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Annual Review 2010 on Labour Relations and Social Dialogue in South East Europe:

Romania

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1. Executive summary

World financial downturn had a highly negative impact on Romania's economic activity, which decreased much sharper than projected due to a combination of an unfavourable external environment and faster retrenchment of domestic demand. Due to harsh economic conditions, in 2009, Romania signed a loan agreement with the International Monetary Fund (FMI) for almost EUR 20 bn and in order to respect the conditions, in 2010, the government took highly social austerity measures. These include the cut of 25% of the budgetary wages, VAT increase from 19% to 24% and major lay-offs in the public system. As a reaction, trade unions formed a crisis committee but the govern-

ment did not take into consideration their votes. Trade unions filed three complains with the International Labour Organization (ILO) against the law violation by the Government. Because of the complaint regarding the ILO Protection of Wages Convention, starting 2011, Romania is included in the list of special cases. A high number of protests were conducted in Bucharest and in the main cities of the country but with no visible result. At the end of the year the Ministry of Labour also proposed the discussion of a new drafted Law on the Social Dialogue, in regard to which trade unions expressed their negative vote. This project involves the abolishment of the trade union law, the Law regarding the settlement of labour disputes, the employers' organization law, the law on collective labour agreement, Economic and Social Council Act, the law on social dialogue committees, in order to have all these regulations under one single code. Thus, important changes were made in the Law which negatively influences the trade unions activity. Also, the Ministry of Labour proposed for discussion a new draft of the National Labour Law, which is more in favour for the employers.

2. Socio-economic developments

World financial downturn had a highly negative impact on Romania's economic activity, which decreased much sharper than projected due to a combination of an unfavourable external environment and faster retrenchment of domestic demand. GDP was 2.3% lower year-on-year for 9m/10, reaching RON 348 bn. The GDP target of -1.9% year-on-year set up with the IMF could be slightly optimistic as demand is negatively affected by the latest austerity measures. Foreign direct investments stood at EUR 2,070 m in 9m/10 compared to EUR 3,426 mn in 9m/09. In January-September 2010 the current account balance-of-payments posted a deficit of EUR 4,233 m, 33% higher than in the same period of 2009, due largely to the 30% decrease year-on-year in current transfers balance. The state consolidated budget recorded in 9m/10 a deficit of RON 23.3 bn, below the deficit target amount of RON 28.2 bn provided by the stand-by arrangement with the IMF. Thus, public debt reached the level of 35.6% of GDP in October.

In order to increase the states revenues, the government increased the VAT in July from 19% to 24% and therefore annual inflation rose to 7.96% in December. Romania's biggest issue is the budget deficit, the value of which reached 6.6% of GDP in 2010, under the target of 6.8% of GDP set up by the IMF. The main factor pressuring the budget deficit is the public sector arrears which rose by approximately 50% in the first half of the year (reaching RON 4.1 bn), burdening also the private sector cash flows. In order to meet the target, the government took a set of austerity measures, unpopular, due to the delay in encompassing a timely plan with anti-crisis measures, as 2009 was an election year.

The minimum wage decreased in 2010 compared to 2009 reaching EUR 137 level from EUR 143.

In addition, large dismissals were enhanced by the state in the public sector. Therefore, according to the government report 75,000 of budgetary employees were laid-off in 2010, and another 25,000 will be laid-off in 2011. The unemployment rate reached 6.87% in December 2010, though the figures are well misleading. The National statistics are counting as unemployed only those persons who are officially registered to the local unemployment agencies, but after receiving one year of unemployment aid they are eliminated from the evidence of the statistics, which does not mean that they found a job on the market. The "hidden unemployment" is estimated to be much higher than the official statistics show. In 2008, Romania recorded the second highest risk of poverty rate (17%) in Europe, and the highest rate of material deprivation (50%) after Bulgaria. The Gini-coefficient decreased in 2009 compared to 2008 from 36 to 34.6.

Major political changes occurred in 2010 due to changes of seven ministers in the „reshuffle program“. The reshuffle comes amid reports that the government Boc faced a non-confidence vote.

3. Governmental policies and legislation

The Ministry of Labour, Family and Social Protection operates as a specialized body of the central public administration. Responsibilities of the Ministry regard health and safety, employment, professional training, the classification of occupations in Romania and the mobility of labour and social security for migrant workers.

