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## **EUROPEAN SOCIAL CHARTER**

Comments submitted by the Open Space Association/Deep Poverty Network concerning the Ad hoc report on the cost-of-living crisis submitted by THE GOVERNMENT OF TÜRKIYE

Comments registered by the Secretariat

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From the Open Space Association/Deep Poverty Network

Submission to the European Committee of Social Rights

#### NGO Comment on Ad Hoc National Report on the Cost of Living Crisis submitted by the Government of

Türkiye

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#### Abbreviations:

**AFAD** (*Afet ve Acil Durum Yönetimi Başkanlığı*) Disaster and Emergency Management Presidency

DİSK (Devrimci İşçi Sendikaları Konfederasyonu) Confederation of Progressive Trade Unions

DYA (Derin Yoksulluk Ağı) Deep Poverty Network

ENAG (Enflasyon Araştırma Grubu) Inflation Research Group

İŞKUR (*Türkiye İş Kurumu*) Turkish Employment Agency

MESEM (Mesleki Eğitim Programı) Vocational Education Program

MTP (Orta Vadeli Program) Medium Term Program

MW Minimum Wage

TURKSTAT (Türkiye İstatistik Kurumu) Turkish Statistical Institute

VAT Value Added Tax



This commentary was prepared by the Open Space Association/Deep Poverty Network (*Açık Alan Derneği/Derin Yoksulluk Ağı*). The information presented herein is derived from official Turkish government resources, data from various individuals and organizations operating within Turkey, and the surveys and field experiences conducted by DYA.

DYA, established in 2018 by the Open Space Association, focuses on researching and addressing deepening poverty in Turkey, emphasizing human rights violations. During the COVID-19 pandemic, DYA launched the "Change from Home" campaign, supporting over three thousand households in Istanbul. In addition to solidarity efforts, DYA raises awareness and engages in advocacy with public institutions. They have produced numerous reports on poverty, including studies on child poverty and educational deprivation. Key publications include "Education in Poverty: Portraits from Turkey" and "Free School Meals Pilot Study Report," providing evidence-based recommendations for policy interventions to combat poverty.

### Reflections on the responses provided by the Turkish Government

Reflecting on the responses provided by the Turkish government presents a unique challenge, particularly regarding the highly questioned statistics on inflation rates in Turkey. Many authorities question the reliability of TURKSTAT's inflation figures, with critics arguing that the data might be manipulated to avoid higher government payouts. Public surveys suggest inflation perceptions are much higher than official reports indicate. Each month, when TURKSTAT announces the inflation rate, ENAG, an independent institution composed of scholars and experts, also releases its own calculations. Independent media often present both sets of figures simultaneously. Social media accounts and public sentiment reflect widespread skepticism towards the official data, leading to increased scrutiny and distrust. In a survey conducted about three years ago by MetroPoll, a research company, over 90% of respondents believed inflation was at least 50%, with 60% estimating it at 100% or more. Therefore, figures from both institutions are mentioned in most of the charts referenced in this commentary.

### Response to the Turkish Government's Answer to Question One

Please provide information as to whether and how the statutory minimum wage is regularly adjusted/indexed to the cost of living. Please indicate when this last happened, specifically whether it has been adjusted /indexed since the end of 2021.

#### The Increasing Prevalence of the Minimum Wage in Türkiye

Before addressing the responses regarding the minimum wage, it is essential to note that two



factors make the increases in the minimum wage more critical in the Turkish context: First, although there are no statistics on it, many private businesses align their wage increases with the minimum wage increase. Second, the proportion of minimum wage earners in Türkiye has grown rapidly over the past two decades (See Table 1). As the minimum wage becomes more common, overall wage levels are also decreasing. The table below illustrates that while approximately 1 in 4 workers earned the minimum wage in 2002, by 2022, this figure had risen to about 1 in 3 workers.

Wage Levels	2002	2022
Below minimum wage	24,4%	33.8%
Between 5 percent above the MW and MW	3,4%	3,7%
Between 10 percent above the MW and 5 percent above the MW	2,9%	0,9%
Between 20 percent above the MW and 10 percent above the MW	8,4%	16,4%
Between 50 percent above the MW and 20 percent above the MW	10,1%	14,2%
Between 2 times the MW and 50 percent above the MW	10,7%	12,9%
More than 2 times the minimum wage	40,1%	18.1%

Table 1: The percentage of wage earners according to their wage levels. Generated from the data provided by DİSK. (2023, December). *Asgari Ücret Araştırması 2024 (Survey on Minimum Wage 2024)*. Retrieved from https://arastirma.disk.org.tr/wp-content/uploads/2023/12/ASGARI-UCRET-2024-RAPOR.pdf

Two critical points emerge from the government's response to the first question: Firstly, the process of adjusting the minimum wage is not democratic, and secondly, there are several indications that the policies highlighted by the government to maintain purchasing power are being reversed.

#### The Process of Adjusting the Minimum Wage is Becoming Less Democratic

In Türkiye, there is no specific index for the statutory minimum wage. Instead, as the government mentioned, it is regularly adjusted by a Commission. Although the government claims in the report that during the adjustment process, the Commission "may cooperate with related public institutions and bodies and universities and may ask for the opinions of the workers' and employers' organizations" and "may also ask the opinions of the experts if necessary" (p.1), it must be noted that this Commission's structure cannot be considered democratic for two main reasons. Firstly, only one union (TÜRK-İŞ) has a permanent seat on the Commission, and it does not represent minimum wage employees. In the recent words of the president of the Union: "There cannot be a minimum wage where there is a union. Our brothers and sisters with minimum wage work in butchers, greengrocers, tailors, in other words in the



private sector. Since they are not unionized, they cannot strike or demand their rights. We represent them in the commission based on the authorization given by the law".<sup>1</sup> Secondly, the commission's decisions cannot be appealed.<sup>2</sup>

Until 2018, this Commission was regulated by labor laws. However, on July 10, 2018, it was incorporated into the organizational structure of the Presidency. With this amendment, the Commission was directly subordinated to the Presidency. Considering the current political climate in the country, it can be argued that the Presidency itself can impose its decisions within the Commission.<sup>3</sup>

#### The End of Semi-Annual Minimum Wage Updates Amidst Ongoing Inflation

In its response to the first question, the government of Türkiye noted that the frequency of adjustments to the statutory minimum wage had shifted to semi-annual updates in 2021 in response to the rising cost of living (p. 1).

However, prior to the submission of the ad hoc report by the government, the practice of semi-annual updates was abolished. In November 2023, Vedat Işıkhan, the Minister of Labor and Social Security, stated that "the minimum wage has always been once a year, you know. We are working in a way to make it a one-time wage increase again".<sup>4</sup> President Erdoğan also personally confirmed this shift in December 2023 by saying that "you already know that the minimum wage increase is once a year. One raise and that's the end of it".<sup>5</sup> As recently as April 2024, Işıkhan reiterated that there would be no further raises, demonstrating the government's resistance to pressure from wage earners.<sup>6</sup>

## Response to the Turkish Government's Answer to Question Two

## Please provide information on any supplementary measures taken to preserve the purchasing power of the minimum wage since the end of 2021.

