

SYRIAN REFUGEES' PERCEPTIONS OF THE (FORMAL) LABOUR MARKET

In Southeast Turkey



INTRODUCTION

In 2016 the Government of Turkey adopted a work permit system for the first time allowing registered Syrian refugees to access formal employment.^{1 2} This was an important step towards ensuring a broader economic inclusion of refugees in the Turkish economy. Notwithstanding these efforts, existing research has shown that refugees still face restrictions in accessing the formal labor market. According to official statistics, between 2016 and 2019, a total of 132,497 work permits were issued to Syrians registered in Turkey, which includes renewals of already existing work permits.³ It is estimated that approximately 1 million Syrians are working informally without legal protections and rights⁴ and 45 percent of Syrians under temporary protection are living below the poverty line.⁵

The number of Syrians working in formal employment in Turkey is therefore concerningly low, for both the size of the working Syrian population in Turkey, as well as the length of time that the work permit system has been active. Although evidence suggests that there has been a gradual decline in the informal economy, the official estimate is that the informal sector comprises one-third of Turkey's economy.⁶ Structurally speaking, the informal labour market in Turkey is already high, and this may be a contributing factor to the lack of permits given.

However, whilst the rates of informal employment were already embedded in the Turkish economy and labour market, Syrian refugees face unique challenges in accessing formal employment as well as in their working conditions in the informal market. Those without a work permit are working in the informal market in low paying jobs that tend to be highly exploitative and physically demanding. Indeed, one study published in 2020 found that Syrian refugees working in the informal sector work, on average, five more hours per week than Syrians with a work permit and their Turkish counterpart without a work permit. Moreover, three out of four Syrians earn less than the minimum wage per hour.⁷

Most of the existing research specifically on Syrian refugees' access to the formal labour market has pointed to the extensive bureaucracy involved in applying for work permits. Complicated procedures, fees, and long-waiting times are creating significant disincentives especially for employers from hiring refugees, many of whom will prefer to employ Turkish citizens instead.

However, research looking specifically at the views and perceptions of refugees of the informal versus the formal market are largely absent. This study seeks to therefore address this gap by looking at refugees' motivations and decision making when navigating the job market. The study will seek to identify practical recommendations on how to ensure a wider access of refugees to formal employment. The study will also seek to better understand ways to tackle existing misperceptions that attract refugees to precarious and irregular jobs and that may discourage employers from hiring refugees.

1 Brookings Institute. (2019). Syrian refugees in Turkey needed better access to formal jobs. Available at: <https://www.brookings.edu/blog/order-from-chaos/2019/07/18/syrian-refugees-in-turkey-need-better-access-to-formal-jobs/>

2 This study denotes solely to the 'Regulation on Work Permits of Refugees under Temporary Protection' as it covers Syrian refugees in Turkey. International Protection Applicants and Status Holders are covered by a different regulation, namely the 'Regulation on the Work of International Protection Applicants and International Protection Status Holders'.

3 UNHCR Turkey: 3RP Country Chapter -2021/2022. Available at: <https://data2.unhcr.org/en/documents/details/85061>

4 ILO. (2020). Syrian refugees in the Turkish Labour Market. Available at: https://www.ilo.org/ankara/publications/WCMS_738602/lang--en/index.htm

5 UNHCR Turkey: 3RP Country Chapter -2021/2022. Available at: <https://data2.unhcr.org/en/documents/details/85061>

6 Emre Eren Korkmaz. (2017). How do Syrian refugee workers challenge supply chain management in the Turkish garment industry?. Available at: <https://dremreerenkorkmaz.academia.edu/research#journalarticles>

7 ILO. (2020). Syrian refugees in the Turkish Labour Market. Available at: https://www.ilo.org/ankara/publications/WCMS_738602/lang--en/index.htm

LEGAL FRAMEWORKS & CONTEXT

In order to explore perceptions of the formal labour market in Turkey by Syrians, it is necessary to lay out the laws and rights which regulate and are afforded by official employment, as well as the landscape of informal employment in Turkey.

A. Regulation on Work Permits of Foreigners Under Temporary Protection

Turkey adopted the Regulation on Work Permits of Foreigners under Temporary Protection in 2016, which regulates work permits for Syrians who do not have a residency permit. The main aspects of the regulation are the following:

- i. Syrians can apply for work permits six months after the completion of their temporary protection (TP) registration procedures and having obtained their TPID;
- ii. The application can only be made in the province of residence;
- iii. Work permits for wage employment are submitted by employers to the Ministry of Labour and Social Security (MoLSS);
- iv. Work permits for self-employment will only be registered if a legal enterprise in Turkey is established and registered, according to Turkish Commercial Code. Once the business is officially registered in Turkey, then one can submit a work permit for him/herself;
- v. Seasonal agricultural or livestock breeding activities are exempted from work permits;
- vi. Members of the health or education sector must obtain an initial permit from the Ministry of health and Education respectively, in order for their work permit to be processed;
- vii. The ratio of Syrians to Turkish citizens employed in any workplace, cannot exceed more than 10 percent;
- viii. Foreigners under temporary protection cannot be paid less than the minimum wage.⁸

