

LabMin continues to support renegotiation of 9.4% of GDP for pension expenses

The Minister of Labor, Marius Budai, declared on Wednesday that he continues to support a renegotiation of the target of 9.4% of the GDP, stated in Romania's National Recovery and Resilience Plan (PNRR) for the pension spending.

"I continue to support that the 9.4% is nothing but impoverishing future and current generations of seniors in Romania. (...) It is clear (that it should be renegotiated). We are already having talks within the coalition, within the Government, in order to prepare for this negotiation and we are very determined to do it. Romanian citizens should not be poor citizens. That someone, once, in the past, thought of it... We must change this way of thinking," he explained in a press conference held at Victoria Palace.

The Minister added that Law no. 127/2019 provides for 11.7% of the GDP for the payment of pensions in the public system.

"We used to have, in Law no. 127, 11.7% percentage for the pay of the pensions in the public system - those based on contribution, without the part of contribution from those service pensions and allowances. The EU average is 12.7% - 13%. Why 9.4% in Romania? The allowances and service pensions included? Nobody has answered as to why. What I want to say, with certainty, I looked into it when I came to the Ministry, from the Ministry of Labor there were no requests of any percentage to be introduced in that reform," Marius Budai said.

He reminded that, alongside other PSD (Social Democratic Party) leaders, he said that certain reforms from PNRR "will do but impoverish the Romanian citizens".