Turkey's Social Policy Response to Covid-19: Labor Market Reforms to Protect Employment

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Content

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Kerem Gabriel Öktem*

Abstract

Turkey's social policy response to the Covid-19 pandemic combined various conventional and unconventional social policy tools. In a context of already persistently high unemployment rates, the government put an emphasis on labor market reforms to protect employment, with a short-time work scheme playing an important role. For those left unprotected by protective labor market policies, the government provided relatively meagre one-off social assistance payments that reached large parts of the poor. While these policies cushioned the social impact of the pandemic to some degree, they also amplified already existing inequalities: Labor market insiders (regular employees) were far more effectively protected than labor market outsiders (self-employed, people in informal employment). In addition to these social policy instruments the government also implemented 'social policy by other means', which included boosting consumer credit. With regards to future prospects, it remains unclear whether the social policy response that was devised as a temporary intervention will be unwound or result in more permanent changes to the country's welfare regime.

Introduction

The first case of Covid-19 in Turkey was announced on 11 March 2020. The first known death due to Covid-19 in Turkey was on 15 March 2020, when a former high-ranking soldier died. Given that deaths usually occur several weeks after the infection and considering the short time period between the announcement of the first case and the first death, it is likely that the virus already spread in the country in February, undetected. This fuelled suspicions about the veracity of official statements regarding the prevalence of the virus. If anything, these suspicions have only increased over time, making assessments of the extent to which the country was affected difficult.

Judging by official data the disease spread rapidly in March. In response the government announced a long curfew for people over 65 and under 20 as well as chronically ill persons; closed various businesses, such as hairdressers, and curtailed intercity and international travel. Moreover, schools were closed on 13 March and universities on 16 March and subsequently shifted to remote classes. From May onwards, measures against the spread of Covid-19 were gradually discontinued as the first wave of the virus subsided.

Background

Turkey is a unitary, presidential republic that has seen many political upheavals over the past decades. Since 2002, the country is governed by the Islamist-leaning Justice and Development Party (AKP), which in its first years in power implemented democratizing reforms that paradoxically also strengthened its grip on power. In the past decade or so, the AKP and its leader President Recep Tayyip Erdoğan became ever more autocratic, turning Turkey into a leading case of democratic backsliding. Accordingly, the country is today evaluated as a 'competitive authoritarian' or 'electoral authoritarian' regime (Lührmann et al. 2020). Although elections with opposition parties regularly take place, the 'playing field is skewed in favour' of the government (Esen and Gumuscu 2016),

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checks and balances are mostly eliminated, media is under government control, civil society is repressed and violence and imprisonment of the opposition is commonplace.

Turkey's economy is deeply integrated into the world economy, particularly the European Union, with which it has a customs union. It is a typical middle-income country, insofar as it has experienced repeated boom and bust cycles. The economy frequently posts fast growth, which is mainly financed through foreign debt and strengthened through pro-cyclical economic policies. Yet, it seems to be caught in a middle-income trap as growth unravels whenever the global investment climate deteriorates. In recent years, the government aimed to shift the economic governance model from 'regulatory neoliberalism', in which large-scale privatization is coupled with strong independent regulatory agencies, towards 'state-led capitalism', in which the state takes 'a hands-on approach' to 'industrial production, innovation and distribution' (Öniş and Kutlay 2020). In effect, however, state capitalism often means crony capitalism as the government supports selected businesses for political reasons. In recent years, this economic framework has led to a protracted economic crisis with high unemployment and strong currency devaluation.

Turkey has a fairly well-established social protection system for a middle-income country and is mostly classified as a Southern European welfare regime (Powell and Yörük 2017). After a decades-long catch-up process that involved the creation and gradual expansion of key social security policies, public social expenditures now stand at 12% of GDP (OECD average: 20%) with more than half of all spending devoted to the old aged – despite having a relatively young population. Nearly all key social security policies that make up the modern welfare state have been implemented in Turkey. The major exceptions are family allowances and a minimum income protection system. For both policies, however, functional alternatives exist. Instead of regular family allowances there are top-ups for civil servants, conditional cash transfers for poor families and tax credits. Instead of a European-style minimum income protection system, there is an elaborate but fragmented patchwork of categorical social assistance programs (Öktem 2018). In terms of reforms, the AKP period witnessed a paradoxical combination of universalization and marketization. Key social protection policies, such as healthcare, were expanded to cover hitherto excluded parts of the population, but at the same time marketization of health and pensions was pursued (Agartan 2012, Bugra 2020).

Turkey's Social Policy Response

The quick spread of the virus deepened an economic crisis that the country has been facing in recent years. To ameliorate the economic and social consequences of the pandemic, the government took various measures that included important changes in social policy (which have collectively been labelled the 'Social Protection Shield'). On 18 March, the government announced the 'Economic Stability Shield' package, a set of economic and social policies that would collectively cost around TRY 100 billion.[1] Key parts of this package were legislated through Law No. 7226 that was published on 26 March (see below). With regards to social policy the omnibus legislation 1) increased minimum pension benefits that are paid under the contributory public pension scheme from TRY 1,000 to TRY 1,500, 2) eased access to the Short-Term Work Compensation scheme by decreasing qualification requirements and 3) decreased health insurance contribution rates for people in intermittent employment and domestic workers.

