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Turkey Bans Layoffs for Two More Months

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The Law numbered 7244 on Reducing the Economic and Social Effects of New Coronavirus (COVID-19) and Amendment of Certain Laws ("Law") was published in the Official Gazette on 17 April 2020. Pursuant to the article 9 of the Law, the provisional article 10 had been added to the Employment Law numbered 4857 and prevented the employers to terminate the employment agreements for three months.

The same provision also stated that the 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 and other relevant laws.

It was also regulated that if the employers terminate the employment agreements in breach of this provision, they will be obliged to pay gross minimum wage as an administrative fine for each employee, however employers may put employees on unpaid leaves fully or partially for three months, without obtaining their written consent.

With the Presidential Decree published in the Official Gazette dated 4 September 2020 and numbered 31234, based on the power given to the President for extending the periods in the provisional article 10 of Employment Law, it was decided to extend the prohibition of terminating the employment agreements for two months starting from 17 September 2020.

The full text of the Decree is available at this link (only available in Turkish).

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