Fixed Term Contract

Sample

Remarks:

1) This sample shall apply to all fixed term contracts, and its terms and conditions and contents are subject to verification based on the specific nature and agreements made between employer and employee. The present sample is for reference only, and any dispute between employer and employee shall be resolved according to Law No. 7/2008 (Labour Relations Law) amended by Law No.8/2020 and Law No.5/2020 (Minimum Wage for Employees).

2) This sample contract shall only be applicable to circumstances stated in paragraph 1 of Article 19 of law mentioned above, in which employer and employee shall conclude a labour contract indicating grounds justifying contract, while when replacing an absent employee, name and functions of replaced employee shall be specified.

3) Rules in the footnotes of this sample contract are based on Law No. 7/2008 (Labour Relations Law) amended by Law No.8/2020 and Law No.5/2020 (Minimum Wage for Employees).
**Before completing sample labour contract, please refer to ‘Remarks’.

Information of employer and employee:

Employer
Name of Company: _______________________ (hereinafter referred to as ‘Party A’)
Office Address: ________________________________________________________
Company Telephone No.: __________ Company Fax No.: _________________
Mobile No.: ___________________________ Email Address: __________________

Employee
Name: ________________________________ (hereinafter referred to as ‘Party B’)
Sex: __________________________ Date of Birth: ___________________________
Macao I.D. No.: _________________________________
Resident Address: ______________________________________________________
Home Telephone No.: ______________ Fax No.: ___________________________
Mobile No.: ___________________________ Email Address: __________________

Both Party A and Party B agree to conclude this labour contract (hereinafter referred to as ‘Contract’), and commit to abide by it in good faith.

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1 Party A and Party B may conclude this contract which more clearly and accurately specifies stipulations, practices and agreements, in order that both parties can abide by it.
Article 1
(Grounds Justifying Conclusion of Contract and Effective Date of Contract)

This contract is made between Party A and Party B based on grounds that _________ 2. This contract becomes effective upon _________ (day/month/year), with labour relations established between Party A and Party B.

Article 2
(Duration)

Party A and Party B agree that this contract shall expire on _______ (day/month/year) (expiry day inclusive), 3 based on grounds that ________________ 4.

Article 3
(Professional Grade or Function and Place of Work)

1) Party A employs Party B to undertake the post of ____________________, the job nature of which is to ________________________________.

2) The workplace of Party B is located at_____________________________ _____________________________________________________________________.

2 Please specify grounds justifying conclusion of contract; please also specify name and functions of replaced employee if replacing an absent employee (subparagraph 7 of paragraph 1 of Article 20 of Labour Relations Law).

3 Duration agreed upon by Party A and Party B (e.g. thirty days or three months) (paragraph 1 of Article 21 of Labour Relations Law). However, it should be noted that after end of period agreed upon, if Party B continues to provide his/her service according to Party A’s instructions, contract will be converted into an indefinite contract, in which length of service of Party B shall be counted from effective date of first contract (subparagraph 2 of paragraph 1 and paragraph 2 of Article 23 of Labour Relations Law).

4 Contract made between Party A and Party B shall specify term of contract and statement of grounds justifying term, which shall make express reference to facts on which justification is based, and shall establish a link between justification relied upon and term set (subparagraph 2 of paragraph 1, subparagraph 3 of paragraph 2 and paragraph 3 of Article 20 of Labour Relations Law). It must be noted that duration of contract shall not exceed two years, including renewals, otherwise it will be converted into an indefinite contract; if Party B performs seasonal work, contract shall only be concluded for a maximum period of six months and cannot be renewed, otherwise it will be converted into an indefinite contract. If Party B performs unpredictable tasks, arising from exceptional increase in enterprise’s activities, the duration of contract, whether renewed or not, shall not exceed one year, otherwise it will be converted into an indefinite contract (Article 21 and paragraph 1 of Article 23 of Labour Relations Law). When contract is converted into an indefinite contract, length of service of Party B shall be counted from effective date of first contract (paragraph 2 of Article 23 of Labour Relations Law).
Article 4
(Basic Remuneration)

1) Party B is entitled to receive a basic remuneration on a ___________ basis for the work performed, in the amount of MOP______________.

(Basic remuneration mentioned above comprises a basic wage in the amount of MOP______________ and an allowance of MOP______________).  

