

FAQ on Short-Time Working Allowance (STWA) - Turkey 01.04.2020

Note: *The government in Turkey has provided some incentives for employers during the COVID-19 pandemic. Please note that this document has been prepared by amfori's office in Turkey after consulting the relevant government department. It was prepared in response to frequently asked questions raised by the producers in Turkey that are registered in amfori BSCI platform as of April 1, 2020. Also please be aware that the incentives are specific for Turkey during the COVID-19 pandemic period.*

amfori Turkey office has consulted the Employment Agency – part of the Ministry of Family, Labour and Social Services - to prepare the responses.

This English version is translated from Turkish and should there be any deviation, the original Turkish language version should be considered the most accurate. The validity and eligibility of beneficiaries of all policies mentioned are subject to the Turkish authority's discretion and decision. amfori is not responsible for the enforcement of policies and this document is for reference only. Interested Members or parties should contact the Turkish authorities for the details.

1. Which workers can benefit from the short-time working allowance?

Answer: Employees who have been notified must have a 450-day in the last three years and 60-day contract of employment. It would be good to notify all employees officially as a precaution, so that the appropriate employees may benefit.

2. How much can the employers benefit from short-time working allowance?

Answer: A maximum of three months can be applied; it can be extended up to six months with the decision of the President.

- 3. Half-fare is paid for the first week in the short-time working allowance. Is half-fare paid by the employer? If so, what is the status of the other half of the wage?**

Answer: In the first week of the short-time working, the allowance will not be granted to the employees. Within the framework of Turkish labour Law (4857) Article 40, Half-fare will be paid by the employer. In this one-week period, the workers will receive their less than their normal wages.

- 4. How will this affect “unemployment insurance benefits”, when the workers, who will benefit from short-time working allowance, leave the job?**

Answer: Wages from short-time working allowance are deducted from unemployment insurance benefits.

- 5. After applying for short-time working allowance, the employers are not allowed to dismiss any worker; but does it have a negative effect on my application to the short-time working allowance if I have dismissed some workers before a week or just after this period ended?**

Answer: It does not have a negative effect and dismissal of workers 1-2 weeks before does not affect the application to the STWA.

- 6. When applying for a short-time working allowance, can the employer pay the remaining wages so that the employee is not aggrieved and secondly how can the employer show this payment as legal in payrolls?**

Answer: For the days that the workers do not work in terms of short-time working, the Social Insurance Institute Monthly Premium and Service Document (SGK Aylık

Prim ve Hizmet Belgesi) and the reason for the missing day should be reported as "18-Short-Time Working Allowance".

In case the difference between wages and allowances is paid by the employer, the payments made must be subject to insurance premium.

In this respect, if the difference between the wage and short-time working allowance is paid by the employer, it may be requested to make a notification over 30 days in the workplaces by SGK.

In addition, if the daily difference amount paid falls below the lower limit of the income that is the basis of the daily insurance premium, it will need to be raised to the lower daily limit.

Although the employer has stated that the activity/production will be stopped in the short-time working application, if the employer notifies over 30 days for the workers, short-time work allowance can be deducted by İŞKUR. The employer who declares that he has difficulty in paying and who applied for the short-time working allowance at the same time, cannot both pay the full salary and get a short-time working allowance.

7. What kind of application would you recommend to us for the employees who cannot benefit from short-time working allowance?

Answer: If you do not want them to come to the factory, annual leave or unpaid leave can be granted. If you want them to come, you can benefit from the compensatory work (extended to four months). (See Question 11 / Answer)

8. If the short-time working period ends sooner than expected, are we obliged to continue this short-time working? Or can we make a petition that says, "The situation has ended, we are returning to normal work"?

Answer: It is necessary to make a written notification six working days before normal work resumes.

9. In the list of personnel who can benefit from the short-time working allowance, some of our personnel will need to come for 15 days each month, but the remaining part will not come. (i.e. currently 38 employees available but 10 employees will work for 15 days). Is such an application available?

Answer: Yes, in the list of workers sent with the application, dates and times can be specified for each person separately.

10. It is confusing to be subjected to 60 days of service contract in the last two months, which is included in the short-time working allowance criteria. Do people who have received reports for any reason in the past two months fail to meet this requirement?

Answer: No, even those who have been reported in the last 2 months or who are on unpaid leave meet this requirement. However, this condition is not provided in case of employee absenteeism. Even if the missing day is reported, short-time work allowance can be used if there is a service contract.

The important thing here is that the employment contract of the person does not end. Even if it ends, there is no problem if there is a new entry for the next day.

11. A question that includes sampling: As of 25 March, all employees were granted annual leave. At the end of the annual leave, compensation work will begin. We will not work for 15 days but during this time salaries will be paid. The workers will be asked to work overtime within four months after the end of the 15-day period, provided that they do not exceed 11 hours per day (normal + overtime). If

the COVID-19 situation continues at the end of this process, the short-time working allowance will be put into effect. Is such a situation appropriate?

Answer: Yes, it is appropriate.

12.A question includes sampling: On Wednesday, 25 March, an application was made for a two-week short-time working allowance and 30 March was specified as the starting date but as of 30 March, we started the process before the confirmation letter came from İşkur (Employment Agency belong to Ministry of Labor). Is this a problem?

Answer: You can start the short-time working before the conformity report comes to you. If your application is deemed unsuitable, you will have to deposit the person's premiums.

13.What is the flexible working system?

Answer: Flexible working models are a system prepared based on the working hours of the employees. The companies, which have flexible working hours, have different starting times and working hours compared to other companies.

While some of the companies that apply free working hours continue with the system they call "compressed week", some continue with the start and end hours of their working hours one hour earlier or later (provided that they complete the total working hours of the employed person).

We can list flexible working models as follows: Flexible working times, home-office, shorter weeks such as compressed work weeks: shorter weeks, longer days.