# The Establishment of A Minimum Income Support Focused on Employment In Turkey in the Context of European Union Applications

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### Abstract

The economic crises, which accompany the globalization process, have caused an increase in problems such as poverty, unemployment and social exclusion. The severe social-economic conditions experienced have resulted in a profound crisis in the social security systems. One of the methods to resolve this matter is the 'minimum income support'. The minimum income support assistance has been implemented in European Union (EU) countries for long years in a comprehensive context and some policymakers and academicians believe that this application could be an example for Turkey. On the other hand, it has been observed that EU countries are having a hard time allocating resources to the social welfare area, which is why activation issues (activities steering recipients of social assistance to employment) have been encountered more and more often on the agenda especially since the early 2000's.

The 'minimum income support' application is not available in Turkey; however, there are 'similar' applications. On the other hand, it has been believed that social transfers and specifically 'minimum income support' may be an effective method to fight poverty in Turkey as they are in EU countries. The minimum income support should be provided on condition of activation the way it is applied in the EU.

**Keywords:** Minimum income support, European Union, employment, Turkey

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#### Introduction

As of the beginning of the 21st century, major changes/transformations occur in almost every area and particularly in the economic, social and cultural elements of the world with the immense impact of 'globalization'. The technological advancements and innovations, which accompany these changes, have enhanced economic efficiency immensely and it has been expected that this increase also enhances the welfare level of people. However, that is not what happened in practice. On the contrary, a severe rate of poverty has incurred in the world and countries have been faced with various economic, social and political problems. All these developments have led the emergence of a series of changes in the economic and social structures of countries; frequently experienced national and global economic crisis, chronic high unemployment rates, high levels of public debt, economic growth that does not result in higher employment rates are some of the problems experienced. These problems are reflected on the working life as employment insecurity, flexible work/pay, the lack of a social security network, problems involving social equality and social justice and so on. In this aspect, people all over the world experience a major concern and insecurity regarding the future whether they are employed or unemployed.

On the other hand, these developments have eroded the welfare state and the reviewing of such issues of the welfare state as social security, social justice, social peace and restructuring the welfare state have been raised. Even in prosperous societies, there are challenges regarding employment rates while most of the available employment is irregular, part-time and bringing an income, which does not exceed the poverty line. Therefore, the increasing role of women on the labor market and disintegration of the traditional family structure are among significant issues that should be discussed of this period. However, the relevant process has brought poverty and social exclusion problems along with it. Finally, remedies have started to be searched to save the indigent and disadvantaged groups from the impasse they are in. Under these conditions, the 'minimum income support systems' has become prominent as one of the fallback applications of welfare states. The minimum income support is a type of social assistance provided by the state unconditionally to individuals remaining below the poverty line; conditions such as having worked and paid premiums previously or have a special status (categorical pensions) are not an issue.

'Minimum income support', which has been propounded as a solution to socio-economic problems, should not be expected to be sufficient on its own in correcting the poverty and irregular income distribution in society. On the other hand, particularly in the beginning, a serious amount of public resources are required and consequently the proper functioning of the system is largely dependent on the existence of a fair and solid tax system in addition to the elimination of black economy. Furthermore, globalization and international competition have weakened the strength of nation states significantly, which challenges the ability to allocate funds to the area of social aid. The sustainability of states in the payment of the relevant 'minimum income supports' for longer periods becomes problematic.

All those justifications raised the issue of providing minimum income support on condition of participation in activities especially after the 1990's. It is expected that these activities pioneer employment theoretically. The recommendations of The Organization for Cooperation and Economic Development (OECD) and the EU are also to this end. OECD recommends that the direct cash support aid is replaced with measures that are designed to initiate return to work. The European Parliament emphasizes that all the children, adults and elderly, who are indigent and needy in society, should benefit in an efficient way from the minimum income plans to ensure a living standard at a certain level of subsistence and the importance of establishing appropriate and continuous jobs for disadvantaged groups. As a reflection of this philosophy, the Parliament believes that welfare policies should be administered in parallel with the active labor market policy.

In recent years, significant progress has been achieved in both improving corporate infrastructures as well as increasing the resources dedicated to disadvantaged groups in our country to combat with poverty. In this context, the usability of the minimum income support applied in many Western countries is being debated on different platforms in terms of a more efficient application of social aid (Coşkun et al., 2011: 131). There are similar applications to the minimum income support available in our country; one such example is the conditional cash transfers, which are distributed as aid to the elderly and handicapped people in accordance with Law number 2022. Detailed information about this subject will be presented in subsequent part of the article. Furthermore, as a result of the joint studies conducted by the Ministry of Family and Social Policies (ASPB) and the Turkish Labor Institution (İş-kur), an affiliation between social aid and employment is attempted to be established. This mentioned affiliation has been achieved on a major scale in some European countries; for example, in France which has a very detailed and comprehensive social aid system. In this system, the minimum income support has practically transformed into a job search/employment support.

#### The Definition and Scope of Minimum Income Support

There are different approaches regarding the concept of minimum income and the economic, political and cultural aspects of minimum income; this makes it difficult to make a common definition for minimum income. Minimum income can be defined as 'a type of social aid that complements the current social security systems or replaces them and enables everyone in society or groups, who are indigent and socially excluded, to have the necessary minimum subsistence resources to maintain their lives and strengthen their ties with society (Karaca, 2004: 3). According to another definition, minimum income or minimum income support includes 'cash transfers distributed on a regular basis to all citizens below a certain income level from public resources' (Buğra et al., 2012: 26).

The minimum income support applications are part of social aid programs, which have been developed to fight poverty directly (Hacımahmutoğlu, 2009: 44). These programs are social aids distributed on a regular basis to the indigent and qualify as rights and have the obligation of guaranteeing that those who benefit from this aid are ensured a certain living standard. In other words, these funds are directed to those, who are in need of a certain income support, to ensure that they can receive their needs even on a basic level and they don't have to work in return (Hacımahmutoğlu, 2009: 44). 'Minimum income support' programs cover a wider concept compared to other target-orientated and similar programs (such as single-parent income-tested assistance). The Minimum income concept has also known to be expressed in synonymous concepts such as 'minimum insurance benefits' and 'welfare aid' and 'last resort assistance'. (Immervoll, 2009: 5) In this paper, 'minimum income support' has been expressed as 'minimum income', 'minimum income right', 'guaranteed minimum income' and so on.

### The Basic Characteristics, Functions and Applications of Minimum Income Support in the European Union

# Distinctive Characteristics of Minimum Income Support in the European Union

The most comprehensive and developed examples of minimum income support in the world are available in EU countries. In many EU countries, minimum income support is applied as a sort of 'last resort application'. The common objective of these minimum income support applications is to guarantee a minimum living standard for families and individuals, who are in lack of sufficient resources (Coşkun et al., 2011: 134). However, the mentioned applications display major differences between each other in terms of inclusiveness and adequacy as well as fighting poverty and social exclusion issues (Crepaldi et al., 2010: 1).

EU countries can be classified into three groups in terms of the way they apply minimum income support:

In the first group of countries, minimum income is perceived in the form of 'addresses all', 'embracing': The minimum income is the only (or the most important) income support and this income support is available for all, those who are in lack of sufficient resources; it is not limited only to certain target groups in society. Such applications are available in Luxembourg, Austria, Poland, Malta, the Slovak Republic and Romania.

