

Turkey

Exchange rate: US\$1.00 = 3.79 liras.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1949 (old age) and 1957 (old age, disability, and survivors).

Current laws: 1964 (social insurance), implemented in 1965; 1971 (self-employed persons); 1983 (agricultural employee social insurance), implemented in 1984; 2006 (social security institution); 2006 (social security and general health insurance), implemented in 2007 and 2008; and 2008 (social security).

Type of program: Social insurance system.

Coverage

Employed persons, including civil servants; self-employed persons; and full-time household workers.

Exclusions: Part-time household workers.

Voluntary coverage is available.

Special systems for employees of banks, insurance companies, chambers of commerce, and stock exchanges.

Source of Funds

Insured person: 9% of gross monthly covered earnings.

The minimum monthly earnings used to calculate contributions are the gross legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 7.5 times the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

Self-employed person: 20% of gross monthly covered declared earnings.

The minimum monthly earnings used to calculate contributions are the gross legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 7.5 times the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

Employer: 11% of gross monthly covered payroll.

The minimum monthly earnings used to calculate contributions are the gross legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 7.5 times the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

Government: 25% of total contributions collected; finances any deficit; contributes as an employer.

Qualifying Conditions

Old-age pension (Yaslılık aylığı): Age 60 (men, gradually rising to age 65 from 2036 to 2044) or age 58 (women, gradually rising to age 65 from 2036 to 2048) with at least 7,200 days of paid contributions (9,000 days for civil servants and self-employed persons); age 63 (men, gradually rising to age 65 from 2036 to 2044) or age 61 (women, gradually rising to age 65 from 2036 to 2048) with at least 5,400 days of paid contributions.

At any age with an assessed degree of disability of at least 60% that began before starting covered employment and at least 15 years of coverage, including at least 3,600 days of paid contributions; for an assessed degree of disability of 50% to 59%, at least 16 years of coverage, including at least 4,320 days of paid contributions; or for an assessed degree of disability of 40% to 49%, at least 18 years of coverage, including at least 4,680 days of paid contributions.

Special conditions for military and police personnel; for persons aged 55 or older and prematurely aged; and for miners.

Mothers of children with disabilities who require constant attendance may receive credit to retire before the normal retirement age.

Employment may continue under certain circumstances.

Deferred pension: The pension may be deferred up to age 65 (civil servants, military and police personnel). There is no age limit for private-sector employees.

The old-age pension may be partially payable abroad under reciprocal agreement.

Old-age settlement (Yaslılık toptan ödemesi): Age 60 (men, gradually rising to age 65 from 2036 to 2044) or age 58 (women, gradually rising to age 65 from 2036 to 2048) and does not meet the contribution or coverage requirements for an old-age or disability pension; age 55 (men and women) if prematurely aged and does not meet the contribution or coverage requirements for the old-age or disability pension.

The old-age settlement may be partially payable abroad under reciprocal agreement.

Disability pension (Malullük aylığı): Must be assessed with at least a 60% loss of working capacity that began after starting covered employment and have at least 10 years of coverage, including at least 1,800 days of paid contributions. The requirement for the years of coverage is waived if the insured requires constant attendance.

Constant-attendance allowance: The insured requires the constant attendance of others to perform daily functions.

The disability pension may be partially payable abroad under reciprocal agreement.

Survivor pension (Ölüm aylığı): The deceased received or was entitled to receive an old-age or disability pension at the time of death or had at least five years of coverage, including at least 900 days of paid contributions (1,800 days for civil servants and self-employed persons).

Eligible survivors include a spouse; children younger than age 18 (age 20 if a pre-university student, age 25 if a university student); a son aged 18 or older who is disabled and unemployed; an unmarried, widowed, or divorced daughter of any age who is not in covered employment or receiving any other pension in her own right; and dependent parents.

The survivor pension for a spouse or daughter ceases upon remarriage.

Marriage grant: Paid when the widow or the deceased's daughter remarries.

The survivor pension may be payable abroad under bilateral agreement.

Survivor settlement (Ölüm toptan ödemesi): The deceased did not meet the contribution or coverage requirements for an old-age or disability pension at the time of death.

