust enough to measure the impact of these investments in order to create an opportunity to draw lessons from these experiences.

New governance models with greater autonomy and clearer rules on accountability are needed for a difference to be made at the regional and local levels and to thus reduce regional disparities. Regional issues and differences have shown themselves to be resistant to centralised policies and systems. In all three policy reform areas, decentralisation policies are considered a stepping stone to visible impact at the beneficiary levels.

6.2 EDUCATION AND TRAINING

The strategic framework for education and training is presented in the government's Ninth Development Plan. The objectives of this framework are to enhance the quality of life through an inclusive development process. The strategic priorities include:

1. ensuring equitable human and social development;
2. reducing regional differences;
3. ensuring efficient provision of high quality education.

MoNE has initiated a number of structural reforms to implement the Ninth Development Plan through reforms in primary and secondary education but further strengthening of institutional capacities is needed to make good progress in each of these areas. Furthermore, strategic coordination between national programmes, EU and international support is critically important alongside the involvement of provincial and local partners in the design and implementation of policies and programmes.

MAIN RECOMMENDATIONS

Strengthening institutional capacities

Further institutional capacity building is needed to successfully implement a number of ongoing reform efforts, achieve sustainable results in a timely manner and take into account the lessons learned for future policies and implementation.

Specific policy measures should focus on:

1. Strong capacity building of the VQA to develop and implement all measures related to the NQF in a timely manner and including the involvement of social partners and sector representatives. Guidance is needed to equip training providers and test centres with sufficient support to successfully adjust their training programmes to reflect the NQF-levels in an appropriate manner and to carry out testing. It is important that good progress be made toward the VQA with the Turkish National Qualification Framework so that students and companies can benefit from these efforts in the foreseeable future.
2. A robust management information system so that the education sector in Turkey can measure the impact of the various reform efforts. In addition, greater emphasis on learning outcomes and systematic measuring of learning outcomes is needed on top of the more investment-oriented approach. With the exception of the three-yearly PISA studies, very little systematic information is available in Turkey about achievements in terms of learning outcomes. This lack of information makes it difficult to assess the impact of reforms or the need for additional measures either in specific areas of education or with respect to regional or social disparities. In this context, the recently initiated FATİH project provides an important opportunity to monitor the impact of information and communication technology (ICT) on teaching and learning.
3. The promotion of quality at all levels of the education system to reach all children and students through a balanced decentralisation strategy in line with the recommendations made in the 2010 Green Paper. Implementation of this policy requires an intensive dialogue at all levels and large-scale support for teachers and school managers to evolve toward a modernised system of school management implementing child-centred policies.
4. The leading role of school leaders and teachers. Any type of education reform is unlikely to succeed if school leaders and teachers do not support the proposed changes. Policies and incentives are

needed to promote excellence in teaching and school management. A revision of the policy framework governing teacher selection and teacher career development from pre-school education to the faculties for teacher education may be required for Turkey to successfully implement reforms to improve learning outcomes. This revision should take into account modern practices of school management where school leaders have a clear mandate in teacher selection and promotion within an established good quality regulatory framework. Pre- and in-service teacher education are to be revised to promote a constructivist approach to learning and student-centred approaches as opposed to the more classical academic teaching styles.

5. The increasing number of universities and tertiary education programmes calls for a systematic quality assurance mechanism to provide students and employers with the accurate information about the various tertiary education offers. It is therefore important to strengthen the capacity of Turkey's autonomous Quality Assurance and Accreditation Agency to perform programme accreditation and institutional accreditations in line with international best practices and EU standards for universities and post-secondary professional programmes.

Ensuring equitable human development

In view of the extensive gender disparities, it is recommended that Turkey intensifies ongoing efforts to design and implement gender-sensitive programmes at all levels of education with special attention to the most disadvantaged provinces. Conditional cash transfer programmes could be considered to target parents and schools in special cases to increase enrolment, attendance and completion rates.

Reducing regional disparities

A better understanding of the important constraints in the various parts of Turkey is needed to promote equal education opportunities and an overall increase in learning outcomes. A broad political platform must be created to agree on instruments with which to address these challenges, including increased public funding for education with a special focus on the least advantaged groups. Incremental changes may allow progress in specific areas, but a broad increase in learning outcomes for the entire population will require important reforms.

Specific policy measures include:

1. Implementation of the decentralisation policies recommended in the 2010 Green Paper with ongoing stakeholder dialogue with all provinces, districts and schools to ensure a successful implementation of a modernised education system at all levels. In this context, it is important to mention that schools should evolve towards greater autonomy in decision-making in key areas affecting the quality of teaching and learning.
2. Policy research to understand if poor health conditions and malnutrition interfere negatively with ongoing efforts to increase enrolment in schools among the

most disadvantaged groups of the population and to propose viable solutions should this be the case.

3. Extension of ongoing efforts to increase pre-school education to cover the most disadvantaged provinces of Turkey.

Ensuring efficient provision of high quality education

Turkey has made important progress in enrolment with huge investment in new schools and equipment, but the focus on learning outcomes needs to be strengthened.