In May 2010, after a visit from IMF evaluators, President Băsescu informed, without any consultations, about the austerity measures that will directly affect the population. The government issued the Act 118/29 in June 2010, with effect from July 2nd 2010, setting out several austerity measures, despite the opposition of the trade unions: 25% reduction of the gross salaries of public workers, 15% reduction in unemployment benefits, VAT increase from 19% to 24%. Due to the austerity measures, taken by the Prime Minister, Emil Boc, three no-confidence votes were organized against him by the opposition. The PM survived all three votes as the government lawmakers from PDL abstained from voting to help ensure the no-confidence motions fails.

After the austerity measures the five national trade union confederations have formed a crisis committee and requested the President to urgently organize a meeting before signing the final agreement with the IMF. Unions have organized several protests both in Bucharest and in main cities in Romania. Due to protests announced by the union confederations, President Băsescu asked the Economic and Social Council (CES) on May 18 to endorse the Letter of Intent with the IMF. Though, the national trade union confederations voted against this, the employers' organizations abstained from voting while government representatives voted to accept.

Labour legislation is based on Law No. 53/2003, which represents the labour law (signed by major trade unions and employers' organizations and relevant ministries) and the collective labour agreement at national level for 2007-2010. A new labour law was proposed by the government in the late 2010, in order to improve flexibility, to better adapt to the realities of labour relations and to harmonize socio-economic situation of the Labour Code provisions with European Directives and ILO Conventions. Important changes enhance the extension of the probationary period and the notice period for leaving the company, the possibility that the employer can hire successively more than three persons on probation on the same job and that in “required” cases, the employer will be able to send an employee on an unpaid leave of absence for a period of maximum 15 days during a year. Also, according to the new Labour Law the employer may at any time criticize and lay-off a trade union leader for a delay or failure in his service duties, in comparison to the current Law where leaders cannot be dismissed during and two years after their mandate. The new law is highly criticized by the trade unions, stating that the new labour law is not in the employees favour, having too many obligations to the dismissal process and a high rigidity.

On December 5th, 2010 the Ministry of Labour has posted for public debate a new draft law on Social Dialogue Code. This project involves the abolishment of the trade union law, the Law regarding the settlement of labour disputes, the employers' organization law, the law on collective labour agreement, the Economic and Social Council Act, the law on social dialogue committees, in order to have all these regulations under one single code. Thus, it is much difficult to propose changes and implement changes on a code after it is approved, in comparison to change a law, due to the high level of bureaucracy. One important change in this law is increasing the percentage of employees

to form a union, from 30% to 51% of total employees. Therefore, in a company, you can establish only one union, instead of three, which facilitates the negotiation for the employer. Trade union confederations express their negative opinion on the new Law, and the proposal is still at the negotiating level.

A new change, which is already in force, occurred in the trade union law: union leaders had initially the possibility to work 5 days for trade union activities, without affecting their wages, but from now on, these days will not be paid by the employer.

In 2010, there has been a payment and job classification reform of the budget sector as a result of Romania's obligation to comply with the IMF Agreement: the reform of the budget group structure was adjusted to a 9 degrees structure in the administration family and the pay scale was reduced from 1400 scales to 140¹.

Since December 2009, the National Trade Union Confederation Cartel Alfa has been calling on the government to extend into 2010 the provisions of Law No. 268 regarding social protection measures. Due to the picketing done by the trade union members in January 2010 at the head offices of the Ministry of Public Finance, the government promoted Emergency Ordinance No. 4, according to which, during temporary closure of a business (through a scheme known as 'technical/temporary unemployment'), the government is undertaking to pay the contributions for social insurance due by employers and employees for a maximum period of three months, and the employees, who receive 75% of their basic salary, were exempt from income tax.

4. Industrial relations

At national level, there is a collective bargaining agreement for 2007-2010. Negotiations for a new collective bargaining agreement have not been completed due to the fact that the new proposal has not been signed by all parties involved. Thus, the previous collective agreement provisions will remain effective until a new contract is registered.

At branch level, various negotiations were held, and new collective agreements and annexes to contracts have been signed: metallurgical industry, where a collective bargaining agreement was not signed for four years, chemical industry, construction, public services, education, food industry, research and engineering, cement industry, and also civil conventions were signed at the Ministry of Administration and Interior. The main actions undertaken by the unions in 2010 were the protests against the government's austerity measures. Therefore, on May 7, 2010, a crisis committee was set-up by the five national confederations, and in May, June, July, October and November several large protests were organized. These actions did not help the unions to force the fall of the government. As a result, the unions and several employers' organization announced that they do not support the anti-crisis measures taken by the government, nor the IMF agreement.

