



Sérvulo & Associados | Sociedade de Advogados, SP, RL

# Update

## Employment Law

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### Minimum Monthly Guaranteed Wage for 2020: 635 Euros

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During the period of the Economic and Financial Assistance Programme, the Portuguese State had the obligation of not increasing the minimum monthly guaranteed wage (“MMGW”) unless specifically justified in light of economic developments and the labour market. This resulted from Measure 4.7 of the Memorandum of Understanding on Specific Economic Policy Conditionality, entered into in 2011 between Portugal and international partners (the International Monetary Fund, the European Commission and the European Central Bank).

After the conclusion of the assistance programme, the Government approved Decree-Law No. 144/2014, of 30 September, increasing, from 1 October of that year (2014), the value of the MMGW from 485 Euros to 505 Euros.

In 2015, through Decree-Law No. 254-A/2015, of 31 December, which came into force on January 1, 2016, the MMGW was updated to 530 Euros.

Decree-Law No. 86- B/2016, of December 29, increased the MMGW to 557 Euros in 2017, Decree-Law No. 156/2017, of December 28 foresaw an increase of the MMGW to 580 Euros in 2018 and Decree-Law No. 117/2018, of December 27 increased de MMGW to 600 Euros in 2019.

Today, Decree-Law No. 167/2019, of November 21 increases de MMGW to 635 Euros from January 1st 2020 onwards.

Year	MMGW
2015	505 Euros
2016	530 Euros
2017	557 Euros

2018	580 Euros
2019	600 Euros
2020	635 Euros

Decree-Law No. 167/2019 will enter into force on January 1, 2020 implementing the provisions of the Labour Code that recognize the employees' right to a MMGW, whose value is determined each year by specific legislation, after consultation with the Permanent Commission for Social Dialogue.

Accordingly, from January 1, 2020, employers shall proceed with the payment of the MMGW, with the breach of this obligation being qualified as a very serious misdemeanour ('contraordenação muito grave').