



## **Annual National Report 2009**

### **Pensions, Health and Long-term Care**

**Turkey**  
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**Author: Oguz Karadeniz**

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On behalf of the  
**European Commission**  
**DG Employment, Social Affairs and**  
**Equal Opportunities**

Gesellschaft für  
Versicherungswissenschaft  
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## List of Abbreviations

	<b>Turkish</b>	<b>English</b>
Bağ-Kur/BK	Bağımsız Çalışanlar Sosyal Sigortalar Kurumu	Self-employed Persons' Social Insurance Institution (see BK)
DPT	Devlet Planlama Teşkilatı	State Planning Organisation
ES	Emekli Sandığı	Pension Fund for Civil Servants
IMF		International Monetary Fund
GSS	Genel Sağlık Sigortası	General Health Insurance
KEİG	Kadın Emeği ve İstihdam Girişimi	The Initiative For Women's Labour and Employment
MoH	Sağlık Bakanlığı	Ministry of Health
MoLSS	Çalışma ve Sosyal Güvenlik Bakanlığı	Ministry of Labour and Social Security
OECD		Organisation for Economic Co-operation and Development
SHÇEK	Sosyal Hizmetler ve Çocuk Esirgeme Kurumu	Social Services and Child Protection Institution
SSK/SII	Sosyal Sigortalar Kurumu	Social Insurance Institution
SGK/SSI	Sosyal Güvenlik Kurumu	Social Security Institution
SYDGM	Sosyal Yardımlaşma ve Dayanışma Genel Müdürlüğü	General Directorate of Social Assistance and Solidarity
TEPAV	Türkiye Ekonomi Politikaları Araştırma Vakfı	Turkish Economy Policies Research Foundation
TISK	Türkiye İşverenler Sendikası Konfederasyonu	Turkish Employer Association
TÜİK/TÜİK	Türkiye İstatistik Kurumu	Turkish Statistics Institution
TUSIAD	Türkiye Sanayici ve İşadamları Derneği	Turkish Industrialists' and Businessmen's Association
WB		World Bank

## 1 Executive Summary

In the last five years the Turkish social security system has gone through reforms in the areas of pension, health and long-term care.

**Pension:** The Turkish pension system has currently a financial deficit of 3.5% of GDP due to early retirement, a high replacement ratio and a low rate of contributions collection in 2008. In 2005, the MoLSS prepared a new reform, as a result of the system's inability to cope with rising poverty and the growing financial deficit, as well as population ageing. Almost all the social security institutions were unified under the name *SGK – Sosyal Güvenlik Kurumu (Social Security Institution)* - in 2006. A new law regulating pension contributions, including self-employed workers and civil servants, came into effect on 1 October 2008. With this regulation, the retirement age will be increased gradually beginning from 2036 for new contributors joining the scheme. The retirement age will reach 65 for both men and women by 2048. The accrual rate has been decreased from 2,6% to 2%. It was attempted to provide equality for self-employed and workers in terms of cover for invalidity, old-age and death. However, it was not possible to reach this goal for various reasons. Therefore, the scope of obligatory pension insurance is limited. Farmers and self-employed who are unable to pay contributions are excluded from the scope. The conditions for getting invalidity and survivor pensions have been aggravated. Moreover, some significant regulations have been formed aiming to decrease contribution evasion. It is predicted that financial deficits of the system will decrease to an insignificant level by 2050 and the system will be able to continue sustainably.

The Turkish pension system is stuck between the issues of securing financial sustainability and supplying adequate old-age pension. The pension reform has excluded 89.6% of women and 59.3% of men on incomes below the minimum wage for farmers. For self-employed (tradesmen, craftsman), this figure amounts to 71.5% for women and 21.5% for men. A tax-financed mean-tested pension is provided for over 65 years old. The minimum pension paid by the system was below the poverty threshold in 2008.

**Health:** The Government had planned to transform the health system since 2003. With this health reform it has aimed to separate the institutions providing health services from the institutions financing them, implementing a family doctor system in primary care, introducing referral routes for patients and implementing a general health insurance system along with improving human resources within the health service. The partial system dealing with financing the health system, expenditures and services, has been improved in terms of expenditures and services provided. Contrary to retrenchment in the pension system, health expenditures grew fast from 2004 onwards and reached 4.1% of GDP in 2008. The scope of the green card system, which provides health services for the poor, has been widened. As a result, out-of-pocket payments have decreased from 32.1% to 14.9% from 2003 to 2008. A general mandatory health insurance which includes the whole population was implemented in 2008. According to the TUIK Assessment of Household Budget Questionnaire in 2006, 19% of the population did not have a health insurance. After the introduction of the general health insurance system, the share of population not having any health insurance was decreased, mainly due to the coverage of everybody below 18 years by the general health insurance without contribution payment. The under 18 years old represented a lion's share of 43% of people without health insurance in the old system. However, issues concerning the accessibility to the health system remain. Groups at risk are self-employed with contribution arrears to the insurance system and the poor without a green card below the poverty limit.

One of the main problems of the system is how to collect health insurance premiums from people whose income is slightly above the poverty limit. It is assumed that as soon as the Payments Without Premium and Social Assistance Law came into effect these problems can be partially solved. The Law regulates the poverty limit and social assistance of the population excluded from the social security scope.

Through developing a family doctor system, introducing referral routes and moving to a computerised system, which is currently piloted in a small part of the country, it seems possible to make the health care system more sustainable.

**Long-Term Care:** In Turkey, tax-financed care services are provided to disabled people in need of care. There is a shortage of care institutions, not only in the private sector, but also throughout the public care sector. Since 2007, there is financial assistance available, which is twice of minimum wage, when care is received in a care centre. Moreover, assistance amounting to minimum wage can also be provided to the cared-for whose income is below two thirds of the minimum wage per capita by SHÇEK, if care takes place at home and the carer is one of the members of the family. This system also includes the elderly in need of care. Currently, 6.8% of the population is above the age of 65 and this rate is expected to reach 9.8% by 2025. Within this social solidarity system, care for the elderly may not be provided adequately. But according to recent research, the elderly prefer to be cared for by their family. However, it is predicted that, given the inefficiency of the current system, the problem will become more serious because of urbanisation and transformation from male-dominated big families to a nuclear family.

The global economic crisis has negatively affected the Turkish employment market and the social security system. The rate of unemployment has increased to 15.4%. The rate of premium income to compensate for the social security expenditures has decreased to 10% in February 2009 compared to the rate of January 2009 and the number of the people on unemployment benefit has risen by 264% from April 2008 to April 2009. Some measures are taken by the Government to cope with the economical crisis, such as decreasing the employer's part of the insurance premium by 5%, providing government-funded compensation for the premiums of young and female workers in order to increase their chance of being employed, increasing the period and amount of short-time work benefit, which is provided by the unemployment insurance fund in case of the economic crises, and also reducing the private consumption tax and value added tax (VAT), aiming to boost the economy.

## 2 Current Status, Reforms as well as the Political and Scientific Discourse

### 2.1 Pension

#### 2.1.1 Overview of the system's characteristics and reforms

The Turkish social security system has undergone radical reforms in the past three years. A restructure aimed at unifying all social security institutions under the same roof came into effect in 2006. However, although a regulation aiming to balance the premium and performance of the workers became law in 2006, it was blocked again by the Constitutional Court which opposed to some of the articles. Changes had to be made and a revised regulation came into effect on 1 October 2008. The articles dealing with pension reform aim to increase contributions income and decrease expenditures. Moreover, the reform claims to uniform the standards and norms for workers, civil servants and self-employed to make the system more equal by harmonising the different contribution bases and regulations. (MoLSS, 2005 & 2007).

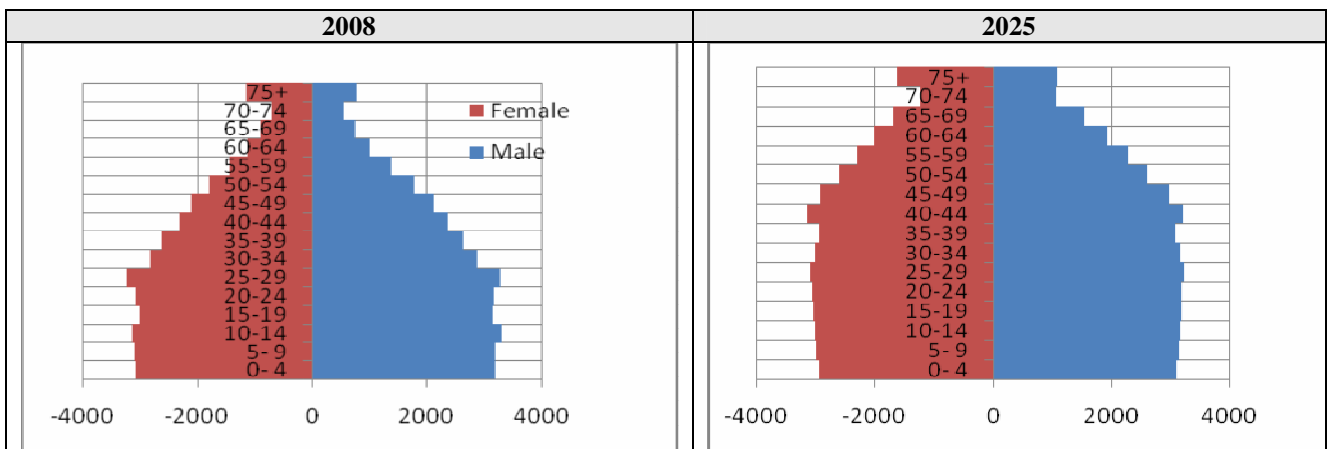
The precautionary package which will decrease pension expenditures and increase the premium incomes depends on the changes that will be applied to the pension parameters. These changes are: increasing the retirement age gradually beginning from 2036, increasing the contributory days from 7,000 to 7200 for workers, decreasing the accrual rate, the revalorisation coefficient and the old-age pension replacement ratio.

Several reasons have made the social security reform compulsory:

#### *Demographic Factors*

Turkey is getting older faster compared to other countries in Europe. It is estimated that by 2039, the population over 65 years of age will reach 14% of the total population (MoLSS, 2007:29). In 2008 6.8% of Turkey's population was above the age of 65. This figure is estimated to be 9.8% by 2025 (TUİK, 2009/a). In comparison, for this figure to rise from 7% to 14%, it took 115 years in France, 45 years in Germany and the United Kingdom, and 85 years in Sweden (MoLSS, 2007:29).

Figure 1: Population Pyramids in Turkey (2008-2025)



Source :Karadeniz, O., based on TUİK 2009a data.

### Deficits of Social Security System Financing

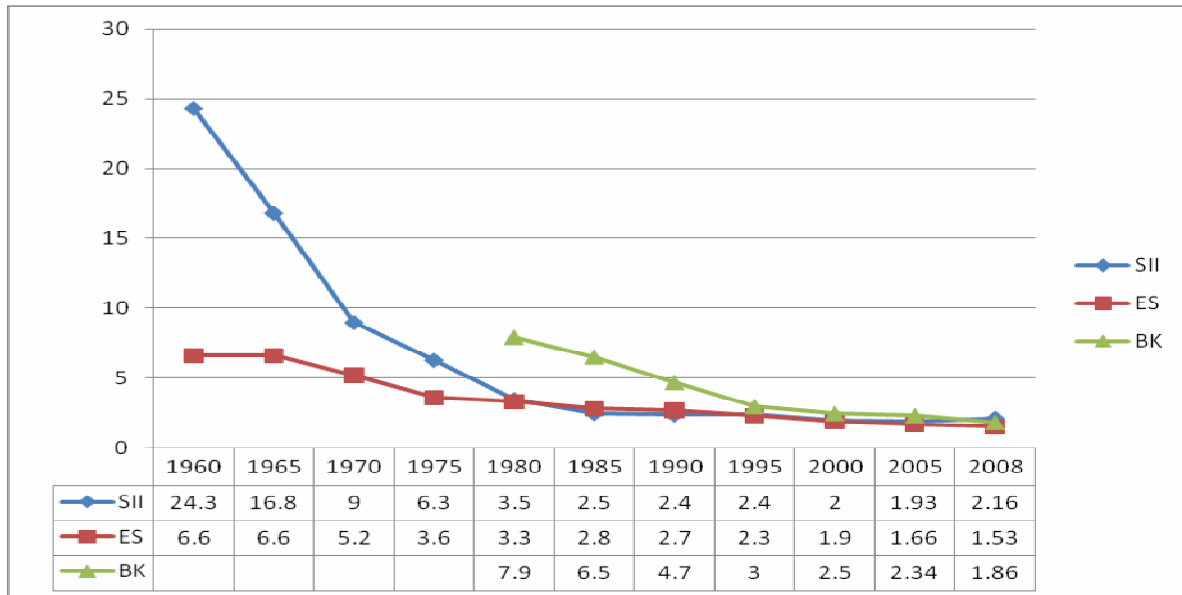
The social security system has been producing deficits because of issues such as early retirement, high replacement ratio, undeclared work, and the low rate of contribution payments. The deficit of the system has been compensated by transfers from the state budget.

The issues causing the deficits are analysed below:

#### Early retirement

The most important deficit-causing issue is early retirement. In particular, the provisions for retirement implemented in 1991 gave women the right to retire at the age of 38 and men at the age of 43. This provision had been used as a means of collecting votes for the subsequent election. The Government's official reasoning was that this measure would reduce unemployment. However, the relatively young retirees did not withdraw from the employment sector and continued working illegally with the benefit of health insurance cover due to retirement. On the other hand, until 2000 there was no unemployment insurance in Turkey. So, during this period (i.e. 1991-2000), the retirement income was a complementary income for the young retirees or could be seen as some form of unemployment benefit for people who were unemployed. Unemployment insurance was first introduced in June 2000 with payments launched only in early 2002. Many people who retired when they were quite young have sustained working unofficially and see their retirement pensions as complementary income (Özsuca, 1995:18). Retiring early has been perceived as a kind of unemployment insurance by Turkey's public (Ekin, Akgeyik and Alper, 1999:158; Işıklı, 1999:209). However, as a result of early retirement the system dependency ratio of the Social Security Institutions has decreased fast and was as low as 1.85 in 2008 (see Figure 2).

Figure 2: The system dependency ratio of the Social Security Institutions\*



Source: DPT, SGK (SSI), 2009/a

\* for full name of institutions see Abbreviation List, p. 3

In spite of a young population and a social security system with a distribution base used for financing, the system began to produce deficits even in the early periods of its implementation. With the reform in 1999, the retirement age for existing contributors has been gradually increased. Thus, the existing contributors still have the right to retire at a relatively young age and, thus, will be a long-term burden for the system until 2040.

### *Low contribution payments*

Until 2000, the minimum number of contributory days for workers to qualify for pension was 5,000 days, i.e. 13.5 years. However, if the low retirement age (38 for women, 43 for men) and life expectancy (75.8 years for men, 71.4 for men (TUİK, 2009a) are taken into consideration, the serious difference between the period of contributions paid and the period of old-age pension received becomes clear. If contributions were paid for 13.5 years, an insured woman could get an old-age pension for 37.8 years and a man for 28.4 years. The number of the contributory days was increased to 7,000 days for both men and women with the reform in 1999. But the plan for a gradual increase of the period for the current contributors, who pay for fewer contributory days, further maintains the burden on the system (DPT, 2007:17-18).

### *High replacement rates*

The replacement rates are high in Turkey. Thus, even if current contributors retire at a young age, they may have the right to a high old-age pension. For instance, the replacement ratio of a contributor to the SSK scheme who worked for 25 years is 90%, while it is 127% for a contributor to the Bag-Kur scheme, and 106% in the case of Emekli Sandığı (MoLSS, 2007:36-37). Moreover, increasing the current old-age pension by more than the inflation ratio is another cause of deficit within the system.

### *The difficulties in contribution collecting*

One of the most important factors causing the deficit within the system is the low contribution rate. The contribution rate is especially low with regard to self-employed workers. The contributions to the SSK are paid by the employers and its rate is higher compared to the other schemes. The SSK's contribution and late payment fee assets were TL 12.21 million in April 2008 (SGK, 2009/a). The collection ratio is 72.8% for SSK and 51.2% for Bağ-Kur (DPT, 2007:17). Although the self-employed are recorded to the social security institution, low contribution payment rates cause some problems in benefiting from social insurance benefits and being excluded for contributors to the Bağ-Kur scheme. As a result, being insured is just taken into consideration in the statistics. Many of the insured people cannot pay the contributions regularly.

### *Undeclared Work and Contribution Evasion*

In Turkey, the level of unregistered work is high. It is estimated that in 2009, 40.8% of the employed workforce work on an uninsured basis (TUİK, 2009/b). However, if the fact is taken into account that some employees are exempt from paying insurance according to social security laws, most of which work in the agriculture sector, it is estimated that 28.6% of employees outside the agriculture sector have been working without being insured (TUİK, 2009/b).

### *The Limitations of the Social Security Institutions' capacities*

Due to the fact that social security institutions had branches in most big cities but none in towns and villages, resulting in a lack of proximity to people and, thus, the limited ability to deal with retirement and health services on a local level, the social security system did not function effectively. No matter how perfect the social security laws are they are only effective to the extent they are enforced. SII has 99 insurance offices. 81 of them are in provincial centres and 18 of them are in districts (SSI, 2006 in Karadeniz 2007). The data processing infrastructures are not interlinked very well, which causes processing delays and facilitates abuse.



## 2008 Pension Reform

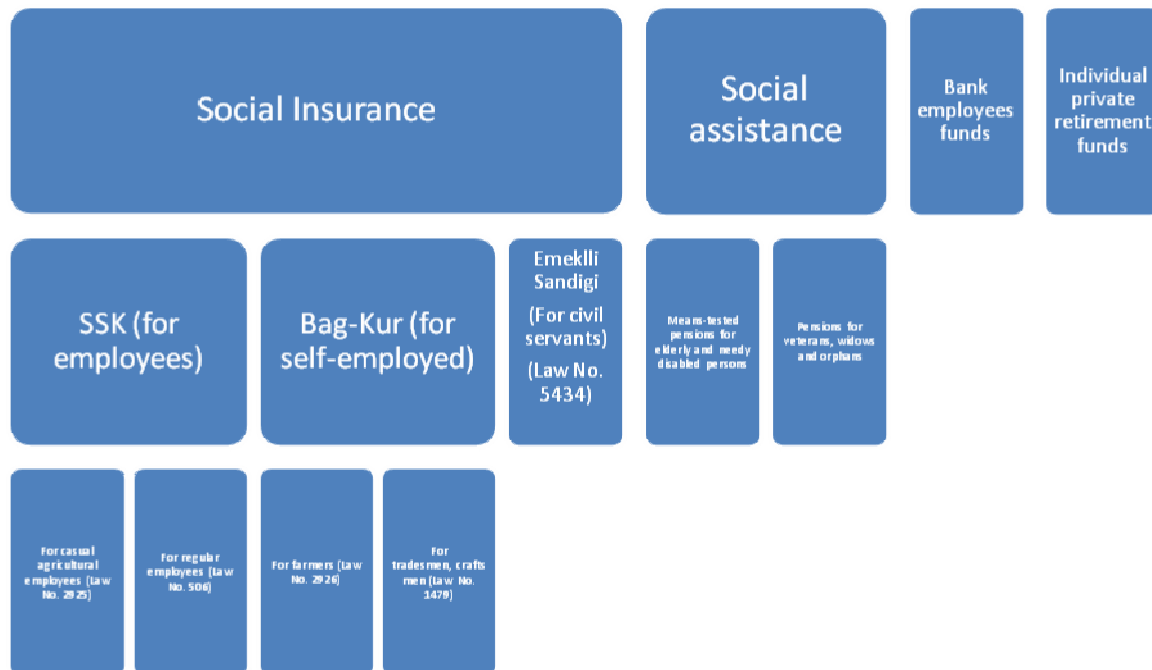
The issues justifying the social security reform have been listed in the white book, published by MoLSS as follows (MoLSS, 2005): the issue of sustainability within the social security system, population ageing, the issue of exclusivity and lack of equity within the social security system, lack of uniformity in terms of norm or standard between the different social security institutions, the system's inefficiency to cope with rising poverty, and the incompetence of social security institutions.

