

BARSERVICE



Towards Smart Bargaining in the Care Sector in Romania



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Table of contents

Executive summary	1
I. Sector identification and trends	2
II. Current state of collective bargaining.....	7
III. Challenges to collective bargaining	9
IV. Towards Smart Bargaining	12
V. European Perspectives	13
VI. Conclusions	13
References.....	14
Annex	15

List of Tables

Table 1. Number of public administration institutions in social assistance sector (NACE 87) and the structure by size class (Annex)

Table 2. Number of enterprises of the private social assistance sector (NACE 87) and the structure by size class (Annex)

Box 1. The recent restructuring of the public social assistance sector in Romania

Box 2. Challenges faced by professional maternal assistants in Romania

Box 3. Workplace security challenges for social workers: physical and psychological risks

List of Figures

Figure 1. The evolution of the number of employees in the social assistance sector by type of employer

Figure 2. The evolution of the number of social assistance units by type of employer

Executive summary

The social assistance sector in Romania consists of a dominant public segment and a smaller, growing private segment. Public institutions such as DGASPC and local authorities provide most social services, employing over 96% of the workforce as of 2022. However, the number of public social assistance units has declined, reflecting reduced public sector presence. Private enterprises tripled from 121 units in 2015 to 339 in 2022, driven by growing demand. The private sector is structurally fragmented, with the majority of units having 0-9 employees.

The report follows a qualitative methodology based on the collection of primary data through structured interviews and the collection and analysis of secondary data. The interviews were conducted with leaders of organisations representative for participating in social dialogue in the examined sector. The organisations participating in this research are The “Sanitary Solidarity” Federation from Romania, FNS Pro Asist, Impact Trade Union, Columna Federation – Trade Union Pro Social Asist.

The social assistance sector in Romania faces a multifaceted collective bargaining framework marked by legal constraints, institutional weaknesses, and limited financial resources. This creates challenges in negotiating better working conditions and expanding union influence effectively.

Despite these challenges, on December 11, 2024, the first Sectoral Collective Labour Agreement in the social assistance sector was signed.

Collective bargaining is currently organized in a dual system: centralized for the public sector and decentralized for individual units. This system restricts wage negotiations, particularly in the absence of strong, organized employers' associations. The sector is hindered by union fragmentation, insufficient legal training for union leaders, and limited engagement from employers. Additionally, negative public perceptions about the profession reduce the attractiveness of union membership and limit recruitment.

I. Sector identification and trends

Sector description

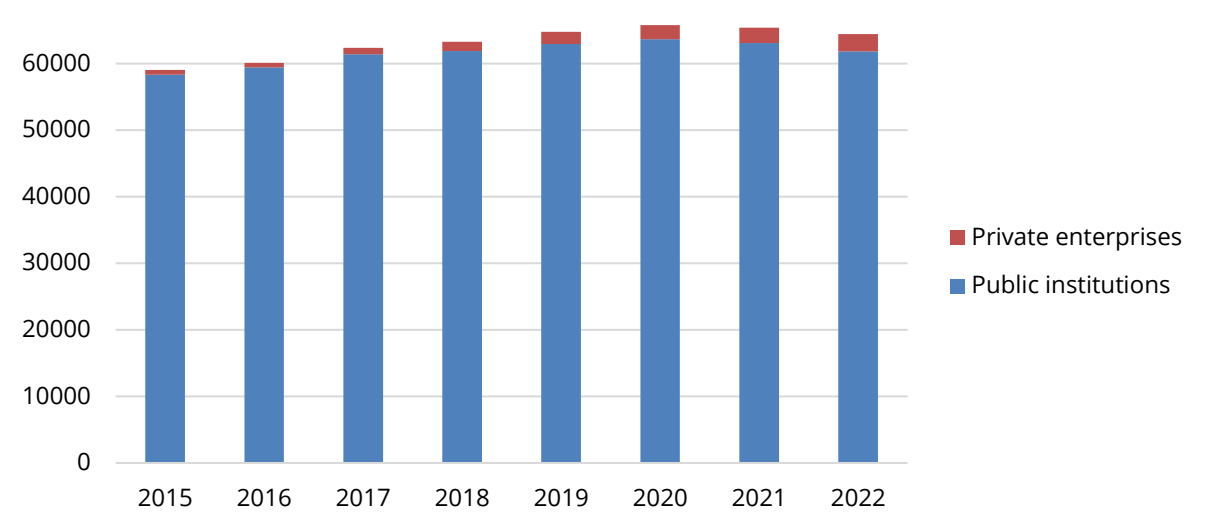
The social assistance sector in Romania is characterized by its dual composition: a predominant public sector and a smaller yet expanding private segment.

