



Industrial relations and social dialogue
**Romania: Developments in
working life 2023**

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Introduction

Romania's GDP was 2.2% higher in the first nine months of 2023 compared to the same period in 2022 (National Institute of Statistics, 2023). Agriculture and construction were among the sectors with the highest contribution to economic growth. However, a slowdown in real GDP growth is anticipated for 2024, due to high inflation restricting real disposable incomes, challenging financial conditions, and reduced external demand. In December 2023, the annual inflation rate was 6.61%.

Over the past 15 years, the minimum wage has seen annual increases. In 2023, the minimum wage increased twice: first at the beginning of the year to RON 3,000 gross (approx. €600), i.e., RON 1,821 net (approx. €364), then in October to RON 3,300 gross (approx. €660), i.e., RON 2,079 net (approx. €415). The number of employment contracts paid at the minimum wage reached 1.89 million in October 2023. The average net wage on the economy also increased, reaching almost RON 4,700 net (approx. €940).

The average number of employment contracts in 2023 was approximately 6.7 million, almost one million more than in 2013. The number of employees is lower, at 5.5 million, as one employee may have multiple contracts, but this also seems to be increasing compared to 2022, when the number of employees was approximately 5.4 million.

2023 was marked by various protests, especially among public sector workers dissatisfied with remuneration levels and the anticipated pension law that would eliminate special pensions for certain categories of public employees.

Following the implementation of Directive 1158/2019 on work-life balance, new legislative acts have been adopted in this matter: from telework days for parent employees to new leaves for employees with care responsibilities.

Political context

In 2023, there were no major developments for the biggest political parties in Romania, as they prepared for the upcoming European Parliament, local, parliamentary, and presidential elections scheduled for 2024.

According to INSCOP polls, the Social Democratic Party exceeded 30%, the National Liberal Party fluctuated between 17-20% throughout the year, and the Save Romania Union (USR) stood at 12%. The nationalist-extremist party, the Alliance for the Union of Romanians (AUR), continued its upward trend, fluctuating between 19-22%. In the last months of the year, AUR experienced a slight decrease, reflected in the rise of another party with an ultra-radical message - SOS Romania, which currently appears to surpass the 5% electoral threshold.

Currently, a centre-left bloc is taking shape with the Social Democratic Party (PSD) and the National Liberal Party (PNL), which can hope to win the elections and continue to form a government that can rely on a stable majority for the next four years.

It is worth noting that the coalition comprising the National Liberal Party (PNL), Social Democratic Party (PSD), and Democratic Alliance of Hungarians in Romania (UDMR) has been in power since November 2021. This coalition aimed to bring stability to the country's political landscape following prolonged turmoil caused by the COVID-19 pandemic and escalating energy costs.

Romania has taken a clear and firm stance, condemning Russia's invasion of Ukraine and striving to offer significant financial and humanitarian assistance. However, the repercussions of the war have swiftly affected Romania's economy, leading to its highest inflation rates since September 2003.

Actors and institutions

Social partners

The number of national representative trade unions remained the same as in 2022. These confederations are Confederația Națională Sindicală Cartel Alfa (National Trade Unions Confederation Cartel Alfa), Blocul Național Sindical, (National Trade Union Bloc), Confederația Națională a Sindicatelor Libere din România Frăția, (National Confederation of Free Trade Unions from Romania Frăția), Confederația Sindicatelor Democratice din România (Confederation of Democratic Trade Unions in Romania) and Confederația Sindicală Națională Meridian (Meridian National Trade Union Confederation). In 2023, four of them obtain national representativeness according to the new Social Dialogue Law. The four confederations are covering approx. 1,151,508 employees (approximately 20% of total employment), a figure that has largely remained stable over the last decade.

In 2023, as in 2022, there were four representative employers' confederations in Romania - Uniunea Națională a Industriașilor din România (The National Union of Industries of Romania), Confederația Patronală din Industrie, Agricultură, Construcții și Servicii din România – CONPIROM (Employers' Confederation of Industry, Agriculture, Constructions and Services from Romania – CONPIROM), Confederația Patronală Concordia (Employers' Confederation Concordia), Consiliul Național al Întreprinderilor Private Mici și Mijlocii din România (The National Council of Small and Medium Private Enterprises from Romania).

Social dialogue bodies or frameworks

The main social bodies remained unchanged in 2023. These bodies are:

1. The National Tripartite Council for Social Dialogue (Consiliul Național Tripartit pentru Dialog Social, CNTDS), a tripartite consultative body formed by representatives of the employers' organisations, trade union organisations, the Government, and the president of the Social and Economic Council. CNTDS is a consultative forum for setting the minimum wage at national level and for analysing governmental strategies and programmes. A new legislative change entered into force on 25 December 2022 (Law 367/2022) setting clear rules for convening the Tripartite National Council meetings, which must take place in the first month of each quarter of the year. The provision was introduced following repeated complaints of the trade union confederations regarding the failure of the CNTDS to convene meetings. In addition to the previous legislative provisions, the meeting of the CNTDS can also be convened at the request of two nationally representative trade union confederations or employers' confederations, if not convened by the Prime Minister, as the law stipulates.
2. The Social and Economic Council (CES), a bipartite consultative forum with a large area of competence (economy, taxes, labour, social protection, health, education, research, culture, and wages).
3. National social dialogue tripartite committees set at the level of national public authorities (ministries) and local social dialogue tripartite committees set at the level of local authorities (prefecture level).

