UNITED NATIONS JOINT PROGRAMME "GROWTH WITH DECENT WORK FOR ALL: A NATIONAL YOUTH EMPLOYMENT PROGRAM AND PILOT IMPLEMENTATION IN ANTALYA"

# NATIONAL YOUTH EMPLOYMENT ACTION PLAN

TURKISH EMPLOYMENT ORGANIZATION 2011







UNITED NATIONS JOINT PROGRAMME "DECENT WORK FOR ALL: NATIONAL YOUTH EMPLOYMENT PROGRAMME AND PILOT IMPLEMENTATION IN ANTALYA"

## NATIONAL YOUTH EMPLOYMENT ACTION PLAN

NATIONAL TECHNICAL TEAM (15.11.2011)

**National Youth Employment Action Plan** 

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## ACRONYMS

ADNKS	: Address-based Population Registry System
AÜ	: Ankara University
BM	: United Nations
CPI	: Consumer Prices Index
CPS	: Country Partnership Strategy
ÇSGB	: Ministry of Labour and Social Security
DİSK	: Confederation of Progressive Trade Unions
EU	: European Union
FAO	: United Nations Food and Agriculture Organization
FOET	: Fields of Education and Training
GIDER	: Youth Employment Association
GDP	: Gross Domestic Product
GTHB	: Ministry of Food, Agriculture and Livestock
HAK-İŞ	: Confederation of Real Trade Unions
ILO	: International Labour Organization
IOM	: International Organization for Migration
IPA	: Instrument for Pre-accession Assistance
ISCED	: International Standard Classification of Education
ISCO	: International Standard Classification of Occupations
IŞGEM	: Business Development Centre
ІІМЕК	: Provincial Employment and Vocational Training Board
İMD	: Occupation and Job Counselling
İŞKUR	: Turkish Employment Organization
ікмер	: Project for Developing Human Resources through Vocational Training
KAGİDER	: Association of Turkish Female Entrepreneurs
KAMU-SEN	: Confederation of Unions of Public Servants
КВ	: Ministry of Development
KEİG	: Female Labour and Employment Initiative
KESK	: Confederation of Unions of Public Servants
KOSGEB	: Small and Medium Size Enterprises Development Administration
MDG-F	: Millennium Development Goals Fund
MEB	: Ministry of National Education
MEGEP	: Project for Strengthening Vocational Education and Training System
MEMUR-SEN	: Confederation of Unions of Public Employees

МҮК	: Vocational Qualifications Authority
METU	: Middle East Technical University
	•
OECD	: Organization for Economic Cooperation and Development
OÖP	: Secondary Education Project
SGK	: Social Security Institution
SMSE	: Small and Medium Size Enterprises
ТСМВ	: Central Bank of Republic of Turkey
TESK	: Confederation of Artisans and Craftsmen of Turkey
тіѕк	: Confederation of Turkish Employers' Unions
ТОВВ	: Union of Chambers and Stock Exchanges of Turkey
TÜDEF	: Federation of Consumers' Associations
TURKSTAT	: Turkish Institute of Statistics
TÜRK-İŞ	: Confederation of Trade Unions of Turkey
TZOB	: Union of Chambers of Agriculture
UMEM	: Project for Specialized Occupation Building Centres
UNCT	: UN Country Team
UNDAF	: United Nations Development Assistance Framework
UNDP	: United Nations Development Programme
UNJP	: United Nations Joint Programme "Decent Work for All: National Youth Employment Programme and Pilot Implementation in Antalya Region
UTE	: National Technical Team
PPI	: Producer Prices Index
ΥΟΙΚΚ	: Coordination Board for Improving Investment Environment

#### **EXECUTIVE SUMMARY**

Youth constitute a disadvantaged group in terms of labour market opportunities. The National Youth Employment Action Plan seeks to identify activities to be conducted and policies to be implemented for reducing youth unemployment.

The work for the action plan was undertaken by the National Technical Team (UTE) set up under the coordination of İŞKUR. The UTE was created and started its work in January 2010 under the United Nations Joint Programme "Decent Work for All: National Youth Employment Programme and Pilot Implementation in Antalya" which was developed to obtain national and local outcomes in the context of the Millennium Development Goals.

Under the coordination of İŞKUR, the UTE as the body with the task of developing the action plan consists of the representatives of the Ministry of Development, TURKSTAT, Ministry of Food, Agriculture and Animal Husbandry, TÜRK-İŞ, HAK-İŞ, DİSK, TİSK, Youth Employment Association and academicians.

During this work, sources used include statistical data, national and international studies, EU country practices, existing policy documents, action plans and strategic plans and the Guide for Developing National Youth Employment Action Plans prepared by the International Labour Organization (ILO). The work was supported in technical terms by the ILO and other UN organizations (IOM, FAO and UNDP) as programme partners.

Also considered in drafting the Action Plan and Policy Recommendations included in the plan were existing legislation/documents, regional and local characteristics as well as such factors and phenomena as decent work, registered/formal employment and economic situation. Focus on youth, gender sensitivity and consideration of young migrant labour from agriculture as well as the disabled young people were adopted as guiding principles in drafting the action plan.

The Action Plan developed by the UTE was envisaged as a document suggesting solutions for the problems of vulnerable groups and supporting the national employment strategy.

The Action Plan prepared on the basis of consensus of all parties consists of parts as Introduction, Situation Analysis, Overall Evaluation and Conclusion, Policy Recommendations and Action Plan Matrix.

In the Action Plan,

- 1. Introduction
  - Gives summary information concerning the process of drafting the plan.

2. Situation Analysis examines the following that either directly or indirectly affect youth employment:

- Present economic and social state in Turkey,
- State of youth in regard to labour market,
- Legislative arrangements,
- Policy documents,
- Information related to education and training,
- Social dialogue mechanisms,
- Cooperation with international organizations.

- 3. The part "Overall Evaluation and Conclusion";
  - Summarizes the findings of the Situation Analysis

4. The part "Policy Recommendations" include the following which are mostly for longer term and which may require legislative arrangements:

- Employment friendly growth and implementation of specific policies to this end,
- Enhancing cooperation between NGOs including trade unions and Governmental organizations,
- An education and training system responsive to the needs of labour market,
- Universal schooling to eliminate gender and regional disparities,
- Finalization of the system for occupational competences,
- Support to and encouragement of entrepreneurial initiatives of youth,
- Adaptation of migrants to urban life,
- Bringing labour cost in line with OECD practices through relevant analyses,
- Enhancing the organization of İŞKUR in rural areas,
- Developing areas in agriculture with high added value and supporting qualified employment,
- Informing relevant parties about policies and practices geared to promoting employment.

5. The Action Plan Matrix as the last part of the Action Plan is a İŞKUR focused plan developed to ensure operability in the short-term. The Matrix shows activities that İŞKUR will carry out in cooperation with other organizations and agencies, outcomes expected from these activities and objectives to be attained.

As explained below, the Matrix identifies three main axes as objectives:

Objective 1. Enhancing İŞKUR's Institutional Capacity in Promoting Youth Employment

- Nationwide and periodic conduct of youth focused labour market needs analyses on the basis of age, gender and educational status
- Making Provincial Employment and Vocational Training Boards more active in issues related to youth employment
- Strengthening İŞKUR's coordination with labour market agencies and institutions in a way to cover youth and on the basis of democratic representation and participation and thus also strengthening social dialogue mechanism
- Improving the quality and capacity of İŞKUR's job counselling services; strengthening personnel capacity in qualitative and quantitative terms; improving recognition and accessibility for youth; strengthening communication channels with employers and developing coupling services and expanding and improving job and occupational counselling services

Objective 2. Strengthening the Relationship between Education and Training and Employment

- Facilitating the transition of the beneficiaries of active employment programmes to labour market
- Making graduate monitoring system effective
- Mating it easier for trained youth to acquire occupational experience
- Increasing the possibilities of qualified employment in agriculture based activities

Objective 3. İŞKUR's Contribution to Job Creation envisages outcomes such as:

- Promoting youth employment in urban areas
- Monitoring the employment status of youth registered with the institution and extending their employment spells
- Monitoring and evaluation of outcomes of the protocol of cooperation between iŞKUR and KOSGEB
- Encouraging entrepreneurship
- Monitoring entrepreneurship trainings delivered by İŞKUR
- Introducing facilitating arrangements for young entrepreneurs and placing in strong communication mechanisms

As such, activities geared to achieving objectives specified in the National Youth Employment Action Plan are planned to be completed until 2015.

#### INTRODUCTION

The process extending from the industrial revolution up to our day brought along almost a full change in economic and social structure. Particularly the present structure which is called "information economics" further increases the importance of information and having it. Further, this structure continuously renews itself and forces economic and social life to change.

In the same structure, it is as essential as having information to have the skills to use it and generate new information. Given this, elements that constitute economic and social structure too have to renew themselves and get better.

Developments taking place force economic and social life to move ahead and transform on the one hand while, at the same time, they bring along a configuration where adversities in one country or region shortly have their implications on others.

In this process of change and transformation, unemployment stands out as one of the most important problems of economic and social life everywhere including Turkey. The problem leads to economic losses while also generating many social problems.

Thinking the global economic structure together with such concepts as information society and unemployment, we can consider youth, women and the disabled as vulnerable groups in terms of unemployment who are more quickly affected by changes and developments taking place.

The global crisis which started in the US in 2007 as a financial crisis and assumed dimensions that affected the world as a whole caused significant losses in national economies and swelling rates of unemployment in many countries. Youth constitute one of the major population groups affected worse by the crisis.

As in other countries, the crisis led to shrinking employment and rising unemployment in Turkey as well. The rate of unemployment which was 10.3% in 2007 and 11% in 2008 made peak with 14% in 2009, later declining to 11.9% in 2010. Labour force participation rates were 47.9% and 48.8%, respectively, in 2009 and 2010.

Examining labour market data in this context, we find that the rates of participation to employment and labour force by young population are lower than those of other age groups and the rate of unemployment in young population is higher. The labour force participation rates of young population are 37.7% in 2007, 38.1% in 2008, 38.7% in 2009, 38.3% in 2010 and 37.2% in February 2011. The rates of unemployment of the same population group are as follows: 20% in 2007, 20.5% in 2008, 25.3% in 2009 and 21.7% in 2010.

All these suggest that specific measures and solutions are needed for youth as a highly vulnerable group most profoundly affected by economic and social development.

Unemployment is an issue which is of interest for many parties including workers themselves, employers, Government and civil society organizations. Hence, drafting of an action plan for the employment of youth in line with a national employment strategy developed jointly by the parties mentioned above will significantly contribute to the solution of the problem of unemployment in young population and to the achievement of sustainable outcomes in this area.

Within the framework of Millennium Development Goals, the in United Nations Joint Programme launched in 2009 the project "Decent Work for All: National Youth Employment Programme and Pilot Implementation in Antalya Region" (UNJP). The programme was designed to lead to outcomes at both national and regional level and the most important objective at national level was determined as drafting a National Youth Employment Action Plan given the most vulnerable position of youth in terms of labour market.

In this line, to draft the National Youth Employment Action Plan as the national level objective of the UNJP, a National Technical Team (NTT) was formed in January 2010 under the

coordination of İŞKUR. The team is composed of representatives from the Ministry of Development, MEB, Ministry of Food, Agriculture and Animal Husbandry, TÜRK-İŞ, HAK-İŞ, DİSK, TİSK, Youth employment Association and academics. In order to conduct technical works in the process of drafting in line with the decisions of the NNT, a team of reporters was designated within the NNT.

Having been set up in January 2010, the NTT started its work in the light of the National Youth Employment Action Plan Guide prepared by the ILO. The work for the Action Plan was conducted and completed with the support of international organizations as project partners including ILO in the first place (others are the IOM, FAO and UNDP) and also by considering relevant activities and action plans in some EU countries.

Also considered while drafting the action plan and policy recommendations in it were existing legislation/official documents, regional and local characteristics and such concepts and phenomena as decent work, formal employment and state of the economy. Focus on youth, gender sensitivity, special reference to youth migrating from rural to urban areas and young people with disabilities were the main points of attention while developing the action plan and policy recommendations.

Within this framework, the NTT assessed the existing situation and then developed policy recommendations and an action plan by taking account of practices mentioned and underlying principles.

#### SITUATION ANALYSIS

#### 1. Overall Evaluation of Economic and Social Environment

#### 1.1. Macroeconomic Indicators

In the period 2003-2007 Turkish economy grew fast with average annual rate of growth 6.9%. However, starting from the second half of 2008 when the global crisis had its effects on Turkish economy as well this performance slowed down and the rate of growth in 2008 turned as 0.7%.

Parallel to the facts that recession in world economy in 2009 was below earlier expectations and there was early transition to recovery, there was also recovery in Turkish economy. Diminished uncertainties as a result of financial and monetary measures adopted, increased consumer trust and improved lending terms affected consumption and investment decisions positively and consequently increased domestic demand. Within the framework of these developments the GDP increased by 5.9% in the last quarter of 2009. Consequently, the decline in the rate of GDP growth in 2009 remained below the expected level and it turned out as 4.8%. This revival in economy continued at increasing rates in 2010 as well thanks to high value added increases in industry, construction, trade and transportation sectors, private consumption and investments and increases in stocks. The rates of increase in value added in this period were 12.9% in industry, 8.5% in services and 1.6% in agriculture. In 2010, industrial output increased by 13.1% over the previous year while rate of capacity use in manufacturing industry became 72.6% with an increase by 14.4 points. As a result, the rate of increase in GDP in 2010 was 8.9%.

The global economic crisis had its implications on Turkish economy mainly through i) shrinking opportunities in foreign trade, ii) tighter financing and liquidity conditions, iii) worsening in expectations.

The global economic crisis affected negatively not only domestic but also external demand and consequently the exporting potential of the country weakened significantly. Production was affected negatively particularly in export oriented sectors. Given the recent increase in the dependency of domestic production and exports to importation, the shrinkage in importation was deeper than in earlier crises. Contrary to the general tendency in Turkish economy characterized by falling imports, rising exports and emerging surplus in current transactions in periods of recession, both imports and exports fell significantly during the global crisis.

Current deficit tended to increase again together with economic recovery. This development bore the imprint of the rate of increase in imports higher that the rate of increase in exports as a result of economic growth. Starting from the second half of 2009, there was recovery in the demand side as the effect of the global crisis were mitigated and this triggered the increase in imports. While the import financing rate of exports was 72% in 2009, it declined to 61.4% in 2010. Current deficit as a percentage of national income which was 2.3% in 2009 parallel to economic recession turned as 6.6% in 2010.

Another channel that the crisis had its implications on Turkish economy was terms of financing and liquidity which got tighter. In the period 2002-2007, as a result of structural reforms taking place along with worldwide trends, macroeconomic stability, fiscal discipline and monetary policies pursued, Turkish economy attracted foreign capital and enjoyed high rates of growth and external resources started to play a critical role in economy. In the period of global crisis, on the other hand, significant fall in incoming capital made it more difficult to finance the growth. Net capital outflow that was observed starting from October 2008 lasted until April 2009 when it was replaced by net capital inflow. As the world economy started to recover in 2010 and with measures adopted for healthier and stronger financial systems brought along improvements in international fund flows despite some continuing fragilities in financial markets. In this process, Turkish economy faced no problem in reaching external resources which was required by high rate of growth.

The crisis related economic recession led to declining employment and rising unemployment in Turkey as was the case in many other countries. In addition to already existing structural problems in labour market, uncertainties brought along by the crisis environment prevented the creation of new job opportunities. In order to mitigate the adverse effects of the crisis on economy and to curb unemployment, a series of supporting packages were phased in by considering the suggestions of private sector representatives as well. As economic recovery which started in the last quarter of 2009 had its implications on labour market, there was increase in employment in 2009 and 2010. The rate of unemployment recorded as 11% in 2008 first increased to 14% in 2009 and then fell to 11.9% in 2010. In this period the case of Turkey was one of the most successful among OECD countries in terms of pulling down the rate of unemployment.

Worldwide fall in production and demand under the impact of crisis, fast decrease in the prices of basic commodities and shrinkage of domestic demand were the factors which led to fall in inflation and inflationist expectations. The downward trend in inflation observed in the last quarter of 2008 with deepening global crisis and marked slowdown in world economy changed direction and an upward trend emerged in the last quarter of 2009. This trend continued in 2010 gaining further momentum. At the end of 2010, the annual rates of increase in Consumer Prices Index (CPI) and Producer Prices Index (PPI) were 6.4% and 8.9%, respectively. (In 2009 these figures were 6.5% and 5.9%).

Throughout the year 2009, inflation and monetary policies were mainly shaped by developments in global economy and the Central Bank, depending on worldwide trends, continued its policy of gradual markdown in interest rates in 2009. At the end of 2009, low level of policy interest rates, balancing liquidity measures and loosening financing terms continued to be effective in money and loan markets and the expansionary effect of monetary policies became more evident. Considering positive developments in loan markets and lenient tendency of recovery in economic activities, markdowns in interest rate were gradually slowed down and starting from December 2009 policy interest rates were kept fixed. These expansionary measures were gradually lifted in the first half of 2010. In the second half of 2010, it became necessary to focus more on macroeconomic risks given such external developments as expanding global liquidity and more appetite for taking global risk accompanied by external/domestic demand separation and increase in short term capital inflows. Along these lines, the Central Bank of Turkey adopted a stance keeping an eye on both price and financial stability with its policy composed of low policy interest rate, high reserve requirement and a wide interest rate corridor. Consequently, the impact of global crisis on the Turkish banking system remained very limited. The domain created by structural reforms in many areas including the banking sector in the first place and tight financial policy in effect for a rather long time enabled Turkish economy to face the global crisis on sound macroeconomic grounds.

#### 1.2. Poverty Indicators

Turkey is a medium income country and not faced with the problem of absolute poverty. The proportion of population subsisting on 1 dollar income a day was 0, 2% in 2002 and it then became 0 as of the year 2006.

Methods	Number of Poor Individuals (thousand)								
Methous	TURKEY		URBAN			RURAL			
	2007*	2008	2009	2007*	2008	2009	2007*	2008	2009
Food poverty (hunger)	328	374	339	33	122	29	295	252	310
Poverty (food+non food)	12 261	11 933	12 751	4 968	4 533	4 318	7 293	7 400	8 432
Below 1\$ per capita per day	-	-	-	-	_	_	-	-	-
Below 2,15\$ per capita per day	356	330	159	43	93	20	313	237	138
Below 4,3\$ per capita per day	5 796	4 759	3 066	2 111	1 483	469	3 686	3 276	2 597
Relative poverty based on expenditure	10 127	10 497	10 669	4 017	3 871	3 214	6 110	6 626	7 455

In 2009, the number of people in food poverty was estimated at 339,000 with a decline of 9.4% over the previous year. The number of people in poverty, on the other hand, increased by 6.9%, reaching 12,751,000. According to these figures, about 0.48% of population are below the hanger line determined exclusively by expenditure on food and 18.1% are below poverty line which is determined by both food and non-food expenditures.

