

The Social Security of Self-Employed Farmers in Turkey

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EISS Conference, September 2021, Zagreb

I. Introduction

Table 1: Summary of Agricultural Statistics in Turkey

| | | | |
|---|-------------|-----------|---|
| Number of Agricultural Enterprises | 2016 | 3.000.000 | Number |
| Agricultural Employment | 2020 | 17.6% | Divided by the number of Total Employment |
| Agricultural Labor | 2020 | 4.716 | Thousand People |
| Agricultural Contribution to GDP | 2019 | 6.4% | The GDP Share |

Source: (TÜİK, 2016, 2020b; World Bank, 2016).

II. Problem Statement

Table 2: Annual Main Business Income of Household Members According to Their Economic Activity (Turkish Lira)

| Branch of Economic Activity | 2018 | 2019 |
|-----------------------------|---------------|---------------|
| Agriculture | 21,807 | 25,263 |
| Industry | 35,174 | 44,355 |
| Construction | 32,236 | 42,227 |
| Service | 37,169 | 46,034 |

Source: Turkstat.

II. Problem Statement

Table 3: Informal Employment Rates in Turkey by Years (%)

| | Agriculture | Non-Agriculture | Industry | Service | Construction | General |
|-------------|--------------------|------------------------|-----------------|----------------|---------------------|----------------|
| 2002 | 90.14 | 31.74 | 36.40 | 29.19 | - | 52.14 |
| 2005 | 88.22 | 34.32 | 38.11 | 32,27 | - | 48.17 |
| 2010 | 85.47 | 29.06 | 32.68 | 27.11 | - | 43.25 |
| 2014 | 82.27 | 22.32 | 20.26 | 21.09 | 36.61 | 34.97 |
| 2015 | 81.16 | 21.23 | 19.13 | 20.05 | 35.58 | 33.57 |
| 2016 | 82.09 | 21.72 | 20.20 | 20.35 | 35.76 | 33.49 |
| 2017 | 83.33 | 22.10 | 20.03 | 20.95 | 35.80 | 33.97 |
| 2018 | 82.73 | 22.28 | 20.29 | 21.46 | 34.39 | 33.42 |
| 2019 | 86.62 | 22.96 | 20.03 | 22.55 | 37.74 | 34.52 |
| 2020 | 83.46 | 19.30 | 16.46 | 18.76 | 34.72 | 30.59 |

Source: Social Security Institution of Turkey.

II. Problem Statement

Table 4: Annual Income of Agricultural Workers According to their Status at Work (Median, TL)

| Status at Work | SSI Registry | Yearly Net Income (2018) |
|-----------------------|--------------|--------------------------|
| Employers | Registered | 35,209 |
| | Unregistered | 16,295 |
| Waged Workers | Registered | 21,460 |
| | Unregistered | 12,000 |
| Self-Employed Farmers | Registered | 20,900 |
| | Unregistered | 11,600 |
| Casual Workers | Registered | 14,500 |
| | Unregistered | 7,200 |
| Unwaged Family Worker | Registered | 0 |
| | Unregistered | 0 |

Source: Turkstat.

II. Problem Statement

Table 5: People Who Were Unable to See to a Doctor When They Needed, Some Selected Sectors in the Last 12 Months

| Sector | Number of Employees | Share (%) |
|--|---------------------|-------------|
| Agriculture, Forestry, Hunting, and Fishery | 662,361 | 20.1 |
| Manufacturing | 639,746 | 19.4 |
| Wholesale and Retail Trade | 428,698 | 13.0 |
| Construction | 303,015 | 9.2 |
| Transportation and Storage | 173,691 | 5.3 |
| Accommodation and Catering Services | 203,214 | 6.2 |

Source: It is calculated within the context of the study from TÜİK, Income and Life Conditions Research of 2015.