The survivor settlement may be payable abroad under bilateral agreement.

Funeral grant (Cenaze ödeneği): Paid when an insured person or an old-age or disability pensioner dies.

Old-Age Benefits

Old-age pension (Yaslılık aylığı): The pension is the insured's average monthly earnings multiplied by the accrual rate.

Average monthly earnings are the insured's total lifetime earnings divided by the total days of paid contributions, multiplied by 30.

The accrual rate is 2% for each 360-day contribution period (reduced proportionately for periods of less than 360 days), up to 90%.

A special calculation applies if first insured before October 1, 2008.

The minimum monthly old-age pension is 1,402 liras (2017); 1,871 liras for civil servants (2017).

Deferred pension: A deferred pension is paid.

Benefit adjustment: Benefits are adjusted in January and July of each year based on changes in the consumer price index.

Old-age settlement (Yaslılık toptan ödemesi): A lump sum of total contributions is paid.

Permanent Disability Benefits

Disability pension (Malullük aylığı): The pension is the insured's average monthly earnings multiplied by the accrual rate.

Average monthly earnings are the insured's total lifetime earnings divided by the total days of paid contributions before the disability began, multiplied by 30.

The accrual rate is 2% for each 360-day contribution period (reduced proportionately for periods of less than 360 days), up to 90%. For insured persons with less than 7,200 days of paid contributions (9,000 days for civil servants and self-employed persons), the accrual rate is calculated as if they had 7,200 days of paid contributions (9,000 days for civil servants and self-employed persons).

A special calculation applies if first insured before October 1, 2008.

Constant-attendance allowance: 10% of the insured's average monthly earnings is paid.

Benefit adjustment: Benefits are adjusted in January and July of each year based on changes in the consumer price index.

Survivor Benefits

Survivor pension (Ölüm aylığı)

Spouse's pension: 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er); 75% if the widow(er) does not have children and is not working or receiving a pension.

Orphan's pension: 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to each eligible orphan; 50% for a full orphan.

Other eligible survivors: 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to dependent parents.

Marriage grant: A lump sum of two years of the survivor pension is paid upon (re)marriage.

The maximum combined survivor benefit is 100% of the old-age or disability pension the deceased received or was entitled to receive.

Dependent parents older than age 65 may receive 25% of the deceased's pension even if all survivor benefits combined exceed 100% of the deceased's pension.

A special calculation applies if first insured before October 1, 2008.

A minimum pension is paid.

Survivor settlement (Ölüm toptan ödemesi): A lump sum is split among survivors according to a schedule.

Funeral grant (Cenaze ödeneği): A lump sum of 594 liras is paid.

Benefit adjustment: Benefits are adjusted in January and July of each year based on changes in the consumer price index.

Administrative Organization

Ministry of Labor and Social Security (<https://www.csgb.gov.tr/>) provides general supervision.

Social Security Institution (<http://www.sgk.gov.tr/>) collects contributions and administers the program.

Sickness and Maternity

Regulatory Framework

First laws: 1945 (maternity) and 1950 (sickness).

Current laws: 1964 (social insurance), implemented in 1965; 1983 (agricultural employee social insurance), implemented in 1984; 2006 (social security institution); 2006 (social security and general health insurance), implemented in 2007 and 2008; and 2008 (social security reform).

Type of program: Social insurance system (cash benefits) and universal (medical benefits).

Coverage

Cash and medical benefits: Public- and private-sector employees (including foreign nationals) working under a service contract and their dependent family members, including self-employed persons and full-time household workers. The spouse of an insured man is eligible for the nursing benefit.

Medical benefits only: Citizens of Turkey not covered by social insurance, including children under age 18; pensioners and recipients of unemployment benefits; homeless people and refugees; and foreigners who have legally resided in Turkey for at least one year.

Voluntary coverage is available.

Special systems for civil servants.

Source of Funds

Insured person

Cash sickness and maternity benefits: None.

Medical benefits: 5% of gross monthly covered earnings.

The minimum monthly earnings used to calculate contributions are the gross legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 7.5 times the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

Self-employed person

Cash sickness and maternity benefits: 2% of gross monthly covered declared earnings.