As can be seen in Figure 1, the rate of poverty steadily fell countrywide in the period 2002-2008 before this fall was checked by the economic crisis in 2009. This upturn in poverty is more pronounced in rural areas.

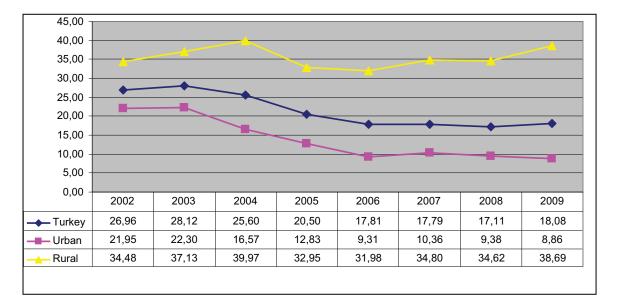


Figure 1: Rates of poverty (%), 2002-2009

As can be seen in Figure 1, the risk of poverty for those living in rural areas is higher than others living in urban areas. Limited availability of non-agricultural jobs in rural areas and the fact that the sector of agriculture with its relatively limited value added is the largest area of employment is the main reason why the risk of poverty is higher. In fact, while the rate of poverty among rural dwellers increased from 34.62% in 2008 to 38.69% in 2009, the rate of urban poverty fell from 9.38% to 8.86% in the same period.

The risk of poverty increases as household size gets larger. In 2009, while the rate of poverty is 9.65% among people living in households with 3-4 members, it is 40.05% for households having 7 and more members. The rate of poverty for households consisting of nuclear family with children is 15.98%, but it falls to 9.86% in households of nuclear family without children. For extended families, the rate of poverty is estimated as 24.48%.

The risk of poverty diminishes as level of education rises. In 2009, while the rate of poverty was 29.84% for illiterate and without diploma population, it was 15.34% for primary school graduates, 5.34% for high school and equivalent vocational school graduates and 0.71 for higher education graduates.

In terms of fairness in income distribution, Turkey shares the bottom of the list together with Mexico among OECD countries. Examining data on income distribution, we observe that the income share of the first quintile (20%) is increasing while that of the last quintile tends to fall. The share of the first quintile that is at the bottom in terms of income share was 5.1% in 2006, then increasing to 5.6% in 2009. The fifth quintile, the richest one, had a share of 48.4% in 2006, declining to 47.6% in 2009. Parallel to these changes, the Gini coefficient as indicator of inequality in income distribution was 0.43 in 2006, and then becoming 0.41 in 2009 as a sign of relative improvement in income distribution. For EU-27, the Gini coefficient is 0.306 for 2006 and 0.304 for 2009.

Among EU members and OECD countries, Turkey, together with Israel and Mexico has one of the highest rates of child poverty as a problem closely associated with the educational and labour market status of youth. According to an OECD report dated 2008, the income share of children and young population in the age group 18-25 fell in the period starting from the mid-80s up to mid-2000s although this share was rising in many OECD countries. In 2009, the rate of poverty for people under age 15 was 33.9%. The risk of poverty for children under age 6 who have yet not started primary education is 24.04%.

As far as relatives rates of poverty by age groups are concerned, the rate of poverty which is 23.8% for the population as a whole increases 26.8% for the age group 15-24 according to the criteria 60% of household median disposable income equivalent in 2009. The rate is 27.9% for females in this age group and 25.7% for males. With the exception of the age group 35-53, the rates of poverty for females are higher than those for males. Of people in poverty, 18.7% are young persons.

#### Table 2: Number of Poor and Rate of Poverty by Gender and Age Groups (2009)

Gender and age group	No (000)	Number of poor individuals (000)	Distribution of poor individuals (%)	Rate of poverty (%)
Total	70 542	16 806	100.0	23.8
< 15	17 860	6 050	36.0	33.9
15-19	6 293	1 975	11.8	31.4
20-24	5 414	1 161	6.9	21.5
25-34	12 030	2 374	14.1	19.7
35-54	18 405	3 544	21.1	19.3
55+	10 540	1 702	10.1	16.1
Male	34 989	8 125	48.3	23.2
< 15	9 080	2 971	17.7	32.7
15-19	3 251	956	5.7	29.4
20-24	2 563	538	3.2	21.0
25-34	5 950	1 070	6.4	18.0
35-54	9 270	1 835	10.9	19.8
55+	4 874	755	4.5	15.5
Female	35 552	8 681	51.7	24.4
< 15	8 779	3 079	18.3	35.1
15-19	3 041	1 019	6.1	33.5
20-24	2 851	623	3.7	21.9
25-34	6 080	1 305	7.8	21.5
35-54	9 135	1 709	10.2	18.7
55+	5 666	947	5.6	16.7

#### [according to the criterion 60% of the equivalent median disposable household income]

Source: TURKSTAT Income and Living Conditions Survey, 2009

			Indi	vidual rate	of poverty	(%)		
Economic activity	2002	2003	2004	2005	2006	2007(*)	2008	2009
Total	27.0	28.1	25.6	20.5	17.8	17.8	17.1	18.1
Individuals at age 15 and over	23.9	24.5	22.2	17.7	14.8	14.9	14.4	15.3
Employed individuals	25.1	26.1	23.3	19.0	15.8	14.2	14.8	15.4
Status in employment								
Wage-salary earner	13.6	15.3	10.3	6.6	6.0	5.8	5.9	6.0
Daily paid	45.0	43.1	37.5	32.1	28.6	26.7	28.6	26.9
Employer	9.0	8.8	6.9	4.8	3.7	3.2	1.9	2.3
Self-employed	29.9	32.4	30.5	26.2	22.1	22.9	24.1	22.5
Unpaid family worker	35.3	38.5	38.7	34.5	32.0	28.6	32.0	29.6
Sector								
Agriculture	36.4	39.9	40.9	37.2	33.9	32.1	38.0	33.0
Industry	21.0	21.3	15.6	9.9	10.1	9.7	9.7	9.6
Services	25.8	16.8	12.4	8.7	7.2	7.4	6.8	7.2
Job seekers	32.4	31.0	27.4	26.2	20.1	26.0	17.8	19.5
Not active economically	22.2	22.8	21.0	15.9	13.6	14.7	13.7	14.7
Under age 15	34.6	37.0	34.0	27.7	25.2	25.5	24.4	25.8

Table 3: Rates of poverty by the economic activity status of household members

(\*) Revised according to new population projections

Source: TURKSTAT, Poverty Survey, 2009

Looking at rates of poverty by Level 1 in Statistical Units Regional Classification, the highest rate is observed in North-eastern Anatolia as 23.3%. This region is followed by western Marmara and South-eastern Anatolia with 21.2%.

In 2009, while rates of poverty fell in İstanbul, Aegean, Eastern Black Sea and North-eastern Anatolia regions they increased in other regions. In the same year, the highest increase in the rate of poverty was in Mediterranean region with 4.4 points. The highest fall was by 3.6 points in Eastern Black Sea region.

#### Table 4: Income-based Relative Poverty Figures and Rate of Poverty

Regions -	Pov	erty thres	hold (TR)	()	Numb	er of poor	rs (in thou	isand)	F	overty	rate (	%)
Regions	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
TR1 İstanbul	4 174	5 384	5 489	5 907	2 563	1 955	2 165	1 875	21,0	15,8	17,4	14,9
TR2 West Marmara	3 211	3 879	4 043	4 353	602	555	582	648	21,1	19,1	19,7	21,2
TR3 Aegean	3 158	4 091	4 238	4 853	2 067	1 973	2 031	1 875	23,1	21,8	22,3	20,4
TR4 East Marmara	3 461	4 475	4 790	5 158	1 148	1 082	1 105	1 190	19,1	17,6	17,5	18,1
TR5 West Anatolia	3 404	4 062	4 315	4 924	1 449	981	1 231	1 388	22,9	15,4	18,9	20,9
TR6 Mediterranean	2 303	3 018	3 117	3 633	2 019	1 901	1 431	1 860	23,8	22,1	16,4	20,8
TR7 Central Anatolia	2 768	3 344	3 440	3 691	690	689	735	729	18,7	18,7	19,8	19,8
TR8 West Black Sea	2 469	3 339	3 354	3 762	1 025	832	844	875	23,2	18,7	19,2	19,8
TR9 East Black Sea	3 089	3 633	3 981	4 200	516	375	506	422	21,1	15,3	20,6	17,0
TRA North East Anatolia	1 849	2 786	2 627	2 623	515	565	558	490	23,8	26,4	26,1	23,3
TRB Central East Anatolia	1 672	2 217	2 206	2 295	769	656	608	662	22,9	19,3	17,6	18,6
TRC South East Anatolia	1 212	1 676	1 860	2 041	1 496	1 202	1 387	1 548	22,3	17,4	19,7	21,2

[Based on the criteria of 60% equivalent household disposable median income]

Source: TURKSTAT, Income and Living Conditions Survey, 2006-2009

#### 1.3. Migration

The TURKSTAT is the source of migration data in Turkey. De facto population censuses conducted earlier give an idea about population movements countrywide and socioeconomic characteristics of migrants. In Turkey, in addition to rural-to –urban migration mainly triggered by economic causes, migration from Eastern and South-eastern Anatolia driven by other causes is also important. In the latter, migrants mostly move to Istanbul, İzmir, Adana and Mersin outside the region and for Diyarbakır within. This migration has significant effects on labour markets in the provinces of destination. The region covering Adana and Mersin has the highest rate of unemployment in Turkey. Whatever may be the reason behind, rural-to-urban migration leads to fall in rural population and change in rural age composition as rural dwellers consist mainly of elderly people. In eastern Black Sea as one of regions giving migration out, for example, the share of elderly women in total population is higher than the country average.

Another dimension of internal migration in Turkey is seasonal migration movements. In this pattern, local population moves out for agricultural employment in specific periods of the year mainly for harvesting activities. Also, there are young people seasonally moving to cities to find jobs mainly in construction and tourism sectors. According to the latest ADNKS data, 40-45% of unemployed rural youth seasonally migrate for jobs elsewhere.

According to the earlier population census held in 2000, 28% of total population lived in places other than provinces they were born in. Another important point related to migration is that 70% of internal migration is from one city to another. According to migration statistics for the period 2008-2009, İstanbul, Ankara and İzmir are the provinces leading the list in terms of receiving migration from other provinces. Istanbul alone receives 17% of total domestic migration and these three cities account for 30% of new settlers coming from other places. 30.3% of migrants of rural origin have İstanbul as their destination. Migration to the rural parts of these provinces is nil.

55% of migrant in Turkey are males. As can be expected they are mostly people at working ages. While males move out as singles, women join migration mostly after getting married. The average level of education of migrants is higher than the average level of education in the country. This situation is not surprising given that the bulk of domestic migration is from one city to another.

For migrants of rural origin, the level of education is lower as can be expected. The three leading provinces in Turkey in terms of receiving migration are also at the top of the list in giving migration out. Those of İstanbul origin make up 16% of total domestic migrants while the sum total of migrants from the three largest provinces account for 26% of total migration. In net terms, the share of İstanbul in migration is 2% while the share of three provinces together is 5%.

#### 2. Labour Market

#### 2.1. General Outlook

In 2010, non-institutional population in Turkey increased by 801,000 over the previous year and reached 71, 343,000 while non-institutional population at working ages reached 52,541,000 with an increase of 855,000.

From 2009 to 2010, labour force participation rate rose to 48.8% with an increase of 0.9 points. Women have their weight in this increase. While increase in women's labour force participation was by 1.6 points, it was 0.3 in males and there was a drop by 0.4 points among youth.

	2005	2006	2007	2008	2009	2010
Population at Working Ages	48 359	49 174	49 994	50 772	51 686	52 541
Labour Force	22 455	22 751	23 114	23 805	24 748	25 641
Employment	20 067	20 423	20 738	21 194	21 277	22 594
Non-agricultural Employment	14 913	15 516	15 871	16 178	16 023	16 911
Agriculture	5 154	4 907	4 867	5 016	5 254	5 683
Industry	4 178	4 269	4 314	4 441	4 130	4 494
Services	10 735	11 247	11 557	11 737	10 644	10 986
Construction	1 107	1 196	1 231	1 241	1 249	1 432
Unemployed	2 388	2 328	2 376	2 611	3 471	3 046
LFPR (%)	46.4	46.3	46.2	46.9	47.9	48.8
Rate of Employment (%)	41.5	41.5	41.5	41.7	41.2	43.0
Rate of Unemployment (%)	10.6	10.2	10.3	11.0	14.0	11.9
Rate of non-agricultural Unemployment (%)	13.5	12.7	12.6	13.6	17.4	14.8
Rate of Youth Unemployment (%)	19.9	19.1	20.0	20.5	25.3	21.7

Table 5: Developments in Domestic Labour Market over Years	(Age 15+, 000)*
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Source: TURKSTAT, Household Labour Force Survey (\*) Revised according to new population projections.

In 2010, the number of employed people in total labour force increased by 1,317,000 while the number of unemployed declined by 425,000. The high level of economic growth with the weight of industry in affected employment positively. This positive picture can also be accounted by the significant levels of increase in unemployment and shrinking in employment in 2009 as the base year.

Males were more determining in the rise of employment in 2010 and the contribution of urban areas to employment increase was higher than that of rural areas. Increase in employment was by 477,000 in rural areas and by 840,000 in urban.

Female employment increased by 554,000. This increase derived mainly from agriculture. Of this increase, 50.4% was in agriculture, 27.1% in services and 19.7% in industry.

The number of employed males increased 764,000. The largest part of this increase stemmed from industry with 40%. Shares of other sectors in this increase are as follows: Services

23.8%, agriculture 21.5% and 14.4% in construction. Hence it was agriculture for women and industry for men that mainly created employment.

Non-agricultural employment increased rather fast until May 2010, then slowed down but recovered again in November 2010 yielding an increase of 874,000 at the end of the year. Compared to the previous year, non-agricultural employment increased 5.5% in 2010.

Evaluating total employment created by sectors, we see that with employment increase by 443,000 the sector of agriculture leads the list with a share of 33.6% in total increase in employment. This situation is paradoxical considering that this sector performed unsuccessfully in economic growth in 2010. The contribution of industry to total increase in employment was 31.7% with 417,000 persons.

In absolute terms, informal employment increased by 444,000 in 2010 and increase in informal employment constituted about one-third (33.7%) of total increase in employment. However, since the increase in formal employment was higher, the rate of informal employment decreased by 0.6 points and turned as 43.3% in 2010.

The rate of unemployment in 2010 was 11.9%. In 2010, the total number of unemployed decreased by 425,000 over the previous year. The rate of unemployment among females is higher than males with 13%. However, the situation is the reverse if we look at the rate of decline in unemployment: while the rate of unemployment among males declined by 2.5 points, it was only by 1.3 points among females and while the number of unemployed males dropped by 403,000, it was as low as 20,000 for females.

The vulnerability of youth and women is more pronounced in non-agricultural sectors. As a matter of fact, the rate of unemployment for young population is as high as 25.9% and for women 20.2% in non-agricultural sectors. This rate is 13.2% for males. In non-agricultural sectors, the rate of unemployment dropped by 2.6 points and became 14.8% in 2010.

#### 2.2. Youth in Labour Market

In 2010, the share of population in the age group 15-24 in total non-institutional population is 16.2%. 30% of population in this age group are employed and 8.3% are unemployed while 61.7% are out of labour force. 34.9% of population in the age group 15-24 are enrolled to schools. There are siginf1icant differences in the labour force status of this age group in terms of gender. 40.2% of young males and 20.3% of young females are employed while 10.7% of males and 6.1% of females are unemployed. While 49.1% of young males are out of labour force 73.6% of young females are in the same status. It is important to note that 29.7% of young females in the age group 15-24 are out of labour force for "being engaged in housework".

	TOTAL		MEN		WOMEN		
	Number (thousand)	%	Number (thousand)	%	Number (thousand)	%	
15-24 age population	11 548	100,0	5 643	100,0	5 905	100,0	
Labour Force	4 426	38,3	2 873	50,9	1 554	26,3	
Employed	3 465	30,0	2 269	40,2	1 196	20,3	
Unemployed	961	8,3	604	10,7	358	6,1	
Not in the labour force	7 122	61,7	2 771	49,1	4 351	73,6	
Not seeking job but ready for employment	599	5,2	302	5,3	297	5,0	
Discouraged	218	1,9	138	2,4	80	1,4	
Other	381	3,3	164	2,9	217	3,7	
Domestic work	1 754	15,2	-	-	1 754	29,7	
Education/training	4 027	34,9	2 155	38,2	1 872	31,7	
Not able to work	175	1,5	108	1,9	67	1,1	
Other	567	4,9	206	3,7	361	6,1	

#### Table 6: Labour Force Status of Young Population (age 15-24), 2010

Source: TURKSTAT, Household Labour Force Survey Results

Table 7 gives the labour force status of youth by their status in education and training. 41% of young population are still enrolled to schools. While 45.4% of young males continue their education, this proportion is 36.7% for young females. Of those continuing their education, 13.8% are employed, 3.9% are unemployed and 82.3% are out of labour force. Assuming that those continuing their education have weaker relations with labour market and focusing on those not enrolled to any school, we see that 41.2% of young people in this status are employed, 11.4% are unemployed and 47.4% are out of labour force. These figures vary significantly in terms of gender. While 23.9% of young males not enrolled to school are out of labour force, this figure is 66.7% for young females.

Of total population in the age group 15-24, 13% are out of labour force although not enrolled to education. On the other hand, 42.2% of females in this group participate neither to labour force nor education.

Table 7: Education Retention and Labour Force Status of	f Young Population, 2010
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												('000)
_	Total					In education Not in education						
	Population	Employment	Unemployed	Not in the Labour Force	Population	Employment	Unemployed	Not in the Labour I Force	Population	Employment		Not in the Labour d Force
TOTAL	11 548	3 465	961	7 122	4 729	652	183	3 893	6 819	2 812	778	3 229
MEN	5 643	2 269	604	2 771	2 563	426	102	2 035	3 079	1 842	502	735
WOMEN	5 905	1 196	358	4 352	2 165	226	82	1 858	3 740	970	276	2 494

Source: TURKSTAT, Household Labour Force Survey Results

#### 2.2.1. Population and Labour Force

Population of Turkey is still increasing while the rate of population growth has recently slowed down. According to TURKSTAT's Address-based Population Registry System, the population of the country is 73,723,000 at the end of 2010. 50.2% of total population are males (37,043,000) and 49.8% are females (36,680,000). Working age population in the age interval 15-64 constitute 67.2% of total population. Half of population is younger than 29.2 which is the median age.