B. Rights under Turkish Labour Law

In the Regulation on Work Permits of Foreigners under Temporary Protection, it states that the rights and obligations of foreigners under temporary protection and employers derived from social security legislation shall be reserved. The following elements of the 2003 Labour Act of Turkey (Law no. 4857) therefore apply to those holding a valid TPID and work permit:

- i. The salary of an employee cannot be lower than the minimum wage⁹, which is determined by the state and redefined two times a year;
- ii. An employee's work week cannot exceed 45 hours. In the case an employee works overtime, the employer is obliged to pay overtime compensation;

⁸ Regulation on Work Permit for Foreigners under Temporary Protection; Articles 5, 6, 8, 10.

⁹ As of 1 January 2021, the lowest net minimum wage was set at 2,826 Turkish lira per month.

- iii. Employees are entitled to non-deductible public holidays, and each employee who has been working for at least a year in the same workplace is entitled to annual paid leave;
- iv. Employers must pay social security premiums for each employee, ensuring that each employee becomes insured from their first day of work;
- v. Upon termination of the employment contract, employees are entitled to a severance payment on the condition that the employee has completed at least one year of continuous employment;
- vi. If the employer terminates the employment contract on the basis of a valid cause, the employer is expected to respect the notice periods stipulated under the Turkish Labour Code.¹⁰

C. The informal economy

The Regulation on Work Permit for Foreigners under Temporary Protection was an important legal development in giving Syrians under TP the right to work formally. However, it has not yielded the desired outcome as Syrians continue to face obstacles in accessing formal employment opportunities. Consequently, the vast majority of Syrians continue to work in the informal economy. The informal economy comprises of different modalities of work. Either it means that an employee is in a workplace or company which is unregistered with the authorities, or the employees themselves may be 'informal', i.e., they may work in a legal workplace but do not have a legally binding employment contract. It also denotes to daily wage work, not affiliated to any company or organisation, and thus completely irregular.

As noted in the introduction, the informal economy was already structurally embedded in Turkey prior to the arrival of 3.6 million Syrian refugees. However, the position of Syrians in the labour market in Turkey is unique. Research points out that Syrians are on the whole being paid less than their Turkish counterparts, are working excessive hours, and are struggling to access basic labour rights through difficulties in obtaining a work permit. Combining the educational gap of Syrian refugee children with the lack of formal employment for Syrian adults in Turkey, points to concerning issues in the long-term such as structural poverty and economic and social integration.¹¹ Thus, understanding the perceptions of the (formal) labour market is crucial to guide policy and programs in widening access to regularized work opportunities.

METHODOLOGY

This research lays out findings from a literature review of secondary sources and primary data collection conducted in the southeast provinces of Hatay, Kahramanmaraş, Kilis, and Şanlıurfa in Turkey in April and May 2021. Primary data was collected using qualitative research methods. The Danish Refugee Council (DRC) facilitated 40 interviews with Syrians Under Temporary Protection (SuTPs) identified among DRC's protection and livelihood program beneficiaries. The interviews were conducted in Arabic and translated from Arabic into English by an official translator.

10 Labour Act of Turkey no. 4857 dated 22 May 2003, <https://www.mevzuat.gov.tr/MevzuatMetin/1.5.4857.pdf>

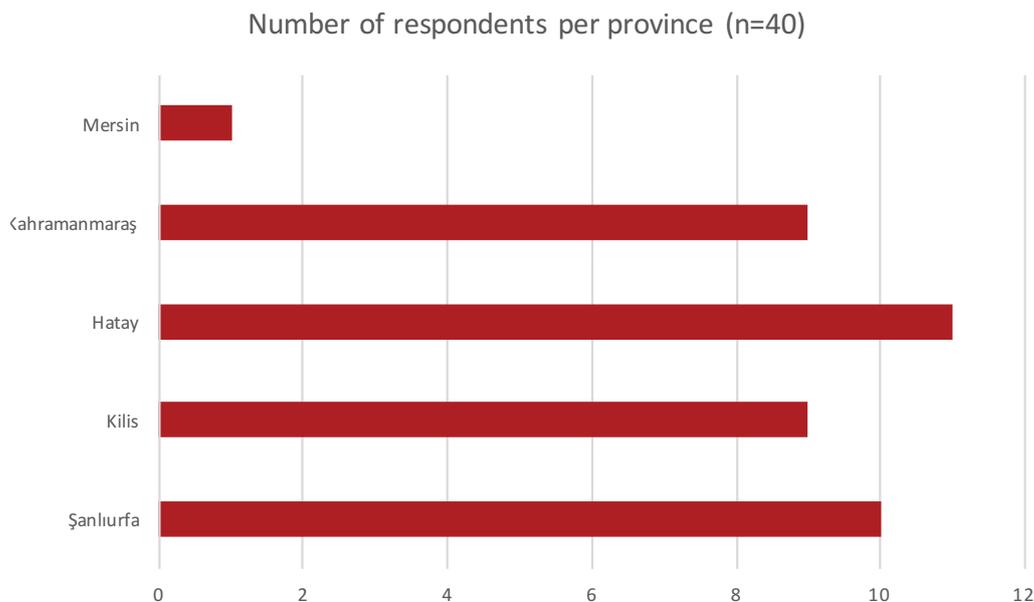
11 ILO. (2020). Syrian refugees in the Turkish Labour Market. Available at: https://www.ilo.org/ankara/publications/WCMS_738602/lang-en/index.htm