II. Problem Statement

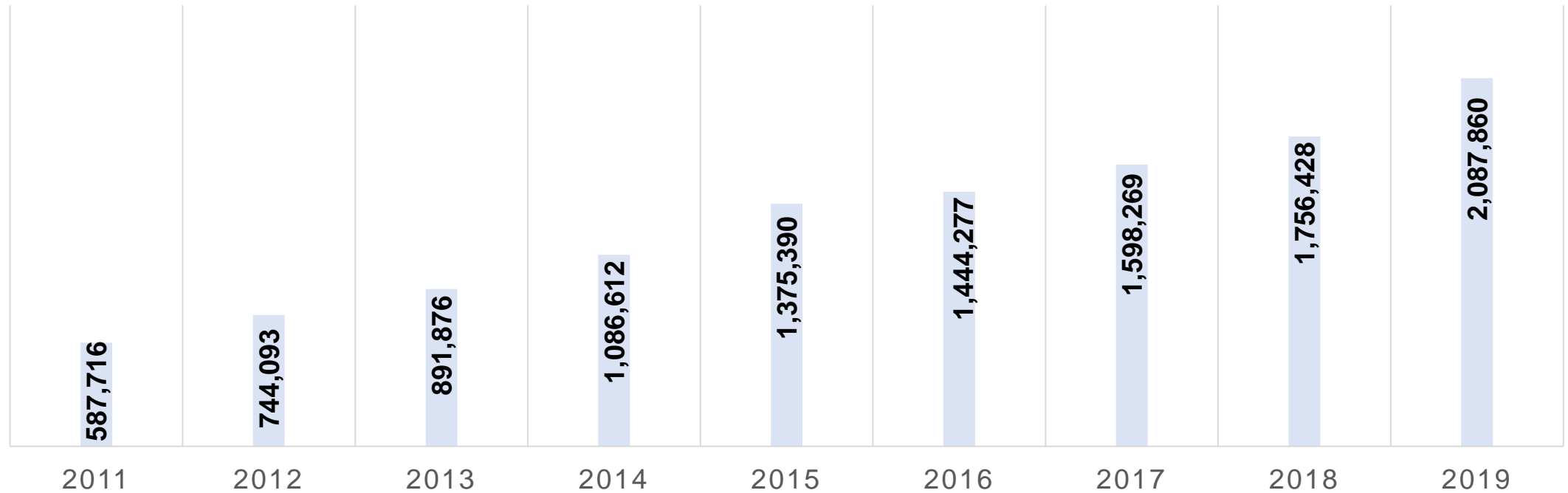
Table 6: Main Reason of Not Being Able to Apply to a Doctor for Agricultural Employees

| Reason | Number of Employees | Share (%) |
|---|---------------------|--------------|
| Difficulty in Payment | 442,691 | 66.8 |
| Work or Child | 37,885 | 5.7 |
| The Healthcare Institution is far located | 63,955 | 9.7 |
| Fear | 16,478 | 2.5 |
| The appointment date is given on a forward date | 6,997 | 1.1 |
| Waiting for the disorder to get recovered by itself | 80,043 | 12.1 |
| Not knowing a good doctor | 7,378 | 1.1 |
| Other Reasons | 6,934 | 1.0 |
| Total | 662,361 | 100.0 |

Source: It is calculated within the context of the study from TÜİK, Income and Life Conditions Research of 2015.

II. Problem Statement

Chart 1: Number of Crop Insurance Policies Issued by Years (Number)



Source: TARSIM, 2011 – 2019 Annual Reports.

III. Legal Scope in Turkey

| | | | |
|---|---|------------------------|---|
| Sickness medical benefits | ✓ | Sickness cash benefits | ✗ |
| Accidents at work and occupational diseases | ✓ | Unemployment | ✗ |
| Maternity | ✓ | Family benefits | ✗ |
| Invalidity | ✓ | Long-term care | ✗ |
| Old-age | ✓ | | |
| Survivors | ✓ | | |

Exemptions (if farmers request)

