**Tankut Centel** 

# Turkish Social Law



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Tankut Centel Law School Koç University Istanbul, Turkey

ISBN 978-3-030-64703-2 ISBN 978-3-030-64704-9 (eBook) https://doi.org/10.1007/978-3-030-64704-9

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#### **Preface**

The present study is supported by the themes I have been dealing with in my undergraduate lectures at Koç University Law School (Istanbul, Turkey) since 2008.

The idea of writing this book came to me at the beginning of the reform movement of Turkey in the field of social security since 2006. Law No. 5510, enacted in 2006, has managed to gather all social security institutions and employees under a single law. As such, the general health insurance, which was also discussed for years, began to apply by this law in Turkey for the first time.

The Turkish social security system has embarked on a quest for an important reform since 2006. Thus, as of that date, the action has been undertaken to ensure the union of norms and standards in Turkey. Up until then, the social security of employers, self-employed, and public officers was provided by different institutions and different laws, which were subordinate to separate ministries. The reform studies have initially united these institutions under a single roof. Accordingly, regardless of whether the insured is a worker, self-employed, or public officer, their social security services are only carried out by the Social Security Institution under the organization of the Ministry of Family, Labour and Social Services. Thus, previously dispersed social security institutions were gathered under a single ministry and a single roof.

Besides, workers and self-employed and public officers were subject to a large number of social security laws determined by their status. This situation led to dispersed social security legislation and resulted in employees having different standards. All these numerous private laws have been combined in a single text with the Social Insurance and General Health Insurance Act. Thus, it has been ensured that all employees are subject to the same standard norm, as long as their situation does not require them to act differently.

These changes led to the deformation of the reform movement and resulted in a social legislation consisting of a large number of laws.

Furthermore, it is observed that social security institutions have started to lose their autonomous structures in the Turkish social security system. First of all, the vi Preface

general assemblies of social security institutions have been converted to advisory bodies. Then, social party representatives have been made ineffective in taking decisions on the boards of directors of social security institutions. Likewise, the fact that the representatives of the public sector who will serve on the boards of directors are not sought to have a certain experience in the field of social security and that their appointment is held open to political preferences also causes negativity.

Besides, Turkey approved the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) in 1971 and started to apply in 1974. However, due to the lack of a separate special law for family benefits and in the face of the unemployment insurance was not accepted yet at that time in Turkey, Turkey could not have confirmed Convention No. 102 with all of its provisions.

Since 1999, with the adoption of unemployment insurance, Turkey came to a position to confirm the provisions of Convention No. 102 concerning the unemployment benefits. However, there has not been much progress in the legal area of family benefits. The payment of family benefits is left to be included either in collective labor agreements or in statutory provisions that do not contain significant amounts.

The aim of this book is to provide a comprehensive overview of the social law system of Turkey. It mainly consists of nine parts: an introduction, organization of social insurance, concept of social insurance, social insurance liabilities, social insurance branches, general health insurance, complementary social security institutions, noncontributory regime, and concluding remarks.

Thus, the first part is about the general information on the concept of social law, historical development, and legal sources.

The next five parts focus on the concept and organization of social insurance with social insurance liabilities and social insurance branches including general health insurance.

The seventh part provides information on complementary social security institutions. It consists of charity funds and the private pension system.

The last two parts of the book focus on the noncontributory regime and concluding remarks. The social assistance and social services are inherent in the noncontributory regime.

In the last part, you will find a general evaluation of the Turkish social law system. There you can see an assessment of the whole national social security system.

During the recent COVID-19 pandemic, the need for a strong social security system has once again manifested itself. The accumulated cash in the unemployment insurance fund has made a great contribution to overcome the economic difficulties which have arisen when the pandemic occurred. Thus, those included in the noncontributory system have started to get benefit from the contributory system. It appears to change the understanding up to now that only those who have paid premiums can get benefit from the premium regime.

Besides, special thanks are owed to Springer and especially to *Dr.iur. Brigitte Reschke* for the editorial procedure of the publication.

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Finally, I would like to invite the readers—faculty, students, practitioners, and others—to send suggestions and comments as well as any corrections. I will be reached by e-mail at *tcentel@ku.edu.tr*.

I hope that it can contribute to a better understanding of the essentials of the social law system in Turkey.

Istanbul, Turkey September, 2020 Tankut Centel

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#### **List of Abbreviations**

AD Act on the Disabled

add. Additional art. Article

C International Labour Convention (ILO-Convention)

CC Court of Cassation
Civ. Div. Civil Division

Const. Constitution of Turkey (Turkish Republic)

et al. And others fn. Footnote

GDP Gross domestic product

ILO International Labour Organization

LA Labour Act

LCA Labour Courts Act
OG Official Gazette

OHSA Occupational Health and Safety Act

p. Page

PD Presidential Decree (governmental decision signed by the

President of Turkey)

PPA Private Pension Savings and Investment System Act

prov. Provisionalpara. Paragraphrep. RepeatingSD Statutory Decree

SIGHIA Social Insurances and General Health Insurance Act

SSA Social Services Act

SSI Social Security Institution (governmental carrier of social

insurances)