Specific policy recommendations include:

1. To shift attention from investment and input into education to learning outcomes. Sample-based national assessments at the end of grades 4 and 8 could provide very useful information on the impact of reforms over time in all schools throughout Turkey. The Trends in International Mathematics and Science Study (TIMSS) or the Progress in International Reading Literacy Study (PIRLS) are international comparative studies which could be considered alternative options for the measurement of learning outcomes in an international comparative context. As learning outcomes in mathematics are pivotal for many other purposes, the qualifications and skills of future mathematics teachers are of strategic importance. Participation in studies such as the International Association for the Evaluation of Educational Achievement (IEA) Teacher Education Study in Mathematics (TEDS-M) could be an option for Turkey, as this collaborative effort by worldwide institutions to study the mathematics training of future primary and secondary teachers could complement insights resulting from PISA studies.
2. Policy research to better understand the high levels of dropouts in education as part of efforts to devise policies to increase completion rates and prevent future dropouts.
3. To promote vocational education in a consistent manner by depicting a vocational career as an interesting option that gives young people the opportunity to be gainfully employed and advance their careers throughout their lives. Turkey would benefit from a fully emancipated professional tertiary education system with open access to tertiary education at the appropriate levels in line with the Bologna process and adequate systems are needed to efficiently assess prior learning and promote lifelong learning.
4. Policies to promote stronger business-education partnerships and to strengthen the link between education and the labour market.
5. Policies to engage the workforce in lifelong learning activities, especially in the context of SMEs (as in-company and professional training of the active workforce is still in the early stages of development).

The following table provides an overview of the proposed policy recommendations and gives some indication of current support available for the identified priorities from the IPA and other international donors.

Recommendation and main actions	Expected outcome	Main entities responsible and stakeholders	Related measures and programmes
Strengthening institutional capacities			
Further development of the quality services of key education institutions			
Regular staff training at all organisational levels, based on the strategic development plan for VQA in relation to the implementation of NQF with involvement of social partners	Increased capacity of staff and timely implementation of NQF strategy in close cooperation with the provincial employment and vocational training boards	VQA, MoLSS, MoNE, provincial employment and vocational training boards, social partners	IPA measure 3.5 (promote well functioning NQF)
Further development of integrated management information system at local and national levels	Transparent information available about impact of policies in education on teaching and learning	MoNE, TurkStat, provincial and local administration including schools	World Bank Secondary Education project
Use the recently started large scale FATiH project as a platform to strengthen impact monitoring	Information on the use of ICT in schools available for future policy making	MoNE, TurkStat	
Further training of staff at the provincial, local and school levels to implement decentralisation policies to promote effective school management and child-centred approaches	Better decision-making and appropriate balance between autonomy and accountability at all levels	MoNE, TurkStat, provincial and local administration including schools	MoNE Capacity Building project (MIEBGEp)
Devise policies and incentives to promote excellence in teaching and school management	Improved performance of schools in terms of learning outcomes of children with reduced regional differences	MoNE, faculties of education, schools, school boards	
Further training of the Quality Assurance and Accreditation agency staff to implement a strategic QA plan in a timely manner	Increased transparency in tertiary education including associate degree programmes through publicly available accreditation reports	Higher Education Council and Independent QA Agency	Ongoing QA-project

Recommendation and main actions	Expected outcome	Main entities responsible and stakeholders	Related measures and programmes
Ensuring equitable human development			
Gender sensitive approaches designed and implemented at all levels of education with special attention to the most disadvantaged provinces			
Gender sensitive policy and programme designs including conditional cash transfers for schools and parents if appropriate	Higher enrolment and completion rates for girls in education and VET	MoNE, provincial and local administration including schools and NGOs	IPA measure 2.1
Reducing regional disparities			
Continue to expand enrolment in pre-school and primary education but with a stronger focus on attendance and learning outcomes through appropriate project design and implementation			
Conduct policy research to find out if poor health conditions and malnutrition interfere negatively with school attendance and learning outcomes and propose appropriate intervention strategies if needed	Higher enrolment and completion rates in pre-school and primary education Information available to policy makers about causes and possible actions to increase completion rates	MoNE, provincial and local administrations including schools and NGOs	IPA measure 2.2
Expand pre-school education especially in provinces with the highest level of disadvantage	Increase enrolment in pre-school and reduced regional disparities	MoNE, provincial and local administrations including schools and NGOs	

Recommendation and main actions	Expected outcome	Main entities responsible and stakeholders	Related measures and programmes
Ensuring the provision of efficient high quality education			
Introduce sample-based testing of learning outcome at grades 4 and 8	Information available for further orientation to policy makers, schools and parents	MoNE, TurkStat	
Conduct policy research about the main causes of dropout and design appropriate interventions and incentives to increase retention at the various levels of education	Higher retention rates in primary education and reduced regional differences in education attainment levels	MoNE, TurkStat	
Design programmes to reduce high dropout rates in primary and secondary education with special attention to VET programmes	Increased retention rate in pre-school and primary education	MoNE, provincial and local authorities, school management and school boards	
Improve the quality and labour market relevance of VET through appropriate interventions including recognition of prior learning	Increased completion rates in primary and secondary education including VET	MoNE, private sector, social partners, VQA	IPA measure 3.1
Devise and implement policies to promote stronger business-education partnerships with special attention to VET	Win-win situations created for education and companies involved in VET and associate degree programmes	MoNE, private sector, social partners, VQA	IPA measure 2.3
Devise and implement policies to promote up-skilling of workers in companies with special attention to SMEs	Greater workforce participation in lifelong learning	MoLSS, KOSGEB, Chambers of Commerce, TOBB, RDA, social partners	IPA measure 3.4

