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CHARTRE SOCIALE EUROPEENNE

5ème Rapport national sur l'application de la Charte Sociale européenne
soumis par

LE GOUVERNEMENT DE HONGRIE

(pour la période du 1 janvier 2005 au 31 décembre 2006)
sur les articles 1, 9, 10 et 15 et l'article 1 du Protocole additionnel

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Ministry of Social Affairs and Labour

**Fifth National Report
on the implementation of the European Social Charter**

Submitted by the Government of the Republic of Hungary

With regard to the period from 1st January 2005 until 31st December 2006

Budapest, October 2007

Under the reporting procedure set out in Article 21 of the European Social Charter the reporting obligation covers the adopted articles of the European Social Charter. On the basis of Decision No CM(2006)53 of 3rd May 2006 of the Committee of Ministers the national report to be submitted by 31st October 2007 shall cover topic No.1 titled "Employment, Training and Equal Opportunities".

In accordance with the above this Report shall cover the implementation of the following articles of the Charter:

Article 1, Article 9, Article 10, Article 15 and Article 1 of the Additional Protocol.

This National Report contains the replies from the Government to the questions by the European Committee of Social Rights asked in its conclusions of No XVIII-1 of 2006 and No XVIII-2 of 2007 in connection with the implementation of the above articles.

Under Article 23 of the Charter this Report was distributed for consultation to the following organisations:

- Employees Side of the National Council for the Reconciliation of Interests, which did not support this National Report,
- Employers Side of the National Council for the Reconciliation of Interests, which supported this National Report.

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Article 1 THE RIGHT TO WORK

With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake:

1. Article 1, paragraph 1 to accept as one of their primary aims and responsibilities the achievement and maintenance of as high and stable a level of employment as possible, with a view to the attainment of full employment;

Question "A"

Please indicate the policy followed by your government in attempting to reach and maintain full employment. Please supplement with details of the measures and programmes implemented to achieve as high and stable a level of employment as possible.

The Act IV of 1991 on the facilitation of employment and on the unemployment benefits (hereinafter referred to as: “the EFA” – Employment Facilitation Act) effective as of 1st November 2005 has completely transformed the rules governing unemployment benefits.

In 2006 the Hungarian unemployment rate was 7,5%, according to ILO and EUROSTAT data, as well as data of the Hungarian Central Statistical Office of which is 0.4 percentage points lower than the EU-27 average and 0.1 percentage point higher than that of the EU-15. Those losing their jobs, or not even having the chance to get one, become further and further away from the labour market. Consequently we have to include and increasingly mobilise those without jobs, inactive, having lost their ability to work and young people without proper qualifications, i.e., everybody with skills and knowledge not meeting the requirements of the demand side and of the employers.

The system of unemployment benefits has gone through a lot of changes since 1991. The conditions for establishing and paying the benefits became continuously stricter (unemployment benefit), certain forms of provision (unemployment support for entrants, early retirement) have ceased or their content have changed (instead of early retirement there is a pre-retirement unemployment benefit) and there were some new benefits also introduced (job search incentives, entrepreneurial benefit).

*The primary purpose underlying the amendment of the unemployment provision system by Act LXX of 2005 was to strengthen the incentives for work. The State Employment Service has as its main task to provide support for job search. The active job search as a precondition for the provision of job search benefits (earlier called unemployment benefit) has been existing unchanged since 1991. Act LXX of 2005 contains rules making clear that *only those actively engaged in job search can be entitled to any kind of benefits from the State Employment Service.* In accordance with this target the Act has changed the name of the entire provision system and of certain elements of it. The unemployment provision scheme was replaced by a *support scheme for job seekers*; the unemployment benefit was replaced by *job seekers’ aid*. New elements in the support scheme for job seekers are the *job seekers’ allowance* and the *job seekers’ assistance*. Some of the earlier benefits were terminated (pre-retirement unemployment benefit, job search incentives). The act retained some of the proven elements of the job search incentives in a way adapted to the jobseekers’ allowance scheme and integrated into the job seekers’ assistance. *The encouragement of job search should not be started after a longer allowance payment period but rather immediately**

after the person becomes unemployed. Under the new support scheme the intensive job search is already a basic condition from the start of the payment of benefits. The stimulating effect of the job seekers' support scheme on employment is shown by the fact that 33% of those leaving the job seekers' allowance found a job while this proportion was around 25% in the previous years.