Public institutions include General Directorates for Social Assistance and Child Protection (DGASPC) and local authorities providing services for various vulnerable groups (e.g., children, persons with disabilities, elderly individuals, victims of domestic violence). The public sector dominates, covering approximately 95% of the workforce. The private sector remains small and fragmented. The private segment is primarily made up of smaller residential centres and service providers.

Public institutions employ the vast majority of the employees in the social assistance sector (in 2022, 61,843 employees, 96% of total employment). Private enterprises experienced steady and significant growth, with employment rising from 697 employees in 2015 to 2,574 employees in 2022. While public institutions continue to dominate employment in this sector, the consistent growth of private

enterprises highlights their increasing role in providing social assistance services (Figure 1).

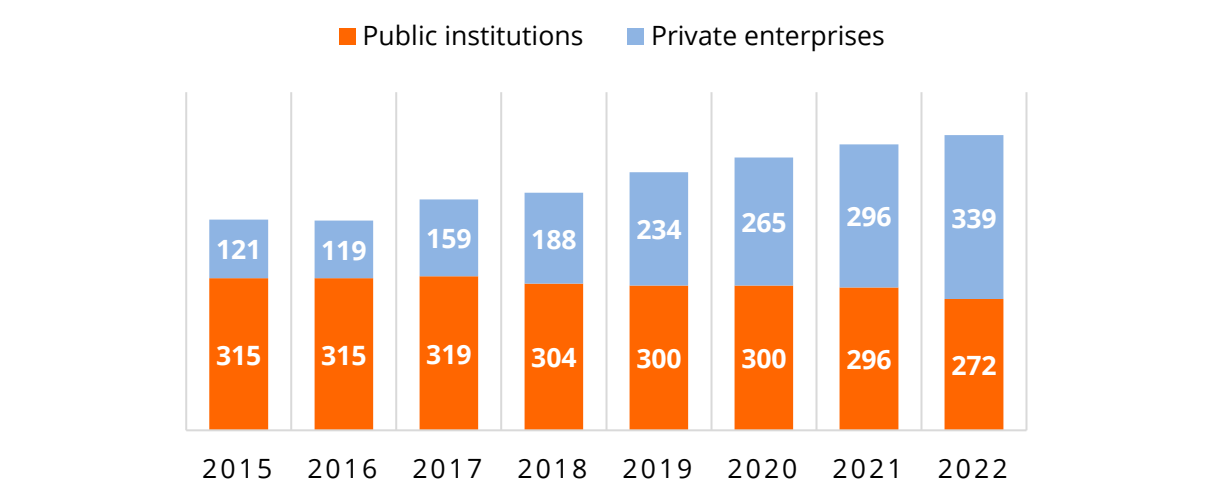
Figure 1. The evolution of the number of employees in the social assistance sector by type of employer



Source: National Institute of Statistics of Romania (2024)
Note: Data refer to NACE code 87 Residential care activities

The *evolution of public administration institutions in the social assistance sector* in Romania reveals a gradual decline in total institutions, decreasing from 315 in 2015 to 272 in 2022. This downward trend reflects a shrinking public presence in social assistance services over the past seven years (Figure 2). The detailed structure by type of employers and the size of units is shown in Tables 1 & 2 (Annex).

