



Working life in Moldova 2023

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Preamble

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) and the European Training Foundation (ETF) developed the first working life country profile for Moldova as a result of its new status of EU candidate country.

Similar country profiles are available for all EU Member States, EU candidate countries and potential candidate countries, and a few other countries around the world. The <u>country profiles</u> are updated by Eurofound every two years.

This paper describes the key characteristics of working life in Moldova. It aims to provide relevant background information on the structures, institutions and regulations related to working life in the country. These include indicators, data and regulatory systems associated with the following aspects of working life: actors and institutions, collective bargaining, industrial action, individual employment relations, pay, working time, health and well-being, skills and training, and equality and non-discrimination at work.

The profile covers the main legal and institutional developments from 2018 to April 2023.

The profile is intended to provide an overview of Moldova's key socioeconomic characteristics and regulations to serve as a background for its work to strengthen its labour market, the skills of its workers and its social regulatory framework in line with the *acquis communautaire* and European practices.

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Background

Economic and labour market context

This section describes the main developments in Moldova's economy and labour market since 2020.

Moldova is a lower-middle-income economy, with an uneven territorial distribution of economic and employment opportunities. Chisinău, the capital city, generates more than half the country's gross domestic product (GDP). The main drivers of GDP growth are manufacturing, trade, agriculture, construction, transport, information and communications technology (ICT), and services. After a sharp decrease in GDP in 2020 (6%) due to the pandemic, the economy bounced back in 2021 (with a 14% increase in GDP). Owing to the significant impact of Russia's war against Ukraine and the associated energy crisis, and inflation, the growth forecast for 2022 stands at only 0.3%. Demographic pressures such as ageing and a high propensity for emigration affect an already complex and challenging employment landscape, with low productivity and poorquality jobs, characterised by unattractive salaries, informality and inequalities. After a sharp drop in 2020, all labour market indicators improved slightly in 2021, with the activity rate reaching 41.1% and the employment rate 39.8%. Moldova registers a gap of around 10 percentage points between men and women in activity and employment levels. Around one in five employed people are in vulnerable employment (own-account workers, unpaid family workers). Due to high levels of labour market participation, the total prevalence of unemployment is relatively low in the country (3.2% in 2021); nevertheless, young people are more exposed to joblessness (over 17% are not in employment, education or training) than older people. Level of education is a clear predictor of employment in Moldova (ETF, 2023).

Legal context

The Labour Code, adopted in 2003, is the fundamental law that ensures the proper functioning of labour relations in Moldova. For 20 years, since the adoption of the code, it has been repeatedly adjusted and improved to deal with the changing circumstances and contexts in the development of labour relations.

In addition, in 2012, Law No. 121 on ensuring equality was approved to prevent any type of discrimination in labour relations. In 2018, Law No. 270 on the single salary system in the budgetary sector was approved. This regulates the establishment of salaries for approximately one-third of all employees in Moldova.

Industrial relations and social dialogue in Moldova are also regulated by Law No. 1129 on trade unions (2000), Law No. 976 on employer organisations (2000), and Law No. 245 on the organisation and operation of the National Commission for Consultations and Collective Bargaining, of the commissions for consultations and collective bargaining at the sector level and at the territorial level (2006), which put in place the legal and normative framework for their proper development.

Industrial relations context

On declaring independence, Moldova began to develop into a competitive economy, fundamentally changing its industrial relations landscape. Several laws were approved to ensure the correct and legal functioning of labour relations: the law on collective labour agreements, the law on individual labour contracts and the law on the resolution of collective labour conflicts. In 2003, when the current Labour Code was approved, these laws were repealed. The Labour Code includes a section entitled 'Social partnership in the sphere labour'. This section regulates the relations between unions, employers and public authorities at national, sector and territorial levels, as well as those between employees and employers, through the social dialogue commission, at company level.

In 2006, Law No. 245 on the organisation and operation of the National Commission for Consultations and Collective Bargaining, of the commissions for consultations and collective bargaining at the sector level and at the territorial level, was adopted. This law regulates the activity of and sets out the obligations of the social partners (the government, trade unions and employer organisations) related to socioeconomic and labour-related issues, in order to ensure effective social dialogue can take place at national, sector and territorial levels. In 2018, the law was amended to enable the commission's activity to be regulated when only two social partners are participating in social dialogue, making such dialogue more accessible.

Article 31 of the Association Agreement between Moldova, on the one hand, and the EU and the European Atomic Energy Community and their Member States, on the other hand, provides that the parties have committed to strengthening dialogue and cooperating with a view to promoting the Decent Work Agenda of the International Labour Organization, policies to increase employment, health and safety at work, social dialogue, social protection, social inclusion, equal opportunities for men and women, anti-discrimination and social rights.

In doing so, they will contribute to the creation of more and better jobs, poverty reduction, sustainable development and the improvement of quality of life. Thus, the Association Agreement strengthens the participation of social partners and promotes social dialogue (Lungu, 2019).

To implement the provisions of the Association Agreement related to employment policy and social inclusion, Law No. 105 on the promotion of employment and unemployment insurance was approved in 2018. This law improved the integration in the labour market of disadvantaged people, that is, those at high risk of being unemployed for a long period.

The COVID-19 pandemic had a significant impact on labour relations, which led to the addition of new chapters to the Labour Code in 2020. One of these chapters was related to flexible work schedules and regulating labour relations in the context of flexible working. In addition, a chapter regulating remote work was introduced, highlighting the obligations of the parties involved in this process.

In 2022, the Labour Code was supplemented with a new chapter regulating the evaluation of individual employees' performance.

Actors and institutions

Trade unions, employer organisations and public institutions play a key role in the governance of the employment relationship, working conditions and industrial relations structures. They are interlocking parts in a multi-level system of governance that includes the European, national, sector, regional (provincial or local) and company levels. This section analyses the role of the main actors and institutions and their role in Moldova.

Public authorities involved in regulating working life

The Moldovan parliament is the legislative body that adopts the laws regulating working life and industrial relations at national level. Within the parliament, the Committee on Social Protection, Healthcare and Family monitors and submits amendments to improve the legal frameworks for work and industrial relations.

At government level, several authorities are involved in the regulation of working life: the National Commission for Consultations and Collective Bargaining, the Ministry of Labour and Social Protection and the Ministry of Finance. The National Commission for Consultations and Collective Bargaining is an autonomous tripartite body of public interest and a social partner that was established to resolve work-related and socioeconomic issues at national level.

The Ministry of Labour and Social Protection is the government institution that develops and implements policies in the areas of labour relations and social dialogue, health and safety at work, employment policy, social protection for the labour force and unemployed people, labour migration, demographic policy, gender equality, the protection of the rights of people with disabilities, the protection of children and families, and social services.

The Ministry of Labour and Social Protection includes the following subdivisions.

- The State Labour Inspectorate is responsible for exercising state control in the area of work, including occupational health and safety. It also investigates work accidents and provides free advice to employers and employees in the area of labour relations and occupational health and safety.
- The National Employment Agency is responsible for implementing employment policies and providing unemployment insurance.
- The National Social Insurance House is responsible for running the public social insurance system, which includes determining the allowances granted to employees.

The Ministry of Finance, through the Wage Policy Directorate, draws up and implements the wage policy in the budgetary sector.

In Moldova, there are no labour courts; disputes that arise are normally settled in ordinary courts. However, Law No. 137 of 2015 on mediation states that some labour disputes can be resolved through the Mediation Commission.

Representativeness

The representativeness of the social partners at national, sector, territorial and organisational levels is regulated by the Labour Code (Law No. 154 of 2003) and Law No. 245 of 2006 on the organisation and operation of the National Commission for Consultations and Collective Bargaining, of the commissions for consultations and collective bargaining at the sector level and at the territorial level. At national level, employees are represented by the National Trade Union Confederation of Moldova (hereafter referred to as the National Trade Union Confederation), which operates according to the statutes and legislation in force. Employers are represented by the National Confederation of Employers of the Republic of Moldova (hereafter referred to as the National Confederation of Employers).

