



Industrial relations and social dialogue
**Romania: Working life in the
COVID-19 pandemic 2020**

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Introduction

The year 2020 was an atypical year for the Romanian labour market, characterized by a deep uncertainty and a reconfiguration of the working conditions.

While the pandemic affected all economic sectors, it severely impacted some of them, such as the hospitality sector or entertainment industry, in which the activity has been adjusted or even stopped to follow the rules for avoiding the spread of the virus. In essence, restricting the range of individual activities through 12 Military Ordinances¹ (between 17 March and 14 May, 2020) and starting with 15 May the ongoing “alert period” (Decision of the Chairman of the National Committee on Emergency Situation no 24/2020, monthly extended), meant that the working life had to be adjusted to the new reality. Working from home or working in adjusted schedules are just two consequences brought by the pandemic on how working life is structured.

Overall, according to the data provided by the National Institute of Statistics, the employment rate in the third trimester of 2020 was slightly lower than the employment rate in the third trimester of 2019 for most age categories: 80.9%, compared to 82.1% for people of 15-24 years old; 49.6%, compared to 48.9% for people of 25-54 years old; 24.7% compared to 25.6% for people of 55-64 years old and 7% compared to 7.8% for people of 65 years old and above. The unemployment rate (among those 15-74 years old) increased in Nov 2020 by 1.1% compared to the same month of the previous year, being equal to 5.1% (around 101,000 persons), lower than the highest level of unemployment during pandemic period (5.5% in July).

However, in terms of the duration of working week in the lockdown period (the second quarter of 2020, when the emergency state was established, the share of persons working less than 11 hours per week in total employment was 11.91% compared to only 1.72% in the second quarter of 2019, and 3.88% in the first quarter of 2020, while the percentage of those working 40 hours or more was 78.28% compared to 91.62% in the second quarter of 2019 and with 88.06% in the first quarter of 2020.

In terms of earnings, it could be observed an increase of 7.3% of the average net nominal earnings in November 2020 compared to the same month of the previous year. For the persons working in essential jobs the earnings increased by 3 to 13%: in delivery services by 12.8%, in ICT services by 10%, in health services by 9.3%, in sanitation waste management and decontamination activities by 9.2%, in education by 6.6% and in food industry by 3.4%.

¹ Military ordinances, during a state of emergency, are issued by the Minister of the Interior or by the Secretary of State, First Deputy Minister of the Interior, when the state of emergency has been established throughout the country.

Impacts of the pandemic on working life

Before the pandemic, the Romanian labour market was already facing a deep structural crisis, in which chronic deficits characterized activity sectors incident to COVID crisis management, respectively in the health sector, on the ICT experts' market, in education, production services, construction and some industrial fields (Vasile, 2020). That is why the coronavirus pandemic has only aggravated these aspects, despite all the measures taken to mitigate its negative impact.

The **employment rate**² according to the Household Labour Force Statistical Survey organized by the National Institute of Statistics (NIS), slightly decreased in the second and third quarters of 2020, compared to the same quarters of 2019 (from 53.7% in the second quarter 2019 to 52.1 % in the second quarter 2020). Also, the decrease was more significant for men than for women.

Some important changes appeared in 2020 regarding the **actual duration of the working week**, compared to 2019. Thus, there was a significant decrease in the share of employed people who work at least 40 hours per week, from 92% in Q2 2019 to 78% in Q2 2020. At the same time, the share of employed persons who worked less than 11 hours per week significantly increased, from approx. 2% to approximately 12%. Regarding the **status in employment**, more important dynamics in 2020 compared to the previous year took place in the categories "Employer" and "Self-employed". Thus, the number of persons in these two categories decreased in Q2 2020 compared to Q2 2019 by just over 7% each, while the number of those in the "Employee" category was more stable. Some activity-sectors had been more affected than the others in 2020, under the impact of COVID-19 pandemic. Thus, in the second quarter 2020 there were more pronounced decreases of the employment in *Financial intermediations and assurance* and in *Real estate transactions* (over 18% decrease in each sector), or in *Hotels and restaurants* (10.5% decrease), compared to the same quarter 2019.