Figure 2. The evolution of the number of social assistance units by type



Source: National Institute of Statistics of Romania (2024)
Note: Data refer to NACE code 87 Residential care activities

The *private social assistance subsector shows an atomized structure* with an overwhelming presence of small enterprises. Existing statistics point to a structurally fragmented sector characterized by slow capacity development and limited scalability (Table 2, Annex). The evolution of the private social assistance sector in Romania from 2015 to 2022 reveals the following key trends based on the data:

- *Significant overall growth*: The total number of units has nearly tripled, increasing from 121 units in 2015 to 339 units in 2022. This indicates a growing demand for private social assistance services and the gradual development of this sector.
- *Dominance of small enterprises (0-9 employees)*: Units with 0-9 employees represent the majority throughout the period. Their numbers increased steadily from 102 in 2015 to 246 in 2022. However, the growth rate slowed slightly in recent years.
- *Expansion of medium-sized enterprises (10-49 employees)*: Enterprises with 10-49 employees show notable growth, from 17 units in 2015 to 92 units in 2022. The sharp increases from 2018 onward reflect an ongoing transition toward slightly larger and more capable organizations that can address higher demand.
- *Large private enterprises (50-249 employees)* remain extremely rare, fluctuating between 1 and 3 units across the entire period. By 2022, only 1 such unit remains active, underscoring persistent challenges for scaling up in this sector.

Key characteristics of the sector include a high dependency on public funding, a diverse range of social services (residential centers, home care, and child protection), and a workforce composed largely of caregivers, social workers, and administrative personnel.

The sector faces significant restructuring due to European legislative mandates, including the closure of large residential centres for children and people with disabilities. This shift toward smaller, community-based centres has led to job redistributions and organizational fragmentation.

In terms of employment, data from 2023 highlight increases in medical staff numbers, including a 10.6% rise in public healthcare employees and a 3.2% increase in auxiliary staff like caregivers. However, wages remain only slightly above the national average, contributing to staff migration toward the private sector or abroad.

The negotiation environment is complex due to legislative restrictions on salary negotiations in the public sector. Collective bargaining agreements cover bonuses, working conditions, job security, and professional development but exclude direct salary negotiations for public employees.

Key trends in recent years include:

- *Restructuring of services:* Large-scale residential centres are being phased out in favour of smaller, community-based structures. This is driven by EU mandates to deinstitutionalize care for children and adults with disabilities.
- *Workforce changes:* The workforce comprises diverse roles such as social workers, assistants, and personal care providers, many of whom operate in challenging conditions. New roles like professional personal assistants have emerged, especially in community reintegration programs.
- *Salary and workload disparities:* Workers face significant disparities in workload and compensation. Public sector salaries are regulated, while private sector pay and conditions are less predictable.

Processes affecting these trends

Legislative reforms: National legislation shaping the social assistance framework, including modifications to labour laws impacting workers' rights and contracts. The adoption of EU regulations has driven structural changes, particularly regarding residential care services. Obligations such as closing large institutions and integrating persons with disabilities into communities have reshaped service delivery models and increased demand for specialized staff. EU-driven mandates on deinstitutionalization and community-based care (e.g., smaller residential units for children and persons with disabilities). See Box 1.

Box 1. The recent restructuring of the public social assistance sector in Romania

The public social assistance sector in Romania has undergone significant restructuring in recent years, driven by obligations under European Union (EU) legislation. This restructuring reflects a shift in the social dialogue and approach to care for vulnerable groups, including children, individuals with disabilities, and the elderly. The core focus of these changes has been to dismantle large-scale residential centres and replace them with smaller, community-integrated structures.

For children, this process has led to the closure of large placement centres by 2023, transitioning care to family-type centres that house smaller groups, typically no more than 12 children. These changes were accompanied by an expansion of the professional maternal assistance network, which provides care for children under the age of 7. Since legislation prohibits children below this age from being placed in residential centres, Romania has implemented projects to recruit and train approximately 3,500 professional maternal assistants nationwide over the past five years.

In the area of care for individuals with disabilities, the restructuring effort aims to close large residential centres - some of which housed 300 to 400 residents, by 2025. These facilities are being replaced by smaller centres that accommodate no more than 50 individuals, in line with the goal of integrating persons with disabilities into the community. This approach involves developing networks of personal assistants and professional personal assistants. Personal assistants are typically family members providing care for relatives with severe disabilities, while professional personal assistants are trained, certified individuals employed by local social

services (DGASPC) to care for individuals with disabilities within their own homes.

