

Minimum wage to increase by 10 pct in net value

The government has adopted the increase of the minimum wage by 10 pct in net value, respectively by 138 lei (rd 27.89 EUR, ed. n.), starting from January 1, 2022, and the impact will be on a number of about 1.97 million people, Labour Minister Raluca Turcan announced on Monday.

(1 EUR = 4.9469 RON)

"Today, the government adopted the increase of the minimum wage in payment at the level of 2022. (...) This increase will be by 10 pct in net value, and as gross value the minimum wage in payment at the level of 2022 will reach 2,550 lei per month. These are positive results, as this increase in the salary in payment at gross level represents an increase of about 250 lei compared to the current level and of 138 lei at net level, and the impact will be on about 1.97 million people," Turcan said at the end of the government meeting.

She added that there are about 1.2 million minimum wage earners at the country level, which is 22.9 pct of the 5.6 million active employees.

Asked how she explains the fact that by this increase in the minimum wage, the employee has 138 lei, and the state gets 118 lei, Turcan replied that "this is the system of contributions at the moment in Romania".

In her opinion, the change in the level of taxation and contribution is not done "from today to tomorrow", especially in an economy in difficulty.

Last but not least, Turcan claimed that since the beginning of the year, 120,000 new employment contracts have been registered for an indefinite period, but 40 pct of them are paid the minimum wage.

"The increase of the minimum wage not only supports people in a difficult economic period, but also represents a tool through which we can prevent the migration of the labour force, a phenomenon that deeply shakes Romania," the Labour official said.

Asked when the measure of zero taxes on the minimum wage could be adopted, the measure included in the government programme, Turcan stressed that it was not discussed.