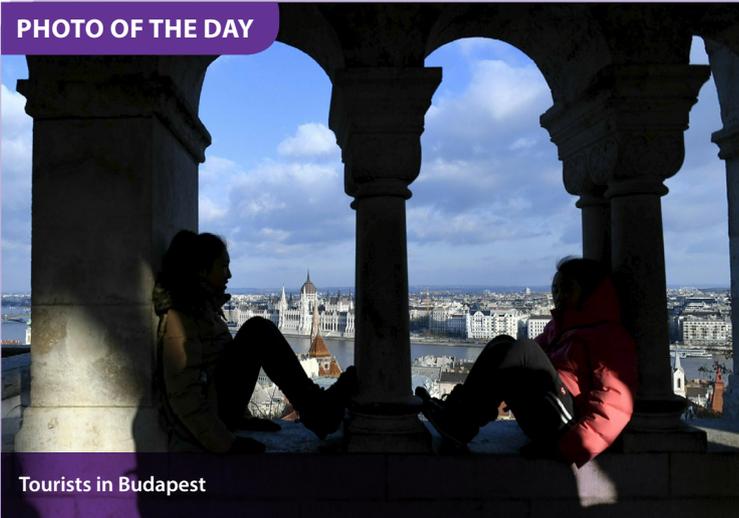


PHOTO OF THE DAY



MTI/Szilárd Koszticsák

Tourists in Budapest

UPCOMING EVENTS

PM Varga on economic progress

TOP STORY

ORBÁN: VIOLENCE NOT PART OF DEMOCRACY

Politics is an area where battles can take place even on a Christmas Eve and protests are part and parcel of democracy. However, this does not apply to violence, Prime Minister Viktor Orbán said in a Christmas interview in daily *Magyar Idők*.

It is easy to assess the situation: the government stands for work, family and security and opposition policies stand for the opposite. Calm force on one side stands against aggression, violence, support for migration and tax hikes on the other, Orbán said.

Those who argue against the recently adopted amendment to the labour code actually argue against workers because the amendment serves workers' interests and will result in higher wages. "Contrary to opposition lies," the higher wages will have to be paid by employers on a monthly basis, the same way as it was in the past, he said.

The only move by the governing alliance's two-thirds parliamentary majority that the opposition would be willing to support is its resignation, he said. The opposition rejected to support even the increase in home care support, they reject constructive cooperation because they want to oust the government by all means, Orbán said. However, only the electorate has the right to remove the government and the next time this will be possible is in 2022, he added.

Hungary Matters is an English-language newsletter produced and distributed by the Media Service Support and Asset Management Fund (MTVA) with content provided by Duna Media Service Provider exercises copyright over all content. No part of this publication may be copied, reproduced, redistributed or transmitted without prior written permission from the publisher, with the exception of copies made by individuals for private use, educational purposes or scholarly research, provided that such transmissions do not exceed the extent justified by the purpose and are not aimed at financial gain, even indirectly, and the source name are indicated at all times.

All rights reserved. Enquiries should be made to the English Help Desk at +361 441 9340
For MTI's real time coverage please visit <http://english.mti.hu>, <http://econews.hu>



ORBÁN: CENTRAL EUROPE NOT 'EXPERIMENTING' WITH MIXED CIVILISATION

Some large Western European countries are "experimenting" with developing a mixed civilisation and "they think Christian Europe should be turned into a Christian-Muslim Europe." Central Europe, however, has decided not to start this experiment because the risks it carries are extremely high, Orbán said in the Christmas interview carried by Magyar Idők.

"We do not want our countries to be inhabited by a mixed population and therefore we are protecting our borders and oppose migration. Everyone can see that those in the west do not respect this decision of ours ... They are using the Hungarian opposition as a tool. George Soros and his networks do not tolerate the omission of central Europe from their great society-transformation experiment ... The European Parliamentary elections will be a milestone in this fight because it will involve a power match between political forces that protect Christian Europe and those that support migration. A historical situation will develop in which Hungary is fighting not only for itself but also for Christian Europe," Orbán said. Migration carries extreme risks and the cohabitation of civilisations involves difficulties that Europe may not be able to cope with, he added.