This shift also aligns with Romania's commitments under the National Recovery and Resilience Plan (NRRP), which stipulates the reintegration of adults with disabilities into the community by 2036. The emphasis on community-based care and professionalized support networks marks a fundamental reorganization of the social assistance sector, aiming to balance quality care with enhanced integration and reduced institutional reliance. The restructuring has also been shaped by a priority to preserve employment for staff previously working in large centres while adapting to new organizational models.

Source: own research

Economic pressures: Budget limitations in public institutions lead to understaffing and overburdened employees. Limited public funding and the need to comply with new quality standards have intensified financial pressures on service providers. This affects staffing levels, service quality, and the ability to negotiate better working conditions. Private providers often operate at financial limits, leading to potential non-compliance with labour laws and instances of undeclared work.

Worker migration: Migration trends influence the availability of skilled social workers, with some opting to work abroad in better-paying sectors. The search for better wages and working conditions abroad continues to drive skilled workers out of the sector, creating recruitment and retention challenges domestically.

Although there is no exact official data on the number of Romanians working abroad in the field of home care, estimates suggest that a significant number of Romanians are involved in this sector in countries such as Germany, Italy and Spain. Italy is home to one of the largest communities of Romanians in the diaspora, with over 1.1 million resident Romanian citizens. In Spain, the Romanian community numbers over 1 million people. Many Romanian women work providing home care for the elderly. It is estimated that, in Germany, more than 750,000 women – most of them Romanian or from Eastern Europe – provide care to Germans, in whose homes they live (Jurnal de Emigrant, 2021).

Technological changes:

- ✓ *Access to information plays a crucial role in enabling dispersed employees, such as professional maternal assistants, to join trade unions remotely.* This capability is particularly significant given the decentralized and home-based nature of their work. By leveraging digital tools and communication platforms, these workers can stay informed about their rights, participate in union activities, and advocate for better working conditions without needing to be physically present at union offices. This approach not only strengthens their collective voice but also fosters greater inclusivity and representation within the social assistance sector.

For example, the Impact Botoşani union, which seven years ago represented only employees from the General Directorate of Social Assistance and Child Protection

(DGASPC) in Botoşani, has since expanded its membership across seven counties and 30 employers. This includes municipal social workers and local social assistance directors (DAS), even from outside their traditional geographic base.

Also, at DGASPC Braşov, union membership grew from 3 individuals 7 years ago to 170 members today, highlighting how providing options and actively addressing workers' needs can strengthen union representation.

- ✓ Introduction of management and reporting tools in the public sector aimed to improve operational efficiency. Digitalization in administrative processes and service management has slowly improved operational efficiency but also increased administrative workloads.
- ✓ Efforts are being made to create databases for beneficiaries.
- ✓ However, the personal interaction and human empathy required in social work cannot be replaced by technology, making digitalization a supportive tool rather than a complete solution.

II. Current state of collective bargaining

On December 11, 2024, the first sectoral Collective Labour Agreement for the social assistance sector was signed. On December 17, 2024, the agreement was officially registered with the Social Dialogue Directorate of the Ministry of Labour. Its provisions currently apply to public social assistance units and units whose representatives participated in the negotiation or adhered to the agreement, with the possibility of extending its application to private units through an *erga omnes* decision by the National Tripartite Committee.

Levels of Collective Bargaining relevant to the sector

Collective bargaining in the Romanian social assistance sector takes place at two key levels:

1. *Sectoral level*: This includes negotiations between representative trade federations such as FNS Pro Asist, SANITAS, and Federation Columna with relevant ministries (Ministry of Labour and Ministry of Family). Agreements at this level establish minimum employment standards applicable across the entire public sector.
2. *Unit level*: Individual institutions, particularly public social service providers like DGASPCs or local social services, may negotiate specific agreements if unions are present and hold at least 35% representation.

Actors in collective bargaining

Trade Unions and Federations:

- FNS Pro Asist, representing only the social assistance sector, focusing on public sector workers.
- SANITAS, covering both health and social services.
- Columna TU Federation, involved in both public administration and social assistance.

