



SHORT TERM EMPLOYMENT ALLOWANCE

FAQ

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01. What is short employment?

It is an application that enables employees to receive allowance from Turkey Employment Agency (İŞKUR) for the period they are not working in case of temporary reducing or ceasing of working hours in the workplace.

In terms of duration, it is granted not to exceed 3 months. However, with a President Decree it can be extended up to 6 months.

02. How much the activities in the workplaces shall be reduced, in order to benefit from Short-Term employment?

- Weekly working duration in the workplace shall be reduced by one third of regular working time or,
- Activities in the workplace shall be stopped entirely or partially for at least four weeks.

Regarding reducing the weekly working duration for at least 1/3; when you consider 1/3 of working hours or working days, the workplace shall not be active for the corresponding duration.

03. What are the preconditions for employees to benefit from Short- Term Employment

- Employees shall be subject to 60 days of service contract before the short-term employment date.
- Those who have paid premium for 450 days within the last 3 years can benefit from the allowance.
- Retirees cannot benefit from short-term employment allowance.

Necessary inspections regarding these preconditions are to be conducted by Turkish Employment Agency (İŞKUR). In case of the employees fulfill the requirements, allowance is granted.

04. Can part-time employees benefit from Short-Term Employment Allowance?

Those who are working part-time and paying for voluntary insurance along with unemployment insurance premium in order to complete 30 days, can benefit from the short-term employment allowance.

05. Where and how to apply for short-term employment?

Applications of short-term employment are submitted by the employers to registered İŞKUR unit's email address with the required documentation.

Submitting the documents in person is not necessary

06. Which documents are required to apply for short-term employment?

- Short-term employment request form
- Employee list of short-term employment

The two documents above shall be signed by the authorized signatory who is indicated in the company's signature circular.

In addition, below documents will be requested during the compliance inspection:

- Board resolution
- Documents indicating that working duration has been reduced or ceased (i.e. payroll, documents regarding orders or agreements are cancelled, etc.)

07. How to apply if the workplace has more than one branch?

- Separate applications shall be submitted for each branch.
- Application documents shall be sent to the registered İŞKUR email address of which the related branch is registered.

08. How does the process work after the application?

- Documents submitted to İŞKUR via email will be sent to Ministry of Family, Labor and Social Services' Directorate of Guidance and Inspection.
- The compliance is to be determined for the employees who are to benefit from the short term employment allowance by İŞKUR.
- After compliance is determined, result will be sent back via email by İŞKUR.
- Upon approval to the application, the employer will notify the employees where it is visible to all within the workplace and if collective agreement is present the Union will also be notified. In case general notification is not made, employees shall be notified in writing.
- Short-term employment allowances are deducted from the unemployment insurance that is to be used in case of unemployment in the future.
- Employee list shared with İŞKUR can be updated in the future. However, this will be considered as a new request.

09. How soon will I get an answer to my application?

İŞKUR will conduct a compliance test and inform you regarding the result within 60 days.

10. What is the amount of short-term employment allowance? How is it calculated?

%60

of the 12-month gross average is paid, it cannot exceed

%150

of the minimum wage

Short-term employment allowance amount;

- Equals to 60% of daily gross average earning calculated by taking into consideration the earnings of the insurant for the last 12 months subject to social security premium.
- İŞKUR conducts the calculation by considering monthly gross income amount subject to social security premium.
- Calculated short-term employment allowance amount cannot exceed 150% of the gross amount of monthly minimum wage.
- Payments are made for the off days of employees.
- Short-term employment allowance can vary between 1.752,40 TL and 4.380,99 TL, if activities are stopped entirely and for the whole month.
- During the short-term employment allowance, General Health Insurance payments of employees are covered by İŞKUR. However, premiums on other short and long term insurance branches are not paid for this period.

For example:

In a situation where the activity / working period is reduced by half, if the employees do not work due to short-term employment for 15 days in 1 month and receive allowance from İŞKUR;

- In order to determine the short employment allowance amount, İŞKUR first calculates a daily amount subject to premium and receives %60, over the average 12-month gross salary. This amount corresponds to daily short-term employment allowance.
- Also, related amount cannot exceed 150% of the gross daily minimum wage.

