

Periods of termination restriction, unpaid leave and short-time work allowance have been extended

July 2020



Dear Clients, Colleagues and Friends,

According to the Presidential Decrees No. 2706 and No. 2707, published in the Official Gazette dated 30 June 2020 and numbered 31171, the periods regarding the employer's termination restriction, unpaid leave and short-time work allowance have been extended.

Extension of the periods of employer's termination restriction and unpaid leave

As it was informed previously, according to the provisional article 10 added to the Labour Law No. 4857 ("**Labour Law**") through the Law on Reducing the Effects of the New Coronavirus (Covid-19) Pandemic on Economic and Social Life and the Law Amending Certain Laws No. 7244, published in the Official Gazette dated 17 April 2020 and numbered 31102 (the "**New Omnibus Law**"), all employers were prohibited to terminate all kinds of employment and service agreements and dismiss employees for a period of three months starting from 17 April 2020. Only exception to this prohibition was employer's dismissing the employee on just causes based on employee's behaviours contradicting with morality and good faith principles regulated under Article 25/II of the Labour Law. Accordingly, during the same period, employers could request their employees to take unpaid leave, partially or completely, without needing to obtain consent of such employees. The President was authorized to extend relevant period of three months up to six months pursuant to the last paragraph of the same article.

According to the Presidential Decree No. 2707, published in the Official Gazette dated 30 June 2020 and numbered 31171, the periods regarding the termination restriction and unpaid leave have been extended for another one month until the end of 17 August 2020.

Extension of the period of the short-time work allowance

The President is authorized to extend the period of the short-time work allowance up to six months pursuant to the additional article 2 of the Unemployment Insurance Law No. 4447.

Similarly, the period for benefiting from the short-time work allowance has also been extended for another month by the Presidential Decree No. 2706, published in the Official Gazette dated 30 June 2020 and numbered 31171. For this extension term, the workplaces that have applied for short-time work until 30 June 2020 will not be required to make a new application or complete another eligibility check, provided that relevant short-time work will be applied for the same employees who have benefitted from short-time work allowance, and under the same conditions. The extended period of one month started as of 1 July 2020 for the workplaces that completed short-time work before 30 June 2020 and for the others, extended one-month period will start as of the end of their initial short-time work.

Please do not hesitate to contact us for any further information on this briefing.



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