Employers (public sector):

- Ministries: Ministry of Labour (for adults' social assistance) and Ministry of Family (for children's social assistance) are key negotiators at the sectoral level.
- Local authorities: County councils and municipal governments function as employers for public service workers.

The most notable change has been the formal recognition of FNS Pro Asist as a representative union for the social assistance sector following a court ruling in 2021.

Increased cooperation between unions and representative bodies at local levels has emerged due to legislative changes mandating broader participation in negotiations.

Characterization of collective bargaining

Collective bargaining in the sector is centralized at the sectoral level and decentralized at the unit level. The sectoral agreement serves as a framework contract, while unit-level agreements can add specific provisions where applicable.

Strengths:

- *Broad coverage*: Sectoral agreements cover a wide range of institutions, ensuring a basic level of protection for many workers.
- *Legal framework support*: The existence of a legislative basis (Law 367/2022 on Social Dialogue) ensures negotiation procedures are clearly defined.
- *Representation across levels*: National federations ensure that even non-representative unions can be involved through mandates from larger representative organizations.

Weaknesses:

- *Limited scope*: Public sector agreements cannot cover salaries due to legal restrictions, limiting bargaining to bonuses, non-salary benefits and working conditions.
- *Fragmentation*: The presence of small and dispersed employers complicates representation efforts.
- *Low engagement from employers*: In the private sector, employers' participation is minimal due to lack of financial incentives or organizational structures.

Power relations in bargaining

- Public authorities hold significant decision-making power, especially regarding budget allocation and policy creation.
- Employers' representatives (ministries) have become more procedural, adhering to legal obligations without showing additional willingness to engage.
- Trade unions rely on legal mandates and collective pressure to influence negotiations, with limited power over salary negotiations.
- Legislative reforms, particularly the adoption of Law 367/2022, have formalized union involvement but maintained restrictions on wage negotiations.

In the last decade, the coverage of collective negotiations in the social assistance sector in Romania has seen a slight expansion due to the creation of new trade union federations, which have strengthened representation at the sectoral level, especially in the public sector. However, the involvement of the private sector remains limited, mainly due to financial constraints and the absence of well-structured employers' associations.

III. Challenges to collective bargaining

Based on the interviews, several key challenges affecting collective bargaining in the social assistance sector have been identified:

1. *Fragmentation of trade unions*: The sector includes numerous small service providers, local public authorities, and private centres, making union organization difficult. Workers are geographically dispersed, with some working from home (e.g., personal assistants and foster caregivers).
2. *Limited employer engagement*: Private employers show limited interest in participating in collective bargaining due to low profitability and the absence of strong employer organizations. During an interview, situations were reported in which employment seekers were told not to become union members right from the job interview at private employers. Some public employers are reluctant to engage, since wages in public sector are set by law.
3. *Legal and institutional barriers*: Legal restrictions prevent public sector unions from negotiating salaries directly, limiting their focus to non-salary benefits. Ambiguous legislative provisions cause disputes during negotiations, particularly regarding what benefits can be negotiated.
4. *Insufficient union capacity*: Many union leaders lack legal or negotiation training, reducing their effectiveness in complex bargaining processes.

Resource constraints limit unions' ability to conduct in-depth research or hire legal experts.

5. *Negative public perception and low union trust*: Public misunderstandings about the social assistance sector's work, amplified by negative media coverage, harm unions' credibility. Workers often distrust unions due to perceived limited results in negotiations.
6. *Workforce issues*: High emotional and physical stress leads to workforce burnout and high turnover, complicating long-term union organization efforts. Gender imbalances persist, with the majority of workers being women in traditionally lower-paid roles. See Box 2.

Box 2. Challenges faced by professional maternal assistants in Romania

A significant problem identified in Romania's social assistance system is the treatment of professional maternal assistants who care for children or individuals with disabilities placed in their homes. Despite their demanding role, this category of workers is excluded from the provisions of the Labor Code. Specifically, they are not entitled to a standard vacation as other professions are. According to Law 272/2004 on child protection, they are legally required to take their annual leave along with the children in their care.

The situation places a heavy burden on maternal assistants, who must not only provide their homes and care for the children placed with them but also manage their own families and personal well-being. The lack of adequate support and recognition of their labour intensifies the challenges of working in social assistance, creating an unsustainable and inequitable framework for these professionals.

