

## PHOTO OF THE DAY



MTI/Zsolt Czeglédi

The collection of discarded Christmas trees in Debrecen, E Hungary

## UPCOMING EVENTS

**Stats office releases Nov retail figures**

**Coronavirus updates**

## TOP STORY

# UK VIRUS MUTATION NOT IDENTIFIED IN HUNGARY

The mutation of the coronavirus that originates from the UK has not yet been identified in Hungary, the chief medical officer said. Almost 21,000 health-care staff have been inoculated against the virus so far at 25 vaccination points, she said.

Cecília Müller told a press conference of the operative body responsible for handling the epidemic that the network of immunisation points will be expanded to more city hospitals, and GPs are planned to get involved in the campaign. Following health-care employees, social workers and residents of care homes will get vaccinated with the help of mobile vaccination teams, she said. Some 39,000 doses of vaccine arrived in Hungary on Tuesday and total supplies received so far are sufficient to inoculate 78,000 people, she added. Further shipments of the vaccine are expected to arrive weekly starting next week, Müller said. She also said that health authorities have so far received just five reports of side effects from the vaccine, mainly of muscle tremors and rashes, which are being looked into. Müller said Hungary should extend its Covid-related restrictions beyond Jan. 11, adding at the same time, that the decision will be up to the government. Europe is still grappling with the epidemic, she said, noting that cases have been surging in Hungary's neighbouring countries.

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>



---

## **RULING PARTIES TO DELEGATE SCHALLER- BAROSS TO EP**

Hungary's ruling Fidesz-Christian Democrat parties will delegate Ernő Schaller-Baross, deputy state secretary at the Prime Minister's Office, to fill a vacant position in the European Parliament, Fidesz said. József Szájer, the alliance's former delegate, returned his mandate to the EP effective December 31 last year. Schaller-Baross was appointed deputy state secretary in charge of international relations in 2018.

---

## **JUSTICE MINISTER: SUGGESTION IN POLITICO ARTICLE THAT BIDEN SHOULD BACK PUNITIVE ACTION AGAINST HUNGARY, POLAND**

A suggestion was made in an article published by Politico that US President-elect Joe Biden should intervene in European politics and support forces seeking punitive action against Poland and Hungary, Justice Minister Judit Varga said. "A well-targeted blow is expected from the American leader to defend liberal democracy," Varga said in the post in Hungarian and English.

"We could even call it comical that the press is proposing the use of American force against European countries. But we also know that,

unfortunately, most politicians dread the power of the international liberal media and would rather follow their expectations if they want to remain popular in international politics," she added. Varga said "the Hungarian people" would always defend Hungarian democracy against foreign attacks, and "this will continue to be the case".

---

## **JUSTICE MINISTER: FAMILIES KEY TO SUSTAINABLE DEVELOPMENT**

Families have a key role to play in putting sustainable development into practice, Justice Minister Judit Varga said. "Families with children typically have a greater focus on protecting the environment. So families are not the problem, but the solution to the environment," she said. She also said that one of the most important issues in economic recovery from the coronavirus epidemic was to accelerate the transition to a circular economic model, a priority for Hungary, in line with the Climate and Nature Protection Action Plan. "The development of an energy- and material-saving and climate-friendly economy is a guarantee that all Hungarians living now and who will be born in the future can live in a healthy, clean environment," she said. Varga said she discussed this and other challenges affecting the

future of the European Union with leaders of the National Association of Large Families. "I believe that the future of Europe is determined by strong nation-states, of which the building blocks are strong families," Varga added.

---

## **JOBBIK PROMISES REVIEW OF TRANSFERRING UNIVERSITIES TO FOUNDATIONS IF IN GOVT**

The opposition Jobbik party has vowed to conduct a review the transfer of Hungarian universities to foundations if it enters government. Jobbik lawmaker Koloman Brenner said his party did not object to the principle of running universities differently to the state model, but it disagreed with the practice of stripping teachers and students of their decision-making powers and handing them to supervisory boards. He said universities had enjoyed autonomy "ever since the middle ages". He said Jobbik supported academic freedom and the autonomy of universities, and proposed reducing the "outstandingly high" administrative burdens placed on lecturers, reducing the weekly number of classes and setting up of an independent ministry of education. Brenner called on ruling Fidesz to stop policies "hostile to knowledge and the intelligentsia", to provide more resources for teachers' wages and student benefits, and spend more on halls of residents and other infrastructure developments.

---

## **CORONAVIRUS - 118 FATALITIES, 2,047 MORE INFECTIONS**

Fully 118 Covid patients, generally elderly and suffering from an underlying illness, died over the past 24 hours, while 2,047 new infections were officially registered, bringing the total number of infected to 331,768, [koronavirus.gov.hu](http://koronavirus.gov.hu) said. The death toll has risen to 10,198, while the number of people who have made a recovery has increased to 179,541. The number of active infections stands at 142,029, while there are 5,646 hospitalised Covid patients, 396 on a ventilator. Altogether 20,657 people are in official home quarantine, and the number of tests carried out has risen to 2,729,881. Most infections have been registered in Budapest (62,989) and Pest County (41,471) so far, followed by the counties of Győr-Moson-Sopron (19,079), Hajdú-Bihar (19,008) and Borsod-Abaúj-Zemplén (18,769). The county least affected by the infection is Tolna (6,634).

