

INFORMATION NOTE

EXTENSION OF INITIAL PARENTAL LEAVE APPROVED BY PARLIAMENT

27 October 2026

The final text submitted by the Committee on Labour, Social Security and Inclusion concerning Bill No. 176/XVII/1 (Citizens) provides for an extension of initial parental leave and of the period covered by an allowance at 100% of reference earnings. The proposed changes include 150 days at 100%, without any sharing requirement, and 180 days at 100% where each parent takes, on an exclusive basis, at least 30 consecutive days or two periods of 15 consecutive days, following the mother's mandatory leave period.

The current framework

Under Article 40 of the Labour Code, working parents are entitled, upon the birth of a child, to initial parental leave of 120 or 150 consecutive days, which they may share after the birth. This period is extended by 30 days where each parent takes, on an exclusive basis, 30 consecutive days or two periods of 15 consecutive days, following the mother's mandatory leave period. Leave may therefore total 150 or 180 days under the statutory sharing arrangements, without prejudice to statutory extensions for specific circumstances.

- **Mother's exclusive parental leave:** the mother may take up to 30 days of initial parental leave before the birth and must take 42 consecutive days after the birth, under Article 41 of the Labour Code.
- **Father's exclusive parental leave:** Article 43 provides for 28 mandatory days, taken consecutively or in separate periods of at least seven days, within the 42 days following the birth, including seven consecutive days immediately after the birth. After that period, the father is entitled to a further seven days, taken consecutively or separately, provided they overlap with the mother's initial parental leave. This exclusive leave must not be confused with the period of initial parental leave taken by the father for sharing purposes.

Under the social protection framework, the initial parental allowance is paid by Social Security, subject to the statutory conditions, as follows:

- **120 days:** allowance at 100% of reference earnings.
- **150 days without the extension for shared leave:** allowance at 80% of reference earnings.
- **150 days including the extension for shared leave (120 + 30):** allowance at 100% of reference earnings.
- **180 days including the extension for shared leave (150 + 30):** allowance at 83% of reference earnings, potentially increasing to 90% where the father takes 60 consecutive days or two periods of 30 days, subject to the conditions applicable to that arrangement.

Entitlement to the allowance requires, among other conditions, that the beneficiary take the leave and have six months of recorded earnings, consecutive or otherwise, by the date the leave begins. Self-employed workers and beneficiaries

of the voluntary social insurance scheme must also have their social security contributions up to date. As a rule, daily reference earnings are calculated by dividing by 180 the total earnings recorded in the earliest six months of the eight-month period preceding the start of leave, excluding holiday and Christmas allowances and other similar payments.

Changes envisaged in the parliamentary text

The final text dated 15 October 2026 provides for initial parental leave periods of 150, 180 or 210 days. The changes below are described on the basis of that text and must be confirmed against the legislation as ultimately published.

- **Five months at 100% without sharing:** the current 150-day arrangement without the extension for shared leave is covered at 80%; the approved text provides for the 150-day period to be covered at 100%, without requiring the leave to be shared.
- **Six months at 100% with sharing:** the current 180-day shared leave arrangement is covered at 83%, or 90% under the arrangement involving a longer period of leave taken by the father; the approved text provides for payment at 100% where each parent takes, on an exclusive basis, at least 30 consecutive days or two periods of 15 consecutive days, following the mother's mandatory leave period.
- **Six months without a sharing requirement and seven months under the specified arrangements:** the approved text provides for 180 days at 83%, without a sharing requirement, and 210 days at 86% where each parent takes, on an exclusive basis, at least 30 consecutive days or two periods of 15 consecutive days, following the mother's mandatory leave period. For the 210-day arrangement, it also provides for a rate of 90% where the father takes, on an exclusive basis, at least 60 consecutive days or two periods of 30 consecutive days, in addition to the father's exclusive parental leave.

The text also provides for changes to the father's exclusive parental leave: it retains the 28 mandatory days but increases both the consecutive days to be taken immediately after the birth and the optional days to be taken concurrently with the mother's initial parental leave from seven to 14. It also provides for specific rules for single-parent situations and victims of domestic violence, as well as the possibility of a continuous working day for workers with family responsibilities, subject to provision in a collective agreement or, failing that, an agreement with the employer.

Next steps and entry into force

The final text of Bill No. 176/XVII/1 was unanimously approved in the final plenary vote held on 16 October 2026. On 19 October, it was referred to the Committee on Labour, Social Security and Inclusion for finalisation of the wording. Parliamentary approval is therefore confirmed; the available information does not yet confirm promulgation or publication of the legislation.

The approved text provides for entry into force together with the State Budget Law following its approval. Separately, it provides for application to initial parental leave beginning on or after 1 January 2027. The determining factor is the date on which leave begins, rather than the date of birth alone. Application of the framework depends on completion of the subsequent stages, including finalisation of the wording, promulgation and publication of the legislation.

Practical implications for companies

Companies should monitor the legislative process and prepare for any necessary adjustments to internal procedures and absence planning. Until the entry into force of the new framework has been confirmed, they should not communicate the extension to employees as an existing entitlement or apply the new rates in parental allowance procedures in advance. Internal information should distinguish between statutory leave, the allowance paid by Social Security and any supplementary benefits provided by the company.

For the time being, the notification procedures under Article 40 of the Labour Code remain applicable, including, as a rule, notifying employers within seven days of the birth and submitting a joint declaration where leave is shared, without prejudice to the special situations provided for by law. The parliamentary text provides for these obligations to be set out separately in a new Article 40-A. Updates to internal procedures should take account of the sharing conditions, the changes to the father's exclusive parental leave and the temporal application criterion set out in the published legislation.

Before communicating the new framework as an applicable entitlement, companies should confirm publication of the legislation and its final wording, distinguishing its entry into force from its application to leave beginning on or after the date specified therein.

SPS-Barrilero remains available to assist its clients and partners with any support they may require on this matter. For further information on this topic, please contact **Manuel Gibert Prates** – manuel.prates@sps-barrilero.com, **Bárbara Ribeiro Damas** – barbara.damas@sps-barrilero.com, and **Maria Eduarda David Ribeiro** – meribeiro@sps-barrilero.com.

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