The minimum monthly earnings used to calculate contributions are the gross legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 7.5 times the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

Medical benefits: 12.5% of gross monthly covered declared earnings.

The minimum monthly earnings used to calculate contributions are the gross legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 7.5 times the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

The self-employed person's contributions also finance work injury benefits.

Employer

Cash sickness and maternity benefits: 2% of gross monthly payroll.

The minimum monthly earnings used to calculate contributions are the gross legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 7.5 times the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

Medical benefits: 7.5% of gross monthly payroll.

The minimum monthly earnings used to calculate contributions are the gross legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 7.5 times the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

The employer's contributions also finance work injury benefits.

Government

Cash sickness and maternity benefits: None; contributes as an employer.

Medical benefits: 25% of total contributions collected; the total cost of premiums for persons with total family income of less than 33.3% of the gross legal monthly minimum wage and persons entitled to medical benefits only.

The gross legal monthly minimum wage is 2,029.50 liras.

A portion of the government's contribution also finances work injury benefits.

Qualifying Conditions

Cash sickness benefit (Geçici is göremezlik ödeneği):

Must have at least 90 days of contributions in the year

Turkey

before the diagnosis of illness. Coverage continues for 10 days after employment ceases.

Maternity benefit (Geçici is göremezlik ödeneği): Must have at least 90 days of contributions in the year before the childbirth.

Nursing benefit (Emzirme ödeneği): Must be currently insured or have given birth within 300 days after termination of insurance and have at least 120 days of contributions in the 15 months before the childbirth.

Medical benefits: Must have at least 30 days of contributions (60 days if self-employed) in the year before the illness or accident occurred. Coverage continues for 10 days following termination of employment; for 90 days with at least 90 days of contributions in the year before the illness or accident occurred. There is no minimum qualifying period for children aged 18 or younger.

Sickness and Maternity Benefits

Sickness benefit (Geçici is göremezlik ödeneği): 66.7% of the insured's average daily earnings in the last three months (50% if hospitalized) is paid after a two-day waiting period.

Benefit adjustment: The minimum and maximum daily covered earnings used to calculate benefits are adjusted based on changes in the legal minimum wage.

Maternity benefits (Geçici is göremezlik ödeneği): 66.7% of the insured's average daily earnings is paid for up to eight weeks before and eight weeks after the expected date of childbirth; may be extended for two weeks for multiple births.

Nursing benefit (Emzirme ödeneği): A lump sum of 133 liras is paid (2017).

Benefit adjustment: The minimum and maximum daily covered earnings used to calculate benefits are adjusted based on changes in the legal monthly minimum wage.

Workers' Medical Benefits

Health care facilities provide medical services to patients under an agreement with the Social Security Institution. Benefits include medical treatment, including preventive care; maternity care, laboratory service, surgery, and hospitalization; vision, hearing, and dental care; assisted reproductive services; transplants; medicine; transportation; and a daily allowance and expenses for a companion when seeking care in another province or abroad.

Cost sharing: No copayment for general care or hospitalization. The insured pays 6 liras for outpatient specialist care in public hospitals; 8 liras in university hospitals; 15 liras in private hospitals.

Certain prescription drugs are fully reimbursed for certified chronic conditions and emergency room visits. The insured pays 20% (10% if an old-age or survivor pensioner) of the

cost of all other prescription drugs. The reimbursement payment for prescription drugs is usually based on the least expensive available brand, but the insured may opt to pay the difference for a more expensive brand.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Ministry of Labor and Social Security (<https://www.esgb.gov.tr/>) provides general supervision.

Social Security Institution (<http://www.sgk.gov.tr/>) collects contributions, administers cash benefits, and contracts with health care providers for medical services.

Work Injury

Regulatory Framework

First law: 1945 (industrial accidents).

Current laws: 1964 (social insurance), implemented in 1965; 1983 (agricultural employee social insurance), implemented in 1984; 2006 (social security institution); 2006 (social security and general health insurance), implemented in 2007 and 2008; and 2008 (social security).

Type of program: Social insurance system.

Coverage

Employed persons, including household workers, part-time and casual public transportation workers, casual workers in agriculture and forestry; self-employed persons; applicants for apprenticeships, apprentices, and interns; artists, writers, and intellectuals; and prisoners working in prison workshops.