6.3 EMPLOYMENT

The strategic employment policy priorities are identified in key policy papers such as the government's Ninth Development Plan and, in more operational terms, in the İŞKUR institutional strategic plan for 2011-15 (İŞKUR, 2011b). Finalisation of the National Employment Strategy and JAP are pending. The ETF recommendations refer to the same three priorities as highlighted in the key national documents:

1. a substantial increase in activity and employment rates, specifically for women, the youth population and disadvantaged groups;
2. a better balance between flexibility and security: flexicurity already ranks high on the agenda. This momentum should be used to find a suitable flexicurity pathway together with social partners as a policy framework for tackling the informal economy and modernising the Turkish labour market;
3. substantial efforts and investment in education and training, with a strong increase in the quality and quantity of vocational training, based on anticipation of skills demands and improved matching between skills supply and demand.

Further strengthening of institutional capacities is imperative in making progress in these fields. This includes strong strategic coordination between national programmes, EU funds and support from international donors, but also implies involvement of the provincial and local levels including input from social partners in the design and monitoring of policies and programmes.

MAIN RECOMMENDATIONS

Strengthening institutional capacities

Strong institutional capacities (with trained and highly professional staff) coupled with horizontal and vertical cooperation, form a firm basis for the achievement of sustainable results, the mainstreaming of pilot projects and the roll-out of tested approaches throughout the country.

Specific policy measures should focus on:

- Strong capacity development within İŞKUR: planned staff increases for the future and the size of the organisation more than justify regular and specialised staff training, with training measures for all levels, for new staff and for further upgrading skills in order to keep abreast of new challenges and international developments. Active participation in existing networks (dialogue between public employment services and the EES Mutual Learning Programme, for example) may further contribute to strengthening capacities.
- Further development of an integrated labour market information system at local and national levels accessible to all relevant stakeholders.
- Further strengthening and development of İŞKUR services to employers in order to canvass for more

vacancies and strengthen İŞKUR's reputation as a reliable service provider for employers.

- Standardising gender mainstreaming and gender sensitive approaches in all policy fields, establishing specific training in this field as a regular part of capacity-building measures.
- Encouraging the stronger involvement of social partners and NGOs to enhance the partnership approach at national and local levels, specifically strengthening the functioning of tripartite bodies with the involvement of employers' and workers' representatives.
- Strengthening the capacity of the provincial employment and vocational training boards to plan and implement local employment initiatives under an intensified strategic coordination umbrella through the exchange of experiences (peer learning) and benchmarking. These entities have passed a milestone in coordinating local employment and training initiatives.

Increasing employment rates

The core drivers to increasing employment rates include elements from both the demand side (the creation of more and better jobs-with decent working conditions and net wages that make work pay) and supply side (activation of unemployed and inactive people).

Specific measures should include:

- Developing and implementing gender mainstreaming approaches. This approach is highly recommended in view of the need to increase the extremely low female employment rates. Targeted approaches for disadvantaged women (low-skilled women, women with family commitments) need to be combined with gender mainstreaming to ensure that the employability of women is increased and that both women and men participate in all measures in proportion to their share of the working-age population.
- Reducing youth unemployment and inactivity, with special attention to female and unskilled young people, providing guidance and counselling services as well as options for decent jobs, further training or sustainable self-employment.
- Further increasing and optimising ALMPs. Although the numbers of participants in ALMPs have doubled during recent years, the activation rate should be further increased with specific measures introduced to reach core target groups. Evaluation capacities must be developed and this monitoring must become a regular practice to support continuous improvement of the efficiency and effectiveness of the measures implemented.

Flexicurity: balancing flexibility and security

The flexicurity debate is already on the policy-making agenda. A tailor-made flexicurity path for Turkey should address the pressing and sensitive issues of labour relations and informal employment. The aim is to optimise the balance between flexibility in employment conditions on one side and more employment and income security

on the other for the mutual benefit of the economy and the workforce.

- Flexibility is mainly provided through informal labour and informal and semi-informal employment practices. The movement from an informal to a formal economy would help increase productivity, wages and social security revenues and coverage. On the other hand, this could result in a sizeable number of firms exiting the market in a way that would impact mainly on disadvantaged and low-skilled people. Thus, the type of policies needed must have the strong commitment of all stakeholders and a mixed approach using incentives and the enforcement of regulations is needed to tackle the problem of informal employment and mitigate the negative side effects. The labour inspection boards and the Social Security Institution need to cooperate and have better staffing levels to adequately support enforcement. İŞKUR should not be made responsible for enterprise inspections, as the role of inspectors conflicts with their role as a service provider for employers.
- Better social protection must be used to create basic income security for those in need with a review of the possibilities presented by an increased coverage of the unemployment benefit system. This is closely connected with the issue of high severance payments, which could easily be reduced through replacement with unemployment benefits.
- Weak law enforcement and exceptions for small companies mean that employment protection only really concerns the larger firms. Greater flexibility for large establishments could enhance job growth in the formal sector. There may be room for the flexibilisation of labour regulations, specifically those concerning internal functional flexibility (through retraining of workers to increase adaptability to changing skills demands) and more flexible working time arrangements (more favourable part-time contracts). Specific attention must be paid to the creation of more favourable conditions for women, allowing them to better reconcile work and family commitments. Social partners play a key role in finding a solution for conflicting interests when a win-win solution must be negotiated.
- Early intervention measures should be implemented to avoid or minimise unemployment in the case of restructuring at enterprise and sector level (industrial branches). Socially responsible restructuring must be enhanced with far stronger involvement of social partners and local level stakeholders.