Another group consists of countries, in which the minimum income has been designed as a last resort application. In these countries, all the other remedies have been exhausted and they have turned to the minimum income support as a last resort. The relevant countries deliver both categorical help plans and a general minimum income application. Minimum income is a last resort application within similar systems guaranteeing a minimum income to certain groups in society (such as the elderly, disabled and unemployed). The objective of this categorical help is providing more distinct safety nets for social groups with inadequate resources. In particular, France, Finland, Germany, Ireland and the United Kingdom are included in this group (Buğra et al., 2012: 32).

In countries forming a smaller group, even though categorical plans may be available, there are no general last resort measures (Italy, Hungary and Greece). Additionally, national minimum income plan is also not available in some countries in this group (Spain).

Other countries are included in a position within the three groups. The minimum income support provided by Belgium, the Netherlands, Sweden and the Czech Republic is an 'embracing' measure. Bulgaria, Cyprus, Denmark, Estonia, Latvia, Lithuania, Slovenia and Portugal have a tendency to apply the 'last resort' application (Crepaldi, 2007: 32).

Countries where Minimum Income Support is an 'embracing' application			Countries where Minimum Income Support is a 'last resort application'	Countries where categorical applications and /or a National Minimum Income Support available
Australia	Belgium	Bulgaria	Finland	Italy
Luxembourg	The Netherlands	Southern Cyprus	France	Hungary
Malta	Sweden	Denmark	Germany	Greece
The Slovak Republic	The Czech Republic	Estonia	Ireland	Spain
		Latvia	United Kingdom	
		Lithuania		
		Slovenia	]	
		Portugal	]	

Table 1. Characteristic Features of the Minimum Income Support Application

**Source:** Chiara Crepaldi, Alfonso Gambino, Simona Baldi, Barbara Da Roit ve Emanuele Ranci Ortigosap, The Role of Minimum Income for Social Inclusion in the European Union, Milan, Report made for European Parliament, 2007, p. 33; Ayşe Buğra, Çağlar Keyder and Ilgın Erdem, "Social Assistance Applications and the Application of Minimum Income Support in Return for Activities Beneficial to Society", UNDP, Ankara, p. 33.

All European countries have developed different ways and complementary plans in different times that are not universal, residual or distributive to guarantee a 'dignified life' or 'the fulfillment of basic needs'. In countries, which have experienced the social assistance system in practice for long years, these plans were initially perceived as a residual complementary social protection. It was believed that these plans would disappear on their own with achievement of the full employment, increased wealth state of individuals who attained better living conditions. However, the persistence of high level unemployment rates for the past 20 years and the failure of the relevant social policies in eliminating poverty, its inadequacy have increasingly shown that on the contrary, these plans were of importance and now they were more important than ever (Casas, 2012: 17).

The 'minimum income support' has a different meaning for every EU country practically and consequently, it is characterized under different titles. For example, while the expression of 'minimum income' is clearly stated in the plan titles of France, Luxembourg, Spain, Portugal and Latvia; the same plan has been characterized as 'social assistance' or 'integration' in Austria, Germany, the Netherlands, Denmark, Sweden, the Czech Republic, Poland, Slovenia ad Malta; 'supplement' in Belgium and Portugal; 'public assistance' in Cyprus; 'income support' in the United Kingdom; 'supplementary welfare allowance' in Ireland; 'subsistence aid' in Estonia; 'material needs assistance' in Slovakia and 'social assistance' in Lithuania (Casas, 2012: 17).

In some countries, the "minimum income support" is a safety net on its own, whereas in other countries, it is part of a safety net together with other allowances and relevant rights (Casas, 2012: 17-18).

The minimum income support plans have some common features beyond these terminologies. They are:

- 'Guaranteed', 'non-distributive' (they are 'guaranteed' and 'nondistributive' because they are given on a universal basis and are independent in terms of previous participation in social protection insurance systems)
- 'On a minimum level', (They are 'at a minimum level' because they are considered as the last stage of the safety net of social protection and they are shaped according to the perception of national or local minimum living standards or requirements.)
- Social assistance is subjective and the manifestation of a discretionary right (it must be demanded by individuals and is not attributed automatically),
- The amount-level is determined through laws or administrative rules to be distributed equally to everyone. In general, the amounts vary according to the income test and are provided as cash,
- The quality and quantity are conditional on the individual's or household's resources not exceeding the determined minimum threshold (Casas, 2012: 18).

Minimum income support is organized as 'minimum cash income support assistance' or as in-kind assistance (complementary) in some countries (for example food, clothing) and /or other allowances (family, housing...) and /or complementary services. The most important function of minimum income plans is to protect individuals and families, who are not covered by other social protection plans and prevent their serious destitution by supplementing their insufficient resources. Furthermore, the minimum income plan also plays an important role as the final safety net of social protection to prevent indigent individuals in developed countries from sinking below perceived as dignified living standards (Casas, 2012: 18).

# Responsibility and Financing of Minimum Income Support on a Local and National Level

EU countries can be analyzed in three groups when taking their corporate and financial levels into consideration. The first group consists of countries, where these two functions are on a central level; while the second group consists of countries, in which this issue is handled on a local level and the third group consists of countries, which apply a mixture of these two levels (Crepaldi et al., 2007: 33). Britain and Ireland plan and apply minimum income support on a national level. The finance is provided mainly by the central government while the local administrations contribute from time to time. In Scandinavian countries, the plans and programs are organized on a local level. The application and finance is the responsibility of local administrations. However, there are also countries, where the central administrations are responsible. In Austria, Denmark and Latvia, the local administrations are responsible for both planning/application of the minimum income support systems as well as financing them.

On the other hand, the type of financing in all countries is noncontributory; all minimum income plans are financed through taxation.

#### **Conditions for entitlement of Minimum Income Support**

In order to understand how the minimum income support is designed and how it is used to fight poverty and social exclusion, it is necessary to look at the 'conditions of entitlement' to receive the assistance. burada assistance In many cases, the 'conditions of entitlement' have been determined by national laws. In some special cases (Austria, Germany, Spain, Italy), they are determined by regions.

Basically, the conditions of entitlement are classified as follows:

#### Nationality (Citizenship) and Residence

Although nationality is not a condition for being entitled to minimum income support in most of the EU countries, it is a condition in some countries. For example, it is mandatory to be a citizen of Malta or be a permanent resident in Malta on a legal basis in order to benefit from minimum income support. In Austria, the conditions regarding nationality differ from region to region (EuropeAid, 2012: 9). Furthermore, Belgium, Germany, France and Denmark have some conditions regarding nationality to qualify for minimum income; these countries do not require citizenship to be qualified as Malta does; instead, the citizens of countries with which they have made reciprocal agreements such as the EU have the right to benefit from the minimum income support just like the citizens of these countries. Belgium and France require that those who are not French citizens and are citizens of countries, which are not members of the EU, should have a residence permit in order to access assistance (Crepaldi et al., 2007: 42).

Minimum income in European countries is generally accessible to permanent residents. However, the issue of residency varies from country to country. Some countries take the previous term of residence strictly into consideration. For example, eligible beneficiaries in Denmark must have resided in the country for at least 7 years during the past 8 years. This term is 5 years for the past 20 years in Luxembourg, whereas at least 3 months for the Czech Republic and generally between 3 and 5 years in Spain. Furthermore, Britain applies a certain 'traditional residence test' for those, who have lived abroad for 2 years before the date that income is demanded (Crepaldi et al., 2007: 35).