Continuing increase in potential labour supply that is in working age population while the rate of population growth slows down in demographic transition is named as *demographic window of opportunity.* The rate of population growth in Turkey was 1.58% in 2010. This rate will drop down to 0.1% in 2050. The share of population in the age group 15-24 which is 17% in 2010 is estimated to fall down to 12.6% in 2050. Further, the rate of elderly dependency which is 10.8% in 2010 will increase to 28.4% in 2050. In such a case Turkey will cease to be a country with "young population" and that window of opportunity will be closed as the absolute number of people in the age group 15-64 starts to fall. To sum up, Turkey has largely completed her process of demographic transition.

#### 2.2.2. Youth Labour Force Participation Rates

Labour force participation rate, an important indicator related to labour force is 48.8% as country average according to 2010 Household Labour Force Survey. It is 70.8% for males and 27.6% for females. Rates are 46.8% and 53.5%, respectively, urban and rural areas.

In 2010, the rate of labour force participation of the age group 15-24is 38.3%. This is rather low compared to the rate of participation by young male population which is 50.9%.

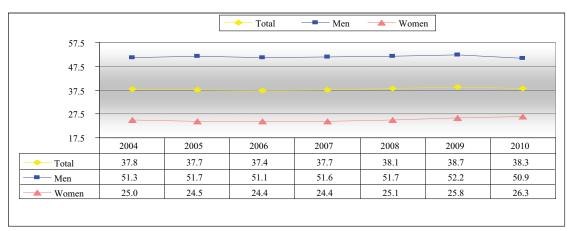


Figure 2: Labour Force Participation Rate of Youth (%), 2004-2010

As can be seen in Figure 2, there has been no significant change in young people's participation to labour force since 2004. The labour force participation r8ate of young people which was 51.3% in 2004 became 52.2% in 2009 and 50.9% in 2010. The situation is the same with young females in terms of their labour force participation: 25% in 2004, 25.8% in 2009 and 26.3% in 2010.

Labour force participation varies with respect to the level of education where the rate of participation increases as level of education gets higher. At all levels of education except higher education, young males' labour force participation is considerably higher than that of young females (about 2.5 times higher at levels lower than high school). On the other hand, when it comes to higher education graduates, young females' labour force participation (70.3%) is close to that of young males (74%). (Figure 3).

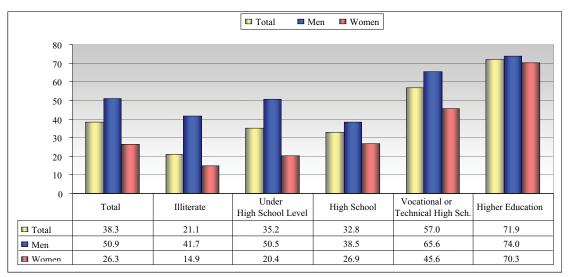


Figure 3: Labour force participation rate of youth by educational status (%), 2010

#### 2.2.3. Rates of Youth Unemployment

In 2010, the total number of unemployed in the country dropped by 425,000 over the previous year and became 3,046,000. The rate of unemployment dropped by 2.1 point to turn as 11.9%. In urban areas the rate of unemployment was 14.2% with a decrease by 2.4 points and 7.3% in rural areas with a decrease by 1.6 points.

In the same year (2010), however, the rate of youth unemployment is 21.7%, the double of the rate of overall unemployment.

Looking at the change in the rates of youth unemployment by years we observe that the rate which was 20.6% in 2004 first increased to 25.3% in 2009 and then decreased to 21.7% in 2010 (Figure 4).

While there is no significant difference between the rates of unemployment of young females and young males, the rate of unemployment among young females has always been higher than that of males up to now with the exception of the year 2009. For the year 2010, the rate of unemployment among young males is 21% while that of young females is 23%.

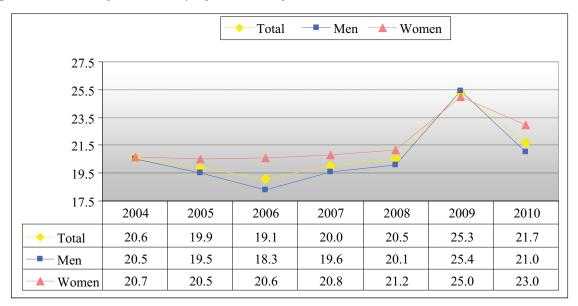


Figure 4: Rates of youth unemployment over years (%), 2004-2010

Examining the distribution of unemployed youth by educational status, the first thing that strikes attention is that those with lower than high school education constitute the largest portion of unemployed youth (50.8%). The share of lower than high school graduates among unemployed displayed a rising tendency in the period 2004-2010. As of 2010, 17.1% of unemployed are higher education graduates (Figure 5).

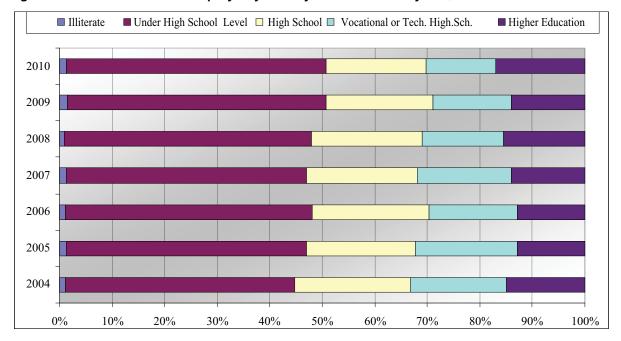
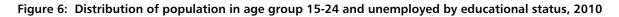
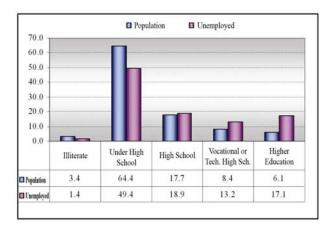


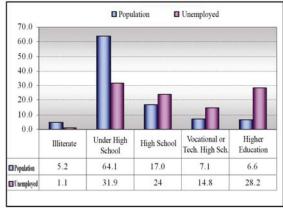
Figure 5: Distribution of unemployed youth by education over years, 2004-2010

Examining together the distribution of population in the age group 15-24 by education and the distribution of unemployed people in the same age group by education (Figure 6) we see that 64.4% of population in the age group 15-24 and 49.4% of unemployed people in the same age group have education status lower than high school. The share of high school graduates in 15-24 in total population is 17.7% and their share in unemployed population is 18.9%. While 8.4% of young population are vocational or technical high school graduates, 13.2% of unemployed youth are graduates of these schools. 6.1% of young population are higher education graduates and the share of higher education graduates in unemployed youth is 17.1%. For unemployed young females this figure is as high as 28.2%.









#### WOMEN

As of 2010, the rates of youth unemployment by educational status are as follows: 16.4% among illiterates; 18.1% among those with education lower than high school, 27.2% among high school graduates, 23.1% among vocational and technical high school graduates and 32.5% among university graduates. As level of education rises, so does the rates of unemployment for both males and females. The only exception is that the rate of unemployment among illiterate males (24.4%) is higher than rates of unemployment for all education levels. For both males and females, the rate of unemployment among vocational-technical school graduates is slightly lower than that of general high school graduates (Figure 7).

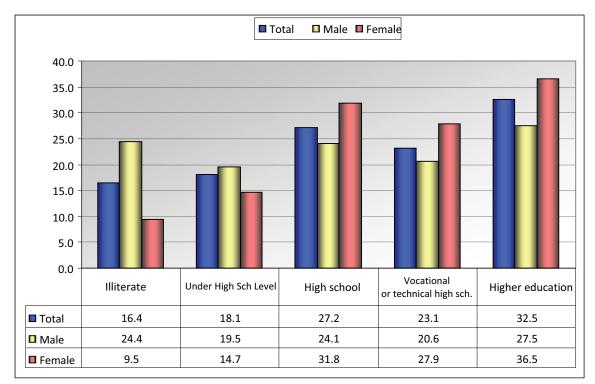


Figure 7: Rates of unemployment by educational status of youth, 2010

The proportion of those who are ready to take on any job while not seeking one (who lost their hope of finding a job) to total population not included in labour force reached its maximum level in 2006. It then started to fall, but again turned back to the 2006 level after the economic crisis of 2009.

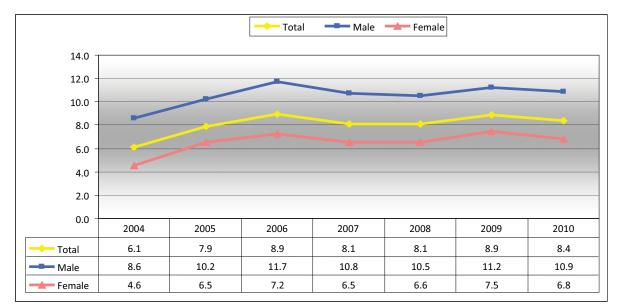


Figure 8: Youth not seeking jobs but ready to take on any, 2004-2010

#### 2.2.4. Rural-Urban Youth Unemployment

One of the major problems specific to youth is urban youth unemployment. Indeed, in 2010, the rate of youth unemployment in urban areas is about 10 points higher than in rural areas. While rural-urban divide is not so pronounced for young men, the rate of urban unemployment for young women is almost 20 points above that in rural areas. In other words, one in every four young persons in active population (labour force) is unemployed.

#### Table 8: Rate of unemployment in young population , 2010

Gender	Turkey	Urban	Rural
Total	21.7	24.8	15.3
Male	21.0	22.5	17.8
Female	23.0	29.2	11.0

#### Tablo 4. Unemployment rate of youth population, 2010

Source: TURKSTAT, Household Labour Force Survey Results

Agriculture is the largest field of employment in rural areas. In rural areas, women mostly work in agriculture and they are largely unpaid family workers. However, the rate of agricultural employment is gradually falling as the rate of rural unemployment tends to rise recently.

#### 2.2.5. Unemployment Duration for Youth

Looking at the distribution of unemployed young people by spells of unemployment, we see that these duration are mostly shorter than 5 months. There is no clearly direct relationship between spells of unemployment and educational status. However, it is mostly high school graduates who look for jobs for 1 year and longer (28.6%). 23.9% of university graduates unemployed are looking for jobs for 1 year or longer. Among those who are literate without any school diploma, the share of those seeking jobs for a period shorter than 5 months is much higher than any other educational status group (63%). (Figure 9)

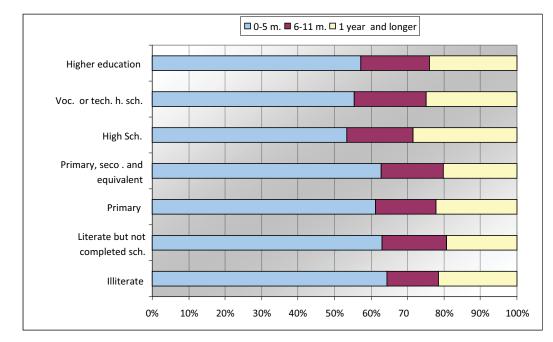
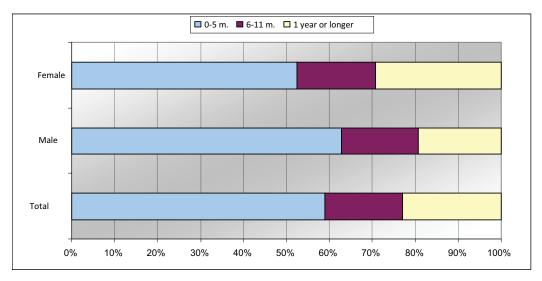


Figure 9: Unemployment duration of unemployed youth by educational status, 2010

Figure 10: Unemployment duration of unemployed youth by gender, 2010



Long-term unemployment is more common among young women than young men. While it is 29.3% for young women, it is lower, 19.2% for young men.

#### 2.2.6. Informal Employment of Youth

As one of the major problems in labour market, informal employment is relatively more common for young population. While the rate of informal employment in general is 43.3%, the informal employment in young population is 58.3%. The rate of informal youth employment in non-agricultural activities (47.2%) is 18 points higher than overall informal employment in non-agricultural sectors. Young people lacking adequate skills, qualifications and occupational knowledge have their first entry to labour market as informal workers.

Age	2004	2005	2006	2007	2008	2009	2010
			тоти	AL.			
15+	50,1	48,2	47,0	45,4	43,5	43,8	43,3
15-24	68,8	65,2	63,1	59,8	56,2	58,8	58,3
			AGRICUL	TURE			
15+	89,9	88,2	87,8	88,1	87,8	85,9	85,5
15-24	98,1	97,7	98,5	98,0	98,0	96,2	96,0
			NON-AGRIC	ULTURE			
15+	33,8	34,3	34,1	32,3	29,8	30,1	29,1
15-24	56,1	55,0	53,7	50,1	45,4	48,1	47,2

The proportion of youth working without coverage by any social security scheme is analyzed with respect to gender. What strikes attention first is that in sectors other than agriculture the rates of informal employment among young women are relatively lower than those of young men. In 2010, while the share of young men working informally in non-agricultural sectors was 51.4%, it is 37.1% for young women.

	2004	2005	2006	2007	2008	2009	2010
MALE							
Total	69.7	65.6	63.0	60.2	55.8	59.3	58.7
Agriculture	97.8	96.8	97.7	96.7	96.1	94.8	94.7
Non-agriculture	61.1	59.1	57.2	54.2	49.0	52.0	51.4
FEMALE							
Total	67.1	64.1	63.1	59.0	57.1	58.0	57.4
Agriculture	98.5	98.4	99.2	99.2	99.2	97.6	97.2
Non-agriculture	43.2	44.2	44.4	39.8	36.2	38.5	37.1

#### Table 10: Rates of informal employment in youth by gender, 2004-2010

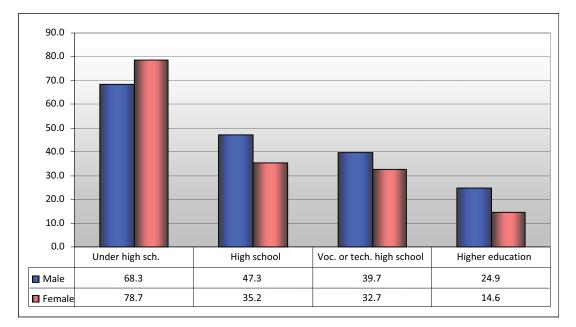


Figure 11: Rates of Informal Employment by Educational Status of Youth, 2010

Figure 11 gives the rates of informal employment for young population by educational status as of 2010. It is observed that while informal employment is most common among those with lower than high school education, it is relatively rare among higher education graduates. Rates of informal employment fall as level of education rises. Rate of informal employment among vocational and technical school graduates is lower than that among graduates of general high schools.

#### 2.2.7. Young Labour Force at Regional Level

The region where the share of young people in total working age population is the highest is TRC2 (Şanlıurfa, Diyarbakır). Then comes TRC3 (Mardin, Batman, Şırnak, Siirt) with 36%. The region where we see the highest rate of youth participation to labour force is TR82 (Kastamonu, Çankırı, Sinop) with 51%. This region is followed by TR32 (Aydın, Denizli, Muğla) with 49.6%. The region where the rate of youth participation to labour force is the lowest is TRC2 (Şanlıurfa, Diyarbakır) with 24.5% (Figure 12)

In regions other than TRB2 (Van, Muş, Bitlis, Hakkari), TRC2 and TRC3, the rate of youth participation to labour force is higher than the share of young people in total working age population.

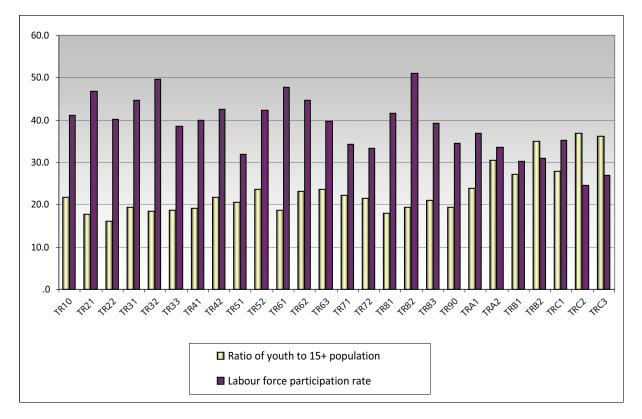


Figure 12: Share of Young Population in Working Age Population and Labour Force Participation Rate at Level 2 (26 regions), 2010

Comparing general (15+) and youth labour force participation on the basis of regions, it is found that in TR90 (Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane) there is a difference of 23 points between the labour force participation of age 15 + and young people. In this region, while the overall rate of labour force participation is 58.2%, it is 23.6% for youth. The region where the overall rate of unemployment and rate of youth unemployment are closest to each other is TR82 (Kastamonu, Çankırı, Sinop, 55.3% and 51%, respectively).

						( Tho	ousand)
NUTS, Level 2	15-24 age Non Institutional population	Labour Force	Not in the Labour F Force	Labour Force Participation Rate	Employment (		ployment Rate
	ТОТА	L					
TR - Turkey	11 548	4 4 2 6	7 122	38,3	3 465	961	21,7
TR10 (İstanbul)	2 089	860	1 230	41,1	663	197	22,9
TR21 (Tekirdağ, Edirne, Kırklareli)	210	98	112	46,7	78	21	20,9
TR22 (Balıkesir, Çanakkale)	203	81	122	40,1	69	12	15,4
TR31 (İzmir)	578	258	320	44,6	185	73	28,3
TR32 (Aydın, Denizli, Muğla)	379	188	191	49,6	146	42	22,5
TR33 (Manisa, Afyonkarahisar, Kütahya, Uşak)	403	155	248	38,4	127	28	18,1
TR41 (Bursa, Eskişehir, Bilecik)	508	203	305	40,0	165	38	18,7
TR42 (Kocaeli, Sakarya, Düzce, Bolu, Yalova)	511	217	294	42,5	164	53	24,5
TR51 (Ankara)	711	228	483	32,0	168	59	26,1
TR52 (Konya, Karaman)	370	156	214	42,2	132	24	15,7
TR61 (Antalya, Isparta, Burdur)	352	168	184	47,6	132	36	21,4
TR62 (Adana, Mersin)	605	270	335	44,6	197	73	27,0
TR63 (Hatay, Kahramanmaraş, Osmaniye)	455	180	275	39,6	140	40	22,1
TR71 (Kırıkkale, Aksaray, Niğde, Nevşehir, Kırşehir)	238	82	156	34,3	66	16	19,5
TR72 (Kayseri, Sivas, Yozgat)	354	118	235	33,4	88	30	25,6
TR81 (Zonguldak, Karabük, Bartın)	144	60	84	41,5	43	17	28,8
TR82 (Kastamonu, Çankırı, Sinop)	107	54	52	51,0	46	8	14,9
TR83 (Samsun, Tokat, Çorum, Amasya)	411	161	250	39,2	141	20	12,5
TR90 (Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşha	ine) 367	127	240	34,6	102	25	19,5
TRA1 (Erzurum, Erzincan, Bayburt)	172	63	109	36,8	54	9	14,4
TRA2 (Ağrı, Kars, Iğdır, Ardahan)	200	67	133	33,6	56	12	17,4
TRB1 (Malatya, Elazığ, Bingöl, Tunceli)	306	92	214	30,2	69	24	25,6
TRB2 (Van, Muş, Bitlis, Hakkari)	391	121	269	31,0	88	33	27,1
TRC1 (Gaziantep, Adıyaman, Kilis)	425	150	275	35,3	123	27	18,1
TRC2 (Şanlıurfa, Diyarbakır)	666	163	503	24,5	137	26	15,7
TRC3 (Mardin, Batman, Şırnak, Siirt)	394	106	288	26,9	87	19	17,7

### Table 11: Total Labour Force Status of Youth, 2010

The case is completely similar in terms of the rate of employment.

