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**Annual Review  
2012  
on Labour Relations and Social Dialogue in South East Europe:  
Romania  
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## **1. Summary**

Throughout the year, Romania was under the weight of economic development in the European Union. Economic growth was slower than in 2011, being envisaged to increase by 0.9% as compared to 2.5% last year. This was mainly due to increased tensions in the euro area, as Romania's trading partners are facing economic downturn.

The country continues to pursue reforms and structural changes in compliance with the International Monetary Fund (IMF) requests, as they were agreed upon in March 2011, when the precautionary stand-by arrangement was signed. Alongside, 2012 was highly affected by political unrest. The Government was changed three times, the latest being a centre-left coalition, while the president was suspended for two months and re-elected.

Trade Union confederations struggled to change the Labour and Social Dialogue codes enacted in 2011. The Government re-organized the economic branch level at which collective bargaining agreements can be signed. Now collective agreements can be negotiated at a unit level, unit groups and sectors, and the criterion of pertaining to a sector is based on the NACE code of activity. Creating a representative union is still a challenge, firstly due to the stipulation in law which states that in order to form a trade union 15 employees and at least 50%+1 of the total number of employees from the same company are needed instead of 15 employees working in the same economic branch, and secondly because of the re-organization. Thus, very few collective agreements were signed in 2012 while the rest expired in 2011. IMF and the European Commission (EC) expressed their recommendations concerning changes in the Social Dialogue code while ITUC condemns the two institutions for pressing the government from correcting the violations of international labour standards. Thus, Romania still pertains to ILO's list of special cases.

## **2. Socio-economic developments**

The year of 2012 was characterized by high political unrest, combined with a negative pressure from the external European sovereign debt crisis which led to a lower economic growth as compared to 2011. After resuming to a 2.5% economic growth in 2011, after two years of negative development, Romania's GDP had increased only by 0.8% year-on-year in the first half of 2012, mainly driven by net taxes on products. The target for the end of year stands at 0.5%. The country complied with IMF requested measures according to March 2011 Stand by Arrangement signed between the parties and thus received the money granted. According to the latest report, all criteria were met except for the central and local government arrears (0.2% of GDP as of June 2012, compared to 0.1% target). Romania still treats the agreement as precautionary and did not withdraw the loan. Foreign direct investments stood at EUR 941mn in January-August 2012, up 55% as compared to Jan-Aug 2011 (revised data), mainly absorbed by the industry sector. In Jan-Aug 2012 balance of payments current account posted a deficit of EUR 3,123mn, 23% lower than in the same period of 2011. Trade balance was negative in the first 8 months of 2012, at EUR 4.825mn and increased by approximately 5% compared to the same period last year. The state consolidated budget recorded in 9m/12 a deficit of RON 7.17bn, 1.18% of the GDP, below the deficit target of 2.2% of the GDP. Public debt is at 24.4% of GDP.

The privatization process of the state-owned companies agreed by the state with the IMF has experienced significant delays. While OMV Petrom sale of 10% stake was unsuccessful, Tarom finally announced having a new private external CEO and CFO. The privatization continues with the starting initial public offering processes for companies like Nuclearelectrica, Hidroelectrica, Transgaz, Romgaz. Recently the Authority of State Recovery Assets announced to launch the privatization of minority and majority stakes in 50 companies from its portfolio in 2013 and the names of the companies are still to be communicated.

Annual inflation increased more than expected, to 5.3% year-on-year in September 2012, reflecting a sharp increase in food prices. ILO unemployment rate continued to decrease, compared to the end of 2011, reaching 7.1% in September 2012 from 7.5%

from December 2011. According to a governmental law approved by the end of 2011, the minimum wage had to be situated at c. 155 EUR (700 RON) in 2012, similar to level in 2011 of EUR 153 (670 RON). The sharp reduction in public employment has created room for partial restoring the salary funds. Therefore, wages in the public sector were increased by 8% in July 2012, still to remain at 6.7% of GDP as in 2011. According to Eurostat reporting, almost half of Romania's population is considered to be at risk of poverty or social exclusion. In 2010, the percentage was situated at 41.4% and decreased in 2011 to 40.3%. The Gini-coefficient reported by the United Nations Development Programme stood at 31.5 in 2011.

### **3. Governmental policies and legislation**

2012 was highly affected by political unrest throughout the year. While in 2011 Boc's Government survived several confident votes, in January 2012, due to the tensions brought by the austerity measures, the government resigned. Its predecessor was dismissed in three months' time, followed by a centre-left coalition formed by social democrats, liberals and conservatives. In July and August 2012, Romania's president Traian Baseescu was suspended after the impeachment motion, filed by the ruling coalition, passed the Parliament's vote. The president was re-elected and was reinstated after a decision by the Constitutional Court on August 21. Nevertheless, the IMF agreement is still in place and parliament elections will take place on December 10, 2012. This tumultuous political background cumulated with the tensions from the European Sovereign debt crisis had a negative impact on the economic and social environment in Romania, making the progress on the labour market difficult.