#### Household and Legal Status

In most EU countries, entitlement to minimum income support is achieved on an individual basis. However, in the assessment of the right of an individual, the status of the household is taken into consideration. Only in Malta, the family is a unit, which is not included in the right to minimum income. On the other hand, the family is clearly a consideration in the regulations of Germany and Slovakia. The remaining EU countries do not affiliate minimum income right with the status of the individual or the household, since it is granted according to the legal status like citizenship (Luxembourg) or residency (Latvia, Czech Republic, Poland and Slovenia). Some countries such as Belgium and Germany have expanded this right to clearly include certain categories of the population (the stateless, refugees, asylum seekers) (Casas, 2012: 31).

# Age

A 'minimum eligibility age' is applicable for those, who apply for minimum income support, and the main objective of this application is to verify and emphasize the responsibility of parents. The 'age criteria' differs in most EU countries according to circumstances. For example, full access to any assistance until the age of 25 is out of the question in general in Britain. However, in exceptional circumstances, access to certain assistance is possible as of the age of 18; in fact, it is possible for 16 year olds to access some forms of assistance in some cases (for example, those who are separated from their families). Individuals, who are at least 18 years of age, can benefit from 'social integration income' in Portugal; if an individual has dependents, is married or cohabits in a common law relationship or is responsible for a pregnant woman, he/she can benefit from the 'social integration income' before turning 18. Access to some minimum income programs is supported in order to ensure that youth undertake a more active role in society. For example, in the Netherlands, a youth who does not work or continue his studies may request a 'budget calculated income', in which local administrations are obliged to ensure from the municipality to realize an opportunity for work/education. If the individual is unable to accept the municipality's offer in terms of work or education due to physical/ spiritual reasons, the asset test becomes an issue and the individual earns eligibility for this income (EuropeAid, 2012: 9-10).

On the other hand, many countries have no age limits. Belgium, Ireland, Netherlands, Poland, Romania and Slovenia have a current age limit of 18. While the eligibility age to the right of assistance is 25 (with some exceptions) in France and Luxembourg, whereas 16 year olds and older individuals are eligible for this assistance in Britain. Only two countries apply a maximum age limit to the assistance eligibility. These countries are Malta (maximum age 60) and Spain (65) (Crepaldi, 2007: 42). The level of assistance may also vary according to the age of the beneficiary.

#### Income Test Application for Minimum Income Support

All EU countries apply an income test in their minimum income support programs. A premium contribution is not required and they are financed by the tax system. In principle, these programs target assistance to those who do not work; however, some member states have expanded the scope of the support and included a contribution to the incomes of active labor. For example, cash support and tax credits (tax credit for active labor, housing assistance and municipality tax assistance and child tax credit, etc.) are distributed to support some groups together with the minimum wage in Britain (EuropeAid, 2012: 5).

Access to minimum income is primarily dependent on the assessment of the income status. The income test is executed with the logic of including/excluding individuals. The access threshold in the assessment is usually made based on the 'cost of living' or a 'basket of needs' and is reviewed annually by taking increase in inflation into consideration. In some cases, the access threshold is determined based on other criteria such as the minimum wage and/or minimum pension payments (For example, Luxembourg, Malta and the Netherlands). The resources available to the individual applying for assistance and the other individuals, who share the same domicile such as the spouse or partner or offspring, parent, grandparents, are taken into consideration in the income test in general. However, there are some exceptions. In some cases, while the income of family members up to a certain age are taken into consideration in the income test (up to 16/20 in Britain, up to 18 in Denmark and the Netherlands, 25 in France, respectively), in some cases, they are excluded (up to 18 in Cyprus). In some countries, family members/relatives, who do not inhabit the same domicile, are included in the income test (Southern Cyprus, Latvia) (Crepaldi, 2007: 35).

Furthermore, another issue needs to be mentioned is that the needs determination system for provision of the minimum income support, which is subject to very strict rules in some countries and rather relaxed in others. For example, it is quite difficult to gain eligibility to financial assistance in Scandinavian countries and consequently, the applicant is subjected to serious scrutiny. However, if the applicant gains eligibility for assistance, a serious income growth to ensure exceeding the poverty line becomes an issue. Eligibility for assistance in Southern and Eastern European countries is not difficult. Likewise, the granted assistance amounts are not very remarkable. It is often encountered that individuals benefiting from financial assistance cannot achieve an income level over the poverty threshold (Buğra et al., 2012: 28).

#### Determination of the Amount of Minimum Income Support

There are different criteria and practices for determination of the amount of minimum income support in EU countries. When minimum income support is mentioned in a group of countries, there is usually a consensus of what is understood as proper standards and the amount is often determined as a share of another minimum income standard. This standard reflects the regular source of income expected by individuals to obtain depending on the work; minimum wage (Luxembourg, Netherlands, Slovakia, Malta and Romania), the minimum monthly (Luxembourg) or unemployment benefits (Denmark) and so on. Another group of countries implements guaranteed minimum income schemes in order to fulfill basic needs of the people. The amount of guaranteed minimum income is determined in view of the standard rates and costs determined for minimum consumption amounts of certain items (food, clothing, hygiene, health, housing costs and/or tools) as a reference. In this way, the minimum income determined is either adapted to the household composition (Sweden, Finland, Germany, Austria, Czech Republic) or a budget study and a basic needs basket (Romania, Bulgaria, South Cyprus, Lithuania). Another criterion, which should be emphasized (which in some cases is the main determinant of the minimum amount), is the capability of the budgets to finance the guaranteed minimum income implementations. Those, who plan minimum income programs, express the difficulty of financing both on a local and national level (Casas, 2012: 38-39).

In conclusion, the financial assistance amounts distributed in EU countries is quite varied. On the other hand, since the level of the assis-

tance applications in some member states is low in general, they support with certain fringe benefits in terms of housing, health, family assistance or the cost of basic services (education costs, heating, gas-electricity, transport) (Casas, 2012: 29).

#### **Duration of the Minimum Income Support**

One of the distinct features of minimum income in EU countries is the 'duration of assistance'. In most of the countries, this duration is unlimited as long as the 'eligibility conditions' continue. In some countries the duration has been limited between 3 months and 24 months. In particular, Lithuania, Slovenia, France and Latvia have shorter durations (3 months). Portugal and Spain have limited the duration to 12 months and the duration of the Slovak Republic is limited to 24 months, respectively. In all these countries, it is possible to extend the duration in different ways. The duration of the minimum income support in Lithuania and Slovenia can be renewed for as times as needed in case there is no change in the status. Only France and Latvia are more restrictive: The duration can be expended by an additional time between 3-month and 1-year in France and can be renewed for a period of no longer than 9 months annualy in Latvia. At the same time, the duration can be extended in Portugal and Spain, provided the conditions continue and in the Slovak Republic it can be extended 24 months after the start of the assistance granted by the local authorities.

In conclusion, it is possible to say that there are '3 types of durations' as follows: Limitless, limited yet extendable depending on the continuity of the requirement status and more restrictive (Casas, 2012: 36).

#### Nature of Employment-Oriented Minimum Income Support

Since beginning of the 2000's, the subject of readiness of the individuals benefiting from minimum income support with the capability of working and job search have been raised. The member countries of EU require that individuals capable of working and benefiting from minimum income support must at least be registered as unemployed individuals and that they actively searching for jobs. In France, a more advanced regulation is implemented and individuals soliciting minimum income assistance must undersign an agreement with the unit mediating the endowment to get consultancy support in terms of job searching and employment (Hacımahmutoğlu, 2009: 45).