Looking at the difference between overall (age 15+) rates of unemployment and rates of unemployment in young population by regions, we find that this difference is greatest in TR81 (Zonguldak, Karabük, Bartın). In this level 2 region, while the rate of overall unemployment is 10.8%, the rate of unemployment in young population is 28.8%. In the Region TRC2 (Şanlıurfa, Diyarbakır), on the other hand, the situation is the opposite and the rates of overall and young unemployment are close to each other people (13.1% and 15.7%, respectively). (Figure 13)

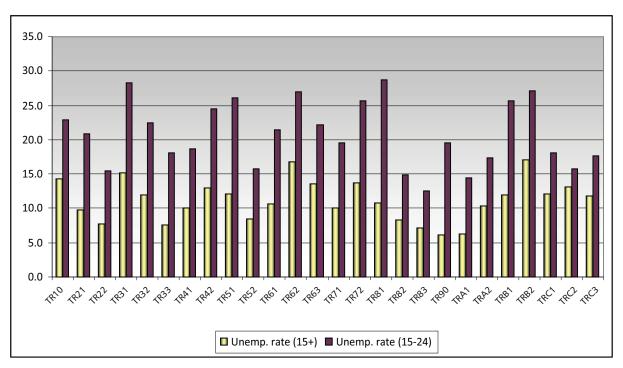


Figure 13: Rate of age 15 + and youth unemployment at level 2 (26 regions), 2010

Examining rates of unemployment in young population by regions, the highest rates of unemployment among those with lower than high school education (27.4%) and among high school and equivalent school graduates (34.3%) are found in TRB2 (Van, Muş, Bitlis, Hakkâri). For higher education graduates, on the other hand, the highest rate of unemployment is 69.4% in the region TR81 (Zonguldak, Karabük, Bartın). This is two times higher than the overall rate of unemployment in higher education graduates which is 32.5%. The region where the rate of unemployment in higher education graduates is lowest is TRC2 (Sanliurfa, Diyarbakır) with 7.3%.

When the rates of unemployment in young population are examined by gender, the region where the rate of unemployment in young males is the highest is TR81 (Zonguldak, Karabük, Bartın) with 31.8%. It is TR51 (Ankara) for young females. In some regions the rate of unemployment in young females is higher than in males and in other regions it is the opposite. The region where the difference between the rates of unemployment for young males and young females is the greatest is TR51 (Ankara). In this region while the rate of unemployment in young females is 36.1%, it is 21.3% in young males. In TRC2 (Şanlıurfa, Diyarbakır), the rate of unemployment in young males is 18.9% and in young females 5.3%.

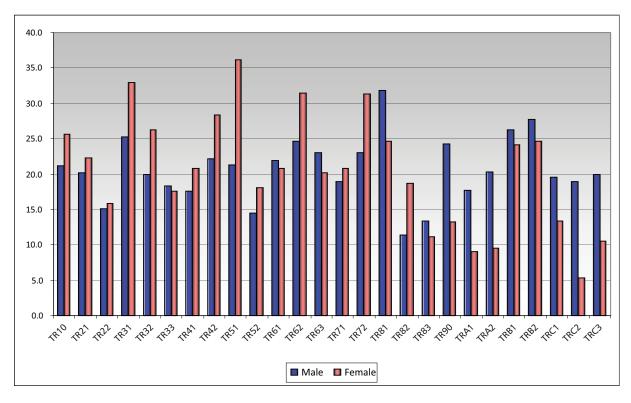


Figure 14: Youth unemployment rate by gender at Level 2 (26 regions), 2010

## 2.2.8. Transition of Youth from Education to Labour Market

In the second quarter of 2009 (April, May and June), in addition to Household Labour Force Survey, a modular survey on "Youth's Transition to Labour Market" was also conducted. The target population in the survey was those in the age group 15-35, which covers a larger segment than presently used age group 15-24 defining "youth." Some of the main findings of this survey can be summarized as follows:

As of the second quarter of 2009, non-institutional population in Turkey is 70,435,000 and the age group 15-34 makes up 33.5% of this total (23, 627,000).

			Not in ed	ucation
Age group	Total	In education	Not compl. any level	At least primary sch.grad.
Total	23 627	5 428	2 256	15 943
15-19 20-24 25-29 30-34	6 144 5 360 6 301 5 822	1 277 456	632 750 476 398	2 006 3 333 5 369 5 237

There are 15,943,000 people in the age group 15-34 who are at least primary school graduate but presently not enrolled to any school. Of this group, 68.1% worked in a job for longer than 3 months after finishing school. Of these persons,

- 64.5% are males.
- 54.4% are under high school level, 28.8% are secondary or equivalent school graduates and 16.9% are higher education graduates.
- 16.6% worked in an unqualified job in their first employment.
- 76.7% were wage or salary earners in their first employment.
- 93.2% of higher education graduates worked as wage or salary earners or paid daily.
- 62.6% found their first job with the help of family, relatives or friends.
- Of higher education graduates, 29.7% found their first job with the help of family, relatives or friends while 48.7% found jobs by directly applying to employers.
- 79.3% of those in the age group whose mothers had no education have educational status lower than secondary school; 85.8% of those with fathers without any school diploma are in the same status.
- 81% of those with university graduate mothers and 63.9% of those with university graduate fathers are university graduates.

Table below gives the employment status for the reference week by fields of educationtraining of those in the age group 15-34 who are vocational school or higher education graduates, not enrolled to any education presently.

Table 13: Reference week labour force status of vocational school or higher education graduates aged 15 to 34 who are not presently enrolled by their fields of education-training

(Thousand)							
	Total	Employed	Unemployed	Not in Labour Force	Employed	Unemployed	Not in Labour Force
Department Graduated	Number	Number	Number	Number	%	%	%
Total	4 119	2 842	526	750	69.0	12.8	18.2
Teacher training and education sciences	631	412	73	146	65.3	11.5	23.1
Art	202	109	35	58	54.1	17.1	28.7
Humanities	332	222	19	92	66.7	5.7	27.6
Social sciences and behavioural sciences	185	132	29	25	71.1	15.4	13.5
Journalism and information	10	8	1	1	80.4	9.8	9.8
Business and management	925	583	144	198	63.0	15.6	21.4
Law	46	41	1	4	89.0	2.2	8.8
Life sciences	18	12	3	3	67.4	16.3	16.3
Physics sciences	79	55	14	10	68.9	18.2	12.9
Mathematics and statistics	41	35	5	1	85.2	12.3	2.5
Computer	101	65	17	18	65.1	17.0	17.9
Engineering works	711	552	98	62	77.6	13.7	8.7
Manifacture and Processing	289	193	36	60	66.7	12.4	20.9
Architecture and consruction	130	104	14	11	80.3	11.0	8.8
Agriculture, forestry anf fishery	65	42	12	10	65.6	19.0	15.4
Veterinary	15	13	1	1	86.5	6.8	6.8
Health	186	163	4	18	87.9	2.2	10.0
Personal services	103	60	18	25	58.1	17.5	24.3
Security services	33	32	-	1	98.0	-	3.0
Other(*)	18	9	3	6	50.0	16.7	33.3

Source: TURKSTAT, 2009 2nd Quarter Household Labour Force Servey Results

<sup>(\*)</sup> Other; Including Social services, transportaion services and environmental protection departments.

According to the table above, 89% of those who studied law are employed, 2.2% unemployed and 8.8% are out of labour force. The share of those presently employed is also high among graduates of health and veterinary schools (87.9% and 86.5%, respectively).

#### 2.2.9. Global Economic Crisis and Youth Employment

Relative to adults, unemployment is more common among youth even in periods when economic indicators are satisfactory.

Earlier crises that Turkey has experienced clearly show the vulnerability of youth to such events. As a matter of fact, the rates of unemployment among young females and males increased by 7.4 and 5.9 points, respectively in the period 2000-2003. Even in the period of stable growth that followed the crisis, there was no significant decline in the rate of youth unemployment.

There was significant increase in unemployment under the impact of the crisis in 2009. In 2009, the number of unemployed persons countrywide increased by 860,000 over the previous year and reached 3,471,000. The rate of unemployment rose to 14% by increasing 3 percentage points. The rate of urban unemployment became 16.6% increasing by 3.8 points and rural unemployment turned as 8.9% increasing 1.7 points. Looking at youth unemployment, we see that the rate of unemployment in 2009 was 25.3% increasing by 4.8 points over the previous year while the rate of urban youth unemployment was even higher as 28.2%, increasing by 5.6 points.

According to the ILO 2010 Report "Global Employment Trends for Youth", worldwide 81 million young people are unemployed as of the end of 2009. This figure corresponds to 7.8 million increase compared to 2007. In the period of economic crisis, youth unemployment displayed an unprecedented increase and climbed from 11.9% to 13% with an increase by 1.1 points. According to the 2010 unemployment report of the OECD, while the rate of youth unemployment as the average of 32 OECD countries was 12% in 2007, it rose to 16.4% with an increase by 4.4 points in 2009 upon the effects of the crisis.

The crisis increased youth unemployment in Turkey more than the world average and the case in industrialized countries.

In 2010 there was significant decline in unemployment and the number of unemployed persons in Turkey dropped by 425,000 over the previous year to total to 3,046,000. The rate of unemployment dropped by 2.4 points and became 11.9%. In urban areas, the decline in the rate of unemployment was by 2.4 points to 14.2% and in rural areas by 1.6 points to 7.3%.

#### 3. Policies and Programmes Affecting Youth Employment

There are many documents indirectly related to employment including policy documents, action plans, strategic plans, etc. However, there is no strategy document directly related to employment in general and women-youth employment in particular.

The mandate of addressing employment related issues is given to the Ministry of Labour and Social Security (ÇSGB) and its related unit, the General Directorate of Turkish Employment Organization (İŞKUR). In line with this mandate, an important step was taken by the ÇSGB at the end of 2009 for drafting a National Employment Strategy with the participation of related agencies. This document will be the first in Turkey in its field. It is also envisaged that a strategy related specifically to youth employment will be developed in the context of this work.

#### 3.1. Overall Policy Framework

In Turkey the overall framework of economic and social policies is drawn by development plans, medium-term programmes and annual programmes.

The 9<sup>th</sup> Development Plan covering the period 2007-2013 was drafted with the vision of "Turkey growing with stability, sharing her income more fairly, having global competitive power, transforming into information society and completing her process of alignment for full EU membership" and Long-Term Strategy (2001-2023).

In the plan period, the following strategic goals geared to ensuring steady economic growth and social development are determined around five development axes:

- Improving competitiveness,
- Strengthening human and social solidarity,
- Ensuring regional development,
- Improving quality and efficiency in public services, and
- Increasing employment.

The Medium-Term Programme and annual programmes envisages the following activities and measures in social policy areas including education, health and employment: improving the quality of life of young people; improvements in areas especially problematic for youth; and ensuring the active social and labour force participation of youth with self-confident, well educated and healthy individuals:

- Ensuring equal opportunities for women, youth, long-term unemployed, the disabled and ex convicts who face particular problems in labour market and introducing arrangements to eliminate any discrimination,
- Developing active labour force programmes that will enable youth to gain experience in labour markets,
- Ensuring smooth access to active labour force policies for women, youth, long-term unemployed, the disabled and ex convicts who face particular problems in labour market Labour as well as for who have been laid off as a result of crisis,
- Ensuring better and more effective implementation of these programmes through well designed monitoring and evaluation mechanisms,
- Increasing the quality of education and resources allocated to education and training.

Meanwhile, there are many policy documents in Turkey which address the issue of employment in general but are of relevance to youth employment directly or indirectly. These documents are as follows:

- The Prime Ministerial Circular no. 2010/14 dated 25 May 2010 on Promoting Women Employment and Providing Equal Opportunities,
- Lifelong Learning Strategy for Turkey,
- Action Plan on Strengthening Vocational Training and Employment Relations,
- National Rural Development Strategy and Plan
- Instrument for Pre-accession Assistance, Rural Development Programme (IPARD)
- Action Plan on Linking Social Assistance System to Employment and Making it Effective
- Industry Strategy Document

## 3.2. Education and Training

The national education system in Turkey consists of two parts as "Formal Education" and "Non-formal Education."

The Ministry of National Education ensures coordination among the activities of public, private and voluntary organizations active in the field of formal and non-formal education. Inservice training activities organized by public and private institutions for their personnel remain out of the coverage of this heading.

Preschool education is optional and covers children at ages 36 to 72 months who are yet not at primary schooling age. In the school year 2009-2010 the net preschool enrolment rate for the country is given as 26.9% for children in the age group 3-4 and 38.6% for children in the age group 4-5. These rates are quite low relative to other OECD countries. The rates of preschool enrolment are quite above the country average in some provinces and lower that that in others. For example, the rate of net preschool enrolment for children in the age group 4-5 is 17.4% in Hakkari in the school year 2009-2010 while it is 81.3% in Amasya. It is targeted to raise the preschool enrolment rate up to 50% at the end of 2013. There is no significant gender difference in preschool enrolment. At present, preschool education is not compulsory and the country lacks sufficient capacity for this level of education. The socio-economic characteristics of families make demand for preschool education. Presently, work is underway to promote preschool education, bring up rates of enrolment and make it compulsory. In this context, an initiative was launched to make preschool education compulsory in 32 provinces. It is planned to scale-up over years.

Primary education is compulsory for 8 years covering all male and female children in the age group 6-13 and given free by public schools. The net primary enrolment in the school year 2009-2010 is 98.2%. In order to make this rate 100%, there are various projects for building awareness particularly for enrolling females who are not enrolled to the second phase of primary education. In primary education there are still problems waiting for solution including lower rates of enrolment of girls, double shifts, high number of students per teacher and imbalances in the regional distribution of teachers. There are frequent system changes in referring students to higher education levels. It is not possible to speak about an effective system of occupational guidance and counselling.

Secondary education comprises all vocational and technical education institutions for at least four years on the basis of primary education. Theoretically, the age group at this level of education is 14-17'dir. Secondary education is composed of two parts as general secondary education and secondary vocational and technical education.

Having the 9<sup>th</sup> grade of secondary education institutions common (with the exception of schools admitting students on the basis of test) provides flexibility to the system. The student can opt for school and field at the end of the 9<sup>th</sup> grade. A student can also change field at the end of the 10<sup>th</sup> grade in Vocational and Technical Education given that he/she satisfies requirements.

According to 2010 statistics, the rate of secondary school enrolment countrywide is 66%. The gross rate of enrolment is 84.2%. The rate of gross enrolment is 48.1% in general secondary education and 36% in vocational and technical secondary education. The share of vocational and technical education in total secondary enrolment is low. The target is to bring up the share of vocational and technical education to 60%. There is no satisfactory balance between the number of students in general secondary education and in vocational and technical education. In secondary education, there is a difference of 10% between the gross enrolment rates of boys and girls. There are also regional disparities in gross enrolment rates. There is no flexible structure in secondary education that allows for horizontal and vertical transfers and includes effective guidance and orientation services. There are losses occurring during transfers from one level to another. In secondary education, the share of those receiving vocational and technical education is not at the level desired. Vocational training is not flexible and dynamic enough to respond to labour market needs. The proportion of secondary school graduates not succeeding to enrol higher education and without occupational competencies and qualifications is quite high.

Higher education is delivered by faculties, institutes, colleges, conservatories and vocational schools that offer at least two years of education after secondary level. According to 2010 education statistics, the rate of enrolment to higher education is 27.7% in net and 44.3% in gross terms. The demand for higher education is quite high among young population. In Turkey, supply-demand balance is yet not ensured in higher education and its relationship with vocational and technical education is presently unclear.

#### 3.2.1. Vocational and Technical Education and Training

Vocational and technical education is delivered through formal and non-formal institutions. In formal vocational and technical education programme types include "vocational", "Anadolu vocational", technical and "Anadolu technical". In apprenticeship, journeyman and vocational secondary schools, models of dual vocational training are implemented. There are vocational training courses for adults in non-formal education institutions.

Education policies in Turkey are developed on the basis of data provided by and outcomes of various plans, programmes and practices including the following: development plans, government programmes and action plans, decisions taken by the Education Council, EU *acquis* in education, results of various studies and surveys, Vision 2023 Project, Information Society Action Plan and various projects (i.e. METEM, MEGEP, İKMEP etc.) Recently, many education related projects have been conducted in Turkey in the light of necessities emerging in the process of EU accession and policies in the field of vocational and technical education.

The European Commission supported Project for Strengthening Vocational Education and Training System in Turkey (MEGEP) was completed at the end of 2007. Under this project, occupations were classified by occupational groups, areas and branches with reference to ISCO, ISCED and FOET. Work and operations expected from occupation holders were identified and programmes to build competencies were developed. Modular training programmes are being implemented countrywide in vocational and technical schools at secondary level since the school year 2006–2007. Recently, there are graduates of these modular programmes developed by taking due account of sector-based expectations.

The programmes developed for implementation in vocational and technical schools and institutions were revised in February 2011 on the basis of Framework Training Programmes for 58 branches of vocational and technical training, national occupational standards announced, national competencies, opinions from social partners, developments in the state of art and developments and changes in respective sectors. In this context, existing programmes were restructured as modular training programmes at reference level 4 in 58 areas and 222 branches. Summer term internship and skill building programmes implemented at enterprises give opportunities to students to translate their occupational competencies to actual working life.

At present, work is in progress to define occupations with respect to 8 levels of reference in line with the European Framework of Competencies. Accordingly, competencies related to reference levels 2, 3 and 4 are to be imparted in formal and non-formal institutions; reference level 5 in vocational colleges and reference levels 6, 7 and 8 in other higher education institutions.

