Portugal¹

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For comparisons with other countries in this review on Leave provision and early childhood education and care services, please see the <u>cross-country tables</u> at the front of the review (also available individually on the Leave Network website). To contact authors of country notes, see the <u>members page</u> on the Leave Network website.

1. Current leave and other employment-related policies to support parents

Note on terminology: a new labour law came into effect in May 2009 and major changes were introduced in leave policy (see details in 2009 review). 'Maternity leave' was replaced by the 'Initial Parental leave'; 'Paternity leave' and optional Parental leave for fathers was replaced by 'Fathers-only Parental leave'; and a 'sharing bonus' was introduced (see below).

a. Initial Parental leave (*Licença Parental Inicial* – formerly 'Maternity Leave', see note on terminology) (responsibility of the Ministry of Solidarity and Social Security)

Length of leave (before and after birth)

• One hundred and twenty or 150 calendar days, depending on payment level (see 'payment and funding' below).

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- It is obligatory for the mother to take 42 calendar days (six weeks) following the birth – 'Mothers-only Initial Parental leave' ('*Licença Parental Inicial Exclusiva da mãe'*). The remaining period may be divided by mutual agreement between the parents.
- An extra 30 days ('sharing bonus') is available if parents share the leave. The Leave is then extended to 150 days or 180 days. See 'Flexibility' below for the options available to parents.

Payment and funding

- Initial Parental leave: 120 days at 100 per cent of earnings or 150 days at 80 per cent of earnings, with no upper limit on payment. A sharing bonus is allocated if each parent takes at least 30 consecutive days of leave or two periods of 15 consecutive days once the other parent returns to work: 150 days are paid at 100 per cent of earnings or 180 days at 83 per cent of earnings, with no upper limit on payment; if the father takes at least 60 consecutive days, or two periods of 30 consecutive days, after the mother returns to work, payment is increased to 90 per cent of earnings.
- If the parents decide to share the 30 days of the fifth month of Initial Parental leave to stay home at the same time (each maximum 15 days), the payment remains at 80 per cent of earnings for each parent. The total length of leave remains the same but ends earlier if a portion is taken at the same time (see 'Flexibility in use' below).
- The monthly payment of 'parental benefit' is based on the average of all gross earnings in the first six of the last eight months immediately preceding the Leave (excluding Christmas and holiday subsidies and other work bonuses).
- Parents living in the Portuguese autonomous regions (Madeira and Azores) are entitled to a two per cent increase in Parental leave benefits compared to the mainland to compensate for the higher cost of living.
- If income is very low (see 'Eligibility'), there is an entitlement to 'Social Initial Parental leave', with a minimum payment of €12.81 per day (120 days or 120+30 days of shared leave), €10.25 per day (150 days of non-shared leave), or €10.57 per day (150+30 days of shared leave). These days of Social Initial Parental leave include the 42 days mandatory for mothers ('Mothers-only Social Parental leave')
- Non-employed parents receiving either social parental benefits or unemployment benefits may apply for pension credits for their child-rearing leave.
- Payments are not taxed. Parents taking leave receive a higher net income than during employment since the leave benefit is exempt from payment of social security and income tax; parents also continue to accrue pension credits and other entitlements while taking leave. However, holiday and Christmas bonuses from the employer are not automatically paid during the leave period, but beneficiaries can apply for them as a 'compensation benefit' from the social security system.
- Parental benefit is financed by the social security system, which is composed of contributions from employers, employees, self-employed persons and voluntary forms of social security. In general, employers contribute 23.75 per cent (22.3 per cent in the case of non-profit organizations) and employees 11 per cent; self-employed persons contribute 21.4 per cent.