In its response to the second question, the government highlights its minimum wage support of

<sup>&</sup>lt;sup>6</sup> TRT Haber. (2023). *Bakan Işıkhan: Asgari ücrete ara zam yok. (Minister Isikhan: No interim increase in minimum wage)* Retrieved from https://www.trthaber.com/haber/ekonomi/bakan-isikhan-asgari-ucrete-ara-zam-yok-851343.html



<sup>&</sup>lt;sup>1</sup> BirGün. (2023). Türk-İş Başkanı Ergün Atalay'dan asgari ücret çağrısı: 25 yıldır böyle bir sıkıntı görmedim (Minimum wage call from Türk-İş President Ergün Atalay: In 25 years I have never seen such a problem). Retrieved from

https://www.birgun.net/haber/turk-is-baskani-ergun-atalay-dan-asgari-ucret-cagrisi-25-yildir-boyle-bir-sikinti-gormedim-539510 <sup>2</sup> Asgari Ücret Araştırması 2024 (Survey on Minimum Wage 2024). Retrieved from

https://arastirma.disk.org.tr/wp-content/uploads/2023/12/ASGARI-UCRET-2024-RAPOR.pdf

<sup>&</sup>lt;sup>3</sup> See the articles written by Gülmez at https://arastirma.disk.org.tr/?page\_id=1168

<sup>&</sup>lt;sup>4</sup> Bloomberg HT. (2023). *Bakan Işıkhan'dan asgari ücret açıklaması (Minister Işıkhan's statement on minimum wage)*. Retrieved from https://www.bloomberght.com/bakan-isikhan-dan-asgari-ucret-aciklamasi-2343045?page=2

<sup>&</sup>lt;sup>5</sup> Bloomberg HT. (2023). *Cumhurbaşkanı Erdoğan'dan asgari ücrete zam açıklaması ( President Erdoğan announces increase in minimum wage)*. Retrieved from https://www.bloomberght.com/cumhurbaskani-erdogan-asgari-ucrete-zam-aciklamasi-2343201

100 TL per month for 2022 (p.2), which amounted to less than 2.5% of the minimum wage. The government also notes that income and stamp taxes on the minimum wage were completely abolished in January 2022. It is important to clarify that this exemption was implemented to benefit employers rather than employees. This intention was made clear by President Erdoğan himself, who stated at the time of the announcement, "thus we save the employer a cost of 450 TL".<sup>7</sup> Furthermore, it is essential to note that the government compensated for its financial loss from this exemption by increasing other taxation rates (Please refer to the comment on the answer to question 7).

## The Purchasing Power of the Minimum Wage Hardly Seems to be Defended Against Inflation

The government's assertion regarding the maintenance of the minimum wage's purchasing power is also open to question. When evaluated in terms of full gold coins, the net minimum wage has decreased in 2023 (See Table 2).

Years	Annual Average Full Gold Coin Price (TL) (A)	Net Minimum Wage (Annual Average) (B)	Minimum Wage in Gold (B/A)
2019	1.760,89	24.251	13,8
2020	2.697,52	27.896	10,3
2021	3.527,17	33.911	9,6
2022	6.604,02	58.523	8,9
2023	10.101,99	119.455	11,8
2023 November	12.607,00	119.455	9,5

Table 2: (2023, December). Asgari Ücret Araştırması 2024 (Survey on Minimum Wage 2024). Retrieved fromhttps://arastirma.disk.org.tr/wp-content/uploads/2023/12/ASGARI-UCRET-2024-RAPOR.pdf

Chart 1, prepared by DYA, illustrates the change in the purchasing power of the minimum wage in relation to the monthly price indexes of TURKSTAT and ENAG. All values in the graph are standardized to 100 as of January 1, 2022. The chart demonstrates that, even according to TURKSTAT's rates, the increases in nominal minimum wages have only slightly surpassed consumer prices for brief periods. Although the situation appears somewhat improved in 2024, the chart also highlights a continuous decline in the purchasing power of the minimum wage

<sup>&</sup>lt;sup>7</sup>Bloomberg HT. (2022). 2022 için asgari ücret 4 bin 250 TL oldu. (The minimum wage for 2022 is 4,250 TL.) Retrieved from https://www.bloomberght.com/2022-icin-asgari-ucret-4-bin-250-tl-oldu-2294450



following the latest wage increase. It indicates that, if the semi-annual adjustments are discontinued as anticipated, the purchasing power will inevitably fall below TURKSTAT levels. Meanwhile, according to ENAG's rates, the gap between the Consumer Price Index (CPI) and minimum wages is widening more rapidly in 2024 compared to 2023.

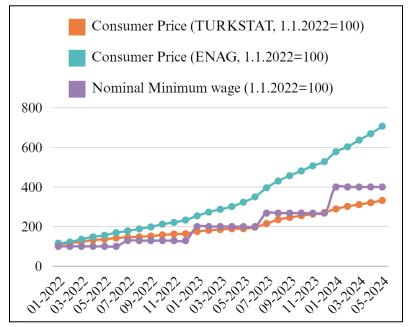


Chart 1: The change in the purchasing power of the minimum wage since January 2022.

#### The Government's Push for a "Target Inflation Rate" Increase as an Austerity Measure

In addition to all the state of disregard, the government officials are pushing for less wage increases by arguing that the increases so far had led to inflation. Here, "target inflation rate", appears as the instrument of this desired austerity measure.

In the last quarter of 2023, Economy Minister Mehmet Şimşek announced that "targeted inflation" would be the criterion for salary and wage increases.<sup>8</sup> The table below illustrates that the common "target inflation" set by the Central Bank and the Government has consistently been lower than the actual inflation rate since 2011. Since 2017, the disparity between the target inflation and the actual inflation reported by TURKSTAT has been increasing.

The widening gap between target and actual inflation is so significant that it is believed authorities are essentially referring to the Central Bank's year-end inflation forecast when

<sup>&</sup>lt;sup>8</sup> (Euronews (October 24, 2023) *Enflasyon-ücret artışı tartışması: Yüksek enflasyon işçiye mi yoksa patrona mı yarıyor?* (*The inflation-wage increase debate: Does high inflation benefit workers or bosses?*) Retrieved from https://tr.euronews.com/2023/10/24/enflasyon-ucret-artisi-tartismasi-yuksek-enflasyon-isciye-mi-yoksa-patrona-mi-yariyor



discussing "target inflation." However, given the stark contrast between the official 2023 inflation rate of 64.77% and the Central Bank's year-end forecast of 22.4%, along with the Central Bank governor's recent statement that "the lower and upper ends of the forecast ranges correspond to 34 percent and 42 percent for 2024, and 7 percent and 21 percent for 2025," this proposed wage policy is likely to have devastating consequences for minimum wage earners.<sup>9</sup> This approach aligns with the Medium Term Program (MTP), which states that "Measures will be taken to prevent consumption increases that disrupt economic balances and feed inflation" (p.21).<sup>10</sup>

Year	Target Inflation Rate (%)	Official Inflation Rate (%)
2010	6,5	6,4
2011	5,5	10,4
2012	5	6,2
2013	5	7,4
2014	5	8,2
2015	5	8,8
2016	5	8,5
2017	5	11,92
2018	5	20,30
2019	5	11,84
2020	5	14,60
2021	5	36,08
2022	5	64,27
2023	5	64,77

Table 3: Central Bank of the Republic of Turkey. (n.d.). *Enflasyon Hedefleri. (Inflation Targets)* Retrieved from https://www.tcmb.gov.tr/wps/wcm/connect/TR/TCMB+TR/Main+Menu/Temel+Faaliyetler/Para+Politikasi/Fiyat+Istikr ari+ve+Enflasyon/Enflasyonun+Hedefleri

## Response to the Turkish Government's Answer to Question Four,

## Please provide information as whether the cost of living crisis has led to the extension of in-work benefits.

<sup>&</sup>lt;sup>10</sup> Presidency of Strategy and Budget. (2023). *Medium-Term Program (2024-2026)*. Retrieved from <u>https://www.sbb.gov.tr/wp-content/uploads/2023/09/Medium-Term-Program-2024-2026.pdf</u>



<sup>&</sup>lt;sup>9</sup> TCMB - Governor Fatih Karahan's speech at the briefing on Inflation Report 2024-II (Ankara).

