

PHOTO OF THE DAY



MTV / Zoltán Balogh

Budapest Central European Fashion Week at the Várkert Bazaar

UPCOMING EVENTS

Plenary session of parliament

Defence minister inaugurates passenger terminal at Pápa air base

US-based International Flavors & Fragrances announces investment

Presser on Budapest Spring Festival

TOP STORY

LAWS ON EXPANDED FAMILY SUPPORT ENACTED

Lawmakers approved amendments to legislation necessary for the expansion of government measures supporting families with children in a vote of 176 for, 10 against and 6 abstentions.

The changes allow the rollout of an interest-free general purpose loan up to 10 million forints (EUR 31,100) for married couples who commit to having children. Repayments on this loan will be suspended for three years after the birth of the borrower's first child. After the birth of a second child, repayments will be suspended for another three years and one-third of the principal will be paid for by the state. After the birth of a third child, the state will take over the whole loan's principal. The measures also include government grants up to 2.5 million forints for purchases of new, seven-passenger vehicles for families with at least three children.

The amendment also affects the law on personal income tax, allowing for the PIT exemption of the preferential loan and the government subsidies provided for the vehicle purchases. The law is set to come into effect on July 1.

Additional measures of the action plan include write-offs of outstanding mortgage credit linked to the birth of children and an exemption from the personal income tax for women who have four children.

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DK NOT TO VOTE FOR GOVT FAMILY PROTECTION PLAN

Lawmakers of the leftist Democratic Coalition (DK) party will not vote for the government's action plan for family protection as it supports only a wealthy minority of Hungarian families, the party said. Zsolt Gréczy, spokesman of the party's parliamentary group, noted that DK has submitted its own package of proposal for families, but the ruling Fidesz and Christian Democrat parties rejected it before it had a chance of going before parliament. Answering a question on whether the opposition parties consulted each other on the action plan, Gréczy said that the opposition parties decided independently on their approach to the proposal.

SZIJJÁRTÓ SLAMS 'BRUSSELS' OVER MIGRATION POLICY

Foreign Minister Peter Szijjártó, speaking at a meeting of the Visegrad countries and eight Nordic-Baltic states in Lithuania, said: "Brussels favours migration and the European Commission has started communicating the positive effects of legal migration." "This takes us back to last year's dispute [in the UN] over the global migration compact, which was exclusively about how to legalise illegal migration," Szijjártó told a press conference. The European Commission "keeps trying to pull the

wool over the eyes of governments" and wants to make the public believe that "there is no migration crisis and that migration is good", he added.

Szijjártó said there was general agreement at the V4-Baltics meeting that migration had carved out the deepest dividing lines in the history of the European Union so far. The European Parliament election will resolve the question of what direction the EU will head in, he added. Hungary is concerned that infrastructure along Europe's southern borders has not been developed "since the start of a tranquil period facilitated by the agreement between the EU and Turkey", Szijjártó said, adding that the past three-and-a-half years should have been used to complete infrastructure to protect those borders.

He said that due to migration, the terrorist threat in Europe "has become unprecedented in recent decades and security challenges have amassed."

Szijjártó said that whereas the commission insisted the migration crisis was over, the number of migrants crossing into Turkey had increased by 50 percent last year, and their total number in Turkey has reached 4 million. Around 17,000 illegal migrants have been apprehended in the western Balkans and "another migration wave similar to that of four years ago must be prevented," he said. He called for aid to support development projects in Africa so that the continent can hold back a potential migration wave.

Hungary, the minister said, is concerned that the EU is handling Africa

with the wrong approach. "The continent is presented as a group of countries that definitely want to send their citizens to Europe, but when we talk to our colleagues there, they say they want to keep these people and they ask for help. They don't want them sent to Europe."

Szijjártó voiced concern about a yet unpublished commission document that suggests that "they seek to make the global migration pact legally binding for all EU members, including those who did not vote for it". The commission's responses to questions concerning the document are not "reassuring", he added. He said that whereas in the debate, the compact was sold as non-binding, work was already under way to find European legal ways to implement it.

Meanwhile, Szijjártó commented on how US President Donald Trump was perceived in Europe, saying every one of his measures had been greeted with "hysteria and attacks" in the media. On the topic of cooperation with China, Szijjártó talked of "double standards" and "hypocrisy" in the EU, adding that warnings against trading with China came hand in hand with four major countries -- Britain, Germany, the Netherlands and Italy -- conducting almost half of their trade with the Asian country.