Furthermore, some social policy measures were put into practice independent of this law. First, for many sectors, payments of social security contributions were delayed for several months. Second, in the area of social assistance, households received cash support of TRY 1,000. In early April, 2,111,254 beneficiaries of regular social cash transfers received support. In mid-April, 2,316,010 additional households in need received cash. Later, another 1,882,840 households received benefits. Furthermore, on 30 March the government launched a high-profile 'National Solidarity Campaign' to collect donations from citizens and companies for people in need. This campaign collected around TRY 2 billion. Curiously, many large donations were from institutions and companies that are either part of the state or directly or indirectly linked to the state (e.g. the central bank donated TRY 100 million). Thus, although ostensibly harnessing private donations, the campaign also re-channeled public funds to social assistance. The Campaign donations were paid out to 2,009,267 households as TRY 1,000 cash benefits (to put the beneficiary numbers in perspective, there are around 23 million households in Turkey).

1 On 31 December 2020, EUR 1 bought TRY 9.12 and USD 1 bought TRY 7.42.

In addition, municipalities also strived to provide social assistance to poor households. Especially, opposition-controlled municipalities, which had early on asked for stronger measures against the pandemic, devised special campaigns to do so. Yet, these campaigns were heavily restricted by the central government, which deemed these activities to be illegal (Sayın 2020). Nevertheless, the opposition-controlled municipalities eventually changed their strategies to bypass government restrictions and, at least partially, succeeded. One important campaign focused on enabling people to pay other people's debts, e.g. unpaid water or heating bills. In Istanbul alone, around 190,000 bills amounting to around TRY 26 million were paid through this campaign (Istanbul Büyüksehir Belediyesi 2021).

With regards to healthcare, the government took several steps to ensure that the population had effective access to medical care in case of an infection. In principle, Turkey has virtually universal health coverage through compulsory health insurance, so everyone should have access to medical care in case of contracting the virus (Agartan 2012). The only group without effective access are those with outstanding health insurance debt, a group that numbers around 5 million people (out of a population of around 80 million). However, these people were granted access to healthcare on a temporary basis for the year 2020 in January 2020 (Sözcü 2020a). Therefore, we can assume that virtually the whole population had access to healthcare.

To ensure that the population would be effectively able to receive treatment, on 30 March 2020 the Ministry of Health declared all those private and public hospitals that have the necessary infrastructure for professional treatment to be pandemic hospitals. All pandemic hospitals were required to treat Covid-19 patients (Sağlık Bakanlığı 2020). Furthermore, on 14 April 2020 the state made medical treatment for Covid-19 free of charge (Decree no. 2399). Yet, there remained considerable confusion about whether private hospitals could charge people for Covid-19 medical care, with repeated reports of Covid-19 patients receiving bills (Sözcü 2020b).

On 14 April, a second piece of omnibus legislation with social policy measures was presented to parliament, which was quickly passed and published on 17 April as Law No. 7244 (see below). Among other measures, this legislation included a temporary suspension of the means test and the disability test for long-term care schemes for poor disabled and elderly people (see Akkan and Canbazer (2020) for more detail on long-term care measures); a temporary ban on firing workers (with few exemptions); a temporary unpaid leave scheme, which would provide benefits to workers who were put on unpaid leave due to the pandemic. Essentially, both the ban on layoffs and the unpaid leave scheme were geared towards the protection of jobs, with the cost of this protection being borne mainly by the state and employees.

On 14 July, a third piece of omnibus legislation with social policy measures was presented to parliament, which was published on 28 July. Among other measures, this legislation included an arrangement to prolong the ban on firing workers (which would indirectly also prolong the unpaid leave scheme); and an employer subsidy for workers returning from short-term work or from unpaid leave. In the course of 2020, Short-Term Work Compensation, the ban on firing workers and the unpaid leave scheme were all repeatedly prolonged by presidential decrees and are currently set to expire at the end of 2020 and mid-2021, respectively.

It is also important to note that beyond conventional social policy, Turkey's crisis response has involved what comparative social policy scholars call 'social policy by other means' (Starke & Seelkopf 2019; in the Turkish context see: Dorlach 2019). Various measures, such as tax deferrals, loan payment postponements and subsidized credit have been a hugely important part of the government's social and economic crisis response. With regard to subsidized credit, the government also relied on state-owned banks. Currently, the government plans to implement a comprehensive debt rescheduling and/or debt relief program involving taxes, social security contributions and student loans (TBMM 2020a). This emphasis on social policy by other means is also reflected in comparative data compiled by the International Monetary Fund (IMF): Whereas Turkey featured the second smallest fiscal response to Covid-19 in the G20, with additional spending and foregone revenues amounting only to 0.8%of GDP, 'liquidity support' (primarily 'guarantees' for credit) reached 13% of GDP (IMF 2020).