Trade unions

About trade union representation

Article 42 of the Constitution of the Republic of Moldova provides that any employee has the right to establish and join a trade union to defend their interests. Thus, unions benefit from constitutional protection, including judicial protection, against discriminatory actions aimed at limiting workers' freedom of association within trade unions. In addition, the activity of trade unions is regulated by the Labour Code and Law No. 1129 of 2000 on trade unions. They are established and carry out their activities in accordance with their statutes and contribute to the protection of the professional, economic and social interests of employees. Trade unions can be created in all enterprises or institutions, regardless of the organisation's legal form, type of ownership or field of activity.

In the context of social partnership, the unions are represented by union bodies at national, sector, territorial and company levels, in accordance with their statutes and the legislation in force. No specific representativeness criteria are outlined for this purpose.

Employees working in military and internal affairs units can also be union members, considering the specifics of their legal status. In addition, citizens of Moldova, as well as foreign citizens and stateless people who are residing legally in the territory of the country, have the right to establish or join trade unions. People who are not employed or who have lost their job, and those who are legally self-employed, may organise themselves in a trade union, or join an existing one, or retain their membership of a trade union of an organisation in which they were active. In the same way, citizens living abroad have the right to be members of trade unions existing in Moldova. Trade unions can associate in federations or confederations. Trade union federations are created through the association of several sectors or intersectoral trade union centres, or the association of national and sector or national and intersectoral trade union centres. Confederations are created through the association of several federations.

Between 2017 and 2021, the number of trade union members decreased in Moldova by over 60,000 (approximately 17%). This means that trade union density measured as the proportion of employees who are members of a trade union decreased by almost 15 percentage points, from 60.0% to 45.5%, between 2017 and 2021. According to llostat, trade union density measured as the proportion of employees who are members of a trade union decreased by over 11 percentage points between 2014 and 2019.

Trade union membership and trade union density

Indicator	2017	2018	2019	2020	2021	Source
Number of union members (thousands)	362.6	342.3	326.2	322.2	300.0	National Trade Union Confederation
Number of employees (thousands)	604.2	589.2	678.4	651.8	659.3	National Bureau of Statistics
Employed population (thousands)	960.8	988.5	872.4	834.2	843.4	National Bureau of Statistics
Trade union density in relation to the number of employees (%)	60.0	58.1	48.1	49.4	45.5	Authors' calculations
Trade union density in relation to the employed population (%)	37.7	34.6	37.4	38.6	35.5	Authors' calculations

Note: 'Number of employees' indicates the number of people who are employed, while the 'Employed population' refers to the number of people who are employed as well as those who are self-employed, unpaid family workers or members of cooperatives.

Sources: Based on administrative data of the National Trade Union Confederation and the National Bureau of Statistics

Trade union density, in relation to the number of employees, according to llostat (%)

2014	2015	2016	2017	2018	2019	2020	2021
29.7	24.1	23.9	22.4	20.0	18.6	n/d	n/d

Note: n/d, no data.
Source: Ilostat

Main union confederations and federations

The National Trade Union Confederation is made up of 24 federations. As of 1 January 2022, the trade unions that make up these federations had 300,017 members. Of the 24 trade union federations, the Trade Union Federation of Education and Science of the Republic of Moldova is the largest. On 1 January 2022, there were 105,350 union members within this federation, which constituted approximately 35% of the total number of union members in the National Trade Union Confederation. The 'Sănătatea' (Healthcare) Trade Union Federation of Moldova is the second largest trade union federation in terms of the number of union members covered. In 2021, there were 42,762 members in this federation.

The number of trade union members in the Trade Union Federation of Education and Science of the Republic of Moldova and the 'Sănătatea' Trade Union Federation of Moldova amounted to almost 50% of trade union members in the National Trade Union Confederation. The seven largest trade union federations in Moldova comprised 238,307 trade union members, which constituted almost 80% of union members in the national federation.

The National Trade Union Confederation is a member of the International Trade Union Confederation, and, as of 2022, a member of the European Trade Union Confederation. Of all trade union federations, only the Trade Union Federation of Education and Science of the Republic of Moldova is a member of the European Trade Union Committee for Education.

Main trade union federations and confederations, 2021

Name	Abbreviation	Number of union members	Involvement in collective	Affiliation to European-level
			bargaining	union organisation
Trade Union Federation of	FSES	105,350	Yes	European Trade
Education and Science of the				Union Committee for
Republic of Moldova				Education (ETUCE)
'Sănătatea' Trade Union	FSSM	42,762	Yes	No
Federation of Moldova				
Federation of Trade Unions of	Sindlex	25,070	Yes	No
Moldova 'Sindlex'				
Public Service Employees'	Sindasp	23,062	Yes	No
Unions Federation of Moldova				
National Federation of Trade	Agroindsind	16,885	Yes	No
Unions in Agriculture and Food				
Federation of Culture Workers'	FSLC	12,873	Yes	No
Unions				
Communications Trade Unions	FSCM	12,305	Yes	No
Federation of Moldova				

Source: Administrative data provided by the National Trade Union Confederation

Employer organisations

About employers' representation

Employer organisations are non-commercial, non-governmental, independent and apolitical organisations. They are established based on the right of free association to promote the equal rights of employers in various fields. The activities and legal forms of employer organisations are regulated by Law No. 976 on employer organisations, adopted in 2000. Associations, federations and confederations are the legal forms of employer organisations. Employer associations are made up of at least three employers and/or legal or natural persons, depending on their field of activity or the territory in which they operate. Employer associations can be members of one or more employer federations or confederations. Employer federations are made up of two or more employer associations from one field of activity, and aim to solve common problems. Employers from the relevant field of activity can also be members of employer federations. Employer confederations are made up of two or more employer federations. Apart from federations, members of employer confederations can be employer associations or individual employers, regardless of their principles of association and field of activity.

Law No. 976 of 2000 provides certain rights for employer organisations:

- promoting the interests and rights of their members in cooperation with public authorities, trade unions and other organisations
- representing natural and legal persons both nationally and internationally
- participating in the negotiation and conclusion of collective labour agreements with public authorities and with unions, as well as social dialogue within tripartite structures
- being affiliated with international organisations and establishing collaborative relationships with similar employer organisations from other countries

State and municipal enterprises and institutions funded by the national public budget may be represented by central and local public administration authorities.

Employer organisations – membership and density

In Moldova, there are no statistical data on the total number of organisations that are part of federations or employer associations. This prevents us from determining the share of employer organisations in the total number of organisations, and their density measured as the proportion of active employees who are members. Although several federations and associations make up the National Confederation of Employers in Moldova, few of them provide information on their membership numbers. In terms of the number of members, the National Federation of Employers in Agriculture and the Food Industry is the largest.

Main employer organisations and federations

Name	Abbreviation	Estimated number of members	Involvement in collective bargaining	Affiliation to European- level/international employer organisations
National Federation of Employers in Agriculture and the Food Industry	FNPAIA	1,600	Yes	No
Federation of Employers in Construction and the Production of Construction Materials	FPCPMC	193	Yes	No
Employers' Federation of Road Builders and Construction Material Manufacturers	Condrumat	150	Yes	No
International Association of Auto Transporters	AITA	51	No	International Road Transport Union (IRU)
National Association of ICT Companies	ATIC	n/d	No	International Federation of Freight Forwarders Associations (FIATA)
American Chamber of Commerce	AmCham Moldova	63	No	AmCham EU

Note: n/d, no data.