Flexibility in use

- Mothers have the option to take up to 30 days of their Mothers-only Initial Parental Leave before giving birth.
- Initial Parental Leave may be taken in the following ways:
 - A parent may take (after the mother's mandatory period) all 120 days at 100 per cent of earnings or all 150 days at 80 per cent of earnings, i.e., when there is no sharing of leave.
 - Parents may take 150 days at 100 per cent of earnings, provided the father takes at least 30 consecutive days or two periods of 15 consecutive days of leave alone, without the mother, or vice versa.
 - Parents may take 180 days at 83 per cent of earnings, provided the father takes at least 30 consecutive days or two periods of 15 consecutive days of leave alone, without the mother, or vice versa; if the father takes at least 60 consecutive days, or two periods of 30 consecutive days, after the mother returns to work, payment is increased to 90 per cent of earnings.
 - In the fifth month, parents can share a maximum of 30 days to stay home together, but each parent can only stay home with the other parent for a maximum of 15 days. Therefore, this option to stay home together shortens the total amount of leave from five months to four and a half months, or from six months to five and a half months.
 - Initial Parental leave can be combined with part-time work after the first 120 days of leave. This means that the fifth and the sixth months of Initial Parental leave can be taken on a part-time basis by each parent; parents can combine part-time leave with part-time work, either simultaneously or sequentially.
- Initial Parental Leave of 120 or 150 days can be divided between the parents but cannot be taken by both parents at the same time, except in the cases mentioned above, i.e., in the fifth month parents can stay at home together for 15 days making a total of 30 days of leave; and there is also the option of taking leave simultaneously with part-time work. If parents want to take their leave at the same time and both work for the same employer in a small business, the employer's consent is required.
- Single parents cannot claim the entitlements of the other parent.

Eligibility (e.g., related to employment or family circumstances)

- All female workers who have paid social security contributions for six months (continuously or intermittently, the latter being only possible if the period without contributions is less than six months); contributions made to other national or international compulsory social security systems may be considered under certain conditions.
- Eligibility for paid mandatory leave, i.e., 42 calendar days of 'Mothers-only Initial Parental leave', only requires that the mother has worked and made social contributions for at least one month of the six months preceding birth (if necessary, the month of birth will be considered as long as there is one day of work with discounts in that same month).
- Mothers with no or insufficient contributions are entitled to a monthly benefit ('Mothers-only Social Initial Parental leave') for the mandatory 42 days and 'Social Initial Parental leave' for the remaining days up to the 120 or the 150 days of leave, and which can be taken by the mother or by the father on the same terms as Initial Parental leave. However, this monthly social

benefit requires that family income is below 80 per cent of the Social Support Index (IAS) (\in 480.43 per month in 2023). The monthly amount and duration of Social Initial Parental leave are:

- o for non-shared leave, €384.34 for 120 consecutive days (80 per cent of the IAS) and €307.05 for 150 consecutive days (64 per cent of the IAS).
- o for shared leaves, €384.34 for 150 consecutive days (80 per cent of IAS) and €317.08 for 180 consecutive days (66 per cent of IAS).
- The father's entitlement to take or share Initial Parental leave, or Social Initial Parental leave, is the same as the mother's but also depends on whether the mother is working or entitled for other reasons (e.g., low family income, receiving unemployment benefits). That means that if the mother is not entitled at all, the working father can only take Fathers-only Parental leave (see Section 1b).
- The sharing bonus applies only if both parents work or are eligible for other reasons (e.g., low family income, receiving unemployment benefits).
- Self-employed persons (who contribute to social security) and unemployed persons (who receive unemployment benefits) are eligible.
- Same-sex parents are eligible.
- The eligibility requirements are the same for the Leave time and for the Leave benefits.

Variation in Leave due to child or family reasons (e.g., multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of Leave to person other than the mother

