

## Turkey

Exchange rate: US\$1.00 equals 1.21 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, with 1999 amendment; 1983 (agricultural employee social insurance), implemented in 1984, with 1999 amendment; 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.

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:** No information is available.

**Employer:** 11% of monthly payroll; 13% on behalf of employees in arduous employment, up to a maximum.

**Government:** None.

#### Qualifying Conditions

**Old-age pension:** Age 60 (men) or age 58 (women) with at least 7,200 days of contributions or 9,000 days (civil servants and self-employed persons). Beginning in 2036, the retirement age will be raised gradually to age 65 by 2046 (men) and 2048 (women).

If first insured before October 1, 2008, special conditions apply.

Special conditions for miners.

Aged 50 or older and prematurely aged (and therefore unable to work until the full pensionable age), subject to other conditions.

An insured person of any age whose disability began before starting insured employment and who has at least 15 years

of insurance 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 5 years before 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.

Deferred pension: There is no maximum age for deferral.

**Old-age settlement:** Age 60 (men) or age 58 (women); age 50 (men and women), prematurely aged, and not eligible for a pension.

As of 2036, the retirement age will be raised gradually to age 65 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:** The loss of 66% 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 or was a pensioner at the time of death; was insured for at least 5 years and had paid contributions for an average of at least 180 days each year or for a total of 1,800 days.

Eligible dependents include a spouse (the spouse's 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.

**Survivor settlement:** The insured person was not eligible for a pension.

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:** If first insured on or after October 1, 2008, the pension is based on 2.6% of the insured's final salary multiplied by the number of years of coverage, up to a maximum. (The income replacement rate will be lowered to 2% in 2016.)

If first insured before October 1, 2008, special conditions apply.

Deferred pension: Calculated in the same manner as the old-age pension.

Benefit adjustment: Benefits are adjusted in December of each year according to changes in the consumer price index and the gross domestic product.

**Old-age settlement:** If the insured is not eligible for a pension, a lump sum is paid.

### **Permanent Disability Benefits**

**Disability pension:** If first insured on or after October 1, 2008, the pension is based on 2.6% of the insured's final salary multiplied by the number of years of coverage. (The income replacement rate will be lowered to 2% in 2016.)

If first insured before October 1, 2008, special conditions apply.

Constant-attendance allowance: The pension is increased to 70% of average annual earnings.

Benefit adjustment: Benefits are adjusted in December of each year according to changes to the consumer price index and the gross domestic product.

### **Survivor Benefits**

**Survivor pension:** If first insured on or after October 1, 2008, the pension is based on 2.6% of the insured's final salary multiplied by the number of years of coverage. (The income replacement rate will be lowered to 2% in 2016.)

If first insured before October 1, 2008, special conditions apply.

Eligible survivors include the spouse, orphans, and the deceased's parents. Survivors are eligible to receive only one survivor pension.

A minimum pension is paid.

**Survivor settlement:** If the deceased was not eligible for a pension, a lump sum is split among survivors according to prescribed ratios.

Eligible survivors include the spouse, orphans, and the deceased's parents.

**Funeral grant:** A lump sum is paid.

Benefit adjustment: Benefits are adjusted in December of each year based on the consumer price index and the gross domestic product.

### **Administrative Organization**

Ministry of Labor and Social Security (<http://www.calisma.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, with 1999 amendment; 1983 (agricultural employee social insurance), implemented in 1984, with 1999 amendment; 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).

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

### **Coverage**

**Cash and medical benefits:** Employees working under a service contract in the public and private sectors and their dependent family members, including civil servants and self-employed persons. (Cash maternity benefits are provided only to an insured woman.)

