

Turkey

Exchange rate: U.S.\$1.00 equals 1,436,300 liras.

Old Age, Disability, and Survivors

Regulatory Framework

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

Current laws: 1964 and 1983 (agricultural workers).

Type of program: Social insurance system.

Note: This information is more than 4 years old.

Coverage

Employees in industry, commerce, and the service sector. Coverage is optional for citizens of other countries who work for a foreign employer.

Special systems cover public-sector employees; the self-employed; farmers; agricultural workers; and bank, insurance company, and stock exchange employees.

Source of Funds

Insured person: 9% of earnings.

Employer: 11% of payroll (13% for arduous employment).

Government: None.

Minimum earnings for contribution and benefit purposes are 93,366,000 liras a month.

Maximum earnings for contribution and benefit purposes are 150,223,500 liras a month.

Qualifying Conditions

Old-age pension: Age 55 (men) or age 50 (women) with 5,000 days of contributions or 15 years of insurance and 3,600 days of contributions. There is no age limit with 25 years of insurance and 5,000 days of contributions.

Disability pension: Loss of 2/3 of working capacity. The insured is entitled to the old-age pension or has 5 years of coverage with an average of 180 contribution days a year, or 1,800 days of contribution.

Survivor pension: The insured met the contribution requirements for a disability pension or was a pensioner.

Old-Age Benefits

Old-age pension: 50% of average indexed earnings during the last 5 years or 59.9% of average indexed earnings during the last 10 years.

Reduced pension: The full pension is reduced by 1% for each period of 240 contribution days less than 5,000.

Deferred pension: An increment of 1% of the pension for each year of deferral beyond the normal retirement age or for each 240-day period of contributions in excess of 5,000, up to a maximum 85% of average earnings.

The minimum pension is 70,046,200 liras a month.

The maximum pension is 132,379,975 liras a month.

Refund of contributions: If the insured is ineligible for a pension, all employee and employer contributions are refunded.

Means-tested pension: If age 65 or older and disabled and ineligible for the old-age pension.

Social support supplement: All retirees receive a monthly flat-rate supplement of 4,690,000 liras.

Benefit adjustment: Pensions are adjusted periodically according to changes in prices and wages.

Permanent Disability Benefits

Disability pension: The pension is calculated as 70% of average indexed earnings during the 5 years before the onset of disability.

Social support supplement: All pensioners receive a monthly flat-rate supplement of 4,690,000 liras.

Constant-attendance supplement: The pension is increased to 80% of average indexed earnings.

The minimum monthly pension is 70,046,200 liras; if the insured needs constant care, 124,868,800 liras.

The maximum monthly pension is 109,846,450 liras.

Benefit adjustment: Pensions are adjusted periodically according to changes in prices and wages.

Survivor Benefits

Survivor pension: A widow with no dependent children receives 75% of the pension paid or accrued to the insured; 50% of the pension if there are dependent children. A pension is also payable to a dependent disabled widower.

Orphan's pension: 25% of the insured's pension (50% if a full orphan) for each orphan under age 18 (age 25 if a student in higher education, age 20 if a student in secondary education, no age limit if an unmarried daughter or disabled).

The minimum pension is 56,974,960 liras a month for one survivor or 63,510,580 liras for two survivors.

The maximum survivor pension is 100% of the insured's pension.

Parents pension: If the value of the other survivor pensions is below the maximum, eligible parents can receive the difference.

Refund of contributions: If the insured was ineligible for a pension, the total employee and employer contributions are refunded on the following basis: 75% to a widow with no dependent children or 50% to a widow with dependent children; 25% to each child.

Funeral grant: A lump sum of 49,875,000 liras.

Administrative Organization

Ministry of Labor and Social Security provides general supervision.

Social Insurance Institution, managed by a tripartite governing body and a director general, administers the program.

Sickness and Maternity

Regulatory Framework

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

Current law: 1964.

Type of program: Social insurance system. Cash and medical benefits.