As a result of increasing unemployment as of the 1990's and those benefiting from social assistance programs remaining in the system for long years, it has become necessary to apply programs steering those receiving minimum income support to the labor market. The objective of these programs, which are called active social assistance programs, is to decrease the number of individuals receiving assistance and to decrease dependency on assistance burada genel olarak sosyal yardımlardan(assistance) söz ediliyor, bu çok karmaşık bir konu ve yardımlar zaten içiçe geçmiş durumda... Burada assistance demek yeterli. by enhancing the work motivation of assistance areas and capabilities, ensure employment opportunities for these individuals and enhance their self-confidence and self-respect (Madenoğlu, 2010: 38).

The term 'activation' is understood differently according to the relevant orientations in Europe. 'Activation' consists of a mixed combination of necessities such as training, courses and services to enhance finding a job to ensure the continuity of employment. Measuring these elements and combining them from one end to the other reveal differences of significant degree in EU countries. For example, the process of reintegrating individuals (inclusion) into society and labor based approach completely differ from one to another; in fact, they are processes, which are opposite to each other. During the inclusion process, individuals receive help with the intention of developing their individual capacities and initiating them into action in order to free them from dependency on support and poverty. In the labor based activation type, which is the opposite, individuals are obliged to accept any kind of work in return of assistance they have received. Activation practice in European countries formed according to the establishment date of the general welfare organizations ranges around these models. These different activation practices demonstrate a partial compliance with welfare regimes (Casas, 2012: 36).

The assistance should be considered as a positive incentive to cover the extra costs and risks encountered with re-employment after unemployment. The important issue, which should be addressed here, is the quality of the job offered. This issue is very important for 'sustainable social inclusion'. Jobs ensuring social inclusion must have proper working conditions as well as gains, status, protection, social mobility and a stable perspective on social and family life. As a result of recent changes in the labor market policies in Europe, the concept of 'more jobs' is emphasized instead of quality of the job and this undermines the qualitative approach described above. The issue of ensuring the quality of the jobs offered is very significant for a fully comprehensive activation.

Although some national minimum income plans were depicted as traditional, the eligibility requisition demand and activation measures were rarely applied in the past. However, towards the end of the 90's, the situation has been changed and eligibility for work became an important eligibility condition to receive the minimum income and maintain its continuity. In addition to the "willingness to work", 'participation in training' and 'training for enhancing employability', there is a mandatory status for those soliciting assistance in all EU countries with minimum income plans. Those soliciting assistance must register with labor offices (Germany, Portugal, Ireland, England, Estonia, Slovakia, Bulgaria and Romania) and/ or undersign an integration agreement (Belgium, Luxembourg, France, Portugal and Slovenia). Countries such as Britain, the Netherlands and recently Germany have integrated the social assistance and labor offices and their functions are executed together in order to establish a strong activation emphasis for those receiving minimum income. Furthermore, after the Reform took place in 2004, the Slovak Republic established labor offices by integrating employment services and social services.

These offices are the sole responsible office for employment and social services (World Bank, 2014: 17). In some countries, if the central government (France) is not supportive with a new budget allocation, responsibility of the minimum income is transferred from the national level to the local level and especially the responsibility of the transfer has generated a stronger activation pressure on those benefiting from social assistance opportunities. Obligations such as performing public works during certain hours may be requested of those receiving minimum income support (Slovenia, Slovakia, Bulgaria, Romania) (Casas, 2012: 34).

In Germany, the long term unemployed work for an allowance of 2 Mark per hour in services of public benefit such as cleaning, parks, gardens and landscaping works to encounter transport and clothing costs and municipalities threaten the incumbents by saying that if they slack off the job their social assistance will be discontinued (Sapancalı, 2003: 219).

## Examples of Applications in Turkey, Which Resemble Employment-Oriented Minimum Income Support

A minimum income support program is not available in Turkey yet. However, ASPB have serious projects and recommendations in this matter. On the other hand, distributing a minimum income support to indigent with an income below a certain level is often a subject of debate on academic platforms and particularly addressed by politicians (citizenship wage).

Among assistance programs applied in Turkey, which is similar to the minimum income support and is provided regularly to ensure a livelihood for individuals as an entitlement, are regulated by Law number 2022 in the form of assistance granted to the elderly and the disabled, who are unable to work. These disabled and elderly individuals continue to receive their allowances, which are dispensed by the Social Security Institution (SGK) as long as their status continues. Furthermore, social assistance programs of a regular nature are also available for children and youth. This assistance has not been designed to provide the livelihoods of children and youth. The objective of the assistance is to ensure that the children get health checks (conditional health assistance) and the children and youth continue their educations (conditional education assistance). Children and youth are eligible for this assistance only if these conditions are fulfilled. Although the regular nature of the mentioned assistance resembles minimum income support, it is not intended to ensure a livelihood and therefore, has a different structure. Health assistance is in-kind assistance and is activated to pay for any health related expenses when an individual requires a health check. Health assistance differs from minimum income support in terms of its objective and the way it is applied. Health assistance is not transferring money to the individual receiving this support, instead fulfilling his medical needs. Likewise, other social assistance programs allocated for needy individuals have a different structure from minimum income support; because, they are made irregularly on incidental basis (Madenoğlu, 2010: 38-39).

The periodic cash benefits provided by the Social Assistance and Solidarity Foundation (SYDV) are also similar to the minimum income support. However, since this assistance is not 'rights-based', there is no guarantee of its continuity. The SYDV can terminate the assistance at any time.

In addition, the state is involved in establishing temporary employment in the public sector (4C status) during periods of economic recession and/or in times when unemployment is high due to the reasons such as privatization. The wages given to such individuals are usually slightly above the minimum wage level and are in the nature of 'employment programmed minimum income support'. However, since those employed are not applied an income test and the continiuty of the employment is not possible, when the employment is terminated the wages are also discontinued. On the other hand, since the individual receives regular, monthly, cash payments for a certain period and employment is activated, there is a slight similarity to 'employment programmed minimum income support'. Small and Medium Enterprises Development Organization (KOSGEB) provides loans to support entrepreneurship, vocational training and courses, social assistance given by local administrations, micro-lending practices, which are also focused on employment, and projects related with ideas for minimum income support.

In Turkey, Conditional Cash Transfers (ŞNT) distributed to the elderly and the disabled in compliance with Law number 2022 are the closest applications to the minimum income support. The other practices can be referred to 'practices which are near to minimum income support applications' with its dimensions of fighting both poverty and unemployment in the form of a cash support to needy individuals. Furthermore, the 'regular cash social assistance program to widows' and 'home care assistance program' are also similar to the minimum income support program. The assistance to widows, which was launched with the Fund Board Decision dated 29.12.2011 with number 2011/8, is realized within the information system of Integrated Social Assistance Services Project (BSYH) and women, who are within the scope of Law number 3294, have been determined as the target group for the assistance to be provided (Ministry for Family and Social Policies, 2012: 49).

#### Supports within the Scope of Law Number 2022

One of the most significant activities executed by the ASPB is the monthly pension within the scope of 'Law for the commissioning of an allowance to Turkish citizens 65 years of age, needy, infirm and derelict'. This law enacted on of January 1<sup>st</sup>, 1977 provides that 'on condition that they are needy, Turkish citizens with an age of 65 and disabled individuals over 18 years of age and those, who have disabled relatives under the age of 18 or legally obliged to care for shall be granted a monthly allowance' (Taşçı, 2010: 90).