Demographics is a vital issue and the Hungarian government is making every effort to strengthen families because "we believe that families

hold the key to the continuation of Hungarian history and the future of the nation," he said. "We Hungarians can only rely on ourselves. This is why we have launched a national consultation on families. I consider this the most serious issue on the agenda of Hungarian politics," he said.

In response to a question about the possibility of an economic crisis, Orbán said, "You mustn't bury your head in the sand." It is a genuine question to ask whether the success of the Hungarian economy can be maintained during a European or global economic crisis, the prime minister added. He said in 2008 Hungary was "among the first countries to collapse". However, currently the Hungarian economy has strong foundations, Orbán said, adding that even if the circumstances deteriorate, Hungary's economy will continue to perform well. During the time of crisis, a stable government with a two-thirds majority support has increased importance because the ability to take action is an important resource, Orbán said. "It took eight years for Hungarians to convince each other that it is worth working hard. More people hold jobs today than almost any time in the past. As a result, the Hungarian economy is shock-proof," he said.

OPPOSITION INITIATES SPECIAL PARLT SESSION ON LABOUR CODE AMENDMENT

The opposition parties have initiated convening a special session of

parliament to discuss how the amendments to the labour code raising the limit of overtime were approved and opposition lawmakers at subsequent demonstrations treated earlier this month, the leftist Democratic Coalition (DK) party told MTI.

The session was initiated by DK, the Socialists, green LMP, Párbeszéd, conservative Jobbik and independent lawmakers, submitting the required 40 signatures to the speaker of parliament. The initiators said they want to discuss the passage of the "slave law" and other laws on December 12, the "unprecedented punishment" of protesting lawmakers, and why "police stood idly by while physical violence was being committed against opposition MPs." Under the house rules, Speaker László Kövér has to convene the special session within eight days, by January 4 at the latest.

SOCIALISTS INITIATE STRATEGIC CONSULTATIONS ON EP ELECTIONS

The opposition Socialists' campaign chief for the 2019 European Parliamentary elections has invited other campaign chiefs of the "democratic opposition parties" for strategic consultations in the first week of January, adding that joint efforts could cause cracks on the regime of Prime Minister Viktor Orbán.

The opposition has huge responsibility to assume for halting the "efforts of Orbán and his oligarchs to establish dictatorial rule," István Ujhelyi said.

As ruling Fidesz's failure to win a majority of Hungarian EP seats would reveal the vulnerability of the Orbán regime, the opposition forces competing for voters should in any case coordinate their strategies, he said. "Obviously, this cannot mean a large joint opposition list," he said, adding that several parties have already named their candidates for the elections.

Referring to the pre-Christmas demonstrations, Ujhelyi said that unprecedented and exemplary cooperation of opposition forces, trade unions and voters had created a common front against the Orbán regime, adding that the protests would resume in January. Fidesz said in response that Ujhelyi represented "Brussels and its immigration policy". Hungary needs MEPs representing Hungarian interests, as done by the ruling Fidesz-Christian Democrat alliance, it said.

GOVT OFFICIAL: INCOME INEQUALITY DOWN SINCE 2010

Regional income inequality in Hungary has declined noticeably since 2010, a state secretary of the human resources ministry said, citing data from the Central Statistical Office. Bence Rétvári told MTI that the country's gender pay gap has also narrowed compared with the left-liberal era. The annual per capita income has risen by over 40% on average in all eight of Hungary's regions since 2010. And the rate of increase has been faster in the less developed regions, which has helped bring down regional disparity, he said.

Income inequality between the capital and rural Hungary has also declined. The difference between the average per capita income in Budapest and the poorest Northern Great Plain region was less than 10% last year. The Northern Great Plain region has seen the biggest increase in the employment rate since 2010 at 12.6%. The economically active population in this region has risen by 14% and the number of employed by 25%, he said.