Improving anticipation and matching of skills supply and demand

Addressing the issue of anticipation and matching of skills supply and demand has multiple aspects: (i) anticipation, in terms of generating reliable and relevant information; (ii) dissemination of this information; and (iii) using the knowledge gained for better matching.

- Existing practices (qualitative and quantitative, national and regional, general and sector approaches) need to be coordinated and experiences exchanged for good anticipation of future skills supply and demand. The active involvement of social partners is also a key success factor here.
- In-depth sector studies with short and mid-term forecasts might be needed to optimise the reform of the VET system and to foster the growth potential of sectors now facing skills shortages.
- İŞKUR should further develop and upgrade its job placement and referral system. It should apply a multi-channelling approach to further increase job placement results, but it should also implement a system with intensive counselling for more difficult to place jobseekers offering services such as personal career development plans.
- The career guidance and counselling system must also be provided with information on future skills demands prior to being rolled out on a larger scale.
- Employers play a crucial role by providing company-based training, internships or jobs for disadvantaged people. In many cases, the know-how of companies is a neglected source of information and experience. Exploration of how to use grant scheme programmes to involve companies more intensively in this process could be beneficial.

IPA funds for the employment component are already used to address most of the core priorities and recommendations including: strengthening the capacity of public employment services; the employment of women and young people; and tackling informal employment through a soft approach of awareness-raising and incentives. There are, however, some gaps or further options for using IPA funds, such as: developing stronger evaluation capacities; developing coherent approaches for anticipation of skills supply and demand, or; strengthening local employment initiatives in connection with the provincial employment and vocational training boards.

The following table summarises the recommendations, describes the expected results and specifies responsibilities for the various actions, providing some links between the fields of action and recent or ongoing international and national programmes and initiatives.

Recommendation and main actions	Expected outcome	Main entities responsible and stakeholders	Related measures and programmes
Strengthening institutional capacities			
Further improvement of the quality and outreach of public employment services			
<ul style="list-style-type: none"> ■ Regular staff training at all organisational levels, based on capacity development strategy for increased numbers of İŞKUR staff ■ Further develop of integrated labour market information system at local and national levels ■ Enhance the ‘attractiveness’ of İŞKUR through improved service provision, developing İŞKUR’s services for employers (skills demand analysis, pre-selection of candidates, hiring subsidies) 	<p>Increased capacity of staff from MoLSS, İŞKUR and the provincial employment and vocational training boards</p> <p>Transparent information available and accessible about current labour market developments at local and national levels</p> <p>Higher coverage of İŞKUR services (xx% increase in registered unemployed and xx% increase in notified vacancies)</p>	İŞKUR, MoLSS, provincial employment and vocational training boards	<p>IPA measure 1.4 (improving the quality of public employment services)</p> <p>Participation of Turkey in the DG Employment PES to PES dialogue</p> <p>World Bank project, 2010-11 (Restoring Equitable Growth and Employment , Programmatic Development Policy Loan)</p>
Gender mainstreaming and gender sensitive approach implemented at all levels			
<ul style="list-style-type: none"> ■ Gender sensitive policy and programme designs 	Gender sensitive labour law and programme designs	İŞKUR, MoLSS, MoFSP, provincial employment and vocational training boards, social partners	TALEX project (Gender mainstreaming training)
Involvement of social partners at national and local level			
<p>Facilitate the rights of workers to join a trade union (in line with ILO Convention 87)</p> <p>Capacity building and strengthening the role of social partners</p>	<p>Enhanced partnership approach and enhanced tripartite dialogue</p>	SPO, MoLSS, social partner organisations	ILO Social Dialogue project 2005 (Enhancing the Role of Tripartism and Social Dialogue in the Work of the ILO)
Strengthen capacities of provincial employment and vocational training boards, e.g. through strategic coordination, mutual learning and benchmarking	Improved capacities to design and implement local employment initiatives	Provincial employment and vocational training boards, regional development agencies	