In addition, unions:

- Filed three complains with the ILO: first was against the violation by the Government of Romania of the ILO Convention 95/1949 on Protection of Wages - due to this complaint, starting 2011, Romania is included on the list of special cases; second was because of the government's abuse, which established that the union leaders are part of the political class and therefore were required to make assets declarations; third was due to the abuse of the Autonomous State Protocol which doubled the rental charges for trade unions offices without earlier notice and without changing the rate for political

¹ According to Jeffrey Frank's (IMF mission representative in Romania) speech held at the conference with the social representatives from Romania (NGO's, research institutes etc.)

parties, as required by law. The three complaints were solved by ILO, whose resolution will be made public in March 2011.

- Sent a letter to the Congress of the International Trade Union Confederation (ITUC) requesting it to adopt a special resolution regarding the situation in Romania.

Unions offered free legal advice to employees who wish to take their cases before national courts or to the European Court of Human Rights. With their help, several employees won the cases in their favour. In 2010 confederations' successful negotiations led to a "national pact for employment and social stability" between the three social partners. Another common action of the five confederations, announced in late 2010, has been the suspension of participation in all Social Dialogue Committees or any other consultations in the ministerial and district committees, including Economic and Social Council. This was due to the situation in which the Government does not take into account proposals and demands of the social partners (employers and unions). A success was registered by the unions in the transport industry. Initially, a total number of 8,700 employees would be fired, according to the layoff plan, but due to union negotiations and the legal acts in force in the industry, eventually 900 employees were dismissed.

In the health sector and police sector due to the lack of funds, employees were not paid and therefore, instead of massive layoffs, they left voluntarily.

The agronomy industry is not any more subsidized by the EU or government and therefore local producers have lost their position against importers. Although trade unions have suggested various solutions to solve this problem, the Ministry of Labour has not taken any position.

A major conference attended by confederations in 2010 was the Congress of the International Trade Union Confederation (ITUC) in Vancouver. As a conclusion, the unions argued that workers should not bear the consequences of the crisis, they should not affect the employees, and therefore the austerity measures are not a solution.

National statistics provide no information about the trade union representativeness and number of members. According to the confederation, the number of members did not fluctuate significantly over the past three years, despite the rising unemployment rate. Although the industrial branch has suffered massive layoffs, the number of members has not changed as a result of the increase of the representativeness of trade unions in sectors of services, commerce and in the public sector.

In 2010 there were no trade unions mergers or fusions. Nor was any new organization formed.

Currently, there are 13 nationally representative employers' organizations in Romania. The official statistics do not provide data regarding the number of companies and employees for each employer representative organization. In May 2006, the Alliance of Employers' Confederations in Romania was established as an umbrella for nine employers' organizations and four professional associations. In 2008, the Alliance of Employer Organizations from Industry and Energy, the Alliance of the Confederations of Industrialists, Entrepreneurs and Employers from the Public Services Sector were established. Eleven of the 13 employers' organizations representatives at national level (without CP CONCORDIA and UNPR) are signatories of 'The Unique collective agreement at national level for 2007-2010'. In the last decade, the employers' organizations tried to perform steps to unification, though with no success.

5. Tripartite social dialogue

The bargaining at the national level is tripartite, involving the government, too. The result of the tripartite bargaining on the national level is fixed in the National Labour Agreement which is mandatory for all the employees and employers.

The activity of the Economic and Social council, which facilitates tripartite dialogue, has slowed down as a result of the increasing number of members from 37 to 45. According to law, government emergency ordinances, in order to move forward in the final process of execution, must have CES advice, which is not always followed. The council becomes a successful tool when the government informs the trade unions and employers and therefore the social partners are given the opportunity to make comments and proposals. Social dialogue itself is limited. Unions communicate the lack of presence of the members of government for the appointed meetings for social dialogue². Even though discussions take place, union proposals are not taken into account by the government when making decisions.

As a consequence of the evolution of the social dialogue, the five confederations have announced the suspension of the participation in all committees of the Social Dialogue or any other consultations in the ministerial and district committees, including the Economic and Social Council,

6. Forecasts

According to major institutions, GDP is expected to increase by 1.5% in 2011, and the budget deficit to reach 4.4% of GDP, from 6.6% in 2010. This will be possible if the European economy continues its growth trend and if we avoid internally, to issue contradictory and unexpected measures. Inflation is expected to decrease at 3.4% in 2011. The current agreement with the IMF expires in the spring of 2011. Therefore, the agreement is seen to be prolonged – most probably under a precaution agreement – in order to ensure reforms credibility and continuity.