ORBÁN HOLDS TALKS WITH HUNGARIAN EPP MEMBERS

Prime Minister Viktor Orbán held talks with leaders of the European People's Party's Hungarian member

organisations in his office, the prime minister's press chief said. The meeting was attended by Zsolt Semjén, the deputy prime minister, Hunor Kelemen, leader of Romania's ethnic Hungarian RMDSZ party, József Menyhárt, head of the Party of the Hungarian Community (MKP) in Slovakia, and István Pásztor, head of the Alliance of Vojvodina Hungarians (VMSZ). In addition to national strategic and European political matters, the party leaders also discussed preparations for May's European parliamentary elections with a view to ensuring the strongest possible showing for Hungarian parties. The talks also touched on the Hungarian government's cross-border economic development schemes aimed at helping ethnic Hungarian communities beyond the border make a living in their homelands.

**KOVÁCS TO SWEDISH TV:
EP ELECTION 'DECISIVE'
DUE TO MIGRATION**

The issue of migration is making the European parliamentary elections in May "decisive" for the continent and the European Union, the Hungarian state secretary for international communication and relations said on Swedish public television. Zoltán Kovács and Stanislas Guerini, executive officer of the French ruling party, La République en Marche!, were guests on the current news programme Agenda on Sveriges Television. Ahead of the interviews with Kovács and

Guerini, a video interview with Frans Timmermans, the deputy head of the European Commission, was aired.

Kovács said European civilisation is "fundamentally Christian in nature, if not religiously, then culturally". Regarding charges that Hungary is infringing on the basic values of the EU, Kovács said "we have no bad consciousness about those issues, especially not since the outbreak of the migration crisis three years ago, because it's nothing but politics. The procedures the European Parliament and even the Commission have started against Hungary ... are a political witch hunt ... against Hungary." Hungary is opposed to French President Emmanuel Macron's concept of a stronger Europe, Kovács said. Integration should focus on areas "where further integration is possible and required", he said, such as a setting up a European defence force and the protection of European borders.

Guerini said "Europe can end at the next election... because some forces within Europe want [that]". Macron's proposal to "refund" the EU meant a renewal, "a renaissance", he said. Guerini said the "priority for tomorrow" was climate change.

In an interview taped separately and aired before the interviews of Kovács and Guerini, Timmermans said that the situation in Hungary was "extremely sad". "[Prime Minister] Orbán in the last ten years has been successful in chaining people to their fears ... He says he is a Christian and people in his custody aren't fed," he said, referring

to the European Court of Human Rights' ruling regarding provisions for migrants in Hungarian transit zones.

**KOVÁCS: EUROPE'S
FUTURE AT STAKE IN EP
ELECTIONS**

Next month's European Parliament elections will be "critical", Zoltán Kovács, the state secretary for international communications and relations, said in Vienna. At stake is the continent's future, he added. After meeting foreign journalists, Kovács told MTI that many believed the dispute between Fidesz and the European People's Party was technical and focused on which political family Hungary's ruling parties belong to. The real dispute, however, is about Europe's future, he said.

Kovács pays regular visits to European capitals to answer questions from local politicians and journalists and acts as a direct source of information about the Hungarian government's decisions. The state secretary said that he had always found speaking to journalists living in Vienna "enlightening". "What happens in Vienna is, in many ways, a bellwether of what awaits us in western Europe," Kovács said, adding that there had been "a radical change" in how Hungary is perceived by its western neighbour. Whereas Hungary had been on the receiving end of serious criticisms from Austria's former Social Democratic governments, it is now seen in a



much more favourable light, he said. Although perceptions of Hungary on the part of western European journalists have been slow to change, in light of the consistency the country has been known for over the past 8-9 years, signs of changing perceptions are there to see, Kovács said. No other European government has the kind of democratic mandate that Viktor Orbán's government was handed in three successive elections, he said.

The state secretary said he also spoke during his visit about Hungary's approach to family policy, social institutions and European politics.

NÉZŐPONT: FIDESZ-KDNP LEAD GROWS IN POLL

The ruling Fidesz-Christian Democrat (KDNP) alliance has increased its lead over the opposition among decided voters, garnering the support of 56% two months before the European parliamentary election on May 26, a poll by the Nézőpont Institute shows. Fidesz-KDNP's votes would translate into 14 seats in the European Parliament should the election be held this Sunday. The ruling parties outperformed their results at last April's parliamentary election by 9 percentage points, it said. Opposition parties' popularity has remained relatively unchanged, Nézőpont said. Among decided voters, the Socialist-Párbeszéd alliance was on 11%, the Democratic Coalition (DK) 6%, green LMP 5%, and Momentum 4%. Conservative Jobbik was preferred by 12%, a fall of

8 percentage points compared to the 2018 parliamentary election, Nézőpont said. Such results would ensure 3 seats at the European Parliament for Jobbik, 2 for Socialist-Párbeszéd, and one each for DK and LMP.