Recommendation and main actions	Expected outcome	Main entities responsible and stakeholders	Related measures and programmes
Raising employment rates			
Increase the activity and employment rates of women <ul style="list-style-type: none"> ■ Provide child care and elderly care facilities ■ Gender balanced participation in programmes ■ Gender specific statistics and monitoring data available 	Result: xx% increase in women's activity and employment rates	MoLSS, MoFSP, İŞKUR, provincial employment and vocational training boards, social partners, employers, regional development agencies	IPA measure 1.1 (women's participation in the labour market) ILO project funded by the Government of Norway, 2009-10 (Pilot Project on ALMPs for Advancing Gender Equality through Decent Employment for Women in Turkey)
Increase youth employment <ul style="list-style-type: none"> ■ Improve career guidance and counselling services ■ Improve transition from school to work (internships, hiring incentives) ■ Comprehensive support schemes for start ups ■ Ensure quality jobs for young people 	Result: xx% increase in youth activity rate, xx% decrease in youth unemployment	MoLSS, İŞKUR, provincial employment and vocational training boards, social partners, schools, employers, regional development agencies	IPA measure 1.2 (increase youth employment) UN joint programme 2009-12 funded by MDG Achievement Fund (Growth with Decent Work for All: National Youth Employment Programme and Pilot Implementation in Antalya)
Increase and optimise ALMPs <ul style="list-style-type: none"> ■ Optimise programme design and the mix of active labour market measures ■ Ensure implementation of AMLPs in all provinces ■ Ensure participation of disadvantaged groups with targeted measures ■ Improve evaluation practices and capacities 	xx% increase of the activation rates at all local levels (share of registered unemployed participation in activation measures) Evaluation becomes a regular practice to support continuous improvement of the efficiency and effectiveness of the measures carried out	İŞKUR, provincial employment and vocational training boards, social partners, NGOs	İŞKUR's current active labour market measures, specifically labour market training, hiring incentives and support to self-employment and entrepreneurial start ups

Recommendation and main actions	Expected outcome	Main entities responsible and stakeholders	Related measures and programmes
Flexicurity: optimising the mix of flexibility and security			
Tackling informal employment and increasing the quality of jobs	xx% increase in registered employment xx% higher coverage of employees with social security	MoLSS, SSK, labour inspection boards, social partners	IPA measure 1.3 (promote registered employment) See also ILO Social Dialogue project 2005, addressing informal employment
<ul style="list-style-type: none"> ■ Apply an appropriate mix of incentives and stricter enforcement of labour law ■ Increase coverage of social security, specifically for atypical forms of work ■ Increase staff numbers and strengthen cooperation between SSK and the labour inspection boards 			
Improve social protection systems to guarantee basic income for unemployed people	xx% reduction of poverty rate Reduction of informal employment	MoLSS, SSK, İŞKUR, provincial employment and vocational training boards, social partners	
<ul style="list-style-type: none"> ■ Review the possibilities of increasing the coverage of the unemployment benefit system ■ Improve and better coordinate social security systems at national and local levels 			
Flexibilisation of labour law, e.g.	Eased entry of jobseekers, including first labour market entrants	MoLSS, social partners	
<ul style="list-style-type: none"> ■ Ensure more flexible working time arrangements, more favourable part-time arrangements (providing better conditions for reconciling work and family life) ■ Revise of severance payment regulations ■ Mitigate rigid employment protection regulations 			
Preventive measures in the case of mass lay-offs and restructuring	Improved retention of workers in jobs, reduced spells of unemployment Improved adaptability of workers and enterprises, resulting in higher competitiveness and employability	MoLSS, social partners, İŞKUR, provincial employment and vocational training boards	World Bank Competitiveness & Employment Development Policy Loan, 2007 and 2008. (measures for state-owned enterprise restructuring and privatisation) ILO project 2003 (ALMPs for Restructuring
<ul style="list-style-type: none"> ■ Early identification and intervention ■ Restructure enterprises with social responsibility 			

Recommendation and main actions	Expected outcome	Main entities responsible and stakeholders	Related measures and programmes
Improve anticipation and matching of skills supply and demand			
Knowledge generation about future skills supply and demand <ul style="list-style-type: none"> Coordinate existing qualitative and quantitative practices to monitor and anticipate skills supply and demands at national, local and sector levels Develop and implement mid-term and long-term anticipation of skills demands (quantitative macro-economic, as well as qualitative foresight approaches) Develop and implement sectoral studies with short- and mid-term forecasts to optimise the reform of the VET system and to foster the growth potential of sectors now facing skills shortages 	<p>Robust and reliable data is available to decision makers and stakeholders</p> <p>Reduction of skills mismatch (to be defined, measured and analysed)</p>	<p>A multi-level governance approach is needed and should be coordinated and steered at high level</p>	<p>Skills'10 programme implemented since 2011 by TOBB and İŞKUR. (This programme includes skill needs assessment to inform specific VET training and placement activities in various provinces on a relatively large scale)</p>
Using anticipation data for better matching <ul style="list-style-type: none"> İŞKUR to develop its job placement and referral system (upgrading approaches like multi-channelling with internet based portals, intensive counselling and personal career development plans for more difficult to place jobseekers) (see also ALMPs) Strongly enhance career guidance and counselling services, using data about future skills demands Promote internships and in-company training, with appropriate support and incentives Modernise VET systems and increasing provision of CVET, with stronger links between education & training and businesses 	<p>xx% increase of the placement rate of registered unemployed</p> <p>xx% reduction of long-term unemployment</p> <p>Easier transition from education to work</p>	<p>MoLSS, İŞKUR, provincial employment and vocational training boards</p> <p>İŞKUR, employers, social partners</p> <p>MoNE, social partners, VET providers</p>	<p>IPA measure 1.4 (improving the quality of public employment services)</p> <p>Participation of Turkey in the DG Employment PES to PES dialogue</p> <p>National programmes, Skills'10 programme</p> <p>IPA measures 3.1 and 3.2 (adaptability and lifelong learning)</p>

6.4 SOCIAL INCLUSION

In Turkey, the EU accession process is an important framework for promoting the social inclusion agenda. Without underestimating recent social policy and the actions of the Turkish government, it has not been possible to finalise the JIM as a key process in addressing the social exclusion challenges in Turkey. Thus, social inclusion policy seems to be created on an ad-hoc basis rather than on systematic and comprehensive assessment. Integrated social statistics coupled with independent evaluation of accessibility and use of social protection programmes should be the main mechanisms to produce relevant measurement of vulnerable and socially excluded groups to form the basis for their inclusion in policy programmes and priorities.

