

19<sup>th</sup> of January 2015

Press release

### **The government wishes to shift labor inspectors' activity under political control**

Today's agenda of the social dialogue Committee of Labor Ministry eloquently shows that the government insists on destroying the institution of Labor Inspections by refusing to amend GEO no 86/2014 and so ignoring the social partners' request.

The establishment of the National Authority of Labor Inspection and Social Security, by merging Labor Inspection and the National Agency for Payments and Social Inspection, will result in direct efficiency reduction and hindering the work currently carried on by Labor Inspectors, by charging other tasks related to social assistance, nonspecific control activity of labor inspectors.

Even more serious is the abrogation of the Law 108/1999, law currently regulating the organization and functioning of labor Inspection. Ponta government approach conflicts with the Romanian Constitution, which says that the employment of civil servants must be regulated by a law (Article 73, paragraph 3, letter p) and also with the Labor Code, according to which *"the establishment and organization of Labor Inspection are regulated by a special law"*.

Once covered by a governmental act, the organization and operation of the new agency will be changed by political or local interests. Thus no stability is provided as far as depending labor inspectors is concerned, nor independence of any change in government, basic conditions imposed by international regulations to which Romania is part of (*"Labour Inspection staff will be composed of public officials whose status and work conditions ensures their stability and independence according to any unforeseen changes in the government and any outside influence"* - Article 6 of the Convention 81/1947 of International Labour Organisation, ratified). Moreover, the political control of the institution is "insured" by GEO 86/2014 and the appointment of a president with the rank of Secretary of State, nominated by the Prime Minister.

Taking into account the preponderance of social assistance component of the new agency, activity currently coordinated by the county councils, we strongly believe that the ultimate goal, which is aimed, is to subordinate the Labor Inspection activity to county councils. Thus local barons will decide who, when and how will somebody be or not bothered by the labor inspectors, giving free rein to the mafia in the economic sector.

Considering that, according to the latest reports of the Ministry of Public Finance, tax fraud existing on the labor market amounted to 14.6% of GDP, almost half of the total revenues from the national budget, the government action to suppress Labor Inspection, one of the key institutions in combating the phenomenon, is irresponsible.

After BOC government passed the law of social dialogue (L62/2011), by assuming, through the Parliament, law that Ponta government refused and refuse to change and who destroyed collective bargaining and representation of workers, Labor Inspection remained the last redoubt in checking and application of the workers' rights. The dissolution of this institution will only encourage tax fraud on the labor market and also the complete elimination of the last hope for workers.

**The Nationally representative Trade Union Confederations: CNS “Cartel ALFA”, CNSRL Fratia, BNS, CSDR and CS MERIDIAN request to remove the provisions on Labor Inspection reorganisation mentioned in the Government Emergency Ordinance no 86/2014. In this respect trade union confederations filed in January 9, 2015 a request to the Ombudsman to invoke the unconstitutionality of Article 5 of GEO 86/2014 but triggered also a complaint in order to hit the GEO to the contentious administrative procedure.**