Interviews were selected as the research method, as the topic of this study is about perceptions, a highly subjective and contextual matter. A quantitative survey would therefore have been less suitable, as the design and analysis of a survey would be filled with assumptions. Of the 40 Syrian refugees interviewed, 65% were male and 35% were female, with 68% of the respondents aged between 26-40. 31 of the respondents were working informally, either through wage employment or self-employment, while two of the respondents were at present formally employed. The remaining seven respondents were unemployed. The sectors and industries being worked in by the respondents varied significantly, ranging from working in kindergartens to working in the tile industry.

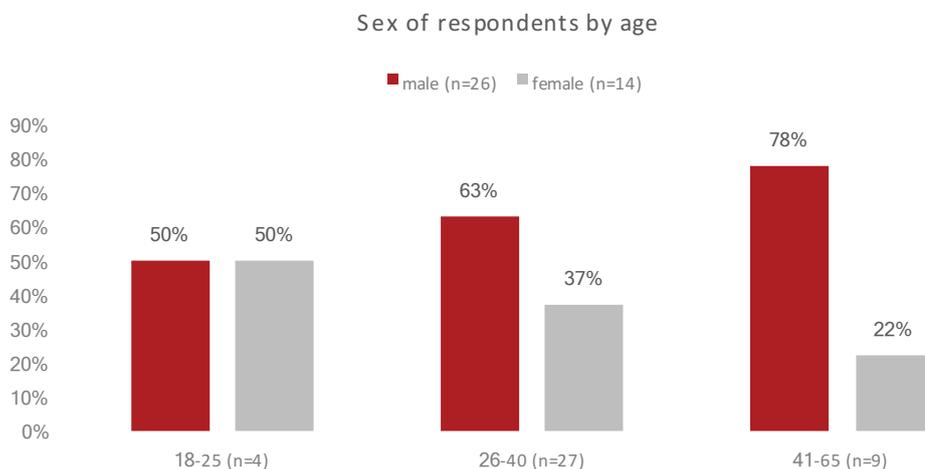
Moreover, as part of the research, DRC also facilitated 10 employer interviews in Turkish, who were identified by DRC's livelihood teams. Interviews were conducted with professionals working as recruitment specialists or managers/owners of businesses from Şanlıurfa, Hatay, Kahramanmaraş, and Kilis. The interviews focused on their perceptions towards hiring Syrians and Syrians' position in the formal and informal economy.

Given the methods utilized, findings can only be considered as indicative.

Graph 1. Location of Respondents (n=40)



Graph 2. Sex of Respondents by age (n=40)



MAIN FINDINGS

Finding (1): In weighing up their options, some refugees are not seeking formal work for fear of becoming more financially unstable due to the loss of financial assistance.

Of the 40 Syrian refugees interviewed, almost half of the respondents were receiving the Emergency Social Safety Net (ESSN), also known as the Kızılay Kart. The ESSN, funded by the European Civil Protection and Humanitarian Aid Operations (ECHO) and implemented in partnership with the Turkish Ministry of Family, Labor, and Social Services (MFoLSS) and the International Federation of Red Cross and Red Crescent Societies (IFRC), delivers cash assistance to vulnerable people who are under temporary and international protection in Turkey. Following an assessment based on the eligibility criteria, eligible households receive a monthly cash assistance of 155 Turkish Lira¹² per family member per month. At present, approximately 1.8 million individuals are being reached with ESSN across Turkey, with the highest number of beneficiaries in Gaziantep (14%), Istanbul (12.7%), Şanlıurfa (10.2%), and Hatay (9.1%)¹³.

Our findings showcased mixed perceptions in relation to formal work and financial assistance. Of those receiving financial assistance, half of the respondents were willing to lose their *Kızılay Kart* for a formal job.

“I would be willing to lose the ESSN card because it does not have the benefits that a formal job has. When you have a medical problem, the ESSN Card does not help you, a formal job will. The ESSN is also not guaranteed, there is a probability that you will lose it in the future but in a formal job you cannot lose your rights. I would therefore prefer to have formal job.” (*Key Informant Interview, Şanlıurfa, April 2021*)

Indeed, literature indicates that most ESSN recipients would increase their income by at least 37 per cent if they were to transition from receiving financial assistance to a minimum wage job.¹⁴ Beyond the increase of income, there are other benefits related to formal employment which incentivize SuTPs to opt for formal employment rather than financial assistance. Many SuTPs who receive financial assistance, work informally to cover their needs. However it was reported that in April 2020, 2.3 million people lost their jobs in informal employment, while formal employment decreased by 290,000 jobs compared to the previous year.¹⁵ Many lost informal jobs or daily wage work through the pandemic, whereas formal jobs were protected by law as employers could not terminate contracts.¹⁶ Considering that most SuTPs receiving financial assistance also work informally to meet their basic needs, the pandemic had a clear negative effect in meeting minimum financial needs.