- In the case of multiple births, the leave period is extended by one month for each additional child.
- In case of death, mental illness or physical incapacity of a parent who is entitled to use the leave, the other parent is entitled to the remaining time (this is called 'Initial Parental leave in the event of impediment of a parent to take Leave'). The father will always be entitled to a minimum of 30 days of leave if the mother dies, becomes mentally ill or has a physical incapacity within the 120 days after birth.
- A working grandparent is entitled to 30 consecutive days of leave after the birth of a grandchild if the parent is a teenager (i.e., under 16 years old) still living at home.
- In the event of poor health or work-related health risks to the mother and foetus, the pregnant mother is entitled to pre-natal maternity benefits as long as the risk exists (this leave is referred to as 'health risk Leave/benefit during pregnancy'). This Leave does not count toward the 120, 150, or 180 days of Initial Parental leave, requires a medical certificate, and is paid at 100 per cent of earnings.
- In the event of premature birth or hospitalisation of the child or of the parent taking the leave after birth, the leave period is extended by the duration of the hospitalisation, up to a maximum of 30 days, without prejudice to the duration of the Initial Parental leave. If the hospitalisation lasts longer than 30 days, the Initial Parental leave may be suspended for the duration of the hospitalisation, allowing the parent to request paid leave to care for a sick child (see 1e).
- If the birth occurs before the 33rd week of pregnancy (inclusive), the Initial Parental leave period is extended by as long as the child's hospitalization lasts, and by 30 days after discharge from the hospital. A statement from

the hospital confirming the duration of the hospitalization is required for the additional time due to the hospitalization to be added to the leave period.

- In the case of 'special risks' (i.e., 'night work' from 10 p.m. to 7 a.m. and 'exposure to special agents, processes or working conditions', both defined by law) during pregnancy, after childbirth and during breastfeeding, women may interrupt their work and are entitled to 'Leave/benefit for special risks', which is compensated at 100 per cent of earnings. This interruption requires a medical certificate confirming the risk to the health or safety of the mother and/or the development of the child, as well as a statement from the employer that it is not possible to assign the working mother/pregnant woman to another schedule or other duties. This Leave does not reduce the 120, 150 or 180 days of the Initial Parental Leave.
- In case of 'gestational mourning', i.e., the loss of a child during the gestation phase, both the mother and father are entitled to the three consecutive days of mourning, without prejudice to any rights or salary cuts. A medical certificate is required to the employer.

b. Fathers-only Parental leave (*Licença Parental Exclusiva do Pai'* – formerly Paternity leave, see note on terminology) (responsibility of the Ministry of Solidarity and Social Security)

Length of leave

- Thirty-five calendar days.
- It is obligatory to take 28 days of leave.

Payment and funding

- One hundred per cent of gross income with no upper limit.
- Parents living in the Portuguese autonomous regions (Madeira and Azores) are entitled to a two per cent increase in Fathers-only Parental leave benefits compared to the mainland to compensate for the higher cost of living.
- Non-working parents receiving either social parental benefits or unemployment benefits may claim pension credits for the period of leave.
- The payment is not taxed and is exempt from social security contributions.

Flexibility in use

- Seven of the 28 obligatory calendar days must be taken immediately after birth; the remaining 21 days must be taken consecutively or in periods of at least seven days each, within the 42 days following the birth (i.e., during Mothers-only Initial Parental leave). The remaining seven calendar days must be taken while the mother is on Initial Parental leave.
- The law states that 28 calendar days are obligatory. The ACT (Authority for Working Conditions) conducts workplace inspections and has established new protocols and training for inspectors, who must inspect all forms of Parental leave uptake.

Eligibility (e.g., related to employment or family circumstances)

- As Initial Parental Leave.
- Eligibility for the paid obligatory leave period only requires that the father has worked and made social contributions for at least one month of the six months preceding birth (if necessary, the month of birth is considered, just as long as there is one day of work with discounts in that same month).
- Fathers who have no contribution record or with insufficient contributions are entitled to 'Fathers-only Social Parental leave', which includes the obligatory paid leave of 28 calendar days, as well as the seven optional calendar days, but only if they meet the low-income/flat-rate criteria which means that the monthly family income must be below €384.34 (80 per cent of the Social Support Index (IAS): €480.43 in 2023); the daily payment is €12.81, which is 80 per cent of 1/30th of the IAS.

