

## PM Citu: Public sector reform starts by stopping salary envelope increase

**Prime Minister Florin Citu said that reform in the public sector has started by stopping the salary envelope increase, measure that would also be decided for next year, in addition to digitisation and restructuring of state-owned companies with arrears.**

"It is true, that is why we took these measures this year, an unpopular measure of keeping the salary envelope at last year's level, and the salary envelope stays the same next year as well, it only increases very little. This is how reform starts, by stopping the salary envelope increase and forcing reform inside the system. I very well know what you are talking about, that it is an disloyal competition from the state. And it doesn't stop at salary system, it is also in the way the salary works with the private sector, the moment when the state controls the private system and so on, there are many problems here and that is why we need transparency, as well as a more efficient manner in which the state works which we'll achieve through digitisation. I don't believe that changing people, putting someone new in charge of a project initiated years ago will solve the problem. No, digitisation is, or the digital transformation of the state is the most objective manner of making a streamlined, efficient, easy to work with state," Citu told an online debate on the post pandemic recovery and the path to a new economy, when asked about reform in the public sector, state-owned companies included.

The PM added that "the state, as it is, is dragging us down, when we talk about economic dynamics."

"It is a break in the economy development, with all the arrears and problems it has. And we have started and you will see that this year we'll start step by step. (...) We have had 30 years of humane-faced socialism, this has been Romania's problem, this is the root of our problem, from Iliescu and private property seen as 'a caprice', we have two big issues. In a state in which the market chooses its champions, private property is sacred and this is where we start from and the direction we're going to, I want to get there. Therefore, champions are chosen by the market, not by the state," Citu said.

The PM added that, besides keeping the same level of the salary envelope for the public employees, the government also has in view other reform measures for state-owned companies.

"There are many reforms that we have announced. You very well know that I asked reforms from state-owned companies with losses, they will not be receiving subsidies until they come up with a restructuring plan clearly showing they can make profit, on the contrary, no. There are several things, this is where we start from, in respect to the salary system here, we start by blocking salary increases, with a new pay law," Citu said.