12 At the time of writing (1 July 2021) 155 Turkish Lira amounts to 112 Danish Krone or 15 euros.

13 IFRC and ECHO (2021). Emergency Social Safety Net (ESSN) Monthly Report: May 2021. Available at: <https://media.ifrc.org/ifrc/document/emergency-social-safety-net-essn-monthly-report-may-2021/>

14 DRC (2021). Literature Review: Facilitating Access to Labour Markets for Syrians Under Temporary Protection.

15 The World Bank (2020). Turkey Economic Monitor: Adjusting the Sails. Available at: <https://openknowledge.worldbank.org/bitstream/handle/10986/34318/Turkey-Economic-Monitor-Adjusting-the-Sails.pdf?sequence=6&isAllowed=y>

16 Temporary Article 10, the ban on termination of employment, was added to the Labor Law No. 4857 on April 16, 2020 in order to prevent unemployment. As of June 30, 2021, the termination ban was expired and employers are able to terminate contracts.

On the other hand, of the respondents receiving ESSN interviewed for this study, half said they were not willing to work formally. The program works as such that once any member of the family becomes employed, the whole family lose their ESSN assistance. Receiving ESSN or other financial assistance, while earning some money through informal channels, therefore may be perceived more financially stable than formal employment as they do not have to worry about losing their financial assistance.

“I don’t want to work with insurance. Our chances to work with Turkish people are low. The ESSN card money is better than the salary. Because our salaries are low, if they give us insurance, our ESSN will be cut.” (Key Informant Interview, Hatay, May 2021)

In navigating the labour market, the informal labour market in combination with financial assistance, may in fact be perceived as more secure and stable than formal employment. This sentiment was echoed by employers, with several revealing experiences where refugees turned down formal employment, and therefore a work permit, as a result of not wanting to lose their financial assistance.

“Such a demand [for informal employment] comes from the Syrians as well. They get money from the Kızılay. Not a single person in the household should be insured to continue receiving financial assistances.” (Key Informant Interview – Textile Employer, Kilis, May 2021)

“We also had a Syrian employee. We were going to give him insurance, but he said he didn’t want it because he has financial support. We cannot operate without insurance because we are heavily inspected.” (Key Informant Interview – Textile Employer, Kahramanmaraş, May 2021)

“Some Syrians do not prefer to work with insurance as they benefit from some financial assistance.” (Key Informant Interview – Supermarket Employer, Hatay, May 2021)

The interviews demonstrate how simply offering more work permits to refugees does not necessarily offer a simple solution to the low rates of participation in the formal labour market. The problems refugees face in the employment market in Turkey cannot be fully solved without addressing issues around financial insecurity. It is therefore of vital importance to adapt financial assistance programs to ensure that beneficiaries can immediately reenter the program if they lose their formal job.

Finding (2): There exists a lack of knowledge as well as explicit misconceptions about formal employment.

It was evident from analysing the data that not all respondents had knowledge about formal employment in Turkey, while others had clear misperceptions about formal employment. When asked about their understanding about, and opinion of, formal employment in Turkey, only 15 out of the 40 respondents mentioned the benefit of a minimum wage and 11 out of 40 noted medical insurance as a benefit. Only six out of 40 respondents responded by mentioning that formal employment protects their rights and provides more secure jobs, when asked about what formal employment entails.

“Even if I work formally, I will get the same salary. My boss never mentioned the minimum wage. I will receive the same salary, but then the money I receive from Kızılay will be cut.” (Key Informant Interview, Kilis, April 2021)

As noted, along with a lack of understanding of the basic characteristics of formal employment, there existed some clear misperceptions about formal employment.

“Formal employment is much better than informal jobs, but it is also inconvenient. Some people who don’t have citizenship have to pay their insurance themselves. They are forced to work informal jobs. Some factories say that we will pay insurance for you, but that they will also cut it from your salary. I don’t think that it has advantages. In my opinion, non-citizen Syrians shouldn’t work formally if they don’t plan to stay and retire here.” (Key Informant Interview, Kilis, April 2021)

One reason for the lack of knowledge and misperceptions surrounding formal employment, may be explained by the high rates of informal work in Syria prior to the conflict and displacement. A lack of familiarity with industrial relations, prior to fleeing to Turkey coupled with language barriers, mean that refugees may not be aware of the rights afforded through formal employment.

The findings also indicate that this lack of knowledge about the formal labour market highlights that refugees may not be tapped into formal labour market networks. Inversely, previous research has found that informal labour networks facilitate the relationship between refugees seeking jobs and local employers.¹⁷ Researchers of this study provide the example of the growth of refugees in Istanbul between 2013 and 2016, whereby the number of Syrian refugees in Istanbul increased from 85,000 to 400,000. Despite this substantial increase, the number of Syrians looking for employment on the streets remained relatively low. Instead, labour networks facilitated informal employment for many of these people.