<sup>(</sup>n.d.).https://www.tcmb.gov.tr/wps/wcm/connect/en/tcmb+en/main+menu/announcements/remarks+by+governor/2024/speechg0 9\_05\_2024

In Türkiye, Social Assistance and Solidarity Foundations provide a one-time assistance amounting to one-third of the monthly minimum wage only to employees who are placed in a job by İŞKUR. Conditional Health Assistance and Conditional Education Assistance continue for only one year after employment commences. Additionally, if a person rejects a job offer from İŞKUR three times without a justified reason, they are ineligible for regular social assistance for one year.<sup>11</sup>

#### **Insufficiency of Child Care Subsidies**

In Türkiye, child care subsidies, particularly in-work benefits, are insufficient. This inadequacy is most evident in parental leave policies and the availability of pre-primary education facilities. Maternity leave in Turkey consists of 16 weeks in total, divided into 8 weeks before and 8 weeks after birth. If health permits and with a doctor's approval, unused pre-birth leave can be added to post-birth leave, potentially extending it to 13 weeks. Following paid leave, there are two options for unpaid leave:

a. After the paid leave, mothers can take 60 days for the first birth, 120 days for the second, and 180 days for subsequent births, with an additional 30 days for multiple births, allowing for half-time unpaid leave.

b. Up to 6 months of unpaid leave, which is not included in the calculation of annual paid leave. Women must choose between these two options as they cannot be used simultaneously.

Paternity leave begins at the birth of the child. Fathers in the private sector receive 5 days, while those in the public sector receive 10 days of paternity leave. These leaves are not included in the annual leave calculation.<sup>12</sup> By 2022, the percentage of children at risk of poverty aged from 3 years to the minimum compulsory school age receiving 25 hours or more of formal childcare or education per week is 7.8%, significantly lower than the EU average of 14.1%.<sup>13</sup> According to Ministry of Education statistics for the 2022-2023 period, there are 18,244 kindergartens in Turkey for children aged 3-6. Of these, 6,300 are owned by the Ministry, while 4,253 are private kindergartens.<sup>14</sup>

https://sgb.meb.gov.tr/meb\_iys\_dosyalar/2023\_09/29151106\_meb\_istatistikleri\_orgun\_egitim\_2022\_2023.pdf



<sup>&</sup>lt;sup>11</sup>T.C. Aile ve Sosyal Hizmetler Bakanlığı. (n.d.). *İstihdam Yardımları. (Employment Benefîts)* Retrieved from https://www.aile.gov.tr/sss/sosyal-yardimlar-genel-mudurlugu/istihdam-yardimlari

<sup>&</sup>lt;sup>12</sup> Anne ve babalar için tüm yönleriyle doğum izni uygulaması (All aspects of maternity leave for mothers and fathers) | EY - Türkiye. (n.d.). Retrieved from

 $https://www.ey.com/tr_tr/tax/sosyal-guvenlikte-gundem/makaleler/ekonomist-makaleleri/2021-yili/anne-babalar-icin-tum-yonleriyle-dogum-izni-uygulamasi$ 

<sup>&</sup>lt;sup>13</sup> Eurostat. (n.d.). *Living conditions in Europe - childcare arrangements*. Retrieved from https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living\_conditions\_in\_Europe\_-\_childcare\_arrangements#Key\_f indings

<sup>&</sup>lt;sup>14</sup> Ministry of National Education. (2023, September 29). *Millî Eğitim İstatistikleri-Örgün Eğitim 2022/2023*, *National Education Statistics - Formal Education 2022/2023*, p. 58. Retrieved from

## Response to the Turkish Government's Answer to Question Five

#### Please provide information on changes to social security and social assistance systems since the end of 2021. This should include information on benefits and assistance levels and the allocation of benefits.

It is important to highlight that the allocation criteria for these benefits do not specifically address the needs of disadvantaged groups. For instance, there are no criteria that consider the unique challenges faced by different disadvantaged communities, such as the Roma population, aside from gender and disability, which are evaluated separately. Consequently, all families, regardless of their unique socio-economic circumstances, are assessed using the same criteria. This approach overlooks the demographic composition and economic situation of households, leading to inadequate support for disadvantaged groups. As a result, the current system fails to provide the necessary assistance to those who need it the most.

## Response to the Turkish Government's Answer to Question Six

Please provide information as to whether social security benefits and assistance are indexed to the cost of living, as well as information in particular on how income-replacing benefits such as pensions are indexed. Please indicate when benefits and assistance were last adjusted/indexed.

#### Indexing to the "Actual Salary" Results in Smaller Pension Increases

The base salaries of pensioners, which are determined by their earnings and premiums during their working lives, serve as the basis for calculating raises. Since the social support payments that supplement the base salary are not provided monthly but are social payments, increases are applied to the actual salary of the pensioner. For instance, a pensioner with an earnings-based salary of 6,000 TL receives a base salary of 7,500 TL after including 1,500 TL in social support. However, the increase is only applied to the actual salary. Therefore, if a 50 percent increase is given, the pensioner's salary rises to 9,000 TL. This system results in a more pronounced decline in the purchasing power of pensions. The chart below illustrates this trend, showing that the average pension barely exceeds TURKSTAT rates.



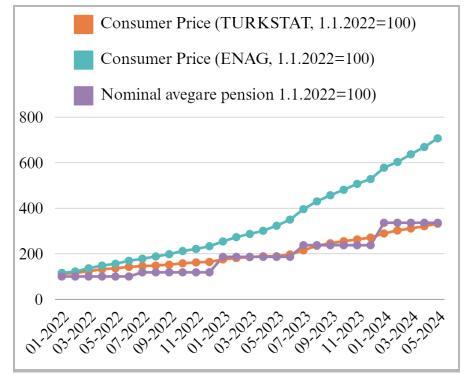


Chart 2: The change in the purchasing power of the average pension since January 2022.

The chart below, prepared by Euronews, demonstrates that the ratio of old age pensions to minimum wage is also decreasing.

