

Turkey

Exchange rate: US\$1.00 = 1.78 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; 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.

Note: In May 2006, the separate systems for public and private-sector employees and the self-employed were merged into one under the newly created Social Security Institution.

Coverage

Employees (including foreign nationals) aged 18 or older working under a service contract in the public or private sector, including civil servants and self-employed persons.

Source of Funds

Insured person: 9% of monthly earnings, up to a maximum.

Self-employed person: 20% of monthly declared earnings, up to a maximum.

Employer: 11% of employees' monthly earnings, up to a maximum.

Government: 25% of total contributions collected by the Social Security Institution.

Qualifying Conditions

Old-age pension: Age 60 (men) or age 58 (women) with at least 7,200 days of contributions (9,000 days for civil servants and self-employed persons). The retirement age will rise gradually to age 65 (men and women) by 2046 (men) and 2048 (women).

Special conditions if first insured before October 1, 2008; if aged 50 or older and prematurely aged (and therefore unable to work until the full pensionable age); and for miners.

At any age with a disability that began before starting insured employment and at least 15 years of coverage including at least 3,600 days of paid contributions, according to the assessed degree of disability.

Mothers with special needs children are eligible to retire five years before the normal retirement age.

Gainful employment must cease on retirement. In certain cases, employment may be permitted while receiving an old-age pension, provided the pensioner pays a support contribution of 30% of earnings.

The pension may be deferred. There is no age limit.

Old-age settlement: Age 60 (men) or age 58 (women); age 50 (men and women) if prematurely aged and not eligible for an old-age or disability pension. The retirement age will rise gradually to age 65 (men and women) by 2046 (men) and 2048 (women).

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

Disability pension: Must have a loss of at least 60% of working capacity with at least 1,800 days of contributions and at least 10 years of coverage. The requirement for the years of coverage is waived for insured persons requiring constant attendance.

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

Survivor pension: The deceased met the contribution requirements for a disability pension or an old-age pension, was a pensioner at the time of death, or was insured for at least five years and had paid contributions for a total of 900 days (1,800 days for civil servants and self-employed persons).

Eligible dependents 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 insured employment or receiving any social security benefits in her own right; and dependent parents.

The spouse's survivor pension ceases on remarriage.

Survivors are eligible to receive only one survivor pension.

Survivor settlement: Paid if the deceased was not eligible for an old-age or disability pension and was insured for less than five years with 900 days of contributions (1,800 days for civil servants and self-employed persons).

The survivor pension and survivor settlement may be partially payable abroad under bilateral agreement.

Funeral grant: Paid to the family on the death of an old-age pensioner or disability pensioner.

Old-Age Benefits

Old-age pension: A pension is paid based on 2% of the insured's last salary and the coverage period, up to a maximum.

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

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

Old-age settlement: A lump sum is paid.

Permanent Disability Benefits

Disability pension: A pension is paid based on 2% of the insured's last salary and the coverage period, up to a maximum.

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

Constant-attendance allowance: 100% of the pension is paid.

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

Survivor Benefits

Survivor pension: 50% of the pension the deceased received or was eligible to receive is paid to a widow(er); 75% to a widow(er) who does not have children and is not working or receiving a pension.

Orphan's pension: 25% of the pension the deceased received or was eligible to receive is paid to each eligible orphan (50% for a full orphan).

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

All survivor benefits combined must not exceed 100% of the pension the deceased received or was eligible 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: A lump sum is split among survivors according to a schedule.

Funeral grant: A lump sum is paid.

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

Administrative Organization

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

Social Security Institution (<http://www.sgk.gov.tr>) managed by a general assembly, board of directors, and president, 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).

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

Note: In 2007, a new universal sickness insurance program was established to provide a safety net.

Coverage

Cash and medical benefits: Employees working under a service contract in the public or private sectors and their dependent family members, including self-employed persons. The spouse of an insured man is eligible for the nursing benefit.

Medical benefits only: All citizens of Turkey; homeless people and refugees; foreigners with a residence permit of at least one year; and foreign students.

Voluntary coverage is available.

Special systems for civil servants.

Source of Funds

Insured person

Cash sickness and maternity benefits: None.

Medical benefits: 5% of declared monthly earnings, up to a maximum.

Self-employed person

Cash sickness and maternity benefits: 1% to 6.5% of declared monthly earnings, up to a maximum.

The self-employed person's contributions also finance work injury, according to the degree of risk.

Medical benefits: 12.5% of declared monthly earnings, up to a maximum.

Employer

Cash sickness and maternity benefits: 1% to 6.5% of monthly payroll, up to a maximum.

The employer's contributions also finance work injury, according to the degree of risk.

Medical benefits: 7.5% of monthly payroll, up to a maximum.