The indicative findings provided by our research on the lack of knowledge related to the formal labour market, coupled with previous research on informal networks for Syrian refugees in Turkey, demonstrate the need to identify and understand labour networks, as well as increase awareness and correct misconceptions. Increasing participation of Syrian refugees into formal labour networks is crucial to opening new channels of legal and formal employment.

Finding (3): Perceptions of employment opportunities vary per province.

“Nobody helped me. When I came here, I tried to learn Turkish and I found a job in a textile factory where everyone else was speaking in Turkish. The residence permit was not difficult to obtain and travelling between cities was easier. I asked them “where I can find this kind of job” and they told me that best city for this is Gaziantep. I was living in Kilis and going to Gaziantep every day to work.” (Key Informant Interview, Kilis, April 2021)

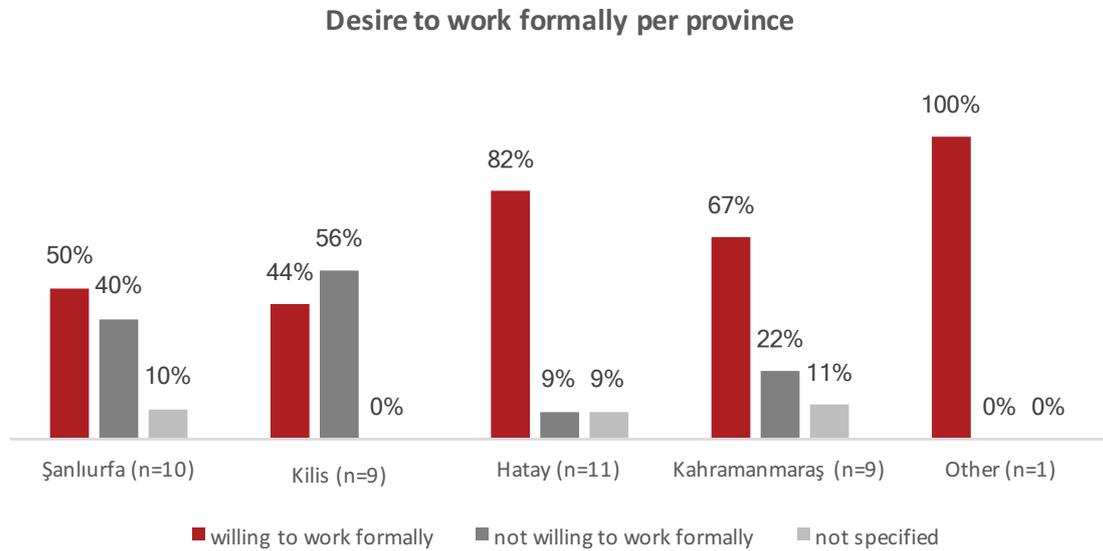
An indicative finding from the study was that perceptions of the labour market, and participation within it formally, vary per province. Respondents from Hatay and Kahramanmaraş were much more willing to work formally than respondents from Kilis and Şanlıurfa. This may be in part informed by their intention to stay in Turkey. The majority of respondents in Hatay indicated that they planned to stay in Turkey, while the minority of respondents in Kilis planned to stay in Turkey.

Another reason for this may be due to the varying job opportunities and local economies per province. A recent market assessment commissioned by DRC in 2021 highlighted significant differences in the local economies of southeastern provinces. Hatay and Kahramanmaraş boast at least 10-15 companies each, which are listed in Turkey’s Top 500 Industries. Meanwhile, in the provinces of Kils and Şanlıurfa, which do not boast companies

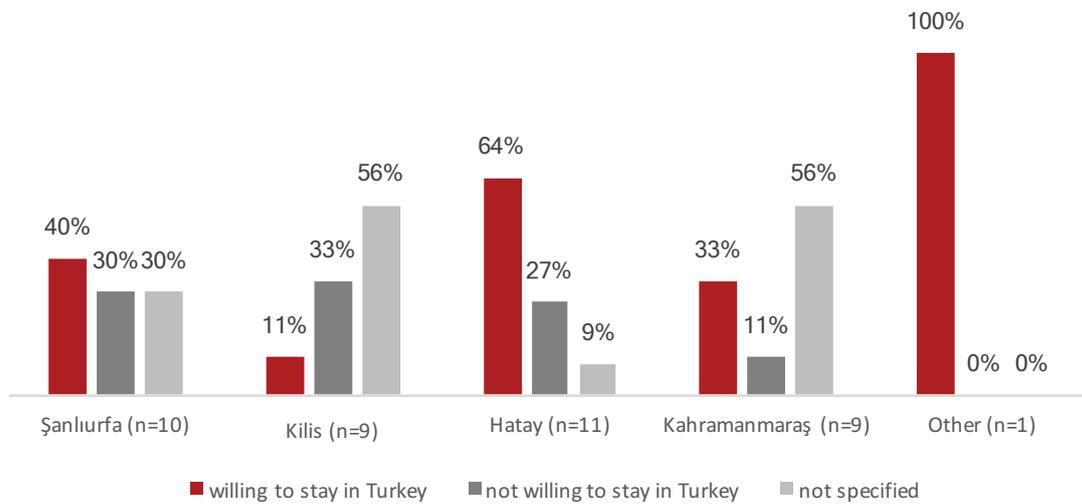
¹⁷ Dr. Ayhan Kaya and Aysu Kırış, Support to Life. (2017). Vulnerability Assessment of Syrian Refugees in Istanbul. Available at: https://www.academia.edu/27414804/VULNERABILITY_ASSESSMENT_OF_SYRIAN_REFUGEES_IN_ISTANBUL