TCC Turkish Code of Commerce
TCO Turkish Code of Obligations

TLI Turkish Labour Institution (Turkish Employment Agency)

xxviii List of Abbreviations

TPC Turkish Penal Code

UIA Unemployment Insurance Act
UIF Unemployment Insurance Fund

#### **Table of Statutes**

Act for Village and Neighbourhood Headmen Allowance and Social Security, Act No. 2108, OG 9.10.1977, No. 16053

Act on Agricultural Workers' Social Insurance, Act No. 2925, OG 10.20.1983, No. 18197

Act on Private Pension Plans Savings and Investment System, Act No. 4632, OG 04.07.2001, No. 24366

Act on the Assessment of Periods Spent Abroad by Turkish Citizens in terms of their Social Security, Act No. 3201, OG 05.22.1985, No. 18761

Act on the Disabled, Act No. 5378, OG 7.7.2005, No. 25868

Act on the Socialization of Health Services, Act No. 224, OG 01.12.1961, No. 10705

Child Protection Act, Act No. 5395, OG 15.7.2005, No. 25876

Constitution of Turkey, Act No. 2709, OG 11.09.1982, No. 17863

Fundamental Act on Healthcare Services, Act No. 3359, OG 05.15.1987, No. 19461

Labour Courts Act, Act No. 7036, OG 10.25.2017, No. 30221

Occupational Health and Safety Act, Act No. 6331, OG 06.30.2012, No. 28339

Private Pension Savings and Investment System Act, Act No. 4632, OG 7.4.2001, No. 24366

Retirement Fund Act, Act No. 5434, OG 06.17.1949, No. 7235

Social Insurance Act, Act No. 506, OG 07.29.1964, No. 11766

Social Insurance Act for the Tradesman, Artisans and Other Self-Employed Persons, Act No. 1479, OG 09.14.1971, No. 13956

Social Insurances and General Health Insurance Act, Act No. 5510, OG 06.16.2006, No. 26200

Social Services Act, Act No. 2828, OG 05.27.1983, No. 18059

Turkish Civil Code, Act No. 4721, OG 12.08.2001, No. 24607

Turkish Code of Obligations, Act No. 6098, OG 02.04.2011, No. 27836

Unemployment Insurance Act, Act No. 4447, OG 09.08.1999, No. 23810

# Part I Introduction

# **Chapter 1 Concept of Social Law**



#### 1.1 Scope of Social Law

The scope and content of social law are closely related with the emergence and development of social security concept. Accordingly, the concept of social security developing in the course of time fundamentally lays the foundation of content to be referred to the term "social law".

As a concept, the social law is defined as the whole of legal regulations regarding the social security that is the whole of institutions given the task of providing the individuals with economic security against certain social risks of life, regardless of their income levels. For this reason, it is important to examine the reasons for the emergence of social policies and social security system constituting the concept of social security, as well as the advancements in these elements.

#### 1.1.1 Emergence of Social Security Concept

The social security concept can be considered as the outcome of modern societies. In fact, the term "social security" has been used for the first time in 1935 in American Social Security Act.

This concept, which has spread throughout the world, has transformed into a universal principle and become the symbol of today's modern civilization. Accordingly, the social security or social protection having a wider meaning is basically the result of searches for a security solution for the circumstances that would pose a risk for the lives of individuals from economical or physiological aspects.

From this aspect, the reason for social security concept is to provide the individuals, who face with risk, with a minimum security and to ensure the social protection

<sup>&</sup>lt;sup>1</sup>See: Tunçomağ (1990), p. 5.

in this manner. The importance of social security concept gradually increases as a result of the negative effects of economic crises, technological advances, and the transformation in production on the individuals.

The term "social security" is mainly considered from the aspect of social policies and social security systems. Among these, the social policies determine the objectives and purposes of social protection, whereas the social security systems cover the legal methods established in order to achieve these objectives. From this aspect, the social law is the whole of legal measures taken against the poverty and deprivation of a country's society.<sup>2</sup>

On the other hand, the social policies that the social security incorporates are considered as the "narrow-sense social security". Besides that, the term "broadsense social security" is used for the combination of social policies and social security systems. From this aspect, the social law has a context that both represents the social policies and incorporates the social security systems. Accordingly, the social law consists of the institutions that are involved in broad-sense social security.

#### 1.1.2 Objectives of Social Security

The "social security" term incorporates providing the individuals, who lost their capacity of earning their lives in the profession or became dependent due to any reason, with the income that is sufficient for achieving a decent life standard, which fits to the human dignity.

Another field of social security is to offer the medical care and rehabilitation services for healing the individuals, who became disabled due to any disease or disability.

The employees face with the risk of losing their health and even lives during their working life. Ensuring the assurance against the losses that might occur because of occupational diseases and occupational accidents that emerges when the healthy and secure working environment is not provided is one of the objectives of social security.

On the other hand, the individuals might lose his/her job because of the economic problems of the company or country. In this case, compensating the income losses of individuals, who became unemployed, and providing them with new job opportunities are also among the objectives of social security system.

Besides these, the social security has also the objectives such as supporting the families in cases of events putting them into difficult conditions, as well as meeting the housing needs of low-income families. The main objective here is to protect the individuals, who do not have the sufficient income level, from social aspect, as well as eliminating the poverty and deprivation. Thus, the economic inequalities of

<sup>&</sup>lt;sup>2</sup>Sözer (2019), pp. 1–2.

<sup>&</sup>lt;sup>3</sup>See: Güzel et al. (2020), pp. 5–9.