Under the amended EFA the registration as a job seeker, and consequently the payment of the job seekers' aid is conditional on the conclusion of a job seekers' agreement between the jobseeker to be and the competent branch of the Labour Centre. A jobseekers' agreement must be concluded with the client for whom a job seekers' aid is to be awarded or receives a regular social aid and who is obliged to cooperate with the state employment body under the inclusion programme in order to find a job. A jobseekers' agreement may be concluded with a client whose cooperation obligation is appropriate to be regulated in a jobseekers' agreement. The agreement – as a joint document of the jobseeker and the branch – contains the series of incremental activities that facilitate the re-entry the labour market and the decisive element of which is the intense contribution from the jobseeker's side in the independent job search.

The most basic benefit of the ones available for people absent from the labour market in the long-term is the regular social aid that provides the minimum income necessary for living for unemployed people of an active age and for those with health damage.

Since September 2005 the set of rules applicable to the regular social aid puts a greater emphasis on the measures facilitating the regaining of the active status of the unemployed. The unemployed person is required, as a condition to the payment of the aid, to comply with the personalised inclusion programme aiming to eliminate the obstacles preventing their re-entry into the labour market. The person receiving the aid takes also part in the development of the programme. The inclusion facilitating programme may cover the following: regular contacts, attending individual skill development and lifestyle forming training sessions, advising, taking part in work preparatory programmes or education/training, accepting a suitable job opportunity and cooperation with the state employment body.

To the 5th employment policy guideline (Labour supply and facilitating the activity of elderly workers)

Currently pension payments parallel with working are not subject to any restrictions. However, under Article 83/B of the Act LXXXI of 1997 on the social security retirement benefits as introduced by Act CVI of 2006, in the event of retirement before the statutory retirement age the payment of old age pensions (privileged pensions, early retirement, forwarded retirement, miners' pension, pension of certain artists) should be suspended, in the event of pensions awarded as of 1st January 2008, until reaching their 62nd year of age and while having a contribution liable income in that year in excess of twelve times the minimum wage. As of 2010 this scheme will cover all pensioners below the statutory retirement age. These restrictions will continue not to apply to those working beyond the statutory retirement age. The re-training and further training of workers over fifty years of age is an accentuated criterion with regard to the support of labour market training.

To the 6th employment policy guideline (Equal opportunities for women and men)

Act CXXVI of 2005 on the reform of the family support scheme has amended, inter alia, Act LXXXIV of 1998 on the support of families. Thus, as of 1st January 2006 the parent (and the guardian or the foster parent), as of the child's first year of age may not *work* over 4 hours

daily while receiving childcare benefit nor *even full time*. This measure provides the opportunity for legal work for a certain group of child raising parents and improves the options available for families with regard to the determination of their absence from the labour market in accordance with their needs and opportunities.

In the context of the introduction of the childcare benefit payment parallel with full time work activity there is a further opportunity, namely the obligation to award childcare benefits, upon request and subject to complying with other eligibility criteria, for those whose eligibility ceased due to their taking up work or who didn't avail of the benefits due to this reason.

A labour law instrument to facilitate this opportunity is the protection from work relationship termination for the workers working under this option [Article 90 of Act XXII of 1992 on the Labour Code (hereinafter referred to as: "LC").

The labour market participation of women and the reconciliation of family life with employment is essentially conditional on the availability of services providing for childcare of suitable quality and for the care of next of kin in need. In order to attain this the Government supports and encourages the increase in the number of places in daytime child care institutions. The amendment of Act XXXI of 1997 effective as of 1st July 2005 makes it compulsory to operate a crèche in any settlement with more than 10,000 residents. There are 141 settlements where the number of citizens is above 10,000 and there are only 14 settlements with no operating crèche.