Throughout 2020 the **monthly average net earnings** increased compared to the previous year. In April-May 2020, during the state of emergency, growth was very low (just over 2%), but in the following months, after the measures to reopen the economy, growth gradually as an average on 7.3% in November 2020 as against the same month of 2019

At the beginning of the COVID-19 pandemic, the National Institute of Statistics conducted an ad-hoc experimental statistical research to evaluate the implications of the pandemic on the economic activity in Romania (NIS, 2020a). Conducted between March and April 2020 and addressed to managers of enterprises in manufacturing, construction, retail and services the research shows an estimated turnover diminish by -32% in March 2020 and -40% respectively in April 2020 compared to the corresponding months of the previous year. The research was conducted on a sample of 8,831 economic agents, representative of the economic sectors and the total economy (NIS, 2020b).

The way in which the COVID-19 pandemic and the measures adopted to mitigate its negative effects affected the jobs and incomes of Romanians represented the subject of a survey conducted by the Romanian Institute for Evaluation and Strategy in May 2020, on a sample of 2,555 people over the age of 18. The survey results show that over a third of respondents (34%) consider that the pandemic did not affect their workplace, while 10% of them went into technical unemployment. Regarding the

² The share of employed persons in a certain age group in total population of the same age group.

impact on income following the state of emergency, for 63% of the respondents the income remained the same, while for 28% it decreased. 45% of respondents had less than 25% income reduction, 27% of respondents had between 26% -50% income reduction and 15% of respondents had over 50% reduction. 11% of respondents stated that they no longer have any income after declaring the state of emergency (Vasilache, 2020).

After applying government measures to resume economic activity and mitigate the negative effects of the pandemic on the economy, the largest online employment platform in Romania organized a survey between November and December 2020, on a sample of 3,752 employees (mainly from IT&C, trade / retail, industrial production, financial services) and 583 human resources (HR) managers from all over the country. As for employees, 65% have worked from home in the last year, and of these 40% have worked longer and more efficiently, while 40% have been quite often and very much affected by the lack of physical interaction. About 19% of employees lost their jobs, 16% went into technical unemployment and 11% had less work. However, almost half (49%) are confident about their job security, and 29% say they are very confident. Regarding the companies, a third of them (31%) made layoffs between June and December 2020, the most affected categories being employees with secondary education and unskilled ones. More than half of the companies (57%) completely eliminated the training and wellbeing programs (Undelucram.ro, 2021).

Also, in a study on the dynamics of relations between employees and employers in the context of the pandemic, conducted by Ernst&Young Romania it was found that 54% of employees are satisfied with their current job, only 10% of those active in the labour market surveyed say they are not satisfied or are interested in a new job. However, 46% of respondents say that the pandemic and the instability of the labour market determine them not to change their current employer. 53% of respondents want a more flexible work schedule from the employer, considering that this is more important than the location where the work takes place (physical presence at work / telework). One third of employees believe that teleworking should account for half of the time worked (EY Romania, 2021).

A series of studies analysing how the pandemic affects the Romanian society and economy were carried out immediately after the onset of the pandemic in Romania by several institutes of the Romanian Academy. The research mainly focuses on the quality of life in Romania during the pandemic, assessments of the macroeconomic impact of COVID-19 and the effects of the pandemic on the labour market and its vulnerabilities. Thus, it is mentioned the change of citizens' attitude towards the State, the concern for the quality of family life, the decrease of the inclination towards consumption, the increase of solidarity or the assumption of social responsibility (Zamfir and Zamfir, 2020). Estimates of specialized studies on the impact of COVID-19 on the national economy show a -7% decrease for the whole year 2020 (Albu, 2020). Recently, however, the INS announced that the decline in GDP in 2020 was 3.9%, a better level than the initial forecast (Roman, 2021). Among the effects of the pandemic on the Romanian labour market, which manifests itself in a precarious short and medium term employment we mention: reduction of general economic activity (the total number of suspended and terminated employment contracts exceeded one million, between April and May 2020), work schedule adjustment, increase in the number of unemployed, job reorganization, reducing the employment demand for professions in the fields that allow the substitution of work with technology, increase in the risk of poverty of informal workers, day laborers, increase in the number of temporary immigrants (Vasile, 2020; Chivu and Georgescu, 2020).

By the introduction of the telework system, the working time and rest time during the day are not clearly delimited. Working from home has led to an intensification and increase in working hours.