	2006	2007	2008	2009	2010	2011 December*		
Seniority	927.077	903.283	867.035	859.516	848.826	797.426		
Invalidity	82.891	92.904	114.518	142.288	168.559	187.711		
Disability	233.910	239.110	255.990	275.028	290.558	293.141		
Invalidity-Disability under the age of 18	-	8.877	28.631	44.541	55.727	59.558		
Patients Disabled with Silicosis	-	-	-	-	-	153		
TOTAL	1.243.878	1.235.297	1.266.174	1.321.373	1.363.670	1.337.989		
Source: Social Security Institute (SGK) SGK Statistical Yearbook 2010: Statistics for Monthly Allowances and Income Areas								

Table2. Payments Made According to Law Number 2022 (Number of Persons), (2006-2011)

\* Ministry of Labor and Social Security, Work Life Statistics 2011, Ankara, August 2012, p. 33.

As it can be seen in Table 2, most of the payments made within the scope of Law number 2022 are allocated for senior citizens.

Although the relevant assistance resembles minimum income support assistance since it is regular monthly cash assistance, it would be more correct to assess this assistance as a different kind of assistance; because, it is conditional on certain conditions-characteristics. On the other hand, since the respondents of Law number 2022 are beyond consideration for working and/or skill development, the conditions do not involve elements of activation.

#### Social Risk Mitigation Project-Conditional Cash Transfer

The poverty research conducted by the World Bank in preparation for the Social Risk Mitigation Project (SRAP) prepared revealed that poverty had reached major dimensions in Turkey. The fundamental philosophy underlying the project was to contend with the risks established on the indigent individuals, who were the victims of the economic crises took place in Turkey in February 2001. The crises gave way to increased layoffs, prices went up and the income coming into households was decreased due to the negative growth while the risk of poverty increased. Another determination was that there was no social security network to mitigate the risks of unemployment and poverty in Turkey. On the other hand, human factors such as the high infant and maternal mortality rate, high illiteracy among women, the failure of indigent families to send their offspring to school, some families resorting to benefitting from child labor to earn a livelihood are also relevant issues that should be discussed (Zabçı, 2003: 228-229).

The Conditional Education and Health Assistance Program aims to enable families, which are unable to benefit from education and health services due to indigence to access these services through cash transfers. In other words, the Conditional Education and Health Assistance Program is a social assistance program, which aims to support indigent families unable to educate their children or have had to remove their children from the education system due to indigence, since they are unable to take their children for regular health checks in the pre-school term and they had home-births with cash allowances.

The Conditional Cash Transfer (ŞNT) programs in Turkey started after the economic crisis in 2001 with the SRAP, which was incepted with the credit from the World Bank. The program was started with the selection of pilot areas as follows; Kahramanmaraş-Göksun, Gaziantep-Yavuzeli, Sinop-Durağan, Ankara-Keçiören, Çankırı-Merkez and Zonguldak-Ereğli districts. The program was extended to overall Turkey within 2 years (Zabçı, 2003: 22).

In the context of the basic goals mentioned above, the ŞNT was designed as a social security network, which targeted 6% of the most indigent group within the population of Turkey to initiate full access of children to basic health care and education services. Within this scope, two types of ŞNT are granted as education and health care assistances in the countries of the world. To put it more clearly, ŞNT in the form of regular cash assistance is granted to indigent families based on some certain conditions in case they cannot send their children to school (particularly girls) or have had to take their children from the education system. After receiving this cash assistance, these families are able to send their children to school regularly and families with children in the 0-6 age group take them for regular health checks. Furthermore, indigent prospective mothers are granted separate assistance, which allows them to visit a doctor regularly during their pregnancies and give birth in a hospital. The amount of education assistance depends on the age of the children, gender and the level of the attended educational organization; in addition, higher amounts are paid for girls and higher education organizations. The number of children benefiting from the education assistance as of September 2009 is 2.066.809, while the number of children in the 0-6 age group benefiting from health care services is 787.000 and the number of prospective mothers is 48.597, respectively (Alper et al., 2010: 47). Another significant point that needs underlining is that similarly to the examples in the world, these cash transfers are made directly to the mothers. It is anticipated that it is more likely that the assistance is used to the benefit of the family and especially the children by this way.

Similarly, the education assistance is provided for low income indigent households as a monthly allowance to prevent the children from leaving school at early ages to start working on condition that the children attend school regularly. Similarly, to the health assistance, the education assistance is paid directly to the mothers.

In Turkey, although the ŞNT programs started with the Social Risk Mitigation Project of the World Bank, the program has continued without interruption with national resources after the project ended in 2006. There is no doubt that the successful results have had an impact on this. During the project period, which can be considered the initial phase of ŞNT, a total of \$357.7 million was paid; subsequently, the ŞNT expenses were used from the resources of the Social Assistance and Solidarity Promotion Fund (SYDTF). In this context, the local foundations have undertaken the role of fundamental executive units. The total resources transferred to the ŞNT between the years 2003-2010 for education, health and maternity assistance was 1.99 billion Turkish Liras (TL). The larger amounts of the resources bear extra weight among the programs of the General Directorate for Social Assistance (SYGM).

On the other hand, it was foreseen that the \$NT assistance in Turkey would be distributed completely according to objective rules under a tight central supervision. In spite of this, it is possible to encounter differences reflecting the approaches of local executors in practice. In other words, both a strict centrality and flexibility suitable for local conditions has been enforced. For example, in some areas, where a rapid increase in birth rates was not desirable, the maternity assistance has not been applied (Buğra et al., 2012: 18).

#### **Home Care Services**

Home care services are being implemented under the Disability Act number 5378 with the intention of providing home care for disabled individuals requiring care in a family member's home. The objective at the same time is the provision of systematic and quality care for disabled people. The family member, who has undertaken the care of a disabled individual, receives a salary equal to the minimum monthly wage every month (Ministry for Family and Social Policies, 2012:101). While 8 individuals received home care services allowance in 2006, the number of individuals receiving the mentioned allowance increased up to 387.097 as of August, 2012 (General Directorate of Disabled and Elderly Services, 1012: 17). In an interview conducted with officials of the ASPB, the Ministry officials spoke about the studies conducted regarding the establishment of a social assistanceemployment connection regarding individuals receiving home care service allowance. Accordingly, studies are being conducted for the state to pay the insurance premiums of individuals receiving home care allowance from the Ministry and being covered by the General Health Insurance. Since this type of care work is usually continued for a long term, the care-taker is unable to work in another job and when the person, who was being cared for, passes away or the requirement is no longer valid for any other reason; the care-taker returns to his earlier life in society without any insurance or job. At this point, the recommendation of the Ministry is significant (Interview with Samet Güneş and Fatih Ortakaya ASPB General Directorate of Social Assistance, 2014). Yukarıdaki açıklamalar Bakanlığın önerisi...

#### Local Administrations

Local administrations comprise of large and small communities (cities, towns, villages, etc.), which fulfill the common and local require-

ments within the boundaries of a state. Currently, in our country, local administrations execute significant functions to contend with poverty like efforts spent in many countries. The main reasons why local administrations contend with poverty can be classified as to develop the democratic participation consciousness of the indigent, the facilitated and practical presentation of some public services, elimination of some gaps generating from the central administration and to enhance the knowledge and consciousness level regarding poverty (Önen, 2010: 68).