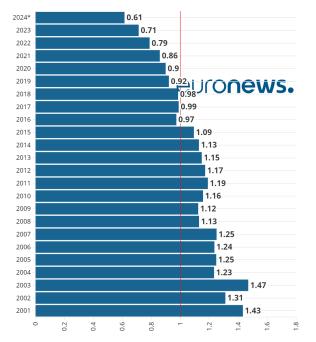


Chart 3: Euronews. (2024, January 19). En düşük emekli maaşının asgari ücrete oranı: İşçi ve memur emeklileri için en kötü yıl. Ratio of the lowest pension to the minimum wage: Worst year for labor and civil servant pensioners. Retrieved from



https://tr.euronews.com/2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emeklileri-icin-en-kotu-yil-2024/01/19/en-dusuk-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emekli-maasinin-asgari-ucrete-orani-isci-ve-memur-emekli-maasinin-asgari-ucrete-orani-isci-ve-maasini-asgari-ucrete-orani-isci-ve-maasinin-asgari-ucrete-orani-isci-ve-maasini-asgari-ucrete-orani-isci-ve-maasini-asgari-ucrete-orani-isci-ve-maasini-asgari-ucrete-orani-isci-ve-maasini-asgari-ucrete-orani-isci-ve-maasini-asgari-ucrete-orani-isci-ve-maasini-asgar

The government also highlighted the increase in the twice-paid holiday (Eid) bonus from 1,000 TL to 2,000 TL in March 2023 (p.7). (According to İlke News Agency, families in the city of Ağrı who want to purchase sweets, holiday candies, and cookies need to spend between 2,500 TL and 4,000 TL. Additionally, the minimum cost for a family wishing to buy clothing and shoes as a complete outfit ranges between 7,000 TL and 8,000 TL).<sup>15</sup>

### Response to the Turkish Government's Answer to Question Seven

Please provide information as to whether any special measures have been adopted since late 2021 to ensure persons can meet their energy and food costs, such as price subsidies for energy, fuel, and basic food items.

#### **Tax Policy Disadvantages Employees**

An analysis of the estimated tax revenues in the Turkish government's 2024 budget reveals that taxation is structured in a way that disregards the rising cost of living. For instance, while direct taxes paid by higher income groups are projected to increase by 63.5% compared to 2023, indirect taxes paid by lower income groups are expected to rise by 77.7%. Among direct taxes, the valuable housing tax and inheritance transfer tax will increase by 39.8% and 58.3%, respectively. In contrast, value-added tax (VAT), special consumption tax (SCT), and taxes on fuel and natural gas are projected to increase by 76.8%, 71.9%, and 129.4%, respectively.<sup>16</sup> Furthermore, the medium-term program notes that "efforts to broaden the tax base and increase voluntary compliance in taxation will be continued" (p. 28).

In the report, the government states that "in 2022, the VAT rate on cleaning products and baby diapers was initially reduced from 18% to 8%, and in July 2023, this rate for cleaning products was increased to 20%" (p. 12). This refers to the "Decree Amending the Decree on the Determination of Value Added Tax Rates Applicable to Goods and Services," published in the Official Gazette dated 07.07.2023 and numbered 32241. With this decree, the VAT rate for several goods, including electronic devices, home appliances, textile products, and furniture, was increased.<sup>17</sup> Additionally, the taxation rate of pharmaceuticals was raised to 10% effective from

https://www.teb.org.tr/news/10188/KDV-D%C3%BCzenlemesi-Nedeniyle-Re%C3%A7etelerin-Medula-Sistemine-Tekrar-Kayde



<sup>&</sup>lt;sup>15</sup> İlke News Agency. (2024, June 13). Kurban Bayramı için alışveriş yapan 5 kişilik bir ailenin ortalama masrafi ne kadar oluyor? (What is the average cost of a family of 5 shopping for Eid al-Adha?). Retrieved from

https://ilkha.com/ekonomi/kurban-bayrami-icin-alisveris-yapan-5-kisilik-bir-ailenin-ortalama-masrafi-ne-kadar-oluyor-399356 <sup>16</sup> Bakir, N. (2023, October 19). 2024 'te vergi yükü 'taban'a daha fazla yayılacak. (In 2024, the tax burden will be spread more across the 'bottom'.) Dünya Gazetesi. Retrieved from

https://www.dunya.com/kose-yazisi/2024te-vergi-yuku-tabana-daha-fazla-yayilacak/708350

<sup>&</sup>lt;sup>17</sup> KDV düzenlemesi nedeniyle reçetelerin Medula sistemine tekrar kaydedilmesi hakkında. (About re-registration of prescriptions to the Medula system due to the VAT regulation.) Türk Eczacıları Birliği.

10.07.2023, affecting the price of 14,900 medicines, according to the All Pharmaceutical Employers' Union.<sup>18</sup> In Türkiye, the taxation rate of a **smartphone** in Turkey is as such: Ministry of Culture Share (1%), TRT Band (12%), Special Consumption Tax (25% / 40% / 50%)<sup>19</sup>, Value Added Tax (20%). In January 2023, the passport fee for a **passport** of three years or more was increased by 50% to 4.943,25 TL. For 2024, it was once again increased by 58,45%.

The revaluation rate is a crucial coefficient determining the rate of increase in government-collected revenues. Tax elements such as daily meal exemption, transportation expenses, income tax tariff, rent exemption, and declaration limits are increased based on the revaluation rate, as detailed in Article 289 of the Tax Procedure Law (TPL). According to the TPL, the data used to calculate the revaluation rate is based on the domestic producer price index, reflecting the average price increase in producer inflation from October to the same period of the previous year. In 2023, fees were increased significantly higher than consumer inflation due to the high PPI-CPI difference. When the revaluation rate was announced as 122.9%, annual consumer inflation was 85.5%. In 2024, this difference narrowed: the revaluation rate for 2024 was announced as 58.46% while the consumer price index (CPI) was 61.36% annually.<sup>20</sup> However, it is noteworthy that this rate is higher than the minimum wage increase for 2024, which is 49%.

#### Türkiye Experiencing the Worst Housing Crisis in Its History

Among the measures, the government states that "any increases in the rental price during lease periods renewed between June 11, 2022, and July 1, 2023, are capped at a maximum of 25% of the rental price from the previous lease year. It is noteworthy that this regulation has been extended for an additional year" (p. 12). However, due to the lack of additional regulations on this matter, the country is experiencing its worst housing crisis in history.

In the country, the housing prices had already increased by %459 between the first quarter of 2015 and the time when this regulation was put into force (Chart 4). Many landlords who are renting out their properties have significantly increased rental prices as a result. According to Endeksa, a real estate valuation platform, the value of rental properties in Turkey increased by

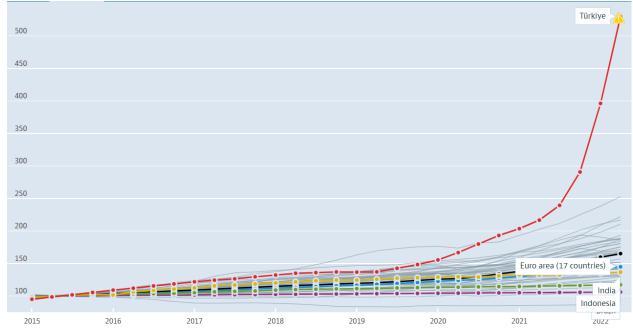
<sup>20</sup>Turkish Statistical Institute. (2023, October). *Consumer Price Index - October 2023*. Retrieved from https://data.tuik.gov.tr/Bulten/Index?p=Consumer-Price-Index-October-2023-49660&dil=2



dilmesi-Hakk%C4%B1nda#:~:text=07.07.2023%20tarihli%20ve%2032241,%C3%BCzere%20y%C3%BCzde%2010'a%20y%C 3%BCkseltilmi%C5%9Ftir.

<sup>&</sup>lt;sup>18</sup> TEİS. (2023, July 10). İlaçta KDV yüzde 10'a çıkarıldı: Bu durum hem SGK, hem vatandaş, hem de eczacılara yük getirecek. VAT on pharmaceuticals was increased to 10 percent: This will burden the SSI, citizens and pharmacists alike. Retrieved from https://www.teis.org.tr/post/i-la%C3%A7ta-kdv-y%C3%BCzde-10-a-%C3%A7ikarildibu-durum-hem-sgk-hem-vatanda%C5%9F -hem-de-eczacilara-y%C3%BCk-geti-recek

<sup>&</sup>lt;sup>19</sup> 25 percent SCT on phones whose SCT-free price does not exceed 1500 TL, 40 percent SCT on phones not exceeding 3000 TL, 50 percent SCT on phones over 3000 TL. Although the SCT amount on phones in the law is calculated at different rates according to the phone prices, in practice, we can accept the SCT rate as 50 percent since no phone with a customs price below 3000 TL enters Türkiye.