The new law on social dialogue, no. 367/2022, which came into effect in 2023, is more favourable for social dialogue compared to the previous law, which it repealed.

Other working life related institutions

National Employment Agency launched the PULS integrated IT system (platform), which is developed within a European funded project. The platform will provide employers and jobseekers with several types of functionalities, and will integrate all the services provided by the Agency. The processes of reviewing/refining labour mediation activities, elaboration of labour market forecasts, analyses and studies, institutional communication with employers for granting/monitoring employment incentives (bonuses, subsidies, income top-up) are in the testing phase and will be implemented during 2024.

Developments in collective bargaining

Changes to the collective bargaining structures and frameworks

The Law on Social Dialogue, adopted at the end of 2022, underwent substantial modifications through [Government Emergency Ordinance no. 42/2023](#), approved by law in November. The amendments address:

- Terminological aspects - especially within the definitions of terms used in the law on social dialogue;
- New procedural aspects - regarding the acquisition of legal personality by trade unions and employers' associations, as well as the attainment of their representativeness;
- Mandatory inclusion of clauses for small and medium-sized enterprises (SMEs) in collective contracts at the level of sectoral or national collective bargaining;
- Detailed rules for territorial trade unions;
- References to collective bargaining conducted by public servants;
- New rules regarding participants in collective bargaining:

Level	From the Employer / Employers' Organization	From the workers
Company Level	The management of the company	Designated members of the representative trade unions in the unit (company).
		In the absence of a representative union, at the request and based on the mandate of non-representative unions in the unit (company), representatives of the representative union federation to which they are affiliated.
		If there are no representative federations at the sector level, representatives of a non-representative federation, if it is a member of a representative trade union confederation.
		If the above-mentioned organizations do not exist, representatives of all legally constituted non-representative unions at the unit level. They jointly designate a maximum of 10 representatives.
		If there are no unions at the unit (company) level, employee representatives elected by the vote of half plus one of the total number of employees in the unit and mandated specifically for this purpose.
Group of Companies Level	The person/persons mandated by the management of the units in the group to negotiate and sign the collective labour agreement	Designated members of representative federations at the group level together with legally constituted and representative unions at the unit (company) level in the group. Unions have the right to request the participation in negotiations of federations to which they are affiliated.

Collective Bargaining Sector Level	Representatives of employer organizations / federations according to the law as well as a representative of the representative employer organizations of SMEs	Representatives of legally constituted and representative trade federations.
		If there are no representative federations or they refuse to participate in negotiations, representation is done by nationally representative trade union confederations that have affiliated federations in that sector.
National Level	Designated members of representative employer confederations	Representatives of legally constituted and representative trade union confederations.

Source: Table developed based on the provisions of Law no. 367/2022 on social dialogue, modified by Emergency Ordinance of the Government no. 42/2023. See also R. Dimitriu, Consilier – Codul muncii [Advisor – Labour Code], Ed. Rentrop and Straton, 2023, N 20/003-004.

The sectors for collective bargaining have undergone repeated legislative changes. An initial Government decision determining these sectors, adopted in March, was repealed by Emergency Ordinance no. 42/2023. The procedure for classification into the 58 collective bargaining sectors, established by Government Decision 171/2023, was replaced in November by the current [Order no. 2311/2023](#). Collective bargaining sectors are important, since the Law on Social Dialogue no. 367/2022 mandates collective negotiations not only at the unit level but also at the sector level.

Data on collective bargaining

Since 2011 when the social dialogue legislation was amended, Romania's industrial relations' landscape has been characterized by a high concentration of collective bargaining at company level. As the legislation on social dialogue was amended again in 2022, in 2023 the concentration is still on collective bargaining agreements at company level.

Year	Number of collective labour agreements concluded at the company level				
	Out of total, by type of ownership				
	Total:	Public	Mixed	Private	Other forms
2018	6,700	937	38	5,668	57
2019	6,227	1,025	42	5,082	78
2020	4,335	414	29	3,842	50
2021	3,398	435	25	2,893	45
2022	6,946	905	53	5,900	88
2023 <small>(data from 1 September 2023)</small>	6,129	627	27	5,410	65

Note: Table elaborated based on the data Statistical bulletin on labour and social protection (2018-2023) elaborated by the ministry of labour

Source: <https://mmuncii.ro/j33/index.php/ro/transparenta/statistici/buletin-statistic>

As the table shows, the large number of collective bargaining agreements, approx. 80-85% is concluded at the company level. The difference between the total numbers of collective bargaining agreements signed are due to the duration of agreement. According to the social dialogue legislation, the collective bargaining agreements are signed for a fixed period of no less than 12 months and no more than 24 months.