In 2011 the new Labour Code and the Social Dialogue law were put in place by a centre-right government. These two are seen mostly in the advantage of the employer and currently the collective bargaining at the unit level is restricted at some degree due to the limitation in forming trade unions (ie. In order to form a trade union 15 employees and at least 50%+1 of the total number of employees from the some company are needed instead of 5 employees working in the same economic and also a court order is needed to approve the statute of the union for 4 years time). Besides this important aspect, other important issues are the length of the probationary period, the increased possibility to conclude fixed-term contracts and the former waiver that stated that union leaders were impossible to dismiss whatever reason.

Through the year, confederations struggled to change these codes, starting with the first priority, the Social Dialogue law. By July, trade union confederations and four employers' organization proposed changes to the new law for consultation to the Ministry of Labour, European Commission and IMF, under the statute of emergency ordinance. In October, EC and IMF concluded that the ordinance should go through a normal legislative process with proper consultation with all social partners in order to comply with ILO conventions, asking the Ministry to limit its interventions on the Law 62/2011 until all necessary reviews are made. Also, they stated that the law must not contain elements of wage and collective agreements, as the former law, in order not to reverse the progress made by the new Labour Code. Furthermore, comments were made regarding the negotiation at the sectorial level, stating that the threshold of 50% of employees in the sector should either only apply to employers organisations or to both trade unions and employers organizations. Also, EC and IMF stated that annual negotiations would lead to unnecessary costs of transactions and that this commitment should be only made before the collective labour contracts expire. The institutions reacted positively regarding the measures that lead to unblocking the bargaining at unit level through changing the settings of establishing the unions with 5 employees instead of 15 and the representativeness to 35% from 50%. Through these comments, brought by

EC and IMF, the date of changing the law will definitely be postponed and thus the process of collective negotiations at sectorial and national level is hampered.

Concerning the Labour Code, on October 15, 2012 the National Trade Union Block (BNS) has started a campaign for changing key aspects. BNS intends to publish the proposal in the Official Monitor by the end of November. After publication, 100,000 signatures are needed, in a six months frame, in order for the Parliament to take a decision concerning changing the code. The aspects proposed, among others, include changing the provisions related to the social dialogue, recommending extending the interdiction of laying-off trade union representatives for a period of 2 years from the termination of their mandate and also allocating 20hours/month for TU representatives to meet their duties in this regard. BNS also recommends extending the maximum period for which fixed-term contracts may be terminated from 3 to 5 years. A main aspect is to abolish the aspects governing individual labour conflicts in the Social Dialogue Law 62/2011, in order to eliminate the inconsistencies between these two.

A new Social Assistance Law was proposed in 2012 and is scheduled to be effective by January 2013. This was put in place in order to protect those in need before the energy price liberalization for households. It targets to consolidate 54 categories of social benefit into 9 groups structured by minimum income, disability, child allowance, disaster relief etc.

#### **4. Industrial relations**

Before Law 62/2011 was enacted, trade unions and employers organizations established, through the national collective contract, the industries in the economy that can conclude collective agreements. After the Social Dialogue Law was enacted, this criterion was abolished, and for the most of 2011 collective agreements were blocked, as the government did not publish the organizational framework, i.e. the industries that can conclude collective agreements. On 21 December 2011 the government published the law 1260/2011 regarding the sectorial reorganization. Thus, collective agreements can be negotiated at a unit level, unit groups and sectors, and the criterion of pertaining to a sector is based on the NACE code of activity. This brings upon a re-organization of the unions.

BNS and CNS Cartel Alfa informed ILO about the status of organizing trade unions and thus Romania is still on the list of special cases in ILO's agenda. Due to the new laws, the right to organise and collective bargaining, namely convention no. 98 is violated. Considering the issues exposed above, ILO requests the Government to take actions concerning the protection against acts of anti-union discrimination and acts of interference, the right to collective bargaining which is violated due to the criteria of representativeness. Once again ILO requested the Government to issue a detailed report on the impact of the new laws and the application of the convention. So far, the Government did not respond.

Small amendments were made to the Social Dialogue Code, published on August 31, 2012, of which the most important was the right given to public servants to establish trade unions. This right is still taken from the employees in the Ministry of National Defence and the Ministry of Administration and Interior.

Furthermore, ITUC noticed the interventions of EC and the IMF concerning the social dialogue code from October 2012. The international confederation condemns the two institutions for pressing the government from correcting the violations of international labour standards. A serious concern marked by the confederation is also the restrictions covering solidarity strikes, i.e. the articles that state which public officials are pro-

hibited from calling strikes and which are the requirements for the private sector to call a strike.

