

**LU-ILO Externship Program**

**Research Paper Draft**

**Are the wages of Syrian refugees in the formal and informal economies of Turkey a realistic reflection of the living wage, and how has the living wage in their host countries evolved given the COVID-19 pandemic?**

**Group 9 - Living Wage**

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# The Impact of COVID-19 on the Wages and Living Conditions of the Syrian Migrants in Turkey

## Executive Summary

Following the outbreak of the Syrian Civil War in 2011, 6 million Syrians were forced to leave their jobs, homes and even their families and flee to neighboring countries like Turkey, Jordan and Lebanon. Turkey hosts 3,643,000 of the appr. 6 million externally displaced Syrians in the world, as of 2021 according to the Directorate General of Migration Management of Turkey. Most refugees leave the refugee camps to seek better housing options: according to the information from 2017, 98.6% of Syrian residents in Turkey rent a place for themselves (Toren, 2018) enabling them to partake in the available labor market in the cities. Around 1.8 million of the Syrian refugees in Turkey are aged 18-60, which means that they are within the main workforce-participating age range. But mainly facing language barriers and lack of help from national and international institutions to integrate into the workforce and the society, their working and living conditions are far from ideal. The existing public assistance from the EU, that is 120 Turkish Liras, amounts to just 4.2 percent of the minimum wage in Turkey as of 2021, plummeting from 9.2 percent in 2016. (Eurostat, 2021) This public assistance is available to those that fulfill very specific conditions.

With an economy that was already struggling, the Turkish Lira has been depreciating since 2016, as seen on Figure 1. (Statista) Furthermore, food inflation in Turkey has also been increasing since 2016, and with the COVID-19 pandemic, it is once again on the rise, further compounding the many

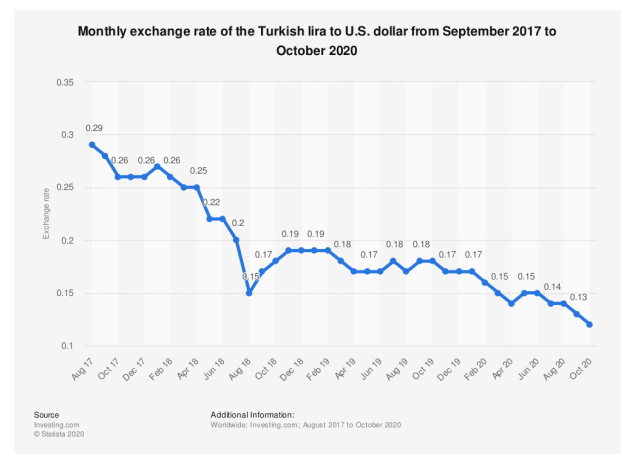


Figure 1

other challenges Syrian migrants face in the labor market and social life in Turkey.

In this essay, we analyze the wages and the working conditions of the Syrian migrants in Turkey, pre- and post-COVID-19, taking economical and societal trends in Turkey into account. We assess how the pandemic has affected the labor environment in Turkey, especially that of the Syrian refugees and how international and national organizations and the Turkish government are responding to the issue. Finally, based on our findings, we draft our own policy suggestions addressing the problems of the Syrian migrants regarding labor.

## I) The Issue: General Labour Environment in Turkey and the Syrian Migrant Crisis (2016-2019)

### a) Pre-COVID Macroeconomic Environment in Turkey

As noted in the introduction, macroeconomic indicators in Turkey were already concerning before COVID-19, following the July 15, 2016 coup d'état attempt. The Turkish lira has been depreciating and its purchasing power decreasing. As a result, the value of the legal minimum wage in Turkey is decreasing. As Figure

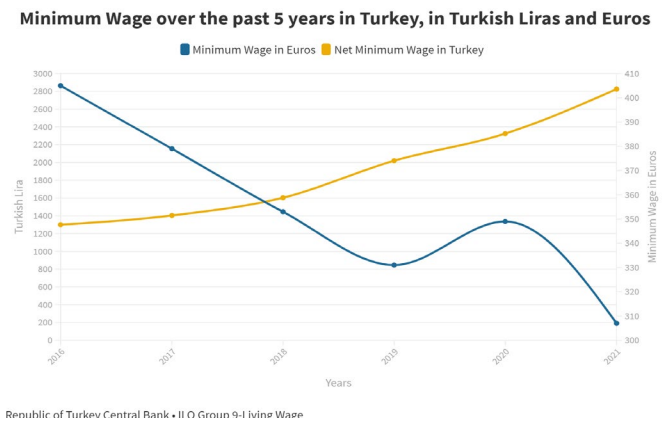


Figure 2

2 shows, the Turkish minimum wage in 2016 was worth 405 Euros, whereas it fell to only 307 Euros in 2021. (Central Bank of Turkey, 2021)

Further, food inflation increased sixfold, from 5% annually in 2016 to 30% by 2019, according to official Turkstat data (2021), as shown on the graph on the right. The Director of TIAFI (Team International Assistance for Integration), a community center that runs on donations

and by volunteers and serves Syrian migrants in Izmir, Anne O'Rourke tells us that food prices are vital to Syrian migrants, as their earnings are nowhere near covering their food expenses.