Source: Based on information from the National Confederation of Employers

Tripartite and bipartite bodies and concertation

The social partnership system includes four levels: national, sector, territorial and company. At national level, the National Commission for Consultations and Collective Bargaining comprises 18 members and 12 alternate members, including 6 members and 4 alternate members each from the government, the National Trade Union Confederation and the National Confederation of Employers. Members and alternate members of the national commission are appointed for three years. The President of the national commission is the Minister for Labour and Social Protection, while the President of the National Trade Union Confederation and the President of the National Confederation of Employers act as vice-presidents. The national commission operates on the basis of the following principles: legality, the equality of the parties, parity of representation of the parties, the powers of the representatives of the parties and mutual trust between the parties. Between 2018 and 2021, the National Commission for Consultations and Collective Bargaining adopted four collective agreements related to working life in Moldova.

In addition, the Economic Council to the Prime Minister of Moldova, established by Government Decision No. 631 of 2011, brings together representatives of:

- the business environment
- the research community
- international organisations active in business environment reforms
- public authorities and institutions

Currently, the Economic Council to the Prime Minister of Moldova comprises 122 members. Some 45.9% of all Economic Council members are part of the business environment. The business environment includes representatives of employer organisations, and other associations and organisations that are not part of employer organisations.

Sector commissions for consultation and collective bargaining are made up of representatives of ministries or other central administrative authorities, sector unions and sector employers. The representatives draw up and approve collective agreements at sector level. Agreements at sector level are valid for up to four years. In the fields for which there are no representatives, sector commissions are established as bipartite bodies.

Territorial commissions for consultations and collective bargaining are represented by local public administration authorities, unions and territorial employers.

Both sector and territorial collective commissions carry out their activities through public meetings. They meet whenever necessary, but no less than once every two months.

Collective commissions can be established at the level of each field of activity. One of the outputs of the activity of sector commissions is a sector-level collective convention.

Main tripartite and bipartite bodies

Name	Туре	Level	Number of members	Involvement in collective bargaining
National Commission for Consultations and Collective Bargaining	Tripartite	National	18 members (6 members each from the government, the National Trade Union Confederation and the National Confederation of Employers)	Yes
Sector committees for consultations and collective bargaining	Tripartite/bipartite	Sector	12 members (4 members each from the relevant ministry, trade unions and sector employers for each participating party) in the case of tripartite commissions	Yes
Territorial commissions for consultations and collective bargaining	Tripartite	Local	8 members (4 members from each participating party) in the case of bipartite commissions. Commission members are appointed by two social partners	Yes
Tripartite council of the National Employment Agency	Tripartite	National	12 members (4 members each from local public authorities, territorial unions and local employer associations in the territory)	No

Workplace-level employee representation

At workplace level, employees are represented by the primary trade unions for the companies where they work. A primary trade union organisation can be created on the initiative of at least three people, considered founders. This makes it possible for trade unions to be created even in the case of microenterprises, with nine or fewer employees.

Employees who are not union members have the right to authorise the trade union for their organisation to represent their interests in labour relations in the organisation. According to the Labour Code, in organisations where there are no trade unions, the interests of employees can be defended by elected representatives. Employee representatives are elected at general meetings of employees, and the employer is obliged to create conditions to enable employee representatives to carry out their activities.

Regulation, composition and competences of the representative or representative body

Representative or representative body	Regulation	Composition	Involvement in collective bargaining at company level and main powers	When can limits/rules be established?
Trade unions	The activity and representativeness of trade unions is regulated by Law No. 1129 of 2000 on trade unions, and the Labour Code (Law No. 154 of 2003)	Employees working in an organisation based on an employment contract	Yes. Protects employees' professional interests, and participates in the negotiation of collective labour agreements and the settlement of labour disputes	A primary trade union may be established on the initiative of at least three people, regardless of the number of employees within the organisation
Employee representatives	The Labour Code provides the legal framework for employee representativeness	Employee representatives elected with the vote of at least 50% of all employees (delegates)	Yes. Promotes the interests of employees in and participates in collective bargaining if there are no unions in the organisation	No restrictions are specified

Collective bargaining

The collective governance of work and employment is the central concern of industrial relations. This section analyses collective bargaining in Moldova.

Bargaining system

The right of employees to participate in negotiations on labour matters and the binding character of collective agreements are guaranteed by Article 43 of the Constitution of the Republic of Moldova. The system of collective bargaining at national, sector and territorial levels is regulated by Law No. 245 of 2006 on the organisation and operation of the National Commission for Consultations and Collective Bargaining, of the commissions for consultations and collective bargaining at the sector level and at the territorial level. Collective labour negotiations at company level are regulated by the Labour Code.

At national level, negotiations take place to revise the minimum wage. At sector level, negotiations leading to the conclusion of collective agreements occur less often. Currently, several collective agreements are applicable at sector level (in the areas of education, health, research, culture, industry and agriculture). Collective agreements are most likely to be concluded in the fields of activity where unions are most numerous and most active.

At the same time, collective bargaining at territorial level is more formal. Currently, no collective labour agreements have been concluded at territorial level. Collective labour agreements at company level are legally binding, and the parties involved cannot prevent them from being concluded. The legal framework of Moldova does not stipulate a minimum number of employees required for the conclusion of collective labour agreements. The conclusion of collective labour agreements is regulated by the Labour Code.

Wage bargaining coverage

Salaries, including the minimum wage, are the subject of negotiations in Moldova. Law No. 1432 of 2000 on the method of establishing and re-examining the minimum wage provides that the amount of the minimum wage should be re-examined by the government, following the consultation of trade unions and employers.

According to Law No. 847 of 2002 on payrolls, both tariff and non-tariff payroll systems are applied in Moldova. In the real sector, the tariff system is established by negotiations at sector level, resulting in a collective agreement, and at company level, resulting in a collective labour agreement. The tariff salary for the first qualification category in the real sector is established through collective bargaining at sector level, as an amount at least equal to or exceeding the minimum wage for the country, and at company level, as an amount at least equal to or exceeding the minimum amount established at sector level. The non-tariff wage system is established in a collective labour agreement at company level, and the minimum wage cannot be lower than that established at national level.

Collective wage negotiations are carried out at all levels – national, sector, territorial and company – and include all employees regardless of whether they are trade union members or not.

Bargaining levels

Collective bargaining takes place at national, sector, territorial and company levels. A collective convention is the result of collective bargaining at national, sector and territorial levels, while a collective labour agreement is the result of collective bargaining at company level.

The collective agreement includes clauses regarding salaries, working conditions and labour protection, work and rest regimes, and the development of social partnerships. The collective labour agreement concluded at company level includes a multitude of commitments from both employees and employers. Depending on the employer's economic situation, the contract may provide advantages for employees and more favourable working conditions than those provided by collective agreements. In the past five years, most of the collective labour agreements concluded were in the area of education.

Levels of collective bargaining

National-level collective labour conventions applicable in 2021

Convention number	Year of adoption	Convention title
1	2004	Paying employees in employment relationships based on individual employment contracts
2	2004	Working time and rest time
4	2005	The individual employment contract model
8	2007	Elimination of the worst forms of child labour
9	2010	The guaranteed minimum wage in the real sector
11	2012	Criteria for mass reduction of jobs
12	2012	Staff status form and nominal workplace access permit
16	2018	The model of the individual employment contract for the period of performance of a certain work and the model of the act of acceptance of the work
17	2018	The continuing vocational training contract model
18	2018	Model of the work time record table
19	2020	Annual leave scheduling model

Note: National collective agreements Nos 3, 5, 6, 7, 10, 13, 14 and 15, which are not shown in the table above, were adopted to improve or adjust existing conventions, mostly referring to aspects of the remuneration of employees, working time and rest time, and individual employment contracts.

Number of collective labour agreements concluded at company level

Indicator	2015	2016	2017	2018	2019	2020	2021
Number of collective labour agreements	837	1,274	553	630	452	543	1,189

Source: State Labour Inspectorate

In 2021, out of the 1,189 collective labour agreements registered by the State Labour Inspectorate, 79.5% were in the field of education. The large number of collective labour agreements concluded in the field of education in 2021 (945) can be explained by the fact that on 1 January 2021 a new collective labour agreement in this field entered into force for five years, which resulted in a need to amend the collective labour agreements concluded at organisational level.