According to a study conducted between 30 October and 4 November, 2020 by the market research agency Wisemetry Research, 37% of respondents who experienced both office work and home work/telework regime, said that they work more, as time allocated, when they work from home. But the flexibility of the program is beneficial, about one-third of the sampled population said that they work more efficiently, they are more creative (Wisemetry Research, 2020).

Political context

The COVID-19 period overlapped with a rather changing political context in Romania, characterized by a transfer of power between political parties, i.e. the local and general (parliamentary) elections held on 27 September and respectively on 6 December 2020. At the local elections the National Liberal Party (PNL) ranked first, followed by the Social Democratic Party (PSD), this being the beginning of the power transfer process. Apart from these events, that constituted ample subjects in the public discourse and in mass media, the political configuration of the Romanian Parliament is also worth mentioning: with the highest number of votes in general elections and having held the executive power in 2017-2019, the Social Democratic Party (PSD) was isolated and, basically, placed in opposition after social unrests. The executive and legislative power went to the National Liberal Party (PNL), with the implicit or explicit support of other parties in the parliament. As such, PNL - which has appointed and led several governments before and after the elections (with two Prime-Ministers) - was the one who basically, steered Romania through the pandemic in 2020. The topic of the pandemic and how it was managed by the government became, among other things, a matter of political dispute, including the measures adopted, such as lock down and its effects on the economy, especially on small businesses. Even so, the stability of the government and its structure has not been threatened by the impact of the COVID-19 pandemic.

Governments and social partners response to cushion the effects

Most of the measures adopted by the Romanian authorities to counteract and mitigate the negative effects of the pandemic on the economy have been transposed into legislative regulations, most with temporary applicability.

As a first step, the government has initiated measures to reduce the impact of the spread of coronavirus, addressed to the labour market, with the main purpose of keeping jobs and of ensuring the social protection of employees whose activity has been suspended due to the effects of the spread of COVID-19. For all these measures to support the labour market the amount of RON 7.6 billion (€1.5 billion) was paid (until 28 October 2020), for approximately 1.4 million beneficiaries (Guvernul Romaniei, 2020). In this category, a first set of measures targets financial support for employees whose activity has been suspended or reduced as a result of the pandemic, like: the payment of an indemnity for technical unemployment for people in employment whose contracts were suspended as a result of the effects of COVID-19ⁱ; allowance for self-employed and non-standard workers, whose rights are not covered by any social protection mechanism, and whose activity was interrupted due to the impact of COVID-19 pandemic (professionals, apprentices, day laborers, self-employed)^{ii, iii}; technical unemployment benefit in case of epidemiological investigation^{iv}. Medical staff in the public health network, or civil servants employed in the public health directorates and prefect's institutions, involved in missions to prevent and combat the effects of the COVID-19 pandemic, benefit from a temporary increase in the basic salary, during the state of alert^v. Another package of measures addressed working arrangements, working schedule adjustment, safety at workplace, stimulating people to be active in the labour market and encouraging employers to use alternative forms of work. Thus, the possibility to reduce the working time, with the payment of an indemnity^{vi}, staggered work schedule, flexible working hours, job rotation formula, telework wherever possible^{vii}, paid leave for parents and carers for the purpose of childcare, during period when schools are closed due to “extreme situations”^{viii} - were also implemented in this period of time.

In a second phase of the fight against the pandemic, measures were adopted to activate the labour market, once the negative effects of the economic activity blockade have been assessed and they aimed to support employers and employees to ensure continued activity in all economy areas, for employment and business consolidation.

In order to support the labour market integration of returned Romanian workers, as well as some disadvantaged groups on the labour market, such as youth and elderly, the Government provided income support for employees aged 16-29 or over 50 years, as well as those Romanian workers who previously worked in other EU member countries, whose labour contract has ceased during the state of emergency and/or state of alert^{ix}. In order to support the employers in maintaining the workplaces, and to prevent raising of unemployment, the state offers financial support to employers who have had suspended the labour contracts of their employees during the state of emergency or applied for technical unemployment^x and financial support for teleworking, for the purchase of packages of technological goods and services necessary for carrying out these activities^{xi}.

