

Bulletin No : 2020-24
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Topic : (Covid 19) Short-Term Work Allowance

Short – Term Work Allowance

Due to the virus surrounding our country, a new economic package of 100 Billion TRY was announced. In the economic package, the good news came for employers, employees and retired people. (<https://ia.com.tr/2020-23-newsletter-turkish-economy/>)

One of the measures for employees whose workplaces closed due to Coronavirus. It was announced that the short work allowance initiated by the İŞKUR General Directorate, which is affiliated to the Ministry of Family, Labor and Social Services, will be activated.

In this circular, we summarised the Short Work Allowance, how to benefit from the system especially by having the frequently asked questions (FAQ) dated March 24th, 2020. Here are the details:

- **Short Work Application**

- In the event that the weekly working hours in the workplace are temporarily reduced by at least one third for general economic, sectoral, regional crisis or challenging reasons, or if the activity is stopped completely or partially for at least four weeks without seeking a continuity condition, the workplace should not exceed **three months** (6 months by the decision of the President). It is an application that provides income support to the insured for the period they cannot work.

- Within the scope of Short Work;

- Short-time working allowance to workers,
- Payment of General Health Insurance premiums, services are provided.
- Even the companies who has unpaid tax and premiums can apply.

- In order to be able to apply Short Work at the Workplace;

- The employer; it is necessary to apply to İŞKUR that the working time in the workplace has decreased or stopped due to **general** economic, **sectoral**, regional crisis or compelling reasons, and it has to be determined that the workplace has been affected by these situations as a result of the compliance determination made by the **Labor Inspectors**.

- In order for the worker to benefit from the Short Work Allowance;

- The employer's short work request is found to be appropriate as a result of the examination by the labor inspectors,

- The worker was entitled to unemployment benefit in terms of working hours and unemployment insurance premium payment days at the start of the short work (Those who have paid unemployment insurance premium for **at least (450 days)*** in the last three years from those who have been subjected to service contract for the last (60 days)* before the start of the short work),
- The information of the worker on the list of those who will participate in the short study as a result of the examination by the labor inspectors, following conditions are required.
 - Employers can apply for short employment by filling out the [Short Work Request Form](#) and information about the workers to be short worked online due to general economic, sectoral, regional crisis or compelling reasons. The companies whose activities are shut down by the Government should submit those governmental decisions to **have fast result**.
 - The companies stopping or diminishing the activities should submit those management decisions as well.
 - After completing the determination of conformity as a result of the examination by the labor inspectors, the employer's requests for changing the list of workers to be short-worked and / or increasing the short working time applied at the workplace are evaluated as new applications.
 - All the related documents should be submitted online and the labor inspectors are supposed to review them all online. There will be no site visit or inspection.
- **Short Work Allowance Period, Amount and Payment**
 - **Daily short-time working allowance:** It is 60% of the average daily gross earnings calculated by taking into consideration the insured's earnings for the last **twelve months** premium. The amount of short-time working allowance calculated in this way cannot exceed **150%** of the gross amount of the monthly **minimum wage**.
 - The short-time work allowance is paid to the worker **himself** and **fifth** day of every month for periods of **absence**. Payments are made through PTT Bank. The Minister of Family, Labor and Social Services is empowered to bring the payment date forward.
- **Short Termination of Short Study**
 - In the event that the employer decides to start his normal activity while the practice of short work continues, it is obligatory to notify the institution and the workers in writing six working days ago.
 - As of the date specified in the notification, short work ends. Unwarranted payments regarding late notifications are collected from the employer along with their legal interest.

* On 24.03.2020, the Turkish Grand National Assembly was accepted at the general assembly and announced by the Minister of Labour, Social Services and Family. However, the Official Gazette has not been published yet

- Below is the monthly short-time working allowance for 2020.

	Monthly Average of Prime Earnings of the Last 12 Months	Calculated Short Work Allowance Amount	Stamp Tax	Short Work Allowance to be Paid
Last 12 Months Minimum Wage	2.943,00 TRY	1.765,80 TRY	13,40 TRY	1.752,40 TRY
Last 12 Months Working with 4.000 TRY	4.000,00 TRY	2.400,00 TRY	18,22 TRY	2.381,78 TRY
Working with the Last 12 Months 7,000 TRY	8.000,00 TRY	4.414,50 TRY (*)	33,51 TRY	4.380,99 TRY

(*) Since the calculated amount of short-time work allowance cannot exceed 150% of the gross amount of the monthly minimum wage, the monthly short-time work allowance amount to be paid has been calculated in this way. In 2020, the gross minimum wage is 2,943.00 TRY.

- **Withdrawal of Short Work Allowance**

- Short-time working allowance as of the date of the health report, which is the subject of the temporary incapacity benefit, in case those who receive short-time work allowance, start to get an old-age pension, get arrested for any reason, or leave the job due to any work due to any law or if the temporary incapacity benefit begins cut.

- **Employer's Obligation to Keep Records**

- The employer, who does short work, must keep records of the working time of the workers and submit them if requested.

We will keep announcing other developments in this respect.

Please do not hesitate to contact our consultants for any questions regarding any matter in this bulletin.

Hope to recover soon from this pandemic.

Best Regards,



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