Coverage rate of collective labour agreement negotiations (%)

Indicator	2015	2016	2017	2018	2019	2020	2021
Coverage rate (%)	42.3	43.0	39.4	39.1	42.5	43.0	n/d

Note: The coverage rate of collective labour agreement negotiations is calculated according to the International Labour Organization's methodology, and is not related to the data presented in the previous table. n/d, no data.

Source: Ilostat

Articulation

The dominance of vertical regulation of labour relations is illustrated by the existence of collective labour agreements at national, sector and organisational levels. The clauses of the collective labour agreements at company level may be more favourable than those in collective agreements at national and sector levels.

Timing of the bargaining rounds

The national legislation does not provide specific time intervals for the negotiation of collective agreements at sector level and collective labour agreements at company level. An analysis of collective labour agreements shows that they are concluded for two to four years. The legislation specifies that collective labour agreements at company level cannot be valid for less than one calendar year.

Coordination

Nationally negotiated clauses are minimal and, by extension, applicable at all lower levels: sector and company. The minimum wage for the whole country is determined by wage negotiations at national level. At sector level, a higher minimum wage can be established, following negotiations between the National Trade Union Confederation and the management of the relevant sector. Usually, the minimum wage in the real sector of the economy is negotiated annually. However, it was not revised in 2020, when the COVID-19 pandemic started.

Extension mechanisms

Collective labour agreements enter into force at the time of signing by the parties or from the date established in the agreement. Collective labour agreements are modified and completed under the same conditions as they are concluded. When the Labour Code was amended in 2017, the provision regarding the extension of collective labour agreements on their expiration (until a new contract is concluded or a decision is made to extend it) was removed. Collective agreements that are valid for a long period, of three or more years, can become incompatible with changing economic and labour market circumstances, making employees more vulnerable. Throughout the reorganisation of companies through mergers or separation or in the case of an organisation's liquidation, collective labour agreements continue to be in effect.

Collective labour agreements at sector level affect union members. For example, a collective labour agreement in the field of education, concluded for 2021–2025, and an agreement in the field of health for 2022–2025 stipulate that employees who are not union members and wish to benefit from the provisions of the relevant agreement must pay a contribution of 1% of their gross salary, in accordance with the Labour Code.

Derogation mechanisms

The Labour Code of Moldova does not provide for certain exemptions related to the suspension of collective labour agreements in certain situations.

Expiration of collective contracts

The national legislation only sets out the minimum duration for collective labour agreements, without indicating the maximum duration. Therefore, the agreements can be valid for an indefinite period. At organisational level, the period within which the negotiation of a new collective labour agreement should be initiated can be stipulated in the collective labour agreement. The representatives of the parties to whom the proposal to initiate negotiations for the conclusion of a new collective labour agreement is sent are obliged to initiate the negotiations within seven calendar days.

Peace clauses

No peace clauses are included in collective labour agreements. Similarly, collective labour agreements concluded at sector level do not provide for peace clauses.

Other aspects of working life addressed in collective agreements

The main clause in collective labour agreements establishes the minimum wage at company level, which serves as the basis for the calculation of all wages. In addition, clauses related to the improvement of the working conditions of employees, including women, young people and people with disabilities, and clauses related to ecological safety and the health of employees in production processes, can be provided in collective labour agreements.

Industrial action and disputes

Legal aspects

The right to strike is provided by the Constitution of Moldova (Article 45). According to the Labour Code, a strike can be declared to defend economic or social professional interests but not political interests. A strike can only be declared if all other ways to resolve the collective labour conflict have been exhausted. Strikes can be triggered at organisational, territorial, sector and national levels. Employers must be informed of the decision to initiate a strike 48 hours before it begins. All employees are free to participate in the strike, except for those in certain categories: medical personnel, employees in the energy and water supply systems, employees who control air traffic, employees who ensure public order and state security, and employees in telecommunications. The Labour Code limits the participation of these employees in strikes, and collective labour conflicts among them are resolved according to the labour legislation in force.

Collective labour conflicts are considered to be unresolved divergences between employees and employers regarding the establishment and modification of working conditions, including salaries; the employer's refusal to consider the position of the employee representatives in the process of adopting, within the company, certain legal documents containing labour regulations; or economic and social divergences between social partners.

In Moldova, there are no statistics on strikes and collective labour conflicts. This is because such events happen sporadically, with lengthy intervals between them, or because there is no record of them at the National Bureau of Statistics or at the Ministry of Labour and Social Protection. In the last five years, no strikes were registered in Moldova.

Dispute resolution mechanisms

Collective dispute resolution mechanisms

According to the Labour Code, collective labour disputes are resolved in two ways: through a conciliation commission and through the courts. A conciliation commission is made up of an equal number of representatives of each party involved in the collective labour conflict. It is assembled on an ad hoc basis every time a collective labour conflict arises. The commission arbitrates between the parties to the collective labour conflict within no more than 10 working days from the date of its creation.

If the parties to the collective labour dispute do not agree with the conciliation commission's decision, they can go to court. In turn, the court must examine the collective labour conflict within 30 working days, after which it issues a decision.

Individual dispute resolution mechanisms

Individual labour disputes are considered the differences between employees and employers that relate, for example, to:

- the conclusion of an individual employment contract
- the execution, modification or suspension of an individual employment contract
- the termination or nullification, partial or total, of an individual employment contract
- the payment of compensation in the event of the non-fulfilment or improper fulfilment of obligations by one of the parties to an individual employment contract
- the results of recruitment competitions

Individual labour disputes are settled by the court. Applications for the resolution of individual labour conflicts must be submitted to the court:

- within three months from the date the employee learns of the violation of their right
- within three years from the date on which the employee's right took effect, if the dispute is related to a right regarding the payment of their salary

Use of alternative dispute resolution mechanisms

Individual labour disputes can also be resolved through mediation (as set out in Article 29 of Law No. 137 on mediation). Mediation in collective labour disputes takes place when the parties do not agree with the decision of the conciliation commission.

The Ministry of Labour and Social Protection does not have statistical data on the resolution of labour disputes through conciliation commissions or mediation. This is because collective labour disputes are rarely settled through a conciliation commission or through mediation. In 2021, 254 individual labour disputes were settled by courts.

Individual employment relations

Individual employment relations are the relations between the employee and their employer. This relationship is shaped by legal regulations and the results of negotiations with social partners on the terms and conditions governing the employment relationship. This section analyses the beginning and termination of the employment relationship and related rights and obligations in Moldova.

Start and termination of the employment relationship

Requirements regarding an employment contract

According to the Labour Code (Article 46), an individual employment contract between an employer and an employee can be concluded when the latter reaches the age of 16. The employee can conclude an individual employment contract at 15, with the consent of their parents, if the activity they intend to carry out will not affect their health or their professional development or training. An individual employment contract can be concluded for an indefinite period or for a fixed period not exceeding five years. To verify the professional knowledge and skills of the employee, a trial period of no more than six months is initiated on the conclusion of the individual employment contract. In the case of unskilled workers, the probationary period should not exceed 30 calendar days. In the event of an unsatisfactory evaluation during the probationary period, the employee is dismissed. In Moldova, there is currently no national database where all individual employment contracts are registered.

Dismissal and termination procedures

Individual employment contracts can be terminated in circumstances that do not depend on the will of the signatory parties, by the written agreement of the parties or on the initiative of one of the parties. If an individual employment contract is terminated at the initiative of the employee (resignation), they must notify the employer 14 calendar days before leaving the company. An individual employment contract can be terminated at the initiative of the employer (dismissal) for several reasons, for example (a) owing to the liquidation of the company or the termination of the employer's activities; (b) to reduce the number of staff; (c) because the employee is incompatible with the position they hold due to the state of their health; or (d) because the employee's fulfilment of individual performance indicators is repeatedly unsatisfactory. It is forbidden to fire an employee who is on medical leave, annual leave, study leave, maternity leave, parental leave or childcare leave.