Businesses also need State support during the pandemic. Thus, the State, through the Ministry of Finance provides fiscal facilities and financial support, in order to facilitate their access to finance and

to face the severe lack of liquidity during the pandemic time period. Some of the measures adopted refer to: secured loans for investments or working capital for companies^{xii}, temporary suspension of payment obligations for loans^{xiii}, tax relief for the payment of the specific tax offered for the companies in *Accommodation* and Food and beverage service activities^{xiv}, deferment of payment for utilities and rent for SMEs^{xv}. At the same time, by initiating state aid schemes, the State facilitated access to financing especially for some categories of SMEs that had difficulties in accessing bank loans (start-ups, SMEs which do not have consistent guarantees). In this category of measures we can include the “SMEs Leasing of Equipment and Machinery” program, to facilitate the access of SMEs to the equipment and machinery needed in carrying out their activity^{xvi} or “ELECTRIC UP” program addressed to the hotel industry for investments in renewable energy^{xvii}. Companies in other areas hard hit by the pandemic, such as civil aviation or agriculture^{xix}, also received financial aid.

In 2020, during the pandemic, the intensity and the quality of social dialogue was relatively weak. During the state of emergency (16 March 2020 - 14 May 2020), the debate between the social dialogue partners has been practically suspended (EGO no. 34/2020), which attracted the dissatisfaction of the confederation unions. As a consequence of the pandemic, all the collective bargaining agreements in place before the state of emergency remained valid during the state of emergency or the state of alert and up to 90 days after the end of the state of alert. In general, the Government consulted the social partners on the legislative projects to be adopted, especially through the Economic and Social Council, which has in its composition representatives of employers' organizations, trade unions, NGOs, civil society. However, this body has an advisory role regarding the normative activity of the Parliament and the Government.

The draft law with the amendments of the Law 62/2011 on Social Dialogue (which includes more permissive provisions for industrial relations) was adopted in the Senate in 2020 but it is still in the Chamber of Deputies (decisional Chamber) for debating in the specialized commissions. In October 2020, the representatives of the “Cartel Alfa” Trade Union Confederation appealed to the political parties represented in the parliament to vote on the draft law amending the Social Dialogue law no. 62/2011, in order to have functional mechanisms for workers' representation and collective bargaining. At the same time, they accused the representatives of the employers' confederations of blocking the adoption of this project.

ⁱ Eurofound (2020), [Indemnity for technical unemployment](#), case RO-2020-12/373 (measures in Romania), COVID-19 EU PolicyWatch, Dublin.

ⁱⁱ Eurofound (2020), [Allowance for self-employed and non-standard workers](#), case RO-2020-16/372 (measures in Romania), COVID-19 EU PolicyWatch, Dublin.

ⁱⁱⁱ Eurofound (2020), [Benefits for employees](#), case RO-2020-33/1397 (measures in Romania), COVID-19 EU PolicyWatch, Dublin.

^{iv} Eurofound (2020), [Technical unemployment benefit in case of epidemiological investigation](#), case RO-2020-30/1391 (measures in Romania), COVID-19 EU PolicyWatch, Dublin.

^v Eurofound (2020), [Temporary substantial salary increases for public health staff in the pandemic conditions](#), case RO-2020-33/1393 (measures in Romania), COVID-19 EU PolicyWatch, Dublin.

^{vi} Eurofound (2020), [Kurzarbeit: New short working time adopted](#), case RO-2020-33/1533 (measures in Romania), COVID-19 EU PolicyWatch, Dublin.

^{vii} Eurofound (2020), [Staggered work schedule for companies who can't apply telework](#), case RO-2020-45/1433 (measures in Romania), COVID-19 EU PolicyWatch, Dublin.

^{viii} Eurofound (2020), [Free paid days to parents for the purpose of childcare](#), case RO-2020-16/414 (measures in Romania), COVID-19 EU PolicyWatch, Dublin

