

Gov't to pass bill banning gainful employment, drawing state pension cumulatively

The government is expected today to approve a bill on measures for the continuation of gainful employment of persons who meet the retirement requirements in the state pension system to provide for the possibility of their gainful employment until the age of 70 years in the public sector, provided that drawing a state pension at the same time is suspended for the time of such employment.

"The bill proposes that pensioners of the state pension system, those drawing a service pension or a state military pension system to be able to exercise the option for gainful reemployment by the central and local public administrations or institutions, regardless of the method of their financing and subordination, as well as by the autonomous utilities, national corporations and companies where the share capital is wholly or mainly owned by the government or by an administrative-territorial unit, provided the pension is suspended. Pensioners can be rehired until they reach the age of 70. Keeping in mind the budgetary constraints and the cuts in of costs incurred in the national budget by staff spending, the bill proposes a revision of the legislation applicable to a cumulative wage and pension situation and an alternative that provides public workers with the possibility to choose between pension and gainful employment. Therefore, in the public system, the possibility of continuing gainful employment should be accompanied by the suspension of state pensions being cumulatively paid," reads the explanatory memorandum in the bill.