Among the whole population, Fidesz-KDNP has 42% while Jobbik 8% of the vote, Nézőpont said. The Socialist-Párbeszéd alliance has 7% and DK 4%. LMP and the satirical Two-tailed dog party have the support of 3% each, Momentum 2% and radical nationalist Mi Hazánk 1%. The poll was conducted at the request of daily Magyar Nemzet between March 1 and 28 on a representative sample of 5,000 people.

LMP CALLS FOR ELIMINATING GAP IN PUBLIC SECTOR WAGE SCALES

The opposition LMP party had called for gaps between wage scales in various areas of Hungary's public sector to be eliminated, saying wages in the social sector "are humiliating". In various public sector areas, people with the same level of education should receive the same wages, regardless of whether they work in the social sector, education or health, party lawmaker Péter Ungár said.

He said the government had left wages for social workers essentially unchanged over the past ten years and only supplemental pay had been amended. He raised the example of a special needs teacher "who makes

120,000 forints (EUR 375) net a month". The green party politician said the introduction of a minimum wage for skilled workers had only further exacerbated wage tensions.

In response to a question, Ungár confirmed the existence of conflicts between LMP and the European Greens. He added, however, that the relationship "can still be described as harmonious" compared to that of ruling Fidesz and the European People's Party.

PÁRBSZÉD CALLS FOR PAKS EXPANSION GUARANTEES TO BE MADE PUBLIC

The opposition Párbeszéd party is calling for further details contained in the contract for the Paks nuclear power plant's expansion project to be made public so as to reveal what guarantees the main contractor is offering for the project. Párbeszéd lawmaker Olivio Kocsis-Cake said that the contract signed with the main contractor has been published on the website of the Paks II project in light of lawsuits filed by Párbeszéd MEP Benedek Jávor and business weekly HVG. The contract shows that the Russian side only offered a three-year general warranty on the project, but the government has said certain additional guarantees are also in force, he said, adding that Párbeszéd wants these to be made public. The documents published so far "seem to contradict" the government's

claims that the originally budgeted costs of the project would not increase, he added.

2018 BUDGET DEFICIT 2.2% OF GDP

Hungary's budget deficit, calculated according to the European Union's accrual-based accounting rules, came to 2.2% of GDP last year, the Central Statistical Office (KSH) said. Hungary's government had targeted an ESA 2010 deficit of 2.4% of GDP. The government's deficit target for 2019 is 1.8% of GDP. In absolute terms, the deficit reached 934 billion forints (EUR 2.9bn). On the spending side, compensation paid to employees was up by 5.7% or 238 billion forints and social benefits other than social transfers in kind increased by 4.7%, or 218 billion forints. Gross fixed capital formation jumped by 39.7%, or 693 billion forints and other expenditures were up by 13.3%, or 435 billion forints.

KSH said that Hungary's public debt, based on data from the National Bank of Hungary (NBH), stood at 29,807

billion forints at the end of 2018, equivalent to 70.8 percent of GDP.

Speaking at a press conference after the data was published, Finance Minister Mihály Varga noted that Hungary had a primary surplus in 2018 (spending was less than revenue without the cost of debt maintenance). Interest spending came to 1,066 billion forints in 2018. Hungary has had primary surpluses every year since 2012.

PMI FALLS TO 52.4 IN MARCH

Hungary's seasonally-adjusted Purchasing Managers Index (PMI) fell to 52.4 in March from 55.5 in February, Halpim, index's compiler, said. An index value above 50 shows expansion in the manufacturing sector, while a value under 50 signals contraction.

JANUARY TRADE SURPLUS REVISED UP TO EUR 392 M

Hungary's January trade surplus was revised upwards to 392 million euros from 382 million in a second reading of data released by the Central Statistical

Office (KSH). The trade surplus was down 215 million from the same month a year earlier.

HUNGARY SIGNS AGREEMENT ON HOSTING ITU TELECOM WORLD 2019

State secretary Péter Sztáray and Houlin Zhao, the head of the International Telecommunication Union (ITU), signed an agreement on hosting the ITU Telecom World conference. The Hungarian government gladly agreed to host the conference, Sztáray said, adding that the number of participants -- 5,000-6,000 business representatives from 130 countries -- indicated the significance of the event. The conference will be held at Budapest's Hungexpo fair grounds from September 9 to 12, together with an exhibition linked to the event, he said, adding that Hungarians would be able to visit the exhibition free of charge. Budapest also hosted the 2015 world conference of ITU, of which Hungary is a founding member.