The unemployment rate is expected to decrease to 7.8% in 2011, from 8% in 2010 although collective dismissals are anticipated in the public sector. Wage in real terms might increase by 0.4% in 2011, at national level. As of January 2011, the public sector wages will be 15% higher which will lead to a relative increase in the internal consumption in the second part of 2011.

According to the current level of negotiations regarding the new Law on Social Dialogue and the new Labour Law, it is probable that the versions proposed by the government will remain unchanged. Also, the new Labour Collective Agreement is expected to be delayed.

Annex

Collective bargaining system

Collective bargaining at national level sets national minimum pay and conditions which apply across the whole economy. Negotiations also take place in a substantial number of industries and companies. But it is only where unions are strong at company level that the significant improvements are negotiated. Overall the law provides detailed rules for collective bargaining. The result is that national level agreements, which are

² Data according to trade union communiqués

normally signed annually, cover all employees – in this sense collective bargaining coverage in Romania is 100% – and provides a minimum which can then be improved at industry and company negotiations. In order to be nationally representative, and able to negotiate at this level, a union confederation must be independent and have affiliates in at least half of Romania's administrative districts and a quarter of the country's industrial sectors. It must also have at least 5% of all employees among its members. At industry level, unions must represent at least 7% of the workforce to be representative, and be able to negotiate at this level, and at company level they must represent at least one third of the employees of the company. Currently, Romania has a three years national work agreement – from 2007 till 2010. Though for 2010 a minimum wage was set, the government reduced the amount of the public paid workers by 25%, even though Trade Unions do not sustain such measure.

System of tripartite social dialogue

Currently, the organization of tripartite social dialogue is as follows: the Economic and Social Council (Law no. 109/1997) – was established as a consultative structure of the Government and Parliament in 1997 and is composed of government representatives, representatives of trade unions and employers organizations representative, and is the main advisory structure in the national tripartite social partnership. Tripartite social dialogue takes place at sectoral and territorial level, being regulated by Government Decision no. 314/2001. A higher form of social partnership is the negotiation and signing of national social agreements. Also, the Government established a Department for Social Dialogue.

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.

Registered unemployed beneficiaries of money rights

Period	Oct 2010	2009	2008	2007	2006
Unemployed beneficiaries of money rights (persons)	329,182	435,497	143,549	367,838	166,833

Source: National Institute of Statistics INSSE

Pensioners

Period	Q1 2010	2009	2008	2007	2006
Pensioner (thousand persons)	5,695	5,676	5,685	5,726	5,785

Source: National Institute of Statistics INSSE

Education and vocational training

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 Law, art 189, 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 year vocational training schemes. Employers of 21 or less employees must provide vocational training schemes at least once every 3 years. When the employer fails to comply with the obligation to provide the funds for the vocational training of an employee, such employee is entitled to a paid leave of up to 10 working days or up to 80 working hours, for vocational training purposes.

The Ministry of Labour, Family and Equal Opportunities (MMFES), in cooperation with the ministries and other relevant bodies, elaborates the policies and strategies for the continuous vocational training. MMFES closely cooperates with the Ministry of Education, Research and Youth in order to articulate the correspondence between the initial and the continuous vocational training. The National Council for the Vocational Training of Adults (Consiliul Național pentru Formarea Profesională a Adulților, CNFPA) is also the national authority for the classification of professions (a tripartite body). ANOFM, also a tripartite body, carries out the active measures for the stimulation of employment, including vocational counselling, guidance, and training, and allocates the required financial resources from the unemployment fund.

According to the latest data provided by the National Institute of Statistics the number of persons which benefited from continuous vocational training increased from 257,790 in 1999 to 553,199 in 2005.

According to the UNDP the adult literacy rate was 97.6% in 2007. The school expectancy, which corresponds to the expected years of education over a lifetime and has been calculated adding the single-year enrolment rates for all ages, stood at 16.4% in 2008 in Romania, while EU average was 17.3%.

