

New employment

support measures

As part of government incentives to actively promote employment, the Iniciar Internships, +Emprego and +Talento Program were launched on September 23rd.

The following changes should be highlighted:

## **Iniciar Internships**

### Internship adressees and conditions

This is a measure to support the insertion into the labor market of young people and other unemployed people, registered with the IEFP, with completed secondary or post-secondary education, and is extendable to workers registered with the IEFP with an employment contract suspended due to unpaid wages.

The internship **lasts 6 months** (not extendable), with the exception of the situation in which the intern has a disability, for which it is expected to last 12 months.

#### Internship scholarship

The intern is entitled to an internship grant, meals or meal allowance, and work accident insurance. In the case of an intern with a disability, there is the right to transportation and a period of time off of up to 22 working days.

The **value of the monthly internship** grant varies depending on the qualification levels:

- Completed secondary education: 1.7 IAS (currently, €865.74);
- Non-higher post-secondary qualification: 1.8 IAS (currently €916.67);
- Other situations: 1.3 IAS (currently, €662.04).

The IEFP reimburses 65% of internship grants (in some cases it can reach 80%), as well as all benefits awarded to the intern.

In internships lasting 6 months, payment is made in **two installments**: 60% of the total support at the beginning of the internship; the remainder, when the accounts are closed.

Social security contributions remain outside the IEFP counterparts, and are therefore the responsibility of the promoting entities. To this end, the intern is equated with an employee.

#### Limits

In each calendar year, each promoting entity can only be approved for a **maximum number of 20 interns**, with a limit being able to be set for each promoting entity or entity belonging to the same business group.

### +Emprego Measure

#### Addressees

It consists of a measure, aimed at employer entities, of financial support for the indefinite hiring of unemployed individuals registered with the IEFP for at least 3 consecutive months, and workers with suspended employment contracts due to the non-punctual payment of remuneration.

The job position must be based in mainland Portugal in order to qualify for this measure.

# Requirements

The following are requirements for granting financial support to employers, among others:

- Advertising and registration of a job offer, on the IEFP portal, signaled with the intention of applying for the measure;
- The conclusion of an open-ended, full-time employment contract with an unemployed person registered with the IEFP;
- Not have carried out collective dismissal, dismissal due to termination of the job or dismissal due to unsuitability, in the three months prior to the date of sending the application;

- The net creation of jobs and the maintenance of the level of employment achieved through support;
- The provision of professional training during the duration of the support;
- Compliance with a guaranteed minimum monthly wage or minimum wage provided for in IRCT, when applicable.

## Financial support

The financial support provided to the employer corresponds to 12 IAS $^1$  (currently,  $\leq$ 6,111.12), to be paid in **three installments**: 40% of the value after the start of validity of all supported employment contracts, within a maximum period of 20 working days after presenting them to the IEFP; 40% of the value of the financial support, in the 13th month of the last contract started; and 20% of the value of the financial support, in the month following the calendar month in which the 24th month of validity of the last supported contract is completed.

## Accumulation of support

Combination with other direct employment support, applicable to the same job position, is not permitted, including the right to partial exemption or total exemption from the payment of social security contributions, despite the measure being cumulative with measures to encourage employment. employment of a tax nature.

#### +Talento Program

It aims to **foster qualified employment and recruit young talent**, divided into two initiatives: the +Talento Internship Measure and the Emprego +Talento Measure.

#### I. Measure "Internships + Talent"

#### Addressees

Unemployed young people registered with the IEFP, or who have emigrated permanently for at least 12 months, **aged 35 or less, and with a qualification level equal to or higher than a bachelor's degree**.

<sup>&</sup>lt;sup>1</sup> The aid can be increased by 35% in certain situations, such as: hiring a person with disabilities and disabilities; hiring young people aged up to 35; hiring long-term unemployed people; job located in the interior of the country.

A person registered with the IEFP as a worker with a suspended employment contract based on non-timely payment of remuneration is treated as unemployed.

### Internship conditions

The expected duration of the internship is **6 months** (not extendable), except for internships involving young people with disabilities, in which case the duration is 12 months.

The intern is entitled to a monthly internship stipend, meal or meal voucher, and work accident insurance. In the case of a person with a disability, they also have the right to transportation or transportation vouchers.

The value of the **monthly internship grant** varies depending on the qualification levels:

- Degree: 2.2 IAS (currently, €1,120.37);

- Master's degree: 2.4 IAS (currently, €1,222.22);

- Doctorate: 2.6 IAS (currently €1,324.08)

### Financial support

The cost of the internship grant is subsidized by IEFP at 65%, and in some cases it can reach 80%. The IEFP also provides a meal or meal subsidy, work accident insurance and transportation, when applicable.

In the case of internships lasting 6 months, payment of support is made in **two installments**: 60% of the total approved support, in the form of an advance, when the internship begins; the remainder, when the accounts are closed.

The IEFP does not reimburse social security contributions. To this end, the intern is equated with an employee.

#### Limits

In each calendar year, each promoting entity can only be approved for a maximum number of 20 interns, under the terms to be defined in the measure's regulations.

## II. Emprego + Talento" measure

#### Addressees

It is aimed at hiring unemployed people aged 35 or less, with qualifications equal to or higher than a bachelor's degree, and whose remuneration corresponds, at least, to the entry level remuneration of a graduate in the general career of higher technician in Public Administration.

A worker registered with the IEFP whose employment contract is suspended due to unpaid wages is treated as unemployed.

### Financial support

Financial support corresponds to 18 IAS (currently €9,166.68), which can be increased by 35% in certain situations.

Payment is made in installments, in **three installments**: 40% of the value of the financial aid, within a maximum period of 20 days, after the start of validity of all supported work contracts; 40% of the total value in the 13th month of the last contract started; and the remaining 20% of the value of the financial support, in the month following the calendar month in which the 24th month of validity of the last supported contract is completed.

#### Requirements

The following are requirements for granting financial support to promoting entities:

- Advertising and registration of a job offer, on the IEFP portal, signaled with the intention of applying for the measure;
- The conclusion of a full-time, open-ended employment contract, the established base remuneration of which is equal to or higher than the entry remuneration level of a graduate in the general career of higher technician in Public Administration;
- Not having carried out collective dismissal, dismissal due to termination of the job, dismissal due to unsuitability, in the 3 months prior to the date of sending the application;



- The net creation of jobs and the maintenance of the level of employment achieved through support;
- The provision of professional training during the duration of the support;
- Compliance with the provisions of the respective IRCT, especially when determining remuneration.

## Final notes

- The measures came into force on September 24, 2024, however, their application will still depend on regulations to be issued by the IEFP, within 30 working days.
- Applications must be submitted within a period to be announced by IEFP.