### *Restructuring of the Social Security Institutions*

Until 2006, social security of workers was provided by the Social Security Institution, social security of civil servants was provided by the Pension Fund for Civil Servants and social security of self-employed was provided by the Self-employed Persons' Social Insurance Institution. The unemployment insurance, which was established in 2000, is managed by the Unemployment Insurance Fund controlled by the Turkish Employment Institution. Moreover, there are specific funds run by banks established for their own workers.

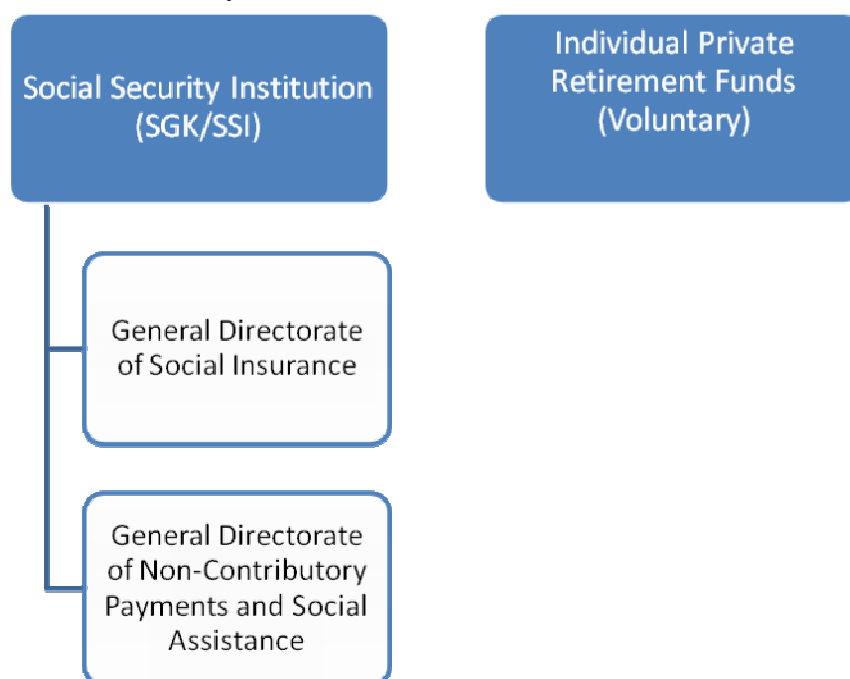
With the reform of the social security system, all centrally managed social security programmes, with the exception of Social Services and the Child Protection Unit, as well as the General Directorate of Social Assistance and Solidarity, have been united under the same roof and named Social Security Institution (SGK). Within the scope of the reform it is also aimed to open social security centres in individual cities and towns in order to solve problems on a local level (MoLSS, 2005). The pension system has been unified within the SGK, with the exception of private individual pension schemes (see Figure: 2).

Figure 3: Turkish Pension System before the Reforms



Source: Karadeniz, O.

Figure 4: Turkish Pension System after the Reforms



Source: Karadeniz, O.

The main measures to assure the financial sustainability of the system are listed below:

*Increasing the retirement age*

The retirement age will increase gradually for persons starting work for the first time after the reform and will reach 65 years for both men and women by 2048.

Table 1: Retirement age before and after reform

	The revised law as of 1 October 2008	The original form of the Law No. 5510 whose introduction was blocked	SSK (for employees)	BAG-KUR (for self employed)	ES (for civil servant)
<b>The retirement age</b>	58 years for women and 60 for men, gradual increase from 2035 reaching 65 for men and women by 2048	58 years for women and 60 for men, increase beginning gradually reaching 65 by 2036	According to Law No. 4447 from 1999, gradual increase from 38 to 58 years for women and from 43 to 60 for men	According to Law No. 4447 from 1999, gradual increase from 38 to 58 years for women and from 43 to 60 for men	According to Law No. 4447 from 1999, gradual increase from 38 to 58 years for women and from 43 to 60 for men

Source MoLSS, 2007

*The reduction of the accrual rate*

The Turkish pension system had the highest accrual rate among the OECD countries before the reform (MOLSS, 2008:4). It was 2.6% for a person who with 25 years pensionable service (MOLSS, 2008:10-11) The accrual rate has been established as 2% for new contributors for each insured years joining the scheme.

Table 2: Accrual rate before and after the reform

	The revised law as of 1 October 2008	The original form of the Law No. 5510 whose introduction was blocked	SSK (for employees)	BAĖ-KUR (for self employed persons )	ES (for civil servant)
<b>Accrual Rate</b>	2% for new contributors joining the SGK scheme	2.5% for each year according to the new system until 2016, and 2% after that	3.5% for the first 10 years, 2% for the following 15 years, then 1.5% for every subsequent year	3.5% for the first 10 years, 2% for the next 15 years and then 1.5% for every subsequent year	3% for the first 25 years and 1% for every subsequent year

Source MoLSS, 2007

### *The new revalorisation coefficient*

According to the previous law, for pension calculation purposes, the incomes of workers and insured were indexed taking into consideration the consumer price index (CPI) and gross domestic product (GDP), while according to the new regulation the indexing will be done by summing up 25% of the development pace of the GDP and the CPI. This means that the old age pension income will decrease when compared to the previous system. Thus, there will be a decrease in the average income for which a substitution rate will be applied.

Table 3: Revalorisation of the previous income before and after the reform

	The revised law as of 1 October 2008	The original form of the Law No. 5510 whose introduction was blocked	SSK (for workers)	BAĖ-KUR (self employed)	ES (For civil servants)
<b>The revalorisation of the income</b>	CPI+GDP*0.30 +1	50% of the CPI, 50% of the income	100% CPI and the real increase of GDP	100% CPI and the real increase of GDP	There is no update; the pension is calculated depending on the last salary

Source MoLSS, 2007

### *Increasing the number of the contributory days*

According to the original reform plans the required number of days was increased from 7,000 to 9,000. This regulation was decreased to 7,200 because of the objections and opposition of the trade unions. Nonetheless, civil servants and self employed workers still have to accrue 9,000 days.

Table 4: Number of the contributory days before and after the reform

	The revised law as of 1 October 2008	The original form of the Law No. 5510 whose introduction was blocked	SSK (for workers)	BAĖ-KUR (self employed)	ES (For civil servants)
<b>The number of contributory days</b>	No change for current contributors. It has been increased from 7,000 days to 7,200 days for new contributors joining the scheme. It is 9,000 days for self employed workers and civil servants.	No change for the current contributors. Gradual increase from 7,000 days to 9,000 days for new contributors joining the scheme	With the Law No. 4447 (1999), increase from 5,000 to 7,000 (i.e. from 14 to 20 years)	25 years	Women 20 years, Men 25 years

Source MoLSS, 2007

*Cancelling the opportunity for new contributors to work while receiving old-age pension*

Turkey has a young retired population because of its previously generous retirement regulations. Because of the promises given by political parties during election periods, early retirement regulations were advocated and passed by politicians to prevent and counteract unemployment. In 1992, women could retire at the age of 38 while men could retire at the age of 43. As a result, retirees, who were expected to withdraw from the labour market, continued working illegally. Normally, retirees should pay a premium called 'social security support premium' in order to both receive the old-age pension and work at the same time. However, many retirees and employers avoided paying this premium. It is estimated that in 2006 about 2,165,000 retirees worked illegally (MoLSS, 2007:61). With the revised reform, which came into effect in October 2008, the opportunity of new contributors joining the scheme after the reform to receive the old age pension whilst working at the same time has been cancelled. Certainly, this regulation will show its effect in the long run. However, the old contributors who joined the scheme before the reform will still be able to continue working whilst receiving the old age pension at the same time by paying the social security support premium.

*Invalidity pension*

Invalidity pension conditions were made difficult for workers by the rejected form of the Law No. 5510. The contribution period was increased from 1,800 days to 3,600 days (10 years). According to the revised law as of 1 October 2008, the contribution period is again reduced from 3,600 days to 1,800 days. But the period of insurance, which may include non-contribution periods, is determined as 10 years.

Table 5: Conditions for invalidity pension before and after the reform

	The revised law as of 1 October 2008	The original form of the Law No. 5510 whose introduction was blocked	SSK (for workers)	BAG-KUR (self employed)	ES (For civil servants)
<b>Invalidity pension conditions</b>	Period of insurance of 10 years and the number of contributory days 1,800. In the case of invalidity to the extend that a carer is needed, it is 1,800 days regardless of the insurance period	In the case that the person has been insured for over 10 years it is 1,800 days, if a carer is needed, the minimum insurance period is 5 years and there should be a minimum of 900 contributory days	1,800 contributory days or within an insurance period of five years, there should be minimum 180 days premium each year (900 days in total)	1,800 contributory days	3,600 days of service

Source MoLSS, 2007

*Survivor pension*

In the past, in order for a spouse or children of a deceased person to receive survivor pension, in the case of a deceased civil servant, the minimum contributory period was 3,600 days, for self employed workers it was 1,800 days, and workers had to have been insured for at least 5 years with 900 contributory days. The rejected Law No. 5510 (2006) foresaw the minimum of 5 years of insurance and 900 contributory days, according to the revised version of the law,

however, the contributory days are now 1,800 days for self-employed workers and civil servants. It is stipulated that workers accrue a minimum of 900 days, with the exception of periods of military service or maternity. Moreover, according to the previous system, in the case of a self-employed worker's death, no marriage benefit was given if the daughter married. Within the new system, a marriage benefit equalling the amount of 24 months of survivor pension will be given to the self employed person's daughter, the same as for workers. The benefit given to orphan daughters of civil servants has been increased from 12 months to 24 months survivor pension equivalent.

Table 6: Survivor pension conditions before and after the reform

	The revised law as of 1 October 2008	The original form of the Law No. 5510 whose introduction was blocked	SSK (for workers)	BAG-KUR (self employed)	ES (For civil servants)
<b>Survivor pension condition</b>	For workers minimum insurance period of 5 years with a minimum of 900 days of actual work For self employed workers and civil servants the period is 1,800 contributory days	minimum insurance period of 5 years and 900 contributory days	minimum insurance period of 5 years and 900 contributory days	1,800 contributory days	3,600 days of service

Source MoLSS, 2007

### *Coping with Contribution Evasion*

With the new reform some precautions have been taken to deal with undeclared work. IN particular the coordination between the institutions has been strengthened to check if contributions are paid or not. All the public institutions have to provide the social security institution with information it requires about workers. If they fail to do so, there will be an administrative fine. Moreover, banks are required to take the social security number of loan or account applicants and pass them on to the public institutions. The number of inspectors working with the local administrations has also been increased. In addition, there is an undeclared work report hotline to cope with undeclared work (SGK, 2008:1-2). These regulations are a part of the Combating Undeclared Work Project started in 2006. In November 2008, the compensation of 5% of the employer contribution by the state was an important regulation which has reduced the burden of employers' contribution payments. With the regulation in 2008, the Social Security Institution has been given the responsibility to facilitate information to widen the social security consciousness<sup>1</sup>.

<sup>1</sup> To do this, the institution has been given these responsibilities (Social Security Transaction regulation article no. 125):

- to carry out nationwide training in formal and higher education settings on the work of the institutions and organisations coordinated
- to develop precautionary systems for professional organisations, trade unions and other social partners and within the industry sectors and workplaces where uninsured work is high ,organising ways to inform and educate people
- to inform the public via print media, posters and other communication tools
- to organise Social Security Week activities,
- to analyse the behaviour and determine problems in respect of social security

According to the new pension system the minimum contribution base is the minimum wage, as defined by the Labour Law, and the contribution ceiling is 6.5 times the minimum wage. There is no limit for civil servants. For self employed workers, the previous application of income steps has been abandoned. Self employed workers pay their contributions out of the income which is between the contribution base and the contribution ceiling. Before the reform, farmers had a chance to pay lower contributions. With the rejected version of Law No. 5510, the contribution amount was higher but with revised version the contribution amount for farmers has been lowered again. However, the minimum contribution for farmers will increase gradually over the next 15 years to become equal.

### ***Other pension income***

#### *Individual Pension Funds*

The private pension system, which presents collateral pension income, was introduced to the Turkish social security system in 2001. In Turkey, there is no additional second pillar pension scheme available beyond the PAYG defined-benefit first pillar system, financed according to the principle of allocation of public social security funds (MoLSS, 2007:18). The voluntary private pension system serves as the third pillar, instead of the second pillar like in many countries. Joining the private pension system is optional. There is a tax incentive for participants and employers who pay contributions. The same incentive is provided regardless whether the participant gets a lump sum or a pension. There are 12 private pension companies in the private pension system. In April 2009, 1,791,316 people paid contributions. The amount of contributions until April 2009 (from 2001) was TL 5,783,000,000, and the total funds of the participants were TL 7,045,600,000.<sup>2</sup>

#### *Social Assistance and Services*

Social assistance and services financed by taxes are structured and organised within various institutions and programmes. Social assistance includes old age pension, invalidity pension, war veteran pension, survivor pension and orphan pension. Social assistance (lump sum payments) for the poor is provided by the General Directorate of Social Assistance and Solidarity.

A means-tested pension programme was introduced in 1976 (Law No. 2022). This programme includes the following pension provisions:

**a- Means-tested Old-Age Pension:** It provides old-age pension for poor and elderly persons above 65 years of age. The poverty threshold was TL 86.41 per person in April 2009. The pension amount was TL 86.41 in April 2009 (SSI, 2009/b).

**b- Means-Tested Old-Age Pension for needy disabled persons:** It provides old-age pension for poor, needy disabled elderly persons above 65 years of age. The poverty threshold was TL 86.41 per person in April 2009. The pension amount was TL 259.23 per person in April 2009 for people who are disabled to a degree of 70% or more (SSI, 2009/b).

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– to give a ‘letter of appreciation’ or a ‘certificate of social security responsibility’ to institutions or employers who fulfil all the criteria and obey the regulations, thus encouraging legal employment and securing and improving the sustainability of the social security system. Sosyal Sigorta İşlemleri Yönetmeliği, SGK, (SSI) [www.sgk.gov.tr](http://www.sgk.gov.tr) (12 April 2009).

<sup>2</sup> <http://www.egm.org.tr/weblink/BESgostergeler.asp#> (22.04.2009).

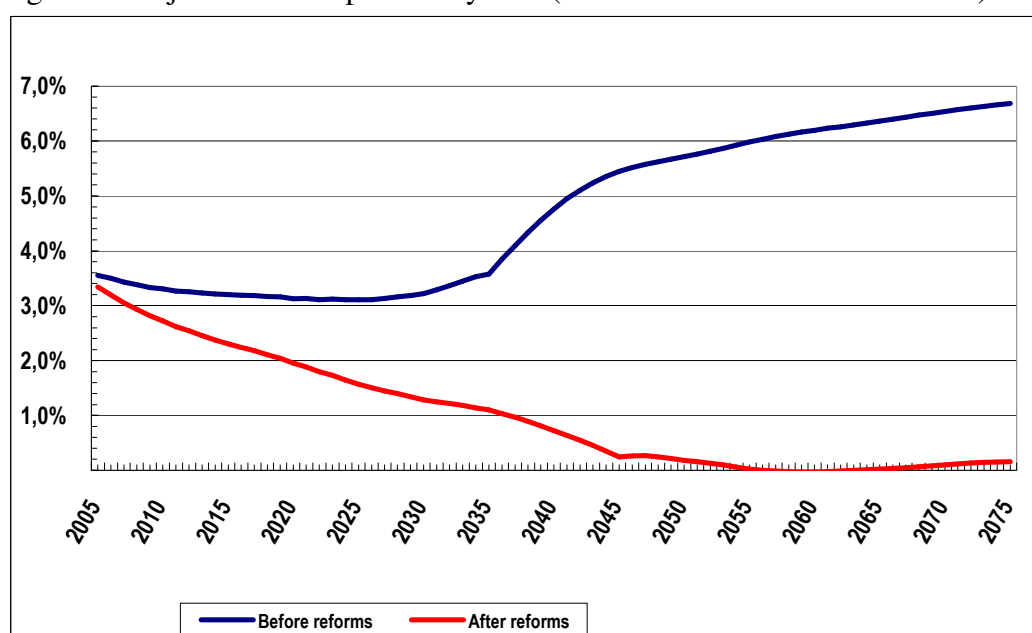
c- **Means-Tested Disability Pension for disabled person's family:** It provides disability pension for poor disabled persons aged 18-64. The poverty threshold was TL 86.41 per person in April 2009. The pension amount was TL 172.82 in April 2009 for disability degrees between 40-69%. If the disability exceeds 70%, the disability pension amounts to TL 259.23. (SSI, 2009/b). If a disabled person under 18 years of age is cared for by a relative who is in financial hardship, this relative can receive a disabled relatives pension (TL 172.82).

## 2.1.2 Overview of debates/political discourse

Currently, the Turkish pension system has a deficit of about 3.5%. If the previous system had not been subject to reform, it was expected that the pension system's deficit, compared to GDP, would increase to 5.7% by 2050 and 6.7% by 2075 (MoLSS, 2005:51). After the reform, it is assumed that there will be a decrease in the pension system deficit in the medium and long term. It is estimated that with the decrease of pension system deficits, there will be an increase in the social assistance to the poor (MoLSS, 2005:51). It is expected that, with the deficit decrease and the gradual increase of the retirement age from 2036, the deficit level will be at an ignorable low level by the 2050s (MoLSS, 2005:50-51).

In Figure 5, the projection of the pension system is shown before and after the reform.

Figure 5: Projection of the pension system (as % of Gross Domestic Product)



Source: MoLSS, 2005

The reform has been regarded positively by employers with the exception of the additional contributions and administrative burden. The employers have generally complained about the increase in the contributions burden. (TISK, 2006). Nonetheless, the Turkish Industrialists' and Businessmen's Association (TUSIAD) has stated that the retirement reform is essential for financial sustainability. It has also stated that, because of the increasing taxes, social security deficits are not encouraging economic growth, on the contrary they are dissuasive in nature (Sabancı, 2004).

In a 2004 report by TUSIAD the effect of a pension system reform on the social security system was analysed on the basis of economical indicators. Several reform models are discussed in this report. One option suggested was to cancel the PAYG scheme and to transfer the pension system to individual, fully funded pension accounts; the contribution burden would disappear and the real wages and gross domestic product would increase by 20%, the capital stock would increase by 65% and interest rates would decrease from 8.5% to 4.5% (Imrohoroglu, 2004:148). Another reform proposal analysed was to introduce a three pillar model. The first pillar would depend on the distribution base and would include everybody. A replacement ratio of 25% is recommended and it is suggested that the premium rate be reduced to 7%. The second pillar is suggested to become a fully funded mandatory pension scheme administered by the private sector. 8% contributions rate is recommended. The current individual pension scheme would form the third pillar, which would be optional (Alper et.al., 2004: 166-168). As a result, a total reduction in contributions of 15% would lead to an increase in the individual's available income, while decreasing ancillary labour costs for the employer, which would encourage registered employment (Alper, et al. 166-168).

In the reform period, especially the self-employed workers and the farmers who have gained new rights with the reform didn't react neither in favour nor against the reform plans (Alper, 2005). Only the increase in the social security support contribution deducted from employed retirees of the Bag Kur scheme has caused strong reactions by the self-employed.<sup>3</sup>

Regulations introduced after the rejection of some articles of the reform law by the Constitutional Court have attracted the attention of employees (workers and civil servants). During the debate of the revised reform law in March 2008 at the Turkish Grand National Assembly, the Labour Platform (trade unions and NGOs) protested against the reform plans in their biggest action of the past 20 years (TURK-IS, 2008:11). On 14 March 2008 the workers all over the country went on a two-hour strike. As a result, the trade unions and the Government negotiated an agreement and some of its important outcomes dealing with pensions are listed below (TURK-IS, 2008:22-23):

- 1- The reduction of contributory days from 9,000 days to 7,200 days.
- 2- Keeping the accrual rate high for the current contributors: The accrual rate for the contributors who joined the system before the reform is 3% for the first 10 years, and 2% for subsequent years. For contributors who joined after the reform the replacement ratio is 2% for every year.
- 3- The co-financing share given from the state budget is increased from 25% to 30%.
- 4- The marriage benefit given to orphan girls is increased from 12 times to 24 times.

