

Portugal

Fixed Term Contracts

Fixed-term contracts are allowed in limited cases. When permitted, they cannot be renewed more than two times and cannot be longer than two years in total. Probationary periods are permitted in fixed-term contracts, but there are limits in duration based on the length of the fixed-term contract.

Probationary Periods

The maximum probationary period for most Workers is 90 days. During the probationary period, the contract may be ended without justification or notice for the first 60 days of the probationary period, after that notice is required.

Holidays

In Portugal, Workers recognize 13 public holidays. Workers are entitled to a paid day off in recognition of public holidays. Workers who work on a public holiday are entitled to 150% of their wages or a compensatory half day of rest, at the discretion of the employer.

Vacation

In the first year of employment, vacation is accrued at the rate of two days per month up to a maximum of 20 days. After that, Workers are entitled to 22 workdays of vacation annually. The first 20 days of vacation time cannot be cashed out, even at a Worker's request. Except under certain circumstances, all accrued vacation expires as of January 1 of the subsequent year.

Sick Leave

Eligible Workers are entitled to up to 1,095 days of sick leave, payable by the government (either directly or via the employer) at 55% to 75% of ordinary wages.

Working Hours

A standard workweek is 40 hours per week, eight hours per day. The average working time including overtime cannot exceed 48 hours per week.

Overtime

Overtime is compensable at various premium rates depending on when it occurs. Overtime is capped at various limits depending upon the size of the employer.

Mandatory Bonuses

All Workers are entitled to a "Holiday Bonus" equal to one month's pay which must be taken before the Worker's annual leave (typically in June), and "Christmas Bonus" equal to one month's pay, which must be paid by December 15 each year.

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Termination

Except in cases of serious misconduct, termination requires a good cause, severance equal to 20 days' of pay for each completed year of service subject to statutory caps, and in some cases notice.

Mandatory Employer Costs

Statutory Maternity/Paternity pay, Temporary Sickness/Incapacity, Long Term Sickness/Disability Benefit, Unemployment benefit, pension benefit