A Focus on Labor Market Policy

The pandemic brought upheaval to Turkey's labor market. Employment was severely reduced in early 2020 and only partially recovered since. Covid-19 restrictions, such as the closure of restaurants, as well as the overall decrease in economic activity led to a decrease in employment. This decrease was very uneven across sectors, with sectors such as manufacturing or tourism hit especially hard, whereas parts of the service sector witnessed increasing employment (Yilmaz et al. 2020). Regarding the gender dimension, employment rates of men and women were equally severely reduced in early 2020. Yet, it appears that women were hit harder by the crisis, as they had to shoulder the burden of increased unpaid work at home (TÜSIAD 2020). Importantly, women's employment rates have recovered only very weakly since summer 2020 (Gürsel et al. 2020).

Labor market policy has been at the heart of the government's social policy response to the pandemic. The government made three policy changes to ensure that employment is protected. The goal was to ensure that unemployment, which is notoriously high in Turkey, would not increase too much. At the same time, the cost of employment protection has been shifted from employers to the state, all the while keeping the limited fiscal capacity of the state in mind. Although devised as temporary instruments, the three policies have the potential to create lasting effects (similar to other recent temporary policy changes in Turkish labor market policy, Öktem 2020).

First, Short-Term Work Compensation has been the most significant policy instrument during the crisis. Under this scheme, workers receive up to 60% of their gross wage. There is a benefit cap of 150% of the gross minimum wage. To compare, unemployment benefits are set at 40% of the gross wage with a cap of 80% of the gross minimum wage. Thus, Short-Term Work Compensation is a comparatively generous scheme by Turkey's standards.

Legislated in 2003 and starting to pay out benefits in 2005, the policy had remained marginal until recently. Even during the global economic crisis and the recent domestic economic crisis the compensation was paid to less than 100,000 employees. In spring 2020, more than 3 million workers received Short-Term Work Compensation. Partly, this reflects the different nature of the 2020 economic crisis. However, it was also the result of a policy change made in March 2020. This reform eased access to the scheme by reducing the required contribution record from 600 days (with continuous contributions in the last 120 days) – which is the contribution record required for receiving unemployment benefits – to 450 days (with continuous contributions in the last 60 days). Furthermore, employees not fulfilling this criterion could under certain circumstances also receive benefits. Finally, participation in the scheme was made conditional on the employer not firing any workers (except for certain exceptional circumstances).

The goal of employment protection was even strengthened with a second legislative change in April 2020. With this policy change, a temporary article was created in the Labor Law that prohibited the firing of workers (except under exceptional circumstances) for three months. Naturally, such strong employment protection would not have been accepted by employers, given the costs such a regulation would entail for them, particularly during an economic crisis. To make this ban on firing workers acceptable to employers, an additional clause in the article gave employers the right to put employees on unpaid leave for this time period. Crucially, being put on unpaid leave would not constitute a just cause for the employee to cancel their employment contract. Therefore, if employees quit their jobs, they would forfeit certain rights (e.g. severance pay, which can be substantial in Turkey).

In connection to this provision for unpaid leave, the government created a new instrument in the same legislation in April 2020. Employees who were put on unpaid leave would be entitled to receive a benefit (*Nakdi Ücret Desteği*) financed through the Unemployment Insurance Fund. This benefit would amount to TRY 39.24 per day (TRY 1,177.20 per month) or half the net minimum wage. In effect, the costs of employment protection were thus shifted from employers to the state. However, it is important to keep in mind that benefits under the unpaid leave scheme were very low compared to wage levels, Short-Term Work Compensation and unemployment insurance benefits. Hence, part of the costs of employment protection were arguably also borne by the employees themselves. On the other hand, the Unpaid Leave Benefit was also made available to those workers who had been laid off during the crisis but did not fulfill the eligibility criteria for unemployment insurance benefits. It is estimated that around 2 million people received support under the unpaid leave scheme (Türkiye İş Kurumu Genel Müdürlüğü 2020a).

The changes made to Short-Term Work Compensation, the ban on firing workers and the unpaid leave scheme were all devised as temporary interventions. The legislation was applied through temporary articles, which would only remain in effect for three months. However, the legislation also gave the president the power to prolong the policies for a certain period of time. Currently, the ban on firing workers and the unpaid leave scheme can be prolonged until 30 June 2021 and a legislative change is planned so that the changes made to Short-Term Work Compensation can remain in effect until the same date.

Collectively, the three policies shaped the development of Turkey's labor market during the crisis. Despite problems with implementation on the ground (Yilmaz et al. 2020), more than three million employees were put on short-term work with compensation payments reaching nearly TRY 25 billion by the end of September. Around two million people received Unpaid Leave Benefit with payments amounting to around TRY 5 billion by the end of September. These policies had an interesting effect on regular unemployment insurance, however. Monthly beneficiary numbers plummeted from around 600,000 at the beginning of the year to 300,000 in September. Unemployment benefit payments between March and September remained at around TRY 5 billion. Only around 800,000 people applied to and 250,000 people gained the right to unemployment insurance benefits in the same time period (Türkiye İş Kurumu Genel Müdürlüğü 2020b). These numbers – and the overall weak increase in the unemployment rate – suggest that the ban on firing workers and the unpaid leave scheme did protect many jobs (but surely not all). Maybe, the relatively low fines for firing workers made some layoffs possible. Also, a side effect of the legislation was that the policies marginalized a key institution of the welfare state, unemployment insurance.

