

MORE PORTUGUESE COMPANIES 'INSOURCING' EMPLOYMENT LAW MATTERS - VDA

Posted on 27/01/2017



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Lawyers seeing growth in demand from companies looking for in-house training in employment law in order to reduce their dependence on external legal advice

Collective layoffs continue in Portugal in an effort to reduce costs and streamline businesses, with the result that employment law is being commoditised as companies 'insource' legal matters, according to Tiago Piló, managing associate at Vieira de Almeida in Lisbon.

Piló says that following the extensive labour reform in 2012-13, companies and employment lawyers must work very closely to monitor the rules and adapt to the constantly changing environment. He adds that, while there has been an increase in labour-related work in connection with M&A, there has also been a growth in demand for in-house training as companies look to build up internal capabilities and reduce their dependency on law firms.

New labour law in Angola

In addition, demand from African jurisdictions is also increasing, according to Piló. Angola recently passed a new general labour law that is seen as more employer-friendly, making it easier to enter into fixed-term contracts and cheaper to dismiss employees.

Data protection issues

Piló adds that the biggest challenge companies face nowadays, in the wake of recent and acute workforce downsizing, is ensuring business continuity and efficiency within a more streamlined organisation. Meanwhile, in the wake of the recent safe harbour ruling by the European Court of Justice, data protection issues will remain a priority as employers collect and process employees' personal data for monitoring and evaluation.

The biggest challenge facing employment lawyers, according to Piló, is keeping up with the constant amendments to laws, with further amendments expected that will make it more difficult for companies to hire fixed-term employees or contractors.