

### WITH YOU, WHEREVER YOU ARE.

# NEW PROFESSIONAL INTERNSHIPS' MEASURE REVIEW OF THE MINIMUM WAGE AMOUNT FOR THE AUTONOMOUS REGION OF MADEIRA

LEGAL FLASH PORTUGAL April 2017

#### MINISTERIAL ORDER NO. 131/2017, OF 7 APRIL 2017<sup>1</sup>

Ministerial Order No. 131/2017, of 7 April 2017, approved the creation and regulation of a stimulus measure for Professional Internships partially subsidized by the Employment and Professional Training Institute (Instituto do Emprego e Formação Profissional, I.P. – "IEFP"), revoking Ministerial Order No. 204-B/2013, of 18 June 2013 (that governed the Employment-Internships' stimulus measure) and Ministerial Order No. 86/2015, of 20 March 2015 (that created the stimulus measure REATIVAR).

The framework on the Professional Internships' stimulus measure remains essentially the same, with the following amendments that we deem relevant to highlight:

#### **Employment** award

The internship promoter (hereinafter referred to as the "Company") may be granted an award for entering into a permanent employment agreement with an intern within 20 working days following the end of the internship programme.

The award shall correspond to the double amount of the base salary set forth in the employment agreement (up to the limit of five times the IAS² value), and may be increased by 30% in certain circumstances.

The granting of this award binds the company to maintain the employment agreement and the employment level for 12 months.

#### Application periods

The new legal framework establishes that the applications for the Professional Internships measure must be made on specific periods determined by the IEFP and published on its website.

#### **Target interns**

Young people holding the level 2 qualification of the National Framework of Qualifications (NFQ) are no longer eligible for this programme.

People aged over 45 years do not need to have obtained their qualification level less than three years before.

Refugees are now eligible as target interns.

LISBOA PORTO FARO LUANDA MAPUTO MADRID www.fcblegal.com

<sup>&</sup>lt;sup>1</sup> This Ministerial Order was rectified by the Order No. 15/2017, of 27 April 2017.

<sup>&</sup>lt;sup>2</sup> The Social Support Index (*Indexante de Apoios Sociais – "IAS"*) was updated to € 421,32, effective as of 1 January 2017, by Ministerial Order No. 4/2017, of 3 January 2017.



## Target interns with previous contractual relation to the company

The new framework increases from 12 to 24 months the period during which the target intern cannot have entered into any employment agreement, provision of services or internship of any kind with the Company. However, the new framework expressly excludes curricular internships and internships that are compulsory to access a certain job from such contractual relations.

#### **Internship Allowance**

The internship allowance partially subsidized by the IEFP is now different for interns with levels 6, 7 and 8 qualifications of the NFQ, as follows:

- 1,65 times the IAS for interns with level 6 qualification;
- 1,70 times the IAS for interns with level 7 qualification;
- 1,75 times the IAS for interns with level 8 qualification.

The Ministerial Order No. 131/2017, of 7 April 2017 entered into force on 8 April 2017. Please click <u>here</u> for the official Portuguese version of the diploma.

#### REGIONAL LEGISLATIVE DECREE NO. 11/2017/M, OF 13 APRIL 2017

Regional Legislative Decree No. 11/2017/M, of 13 April 2017, increased the minimum wage amount for the Autonomous Region of Madeira to € 570,00 (fifteen hundred and seventy euros).

The statute is effective as of 1 January 2017. Please click here for the Portuguese version of the diploma.

#### **CONTACTS**



Inês Albuquerque e Castro Senior Associate ic@fcblegal.com