In Turkey, municipalities are included in the organizations, which provide social assistance. Especially in 2005, when the legislation covering municipalities changed, the process accelerated with the designation of new tasks and responsibilities to municipalities. Detailed information is not given here because there are no collected data regarding the social assistance given by municipalities (Şener, 2010: 17). However, in times when an economic crisis is evident and poverty and unemployment levels are high, municipalities are known to employ laborers on a temporary basis with a minimum wage. Such applications are evident in many province and district municipalities in Turkey. The relevant applications have the intention of supporting unemployed individuals with a minimum income support through the commissioning of public and social works. Furthermore, due to the principle of activation in many EU countries, the recipients of the minimum income support benefits are encouraged to work in various social services and a number of projects guided by the local government. On the other hand, article number 60 (the Municipalities Law), which regulates the expenses of municipalities states that any social services and assistance distributed to low income, indigent, dependent and derelict individuals as well as the disabled are considered among the expenses of municipalities and that municipalities must allocate a source for this kind of services (Negiz, 2011: 329).

#### **Micro Credit**

In Turkey, another tool to contend with poverty after the crisis in 2001 is the micro credit projects, which were incepted to initiate individuals into entrepreneurship. The intention of these micro-credit projects is to encourage individuals to establish their own businesses in the rural as well as the urban areas and realize their potential for entrepreneurship. Thus, individuals can be prepared for any possible crisis situations and instead of expecting the state to find a solution, they are required to commission their own capacities and skills. Various foundations implement micro-finance projects with the aim of supporting entrepreneurship potential of particularly indigent women. Within this framework, the Foundation for the Support of Women's Work (KEDV) established a micro economic support operation in 2002 and provides financial and technical support particularly for indigent women to set up their own businesses (Gürses, 2007: 59-74).

The micro credit is not directly affiliated with the minimum income support, which is a type of social assistance, as a method of contending with poverty. However, by providing cash support to indigent individuals for giving them the opportunity and possibility of breaking the vicious cycle of poverty by establishing their own projects, the functions bear a similarity to the functions of the minimum income support.

# Recommendations for Establishing Employment-Oriented Minimum Income Support in Turkey within the Scope of Applications in EU Countries

When the EU countries are examined it has been observed that in some countries the guaranteed minimum income project is the 'single current safety net' while in some other countries it is a part of a wide social security net which includes various allowances and relevant rights. As the ongoing studies conducted by ASPB verify that the most appropriate way to consider a minimum income support program planned potentially for Turkey should be thought about as a new 'assistance type' program included within the scope of social assistance.

It is possible to divide income supports into three basic groups. The first group consists of the working 'indigent' who is needy regardless of the working status. Both in EU countries and other areas in the world, it is possible for working indigent to benefit from the minimum income support. Even if it is not an issue in the beginning, the issue of whether the working indigent can receive minimum income support in the future in Turkey should be discussed. The second group consists of those, who are willing to work and have the skills but need income support because they cannot find a job. These individuals are the unemployed. Unemployment allowance in Turkey is given for a certain period; however, when that period expires, the support is also terminated and the individual, who is still unemployed, will experience financial difficulties. In this case, it will be more appropriate to provide minimum income support to the unemployed once the unemployment benefits terminate. Furthermore, also those, who are not eligible for unemployment benefits, should also be a direct respondent of minimum income support. EU countries have different applications regarding this issue. For example, a redundant individual can select the allowance, which is the most among various allowances. On the other hand, in some countries, the minimum income support continues to be paid as a sort of unemployment insurance as long as the individual remains redundant.

The third group consists of individuals, who are unable to work or cannot find a regular job for some reason and need income support (ill, elderly, disabled, women, children, ex-convicts, members of marginal groups). We can also call this group the disadvantaged group. In EU applications, there are various categorical applications-allowances for disadvantaged groups. Such applications are more limited in Turkey. Whether the members of disadvantaged groups receive categorical assistance or not, they should be supported in order to achieve a minimum level livelihood.

On the other hand, the most noteworthy issues regarding minimum income support systems in EU countries is the emphasis put on activation issues during the past ten years. Conversely, the final/achievable target of providing the indigent with a minimum income support is to ensure their livelihood at a minimum level with such social assistance, while the other is to ensure that they rejoin the labor market and are able to provide for themselves by supporting active employment policies. On the other hand, the realization of activation may be restrained by the economic structure of a country (growth, Gross National Product, etc. macro-economic data) as well as the employment and unemployment rates, which may be an obstacle for Turkey.

It is extremely important that on one hand, the recipients of minimum income support are encouraged to work while providing vocational training for the skills of these individuals who are enhanced. As a result, they are able to get better jobs and better wages. One of the criticisms directed at the activation applications in EU countries is that the recipients of social assistance are employed in unskilled and low paying jobs. With this aspect, the concept of 'decent work' is emphasized. Since the minimum income support assistance will be a new application in Turkey, this type of negative aspects must be taken into consideration in the beginning and the system should steer the individuals to be activated to apply for quality jobs with good wages (by providing vocational training if necessary). It is clear that vocational training and vocational counselling-guidance is just as important as finding jobs in our country. The reason is that both the current dependent individuals are uneducated and the education given in schools is inadequate in terms of fulfilling the requirements and needs of the working life.

The degree of success of the current social security system in contending with poverty, in ensuring an equitable income distribution and the taxation system of the country form an important basis for the establishment of a minimum income support system. The minimum income support system should be structured in compliance with the existing system. For example, when additional universal and contributive allowance assistances are included in the social security system in Sweden, which has a generous and comprehensive social security system like the systems of other Scandinavian countries, the impact of social assistance is less compared to the other social security mechanisms. There is a requirement in Turkey for the structuring of a minimum income support program that is appropriate to the current social security and social protection system. Both the social security allowances and the assistance regarding social protection are inadequate especially in terms of amount and scope. In addition they qualify as a last resort application, whereas the minimum income support shall be more comprehensive and distributed in functionally adequate amounts.

Another rising issue is whether local administrations should have more authority regarding the management of minimum income support assistance or the central government. In EU countries like Austria, the determination and applications regarding eligibility for the minimum income support called 'citizen's income', which is provided in return for labor in social service works has been left to the initiative of local administrations. It is possible to enhance the initiatives and responsibilities of social service workers on a local basis since they can observe the current status and conditions at a close range. The views of ASPB are in favor of this application and they share their views and projects regarding enhancing the initiatives of social service officers with the public. On the other hand, it is very important that the social service officers exercising this initiative use it fairly. Furthermore, the minimum income support valid in Austria since 1994 under the special responsibility of nine local regions has a structure of a more general, non-inclusive and non-distributive nature, while the other financial supports undertake the role of more distributive assistance. Poverty has decreased by 72.1% after the social transfers made in Austria, which has a high level of spending at the same time. The forementioned system and structure, which are particularly noteworthy for their success in reducing poverty, can also be implemented in Turkey.

Various incentives are given in EU countries regarding the minimum income employment affiliation. For example, employees working 16 hours or more per week are eligible for more assistance in Britain. If the spouse of a recipient works 24 hours or more per week, the spouse is eligible for receiving the assistance. Such incentives will also be appropriate in Turkey in terms of activation. On the other hand, the type of applications in Britain and the flexible labor formats allow the application of a compliant policy.