Variation in Leave due to child or family reasons (e.g., multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of Leave to person other than the father

• The 28 mandatory calendar days of Leave are increased by two days for each additional child in the case of multiple births. The same applies to the seven optional calendar days that the father may take while the mother is on Initial Parental leave. In case of hospitalization of the child during the period after childbirth, Fathers-only Parental leave is suspended, at the father's request, for the duration of hospitalization.

c. Additional Parental leave (*Licença Parental Complementar'* – formerly Parental Leave, see note on terminology) (responsibility of the Ministry of Solidarity and Social Security)

Length of Leave

- Three months per parent.
- Additional Parental Leave is an individual, non-transferable entitlement.

Payment and funding

- Unpaid, except in the two following cases:
 - full-time leave, up to a maximum of three months per parent, is paid at 40 per cent of earnings if taken immediately after Initial Parental leave, or after the other parent has taken Additional Parental leave (with a minimum daily payment of €6.41 - 40 per cent of 1/30th of the IAS);
 - part-time leave ('Complementary Part-time Shared leave'), up to a maximum of three months per parent, is paid at a proportion of 40 per cent of earnings if taken after Initial Parental leave until the child is 12 months old. This means that each parent will combine part-time work with part-time leave, i.e., receive part-time earnings paid by an employer, plus a percentage of parental benefit paid by Social Security.

- Parents living in the Portuguese autonomous regions (Madeira and Azores) are entitled to a two per cent increase compared to the mainland to compensate for the higher cost of living.
- Pension credits can be claimed by those on Additional Parental Leave.
- The payment is not taxed and is exempt from social security contributions.

Flexibility in use

- Unpaid leave may be taken up to the child's sixth birthday.
- Unpaid leave can be taken in the following ways: a) on a full-time basis for three months; b) on a part-time basis for 12 months per parent; c) on an alternating basis (i.e., working part-time or full-time, up to a maximum of three months' full-time equivalent per parent); or d) interpolated absences from work, if they are negotiated by collective bargaining.
- If the three months are taken as unpaid Parental leave, they can be taken by both parents at the same time; but full-time paid leave (paid at 40 per cent of earnings) can only be taken by one parent at a time immediately after the Initial Parental leave or the other parent's Additional Parental leave.
- Paid part-time leave combined with part-time work ('Complementary Parttime Shared leave') lasts for a maximum of three months (90 days for each parent, non-transferable), with a normal working period equal to half of fulltime hours, provided that the leave is fully exercised by each parent; to be taken until the child is 12 months old, either simultaneously or consecutively by both parents.
- When both parents work for the same employer, the employer has the right to postpone the leave of one of the parents.
- Single parents cannot claim the entitlements of the other parent.

Eligibility (e.g., related to employment or family circumstances)

- As Initial Parental leave. However, paid Additional Parental Leave is not available to parents receiving social parental benefit, nor to parents receiving unemployment or social unemployment benefits.
- Same-sex parents are eligible.

Variation in leave due to child or family reasons (e.g., multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of leave to person other than the parents

• None.

d. Childcare leave or career breaks

 After Additional Parental leave, and only if this leave has been taken, one of the parents may take up to two years of Childcare leave (*Licença para assistência a filho* – formerly known as Special Parental leave) on a full-time basis, extended to three years when there is a third or subsequent child. Childcare leave is unpaid. However, unlike Additional Parental leave, which is an individual entitlement, this special leave can only be taken by one parent who must prove that the other partner is employed or incapable of working. Moreover, while parents on Additional Parental leave continue to be considered as employees with full rights and guarantees, as if they were working (for example, they continue to be entitled to holidays which they can take at the end of the leave period), in the case of childcare leave (and in the case of leave to care for disabled or chronically ill children, see 1e), there is a suspension of the work contract. This means that all the employee's rights and guarantees are suspended, and only the right to return to their job is safeguarded. The period of Childcare leave is also considered in the calculation of old age and disability pensions. Nonemployed parents are not eligible to leave, payment, or pension credits.