Due to these late actions taken by the Government, alongside with the unsolved issues related to the right for organizing and collective bargaining, the social dialogue was difficult to establish. Thus, just a few collective agreements were signed during 2012 bound to expire by the end of 2013-2014. Namely, the unit of public water supply and sewerage, the group of units under the administration of Hospitals and Health Services Administration in Bucharest, under the administration of the health network of the Ministry of Transportation and Infrastructure, under the Ministry of Administration and Interior and the education sector for schools before university level, signed collective agreements. This was due to efforts made by unions' federations of water-canals, education, police and Sanitas. It is worth mentioning that the other collective agreements expired. At a sectoral level, an important issue during the year were the salaries for public service employees. All trade unions have supported and asked the Government to increase the wages, as promised, to the levels before the austerity cuts. As the pressure was put on the Government in March, by July salaries were increased by 8%, with the help of an emergency ordinance. They are also envisaged to be increased by 7.4% in December.

The European Trade Union Confederation organized on November 14, 2012 the European day of action and solidarity. As a common action, Romanian Trade Unions supported this movement and used it as a reminder for the Government that austerity is not a solution from their perspective. Furthermore, during October 2-4, Cartel Alfa organized protests around the country, gathering 8,000 unionists mainly to promote changing the Social Dialogue Code.

As the law changed, confederations, alongside employers' organizations had to prove they are representative at a national/sectoral level and get a legal court order. On the Ministry of Labour website the new court orders are published for the organizations that applied to approve their status. This is an on-going process and some of the organizations and unions, especially employers' organizations, are still bound to procure their official documents. According to this data, due to the re-organization, the representativeness decreased, however the previous year cannot be used as a comparative point. National Statistics does not provide official data in this direction. Last year the number of members according to ITUC counted to 1,701,000 in October 2011 compared to 1,771,000 in October 2010, comprising BNS, Cartel Alfa, CSDR and CNSLR Fratia. Currently BNS, Cartel Afla, CNSLR Fratia and Meridian have published their official documents on the Ministry of Labour website. Together they account for approximately 1,183,000 members. CNSLR Fratia and Cartel Alfa suffered steep decreases from 0.8-1 million members to approximately 0.3 million members. Meanwhile, Fratia's president was also changed due to corruption implications, and its vice-president is Liviu Luca, which is continuously investigated for corruption by the Romanian Court of Justice. Furthermore, confederations still claim the high numbers from last year stating that the documents published on the website of Ministry of Labour only comprise the minimum requirements to become representative at a national level.

BNS acted on the decreasing trade union membership and is currently running programs to attract the youth population in becoming member.

## **5. Tripartite social dialogue**

In 2011 several steps were taken in changing the framework for tripartite social dialogue, which were prolonged in 2012. The National Tripartite Council for Social Dialogue was established as the institutionalized structure for tripartite consultancy, and thus the role of the Economic and Social Council (CES) was diminished. The National

Tripartite Council is now formed by employers' organisations and trade union confederations representative at a national level, and its president is the prime-minister which can be legally replaced by the Ministry of Labour, Family and Social Protection. As stated, CES status was modified in 2011 and it has no longer a role in collective bargaining, and according to latest enacted laws the council is formed by confederations and employers organization at a national level as well as representatives of the civil society. On November 8, 2012, due to this aspect, the Government is changing CES framework by proposing its own law, instead of being regulated by the social dialogue code. In the context of changing political structure, the Government is no longer represented legally in CES and the validation procedure of the members cannot be legally fulfilled. These block the activity of the council and CES ceases to be the structure of the tripartite social dialogue being replaced by the National Tripartite Council. As government representatives were replaced by the civil society, CES is being transformed in a structure for civic dialogue.

Due to continuous changes in governmental decisions and the slow pace at which these laws are being modified in order to promote social dialogue, the evolution of tripartite collaboration is sluggish. Namely, only three meetings took place with the National Tripartite Council, according to confederations. Even though discussions and proposals took place from confederations, they were not implemented by the government, as decisions are being slowed down due to the euro-zone crisis and their tight connection in complying with IMF and EC recommendations.

CNSLR Fratia, together with the Ministry of Labour and the Romanian Centre for Initiatives, supported by European social funds, are running a project promoting tripartite and bipartite social dialogue "Social Dialogue – towards a flexible route to employment and inclusion". The project is spread throughout the country and it is bound to be finalized by June 2013. As current progress, in 2012, Fratia has set up the time line for the latest initiatives to be taken and the targets at which are aiming. The actions are based on four pillars, namely periodical meetings with social partners, including promotion to mass-media, law proposals, organize information sessions regarding the social dialogue and promote employment at territorial level.