This arrangement effectively denies them a true break from work, as they continue their caregiving duties during their supposed time off. Efforts to challenge this system in the Constitutional Court and the European Court of Justice have been unsuccessful, as the courts have upheld the state's authority to organize such matters as it sees fit. As a result, these workers perform unpaid labour during their vacation periods, leaving them without compensation or proper respite.

Source: own research

The following possible measures to address identified challenges were discussed by participants in this research:

1. *Improving union capacity and training*:
 - Legal and negotiation training for union leaders was suggested as essential.
 - Building professional teams within unions to provide research-based support during negotiations.
2. *Increasing employer engagement*:
 - Promoting the formation of employer associations in the private sector.

- Encouraging employers to participate by highlighting long-term benefits of collective agreements, such as improved retention and reduced turnover.
3. *Legal reforms and clarifications:*
 - Revising legislation to expand the scope of negotiable issues beyond non-salary benefits in the public sector.
 - Establishing clear legal frameworks to reduce disputes during negotiations.
 4. *Strengthening union organization:*
 - Expanding union outreach efforts to include more geographically dispersed and hard-to-organize workers.
 - Supporting the creation of new unions where representation is lacking.
 5. *Enhancing public awareness and media strategies:*
 - Developing public campaigns to raise awareness about the social value of social assistance services.
 - Partnering with media outlets to improve coverage of the sector's challenges and workers' efforts.
 6. *Use of technology and data-driven advocacy:*
 - Investing in data collection and management tools to strengthen unions' negotiation positions with well-supported evidence.
 - Creating centralized online platforms for organizing, communication, and collective bargaining support.

A critical issue in bargaining is the lack of legal and institutional protection for social workers. Current legislation tends to prioritize the rights and well-being of beneficiaries while offering minimal safeguards for the employees responsible for their care. This legal gap leaves social workers exposed to various workplace hazards without adequate recourse or support.

Box 3. Workplace security challenges for social workers: physical and psychological risks

Social workers face significant workplace security challenges due to the demanding nature of their responsibilities. They work with individuals who have severe disabilities, neuropsychiatric conditions, and minors institutionalized for committing serious crimes. This environment exposes them to frequent physical risks, including being pushed, hit, or having objects thrown at them. Such incidents can cause both immediate injuries and long-term health problems, affecting their overall well-being.

The psychological toll on social workers is considerable, stemming from the constant fear of being harmed while on duty. Many employees report feeling anxious and stressed, knowing that a routine workday could escalate into a dangerous situation. This sense of vulnerability is

heightened during night shifts, where one staff member, often a woman, may be responsible for supervising multiple adolescents, some with violent histories. Working alone in such high-risk settings increases the likelihood of dangerous incidents.

Source: own research

IV. Towards Smart Bargaining

Smart bargaining in the social care sector requires a collective bargaining process based on sound data, supported by well-trained social partners and carried out within a clear legislative framework. According to the information provided by trade union representatives, smart bargaining should ensure the constant improvement of working conditions, cover as many workers as possible and create a real balance between employers and employees. This involves active collaboration between trade unions, employers and public authorities to define standards and rights that go beyond the minimum legal requirements. In the social care sector, smart bargaining should include customized collective agreements that take into account the particularities of each type of service offered, as well as the specifics of the workforce.

In order to increase the coverage of collective bargaining, it is necessary to involve several relevant actors, both from the public and from the private sector. First, unions need to strengthen their organizations and develop their bargaining capacities by recruiting legal and economic specialists who can turn available data into strong arguments in negotiations. The private employers must be motivated to participate in negotiations, either through tax benefits or awareness campaigns highlighting the economic advantages of collective agreements.

An essential element of smart bargaining is the harmonization of legislation with the needs of the labour market. For example, it would be beneficial to extend the mechanism for extending collective labour contracts also in the private sector, as well as to create a clear procedure for the automatic extension of these contracts in the absence of representative employers' organizations.