265% in nominal terms over the past two years. When adjusted for inflation, rental values increased by 47%.<sup>21</sup>

Chart 4: OECD (2024), Housing prices (indicator). doi: 10.1787/63008438-en (Accessed on 28 June 2024)

Other landlords, witnessing the rising rental values, began evicting their tenants using excuses such as "my child will move into the house" or "we will sell the house" to cancel contracts and demand rent increases of 2-3 times the current amount. This situation has led to a surge in landlord-tenant disputes being taken to court. The number of 'eviction' and 'rent determination' cases has overwhelmed the courts: while there were 22,000 rental eviction cases throughout 2022, this number reached 47,000 in the first six months of 2023, marking a 113% increase.<sup>22</sup> The conflict between landlords and tenants has escalated to such an extent that it has resulted in violent altercations, causing at least 11 fatalities and 46 severe injuries between January and September 2023.<sup>23</sup>

<sup>22</sup>Gazetesi, D. (2023, August 11). *Kira tahliye davaları patladı*. (*Rent eviction cases exploded.*) Dünya Gazetesi. https://www.dunya.com/sektorler/emlak/kira-tahliye-davalari-patladi-haberi-701252

https://bianet.org/yazi/turkey-s-housing-crisis-citizens-faced-with-landlord-violence-and-unmet-basic-needs-amid-government-in action-289138



<sup>&</sup>lt;sup>21</sup> Endeksa. (n.d.). Konut kiralarında yüzde 25 kira uygulaması (25 percent rent application for residential rents). Retrieved from https://www.endeksa.com/tr/blog/yazi/endeksa-konut-kiralarinda-yuzde25-kira-uygulamasi

<sup>&</sup>lt;sup>23</sup> Bianet. (2023, December 16). *Turkey's housing crisis: Citizens faced with landlord violence and unmet basic needs amid government inaction. Bianet.* 

#### Increasing Rate of Food Consumption Expenditure Among the Poorest Quintile

In response to the seventh question, the government claims that "in order to meet the basic needs of families in need, SYDVs provide food aid as needed," yet there is no numerical data provided regarding the amount of food subsidies. According to TURKSTAT, in 2022, the share of food and non-alcoholic beverage expenditures for households in the first quintile (the lowest quintile) was 35.8%.<sup>24</sup> The share rose to 36.6% in 2023.<sup>25</sup>

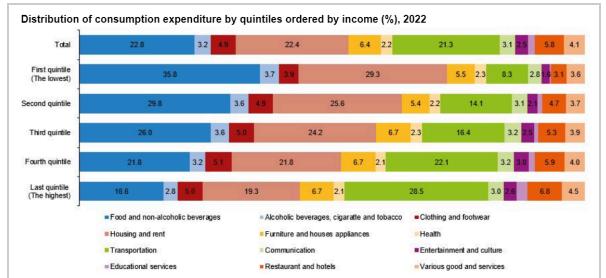


Chart 5: Turkish Statistical Institute. (2023, October). *Household Consumption Expenditures - 2022*. Retrieved from https://data.tuik.gov.tr/Bulten/Index?p=Household-Consumption-Expenditures-2022-49690&dil=2

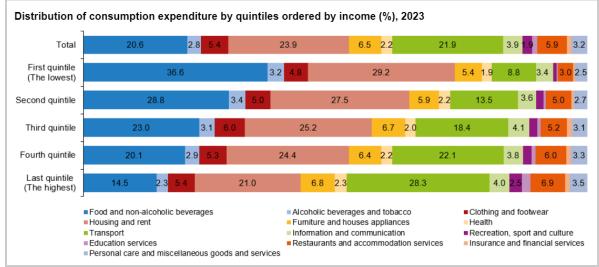


Chart 6: Turkish Statistical Institute. (2024, June 10). *Household Consumption Expenditures - 2023*. Retrieved from https://data.tuik.gov.tr/Bulten/Index?p=Household-Consumption-Expenditures-2023-53801&dil=2

<sup>24</sup>Turkish Statistical Institute. (2023, October). *Household Consumption Expenditures - 2022*. Retrieved from https://data.tuik.gov.tr/Bulten/Index?p=Household-Consumption-Expenditures-2022-49690&dil=2
<sup>25</sup> Turkish Statistical Institute. (2024, June 10). *Household Consumption Expenditures - 2023*. Retrieved from https://data.tuik.gov.tr/Bulten/Index?p=Household-Consumption-Expenditures-2023-53801&dil=2



The largest Trade Union, which has the only seat in the Minimum Wage Commission, announces the hunger line of a family of four each month. The chart below compares the Union's hunger line with the minimum wage by taking their value as 100 for 1 January 2022. It shows that the minimum wage has been above the hunger line for only three times during this period.

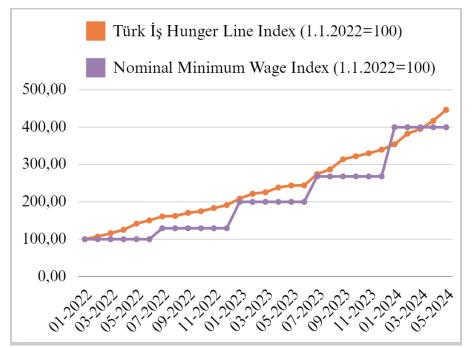


Chart 7: Nominal Minimum Wage Index vs Türk-İş Hunger Line Index

## Response to the Turkish Government's Answer to Question Eight

Please provide up-to-date information on at-risk-of-poverty rates for the population as a whole, as well as for children, families identified as being at risk of poverty, persons with disabilities and older persons. Please show the trend over the last 5 years, as well as forecasts for upcoming years.

#### The Social Assistance Programs Are Not So "Impactful"

The Ministry of Family and Social Services oversees more than 50 "impactful social assistance programs" (p. 13) and provides a list of these programs, though the specific amounts are not included in the list available online.<sup>26</sup> To show these programs' "impact", their amounts are compared with some price examples below:

<sup>&</sup>lt;sup>26</sup>Ministry of Family and Social Services. (2024). *Sosyal Yardım Programlarımız (Our Social Aid Programs)*. Retrieved from https://www.aile.gov.tr/sygm/programlarimiz/sosyal-yardim-programlarimiz/



**Birth Assistance:** 300 TL for the first child - 400 TL for the second child - 600 TL for the third and subsequent children. One time payment. (*When all Baby Diaper prices are averaged, the average Baby Diaper price on June 22, 2024 is 417.76 TL*).<sup>27</sup>

**Multiple Birth Assistance:** 400 TL, paid once in two months. (*When all Baby Food prices are averaged, the average Baby Food price on June 22, 2024 is 333.2 TL.*)<sup>28</sup>

**Orphan Aid:** 600 TL, paid once in two months. (*According to the list prepared by the Confederation of Turkish Tradesmen and Craftsmen for the first semester of the 2023-2024 academic year, sandwiches in school canteens start at 35 TL, toasts at 30 TL and hamburgers at* 40 TL).<sup>29</sup>

**Türkiye Family Support Program-Child Support Component:** Within the scope of the program, households with a monthly per capita income of - 1,250 TL per month for households with a monthly income of 450 TL or less, - 1,100 TL per month for households with a monthly income of over 450 TL - 911.15 TL or less, - 950 TL per month for households with a monthly income of over 911.15 TL - 1,372.30 TL or less, - 850 TL per month for households with a monthly income of over 1,372.30 TL - 5,667.37 TL. Within the scope of the Child Component; - 350 TL for households with 1-2 children, - 450 TL for households with 3 children, - 550 TL for households with 4 children, - 650 TL for households with 5 or more children. Here the only criterion for social assistance is the monthly income per person, which creates inequality between renters and homeowners. To address this issue, household income should be evaluated more comprehensively, and a clause should be added to account for the differences in housing situations.