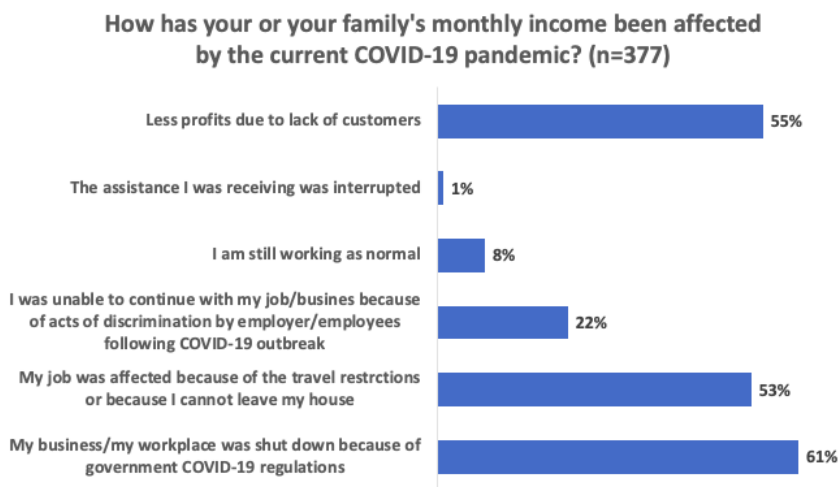
#### **b) Pre-COVID-19 Situation of the Syrian Migrants in Turkey**

One of the largest obstacles that refugees face in Turkey is access to the labor market as the informal economy in Turkey is extremely widespread. Refugees are pushed to work without social protection in the informal economy sector (Leghtas, 2019). The process of getting a work permit can last for more than a month and involves the employer who sometimes does not have enough knowledge in the procedure or are not willing to cover the price of legally hiring a Syrian refugee. The permit has to be renewed every year. Out of 2 million Syrian refugees who legally are able to work, roughly half are working in the informal economy. This is without social security and they earn lower than the legal minimum wage of TRY 2,020 per month. (USD 365) (Leghtas, 2019).

#### **c) The Syrian Migrants' Wages, Living and Working Conditions During the Pandemic**

“Has COVID changed things? Yes - it has made it much worse.” This statement was made by Anne O'Rourke, the head of TIAFI. The consequences of the COVID pandemic are expected to be dire, with many businesses experiencing reduced income, productivity and job losses (ILO, 2020). As illustrated earlier due to language barriers and the tedious process of obtaining a work permit Syrian refugees are more likely to participate in the informal economy. This participation exposes them to an even greater risk of the effects of the pandemic. “Moreover, the majority of refugees have impoverished basic needs such as food, household and education.” (Ostrand, 2015) COVID-19 will lead to a loss in wages and livelihoods and a reduction in the living conditions of the refugees (COVID-19 Impact Survey, 2020).

According to a survey conducted by Danish Refugee Council, the livelihoods of the most vulnerable households will be disproportionately affected by COVID-19 government restrictions. These restrictions prevent refugees from going out and earning their daily wages. Restrictions such as lockdowns on weekdays, reduces the number of working days in the week from 6 to 5 and forces refugees to decide between their livelihood or safety. The financial hardship ensuing from the pandemic is evident, this can be witnessed in Figure 3. With only 8% of responders still working as normal. A significant number of refugees have experienced reduced profits, interrupted assistance or even loss of work due to discrimination. This is in line with ILO projections. The ILO projects even greater impacts on those within the informal sector, where the overwhelming share of Syrian refugees work in Turkey. The ILO estimates that “almost 1.6 billion informal economy workers are significantly impacted by lockdown measures and/or working in the hardest-hit sectors”—76% of all informal workers. These workers are projected to see a decline in earnings of 60% globally, with low- and lower-middle-income countries experiencing an 82% decline.