The social dialogue legislation stipulates that in companies with at least 10 employees lacking a trade union, elected representatives, voted by at least half plus one of the total company workforce, can represent the workers' rights and interests. Furthermore, once concluded, a collective agreement covers all the workers in the company, including non-union members. Consequently, there may be more workers covered by collective agreements than there are members in trade unions.

One of the main objectives of Law No. 376/2022 was to address the imbalances generated by the regulatory formulas of the Law No. 62/2011. The new law on social dialogue also regulates measures to promote social dialogue and collective bargaining at all levels, including the national level, where the possibility of concluding collective agreements was reintroduced.

Subjects covered by the collective bargaining agreements may include:

- Setting the minimum grading coefficients by category of employees/workers, considering the relevant occupational standards,
- Measures adopted for the professional counselling and assessment of employees/workers,
- Measures relating to the harmonisation of family life with professional objectives, working time and rest time,
- Regulations on working conditions and those relating to the health and safety at work of employees/workers,
- Arrangements for informing and consulting employees/workers, which exceed this law.

Year	Number of workers covered by the collective labour agreements concluded at the company level	Number of workers covered by the collective labour agreements concluded at the sector level (health and preuniversity education)
2018	953,358	
2019	937,912	745,126
2020	571,005	
2021	524,886	769,619
2022	1,071,728	
2023	771,955	No data available

Note: Table elaborated based on the data requested to the Labour Inspectorate and on the data from the databases of the National Institute of Statistics (TEMPO)

Source: <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table>

As the table shows, the large number of workers are covered by the collective bargaining agreements concluded at the company level. The data regarding the workers covered by the collective agreements signed at the sector level are estimated on the information provided by the National Institute of Statistics. The Ministry of Labour is not publishing data on the number of workers covered by the agreements concluded at the sector level. The same situation is with the agreements concluded at the group of units / companies. It is very difficult to estimate the collective bargaining coverage as no data is adequate.

Collectively agreed pay outcomes and wage-setting mechanism

Nothing to report.

Collective bargaining and inflation

Collective bargaining in Romania takes place predominantly at company level. Two collective agreements at sector level were concluded in 2023 for the health and the pre-university education sectors. Eight collective agreements at group of units were concluded in 2023. The collective agreements were concluded at:

- the group of units in pre-university education sector in the counties of Iasi, Gorj, Braila (3),
- the group of units at the level of the Prosecutor's Office of the High Court of Cassation and Justice and subordinate units (1),
- the group of units at the level of the Ministry of Internal Affairs (1),
- the group of units at the level higher education sector (1),
- the group of units formed by the Cadastral and Real Estate Publicity Offices in 28 counties and the National Centre of Cartography (1),
- the group of units of the System of Mutual Aid Houses of Employees (1).

However, based on the available information, collective agreements typically do not include clauses on how to address inflation. In 2023, a singular clause related to inflation was included in the collective bargaining agreement within the health sector. This clause explicitly states, 'The *primum non nocere* principle is applied by referencing the impact of legislative interventions on the evolution of wage income for health employees. In this context, the drafting of the wage law should not result in decreased income for any health employee; the primary objective is to increase income for all employees. The increase in wage income must be at least at the level of inflation, without any ethical readjustments.' As mentioned, Romanian legislation stipulates that a collective agreement must be concluded for a minimum of 12 months and a maximum of 24 months. Therefore, new negotiation rounds occur frequently, theoretically providing the opportunity to adjust wages in accordance with inflation.

The nominal average gross wage has increased by 15.1% in November 2023 compared to the same month of the previous year (National Institute of Statistics, 2023), but the real wage earnings index represented only 107,9% compared to November 2022. This shows that the wages did not keep up with the inflation.

The most significant increases in average net wages were recorded in manufacture of machinery and equipment n.e.c. - 15.8%. Wage increased between 7.0% to 11.5% in various sectors such as the

manufacture of electrical equipment, printing and reproduction of recorded media, mining of metal ores, manufacture of furniture, manufacture of rubber and plastic products. Additionally, sectors like manufacture of paper and paper products, tanning and dressing of leather (including manufacture of luggage and leather goods, harness and footwear; dressing and dyeing of fur), collection and treatment of sewage, financial intermediation (except insurance and pension funding activities), other industrial activities n.c.a., manufacture of coke and refined petroleum products, water transport, manufacture of textiles, manufacture of tobacco products, research and development, manufacture of other transport equipment, postal and courier activities, saw raises between 4.0% to 6.5%. As of November 2023, some legal provisions eliminating tax incentives for some sectors have also entered into force.

Most significant decreases in average net wages were as follows: 5.8% in agriculture, hunting and related service activities and 5.4% in publishing activities; 1.0% to 5.0% in electricity and heat production and supply, gas, water heating and air conditioning, air transport, insurance, reinsurance and pension funding activities (except public pension funding activities), extraction of crude petroleum and natural gas, manufacture of computer, electronic and optical products, food processing, telecommunications, manufacture of other non-metallic mineral products, information technology service activities (including computer service activities), other mining and quarrying.