According to OECD, the implemented reform of the pension system is not sufficient and an extra reform is needed. Turkey cannot benefit from its demographic opportunities with such high social security deficit. OECD experts see three main points requiring an additional reform (Brook, Whitehouse, 2006:23-24):

- 1- Encouraging the middle-aged retirees to continue to be in registered employment or increase incentives for them to go back into registered employment. This could be done by increasing the inspection of retirees, decreasing the old-age pensions of early retirees

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<sup>3</sup> If the retired self-employed start to work again, 10% contribution is cut off their pension benefits. This contribution is increased to 15% gradually after the reform.



(before the legal retirement age), taxing the pension income and deducting the health insurance premium from their pension, cancelling any ‘golden handshake’ payment upon retirement.

- 2- Decreasing the burden of employer and employee to allow for the development of the registered employment sector.
- 3- Establishing a pension system which ends anxiety of further old-age poverty. Eliminating the shortfalls of the system, which can provide unskilled workers an opportunity to pay lower contributions and be included in the system although they already receive old-age pension, increasing the amount of tax-financed minimum old-age pension for the poor and developing economic schemes to include the people currently excluded from the system.

### 2.1.3 Impact assessment

In Turkey, the problems within the social security system stem from financial and structural issues, and these problems have aggravated each other (Acar, Kitapçı, 2008:86). Social security system deficits have increased the necessity of public debts. The high interest rates have brought a big burden to the budget and this has a negative impact on social security financing and income distribution with the poorest being the worst affected (Acar, Kitapçı: 2008:87). However, as a result of populist views and lobbyism it has become impossible to solve the serious problems of the system. On the one hand there is a financing shortage, on the other hand there are the entitlements of the current retirees, and this requires a balance. Moreover, the system has been criticised for becoming “*more contributions and less pension*”. (Guzel, 2006:177). In addition, there is criticism claiming that a reform which depends on IMF and WB cannot suit the Turkish social security system and that the situation is quite different from the model. (Guzel, 2005:63). It is also claimed that the new reform differentiates the system from the one which applies the principles of Bismarck’s social security system, and that it has a negative financial impact on the individual members of the system (Güzel, 2005:66). On the other hand, however, it is assumed that a full or partial privatisation of the pension schemes will cause income inequality (Elveren, 2008:230).

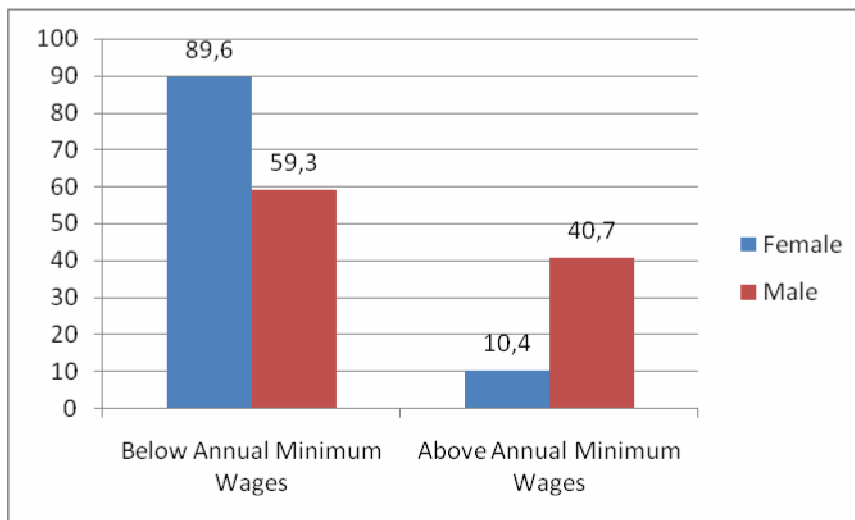
According to another point of view, the role of social security to prevent poverty is exaggerated. The problem is structural and lies beyond increasing the retirement age and stems from the labour market. It is stated that, if unemployment can be prevented and employment can be increased with the increase of the number of the people insured, it may be possible to compensate the deficits of the system (Kapar, 2004). Another issue often criticised is that the reform damages the solidarity between the generations (Kapar, 2004).

The effect analysis of the reform is performed below in terms of certain labour groups, their pension rights, payments and benefit. The reform has minimised the scope of the obligatory insurance and the people who cannot pay the contributions have been excluded from the system. When these people reach the age of 65, they will be able to benefit from a tax-financed old-age pension. However, this benefit is quite low currently as the new social benefit regulations which aim to increase the social assistance scope and amounts are not implemented yet.

### 2.1.3.1 Insurance coverage of self-employed workers

Especially for self-employed workers (tradesmen, craftsmen, and farmers) the scope of the obligatory insurance has become narrower. Based on the regulations according to Law No. 5458 (from 2005), farmers with an income below minimum wage were excluded from the insurance system. According to the analysis of a household survey conducted in 2003, 55% of farmers had an income below the minimum wage and were, therefore, excluded from the system (Karadeniz 2006:96-97). Within the survey, the gender ratio was also analysed (Karadeniz 2008/b). In the agricultural sector, 89.6% of women and 59.3% of men had an income below the minimum wage. Thus, it can be said that especially women have been affected negatively by this regulation (KEİG, 2008:45). In addition, a former regulation that gave farmers the opportunity to pay lower contributions compared to other self-employed workers was cancelled. The gradual increase in contributions for the poor who cannot pay these contributions regularly will have negative effects on the system. Moreover, a draft law designed to regulate social assistance for people below a certain income level has not been passed yet (Karadeniz et al. 2005). Thus, it is unclear to what extent farmers will in future benefit from social assistance and services.

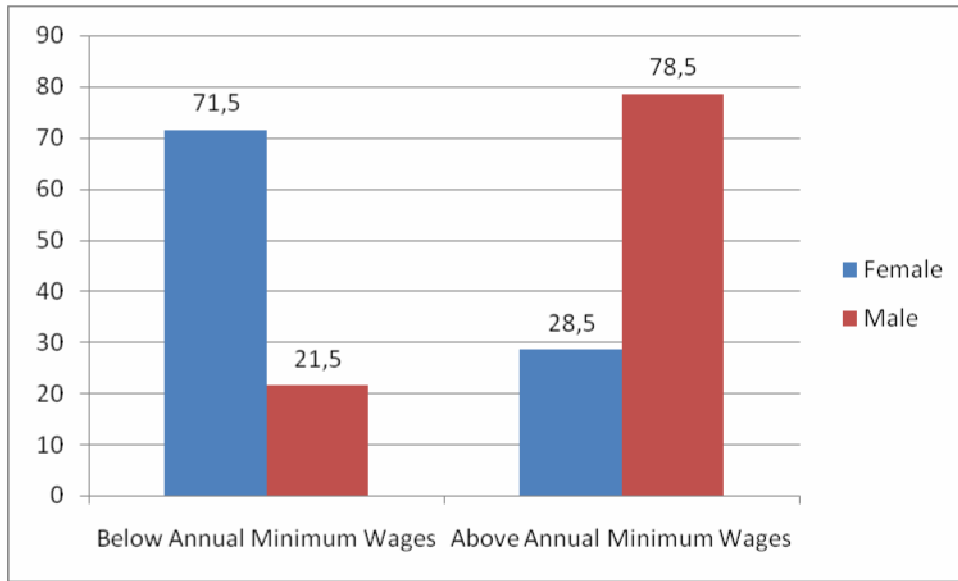
Figure 6: Annual income and gender – Farmers, 2006



Source: Karadeniz, O., 2008/b; based on figures from TUIK Household Budget Survey 2006

Tradesmen and craftsmen whose income is below the minimum wage are, like farmers, also excluded from the obligatory insurance scheme according to Law No. 5510. However, if these people want, they can join the scheme on a voluntarily basis.

Figure 7: Annual income and gender – Tradesmen and Craftsmen



Source: Figures from TÜİK Household Budget Survey 2006 by author in Karadeniz 2008/b

If we look at the issue from the point of view of self-employed workers, Law No. 5510 brings new rights, however there is still a big difference between the norms and standards of self-employed workers one hand and workers and civil servants on the other. It was already stated that the differences have increased after the Constitutional Court rejected some of the articles of the reform (Alper, 2009:10). For example, the contributors insured according to 5510/4-a can benefit from survivor pension on condition that they reach 900 contributory days. For self-employed workers however, the period is 1,800 days. This triggers problems related to inequity within the norms and standards between workers and self-employed (Alper, 2009:11-12).

Another problem is the declaration of lower earnings in order to pay low contribution. The contributions are paid according to a declaration, and, thus, the system depends on the theory of benefit cost analysis, which is more suitable for the principles of private insurance systems (Alper, 2009:11). Moreover, it is also known that the relationship between the low contributions and low old-age pension aggravated the problem of the self-employed being a “third-class insured”, and the system will not be able to prevent poverty (Alper, 2009:11). If the contribution payments are based on the contributor’s own declaration and is not supervised by an auditing mechanism, the declaration of 90% of the self-employed worker (99% of the farmers) shows that they are grouped at the level of minimum income and low income (See Table:10 )

The contribution intervals according to the declaration of farmers and self-employed (including tradesmen, craftsmen) are listed below.

Table 7: Contribution intervals according to the declaration of farmers, self employed including tradesmen and craftsmen

Contribution intervals	Tradesman, Craftsman and Other Self-employed Number of Persons	% of Total	Farmers Number of Persons	% of Total
101-200	--		1,142,937	99,36
200 - 300 TL	1,980,560	91,67	6,776	0,59
301 - 400 TL	114,786	5,31	418	0,036
401 - 500 TL	40,520	1,88	69	0,006
501 - 600 TL	12,214	0,57	16	0,001
601 - 700 TL	3,690	0,17	15	0,001
701 - 800 TL	2,369	0,11	64	0,006
801 - 900 TL	1,221	0,06	0	0
901 -1000 TL	586	0,027	0	0
1001 -1100 TL	771	0,036	0	0
1101 -1200 TL	285	0,13	0	0
1201 -1300 TL	191	0,009	0	0
1300 TL +	3,329	0,15	0	0
<b>Total</b>	<b>2,160,522</b>		<b>1,150,295</b>	

Source: SSI 2009/b

### 2.1.3.2 Part-time workers and home based workers

Workers who have flexible working hours, home workers and temporary agricultural workers are generally people who need social security most and are the most vulnerable in terms of pension income.

The employers' contributions burden has been decreased for part-time workers. However, it is very difficult for part-time workers to accrue enough contributory days to retire. There is, however, the option to pay the lacking contributions for each month. However it seems impossible for them to pay these contributions due to their low wages. The contributory days are calculated by adding the working hours and dividing them by the full-time working hours according to Labour Law. For example, if a part time workers works 3 hours a day, i.e. 60 hours a month, this amounts to  $60/7.5 = 8$  contributory days. Thus, this part time worker will accrue 96 contributory days a year. This person will have to accrue 5,400 contributory days to qualify for old-age pension, i.e. he or she has to pay contributions for  $5,400/96=56.25$  years. It is obvious how difficult it is for these people to reach these thresholds (Karadeniz, Yılmaz, 2007/a:31, KEİG, 2008:39). This situation may easily lead to these people being excluded from the system. Moreover, even if a part-time worker accrues the minimum contributory days (5,400 days), they'll only be entitled to a low pension because of the low replacement ratio (KEİG, 2008:40).

In the previous system, home workers were not insured. Thus, especially home workers working from home for the textile industry were excluded from the obligatory insurance scheme (Karadeniz, 2004). The home workers who started work before the reform can now insure on a voluntarily basis paying reduced contributions and thus earning pension entitlements. Home work is very common in the textile sector. The home workers'

contributions will be increased by one percentage point until they will reach the level of average workers' contributions.

### **2.1.3.3 Pension reform and women**

It is estimated that the negative effect of women being excluded from the obligatory insurance system will be higher when the scope of the reform is analysed in terms of self-employed tradesmen, craftsmen and farmers and temporary casual agricultural workers (Karadeniz 2006, Karadeniz 2008/b, KEİG 2008:7-8). It can not be ignored that this situation has negative effects on women employment in Turkey, where women's labour participation is comparatively low<sup>4</sup>. If pension payment is linked to wage and contribution, this goes against women because they generally pay lower contributions because of the maternity, and child raising (Asilbay, 2008:9). Thus, gender inequalities can be aggravated because of the reform (Asilbay, 2008:13).

On the other hand, although there are some negative effects, there are some regulations which can have positive effect on women's social security:

1. Periods of childcare are considered as contributory periods. Women may pay contributions on a voluntarily basis for up to two years of child bearing (up to two children, i.e. for a maximum of 4 years).
2. Women who care for disabled children will accrue 450 contributory days for each insured 360 days according to the new reform. These periods will decrease the retirement age (Law No. 5510 article 28).
3. The inclusion of female home based workers paying low contributions to the social insurance system and the regulation of the right of farmers to retire paying low contributions (albeit with increased contribution payments) are among the important and positive regulations to provide insurance in the sectors where most women work.

## **2.1.4 Critical assessment of reforms, discussions and research carried out**

### **2.1.4.1 Adequacy of pensions**

With the pension reform in 1999 and the reform of 2006, which only came into effect in 2008, the PAYG system was not abandoned. However, the replacement ratio and the increase in old-age pension were regulated again (MoLSS, 2007:20). The reform has strengthened the relation between contribution payments and old-age pension benefits. Means-tested tax-financed pension payments for elders are very low and lie below the absolute poverty threshold (Brook, Whitehouse, 2006:22). It is suggested that the means-tested pension should be increased to the absolute poverty line (Brook, Whitehouse, 2006:22).

On the other hand, especially the current SSK and BK minimum pensions are low and only marginally above the absolute poverty line (DPT, 2007:16-17)<sup>5</sup>. It should be considered that pensioners live with their families. Thus, one pensioner supports a whole family. The minimum SSK pension is 1.22 times the poverty line for 2 people. This ratio is even lower for

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<sup>4</sup> Women labour participation ratio was 23% in January 2009. (TUIK, 2009/b)

<sup>5</sup> The absolute poverty line contains both food and non-food expenditure.

BK retirees (0.63 for farmers, 0.94 for tradesmen and craftsman). According to a recent life satisfaction survey 86% of retirees consider their pension amounts as not adequate (TUIK, 2008 Life Satisfaction Survey).

Table 8: Minimum Pensions in relation to Food and Absolute Poverty Lines (in TL)<sup>6</sup>

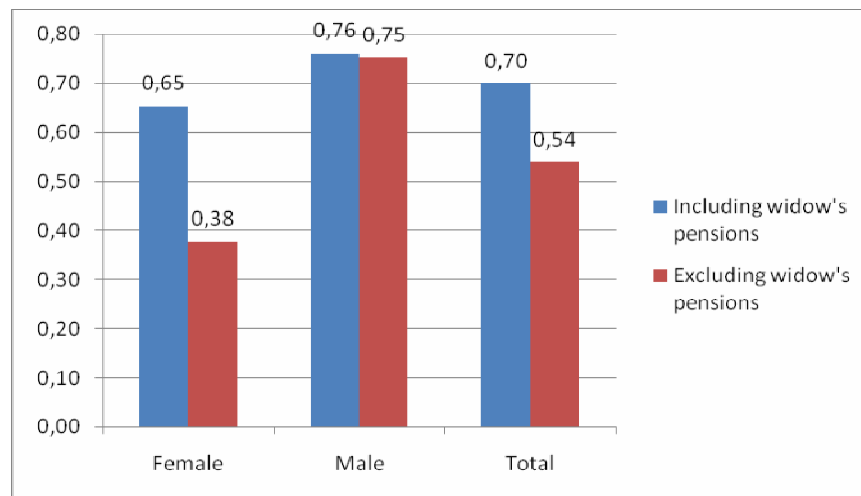
	Minimum Pension	Pension/Food Poverty Line ratio	Pension/Absolute Poverty Line ratio	Pension/Food Poverty Line ratio for 2 persons	Pension/Absolute Poverty Line ratio for 2 persons
SSK	576	4.9	1.8	3.2	1.22
BK (Farmers)	300	2.6	1.0	1.7	0.63
BK (Other)	445.7	3.8	1.4	2.5	0.94
ES	741.3	6.3	2.4	4.2	1.57
Means- tested pension for elderly	83.0	0.7	0.3	0.5	0.18
Means- tested pension for needy elderly	249	2.1	0.8	1.4	0.53

Source: SGK (SSI) 2009/b, SGK (SSI), 2009/c TUIK, 2008

#### 2.1.4.2 Social security coverage

It is estimated that 63% of the population above the age of 65 receive a pension from social security schemes. But it is also estimated that elderly people who do not receive a pension are probably a spouse and they will be potential survivor pension beneficiaries (Brook, Whitehouse, 2006 : 20). These figures are derived from 2007 data. We took into account old-age pension, means-tested pension, invalidity pension and survivor allowance in the total population above 65. It is considered that widows can receive their own old-age pension. Considering these parameters, it is estimated that 70% of the population are covered by the Turkish pension system. If widows are not taken into account; the population coverage ratio is only 54%. Especially the rate of female elders receiving benefits from different pension types is low compared to male.

Figure 8: Coverage of Social Security Pensions (pensioners above 65 years, in 2007)



Source: Karadeniz, O., based on data of SGK, (SSI), 2007, TUIK, 2009/a

<sup>6</sup> EUR 1 equals TL 2.12

However, there is a need to provide micro insurance programmes or to continue the schemes which provide an opportunity to retire, albeit with a low old-age pension, by paying low contributions (Brook, Whitehouse, 2006:24). Although the impact of the social security reform has been softened by the regulations coming into force in 2008, it is attempted to balance the conditions of the risk groups who struggle with contribution payments on one hand and providing uniformity of norms and standards on the other. People below the poverty limit may receive old-age pension financed by taxes provided through the social assistance programme. However, this kind of pension provided for the poor is not sufficient yet. The regulation dealing with this assistance has not come into law yet. Another important aspect is the abuse control of the micro-insurance programmes: In the past, many people working in cities declared themselves as casual agricultural workers for insurance purposes, so that they could pay lower contributions (Karadeniz, 2007).

#### **2.1.4.3 Financial sustainability of the pension system**

Turkey has a favourable demographic profile until 2030. Thus, the pension reform is important to ensure financial sustainability of the system and an effective use of resources. Due to the previous populist politics in the election periods, e.g. to finance pensions for young retirees, the next generation will have to pay extra and receive lower pensions, which creates financial injustice between the generations (Brook, Whitehouse, 2006:14). With the regulations in place today it seems impossible to tax the high old-age pension according to the contributions that were actually paid or to increase the retirement age of current contributors because they are regarded as 'gained rights'. Moreover, decreasing the old-age pension, which is already regarded by retirees as inadequate, seems impossible, too. It is known that these measures cannot be put into action due to the adverse reactions they would cause among the public. All these issues illustrate the dilemma the Turkish pension system is facing in terms of maintaining the system financially sustainable.

