

News Flash

January 2015

As of 1st of January 2015, new minimum wage in Romania is RON 975.

According to Government Decision no.1091/2014, published on 11 December 2014 in Official Gazette of Romania no. 902, Part 1 minimum wage will increase in two stages in 2015. Thus, each quarter will bring a growth of RON 75.

As of 1st of January the new minimum wage shall be RON 975 per month, applicable to a full-time work schedule of 168 hours per month, and *applies during 1st January 2015 – 30 June 2015 period.* This new law provision is mandatory to be applied starting 1st of January 2015 by all employers that have employees registered with minimum wage.

A second growth will be applicable **starting 1st of July 2015, when the minimum wage will reach RON 1.050** applicable to a full-time work schedule of 168 hours per month. *This second increase applies during the period 1st July 2015 – 31st December 2015.*

Applicability:

There are various ways to apply above law provision, most often used being the issue of a collective decision applicable for all employees eligible to have their salary aligned with law provision.

At the same time there are employers that register this amendment into REVISAL without issuing any document that states the actual change. This approach is based on align .5 and align .3, letter k. from 17 article Labor Law provisions; these provisions is stated that “any amendment” brought to employees gross wage “mandatory requires drafting an addendum within 20 working days from the effective date of the change, **except those situations in which such an amendment is stated expressly by law**”. Thus it can be interpreted that, as the minimum wage is established through Government bill there is not necessary to issue a collective decision or individual addendums to make it applicable.

Through its vast experiences as an outsourcing company Accace was able to notice an uneven practice among Romanian Territorial labor Authorities, thus there were cases in which above approach was considered invalid by this authority and triggered corrective measures applied to employers.

Thus, as a preventive approach, Accace recommendation in order to have a solid documented background for applying this law change is to draft individual addendums for each active employee eligible for the change. These documents must be registered into REVISAL, no later than the 19th working day passed from their effective date. In this case no later than 29th of January 2015.

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