Disabled Relatives' Pension: 2.797,80 TL monthly.

**Conditional Health Assistance:** 200 TL per month during pregnancy, 100 TL per month for the child, 500 TL one-time if the birth takes place in a hospital, 300 TL per month for the first 2 months following the birth for conditional puerperium.

**Conditional Education Assistance:** Primary school male students 90 TL per month, female students 100 TL per month; Secondary school male students 130 TL per month, female students 150 TL per month. (*In the Information Note written in May 2023, DYA highlighted the* 

https://www.hurriyet.com.tr/egitim/kantinlerde-yeni-tarife-42333128#:~:text=T%C3%BCrkiye%20Esnaf%20ve%20Sanatkarlar %C4%B1%20Konfederasyonu,hamburgerler%2040%20TL'den%20ba%C5%9Fl%C4%B1yor.



<sup>&</sup>lt;sup>27</sup> Cimri. (n.d.). *Bebek bezi* (Baby diapers) Retrieved from https://www.cimri.com/bebek-bezi

 <sup>&</sup>lt;sup>28</sup> Cimri. (n.d.). *Bebek mamalari (Baby formula)*. Retrieved from https://www.cimri.com/bebek-mamalari
<sup>29</sup> Hürriyet. *Kantinlerde yeni tarife. (New tariff for canteens.)*

significant erosion in the conditional education assistance program. According to official figures, while the inflation rate between January 2003 and January 2023 was 1,223.08%, the increase in Conditional Education Assistance for primary school girls from the 2002-2003 academic year to the 2022-2023 academic year (from 12 TL to 100 TL) was only 733%. Consequently, if the Conditional Education Allowance for primary school girls had increased in line with inflation rates, it should have been set at 154.24 TL.<sup>30</sup> When all notebook prices are averaged, the average notebook price on June 22, 2024 is 98.36 TL).<sup>31</sup>

**Assistance to Cover Transportation Expenses within the Scope of Education Assistance:** The payment amount cannot exceed the one-way ticket vehicle upper limit amount set as 1,250 TL for 2024.

**Electricity Consumption Support:** -75 kWh (112.63 TL) per month for households with 1-2 persons - 100 kWh (150.17 TL) per month for households with 3 persons - 125 kWh (187.71 TL) per month for households with 4 persons - 150 kWh (225.25 TL) per month for households with 5 or more persons - In households with chronically ill patients, support is provided in the amount of 150 kWh (225.25 TL) per patient per month.

**Natural Gas Consumption Support:** The amounts vary between 1,500 TL and 3,500 TL per year (188-438 TL per month), depending on the province, as long as the eligibility conditions are met in the 8-month period from October to May.

**Death Assistance:** 2.423,73 TL, paid only once. In Istanbul, the cheapest price for an empty grave space in 2024 is 4 thousand 470 TL. (*According to the information obtained from the official websites of the municipalities; cemetery locations are priced between 900 TL and 2 thousand TL in Adana, between 2 thousand TL and 26 thousand TL in Bursa, between 2 thousand TL and 4 thousand TL in Trabzon, between 400 TL and 17 thousand TL in Kayseri).<sup>32</sup>* 

Job Orientation and Job Start Assistance: 6.667,50 TL, paid only once.

Assistance for Martyrs' Relatives and Veterans: Funds not exceeding 50,000 TL are transferred for people who have been notified of death or injury.

Disability Pension: 2.797,80 TL per month for the disabled between 40%-69% 4.196,70 TL per

<sup>&</sup>lt;sup>32</sup>Duvar, G. (2024, May 31). Ölmenin de maliyeti artti: 'Kefenin cebi yok' ama kefen fiyatları da cep yakıyor. (The cost of dying has also risen: 'Shrouds have no pockets' but shroud prices are also burning pockets.) - Kadir Cesur. Gazete Duvar. https://www.gazeteduvar.com.tr/olmenin-de-maliyeti-artti-kefenin-cebi-yok-ama-kefen-fiyatlari-da-cep-yakiyor-haber-1692236



<sup>&</sup>lt;sup>30</sup>Derin Yoksulluk Ağı. (2023, May). Türkiye'de Kadın ve Çocuk Yoksulluğu: Bazı Acil Sorunlar Bilgi Notu (Women and Child Poverty in Turkey: Some Urgent Issues Fact Sheet). Retrieved from

*https://derinyoksullukagi.org/raporlar/turkiyede-kadin-ve-cocuk-yoksullugu-bazi-acil-sorunlar-bilgi-notu-mayis-2023/*<sup>31</sup> Cimri. (n.d.). *Defter (Notebook)* https://www.cimri.com/defter

month for the disabled 70% and above.

Disabled Relatives Pension: 2.797,80 TL per month.

Elderly Pension: 3.504,84 -TL per month.

#### **Covid Measures Did Not Apply to Informal Workers**

It is crucial to highlight that the government measures designed to mitigate the impacts of Covid-19, such as the "Short-time Working Allowance," "Cash Wage Support," and "Ban on Dismissals," were exclusively applied to formal (insured) employment, thereby excluding informal workers.

Roma communities also did not benefit sufficiently from these measures. The "Ban on Dismissals" in effect from April 2020 to June 30, 2021, only applied to formal employment, excluding informal workers like the Roma. Consequently, the Roma were also unable to benefit from the "Short-time Working Allowance" and "Cash Wage Support" from March 2020 to June 2021.<sup>33</sup> Given that the informal employment rate in non-agriculture was 16,6 in non-agriculture, this exclusion led to a serious blow for the informal workers and their families.<sup>34</sup>

# Serious Accusations of Discrimination In Providing Aid and Services In the Earthquake Region

It is important to note that, although no numerical data is currently available, several professional chambers and NGOs have alleged discriminatory actions by the government in providing aid and services to regions affected by the February 6, 2023, earthquake. For instance, according to the Turkish Medical Association, "AFAD and the Red Crescent have discriminated against villages and neighborhoods, especially in Hatay, Maraş, and Adıyaman, and have failed to provide aid and services to those they perceive as marginalized, particularly Alevi villages".<sup>35</sup> Human Rights Associations also note that "In the aftermath of the February 6 earthquake, whose anniversary we are approaching, there were attacks against asylum-seekers in many cities due to discriminatory language against asylum-seekers, and asylum-seekers were deprived of the aid activities carried

https://romanigodi.org/wp-content/uploads/2023/07/Eomani-Godi-Rapor-Turkce.pdf <sup>34</sup>Ministry of Treasury and Finance. (2024, April). *Economic Presentation* (p. 22). Retrieved from