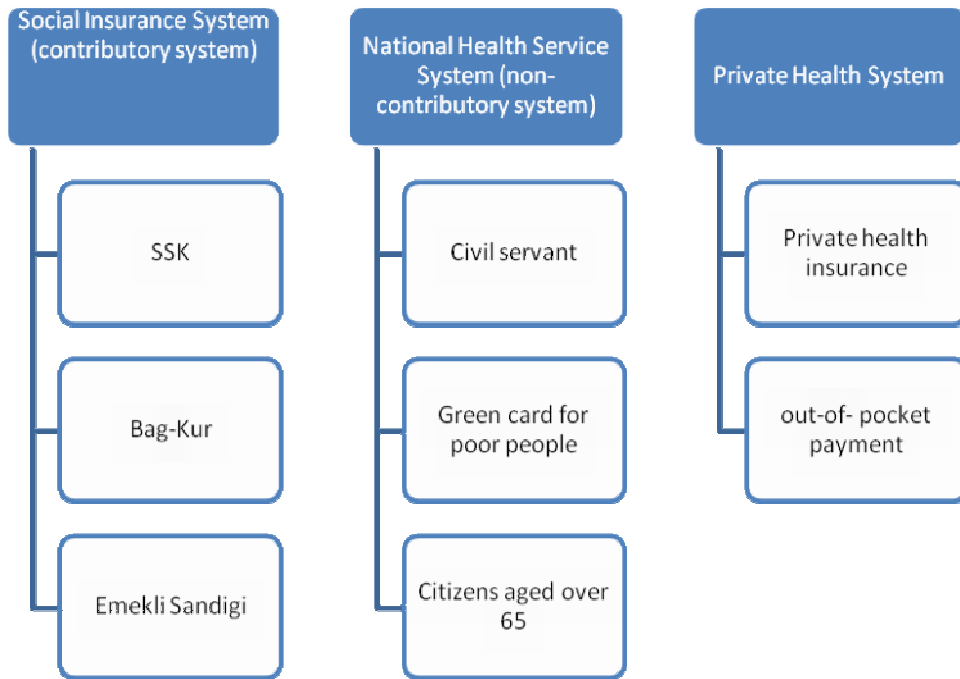
It is, however, feasible to assume that decreasing the replacement ratio might encourage people to work on a registered basis in order to earn higher old-age pension entitlements. For instance, if a contributor has worked for 20 years and has accrued 7,200 contributory days, he or she is entitled to a pension with a replacement ratio of 40% ( $20 \times 0.2 = 40\%$ ). This would be 50% after 25 working years ( $25 \times 0.2 = 50\%$ ). This can also lead the contributor to declare their real income, as it means that they will be entitled to a higher old-age pension.

## **2.2 Health**

### **2.2.1 Overview of the system's characteristics and reforms:**

In Turkey, the institutions and the financing methods of the health care sector had only a partial structure before 2004. In the new system, everyone is included in the general health insurance system. However, for people with a green card and for civil servants, membership in the general health insurance system was postponed for another three years.

Figure 9: Health Care System and its Financing before Reforms



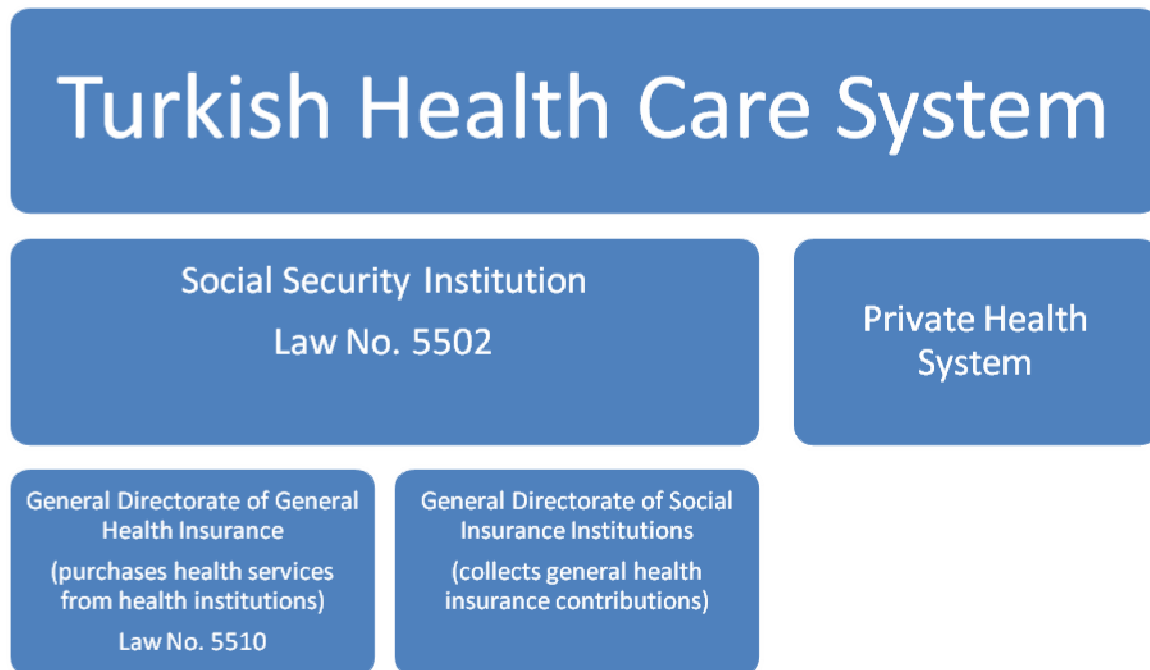
Source: MoLSS 2005: 26

In the previous system, members of the SSK insurance benefited from SSK hospitals, but they were inadequate in numbers (see Holzman, 2004:70ff). Tradesmen, craftsmen and farmers paying contributions to Bağ-Kur used to pay for health insurance as an optional choice. These people used to benefit from state hospitals or university hospitals. Pensioners and civil servants who were paying contributions to Emekli Sandigi used to benefit from all hospitals. The health insurance of the poor, with an income below one third of the minimum wage, and those who were not included in any system were provided via a green card system free of charge. Access to health care services varied according to the difference in membership. The expenditures for the outpatient care of patients with a green card were not provided for.

There were differences in the financing of the system, too. The health care expenditures of SSK and Bağ-Kur were covered by contributions, while civil servants' expenditures were covered by the institution they worked in. In 2003, with the *Project of Transformation in Health*, conducted by the Ministry of Health, the targets for the health service ratio were met. In 2004, the first SSK hospitals were put under the scope of the Ministry of Health. Thus, members of the SSK were able to benefit from all the health centres. The health services for green card holders were also improved and developed.



Figure 10: Turkish Health Care System after the Reform



Source: Karadeniz, O.

The Law of General Health Insurance was combined with the law regulating the cash benefit provided to other insurance branches (work accident, occupational diseases, and maternity) and came into effect on 1 October 2008. With a few exceptions, the general health insurance covers all the people living in the country. However, civil servants and green card holders were excluded from the general health insurance system<sup>7</sup>.

The services available through the general health insurance are listed below (Law No. 5510/article 63):

1. Protective health services,
2. Outpatient and inpatient care
3. maternity care (outpatient and inpatient)
4. dental care (outpatient and inpatient)
5. artificial insemination treatment (in-vitro fertilisation)
6. Within the scope of the provided treatment methods and services are: blood and blood products, vaccines, medicines, prostheses, medical equipment for individual use, medical materials for diagnosis and treatment, repair, renewal and maintenance of medical equipment etc.

The contribution rate of the general health insurance is 12.5%. 5% paid by workers and 7.5% by employers. The contribution rate is 12.5% for self-employed and 12% for people who do

<sup>7</sup> Government offers health services to civil servants and green card members. It's financed taxes from state budget. Pervious system will continue for 3 years after the reform. Then poor people and civil servant's general health premiums will be financed by state budget.

not work (Law No. 5510/article 81). The contribution rate of those with incomes below one third of the minimum wage is paid by the state.

There is an option to pay lower contributions for those whose income is above one third of minimum wage but below minimum wage.

The reduction of waiting times before using insured health services is another important point of the reform. Prior to the reform, workers had to have paid health insurance contributions for a minimum of 90 days before the date their illness was diagnosed, and this period was 120 days for their family members. For civil servants there was no waiting time. For the self-employed, this period was 8 months. The period has been reduced to 30 days for workers and self-employed workers and their families (Law No. 5510, article 67/a). Thus, the insured have easier access to health services.

Applying general health insurance effectively depends on obeying the referral routes. If the insured people do not obey referral routes, the expenditure of their attendant is not paid (Law No. 5510, article .40-4).

### **2.2.2 Overview of debates/political discourse:**

The introduction of a general insurance system had been debated for years and it was present in the development plans. However, it was never put into action. It was, for example, included in the Urgent Action Plan of the 58<sup>th</sup> government<sup>8</sup> and the activities related to it provided the first steps of the system's implementation.

The following objectives were planned (MoH, 2008:20):

- 1- The Ministry of Health should strengthen its supervising and planning duties and give up the provision of health services
- 2- A general Health Insurance system should be implemented
- 3- Strengthening the primary care and transition to a family doctor system, furthermore changing the administration system of the health institutions into self-governing establishments, establishing a strong referral routes
- 4- Providing a highly motivated, knowledgeable and skilled workforce
- 5- Establishing a national health information system (E-health) and making it consistent with the general health insurance system.

The reasons for the introduction of a general health insurance system by the MoLSS are summarised below (MoLSS, 2005:27):

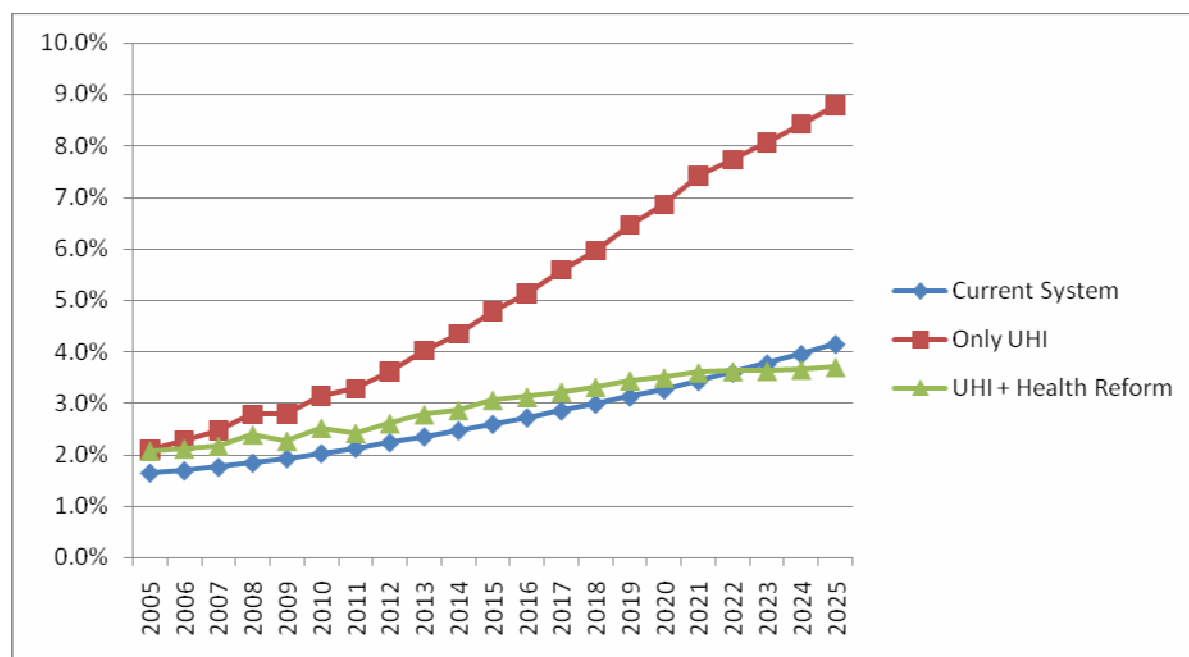
Not everybody in Turkey was covered by public health programmes. The structure of the health service before the introduction of the general health insurance system was partial and disorganised. Applying second or third step health service presenters before using the first step caused inefficiency in health expenditures. The newest approach by general health insurance is to start risk management and to develop protective health services. Between 1996 and 2001 the share of health protection in the health expenditures has decreased from 12.1% to 6.3%. In contrast to this decrease stands the increase in the treatment expenditures from 79.6% to 89.1%, which highlights the inefficient allocation of resources (MoLSS, 2005:31).

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<sup>8</sup> This was the first AKP government.

MoLSS has made 3 projections dealing with the ratio of public health expenditure compared with GDP. The first one is implementing the universal health insurance before the reform. It is estimated that in 2025, public health expenditure will reach 8.8% of GDP. If the current health system continues, it is estimated that this ratio will increase to 4.2% in 2025 and if the universal health insurance and health reform are implemented simultaneously, the same ratio is estimated to be only 3.7% (MoLSS, 2005:36).

Figure 11: The projection of public Health expenditure (in % of GDP)



Source: MoLSS, 2005:37

The Turkish Physicians Union (TTB) criticises the general health insurance claiming that it will damage the freedom of doctors and turn cottage hospitals into family doctor centres and hospitals into health administration centres. According to the TTB, maximising the benefit for the system will be the aim instead of public benefit (TTB, 2005:16-19). Moreover, it is argued that, except in the case of an emergency, in order to benefit from the general health insurance, a person should not have any contribution debts, which is not in accordance with social justice and law principles and leads to a conditional health service (TTB, 2005:28). Another criticism is the financial sustainability of the system. How to detect members who work unregistered and those earning above one third of the minimum wage is the first problem; another problem in the current system is the low contribution collection from members of SSK and BK.

On 14 May 2008, after a two-hour strike organised by trade unions, the representatives of the Government and the trade unions negotiated an agreement on specific issues within this reform, including e.g. cancelling of co-payment for inpatient treatment and co-payments for medical devices for the chronically ill (TURK-IS, 2008:24-25).

A report prepared by the Turkish Industrialists' and Businessmen's Organisation (TUSIAD) about health care reform supports the measures of the *Transition in Health Project* (TUSIAD, 2004). TUSIAD criticises, however, that with the regulations of the general health insurance the cost adjustments lead to savings in health expenditure and the Ministry of Health becomes

a power who controls the market and also provides the services (TUSİAD, 2009)<sup>9</sup>. TUSİAD published their ideas about the risks and solutions in the health sector in April 2009 (TUSİAD, 2009). According to them;

1-Provisions such as family doctors, referral routes, low cost, co-payments, which dissuade people from using private sector services, lead to uncontrolled narrowing of the demands. Controlling mechanisms should be implemented and savings should be made. Moreover competing private insurance systems should be developed and the service and costing pressure of SGK should be decreased.

2-Delaying the transition of the civil servants and green card owners to the general health insurance (GSS) for three years and tardiness of transition to a family doctor system damage the core of the reform. Thus, transition to a family doctor system should be fast and the mentioned population groups should be included in the GSS as soon as possible.

3-The Ministry of Health is the service provider and supervisor of the system and is involved in decision-making areas that may benefit public hospitals; causing injustice in terms of rivalry should be prevented by creating an independent board of directors.

4-In the health sector there are problems such as the risk of creating unreal costs and delays in the licensing of private sector establishments. These issues need to be borne in mind and cost calculations and planning should be performed by including all relevant partners and considering the real costs.

Implementing a family doctor system and establishing referral routes are very important for the financing of the health care system. The family doctor system, which started in 2005 with the *Transition in Health Project*, has been extended to 26 provinces at the end of 2008. It is expected that the system will be widespread throughout the country by 2012 (DPT, 2009:81). In the report prepared by both the OECD and the World Bank (WB), it has been stated that the transition has brought the Turkish health system forward, now approximating the average of OECD countries. (OECD/WB, 2008).

### 2.2.3 Impact Assessment

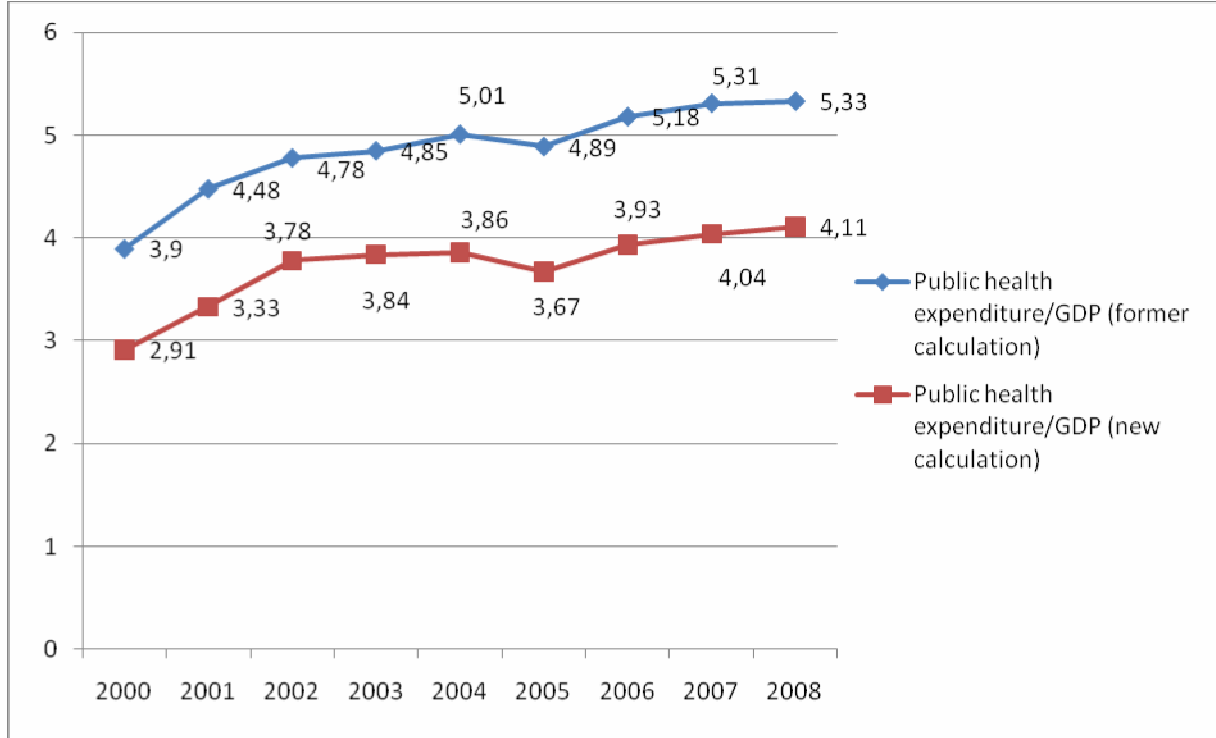
With the Transition in Health Project, which started in 2003, the partial services of the system were complemented and the coverage of the services increased. The health services were especially developed to include members of the SSK and green card holders. This has increased health expenditures in the short term. In Figure 12 the increase in expenditures between 2000 and 2008 is shown. Although the calculations differ, it can be seen that the health expenditures reached 4.1% of GDP in 2008.<sup>10</sup> The increase in health expenditure depends mainly on structural factors like population ageing, improved technology, the increased cost of inefficient protective health services and financing model (TEPAV, 2008:34, Yılmaz, 2008). On the other hand, there are additional transition costs e.g. for the development of the scope of health insurance and package, making it easier for SSK members and green card holders to attain health services, changing policies regarding doctors' incomes and service provision models and performance related payment of doctors' fees (TEPAV,

<sup>9</sup> Sağlık Sektöründeki Risklere ve Çözüm Önerilerine İlişkin TUSİAD Görüşü  
[http://www.tusiad.org/tusiad\\_cms.nsf/LHome/D6240E5AC72971CCC22575A20047CD1F/\\$FILE/Gorus%20Risk%20raporu%20son.pdf](http://www.tusiad.org/tusiad_cms.nsf/LHome/D6240E5AC72971CCC22575A20047CD1F/$FILE/Gorus%20Risk%20raporu%20son.pdf)

<sup>10</sup> These calculations have been done according to the new national income. According to the previous assessment national income was lower and the rate of health expenditure compared to GDP was higher. For instance the average rate of public health expenditure in Turkey according to OECD 5.1% of GDP in 2005 but it is only 4.1% of GDP according to the new calculation (Yılmaz, 2008).

2008:34-35, Yılmaz, 2008). Especially the SSK health expenditures have rapidly increased by 553% from 2001 to 2007. This figure is 928% for green card expenditures. In total, SSK's private hospital expenditure increased by 1,444% from 2001 to 2008 (see Annex Table 1).

Figure 12: Public Health Expenditure in Turkey



Source: Emil-Yılmaz (2002, 2006, 2008) in Yılmaz, 2008

The new health system implemented after 2004 broke the inequality of getting different services in different funds (SSK, BK, ES, civil servants, green card holders), in terms of cost and quality of services received (Ustundag, Yoltar, 2007:91). With the reform it can be seen that the average health insurance expenditure increased, with TL 463 spent in 2004 and TL 540 in 2008 (Table 9). The highest increase in spending can be observed in SSK members and green card holders. Until 2004, SSK members had a chance to benefit from limited health service provided by the SSK hospitals. However, green card holders receiving outpatient care were not compensated for the costs they incurred. Since 2004, SSK members have been able to benefit from all hospitals and chemists. Moreover, for green card holders the opportunities were developed. Thus, expenditure within these groups increased sharply. These indicators show that the system is moving from partial structure to completed structure and there are some improvements between the social security schemes in terms of justice (Teksoz, Kaya, Helvaciglu, 2009:4).