in Turkey's Top 500 Industries, the GDP rate fell in 2019 for both respective provinces.¹⁸ Consequently, the lack of employment opportunities in the varying provinces, undoubtedly shape the perceptions and subsequent navigation of the labour market.

Graph 3. Interest to work formally per province (n=40)



Graph 4. Desire to stay in Turkey per province (n=40)



Additionally, this study only examined perceptions of the labour market in southeast Turkey, however they are inextricably tied to the broader economic environment in Turkey. According to the official statistics released by the Government of Turkey in 2020, the unemployment rate in the West of Turkey stood at 13 percent, while in Istanbul it stood at 14.8 percent. In comparison, in southeast Turkey the unemployment rate lay at 20.9 percent.¹⁹ Many refugees are registered in provinces bordering northern Syria, where they first entered Turkey or were joining family members. However, many have moved to, or have the intention to move to, large urban centers, such as Istanbul, Izmir, and Bursa where

¹⁸ DRC (2021). Market Assessment of Selected Provinces: Hatay, Kahramanmaraş, Kilis and Şanlıurfa.

¹⁹ Statistics from the Turkish Statistical Institute. Available at: <https://data.tuik.gov.tr/Kategori/GetKategori?p=istihdam-issizlik-ve-ucret-108&dil=1>

there are more job opportunities.²⁰ However this means that they have to work informally, as you cannot get a work permit in a different province of that of your TPID. Therefore, the perception and actual data showing low job opportunities, in for example Kilis, may lead to SuTPs to focus their efforts in working informally in other provinces.

Finding (4): Speaking Turkish is considered the most important factor to accessing formal employment in Turkey.

“The most important thing is language which is a big barrier to finding a good job.”
(Key Informant Interview, Hatay, April 2021)

Almost half of the respondents interviewed stated the importance of speaking Turkish in order to find a formal job in the Turkish labour market. Building on this, several respondents also mentioned the importance of having good relationships with Turkish people, as an essential factor to accessing employment. Having a good command of the Turkish language is therefore a requisite to being tapped into most formal labour market networks in Turkey.

Our findings from the interviews echo previous research conducted across Turkey, showing that having Turkish proficiency increases the chances of being formally employed, and decreases the probability of taking up casual work.²¹

Finding (5): Feeling discriminated against by Turkish employers is a common theme in the perceptions of employment amongst Syrian refugees.

Over a third of all respondents had a negative impression of Turkish employers, while the rest had a neutral perception, with the minority noting a positive perception. Reasons for having a negative perception of Turkish employers included feeling job insecure, not receiving full or adequate wages, reluctance of employers to provide insurance and thus formal employment, and more broadly feeling discriminated against by employers in Turkey.

“Whenever he wants, he can fire you. You are working without insurance, so it is easy.”
(Key Informant Interview, Hatay, May 2021)

“Some are bad, some are good. They don’t always give money. In one of my previous jobs, my boss didn’t pay me my salary while I was working at the factory, he said there is no money for this month.” (Key Informant Interview, Şanlıurfa, May 2021)

“They [Turkish employers] are bad people and they don’t like Syrian people. Last year, I was working in a small factory and Turkish people were very upset with me and they were shouting at me. I have a medical problem with my back. As a result, I was fired.”
(Key Informant Interview, Şanlıurfa, May 2021)

When Turkish employers were asked about their perceptions of hiring Syrian refugees, many reported that the incentives provided by public institutions and international non-governmental organisations were effective in their decision to employ refugees.

20 DRC research paper (2020). Access to livelihood opportunities for refugee survivors of gender-based violence in southeast Turkey

21 Aysegul Kayaoglu and M. Murat Erdogan (2019). Labour market activities of Syrian Refugees in Turkey. Available at: <https://erf.org.eg/app/uploads/2019/02/12902.pdf>

“We are working to increase our capacity. We would like to hire more Syrians both in terms of social responsibility and incentives. İŞKUR and some international organizations provide incentives for this. Incentives are really important for us” (Key Informant Interview- Textile Employer, Şanlıurfa, May 2021).