Another major issue in determination of the minimum income support is what the 'poverty' or 'income threshold' or 'threshold' or minimum resource threshold' are going to be. Regarding the implementation of the EU countries in this regard, it is evident that their choices are made according to their socio-economic and political preferences. For example, in Sweden, which has adopted the 'Socialbidrag (Welfare)' system in order to qualify for assistance, the resources of the applicant must be below a 'maximum resources threshold', which has been determined for the country. Different trends/applications are available in Turkey for determination of poverty in the public; TÜİK accepts those with an income 40% of the median income as indigent. On the other hand, the ASPB SYGM tek kurumtakes many data into consideration when determining poverty. SYGM decides on the basis of the data, which have been acquired from the scoring system for the household visits conducted and coefficients as well as the information available on the database of the BSYH and Social Assistance Information System (SOYBİS) to see whether an individual is indigent and eligible for assistance. The political will has indicated that the studies executed in Turkey regarding the minimum income support program point out that those with a daily per capita income below 4.3 USD could be considered as eligible for minimum income support so far (Interview with Samet Güneş and Fatih Ortakaya at the ASPB SYGM, 2014). In short, a consensus must be reached on what is going to be the threshold of indigence in determination of the incumbents for minimum income support.

In EU countries, indigence is determined with the application of an income test; the same application may be valid for Turkey. On one hand, the income determination studies will not be very easy because of the current large scale of unregistered employment in Turkey. Furthermore, it is rather difficult to operate a computer system for social assistance with an income test, elements such as the incomes of individuals, the number of family members, age are continuously changing parameters and it is rather difficult to monitor these figures for millions of people. As a matter of fact, the efforts spent to execute the social assistance system with the help of information systems and the problems in this area are continuous subjects of debate discussed both in the parliaments and the public. The system is difficult to operate and very expensive. However, ASPB has achieved an advanced level of information systems, which has been certified with awards. Furthermore, the Ministry authorities have indicated that the applied SOYBIS and Integrated Assistance System Programs have been appreciated in the EU countries they have visited. During the ASPB visits, it was observed that SYGM authorities were endeavoring to determine the individuals eligible for assistance as well as the distribution of the assistance successfully by operating the information systems efficiently and functionally. Within this framework, it would not be erroneous to say that ASPB has an advantage in the IT area.

Another matter is the necessity to support the minimum income support assistance with active labor market measures in EU countries due to the reasons such as the employment-unemployment problems as well as the financing problems. Furthermore, because of higher life expectancy in EU countries due to improved living conditions and health technology, even if the retirement age is raised, pensions will be paid for longer years. On the other hand, because of the decrease in birth rates as well as the low rate of young population, it is not possible to establish an infrastructure to support the mentioned pension payments and governments are facing major problems in financing pension payments. It is necessary to activate the population of working age with employment in order to support the mentioned payments. Turkey is in a relatively fortunate position as it is only in the second stage of the demographic transition process and has a younger population compared to EU countries. However, the need of financing both the pension payments and financing the minimum income support payments are also difficult issues and the realization of the activation is also necessary for Turkey.

In the establishment of the minimum income support system in Turkey and the emphasis on activation, it is important that Turkey benefits from the experiences of EU countries. The global, regional economic crises in 2008 and before that as well as globalization caused serious financial problems in Turkey. For this reason, it is appropriate that a model, in which activation is prominent by calculating and keeping in mind the financial burden of the minimum income support, while it is still in the structuring phase, is recommended. However, the activation issues should not be applied on the recipients of assistance in the form of an imposition, individuals grappling with the stress of finding a job on one hand should not be faced with the threat of the decrease or complete termination of the given minimum income support on the other. As the public debate in Turkey increases about the minimum income support, one of the main issues on the agenda in the future will be the subject of financing. In the interview we had with officers of ASPB SYGM, the projections made by the Ministry in this regard are summarized as given below. Accordingly;

ASPB is planning to grant a minimum assistance to the indigent entitled "Basic Family Assistance". This assistance is planned to be given to those with a daily income less than \$4.3. According to the data obtained from Turkish Statistical Institute (TÜİK), 2.27% of the population of Turkey lives on an income less than 4.3 USD. According to the projections of ASPB, Basic Family Assistance is granted to the 3 types of families indicated below:

- Type 1: According to TÜİK, there are 250.000 households with a daily income less than 4.3 USD. The Basic Family Assistance planned to be distributed to these households is equivalent to an annual total of 1.2 billion TL.
- Type 2: There are 68.000 households living in extreme poverty in society, which need essential assistance to continue their lives (117.00 individuals). The Basic Family Assistance planned to be distributed to these households is equivalent to an annual total of 326 million TL.
- Type 3: The most comprehensive distribution of the minimum income support. This distribution concerns 1.5 million households out of which the Ministry has targeted 870.000 and in this case, a resource of 4.1 billion TL must be allocated.

In this regard, it is advisable to start by giving the minimum income support to the 68.000 families living in extreme poverty as indicated in the projections of ASPB and subsequently, extend the scope gradually to cover the less indigent. It can be possible to finance the relevant amount from the budget and taxes as well as the accumulated cash in the unemployment insurance fund or savings that can be made in public expenditures.

The 'activity condition' required in return for the distribution of minimum income support can comprise of different contents such as working for a wage, job search, participation in a training and skill development programs or working in a 'social service' capacity. Such work usually consists of activities of a social service nature with a view on the improvement of an individual's living environment such as taking care of the elderly and sick people, helping them with their household chores, getting their medication, shopping for them, reading books or newspapers to them. Helping parents, who struggle with caring for their children, is also an example of work with a social service nature. Environmental cleaning, planting flowers and trees, house-painting, repair work, gardening are activities that are performed in return for assistance. Some of these activities might not be applicable in our country due to the cultural and traditional structure like live-in childcare and elderly care. However, it is possible to find activities beneficial for our society and appropriate to our cultural structure. It is also believed that working in various public organizations such as a student

dormitory, child care center, nursing home, working in activities offered by local administrations will not be problematic from a cultural aspect.

On the other hand, it is evident that many values such as the political structure, socio-economic structure, cultural elements, the law and human rights have an impact on the outlook of minimum income support in terms of the political decision makers as well as the public. The fact that different types of minimum income support have emerged in different countries is affiliated with these values and the relevant outlooks. Turkey should take the practices implemented in EU countries and other countries around the world into account; however, an "original" tailor made model should be established.

It is clear that the application of a minimum income support will have a positive impact on all disadvantaged groups starting with women, children and the elderly. Furthermore, only those who are in an age group fit for work will be steered for activation.

Individuals receiving minimum income support shall also be supported with social services in coordination with social assistance-social services. In this aspect, social services will have the impact of a social assistance support.

On the other hand, the minimum income support can become a driving force in the economy of Turkey. In this aspect, the minimum income support will invigorate demand within the cycle of investmentemployment-demand. Individuals, who have gained a certain amount of money with the minimum income support, will turn to buying which will invigorate demand. The invigoration of demand will have a positive impact on investments and production to realize an increase in employment. The mentioned economic dimension is very important; because, a strong economy can have a positive impact and contribution on minimum income support in various ways from financing to activation. Furthermore, in addition to the economic structure, division, redistribution mechanisms and tax policies play a supportive and complementary role in this structure.