Informal institutions in vocational and technical education offer training to individuals who are out of the system of formal education. Also, skill and occupational building programmes in areas needed by non-formal and special education institutions were improved, updated and started to be implemented in modular form starting from 2006. The duration of training varies with respect to the nature of professions. It is expected that these programmes impart the same competencies as with formal vocational training programmes. Workers are given on-the-job training in line with the expectations of the sector concerned. The trainee is given the opportunity to apply what he has learned through institution-based theoretical training in the workplace and it is mostly competencies related to 2<sup>nd</sup> and 3<sup>rd</sup> reference levels that are built. However, there are still problems in structuring formal and non-formal training so as to be complementary and in arranging them in a way to have either one benefit from all means and advantages of the other. There is no sufficient coordination covering all institutions offering vocational training.

The Project for Developing Human Resources through Vocational Training (İKMEP) completed in 2010 was a project conducted jointly by the Ministry of National Education and the Board for Higher Education (YÖK). Under the İKMEP project, labour market-based and modular training programmes that were in accord with programmes delivered in secondary education institutions were developed to be implemented in pilot departments and programmes as well as in vocational higher education institutions. There is yet no full coherence between secondary and higher vocational and technical training programmes.

To strengthen the system of Vocational Education and Training, standards have been set for the following in the context of work under the Secondary Education Project: National teaching programme, field-branch teaching, school-based teaching programme, course teaching programme, module teaching programme and education standards. The vocational training system in Turkey is structured under the major headings of occupational standards, occupational competencies, modular programmes, certification, quality assurance, management systems, occupational promotion and orientation. The Vocational Qualifications Authority (MYK) was established in 2006 in this context. After having started its activities, the MYK has developed and published 180 national occupational standards and 21 national occupational competencies graded at different reference levels until June 2011. The institution is continuing its activities to design further competencies and standards. The MEB is yet to revise existing training programmes by taking into account the recent standards and competencies developer by the MYK. Also, national measurement and assessment, crediting and certification works for graduates are yet to be implemented. There is yet no measurable and transparent quality assurance system whereby graduates can have diplomas and certificates that are recognized internationally. However, activities to ensure these are progressing rapidly.

The vocational and technical training system faces many problems with their implications on the employment of youth. These problems may be summarized as follows:

- Low quality of training, supply/demand disaccords and shortage of demand are the main problems. The relationship between training and employment still remains weak
- Programme diversity in training institutions cannot be followed and enriched parallel to developments taking place in respective sectors.
- Institutional and sector wise opportunities and comparative strengths of vocational training are not well publicized and promoted.
- Reluctance in society in referring students to vocational schools and expectations of graduates to continue with higher education rather than entering labour market still continue.
- Public-private sector cooperation is not at satisfactory level to make sure that vocational training responds to the needs of labour market.
- Distribution of supply capacity in technical secondary schools by areas and regions is not well designed.
- In Vocational and Technical Training, the objective is to develop a high quality system responsive to new understandings and capacities to be built in individuals are identified locally by taking due account of regional expectations. Teaching programmes were developed and put into implementation in a modular format allowing for flexibility. However, the technical endowments of training institutions are yet to be developed to be congruent with modular training programmes prepared.
- An important part of schools are yet not ready for accreditation in terms of teaching materials, personnel, management etc.
- There is yet no minimum understanding and standards among schools necessary for the establishment and operation of a quality assurance system. There are still problems in having various documents, certificates and diplomas recognised by others.
- There are yet ambiguities regarding the roles of different types of schools. There is need to improve mutual trust in institutions and to make non-formal vocational training more functional. Since there are loopholes in ensuring the coherence in related practices and objective evaluation, horizontal and vertical transfers cannot function smoothly. It is a practice yet to be introduced to award various certificates to students in formal education before diploma.
- The existing young population cannot be transformed into qualified labour force. There are still differences between occupational competencies identified as a result of recent labour market analyses designed to shed light on programme development efforts on the one hand and competencies identified by the MYK. These differences make the validity and reliability of training programmes dubious.
- There is yet no satisfactory progress in terms of alignment with and recognisability by EU practices. The validity and recognisability of diplomas and certificates given by

formal or non-formal vocational and technical education institutions as well as personal skills and competencies are yet to be established. Furthermore, a large part of people who build skills on practice without having any school diploma cannot find opportunities to officialise their skills and competencies through official certification. Finally, there is yet no comprehensive, coherent and reliable system of testing and documentation to endorse skills and competencies obtained in training institutions.

## 3.2.2. Vocational Training in Enterprises

In 2007, the TURKSTAT started to conduct the survey "Continuous Vocational Training at enterprises" in every four years. This survey gathers detailed information concerning vocational training given by enterprises to their workers in the context of lifelong learning. The survey aims collecting information about trainings provided by enterprises, types and costs of training activities, training policies and strategies of enterprises, reasons of not delivering training for enterprises not engaged in training activities and profession preparation trainings.

According to the findings of the "Vocational Training in Enterprises Survey 2007" 32% of enterprises provide vocational training to their workers while the rest (68%) have no such scheme. Looking at the types and content of training activities, we see that 17.1% of enterprises deliver plain vocational training courses while 23.7% provide other forms of vocational training (i.e. on-the-job guidance, rotation and shifting, working visits, quality and learning, quality control and learning circles, self-oriented learning, participation to conferences, workshops, fairs, seminars, etc.). The size of enterprise may bring along significant variations in this distribution. As a matter of fact, while the proportion of enterprises employing 10 to 49 workers providing vocational training is 14.7%, it is 35.6% in enterprises employing 250 or more workers.

				%
	Status of providing voo	cational training	Type of voca	tional training
Workplace size group (person)	Ratio of enterprises not providing vocational train.	Ratio of enterp. providing vocational train.	Ratio of enterprises providing vocational train.	Ratio of enterprises providing other types of voc. tra.
Total	68,0	32,0	17,1	23,7
10-49	70,6	29,4	14,7	21,7
50-249	59,7	40,3	23,7	30,0
250+	53,4	46,6	35,6	34,2

Table 14: Proportion of enterprises providing training to their workers to all enterprises, 2007

## 3.2.3. Social Dialogue in Education and Training

Relevant sectors including the representatives of workers and employers take part and state their opinions in National Education Councils which gather in every five years and set the general framework for education and training policies.

Also, social partners take part in such projects as MEGEP and İKMEP which are important in restructuring the system of education and training.

## 3.3. Enterprise Development

In Turkey, small and medium size enterprises (SMEs) employing up to 250 workers have a major share in employment (actually accounting for 92.2% of total employment according to TURKSTAT's 2010 household labour force data). It is therefore of critical importance to support SMEs for young people's entry to labour force and their employment.

The Small and Medium Size Enterprises Development Administration (KOSGEB) is in charge of enhancing the share and effectiveness of SMESs in industry as well as their competitiveness. In this context the KOSGEB offers a variety of support schemes for SMEs.

These support programmes are: Support in Ioan interest payments, SME Project Support Programme, Thematic Project Support Programme, Cooperation and Collaboration Support Programme; R&D, Innovation and Industrial Application Support Programme, Overall Support Programme and Entrepreneurship Support Programme.

The target group of "Applied Training in Entrepreneurship" under the Entrepreneurship Support Programme is identified as real persons who want to start their own business. These trainings may be open to general population or they may be organized for specific population groups as youth, women, the disabled and university students. The Applied Training in Entrepreneurship consists of 60 hours 24 hours of which are devoted to workshop activities.

Another component of the Entrepreneurship Support Programme is "Support to Fresh Entrepreneurs". This support is designed for entrepreneurs who started their business after having completed their training and entrepreneurs under the Business Development Centre (IŞGEM). Forms of support extended under this scheme include "Enterprise set up support", "Machinery, Equipment and Office Support in the Phase of Establishment" and "Operation Costs Support" which have no obligation to repay and "Fixed Investment Support" which is to be repaid. In case the entrepreneur is disabled or is a female, the KOSGEB support extended is increased by 10%.

The new system of incentives announced in June 2009 and applicable to investments launched until 31 December 2010 aims at the following: reducing regional disparities in development; supporting large-scale investments that would enhance competitiveness with their high R&D and technology content; supporting sector-based clusters and upholding economic scale criteria in selecting investments to be supported. Incentives in this system include:

- Corporate/income tax abate
- Employer contributions to the security fund undertaken by the Treasury
- Interest rate support
- Allocation of investment site
- VAT exception
- Exemption from customs duties.

The decision no. 2009/15199 dated 14.07.2009 on State Support to Investments introduced some arrangements geared to transforming savings to high value added investments, promoting production and employment and ensuring sustainability in investments and in development. It is envisaged to support enterprises in their social security contributions for additional employment created.

Under the new KOSGEB Support Scheme, there is grant support to SMEs with projects in specified areas and to projects designed to promote SMEs as well as other supports whether requiring repayment or not to SMEs who join together to enhance their capacity and competitive power. It is also targeted to provide various forms of support to enterprises to encourage them to promote their R&D activities and employ more people and to entrepreneurs who think about starting a new enterprise.

The KOSGEB is engaged in Applied Entrepreneurship Training, Support to New Enterprises and Business Development Centre (İŞGEM) support under the Entrepreneurship Project Support Programme in line with the following objectives: supporting and promoting entrepreneurship as the major factor in solving development and employment problems; establishment of successful and sustainable enterprises; promoting the culture of entrepreneurship; supporting entrepreneurship through the establishment of business development centres; enhancing employment and supporting entrepreneurship based on local dynamics. The scheme "Support to New Enterprises" covers those entrepreneurs who have completed 60 hours of applied entrepreneurship training organized by the KOSGEB or other agencies and established their enterprises as well as İŞGEM entrepreneurs. According to the regulations for Implementing Entrepreneurship Support programme of the KOSGEB which took effect on 09/07/2010, support without obligation to repay varies from 5,000 to 12,000 TL while repayable support may be up to 70,000 TL. The KOSGEB and İŞKUR acted a protocol of cooperation in the field of applied entrepreneurship trainings to increase the number of entrepreneurs and enhance employment.

## 3.4. Labour Code, Labour Market Policies and Programmes

The legal framework for labour force market and youth employment is set by the Labour Code no. 4857. Triggered by global crisis and EU alignment process, recently there have been major modifications in related legislation and arrangements encouraging youth employment have been introduced.

## 3.4.1. Labour Code

The law no 4857 includes significant arrangements to protect children, youth and women in labour market:

- Age 15 is set as minimum age in employment while child labour is prohibited while the employment of children at age 14 is allowed dependent to specific terms and circumstances. It is provided that children who have completed their primary education can be employed in light works that pose no threat to their physical, mental and moral development and, for those going to school, do not interfere with their education.
- It is left to the discretion of official authorities to determine "light works" that children and adolescents under age 18 can be employed and the working hours of juniors are shortened.
- Employment of women and persons under age 18 in underground and underwater works is prohibited. In industry, adolescent and young workers under age 18 cannot work in night shifts. Working of women in night shifts is left to the authority and guarantee of public authorities.
- Pregnancy checkups, working conditions, maternity leave and its use and care of newborn children are guaranteed by law.
- Employment in heavy and hazardous work of young workers under age 16 and others who have not received training in these works is forbidden.

The Labour Code no. 4857 also provides for minimum wage. Accordingly, the level of minimum wage payable those working upon a service contract shall be determined biannually by a Minimum Wage Commission composed of the representatives of social partners and Government. In setting minimum wage, age 16 is used as a criterion for differentiation. The Law no. 4857 also provides for minimum amounts payable for work exceeding 45 hours a week or normal daily working hours in any given enterprise.

## 3.4.2. Incentives for Employment

## 3.4.2.1. Law no 5084 on Encouraging Investment and Employment and Amendment of Some Laws

This law passed in 2004 provides for the following in those provinces which, according to TURKSTAT's 2001 statistics, have per capita GDP equal to or less than 1,500 USD: no collection of income tax from newly employed persons; having the Treasury to pay the social security contributions of employers for newly employed workers; free investment site allocation to investors and energy support to those enterprises that create employment.

As of the end of 2003, the number of active enterprises registered with the Social Security Institution (SGK) in the provinces where the incentives mentioned above were applied was 118,341 and the number of workers covered by social security scheme was 756,444. After the taking effect of the law, the number of enterprises increased to 174,471 and the number of workers to 1,262,097 as of the end of June 2007. These figures correspond to increases by 46% and 67%, respectively.

As of the end of 2003, the number of active workplaces registered to the SGK in provinces where the legislation is not in effect was 657,978 and the number of security covered workers in these workplaces was 4,859,514. As of the end of June 2007, the number of workplaces was 921,594 and the number of security covered workers was 7,145,528. The rate of increase is about 40% in the number of enterprises and 47% in the number of workers.

## 3.4.2.2. Law no. 5763 on Amending Labour Code and Some Other Laws

This legislation introduced the following to mitigate the financial burden on employers and thus encourage employment: lifting of the obligation to employ ex convicts and terror victims in enterprises employing 50 or more workers; having the Treasury to pay the social security contributions of disabled persons employed; having the Treasury undertake 5 points of employers' contribution to social security and having the Unemployment Insurance Fund to pay the social security employer contribution for newly recruited women and young persons in the age group 18-26 for a period of 5 years.

The law also provided for transfer of resources to the GAP from the Privatization Fund and Unemployment Insurance Fund; a 40% increase in the amount of unemployment benefits; merging of Provincial Employment Boards and Provincial Vocational Training Boards which were made more functional by redefining their members and duties and by their mobilization for local labour market surveys. Other arrangements introduced by the law are as follows: Use of the Unemployment Insurance Fund to enable unemployed persons registered with the İŞKUR to benefit from services delivered under active labour force programmes; obligation to have sub-contracting contracts in writing to prevent any abuse of the practice of sub-contracting; authorization of Regional Directorates to conduct inspections following the registration of sub-contracting; obligation imposed on employers and sub-contractors to employ workers who have received occupational safety and health training in hazardous works; repositioning of workplace health units as safety and health units; providing grounds for setting up joint safety and health units; abolishment of the old procedure for obtaining permission to start an enterprise which led to unnecessary duplication and red tape; employers are allowed to procure external services to fulfil their obligation to maintain crèche and nursing rooms and lifting of the obligation to establish sports facilities imposed on enterprises employing 500 or more workers.

## 3.4.2.3. Law no. 5838

In order to maintain and promote employment in an environment shaped by the global crisis, this legislation introduced the following: 50% increase in short-term work allowance exclusively for those applying to this scheme in the years 2008 and 2009; extension of the period to benefit from the sch9eme from 3 to 6 months; possibility of extending the term for 6 more months by the decision of the council of Ministers; lifting of 50% association contribution prescribed by the Law on Associations in projects which focus, under Article 30 of the Labour Code no. 4857, on the vocational training and rehabilitation of disabled persons and ex-convicts, their business start-ups and support technologies for helping the disabled in finding jobs and 1 year extension of incentives introduced by the Law no. 5763 to encourage the employment of women and young people in the age group 18-29.

## 3.4.2.4. Law no. 5921

In order to mitigate the adverse effects of economic crisis on employment, this legislation provides for payment by the Unemployment Insurance Fund of employers' and workers' social security contributions as well as general health insurance contributions for the remaining period of entitlement to unemployment benefits given that persons benefitting from unemployment allowances are placed in jobs starting from 1 October 2009. In addition to the number of people covered by the security scheme as reported in contribution and service documents belonging to April 2009, in case those who were unemployed for the preceding 3 months are recruited and

actually employed until 31 December 2009, the employer's part of social security contribution as calculated over the lowest contribution base shall be paid by the Unemployment Insurance Fund for a period of 6 months. The Council of Ministers is authorized to extend the date of recruitment which is 31 December 2009 to 30 June 2010 and the period of Fund coverage for 6 months. For employment realized in the context of investments benefitting from incentives, employers' share in social security contributions shall be fully covered by the Treasury.

## 3.4.2.5. Law no. 6111

The Law no. 6111 on the Rescheduling of Some Receivables, and Amendments in the Law on Social Security and General Health Insurance and in Some Other Laws and Decrees in Force of Law introduces arrangements to eliminate some negative effects of the crisis and to reschedule the payables of the private sector to Government.

These arrangements also include the following:

- Those who work in agriculture and forestry upon contracts with definite time periods and some part-time workers are covered by the Social Security and General Health Insurance Scheme.
- Candidate apprentices, apprentices, those who receive training in enterprises and others taking part in İŞKUR seminars are covered by the General Health Insurance Scheme.
- Funds allocated to active employment programmes were increased. In this context, while the fund allocated for İŞKUR's active employment programmes amounted to 509 million TL in 2009, it was increased to 1,411 million TL in 2010.
- It is provided for part-time contract workers to optionally pay unemployment insurance contributions and benefit from this scheme.
- The coverage of short-term work allowance is expanded to include those affected by sector-based or regional crises in addition to general economic crisis and force majeure.
- Larger funds are allocated for activities geared to maintaining and increasing employment.
- To facilitate the labour market entry of graduates, enterprises employing 10 or more workers are provided means to deliver skill trainings.
- There are arrangements to suspend green cards when their holders start working and re-activate it at the date of expiration of the right to benefit from health services under the general insurance system without need for any application or another procedure.
- In order to increase employment and to encourage the employment of women and youth and to promote vocational training, an incentive is introduced making it possible to pay employers' contributions to social security institution from the Unemployment Insurance Fund for a period of 54 months.

## 3.4.3. Active Labour Market Policies

In addition to job brokerage, the Turkish Employment Organization is also engaged in passive employment programmes which include income support to the unemployment in order to protect and promote employment and active employment programmes aiming at enhancing employability and ensuring sustenance in employment.

Activities carried out by the Turkish Employment Organization:

- Occupational research and development activities,
- Job and occupation counselling activities,
- Training programmes for responding to labour market needs including occupation building, occupation change and occupational development courses,

- Training in entrepreneurship for the unemployed to enable them to start their business and benefit from support extended by the KOSGEB for entrepreneurs,
- On-the-job training programmes for the unemployed to gain occupational experience,
- Public benefit work programmes to help the unemployed gain work discipline, earn income for a period of time and deliver a service for public benefit,
- Labour force training activities like the vocational training of workers to enable those who work in hazardous jobs get their certificates.

In the planning of labour force training activities consisting of courses, Public Works Programme (TYÇP), on-the-job training and entrepreneurship promotion conducted under active employment programmes, decisions taken by Provincial Employment and Vocational Training Boards formed by local actors are decisive. These decisions are taken in line with the needs of labour market.

In the context of arrangements introduced by the Law no. 5763, labour force training activities are allocated 1 billion and 20 million TL for the years 2009 and 2010 (511,000,000 in 2009 and 509,000,000 in 2010). Upon the taking effect of the Law no. 6111, the fund allocated for the year 2011 is 1 billion and 411 million TL.

