

Employers' Association CNIPMMR agrees to minimum wage increase to cover inflation rate

The president of the National Council of Small and Medium Private Enterprises (CNIPMMR), Florin Jianu, said on Monday that the organization he represents agrees to an increase in the minimum wage from 1 January to cover the inflation rate, i.e. 2.2 pct.

"Tomorrow morning [Tuesday, ed.n.] we have a meeting of the Tripartite National Council at the level of the Government with the presidents of employers and trade unions. Talks are underway. No decision has been made on this," Florin Jianu said, when asked if it is a good time given the current health context, given the conditions in which such a decision will be made by the Government.

He stressed that it is normal to agree to an increase that would cover "a possible loss of purchasing power on the part of the employees."

"On Friday we had the National Convention [National Convention of the National Council of Small and Medium Private Enterprises in Romania] and I have a mandate from my colleagues, and the mandate is to agree to an increase that covers the inflation rate, i.e. 2.2 pct. It is normal to agree to this in order to cover a possible loss of purchasing power on the part of the employees. We cannot agree to an increase as it is proposed by the trade unions because, at the moment, Romania's economy does not have the capacity to pay new wage increases. The increase in the minimum wage has also consequences for other salaries because a salary grid in a company, in a public institution of the state is based on the minimum wage, so we have to look at the whole way this minimum wage is raised. Equally, the minimum wage also has an impact on fines. For example, they all relate to the minimum wage. Once more, however, no decision has been made. It's going to be discussed. The government has not expressed a point of view on this," Jianu said.

The head of the CNIPMMR, who participated in a press conference organized by the Coalition for the Development of Romania on Monday, stressed that a mechanism is needed to establish the minimum wage, which is correlated with inflation, labour productivity, economic development.