2) Remuneration should be paid by Party A: a) in cash at the workplace /or b) by deposit into the account of Party B in a banking institution in Macao SAR. Party A is obliged to give Party B a pay slip.

Article 5
(Exemption for Working Time Schedule)

In cases where Party B is employed to perform a) work in leadership or management positions, or positions of external supervision / b) work in places outside of the establishment and not subject to immediate control of his/her superiors / c) academic or research work not under the supervision of a superior or domestic work, the working time schedule shall be subject to mutual agreement between the parties
Based on the following (please tick appropriate box):

☐ – A. Party B is exempted from observation of normal working hours, without prejudice to his/her rights to breaks, weekly rest, mandatory holidays, vacations and other guarantees;

☐ – B. Party B is subject to a fixed working time schedule, in particular the working hours stipulated in Article 6 of this contract.

**Article 6**  
(Normal Working Hours)

Normal working hours of Party B are _____ hours a day\(^\text{14}\) and _____ hours per week\(^\text{15}\). Except for the circumstances specified in option A of Article 5 of this contract, the daily working hours shall be subject to mutual agreement between Party A and Party B based on the following (please tick appropriate box):

☐ – A. From _____ hours _____ minutes to _____ hours _____ minutes;

☐ – B. Night shift work not required;

☐ – C. Night shift work required.

**Article 7**  
(Overtime Work)\(^\text{16}\)

1) Party A may request Party B to perform overtime work by prior arrangement of Party A within the circumstances and limits specified in law\(^\text{17}\), irrespective of Party

\(^{14}\) Normal working hours shall not exceed eight hours a day (paragraph 1 of Article 33 of Labour Relations Law), unless otherwise agreed by Party A and Party B (paragraph 2 of Article 33 of Labour Relations Law).

\(^{15}\) Normal working hours shall not exceed forty-eight hours per week (paragraph 1 of Article 33 of Labour Relations Law).

\(^{16}\) Pursuant to Article 6 of the Minimum Wage for Employees, the calculation of the hourly normal remuneration for overtime work cannot be lower than the average hourly basis remuneration calculated according to Article 61 of Labour Relations Law based on the minimum wage amount applicable to the employee (for example, the average hourly basic remuneration for monthly-rated employees shall not be lower than MOP27.7 and the average hourly basic remuneration for weekly-rated, daily-rated or hourly-rated employees or employees whose remuneration is calculated according to actual output (e.g. unit of work) shall not be lower than MOP32).

\(^{17}\) Circumstances and limits specified in law refer to those specified in paragraph 2 of Article 36 of Labour Relations Law.
Before completing sample labour contract, please refer to ‘Remarks’.

B’s consent, and Party B shall be entitled to receive the normal remuneration for work performed plus an increase of _____%.

2) In the circumstances described in paragraphs 1 and 2 of Article 38 of the current Labour Relations Law of Macao SAR, Party B shall be entitled to an additional period of paid rest.

3) Except for the circumstances specified in paragraph 1 of this Article, the overtime work performed by Party B shall be subject to mutual agreement by the parties, and Party B shall be entitled to receive the normal remuneration for work performed plus an increase of _____%.

**Article 8**

**(Probationary Period)**

1) Party A and Party B shall choose one of the following options to settle the duration of probationary period (please tick appropriate box):

- A. Probationary period of thirty days from effective date of this contract;

- B. Probationary period of _____ days from effective date of this contract;

- C. No probationary period required.

2) Should option A or B be chosen, either party may terminate this contract within the probationary period without reason, and neither party shall be entitled to receive any form of compensation for termination of contract. Both parties shall choose one of the following options to settle the period of previous notice (please tick appropriate box):

- i) No previous notice required;

- ii) If Party A terminates this contract, a previous notice of _____ days

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18 Percentage of increase specified in law shall be fifty percent (paragraph 1 of Article 37 of Labour Relations Law) or above.

19 Additional period of paid rest entitled to Party B shall be based on circumstances and forms specified in Article 38 of Labour Relations Law.

20 A record attesting consent (paragraph 4 of Article 36 of Labour Relations Law) must exist; please refer to ‘Overtime Work Agreement (Sample)’.

