

# Changes to minimum wage, severance payments and administrative fines

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**Minimum wage**  
**Severance payments**  
**Administrative fines**

Minimum wage, severance payments and administrative fines prescribed by the Labour Act are revised at the beginning of each calendar year.

## Minimum wage

The minimum wage rate for 2018 was TL2,029.50 (gross) per month. As of 1 January 2019, this has increased to TL2,558.40 (gross) per month. The new rate applies from 1 January 2019 to 31 December 2019.

Minimum wage applies to all employees, regardless of age, industry and experience. The only exceptions are the coal and lignite mining industries, where the minimum wage must be equal to at least twice the regular rate (ie, the minimum wage for coal and lignite miners is TL4,059 (gross) per month).

## Severance payments

Subject to several conditions, employees are entitled to a severance payment of one month's salary for each year of service on the termination of their employment. A ceiling is considered when calculating severance payments determined by the government on a six-month basis. From 1 January 2019 to 30 June 2019, the maximum severance payment has increased from TL5,434.42 (gross) to TL6,017.60 (gross). The next adjustment to the maximum severance payment will be made on 1 July 2019.

## Administrative fines

Several administrative fines are regulated under the Labour Act, including fines for failure to:

- ensure the equal treatment of employees;
- pay the minimum wage;
- hire disabled persons; or
- follow collective redundancy procedures.

Administrative fines are also revised once a year. Compared to 2018, the rate of administrative fines in 2019 has increased by 23.73%.

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