

BASICS OF TURKISH LABOUR LAW FOR RETAIL SECTOR

 *#BusinessRetailTurchia*

Business Retail in
Turkey
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RETAIL SECTOR IN TURKEY



Istanbul is expected to become one of the leading retail centers in the world.

Once an Italian retail company joins the Turkish retail market, it will need local employees.

From recruitment to termination, Turkish labour law will apply.



Recruitment



The employment should be announced to Turkish Social Security Administration 1 day before at the latest.

No requirement to conclude written employment contracts with the employees.

- Within two months starting from the date of employment, a written document showing the working conditions should be provided to employee:

Trial period of maximum two months can be determined in the employment contract. During the trial period, employment can be terminated with immediate effect without giving notice and compensation.

Any substantial change made by the employer in the working conditions are binding if written consent of the employee is obtained.



Salary



The majority of the employees in retail sector are paid the minimum salary determined by the government, which is **846 Turkish Lira net** at the moment.

Base salary + Bonus payment

Payment through bank transfers: at least 10 employees at the workplace



Working Time



Weekly working time is 45 hours at maximum in Turkey.



Daily working time including overtime cannot exceed 11 hours.



The obligatory change in night and day shifts.



Overtime



Employee's yearly consent to work overtime.

Wages for each hour of overtime work shall be remunerated at **one and a half times** the normal hourly rate.

The employee may choose to have one-hour and thirty minutes free time, for each hour worked.

The overtime work payment can be included within the salary

- if the salary is reasonably higher than an equivalent employee's salary.

Store manager's overtime work ?





Termination



Termination on Valid Reasons

- Employee's poor performance or bad behavior
- Conditions related to the employer
 - Poor financial performance of the company
 - Organizational changes, such as merger or restructure
 - The workplace is being closed

Termination on Justified Reasons

- Health reasons
- Immoral, dishonorable or malicious conduct or other similar behavior
- Force majeure



Social Security



Employees become automatically insured upon commencement of their employment.

Employers are to pay four different kinds of social insurance contributions, which is quite heavy.

- For retail sector it is 21.5% of the monthly gross wage.

State pension system, no requirement to pensions plan.



Business Transfer



Employees of a certain company of an undertaking are ***automatically transferred*** to the transferee in case of a business transfer.

Employees may neither object to the transfer nor terminate their contracts for just cause.

Employees can only object, if their working conditions substantially change following the transfer.

Employee is free to terminate the contract by observing notice periods and cannot claim severance payment.

Transferee has to continue the employment contracts and the working conditions as the transferor and the employee agreed them upon.



THANK YOU!

FOR ANY OTHER QUESTIONS
AND COMMENTS:

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