## **6. Forecasts**

According to major institutions, GDP is expected to increase by 2.5% in 2013, but it will still be under the burden of slow economic growth in the European Union. 2012 economic growth is expected to stand at only 0.5% in Romania. As fiscal targets were met so far, if the trend continues, the burden on the state budget will decrease. Parliamentary elections took place at the beginning of December 2012, with the majority won by USL political party, a centre-left coalition. This should be transposed in a more balanced environment for economic stability; however the situation is still unpredictable. After just being elected, further tax increases were announced, coupled with cuts of meals vouchers in the public sector as of 2013. The ILO unemployment rate is expected to decrease under the 7% level in 2013 (6.9% in 2013 compared to 7.3% in 2012). According to companies' announcements, there will be more jobs created than dismissals on the bottom line.

Significant changes in the Social Dialogue and Labour Code will be postponed in the first part of the year, especially due to IMF and EC recommendation to modify the codes according to the normal legal process. Cartel Alfa proposed a meeting by end of January 2013 with ILO, IMF, EC and the government to solve these issues. Overall, collective negotiations will pace up in 2013 compared to 2012 as the roles of CES and the National Tripartite Council will be clearer and union's organization will regain their

status. Nonetheless, trade unions density is on a decreasing trend and it will continue its pace if the issue is not properly addressed by the confederations.

### **Annex of data**

- **Collective bargaining system**

In 2011 the national collective bargaining system has changed. Since 1991, the national unique collective agreement was used to set the main terms of reference on minimum rights and obligations to all employees, such as national minimum wage, working time and conditions, even if they were not covered by other collective agreements. According to the new social dialogue Act 62/2011, as of May 2011, these agreements are covered by law, the same law that controls trade unions, employer organizations, CES (Economic and Social Council), social dialogue committees and labour conflicts. The collective agreements will now be negotiated at a sectoral level, according to NACE codes of activity, instead of being negotiated at a branch of the national economy level. Therefore, all the economic branch collective agreements expired and new ones are being signed on a short term as regulated by the law. These are bound to expire by 2013-2014 and just a couple of units group have managed in 2012 to sign collective agreements. The pace at which collective agreements are being signed is slow.

The negotiation of a collective agreement is only mandatory when a company has more the 21 employees. Also, according to the new law, unions have to comprehend at least 15 employees accounting for at least 50%+1 of the employees within the same company.

- **System of tripartite social dialogue**

Tripartite social dialogue takes place within institutional structures of tripartite consultation, namely the National Tripartite Council for Social Dialogue and Commissions for social dialogue, established under the Law no. 62/2011. As compared to 2011, the National Tripartite Council is now the institution for tripartite social dialogue while the Economic and Social Council is only the structure of civil dialogue. The National Tripartite Council is the institutionalized structure for tripartite consultation and it's composed of the employers' confederations and trade union confederations representative at a national level, the representative from Romania's National Bank and a representative from the Economic and Social Council, while its president is the Prime-minister and its deputy is the Ministry of Labour, Family and Social Protection. The goal of the council, as defined by the law, is to give tripartite consultation related to Governments' economic and social strategies, namely the value of the national minimum wage, solve conflicts to ensure social peace, close social agreements, analyze and if the case, approve the extension of labour collective agreements and other aspects that lead to the establishment and implementation of the Governments strategies and policies. The law does not stipulate a minimum number of meetings between the parties, nor any clear strategies to improve the current state of social dialogue process.

Another part of the social dialogue at a national level, similar with the social cooperation between European institutions and the European Economic and Social Committee, is the consultancy between the Parliament/Government with the Economic and Social Council, as a structure of civic dialogue between the representatives of civil society.

- **Social security systems**

All employees (and employers) are obliged by the law to pay a percentage of total earnings for social security and therefore they all benefit of health social insurance,

pensions insurance and unemployment benefits. Unemployment benefits come in force after the unemployed registers at the National/County Agency for Employment. Employee dependents also benefit from health social insurance. There are no statistics data available in this direction. Social taxes that have to be paid by the employers are one of the highest in EU (more than 40%), putting a huge burden on the shoulders of the employers and encouraging the informal economy.

- **Education and vocational training**

The framework of vocational training was not changed as a result of the new amendments brought to the labour law. In Romania, the continuous vocational training system has been organized as a network of national, local and sectoral structures of the authorities in charge. The system, however, does not operate at maximum potential for lack of financial resources. According to the Labour Code, art 193, vocational training may be provided to employees in any of the following forms: attendance of training courses organized by employers or by suppliers of vocational training services; vocational on-the-job training for new-entrants to a position or work place; probationary and post-graduate training in Romania and abroad; on-the-job vocational training; coaching; other forms of training agreed upon between employer and employee. Employers of more than 20 employees are bound by law to prepare and provide, every two years vocational training schemes. Employers of 21 or less employees must provide vocational training schemes at least once every 3 years. The costs are ensured by the employers and for companies bigger than 20 employees each year has to be planned ahead in collaboration with trade unions or the employees' representative. Even though previously, when the employer failed to comply with the obligation to provide the funds for the vocational training of an employee, such employee was entitled to a paid leave of up to 10 working days for vocational training purposes, now this is not the case anymore. Nothing similar is stipulated in the Labour Code.