e. Other types of leave and flexible working

Adoption leave and pay

- When a child under 15 years old is adopted, the adopting parents are entitled to Initial Parental leave on the same conditions and payment as described for Initial Parental leave in 1a, including the sharing bonus. In the case of multiple adoptions, leave will be extended by 30 days for every subsequent child adopted. In the case of the death of the adopting parent, leave may be transferred to the spouse, who can take, as an alternative, a minimum of 14 days' leave.
- Candidates to child adoption can take up to 30 days of the 120/150 days of Initial Parental leave during the process of the child's transition/delivery to their care.
- Adoptive fathers are entitled to the Fathers-only Parental leave (see 1b). In case of multiple adoptions, Fathers-only leave will be extended by 2 days for every subsequent child adopted.
- Foster families are entitled to Initial parental Leave when taking in a child up to one year old.
- Foster families and adoptive parents also benefit from the following regime of time off to care for a dependent child.

Time off for the care of dependants

- Up to 30 days per parent and per year can be taken to care for sick children under the age of 12 years, with no age limit in the case of a child who is chronically ill or disabled. Leave is increased by one day for each additional child.
- If a child under the age of 12 is in hospital care, this entitlement lasts for as long as the child is in hospital.
- An additional 15 days per parent and per year can be used to take care of sick children above the age of 12 (when older than 18 years of age, the child must belong to the same household). Leave is increased by one day for each additional child.

- Paid at 100 per cent of net earnings up to a maximum of 65 per cent of gross earnings. Parents living in Portuguese autonomous regions (Madeira and Azores) are entitled to an uprating of two per cent. Entitlement to payment implies that the other parent works and does not take the same leave at the same time; therefore if the father is not working or preventing from taking care of the child, and the mother takes leave, she will not be entitled to payment from Social Security. Both leaves are an individual entitlement but cannot be taken at same time by both parents.
- Grandparents are also entitled to take leave from work in order to substitute for parents in caring for sick children: they may take the same number of days parents are entitled to or take the remaining days that parents have not taken from their leave entitlement. Paid at 100 per cent of net earnings up to a maximum of 65 per cent of gross earnings.
- When there is a disabled or chronically ill child, including an adopted child or step-child in the household, one of the parents is entitled to six months' leave (referred to as leave to care for a disabled or chronically ill child; *Licença para assistência a filho com deficiência, doença crónica ou oncológica*), which may be extended up to 4 years or 6 years if the need is supported by a medical statement. This leave can only be taken by one of the parents and it is paid at 65 per cent of earnings; the maximum payment per month is equivalent to two times the amount of IAS (€960.86). Parents living in Portuguese autonomous regions (Madeira and Azores) are entitled to an uprating of two per cent.
- Up to 15 days' unpaid leave per year to care for a spouse or a close relative (parents, grandparents, siblings even if they are not living in the same household). Employees in the public sector are entitled to a benefit of 65 per cent of their earnings per day.
- An extra 15 days of unpaid leave per year to care for a disabled or chronically ill spouse.

Specific provision for (breast)feeding

- Parents are entitled to two hours' nursing leave per day during the first year after the birth, with no reduction of earnings. It is referred to as 'breastfeeding or nursing leave' (*Dispensa para Amamentação e Aleitação*) to make it more gender neutral, since the work time reduction may be used by mothers, fathers or be shared both (in which case, one hour can be taken by each parent). This absence from work to nurse is financially supported by the employer, since there is no benefit/compensation by the social security system. Parents must apply for it, and employers are obligated to comply. These two hours of nursing leave can be a family entitlement if mothers do not breastfeed their child. In this case, leave may be taken by either parent, usually in two different periods: one hour in the employer).
- In cases of multiple births, leave is increased by 30 minutes for every additional child. When mothers are breastfeeding, the two hours' reduction can last for as long as the child is breastfed.