In analysing the perceptions of both Syrian refugees and Turkish employers, there are several key points to bear in mind. Previous research has highlighted that Turkish employers are reluctant to hire Syrian refugees due to the associated costs²², extensive bureaucracy and long waiting times.²³ One of the employers interviewed for this study explained that in his experience, the application period varied significantly. Whilst for some employees, he received the work permit in two days, for others it took three to four months, at which point the employee had already found another job.²⁴

Additionally, other research conducted demonstrated that sectors which have historically high informality rates, such as trade, construction, and manufacturing, became the main sectors for Syrian workers. These three sectors now account for 79.1 percent of Syrian workers across Turkey.²⁵ Without a regulated labour market, migrant/refugee workers are often preferred by employers, as they are more vulnerable and thus forced to accept worse working conditions than their local counterpart.

Providing incentives to Turkish employers to hire Syrian refugees is therefore crucial in breaking this cycle of exploitation. As long as the demand for informal work is high, and the overall macroeconomic picture in Turkey remains unstable, providing incentives to Turkish employers to regularize employment is essential.

However, a final point to bear in mind when analysing both perception of Syrian refugees vis-à-vis Turkish employers and vice versa, is that a significant number of studies in recent years have shown that the sentiment towards hosting Syrian refugees in Turkey has shifted in an increasingly negative direction. For example, in 2016, polls showed that 72 per cent of the population did not take issue with hosting Syrian refugees. However, by 2018, polls found that 86 per cent of the population supported repatriation.²⁶ Moreover, despite an estimated one million Syrians working in the informal labour market, when asked how Syrians in Turkey make their living, only 49.8 per cent of respondents answered that it was through working. In comparison, 65 per cent stated that it was through begging and 86 per cent answered that it was through assistance from the Turkish state.²⁷ The increasing reluctance to host Syrians in Turkey, coupled with a perception that Syrians are having a negative impact on Turkish society, are important factors that cannot be overlooked when understanding perceptions of Turkish employers and Syrian workers.

This points at tensions in social cohesion, an issue which is challenging to address through programming. Thus programs such as incentive schemes are crucial, in order to remove the social distance between Turks and Syrians and remove misperceptions of one another through close working proximity.

22 As of 2021, it costs 378,70 Turkish Lira to apply for a work permit for foreigners under temporary protection. Source available at: https://www.csgeb.gov.tr/uigm/duyurular/2021_yili_calisma_izni_harc_tutarlari_ve_degerli_kagit_bedel/

23 Refugees International (2019). Insecure Future: Deportations and Lack of Legal Work for Refugees in Turkey. Available at: <https://www.refugeesinternational.org/reports/2019/9/18/insecure-future-deportations-and-lack-of-legal-work-for-refugees-in-turkey>

24 Key Informant Interview – Plastic Production Employers, Kilis, May 2021.

25 ILO. (2020). Syrian refugees in the Turkish Labour Market. Available at: https://www.ilo.org/ankara/publications/WCMS_738602/lang-en/index.htm

26 Brookings (2021). Challenges facing Turkey's Syrian businesses. Available at: <https://www.brookings.edu/blog/future-development/2021/03/19/challenges-facing-turkeys-syrian-businesses/>

27 Erdogan (2019). Syrians Barometer 2019. Available at: <https://www.unhcr.org/tr/wp-content/uploads/sites/14/2020/09/SB2019-ENG-04092020.pdf>

Finding (6): Despite (formal) self-employment being very positively perceived amongst a high number of respondents, most did not have the capital or knowledge about the registration process required to start.

“I know many Syrian people with their own businesses. Their living conditions are very good. They are operating supermarkets or small businesses. The best way is to improve Syrians’ situation is that everyone should have their own business. Turkish employers do not behave towards Syrian people in the same way as they behave to Turkish people.” (Key Informant Interview, Şanlıurfa, May 2021)

27 out of 40 respondents interviewed for this study had positive perceptions of self-employment and starting a business in Turkey. The desire to be self-employed is inextricably tied to the previously laid out findings. If one is self-employed, they have more control over their employment, and therefore the cost-benefit analysis of losing financial assistance in comparison to working formally may tip in favour of formal self-employment. Moreover, one does not have to depend on finding a job in the province they are registered where job opportunities are scarce, and instead can create one.

“If I had a chance, I would expand my work and create a small place and employ Syrians. If I had employees, my production level and the income would increase.” (Key Informant Interview, Kahramanmaraş, May 2021)

Nevertheless, despite these positive perceptions and preferences to be self-employed, most respondents noted that they did not have the capital to start a business. In addition, others mentioned that they did not know what the registration process was like to start a business. Despite perceiving self-employment positively, respondents also noted that competition in Turkey is high.²⁸

In 2020, only 377 new Syrian firms were formally established in Turkey, demonstrating a 50 per cent decrease from the previous year.²⁹ Structural factors play a major role in this. As the economic crisis deepened in Turkey and the Turkish Lira continued to depreciate against foreign currencies in 2020/2021, the pandemic worsened an already fragile economic situation, those with less capital and financial security will have inevitably found it more difficult to establish a new company under these conditions. Whilst structural factors play a major role, negative perceptions of Syrians and low social cohesion may also affect the ability of Syrian refugees to start a business. As mentioned above, perceptions of Syrians by Turks have become increasingly more negative. Indeed, one study highlighted that 67 per cent of Turkish respondents believed that Syrians should not be able to open workplaces in Turkey.³⁰

Lastly, in general previous research echoes our findings that two of the main barriers to establishing a business in Turkey for Syrians are sufficient capital/financial security and knowledge about registration. For example, the laws and regulations on business registration are in Turkish, thus making them less accessible and compliance-friendly than if they were readily available in Arabic.³¹

²⁸ Key Informant Interview. Kahramanmaraş, 2021.