If the dismissed employee is a member of the trade union in the company, the employer can request the opinion of the union, which is an advisory body. Article 87 of the Labour Code stipulates that the trade union must present its opinion within 10 days of receiving the request from the employer. The Labour Code does not provide for a dispute resolution mechanism if the union's opinion is different from that of the employer.

In the event of the liquidation of the organisation, or of a necessary reduction in the number of staff, the employee benefits from severance pay. The amount of severance pay varies from one to six times the employee's average monthly salary and is granted for three months.

Entitlements and obligations

Parental, maternity and paternity leave In Moldova, parents have the right to maternity leave, childcare leave and paternity leave.

Statutory leave arrangements

	Maternity leave				
Maximum duration	126 calendar days (70 days of prenatal leave and 56 days of postnatal leave), or 140 calendar days in the case of complicated pregnancies or the birth of twins (70 days of prenatal leave and 70 days of postnatal leave) and 182 calendar days in the case of the birth of three or more children (112 days of prenatal leave and 70 days of postnatal leave)				
Reimbursement	The monthly maternity allowance is 100% of the average monthly salary for the 12 months before leave begins. A woman who is dependent on her insured partner benefits from maternity allowance from his insurance, if, when the maternity leave is granted, she is not employed. Starting from 2023, the maternity allowance is calculated based on the monthly income of one of the partners, which will result in the receipt of a higher maternity allowance.				
Body responsible for reimbursement	National Office of Social Insurance of the Republic of Moldova (CNAS)				
Legal basis	The Labour Code, Law No. 489 on the public social insurance system, and Law No. 289 on allowances for temporary incapacity for work and other social insurance benefits				
	Childcare leave				
Maximum duration	Until the child reaches the age of three years, with the possibility of an extension up to when the child is four years old. Leave for raising a child up to the age of three is granted to one of the parents, one of the grandparents or another relative who takes care of the child, with no need to indicate the degree of kinship. Childcare leave can be used by both parents alternately. The legislation in force does not provide the minimum and maximum durations of alternating childcare leave to which each parent is entitled. In addition, legislation does not allow both parents to take childcare leave at the same time. In the case of twins, triplets and other multiples, parental leave is granted to both parents				
Reimbursement	A childcare allowance can be granted, with parents able to choose from the following options: - 30% of the calculation base* until the child reaches the age of three - 60% of the calculation base* until the child reaches 12 months and 30% in the following 12 months - 90% of the calculation base* until the child reaches 12 months *The calculation base is the average monthly income earned during the 12 calendar months preceding the month of the child's birth.				
Body responsible for reimbursement	CNAS				
Legal basis	The Labour Code, Law No. 489 on the public social insurance system and Law No. 289 on allowances for temporary incapacity for work and other social insurance benefits				
Paternity leave					
Maximum duration	14 calendar days, granted in the first 12 months after the birth of the child				
Reimbursement	100% of the applicant's average monthly income during the last three calendar months preceding the month when the child was born				

Body responsible for reimbursement	CNAS
Legal basis	The Labour Code, Law No. 489 on the public social insurance system and Law No. 289 on allowances for temporary incapacity for work and other social insurance benefits

Sick leave

Sick leave is granted to all employees and apprentices, based on a medical certificate. The amount of compensation for temporary incapacity to work is determined in different ways, depending on the duration of insurance contributions:

- 60% of the average monthly income for a contribution period of up to five years
- 70% of the average monthly income for a contribution period of five to eight years
- 90% of the average monthly income for a contribution period of more than eight years

In the case of workers with tuberculosis, AIDS and oncological diseases, and of workers who have suffered an accident at work or who have an occupational disease, the amount of compensation (100%) does not differ depending on the duration of contributions.

Compensation for temporary work incapacity is granted for up to 180 days in a calendar year.

In the event of workers losing their capacity to work following an accident at work or the contraction of an occupational disease, the first 20 calendar days are paid by the employer. After this, the compensation is paid by the National Office of Social Insurance of the Republic of Moldova.

Retirement age

Retirement age is regulated by Law No. 156 on the public pension system.

The retirement age previously differed by gender. Until 2017, the retirement age was 57 for women and 62 for men. Since 2017, the retirement age has been gradually increasing for both men and women. As of 1 July 2019, the retirement age for men was 63. For women, retirement age is increasing annually by six months. As of 1 July 2028, the standard retirement age will be 63 for both women and men.

The legislation also provides for the right to early retirement for employees who have had a long career. This right is granted to people who have not reached the standard retirement age but have completed a minimum period of pension contributions. The amount of early retirement pension that workers who have had a long career receive is determined based on the same conditions as the old age pension.

Pay

Pay represents a reward for work performed and the main source of income in the case of employees; a cost of production in the case of employers; and the object of negotiations and legislation. This section analyses the establishment of the minimum wage in Moldova and guides the reader towards additional material on collective wage bargaining. Although salaries in Moldova are lower than in any other European country, they have increased. Between 2018 and 2021, the average monthly salary in the country increased by almost 36%, from €315.80 to €429.10. A similar increase in average monthly salary was observed when data were disaggregated by gender. The highest average monthly salaries were recorded in the areas of information and communication (€686.20 in 2018 and €1,057.90 in 2021) and financial and insurance activities (€609.10 in 2018 and €752.50 in 2021). The lowest average monthly salaries were in agriculture, forestry and fisheries; accommodation and food service activities; wholesale and retail trade; real estate activities; and education. The largest increases in average monthly salary took place in the areas of information and communication, with an increase of 54.2%, and human health and social work activities, with an increase of 71.0%. In terms of gender, average monthly salaries for men were higher than those for women in all fields of activity except education and administrative and support services. Wages in the budgetary sector are lower than those in the real sector. In September 2022, 17.5% of employees in the budgetary sector had a monthly salary of up to MDL 4,000 (€207.40), while in the real sector the proportion was 9.8%. The highest salaries were recorded in the real sector: 9.1% of this sector's employees received a salary higher than MDL 20,000 (€1,037.20) in September 2022, compared with 2.4% in the budgetary sector.

Monthly average salary, by field and gender, 2018 and 2021 (€)

NACE	NACE category		2018		2021			
code		Total	Women	Men	Total	Women	Men	
	Total	315.80	292.20	341.50	429.10	399.20	462.20	
Α	Agriculture, forestry and fisheries	211.00	192.40	218.10	272.00	249.70	279.90	
B + C +	Industry	200.70	207.00	202.00	202.40	240.00	420.00	
D + E		326.70	287.80	363.80	393.40	349.00	436.00	
F	Construction	312.30	268.50	319.10	388.80	349.90	394.20	
G	Wholesale and retail trade; maintenance and repair of motor vehicles and motorcycles	272.80	250.40	293.20	363.60	332.90	394.60	
Н	Transportation and storage	301.60	292.00	305.40	344.10	316.70	354.90	
I	Accommodation and food service activities	214.00	201.30	237.50	250.90	236.80	274.80	
J	Information and communication	686.20	544.60	807.30	1,057.90	768.30	1,263.70	
K	Financial and insurance activities	609.10	508.00	819.20	752.50	605.50	1,033.40	
L	Real estate activities	257.90	247.20	265.60	345.50	307.60	376.60	
М	Professional, scientific and technical activities	396.60	373.40	421.80	497.40	469.60	547.80	
N	Administrative and support service activities	252.00	273.50	241.30	321.80	340.70	311.80	
0	Public administration and defence; compulsory social security	425.70	408.50	438.30	501.80	479.90	518.80	
Р	Education	259.70	260.50	257.30	356.60	359.40	347.20	
Q	Human health and social work activities	310.40	297.40	365.50	530.90	508.60	619.30	
R	Arts, entertainment and recreation	193.10	176.30	215.40	299.60	277.50	331.00	
S	Other service activities	343.60	333.40	360.60	472.70	458.50	497.10	

Note: The average monthly salary was converted into euro from Moldovan lei using the average annual exchange rate, which was MDL 19.8492 for €1 in 2018 and MDL 20.9268 for €1 in 2021.