Rétvári said the declining regional disparity has vindicated the government's measures. While the policies of the Socialist governments before 2010 preserved income inequality levels by keeping people on welfare, the policy of creating a "labour-based society has shown a noticeable rise in living standards and a decline in inequality on a national level". Employment levels have reached new highs and the unemployment rate is at a record low level. But inequality has also been declining in terms of the gender pay gap, which has narrowed by one-fifth over the past eight years. Whereas the difference between the incomes of men and women was 17.6% in 2010, by 2016 it was just 14%. Employment among women has also risen dynamically, going from 49.8% in 2010 to 62.5% this year.

BUDAPEST LIGET PROJECT TO CONTINUE NEXT YEAR

Several construction projects will be completed with new ones getting under way in City Park under the

Liget Budapest Project next year, the director-general of the project company told MTI. Describing the project which will transform City Park into a museum quarter, Benedek Gyorgyevics noted the completion of the National Museum Restoration and Storage Centre (OMRRK). The complex will provide world-class art storage warehouses and conservation-restoration facilities covering a total area of almost 37,000 square metres. He further noted the completion of the Olof Palme House's restoration in the first half of the year and the complex's reopening with exhibitions presenting "The First Golden Age of Budapest and the City Park". The construction of the House of Hungarian Innovations, "one of the Liget's most exciting elements", will at the same time begin. Work on building a New National Gallery will also get under way, he said, and called the possibility to work on the gallery's design with world-class architect firm SANAA "an outstanding opportunity".

NOVÁK: TWO-CHILD FAMILIES TO GET HUF 40,000 IN TAX PREFERENCES NEXT YEAR

Starting in January, families with two children will enjoy a 40,000 forint (EUR 124) monthly tax preference, the state secretary for family and youth affairs said. Since 2016, the government has been gradually increasing tax preferences for families with two children and next year it will be double the

amount that was available in 2015, Katalin Novák told MTI. Thanks to this measure, families next year will be able to save a total of 2,250 billion forints. The next steps will depend greatly on the outcome of the government's recent national consultation on family policy measures. More than 1.3 million people filled out the survey, and the results will be incorporated into the government's family policies possibly as early as the first quarter of 2019, she said.

HUNGARIANS MOST WORRIED ABOUT ENVIRONMENT

Environmental pollution is the most widely cited concern by Hungarians, daily *Népszava* said, citing a fresh survey of seven countries commissioned by energy supplier E.ON. The survey carried out on a sample of 7,000 people asked respondents whether they consider climate change, pollution, war or

poverty the biggest challenge facing society. The majority of respondents named climate change and pollution as their biggest concerns. Alongside Hungarians, the Czechs and Swedes also chose pollution as their top concern, while people in Britain and Romania are most worried about poverty. Climate change is seen as the biggest concern in Germany and Italy. Altogether 33.4% of Hungarian respondents said they are most worried about the state of the environment, followed by poverty and climate change. Hungarians are least worried about war, with just 6.7% of respondents naming it as the number one problem. Fully 81% of Hungarians – the highest of all nations surveyed – said they have made changes in their own lifestyles in an effort to reduce greenhouse gas emissions. In addition, about half of Hungarians said they would be willing to pay 5% more for products manufactured through eco-friendly practices.

STUDENT NUMBERS EDGE DOWN IN 2018

In the 2018/2019 academic year there were 1.838 million students in Hungary enrolled in full-time public education and higher education studies, preliminary data from the Central Statistical Office (KSH) show. The number of pupils in primary education fell by 6,200 to 726,000, compared to the previous academic year. In secondary education the number of students in basic vocational schools was down by 7,800 at 93,900 and also fell by 11,150 to 184,400 in advanced vocational schools. In higher education enrolment figures, including evening, part-time and PhD studies, were down by 1,900 at 281,400. Full-time enrolment figures were down by 2,100 at 200,000. Including adults attending evening courses and pupils requiring specialized teaching methods, there are 1.556 million Hungarian in public education in the ongoing academic year.