The Ministry of Labour, Family and Social Protection, in cooperation with the ministries and other relevant bodies, elaborates the policies and strategies for the continuous vocational training. The Ministry of Labour, Family and Social Protection closely cooperates with the National Authority for Vocational Training (Autoritatea Nationala pentru Calificari, ANC) which is public institution established by the end of 2011 under the coordination of the Ministry of Education, Research, Youth and Sport, that elaborates and implements the national framework for vocational qualification. In this framework, The National Agency for Employment (Agentia Nationala pentru Ocuparea Fortei de Munca, ANOFM), is in tight connections with the above mentioned institutions as it aims at institutionalizing social dialogue in order to ensure high rate of employment and professional training, applies strategies in employment and professional training and applies measures of social protection for the unemployed persons.

According to Eurostat, the percentage of adult population aged 25-64 participating in education and training whether or not relevant to the respondent's current or possible future job was 1.6% in Romania in 2011, increasing from 1.3% in 2010, while the European average for 27 countries reaches the level of 8.9%, though decreasing from 9.1% in 2010.

Trade unions make steps to improve the situation in this respect. For example, in November 2011, BNS launched the project "Catalysts for training" confounded by the European Social Fund through the Sectoral Operational Program for developing Human Resources 2007-2013, focusing on the mining and energy sectors.

Education in Romania is poorly funded, reaching only 3.1% of GDP in 2009. According to the 2011 Human Development Report of UNDP the adult literacy rate was 97.7% in Romania. The school expectancy, which corresponds to the expected years of educa-

tion over a lifetime and has been calculated adding the single-year enrolment rates for all ages, stood at 16.5% in 2010 in Romania, while EU average was 17.3%. According to the Academic Ranking of World Universities, up to 2011 no Romanian university was included in the first 500 top universities worldwide.

- **Employment rate**

Period	Q2 2012	2011	2010	2009	2008	2007	2006
Employment rate (%)	60	57.9	58.8	58.6	59	58.8	58.8

Source: Eurostat. Employment rate is calculated by dividing the number of persons aged 15 to 64 in employment by the total population of the same age group.

- **Unemployment rate**

Period	Q2 2012	2011	2010	2009	2008	2007	2006
ILO Unemployment rate	6.9	7.4	7.3	6.9	5.8	6.4	7.3

Source: National Institute of Statistics

ILO unemployment rate represents the ratio of the ILO unemployed in economically active population.

- **Average net monthly salaries (in €)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	338	338	353	350	345	348	342	340	342			
2011	334	333	358	365	355	351	347	342	342	337	342	371
2010	344	343	369	348	342	335	318	316	314	313	321	349
2009	320	317	327	336	325	327	330	320	321	321	319	350
2008	350	325	310	320	352	341	348	365	362	357	354	361
2007	271	278	301	308	308	317	332	320	311	323	323	359

Source: National Institute of Statistics INSSE for wage values, National Bank of Romania for exchange rates

\* Nominal earnings comprises salaries, respectively money rights and rights in kind of employees for the effectively done work (including overtime), according to the salary type applied, benefits and indemnities granted as salary percentage or in fixed amounts, other legal rises of salary, amounts paid for the non working time (indemnities for rest and study leaves, holidays, other days-off, amounts paid from salary fund for medical leaves), prizes, holiday bonuses and other amounts paid from salary fund according to normative documents or collective labour contracts, amounts paid from the net profit and other funds (including the equivalent value of lunch tickets).

- **Gender pay gap**

The labour market still displays a certain degree of gender segregation by professions; for example some professions are dominated by women (such as health, education, public administration, etc.), while others are largely served by men (heavy-duty industry, army, etc.). This professional segregation between men and women leads to pay differences between one gender and the other, due to the fact that, in the strongly 'feminine' sectors, pay is, generally speaking, lower than in the predominantly masculine sectors.

The Law no. 202/2002 stays at the basis of equality opportunities between woman and man, even if the law was not improved since 2007. Thus, even though the National

Agency for Equal Opportunities between Women and Men (Agenția Națională pentru Egalitatea de Șanse între Femei și Bărbați, ANES) is mentioned in the law as the agency to promote the strategies of the Ministry of Labour for equal opportunities, the agency was abolished. Currently in the Ministry of Labour agenda, the ministry has attribution in the field of gender equality, where it has to elaborate, implement and follow the implementation of the programs' strategy. While there are not mentioned other associations in support of the Ministry, there is, at a national level, a Commission for gender equality, CDEP, under the chamber of deputies. Its role is to eliminate all forms of discrimination and improve the condition of women in society, integrate the principle of equality and follow the implementation of the international documents ratified by Romania regarding gender equality.