- Afterwards, an allowance is calculated for 15 non-working

days and paid to the employees.

İŞKUR's provisions regarding the allowance are as below:

- Amount of daily short-term employment allowance is 60% of daily gross average earning calculated by taking into consideration the earnings of the insurant for the last twelve months subject to social security premium, not exceeding 150% of the gross amount of monthly minimum wage.
- Short-term employment allowance is paid to the employee on the 5th of every month, in order to complete weekly working hours. Payments are processed through PTT. The Ministry of Family, Labor and Social Services is authorized to apply an earlier payment date.
- Time frame of short-term employment is to be determined by the employer within daily, weekly or monthly working period as per the traditions of the workplace and properties of the work.
- Duration of short-term employment is submitted on behalf of the employees, who are subject to short-term employment, with SSI Monthly Premium and Service Document and with the cause of "18-Short-term Employment Allowance".
- With the precondition of not exceeding 3 months, period of short-term employment allowance is equal to the short employment duration.
- In case of short-term employment in the workplace due to forces majeure, payments begin after the one-week period provided in the item (III) of the article 24, and in the article 40 of the Law no. 4857. For the one-week period, wage and premium liabilities belong to the employer.
- According to İŞKUR provisions: force majeure is "not caused by the employer's own management, the unpredictable situations like natural disasters, epidemics, military operation preparations that can cause temporary or permanent activity stops or reduce on the employers." Therefore, the Covid-19 outbreak is also considered as a force majeure and the employer is obliged to pay half wages for the first week of short-term employment period. From the second week, İŞKUR allowance will be granted.
- Short-term employment allowance amounts for off days such as weekends, national holidays and common holidays are to be paid by the employer and Institution proportionately.
- Short-term employment allowances are deducted from the unemployment allowance. However, the President is authorized to determine whether the deduction will be made or not.
- Additionally, employers are obliged to keep records of their working time and submit them if requested.
- If overdue and undue payments have been made due to the incorrect information and documents provided by the employer, they will be collected from the employer along with its legal interest, the overdue payments resulting from the employee's fault will be collected from the employee along with its legal interest.

11. How to submit the SSI declarations for the short employment period?

- Missing days to be accrued due to short-term employment will be declared to SSI as “18-Short-term Employment Allowance”.
- For days which belong to short-term employment period, the employer will not make salary payments to employees, and will not have SSI premium and income tax liabilities
- Employers are liable to pay half wage for the 1 week prior to short-term employment allowance is granted.

For example, if we evaluate a situation such as below

- Short-term employment period has been started as of 1 April 2020.
- Activities are ceased entirely, and employees will benefit from short-term employment allowance for the whole month.
- Weekly working days are 6 days and half of it is 3 days,

In case of such a situation, implementation will be as follows

- There will be no work as of 1 April 2020.
- Employer will pay half wage for the period between April 1 – April 7 (calculated from 3.5 days). İŞKUR will not be making any payments to the employees for this period.
- İŞKUR will make allowance payments for the period between April 8 – April 30.

For another example, if we assume that 3 months of short-term employment period starts as of 19 March 2020, the results will be as below;

- All wages will be paid for 18 days and all statutory deductions (income tax, SSI) will be made as usual.
- As of 19 March, SSI declarations will be made by choosing 18-Short-term Employment Allowance option.
- As an addition to the wage for 18 days, there will be half wage paid for the dates between 19-25 March.
- The 83 days of payments (from the 3 months) will be made by İŞKUR. The SSI declarations in regards will be made by selecting the 18-Short-term employment Allowance code.

12. Termination conditions of short term employment

If the practice of short-term employment ends sooner than expected and business reverts to usual;

- Employer notifies İŞKUR unit (if any collective bargaining agreement, to the union) and employees 6 working days before, regarding the situation.
- Short-term employment will be finalized on the specified date in the notification.
- In case of late notification and undue payment, these payments will be collected from the employer, along with legal interest.

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Also, short employment allowance will be stopped in the flowing cases

If short-term employment allowance recipients;

- Get employed
- Start receiving old age pension
- Get conscripted due to any reason
- Leave the work for a duty due to any laws
- As of the start date of the medical report temporary incapacity report is present

Short-term employment allowance will be stopped.



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