21 Percentage of increase specified in law shall be twenty percent (paragraph 2 of Article 37 of Labour Relations Law) or above.

22 If probationary period is determined by Party A and Party B, please fill in the duration of probationary period agreed by both parties, which shall not exceed thirty days (subparagraph 3 of paragraph 3 of Article 18 of Labour Relations Law);
shall be given to Party B; if Party B terminates this contract, a previous notice of _____ 24 days shall be given to Party A.

**Article 9**  
(Weekly Rest Day)

1) Party B shall be entitled to a rest period of_______ per week 25, with such period arranged by Party A at least three days in advance.

2) Under the circumstances specified in law 26, Party A may arrange Party B to work on rest days, irrespective of his/her consent, with Party B entitled to _____ 27 day(s) as compensatory rest, to be designated by Party A within thirty days following performance of work, as well as 28:

   a) _____ day(s) 29 additional basic remuneration or _____ day(s) 30 of compensatory rest 31 within thirty days for employees paid monthly;

   b) _____ day(s) 32 additional basic remuneration or _____ day(s) 33 of compensatory rest within thirty days in addition to normal remuneration for employees paid by actual time worked or output (e.g. paid by hour or unit of work).

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23 Party A and Party B may agree in writing the length of previous notice in case of contract rescission during probationary period, provided previous notice shall be not exceed fifteen days in case of rescission per initiative of Party A (subparagraph 1 of paragraph 5 of Article 18 and subparagraph 1 of paragraph 3 of Article 72 of Labour Relations Law).

24 Party A and Party B may agree in writing the length of previous notice in case of contract rescission during probationary period, provided previous notice shall be not exceed seven days in case of rescission per initiative of Party B (subparagraph 1 of paragraph 5 of Article 18, and subparagraph 1 of paragraph 3 of Article 72 of Labour Relations Law).

25 Unless otherwise specified in paragraph 2 of Article 42 of Labour Relations Law, Party B shall be entitled to a rest period of twenty-four consecutive hours per week.

26 Circumstances specified in law refer to those specified in paragraph 1 of Article 43 of Labour Relations Law.

27 Compensatory rest specified in law shall be one day (paragraph 2 of Article 43 of Labour Relations Law).

28 Based on calculation of basic remuneration agreed by two parties, select one appropriate from two options provided.

29 Additional remuneration specified in law refers to one day’s basic remuneration (subparagraph 1 of paragraph 2 of Article 43 of Labour Relations Law).

30 Additionally compensatory rest specified in law shall be one day (subparagraph 1 of paragraph 2 of Article 43 of Labour Relations Law).

31 If the specific date of the compensatory rest is designated by Party A, such date must be designated at least three days in advance (paragraph 7 of Article 43 of Labour Relations Law).

32 Additionally compensatory basic remuneration specified in law shall be one day (subparagraph 2 of paragraph 2 of Article 43 of Labour Relations Law).

33 Additionally compensatory rest specified in law shall be one day (subparagraph 2 of paragraph 2 of Article 43 of Labour Relations Law).

34 If the specific date of the compensatory rest is designated by Party A, such date must be designated at least three days in advance (paragraph 7 of Article 43 of Labour Relations Law).
3) If Party B voluntarily requests to work on a weekly rest day, he/she shall be entitled to _____ day(s) of compensatory rest, to be designated by Party A within thirty days following performance of work; if Party B does not enjoy the compensatory rest, he/she shall be entitled to:

   a) _____ day(s) additional basic remuneration for employees paid monthly;

   b) _____ day(s) additional basic remuneration in addition to normal remuneration for employees paid by actual time worked or output (e.g. paid by hour or unit of work).

4) In the case that Party B only completes part of the working hours for personal reasons, regardless of whether the situation constitutes justified or unjustified absence, the corresponding compensatory rest or basic remuneration shall be calculated in proportion to the number of working hours provided.

**Article 10**
(Mandatory Holidays)

1) Party B shall be permitted to suspend performance of work on mandatory holidays of ten days, without loss of basic remuneration.