In the period of 2004-2006 the EU tenders – HEFOP 4.2. – created the opportunity for the infrastructural development of crèches and the related flexible services. There were 27 successful applicants to the crèche theme, receiving altogether 3.3 billion HUF aid and thus creating some 800 crèche places.

The low volume of crèche places, contrary to public education which struggles with excess capacity, is a problem not only in the small settlements but there is even insufficient capacity in, for example, the outskirts of Budapest. Unemployed mothers or mothers expecting their second child or more often face open discrimination and rejection.

During the past two years the number of crèches and crèche places grew

	2004	2005	2006
Number of crèches	527	530	543
Number of crèche places	23,911	23,766	24,255

Previously, women receiving any support for child raising purposes were also exempted from tutorial fees. Recently extra points (in the university application scheme) are awarded for applicants to a further education institution, being on unpaid leave for childcare purposes, receiving maternity allowance, childcare allowance, family allowance or child care benefits between the application deadline and the admission decision, .

To the 7th employment policy guideline (Facilitation of labour market integration and fight against the discrimination of handicapped people in the labour market)

In 2005-2006 the Government has prepared and Parliament has adopted with its resolution of 68/2007. (VI. 28.) OGY the Strategic Plan of the Decade for Roma Inclusion. The Strategic Plan establishes measures in four priority areas (education, employment, health, and housing) and sets out in all areas, as a horizontal criterion, to enforce anti-discrimination and gender equality).

In 2005 a central training programme was launched to support the social inclusion of the multiple disadvantaged adults; in the framework of this programme some 3000, mainly Roma, adults receive vocational training at 1 billion forint expense.

To the 9th employment policy guideline (Transformation of unregistered employment to registered employment)

Act LXXV of 1996 on the Labour Controls (hereinafter referred to as: “the LC”) was amended by Act CLV of 2005. The primary objective of the Act amending the LC was to broaden the competences of the labour control organisational system in order to enable the labour inspectors to investigate the breaches of law by employers to the detriment of workers to a wider extent and to use a set of instruments with more opportunities for action against the breaches of law. The other objective of the Act is to provide for a clear, coherently regulated and sufficiently differentiated regulation of sanctions to be applied or proposed by the inspectors. The Act has redrafted the set of rules governing the application of labour penalties. According to this, a penalty can be imposed even if the breach of the labour rules affects one employee only but the infringement is severe. The Act creates proportionality, with regard to the first infringement identified by the labour inspection and the repeated infringement committed by the employer within three years, by the application of differentiated penalty rates for the first and for the repeated infringements. Accordingly differentiated penalty rates, respecting the principle of gradual approach, appear, depending on the fact whether one or several infringements have been committed and on the number of affected employees. The regulation differentiates on the number of employees employed by the employer, whether the infringement is committed by a natural person not considered as private entrepreneur and whether the labour inspection established the same infringement for the first time or several times.

Though it is not covered by the reporting period, it must be noted that the amendments of the *EFA effective as of 1st January 2007* have been enacted by Act CXIII of 2006 amending the EFA, on one hand, and Act LXI of 2006 on the amendment of certain financial acts, on the other hand. This latter Act repealed Articles 57/B-57/D of EFA i.e. the provisions relating to the Uniform Labour Registry – publicly known as ‘EMMA’ – as a consequence of the ‘single channel’ reporting system. The new regulation is contained in Act XCII of 2003 on the order of taxation. Under these rules the employee is obliged to report, either electronically or by using the relevant forms, the start and end of the insurance relationship of the employees, the duration of its suspension and other data specified by law. The tax authority sends any reported data immediately (in the event of paper based reporting after the processing of the data) to the Registry of insured employees maintained by the Health Insurance Scheme and to the National Labour Health and Safety Inspectorate. Thus the reporting obligation of the employer (and the database itself) has not ceased but is to be performed to a different public organisation and the data are processed by different public bodies.

Under paragraph (4) of Article 8/C of the LC as amended by Act CIX of 2006 the labour authority shall publish on its website the name, registered address and tax ID of any employers having committed a labour infringement within the last five years, together with the indication of the infringement committed, with reference to the legal act and the legal consequences applied, furthermore the date of the decision establishing the infringement and of its becoming final and enforceable. This can have serious consequences for the business future of that undertaking.