There is no evidence that the increase was due to collective bargaining. The National Institute of Statistics states that most of the increase is the result of the granting of occasional premiums (quarterly, annual premiums, for winter holidays, for special performances or achievements, 13th salary), rights in kind, amounts from net profit and other funds (including securities).

Developments in governmental responses to inflation

Several measures have been implemented to counteract the effects of inflation, with a focus on individuals with low incomes.

1. Starting from October 1, 2023, the [Government Decision no. 900/2023](#), has set the gross minimum wage per month to RON 3,300 (approx. €660). This represents the general minimum wage; for certain sectors, the minimum wage is higher. According to [Emergency Ordinance 93/2023](#):

- a. For the construction sector, the minimum gross basic salary is 4,582 (approx. €915) per month.
- b. For the agricultural sector and the food industry, the guaranteed minimum gross basic salary nationwide is RON 3,436 (approx. €687) per month.

2. Unemployment benefits and all social benefits linked to the Social Reference Indicator (ISR) have increased as of March 1, 2023, following a 13.8% increase in this indicator. Consequently, the value of the ISR rises from RON 525.5 (approx. €105) in 2022 to RON 598 (approx. €120) this year. As a result, the following have increased:

- Social assistance;
- Family support allowance (benefiting 133,276 individuals);
- Allowances for persons with disabilities (benefiting 837,947 individuals);
- Monthly placement allowance;
- Monthly allowance for young people opting to exit the social protection system and pursuing education or employment;
- Minimum amount of child-raising allowance;
- Minimum allowance granted during adoption accommodation leave;
- Adoption support allowance;
- Monthly non-repayable aid for refugees.

3. [Order no. 1415/2023](#) outlines new conditions for tax exemption of salaries for individuals engaged in computer program development activities. The Annex to the Order includes a list of occupations specific to these activities. According to the [Law no. 296/2023](#) on fiscal-budgetary measures to ensure the long-term financial sustainability of Romania, a clarification was added regarding this exemption, applicable until December 31, 2028. The exemption is limited to a threshold of RON 10,000 (approx. €2,000), for a single employment contract.

[Some studies](#) anticipate a slowdown in the real GDP growth to 2.2% in 2023, due to high inflation constraining real disposable incomes, harsh financial conditions, and reduced external demand, followed by a gradual acceleration throughout the forecast period. The labour market is projected to remain tight despite weaker growth, which will keep salary increases at a high level. The public deficit is projected to 6.3% of GDP in 2023, expected to decrease to 5.3% in 2024, and 5.1% in 2025, thanks to fiscal consolidation measures planned to be implemented in January 2024. The share of public debt in the gross domestic product is forecasted to reach 50.5% in 2025.

[Law 422/2023](#) on the state social insurance budget for the year 2024 has established the new level of the average gross wage used for the funding of the social insurance budget. For the year 2024, this amount is set at RON 7,567 (approx. 1520 EUR).

4. Legal measures affecting vulnerabilities of persons affected by the rising costs of living and energy:

- Food vouchers for vulnerable citizens¹

In May 2022, Romania introduced social tickets for food (known as food vouchers), for certain categories of vulnerable persons, in response to high inflation. In December 2022, the Government extended the program until the end of 2023, and clarified the definitions of eligible groups. During 2023, the government clarified which vulnerable categories received social tickets for food of RON 250 (€50) every two months. According to the government's initial estimations, included in the supporting documents of the legislation, three million people would have benefited from these vouchers every two months. The largest groups are 2.3 million pensioners (category 1) and 0.4 million persons with disabilities (category 2). The government has not published any report or assessment on the actual impact of the measure, during 2023.

- Energy card for vulnerable people²

In 2023, in response to the rising energy prices, Romania introduced a scheme of support for vulnerable consumers, known as 'energy cards' or 'energy vouchers'. The scheme offered direct financial aid of RON 1.400 (€280) per person in a vulnerable household and was paid in two equal allotments in February 2023 and September 2023. The aid is transferred on cards distributed by the postal services. The cards could be used until the end of December 2023, either for paying energy bills or for buying fuel (coal, wood etc.) from authorized sellers.

Between 20 February 2023 and 25 May 2023, 3 million payments were made through these energy cards. The total value of the amounts paid was RON 678 million (€135 million). Of the total amount of payments, 145,000, worth over RON 30 million (€6 million) were made through the online platform. Over 92,000 beneficiaries of energy cards used them for firewood. The amount paid, in cash, to compensate the cost of firewood is RON 62.4 million (€12.5 million).

¹ Eurofound (2020), [Food vouchers for vulnerable citizens](#), case RO-2022-20/2245 (measures in Romania), COVID-19 EU Policy Watch, Dublin.

² Eurofound (2020), [Energy card for vulnerable people](#), case RO-2023-5/3189 (measures in Romania), COVID-19 EU Policy Watch, Dublin.