Also, in this direction, BNS Confederation established the ESTHR program, an integrated package of actions to develop the role of women in Romanian society, supported by European funds. Even though some projects were organized during 2011, their activities and results for 2012 are not clear.

The difference between average earnings of male and female employees as percentage of earnings of male employees decreased in 2011 compared to the previous years – 2010 and 2009. Thus, in 2011, 88% of the male net wage represented the women net wage, while for 2010 and 2009 the percentages stood at 89% and 93% respectively.

According to the 2011 Human Development Report of UNDP Romania's Gender Inequality Index representing a composite measure reflecting inequality in achievements between women and men in three dimensions: reproductive health, empowerment and the labour market stays at 0.333 being ranked the 55<sup>th</sup> country in the world (as a comparison, Sweden which ranks 1<sup>st</sup> worldwide has an index of 0.049)

- **Minimum wage (in €)**

Period – bi-annual data	S2 2012	S1 2012	S2 2011	S1 2011	S2 2010	S1 2010	S2 2009	S1 2009
Minimum wage (€)	157.26	161.91	157.89	157.2	137.3	141.63	142.61	149.16

Source: Eurostat

- **Actual weekly working hours**

Weekly working time set by law is 40 hours while it may exceed 48 hours, but this average must be maintained over a four-month reference period (modified in 2011, as it was first set up at a three month reference period) – the reference period may be up to 6 months for certain professions. The legal annual paid leave is for 20 working days + 11 days of public holiday. In 2011, the average actual weekly working hours of the full-time employees in Romania were 40.3. While the EU27 figure was not yet published, the average of EU27 stood at 38.2 in 2010. Working hours are set by Labour Code as of 2011, instead of the abolished tripartite national collective agreement, which provides a minimum basic framework for employment conditions, but no sectoral agreement exists.

- **Normal work / atypical work**

Year	Q2 2012	2011	2010	2009	2008	2007
Total employees <sup>1</sup>	9,361,868	9,137,736	9,239,390	9,243,457	9,369,121	9,353,326
Full time employees <sup>2</sup>	89%	90%	89%	90%	90%	90%
Part-time employees <sup>3</sup>	11%	10%	11%	10%	10%	10%

Source: National Institute of Statistics

<sup>1</sup> Employment comprise, according to the methodology of Statistical household labour force survey, all persons aged 15 years and over who have carried out an economic activity producing goods or services of at least one hour in the reference period (one week), in order to get income as salary, payment of a kind or other benefits. In the case of the self-employed and contributing family workers from agriculture, the minimum duration is 15 hours.

<sup>2</sup> Full-time employment is considered the segment of employment which, according to their statement, is performing an economic activity in full-time. Generally, for the employees it is considered that the full time program is the program of full-time work, as it is stipulated by the collective labour contract (normal duration).

<sup>3</sup> Part-time employment is considered the segment of employment which, according to their statement, is performing an economic activity in part-time. Generally, part time program for the employees is considered to be the program whose duration stipulated by the individual labour contract is significantly lower than normal duration.

\*Employees having a labour contract on an indefinite period of time are considered as employees with permanent working regime. Employees having a labour contract on a definite (limited) period of time are considered as employees with temporary working regime.

- **Migration**

Year	2009	2008	2007	2006
Emigrants - Immigrants (number of persons)	1,605	-1,291	-745	6,483

Source: National Institute of Statistics

\*More recent data has not yet been published

- **HDI**

Year	2011	2010	2009	2008	2007
HDI - Value	0.781	0.767	0.764	0.765	0.754

Source: UNDP

2011 International Ranking: High Human Development

- **Gini-coefficient** (index; international ranking)

Year	2011	2010	2009	2008	2007	2006
Gini Coefficient	33.2	33.3	34.9	36	37.8	33

Source: Eurostat

- **Collective agreement coverage**

The National Collective agreement was abolished when the new labour code was enacted. Some of the articles stipulated in the National Agreement were transposed in the labour code, but as of 2012 sectorial agreements have to be signed. The government decided to reorganize the economic branches at which level the agreements have to be signed. The new categories are based on group units according to NACE activity codes. Thus the collective agreement coverage was severely diminished, as employers' organization and confederations are re-grouping such that they can bargain and be representative at a sectorial and national level.

A collective agreement has to be signed between the employer or employers' organization and the employees' representative. The agreement can be representative at a NACE unit level only if the companies are members of the employers' organizations signatories to the agreement.