2) Under the circumstances specified in law, Party A may arrange Party B to work on a mandatory holiday, irrespective of his/her consent. Party B shall be entitled to _____ day(s) of compensatory rest, to be designated by Party A within three

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35 A record must attest voluntary nature of work performed on a weekly rest day by Party B (paragraph 6 of Article 43 of Labour Relations Law); please also refer to ‘Agreement on Work on Weekly Rest Day (Sample)’.
36 Compensatory rest specified in law shall be one day (paragraph 4 of Article 43 of Labour Relations Law).
37 Based on calculation of basic remuneration agreed by two parties, select one appropriate from two options provided.
38 Additional basic remuneration specified in law refers to one day’s basic remuneration (subparagraph 1 of paragraph 5 of Article 43 of Labour Relations Law).
39 Additional basic remuneration specified in law refers to one day’s basic remuneration (subparagraph 2 of paragraph 5 of Article 43 of Labour Relations Law).
40 Paragraph 8 of Article 43 of Labour Relations Law.
41 Mandatory holidays refer to days listed in paragraph 1 of Article 44 of Labour Relations Law.
42 Basic remuneration payable according to regulations specified in paragraphs 2 and 3 of Article 44 of Labour Relations Law.
43 Circumstances specified in law refer to those specified in paragraph 1 of Article 45 of Labour Relations Law.
44 Compensatory rest specified in law shall be one day, which can be substituted by one day’s basic remuneration if agreed by two parties (paragraph 2 of Article 45 of Labour Relations Law).
months following performance of work, as well as:

a) ______ day(s) additional basic remuneration or ______ day(s) of compensatory rest within three months for employees paid monthly;

b) ______ day(s) additional basic remuneration or ______ day(s) of compensatory rest within three months in addition to normal remuneration for employees paid by actual time worked or output (e.g. paid by hour or unit of work).

3) In the case that Party B only completes part of the working hours for personal reasons, regardless of whether the situation constitutes justified or unjustified absence, the corresponding compensatory rest or basic remuneration shall be calculated in proportion to the number of working hours provided.

Article 11
(The Weekly Rest Day Overlaps with the Mandatory Holiday)

If Party B’s weekly rest day overlaps with the mandatory holiday, the overlapping holiday shall be handled according to the mandatory holiday, and Party A shall arrange for Party B to take the overlapping paid weekly rest day within the following thirty days.

Article 12
(Annual Leave)

Party B shall be entitled to _____ working days of paid annual leave during

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45 Based on calculation of basic remuneration agreed by two parties, select one appropriate from two options provided.
46 Additionally compensatory basic remuneration specified in law shall be one day (subparagraph 1 of paragraph 2 of Article 45 of Labour Relations Law).
47 Additionally compensatory rest specified in law shall be one day (subparagraph 1 of paragraph 2 of Article 45 of Labour Relations Law).
48 If the specific date of the compensatory rest is designated by Party A, such date must be designated at least three days in advance (paragraph 4 of Article 45 of Labour Relations Law).
49 Additionally compensatory basic remuneration specified in law shall be one day (subparagraph 2 of paragraph 2 of Article 45 of Labour Relations Law).
50 Additionally compensatory rest specified in law shall be one day (subparagraph 2 of paragraph 2 of Article 45 of Labour Relations Law).
51 If the specific date of the compensatory rest is designated by Party A, such date must be designated at least three days in advance (paragraph 4 of Article 45 of Labour Relations Law).
52 Paragraph 5 of Article 45 of Labour Relations Law.
53 Article 42-A of Labour Relations Law.
54 Minimum annual leave specified in law shall be six working days (paragraph 1 of Article 46 of Labour Relations Law); moreover, Party B may accumulate annual leave up to two years by agreement between parties; please refer to ‘Annual Leave Agreement (sample)’. 
the second year of service if the duration of the labour relation is more than one year. If the duration of the labour relation is less than one year but more than three months, Party B shall be entitled to the annual leave calculated in proportion to the number of days mentioned above for every month of actual service discharged in the second year of service, as well as when the number of days left in the remaining period reaches fifteen.

** Article 13 **  
(Maternity Leave)\(^{55}\)

1) Party B shall be entitled to _____ days\(^{56}\) of maternity leave for reason of childbirth, in which sixty-three days must be taken immediately after confinement, with the remaining days taken consecutively or separately, before or after the confinement, at the discretion of Party B. If Party B intends to take part of her maternity leave before confinement, she must notify Party A of this intention at least five days in advance.