Special systems for civil servants and employees of banks, insurance companies, chambers of commerce, and stock exchanges.

Source of Funds

Insured person: None.

Self-employed person: See source of funds under Sickness and Maternity.

Employer: See source of funds under Sickness and Maternity.

Government: See source of funds under Sickness and Maternity; covers the cost of contributions for apprentices and students in technical schools and universities.

Qualifying Conditions

Must be assessed with a work injury or occupational disease.

Temporary Disability Benefits

66.7% of the insured's average daily earnings in the last three months is paid from the first day of incapacity; 50% of average daily earnings if hospitalized.

Benefit adjustment: The minimum and maximum daily covered earnings used to calculate benefits are adjusted based on changes in the legal monthly minimum wage.

Permanent Disability Benefits

Permanent disability pension (Malullük aylığı): For a total (100%) disability, 70% of the insured's average monthly earnings is paid; 100% if the insured requires the constant attendance of others to perform daily functions.

Average monthly earnings are the insured's total lifetime earnings divided by the total days of paid contributions before the disability began, multiplied by 30.

Partial disability: For an assessed degree of disability of at least 10%, a percentage of the full pension is paid depending on the assessed degree of disability.

For an assessed degree of disability of at least 25%, the minimum permanent disability pension is 70% of the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

There is no maximum permanent disability pension.

Benefit adjustment: Benefits are adjusted in January and July of each year based on changes in the consumer price index.

Workers' Medical Benefits

Benefits are provided under the universal health insurance program (see medical benefits under Sickness and Maternity). Benefits include medical treatment, including preventive care; laboratory services, surgery, and hospitalization; vision, hearing, and dental care; assisted reproductive services; transplants; medicine; transportation; and a daily allowance and expenses for a companion when seeking care in another providence or abroad.

There is no limit to duration.

Survivor Benefits

Survivor pensions and a funeral grant are paid under Old Age, Disability, and Survivors.

Administrative Organization

Ministry of Labor and Social Security (<https://www.csgb.gov.tr/>) provides general supervision.

Social Security Institution (<http://www.sgk.gov.tr/>) collects contributions, administers cash benefits, and contracts with health care providers for medical services.

Unemployment

Regulatory Framework

First and current laws: 1999 (unemployment insurance), implemented in 2000; 2006 (social security institution); 2006 (social security and general health insurance), implemented in 2007 and 2008; and 2008 (social security).

Type of program: Social insurance system.

Note: In 2017, an amendment to the Unemployment Insurance Law provides for the extension of coverage to self-employed persons as of January 1, 2020.

Coverage

Private-sector employees (including foreign nationals) aged 18 or older working under a service contract, and certain other groups.

Exclusions: Civil servants, workers in agriculture and forestry, household workers, military personnel, students, and self-employed persons.

Voluntary coverage is available.

Source of Funds

Insured person: 1% of gross monthly earnings, up to a maximum.

Self-employed person: Not applicable.

Employer: 2% of gross monthly payroll.

Government: 1% of gross monthly earnings, up to a maximum.

Qualifying Conditions

Unemployment benefit (İssizlik ödeneğinden): Must have paid contributions in the last 120 days of employment and have at least 600 days of paid contributions in the three years before unemployment. The claim for the unemployment benefit must be made within 30 days after the labor contract expires or is terminated.

The unemployed person must be registered and available for suitable employment.

Unemployment Benefits

Unemployment benefit (İssizlik ödeneğinden): The minimum daily benefit is 40% of the insured's average daily earnings in the last four months. The benefit is paid for up to 180 days with at least 600 days of paid contributions; 240 days with at least 900 days of paid contributions; and 300 days with at least 1,080 days of paid contributions.

The maximum monthly unemployment benefit is 80% of the gross legal monthly minimum wage.

The gross legal monthly minimum wage is 2,029.50 liras.

Administrative Organization

Ministry of Labor and Social Security (<https://www.csgb.gov.tr/>) provides general supervision.

Social Security Institution (<http://www.sgk.gov.tr/>) collects contributions.

Employment Agency (<http://www.iskur.gov.tr/>) administers the program.