Employees' representative might be just an appointed representative for small companies or trade unions for companies with at least 15 employees. Trade unions have to comprehend at least 15 employees accounting for at least 50%+1 of the employees within the same company in order to be representative.

Negotiations have come to standstill in 2011 due also to the organization of the tripartite social dialogue. In 2012 the recovery was sluggish and a couple of collective agreements were signed at group unit level. Thus, the collective agreements only cover few sectors, namely the group unit of public water supply and sewerage, the group of units under the administration of Hospitals and Health Services Administration in Bucharest, under the administration of the health network of the Ministry of Transportation and Infrastructure, under the Ministry of Administration and Interior and the education sector for schools before university level. These collective agreements are due to expire by the end of 2013-2014. Smaller agreements at unit level (company level) might be put in place, but there is no public record yet for all.

- **Ongoing important collective bargaining agreements**

As of May 2011, the Labour Code and the Social Dialogue Code proposed in 2010 were enacted. Alongside the national collective agreement was abolished.

A re-organization of the economic branches at which collective agreements can be signed was due in place by the end of 2011. The government established that collective agreements can be signed at a group of units according to NACE activities codes. Since then, five collective agreements were signed in 2012 representative at a group of units.

The re-organization, the status changing of the Economic and Social Council, the establishment of the National Tripartite Council for Social Dialogue hampered the collective bargaining process.

Currently, the main focus of confederations now is to change the Social Code and the Labour Code with more favorable conditions and in concordance with ILO convention no.98, the right to organise and collective bargaining.

- **Trade union density**

National statistics provides no information on the number of trade union members and the representativeness of trade union organizations. According to the ICTWSS Database<sup>1</sup> union density in Romania stood at 32.8% in 2008, calculated as the net union membership as a proportion of salary workers. The value decreased from the 33.7% in 2007. According to official documents published on the Ministry of Labour website, the number of members in confederations decreased considerably. Each confederation

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<sup>1</sup> Database on Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts compiled by the Amsterdam Institute for Advanced Labour Studies AIAS of University of Amsterdam

submitted an official document to state its representativeness in the new structure published. Currently BNS, Cartel Afla, CNSLR Fratia and Meridian have published their official documents on the Ministry of Labour website. Together they account for approximately 1,183,000 members.

- **Employer's organizations density**

According to the ICTWSS Database employers' organization density in Romania stood at 60% in 2007, calculated as a proportion of employees in employment. No other recent data was published. The official statistics does not provide data regarding the number of companies and employees for employer's organisation.

- **Workplace representation**

Workers' representation at the workplace is through the unions, although legislation does provide for workers' representatives to be elected if there are no union members. Workplace union structures potentially play a key role in collective bargaining but they also have significant consultation rights. Union organisations at the workplace are the main body for workers' representation. And, although by law, workers' representatives can be elected where there are 20 employees and no union is present, in practice this is very rare. The arrangements for workers' representation at workplace level are governed by legislation in the labour code. One of the key roles of the workplace trade unions is in negotiating collective agreements, but they also have rights to be informed and consulted, and in some areas they need to agree before changes can be made. The workplace union is also entitled to support union members in dispute with the employer and the union can represent them in court. The tasks of workers' representatives, who can only be elected if there are no union members, are to ensure that workers' rights are complied with, to participate in drawing up the company's rules and generally to promote the interests of the workers. The specific consultation rights of the workplace union organisation also pass to the workers' representatives, where they exist.

- **Trade unions**

- **National Trade Union Confederations**

National Trade Union Confederation	Number of individual members – provided by the Trade Union Confederations	Number of individual members – provided on the Ministry of Labour website official documents	Number of individual members – provided by ITUC	International affiliation
Confederatia Nationala a Sindicatelor Libere din Romania-Frația (CNSLR – Fratia, National Confederation of Free Trade Unions of Romania- Brotherhood)	800,000	306,486	400,000	ETUC, ITUC
Blocul National Sindical (BNS,	320,000	254,527	150,000	ETUC, ITUC

National Trade Union Bloc)				
Confederatia Sindicatelor Democratice din Romania (CSDR, Democratic Trade Union Confederation of Romania)	300,000	N.A.	101,000	ETUC, ITUC
Cartel Alfa (National Trade Union Confederation "Cartel Alfa")	1,000,000	301,785	1,050,000	ETUC, ITUC
Confederatia Sindicala Nationala Meridian (National Trade Union Confederation "Meridian")	300,000	320,204	-	-

o **Trade Union Federations by selected branches**

Trade Union Federation by branch	Number of individual members	Affiliation to national confederations	International affiliations
<i>Metal/electrical industries</i>			
Federatia Nationala a sindicatelor Solidaritatea Metal (SMETAL) – National Unions Federation "Metal Solidarity"	7,693	CNS Cartel Alfa	IndustriAll-Europe
Federatia Sindicala a Siderurgistilor METAROM (FSS METAROM "METAROM") - Trade Union Federation of Steel Workers	13,108	CNS Cartel Alfa	IndustriAll-Europe and Global
Federatia Sindicala a Lucratorilor din Industrie - METAL (FSLI-Metal) – Union Federation for the industrial workers		BNS	IndustriAll-Europe

