

iGlobal Law 2023 Annual Alert : Turkey

Legal Change	Effective Date	Action required
<p>Retirement Legislation</p> <p>Before enactment of the Unemployment Law numbered 4447 (the “Law No. 4447”) in 1999, the employees had the right to retire and receive retirement pension pay with the fulfilment of conditions where the female employees were expected to complete 20 years and 5000 days of insurance term and male employees were expected to complete 25 years and 5000 days of insurance term.</p> <p>Upon enactment of the Law No. 4447, temporary article 81 was included in Social Security Law numbered 506 (the “Law No. 506”) and this article changed the conditions of retirement for the employees who were insured before 1999. With this article, the age condition was brought with graded system besides the year and day conditions to be entitled to retirement.</p> <p>Expected Regulations Under Retirement Law</p> <p>As per the verbal information provided by the Minister of Labour and Social Security, the Retirement Law is expected to regulate the retirement entitlement of the employees who were registered with the SSI before September 8, 1999 and fulfilled the premium days and insurance term requirements regardless of age requirement. There are various scenarios for the retirement entitlement which are listed as follows:</p> <ul style="list-style-type: none"> • The <i>female employee</i> who is insured for 20 years and the <i>male employee</i> who is insured for 25 years and paid for at least 5000 days of premium shall be entitled to retirement pension pay; OR • The <i>female employee</i> who attained the age of 50 and paid for at least 5000 days of premium or who attained the age of 50, is insured for 15 years and paid for at least 3600 days of premium shall be entitled to retirement pension pay; • The <i>male employee</i> who attained the age of 55 and paid for at least 5000 days of premium or who attained the age of 55, is insured for 15 years and paid for at least 3600 days of premium shall be entitled to retirement pension pay. 	<p>Before June 2023</p>	<p>The Retirement Law shall bring various risks as well. Employers may be subject to making large severance payments.</p> <p>The unused annual leave day payments of the senior employees may also be substantial.</p>

<p>However, since the draft Retirement Law has not been submitted to the Grand National Assembly yet, the conditions for retirement are uncertain.</p>		
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