^{ix} Eurofound (2020), [Income support for returning Romanian migrant workers, youth and elderly, case RO-2020-23/924 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^x Eurofound (2020), [Support to employers in keeping the workplaces, case RO-2020-23/923 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^{xi} Eurofound (2020), [Support for employers - teleworking, case RO-2020-33/1429 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^{xii} Eurofound (2020), [Secured loans for investments or working capital for companies, case RO-2020-12/529 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^{xiii} Eurofound (2020), [Temporary suspension of payment obligations for loans, case RO-2020-18/535 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^{xiv} Eurofound (2020), [Specific tax relief for companies affected by COVID-19, case RO-2020-15/925 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^{xv} Eurofound (2020), [Deferment of payment for utilities and rent for SMEs, case RO-2020-12/928 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^{xvi} Eurofound (2020), [SMEs leasing program for equipment and machinery, case RO-2020-38/1401 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^{xvii} Eurofound (2020), [Green energy for accommodation & food businesses, case RO-2020-37/1402 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^{xviii} Eurofound (2020), [Granting state aid for civil aviation, case RO-2020-34/1403 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

^{xix} Eurofound (2020), [State aid schemes for agriculture, case RO-2020-36/1404 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

How COVID-19 accelerated and disrupted working life policies and impacted social dialogue

Accelerated developments

The COVID-19 pandemic has forced the government to accelerate the regulation of telework in private and public businesses and to increase the digitalization in all activity sectors.

Romania was among the labour markets least adapted to digitalization, having the lowest share of employed people working “digitalized” and also with less flexible working time or share of remote employees than other countries. Almost a quarter of employees in the local economy were able to switch to working from home. In the business environment, the transition to "work from home" without suitable training or adapted digital devices was not a solution through which employees could carry out their activity without interruption. Therefore, the Government, through the GEO no. 132/2020 stipulates a payment of RON 2,500 (around €514) issued once to employers for each employee who has worked in teleworking arrangements for at least 15 days during the state of emergency^{xxx}. The amount is meant to cover expenses for goods and services that enable telework. Starting from November 2020, GEO no. 192/2020 provides the obligation of the employer to order remote working, whenever this is objectively possible. The employee can no longer oppose the employer's decision to carry out the activity remotely. In addition, the employer has the obligation to provide the means related to information and communication technology and/or secure work equipment necessary for the performance of work. However, the parties may establish by written agreement to use the employee's own equipment, specifying the conditions of use.

During the lock down period, the importance of the digitalization of the education system has been observed, the development of students' digital skills and last but not least their access to technology. To create a SMART school, a modern, accessible school, based on digital resources and technologies to ensure access to inclusive and quality education for all children in Romania, the Ministry of Education and Research launched at the end of October, the process of developing Strategy on the digitalization of education in Romania in the period 2021 to 2027. This strategy became a project of high priority in COVID 19 pandemic context (SMART.Edu, 2020). Also, in 2020 the Authority for the Digitization of Romania (Autoritatea pentru Digitalizarea Romaniei) was created, with the role of realizing and coordinating the implementation of strategies and public policies in the field of digital transformation and information society, under the coordination of Prime-Minister.

Social partners (National trade union bloc BNS) emphasize the fact that the project of the emergency ordinance concerning the digitalization of work relations should not be passed yet, as it might leave room for potential abuse like performing unreported overtime and undeclared work, exposing the workers to additional risks and uncertainties (not stating the place of work for employees, it is difficult for authorities to inspect them) (BNS Press Department, 2020).

^{xxx} Eurofound (2020), Support for employers - teleworking, case RO-2020-33/1429 (measures in Romania), COVID-19 EU PolicyWatch, Dublin.

Disrupted developments

The new Liberal Government imposed a series of financial restrictions which disrupted the previous regulations. Thus, although an important increase of the general minimum wage was initially established, this increase was later limited to only 3% (RON 70), up to a level of RON 2300 starting with 1 January 2021. Moreover, the increases planned initially for 2021, of the two minimum salaries specific to certain categories of employees, existing in Romania, were stopped: the minimum wage for higher education with at least one year of experience in the field of graduated studies was frozen at RON 2,350 (at the level of 2019), and the minimum wage in construction remains at RON 3,000 gross per month. Specialists expect that these measures will lead in the future to encouraging labour migration of young graduates, to deepening the numerical, structural and skills deficit on the Romanian labor market and to reduce consumption. The reactions of social actors to these measures were diverse. Thus, the employer's organisations demanded the freezing of the minimum gross salary in the country in 2021 at the level of 2020 (RON 2230), while the trade unions were dissatisfied with the increase granted by the government, requesting an increase of the minimum gross salary at country level to RON 2400. At the same time, starting with January 2020, the Government adopted a measure to eliminate the over-taxation of part-time contracts at least at the level of the minimum wage, regardless of the level of earnings. The measure intended to relaunch employment with reduced labour norms, but the lack of efficient control by the Territorial Labour Inspectorates has led to employment precarisation, job insecurity and employer abuses.