Furthermore, the labor market policy response also exposed the differences between labor market insiders and outsiders. While labor market insiders with a long and stable employment record were protected in an effective manner through the Short-Term Work Compensation, people with a less continuous contribution record had to rely on the Unpaid Leave Benefit. This benefit, however, was set too low to ensure a basic standard of living. As the crisis continues, employees thus might have to choose between unpaid leave and cancelling the employment contract (and thereby forfeiting any right to unemployment benefits and severance pay) to search for a new job.

Finally, people in the informal sector and the self-employed were left unprotected by the old and the new labor market policy instruments. In this context, it is important to note that the rate of informal employment among women is higher than that of men (37% for women compared to 28% for men). Therefore, working women would more likely be left unprotected by the policies described above than men. Those people who did not fulfill the eligibility criteria for the labor market policies had to rely on informal welfare arrangements and social assistance by the state. As explained above, there is no regular minimum income protection scheme, but only categorical programs (e.g. conditional cash transfers for families with children). Furthermore, there is strong stratification between different social assistance programs in terms of benefits and rights. Due to the peculiar nature of the social assistance regime, working age persons may slip through the system despite overall high social assistance coverage (Öktem 2018). The main governmental response in the area of social assistance were the one-off TRY 1,000 cash payments described above, which are quite low compared to the Unpaid Leave Benefit, Short-Term Work Compensation and unemployment insurance benefits, which all provide regular income support. In sum, the labor market policies in response to Covid-19 probably exacerbated existing inequalities in the labor market between regular employees, irregular employees, the self-employed and people in informal employment.

To provide firms with an additional incentive to bring employees back to work, the government devised an employer subsidy in July 2020. The usage of employer subsidies to incentivize employers has become widespread over the last decade in Turkey (Öktem 2020). The new subsidy, which was labelled 'Normalization Support', consisted of a decrease in social security contribution payments for each employee who returned to regular work after having received Short-Term Work Compensation or Unpaid Leave Benefit. As of October, employers received support for nearly two million employees, amounting to around TRY 1.5 billion.

Conclusion

Turkey's social policy response to the pandemic mainly relied on a combination of labor market policies to protect employment, one-off social assistance payments for the poor and social policy by other means, including boosting consumer credit. All these measures helped to cushion the impact of the crisis on livelihoods. However, they also increased pre-existing inequalities between labor market insiders and outsiders. Furthermore, some unconventional social policies, such as subsidized credit, augmented concerns about the sustainability of Turkey's economic growth model and thereby deepened its lingering currency crisis.

Given the extreme political polarization that has characterized Turkey during the AKP era, it is no surprise that most of these measures have been politically very contested. Particularly the emphasis on charity-like one-off social assistance payments and the usage of credit expansion as a short-cut to boost growth and individual purchasing power is characteristic of the AKP government's welfare ideology (Akcay 2018, Bugra 2018). This approach to welfare had already been controversial before the recent crisis and remained contested during it. The opposition, for instance, vocally complained when the government asked people for donations in late March instead of providing benefits to them (Sözcü 2020c). Opposition parties and independent labor unions demanded a ban on layoffs as early as March, when it became clear that the Covid-19 crisis would threaten jobs on a massive scale (Öztürk 2020). The introduction of a ban on layoffs in mid-April, therefore, can arguably be seen as a government response to opposition demands. Yet, all opposition parties, left- and right-wing, strongly criticized the unpaid leave scheme, which was put in place together with the layoff ban, for providing inadequate benefits to employees on unpaid leave (TBMM 2020b). In sum, the opposition consistently called on the government to implement stronger protection against both, the pandemic and its social repercussions.

With regards to future challenges, it remains unclear whether the social policy response will result in more permanent changes to the country's welfare regime. It is likely that the government will think about unwinding many of their crisis response policies. The expansion of cheap credit, a hallmark of the government's unconventional social policy response, was already brought to a halt in the summer of 2020, as it threatened to worsen the economic crisis. Concerning the labor market reforms, Short-Term Work Compensation, the layoff ban and the unpaid leave scheme have been repeatedly prolonged, but eventually the government would likely aim to re-liberalize the labor market and allow firms to lay off workers.