Coverage

Employees in industry, commerce, and the service sector. Pensioners and dependents are also covered for medical benefits.

Special systems for public-sector employees and agricultural workers.

Source of Funds

Insured person: 5% of earnings; 2% for apprentices.

Employer: 6% of payroll (2% for apprentices) and 1% of payroll for maternity.

Government: None.

Minimum earnings for contribution and benefit purposes are 93,366,000 liras a month.

Maximum earnings for contribution and benefit purposes are 150,223,500 liras a month.

Qualifying Conditions

Cash sickness benefits: 120 days of contributions during the last 12 months.

Cash maternity and medical benefits: For medical benefits, the insured must be currently covered or a pensioner. For maternity care, 90 days of contributions (wife) or 120 days (husband) during the last 12 months; for other dependents, 120 days of contributions during the last 12 months.

Sickness and Maternity Benefits

Sickness benefit: The benefit for an inpatient is 50% of earnings. The benefit for outpatient treatment is 2/3 of earnings. The benefit is payable after a 2-day waiting period, usually for up to 6 months; sometimes up to 18 months.

There is no waiting period for pensioners.

Maternity benefit: Two-thirds of earnings, payable for up to 6 weeks before and 6 weeks after the expected date of childbirth.

Nursing grant: A lump sum of 500,000 liras.

Workers' Medical Benefits

Medical services ordinarily provided directly to patients through facilities of the Social Insurance Institution. Benefits include general and specialist care, hospitalization, laboratory services, medicines, maternity care, appliances, and transportation.

Cost-sharing: The insured person shares 20% (10% for pensioners) of the cost of outpatient medicines, except for chronic illnesses.

Dependents' Medical Benefits

Same as for the insured person.

Administrative Organization

Ministry of Labor and Social Security provides general supervision.

Social Insurance Institution administers the program through its branch offices.

Social Insurance Institution operates its own dispensaries, hospitals, sanatoria, and pharmacies and contracts with private-sector service suppliers in localities where it has no facilities.

Work Injury

Regulatory Framework

First law: 1945.

Current law: 1964.

Type of program: Social insurance system.

Note: There is no separate work injury program. Work accidents and occupational illnesses are separately provided for, but benefits are paid under the general system.

Coverage

Employees in industry, commerce, and the service sector.

Applicants for apprenticeships, apprentices, and students in technical schools (paid by the government).

Exclusions: Domestic employees.

Special systems for public-sector employees and agricultural workers.

Source of Funds

Insured person: None.

Employer: Between 1.5% and 7% of payroll, according to the assessed degree of risk. The average contribution rate is 2.5% of payroll.

Government: None.

Minimum earnings for contribution and benefit purposes are 93,366,000 liras a month.

Turkey

Maximum earnings for contribution and benefit purposes are 150,223,500 liras a month.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

50% of earnings; 1/3 of earnings if hospitalized. The benefit is payable from the first day of incapacity.

There is no limit on duration.

Permanent Disability Benefits

Permanent disability pension: 70% of average earnings, multiplied by the assessed percentage degree of disability.

Total disability is assessed as the loss of 60% of working capacity.

Constant-attendance supplement: Equal to 50% of the pension.

Partial disability: If more than 10% disabled, a percentage of the full pension proportionate to the assessed degree of disability. The pension may be converted to a lump sum if the assessed degree of disability is less than 25%.

Workers' Medical Benefits

Medical treatment, surgery, hospitalization, medicines, appliances, and transportation.

There is no limit on duration.

Survivor Benefits

Survivor pension: See Old Age, Disability, and Survivors, above.

Administrative Organization

Ministry of Labor and Social Security provides general supervision.

Social Insurance Institution administers the program through its branch offices and health facilities.

Unemployment

Regulatory Framework

Note: The labor code requires employers to pay a dismissal payment equal to 30 days' wages for each year of service.

Coverage

Employees in industry, commerce, and the service sector.

Administrative Organization

Ministry of Labor and Social Security and the Manpower Employment Organization are responsible for enforcing the labor code.