Flexible working

- Parents with children below 12 years of age (no age limit in the case of a child who is chronically ill or disabled, living in the same household) are entitled to flexible work arrangements, which means that the employee may choose, within certain limits, when to start and finish their daily work. Employees may work up to six consecutive hours and up to ten hours daily, as long as the normal weekly hours of work are fulfilled. Both parents are entitled to this flexible working schedule for an employee with family responsibilities.
- Where there are children below 12 years of age (no age limit in the case of a child who is chronically ill or disabled, living in the same household), one of the parents (or both for alternative periods of time) is entitled to part-time work after taking Additional Parental leave ('part-time work for an employee with family responsibilities'). Part-time work can be taken in the following ways: working part-time for five days per week or working three full days per week. Employers and employees can agree on other arrangements. Part-time work may be extended to up to two years (three years in the case of third and subsequent children, four years in the case of chronically ill or disabled children).
- Parents working part-time or in a flexible working regime, cannot be penalised in their evaluation and career progression.
- If there is a disabled or chronically ill child below one year of age, one of the parents may apply for a five-hour reduction in their weekly working hours if the other parent is still employed.
- Parents are entitled to four hours of absence (per school term) to attend school meetings, until children reach 18 years of age, with no reduction in their earnings.
- Adopting parents are entitled to be absent from work to attend meetings related to the process of adoption.
- Co-parents are entitled to leave work to be present in prenatal appointments or medical assisted procreation (PMA) appointments.
- When resident in autonomous regions, co-parents are both entitled to time off work if they need to attend a medical facility outside their island, for medical appointments or birth.
- Parents with children below three years of age (no limit of age in case of chronically ill or disabled child) are entitled to teleworking (working from home). If their job fits this working regime and the company has the resources, employers cannot oppose this option. Possibility to extend until the child's eighth birthday in case of lone parent families, families where both parents share telework or where only one parent meet telework conditions. This only applies to small, medium and large size companies (excludes micro companies, i.e., less than 10 employees).
- Parents with children between 3 and 6 years old have to give their written consent to do 'time banks' (extra unpaid working hours that can be compensated in time off) as well as to adaptability regimes (up to 12 hours a day, maximum 60 hours per week).

2. Relationship between leave policy and early childhood education and care policy

- The maximum period of post-natal leave is three years (including two years of unpaid childcare leave). Leave paid at a high rate lasts for up to six months, depending on the sharing options. Since 2015, there is an entitlement to Early Childhood Education and Care (ECEC) from four years of age, in public pre-school education, available for eight hours per day. Although in the State Budget for 2020 the Government has committed itself to extending this entitlement to three-year-olds, it has not yet been able to guarantee places. A gap, therefore, still exists of around one year between the end of leave and an ECEC entitlement, and of three and a half years between the end of well-paid leave and an ECEC entitlement.
- For ECEC attendance levels, see 'relationship between leave and ECEC entitlements' on the cross-country comparisons page.

3. Changes in policy since April 2022 (including proposals currently under discussion)

Proposals included in a document presented by the Government, as part of the discussion on the 'Dignified Work and Valuing of Young People in the Labour Market Agenda', came into force on 1 May 2023. However, some measures are still waiting for regulation. Among the approved proposals are:

- An increase of Fathers-only Parental leave from 20 obligatory working days to 28 obligatory calendar days, as well as an increase from five to seven additional calendar days. This change is justified on the grounds that the father will be paid for 28 calendar days in a total of 30 days, instead of being paid for 20 working days in a total of 30 days, hence losing a part of his salary.
- An increase in the Initial Parental benefit from 83 per cent to 90 per cent of earnings provided that the father takes, at least, 60 days of the 180 days leave period after the mother returns to work.
- An increase in the Additional Parental leave benefit from 25 per cent to 40 per cent of earnings.
- Non-discrimination of adoptive parents regarding Parental leave policy in order to guarantee them the same entitlements (with adaptations) as biological parents.
- The extension up to the child's eighth birthday of teleworking for lone parent families or for families where both parents share telework.
- The extension of children's age from 3 to 6 years old regarding parents' consent to do 'time banks' and adaptability regimes (before the age limit was up to 3 years old).
- Introduction, for the first time in Portugal, of the possibility to combine work with paid leave. After the 120 days of Initial Parental leave, the father and the mother can work on a part-time basis as well as being on part-time leave.