Labour disputes and industrial action

Changes to the right to strike

The Law 367/2022 imposes fewer procedural conditions for triggering a strike compared to the previous law on social dialogue (62/2011) which stipulated that the decision to strike had to be taken by the trade union organisations entitled to negotiate the collective labour agreement and which have initiated the collective labour dispute, with the written agreement of at least half of the members of the trade unions concerned. According to the new law on social dialogue (367/2022), the decision to strike can be taken by the trade union organisations entitled to negotiate the collective labour agreement and which have initiated the collective labour dispute without any written agreement.

In the absence of representative trade unions, the decision to strike shall be taken by the non-representative trade unions with the written agreement of at least one quarter of the employees/workers of the establishment. For employees/workers in establishments where no trade unions are organised, the decision to strike shall be taken by the employees/workers' representatives with the written agreement of at least one quarter of the number of employees/workers in the establishment.

In practice, the decision to strike is not conditional on the existence of a trade union, as the right to strike is recognised for all workers. Regardless of the organiser, the procedure and legal provisions need to be adhered to. Usually, trade union organisations, which have the necessary human and material resources, declare strikes.

Data on industrial action

Year	Number of disputes	Sector of activity and number of conflicts	Number of employees		Index of participation %
			Total <small>For the units where collective labour disputes took place</small>	Out of which: involved in disputes	
2018	26	Manufacturing industry / 14, Transport and Storage/ 7, Information and Communications / 3, Public Administration and Defence / 1, Performances, cultural and	24,465	14,253 5,560 employees - Manufacturing industry sector 6,372 employees - Transport and Storage sector 7,184 employees - Information and Communications sector 484 employees - Public Administration and Defence sector 173 employees - Performances, cultural and recreate activities sector	58,49

Year	Number of disputes	Sector of activity and number of conflicts	Number of employees		Index of participation %
			Total <small>For the units where collective labour disputes took place</small>	Out of which: involved in disputes	
		recreate activities / 1.			
2019	26	Manufacturing industry / 11, Water distribution; Sanitation, waste management, decontamination activities / 2, Transport and storage / 5, Information and communication / 1, Professional, scientific and technical activities / 1, Public administration and defence; Social insurance from the public system / 1, Health and social assistance / 2, Entertainment, cultural and recreational activities / 3	30,630	22,461 17,282 employees - Manufacturing industry sector 1,402 employees - Water distribution; Sanitation, waste management, decontamination activities sector 2,605 employees - Transport and storage sector 308 employees - Information and communication sector 21 employees - Professional, scientific and technical activities sector 285 employees - Public administration and defence; Social insurance from the public system sector 674 employees - Health and social assistance sector 424 employees - Entertainment, cultural and recreational activities sector	73
2020	6	Manufacturing industry / 3, Financial and insurance activities / 1, Administrative and support	4,578	2,219 1,333 employees - Manufacturing industry sector 720 employees – Financial and insurance activities sector	48,47

Year	Number of disputes	Sector of activity and number of conflicts	Number of employees		Index of participation %
			Total <small>For the units where collective labour disputes took place</small>	Out of which: involved in disputes	
		service activities /1, Public administration and defence; Social insurance in the public system / 1		125 employees - Administrative and support service activities sector 41 employees - Public administration and defence; Social insurance in the public system sector	
2021	2	Wholesale and retail trade; repair of motor vehicles and motorcycles / 2	201	112	58,33
2022	14	Manufactory Industry / 4 Construction / 1 Transport and storage / 3, Information and communication / 1, Administrative and support service activities / 1, Public administration and defence; Social insurance in the public system / 1 Education / 1, Health and social assistance / 1, Entertainment, cultural and recreational activities / 1	4,199	2,686 312 employees - Manufactory Industry sector 75 employees – Construction sector 670 employees - Transport and storage sector 233 employees - Information and communication sector 132 employees - Administrative and support service activities sector 168 employees - Public administration and defence; Social insurance in the public system sector 139 employees – Education sector 757 employees - Health and social assistance sector 36 employees - Entertainment, cultural and recreational activities sector	63,96

Year	Number of disputes	Sector of activity and number of conflicts	Number of employees		Index of participation %
			Total <small>For the units where collective labour disputes took place</small>	Out of which: involved in disputes	
2023	15	Transport and storage / 2 Information and communication / 1, Public administration and defence; Social insurance in the public system / 1 Entertainment, cultural and recreational activities / 4, Wholesale and retail trade; repair of motor vehicles and motorcycles / 1, Health and social assistance/ 1, Manufacturing / 3	2,920	2,227 101 employees - Transport and storage sector 250 employees - Information and communication sector 22 employees - Public administration and defence; Social insurance in the public system sector 483 employees - Entertainment, cultural and recreational activities sector 144 employees - Wholesale and retail trade; repair of motor vehicles and motorcycles sector 459 employees - Health and social care sector 934 – Manufacturing	62,46

Note: Table elaborated based on the data Statistical bulletin on labour and social protection (2018-2023) elaborated by the ministry of labour

Source: <https://mmuncii.ro/j33/index.php/ro/transparenta/statistici/buletin-statistic>

During 2018-2022, there were no major conflicts, but mainly labour disputes, which were resolved through conciliation at both the Territorial Labour Inspection and company levels. Ministry of labour data indicates that 40 of the labour disputes were registered in enterprises with 301-800 employees.