Source: National Bureau of Statistics

Distribution of employees by salary, September 2022 (%)

Indicator	Total	Budgetary sector	Real sector
All employees who worked in September	100	100	100
Employees who received salaries up to MDL 4,000 (€207.40)	11.9	17.5	9.8
Employees who received salaries between MDL 4,000 and MDL 5,000 (€207.40–259.30)	12.3	12.2	12.4
Employees who received salaries between MDL 5,000 and MDL 6,000 (€259.30–311.20)	9.4	8.1	9.9
Employees who received salaries between MDL 6,000 and MDL 7,000 (€311.20–363.00)	8.2	7.3	8.6
Employees who received salaries between MDL 7,000 and MDL 8,000 (€363.00–414.90)	8.5	9.4	8.2
Employees who received salaries between MDL 8,000 and MDL 10,000 (€414.90–518.60)	15.5	16.7	15.0
Employees who received salaries between MDL 10,000 and MDL 15,000 (€518.60–777.90)	19.1	20.2	18.7
Employees who received salaries between MDL 15,000 and MDL 20,000 (€777.90–1,037.20)	7.8	6.3	8.3
Employees who received salaries over MDL 20,000 (€1,037.20)	7.3	2.4	9.1

Note: The average exchange rate in September 2022 was MDL 19.2828 for €1.

Source: National Bureau of Statistics

Minimum wages

In the budgetary sector, the minimum wage is established through the mechanism of 'compensatory payments' stipulated by Law No. 270 of 2018 on the single salary system in the budgetary sector. In 2022, Government Decision No. 670 unified minimum wages, and a minimum wage was set for the country. On 1 January 2023, the minimum monthly wage for the country was set at MDL 4,000.

The concept of a minimum wage was also determined in Moldova based on a complex normative framework that operated with several ideas: (1) the minimum wage for the country; and (2) the minimum wage in the real sector of the economy. The minimum wage for the country in the amount of MDL 1,000 (approximately €50) was established in 2014; this amount was not changed until 2022. The 'guaranteed minimum wage in the real sector' was introduced in 2010 and changed annually, starting from 2012, except for the pandemic year 2020. When it comes to the minimum wage in Moldova, the value that reflects the minimum wage amount in the real sector is used in most international statistics. It was established by government decision, due to negotiations with representatives of trade unions and employers.

Minimum wages in Moldova, 2018-2023

Year		ge in the real	U	in the budgetary ctor	Minimum wage for the country				
	MDL	EUR	MDL	EUR	MDL	EUR			
2018	2,610 (1 May)	131.50	2,000 (1 December)	100.80	1,000	50.40			
2019	2,775 (1 May)	141.05	2,000	101.70	1,000	50.80			
2020	2,775	140.60	2,000	101.30	1,000	50.70			
2021	2,935 (1 January)	141.11	2,200	105.10	1,000	47.80			
2022	3,500 (1 April)	175.90	3,100 (1 January) 3,500 (10 June)	155.80 175.90	3,500 (30 September)	175.90			
2023 (1 January)		Minimum wage for the country: MDL 4,000/€196.30							

Note: The minimum monthly salary was converted to euro from MDL using the average annual exchange rate, which was MDL 19.8492 for €1 in 2018, MDL 19.6737 for €1 in 2019, MDL 19.7414 for €1 in 2020, MDL 20.9268 for €1 in 2021, MDL 19.9006 for €1 in 2022 and MDL 20.3820 for €1 in 2023.

Collectively agreed pay outcomes

The regulation of wages through social dialogue involves the application of collective agreements at national, sector and company levels and the identification of issues in the field of wages that can be resolved through the relevant collective agreement or collective labour agreement. In the real sector, the tariff wage (salary) for category I qualifications in the tariff wage system is established through collective bargaining at sector level and company level. It is an amount equal to or exceeding the minimum wage established by the government sector for the country. The signatories to the collective agreement at sector level in the real sector have the right to order the application of the tariff salary for category I qualifications fixed in the agreement to all employees and employers in the sector that apply the tariff wage system or only to employees and employers in the sector who authorised the conclusion of that agreement. In companies where employees and employers have not empowered their representatives to participate in collective bargaining at sector or company level regarding the application of the tariff wage system, the tariff wage for the first qualification category is set equal to or higher than the minimum wage for the country.

Working time

Working time is defined in Directive 2003/88/EC as 'any period during which the worker is working, at the employer's disposal and carrying out his activity or duties, in accordance with national laws and/or practice'. This section briefly summarises regulations and issues related to working time, overtime, part-time work and flexible working in Moldova.

Working time regulation

Title IV of the Labour Code regulates working time and rest time in Moldova. Daily working time is 8 hours, and weekly working time is 40 hours. For employees up to 16 years old, daily working time cannot be more than 5 hours, and the duration of the work week is 24 hours. In the case of employees between 16 and 18, and those who work in harmful working conditions, daily working time should be no more than 7 hours, and the duration of the work week should not exceed 35 hours. In addition, for some categories of employees whose work involves intellectual and psycho-emotional effort, the duration of the work week is 35 hours.

In companies where the introduction of a five-day work week is considered unreasonable, collective labour agreements can establish a six-hour working day with one rest day in the work week. In addition, the legislation provides that 40 hours of work can be distributed across a compressed work week of 4 days or 4.5 days.

The maximum daily working time cannot exceed 10 hours if the normal duration of the working week is 40 hours.

Overtime regulation

Supplementary work (overtime) is regulated by the Labour Code and is carried out at the request of the employer with the written consent of the employee. Employees can perform work outside their normal work schedule for up to 240 hours in a calendar year. The maximum duration of employees' working time cannot exceed 48 hours per week, including overtime. However, working time, including overtime hours, may be extended beyond 48 hours per week if the employee's average working time, calculated over a reference period of four calendar months, does not exceed 48 hours per week. Additional work can be carried out with the consent of the employee and the employee representatives. However, daily working time cannot be more than 12 hours. In addition, young people under 18 and employees who are pregnant cannot work overtime.

Overtime is remunerated at a rate of at least 50% on top of the employee's basic hourly pay for the first two hours worked beyond their daily work schedule and 100% for any additional hours worked.

Part-time work

Article 97 of the Labour Code regulates part-time working hours in Moldova. Employers can hire people for part-time work, the specific duration of which is indicated in the employee's individual employment contract. Part-time employees must receive the same treatment as full-time employees. If an employee requests part-time employment, the employer must ensure that they have access to it, regardless of the position the employee holds.

Proportion of part-time employees in the employed population, by gender and field of activity (%)

Field of activity	2019		2020			2021			
	Total	Women	Men	Total	Women	Men	Total	Women	Men
Total in the economy	6.3	7.2	5.3	5.5	6.5	4.6	5.2	6.4	4.0
Agriculture, forestry and fishing	5.4	6.4	4.8	3.0	3.5	2.6	4.6	6.0	3.8
Industry	3.7	3.7	3.6	2.9	2.9	2.8	2.3	2.9	1.7
Construction	7.7	7.7	7.7	8.6	15.2	8.2	7.2	9.8	7.0
Wholesale and retail trade; accommodation and food service activities	5.0	6.5	3.4	5.5	6.1	4.9	3.3	4.4	2.1
Transportation and storage; information and communication	5.1	14.5	5.0	8.6	16.3	5.3	8.0	13.7	5.5
Public administration; education; and human health and social work	6.0	7.0	3.2	5.6	6.5	3.4	5.5	5.8	4.6
Other service activities	12.9	12.5	13.4	9.9	11.2	8.4	10.4	14.0	5.7

Source: National Bureau of Statistics

Involuntary part-time work

Involuntary part-time employees can be defined as those who work part time because they have not found a full-time job.