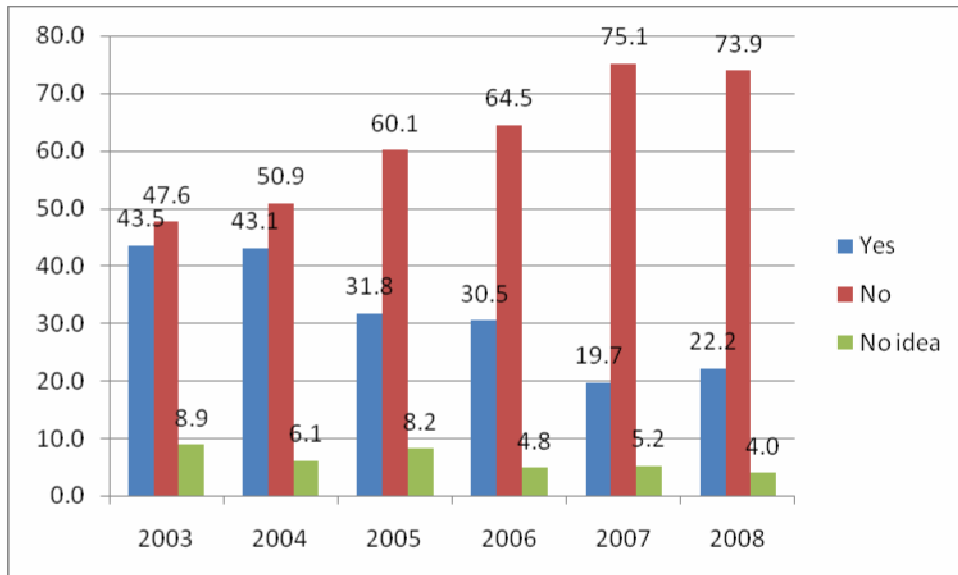
Table 9: Public health expenditure according to social security institutions:

	2004	2005	2006	2007	2008
<b>SGK</b>					586
<b>SSK</b>	344	316	428	480	
<b>BK</b>	747	684	649	470	
<b>ES</b>	1481	1392	1202	856	
<b>Civil Servants</b>	511	429	431	427	397
<b>Green Card</b>	212	321	448	460	432
<b>Average</b>	<b>463</b>	<b>435</b>	<b>497</b>	<b>487</b>	<b>540</b>

Source: Teksoz, Kaya, Helvacioğlu, 2009:4

Moreover, it is claimed that the system has been administered successfully safeguarding its financial sustainability. As a proof, it is shown that the rate of health expenditure covered by health premium income is 48% in 2004 and it decreases marginally to 46.6% in 2009. The reasons are economic growth, the sectoral change in employment and the increase in the number of insured people (Teksoz, Kaya, Helvacioğlu, 2009:3). However, in spite of positive developments, it is essential to be cautious in respect of the system's financial sustainability outlook. With the economic crisis expenditure rises because the number of insured people decreases creating a shortage of premium income. Moreover, it cannot be ignored that the decrease in health expenditure, when compared to the premium income rate, has been achieved by decreasing the VAT rate in health services and an increase in premium collection with the help of *premium payment easiness*<sup>11</sup> in 2008 (Yılmaz, 2009). On the other hand, thanks to the increase in health spending, health services satisfaction increased from 43% to 74% (Figure:13)

Figure 13: Health Services Satisfaction in Turkey 2003-2008\*



Source : TÜİK, Life Satisfaction Survey 2003-2008; \*Question asked: Is there any problem in health services?

<sup>11</sup> Government implemented a partial write-off for contribution late fees provided that premium debtors pay their premiums regularly in 2008. So in 2008 premium incomes were increased.

In spite of the positive developments in health care system, one should be careful about its long-term sustainability. In the report prepared by OECD/WB, the following precautions are suggested to cope with these issues (OECD/WB 2008):

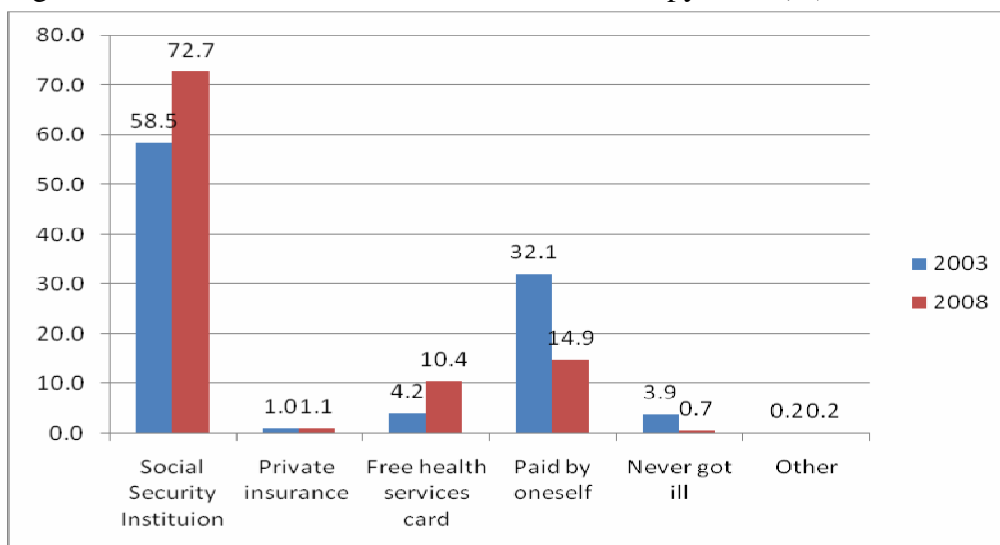
- 1- The spiralling growth in health expenditures should be controlled. Both the volume and cost of SGK health services should be controlled.
- 2- There should be some precautions to minimise the budget shortage e.g. development of the family doctor system and improvement of protective health services.
- 3- There should be some improvements in terms of geographical coverage of and accessibility to health services.
- 4- The undeclared sector should be stamped down and more income for the health system should be generated.

## 2.2.4 Critical assessment of discussions and research carried out

### 2.2.4.1 Accessibility of health services

Green card expenditures were tax-financed by the general budget. After the 2004 health reform, the first step was to try and provide equality of service in terms of quality to all groups. In 2004, SSK hospitals were put under the scope of the Ministry of Health. Then, the opportunity to benefit from all the health centres was provided for the members of SSK. The expenditure for medicine of the poor or green card holders was totally financed by the state. Thus, the differences of expenditures and service quality between the partial structures were minimised. Furthermore, the out-of-pocket payments paid for health care services were reduced and thus the satisfaction of social security services began to increase. The surveys conducted by TÜİK every year have shown that the rate of people paying out-of-pocket payments was 32.1% in 2003 and only 14.9% in 2008. In this instance, the role of increased public health spending is high. The rate of people who meet the medicine and therapy cost via SSI was 58.5% in 2003 and 72.7% in 2008. The rate of the people using green cards is 4.2% in 2003 and it increased to 10.4% in 2008.

Figure 14: Channels to meet the medicine and therapy costs (%)



Source: TÜİK Life Satisfaction Survey, 2003-2008

There are four main problems in the system. The first three of them are related to coverage. The first problem is that individuals who owe even small amounts cannot benefit from the system because of their premium debts.<sup>12</sup> As mentioned above, self-employed people (tradesmen, craftsmen and farmers) often cannot pay their premiums regularly. The debts of these people in February 2009 are shown in Table 10. While 18.9% of tradesmen and craftsmen have not paid premium at all, 43.8% of them pay premiums irregularly. These rates are 22.4% and 43.4%, respectively, in the case of farmers. In total, only 36.2% of self-employed do not have any debts. To benefit from the general health insurance, there is however an obligation that there should not be any debts. The rates prove that self-employed people are negatively affected by the rules of the system. It is, however, an improvement that the premium rate in the self-employed group has been decreased from 20% to 12.5%.

Table 10: Self employed premium debts (million TL)

<b>Insured</b>	<b>Persons</b>	<b>Distribution %</b>	<b>Debt Amount</b>
<b>According to Law No. 1479</b>	<b>2,160,522</b>	<b>100</b>	<b>23,616</b>
Insured who have not paid any premiums	412,904	19	9,476
Insured who have partially paid premiums	952,042	44	14,139
Insured without any debts	795,576	37	-
<b>According to Law No. 2926 (farmers)</b>	<b>1,150,295</b>	<b>100</b>	<b>7,310</b>
Insured who have never paid premiums	257,625	22	4,772
Insured who have partially paid premiums	495,262	43	2,538
Insured without any debts	397,408	35	-
<b>TOTAL</b>	<b>3,310,817</b>	<b>100</b>	<b>30,926</b>
Insured who have never paid premiums	670,529	20	14,248
Insured who have partially paid premiums	1,447,304	44	16,678
Insured without any debts	1,192,984	36	-

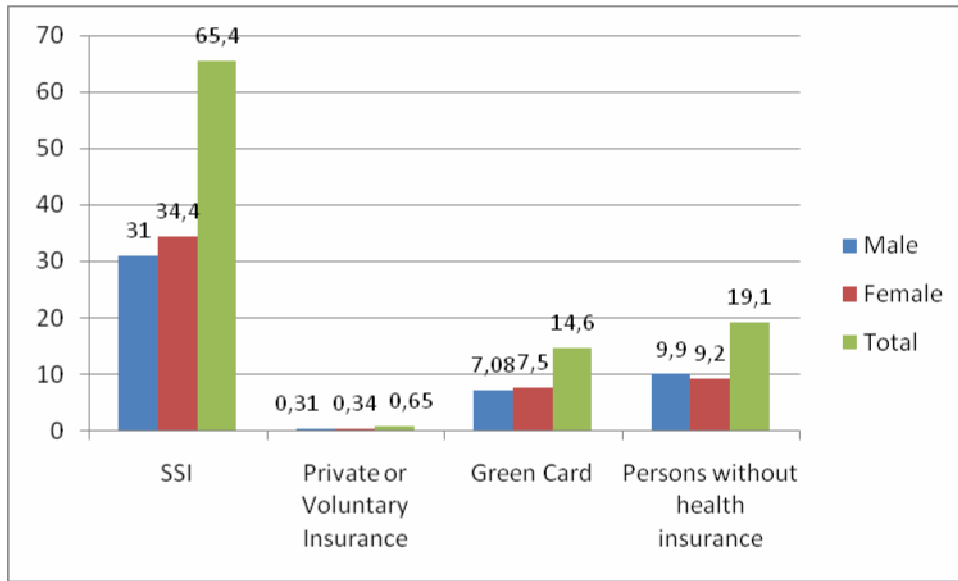
Source: SGK (SSI), 2009/a

The formal statistics include only insured individuals and calculations are made by multiplying the number of insured and dependent. According to the statistics, 79.5% of the population is included in the social security system (SGK, 2009/a). If the 9,500,000 green card holders ([www.saglik.gov.tr/yesil](http://www.saglik.gov.tr/yesil)) are also included, this figure rises to 94%. According to the formal statistics, the rate of the population who are not included is 6%. However, according to calculations using data of the Household Budget Survey, the rate of uninsured is higher than the number stated in the formal statistics. In the 2006 Household Budget Survey conducted by the Turkish Statistics Foundation (TUIK) the rates of health insurance were assessed according to membership to the different schemes, as shown in Figure 15.

<sup>12</sup> For the following situations there will be free access to health services: people below the age of 18, people who need medical care of others, emergencies, job accidents and occupational diseases, infectious diseases which need to be reported, protective health services, in and outpatient maternity care, natural disasters, wars, strikes.



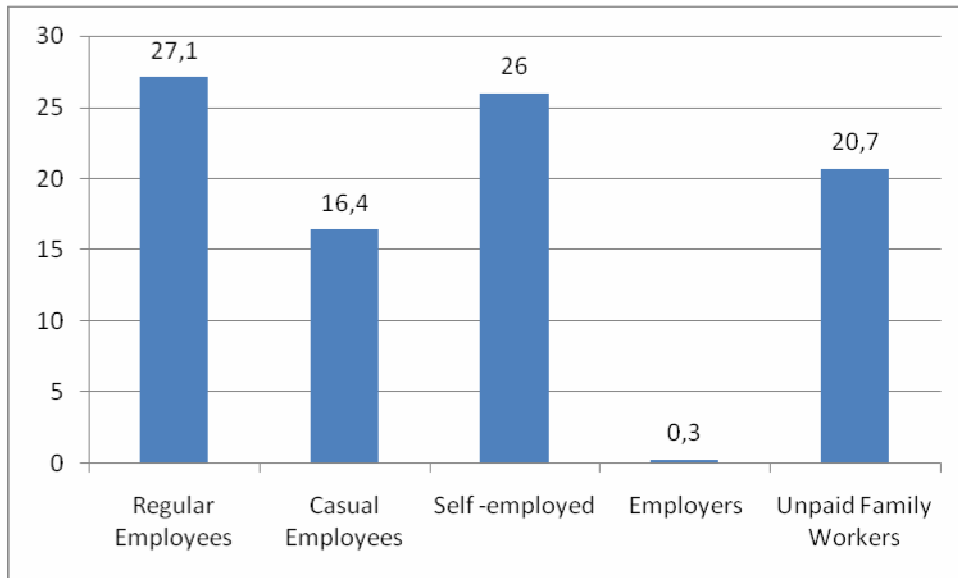
Figure 15: Distribution of individuals according to membership in the health insurance system (in %)



Source: Karadeniz, O., based on to TÜİK Household Budget Survey 2006

The figures show that 19% of the population did not have any health insurance. In Figure 16, their distribution according to the employment type is shown: 27.1% without health insurance were regular employees, 16.4% were casual employees, while 26% were self-employed and 20.7% were unpaid family workers.

Figure 16: Distribution of people without health insurance according to employment type



Source: Karadeniz, O., illustration based on TÜİK Household Budget Survey 2006

The third problem in the general health insurance is the question how to determine the income threshold of those whose health insurance is paid by the state. One of the basic aims of the social security reform to cope with poverty. However, the Payments without Premiums and

the Social Assistance Law Draft, which aim to improve the situation of the poor, have not been enacted yet. These regulations are important in order for social assistance to reach the target groups. Because of the draft status of the legislation and the green card system being continued according to previous poverty criteria the number of people benefiting from the general health insurance system may be lower. On the other hand, thanks to the general health insurance system, the share of population not having any health insurance was decreased, mainly due to the coverage of everybody below 18 years by the general health insurance without contribution payment. This group represented 43% of the people not covered by health insurance before the reform.

#### **2.2.4.2 General Health Insurance and Financial Sustainability**

The current relevant criticism related to the general health insurance is that it is not possible to properly construct a family doctor system and primary health care services. However, these are essential elements for the financial sustainability of the process. Most insured people will understand the term ‘health services’ as receiving services from state, university or private hospitals. Most of the patients go directly to hospitals without using the primary care service first. Due to the insufficient number of family doctors the Ministry of Health was obliged to provide in-service courses to trainee doctors. On the other hand, to manage the system, a new computer database system called MEDULA has been implemented and it provides a common data base preventing repetition in health services. With the smart health card it has become easier to attain health services and control them, as well as expenditures management providing support for the financial sustainability of the system (Acar, 2009:72-74).

### **2.3 Long-Term Care**

#### **2.3.1 Overview of the system’s characteristics and reforms**

There is no long-term care insurance system. Old or needy people in need of long-term care satisfy their needs through the tax-financed social assistance system. If a person cares for an elderly family member, there is a cash benefit available amounting to the minimum wage every month. If the person is cared for in a care centre, twice of the minimum wage is given to the person receiving care. This form of benefit is available to people whose individual income is below two thirds of the net minimum wage.<sup>13</sup>

Since 2005, a sound long-term care service has been operated by SHÇEK (the Social Services and Child Protection Institution) for disabled people. It also covers elderly needy people (Seyyar, 2005). The programme is tax-financed and provides four different types of long-term care service:

- Care at SHÇEK’s care centres (inpatient)
- Care at SHÇEK’s care centres (outpatient)
- Care at private care centres (cost per month TL 920)

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<sup>13</sup> In Turkey long term care benefits are means-tested and thus available only for poor and middles-income families. But SHÇEK declare to prepare a new draft law for a general long-term care insurance (SHCEK,2008).

- Care at home (if the carer is a family member, the net minimum wage (TL 460) is given to the carer each month)

Needy people whose family members' monthly income lies below two-thirds of the monthly minimum wage per person are entitled to benefit (SHÇEK, 2008). So, even a pensioner in need of long-term care can get benefit from these services<sup>14</sup>. Nearly 115,000 needy disabled people receive benefits via this programme (SHÇEK, 2008).

### 2.3.2 Overview of debates/political discourse:

There are not enough elderly care centres in Turkey. Moreover, there are disparities about the number of elderly care centres and quality of services (DPT, 2007:67).

Table 11: Elderly Care in Turkey

Services	Institution Numbers	Number of persons receiving care services
SHCEK inpatient care	54	3,735
SHCEK outpatient care	15	508
Private Institution	17	741
Care provided by relatives at home	-	110,000 (nearly)

Source, SHCEK 2008:4

“*Elderly people status and Population Ageing National Plan*” was prepared by the National Committee, which involved the United Nations Population Fund, various public institutions and organisations, universities and non-governmental organisations, representatives of co-operations and the management of DPT and SHCEK between 2004-2005. This plan was accepted by the Turkish High Plan Committee in 2007 (DPT, 2007:VII). According to this plan, one of the main objectives is to provide health and long-term care services for the health and welfare of the elderly. (DPT, 2007:66).

### 2.3.3 Impact Assessment:

The implementation of the Law No. 5378 has had a positive effect on disabled people in need of care, but more is needed. It is not clear how to deal with the problem of care for people whose income is above the poverty limit. The reason is that being in need of care is not seen as a social risk in Turkey. (Oğlak, 2007:106). However, because being in need of care really is a social risk on its own, everybody in need of care regardless of their income situation should be protected by a social care system. (Oğlak, 2007:106). Care provided by family or

<sup>14</sup> For instance, A needy elderly person lives with family members (5 persons). This person gets TL 600 old-age pension from SGK. And her son works and earns TL 600.  
 Total family income : TL 1200.  
 Family income per person : 1200/5 = TL 240.  
 Net monthly minimum wage : TL 460.  
 Benefit threshold : 460\*2/3=307 TL.  
 She can get benefit from long-term care services.

relatives is encouraged. The National Ageing Plan reflects this stance (Ecevit, 2008:165). But elderly care in families discourages women's participation in the labour force (Ecevit, 2008:165). Therefore, increasing the number of nursing homes and day care centres for elderly, as well as improving the quality of the institutions' performance should be pursued as an important social policy (Ecevit, 2008:165). It has been suggested that long-term care insurance is financed by premiums and taxes as a mixed model (Oğlak, 2007:106). Alternatively, nursing home and home care could be encouraged and supported by municipalities (Yılmaz, Karadeniz, 2007/b:165).

#### 2.3.4 Critical assessment of discussions and research carried out

Caring for old people is a very important topic in Turkey. It is a male-dominated society in which it is very common to care for elderly family members. Mothers and fathers prefer to stay with their children rather than being cared for in a nursing home. In 2006, a research was conducted by TÜİK with some important findings in respect of the structure of a Turkish family. The table below shows some life preferences of old people according to the research findings:

Table 12: Life choice of individuals in old age, in %

I would stay with my children	55
I would get home care service	17.8
No idea	16.8
I would stay at a nursing home	9.3
Other	1.2

Source: Turkey Family Structure Survey, 2006

According to the research, 55% of the survey participants would prefer to stay with their children when they get older and 17.8% of them would want to get care at home. 9.3% of them would want to go to a nursing home. It can be said that, in Turkey, children are seen as insurance for future life. 77.4% of the women and 75.8% of the men agree with the statement that "a child contributes to his/her mother's and father's wellbeing in the future". Likewise, 89.3% of the men and 87.4% of the women agree that "a child should care for his/her parents when they get old" (TÜİK, Turkey Family Structure Survey, 2006).