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Appendix 1: Social Policy Developments in Response to Covid-19 by Policy Area (Turkey, January–September 2020)

	Policy Area	Pensions	Healthcare	Long-term care and disability	Labor market	Education
(1)	Have there been any significant legislative reforms in the indicated policy area during the indicated time period?	Yes	Yes	Yes	Yes	Don't know
(2)	If (1) yes, have any of these reforms been explicit responses to the Covid-19 pandemic?	Yes	Yes	Yes	Yes	Don't know
(3)	If (2) yes, has there been significant regional variation in the implementation of these reforms?	No	No	No	No	Don't know
(4)	Have subnational governments enacted any significant legislative reforms in the indicated policy area during the indicated time period?	No	No	No	No	Don't know
	Policy Area	**Family benefits**	**Housing**	**Social assistance**	**Other***	
(1)	Have there been any significant legislative reforms in the indicated policy area during the indicated time period?	No	No	No	Don't know	
(2)	If (1) yes, have any of these reforms been explicit responses to the Covid-19 pandemic?	N/A	N/A	N/A	Don't know	
(3)	If (2) yes, has there been significant regional variation in the implementation of these reforms?	N/A	N/A	N/A	Don't know	
(4)	Have subnational governments enacted any significant legislative reforms in the indicated policy area during the indicated time period?	N/A	N/A	N/A	Don't know	

* Legislative reforms in other policy areas explicitly aimed at social protection, e.g. food subsidies or tax cuts aimed at social protection.

Notes: Regarding (1), one can argue about which legislative reforms were significant. Clearly, changes in labor market policy were far more significant than reforms in other policy areas. However, I do code pensions, healthcare and long-term care as 'yes', as all saw potentially meaningful legislative reforms. Concerning (4): To my knowledge local governments are the only relevant subnational governments in Turkey and they lack the power to pass legislation (they can only issue regulations).

Appendix 2: Social Policy Legislation in Response to Covid-19 (Turkey, January–September 2020)

Note: This appendix covers all major national social policy legislation published between 1 January 2020 and 30 September 2020.

Law 1		
(1)	Number of law	7226
(2)	Name of law (original language)	Bazı Kanunlarda Değişiklik Yapılmasına Dair Kanun
(3)	Name of law (English)	Law that Makes Changes to Various Laws
(4)	Date of first parliamentary motion	17 February 2020
(5)	Date of law's enactment	26 March 2020
(6)	Date of law's publication	26 March 2020
(7)	Is the Covid-19 pandemic explicitly mentioned as a motivation in the law or any accompanying text?	Yes
(8)	Was the Covid-19 pandemic a motivation for the initial parliamentary motion for this law?	No
(9)	Was the Covid-19 pandemic a motivation for a significant revision of the legislative project after the initial parliamentary motion?	Yes
(10)	Note on (7)-(9)	This omnibus legislation covers different policies. Covid-19 is mentioned only in one part of the law (7). The draft bill sent to parliament on 17 February 2020 does not contain a Covid-19 reference (8). 15 articles that were first announced by the president on 18 March 2020 were added to the bill during the parliamentary debate on 24 March 2020. I only coded this latter part of the bill, as the first part was not a response to Covid-19. However, the non Covid-related part also contains significant social reforms (e.g. employer subsidy for 2020; postponement of introduction of unemployment insurance for self-employed). I only coded three more important reforms (related to Short-Term Work Compensation; Minimum Pensions; Healthcare Contributions) and disregarded two minor reforms (increase in compensatory working time; change of date of special pension payments). Note that the date of law's enactment (5) varies by article.
(11)	Was this law a legislative package that contained multiple social reform components?	Yes
(12)	If (11) yes, how many distinct social reform components did it contain?	3

Law 1: Component 1		
(13)	Policy Area	Labor market
(14)	Brief description of reform component	The reform eased eligibility requirements for the Short-Term Work Compensation scheme during the pandemic.
(15)	Change in coverage of existing benefits?	Expansion
(16)	Duration of coverage change?	Yes
(17)	*If fix-term*, duration in months	3 months
(18)	Note on (15)-(17)	Contribution record requirements for Short-Term Work Compensation eligibility was decreased until 30 June 2020 (but this was subsequently extended). Qualification period was reduced from 600 to 450 days with continuous contributions in the last 120 days reduced to the last 60 days.
(19)	Change in generosity of existing benefits?	Maintenance
(20)	Duration of generosity change?	Not Applicable

Law 1: Component 1		
(21)	*If fix-term*, duration in months	Not Applicable
(22)	Note on (19)-(21)	Not Applicable
(23)	Introduction of new benefits?	No
(24)	Duration of new benefits?	Not Applicable
(25)	*If fix-term*, duration in months	Not Applicable
(26)	Note on (23)-(25)	Not Applicable
(27)	Cuts of existing benefits?	No
(28)	Note on (27)	Not Applicable
(29)	Estimated cost of reform in 2020 (national currency)	Don't know
(30)	Estimated cost of reform in 2021 (national currency)	0 (because duration limited until 30 June 2020)
(31)	National Currency Code (ISO 4217)	TRY 949
(32)	Source of cost estimation	Other
(33)	Note (29)-(31)	No information on official estimates regarding cost of reform is available.
(34)	If the implementation of the reform should already have started, has the reform been implemented?	completely