Employees may also be engaged in involuntary part-time work if their company's activity is reduced. In such situations, the employer can establish a reduced activity regime for at least 25% of employees for up to three consecutive months, but no more than five months per year. During the period of reduced activity, the employer does not have the right to hire new people to carry out activities performed by the employees whose working time was reduced. To facilitate transfers from part-time to full-time work, the Labour Code requires employers to inform employees about full-time jobs that have become vacant.

Employees in involuntary part-time work (%)

Employees	2019	2020	2021
Total	68.9	69.5	68.0
Men	81.5	82.8	76.5
Women	59.3	59.3	62.6
Urban	61.6	61.0	65.3
Rural	74.1	76.5	69.9

Source: National Bureau of Statistics

Night work

Night work in Moldova is considered work performed between 22:00 and 6:00. Night shifts are one hour shorter than day shifts. If an employee's shifts are to be changed so that they work only at night, the employer must fully support the necessary medical examinations. Any employee who performs 120 hours of night work in six months must undergo a medical examination, with the expenses being covered by the employer. Night work is prohibited for employees under 18, those who are pregnant, those with disabilities and those who cannot carry out night work for medical reasons.

For work performed at night, employees benefit from additional compensation of at least 50% of the basic salary for the time worked.

Shift work

Shift work is regulated by Article 101 of the Labour Code. This legislation is applied when the duration of the production process exceeds the duration of the working day, and to facilitate the more efficient use of production machinery and equipment. The shift work programme is approved by the employer, considering the specifics of the work and after consulting with employee representatives. The legislation prohibits employees from working two consecutive shifts. In addition, the employer must notify the employees at least 14 calendar days before implementing a shift work schedule.

Weekend work

According to the Labour Code, Saturdays and Sundays are considered rest days. If the simultaneous granting of rest days to all employees would harm the public interest or compromise the normal operation of the company, weekly rest may be granted on other days, provided that one of the days off is Sunday. The alternative rest days are established by the relevant collective labour agreement or the company's internal regulations. In companies where, due to the specifics of the work carried out, weekly rest cannot be granted on a Sunday, employees benefit from two days off during the week and a salary increase established by the relevant collective labour agreement or their individual labour agreement. Work on weekly rest days is prohibited for people under 18 and those who are pregnant.

Rest and breaks

The Labour Code regulates the daily and weekly rest time granted to employees. Within an employee's daily work schedule, they benefit from a meal break of at least 30 minutes. This break is not included in their working time. In addition, one of the parents of a child or children up to the age of three years benefits from additional breaks to feed them. Additional breaks should be granted at least once every three hours, with a minimum duration of 30 minutes. Child feeding breaks are included in work time and paid according to the employee's average salary.

The duration of daily rest, between the end of the employee's work schedule on one day and the start of their work schedule on the next day, cannot be less than 11 consecutive hours.

Weekly rest is granted on two calendar days, usually Saturday and Sunday. The duration of uninterrupted weekly rest must not be less than 42 hours, except if the duration of the work week is six days.

Every year, any employee working under an individual employment contract benefits from paid leave, with a minimum duration of 28 calendar days excluding public holidays.

Working time flexibility

Article 100 of Moldova's Labour Code regulates working time flexibility. Flexible work regimes are established by agreement between employees and employers at the request of one of the parties, either at the start of employment or after the individual employment contract has been concluded. The regimes can be established for a fixed or indefinite period. The employee can request that their work schedule be changed from a standard schedule to a flexible one, depending on their personal or family needs. This change is reflected in an additional agreement to their individual employment contract. Having a flexible work schedule does not limit the employee's rights and guarantees regarding the determination of seniority or the duration of annual leave. The employee can request an adjustment to their work schedule once every six months.

The employer may consider the following when granting a flexible work programme:

- the costs involved
- the reorganisation of the work of other staff
- their ability to recruit additional staff
- the impact on the quality of products or services
- the impact on the employee's performance
- the effect on the organisation's ability to satisfy customer demand

In addition, the Labour Code regulates working from home and remote work. Employees who work from home have concluded an individual employment contract for this purpose, with the necessary materials, tools and mechanisms provided by the employer or bought by the employee.

Remote work is a form of work organisation in which the employee performs tasks specific to their position and field of activity in a place other than the employer's premises, using information technology (IT). A chapter regulating remote work was added to the Labour Code in 2020, following the start of the COVID-19 pandemic. The specifics of remote work can also be stipulated in collective labour agreements or in a company's internal regulations. Likewise, individual employment contracts regarding remote work must contain, in addition to the general clauses, special clauses setting out, for example:

- the conditions for providing remote work
- the method by which the employer is entitled to check the employee's activity
- the method of recording the hours of work performed by the employee
- the conditions regarding the bearing of expenses associated with remote work

Healthcare and well-being

Maintaining health and wellness should be a priority for both employees and employers. Health is an asset that is directly related to a person's quality of life and longevity, as well as their ability to work. A healthy economy depends on a healthy workforce. Organisations can suffer productivity losses due to the health status of their employees. This section deals with health, safety and psychosocial risks in Moldova.

Health and safety at work

In Moldova, health and safety at work is regulated by the Labour Code and Law No. 186 on occupational health and safety, adopted in 2008. The state policy for health and safety at work is drawn up and adapted periodically, in consultation with employers and trade unions, and considering developments in international regulations. According to the Labour Code, the main aims of the state policy for health and safety at work are:

- ensuring the quality of life, physical integrity and health of employees
- coordinating activities in the field of occupational health and safety and environmental protection
- researching, recording and reporting work accidents and occupational diseases
- protecting the legitimate interests of employees and victims of work accidents and occupational diseases, and their family members, through mandatory social insurance contributions
- participating in the creation of safe working conditions and in the manufacture of individual and collective means to protect employees

To transpose Council Directive 89/655/EEC into national legislation, the government implemented Government Decision No. 353/2010 regarding the minimum health and safety requirements at work that all employers must comply with. Therefore, the working conditions stipulated in individual employment contracts must align with the occupational health and safety requirements.

The State Labour Inspectorate is the government institution responsible for overseeing health and safety at work. The inspectorate checks how employers comply with occupational health and safety regulations, through planned or ad hoc investigations.

Accidents at work resulting in four or more days of absence

Indicator			Υ	/ear		
	2016	2017	2018	2019	2020	2021
Total number of employees injured	371	448	503	493	419	553
Total number of employees fatally injured	29	41	38	36	31	30
Change in the number of employees fatally injured compared with the previous year (%)	-15.9	20.7	12.3	-2.0	-15.0	32.0
Rate of work accidents per 1,000 employees	0.62	0.75	0.82	0.79	0.70	0.89
Rate of fatal work accidents per 1,000 employees	0.049	0.068	0.062	0.058	0.052	0.048
Total working days lost due to accidents	12,997	15,199	16,123	15,877	11,673	16,765

Source: National Bureau of Statistics

The rate of work accidents in Moldova fluctuated from year to year between 2016 and 2021, with no specific trends noted. Of the total number of work accidents, fatal accidents constituted less than 10%. The rate of occupational accidents was less than 1 per 1,000 employees. The number of working days lost also changed depending on the number of work accidents. In 2021, the average number of working days lost due to incapacity for work was 30.3, almost 5 days fewer than in 2016.

