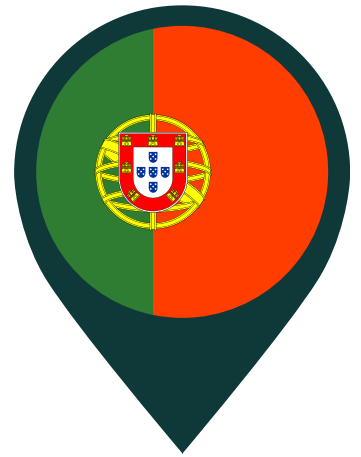




PORTUGAL

A large, light-colored stone monument in Lisbon, Portugal, featuring a relief of historical figures and a suspension bridge in the background.

Hire international talent in  
**Portugal**



# Employment details in Portugal

To start growing your team in Portugal, you must establish a local entity, including an account with a local bank, a local office and an address registered as a subsidiary. This allows you to manage payroll, tax, benefits and compliance for your employees, but can take several months.

Emerald Technology can hire and payroll your workers, quickly and compliantly with their ready to go entity. So no more worrying about compliantly managing your international payroll. We handle everything in over 150 countries.

Make growing your team simple with Emerald as a global partner.



**Currency**  
EURO (EUR)



**Employer Costs**  
Estimated 27% of  
employee's salary



**Onboarding**  
72 hours with Emerald  
Technology



**Payroll Cycle**  
Monthly



# Employer Costs

Cost	Rate
Social Security	23.75%
Salary Guarantee Fund	1%
Accidental Work Injury	1.75%

## Benefits

### Mandatory

Portuguese employers are required to offer the following benefits to all full-time employees:

- Basic Insurance
- Maternity and Paternity Leave (Social Security)
- Annual Leave + Holiday
- Wage Guarantee Fund (Social Security)
- Workers compensation insurance (Social Security)
- Pension (Social Security)
- Unemployment (Social Security)

### Additional

Some employers like to offer additional benefits to improve employee retention and satisfaction.

- Private Healthcare
- Supplementary Pension
- Public Transport allowance
- Gym
- Hardware



# Employment

## Contract

Contracts in Portugal must be in the local language and can be bilingual. The contract must include:

- Name (Employee and Employer)
- Employee ID number and fiscal tax number
- Salary and holiday entitlement details
- Start Date + Length of employment
- Job Description
- Holiday entitlement
- Holiday pay entitlement
- Trial period
- Termination details
- Remote work clause

## Probation Period

A probation period allows both an employer and employee to evaluate the employment match. The probation period is typically 3-9 months but can increase for more senior roles.

For fixed contracts of more than six months, a 30-day probation is applicable.

**Emerald Technology can create a compliant contract in Portugal in 72 hours.**



# Insurance

## Healthcare

Employers are not required to provide healthcare or life insurance. However, many companies will establish this in a collective bargaining agreement.

## Social Security

Social security in Portugal is aimed to support employees and self-employed workers who many lose their income. This includes:

## Social Security

- Sickness Pay
- Disability Fund
- Pension
- Maternity and Paternity
- Unemployment

# Leave Policy

## Maternity Leave

Maternity leave is provided by social security for parents who have contributed for the past 6 months. Expectant mothers are entitled to 120 days, it can be taken all at once, or in 2 separate leaves of 30 days prior to the birth and 90 days after. A minimum mandatory period of 6 weeks must be taken by the mother prior to the birth.

## Paternity Leave

Fathers that contributed to social security are entitled to 15 days leave to be used within 30 days of the birth. Five of these days must be used immediately after the birth.

## Sickness Leave

Employees in Portugal are entitled to a sickness allowance from the social security system. A sick note issued by a medical professional such as a doctor will need to be submitted to the employer.

The employer will be required to pay the first three days of the absence, with subsequent payments being made by social security.

Most salaried employees are entitled to a maximum of 1095 days' paid sick leave. There must be a minimum of six months of payments into the social security system to be able to claim. The amount paid varies between 55% and 75% of the employee's salary, as follows:

First 30 days	55%
31 days - 90 days	60%
91 days - 365 days	70%
366+ days	75%

Ready to expand your workforce to Portugal?

Book a free consultation with our experts today, [click here](#).



# Onboarding

## Details

As the legal employer, Emerald Technology requires the following employee documents to ensure complete compliance:

- Passport
- Portuguese Identification Card (front and back)
- Social Security number
- IBAN Proof
- Tax Number
- Tax Form

**Emerald Technology can onboard employees in Portugal within 72 hours.**



# Resignation and Dismissal

## Details

An employee may unilaterally terminate their employment by providing written notice to their employer 30 or 60 days in advance, depending on whether the employee has worked up to or more than 2 years.

The employment contract may increase the notice period by up to six months for an employee who holds a management or executive position, or who has representative or responsibility duties.

An employer cannot unilaterally terminate employment without a just cause. Compliant terminations are listed below:

- Expiry
- Dismissal on disciplinary grounds subject to prior internal dismissal disciplinary procedure
- Collective Dismissal

There are strict processes and notice periods for the various dismissal routes which must be adhered to, to mitigate any risk to the business.

Dismissal of employees who are on parental leave, pregnant or have just had a child is illegal without a favourable opinion from the competent authority.

Notice periods do vary depending on the length of service and also seniority.

Period	Notice
Less than a year	15 days
1 year - 5 years	30 days
5 years - 10 years	60 days
10+ years	75 days

### Severance

Employees are entitled to severance pay if they are subject to collective dismissal, dismissal from job, redundancy and failure to adapt to job position. This can vary based on seniority and length of service.

# Statutory Time Off

### Annual Leave

Full-time employees in Portugal are entitled to a statutory minimum of 22 calendar days' annual leave per annum.

### Public Holidays

Portugal has 13 public holidays.

- New Year's Day
- Good Friday
- Easter Sunday
- Freedom Day
- Labour Day
- Portugal Day
- Corpus Christi
- Assumption Day of our Lady
- Republic Day
- All Saints Day
- Independence Day
- Immaculate Day
- Christmas Day



# Work, Pay and Taxes

## Minimum Wage

The minimum wage in Portugal is fixed at €822.5 per month. This is the lowest minimum wage out of all western European countries. The Government raises the minimum wage each year according to the cost of living inflation.

## Working Time and Overtime

The standard working week is 40 hours but can vary depending on occupation and contractual agreements.

Overtime maximum limits are set at 48 hours per year / 150 per year for companies with more than 50 employees, and 175 hours per year for companies with less than 50 employees. Overtime pay is mandatory for employees working outside of their agreed hours.

## Salary Payments

Salary payments in Portugal is usually paid in 14 monthly instalments, 12 monthly payments and an additional payment in June and December.

## Bonus

Employers are required to pay two additional salaries in June and December.

## Income Tax

The Portuguese tax year runs from January to December. It is the employer's responsibility to ensure taxes are deducted from an employee's salary ahead of payment.

Salary	Tax Percentage
€0 - €7112	14.5%
€7112 - €10,732	25%
€10,732 - €20,322	28.5%
€20,322 - €25,075	35%





Salary	Tax Percentage
€25,075 - €36,967	37%
€36,967 - €80,882	45%
€80,883+	48%

## Discover how Emerald Technology can grow your international workforce risk-free.

Emerald is a global expansion partner, supporting B2B tech companies hire, onboard and payroll remotely across 150 countries. Handling local payroll, taxes, benefits and compliance in every region you want to expand your workforce.

Book a free consultation with our experts today, [click here](#).