Overall, the focus of social inclusion policy has been widened from its initial position and the risk of exclusion is now clearly associated with the elements of low education, lack of employment, number of household members, membership of a disadvantaged group, region and age. Identification of vulnerable groups is being made on the basis of those official statistics available (poverty rate and unemployment rate for example) as well as data and information from relevant central and regional public agencies. However, the clear definition and assessment of vulnerability and exclusion within central and regional government policy documents and programmes is a challenge that remains to be met. There is a need to move beyond political and academic discourse and through the setting of clear, realistic targets and increasing the priority of social sector spending. The objectives of the European Platform against Poverty and Social Exclusion are important stepping stones in this context.

Priority 1: Enhanced policy agenda – Recommendations

- The concepts of social inclusion, social cohesion and equity are relatively new in policy discourse in Turkey and these concepts are neither mainstreamed nor referred to in the national policy-making processes. The terms ‘poverty’ and ‘economic vulnerability’ are more commonly seen in the spotlight of government agendas. Far more work is needed on awareness-raising and policy learning measures – where changes of beliefs, attitudes, behaviours and goals are incurred in response to new information from and the experiences of peer entities – to promote the concepts of social inclusion, social cohesion and equity and their added value for education and training, employment and broader social policy making in Turkey.
- Public discussions on the new constitution can be used as a window of opportunity to achieve broad consensus on how to enhance respect for and the protection of minorities and address long-standing challenges of social inclusion in education, employment and society at large for groups including Roma and other marginalised populations.

- Present social policy is based on the world view of undeniable individual rights where social services are considered an entitlement rather than an act of charity as a result. A broad consensus is required to develop consistent overarching social policies that cut across the variety of political, cultural, religious, social and economic realities at the core of the present fragmentation of welfare-oriented activities.
- Policy making could be improved through better use of existing research on social inclusion in Turkey. Enhanced collaboration among academic disciplines and between policy sectors may yield important benefits for all parties involved. It is important to stress that members of disadvantaged communities can make important contributions to the social policy research and dialogue agenda. Hence, a more inclusive approach to research and policy dialogue is recommended.
- Policy makers might consider developing a national strategy for youth skills and a national action plan on preventing social disadvantage, overcoming school failure and reducing youth dropouts based on the two parallel approaches of eliminating system level practices that hinder equity and targeting low performing disadvantaged schools.

Priority 2: Institutional framework and capacity enhancement – Recommendations

- Mapping (at central and local level) of all the institutions involved in inclusive social policies to provide an overview of the various ministries and institutions involved in policy design, programming, implementation and evaluation as a first step towards a more transparent social welfare system. Additional support may be needed to coordinate and fine tune the implementation of the various programmes with a view to enhancing the overall effectiveness of ongoing efforts and support.
- The 2011 Sample Study Population and Housing Survey (field applied in October 2011) could be expanded to provide more detailed information on the groups and communities identified as having a high risk of social exclusion.
- The JIM process could be used as a tool to facilitate the participation of NGOs and community-based organisations representing disadvantaged groups, which would contribute to better identification of disadvantaged groups within Turkish society. The JIM document needs to fully reflect government policy discourse on issues such as the Roma and other disadvantaged groups within Turkish society.
- Social impact assessments must be carried out in a systematic manner to assess the impact of social policies in force.
- Constituencies for reform in Turkey and the EU would benefit from stronger platforms for the exchange of information and learning from innovative practices in order to share know-how in the implementation of various aspects of the social policy agenda. Capacity and financial support (via grants) could be provided for the creation of professional policy networks on social inclusion and/or other mechanisms to promote such exchanges.

- Turkey might consider constructive international cooperation within the framework of the Roma Decade (2010-15) and other EU Roma platforms. It is suggested that the establishment of an overarching institutional coordination working group between relevant government departments would enhance the facilitation of inter-departmental dialogue on the subject. This dialogue will benefit from sector sub-working groups made up of Roma community representatives, professionals, academics, etc.
- Increased public expenditure on ALMPs for marginalised groups. Adequate use of active labour market measures may be crucial in achieving the social inclusion of identified vulnerable groups. The targeting of integrated measures must be enhanced through long-term sustainable projects and extensive financial support, and there must be further exploration of openings for combined action (concurrently at national policy and local grassroots levels) in a way that contributes to the achievement of significant positive impacts.
- Additional support is needed to strengthen central and the regional statistical offices. İŞKUR staff requires technical support to enhance the design of questionnaires to better reflect the causes of social exclusion for identified disadvantaged groups.
- Financial and technical support to local community-based organisations, NGOs and researchers will enhance the technical skills needed for conducting face-to-face interviews with marginalised segments of the population who are generally not very willing to provide the required information – an attitude also partly aggravated by low levels of education and a lack of trust in the interviewing process.
- Financial support to public and private institutions as well as civil society and community entities (through formalised peer learning activities and peer reviews on social inclusion in education and employment, for example) could provide rapid access to research and social policy evaluations in other jurisdictions in Turkey, the region and the EU and, crucially, be helpful in tailoring lessons learned to a specific policy, political and socio-economic context.