During the pandemic, the Law no. 55/2020 extended de jure all the collective agreements, prohibiting the declaration, initiation or execution of collective labour disputes in key sectors such as the national energy system, the nuclear sectors, the continuous-fire units, the health and social care, telecommunications, public radio and television broadcasting, the rail transport, the public transport, sanitation, and the supply of gas, electricity, heat and water to the public.

In contrast to the preceding period of calmness, 2023 witnessed significant industrial actions, particularly notable in crucial and well unionised sectors like education, health, public defence etc., where the trade unions have resources to negotiate with the government.

Collective labour disputes in 2023

2023 was marked by numerous protests, especially among public sector workers, were driven by discontent with remuneration level and concerns about the proposed pension law aiming to eliminate special pensions for certain categories of public employees.

1. On May 22, 2023, a general strike was initiated in the Romanian education system, involving 150,000 teachers and an additional 60,000–70,000 educational and auxiliary staff. In order to end the strike, the government accepted a 25% increase in salaries in the education sector.
2. Between late May and early June, prison police officers launched a series of protests against the proposed changes to the special pensions' law. To defuse tensions, the Minister of Internal Affairs announced at that time that the salary increases for all 125,000+ employees and assured full allowances and other rights for police officers in the first budgetary adjustment.
3. The Federation "Solidaritatea Sanitară," representing the interests of doctors, announced a series of protests in late June, demanding salary increases, including for compensation for extra guard duties. Union representatives abandoned the planned general strike following negotiations with the government, as authorities committed to provide allowances for each category of personnel until the new salary law was finalized.

In June, the government's intention to reduce the value of pensions for magistrates sparked extensive protest actions among magistrates. Some prosecutor's offices and courts reduced their activity, effectively constituting a disguised strike (given that according to the law, magistrates do not have the right to strike). At the end of the year, the government proposed the disbursement of outstanding amounts, totalling 1.7 billion lei, to judges and prosecutors in staggered government securities. These amounts represent dues to magistrates who have successfully obtained additional financial rights through court decisions. Ultimately, through decisions of the Prosecutor General, Courts of Appeal, High Court, or CSM (Superior Council of Magistracy), i.e., through administrative acts, the rights secured by a few extend to all prosecutors and judges. Additionally, the government does not plan to adjust the special pensions of magistrates and specialized auxiliary personnel with the inflation rate in 2024. In early 2024, magistrates' associations have resumed their protests.

Developments in working time

Changes to legislation

Several new legal provisions concerning leaves came into effect:

- a) [Law no. 70/2023](#) amending art. 50 para. (1) of Law no. 273/2004 on the adoption procedure has extended the duration of **the adoption leave** for employees who have adopted a child from one to two years.
- b) [Law no. 179/2023](#) amending art. 26 (1) of Emergency Ordinance no. 158/2005 on leaves and health insurance benefits extended employee's **leave for caring for a sick child** until the child reaches the age of 12 (compared to the previous 7 years).
- c) [Law no. 342/2023](#) introduced amendments to Emergency Ordinance no. 158/2005 on leaves and health insurance benefits. The new act extends the scope of beneficiaries of **maternity risk leave** to include self-employed individuals, provided they conclude an optional insurance contract, in order to ensure the correct transposition of Directive 2010/41/EU on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity. The basis for calculating the maternity risk leave allowance is the average insured monthly income specified in the insurance contract.

Bargaining outcomes

A series of new Collective Labour Agreements have included rules regarding working hours that are more favourable than legal provisions. For example:

1. **Collective Labour Agreement no. 1199/2023 (pre-university education sector):**
 - The total number of overtime hours for an employee is limited to 360 hours annually, with union agreement (from one of the signatory trade union federations) required for over 180 overtime hours.
 - Teaching and non-teaching staff are entitled to a 20-minute meal break, included in the working schedule.
 - Employees have the right to paid days off for special family events or other situations.
 - The employer is obliged to grant a caregiver leave of 10 working days in a calendar year, at the written request of the employee (compared to the 5 days stipulated by the Labour Code).
 - Employees forgoing statutory leave for raising a child up to the age of 1, 2, or 3 benefit from a 2 hours/day reduction in the normal working hours without affecting their salaries and seniority.
2. **Collective Labour Agreement at the Level of the Health Collective Bargaining Sector for the years 2023-2025:**
 - Provides the right to up to 90 annual unpaid leave days, for personal matters.
 - Grants the right to unlimited unpaid leave in situations related to the health of the worker or their child.
 - A procedure for establishing shifts/employee allocation to shifts is to be negotiated, as a separate document, by the social partners in the first part of 2024.
 - The actual duration of annual leave is determined by the work experience of each employee.
 - In addition to annual leave, employees have the right to paid leave for special family events:

- a) Marriage of the employee - 5 days; b) Birth of a child - 3 days; c) Paternity leave - 10 days or 15 days, as applicable; d) Marriage of a child - 3 days; e) Death of the spouse, child, parents-in-law, and second-degree relatives inclusive - 5 days.
- Union members can take an extra year of unpaid leave after taking legal leave for caring for a child up to the age of 2
- The employee who interrupts legal leave for caring for a child up to the age of 2 benefits from a 2 hours/day reduction in normal working hours without affecting their salary and work experience.