Federatia Constructiilor de Masini – Car Construction Federation	10,893	CNSLR Fratia	
<i>Energy sector</i>			
Federatia Gaz Romania – Romania Gas Federation	20,000	CNSLR Fratia	IndustriAll-Europe, EPSU
Federatia Nationala Mine si Energie – National Federation of Mines and Energy	19,613	Cartel Alfa	
Federatia Sindicatelor Libere din Chimie si Petrochimie – Free Union Federation in Chemicals and Petrochemicals	10,000	Cartel Alfa	IndustriAll-Europe
<i>Public Sector</i>			
Federatia Sanitas – Sanitas Federation	105,000	Fratia	EPSU
Federatia de Transporturi si Servicii Publice ATU – Public Service and Transportation Federation ATU	12,000	Fratia	EPSU
Federatia Nationala a sindicatelor din Administratie - National Federation of Administration Unions	29,602	Cartel Alfa	EPSU
Federatia Nationala Feroviara Miscare-Comercial – National Freight Federation Movement-Commercial	22,386	Meridian	
Federatia Sindicatelor din Invatamanat Spiru Haret – "Spiru Haret" Education Unions Federation	61,884	CNSLR Fratia	
Federatia Educatiei Nationale – National Education Federation	39,160	Cartel Alfa	

<i>Textile/clothing industry</i>			
UNICONF Federatia Sindicala - Trade Union Central of Light Industry	645	CNS Cartel Alfa	IndustriAll-Europe and Global
Federatia Sindicatelor din Confectii Textile Tricotaje (MARA) – Federation of Unions of knitwear garments			IndustriAll-Europe and Global
Peltricontex-FRATIA	700		IndustriAll-Europe and Global
<i>Timber industry/silviculture, plastic industry</i>			
Federatia Generale a Sindicatelor "FAMILIA" – General Federation of Unions			BWI, EFBWW
Federatia Sindicatelor Libere din Industria Lemnului - Unions Federation of Wood Industry	46,500		BWI, EFBWW
Federatia Generala a Sindicatelor FAMILIA "Anghel Saligny – General Union Federation Family "Anghel Saligny"	4,000	Cartel Alfa	EFBWW

\*The data regarding the number of members is provided on their website or on the website of Ministry of Labour

### Employer's Organisations

Employer's Organisations	Number of individual members	International affiliation
Uniunea Generala a Industriasilor din Romania (UGIR 1903) - General Union of Romanian Industrialists 1903	780,000	Business Europe (BE)
Confederatia Patronala din Industrie, Agricultura, Constructii si Servicii din Romania (CONPIROM)- Employer Confederation of Romanian Industry	687,261 employees	N.A.
Patronatul Român (PR) -	194,634 employees	N.A.

The Romanian Employers		
Uniunea Națională a Patronatului Român (UNPR) - The National Union of Romanian Employers	10 employer organisations	European Builders Confederation, Small and Medium Entrepreneurs Union
Confederația Națională a Patronatului Român (CNPR) - The National Confederation of Romanian Employers	350,000 employees	Business Europe (BE), International Organisation of Employers, International Labour Organization
Consiliul Național al Întreprinderilor Private Mici și Mijlocii din România (CNIPMMR) - The National Council of Private Small and Medium Enterprises	10,000 employees	European Association of Craft, Small and Medium-Sized Enterprises, European Council for Small Business and Entrepreneurship
Consiliul Național al Patronilor din România, (CoNPR) - The National Council of Romanian Employers		N.A.
Patronatul Național Român (PNR) - The Romanian National Employers	349,177	N.A.
Asociația Română a Antreprenorilor din Construcții (ARACO) - The Romanian Association of Building Entrepreneurs	1,300 societati	European Construction Industry Federation (FIEC)
Confederația Patronala a Industriei, Serviciilor și a Comerțului (CPISC) - The Employers Confederation for Industry, Services and Commerce	370,000 employees	European Economic and Social Council (CESE), Business Europe (BE), International Labour Organization (ILO)
Uniunea Națională a Patronatelor cu Capital Privat din România (UNPCPR) - The National Union of Employers with Private Capital in Romania	70 territorial employer organisations	Business Europe (BE)
Confederația Patronală CONCORDIA (CP CONCORDIA) - CONCORDIA Employers Confederation	Four employer organizations	N.A.

\* Official statistics do not provide data regarding the number of companies and employees for each employer representative organization. Source of this data is from their website or from the Non-Governmental Organizations registered at the Chamber of Deputies