Law 1: Component 2		
(13)	Policy Area	Pensions
(14)	Brief description of reform component	Increase in the minimum amount of old-age and disability pensions from TRY 1,000 to TRY 1,500. This applies to pensions paid under the contributory public pension system.
(15)	Change in coverage of existing benefits?	Not Applicable
(16)	Duration of coverage change?	Not Applicable
(17)	*If fix-term*, duration in months	Not Applicable
(18)	Note on (15)-(17)	Not Applicable
(19)	Change in generosity of existing benefits?	Expansion
(20)	Duration of generosity change?	Indefinite
(21)	*If fix-term*, duration in months	Not Applicable
(22)	Note on (19)-(21)	Not Applicable
(23)	Introduction of new benefits?	No
(24)	Duration of new benefits?	Not Applicable
(25)	*If fix-term*, duration in months	Not Applicable
(26)	Note on (23)-(25)	Not Applicable
(27)	Cuts of existing benefits?	No
(28)	Note on (27)	Not Applicable
(29)	Estimated cost of reform in 2020 (national currency)	Don't know
(30)	Estimated cost of reform in 2021 (national currency)	Don't know
(31)	National Currency Code (ISO 4217)	TRY 949
(32)	Source of cost estimation	Other
(33)	Note (29)-(31)	There is no information on cost of reform. Furthermore, information on the distribution of pensioners by pension benefit level is no longer published by the state, making it difficult to make estimates. The estimated number of pensioners affected by the reform is 650,000. Assuming that these pensioners receive, on average, TRY 1,250 per month, costs would be TRY 1.3 billion in 2020. However, this figure is only a rough estimate.
(34)	If the implementation of the reform should already have started, has the reform been implemented?	completely

Law 1: Component 3		
(13)	Policy Area	Healthcare
(14)	Brief description of reform component	The reform decreased the amount of contributions to the General Health Insurance that people in intermittent employment and domestic workers need to pay. Before the reform, for both groups of workers, it was necessary to pay premiums for all days (i.e. also those days when the worker did not officially work). These premium payments were abolished for domestic workers. For people in intermittent employment, the rules changed, so that people who work more than 8 but less than 21 days in a month, do not have to pay premiums for days not worked.
(15)	Change in coverage of existing benefits?	Not Applicable
(16)	Duration of coverage change?	Not Applicable
(17)	*If fix-term*, duration in months	Not Applicable
(18)	Note on (15)-(17)	Not Applicable
(19)	Change in generosity of existing benefits?	Not Applicable
(20)	Duration of generosity change?	Not Applicable
(21)	*If fix-term*, duration in months	Not Applicable
(22)	Note on (19)-(21)	Not Applicable
(23)	Introduction of new benefits?	No
(24)	Duration of new benefits?	Not Applicable
(25)	*If fix-term*, duration in months	Not Applicable
(26)	Note on (23)-(25)	Not Applicable
(27)	Cuts of existing benefits?	No
(28)	Note on (27)	Not Applicable
(29)	Estimated cost of reform in 2020 (national currency)	Don't know
(30)	Estimated cost of reform in 2021 (national currency)	Don't know
(31)	National Currency Code (ISO 4217)	TRY 949
(32)	Source of cost estimation	Other
(33)	Note (29)-(31)	No information on cost of reform
(34)	If the implementation of the reform should already have started, has the reform been implemented?	completely

Law 2		
(1)	Number of law	7244
(2)	Name of law (original language)	Yeni Koronavirüs (Covid-19) Salgınının Ekonomik Ve Sosyal Hayata Etkilerinin Azaltılması Hakkında Kanun İle Bazı Kanunlarda Değişiklik Yapılmasına Dair Kanun
(3)	Name of law (English)	Law to Reduce the Effects of the New Coronavirus (Covid-19) Pandemic on Economic and Social Life and Law that Makes Changes to Various Laws
(4)	Date of first parliamentary motion	14 April 2020
(5)	Date of law's enactment	16 April 2020
(6)	Date of law's publication	17 April 2020
(7)	Is the Covid-19 pandemic explicitly mentioned as a motivation in the law or any accompanying text?	Yes
(8)	Was the Covid-19 pandemic a motivation for the initial parliamentary motion for this law?	Yes
(9)	Was the Covid-19 pandemic a motivation for a significant revision of the legislative project after the initial parliamentary motion?	No

Law 2		
(10)	Note on (7)-(9)	This omnibus legislation contains three significant social reforms (means test for long-term care schemes temporarily abolished; support payments for workers on unpaid leave; ban on firing workers). Moreover, there are two social reforms that I have not coded because they are relatively minor (deferral of student loan payments; Short-Time Work Compensation payments are made before the application has been finally approved by the state).
(11)	Was this law a legislative package that contained multiple social reform components?	Yes
(12)	If (11) yes, how many distinct social reform components did it contain?	3