Debates on duration and organisation

Firms are facing difficulties in organizing the weekly rest period, which in Romania exceeds the 48 hours stipulated by the Working Time Directive No. 2003/88. This is due to a recent decision of the Court of Justice of the European Union in Case C-477/21, which mandated the addition of the entire daily rest period to the weekly rest period, even if national legislation provides for a longer duration than the directive. Consequently, in Romania, workers benefit from at least 12 consecutive hours off (daily rest) plus 48 consecutive hours off (weekly rest), totalling 60 consecutive hours off at least once a week.

Notably, the Directive only obligated member states to provide 11 hours of daily rest plus 24 hours of weekly rest, totalling 35 consecutive hours off. As a result, a legislative [project](#) submitted to the Chamber of Deputies envisages the reduction of the weekly rest period to 42 hours for a period of up to 3 months in a year.

Other important policy developments

Regulations on employment status and contracts

[Emergency Ordinance no. 21/2023](#) addresses the Status of Professional Cultural Workers establishing the legal framework for individuals engaging in dependent activity, without having an employment contract, such as artists involved in cultural activities who have undergone tax registration. This ordinance reflects a new trend of the Romanian legislator aligning the extension of labour and social security law norms to those performing dependent activity without formal employment contracts. Both the Labour Code (as amended in October 2022) and the Law on Social Dialogue no. 367/2022 refer to "workers", in addition to employees, without listing the categories, potentially encompassing interns (governed by Law no. 176/2018) and day labourers (governed by Law no. 52/2011), alongside professional cultural workers.

Policies to reduce the gender pay-gap

PwC Romania's [analysis](#) (2023) on the gender pay gap in the Romanian labor market highlighted that discrepancies and potential areas of intervention are caused by differences in opportunities to access well-paid professions and jobs, rather than discrimination.

Moreover, the high share of unpaid work among women, including domestic and care work, limits educational and career opportunities, as does the 'penalty' of motherhood, creating a significant disadvantage evident in the pay gap increase in the age group with the highest incidence of motherhood.

Sectoral and occupational segregation, deeply rooted in cultural elements from childhood, directs women into lower-paid fields, even though the original reasons for this segregation (e.g., physical effort in certain activities) have disappeared. Differences in attitude and behavior, also influenced by cultural elements, favor men, who tend to be more assertive in negotiating their rights and are therefore better represented at the top of the statistical range.

Ernst & Young Romania's [analysis](#) reveals that Romania has the smallest differences in the electricity and gas sectors (2.1%), while in the professional and scientific sectors, there are negative figures, indicating that women earn, on average, 0.2% more per hour than men.

Furthermore, a draft proposal aims to amend Article 163 of Law no. 53/2003 - Labour Code to transpose the Directive (EU) 2023/970, by reinforcing the application of the principle of equal pay for equal work or work of equal value for men and women through pay transparency and enforcement mechanisms, overseen by the Ministry of Labour and the Ministry of Family, Youth, and Equal Opportunities.

Health and safety regulations and policies

Directive 2022/431 - Amendment of Directive 2004/37/EC on workers' protection from the risks related to exposure to carcinogens or mutagens at work, is currently being transposed into Romanian legislation under the responsibility of the Ministry of Labour. In 2023, a draft government decision was elaborated to amend and supplement government decision no. 1218/2006 on the establishment of minimum health and safety requirements at work to ensure the protection of workers against risks related to the presence of chemical agents. This decision amends and supplements the government

decision no. 1093/2006 establishing minimum safety and health requirements for workers' protection against risks related to exposure to hazardous carcinogens or mutagens at work. The European Commission will be notified in March 2024.

Work-life balance related policies

1. [Law no. 241/2023](#) amended the Labour Code granting employees with children up to the age of 11 the right to work in a hybrid manner, specifically 4 days a month working from home or teleworking. If both parents are employees, only one of them can benefit from this facility.

According to Law no. 81/2018 on teleworking, employers should provide the entire necessary material base for carrying out the activity. However, as an exception, parent-employees requesting to work from home for 4 days a month can only do so if they possess all the necessary means to fulfil their job responsibilities according to their job description. Therefore, the employer is only obligated to allow this category of employees to carry out their work remotely, not to provide the necessary equipment for doing so.

In the implementation of Directive no. 1158/2019 on work-life balance, other categories of employees can also request flexible work arrangements, including remote work, but the employer is not obligated to accept these requests.