Employment rate

Period	Q2 2010	2009	2008	2007	2006
Employment rate (%)	9.8	9.1	9.2	10	10.6

Source: Eurostat

Average net monthly salaries (in €)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010	344	343	369	348	342	335	318	316	314			
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

* 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. In Romania, the concept of equal opportunities for men and women is promoted by specialized institutions, through multi-annual strategies and plans of action. In 2009, the 'National Strategy regarding Equal Opportunities between Women and Men for the period 2010 – 2012' prepared at the initiative of the National Agency for Equal Opportunities between Women and Men (Agenția Națională pentru Egalitatea de Șanse între Femei și Bărbați, ANES) was approved. During the 'ESTHR project - an integrated package of actions to stimulate the role of women in the Romanian society', co-financed by the European Social Fund, the National Trade Union Bloc (Blocul Național Sindical, BNS), opened on March 1, 2010, in Bucharest, the 8th centre dedicated to promoting equal opportunities and helping women who want to start their own small business. According to the National Institute of Statistics, in 2008 the difference between the average earnings of male and female employees as percentage of earnings of male employees, stood at 94% increasing from 87% in 2005.

Minimum wage (in €)

Period – bi-annual data	S2 2010	S1 2010	S2 2009	S1 2009	S2 2008	S1 2008	S2 2007	S1 2007
Minimum wage (€)	137.3	141.63	142.61	149.16	137.31	138.59	124.44	115.27

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 three-month reference period – the reference period may be up to 12 months in 11 specified sectors of the economy. Men's actual weekly working hours exceed women's by an hour or less. The legal annual paid leave is for 21 working days + 7 days of public holiday. In 2008, the average annual working hours in Romania were 288 hours higher (over 18% more) than those in France – the equivalent of about 7.2 working weeks in Romania. Working hours are set by the tripartite national collective agreement, which provides a minimum basic framework for employment conditions, but no sectoral agreement exists.

Normal work /atypical work (normal work means fulltime employment with permanent contract and contributions to social insurances)

Year	2009	2008	2007	2006
Total employees	9,026,865	9,369,121	9,353,326	9,313,267

1				
Full time employees ²	90%	90%	90%	90%
Part-time employees ³	10%	10%	10%	10%

Source: National Institute of Statistics

¹ 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.

² 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).

³ 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.

Unemployment rate

Period	Q2 2010	Q1 2010	2009	2008	2007	2006
ILO Unemployment rate	6.8	8.1	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.

Migration

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

Source: National Institute of Statistics

HDI

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

Source: UNDP

2010 International Ranking: High Human Development

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

Year	2009	2008	2007	2006
Gini Coefficient	34.9	36	37.8	33

Source: Eurostat

Collective agreement coverage

As stated in the “Collective bargaining system” annex, agreements on the national level, which are normally signed annually, cover all employees – in this sense collective bargaining coverage in Romania is 100% – and provides a minimum which can then be improved in industry and company negotiations.

Ongoing important collective bargaining agreements

A new labour law was proposed by the government in the late 2010, highly criticized by trade unions stating that the new labour law is not a priority right now and most of the newest articles are not in the employees favour.

Labour Law will be amended, and relevant changes are made to the following points:

- The employer shall have the right to establish individual performance objectives
- It will be denied a combination of more than two full-time positions with the same employer
- The probationary period will be extended from 30 to 45 days for execution and functions and from 90 to 120 days for a management positions. The project removes the ban on employing successivly more than three persons on probation for the same job.
- Notice period for leaving the company is increased from 15 to 20 days for execution and functions from 30 to 45 days for the management. Also from now on, the days are counted as working days, not calendar days, as before.
- The maximum legal duration of working time may not exceed 48 hours per week, including overtime
- The period of overtime that can be compensated for paid leave, will be extended from 30 to 60 days
- Compulsory continuous leave period decreases from 15 to 10 days
- Disciplinary misconduct cannot be punished anymore with the suspension of the employment contract
- The employer is allowed to hire new persons in the places of collective dismissal
- In “required” cases, the employer will be able to send an employee on unpaid leave for a period of maximum 15 days during a year

The current Labour Law provides that union leaders cannot be dismissed during their mandate and for a period of two years after, for reasons of fulfilling his trade union or professional problems. In the new Labour Law, however, the employer may at any time criticize a trade union leader for a delay or failure in his service duties, as the phrase “professional inadequacy” was removed.

Trade union density

National statistics provides no information on the number of trade union members and the representativeness of trade union organisations. According to trade unions the density stays at around 50%. According to the ICTWSS Database³ union density in Romania stood at 33.7% in 2007, calculated as the net union membership as a proportion of salary workers. Economic restructuring has sometimes substantially reduced the size and number of companies in traditional industrial sectors of Romania, and this has been reflected in the country’s trade union movement. This explains why the largest

³ 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

and most stable trade union organisations have emerged in the public sector, while the private sector suffers from a steady loss of membership.