**Medical benefits only:** All citizens of Turkey.

### **Source of Funds**

**Insured person:** 5% of monthly earnings (sickness), up to a maximum.

**Self-employed person:** Self-employed persons pay a 30-day premium.

**Employer:** 1% of payroll (maternity), up to a maximum.

**Government:** Total cost of universal medical benefits.

### **Qualifying Conditions**

**Cash sickness benefits:** Must have at least 120 days of contributions in the year before the diagnosis of illness.

**Cash maternity benefits:** Must have at least 120 days of contributions.

**Medical benefits:** All persons residing in Turkey.

### **Sickness and Maternity Benefits**

**Sickness benefit:** The benefit for inpatient treatment is equal to 50% of daily earnings. The benefit for outpatient treatment is equal to 66% of daily earnings. The benefit is paid after a 2-day waiting period.

Benefit adjustment: The minimum and maximum daily insurable earnings for sickness benefit calculation purposes are adjusted according to changes in the minimum wage.

### Maternity benefits

*Incapacity for work:* The benefit is equal to 66% of earnings and is paid for up to 8 weeks before and 8 weeks after the expected date of childbirth.

*Pregnancy benefit:* A lump sum is paid (subject to the certification of pregnancy before the date of birth).

*Childbirth benefit:* A lump sum is paid.

In cases in which medical services for pregnancy and childbirth cannot be provided directly through health facilities under contract to the Social Security Institution or government hospital, a lump sum is paid according to the schedule in law. The lump sum is increased for multiple births.

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

*Benefit adjustment:* The minimum and maximum daily insurable earnings for maternity benefit calculation purposes are adjusted according to changes in the minimum wage. The Ministry of Labor and Social Security may make ad hoc adjustments to the pregnancy benefit, childbirth benefit, and nursing grant.

### Workers' Medical Benefits

Medical services are provided to patients through the facilities of the Social Security Institution.

### Dependents' Medical Benefits

Medical services are provided to patients through the facilities of the Social Security Institution.

### Administrative Organization

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

Social Security Institution (<http://www.sgk.gov.tr>) administers the program through its branch offices. It operates its own dispensaries, hospitals, sanatoria, and pharmacies and contracts with private-sector service providers in localities where it has no facilities.

### Work Injury

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#### Regulatory Framework

**First law:** 1945 (industrial accidents).

**Current laws:** 1964 (social insurance), implemented in 1965, with 1999 amendment; 1983 (agricultural employee social insurance), implemented in 1984, with 1999 amendment; 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.

Note: Work injury and occupational illness benefits are paid under Old Age, Disability, and Survivors.

### 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 domestic employees.

Special systems for civil servants, self-employed persons, and some categories of agricultural worker.

### Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

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

**Government:** 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

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

*Benefit adjustment:* The minimum and maximum daily insurable earnings for benefit calculation purposes are adjusted according to changes in the minimum wage.

### Permanent Disability Benefits

**Permanent disability pension:** The pension based on the insured's annual insurable earnings.

Total disability is assessed as the 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. For an assessed degree of disability of at least 10% but less than 25%, the pension may be paid as a lump sum.

For an assessed degree of disability of at least 25%, the minimum pension must be equal to at least 70% of the minimum earnings for contribution and benefit calculation purposes.

There is no maximum pension.

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

*Benefit adjustment:* Benefits are adjusted in December of each year based on the consumer price index and the gross domestic product.

### **Workers' Medical Benefits**

Benefits include medical treatment, surgery, hospitalization, medicines, appliances, and transportation.

There is no limit to duration.

### **Survivor Benefits**

**Survivor pension:** The minimum monthly pension for one survivor is at least 80% (90% for two survivors) of 35% of the minimum earnings for contribution and benefit calculation purposes.

There is no maximum pension.

Eligible dependents include a spouse (the spouse 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.

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 for 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 December of each year based on the consumer price index and the gross domestic product.

### **Administrative Organization**

Ministry of Labor and Social Security (<http://www.calisma.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 law:** 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 reform).

**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 3 years before unemployment, including the last 120 days of employment.

### **Unemployment Benefits**

The minimum daily benefit is equal to 50% of average daily earnings, based on the last 4 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.

Benefit adjustment: Benefits are not adjusted but are calculated according to the insured's monthly earnings.

### **Administrative Organization**

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

Social Security Institution (<http://www.sgk.gov.tr>) is responsible for collecting contributions.

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