---

## **SZIJJÁRTÓ: SYNLAB INVESTS IN CORONAVIRUS TESTING LABORATORY**

The foreign ministry and HIPA National Investment Agency have granted SYNLAB Hungary Kft 140 million forints (EUR 390,000) for developments worth 281 million forints related to coronavirus testing, and the facility will be on track to process 5,000 PCR tests

per day by the first half of 2021, Péter Szijjártó, the foreign and trade minister, said. He welcomed as “an important development” that the largest European private service provider of medical diagnostics has made another investment in Hungary, adding that its centre in Csepel was central Europe’s largest such lab and possibly Europe’s most cutting-edge. Around 45-50 million samples are tested each year at the 6,000sqm facility, he noted, adding that thanks to the government’s support, new laboratory equipment and devices are now being purchased, and a new centre of excellence for blood collection and evaluation established together with a Covid laboratory. Meanwhile, announcing an investment by 3DHISTECH Kft, Szijjártó said Hungarian know-how also played a big role in combatting coronavirus around the world. He told a press conference that the company’s devices were key to diagnosing the virus’s symptoms. The state is adding a 282 million forint grant to the 2.3 billion worth of investments. Its Budapest production centre will expand from 4,000sqm to 8,000sqm, creating 70 new jobs, he added.

---

## **GOVT OFFICIAL: HUNDREDS OF THOUSANDS OF EMPLOYEES WOULD SUFFER WAGE CUT UNDER LEFT-WING GOVT**

A large tax hike proposed by the Socialists would likely result in a

wage cut for hundreds of thousands of people and job losses for tens of thousands, András Tállai, the deputy finance minister, told daily Magyar Nemzet. Tállai was commenting on a recent article by Socialist politician Imre Szekeres in daily Népszava who said his party rejected tax cuts proposed by other opposition parties. Szekeres, a former defence minister, criticised the government’s halving of the business tax, and he also advocated for the 15.5% rate of social contribution tax paid by businesses to be raised to 18.5%. This, he argued, would protect payments into the health-care system as well as protecting pensions. Tállai noted that in 2016 representatives of the government, trade unions and businesses signed a multi-year wage agreement which resulted in wage increases offset by the state reducing employment taxes, from 27% to 15.5%. The two go hand in hand, he said. If employment taxes grew, then net salaries would stagnate, even if companies spend more money on wages, he added. He said that in a crisis, most employers were unlikely to make sacrifices on wage costs, so if social contributions increased, businesses operating on tight margins would cut salary costs by laying off some employees. The three percentage point increase, he said, would amount to extra burdens on businesses of 500 billion forints (EUR 1.4bn). The deputy minister added that it was “interesting” that Szekeres expressed concern about pensions just

as the government was introducing a phased restoration of the 13-month pension that the previous Socialist government was responsible for scrapping.

**HUNGARY WAGES UP 8.8%  
YR/YR IN OCT**

Gross wages in Hungary grew by an annual 8.8% in October, level with the increase in the previous month, the Central Statistical Office (KSH) said. The average gross monthly wage for full-time employees was 397,400 forints (EUR 1,111), while the average net wage was 262,900. Based on annual inflation of 3% in October, real wages grew by 5.6%. Sándor Bodó, state secretary for employment at the Ministry of Innovation and Technology (ITM), commenting on the data, said in a statement that gross and net earnings grew by 9.7% in January-October, and taking into account the average 3.5% increase in consumer prices, real wages rose by an annual 6%. Wage growth in Hungary has been constant for 94 months, since the start of 2013, the statement said. Compared with ten years ago, gross earnings increased by 97% in Jan-Oct 2020, while net earnings without benefits have grown by 99.7%, it added. "Since the start of

the last decade, wages in Hungary have doubled, while the employment rate has expanded steadily, bringing about major improvements to the quality of life of Hungarian families," Bodó said. Analysts told MTI that the epidemic had not affected earnings statistics, and October wages grew at the usual pace. András Horváth of Takarékbank said that based on the current trajectory, with last year's annual wage growth averaging almost 10%, wages were likely to increase by 8.5% this year, though ongoing negotiations over the minimum wage could have an impact on the rate of wage growth. Gábor Regős of the Századvég Institute noted that growth in average wages exceeded inflation to a significant degree. November and December wage statistics are unlikely to produce any surprises, and the growth trend seen so far was likely to continue. Year-end bonus payments will be a data point worth looking out for, he added.

**HUNGARY PPI UP 5.5% IN  
NOV**

Hungary's producer price index was up an annual 5.5% in November, after an increase of 5.9% in October, the Central Statistical Office (KSH) said.

Domestic prices were up 1.3%, while export prices rose by 7.7%. Month on month, domestic prices rose by 0.5%, while export prices eased by 0.2%. In Jan-Nov, the index grew by an annual 4%.

**SOME 90,000 TURKEYS TO  
BE CULLED DUE TO BIRD  
FLU IN NW HUNGARY**

The national food security authority (Nébih) has ordered the culling of some 90,000 turkeys in northwest Hungary, on suspicion of bird flu spreading among the animals. The authority ordered the culling last week, after the amount of feed and water consumed fell in farms near the village of Ács, and the number of deaths increased. The presence of the virus was confirmed on Wednesday. The authority is monitoring farms within a 13 kilometre radius. Hungary's chief veterinarian ordered the keeping of poultry in closed facilities in November last year, in view of the dangers posed by migratory birds flying across the country. The H5N8 virus strain caused massive disruptions to poultry production in early 2014 in Asia and spread to Europe later that year. Hungary last had to contend with it in early 2020.