Please indicate, if possible, the trend in total employment policy expenditure over the past five years, including the relative shares of "active" (job creation, training, etc.) and "passive" (financial compensation, etc.) measures.

Please indicate the active policy measures taken in order to favour access to employment of groups most exposed to or affected by unemployment (eg. women, the young 1, older workers, the long-term unemployed 2 the people with disabilities, immigrants and/or ethnic minorities).

Please give indications on the number of beneficiaries from these measures and information, if possible, on their impact on employment.

Act CXXIII of 2004 on the facilitation of the employment of young entrants, unemployed people over fifty years of age and those seeking employment either after childcare or care of next of kin, and on scholarship employment (hereinafter referred to as: 'the EYE Act') was amended by Act LXXIII of 2005.

The amendment of the EYE Act was justified by the *improvement in the employment chances of young entrants* and the *need to ensure their mobility with regard to their employment*. It was necessary to transform the state support system in a direction that allowed an opportunity for the employers to avail themselves of the reduced social insurance contribution rates, adapted to the labour market needs, even in cases where the young entrant has a relatively short employment relationship at a given employer. It was necessary to ensure that the entrants would not be tied to the employer but enable the transferability of the reduced social contribution rates attached to his/her employment to the next employer, thus meeting the employers' labour demand. The Act made a conceptual reform of the social contribution discounts for young entrants, thus increasing the employment chances of young entrants under the changing labour market circumstances.

As of 1st October 2005 under this amendment only reduced employees contributions must be paid with regard to the employment of young entrants. With regard to entrants employed in the framework of the *START Programme*, up to a certain monthly wage limit, the 15% of the gross salary in the first year of the employment, and 25% of it in the second year of employment shall be paid as common charges. The key to the programme is the *START Card* that follows the career path of the young worker for two years, shows the remaining time out of the 2 years and can be the basis of any checks. A *START-card* can be applied for by any young person under the age of 25, or under the age of 30 for graduated young people, who take up a job for the first time (including scholarship employment).

In the period between 1st August 2005 and 1st August 2007 nearly 41,000 young people could take up a job with the help of the *START-card*.

Extending the START Programme

On the basis of the positive experience with the *START-Programme* the Government, with the support of the ESF, extended the programme in order to increase the demand for handicapped workers and to facilitate their job search:

- The objective of the 'START Plus' aid is to provide support to the re-entry to the labour market for the long-term unemployed, for parents raising small children, for family members taking care of close family members to get employment after childcare benefits and to enable them to work while receiving the benefits.

¹ Aged between fifteen and twenty-four.

² Persons without employment for over one year and seeking employment.

- The 'START Extra' aid helps with an even greater discount from the social security contributions the job search of the most handicapped category of the long-term unemployed: jobseekers above 50 and with low educational qualifications.

Until the end of June 2006 the scheme of entrant preferences as introduced from the beginning of 2005 worked parallel with the START Programme; under that scheme the employer could redeem half of the social security contributions paid for 9 months of employment after the expiry of this period. After the end of the 9 month employment both the young person and the employer had the opportunity to use the discounts related to the START-card.

Support for the employment of the elderly workers

In order to improve the employment opportunities of elderly workers the State Employment Service launched a labour market programme; in the framework of this programme it helps the employment of the elderly with tailor-made services adapted to the local labour market demand. In 2005 43,000 people took part in the programme and 27,000 of them found employment. The State Employment Service launched this programme again in 2006. Twenty two and a half thousand people joined the new programme and 13,000 of them were successful in finding a job.

Active labour market measures

On a yearly average in 2006 the number of registered jobseekers by the State Employment Service was 393,400, which shows a 4.4% (16,500 people) decrease compared to the data of the previous year. (This decrease was 9,500 for men and 7,000 for women.) The drop is 5.3% (2,000 people) for entrants. This decrease was visible mainly in younger age groups and for those receiving regular social aid. In 2006 235,000 people participated in active labour market measures by using the resources of the Labour Market Fund. In the framework of measure 1.1 of HEFOP (Human Resources Development Operational Programme) nearly 35,000 people joined the complex labour market programme.