Law 2: Component 1		
(13)	Policy Area	Labor market
(14)	Brief description of reform component	The reform bans layoffs (except for some exceptional circumstances) for three months. Employers are allowed to put workers on unpaid leave for up to three months. Unpaid leave does not give workers the right to cancel their employment contract. The president is given the right to extend these rules for another three months.
(15)	Change in coverage of existing benefits?	Not Applicable
(16)	Duration of coverage change?	Not Applicable
(17)	*If fix-term*, duration in months	Not Applicable
(18)	Note on (15)-(17)	Not Applicable
(19)	Change in generosity of existing benefits?	Not Applicable
(20)	Duration of generosity change?	Not Applicable
(21)	*If fix-term*, duration in months	Not Applicable
(22)	Note on (19)-(21)	Not Applicable
(23)	Introduction of new benefits?	No
(24)	Duration of new benefits?	Not Applicable
(25)	*If fix-term*, duration in months	Not Applicable
(26)	Note on (23)-(25)	Not Applicable
(27)	Cuts of existing benefits?	No
(28)	Note on (27)	Not Applicable
(29)	Estimated cost of reform in 2020 (national currency)	Don't know
(30)	Estimated cost of reform in 2021 (national currency)	Not Applicable
(31)	National Currency Code (ISO 4217)	TRY 949
(32)	Source of cost estimation	Other
(33)	Note (29)-(31)	No information on official estimates regarding cost of reform available. The cost of the reform can be estimated to be negative insofar as without the ban on firing workers, some workers who otherwise would be fired now receive unemployment insurance benefits.
(34)	If the implementation of the reform should already have started, has the reform been implemented?	completely

Law 2: Component 2		
(13)	Policy Area	Labor market
(14)	Brief description of reform component	The reform creates a special support payment for workers who are put on unpaid leave. This payment is being made through the Unemployment Insurance Fund and is valid for the duration of Component 1 (initially: three months). The payment amount is half the minimum wage. Additionally, the Unpaid Leave Benefit also includes contributions to the General Health Insurance so that beneficiaries retain healthcare coverage.

Law 2: Component 2		
(15)	Change in coverage of existing benefits?	Not Applicable
(16)	Duration of coverage change?	Not Applicable
(17)	*If fix-term*, duration in months	Not Applicable
(18)	Note on (15)-(17)	Not Applicable
(19)	Change in generosity of existing benefits?	Not Applicable
(20)	Duration of generosity change?	Not Applicable
(21)	*If fix-term*, duration in months	Not Applicable
(22)	Note on (19)-(21)	Not Applicable
(23)	Introduction of new benefits?	Yes
(24)	Duration of new benefits?	Fix-term
(25)	*If fix-term*, duration in months	3 months
(26)	Note on (23)-(25)	The duration is linked to the duration of the ban on firing workers. This was initially three months, but has been subsequently prolonged.
(27)	Cuts of existing benefits?	No
(28)	Note on (27)	Not Applicable
(29)	Estimated cost of reform in 2020 (national currency)	5,728,255,000
(30)	Estimated cost of reform in 2021 (national currency)	Not Applicable
(31)	National Currency Code (ISO 4217)	TRY 949
(32)	Source of cost estimation	Other
(33)	Note (29)-(31)	No information on official estimates regarding cost of reform available. According to the Monthly Bulletin of the Unemployment Insurance Fund, until the end of September TRY 4.4 billion has been paid out. The cost estimate assumes that in the last three months, the monthly amount is equal to the amount spent in September (TRY 797 million). However, note that 1) this assumption is not realistic and 2) the different amounts provided in the Monthly Bulletins sometimes contradict each other. So, this figure is likely to be inaccurate.
(34)	If the implementation of the reform should already have started, has the reform been implemented?	completely

Law 2: Component 3		
(13)	Policy Area	Long-term care and disability
(14)	Brief description of reform component	The reform temporarily cancels the means test and disability test for institutional care (state and private) for two schemes. The first scheme is a support payment for institutional care for disabled and poor persons and the second scheme consists of a right to institutional care for old and very poor persons. The duration is limited to three months, but the president is given the right to extend these rules for up to one year.
(15)	Change in coverage of existing benefits?	Expansion
(16)	Duration of coverage change?	Yes
(17)	*If fix-term*, duration in months	3 months
(18)	Note on (15)-(17)	This has subsequently been extended.
(19)	Change in generosity of existing benefits?	Maintenance
(20)	Duration of generosity change?	Not Applicable
(21)	*If fix-term*, duration in months	Not Applicable
(22)	Note on (19)-(21)	Not Applicable
(23)	Introduction of new benefits?	No
(24)	Duration of new benefits?	Not Applicable
(25)	*If fix-term*, duration in months	Not Applicable
(26)	Note on (23)-(25)	Not Applicable
(27)	Cuts of existing benefits?	No
(28)	Note on (27)	Not Applicable

Law 2: Component 3		
(29)	Estimated cost of reform in 2020 (national currency)	Don't know
(30)	Estimated cost of reform in 2021 (national currency)	Don't know
(31)	National Currency Code (ISO 4217)	TRY 949
(32)	Source of cost estimation	Other
(33)	Note (29)-(31)	No information on cost of reform. Given the limited number of people in residential care and the limited time frame of the reform, I would expect the monetary impact of the reform to be negligible.
(34)	If the implementation of the reform should already have started, has the reform been implemented?	completely

