

Turkey



Self-Employment in Turkey

One-in-three Turkish workers are self-employed. As in other emerging markets, this reflects the sizeable grey economy and a lack of employment opportunities. The World Bank has also pointed to Turkey's rigid labor markets and high cost of severance payments as reasons why self-employment is high. The self-employed are largely excluded from the social security system (SSK) and retirement fund (ES)¹. This situation particularly disadvantageous to self-employed women. Bagkur provides health and pension benefits to the self-employed. Yet only 32 percent are saving habitually for their retirement. Notwithstanding the challenges facing self-employed people in Turkey, they hold positive views on retirement, four-in-five (81 percent) associate retirement with positive words like opportunity and excitement. Only 20 percent expect to retire at over 65 compared to 40 percent globally. The Turkish self-employed are receptive to taking responsibility for their retirement income, 77 percent feel responsible for making sure that they have sufficient income in retirement. Almost seven-in-ten (68 percent) say that they are aware of the need to plan financially for retirement, which is slightly below the global average (72 percent).

Key country indicators



33.0%² of workers are self-employed



65%³ of self-employed are men



N/A official retirement age
(when full entitlements are payable)

Profile of Turkish self-employed



\$15.9k median personal income



95% cite positive reasons for becoming self-employed



23% are sole-proprietors



18% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Turkey: 25%

Global: 26%



Proportion that expect to retire at over 65 (includes never)

Turkey: 20%

Global: 40%



Envision a flexible transition to retirement

Turkey: 57%

Global: 69%

How are the self-employed planning and saving for retirement?



Habitual savers

Turkey: 32%

Global: 34%



Have a written retirement strategy

Turkey: 22%

Global: 13%



Have a backup plan

Turkey: 46%

Global: 38%

This country profile is part of the report “Retirement Preparations in a New Age of Self-Employment” and contains research findings from the fifth annual Aegon Retirement Readiness Survey. To read the full report and view videos and infographics, please visit: aegon.com/Self-Employed

Sources:

¹ http://www.ilo.org/dyn/ilossi/ssimain.viewScheme?p_lang=en&p_scheme_id=1545&p_geoaid=792

² [OECD Self Employment rate \(2015\)](#)

³ [OECD Self-Employment, proportion male \(2015\)](#)

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