2) If the labour relation between Party A and Party B totals more than one year on the day of her confinement, Party B is entitled to receive basic remuneration corresponding to the period of maternity leave.

3) If the labour relation between Party A and Party B totals one year during maternity leave, Party B is entitled to receive basic remuneration corresponding to the remaining period of maternity leave after the completion of one year’s service.

** Article 14 **  
(Paternity Leave)\(^{57}\)

1) Party B shall be entitled to _____ working days\(^{58}\) of paternity leave for reason of becoming a father. The paternity leave may be taken, consecutively or separately, from when the child’s mother is pregnant over three months to within

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\(^{55}\) Only applicable to female employees.

\(^{56}\) A female employee is entitled to, for reason of childbirth, at least seventy days of maternity leave (paragraph 1 of Article 54 of Labour Relations Law). A female employee shall also enjoy equally right to maternity leave in circumstances such as stillbirth or involuntary abortion after three months of pregnancy (paragraph 5 of Article 54 of Labour Relations Law).

\(^{57}\) Only applicable to male employees.

\(^{58}\) A male employee is entitled to five working days of paternity leave for reason of becoming a father (paragraph 1 of Article 56-A of Labour Relations Law); moreover, a male employee shall also enjoy the right to paternity leave in circumstances such as stillbirth or involuntary abortion after three months of the child’s mother’s pregnancy (paragraph 6 of Article 56-A of Labour Relations Law).
** Before completing sample labour contract, please refer to ‘Remarks’.

thirty days after the child’s birth. If Party B intends to take part of the paternity leave between the period when the child’s mother is pregnant over three months and before the child’s birth, he must notify Party A of this intention at least five days in advance, or when the situation is unforeseeable, he shall notify Party A as soon as possible.

2) If the labour relation between Party A and Party B totals more than one year on the day when Party B becomes a father, Party B is entitled to receive basic remuneration corresponding to the period of paternity leave.

3) If the labour relation between Party A and Party B totals one year during paternity leave, Party B is entitled to receive basic remuneration corresponding to the remaining period of paternity leave after the completion of one year’s service.

**Article 15**

**(Night Work)**

If Party B performs work between 0:00 midnight and 06:00 a.m., Party A and Party B shall choose one of the following options for settlement (please tick appropriate box):

- □ – A. Party B acknowledges that he/she shall not be entitled to remuneration for night work because he/she has been hired specifically to perform a work schedule that includes night hours;

- □ – B. Party B sometimes performs a work schedule that includes night hours, and is entitled to receive remuneration for night work (the amount shall be equivalent to the normal remuneration for the work performed plus ____% increase in remuneration), unless Party B has received remuneration for shift work in the same month.

**Article 16**

**(Shift Work)**

If work performed by Party B is not in accordance with a fixed schedule and at different times, Party A and Party B shall choose one of the following options for settlement (please tick appropriate box):

- □ – A. Party B acknowledges that he/she shall not be entitled to remuneration

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59 This article can be deleted if night work not included.

60 Percentage of increase specified in law shall be twenty percent (paragraph 2 of Article 39 of Labour Relations Law).

61 This article can be deleted if shift work not included.
for shift work because he/she has been specifically hired to provide shift work;

☐ – B. Party B sometimes performs a work schedule that includes shift work, and is entitled to receive remuneration for shift work (the amount shall be equivalent to the normal remuneration for work performed plus _____% increase in remuneration). However, if Party B has already received remuneration for shift work, and the amount is equal to or exceeds ten percent of his/her basic remuneration, then when Party B performs work on a mandatory holiday in the same month, he/she shall not have the right to receive additional payment as compensation, but is entitled to enjoy a paid compensatory rest within thirty days after such work has been performed.

Article 17
(Absence for Sickness or Accident Not Arising from Work)

On completion of probationary period, Party B shall be entitled to _____ days of paid absence for sickness or accident in each calendar year.

Article 18
(Previous Notice for Rescission without Just Cause)

Either Party A or Party B may rescind the labour contract without just cause but the party who initiates such action shall comply with the following stipulations:

a) If Party A rescinds this contract, a previous notice of _____ day(s) shall be given to Party B;

b) If Party B rescinds this contract, a previous notice of _____ day(s) shall be given to Party A.

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62 Percentage of increase specified in law shall be ten percent (paragraph 1 of Article 41 of Labour Relations Law).