The table below summarises the recommendations, describes the expected results, specifies the entities with the main responsibility for each measure and attempts to link each field of action with recent or ongoing international and national programmes and initiatives.

Recommendation and main actions	Expected outcome	Main entity responsible and stakeholders	Related measures and programmes
Priority 1: Enhanced policy agenda			
Further improvement of the quality and outreach of public institution services		State Planning Organisation leading the consultation process with all the institutional partners (line ministries, parliamentary committees, employers, NGOs, community-based organisations, chambers, academia and research institutions, press, political parties etc.	National programmes, HRD OP Priority axis 4, donors etc.
Development of social inclusion strategy based on the world view of undeniable individual rights where, as a result, social services are considered an entitlement not an act of charity	National Strategy on Poverty Reduction and Social Inclusion		
An overarching social policy strategy capable of covering a variety of political, cultural, religious and social and economic realities	HRD OP specifically mentions the National Strategy on Poverty Reduction and Social Inclusion as a main focus area for the Turkish employment guidelines on promoting social inclusion and combating poverty		
Awareness-raising and policy learning measures in promoting concepts of social inclusion, social cohesion and equity and their added value for education and training, employment and broader social policy making	The concepts of social inclusion, social cohesion and equity to be mainstreamed or referred to in national policy-making processes		
Better use of the existing research on social inclusion, and establishment of the social inclusion policy platform as the technical secretariat for enhanced collaboration among academic disciplines and between policy sectors	Policy making informed by the existing research on social inclusion	State Planning Organisation, MoLSS, MoNE, İŞKUR, line ministries, parliamentary committees, employers, NGOs, community-based organisations, chambers, academia and research institutions, press, political parties etc.	
Inclusive approach to research and policy dialogue	Contributions from members of disadvantaged communities to the social policy research and dialogue agenda		
Financial and technical support to enhance the development of regional and local authorities in the areas of active inclusion	Social innovation and regeneration in deprived areas (in particular with HRD OP providing ring-fencing for specific target groups and experimental approaches – through the use of global grants in local development, for example)		

Recommendation and main actions	Expected outcome	Main entity responsible and stakeholders	Related measures and programmes
<p>Support to Turkey Roma NGO umbrella organisation and Turkish authorities to participate in the Roma Decade (2010-15) and other EU Roma platforms</p> <p>Overarching institutional coordination working group between relevant government departments; sub-sectoral sub-working groups consisting of Roma community representatives, professionals, academics, etc.</p> <p>Policy makers might consider establishing a national strategy on youth skills development and a national action plan on preventing social disadvantages, overcoming school failure and reducing youth dropouts based on the two parallel approaches of eliminating system level practices that hinder equity and targeting low performing disadvantaged schools and social policy making links to existing research and enhanced research</p>	<p>Turkey participates in constructive international cooperation within the framework of the Roma Decade (2010-15) and other EU Roma platforms</p> <p>Enhanced facilitation of an inter-departmental dialogue on the subject</p>	<p>State Planning Organisation, MoLSS, MoNE, İŞKUR, line ministries, parliamentary committees, employers, NGOs, community-based organisations, chambers, academia and research institutions, press, political parties etc.</p>	
Priority 2: Institutional framework and capacity enhancement			
<p>Mapping (at central and local level) of all the institutions involved in inclusive social policies as an overview of the various ministries and institutions involved in policy design, programming, implementation and evaluation</p>	<p>A more transparent social welfare system</p> <p>Functional review of social policy making and implementation</p> <p>Mainstreamed institutional roles and responsibilities formalised to improve employment, education and social inclusion policy design, programming, implementation and evaluation</p>	<p>A multi-level governance approach is needed and should be coordinated and steered at a high level</p>	<p>National programmes, HRD OP Priority axis 4, donors etc.</p>

Recommendation and main actions	Expected outcome	Main entity responsible and stakeholders	Related measures and programmes
Finalisation and agreement of the JIM process between Turkey government and European Commission	Common plans in a strategic framework in support of the implementation of social inclusion policies with a lasting impact and beyond the 'project-duration' effect JIM discussions used as a tool to facilitate the participation of NGOs and community-based organisations representing disadvantaged groups, which would help in better identifying the disadvantaged groups within Turkish society	Ministry of Labour and Social Security implements the action plan in coordination with the Ministry of National Education, Ministry of Industry and Commerce Annual meetings of the three ministers in order to ensure political support at the top level of management	National programmes, HRD OP Priority axis 4, donors etc.
Systematic social impact assessments to assess the impact of social policies in place	HRD OP supporting sector-based programmes as opposed to short-term and individual projects Impact indicators developed		National programmes, HRD OP Priority axis 4 and 5 measures
Turkish and EU know-how used in the implementation of various aspects of the social policy agenda by constituencies for reform in Turkey SODES (Social Support Programme) and Skills'10 reviewed and evaluated for their innovative elements with the aim of mainstreaming Capacity and financial support (via grants) for the creation of professional policy networks for social inclusion and other mechanisms to promote such exchanges	Enhanced expertise and policy platforms to exchange information and learn from innovative practices Participation of regional and local stakeholders in setting regional and local agendas - regional development strategies	MoLSS, MoNE, İŞKUR, line ministries, employers, social partners, NGOs, community-based organisations, chambers, academia and research institutions, press, regional government etc.	Participation of Turkey in the DG Employment social inclusion platform Participation of Turkey in DG Enlargement, DG Employment Multi Beneficiary Programmes on Civil Society, Local Administration Facility, P2P programmes and other EU platforms on social inclusion
The 2011 Sample Study Population and Housing Survey (field applied in October 2011) could be expanded to provide more detailed information on groups and communities identified as being at high risk of social exclusion	HRD OP supporting TurkStat technical capacities in targeting marginalised groups in a comprehensive and inclusive manner	TurkStat	