The concrete works of the Ministry were discussed at the meeting held with ASPB officers on 26<sup>th</sup> of June 2014 for the social assistanceemployment affiliation. For example, in the Ministry, it was discussed that the state would pay the insurance premiums of recipients of home care allowance and that works were being carried out to have them under the coverage of the General Health Insurance. Since this type of care work is usually continued for a long term, the care-taker is unable to work in another job and when the person, who was being cared for, passes away or the requirement is no longer valid for any other reason; the care-taker returns to his earlier life in society without any insurance or job. Therefore, the Ministry's project is very important to resolve these issues. When this application is activated, the home care allowance will transform into a kind of minimum income support while at the same, an activity of benefit to society will be taking place.

Another issue, which has been discussed, is the need for a closer cooperation between İş-Kur and ASPB. For example, in the current application, the state deducts 5% of the premiums of the individuals, who have been placed into employment through the mediation of İş-Kur; similarly, premium deductions can be made for employment placements through SYGM-İş-Kur; furthermore, increasing the percentage can be an incentive. It is also possible for the state to offer different advantages to routings from SYGM to İş-Kur and any subsequent job placements.

On the other hand, by the application of the machine learning system, which is a feature of information systems, İş-Kur can automatically decide where to place an individual applying for a job based on data for job placement in the past; and thus, placing the right people into the right jobs can be facilitated. In the meeting held with ASPB authorities, it was indicated that provided the machine learning system was used if the individuals(jobless social assistance recipients) routed by ASPB to İş-Kur and did not accept a job within a certain period of time, the assistance coefficient of the individual could be reduced. The authorities indicated that on one hand, such an application would be incentive for employment while on the other hand; such an application would be a sanctioning method. However, in the beginning, this kind of sanctioning may not be necessary in the application of the minimum income support and that it would be a more reasonable and flexible approach to monitor the application in future years and decrease the coefficient in case of a necessity.

#### Conclusion

Today, a major transformation is ongoing in the socio-economic area due to the impact of globalization and neoliberal policies that are experienced throughout the world. This transformation has an impact on millions of people and results in the emergence of problems such as poverty, unemployment and social exclusion. Conversely, these problems result in a significant change in the demographical structure of the population; while on the other hand, they have a negative impact on the welfare policies of states and incur profound crises in the social security systems. All these developments have steered countries to search for new solutions. One of these solutions is to apply the minimum income support as a component of social assistance policies. Within this framework, the subjects of 'minimum income support' and 'activation' have been studied based on employment-oriented minimum income support system, which is the subject of this study and discussed in terms of its applicability in Turkey, in terms of the current accumulation of experience in the area of social assistance and practices implemented in EU countries.

The minimum income support applications in EU countries show that they can be used as examples in our country as well as other developing countries since they have the advantage of being in practice for long years and their scope is comprehensive. The Council of Europe has requested that member states legally guarantee that all residents, who are subjected to the income test and are eligible, are provided with the necessary resources and services to ensure that they can lead a dignified life for an indefinite time with a view on ensuring full socio-economic integration depending on their fitness for work. The European Social Charter requires that the governments must take effective measures against social exclusion and poverty, which cover individuals and families needing help or are under risk, and ensure that these individuals can effective access there measures. All countries, which are members of the Union, have structured a minimum income scheme appropriate to the conditions of their respective countries with more or less coverage in accordance with the conditions indicated in the relevant directives of which only have few have been mentioned above.

Currently, there is no applicable minimum income support scheme in Turkey. However, the studies conducted by ASPB regarding minimum income support and current applications, which resemble the minimum income support, are worth mentioning. ASPB has serious projects and recommendations in this regard. Assistance programs applied in Turkey that are similar to the minimum income support is the assistance provided within the scope of Law Number 2022, which is based on eligibility to ensure a regular income for the livelihood of the elderly and disabled who are unfit to work. The individuals can benefit from these disabled and senior citizen allowances, which are executed by the SGK, as long as their dependency status is valid. Furthermore, there are social assistance programs of a regular nature for children and youth. This assistance has not been designed to ensure the livelihoods of children and youth. The objective of the assistance is to ensure that children have regular health checks (conditional health assistance) and they are only eligible for the assistance if this condition is fulfilled. Although those assistances which are in regular basis, resemble minimum income support yet since the assistance is not designed to ensure a livelihood, it has a different structure. Health assistance is a kind of assistance and is activated to pay for any health related expenses when an individual requires a health check, health assistance differs from minimum income support due to its objective since it is not a cash transfer. Likewise, other social assistance programs intended for needy individuals have different structures from minimum income support; because, they are made irregularly on an incidental basis. The periodical cash assistance made by SYDV also resembles minimum income support. However, since this assistance is not based on 'eligibility', there is no guarantee of continuity. The SYDV may terminate the assistance at any time.

In addition, the state is involved in establishing temporary employment in the public sector (4C status) during periods of economic recession and/or in times when unemployment is high due to the reasons such as privatization. The wages given to such individuals are usually slightly above the minimum wage level and are in the nature of 'employment programmed minimum income support'. However, since those employed are not applied an income test and the continuity of the employment is not possible, when the employment is terminated the wages are also discontinued. On the other hand, since the individual receives regular, monthly, cash payments for a certain period and employment is activated, there is a slight similarity to 'employment programmed minimum income support'.

The loans provided by KOSGEB to support entrepreneurship, the vocational training and courses, social assistance given by local administra-

tions, micro-lending practices are also focused on employment and projects, which are related with ideas for minimum income support.

The assistance given to the elderly and disabled in accordance with Law number 2022 and the Conditional Cash Transfers are the closest applications to minimum income support in Turkey. The other applications, which involve both contending with poverty and unemployment as well as subsidizing needy individuals with cash supports, can be termed as 'being in the neighborhood of minimum income support applications'. Furthermore, the 'regular cash social assistance programs for widows' and the 'home care assistance program' are similar to minimum income support programs.

Although currently there are applications in Turkey, which ensure cash income to needy senior citizens over 65 years of age and disabled individuals, who are unfit for work (eligibility based), which resemble minimum income support applications and conditional cash transfers, there are no social assistance applications for those whose income levels are below the poverty line and are needy, but are not included in the elderly or disabled groups. By determining the income status of these individuals, they will be granted with additional income assistance in the form of a minimum income support as long as their status remains under the poverty line. The ultimate objective is to ensure that those, who are yet included in current social security and social protection systems and lack of the income level to fulfill their minimum needs, achieve this income. With the inclusion of the minimum income support in the social protection system, it will be possible to reach more people in society and even enable everyone to access minimum living conditions.

Many factors such as the unequal distribution of income, migration, problems regarding the social security system, unemployment, unregistered employment, the inability of the education system to fulfill the demands and necessities of the labor market, economic crises have an impact on poverty, which is why contending with poverty must be multi-faceted. On a macro level point of view, a fair sharing of income and the establishment of a social security system that covers the whole society should be achieved in order to ensure an economic growth that is strong and sustainable. A positive impact on contending with poverty with economic growth is possible only if it accompanied with social protection and the establishment of employment areas, which generate sufficient income. International Labor Organization (ILO) emphasizes the importance of the concept of decent work and that employment, income and social protection must be achieved without compromising the rights and standards of the employees. It is necessary to design the social assistance-employment affiliation in Turkey in such a way that the recipients of assistance, who are fit for work, are routed into the labor market as soon as possible like they have done in Europe in order to apply the minimum income support system within this framework.

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