# Alliant Global Services

Global Knowledge Center

Portugal - Statutory Annual Leave Guide

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# Statutory Annual Leaves

The key legislation governing statutory Annual Leaves (Anual de Férias) is Law No.7 of The Labor Code 2009.

Collective agreements or an agreement between the employer and the employee may provide for more employee-favorable conditions that statutory provisions.

#### Annual leave entitlement

All employees are entitled to at least 22 days of annual leave per year. (Article 237 of the Labor Code)

Exceptions apply to employees in their first year of employment, employees on a fixed-term contract of up to 6 months, and upon termination, as detailed below.

Employees, in their first year of employment, are entitled to 2 working days of leave for each month of the duration of the contract up to 20 days. Leaves can be taken after the employee's first 6 months of the contract have passed. (Article 238 of the Labor Code)

Employees who are on a fixed-term contract that lasts less than 6 months, are entitled to 2 working days of leave for each month of the contract.

#### Payment during annual leave

Annual leave must be paid by the employer in advance of the employee drawing on the leave. In the case of interpolated leave (i.e., part of a continuous leave is in one calendar month and the second part in the following calendar month), the advance payment is proportional to the portion of annual leave entitlement drawn for the 2 periods.

The annual leave payment amount corresponds to the employee's base weekly salary. In addition to the paid annual leave, employees are also entitled to annual leave bonus (*Subsídio de férias*) see below.

#### Accrual rules

The rate of annual leave accrual for employees in their first year of employment is 2 working days of leave for each month worked, up to 20 days. Leaves can be taken after the employee's first 6 months employment. (Article 239 of the Labor Code)

### Drawing on the leave

An employer cannot force an employee to take unpaid leave. An employer is free to set the dates when the employee takes their annual leave between 1 May and 31 October, unless otherwise agreed. The employer may also change a scheduled leave or interrupt a leave that has already begun for business-related reasons. (Article 241 of the Labor Code)

If the employer either changes or interrupts a leave that has already started, the employee will be entitled to compensation equal to 3 times the amount the employee is entitled to for the missed leave. The missed leave days must then be taken no later than 30 April of the following calendar year. (Article 243 of the Labor Code)

In the case the calendar year ends before the first 6 months of employment, employees can take their leaves until 30 June of the following year. However, employees may not take more than 30 working days of leave in that year, unless otherwise agreed. (Article 239 Section 3 of the Labor Code)

#### Requesting the leave

Employees must submit their request for annual leave in the calendar year in which they expire. (Article 240 Section 1 of the Labor Code)

#### Minimum leave period

The annual leave of an employee, subject to collective agreement or any agreement between the employee and their employer, must include at least 10 consecutive leave days. (Article 241 Section 8 of the Labor Code)

#### Carryover rules

Annual leave expires on 1 January of each year in relation to the previous calendar year. In principle, annual leave cannot be carried over from one leave year to another. However, with an agreement between the employer and employee, annual leave can be carried over, but must be taken until 30 June (within 6 months) of the following leave year. (Article 240 of the Labor Code)

Additionally, only half of the annual leave entitlements from a previous calendar year may be carried over and combined with the entitlements of the year in question, if agreed to between the employer and employee. (Article 240 of the Labor Code)

#### Unused Annual Leave

In general, employees cannot give up annual leave days to which they are entitled to unless the employment agreement is terminated. An employee's annual leave entitlement is not subject to payment in lieu or to other types of compensation. However, an employee may waive the part of their annual leave entitlement exceeding 20 working days, or a proportional equivalent for entitlements in the year of employment. Employees must be paid for the waived leave days as well as for the work they may perform on such waived leave days. (Article 238 Section 5 of the Labor Code)

### Illness during Annual Leave

If an employee falls ill during their annual leave (or miss part of their annual leave days due to or another fact that is not attributable to them) they must inform their employer and such days are then no longer considered as annual leave days. (Article 244 of the Labor Code)

The employee and the employer must then mutually agree on a new annual leave <del>period</del> days corresponding to the days missed due to sickness.

#### Annual Leave upon termination

In the event of a termination of the employment agreement, the employer may determine that any remaining Annual Leave days should be taken immediately prior to the termination of the contract, unless otherwise agreed.

The employee is entitled to receive paid Annual Leave and leave bonus corresponding to the total amount of unused leaves and proportional to the length of service provided in the year of termination. (Articles 245 of the Labor Code)

#### Medical appointments during working time

The Labor Code does not provide for paid time away from work for medical appointments.

#### Working during Annual Leave

As per Article 247 of the Labor Code. The employee may not work during the annual leave period unless it has been authorized by the employer.

#### Employee entitlements during Annual Leave

As per Article 238 of the Labor Code. Annual leave days are considered as working days (Monday through Friday) excluding weekends.

#### Annual Leave Bonus

Employees are entitled to an annual leave bonus (*Subsidio de férias*) corresponding to their base salary (also referred to as a thirteenth month) and other benefits agreed with the employer. (Article 238 of the Labor Code)

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