Recommendation and main actions	Expected outcome	Main entity responsible and stakeholders	Related measures and programmes
<p>Increase public expenditure on ALMPs for marginalised groups</p> <p>Enhance targeting of integrated measures and ensure the presence of long-term, sustainable projects, extensive financial support, and possibilities for combining action levels through actions implemented concurrently at national policy and local grassroots levels) to contribute to significant positive impacts</p>	<p>Adequate use of active labour market measures for achieving the social inclusion of identified vulnerable groups</p>	<p>MoLSS, MoNE, İŞKUR, line ministries, employers, social partners, NGOs, community-based organisations, chambers, academia and research institutions, press, regional government etc.</p>	<p>IPA measures 3.1 and 3.2 (adaptability and lifelong learning)</p>
<p>Additional support to strengthen central and regional statistical offices and İŞKUR staff to design questionnaires on the causes of social exclusion for identified disadvantaged groups</p> <p>Financial and technical support to local community-based organisations, NGOs and researchers to enhance the technical skills required in face-to-face interviews with marginalised segments of the population mostly unwilling to provide the information needed, partly because of low level of education and lack of trust in the interviewing process</p>	<p>Better identification of the causes of social exclusion</p>		
<p>Financial support to public and private institutions for peer learning activities</p>	<p>Rapid access to research and evaluations of social policies in Turkey, the region and the EU in order to tailor these lessons to the local context</p>	<p>MoLSS, MoNE, İŞKUR, line ministries, employers, social partners, NGOs, community-based organisations, chambers, academia and research institutions, press, regional government etc.</p>	<p>IPA measures 3.1 and 3.2 (adaptability and lifelong learning)</p>

ABBREVIATIONS AND ACRONYMS

ALMPs	Active labour market policies
DiSK	Confederation of Progressive Trade Unions of Turkey
EES	European Employment Strategy
ESF	European Social Fund
ETF	European Training Foundation
ETUC	European Trade Union Confederation
EU	European Union
Eurostat	Statistical Office of the European Union
GAP	Southeastern Anatolia Project
GDP	Gross domestic product
HAK-İŞ	Confederation of Turkish Real Trade Unions
HDI	Human Development Index
HRD	Human resources development
HRD OP	Human Resources Development Operational Programme
ICT	Information and communication technology
IDP	Internally displaced person
ILO	International Labour Organisation
IOM	International Organisation for Migration
IPA	Instrument for Pre-Accession Assistance
ISCED	International Standard Classification of Education
İŞKUR	Turkish Employment Agency
JAP	Joint Assessment Paper of Employment Policy Priorities
JIM	Joint Inclusion Memorandum
KOSGEB	Small and Medium Enterprises Development Organisation
LFPR	Labour force participation rate
LFS	Labour Force Survey
MoFSP	Ministry of Family and Social Policies
MoNE	Ministry of National Education

MDG	Millennium Development Goals
MoLSS	Ministry of Labour and Social Security
MÜSİAD	Independent Industrialists and Businessmen's Association
MYO	Post-secondary vocational school
NGO	Non-governmental organisation
NUTS	Nomenclature of territorial units for statistics
OECD	Organisation for Economic Cooperation and Development
OIZ	Organised industrial zone
PES	Public employment service
PISA	Programme for International Student Assessment
PPP	Purchasing power parity
RDA	Regional Development Agency
SME	Small and medium-sized enterprise
SODES	Social Support Programme
SPO	State Planning Organisation
SSK	Social Security Institution
SYDGM	General Directorate of Social Assistance and Solidarity
TALIS	Teaching and Learning International Survey
TESK	Turkish Confederation of Tradesmen and Craftsmen
TİSK	Turkish Confederation of Employer Associations
TOBB	Turkish Union of Chambers and Commodity Exchanges
TRY	Turkish lira
TUIK	Turkish Statistical Institute
TÜRK-İŞ	Confederation of Turkish Trade Unions
TurkStat	Turkish Statistical Institute
UN	United Nations
UNDP	United Nations Development Programme
Unicef	United Nations Children's Fund
VET	Vocational education and training
VQA	Vocational Qualifications Authority
YÖK	Higher Education Council

COUNTRY CODES

AL	Albania
BA	Bosnia and Herzegovina
IS	Iceland
XK*	Kosovo
ME	Montenegro
RS	Serbia
HR	Croatia
MK**	former Yugoslav Republic of Macedonia
TR	Turkey

() Provisional code used by Eurostat.*

*(**) Provisional code that does not affect the definitive denomination of the country to be attributed after the conclusion of the negotiations currently taking place at the United Nations.*

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