In 2008, 30,676 persons benefitted from active programmes, composed of 19,894 males and 10,782 females. After amendments in relevant legislation, 10,083 programmes were implemented in 2009 benefitted by 213,852 persons, 120,099 males and 93,753 females. In 2010, 11,821 programmes were organized and the number of persons attending to these programmes was 211,627, 114,321 males and 97,306 females.

In 2009 166,713 participants benefitted from occupation building, change and development courses, 45,467 from public benefit work programmes and 1,285 from internship programmes.

In 2010, 154,034 of participants benefitted from courses covering occupation building, occupation change and occupation development issues; 42,066 from TYÇP activities, 4,671 from on-the-job training programmes, 8,306 from entrepreneurship programmes and 2,550 from training for the employed.

After relevant legislative arrangements, the number of persons benefitting from programmes increased by 7 times in 2009 and 2010 compared to 2008.

In relation to all these activities, participants' employment investigations are made over the records of the Social Security Institution.

As a result of employment investigations made in the early 2011, it was found that 18.7% of those participating to occupational development and change courses are presently employed.

A system making it possible to crosscheck SGK and İŞKUR data in electronic environment was set up to assess the impact of above mentioned activities on employment. Also, an impact analysis work was started to make evaluations by comparing the status of those benefitting from programmes and other who are not.

In order to ensure the effective and efficient delivery of courses geared to employment generation, the service procurement procedure was modified and a quality-based evaluation system was adopted. For an important part of courses, it was made obligatory for service delivery agencies to employ consultants.

In courses delivered by the İŞKUR, the UMEM project was launched in 2010 to ensure the active participation of parties to the process. The first objective of this project is to improve trainings delivered under active employment programmes in terms of effectiveness and efficiency. Other objectives of the project include responding to updated technology needs of schools, improving the capacity of trainers and ensuring effective private-public cooperation in vocational training. In this context, 105 million TL was allocated for the technical endowment of schools and 12.1 million TL for the training of trainers.

The number of persons benefitting from occupational guidance and counselling services was 268,907 in 2008, 340,821 in 2009 and 372,067 in 2010. The number of persons benefitting from job counselling services is 3,235 in 2008, 5,255 in 2009 and 16,043 in 2010.

Also, in order to improve occupational information and guidance services and increase the number of people benefitting from these services, a training module for job and occupation counselling and standards of this profession were developed.

#### 3.4.4. Passive Labour Market Policies

The Unemployment Insurance Fund was set up in 1999 to provide income support for a period of time to those who have lost their jobs. In this scheme, persons who lost their jobs are paid 40% of average daily gross earning calculated on the basis of the earnings of the last four months, given that the amount paid does not exceed 80% of gross minimum monthly wage applicable to workers over age 16. Those who receive unemployment benefits are also referred to active employment programmes. Allowances of those who do not take part in appropriate programmes are stopped.

In cases where there is temporary but significant shortening of weekly working hours or stop of activities either partly or fully as a result of overall, sector-based or regional crisis or some other force majeure, workers are entitled to short-term work allowance from the unemployment insurance fund for periods they are not at work. The maximum length of the period for short-term work is 3 months during which eligible workers receive short-term work allowance equalling in amount to unemployment allowance.

Another measure adopted under passive employment programmes is the wage guarantee fund again under the unemployment insurance fund. In this scheme, workers wage receivables for 3 months are paid within 30 days upon their application given that these workers had worked at the same enterprise within the year preceding the date of employers' default.

Compared to figures in 2007, there is significant increase in the number of persons benefitting from passive employment programmes in 2008 and 2009. In 2010, however, there is a significant fall in the number of beneficiaries.

-	Unemploy	ment allowance	Short Term	Nork Allowance	Wage Gua	rantee Fund
Year	Number of Beneficiaries	Payment	Number of Beneficiaries	Payment	Number of Beneficiaries	Payment
2007	221.363	351.906.552,26	40	22.051,13	22.051	3.602.134,31
2008	331.219	517.054.113,43	650	70.639,73	827	1.071.806,85
2009	472.284	1.114.274.972,70	190.223	162.473.091,38	12.371	22.338.534,08
2010	329.220	807.411.810,10	27.147	39.144.355,77	12.905	22.069.354,57

#### **Table 15: Unemployment Insurance Fund Practices**

#### 3.4.5. Equality and Access

The principle of equal treatment is legally guaranteed by Constitutional provisions and also supported by ratified ILO Conventions. However, since being young is not considered among causes of discrimination, there are no specific legal arrangements related to discrimination against youth. Nevertheless, legislative arrangements forbidding discrimination cover youth in general and such disadvantaged groups as young persons with disabilities and women as well. Article 10 of the Constitution prohibits discrimination: "All individuals are equal without any discrimination before the law, irrespective of language, race, colour, sex, political opinion, philosophical belief, religion and sect, or any such considerations. Men and women have equal rights. The State shall have the obligation to ensure that this equality exists in practice. No privilege shall be granted to any individual, family, group or class. State organs and administrative authorities shall act in compliance with the principle of equality before the law in all their proceedings".

The principle of "equal treatment" is provided for by Article 5 of the Labour Code: "no discrimination whatsoever on the basis of language, race, sex, political opinion, philosophical orientation or religion or sect is allowed in employment relations."

Having one of its basic objectives as alignment with the EU *acquis*, the Labour Code no. 4857 includes some other arrangements as well in relation to the principle of equality. For example, Article 12 prohibits any discrimination on the basis of work contracts for definite and indefinite periods. Article 13 envisages the same for part-time and full-time workers. Article 18 introduces provisions for terminations based on invalid reasons. Article 13 of the Law on Trade Unions includes provisions guaranteeing for the freedom of being unionized or not.

### 3.5. Institutional Framework and Coordination in Youth Employment

Addressing issues related to working life and employment properly requires a structure that could coordinate the activities of all relevant institutions and agencies. In this context, while drafting fundamental documents, opinions and suggestions of all relevant agencies are solicited and these documents are finalized only after having considered these opinions and suggestions.

#### 3.5.1. Ministry of Labour and Social Security

The ÇSGB and its attached and related units are the main bodies that lead arrangements in all spheres of working life, develop and implement policies and conduct supervision.

The units that perform the major labour market related functions of the ÇSGB are the main units in its central organization including the General Directorate of Labour, General Directorate of Foreign Relations and Expatriate Labour Services, General Directorate of Occupational Health and Safety and the Division of EU Coordination.

The supervision related to labour market is undertaken by the Board of Labour Inspectors. The Labour and Social Security Training and Research Centre of the Ministry develops and implements training programmes in such areas as working life, social security, occupational safety and health, industrial relations, employment, productivity, total quality management, labour market studies, ergonomics, environment, first aid, labour statistics and others.

The relevant units of the Ministry include, Social Security Institution (SGK), Turkish Employment Organization (İŞKUR) and Vocational Qualifications Authority (MYK).

### 3.5.1.1. Social Security Institution

Social security services in Turkey consist of social security, social assistance and social services. The social security system covers public employees, wage earners, agricultural wage workers and self employed in both agricultural and non-agricultural sector.

In terms of youth employment, the SGK also undertakes an important role in combating informal employment besides its social security services. In places where the SGK has its provincial directorates and central directorate, there are "Informal Employment Combat Services." Again in the context of combating informal employment, there are data sharing protocols acted with banks and some public organizations and agencies which require posing questions related to social security registration in some procedures and transactions.

#### 3.5.1.2. Turkish Employment Organization

The Turkish Employment Organization (İŞKUR) was established in line with the Law no. 4904 taking effect in 2003 to conduct activities related to labour market. Besides its function in finding jobs and workers, the Agency is engaged in various other activities including passive employment policies geared to providing income support to the unemployed, active employment programmes geared to improving the employability of labour force and sustaining employment and collecting labour market data.

Particularly with the Law no. 5763 taking effect in 2008, it became possible to allocate significant amount of funds to active employment programmes in order to effectively respond to labour market needs while service procurement related to active programmes was facilitated and arrangements were introduced to ensure the participation of local actors to the process. In this context, there is significant increase in services extended by the Agency. However, in spite of significant progress in the diversification of services offered and in the number of people covered by services, the work in building capacity in personnel in qualitative and quantitative terms is not at desired level.

As of 2010 there are 1,604,000 persons registered with the İŞKUR. Of this total, 306,000 are young people. Of 205,000 persons inserted in jobs in 2010, 57,000 are young people.

Indicator	2008	2009	2010
Number of Personnel	2.527	2.827	3.189
Total Number of Persons Registered with	1.095.105	1.858.855	1.604.355*
Number of Youth Registered with	282.150	446.158	306.019
Number of Persons Placed in Jobs	109.595	118.278	205.231
Number of Youth Placed in Jobs	36.775	31.017	57.342
Number of Enterprises Registered with	305.565	391.075	348.872

### Table 16: İŞKUR Basic Indicators

\* There is a decrease in the number of people registered with İŞKUR as the effects of global economic crisis mitigate

#### 3.5.1.3. Vocational Qualifications Authority

The Vocational Qualifications Authority (MYK) was set up upon the Law no. 5544, dated 21 September 2006 to lay down the guiding principles for competencies in technical and vocational branches and to conduct activities related to inspection, measurement, documentation and certification.

Works such as developing national occupational standards, developing competencies based on these standards, testing, documentation and training accreditation will be conducted by units authorized by the MYK.

The basic duty of the institution is to set up and operate the "National Occupational Competence System" in alignment with the EU. The institution is supposed to perform this duty in cooperation with the Ministry of National Education (MEB), Board for Higher Education (YÖK), employers' and workers' organizations and other relevant organizations and agencies.

In Turkey there is no common system defining occupational qualifications, setting training standards specific to respective professions and documenting trainings delivered in line with these standards with diplomas and certificates. This creates some important problems in youth's entry

into labour market and their employment. The development and quickening of MYK activities will contribute to the solution of this problem.

The Europass file was introduced under the EC Decision no 2241/2004/EC to facilitate labour market entries at national and international level and in 2008 the Vocational Qualifications Authority was designated as the "National Europass Centre" to follow and coordinate Europass activities in Turkey. The basic task of the Centre is to coordinate the management of Europass documents, introduce these documents, inform information and guidance centres about Europass and its documents and to keep these documents in printed form and electronic environment.

#### 3.5.2. Workers' and Employers' Organizations

Trade unions in Turkey are organized countrywide under three confederations: These are TÜRK-İŞ, HAK-İŞ and DİSK. Apart from these, there are also trade unions not affiliated to any confederation.

Government employees in Turkey are organized in their unions. The leading unions in this respect are Türkiye Kamu-Sen, Memur-Sen and the Confederation of the Unions of Government Employees (KESK)

Employers' unions are organized under the Confederation of Employers' unions of Turkey (TİSK).

Unions and Confederations of workers and employers work in cooperation with all relevant parties including Governmental and international organizations and develop projects related to promote youth employment and prevent unemployment.

## 3.5.2.1. Activities of Confederation of Employers' Unions of Turkey Related to Youth Employment:

Convinced that youth employment is an issue of particular importance, the Confederation of Employers' Unions of Turkey organized a "Youth Unemployment Symposium" on 13 March 2007 in Ankara jointly with Gazi University. After the event to which all relevant sectors participated, the "Road Map for Promoting Youth Employment" was made public. Papers delivered in the symposium were published in the special issue of TİSK's journal with referee "TİSK AKADEMİ".

The Confederation participated to and stated its views in the 1<sup>st</sup> National Youth Employment Summit organized in Çorum by İŞKUR on 15-16 November 2008.

The research department of the Confederation closely follows international developments in the field of youth employment, relevant arrangements and measures adopted, conducts studies and prepares reports.

## 3.5.2.2. Activities of TÜRK-İŞ Related to Youth Employment

The Türk-İş Youth Committee incorporates into its agenda such issues as the training of youth, youth unemployment, problems of working youth, social protection of youth and unionization. The committee is represented in the youth section of International Trade Unions Confederation's Asia and Pacific Regional Organization (ITUC-APRO).

In the past it conducted joint work with the German Organization Deutscher Gewerkschaftsbund's (DGB) Guest Workers Division on the adaptation of the children of Turkish workers living in Germany. It organized national symposia on the "Problems of Young Workers and Solutions" as well as congresses where the Union Türk-Metal addressed the problems of young workers.

The TÜRK-İŞ is sensitive about the promotion of decent work adopted by the ILO as the main target since 1999 and continuously advocates for the need to respond to needs of decent work.

## 3.5.2.3. Activities of HAK-İŞ Related to Youth Employment

The HAK-İŞ Confederation conducts its youth-focused activities effectively and in a systematic manner under the coordination of Youth Committees of the Confederation and its member unions.

The HAK-İŞ Central Youth Committee composed of 14 members as the youth committee leaders of trade unions and youth representatives from workplaces meets periodically with its agenda.

The HAK-İŞ considers the following as priority issues to be addressed: supporting young people's labour market entry by launching more effective human capital investment; promoting employment and reducing rates of unemployment; responding to local and sector-based needs through social dialogue and worker-employer-government cooperation and developing and implementing employment-focused vocational training models by taking due account of labour force supply and labour. In this context, the Confederation is implementing innovative projects focusing on youth employment in many provinces of the country.

Through Innovative Vocational Training Modules implemented in the provinces of Sakarya, Ankara and İstanbul and the Project for Creating Employment in Food Sector in this context, 160 young participants received training in bakery (Ankara), milk and milk products (Sakarya) and cake and pastry (in İstanbul) after which they become employable. With the project on Training Young Labour Force for Iron and Steel Sector, 125 unemployed young person in Hatay were imparted necessary qualifications in automation (hydraulic and pneumatic) and placed in jobs.

The HAK-İŞ Confederation us presently conducting two employment focused projects in Çorum and Sinop. In Çorum, the "Project for Training CNC Turning Machine Designers and Operators" extends theoretical and practical training to 80 unemployed young persons. In the provinces of Kastamonu and Sinop, the "Project for Training Forestry Workers through New Vocational Training Modules" aims at building skills in 130 unemployed young persons.

In 2008 and 2011, the HAK-İŞ Confederation developed a "Guide to Job Seeking" for youth and this book was disseminated widely through İŞKUR, Municipalities and MEB vocational high schools. The HAK-İŞ is in close collaboration with universities and vocational high schools and the Confederation provides internship opportunities to youth and students in its headquarters, affiliated unions and provincial branches.

The HAK-İŞ took part actively in the preparation and organization processes of the 1<sup>st</sup> National Youth Employment Summit organized in Çorum by the İŞKUR on 15-16 November 2008.

The Confederation organized the gathering "New Opportunities for Youth" in Gaziantep on 28-29 December 2009 where issues and problems related to the training, employment and organization of youth were discussed by participating representatives of workers, employers and youth. The "Local Youth Employment Gathering Concluding Declaration" was issued at the end of the event. The Declaration requests a roadmap for youth employment in Turkey and includes elements that this roadmap should cover.

Other than its national activities, the HAK-İŞ is represented with the status of Vice President in the Pan-European Regional Council Youth Committee established jointly by the International Trade Union Confederation (ITUC) and European Trade Union Confederation (ETUC) that encompasses trade unions from 50 countries from Great Britain to Kazakhstan. Having its seat in the Youth Committee as one of the three standing committees of the ITUC together with representatives from 15 other countries, the HAK-İŞ directly conveys its demands and opinions to the larger council. The HAK-İŞ is the substitute member of the youth committee of International Trade Union Confederation's Asia and Pacific Regional Organization (ITUC-APRO).

The  $4^{\mbox{\tiny th}}$  gathering of PERC Youth Committee in Turkey in November 2011 is hosted by HAK-iŞ.

## 3.5.3. Mechanisms of Social Dialogue

In conducting activities related to labour market, there are various platforms on which workers' and employers' unions and Government units can gather and discuss issues.

## 3.5.3.1. Economic and Social Council

The Economic and Social Council was established in 1995 upon a Prime Ministerial Circular with its foundational law passed in 2001. According to this legislation the head of the Council is Prime Minister and the Council's task is to work for social consensus in formulating economic policies with the representation of different interests, permanent peace in industrial relations and to advise the Government in such issues as productivity, employment and incomes. The composition of the Council changed in time. At present, the Council is composed of 16 representatives from the Government, 12 representatives of workers' organizations (TÜRK-İŞ, HAK-İŞ, DİSK, Kamu-Sen) and 12 representatives of employers' organizations [TİSK and TOBB 6, TESK 3, TZOB 3] adding up to 40 members.

## 3.5.3.2. Labour Assembly

Under the Ministry of Labour and Social Security, a permanent organ named Labour Assembly was set up to solicit the opinions and suggestions of social partners.

## 3.5.3.3. Tripartite Advisory Board

The objectives of the Tripartite Advisory Board set up in 2004 include the promotion of industrial relations and industrial peace, keeping track of legislation and practices related to working life and giving effect to an effective exchange of views among the Government and workers' and employers' confederations. The board is supposed to meet in January, May and September every year.

## 3.5.3.4. Coordination Board for Improving Investment Environment (YOİKK)

The Coordination Board for Improving Investment Environment (YOİKK) was set up in order to rationalize arrangements related to investments, develop policy recommendations geared to enhance the competitiveness of investment environment and to bring solutions to some administrative barriers faced by national and international investors at various phases of investment process. The issue of youth employment is addressed by the employment technical committee existing within the YOİKK. This technical committee serves as a mechanism of dialogue between relevant governmental organizations and social partners.

## 3.5.3.5. Tripartite Structures

Institutions, organizations and agencies having the representatives of employers and workers in their management and/or composition include the following: SGK, İŞKUR, MYK, Minimum Wage Determination Commission, Provincial Employment and Vocational Training Boards, Higher Board of Arbitrators, National Occupational Health and Safety Council, Women's Employment Monitoring Board and Monitoring and Evaluation Board on the Action Plan for Strengthening Employment-Vocational Training Relations.

## 3.5.3.6. Economic Coordination Board

The Economic Coordination Board having its first gathering on 3.11.2008 with the crisis in its agenda functions as a platform for social dialogue with the participation of social partners and civil society organizations. Participants representing social sectors include TÜRK-İŞ, HAK-İŞ, DİSK, KAMU-SEN, KESK, MEMUR-SEN, TİSK, TESK, TZOB, TÜDEF, KEİG, Community Volunteers Foundation, TOBB, KAGİDER and the Association of Private Employment Agencies.

## 4. Development Cooperation in Youth Employment (Bilateral and Multilateral International Organizations)

The European Commission, International Labour Organization as well as other relevant organizations of UN and the World Bank are the major actors in the context of international development cooperation (bilateral and multilateral international institutions).

## 4.1. European Commission

For the period 2007-2013, financial assistance geared to prepare candidate countries for full membership and reducing economic and social disparities between member and candidate countries are combined as "Instrument for Pre-accession Assistance" (IPA). The overall objective of the "Human Resources Development " component of the IPA is to "support transition to information-based economy capable of maintaining sustainable economic growth through more and better employment and a wider social cohesion." The institutional objective of the same IPA component is to prepare candidate countries for the European Social Fund within the framework of European Employment Strategy and Lisbon Strategy and to introduce relevant structure and system for this.