²⁹ Brookings (2021). Challenges facing Turkey’s Syrian businesses. Available at: <https://www.brookings.edu/blog/future-development/2021/03/19/challenges-facing-turkeys-syrian-businesses/>

³⁰ Erdogan (2019). Syrians Barometer 2019. Available at: <https://www.unhcr.org/tr/wp-content/uploads/sites/14/2020/09/SB2019-ENG-04092020.pdf>

³¹ Brookings (2021). Challenges facing Turkey’s Syrian businesses. Available at: <https://www.brookings.edu/blog/future-development/2021/03/19/challenges-facing-turkeys-syrian-businesses/>

CONCLUSION

The purpose of this study was to explore the perceptions of Syrian refugees of the labour market, particularly that of formal employment, in southeast Turkey. In sum, the findings point to several pertinent themes.

Firstly, there are some key barriers to accessing formal wage employment as perceived by Syrian refugees. These include not speaking Turkish to a sufficient level, not having Turkish contacts, not being tapped into formal employment networks, feeling discriminated by Turkish employers, and lacking job opportunities in the southeast. In cases of self-employment, key barriers include not having sufficient capital to start a business as well as not knowing enough about the process of business registration.

Secondly, in some cases, Syrian refugees are not opting for formal wage employment. A predominant reason for this is concern around financial security following the removal from financial assistance programs, namely ESSN. Once any member of a household is formally employed, the entire household is no longer eligible for financial assistance. In weighing up risks, some Syrian refugees find it less risky to receive financial assistance and work informally on the side. Other reasons which may explain why formal employment is not being striven for, can be related to their intention to stay in Turkey, lack of job opportunities in the southeast which bars access to a work permit in any other province, or simply a lack of awareness about the rights and social safety nets afforded under formal employment.

Lastly, perceptions of Turkish employers were somewhat mirroring the perceptions of Syrian refugees. Several employers emphasized that Syrians had turned down insurance, and thus a work permit, as they preferred to work informally in order to receive both an informal wage and financial assistance. Additionally, they placed emphasis on the importance and benefit of incentive schemes to hire Syrian refugees. As without these schemes, there are predominantly barriers perceived, rather than opportunities created, by employing Syrian refugees formally.

As highlighted in the methodology, these findings can only be taken as indicative. Moreover, the study sought to situate the findings in the broader structural context of Turkey, where the informal economy is deeply embedded. Nevertheless, considering temporary protection status entails restricted work permissions for Syrians, several recommendations noted below, were drafted based on the specific perceptions of Syrians vis-à-vis the Turkish labour market.

RECOMMENDATIONS

To (I)NGOs, UN agencies, and the European Union:

1. Integrate information on and importance of formal employment in Turkey in legal awareness raising sessions. This includes the labour and social security rights afforded by formal employment under Turkish law and the process required to obtain a work permit, both through wage- and self-employment.
2. Increase the number of free Turkish language courses available to refugees in Turkey, providing official certification, regardless of age or legal status. Ensure that lessons go beyond conversational Turkish and offer professional, work-place oriented Turkish.
3. Increase the support provided to Syrian business in Turkey and start-up initiatives. This includes the provision of capital, legal, and administrative support with respect to registration and regulation processes.
4. Collaborate with local authorities and support the expansion of the most promising sectors and value chains to create more jobs and facilitate the integration of SuTPs into these sectors.
5. On the one hand, provide incentives to employers to hire more SuTPs, through covering work permit fees, providing a wage subsidy, or covering social security premiums for the initial months of employment. On the other hand, due to an issue in a supply of workers for the high performing sectors, provide training for SuTPs to enhance facilitation into high-performing sectors.
6. Revise the ESSN scheme to allow for a period where a household can both retain ESSN, while transitioning into formal employment, until more stability is achieved. Once the scheme is revised, ensure awareness is raised about the eligibility criteria.

To the Government of Turkey:

1. Adapt the regulation on Work Permits of Foreigners Under Temporary Protection to allow for TP holders to be able to obtain work permits in provinces in which they are not a resident. This will increase Syrian participation in the formal labour market, as well as ease unemployment rates in the southeast and subsequently, social cohesion.
2. During the process of registration with the provincial Chamber of Commerce, awareness can be raised about the local incentive schemes available in relation to hiring Syrian refugees under temporary protection.

