

Amendments have been made in Employment Law in accordance with the Law Numbered 7244

18 Apr 2020

Amendments have been made within the field of employment legislation in accordance with the Law number 7244 on Reducing the Economic and Social Effects of New Coronavirus (COVID-19) and Amendment of Certain Laws ("Law") which has been published in the Official Gazette numbered 31102 on 17 April 2020, entering into effect on the same date.

In this regard, the following changes have been introduced;

Prevention of Termination of Employment Agreements and Unpaid Leave Right

In accordance with article 9 of the Law, "provisional article 10" has been added to the Employment Law numbered 4857. Accordingly,

- Employers will not be allowed to terminate employment agreements for three months as of the effective date of the Law.
- Only exceptions to this rule are the reasons of rightful and immediate termination, which are specified as "circumstances against moral and good faith principles and other similar circumstances" within article 25 subparagraph (II) of the Employment Law numbered 4857 and other relevant laws.
- If employers terminate employment agreements in breach of this provision, they will be under the obligation to pay gross minimum wage as an administrative fine for each employee.
- Employers are now allowed to put employees on unpaid leaves wholly or partially, if the duration of the unpaid leave does not exceed three months. In other words, written consents of employees will not be required in order to put them on unpaid leaves and consequently, employees will not be able to terminate their employment agreements based on a valid reason.

Unpaid Leave Payment:

In accordance with the new amendment under article 7 of the Law, "provisional article 24" has been added to the Unemployment Insurance Law numbered 4447;

- Employees who are put on unpaid leaves as explained under item (i) above and are not eligible for short-term employment allowances, and
- Employees whose employment agreements terminated after 15 March 2020 and who are not eligible for unemployment benefits

will receive a daily wage of TRY 39.24 for the duration of their unpaid leave or for the duration of their unemployment. However, the term of the payment may not exceed the 3 months period under the Law which restricts the termination of employment agreements. Additionally, those receiving retirement pensions cannot benefit from this wage.

Additionally, if the employer makes the employee work while receiving the wage support, the employer will be under the obligation to pay monthly gross minimum wage as administrative fine separately for each employee and for each month which the employee has worked. The wage support will also be collected from the employer with legal interest.

Short Term Employment Allowances:

As per article 8 of the Law, "provisional article 25" has been added to the Unemployment Insurance Law numbered 4447. Accordingly;

- If the employer has applied for the short-term employment allowance due to COVID-19 pandemic, the payments will be made without waiting for the result of the compliance audit.
- However, if extra or improper payments are made based on the incorrect information or documents which have been provided by the employer, such payments will be collected from the employer with legal interest.

The full text of the Law is available at this [link](#) (only available in Turkish).

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