

## **CORONAVIRUS UPDATES – TURKEY:** TEMPORARY RESTRICTION ON TERMINATION OF EMPLOYMENT

A new omnibus bill (the **"Omnibus Bill**") was published in the Official Gazette on April 17, 2020, with the aim of reducing the impact of Covid-19 pandemic on economic and social life. The Omnibus Bill introduces a temporary restriction on termination of employment and service contracts.

According to the Omnibus Bill, no employment or service contract (regardless of whether the employment is governed by any other law) can be terminated during the three-month period upon the Omnibus Bill's entry into force, unless there is a just cause for termination based on immoral, dishonorable or malevolent conduct or other similar act or behavior of the employee.

On the other hand, employers can still put their employees on full-time or part-time unpaid leave during the three months restriction period. The employees who are put on unpaid leave (provided that such employees cannot benefit from short-term work allowance), and the employees dismissed after March 15, 2020 (provided that such employees cannot benefit from unemployment insurance or retirement pension), will be entitled to a daily cash payment of TRY 39.24 during such restriction period, which will be budgeted and paid through the state-owned unemployment insurance fund.

The Omnibus Bill also introduces an administrative fine to be imposed on the employers and their representatives in the amount of the gross minimum monthly wage applicable on the date of termination if an employee's employment contract is terminated in breach of the Omnibus Bill.

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