PRESS RELEASE



Nr. 331 / 18/12/2020

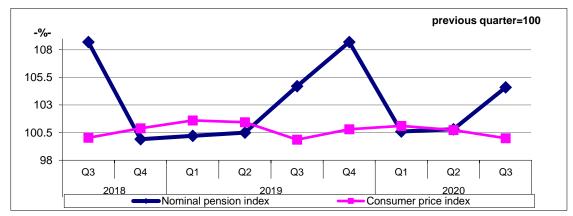
Domain: Social Protection

THE AVERAGE MONTHLY PENSION INCREASED (+4.8%) IN THIRD QUARTER 2020 AS AGAINST OF THE PREVIOUS QUARTER

In the third quarter of 2020:

- the average number of pensioners was 5125 thousands persons, descreasing with 7 thousands persons as against of the previous quarter; average number of state social insurance pensioners was 4675 thousands persons, descreasing with one thousand persons as against of the previous quarter;
- the average monthly pension (is determined based on all amounts of pensions for all categories
 of pensioners –social insurance, invalidity, survivors etc.- paid by Pensions Houses¹) was 1505 lei,
 increasing with 4.8% as against the previous quarter;
- the average state monthly social insurance pension was 1454 lei, and the ratio between the average nominal net pension of state social insurance for old age with full contribution stage (without tax and without health insurance contribution) and the average net earnings was 51.9% (as compared to 51.0% in the previous quarter);
- the real pension index as against of the previous quarter, calculated as the ratio between the nominal pension index (for calculation of real pension)* and the consumer prices index, was 104.6%.

Evolution of nominal pension index and consumer price index during 2018-2020



Data of the graph (xls).

Third quarter of 2020 compared with third quarter of 2019 (table pag.2)

- As compared with third quarter of the previous year average number of pensioners decrease with 21 thousands persons, and the average number state social insurance pensioners increase with 7 thousands persons;
- Monthly average pension and average state monthly social insurance pension increased as compared with third quarter of the previous year, with 16.1% respectively 16.4%.

Third quarter of 2020 compared with the second quarter of 2020 (table pag.2)

- The average number of pensioners descreased with 7 thousands persons as against of the previous quarter, while the average number of state social insurance pensioners descreased with one thousand persons;
- The average monthly pension and the average state monthly social insurance pension increased as against of the previous quarter, with 4.8% respectively 5.4%.

¹ Average monthly pension is determined based on the amounts paid pensioners by National House of Public Pensions, Ministry of Defense, Ministry of Internal Affairs, Romanian Intelligence Service, Ministry of Culture and National Identity, Insurance House of Lawyers.

The average number of pensioners and average monthly pension**

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	Average number			Average monthly pension		
	- thousands persons-			-lei/month -		
	Q.III 2019	Q.II 2020	Q.III 2020	Q.III 2019	Q.II 2020	Q.II 2020
TOTAL	5146	5132	5125	1296	1436	1505
Of which, by pension system:						
Social insurance	5144	5131	5124	1296	1436	1505
Of which, state						
social insurance	4668	4676	4675	1249	1380	1454
Of which, social insurance by categories of pension :						
A) Old age	3989	4015	4028	1456	1610	1685
B) Anticipated	19	17	15	1518	1706	1836
C) Partial						
anticipated	92	91	90	1186	1361	1455
D) Disability	510	483	468	668	706	728
E) Survivor	534	525	523	714	785	819

Data of the table (xls).

Third quarter 2020

The social insurance pensioners represent the majority (99.98%) of the total number of pensioners.

The state social insurance pensioners represent 91.2% out of the total insurance pensioners.

By categories of pensions, the number of social insurance pensioners was represented mainly (78.6%) by the number of old age pensioners. The anticipated and partial anticipated old age categories of pensioners represented 2.1%.

The total ratio between the average number of state social insurance pensioners and the one of employees was of 9 to 10; this ratio varies widely at territorial level, from only 4 pensioners to 10 employees in Ilfov, to 16 pensioners to 10 employees in Teleorman county, 15 to 10 in Giurgiu and Vaslui counties and 14 to 10 in Botosani.

The average state monthly social insurance pension shows significant territorial disparities, the gap between the minimum and maximum value being 778 lei (1154 lei in Botoşani county, 1163 lei in Giurgiu county, 1180 lei in Vrancea county as compared to 1932 lei Hunedoara county, 1835 lei in Bucharest, and 1723 lei in Brasov county).

In the third quarter of 2020, the total number of beneficiaries of EGO^2 no 6/2009 regarding the minimum quaranteed social pension (social indemnity) was 953.1 thousands persons, of which:

- 799.0 thousands persons from state social insurance system, representing 17.1% out of the total pensioners of this category;
- 150.3 thousands persons from the former system of farmers representing 57.6% out of the total pensioners of this category;
- 3.8 thousands persons from military system, representing 2.1% out of the total of this category.

Thousand Additional information:

*Real pension expresses the equivalent of goods and services that can be purchased or used with the average nominal net pension in a certain period of time compared to other periods, given the evolution of consumer prices index. The indicator is determined taking into account the amounts for pensions paid pensioners from state social insurance and for those from MApN, MAI, SRI.

** Average monthly pension is computed by dividing the entitled amounts of the paid pensioners from the reference quarter by the average monthly number multiplied by 3 (months).

For a correct interpretation of the indicators, please refer to the <u>Methodological notes attached to the press release</u> on homepage.

The next press release on the average number of pensioners and average monthly pension will be on 16th of March 2021. Press release archive: https://insse.ro/cms/en/comunicate-de-presa-view.

Directorate of Communication; e-mail: biroupresa@insse.ro; Tel: +4021 3181869

 $^{^2}$ According to art.7 of the Law no.118 / 2010 "... within the legal acts in force, the term guaranteed minimum social pension is replaced by the term social indemnity for pensioners" and from 1 March 2017, EGO no.6 / 18.02 .2009 was updated, with the introduction of social indemnity for pensioners in the military system, as well.