However, with the development of urbanisation and an increasing number of nuclear families, the ageing population will be able to benefit from care insurance, which will be a basic solution to the problem of elderly care. Turkey is growing older rapidly. In 2008, 6.8% of the population was above age of 65. It is estimated that the elderly proportion will be 9.8% by 2025 (TÜİK, 2009/a). So Turkey will need more long-term care services in the coming years.

### 3 Economic Crisis and Social Protection System in Turkey

The global economic crisis has also affected the Turkish economy causing an increase in the unemployment rate, a decrease in the number of insured employees and an increase in the payment of unemployment benefit. Due to the economic crisis, especially employers who have small or micro enterprises find themselves unable to pay their premium as well as their employees' premiums. So they fall outside the social security system due to premium arrears (Toksoz, Ozsucu, 2004:40-51).

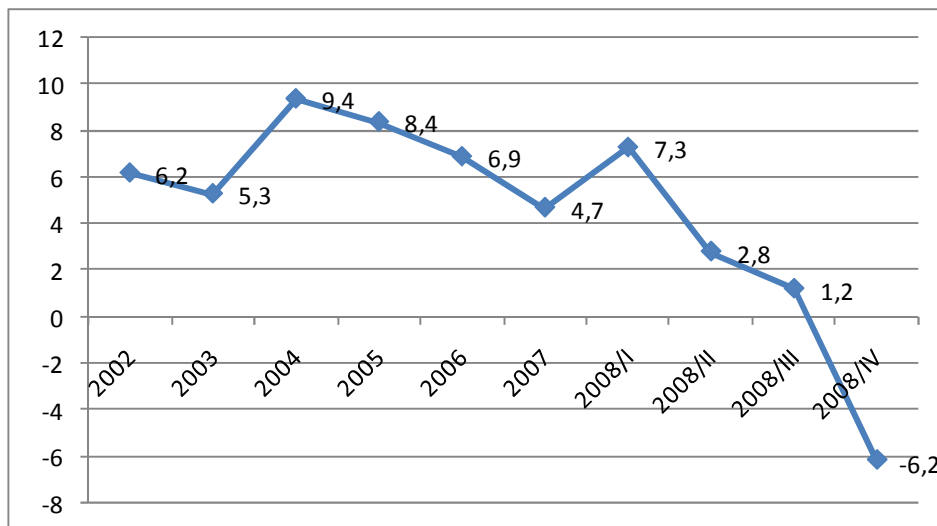
The Social Security Institution has shown a deficit as a result of early retirement and high pension rates, and there are no reserves of funds. The collected premiums are not enough for the pension payments. However, there is an important reserve in the unemployment fund, which was established in 2000. Fund resources are generally put to the use of the government bond and bill and they have provided an investment yield above the inflation rate.

The Turkish Government has taken important measures in order to cope with the economic crisis' negative effects, such as contribution and tax incentives. The social security reform enacted in October 2008 was not postponed. It includes the implementation of a general health insurance, increase of the retirement age and decrease of the replacement ratio.

#### 3.1 Recession, increasing unemployment and their effects on the Social Protection System

The Turkish economy was one of the most consistent economies, which grew by 7% for six years. However, as a result of the economic developments and subsequent recession at the beginning of 2008, the economy had slumped to -6.2% by the end of 2008 (Figure 17).

Figure 17: Economic Growth Ratio (2002-2008)



Source: TUIK, 1998-2007, TUIK 2009

The economic crisis began to show its effect last August and the unemployment rate has increased since then (Table:16). The unemployment rate increased to 15.5% by January 2009.

Table 13: Unemployment Rate in Turkey 2007-2008

Term	Unemployment Rate %	Unemployment Rate (Except in Agriculture) %
2007 Annual	9.9	12.6
Jan 2008	11.3	13.8
Feb 2008	11.6	14.2
Mar 2008	10.7	13.4
Apr 2008	9.6	12.3
May 2008	8.9	11.5
Jun 2008	9	11.7
Jul 2008	9.4	12.3
Aug 2008	9.8	12.7
Sep 2008	10.3	13.3
Oct 2008	10.9	14
Nov 2008	12.3	15.4
Dec 2008	13.6	17.3
Jan 2009	15.5	19

Source: TÜİK Household Labour Survey 2007-2009

Moreover, the economic crisis has affected the number of people with social insurance in a negative way. Especially the number of insured employees decreased by 9% between June 2008 and February 2009 (see table below).

Table 14: Insured Numbers (June 2008-March 2009)

	Employees Insured	Self Employed Insured	Civil Servants
<b>Jun 2008</b>	9,188,005	3,355,585	2,444,380
<b>Jul 2008</b>	9,127,041	3,388,037	2,444,745
<b>Aug 2008</b>	9,117,005	3,394,728	2,441,141
<b>Sep 2008</b>	9,163,639	3,394,393	2,439,735
<b>Oct 2008</b>	9,119,936	3,262,923	2,444,204
<b>Nov 2008</b>	9,022,823	3,282,062	2,457,222
<b>Dec 2008</b>	8,802,989	3,260,719	2,464,206
<b>Jan 2009</b>	8,481,011	3,306,273	2,472,884
<b>Feb 2009</b>	8,362,290	3,306,273	2,472,894
<b>Mar 2009</b>	Na	3,310,817	2,279,020
<b>Decreasing rate in %</b>	-9 *	-1,3	-6,7

Source: SSI 2009 /a \*June 08-February 09

The decrease in the number of insured employees has negatively affected the budget of the Social Security Institution. Because of early retirement and high pension payments, the deficit in the budget has increased dramatically with the economic crisis. The deficit of the social security system has been compensated with transfers from the state budget. As outlined in Table 15, the premium income rate has decreased by 10.7% in February 2009 compared to the rate of January 2009. In premium income, the rate of compensation for the pension and health expenses has decreased to the rate of 51.4%.

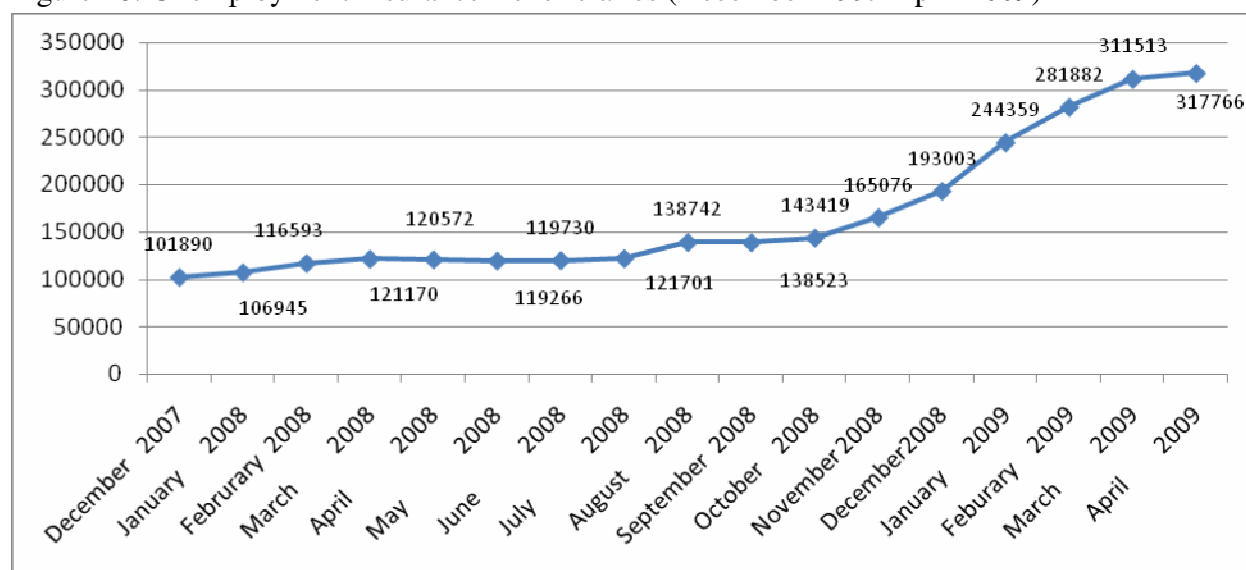
Table 15: Premium Revenues, Pension and Health Payments of the Social Security Institution

		Premium Revenue (TL)	Rate of Change	Pension Payments (TL)	Health Payments (TL)	Total Payments	Compensation Rate of Pension and Health Payments by Premium Income %
2000		6,575,348		6,756,700	2,633,552	9,390,252	70
2001		9,739,521	48.1	10,696,600	4,575,995	15,272,595	63.8
2002		14,822,260	52.2	16,687,400	7,629,027	24,316,427	61
2003		21,178,425	42.9	25,174,200	10,661,718	35,835,918	59.1
2004		27,423,675	29.5	30,660,700	13,150,129	43,810,829	0.626
2005		30,883,672	12.6	38,537,100	13,607,884	52,144,984	0.592
2006		41,619,875	34.8	45,075,855	17,666,674	62,742,529	0.663
2007		44,051,677	5.8	52,311,728	19,983,613	72,295,341	0.609
2008		54,546,453	23.8	59,136,539	25,345,913	84,482,452	0.646
2009	2009	8,158,325		10,974,064	45,28,689	15,502,753	0.526
	January	4,308,666		5,710,992	2,301,512	8,012,504	0.538
	February	3,849,658	-10.7	5,263,072	2,227,177	7,490,249	0.514
	March	4,734,263	23	5,377,100	2,386,422	7,763,522	0.61

Source: SSI, 2009/b

The economic crisis has also reflected badly on the number of the people who receive unemployment benefit (Figure 18).

Figure 18: Unemployment Insurance Beneficiaries (December 2007-April 2009)



Source: Turkey Employment Institution, 2009:1

Analysis of Figure 18 shows that the number of the people who received unemployment benefit in April 2008 was 120,572 while it increased to 317,766 in April 2009, which means a 264% increase in one year.

The Unemployment Fund was founded in 2000 and began to pay benefits in 2002. It has saved a great amount of funds in unemployment insurance since then. It is estimated that the

unemployment Fund was TL 40,696,906,363.60 in April 2009. According to an assessment at the end of April 2009, 0.75% of the total funds are held in foreign currency accounts, while 42.2% of it is government bills, 48.43% government debenture bonds, 1.8% foreign currency debenture bonds and 6.60% deposit (Turkey Employment Institution, 2009:3-4).

Table 16: Yield of Unemployment Security Fund and its comparison with producer price index and foreign currency basket

Years	Yield of Fund %	Producer Price Index	Foreign Currency Basket %
2005	21.37	2.66	-6.71
2006	17.91	11.58	10.92
2007	16.46	5.93	-12.75
2008	17.07	8.1	27.37
January-April 09	5.10	2.36	1.96
May 2008-April.2009 Annually	16.78	-0.35	14.71

Source: Turkey Employment Institution, 2009:4

As the analysis of the table shows, the fund has provided yield from both inflation (producer price index) and the foreign currency basket between 2005 and 2007. In 2008 in particular, with the appreciation of Euro and US dollar, the income of the fund has been below the rate of the foreign currency basket.

### 3.2 Precautions taken by the Government against the economic crisis and unemployment

In 2008 and 2009, before and after the crisis, the Government has applied several precautions step by step to increase the employment rate.

#### 3.2.1 Incentives for employing young people and women

The insurance premiums of people who were unemployed for six months before 1 July 2008 when premium promotion started, those of male unemployed aged 18-29 and employed between 1 July 2008 and 30 June 2009 and those of female employees aged over 18 have been paid from the unemployment insurance fund with the rate of 100% in the first year. The rate of premium promotion is 80% in the second year, 60% in the third year, 40% in the fourth year and 20% in the fifth year. Today, the number of companies who get promotion and the number of people who are insured is limited. In October 2008, 9,120 companies used promotion for 32,738 insured people they employed. An insurance premium amount of TL 3,239,759.63 has been compensated by the Government.<sup>15</sup> This incentive has been extended to 30 June 2010. Moreover, the ones who do not work as insured between 1 December 2008 and 31 January 2009 have been also included.

<sup>15</sup> [http://www.sgk.gov.tr/wps/portal!/ut/p/c0/04\\_SB8K8xLLM9MSSzPy8xBz9CP0os\\_gAS-PAAE8TIwN\\_Dw8zAyMvLwMfS0tPAwMzU\\_3gkiL9gmXHRQB5U1Gu/?WCM\\_GLOBAL\\_CONTEXT=/wps/wcm/connect/SGKLibrary/sgk/isverendokuman/sigortaprimleri/sigortaprimtesvikuygulamaları](http://www.sgk.gov.tr/wps/portal!/ut/p/c0/04_SB8K8xLLM9MSSzPy8xBz9CP0os_gAS-PAAE8TIwN_Dw8zAyMvLwMfS0tPAwMzU_3gkiL9gmXHRQB5U1Gu/?WCM_GLOBAL_CONTEXT=/wps/wcm/connect/SGKLibrary/sgk/isverendokuman/sigortaprimleri/sigortaprimtesvikuygulamaları)  
 Accessed Date: 27.03.2009)



### **3.2.2 Discount of 5% of the Employers' Insurance premium**

The Law No. 5763<sup>16</sup> relates to the social security reform (Law No. 5510) and was put in force on 1 October 2008. In order to benefit from this law, it is essential for employers not to have a debt to the Social Security Institution and not to employ anyone illegally. 5% of these employers' invalidity, old-age and survivor insurance premiums are compensated from government budget (employer rate is 11%, which in effect means they now only pay 6%).

### **3.2.3 Restructuring of Insurance premiums and payment**

With Law No. 5763 come into force on 15 May 2008, all employers have been given support in the payment of insured self employed premium debts. Until March 2008, if the debts are paid as a lump sum, the late fee is cancelled. If the payments are paid in instalments over 12 months, 55% of the late fee will be cancelled and if the instalments are over a period of more than 12 months, 30% of late fee will be cancelled.

### **3.2.4 Increase in the Payment Period and Amount for Short Time**

A new package of measures has been designed to counteract the effects of the economic crisis in 2009. One of the measures is increasing the payment period and amount for short-time work. The payment for short-time work is regulated by Law No. 4857, which came into force in 2003, and was included into the Unemployment Insurance Law in May 2008. According to this article, if work stopped for over four weeks because of an economic crisis or a compulsory situation or the working hours decreased, salary compensation of the workers was paid according to the Unemployment Insurance Law as short-time work payment. However, the payments could not be made for more than three months and short-time work payment was subtracted from unemployment benefits, in case they subsequently became unemployed. Although the law came into force in 2003, the number of people who benefited from this regulation was relatively low until January 2009. In comparison, with the new measure in place, the number of people who now get short-time work payment has increased to 41,753 in May 2009 (TEI, 2009:2).<sup>17</sup>

With Law No. 5838, which came into force in February 2009, the period of payments for short-time work has been increased from three to six months, limited to the years 2008 and 2009, and its amount has been increased to 50%. Moreover, these payments will not be subtracted from unemployment benefits. However, this payment might be extended in accordance with the demands of the employer.

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<sup>16</sup> 26.05.2008 /26887 Official Gazette

<sup>17</sup> For example, employee numbers who get short-time work payment was 40 in 2007. And it has increased rapidly since February 2009. Their numbers were 651 in January 2009, 6,935 in February 2009 and 27,491 in March 2009 (TEI, 2009:2).

### 3.2.5 The decrease of Value Added Tax (VAT) and Consumption tax

With the Cabinet decision on 13 March 2009, the rate of VAT in the housing sector has been decreased to 8% to boost the economy. Moreover, while the special consumption tax has been decreased in the automobile sector, it has been decreased to 0% in durable consumer goods.<sup>18</sup>

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<sup>18</sup> 13.03.2009 /14802 Cabinet Decision, Official Gazette:16.03 2009/27171  
<http://www.gib.gov.tr/index.php?id=1079&uid=h6GpA4k9q4SUAcl1&type=bkk> (27.03.2009)

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## 4. Abstracts of Relevant Publications on Social Protection

### [R] Pensions

[R1] General trends: demographic and financial forecasts

[R2] General organisation: pillars, financing, calculation methods or pension formula

[R3] Retirement age: legal age, early retirement, etc.

[R4] Older workers activity: active measures on labour market, unemployment benefit policies, etc.

[R5] Income and income conditions for senior workers and retired people: level of pensions, accumulation of pensions with earnings from work, etc.

**[R2]** ELVEREN, Adem Y., “Social Security Reform in Turkey: A Critical Perspective”, *Review of Radical Political Economics*; Spring2008, Vol. 40 Issue 2, pp.212-232

*This article discusses social security reforms in Turkey in the framework of the welfare state, which started to fall in the 1970s as a result of the neoliberal paradigm promoting the interest of the capital class over the interest of the public as a whole. The article analyses some handicaps of privatisation attempts all over the world. The author argues that social security reforms in Turkey toward privatisation will result in decreasing the welfare of the poorer strata of society. The author discusses the welfare losses incurred by the increasing nonparticipation of the Government, which decreases income certainty for the beneficiary and exposes individuals to the risk of fluctuations in the economy in general and of the stock market in particular.*

**[R5]** KAR, Muhsin, ELVEREN, Adem Y., «Özel Emeklilik Sistemlerinde Cinsiyete Dayalı Gelir Farkı: Türkiye Örneği», *TISK Akademi*, 2008/1, pp.68-99

“Gender-Based Earning Differentials in Private Pension Systems: The Case of Turkey”

*Since the 1970s many countries have experienced difficulties in maintaining their social security balances for various reasons. Private pension schemes, promoted by the IMF and the World Bank as recommended tools for stabilisation, have in the past been considered as a means of overcoming these difficulties. Many countries in Latin American and elsewhere have already reformed their systems by implementing varying degrees of privatisation ranging from partial to full privatisation. Turkey, another country facing severe imbalances in the social security front, also started to modify the legal structure of the system and took a number of steps towards partial privatisation. Given the role of gender issue as an important analytical category in the sizeable literature on social security reforms, this study aims to analyse the gender gap in pension benefits to be observed in case of full privatisation of the social security system in Turkey, by using 2004 Household Budget Survey. Our findings from different scenarios confirm that the welfare of women, who are already have a disadvantaged position in household activities and labour market, will get even worse, if the system is fully privatised. The study therefore, shows that the private pension schemes will maintain the cycle of gender discrimination that the welfare state should attempt to eliminate.*

[R2] ZENGİN, Eyup, OZTAS, Cemal, «Yerel Yönetimler ve Sosyal Yardımlar: Üsküdar Belediyesi Örneği», in: Aile ve Toplum (Journal of Family and Society), Volume:4 Issue:16, 2009, pp.19-35.

“Local Administrations and Social Relief, Uskudar Municipality Case”

*Social relief is a general name for pensions paid by state budgets in order to help poor and needy individuals in a society and provide them a better life. Social relief applications of local administrations are generally conducted without systematic and continuous efforts thus causing temporary effects in solving the problem. Moreover, their applications simply becomes different from one local governments to another. Therefore social relief activities run by local administrations lack the accepted characteristics of relief facilities thus they generally thought to be ineffective efforts to fight poverty.*

[R3] ACAR, İbrahim Attila, KİTAPCI, İsmail, «Sosyal Güvenliğin Demografik Boyutu: Türkiye’deki Emeklilik Sistemindeki Değişim», in: (Maliye Dergisi) Journal Of Public Finance, Issue: 154 January-June2008, pp.77-98.

“Social Security System's Demographic Structure:Metamorphosis in Turkey Pension System”

*Social security has been one of the most fundamental human rights. Anyone could become in need on support in a part of their lifetime. Governmental support is the type of spending which could not be avoided. However financial shortages set a limit on this type of spending to providing services and create obstacles on financial retirement contributions. There are unwanted negative discrepancies on actuarial issues of Turkey in social security balance. Thus, rise in average life expectancy as well as increases in number of young retired population have compelled to create new rules and guidelines.*

[R1] AYDEDE, Yigit, ”Aggregate consumption function and public social security: the first time-series study for a developing country”, Turkey, Applied Economics, 2008, 40, 1807–1826.