- +65 years old
- Monthly net income < 30 Days minimum net wage

III. Legal Scope in Europe (farmer specific systems)

| | Sickness-Maternity Medical Benefits | Sickness-Maternity Cash Benefits | Disability-Old Age-Survivors | Work Accident and Occupational Diseases | Family Allowances | Unemployment Insurance | Long-Term Care |
|---------|--|-------------------------------------|---------------------------------|--|----------------------|---------------------------|-------------------|
| Germany | ✓ | ✗ | ✓ | ✓ ³ | ✓ ¹ | ✗ | ✓ ⁴ |
| Austria | ✓ | ✗ ✓ ² | ✓ | ✓ | ✓ ¹ | ✗ | ✓ ¹ |
| France | ✓ | ✓ | ✓ | ✓ | ✓ ¹ | ✗ | ✗ |
| Finland | ✓ | ✓ | ✓ | ✓ | ✓ ¹ | ✓ ¹ | ✓ ¹ |
| Poland | ✓ ¹ | ✓ | ✓ | ✓ | ✓ ¹ | ✗ | ✗ ⁵ |

Source: (Karadeniz, 2006, p. 99; MISSOC, 2020; Müller & Neumann, 2017, p. 167; Posturzyńska et al., 2012, p. 594).

- 1. Within the scope of the general system.**
- 2. There is no cash benefits for sickness, but there is cash benefits for maternity.**
- 3. In Germany, although farmers are included in the general system for work accidents and occupational diseases, their monthly salaries and compensations are calculated differently.**
- 4. In Germany, long-term care is based on compulsory insurance within the scope of disease insurance. There is no farmer-specific system.**
- 5. There is no separate long-term care system in Poland. Long-term care services are provided on a universal basis within the health and social service system.**

IV. Special Benefits in Farmer-Specific Systems

- Except for Poland, in all countries, there are **substitute worker service** for disease, maternity, work accident and occupational disease, disability and survivors (MELA, 2020a; Pawlowska et al., 2013, p. 42; SVLFG, 2020a; SVS, 2020a, pp. 61–62).
- In Austria, after the farmer's death if the spouse or the partner carry on the operations of the agricultural enterprise, insurance periods obtained by the dead insurance holder during his marriage or partnership is **added to their insurance periods** (MISSOC - Austria, 2019, p. 17; SVS, 2020b).
- In Finland, **family retirement and compensation payment** to the survivors within the scope of life insurance are other special benefits for farmers (MELA, 2020c).

V. Financing in Farmer-Specific Systems

- Examining the financing structure of farmer-specific systems, we find that the **sustainability of the systems are through state subsidies.**
- In all countries, **the state subsidy rate in retirement insurance** is around 80-85%.
- **The state subsidy rate in health insurance** is around 45-50%.

Source: (KRUS, 2020; MELA, 2018, p. 5; MSA, 2019; SVB, 2018, pp. 18-20–21; SVLFG, 2020b).

VI. Case Study

A survey will be made by a person who registered in the Farmer Registration System in Manisa.

Quantitative research methods will be used in the case study.

The snowball method will be used to reach sample.

SPSS package program will be used for statistical analysis.

VI. Case Study

In the analysis of the obtained data, frequency distributions and percentages will be presented in tables.

In addition, cross tables will be arranged in order to reveal the relationships between various variables.

Finally, parametric or non-parametric test methods will be used to test whether there are significant relationships between the variables.

VII. Conclusions

Problems are experienced by self-employed farmers who are common in both Turkey and Europe.

In Turkey, as the income level of people decreases, the informal employment rate increases.

Therefore, the poverty rate among informal employees is high.

Because the agricultural sector has the lowest income level and the highest informal employment rate, agricultural employees are facing serious poverty and social insecurity problems.

VII. Conclusions

Examining European countries that have established farmer-specific systems, we find that no different outcome has been achieved than the general systems.

On the other hand, in farmer-specific systems, different facilities are provided, especially in terms of financing, premium rates and premium payment conditions, depending on the nature of agriculture and the socioeconomic status of the farmers.

VIII. Recommendations

Social security of farmers should be provided in a system that is suitable for their working and socio-economic conditions.

Farmers should be classified as small, medium, and large-scale farmers.

Different premium obligations must be introduced based on farmers' income and size of the farm.

VIII. Recommendations

The states should subsidize the premiums of small-scale farmers.

Self-employeds must have the same rights as dependent employees in all types of insurance.

More comprehensive recommendations will be made after the findings of the case study.

Thank you...