Within the framework of the Operational Programme for Developing Human Resources prepared under the leadership of ÇSGB, the IPA focuses on priorities consisting of four major and done technical assistance axes. Major priority axes are:

- i) employment,
- ii) training,
- iii) lifelong learning, and
- iv) social inclusion.

Under these priorities, there are ten measures (targets).

The priority axis Employment envisages enhancing the participation of women to labour force, enhancing youth employment and combating informally employment as three major problem areas in labour market.

For the period 2007-2009, 82,150, 589 Euros were allocated to the Employment axis and 27,700,000 Euros of this total was earmarked for measures geared to promoting youth employment. The 2010-2011 budget for the same item is 33,000,000 Euros.

## 4.2. United Nations

The United Nations Development Assistance Framework (UNDAF) is the common strategic framework for the operational activities of UN organizations at country level. The objective of the UNDAF is to generate a collective, coherent and integrated UN response for national priorities within the framework of Millennium Development Goals and commitments and international conferences, summits, conventions and human rights instruments of UN organizations.

UNDAF was drafted jointly by the UN Country Team (UNCT) and Government by taking the views of other partners including the representatives of civil society, World Bank and European Commission. By taking into account national priorities and international commitments, three general UNDAF outcomes were identified for the five year period 2006-2010:

- 1. Strengthening individual and institutional capacity for democratic and environmental governance
- 2. Mitigating poverty and inequalities and extending quality basic social services to vulnerable groups

3. Providing a more protective environment for women, children and youth to stand up for their rights and fully exercise them.

The second of the three overall outcomes mentioned above implies youth employment. Among UN studies to contribute to this outcome, there is the 2007 ILO report "Youth Employment in Turkey" and the UNDP's 2008 report "Youth in Turkey: National Human Development Report 2008" both of which include assessments and policy recommendations related to the employment of youth.

The United Nations Development Cooperation Strategy covering the period 2011-2015 identifies three priority areas and seven specific outcomes deriving from these priority areas. These strategic cooperation areas and outcomes are in line with five development axes defined in the 9<sup>th</sup> Development Plan. The UN system and Government agreed upon these strategic cooperation areas and related outcomes and the strategy was signed by the parties at the end of 2010. Priority areas identified by the strategy are as follows:

- 1. Democratic and environmental governance,
- 2. Mitigation of inequalities, social inclusion and basic public services,
- 3. Poverty and employment.

One outcome expected in relation to poverty and employment is formulated as follows: "Promoting decent work and employment opportunities for all by implementing policies, strategies and programmes that encourage economic growth and strengthen equality on the basis of competitiveness, higher productivity and corporate social responsibility." In this context, it is stressed that imparting new skills in youth and developing new skills are of critical importance in Government's efforts to create decent work, ensure decent working conditions and occupational safety.

The work of UN organizations prioritizing or focusing on youth employment in line with UNDAF 2006-2010 and United Nations Development Cooperation Strategy is summarized below:

## 4.2.1. International Labour Organization (ILO)

The Protocol of Understanding "Decent Work Country Programme" was acted on 10 February 2009 by the Ministry of Labour and Social Security and ILO Regional Directorate for Europe and Central Asia. With this document, the parties committed to implement Decent Work National Programme together with social partners. National priorities of cooperation agreed upon are as follows:

- Combating child labour in line with the ILO Convention no. 182
- Strengthening social dialogue
- Drafting a situation analysis and a national action plan for youth employment
- Ensuring gender equality and promoting women's employment.

## 4.2.1.1. United Nations Joint Programme on Youth Employment

The UN Joint Programme (UNJP) starting in October 2009 and to end in September 2012 is implemented by four UN organizations, FAO (United Nations Food and Agriculture Organization), ILO (International Labour Organization), IOM (International Organization for Migration) and UNDP (United Nations Development Programme) with the participation of İŞKUR as the national implementing agency. The UNJP financing is supported by the Millennium Development Goals Fund (MDG-F) established by the Spanish Government. The UNJP aims at reaching outcomes at both national policy level and at local scale in Antalya province. At the national level, a "National Youth Employment Action Plan" will be developed under the coordination of İŞKUR with the participation of relevant stakeholders. At the local level, the Joint Programme aims at supporting labour force demand in Antalya, coming up with solutions to eliminate the disaccord between labour force supply and demand and effective implementation of measures related to employment, youth and migration management in favour of young people in labour market.

## 4.2.2. World Bank

The Country Partnership Strategy (CPS) is a work plan that guides the activities of the Bank in a country usually for a period of 3-4 years. It assesses the economic and social performance of the country concerned, major problems in development and summarizes the development strategy of the Government. In this context it shows the main features of the assistance package offered to the country by the WB. It covers all planned activities of the WB in that country including lending, analytic studies and technical assistance.

The new CPS strategy of the WB for the period 2008-2011 is to cooperate with the Government in materializing the development vision of the country – rapid, sustainable and fair growth—as integrated with the development strategy of the government. The CPS is based upon the 9th Development Plan and Government Programme and aims at contributing to three major development axes:

- Enhancing competitiveness and employment
- Fair human and social development
- Effective delivery of high quality public services

Covering the period 2008-2011, the CPS also refers to high rate of youth unemployment in the context of the main development axis "enhancing competitiveness and employment" and assigns priority to the creation of good jobs. Capitalizing on international experience, the document emphasizes that the 'creation of good jobs' is the main element is reducing poverty in a sustained manner.

In June 2008, the WB published its report titled "Investing in Future Generations of Turkey: Transition from School to Work and Turkey's Development". The report examines in detail the process of transition from school to work and issues related to improvements in youth employment.

Under the 'Youth Voices Programme' implemented by the WB in the period 2004-2009, 'Youth, Employment and Entrepreneurship' seminars were held in about 15 different cities. At the end of these seminars, young people working as volunteers for the Voice of Youth Programme suggested to organize a 'National Youth Employment Summit' to carry the issue of youth employment to national agenda. This suggestion was adopted by relevant governmental organizations, social partners and international organizations and consequently the 1<sup>st</sup> Youth Employment Summit took place in Çorum in November 2008.

## 5. Process of Developing Local Employment Policy: Case of Antalya

Under the United Nations Joint Programme "Decent Work for All: National Youth Employment Programme and Pilot Implementation in Antalya Region" (UNJP) the İŞKUR is going to conduct annual labour force training courses and a pilot-scale implementation was realized to enable the Provincial Employment and Vocational Training Board (İİMEK) to decide on these courses on the basis of specific and scientific data.

This pilot implementation as the result of a synthesis of works conducted at different planes. Under the UNJP, the work "Identifying Priority Sectors in Antalya" in 2010 identified those sectors with potential to grow further and create employment. Also, with the support of the UNJP, TURKSTAT and İŞKUR jointly conducted "Antalya Labour Market Survey" in the period October 2010-January 2011. In this survey the TURKSTAT administered a detailed questionnaire with 2,850 enterprises and identified existing trends in demand for labour force.

Also, the present state of the province of Antalya in terms of economic activities and employment was examined in detail by a labour economist and "Antalya Province Labour Market Study" was completed in the last quarter of 2010 by using data from TURKSTAT, İŞKUR and other relevant agencies.

Labour force training courses to be delivered in Antalya in 2011 were identified by evaluating the findings of these three studies together with İŞKUR and submitted by İŞKUR to the Provincial Employment and Vocational Training Board for approval. After having the approval of the Board, the İŞKUR started to implement in Antalya labour force training courses emerging out of three different studies. The delivery of these courses is supported financially by the UN Joint Programme.

## **OVERALL EVALUATION AND CONCLUSION**

Youth unemployment is one of the leading problems of our day faced by the whole word. Today, both developed and developing countries allocate large resources to create decent and sustainable jobs for significant number of young people entering labour markets every year.

According to a 2004 study by ILO, reducing youth unemployment by half will bring about a global GDP increase by 4.4% to 7.0%. According to ILO again, there should be 400 million decent jobs to fully utilize the potential of youth.

In the ILO Report "Global Employment Trends for Youth, 2010" the following are underlined: Globally, both youth participation to labour force and ratio of employed youth to young population have fallen; while the rate of youth unemployment was falling before the crisis, it was still three times as large as adult unemployment and youth employment rose unprecedentedly with the crisis and youth are generally deprived of decent work opportunities.

As demonstrated by the situation analysis, the state of youth in Turkey gives a picture similar to other cases in the world. As in many other countries, youth in Turkey as well is deprived of decent work opportunities and drifted into uncertainties in economic and social terms. Due to various reasons, the youth is in disadvantaged position in entry into working life and in employment.

While unemployment in general and youth employment in particular is triggered during crises in Turkey, it is actually a structural problem. Growth without employment creation is one of the major characteristics of Turkish economy. Even in the period 2002-2007 when the rate of growth reached 6.9%, the performance in terms of creating employment remained unsatisfactory and the rate of unemployment did not fall below 10%. The rate of unemployment increased to unprecedented levels when the effects of the global crisis combined with existing structural problems and the fragility of youth in labour market became even more salient.

Informal employment in Turkey is a fact taking the country farther away from the principle of "decent work" and this phenomenon is further boosted when women and other household members normally not in labour force start to work in informal sector in order to remedy income losses incurred during crises.

In Turkey youth employment increased by 137,000 in 2010 and the number of unemployed youth dropped by 165,000. In the same year, the rate of youth participation to labour force turned as 38.3% indicating a fall by 0.4 points compared to the previous year.

While the overall rate of unemployment is 11.9%, it is 21.7 among youth and 24.8% among urban youth. It is even higher, at 25.9% when it comes to non-agricultural unemployment among youth. Meanwhile there is such significant fall in youth unemployment as 3.6 points in 2010. This fall is by 3.4 points in urban areas.

As in other parts of the world, one of the major problems confronted by youth in Turkey emerges during transition to labour market after completion of education. This problem is caused by various factors including lack of sufficient information about job seeking and occupations, inadequacy of guidance and career counselling services and poor experience.

Facing unemployment early and in some cases for a long period of time leads to loss of selfconfidence and some competencies. Having unemployed for long, young people either start working in the informal sector for low wages and without any social rights or fully abandon seeking job only to face graver problems in future. Indeed, in its report "Global Trends in Youth Employment 2010" the ILO stresses the long-lasting negative effects on youth of labour market entry problems especially during recession periods and raises concern about having a "lost generation" totally excluding itself from labour market.

The heaviest price paid by societies as a result of youth unemployment is the reaction of youth to a society that denies them environments in which they can realize their potential and contribute to production. Being alienated from society and democratic processes, youth is drifted to crime.

In this new period which we call "information age", creative, far-sighted and diligent young people quickly adapting to changes with high level of information and skills is undoubtedly becoming more and more important as a force in shaping the future of the country.

In Turkey, the profile of the youth in labour market can be drawn with reference to the following major characteristics:

- Labour force participation and employment rates are low and the rate of unemployment is high.
- Rates of non-agricultural and urban unemployment are both high.
- While steadily rising over years, the level of information and skills is still inadequate.
- Disaccord between the qualifications of youth and labour market needs makes it difficult for young people to enter labour market.
- Due to qualification problems youth often face informal employment in their first entry to labour market.

Vocational and technical training is important in terms of equipping youth with qualifications and traits responsive labour market needs and thus making their transition to employment easier. The quality of education and training, supply/demand gaps and low level of demand constitute the main problems in regard to the impact of vocational and technical training on youth employment. The societal interest in vocational training is presently weak and promotional activities are not sufficient. For secondary school graduates, the expectation to continue with higher education overweighs the desire to enter labour markets.

The spatial and regional distribution of supply capacity in vocational and technical schools is not structured soundly. Further, the technical endowments of training institutions are not structured in a way to respond to the expectations of curricula developed through a modular approach. Diplomas or other certificates awarded by formal or informal vocational and technical schools do not sufficiently document for the validity of information and skill level of their bearers. Processes regarding the official documentation of skills gained through informal channels are not completed yet. Minimum standards and common understanding among schools necessary for building and operating a system of quality assurance are yet to be developed. The rates of schooling are below the averages of OECD and EU countries.

Meanwhile, entrepreneurial activities which can be considered as a significant tool in increasing employment opportunities for the unemployed remain quite limited.

Upgrading the occupational skills and qualifications of individuals through active labour force policies, orienting individuals to jobs fitting to their skills through job seeking and counselling services and encouraging entrepreneurship are the main policies to be pursued in increasing youth employment.

For increasing non-agricultural employment opportunities in the rural sector, it is necessary to raise the level of education and training particularly among youth and women and to launch rural development activities to generate employment opportunities in high value added nonagricultural activities.

There is need for well targeted and coherent policies for youth. The underlying causes of youth unemployment should be decisive in selecting policies to combat youth unemployment. Priority should be given to providing youth decent work in order to protect them from social exclusion and discrimination. They should also be given the opportunity to express their opinion for developing policies that will affect them. Youth participation is essential in taking steps that will shape their future.

While formulating policies geared to preventing youth unemployment and increasing employment, strengths and weaknesses, threats and opportunities of the demographic structure of Turkey and unique features of her labour market should be taken into account. In the long-term integrated policies designed to eliminate disparities that prevent women from participating to education and labour force, mitigate the negative effects of rural-to urban migration on youth and to make average years in education longer must be implemented. It must be kept in mind that problems are of mainly structural character and there is need for policies targeting these structural problems.

Young labour force is an important asset for countries. However, it can turn into a real advantage for countries only when this labour force is equipped with information and qualifications responsive to the needs of labour market. Otherwise, it will remain as the source of many economic and social problems.

The National Technical Team (NTT) set up under the UN Joint Programme to involve all relevant parties in the process of developing the "National Youth Employment Action Plan" met regularly following January 2010. The NTT decided to launch a situation analysis first to provide a sound ground for the Action Plan and conducted this work with the help of a Reporting Team within. The "National Youth Employment Action Plan" was annexed to this report and presented to the opinion of the parties involved.

# POLICY RECOMMENDATIONS

It was decided during the programme process to design the Youth Employment Action Plan in a way to cover activities that can be implemented by the İŞKUR as Programme Coordinator. Thus, the Action Plan annexed to the Situation Analysis Report excluded those activities that could not be undertaken by the İŞKUR or required legislative amendment for it. Nevertheless, the National Technical Team found it appropriate to include in the report those points which were found important in combating youth unemployment and agreed as such by the parties under the heading "Policy Recommendations".

- 1. Preparations for Turkey's National Employment Strategy should be completed by taking the views of social partners and "National Youth Employment Strategy" should be formulated accordingly. This is an important step to be taken in terms of alignment with the European Employment Strategy (EES) and the framework set by the Youth Employment Network (YEN). The National Employment Strategy which will complement economic growth with the creation of new jobs should be implemented together with specific policies geared to eliminating various actors that impede youth entry to labour markets.
- 2. Informal employment faced by youth in their working life should remain limited by developing mechanisms geared to increasing decent jobs.
- **3.** To enhance the employability of youth, firstly they should be equipped with qualifications responding to labour market needs.
- 4. Existing opportunities and strengths must be publicized to refer youth to vocational training. By improving quality in vocational training, preference for vocational school graduates should be strengthened and weight should be given to vocational training rather than general high school education.
- 5. The relationship between education and employment must be redefined by considering the demand for labour force and the system of education must focus on the needs of information economics. Youth must be endowed with necessary high qualifications for employment, responding to the needs of labour markets.
- 6. In order to strengthen individual sectors in global competition and train more qualified labour force, demand inducing flexible measures with diversified modular programmes and strong technological infrastructure must be adopted. In vocational training, a structure that is based on programme type and allowing easy transfer from one programme to another must be adopted by giving due consideration to the state of the sectors of industry and services.
- **7.** The MoNE should introduce a system of guidance and referral which allows for horizontal and vertical transfers and effective orientation of individuals for specific schools, areas-programmes, occupations and jobs.
- 8. For ensuring the qualified participation of youth to labour force, rates of schooling in secondary education must be increased in a way to eliminate gender and regional disparities. Also, measures should be adopted to reduce school dropout rates.
- **9.** Work on such components of the national vocational training system as national occupational standards, competencies, measurement and assessment, certification, crediting and occupational orientation must be completed.
- **10.** An effective and well coordinated system must be in place for the modernization of vocational training and integration with information based society. There must be better integration of curricula adopted by vocational high schools and higher education institutions.
- 11. Young entrepreneurs should be supported in terms of training, loans, financing, technology, management and marketing. Turkey should adopt relevant EU support

models for micro enterprises including yearly no interest loans per employed person and insurance premium support, job change incentives, R&D assistance, etc. Also, counselling services targeting young entrepreneurs must be improved.

- **12.** While evaluating projects supporting entrepreneurship by young farmers, priority must be given to projects focusing on youth.
- **13.** Cooperation between İŞKUR and Provincial Directorates of Agriculture and Rural Affairs should be enhanced to enable rural youth to benefit more from İŞKUR services.
- 14. Vocational training modules developed by the MEB should emphasize gender equality.
- 15. Preschool education must be promoted to increase women's labour force participation and duration in employment and the rate of preschool enrolment must be raised. In order to encourage women to vocational training schemes, child and elderly care services must be improved and expanded and the cost of benefiting from these services must be kept at reasonable levels. Public funds should be mobilized for these services and there should be cooperation among governmental organizations and agencies, Municipalities, Provincial Private Administrations and NGOs.
- **16.** Pilot implementation comprising basic life skills and adaptation to/integration with urban life should be expanded to cover persons involved in rural-to-urban migration.
- 17. Innovation and R&D is an area of university-industry cooperation that is of high interest for youth. This cooperation should be further developed by assigning importance to the protection of intellectual and industrial rights and scientific ideas and innovations should be transformed into high technology products and services.
- 18. It must be ensured that trainings are delivered upon the cooperation of workers' and employers' organizations and training institutions by having chambers, professional organizations and workers' and employers' organizations give higher priority to vocational and technical training. In the context of life-long learning, those who want to complete their education and individual development or others who want to gain new professional competencies should be provided easier access to education and training.
- **19.** Modular vocational training programmes should be systematically updated according to national standards and occupational competencies as published by the Institute for Professional Competencies (MYK).
- **20.** Youth organizations' participation to social dialogue mechanisms at national and local level must be ensured.
- **21.** By improving opportunities for internship, youth should be enabled to contact working life. These opportunities should be improved both qualitatively and quantitatively while also improving conditions and contracts of internship. Measures should be adopted to prevent the confusion internship with "working status". Sector-/university cooperation must be strengthened and firm/sector promotion programmes should be increased.
- 22. There must be a promotion campaign relating to opportunities before youth.
- 23. Rates of taxation and social security contribution should be set in a way to encourage the employment of young people, by conducting impact assessment and observing OECD averages.
- 24. With an eye on youth with disabilities, labour market needs analyses should be conducted to determine the conditions of employability at sector level and training programmes for disabled young people should be developed accordingly.
- 25. İŞKUR's organization and services in rural areas should be enhanced.
- 26. Migrants from rural areas accept work for low wages and without any social protection due to their unqualified status. Problems to be solved in agricultural sector include low productivity, unpaid family labour, barely self-sufficient and non-specialized farming, social and economic exclusion and informal economy. Mitigating these problems will help curbing youth migration from rural to urban areas. Quantitatively and qualitatively

improving vocational training in rural areas, supporting students by covering some of their education/training expenses, diversification of income generating activities, improving competitiveness, organic farming, rural tourism, water products, fruit, vegetable and flower culture, marketing and processing are all high value added activities which must be given support to provide new areas of employment to rural youth.