*Figure 3*

The living conditions of the refugees have also been heavily affected. Without jobs or access to income many refugees may suffer from increased food instability, ability to pay rent or access to medication and healthcare (COVID-19 Impact Survey, 2020). Refugees are also more likely to turn to negative coping mechanisms such as spending from savings or reducing the food

consumed per day. Furthermore, their status as foreigners makes them subject to xenophobia and abuse, which in turn often translates into worse working conditions when compared to their national counterparts. A rise in domestic tensions and frustration was reported by over half of households.

The health of the refugees is a primary concern considering the scale of the global pandemic. Fully 72% of refugee households interviewed indicated having limited or no information of COVID-19 related services, an increase from a previous assessment and 44% of surveyed households expressed reluctance to approach a medical center in case they fall ill. Furthermore, most Syrians surveyed indicated needing more information on hospitals in their respective areas that would treat COVID-19. Humanitarian organizations “are warning the pandemic of COVID-19 will have long term consequences for displaced Syrian refugees due to their type of living.” (Ostrand, 2015)

## **II) Policy Options and Conclusions**

As demonstrated above, the economic effects of COVID-19 are likely to fall disproportionately on refugees versus their host populations. International organizations, non-governmental organizations, donors, and refugee-hosting country governments therefore need to come together, ensuring that the socio-economic inclusion of refugees is upheld to the maximum extent possible.

Due to the COVID-19 pandemic, the economic hardships of Syrian refugees have only grown more dire. The lack of preparation for a crisis of this scale has resulted in “international and domestic NGOs” being “inadequate to meet the urgent needs of refugee populations,” and refugees sinking further into poverty; as a representative of an NGO put it, “[Syrian refugees] are not poor

anymore, they are literally hungry now.” (Üstübici, Karadağ, 2020) The crowded living conditions of the urban areas that the majority of Syrian refugees reside in does not help matters, as they must contend with COVID-19 and the loss of work. Overall, the lack of protections for informal workers and the already precarious conditions of Syrian refugees has resulted in an unsustainable situation, one that has pushed them further into economic ruin.

In order to improve the economic prospects of refugees in Turkey, we recommend changes to policy in the following areas: schooling, voucher assistance programming, vocational training and entrepreneurship programming, and greater macroeconomic efforts to improve the Turkish economy as a whole. As the foundation of every child’s career, it is of the utmost importance that an education is made accessible to everyone. In Turkey, this means offering classes to refugees that emphasize language acquisition, as a Refugees in Turkey Survey conducted by Turkish Red Crescent (Kızılay) and the World Food Programme found that 73% of refugees only had a basic command of Turkish, even after living in the country “for seven or more years.”

Voucher assistance programming is essential for impoverished refugees. As O’Rourke notes, “It must be very difficult to live next to a shop but still have no food to feed your children.” Until a living wage is made available to refugees, it is imperative that they are given some sort of stable safety net. Voucher assistance programming would ensure that they can afford necessities, even during a global crisis.

Vocational training and entrepreneurship programming would not only improve the job prospects of refugees, but give them an opportunity to enter the formal economy, ensuring safer working conditions, benefits, and higher pay. This training would also give refugees access to more stable employment.

Local solutions are also very applicable, since the conditions differ from city to city. International organizations like ILO and UNHCR should cooperate with local governments, rather than the Turkish government, to help the integration of Syrian refugees in the labor market. This can be skills-development programming or machinery maintenance or language courses.

The simplification of obtaining work permits for Syrian refugees would be beneficial for enabling Syrian refugees to join the formal economy. As aforementioned the difficult nature of obtaining work permits has contributed to the refugees participation in the informal economy. Schemes by the Turkish government such as enabling online registration or shortening the registration period would allow many more Syrian refugees to obtain legal work permits. The length of the permit renewal may also be increased to every two years instead of annually. This will help alleviate some stress for both the employers and the workers. This in turn would enable the refugees to take part in the formal economy and afford them worker protections.

The social environment also has a significant impact on Syrian refugees' lives. An improvement in the relationship between the Syrian refugees and the host communities could have a particularly beneficial effect on the working conditions of both the Syrian refugees. So the issue must be quickly depoliticized. Furthermore, some activities can be arranged to increase the dialogue between the two communities. This would help to alleviate instances of xenophobia and discrimination that the refugees experience. For example, language and cultural acquisition programs or activities can be held between both Syrians and Turks.

Finally, we recommend greater macroeconomic efforts to improve Turkey as a whole. As the saying goes, "A rising tide lifts all boats." When policy is passed to invigorate the Turkish economy, everyone benefits, including Syrian refugees.



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