Psychosocial risks

The legal framework in Moldova does not directly regulate psychosocial risks and stress at work; they fall under occupational health and safety. The legislation obliges employers to implement certain measures to avoid or reduce psychosocial risks, namely assessing occupational risks that cannot be avoided; combating professional risks at the source; adapting the workplace to the needs of employees, including disabled employees; creating and maintaining hygienic conditions for life and work; promoting the practice of active rest among employees; and developing a policy to prevent occupational risks that includes provisions related to technology, work organisation, working conditions, social relations and the influence of environmental factors. At organisational level, the employer is obliged to consult employee representatives regarding health and safety at work. In this context, the legislation provides for the establishment of occupational health and safety committees at organisational level. The number of representatives on an occupational health and safety committee depends on the size of the organisation. The minimum number of committee members is two (one employer representative and one employee representative), mostly relevant to enterprises with 5 to 50 employees, and the maximum is 16 (8 employer representatives and 8 employee representatives), mostly relevant to enterprises with more than 4,000 employees.

In addition, the Labour Code provides for the respect of human dignity, which requires the establishment of a comfortable psycho-emotional climate at work that discourages any form of verbal or non-verbal employer or employee behaviour affecting the moral and psychological integrity of employees. Thus, forced labour and discrimination in labour relations are prohibited, and the employee has the right to defend their honour, dignity and professional reputation.

Skills, learning and employability

Skills are the passport to employment; the more qualified a person is, the more likely they are to get hired. In addition, highly skilled employees tend to have better-quality jobs and better earnings than lower-skilled employees. This section briefly summarises Moldova's system for ensuring skills and employability, and analyses the extent of vocational training.

National system for ensuring skills and employability

The Education Development Strategy 2020–2030 is the policy framework for education and training, including adult learning. Key players in identifying skills needs and in developing, validating and recognising skills are the ministries of education and labour, the National Employment Agency, and the National Agency for Quality Assurance in Education and Research.

Moldova has established an institutional framework for cooperation between social partners in the area of education and training through sector-specific skills committees (passed in 2017). The main goal of the framework is to enable the private sector to play a stronger role in vocational education and training and the development of human capital. Although the legislation is in place and several sectoral committees are currently active, challenges in the full operationalisation and implementation of their mandate remain. A national qualifications framework has been implemented in Moldova, and a register of qualifications is being developed. In future, there are plans to align the framework with the European Qualifications Framework and thus improve the portability of skills.

The ministry in charge of employment affairs and the National Employment Agency regularly perform labour market and skills demand identification analyses (e.g. vacancy monitoring, professions barometers) and disseminate the results. However, due to the limited availability of data and funds, the skills demand forecasts available are focused on short-term demand. Longer-term forecasts are conducted rather infrequently, as are graduate tracking initiatives, and both depend significantly on external (donor) support.

Training

The National Employment Agency, a tripartite organisation, implements activation and (re)training programmes for jobseekers and several other vulnerable categories of people, including inactive people. The education sector emphasises the importance of municipal involvement in adult learning, while companies invest in their workforces' skills development. However, the overall participation of adults in lifelong learning remains very low, at only 1.1% (according to 2021 data from the National Bureau of Statistics), down from 1.5% in 2019. Women tend to participate in further training opportunities more often than men.

The country has also developed a solid system for the validation of non-formal and informal learning, and several centres have been accredited as non-formal and informal learning providers. Funding the system remains an issue. Requiring potential applicants to cover the costs of the process reduces the attractiveness and potential added value of the system.

Challenges remain in ensuring the capacity of institutions to implement the programmes, determine a funding model and fund the development of occupational and qualification standards. Implementing skills development outreach programmes to address the needs of diverse types of learners – such as workers and inactive people, including vulnerable groups – is also a challenge.

Equality and non-discrimination at work

The principle of equal treatment assumes that all people, and – in the context of the workplace – all employees, have the right to equal treatment and are not discriminated against based on criteria such as age, disability, nationality, sex, race and religion.

Ensuring equality and non-discrimination at work is regulated by the Labour Code, Law No. 5 of 2006 on ensuring equal opportunities between women and men and Law No. 121 of 2012 on ensuring equality. To avoid discrimination in the professional environment, the Labour Code requires employers to:

- ensure equal opportunities and treatment for all people in employment, induction and vocational training, as well as with regard to job promotions
- apply the same criteria to all workers in the process of evaluating the quality of work of employees, sanctioning employees and dismissing employees
- apply measures to prevent sexual harassment at the workplace, and measures to prevent persecution for filing discrimination complaints with the competent body
- ensure equal conditions for women and men, considering both professional and family responsibilities
- respect the dignity of employees at work
- ensure equal remuneration for equal work or work of equal value

In 2017, by government decision, the strategy for ensuring equality between women and men in Moldova for 2017–2021 was approved. A section of it addresses the labour market and the gender pay gap.

To ensure a continued focus on the subject of gender equality, a programme for promoting and ensuring equality between women and men for 2023–2027 was approved through Government Decision No. 203/2023. The approved programme is consistent with the priorities of the Council of Europe's Gender Equality Strategy 2018–2023, the EU Gender Equality Strategy 2020–2025, the UN Women Strategic Plan 2022–2025, and the 2021–2027 Association Agenda between Moldova and the European Union.

The Equality Council is an autonomous national authority that aims to prevent and combat discrimination, as well as ensuring equality. One of the council's duties is to examine complaints regarding discrimination, including in the professional environment. Most of the complaints resolved by the Equality Council are related to discrimination in the professional environment. The issues most frequently resolved by the commission between 2017 and 2021 were: discriminatory employment requirements, the unjustified conclusion of fixed-term employment contracts, harassment in the workplace, unequal remuneration and employers' refusal to reasonably accommodate the work schedule of employees with family responsibilities in the context of the pandemic.

Complaints resolved by the Equality Council

Complaints resolved by the Equality Council							
Indicator	2017	2018	2019	2020	2021		
Total complaints	151	247	257	297	282		
Share of complaints about a	20	31	25	31	29		
discriminatory work environment (%)							

Source: Equality Council annual reports

Equal pay and gender pay gap

Paying employees differently based on gender is prohibited by law in Moldova. According to Article 128 of the Labour Code, employees should not be paid less based on their gender, age, disability, social origin, family situation, ethnicity, race or nationality, political opinions or religious beliefs, trade union membership or trade union activity. The employer is obliged to ensure equal pay and to evaluate according to certain criteria the pay of employees who perform work of equal value. In addition, large and medium-sized enterprises are obliged to periodically inform employees or their representatives of the gender wage gap both by employee category and by job category. Despite the legislation in place, gaps remain in the wages received by men and women.

Between 2017 and 2021, the gap between men's and women's wages varied between 3.3% and 8.7% across the economy. The biggest salary gaps during the period analysed were registered among *technicians and associate professionals* with an average qualification level and *trade service workers*.

Salary gap between men and women, by employment category, 2017-2021 (%)

Occupation	2017	2018	2019	2020	2021
Total	4.5	8.7	7.1	3.3	4.6
Managers	9.4	8.9	8.8	1.7	7.8
Professionals	-1.7	8.6	15.7	14.3	20.3
Technicians and associate professionals	25.2	23.3	27.0	22.7	11.4
Clerical support workers	15.7	11.7	16.4	17.5	16.1
Service and sales workers	25.5	25.5	19.3	19.2	19.4
Skilled agricultural, forestry and fishery workers	-1.4	6.4	-3.0	-10.4	-4.1
Craft and related trades workers	12.3	17.0	18.3	1.6	18.7
Plant and machine operators, and assemblers	13.4	-3.4	3.2	3.3	-3.0
Elementary occupations	-1.7	5.4	4.9	1.0	1.6

Note: The values listed in the table represent the difference between men's salaries compared with women's salaries.

Source: Ilostat

Quota regulations

In Moldova, there are no regulations regarding specific quotas to be considered in employment, promotion or vocational training. Although Law No. 105 on the promotion of employment and unemployment insurance provides for the granting of various incentives to employers for hiring unemployed people from disadvantaged categories (e.g. people with disabilities, long-term unemployed people, ex-prisoners, victims of family violence), it is not mandatory for businesses to employ a certain number of people from these categories.

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Links

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