- 27. Some young people not being able to make a successful transition to labour market (school dropouts, secondary school graduates not making in to higher education) should be given a second chance by strengthening skill training schemes and by having active labour market programmes focus on disadvantaged youth facing most difficult problems in entering labour market (those with limited education, youth from low income families, women).
- **28.** Favourable environments provided to young scientists and experts abroad should be provided in the country as well and brain drain should be reversed by providing attractive employment opportunities.
- **29.** Governmental and professional organizations and trade unions should inform youth about legislation and practices concerning labour market and employment and increase their support programmes and practices accordingly.
- **30.** Local means for integrating youth to employment and transforming the will to work into should be utilized by developing projects jointly by private and public sectors and non-governmental organizations (NGOs).
- **31.** In order to make maximum use of EU projects, NGOs in general and youth NGOs in particular should be provided with means to have Access to these projects and go to cooperation among themselves.
- **32.** Social dialogue between employers' and workers' organizations should be developed in regard to youth employment as well.

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Yatırımların ve İstihdamın Teşviki İle Bazı Kanunlarda Değişiklik Yapılması Hakkında Kanun (Law on Encouraging Investments and Employment and Amendment of Some Laws)

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ncreasing Developing	the number of young people <sub>1</sub> g the database of i <u>5</u> KUR so as i	Objective 2: Increasing the number of young people placed in jobs by İŞKUR by 10% annually. Objective 3: Developing the database of İŞKUR so as to follow indicators given in the action plan	nually. ction plan				
	tintio		Unit in	Unit(s) to	Arefitikie	Schedu	Schedule/Time Period
P	Indino		Charge	Cooperate with		Starting Date	Ending Date
Labour market analyses with focus on youth were periodically conducted at national and provincial levels on the basis of age, gender and education status	<ol> <li>Provincial Employment and Vocational Training Boards (IIMEK) conducted their activities in line with labour market analyses</li> <li>Outcomes of labour market analyses were reflected in labour market policies</li> </ol>	<ol> <li>Until the year 2015, conducting labour market analyses as disaggregated by gender and age and incorporating rural employment and agricultural sector in every province at least once in 2 years.</li> <li>Until the year 2015, conducting at least 70% of all labour force adaptation programmes in line with labour market analyses and by incorporating specific measures for women and youth.</li> </ol>	işkur	TURKSTAT	<ol> <li>Labour market analyses will be conducted at least once in every two years in all provinces</li> <li>Content of analyses will be expanded so as to cover gender, age, educational status, rural/urban and agricultural sector.</li> <li>Labour force adaptation programmes will be developed according to labour market needs analysis.</li> <li>Special measures will be adopted to deliver trainings to youth and women benefiting from adaptation programmes in a way to ensure their integration to economic and social life.</li> </ol>	2011	2015

2015
2011
<ol> <li>There will be data sharing with the Ministry of Interior to sport those settling in different places after migrating.</li> <li>Young people migrating to other settlements in internal migration will be provided active employment programmes.</li> <li>A course on women's rights for at least 12 hours will be included in the curriculum of vocational training under active employment programmes.</li> <li>IiMEK meetings will consider and decide on the incorporation of course topics social inclusion, basic life skills and labour market integration in trainings to be delivered to relevant groups</li> <li>Unemployed and disabled youth will benefit more from vocational training</li> <li>The issues gender equality and youth will be included in the agenda of IIMEK meetings at least once a year. Also, related NGOs will be invited to these meetings of IIMEK.</li> <li>Provincial Directorates of Agriculture will be present at least in one meeting of IIMEK in a year to give opinion on the situation in agriculture and employment opportunities in this sector and what can be done to boost employment in this sector</li> </ol>
Governorates (iiMEK) Youth Organizations MEB Local Governments
ĮşKU R
<ol> <li>Annually increasing by 5% the number of unemployed youth taking part in vocational training courses in each province including those who moved in to those provinces after migration.</li> <li>Until the year 2015, increasing by 10% the number of unemployed and disabled youth participating to vocational training courses organized and supported in 81 provinces</li> <li>Having at least one-third of increasing to request for the inclusion of the module "Women's human rights" in trainings.</li> <li>Having at least one-third of iMEK meeting reports countrywide include the request for the inclusion of the module "Women's human rights" in trainings.</li> <li>Having at least one-third of the module the request for the inclusion of the inclusion of the inclusion of the inclusion of training modules those on social inclusion and integration to labour market in order to ensure integration to labour markets.</li> </ol>
<ol> <li>Provincial Employment and Vocational Training Boards made at least 1 meeting in a year with special agenda on youth with the participation of youth's civil society organizations</li> <li>Depending on the agricultural potential of the province, Agriculture Directorates were invited to liMEK meetings and their opportunities in agriculture were solicited</li> <li>IIMEK's were informed on women's employment issues</li> <li>IIMEK's were informed agriculture were solicited</li> <li>IIMEK's were informed agriculture were solicited</li> <li>IIMEK's were informed agriculture were solicited</li> <li>IIMEK's were informed agriculture were solicited</li> <li>IIMEK's were informed agriculture were solicited</li> <li>IIMEK's were informed agriculture were solicited</li> <li>IIMEK's were informed agriculture were solicited</li> </ol>
2. Activities of Provincial Employment and Vocational Training Committees related to youth employment were improved. 2 2 2 2

2015
2011
<ul> <li>3.1. A Youth Employment Monitoring and Evaluation Board will be set up with the participation of related parties.</li> <li>3.2. Monitoring and Evaluation Board will meet at least twice a year.</li> <li>3.3. There will be at least one report a year on youth employment. This report will include information on the employment of young women as well.</li> </ul>
<ul> <li>3.1. Youth Employment</li> <li>3.1. Youth Employment</li> <li>Monitoring and Evaluation Board will meet at least twice a year</li> <li>3.2. Reporting at least once a year on youth employment and giving information about women's employment in these reports.</li> </ul>
<ul> <li>3.1. Youth Employment</li> <li>3.1. Youth Employment</li> <li>Monitoring and Evaluation Committee (iDK) was set up</li> <li>3.2. Participation of social partners and youth organizations to decision making processes in iDK was ensured</li> <li>3.3. iDK evaluated progress reports submitted at least once a year</li> </ul>
<ol> <li>Coordination between işKUR and labour market institutions including that of private sector was improved on the basis of democratic representation and participation and in a way to cover youth as well and as a consequence social dialogue mechanism was strengthened.</li> </ol>

2015	2015
2011	2011
<ul> <li>4.1. The number of job and occupation counsellors serving for i5KUR will be increased. Under this scheme, at least 4,000 counsellors will be employed.</li> <li>4.2. A monitoring system will be created to monitor and evaluate job and occupation counselling services.</li> <li>4.3. Trainings will be delivered to improve the qualifications of job and vocational counsellors</li> <li>4.4. iMD services will be expanded and more young people will benefit from these services</li> <li>4.5. State universities will deliver career counselling services</li> </ul>	<ol> <li>F.1. Recruitment of new personnel to increase the number of i5KUR personnel to at least 8,000.</li> <li>F.2. Annual training per person in i5KUR will be at least for 12 hours to improve the qualifications of personnel.</li> <li>F.3. A database will be created to observe the state of personnel and report it.</li> </ol>
Workers and Employers' Confederations YÖK	
IşKUR	İşKUR
<ul> <li>4.1. Having at least 60,000 young people a year benefit from job counselling services targeting the unemployed.</li> <li>4.2. Until 2015, developing software to determine the rate of young persons who were referred from job counselling services to vocational training and/or employment.</li> <li>4.3. Until the year 2015, bringing the number of job and occupational counsellors over 4,000.</li> <li>4.4. Application of questionnaire benefit from job and occupational counselling and benefit from job and services over 70%.</li> <li>4.5. Under the training training to satisfaction from these services over 70%.</li> <li>4.6. Until 2015, having all state universities offer life.</li> <li>4.6. Until 2015, having all state universities offer life stills and adaptation to urban life.</li> </ul>	<ul> <li>5.1. Until the year 2015, bringing the number of personnel up to at least 8,000</li> <li>5.2. Each iŞKUR personnel having on average 12 hours of training a year</li> </ul>
<ul> <li>4.1. A system was developed to follow the referral of youth benefitting from job counselling services to vocational training and/or employment</li> <li>4.2. Under the training of trainers, job and occupation counsellors were given training in basic life skills and adaptation to urban life</li> </ul>	<ol> <li>Training needs were identified according to performance evaluation system</li> </ol>
<ol> <li>Job and vocational</li> <li>Lounselling services by IşKUR were improved in terms of quality and capacity</li> </ol>	<ol> <li>İşKUR's personnel capacity was improved in qualitative and quantitative terms</li> </ol>

2015	2015
2011	2011
<ul> <li>6.1. Cooperation with SYDV, Municipalities and Ministry of Agriculture to reach rural areas.</li> <li>6.2. Mobile service units will be created to ensure access to rural areas</li> <li>6.3. İşKUR web page will be renewed</li> <li>6.4. Development of printed and visual promotion materials to have youth , women and university graduates benefit more from available services</li> </ul>	<ol> <li>The number of young people benefitting from on-the-job training will be increased.</li> <li>işKUR activities will be promoted and made to reach more employers</li> <li>işKUR services will be promoted before agricultural enterprises and these enterprises will be encouraged to use these services.</li> </ol>
Workers' and Employers' Organizations RTÜK	Employers' Organizations (TİSK, TOBB, etc) TZOB
ţ ŚKUR	Į <u>š</u> KUR
<ul> <li>6.1. Until the year 2015, having 50% of unemployed youth, including migrants, registered with igkUR.</li> <li>6.2. Until the year 2015, ;acting protocols with all municipalities and SYDVs</li> <li>6.3. Until the year 2015, annually increasing by 25% the municipalities and syDVs</li> <li>6.4. Until the year 2015, annually number of people visiting the web page.</li> <li>6.4. Until the year 2015, annually number of people visiting the web page.</li> <li>6.4. Until the year 2015, annually nucleasing by 25% the multipation copies of new written materials at places where young people concentrate</li> <li>6.5. Broadcasting in national and local radio and TV channels sport prepared for youth employment.</li> <li>6.6. Increasing by 10% of the rate of higher education graduates registered with igKUR</li> </ul>	<ol> <li>7.1. Having at least 50,000 young people benefit from on-the-job training programmes each year and ensuring the employment of 25% of these people.</li> <li>7.2. Until the year 2015, annually increasing by 50% the number of vacant jobs reported to IşKUR</li> <li>7.3. Ensuring that agricultural enterprises as well apply to IşKUR services in recruiting workers.</li> </ol>
<ul> <li>6.1. Services targeting rural areas were developed jointly by municipalities, SYDVs and GTHB. Accessibility of mobile service units and IşKUR was improved to reach rural settlements better.</li> <li>6.2. Institutional website was renewed.</li> <li>6.3. Promotional materials were enriched so as to attract the interest of youth</li> <li>6.4. Special emphasis and invitation was made to women in announcing and promoting services delivered by IşKUR profile was improved for graduates of higher education</li> </ul>	
6 6 6 6 6	<ol> <li>İşKUR's communication channels with employers were strengthened and coupling services were improved</li> </ol>

Youth Employment Overall Objective 2: Strengthening the Rel Objective 1: Facilitation of youth transition to labour markets	Objective 2: Strengther outh transition to labc	ning the Relationship between Training and Employment our markets	ng and Emp	loyment			
Outcome	Output	Indicators	Unit in Charge	Unit(s) to Cooperate with	Activities	Schedu Per Starting Date	Schedule/Time Period arting Ending Date Date
<ol> <li>Transition from vocational training courses given under the ALMP to labour market was made easier</li> </ol>		<ol> <li>1.1. Ensuring that at least 20% of vocational training graduates each year are employed in jobs in-n which they received training</li> <li>1.2. Ensuring that 50% of trainees in the previous year are now employed</li> </ol>	İşkUR	MEB	1.1. Vocational training activities monitoring system will be improved	2011	2015
<ol> <li>Graduate monitoring system in education was made effective</li> </ol>		<ul> <li>2.1. Creating a follow up system by ensuring the registration of vocational high school graduates with ljKUR</li> <li>2.2. Developing a system for following up those participating to vocational training courses offered by ljKUR</li> </ul>	İşkur	MEB YÖK KB	<ul> <li>2.1. Data sharing and creation of a registration system to ensure the registry of vocational high school graduates with işKUR and to follow their employment status</li> <li>2.2. Course follow up system in the işKUR portal will be developed so as to report all database and engage in cost-benefit analysis</li> </ul>	2011	2015

2015	2015
2011	2011
<ul> <li>3.1. Each year at least 10% of those who receive vocational training will benefit from on-the-job training programmes</li> </ul>	<ul> <li>4.1. Sharing of rural population data by the Ministry of Interior and IşKUR</li> <li>4.2. Upon the cooperation of such institutions as GTHB, MEB and others, trainings in such high value added areas as organic farming, best farming practices, rural tourism, seed and seedling production will be delivered to rural youth.</li> </ul>
MEB YÖK Employers' Organizations	MEB KB GTHB Ministry of Interior
I ŠKUR	, ŠKUR
<ol> <li>Broviding on-the-job training opportunities to at least 10% of vocational school graduates and increasing this rate gradually.</li> </ol>	<ul> <li>4.1. Increasing the number of rural youth participating to vocational training courses by 10% and improving these young people's access to training (on the basis of TURKSTAT data on settlements with population under 20,000)</li> <li>4.2. Delivery of trainings in such high value added areas as organic farming, best farming practices, rural tourism, seed and seedling production.</li> </ul>
	<ul> <li>4.1. Rural youth were given vocational training courses in order to facilitate their employment in high value added jobs.</li> </ul>
<ol> <li>Acquisition of occupational skills by trained youth were improved</li> </ol>	<ol> <li>Possibilities of quality jobs were increased in agricultural employment</li> </ol>

Youth Employment Overall Objective 3: İŞKUR's Contribution to Objective 1: Restructuring grant, Ioan and other support system	ojective 3: İŞKUR's nt, Ioan and other	Youth Employment Overall Objective 3: İŞKUR's Contribution to Job Creation Objective 1: Restructuring grant, loan and other support systems so as to focus on creating additional youth employment	eating add	ditional youth emp	vloyment		
O. HOL			Unit in	Unit(s) to	A <del>ch</del> iritita	Schedu Per	Schedule/Time Period
	Indino		Charge	Cooperate with		Starting Date	Ending Date
<ol> <li>There was increase in the employment of urban youth</li> </ol>		<ol> <li>Until the year 2015, creating an additional 100,000 youth employment thorough employment focused incentive systems.</li> <li>Ensuring that 35% of increase in urban youth employment consists of women</li> </ol>	İşKUR	Local Administrations TURKSTAT SGK	<ol> <li>İşKUR and SGK will set up a monitoring system to assess the contribution of incentive systems to employment including disaggregation by age, gender and place of settlement.</li> </ol>	2011	2015
<ol> <li>Employment of youth registered with ISKUR was followed and their retention in employment was improved</li> </ol>	2.1. İŞKUR follow- up questionnaire s were developed	<ul> <li>2.1. Having at least 35% of youth registered with ISKUR is still in employment in the area they were trained within the year following their qualification.</li> <li>2.2. Pulling down the rate and number of informal employment among youth</li> </ul>	İŞKUR	Employers' Organizations TURKSTAT	<ul> <li>2.1. Courses will be improved, course database will be developed and follow up questionnaires will be developed for trainees.</li> <li>2.2. Trainees will be informed about informal employment</li> </ul>	2011	2015
3. Outcomes of cooperation protocol with KOSGEB were followed		3.1. Annually having 2 monitoring meetings with KOSGEB	İşKUR	KOSGEB	3.1. An amendment will be made in the protocol to set up a commission to monitor entrepreneurship trainings delivered under KOSGEB and i§KUR cooperation and this commission will meet twice a year.	2011	2015

Objective 2: Encouraging entrepreneurship and supporting it by trainings
<ol> <li>Having 20% of those receiving training in entrepreneurship as young people</li> </ol>
<ul> <li>2.1. An assessment was made on the effectiveness and efficiency of trainings in entrepreneurship and 4% of trainees later started their business. Performance of these businesses were monitored through the control group</li> <li>2.2. Encouraging rural youth to take entrepreneurship</li> </ul>
<ul> <li>3.1. 5% increase in the number of young entrepreneurs</li> <li>3.2. Removal of the condition for being unemployed to take part in İşKUR's trainings in entrepreneurship</li> </ul>

2015	
2011	
<ul> <li>4.1. Brochures about entrepreneurship trainings, qualifications to attend these trainings and provisions to those attending these trainings will be designed, printed and disseminated.</li> <li>4.2. Spot films will be developed and broadcast in national channels.</li> <li>4.3. A protocol will be acted with RTÜK to air the spots</li> <li>4.4. There will be meetings with national channels to emphasize the importance entrepreneurship by young people in combating unemployment and national channels will be molilized to broadcast spots prepared in this issue.</li> <li>4.5. State universities will organize career fairs 4.6. İşKUR will be conducted to have cooperation with the YÖK for participating to career fairs.</li> </ul>	
YÖK STK RTÜK KOSGEB	
NAX.	
<ul> <li>4.1. Dissemination of 300,000 copies of a brochure giving information about opportunities of entrepreneurship</li> <li>4.2. Broadcasting of spots prepared in local and national radio and TV channels.</li> <li>4.3. İŞKUR's participation to at least one career fair a year at a state university in a given province.</li> </ul>	
<ul> <li>4.1. Communicati</li> <li>on network</li> <li>was</li> <li>established</li> <li>between civil</li> <li>society</li> <li>organization</li> <li>s and young</li> <li>entrepreneur</li> <li>s</li> </ul>	
<ol> <li>Effective communication mechanisms are in place to reach young entrepreneurs</li> </ol>	

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