2. Romania has implemented Directive 2019/1158 on work-life balance through several legislative acts, including Emergency Ordinance no. 164/2022 amending and supplementing Government Emergency Ordinance no. 111/2010 on parental leave and monthly allowance for child rearing. The ordinance extended the leave for the 'other parent' (i.e., the one not benefiting from child-rearing leave) from one month to two months. However, the provisions of the ordinance were not applicable until September 2023, as the Government had updated the Methodological Norms for the implementation of the provisions of Government Emergency Ordinance no. 111/2010. Only through [Government Decision no. 865/2023](#), adopted in September, did this right become effective.

3. [Law no. 140/2023](#) introduced into the Labour Code the right of the employee to suspend their individual employment contract while working as a foster parent, personal assistant to a severely disabled person, or professional personal assistant.

Life-long learning and skills development

Nothing to report.

Other topics

1. Digitalization of Employment Relations

a) At the beginning of 2023, a Special Committee of the Chamber of Deputies for Automation and the Future of Work was established. Its objectives are: a) analysing the domestic situation regarding job automation and its impact; b) drafting legislative proposals regarding the transition to the digital economy; c) developing public policy proposals regarding the future of work.

b) [Law no. 69/2023](#) amending and supplementing Law no. 227/2015 regarding the Fiscal Code currently exempts digital nomads from income tax and social contributions for the activity performed in this capacity on the territory of Romania if their presence, during a single or multiple periods, does

not exceed 183 days within any interval of 12 consecutive months, ending in the calendar year in question.

2. Labour jurisdiction

Until May 2023, Law no. 367/2022 removed the chapter on labour jurisdiction, causing widespread uncertainty regarding the competent courts to hear labour disputes and conflicts of competence between district courts and tribunals, for adjudicating labour disputes in the first instance. The issue was resolved with the entry into force of Emergency Ordinance no. 42/2023, which introduced rules for the resolution of labour disputes into the Labour Code. As per Article 269 of the Labour Code, cases related to individual labour conflicts and collective labour conflicts are now resolved in the first instance by the tribunal.

Commentary and outlook

Romania's economic growth continued in 2023. The government has not yet taken decisive anti-inflation measures, limiting itself to increasing the minimum wage twice in the same year. Together, these two increases led to a rise in the gross minimum wage from 2,550 lei (approximately €512 as at 28 March 2024) in 2022 to 3,300 lei (approximately €663) in 2023.

From a political perspective, although the main actors have remained the same, the rise of extremist parties, the Alliance for the Union of Romanians and SOS Romania, must be noted, which collectively are supported by a quarter of the electorate. The year 2024 will be crucial politically, with scheduled European, local, parliamentary and presidential elections.

The number of employment contracts in 2023 was approximately 6.7 million, almost 1 million more than in 2013. The enactment of the new Law on Social Dialogue, No. 367/2022, led to the conclusion of new collective labour agreements, including at sector level for health and pre-university education. However, the new collective agreements do not include provisions to respond to inflation; most of them merely reproduce legal provisions, adding rather marginal additional rights for workers.

Consequently, the Law on Social Dialogue, adopted at the end of 2022, underwent substantial modifications through Government Emergency Ordinance No. 42/2023. The amendments address new procedural aspects, such as the acquisition of legal personality by trade unions and employers' associations, conditions for obtaining legal representativeness, mandatory inclusion of clauses for small and medium-sized enterprises in collective agreements, detailed rules for territorial trade unions, and, most importantly, new rules regarding participants in collective bargaining. One change brought about by these amendments is that territorial trade unions can join trade union confederations, despite not having legal personality. The aim of a trade union is expanded to promoting professional, economic, social, cultural, artistic and sporting interests, and to defending individual and collective rights, as provided for in collective and individual employment contracts, collective bargaining agreements and service agreements, international covenants, treaties and conventions to which Romania is a party. Aiming to revitalise social dialogue, these modifications have increased the number of sectors for collective bargaining to 58 in 2023, compared with 30 prior to that.

2023 was marked by a considerable number of industrial actions and strikes, especially in the private sector. These targeted professional categories such as teachers, medical staff, prison police and even magistrates (although the latter, according to the law, are not allowed to strike). The government's intention to reduce the value of pensions for magistrates sparked extensive protest action among them, which consisted of postponing all but urgent cases for an indefinite period.

Following the implementation of Directive 2019/1158 on work–life balance for parents and carers, several new legislative acts provide workers with the right to additional leave and allow employees who are parents to work remotely for four days a month. The directive has been transposed since 2022, through Law 283/2022, which amended the Labour Code. Under the new law 241/2023, parents of children up to 11 years of age can request to work remotely for four days per month and the employer cannot refuse if (in a change from the previous version) the nature of the work allows it. The new law goes beyond the requirements of the directive.

Working time remains a focal point for the social partners, who included various provisions in the collective agreements concluded in this sphere. A decision of the Court of Justice of the European Union, which requires the accumulation of daily and weekly rest, has generated practical difficulties for companies, as it leads to the obligation to grant the worker 60 consecutive hours off each week.

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