Employer's organizations density

At present, there are 13 nationally representative employers' organisations. 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 both by legislation and by clauses in the national collective agreement, which is legally binding for all employers. 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. Workers' representation at the workplace is through the unions, although legislation does provide for employee 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.

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 by ITUC	International affiliation
Confederatia Nationala a Sindicatelor Libere din Romania-Frația (CNSLR – Frația, National Confederation of Free Trade Unions of Romania-Brotherhood)	800,000	520,000	ETUC, ITUC
Blocul National Sindical (BNS, National Trade Union Bloc)	375,000 (in 36 out of 41 districts)	150,000	ETUC, ITUC
Confederatia Sindicatelor Democratice	600,000 (in 20 out of 41 districts)	101,000	ETUC, ITUC

din Romania (CSDR, Democratic Trade Union Confederation of Romania)	of 41 districts)		
Cartel Alfa (National Trade Union Confederation "Cartel Alfa")	800,000 (in 39 out of 41 districts)	1,000,000	ETUC, ITUC
Meridian (National Trade Union Confederation "Meridian")	170,000 (in 41 out of 41 districts)	-	-

*The data regarding the number of members are provided by the trade union confederations.

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)	20.000	CNS Cartel Alfa	EMF
Federatia Sindicala a Siderurgistilor METAROM (FSS METAROM, Trade Union Federation of Steel Workers "METAROM")		CNS Cartel Alfa	EMF, IMF
Federatia Sindicala a Lucratorilor din Industrie - METAL (FSLI-Metal)		BNS	EMF
<i>Textile/clothing industry</i>			
UNICONF (Trade Union Central of Light Industry) Federatia Sindicala			ITGLWF, ETUF-TCL
CRAIMODEX CRAIOVA – Secteur Textile			ITGLWF
Federatia Sindicatelor din Confectii Textile Tricotaje (MARA)			ITGLWF, ETUF-TCL

Peltricontex-FRATIA			ITGLWF, ETUF-TCL
<i>Timber industry/ silviculture, plastic industry</i>			
Federatia Generale a Sindicatelor "FA- MILIA"			BWI, EFBWW
(FGS FAMILIA, General Union Fed- eration "FAMILIA")			
Federatia Sindicate- lor Libere din Indus- tria Lemnului	46.500		BWI, EFBWW
(FSLIL, Federation of Free Trade Un- ions in the Wood Industry)			
FSFMR (Romanian Federation of Forest and Furniture Work- ers)			BWI

Employers' Organisations

Employer's Organisations	Number of individual mem- bers	International affiliation
The General Union of Ro- manian Industrialists 1903 - UGIR 1903 (Uniunea Gen- erala a Industriasilor din Romania)	850,800 employees	N.A.
The Employer Confedera- tion of Romanian Industry CONPIROM (Confederatia Patronala din Industrie, Ag- ricultura, Constructii si Ser- vicii din Romania)	687,261 employees	N.A.
The Romanian Employers PR (Patronatul Român)	54,000 companies	N.A.
The National Union of Ro- manian Employers (Uni- unea Națională a Patronatu- lui Român) UNPR	10 employer organisations	N.A.
The National Confederation of Romanian Employers (Confederația Națională a Patronatului Român,	350,000 employees	N.A.

CNPR)		
The National Council of Private Small and Medium Enterprises (Consiliul Național al Întreprinderilor Private Mici și Mijlocii din România, CNIPMMR)	70.000 104 territorial organisations	N.A.
The National Council of Romanian Employers (Consiliul Național al Patronilor din România, CoNPR)		N.A.
The Romanian National Employers (Patronatul Național Român, PNR);		N.A.
The Romanian Association of Building Entrepreneurs (Asociația Română a Antreprenorilor din Construcții, ARACO)	350,000 employees	N.A.
The Employers Confederation for Industry, Services and Commerce (Confederația Patronala a Industriei, Serviciilor și a Comerțului, CPISC)	370,000 employees	N.A.
The National Union of Employers with Private Capital in Romania (Uniunea Națională a Patronatelor cu Capital Privat din România, UNPCPR)	70 territorial employer organisations	N.A.
The CONCORDIA Employers Confederation (Confederația Patronală CONCORDIA, CP CONCORDIA).	Four employer organizations	N.A.

* The official statistics do not provide data regarding the number of companies and employees for each employer representative organization.