In the long term, smart bargaining in the social care sector involves transforming the union into a professional actor, able to propose innovative solutions and support public policies based on detailed analysis and well-structured advocacy campaigns. Increasing the frequency of negotiations, improving the content of collective agreements and developing a real culture of social dialogue are seen as necessary steps to overcome the current challenges and create a fairer and more sustainable sector.

V. European Perspectives

The European Directive on Adequate Minimum Wages is an important tool for increasing the minimum wage and the coverage of collective bargaining in the social assistance sector in Romania. It was estimated during the interviews that somewhere around 60% of social assistance employees currently have a salary close to the minimum wage in the economy.

Social partners at European Union level, such as the European Trade Union Confederation (ETUC), have a significant role to play in supporting the expansion of collective bargaining in member states. By promoting common standards and supporting European legislation, the social partners can contribute to increasing visibility and pressure to adopt policies more favourable to collective bargaining. For example, the participation of Romanian unions in European networks can facilitate access to good practices, legislative models and joint campaigns to support workers' rights.

Regarding mutual learning and cooperation between social partners from different European states, this is seen as an essential element for improving collective bargaining in Romania. Knowledge transfer and exchange of experience between trade unions in different countries can contribute to the adoption of successful models from other Member States.

The content of collective agreements in the social care sector needs to evolve to better meet the needs of workers. Currently, their content is limited by legal restrictions in Romania, which prevent direct salary negotiations in the public sector. However, contracts could include detailed provisions on working conditions, health and safety protection at work, continuing professional training and work-life balance. The creation of specific clauses that go beyond simple references to national legislative provisions could transform collective agreements into truly effective tools for improving working conditions in the social assistance sector.

VI. Conclusions

The analysis of the social assistance sector in Romania highlights a complex collective bargaining framework, influenced by legal constraints, institutional challenges and limited resources. In this context, the concept of smart bargaining can become an essential strategic objective for improving working conditions, expanding the coverage of collective agreements and strengthening the bargaining power of trade unions. Smart bargaining must involve the use of concrete data, the professional training of union leaders and the development of

an organizational culture based on dialogue and collaboration.

The current state of collective bargaining is marked by a dual system: centralized at the level of the public sector and decentralized at the level of individual units. Although the legislation provides a general framework for negotiations, the ability to negotiate wage rights remains limited. In the absence of strong employers' organizations and a well-organized employer structure, scaling up negotiations in the private sector is extremely difficult. However, the legislative framework can be a starting point for the development of mechanisms for the automatic extension of collective agreements and for the inclusion of clauses to regulate essential aspects such as health protection at work, allowances for difficult conditions or continuous professional training.

Challenges identified include union fragmentation, lack of legal training for union leaders, low private employer engagement and negative public perception of the sector. These obstacles limit bargaining potential and create difficulties in attracting new union members. However, the opportunities identified focus on increasing cooperation between trade unions and social partners at European level, the transfer of best practices and the use of new technologies to manage negotiation processes.

In the long term, the development of smart bargaining depends on the professionalization of trade unions, the strengthening of national legislation and the creation of a genuine partnership between trade unions, employers and public authorities. Thus, the social assistance sector in Romania can evolve from a limited negotiation model to one based on strategic collaboration, able to respond to contemporary challenges and create a fairer and more stable work environment.

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Annex

Table 1. Number of public administration institutions in social assistance sector (NACE 87) and the structure by size class

	2015	2016	2017	2018	2019	2020	2021	2022
0-9 employees	10	10	15	11	8	7	9	8
10-49 employees	138	134	127	117	116	116	115	99
50-249 employees	122	126	131	129	129	130	125	117
250 +	45	45	46	47	47	47	47	48
Total	315	315	319	304	300	300	296	272

Source: National Institute of Statistics of Romania (2024)

Note: Data refer to NACE code 87 Residential care activities

Table 2. Number of enterprises of the private social assistance sector (NACE 87) and the structure by size class

	2015	2016	2017	2018	2019	2020	2021	2022
0-9 employees	102	98	129	148	168	185	205	246
10-49 employees	17	18	28	37	64	78	90	92
50-249 employees	2	3	2	3	2	2	1	1
Total	121	119	159	188	234	265	296	339

Source: National Institute of Statistics of Romania (2024)

Note: Data refer to NACE code 87 Residential care activities