
Labour Code Amendments

05 February 2015

In brief

Law no. 12/2015 modifying and completing the Labour Code has been published.

The amendments entered into force on 25 January 2015.

In detail

Seniority

Employee absences without leave and unpaid leave are deducted from seniority, with the exception of unpaid leave for training.

Termination in cases of retirement for disability

Termination of the labour contract in cases of retirement for invalidity occurs differently depending on the degree of disability. In the case of retirement for disability of grade III, the labour contract is terminated on communication of the retirement decision. In the case of disability of degrees I and II, it is terminated on communication of the medical decision over working capacity.

Temporary employee salaries

Temporary employees must receive for every temporary employment position a salary at least equal to that of an employee of the employer who provides the same or similar work. This provision also applies to temporary employment positions with employers outside Romania.

Annual leave

Temporary invalidity, maternity leave, maternal risk leave and leave for caring for sick children are considered periods of provided work activity when establishing the annual leave.

If the periods mentioned above happen during the annual leave, the latter is interrupted and the remaining days of the annual leave are rescheduled.

If temporary invalidity continues for the entire calendar year, the employer must provide the annual leave corresponding to that year, within 18 months of 1 January of the year following that in which the employee took medical leave.

Moreover, employees, for justified reasons, may not take all or part of the annual leave they had the right to during the respective calendar year. Employers must provide the remaining annual leave within a period of 18 months starting with the year following that in which this right appeared.

[Source: the Official Gazette of Romania no. 52 from 22 January 2015]

The takeaway

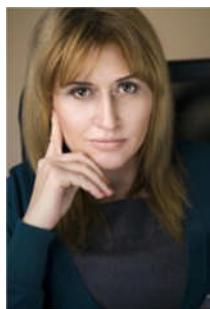
Employee absences without leave and unpaid leave are not taken into account for seniority, with the exception of unpaid leave for training.

The salary of temporary employees must not be less than that of an employee of the employer who provides the same or similar work.

Periods of temporary invalidity, maternity leave, maternal risk leave and leave for caring for sick children do not affect the right to annual leave. If the employees could not take all or part of their annual leave, they have to within 18 months of 1 January of the year following that in which this right appeared.

Let's talk

For a deeper discussion of how this issue might affect your business, please contact:



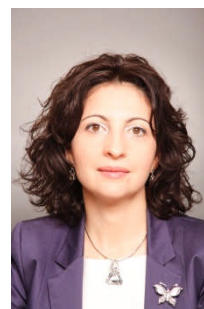
Mihaela Mitroi, *Partner*
mihaela.mitroi@ro.pwc.com



Ionut Simion, *Partner*
ionut.simion@ro.pwc.com



Daniel Anghel, *Partner*
daniel.anghel@ro.pwc.com



Diana Coroaba, *Partner*
diana.coroaba@ro.pwc.com

PwC Romania

Lakeview Building
301-311 Barbu Văcărescu Street
Sector 2, Bucharest
Tel.: + 40 21 225 3000
Fax: + 40 21 225 3600

This Tax & Legal Alert is produced by PwC Romania tax department.

Legal Disclaimer: The material contained in this alert is provided for general information purposes only and does not contain a comprehensive analysis of each item described. Before taking (or not taking) any action, readers should seek professional advice specific to their situation. No liability is accepted for acts or omissions taken in reliance upon the contents of this alert.

© 2014 PwC. All rights reserved. "PricewaterhouseCoopers" and "PwC" refer to the network of member firms of PricewaterhouseCoopers International Limited (PwCIL). Each member firm is a separate legal entity and does not act as agent of PwCIL or any other member firm. PwCIL does not provide any services to clients. PwCIL is not responsible or liable for the acts or omissions of any of its member firms nor can it control the exercise of their professional judgment or bind them in any way. No member firm is responsible or liable for the acts or omissions of any other member firm nor can it control the exercise of another member firm's professional judgment or bind another member firm or PwCIL in any way.