

Conditions for receiving unemployment benefit

M. Fatih Köprü

Scope of the unemployment insurance

Basically, those within the scope of Article 4 / a of the Social Security Law, recruited by one or more employers based on a service contract, ie private sector employees are covered by unemployment insurance. It should also be noted that those who are subject to private pension funds under the temporary article 20 of the previous social security law are also covered by unemployment insurance. However, unemployment insurance regulations are not applied to civil servants and former Bağ-Kur (social security organization for artisans and the self-employed) members.

Conditions to benefit

In order for the employee to benefit from unemployment insurance when he becomes unemployed, the required conditions are indicated below;

- unemployed except for his/her own will and fault,
- to be subject to the service contract for the last 120 days before the end of the service contract,
- unemployment insurance premium should be paid for at least 600 days in the last three years prior to termination of the service contract,
- applying to the nearest İŞKUR office personally or electronically at www.iskur.gov.tr within 30 days after termination of the service contract,

In case of failure to apply within this period except for force majeure, the delayed time in the application is deducted from the total entitlement period.

Services provided

Under the above conditions, the unemployment benefit is paid to the unemployed person. But the services provided by İSKUR are not limited to those. In addition to the unemployment benefit; the services indicated below are provided to them as well:

- payment of general health insurance premiums,
- finding a new job,
- providing professional development, training and education services.

Duration of unemployment benefit

The duration of the unemployment benefit varies according to the number of days in which the unemployment insurance premium was paid and number of insured days within the last three years prior to the termination of the service contract. Accordingly; unemployment benefit is paid as per the periods provided below:

- 180 days for insured unemployed persons who have worked as insured for 600 days and paid unemployment insurance premiums,
- 240 days for the insured unemployed who have worked 900 days as insured and paid unemployment insurance premium,

- 300 days for insured unemployed people who have been insured and paid unemployment insurance premiums for 1,080 days.

Amount of the benefit

Unemployment benefit is calculated as 40 percent of the average daily gross wage. The average wage is determined by taking the insured's earnings basis to premium for the last four months into consideration. However, it should be noted that unemployment benefit also has an upper limit. It cannot exceed 80 % of the monthly minimum wage gross amount.

The unemployment benefits payable for the minimum wage and several higher wages are listed in the table below:

Monthly gross wage	40% of gross wage (1)	80% of minimum wage (2)	Stamp tax	Payable amount
TL 2,558.40 (min wage)	TL 1,023.36	TL 2,046.72	TL 7.77 (1 * % 0,759)	TL 1,015.59
TL 3,500	TL 1,400	TL 2,046.72	TL 10.63 (1 * % 0,759)	TL 1,389.37
TL 5,116.80	TL 2,046.72	TL 2,046.72	TL 15.53 (1 or 2*%0,759)	TL 2,031.19
TL 10,000	TL 4,000	TL 2,046.72	TL 15.53 (2 * % 0,759)	TL 2,031.19

Only stamp tax deducted

As it can be seen on the table as well, pertaining to the minimum wage for 2019, unemployment benefit is at least TL 1015 monthly and TL 2031 maximum. While paying the eligible person, no deductions such as income tax or SSI premium are made. Only the stamp tax is deducted and the remaining amount is paid to the unemployed.

Termination of the payment

While receiving unemployment benefit; unemployment benefits of those rejecting a job proposed by İŞKUR (in accordance with their profession and close to the wages and working conditions of their last job and within the boundaries of the municipal contiguous area of the place of residence) without any cogent grounds and those who are detected to be working informally during the period in which they receive the benefit are cut not to restart.

Unemployment benefits of those beginning to receive pension payments during that period are cut as of the date that their pensions start. In addition, the unemployment benefits of those who refuse or do not continue the trainings offered by İŞKUR and do not reply to the calls made by the Institution on time, the ones that do not provide the required information and documents timely are also cut off. However, in the circumstance that these situations end, payments are resumed.

This is the summary of the article published in the Economist magazine's issue 2019/34. dated 25.08.2019.

Explanations in this article reflect the writer's personal view on the matter. EY and/or Kuzey YMM ve Bağımsız Denetim A.Ş. disclaim any responsibility in respect of the information and explanations in the article. Please be advised to first receive professional assistance from the related experts before initiating an application regarding a specific matter, since the legislation is changed frequently and is open to different interpretations.