Government

Cash sickness and maternity benefits: Contributes as an employer.

Medical benefits: 25% of total contributions collected by the Social Security Institution; the cost of contributions for vulnerable groups.

Qualifying Conditions

Cash sickness benefits: Must have at least 90 days of contributions in the year before the diagnosis of illness.

Cash maternity benefits

Incapacity for work benefit: Must have at least 90 days of contributions in the year before childbirth.

Nursing benefit: Must have at least 120 days of contributions in the year before childbirth.

Medical benefits: Must have at least 30 days of contributions (60 days for the self-employed) in the year before the illness or accident. Coverage continues for 10 days following termination of employment; for 90 days if at least 90 days of contributions in the year before the illness or accident.

Sickness and Maternity Benefits

Sickness benefit: 50% of daily earnings is paid for inpatient treatment; 66% of daily earnings for outpatient treatment. The benefit is paid after a two-day waiting period.

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

Maternity benefits

Incapacity for work: 66% of earnings is paid for up to eight weeks before and eight weeks after the expected date of childbirth; extended for two weeks for multiple births.

Nursing grant: A lump sum is paid for a live birth.

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

Workers' Medical Benefits

Health care facilities under an agreement with the Social Security Institution provide medical services to patients.

Cost sharing: A copayment may be required for prescription drugs.

Dependents' Medical Benefits

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

Administrative Organization

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

Social Security Institution (<http://www.sgk.gov.tr>) administers cash benefits through its branch offices. Medical care and medicine are provided through agreements with hospitals and pharmacies.

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

Employees working under a service contract in the public or private sector; applicants for apprenticeships, apprentices, and students; and prisoners working in prison workshops.

Exclusions: Part-time household workers.

Special systems for civil servants.

Source of Funds

Insured person: See source of funds under Sickness and Maternity.

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; the cost of contributions for apprentices and students in technical schools.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

66% of daily earnings is paid from the first day of incapacity; 50% of daily earnings if hospitalized.

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

Permanent Disability Benefits

Permanent disability pension: A pension based on the insured's annual covered earnings is paid for a total disability (100% loss of earning capacity as a result of a work accident or an occupational disease).

Partial disability: For an assessed degree of disability of at least 10%, a percentage of the full pension is paid according to the assessed degree of disability. Persons with an assessed degree of disability of 10% to 24% may choose a lump sum instead of a pension.

For an assessed degree of disability of at least 25%, the minimum pension must be at least 70% of the minimum earnings used to calculate contributions and benefits.

There is no maximum pension.

Constant-attendance allowance: 100% of the pension is paid.

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

Workers' Medical Benefits

Benefits include medical treatment, including preventive care; laboratory services, surgery, and hospitalization; vision, hearing, and dental care; assisted reproductive services; transplants; transportation; and a daily allowance and expenses for an accompanying person when seeking care abroad.

There is no limit to duration.

Survivor Benefits

Survivor pension: The minimum monthly pension for one survivor is 80% (90% for two survivors) of 35% of the minimum earnings used to calculate contributions and benefits.

There is no maximum pension.

Eligible dependents include a spouse (the spouse's survivor pension ceases on remarriage); 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 without insured employment and is not receiving any social security benefits in her own right; and dependent parents.

If the total survivor pension awarded to the spouse and children is less than 70% of the insured's annual earnings, the difference is paid to a dependent father and mother; if the total survivor pension awarded to the spouse and children is 70% or more of the insured's annual earnings, no pension is paid to a dependent father and mother.

Funeral grant: A lump sum is paid to the family on the death of the insured worker.

Benefit adjustment: Survivor benefits are adjusted in January and July of each year according to changes in the consumer price index.

Administrative Organization

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

Social Security Institution (<http://www.sgk.gov.tr>) administers the program through its branch offices and health facilities.

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.

Coverage

Employees (including foreign nationals) aged 18 or older working under a service contract in the public or private sector and certain other specified groups.

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

Source of Funds

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

Self-employed person: Not applicable.

Employer: 2% of monthly payroll.

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

Qualifying Conditions

Unemployment benefit: Must have at least 600 days of contributions in the three years before unemployment, including the last 120 days of employment.

Unemployment Benefits

Unemployment benefits: The minimum daily benefit is 50% of average daily earnings, based on the last four months of earnings. The benefit is paid for 180 days to an insured worker with at least 600 days of contributions; for 240 days with at least 900 days of contributions; and 300 days with at least 1,080 days of contributions.

The monthly benefit must not be higher than the minimum wage for the industry in which the insured worked.

A worker may receive unemployment benefits at the same time as sickness and maternity benefits.

Administrative Organization

Ministry of Labor and Social Security (<http://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.