- Introduction of a paid 'Complementary Part-time Shared leave' upon the existing three months of Additional Parental leave, to be taken on a part-time basis combined with paid work, by both parents, either simultaneously or consecutively, after the 150 or 180 days of Initial Parental leave, until the child is 12 months old.
- Introduction of three consecutive days of "gestational mourning" (paid by employer) for both the mother and the father in case of the loss of a child during the gestation phase.

Also, since January 2023 free ECEC attendance for 0- to 3-year-olds, irrespective of family income, has been extended to private for-profit crèches; previously, it was limited to non-profit private organizations (IPSS). However, free attendance in a private for-profit crèche is only possible if there are no places in the non-profit sector in the same Municipality.

Free attendance has been implemented progressively. It came into force on 1 September 2022 for children who were born from 1 September 2021 onwards, and were attending non-profit organizations where a certain number of places/vacancies are state-funded. It is estimated by the government that in 2024 about 100,000 children will be covered by this measure.

The government aims to include all children from 2024 onwards. However, demand is still greater than supply. According to Carta Social 2021, there are about 118,000 places in crèches (profit and non-profit organizations), while according to the INE (National Statistics) there are 250,000 children between 0- and 3-years old.

From the moment the child enters a free crèche, her/his place is guaranteed for the following three years. Each place costs the State €460 per month.

4. Uptake of leave

a. Initial Parental leave (formerly Maternity leave)

- The number of births for 2022 (83,671) increased 5.1 percent in comparison to 2021 (79,582), when the number of births hit an all-time low breaking the record registered in 2014 (82,367) in the midst of the financial crisis (2011-2014). However, Portugal's fertility rate is still one of the lowest in the European Union, and the number of births after the Covid-19 pandemic is still below the number of births registered in the years that followed the 2011-2014 crisis.
- In general, the number of Parental leaves granted follows the changes in the number of total annual live births. Therefore, in 2022 there was an increase in the number of Initial Parental leaves (a total of 70,283) comparing to 2021 (65,594). These figures include parents with sufficient record of social security contributions, entitling them to 80 to 100 per cent of earnings compensation (62,387), and parents with no record or insufficient record of social security contributions (7,896) who are only entitled to a flat-rate benefit (see 1a for benefit eligibility), which represent 11.2 per cent of the total number of paid Initial Parental leaves in 2022.

Since it was first introduced in 2008, the number of such recipients of Initial Social Parental leave (i.e., paid to parents with an insufficient record of social contributions) has increased and reached 21 per cent of Initial Parental leaves in 2010. However, due to changes in eligibility criteria introduced in 2011, which made access more restricted, there has been a decrease over the years in the number of beneficiaries of this flat-rate benefit targeted at very low-income families.

In 2022, Parental leave benefits taken by parents with a sufficient record of social security contributions (entitled to 80 to 100 per cent of earnings) have represented 74.6 per cent of the total number of live births (88.8 per cent in total Initial Parental leaves), while the flat-rate Parental benefit (parents with no record or an insufficient record of social security contributions) have represented 9.4 per cent of the total of live births (11.2 per cent of total Initial Parental leaves). All in all, it is estimated that, in relation to births, 83.9 per cent of parents were eligible for Initial Parental benefits in 2022 (compared to 82.5 per cent in 2021).