Law 3		
(1)	Number of law	7252
(2)	Name of law (original language)	Dijital Mecralar Komisyonu Kurulması İle Bazı Kanunlarda Değişiklik Yapılması Hakkında Kanun
(3)	Name of law (English)	Law to create a Commission for Digital Services and Make Changes to Various Laws
(4)	Date of first parliamentary motion	14 July 2020
(5)	Date of law's enactment	23 July 2020
(6)	Date of law's publication	28 July 2020
(7)	Is the Covid-19 pandemic explicitly mentioned as a motivation in the law or any accompanying text?	Yes
(8)	Was the Covid-19 pandemic a motivation for the initial parliamentary motion for this law?	Yes
(9)	Was the Covid-19 pandemic a motivation for a significant revision of the legislative project after the initial parliamentary motion?	No
(10)	Note on (7)-(9)	This omnibus law contains two significant social reforms (employer subsidy for workers returning from Short-Term Work Compensation and from unpaid leave; temporary extension of ban on firing workers). Moreover, there are three social reforms that I have not coded because they are relatively minor (the president is given the right to prolong Short-Term Work Compensation for different time periods in different sectors; severance pay for workers in some private companies in the mining sector who have not been given severance pay is to be paid by a state-owned enterprise; postponement of some new work safety requirements in companies with fewer than 50 employees).
(11)	Was this law a legislative package that contained multiple social reform components?	Yes
(12)	If (11) yes, how many distinct social reform components did it contain?	2

Law 3: Component 1		
(13)	Policy Area	Labor market
(14)	Brief description of reform component	The reform enables the temporary extension of the ban on firing workers (except for some exceptional circumstances) and unpaid leave arrangements. The ban was initially valid for three months, with the possibility of a three month extension. The reform gives the president the power to extend the rules up to the end of June 2021.
(15)	Change in coverage of existing benefits?	Not Applicable
(16)	Duration of coverage change?	Not Applicable

Law 3: Component 1		
(17)	*If fix-term*, duration in months	Not Applicable
(18)	Note on (15)-(17)	Not Applicable
(19)	Change in generosity of existing benefits?	Not Applicable
(20)	Duration of generosity change?	Not Applicable
(21)	*If fix-term*, duration in months	Not Applicable
(22)	Note on (19)-(21)	Not Applicable
(23)	Introduction of new benefits?	No
(24)	Duration of new benefits?	Not Applicable
(25)	*If fix-term*, duration in months	Not Applicable
(26)	Note on (23)-(25)	Not Applicable
(27)	Cuts of existing benefits?	No
(28)	Note on (27)	Not Applicable
(29)	Estimated cost of reform in 2020 (national currency)	Don't know
(30)	Estimated cost of reform in 2021 (national currency)	Don't know
(31)	National Currency Code (ISO 4217)	TRY 949
(32)	Source of cost estimation	Other
(33)	Note (29)-(31)	No information on official estimates regarding cost of reform available. The direct cost of the reform can be estimated to be negative insofar as without the ban on firing workers, some workers who would otherwise be fired, now receive unemployment insurance benefits. The reform has indirect costs, however, as the Unpaid Leave Benefit scheme is also prolonged through the extension of the ban on firing workers and unpaid leave rules.
(34)	If the implementation of the reform should already have started, has the reform been implemented?	completely

Law 3: Component 2		
(13)	Policy Area	Labor market
(14)	Brief description of reform component	The reform creates a new employer subsidy ("Normalization Support") for workers who are supported through Short-Term Work Compensation or the payment for unpaid leave. If these workers return to their normal work with their normal working hours, an amount equal to employer and employee social security contributions (up to a certain level) is paid by the Unemployment Insurance Fund to the Social Security Institution (SGK) for the employer for three months.
(15)	Change in coverage of existing benefits?	Not Applicable
(16)	Duration of coverage change?	Not Applicable
(17)	*If fix-term*, duration in months	Not Applicable
(18)	Note on (15)-(17)	Not Applicable
(19)	Change in generosity of existing benefits?	Not Applicable
(20)	Duration of generosity change?	Not Applicable
(21)	*If fix-term*, duration in months	Not Applicable
(22)	Note on (19)-(21)	Not Applicable
(23)	Introduction of new benefits?	Yes
(24)	Duration of new benefits?	Fix-term
(25)	*If fix-term*, duration in months	3 months
(26)	Note on (23)-(25)	The duration refers to the duration of the benefits. The starting date for the benefit depends on the date of return from Short-Term Work Compensation or unpaid leave. At the time of the reform, Short-Term Work Compensation and the unpaid leave scheme were scheduled to finish at the end of 2020 and end of June 2021, at the latest, respectively.
(27)	Cuts of existing benefits?	No
(28)	Note on (27)	Not Applicable

Law 3: Component 2		
(29)	Estimated cost of reform in 2020 (national currency)	Don't know
(30)	Estimated cost of reform in 2021 (national currency)	Don't know
(31)	National Currency Code (ISO 4217)	TRY 949
(32)	Source of cost estimation	Other
(33)	Note (29)-(31)	No information on official estimates regarding cost of reform available. In theory, the amount of contribution that is to be paid to the employer per worker who returns to work is TRY 1,103.60. For three months, this would be TRY 3,310.80. Assuming that benefits are paid for three months for the 5 million workers who were on unpaid leave or short-time work, the costs would be around TRY 16.5 billion. Yet, this figure likely overestimates the costs of the reform.
(34)	If the implementation of the reform should already have started, has the reform been implemented?	completely