The position of the Employers Side of the National Council for the Reconciliation of Interests with regard to this issue: The small and medium sized enterprise sector was not able to participate to the development process appropriately.

The subsidization system has been transformed. The main consideration in the transformation was to terminate the overlapping subsidization forms and to simplify the system and to make it more transparent. This amendment of the Act also served the purposes of creating further harmonisation between the employment facilitation rules and the Community Law and improving the efficiency of the employment subsidies and clarifying the rules governing the performance of tasks related to job search.

Decreasing the regional differences in the labour market

A significant part of resources spent on active employment policy instruments is used in a decentralised manner where disadvantaged areas receive more subsidy than the average. Due to this the active labour market policies play an important role in the decrease of the regional inequalities of the labour market.

Helping job seekers to find employment in micro, small and medium sized enterprises and civil organisations

In January 2006 a programme started under which micro, small and medium sized enterprises and civil organisations employing a jobseeker registered for at least three months can draw on subsidies. The entrance period of the programme lasted until 31st December 2006 while the whole programme period will be finished at the end of 2008. Altogether 11,471 entities joined the SME+ Programme and started to employ 14,142 registered job seekers.

Central job creating programme tenders

Assessment of the job creating programme tenders of 2005

I/ Subsidy for job creating investments

1. The Government pays special attention to ensure that enterprises operating in areas with social, economic, infrastructural or labour market disadvantages get additional subsidization opportunities. In accordance with it 2005 was the third year with a separate tender programme for the facilitation of job creating investments.

The tender was open for enterprises registered in Hungary with investments not started at the time when the tender application was submitted.

Under the non-refundable subsidies and subject to specified standards, expenses of a construction nature and expenses incurred with the purchase of new machinery, equipment, technologies and real estate were to be recovered.

2. The amount of subsidy that could be requested was maximum of 800,000 forints per new job. In addition to this amount a further maximum of 200,000 and 100,000 additional subsidy was available for tendering for investment projects to be implemented in disadvantaged areas and where jobseekers and Roma jobseekers will be employed upon its completion. Under the tender conditions only enterprises aiming to create a minimum of five new jobs were entitled to submit tenders.

3. There was 1.5 billion forints available from the central envelope of the employment sub-fund of the Labour Marker Fund (LMF).

In the assessment of the tenders and in the decision preparation process emphasis was given to encouraging the support for investments to be implemented in disadvantaged areas and to the creation of as many jobs as possible.

The award criteria – in accordance with the tender notice – were as follows:

- commitment for an employment obligation longer than the prescribed one,
- the number of new jobs to be created,
- the disadvantaged situation of the settlement affected by the investment,
- the proportion of jobseekers to be employed, especially handicapped ones (long-term unemployed, entrants, people with disabilities),
- the influence of the investment on the labour market of the area,

4. The demand for subsidies as submitted to the County Labour Centres (3.3 billion Ft) was well in excess of the available resources. Out of this envelope – from 225 accepted and assessed tender applications – 68 enterprises received non-refundable subsidies of which 62 were small and medium sized enterprises. With the help of the subsidy 1700 new jobs were

created by the enterprises upon completion of the investments, mainly in disadvantaged areas and for jobseekers (unemployed). It is noteworthy that in these 1700 new jobs more than 1000 registered jobseekers found employment and the fact that more than 60% of the subsidised enterprises (45) operate in areas with social, economic, infrastructural or labour market disadvantages.

The additional 200 thousand forint subsidy that could be requested for the employment of registered jobseekers encouraged most of the enterprises to use this opportunity. Twenty eight enterprises (41%) did so. There are enterprises operating in 15 counties where only jobseekers were employed as a consequence of this subsidy.

II/ Support for job creation investment of high added value activities

1. The programme, which was launched as a pilot, supported businesses engaged in high added value activities and create a significant number of new jobs with relatively minimal levels of tangible asset development, mainly for qualified workforce with tertiary qualification, and mostly for entrants.