<sup>35</sup>Turkish Medical Association. (2023, October 18). Asgari ücretin belirlenmesi sürecinde TÜİK'in güvenilirliği sorgulanıyor ( *TurkStat's credibility questioned in minimum wage determination process)*. Retrieved from https://www.ttb.org.tr/haber\_goster.php?Guid=22ca57fc-7e2d-11ee-b2b6-87a191f41484



<sup>&</sup>lt;sup>33</sup>Romani Godi. (2023, July). Covid 19 Pandemisinden Çıkış Sürecinde Türkiye'de Romanlar. (Roma Communities in Turkey During The Recovery From the Covid-19 Pandemic). Retrieved from

https://ms.hmb.gov.tr/uploads/sites/2/2024/04/Ekonomi-Sunumu ENG-4.pdf

out after the earthquake".<sup>36</sup> Additionally, a joint report by Romani Godi, the Association for Monitoring Equal Rights, and the Civil Dreams Association documented the discrimination faced by the Roma people in the region.<sup>37</sup>

#### The Government Legally and Financially Support Child Labor Through So-Called Vocational Education Center Programs, Causing Accidents and Deaths

Since the 2021-2022 academic year, the government has introduced the Vocational Education Center (MESEM) program, which "aims to meet the apprentice needs of enterprises and enable apprentice students to learn their professions on-the-job through the master-apprentice relationship rooted in the lodge (ahilik) culture." Students who have graduated from at least secondary school can enroll in MESEM, which involves a four-year training program. Students work four days a week at a workplace for practical training and spend one day at school for theoretical training and differential courses. Those who complete the 11th grade receive a journeyman certificate, and those who finish the 12th grade receive a mastership certificate. Students in the 9th, 10th, and 11th grades are paid at least 30 percent of the minimum wage, while journeymen in the 12th grade are paid at least 50 percent of the minimum wage, with a significant portion of these wages covered by the state.

According to the ministry's response in Parliament, as of February 8, there were 336 students involved in accidents under this program. The sectors where these accidents and fatalities occurred include construction, metal, woodworking, motor, and machinery industries. However, information on the number of fatalities was not disclosed. The Worker Health and Work Safety Assembly, which monitors the working conditions of workers, reported that nine students have lost their lives in the last six months within MESEM.<sup>38</sup>

We believe that this situation, which the European Committee of Social Rights previously found to be non-compliant with Article 17§2 of the Charter due to the ineffective prohibition of employment of persons under 18 in dangerous or unhealthy activities, has worsened with this policy.<sup>39</sup> This program effectively serves as a cover for child labor.

https://rm.coe.int/conclusions-2023-turkiye-en-2770-8492-7241-1/1680aedd1f



 <sup>&</sup>lt;sup>36</sup> İnsan Hakları Derneği (Human Rights Association). Ayrımcılık toplumsal barış önündeki en büyük engeldir. (Discrimination is the biggest obstacle to social peace.) – https://www.ihd.org.tr/ayrimcilik-toplumsal-baris-onundeki-en-buyuk-engeldir/
<sup>37</sup> Depremin "Roman" Hali: Şubat 2023 Depremleri Saha Ziyaret Raporu (The "Roman" State of Earthquake: February 2023 Earthquakes Field Visit Report). Retrieved from

https://www.esithaklar.org/wp-content/uploads/2023/12/Depremin-Roman-Hali-EnSon-12.pdf

<sup>&</sup>lt;sup>38</sup> BBC News Türkçe. (2024, June 12). MESEM: Çocuk işçilerin ölümüyle gündeme gelen program nedir, neden eleştiriliyor? ( What is the program that came to the fore with the deaths of child workers and why is it criticized?) - . Retrieved from https://www.bbc.com/turkce/articles/cpwwzqnqg610

<sup>&</sup>lt;sup>39</sup>Council of Europe. (2023). Conclusions 2023 Türkiye. Retrieved from

## Response to the Turkish Government's Answer to Question Nine

Please provide information on what measures are being taken to ensure a coordinated approach to combat poverty as required by Article 30 of the Charter, and to diminish reliance on last-resort relief, such as food banks and soup kitchens.

#### The Turkish Government Denies the Very Existence of Poverty

This denial is evident both in statements and in the texts that shape macroeconomic policies. The denial in their discourse is clearly noticeable, for instance, in the official written response by Vedat Işıkhan, the Minister of Labor and Social Security, to a question posed by MP Ömer Fethi Gürer during the Plan and Budget Commission meeting discussing the Ministry's 2024 budget. In his written answer to Gürer's query, "What is the number of working people living in extreme poverty in our country? How many working wage earners are below the hunger limit?" Minister Işıkhan emphasized that the minimum wage in Turkey is 11,402 liras, stating, "In our country, the minimum wage is 11,402.32 liras net; there are no people working in this scope and living in extreme poverty or hunger limit". This discursive denial is also observable in official documents outlining the Turkish government's economic policy. For example, in the latest Medium Term Program for 2024-2026, which the government publishes biennially to set economic targets, the word poverty is not mentioned even once. Among the eleven "macroeconomic targets and policies," only two-employment and price stability-can be indirectly related to the bottom 40% of the population.<sup>40</sup> Furthermore, within the 289-page state budget for 2024, the word poverty appears only once, in reference to the "Poverty Alleviation and Social Welfare Program" in the table of the "distribution of central government appropriations by programs (2024-2026)". The discursive denial also reflects within the bureaucracy and makes some officials hostile to the activities of DYA. For example, two years ago, our attempts to provide meals in a school in a district of Istanbul was prevented by the district director of education on the grounds that we are "showing the state weak".

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<sup>&</sup>lt;sup>40</sup> Presidency of Türkiye, Presidency of Strategy and Budget, *Medium Term Program* (2024-2026), Ankara, September 2023. Available at: https://www.sbb.gov.tr/wp-content/uploads/2023/09/Medium-Term-Program-2024-2026.pdf



extreme poverty or hunger limit".<sup>41</sup> This discursive denial is also observable in official documents outlining the Turkish government's economic policy. For example, in the latest Medium Term Program for 2024-2026, which the government publishes biennially to set economic targets, the word poverty is not mentioned even once. Among the eleven "macroeconomic targets and policies," only two—employment and price stability—can be indirectly related to the bottom 40% of the population. Furthermore, within the 289-page state budget for 2024, the word poverty appears only once, in reference to the "Poverty Alleviation and Social Welfare Program" in the table of the "distribution of central government appropriations by programs (2024-2026)".<sup>42</sup>

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#### The Government Canceled Its School Meals Program in September 2023

In our recent survey conducted among the households we support, we inquired about the frequency of students shopping at the school canteen. According to the results, 55.3% of respondents stated that their children almost never shop at the canteen. Additionally, 29.8% reported that their children shop there only once a week. Those who said their children shop 2-3 times a week accounted for 12.8%, while only 2.1% mentioned that their children shop at the canteen every day. Furthermore, over 50% of the students primarily consume bread rolls and toast.<sup>43</sup>

At the beginning of the 2022-2023 academic year, only 1.5 million students in Turkey benefited from free meals. The plan was to extend this to 5 million students by February 6, 2023, with a "Food/Nutrition Preparation and Distribution Guide" sent to governorships to gradually expand the program to primary and secondary education. Under this plan, students in unified primary schools with kindergarten classes would also receive daily meal services, and all daytime students attending regional secondary boarding schools, who do not benefit from boarding services, would be provided with one free meal daily. Additionally, it was announced that the necessary budget allocation had been made to relevant schools for the feeding costs of

https://derinyoksullukagi.org/yoksulluk-kosullarinda-egitim-2024-turkiyesinden-portreler-subat-2024-veli-gorusmeleri/