*This article is the first attempt in the literature to investigate the effects of public social security on aggregate consumption in a time-series setting for a developing country, Turkey that has one of the most generous social security systems in the organisation for economic cooperation and development (OECD) region. In order to quantify the social security variable, this article uses the social security wealth (SSW) series calculated for Turkey in a separate study. This study indicates that SSW is the largest part of the household wealth in Turkey, and therefore should not be ignored in the aggregate consumption studies. The results show that its effect on consumption is positive and robust.*

[R5] ASILBAY, TOPAL, Nuran (2008), «İşgücü Piyasası ve Cinsiyet Eşitsizliği Açısından Teklif Edilen Emeklilik Reformu Türkiye’deki Kadın Emeklilerin Refah Seviyelerinin Yükselmesine Katkıda bulunabilir mi?» Ulusal İktisat Kongresi, DEU İİBF İktisat Bölümü, İzmir, Retrieved from: [http://www.deu.edu.tr/userweb/iibf\\_kongre/dosyalar/asilbay.pdf](http://www.deu.edu.tr/userweb/iibf_kongre/dosyalar/asilbay.pdf) (05.05.2009)

“Labour Market and Gender Inequality: would the current pension reform improve the wellbeing of women retirees in Turkey?”

*This paper explores the implications of pension reform on the wellbeing of women retirees in Turkey. The country’s publicly managed pension system operating on the basis of pay-as-you-go(PAYG) principle has become one of the most costly schemes*



*funded by the Turkish Government since the beginning of 1990s. As a consequence the system has become unsustainable. The pension reform in Turkey has been widely researched and documented by national institutions, academics and also by international organisations such as the World Bank and the International Labour Organisation. However, the position of women retirees has not been specifically examined, partly due to an assumption that their welfare needs would be met by an aggregate pension reform. This inattention to women retirees was also evident in the feminist literature, which solely focused on issues of sex equality for economically active women in Turkey. This paper highlights that women retirees constitute a highly vulnerable and under-researched group and that sex discrimination in pension entitlement, which is embedded in the Turkish pension system, appears to be the main reason for the current socio-economic vulnerability of this group. Hence this paper argues that given the country's institutional framework a mainstream pension reform will only serve to further widen the inequality gap between pension benefits of female and male pensioner in Turkey. Thus, it becomes important that gender equality considerations should be embedded in any future reform in order to prevent the discriminatory impact of an aggregate reform. Thus, this paper will highlight the importance of gender inequality as an important concern for economic development. The paper will evaluate the empirical evidence within the background theoretical framework of pension reform. Available data on labour market force for different socio economic groups will be the basis for the simulation analyses evaluation.*

**[R5]** ELVEREN Adem Y. "Assessing gender inequality in the Turkish pension system" In: International Social Security Review Volume 61, Issue 2, Pages 39-58.

*Since the 1990s, the welfare regime in Turkey has become more market-oriented. The introduction of the Individual Pension System (IPS), a privately managed defined contribution scheme, is part of this process. This paper uses an autoregressive stochastic model in order to show the total effect of specific disadvantages, such as a shorter working life, less earnings, longer life expectancy, real wage growth, administrative cost and risk aversion, on the retirement benefits of women in Turkey. Using an actuarial model, the article aims to contribute to the literature by investigating the gender gap in the Turkish defined contribution scheme.*

**[R1]** AYDEDE, Yigit, "A Dynamic Inconsistency Problem in PAYG: A Solution to the Turkish Puzzle»" July 2008 Networks Financial Institute Working Paper 2008-WP-07, Retrieved from [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1160318](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1160318) (10.05.2009).

*Because of the dynamic inconsistency problem in optimal policies of pay-as-you-go (PAYG) systems, parametric reforms tend to be unfair in terms of generational justice and could be inefficient in terms of optimal level of consumption. As long as there are adverse shocks, the planner has to decide on generational distribution of the financial burden in PAYG systems. In this paper we show that if intergenerational transfers are needed to keep the system in balance, any discretionary policy that allocates these transfers between the elderly and the young becomes dynamically inconsistent and the system moves toward being a Ponzi scheme. This may be part of the reason why the Government has not been able to resist abusing the system by increasing its generosity for the elderly while expectations on social security wealth for new members have been declining for the last 40 years in Turkey.*

[H] Health

- [H1] Health expenditures: financing, macroeconomic impact, forecasting, etc.
- [H2] Public health policies, anti-addiction measures, prevention, etc.
- [H3] Health inequalities and access to health care: public insurance coverage, spatial inequalities, etc.
- [H4] Governance of the health system: institutional reforms, transfer to local authorities, etc.
- [H5] Management of the health system: HMO, payments system (capitation, reimbursement, etc.)
- [H6] Regulation of the pharmaceutical market
- [H7] Handicap

**[H4]** EVRIM, Didem Gunes, YAMAN Hakan, “Transition to Family Practice in Turkey”  
Journal Of Continuing Education In The Health Professions, 28(2):106–112, 2008

*Turkey’s primary health care (PHC) system was established in the beginning of the 1960s and provides preventive and curative basic medical services to the population. This article describes the experience of the Turkish health system, as it tries to adapt to the European health system. It describes the current organisation of primary health care and the family medicine model that is in the process of implementation and discusses implications of the transition for family physicians and the challenges faced in meeting the needs for health care staff. In Turkey a trend toward urbanisation is evident and more staff positions in rural PHC centres are vacant. Shortages of physicians and an ineffective distribution of doctors are seen as a major problem. Family medicine gained popularity at the beginning of the 1990s, as a specialty with a 3-year postgraduate training programme. Medical practitioners who are graduates of a 6-year medical training programme and are already working in the PHC system are offered retraining courses. Better working conditions and higher salaries may be important incentives for medical practitioners to sign a contract with the social security institution of Turkey. Discussion: The lack of well-trained primary care staff is an ongoing challenge. Attempts to retrain medical practitioners to act as family physicians show promising results. Shortness of physician and health professionals and lack of time and resources in primary health care are problems to overcome during this process”.*

**[H5]** MITCHELL, Andrew D, BOSSERT, Thomas J, YIP, Winnie and MOLLAHALİLOGLU, Salih “Health worker densities and immunisation coverage in Turkey: a panel data analysis”, In: Human Resources for Health 2008, 6:29 pp.1-16.

*Background: Increased immunisation coverage is an important step towards fulfilling the Millennium Development Goal of reducing childhood mortality. Recent cross-sectional and cross-national research has indicated that physician, nurse and midwife densities may positively influence immunisation coverage. However, little is known about relationships between densities of human resources for health (HRH) and vaccination coverage within developing countries and overtime. The present study examines HRH densities and coverage of the Expanded Programme on Immunisation (EPI) in Turkey during the period 2000 to 2006.*

*Methods: The study is based on provincial-level data on HRH densities, vaccination coverage and provincial socioeconomic and demographic characteristics published by the Turkish Government. Panel data regression methodologies (random and fixed effects models) are used to analyse the data.*

*Results: Three main findings emerge: (1) combined physician, nurse/midwife and health officer density is significantly associated with vaccination rates – independent of provincial female illiteracy, GDP per capita and land area – although the association was initially positive and turned negative over time; (2) HRH-vaccination*

*rate relationships differ by cadre of health worker, with physician and health officers exhibiting significant relationships that mirror those for aggregated density, while nurse/midwife densities are not consistently significant; (3) HRH densities bear stronger relationships with vaccination coverage among more rural provinces, compared to those with higher population densities.*

**[H3]** SAYAN, OZKAL Ipek, "Reform for Whom? An Evaluation Over the Health Sector in Turkey", in: Research Journal of International Studies - Issue 7 (March, 2008) pp. 56-66.

*Although health sectors in the world have very different structural features, actually, it has been seen that health policy has become clear in two separate alternatives. One of these alternatives is the policy considering health as "social fact", healthy life and medical care as "a fundamental humanity right acquired innately", medical services as "a social duty and responsibility". This policy, like in all fundamental rights, gives the responsibility and duty of fulfilment of health right requirements the public, state which is its organised power. Another alternative is the policy considering health as "an individual fact", defining fulfilment of the requirements of health right not as a social duty but as "an individual responsibility" and giving completely fulfilment of this right to the rules of supply and demand of the market. In Turkey, health services were handled as a privileged state duty for quite a long time, however, a great transformation was began to come out within the efforts of carrying out enlargement strategy free to the abroad also by the influence of globalisation in Turkey after 1980 and a period of privatisation was began in the field of health. Two significant sections of Programme of Transformation in Health are family medicine and general health insurance. But, reforms planned to be realised in the field of health in Turkey, will not solve the problems in the health sector, they even will deepen available inequalities. Therefore, the fact that in what extent these reforms planned to be realised in the field of health in Turkey are compatible with the economical and social structure of Turkey should be examined.*

**[R2, H3]** ALPER, Yusuf, «Norm ve Standart Birliği Sağlanması Bakımından 5510 Sayılı Kanunda Kendi Adına Bağımsız Çalışanlarla İlgili Düzenlemeler» in: Social Dialog Magazine, Volume: 1, No: 1, pp. 9-12.

"In terms of ensuring the norms' and standards' equality, regulations relevant for self-employed person in law number 5510"

*The initial social security reform (in 2006) included positive regulations for self employed. But the Law No. 5510 brings new rights for self-employed workers, and there is a serious difference between the norms and standards of self-employed workers and employees and civil servants, and it is stated that the differences have increased by new the act (2008) Cash benefits in case of the sickness and maternity are restricted by the new law. Besides it is claimed that the relationship between low contributions and low old-age pension remains, and that the system will not get a handle on increasing poverty, that on the contrary, it will worsen poverty. It is suggested that premium incentives for employees (5% of employer contribution reduction) should also be implemented for self-employed.*

**[R2, H3]** TOPCUK, Yılmaz, «Kısmi Süreli Çalışanların Sosyal Güvenlik Sorunları» in: Social Dialog Magazine, Volume: 1, No: 1, pp. 32-43.

“Social Security Problems of Part-Time Workers”

*According to new law, contributory days for part-time workers are calculated taking into account the working hours. Part-time workers, thus, have to pay their lacking health insurance contribution themselves. Besides, they can make voluntary pension contributions. It is claimed that these regulations encourage undeclared work, as its implementation means that part-time workers have their own responsibility to ensure their social security. So, it is claimed that the social security reform excludes part-time workers.*

**[R1, H3]** KARADENİZ, Oguz. «Ev Hizmetlerinde Çalışanlar ve Sosyal Koruma Sorunu», 2nd Working Life Congress, Labour Inspectors Association and Ankara University Faculty of Political Sciences, Social Policy Center, Ankara, 26-27 April, 2008, pp.177-204.

"Domestic Employees and Social Protection Problem"

*It is estimated that the number of domestic employees (such as housekeepers, cleaners) was 388,274 in 2003. Domestic employees, who are mostly women, work to a large degree (68%) unregistered in Turkey. The rate of uninsured females in house services is 93.2%. 35.9 % of domestic employees did not have any health insurance in 2003 (It was calculated by author from TÜİK Household Budget Survey 2003). Domestic employees who earn below minimum wage because they work less than 45 hours are excluded from the obligatory insurance according to the first version of the Law No. 5510. It was estimated that nearly 52% of domestic employees earn below minimum wage. In this paper examples for the protection of domestic workers in different countries are examined. It is suggested that Turkey needs a new social protection system for domestic workers in order to protect them adequately. It includes different options for increasing social protection coverage, such as low contribution payment for domestic workers.*

**[H3]** SÖZER, Ali, Nazım «Genel Sağlık Sigortası Primlerinden Yararanmak İçin Prim Koşulu», in: Sicil Magazine, March, 2009, pp. 159-173.

“Premium Payment Condition for General Health Insurance”

*According to new General Health Insurance Act (Law No. 5510) it is necessary to have made contributions to the system for a minimum of 30 days in order to be able to access health services. Moreover, there must be no premium arrears. This no premium arrears precondition also applies to self-employed insured and other insured who do not work, but does not apply to employees and civil servants. It is criticised that this situation creates inequality and, therefore, contradicts the Turkish Constitution. The Social Security Reform Act (Law No. 5510) is also criticised in terms of the way the legislation was drafted. It is suggested that a new legislation should be prepared by experts in Turkish Labour Law.*

**[H3]** ERGİN, Hediye «Genel Sağlık Sigortasında Geline Son Durum», in: Sicil Magazine, September, 2009, pp. 112-130.

“Current Situation in General Health Insurance”

*There is an obligation to pay premiums for a minimum of 30 days and this brings injustice to the self-employed group, persons who do not work, voluntary insureds and it is contradicts the equality principle of the Turkish Constitution. Besides, it is criticised that contribution fees taken by SSI for health services is against to the*

*Turkish Constitution's article 56, which states that the State should ensure that everyone can live their life in conditions of physical and mental health. Finally, it is claimed that the General Health Insurance Act has restricted access to health services.*

[H3] SÖZER, Ali Nazım, «Genel Sağlık Sigortasında Sunulan Edimler, Kapsam ve Yararlanma Koşulları», Sicil Magazine, June, 2008, pp. 146-157

“Benefits, Coverage, Conditions for Utilisation in General Health Insurance”

*There are seven independent co-payments claimed from insured in certain situations, on top of premiums for the general insurance. These fees are defined by the Health Service Costing Commission, which has, for example, the authority to increase the inpatient service fee by more than three times and then subsequently claims the difference between inpatient treatment and accommodation fee as co-payment from the insured. This course of action leads to heavy criticism. By doing this, it is claimed, the law abandons the principle of social equality and suggests the solution of joining the private insurance system*

[L] Long-term care

[L] OGLAK, Sema, «Türkiye’de Bakıma Muhtaç Bireylerin Bakım Hizmetlerinde Sosyal Bakım Elemanının Eğitimi ve İstihdam Açısından Önemi», in: Ozveri Dergisi, August 2008 Volume Issue:1, [www.ozida.gov.tr](http://www.ozida.gov.tr)

“The Importance of Employment and Training of Caregiver in Care Services of the Dependent People in Turkey”

*Need for care is an important problem which arises depending on being disabled and aged. Although care is considered as a basic responsibility of the family in many countries all over the world, change of demographical structure, employment of more and more women in work have caused social care services to be given by those who are experts in their profession. In parallel with the increase of the comprehensive demand of independency for people, disabled and aged, who are dependent of care, the number of the organisations giving home care has been increasing day by day alongside with the institutional care homes such as nurseries and homes for the elderly. But in addition to the number of care service organisations and demand’s being so high, there are some problems in the number of experienced and trained caregivers and quality. The extended period of need for care, which arises with the population increase, shows that in the future it will increase the employment area of caregiver compared with other sectors.*

[L] GİRAY Hatice, MESERİ Recı, SAATLI Gül ,YÜCETİN, Nuray, AYDIN Pınar, UÇKU, Reyhan «Türkiye’ye İlişkin Yaşlı Sağlığı Örgütlenmesi Model Önerisi» in: TSK Koruyucu Hekimlik Bülteni, 2008: 7 (1) pp. 81-86.

“Proposal for Elderly Health Care System in Turkey”

*Decrease in mortality and fertility rate result an increase in elderly population in Turkey and in the world. Not only health problems but social and economical problems occur within this age group. In most of the countries this demographic transformation is neglected in medical education. In Turkey, elderly care is mainly focused on treatment of the diseases and based on “to whom who can apply” approach. Therefore the PhD students of Public Health and their supervisor create a model for elderly health care which describes the objectives of elderly health care, the main*

*characteristics of the system, content, where the service should be given, by whom and finance of the system.*

## 5 List of Important Institutions

### **Türkiye İş Kurumu (İş-Kur)** - Turkey Employment Institution

Contact Person: Namık ATA  
Address: General Direktoriye İş Kurumu Genel Müdürlüğü Atatürk  
Bulvarı Bakanlıklar, Ankara, Turkey  
Webpage: [www.iskur.gov.tr](http://www.iskur.gov.tr)

*Governmental Organisation;*

*Turkey Employment Institution manages and implement unemployment insurance*

*Main Recurring Publication: İş-Kur Bulletin*

### **Sosyal Güvenlik Kurumu (SGK)** - Social Security Institution

Contact Person: Fatih ACAR, President of SGK Sosyal Güvenlik Kurumu  
Address: Ziyabey Cad. No: 6 Balgat, Ankara/Turkey  
Phone: 0090.312 207 80 00  
Webpage: [www.sgk.gov.tr](http://www.sgk.gov.tr)

*Governmental Organisation;*

*SGK manages social security system and implements social security laws.*

*Main Recurring Publication: Sosyal Güvenlik Dergisi / Social Security Magazine*

### **Sosyal Hizmetler ve Çocuk Esirgeme Kurumu** - General Directorate of Social Services and Child Protection

Contact Person: Dr. İsmail BARIŞ General Director, [ibaris@shcek.gov.tr](mailto:ibaris@shcek.gov.tr)  
Address: T.C. BAŞBAKANLIK Sosyal Hizmetler Çocuk Esirgeme  
Kurumu Genel Müdürlüğü Anafartalar Cad. No: 70, 06240 Ulus  
/ Ankara/Turkey  
Phone: 0090.312 310 24 60 – 80  
Webpage: [www.shcek.gov.tr](http://www.shcek.gov.tr)

*Governmental Organisation;*

*SHÇEK provides social services for elderly, women, children and disabled needy persons.*

*Main Recurring Publication: Bulletins that are published by provinces directorate of SHÇEK*

*Main Recurring Publication: n.a.*

### **Sosyal Yardımlaşma ve Dayanışma Genel Müdürlüğü** - General Directorate of Social Assistance and Solidarity

Contact Person: Aziz YILDIRIM General Director Social Assistance and  
Solidarity General Directorate  
Address: Akay Caddesi No: 6 Bakanlıklar/Ankara/Turkey; Karanfil  
Sokak No: 67 Kızılay/Ankara/Turkey  
Phone: 0090.312. 424 09 40 & 90.312.424 09 40  
Email: [sydgmsydgm.gov.tr](mailto:sydgmsydgm.gov.tr)  
Webpage: [www.sydgm.gov.tr](http://www.sydgm.gov.tr)

*Governmental Organisation*

*“...Social Assistance and Solidarity General Directorate as State's most important social assistance and protection agency; fulfils the States social responsibility throughout the*

country by helping to citizens who do not have social security , orphaned and needy and also by supporting employment-oriented training and projects.”(<http://www.sydgm.gov.tr/en/>)

**Çalışma ve Sosyal Güvenlik Bakanlığı - Ministry of Labour and Social Security**

Address: T.C. Çalışma ve Sosyal Güvenlik Bakanlığı İnönü Bulvarı  
No:42 pk: 06520 Emek / Ankara/Turkey  
Phone: 0090.312 296 60 00  
Webpage: [www.calisma.gov.tr](http://www.calisma.gov.tr)

*Governmental Organisation;*

*MoLSS manages the labour and social security system. MoLSS implements and inspects labour legislation, to take a measures which regulate working life (See: Law Number 3146 article: 2)*

**Sağlık Bakanlığı - Ministry of Health**

Address: T.C. Sağlık Bakanlığı Mithatpaşa Cad. No : 3 06434 Sıhhiye /  
Ankara/Turkey  
Phone: 0090.312. 585 1000  
Webpage: [www.saglik.gov.tr](http://www.saglik.gov.tr)

*Governmental Organisation*

**Türkiye İşçi Sendikaları Konfederasyonu - Confederation of Turkish Trade Unions**

Contact Person: Mustafa KUMLU General President TÜRK-İŞ  
Address: Bayındır sok.No:10 06410Kızılay Ankara/TURKEY  
Phone: 0090(312) 433 31 25 (pbx)  
Fax: 0090.0312. 433 68 09  
Email: [turkis@turkis.org.tr](mailto:turkis@turkis.org.tr)  
Webpage: [www.turkis.org.tr](http://www.turkis.org.tr)

*Non Governmental Organisation.*

*TÜRK-İŞ is the biggest Confederation of Trade Unions in Turkey. It is also the first Confederation to be established in Turkey. It was established in 1952. As of January 2008, TÜRK-İŞ has 2,154,132 members (according to the statistics of the Ministry of Labour) organised within its 33 affiliated unions in 28 industrial branches. Most affiliated unions have a membership with their corresponding ITS's. Main Recurring Publication: Türk-İş Dergisi (Magazine)*