Impacts on the social dialogue and collective bargaining

The quality of social dialogue in relation to the government and the Economic and Social Council has been relatively weak during the COVID-19 pandemic period. During the state of emergency that was first declared on 16 March 2020 and ended 14 May 2020, the debate between the social dialogue partners has de facto been suspended.

Formal consultation of the social partners at the level of the Ministry of Labour and Social Protection and the Romanian Government were carried out within the framework of meetings of the Social Dialogue Committees and the Tripartite National Council for Social Dialogue. Most of the consultations issued by the government were only for information. Some of the projects have been submitted for analysis post-factum by the Economic and Social Council. In addition, the Economic and Social Council has worked with very tight deadlines and the votes have been sent online.

As a consequence of the pandemic, all the collective bargaining agreements in place before the state of emergency will remain valid during the state of emergency or the state of alert and up to 90 days after the end of the state of alert. The parties involved in such agreements are under the obligation of initiating collective bargaining in a timeframe not exceeding 45 days after the end of state of alert.

Other important policy developments

Throughout 2020, the dialogue between representative trade union confederations and the Ministry of Labour and Social Protection continued, as well as with the Romanian Parliament to amend the Law 62/2011 on Social Dialogue. The Romanian trade unions proposed several amendments, such as:

- Nowadays, a trade union organization is representative if at least 50% of its workers are trade union members. The amendment proposes to decrease this percentage to 35%.
- If there is no trade union representative at unit level, some employees should have the right to be the representatives for this unit
- the revision of the legal conditions for the organisation of trade union protest actions, etc.

The draft of the amending law of the Law 62/2011 on Social Dialogue was adopted in the Senate and currently it is in the Chamber of Deputies for obtaining the approval of the specialized commissions.³

The draft document for National Reform Plan for 2020 was submitted by National Authorities for consultation, electronically, to the attention of the social partners and other relevant institutional partners. However, no meeting or debates were held and even if the social partners sent their contributions to the draft document for NRP 2020, no feedback was received on the inclusion of their comments in the final draft of the NRP 2020.

³ Available online on http://www.cdep.ro/pls/proiecte/upl_pck2015.proiect?cam=2&idp=18732

Labour disputes in the context of the pandemic

In some key domains, such as energy, the nuclear sector, public health, social work, transportations, public television, radio, telecommunications, public utilities, starting, developing or continuing collective labour disputes have been banned for the period during which the state of alert is declared.

Some new sources of discontent are a direct consequence of the pandemic. An example could be from Botosani County, where the social workers at the Medical and Social Assistance Unit from Sulita are to work in 14 days shifts, being, basically, confined at work, alongside with the beneficiaries of the social services provided at the location. The county authorities arrived at this decision as to stop the spread of the virus. The decision has been contested by the IMPACT trade union in Botosani, affiliated to the “Cartel Alfa” Trade Union Confederation (Impact Trade Union, Dec 2020).

Major developments in working time regulation as a result of the pandemic

Legislation on working time

In early August 2020, the Ministry of Labor introduced a measure to support employers and employees, the "flexible work" or "kurzarbeit", which provided for the subsidization of the salaries of employees whose employers reduce their work schedule as a result of the decline orders registered by the company (Emergency Ordinance no. 132/2020, Art.1). The employer could reduce, during this period, the working time of the employees by a maximum of 50%. For this period, together with the salary due to the hours worked, the employees benefit from an indemnity of 75% of the difference between the gross basic salary initially provided in the individual employment contract and the gross basic salary related to the hours actually worked as a result of the reduced working time. The allowance is paid by the employer, afterwards settled from the unemployment insurance budget. So, the impact of the measure is divided between: the state, which pays the allowance, the employer - which pays the salary corresponding to a part-time job and the wage earners - whose earnings can go down to 87.5% of normal salary. At the beginning of December, the government amended the provisions on "flexible work", so that employers will be able to claim this allowance even if they reduce the working time of employees by 80% of the duration provided in the employment contract, according to MMPS (Emergency Ordinance no. 211/2020, Art.III_1). However, employers must pay their salaries in full and pay their contributions and then be reimbursed. This measure will be extended until 30 June 2021.