63 Number of days specified in law shall be six, and stipulations of Article 53 of Labour Relations Law shall be abided by.

64 Length of previous notice can be determined by agreement between parties; in absence of contractual provisions regarding length of previous notice, or length of previous notice provided for in the contract is less than fifteen days, length of previous notice shall be fifteen days in case of rescission per initiative of Party A (subparagraph 1 of paragraph 3 of Article 72 of Labour Relations Law).

65 Length of previous notice can be determined by agreement between parties, however, length of previous notice prescribed for Party B shall not exceed that for Party A; in absence of contractual provisions regarding length of previous notice or length of previous notice provided for in the contract is less than seven days, length of previous notice shall be seven days in case of rescission per initiative of Party B (subparagraph 2 of paragraph 3 of Article 72 of Labour Relations Law).
Article 19

(Compensation for Rescission without Just Cause)

In event of rescission of this contract without just cause by Party A before expiry of contract’s term, Party A is obliged to pay Party B the compensation as stipulated in paragraph 6\textsuperscript{66} of Article 70 of Labour Relations Law.

Article 20

(Expiry)

This contract shall expire on date specified in Article 2, without being automatically renewed\textsuperscript{67}. Termination of the labour relation due to expiry of contract shall not be subject to obligation of previous notice or compensation in lieu thereof.

Article 21

(Work Accident and Occupational Disease Insurance)

Party A must purchase the work accident and occupational disease insurance for Party B in accordance with Article 62 of the current Legal Regime on Compensation for Damage Arising from Work Accidents and Occupational Diseases.

Article 22

(Other Specifications)\textsuperscript{68}

\textsuperscript{66} The compensation is calculated according to period between date of rescission and expiry date of contract mutually agreed upon, equivalent to three days of basic remuneration for each month or period of less than one month.

\textsuperscript{67} In absence of written declaration to contrary by parties, fixed term contract shall expire at end of stipulated term, without being automatically renewed (paragraph 1 of Article 22 of Labour Relations Law). However, notwithstanding written declaration, if work performed by Party B is seasonal, contract shall not be renewed, otherwise it will be converted into an indefinite contract. When dealing with renewal of contract permitted by law, both parties shall comply with stipulations of paragraphs 2 to 5 of Article 22 of Labour Relations Law, and contract may not be renewed more than twice, and term including renewals shall not exceed two years (if Party B performs unpredictable tasks, arising from exceptional increase in enterprise’s activities, duration of contract, whether renewed or not, shall not exceed one year), otherwise contract shall be converted into an indefinite contract, and length of service of Party B shall be counted from effective date of first contract (Articles 21 to 23 of Labour Relations Law).

\textsuperscript{68} Working conditions agreed by Party A and Party B shall be recorded in space provided. However, such working conditions shall by no means be less favourable to Party B than those stipulated in the current Labour Relations Law and the Minimum Wage for Employees, otherwise the agreed
**Before completing sample labour contract, please refer to ‘Remarks’.**

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**Article 23**

*(Applicable Laws)*

1) With regard to items or circumstances not listed in this contract, if Party A and Party B have already made prior agreements which do not violate any laws or legal regulations, then they should be executed based on the said prior agreements. However, if both parties do not have any prior agreement, then any items or circumstances should be governed by the current labour laws and legal regulations of Macao SAR.

2) Should any items or circumstances specified in this contract be less favourable to Party B than those provided in other agreements between the parties, the terms of other agreements shall prevail.

3) Should any items or circumstances specified in this contract be more favourable to Party B than those provided in other agreements between the parties, the terms of this contract shall prevail.

4) Should any items or circumstances specified in this contract or other agreements between the parties contradict the current labour laws and legal regulations of Macao SAR, the terms of the current labour laws and legal regulations of Macao SAR shall prevail.

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*working conditions shall be deemed invalid and replaced by regulations of the laws mentioned above.*
Article 24
(Final Provision)

This contract shall be made in two original copies, one copy to be held by each party, and becomes valid upon signature by both parties.

Party A or his/her representative:  Party B:

Name ______________________

Position ____________________

____________________________________________________________________

(Signature and Stamp)  (Signature)

Date:____________________   Date:____________________

  (day/month/year)  (day/month/year)