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I - AMENDMENTS ON PORTUGUESE LABOUR CODE

On 4 September the Law no. 93/2019, amended the Labour Code in several aspects. This Law was approved after many discussions in the Parliament and the final text was only approved in July.

The amendments aim to introduce several legal restrains on precarious employment practices. Some of the headline measures included a cut to the maximum duration of fixed-term contracts (from three to two years) and a new social security contribution for employers who over-rely on such contracts. There were also plans to reduce the number of times temporary contracts can be renewed, and changes designed to simplify employment contracting procedures, among other measures.

There are also other changes related mainly with fixed term contracts:

- restrictions on the restricts the use of fixed-term contracts for launching a new activity or starting a new company to companies with fewer than 250 employees;
- elimination on the rule allowing the recruitment of first-time jobseekers and the long-term unemployed on fixed-term contracts for permanent company needs (however the probation period of these employees is now 180 days when the usual is 90 days);
- introduction of an additional taxation to social security on the grounds of excessive turnover, when companies or institutions exceed the average sector annual weight of fixed-term employment;
- reduction of the duration of fixed-term contracts - certain term or an uncertain term - from three to two years and six to four years, respectively and the renewal of the fixed term contracts is also now different because it matches the initial contract period as closely as possible with the period strictly necessary to satisfy the temporary needs of the company. This means that the total duration of renewals may not exceed that of the initial contract period.

There are also amendments to very short-term contracts - those that are not subject to a written form and that apply to casual work. These contracts will increase in length, from 15 to 35 days, up to a maximum of 70 days per year with the same employer. They will also be available for use outside of agricultural seasonal activities or touristic events.

In this Law there are also several changes to boost the collective bargaining in Portugal and all these changes follow recent reforms to tackle the crisis of collective bargaining.

The amendments in the Labour Code to help restore coverage to pre-crisis levels include changes in the working time accounts (*banco de horas*) to end the possibility of these working time accounts by individual agreement. They can only be regulated through collective agreements or by group agreements to be reached through consultation of workers.

The amendment to the Labour Code generated mixed reactions among social partners. In general, the measures to limit the use and duration of fixed-term contracts were seen as a welcome means of combating the high and persistent levels of temporary work in the country. However, the measures to extend the probation period for first-time jobseekers and the long-term unemployed were seen, by some, as potentially generating new forms of precarious work.

On 4 September was approved the Law no. 90/2019 that wants to reinforce the rights of the parents and that also makes amendments to the Labour Law Code.

II - RECOMMENDATION TO PROMOTE EQUAL PAY FOR MEN AND WOMEN

On 8 February, the Assembly of the Republic approved a recommendation no. 40/2019, to the government on the adoption of measures aimed at promoting equal pay for men and women. The recommendation contained some suggestions related with the full map the pay inequalities between women and men in the public and private sectors; to develop measures to reduce the pay gap and ensure the adoption of measures to promote transparency in this area (e.g. awareness-raising actions, the adoption of equality plans within companies and the reinforcement of labour relation inspections).

Also, on this day was approved the law that establishes that at least 40% of women should be in high positions in the political lists to the elections, changing the previous one of 33%, but also in the Public Administration and in the public companies and those in the stock exchange.

III - THE INCREASE IN THE MINIMUM WAGE

In January 2019 the minimum wage was increased to 600 euros per month. Article 273, no. 1, of Portuguese Labour Code guarantees all employees a minimum monthly wage, to be annually established by specific legislation, following consultation of the social partners because this topic requires a binding opinion by the Standing Committee for Social Concertation (CPCS).