b. Initial Parental Leave and sharing bonus

- Since it came into effect in May 2009, data on the sharing bonus showed a strong initial increase in uptake (from 596 fathers who shared Maternity Leave in 2008 to 17,066 fathers sharing Initial Parental Leave in 2010), followed by a slow but steady increase. By 2022, the number was 32,282, corresponding to 45.9 per cent of total Initial Parental leaves granted (51.6 per cent if excluding flat-rate benefit).
- Initial Parental leave taken with the sharing bonus must be divided between both parents (see 1a). Although only the first six weeks must be taken mandatorily by the mother, we estimate that nearly all parents who share divide the leave period between themselves by allocating four or five months to the mother and one month (the sixth) to the father (the last month of Initial Parental leave, when the mother goes back to work). Among these sharing couples, in 2022, 69.5 per cent (22.439) chose the longer leave period (six months paid at 83 per cent of earnings), while 30.5 per cent (9,843) preferred the five-month option, paid at 100 per cent of earnings. So overall, the longer period of leave (six months) is still widely chosen, even though parents receive a slightly lower benefit (83 per cent vs 100 per cent of earnings).
- Initial Parental leave taken without the sharing bonus is nearly always taken up by mothers. In 2022, the most common leave-taking pattern (64 per cent) was the five months paid at 80 per cent of earnings (since it is taken without the sharing bonus); 36 per cent of mothers have taken the fourmonth period paid at 100 per cent of earnings. However, there is a difference between mothers receiving the standard parental benefit and mothers receiving social parental benefit (see 1a): the latter tend to opt for the four-month period (82.1 per cent).

c. Fathers-only Parental leave (formerly Paternity leave)

- Considering the time period after the 2011-2014 crisis, in relation to the number of births, the percentage of fathers who take up their obligatory leave (Fathers-only Parental leave) shows a slow increase from 70.9 per cent (60,634) in 2015, to 76.7 per cent (64,196) in 2022.
- In relation to the number of births, take-up of the mandatory leave is still not at 100 per cent for two main reasons: statistics may still exclude employees with special social protection regimes (e.g., civil servants, lawyers); and some employees still do not fit the eligibility criteria (beneficiaries who do not have a sufficient record of social security contributions or whose household income is not as low as required by the flat-rate benefit).
- However, if take-up is calculated in relation to the total number of Initial Parental leaves granted, take-up rates show an increase from 83.9 per cent, in 2015, to 91.3 per cent in 2022, which means that most fathers whose spouses take the Initial Parental leave also take their mandatory exclusive leave.
- Moreover, if we exclude flat-rate benefits and only consider well-paid leaves (i.e., paid at 80-100 per cent of earnings due to sufficient record of social security contributions), we find out that take up of Fathers-only Mandatory leave, calculated in relation to the total number of well-paid Initial Parental leaves, increases to 97.8 per cent, in 2022 (93.9, in 2015). This means that among mothers who are on well-paid leave (paid at 80-100 per cent of earnings due to sufficient record of social contributions) nearly all spouses take up well-paid Fathers-only Mandatory leave. On the other hand, when focusing on flat-rate benefits (social parental benefits) targeted to very lowincome families, we see that in the majority of Social Initial Parental leaves (taken by mothers) there might not be a Fathers-only Social Initial Parental leave. The latter represents 40.2 per cent of Social Initial Parental leaves (mainly taken by mothers) in 2022 (44.1 in 2015).
- The same trend is observed for the optional additional leave days: considering the time period after the 2011-2014 crisis, in relation to the number of births, the percentage of fathers who take up their exclusive but optional leave days shows a slight increase from 62.7 per cent (53,599), in 2015, to 68.3 per cent (57,182), in 2022. Again, in relation to the total number of Initial Parental leaves granted, take-up rates increased from 74.3 per cent, in 2015, to 81.4 per cent, in 2022. In relation to well-paid Initial Parental leave, Fathers-only Optional well-paid leave reaches 87.1 per cent, in 2022.

d. Additional Parental Leave (formerly Parental Leave)

Take-up of Additional Parental leave (at 25 per cent of average earnings, if taken immediately after the Initial Parental Leave) is still low; despite increasing between 2010 and 2020, there has been a decrease since 2021. In 2010, only 1,764 parents took paid Additional Parental leave, rising to 13,011, in 2020, then falling to 10,828, in 2021, and to 9,540, in 2022, when Additional Parental leave represents about 13.6 per cent of all parents

taking Initial Parental leave (15.3 per cent in relation to total number of well-paid Initial Parental leaves). This sharp decrease might have been a consequence of the rise of remote work due to Covid-19, but also of the economic strain caused by the pandemic, which reduced the number of families who were able to forego 75 per cent of one parent's income for three months.