**Hak İşçi Sendikaları Konfederasyonu - HAK-İŞ Trade Union Confederation “The Confederation of Turkish Real Trade Unions”**

Contact Person: Salim USLU HAK-İŞ KONFEDERASYONU  
Address: Tunus Cad. No:37 Kavaklıdere/Ankara/Turkey  
Phone: 0090.312.417 80 02 - 417 79 00  
Fax: 0090.312.425 05 52  
Email: [hakis@hakis.org.tr](mailto:hakis@hakis.org.tr)  
Webpage: [www.hakis.org.tr](http://www.hakis.org.tr)

*Non Governmental Organisation;The Confederation of Turkish Real Trade Unions (HAK-İŞ) was set up on 22October 1976 in Ankara. Today, HAK-İŞ has 9 affiliate trade union members.*

**Devrimci İşçi Sendikaları** - Confederation of Progressive Trade UNIONS

Contact Person: Süleyman ÇELEBİ General President  
Address: ABİDEİ HÜRRIYET CAD. NAKİYE ELGÜN SOK. 117 Şişli -  
İstanbul/TURKEY  
Phone: 0090 212 2910005  
Fax: 0090 212 2342075  
Email: [disk@disk.org.tr](mailto:disk@disk.org.tr)  
Webpage: [www.disk.org.tr](http://www.disk.org.tr)

*Non Governmental Organisation*

*DISK was established 1967. 18 Trade Unions are member of the DISK.*

**Türkiye İşçi Emeklileri Cemiyeti** - Turkish Retired Workers Association

Contact Person: Kazım ERGÜN General President TÜRKİYE İŞÇİ  
EMEKLİLERİ DERNEĞİ  
Address: Anıttepe Mh. Işık Sk. 11/1, Tandoğan - Ankara /TURKEY  
Phone: 0090.0312 230 34 28-29-89  
Fax: 0312 230 16 41-92  
Email: [tied@tied.org.tr](mailto:tied@tied.org.tr)  
Webpage: [www.tied.org.tr](http://www.tied.org.tr)

*Non Governmental Organisation*

*TİED was established in 1970. It has more than 1 million members. It has 86 branch offices.  
TİED is represented in the Social Security Institution and Social Security Advisory Board.*

**Türkiye Kamu Çalışanları Sendikaları Konfederasyonu** - Turkey Civil Servant Trade Union Confederation

Contact Person: Bircan AKYILDIZ General President KAMU-SEN  
Address: Dr.Mediha Eldem Sokak No:85, Kat:1 06640 Kocatepe /  
Ankara/TURKEY  
Phone: 00.90. 312. 424 22 00 (Pbx)  
Fax: 00.90.0312 424 22 08  
Webpage: [www.kamusen.org.tr](http://www.kamusen.org.tr)

*Non Governmental Organisation*

*KAMU-SEN is trade union's confederation for civil servants.*

**MEMUR-SEN Memur Sendikaları Konfederasyonu** - Confederation of Public Servants Trade Unions

Contact Person: Yusuf YAZGAN General President MEMUR-SEN  
Address: Özveren Sok. No: 9 Kat:4 Demirtepe / Ankara  
Phone: 0090.312 230 48 98  
Fax: 0090.312 230 39 89  
Email: [info@memursen.org.tr](mailto:info@memursen.org.tr)  
Webpage: [www.memursen.org.tr](http://www.memursen.org.tr)

*Memur-Sen is trade union confederation for civil servants.*

*Main Recurring Publication: Kamuda Sosyal Politika/ Social Policy in Public.*



## **Kamu Emekçileri Sendikaları Konfederasyonu** - Confederation of Public Employees

### Trade Unions

Contact Person: Sami EVREN General President  
Address: Çehre Sokak No:6/1 Gaziosmanpaşa Ankara –TURKEY Phone: 0090.312 436 71 11  
Email: 90.312 436 74 70  
Webpage: [www.kesk.org.tr](http://www.kesk.org.tr)

### *Non Governmental Organisation*

*KESK is trade union confederation for public employees.*

## **Türk Tabipleri Birliği** - Turkish Medical Association

Address: Gazi Mustafa Kemal Bulvarı Ş. Daniş Tunalıgil Sok. No: 2 / 17  
- 23 Maltepe /Ankara 7 TURKEY 06570  
Phone: 90 312 231 31 79 & 90 312 231 19 52  
Email: [ttb@ttb.org.tr](mailto:ttb@ttb.org.tr)  
Webpage: [www.ttb.org.tr](http://www.ttb.org.tr)

*Turkish Medical Association (TTB) is the organised voice of physicians in Turkey, under the constitutional guarantee. It's a public association founded with law bearing the number 6023 and 80% (83.000) of country's physicians are members of TTB. It's main income source are membership fees. Main Recurring Publication: Toplum ve Hekim Dergisi (Community and Physician Review).*

## **Türkiye İşverenler Sendikası Konfederasyonu** - Turkish Employer Association

### Confederation

Contact Person: Tuğrul KUTADGOBİLİK General President  
Address: Hoşdere Cad., Reşat Nuri Sokak No. 108 06540 Çankaya / ANKARA  
Phone: 0090 312 439 77 17 (pbx)  
Fax: 0090 312 439 75 92-93-94  
Email: [tisk@tisk.org.tr](mailto:tisk@tisk.org.tr) & [gensec@tisk.org.tr](mailto:gensec@tisk.org.tr)  
Webpage: [www.tisk.org.tr](http://www.tisk.org.tr)

### *Non Governmental Organisation;*

*TISK is the biggest employer association and the unique qualified employer organisation's confederation for collective agreement.*

*Main Recurring Publication: TİSK Akademi Dergisi (TİSK Academy Review), İşveren Dergisi (Employer Magazine)*

## **Türkiye Esnaf ve Sanatkarları Konfederasyonu** - The Confederation of Turkish

### Tradesmen and Craftsmen

Contact Person/ Bendevi PALANDÖKEN General President TESK  
Address: Tunus Caddesi No. 4, 06680 Bakanlıklar / Ankara/TURKEY  
Phone: 0090.312 418 32 69  
Fax: 90.312 425 75 26  
Email: [info@tesk.org.tr](mailto:info@tesk.org.tr)  
Webpage: [www.tesk.org.tr](http://www.tesk.org.tr)

### Non-Governmental Organisation

*The Confederation of Turkish Tradesmen and Craftsmen (TESK) has a country-wide organisational structure with its 13 Sector Occupational Federations, 82 Tradesmen and Craftsmen Union of Chambers and 3171 Local Occupational Chambers. It is representing*

nearly 1.8 millions tradesmen and craftsmen members working in service and production sectors. All of its managers are assigned to their positions through democratic elections carried out by its members, and it is managed by an administration board consisting of 15 persons. Main Recurring Publication: *Vitrin Dergisi (Vitrin Magazine)*

**Türkiye Odalar ve Borsalar Birliği** - The Union of Chambers and Commodity Exchanges of Turkey

Contact Person: Rıfat HİSARCIKLIOĞLU President TOBB  
Address: Atatürk Bulvarı No:149 Bakanlıklar/Ankara/TURKEY  
Phone: 0090-312-413 80 00  
Fax: 0090.312.418 32 68  
Webpage: [www.tobb.org.tr](http://www.tobb.org.tr)

*Non-Governmental Organisation*

*“The Union of Chambers and Commodity Exchanges of Turkey (TOBB) is the highest legal entity in Turkey representing the private sector.*

*Similar to the patterns of guilds and syndicates, which traditionally organised and represented tradesmen and producers throughout the Turkish History, TOBB, too, adopted a representative role in a democratic and modern society.*

*Today, TOBB has 365 members in the form of local chambers of commerce, industry, commerce and industry, maritime commerce and commodity exchanges.”*

<http://www.tobb.org.tr/eng/tobbhakkinda/legalstatus.php> (Accessed Date: 10.05.2009)

Main Recurring Publication: *Ekonomik Forum Dergisi (Economic Forum Magazine)*

**Türkiye Ziraat Odaları Birliği** - Foundation and Organisation of The Union of Turkish Chambers of Agriculture

Contact Person: Ş. Şemsi BAYRAKTAR General President  
Address: Gazi Mustafa Kemal Bulvarı No:25 Demirtepe 06440  
Ankara 7, TURKEY  
Phone: 0090 312 231 63 00  
Fax: 90 312231 76 27  
Email: [ziraatodalari@tzob.org.tr](mailto:ziraatodalari@tzob.org.tr)  
Webpage: [www.tzob.org.tr](http://www.tzob.org.tr)

*“As it is stated in Law No. 6964, which differs Law No. 2979 by first article: “Chambers of Agriculture is responsible of profession services, serving for the sake of agricultural sector and helping for government’s agricultural plans and programmes, covering the mutual needs of farmers, easing profession activities, protecting duty, professional discipline, ethic and unity, and it is a public association which is a legal personality”.*

*The duties of chambers are stated in Law No. 6964 3rd article in details. Chambers of Agriculture are responsible of gathering data about farmers, production input serving and distributing output, recording combines, organising courses with other agricultural organisations, meetings and giving support for social activities.”*

[http://www.tzob.org.tr/tzob\\_eng/tzob\\_eng\\_about\\_us.htm](http://www.tzob.org.tr/tzob_eng/tzob_eng_about_us.htm) (Accessed Date:10.05.2009)

Main Recurring Publication: *Çiftçi ve Köy Dünyası Dergisi (Farmer and Village World Magazine)*

**Türkiye Sanayici ve İşadamları Derneği** - Turkish Industrialist and Businessmen's Association

Address: TÜSİAD Türk Sanayicileri ve İşadamları Derneği  
Merkez, İstanbul  
Phone: 90.212 249 19 29  
Fax: 90.212. 249 13 50  
Email: [tusiad@tusiad.org](mailto:tusiad@tusiad.org)  
Webpage: [www.tusiad.org.tr](http://www.tusiad.org.tr)

*Non Government Organisation*

*TUSIAD is an important employer organisation in Turkey. TUSIAD examines economic and social problems in order to contribute to problem solving.*

*Main Recurring Publication: No; others: Reports about social security and health reform*

**Sosyal Politika Forumu** - Social Policy Forum

Contact Person/Address: Prof. Dr. Ayşe Buğra  
Address: Boğaziçi Üniversitesi Sosyal Politika Forumu Kuzey  
Kampus, Otopark Binası Kat.1 No. 119 34342 Bebek-  
İstanbul-TURKEY  
Phone: 0090.212. 359 7563-64  
Fax: 0090.212. 287 1728  
Email: [spf@boun.edu.tr](mailto:spf@boun.edu.tr)  
Webpage: <http://www.spf.boun.edu.tr>

*University Research Centre*

*Main Objectives: "The Social Policy Forum is a research and policy centre founded at Boğaziçi University with the objective of generating critical knowledge pertaining to the main issues of social policy. The Forum aims to instigate and contribute to the debate on social policy and citizenship rights, carry the European experience and perspective on social policy and welfare reform to the Turkish context, and foster a deeper interest among intellectuals, policy-makers and media in social policy-making in Turkey." (see. [http://www.spf.boun.edu.tr/default\\_en.htm](http://www.spf.boun.edu.tr/default_en.htm) Accessed Date: 03.05.2009)*

*Main Recurring Publication: Working papers, reports*

**Fişek Enstitüsü** - Fisek Institute Science and Action Foundation for Child Labour

Contact Person: Prof. Dr. A. Gürhan FİŞEK  
Address: Selanik Cad. 52/4 Kizilay-Ankara, 7, TURKEY  
Webpage: <http://www.fisek.org.tr>

*Non-Governmental Organisation*

*Fisek Institute is a non-governmental organisation. The main focus of the Institute is social risk groups (e.g. working children). The Institute aims to implement community medicine approach by enriching it with the practices in social life*

*Main Recurring Publication: Çalışma Ortamı Dergisi (Work Environment Review)*

**Çalışma ve Sosyal Güvenlik Derneği** - Labour and Social Security Association

Contact Person/Address: İsa KARAKAŞ President SSK  
İşhanı A Blok Kat:8 No:510 Kızılay-Ankara-TURKEY  
Postal Address: 404 Mithatpaşa Caddesi-Yenişehir-Ankara-TURKEY  
Email: [tcsgd@tcsgd.org](mailto:tcsgd@tcsgd.org)  
Webpage: <http://www.tcsgd.org.tr>

*Non-Governmental Organisation*

*The Labour and Social Security Association aims at designing projects within social security to ensure the right to access to social security for everybody, to inform the public and to contribute to social dialogue processes. Main Recurring Publication: Sosyal Diyalog Dergisi (Social Dialogue Review)*

**KEİG Kadın Emegi ve İstihdam Girişimi** - The Initiative For Women's Labour and Employment

Address: SEKRETERYASI KADAV İstiklal Caddesi Gazeteci  
Erol Dernek Sokak Hanif Han No: 11/5 Beyoğlu  
İstanbul,7,TURKEY  
Phone: 0090.212 251 58 50  
Fax: 0090.212 251 58 51  
Email: [iletisim@keig.org](mailto:iletisim@keig.org)  
Webpage: <http://www.keig.org>

*Non-Governmental Organisation*

*“The Women's Labour and Employment Initiative Platform (KEIG) in Turkey is a newly established platform of NGOs, academics, local authorities, labour unions and semi-public institutions to promote a gender perspective in labour and employment issues....The main aim of the platform is to make women's domestic and public labour visible and recognised, to disseminate research and information on issues of women's labour and employment and to combat discrimination against women by proposing policies towards equal opportunities for employment, decent working conditions and decent income in Turkey.”*  
<http://www.keig.org/eng/default.aspx> (Accessed Date:12.05.2009)

**Sosyal Güvenlik Müfettişleri Derneği** - Social Security Inspector's Association

Contact Person/Address Mehmet UZUN President  
Address: SSK İşhanı B-1 Blok Kat : 5 No : 226 06420 Kızılay-  
Ankara/TURKEY  
Phone: 90.312 435 37 64  
Fax: 90.0312 435 37 26  
Email: [sosgum@ttmail.com](mailto:sosgum@ttmail.com)  
Webpage: <http://www.simder.org.tr/>

*Non-Governmental Organisation*

*The Social Security Inspectors Association aims at protecting its members' rights and publishes magazines, books, reviews about social policy and social security problems.*  
*Main Recurring Publication: Sosyal Güvenlik Dünyası (Social Security Review)*

## Annex

Table 1 Total health expenditures of social security organisation by years (million TL)

Years	2001	2002	2003	2004	2005	2006	2007	2008	Increasing Ratio (2001-2007/2008) %
<b>SSK</b>	<b>2.258</b>	<b>3.594</b>	<b>4.981</b>	<b>6.636</b>	<b>7.065</b>	<b>11.106</b>	<b>14.738</b>		553
<b>Treatment</b>	<b>1.124</b>	<b>1.493</b>	<b>2.530</b>	<b>3.502</b>	<b>3.088</b>	<b>5.486</b>	<b>7.880</b>		601
MoH Hospitals	820	1.026	1.875	2.618	1.960	3.684	5.196		533
University Hospitals	118	195	281	383	473	707	1.002		749
Private Hospitals	185	272	374	500	655	1.095	1.682		807
<b>Medicine</b>	<b>993</b>	<b>1.879</b>	<b>2.101</b>	<b>2.687</b>	<b>3.553</b>	<b>5.266</b>	<b>6.379</b>		542
<b>Other</b>	<b>141</b>	<b>222</b>	<b>350</b>	<b>447</b>	<b>424</b>	<b>354</b>	<b>480</b>		240
Other	122	199	308	390	387	285	347		185
Optic	19	23	42	57	37	69	133		595
<b>Bağ-Kur</b>	<b>1.229</b>	<b>2.195</b>	<b>3.183</b>	<b>3.719</b>	<b>3.626</b>	<b>3.816</b>	<b>3.052</b>		148
<b>Treatment</b>	<b>330</b>	<b>693</b>	<b>966</b>	<b>1.269</b>	<b>1.363</b>	<b>1.667</b>	<b>1.385</b>		320
MoH Hospitals	250	562	798	1.028	1.125	1.269	997		298
University Hospitals	31	61	82	127	96	107	69		121
Private Hospitals	48	70	87	113	142	291	318		557
<b>Medicine</b>	<b>780</b>	<b>1.322</b>	<b>1.997</b>	<b>2.188</b>	<b>1.841</b>	<b>1.841</b>	<b>1.407</b>		80
<b>Other</b>	<b>118</b>	<b>181</b>	<b>220</b>	<b>262</b>	<b>422</b>	<b>308</b>	<b>260</b>		120
Other	112	168	194	234	396	275	227		103
Optic	7	13	26	28	26	33	34		409
<b>Emekli Sandığı</b>	<b>1.089</b>	<b>1.840</b>	<b>2.498</b>	<b>2.796</b>	<b>2.917</b>	<b>2.744</b>	<b>2.193</b>		101
<b>Treatment</b>	<b>345</b>	<b>645</b>	<b>867</b>	<b>1.135</b>	<b>1.175</b>	<b>1.337</b>	<b>1.003</b>		191
MoH Hospitals	114	227	325	436	437	490	206		80
University HospitalS	181	364	464	569	515	511	452		150
Private HospitalS	50	54	78	130	224	336	345		589
Other									
<b>Medicine</b>	<b>660</b>	<b>1.100</b>	<b>1.517</b>	<b>1.524</b>	<b>1.607</b>	<b>1.265</b>	<b>1.072</b>		62
<b>Other</b>	<b>84</b>	<b>95</b>	<b>115</b>	<b>136</b>	<b>135</b>	<b>143</b>	<b>118</b>		40
Other	65	65	70	89	87	99	82		25
Optic	19	30	44	48	47	44	36		97
<b>TOTAL</b>	<b>4.576</b>	<b>7.629</b>	<b>10.662</b>	<b>13.150</b>	<b>13.608</b>	<b>17.667</b>	<b>19.984</b>	<b>25.346</b>	454
<b>Treatment</b>	<b>1.799</b>	<b>2.831</b>	<b>4.362</b>	<b>5.906</b>	<b>5.626</b>	<b>8.489</b>	<b>10.267</b>	<b>13.953</b>	676
MoH Hospitals	1.185	1.815	2.998	4.083	3.521	5.442	6.399	7.325	518
University HospitalS	330	620	827	1.079	1.083	1.325	1.523	2.247	581
Private HospitalS	284	396	538	743	1.021	1.723	2.345	4.381	1.444
<b>Medicine</b>	<b>2.434</b>	<b>4.300</b>	<b>5.615</b>	<b>6.399</b>	<b>7.001</b>	<b>8.372</b>	<b>8.858</b>	<b>10.717</b>	340
<b>Other</b>	<b>343</b>	<b>498</b>	<b>685</b>	<b>845</b>	<b>980</b>	<b>805</b>	<b>859</b>	<b>676</b>	97
Other	299	433	573	712	871	659	655	409	37
Optic	44	66	112	133	110	146	203	267	502
<b>Green Card</b>	<b>392</b>	<b>650</b>	<b>917</b>	<b>1.062</b>	<b>1.809</b>	<b>2.910</b>	<b>3.913</b>	<b>4.031</b>	928
Treatment	301,0	537,0	665,0	612,0	1.047,0	1.983,4	2.603,0	2.730,0	807
Medicine	91,0	113,0	252,0	450,0	762,0	926,4	1.310,0	1.301,0	1.330

Source: SGK (SSI), 2009/b

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- (1) to improve the knowledge and understanding of the situation prevailing in the Member States (and in other participating countries) through analysis, evaluation and close monitoring of policies;
- (2) to support the development of statistical tools and methods and common indicators, where appropriate broken down by gender and age group, in the areas covered by the programme;
- (3) to support and monitor the implementation of Community law, where applicable, and policy objectives in the Member States, and assess their effectiveness and impact;
- (4) to promote networking, mutual learning, identification and dissemination of good practice and innovative approaches at EU level;
- (5) to enhance the awareness of the stakeholders and the general public about the EU policies and objectives pursued under each of the policy sections;
- (6) to boost the capacity of key EU networks to promote, support and further develop EU policies and objectives, where applicable.

For more information see:

[http://ec.europa.eu/employment\\_social/progress/index\\_en.html](http://ec.europa.eu/employment_social/progress/index_en.html)