

« Support for Romania » alleviates rising living costs

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The Romanian government launches multiple measures as part of an aid package to support vulnerable populations and SMEs as prices continue to rise. The first measures will apply until the end of the year. However, some of the measures might continue into 2023. The scheme – named “Support for Romania” – has a total value of €3.5 billion, of which more than half will be covered by EU financing.

The new policies include aid to SMEs affected by the conflict in Ukraine, as well as support for major investments. Transport companies will receive a subsidy to cover some fuel price increases. There will also be price adjustments to public work contracts, which should cover the increase in prices of materials or equipment, workforce and transport costs.

The government plans to continue programs that allow companies to temporarily furlough the workforce or set flexible work hours to reduce costs. Vouchers will be granted for basic foods and school supplies will be given to young students. Some of the allowances for children with special needs will increase, and the value of meal vouchers will rise by 50%. The government also wants to guarantee up to 80% of loans taken by young families and student loans.

Furthermore, the Romanian Social Dialogue Law is being debated in different fora. Despite reform attempts, social dialogue remains weak, formal and with a high level of fragmentation. The social partners are not sufficiently involved in the design and implementation of reforms. Today, both partners are present in only 6 out of 30 sectors. For Romanian trade unions it is a priority issue to strengthen social dialogue as well as to recruit more members. A trade union organisation with few members is unstable, poor in resources and a weak partner in dialogue with reduced capacity to influence their sectors of activity.

Edited by industriAll Europe