Collective bargaining on working time

As a consequence of the pandemic, all the collective bargaining agreements in place before the state of emergency will remain valid during the state of emergency or the state of alert and up to 90 days after the end of the state of alert. The parties involved in such agreements are under the obligation of initiating collective bargaining in a timeframe not exceeding 45 days after the end of state of alert.

Concerning working time duration or working time organisation in 2020, which occurred as a response to the COVID-19 pandemic, there were no collective bargaining outcomes according to available public information.

Ongoing debates on working time

Nothing to report.

Impacts of the crisis on wages and wage setting

The epidemiological crisis heavily impacted some activity sectors, and small and medium enterprises were especially exposed (as the size and notoriety of an enterprise increases, it stands to reason that the size/complexity of its safety net increases). This is why some social partners (namely employers' organizations) suggest that, in setting the statutory minimum wage, the pandemic should be considered: concretely, for 2021 they claim that the level of the minimum wage should be frozen at the value for 2020, or, at most, indexed with the inflation rate (Concordia Study, 2021). Thus, in January 2021, was established an increase of the minimum gross wage from 2,230 RON to 2,300 RON by Governmental Decision no. 4 of January 13, 2021.

The staff of the public health departments and of the prefect's institutions must perform in the context of the current pandemic a large volume of work (being required to work overtime sometimes). Moreover, there is an insufficient number of employees in these institutions. In this context, GEO no. 131/2020 Art. 1, solves a series of existing salary inequities between the specialised medical-sanitary staff and the public servants employed in these institutions, by the introduction of a benefit, starting with August 2020, a 30% increase in the basic salary, during the state of alert. The exceptions are the Executive Director and the Deputy Executive Directors of the Public Health Directorates, who will receive a 40% salary increase^{xxi}.

^{xxi} Eurofound (2020), [Temporary substantial salary increases for public health staff in the pandemic conditions, case RO-2020-33/1393 \(measures in Romania\)](#), COVID-19 EU PolicyWatch, Dublin.

What is new in working life in the country?

In the nine months of 2020 characterized by the pandemic, working life in Romania was affected by measures to restrict economic activity associated with COVID-19. Romania was among labour market less adapted to digitalization, having the lowest share of employed people working “digitalized” and also with less flexible working time or share of remote employees.

As a consequence of COVID 19 crisis, work from home and telework have extended during 2020 allowing the continuation of the companies' activity. The communication system in the business environment was modernized, the document circuit was digitized, receipts and payments were banked, all of them increasing the transparency of the business. Courier activities, ATM sales system, take-away and delivery planning depending on the customer, etc. were expanded. The transition to online education for all forms of education during the lockdown period highlighted the need for digital education for all - parents, children, teachers. Consequently, the working time and its distribution during the day became more flexible and modular. The clear delimitation between working time and rest time was reduced, but it was adapted to the employee's needs. The legislative framework regulating the duration and place of work has been adapted and the methods of measuring the actual working time have been diversified. The share of solving just-in-time work tasks has also increased, with the already obvious effects on the “right to disconnect”.

As a consequence of the COVID 19 crisis, the social responsibility increased. The opening of the cultural sector for mass consumption increased, through online access to cultural performances, shows, etc. New forms of cultural products have emerged through "online production", with the development of new jobs and / or new professions. Also, the application of the principles of social responsibility has extended to companies, small companies and in some cases in the public sector, employers providing their employees with the optimal solution to perform tasks - from health to counseling, training / digitization and teambuilding activities online.

The protection measures and restrictions during the pandemic have reconfigured the importance of different professions, trades and jobs on the labor market. The salaries of the personnel from essential activities were supplemented by special increases or other advantages in money and nature through the salary package, allocated from the state budget or through special funds from the EU. One sector whose importance has grown significantly has been the health sector. In the context of the pandemic, the importance of the quality of human resources, the need to reconsider working conditions and working time for all categories of medical staff - doctors, nurses, stretchers, etc. was reconfirmed, as well as the importance of ensuring adequate work equipment and the proper endowment of hospitals.

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