**Submission from Government of Romania**

1. How do you understand the term “informal economy”?

By the term “informal economy” (synonym with the terms hidden economy and underground economy), we mean a legal economic activity, but deliberately hidden from public authorities in order to avoid paying taxes, paying social contributions but also complying with certain legal provisions regarding the guarantee in payment of the gross minimum wage per country, the maximum number of hours worked, health and safety at work etc.

2. What are the examples of informal employment in your country?

Undeclared work, such as:

a) admitting at work a person without the conclusion of the individual employment contract in written form, at the latest on the day preceding the start of the activity;

b) admitting at work a person without submitting the elements of the individual employment contract in the general register of employees at the latest on the day preceding the start of the activity;

c) admitting at work an employee during the period he has the individual employment contract suspended;

d) admitting at work an employee exceeding the duration of working time established in the framework of part time individual work contracts

Under-declared work, meaning: the granting of a net salary higher than the one established and evidenced in the payroll and in the monthly statement regarding social contributions, income tax and nominal record of insured persons, as notified to the tax authorities

3. In which sectors (e.g. domestic work, agriculture, production, street sales, garbage collection etc) does labour exploitation take place? Please provide details on the nature and extent of such exploitation, including forced labour/service, domestic servitude and child labour, including its worst forms)?

Undeclared work occurs especially, without being limited to, sectors such as construction, services and agriculture.

8. What legislative and other measures are in place to address informal employment in your country?

The sanitary/health crisis, caused by the COVID-19 pandemic, led to reducing activity and for self-employed workers authorized individuals and employees without employment contracts.

The prohibition, suspension or limitation of economic activities, determined by the epidemiological situation generated by the spread of SARS-CoV-2 affected employees and employers, as well as other categories of professionals earning income from self-employment or other activities. An additional set of provisions to those enshrined in Law no. 53/2003 - Labour Code, republished, with subsequent amendments and completions, has been applied in their case

In addition to the measures intended to support employees, who work / are employed on the basis of individual employment contracts concluded with employers, the Romanian Government has initiated complementary support measures for other categories of workers, which aimed at compensating lost income, during the state of emergency and alert.

A. Thus, until March 31, 2022, in case of interruption of activity or limitation of work/ operational capacity, as a result COVID restrictions, the following categories of persons benefit of a monthly allowance of 75% of the average gross salary provided by the Law no. 318/2021 on the social insurance budget for the year 2022, payed from the budget of the Ministry of Labour and Social Solidarity:

* other categories of professionals defined by Law no. 287/2009 on the Civil Code, as republished, with subsequent amendments and completions, who are not employers and who interrupt their activity totally or partially, based on decisions issued by the authorities,
* persons who earn income exclusively from copyrights and related rights and who are unable to carry out their activity ;
* persons who have concluded individual labour agreements based on Law no. 1/2005 on the organization and functioning of cooperatives, with subsequent amendments and completions.

Also, persons employed on a sports activity contract, according to Law no. 69/2000, with subsequent amendments and completions, whose activity is suspended at the initiative of the sports club, receive an indemnity of 75% of their cash rights, amounting to no more than 75% of the average national gross earnings;

Additionally, the sports clubs and persons at art. 67, para. (1) let. a) - c) of Law no. 69/2000, with subsequent amendments and completions, have the possibility to negotiate and establish by mutual agreement the payment by the sports club of other compensatory allowances , intended to compensate for the financial loss.

Any persons not in the above categories benefit from a monthly allowance in the amount of 41.5% of the average gross salary, as provided in art. 3 of the Government Emergency Ordinance no. 132/2020, with the subsequent amendments and completions, and by art. 15 of the Law on the state social insurance budget no. 318/2021.

B. In addition to the above, day labourers (persons who carry out unskilled activities on an occasional basis, according to the provisions of Law No. 52/2011, as republished, with subsequent amendments and completions,), affected by the interruption or restriction of their activity as a result of the effects of the SARS-CoV-2, was granted from the state budget, for a period of 3 months, at the choice of the beneficiary of works, an amount representing 35% of the remuneration due for the working day was granted until June 30, 2021.

The Labour Code (Law No 53/2003, republished as amended), establishes sanctions for undeclared and under-declared work:

- admitting at work one or more persons without concluding an individual employment contract: a fine of RON 20 000 for each person so identified, without exceeding the cumulative value of RON 200,000;

- admitting at work one or more persons without submitting the elements of the individual employment contract to the General Register of Employees at the latest on the day before the start of the activity: a fine RON 20 000 for each person so identified, without exceeding the cumulative value of RON 200,000;

- admitting at work one or more employees during the period when he/she has their individual work contract suspended: a fine RON 20 000 for each person so identified, without exceeding the cumulative value of RON 200,000;

- admitting at work of one or more employees exceeding the duration of the working time established under individual work contracts with part time: a fine between RON 10 000 and RON 15,000 for each person so identified, without exceeding the cumulative value of RON 200,000;

- ranting a net salary higher than the one recorded on payroll and in the monthly statement regarding the obligations to pay social contributions, income tax and nominal record of insured persons, as notified to the tax authorities: a fine between RON 8 000 and RON 10 000 for each employee identified in this situation, without exceeding the cumulative value of RON 100,000.

9. What kind of complaint/complaint mechanisms exist for informal workers to address human rights violations, including contemporary forms of slavery?

Persons in this situation may petition the Labour Inspection as well as Territorial Labour Inspectorates.

10. Is the labour inspectorate in your country mandated to inspect the informal sector and take action if abuse/labour exploitation is detected?

Yes, it does, in addition to other legal provisions regarding cases of undeclared and under-declared work (see point 8).

12. What role, if any, do civil society organizations and trade unions play in preventing informal workers from being subjected to contemporary forms of slavery in your country? Please give examples.

According to the law, trade unions defend the rights provided in the national legislation, in the collective and individual employment contracts or in the collective agreements, as well as in the international pacts, treaties and conventions to which Romania is a party of, in order to promote the professional, economic and social interests of their members in relation with their employers.

Most trade unions, together with the Labour Inspectorate, act in support of transition from the informal to formal economy, by identifying and notifying situations of abuse.