<sup>&</sup>lt;sup>41</sup> Artı Gerçek (November 16,2023) Bakan Işıkhan: Ülkemizde Aşırı Yoksulluk veya Açlık Sınırı İçinde Yaşayan Yok. (Minister Isikhan: There are no people living in extreme poverty or hunger in our country)

https://artigercek.com/ekonomi/bakan-isikhan-ulkemizde-asiri-yoksulluk-veya-aclik-siniri-icinde-yasayan-kisi-2732 54h <sup>42</sup> 2024 Yılı Merkezi Yönetim Bütçe Kanunu Teklifi ve Bağlı Cetveller. (2024 Central Government Budget Law Proposal and Attached Tables. Retrieved from

https://www.sbb.gov.tr/wp-content/uploads/2023/10/2024-Yili-Merkezi-Yonetim-Butce-Kanunu-Teklifi-ve-Bagli-C etveller.pdf <sup>43</sup> Derin Yoksulluk Ağı. Yoksulluk koşullarında eğitim: 2024 Türkiye'sinden portreler (Education in conditions of poverty: Portraits from 2024 Turkey/ Şubat 2024 /Veli görüşmeleri. (2024, February 10).

kindergartens and schools with nurseries that prepare meals in their kitchens. For schools unable to prepare meals in-house, meal services would be provided by purchasing from vocational high schools, teacher training centers affiliated with the Ministry of Education, and other public institutions that prepare meals.

However, in September 2023, the "Regulation on Preschool Education and Primary Education Institutions" was amended, abolishing the practice of providing meals to kindergarten students in provinces other than the 11 affected by the February 6 earthquake. Currently, Türkiye is not a member of the School Meals Coalition, and DYA is publishing information notes to promote its introduction in the country. A recent lawsuit filed by Ekmek ve Gül and the Tuzluçayır Women's Association against the Ministry of National Education was rejected by the Court on the grounds of limited resources and the discretionary power of the legislature. The court ruled that the state is not obligated to provide free school meals to children.<sup>44</sup> A recent lawsuit filed by Ekmek ve Gül and the Tuzluçayır Women's Association against the Ministry of National Education was rejected by the Court on the grounds of limited resources and the discretionary power of the legislature. The court ruled that the state is not obligated to provide free school meals to children.<sup>45</sup>

## Response to the Turkish Government's Answer to Question Ten

Please provide information on steps taken to consult with, and ensure the participation of, the persons most affected by the cost of living crisis and/or organisations representing their interests in the process of designing of measures in response to the crisis.

#### No Group Affected By the Crisis Have Any Voice in Determining the Measures

In the report, the Government highlights four instruments of consultation and participation: the Minimum Wage Determination Commission, Strategies for Disabled and Elderly People, Municipalities, and Social Housing. The control of the Minimum Wage Determination Commission by the presidency has already been addressed in the comment on the answer to the first question.

Regarding the Strategies for Disabled and Elderly People, the government mentions that the "design of the '2030 Barrier-Free Vision Document' aimed at guiding policies for persons with disabilities involved extensive consultations with individuals, advocacy groups, and other stakeholders" (p. 20). However, the document does not indicate any intention to establish a new

<sup>&</sup>lt;sup>45</sup> Yeşil Gazete. (2024, March 27). *Mahkemeden 'okullarda ücretsiz yemek bir hak değil' kararı. ( Court rules that 'free school meals are not a right'.)* Retrieved from https://yesilgazete.org/mahkemeden-okullarda-ucretsiz-yemek-bir-hak-degil-karari/



<sup>&</sup>lt;sup>44</sup> Deep Poverty Network. (2023, December). School Meals Coalition. Retrieved from

https://derinyoksullukagi.org/wp-content/uploads/2023/12/School-Meals-Coalition.pdf

mechanism for representing their interests in the economic decision-making process. For instance, among the five goals under the title "economic security," the fifth goal, "Providing economic support to persons with disabilities such as income support, tax arrangements," is the weakest. While the other goals have at least three sub-goals each, this one only contains a single, very abstract sentence: "Efforts will be made to strengthen existing support and regulations".<sup>46</sup>

### Conclusion

According to some respected economists, the Turkish economy experienced a "distribution shock" between 2015 and 2022. Boratav notes that from 2016 to 2022, the economy grew by an average of 4.3 percent annually without experiencing any traditional economic crisis. However, during this period, the wage-earning working class endured one of the most severe distributional shocks in the Republic's history. Non-wage incomes surged by 10.6 percentage points, reflecting excessive capital gains, while the share of wages in net income dropped by 8.1 percentage points, indicating a significant decline in wage earnings.<sup>47</sup> The World Bank also reports that "there are signs of increasing inequality in 2022, due to factorial distribution of national income skewing towards gross operating surplus, compared to compensation of employees. The share of employee compensation in gross national income reached an all-time low in 2022 to 23.7 percent, compared to 31.3 percent in 2019".<sup>48</sup> Türkiye's general ranking in the 2022 Index of Commitments to Reducing Inequality (CRI Index) by Oxfam and Development Finance International (DFI), compared to other OECD countries, is at the lowest with 74th place among the OECD countries.<sup>49</sup> Furthermore, when it comes to social expenditures, Türkiye is also still the lowest among OECD, according to the report.

Despite the distribution shock, the current government program still includes tightening measures in monetary policy and public finances. The planned tightening in fiscal policy, as measured by the public balance to national income ratio, suggests a reduction of 1.2 percentage points in 2025-26, representing a "slightly more merciful" austerity compared to the Medium Term Program.<sup>50</sup> Given the desperation already faced by many citizens, one would expect more substantial measures from the government. However, many examples provided by government officials in their report appear insufficient and lack seriousness.

https://bianet.org/haber/oxfam-report-turkiye-has-third-most-unequal-distribution-of-wealth-among-161-countries-268362 <sup>50</sup>BirGün. (2024, June 23). *Şimşek, IMF ve Saray arasında mekik dokuyor (Simsek shuttles between the IMF and the Palace)* Retrieved from https://www.birgun.net/makale/simsek-imf-ve-saray-arasinda-mekik-dokuyor-539496



<sup>&</sup>lt;sup>46</sup>Ministry of Family and Social Services. (2024, April). 2030 Engelsiz Vizyon Belgesi (2030 Barrier-Free Vision Document). Retrieved from https://www.aile.gov.tr/media/94718/2030\_engelsiz\_vizyon\_belgesi.pdf

 <sup>&</sup>lt;sup>47</sup>SoL Haber. (2024, June 24). İşçi sınıfının bölüşüm şoku 2022'de devam etti. (The distributional shock for the working class continued in 2022.) Retrieved from https://haber.sol.org.tr/yazar/isci-sinifinin-bolusum-soku-2022de-devam-etti-368207
<sup>48</sup>World Bank. (2024, January). Global POVEQ: Turkey. Retrieved from

https://databankfiles.worldbank.org/public/ddpext\_download/poverty/987B9C90-CB9F-4D93-AE8C-750588BF00QA/current/Gl obal\_POVEQ\_TUR.pdf

<sup>&</sup>lt;sup>49</sup>Bianet. (2023, January 19). Oxfam report: Türkiye has third most unequal distribution of wealth among 161 countries. Retrieved from