The tender was open for enterprises registered in Hungary with investments not started at the time when the tender application was submitted.

2. Subsidy could be requested for 60 or 50 per cent of the actual monthly wage costs and its eligible charges (but a maximum of 200,000 HUF/capita/month) for each work place depending on the fact whether the applicant employs registered or non-registered jobseekers in the jobs created by the investment.

3. For the support of the high added value job creation tender in 2005 there was 200 million forints available from the central envelope of the employment sub-fund of the Labour Marker Fund (LMF).

4. Five enterprises submitted eight tender applications to the Labour Centres. Three enterprises received non-refundable subsidies from this envelope, to a total amount of some 50 million forints. With the help of this subsidy the enterprises created 43 new jobs upon the completion of the investments.

Assessment of the job creating programme tenders of 2006

I) Subsidy for job creating investments

The tender was open for enterprises registered in Hungary with investments not started at the time when the tender application was submitted.

The amount of subsidy that could be requested under this scheme was a maximum of 800,000 forints per new job. In addition to this amount a further maximum of 200,000 and 100,000 forints additional subsidy was available for tendering for investment projects to be implemented in disadvantaged areas and where jobseekers and Roma jobseekers will be employed upon its completion.

For the support of the high added value job creation tender in 2006 there was 1.8 million forints available from the central appropriation of the employment sub-fund of the Labour Market Fund (LMF).

The demand for subsidies as submitted to the Labour Centres (4.6 billion Ft) was well in excess of the available resources. Out of the appropriation – from 247 accepted and assessed tender applications – 99 enterprises received non-refundable subsidies of which 96 were small and medium sized enterprises.

In 2006 for the first time the Labour Centres had the opportunity to subsidize tender applications that received no subsidy from the central envelope. Eight Labour Centres used this opportunity. With the use of 352.8 million Ft decentralised appropriations a further 41 enterprises received aid. Thus a total of 140 companies received 2.15 billion Ft in subsidy.

With the help of this subsidy the enterprises created 2,160 new jobs upon the completion of the investments.

More than 80% of the subsidised enterprises (45) operate in areas with social, economic, infrastructural or labour market disadvantages, resulting nearly 1900 new workplaces and employing more than 1500 jobseekers.

It is noteworthy that by creating these 2160 new jobs more than 1600 registered jobseekers found employment for a longer period, at least for 3 years (for small and medium sized enterprises for 2 years) after the completion of the investment.

Out of the 140 subsidised applicants 25 are new start-ups, employing 430 jobseekers in 565 new workplaces.

The greatest proportion of the envelope was allocated to enterprises in Békés, Szabolcs-Szatmár-Bereg and Borsod-Abaúj-Zemplén Counties where unemployment is the most serious. In these three counties 58 enterprises received totally 900 million Ft in non-refundable subsidies. The counties below received more than 100 million Ft subsidy: Csongrád, Fejér, Nógrád and Somogy Counties. Enterprises in the following counties received a subsidy of 61 to 100 million Ft: Baranya, Bács-Kiskun, Jász-Nagykun-Szolnok, and Tolna Counties; the applicant enterprises of Vas, Veszprém and Zala Counties received 30 to 60 million in subsidy.

Under the separate job creation tender scheme launched jointly with the ministry responsible for spatial development we provided additional resources (from the Spatial and Region Development Target /SRDT/ of 120 million Ft and from the Labour Market Fund /LMF/ 174.572 million Ft, a total of 294.572 million Ft) for enterprises implementing investments in settlements in Békés, Nógrád and Somogy Counties that struggle with economic, social, infrastructural and employment disadvantages.

The amount of subsidy that could be requested was a maximum of 1 million forints per new job. In addition to this amount a further maximum of 200,000 and 100,000 Ft additional subsidy was available for tendering for investment projects where upon completion jobseekers and Roma jobseekers will be employed.

Thirty enterprises submitted tender applications to the three affected Labour Centres for some 400 million Ft in aid. Sixteen enterprises received non-refundable subsidies from the Labour

Market Fund by which amount the creation of 200 new jobs was facilitated. The beneficiary companies employ 146 jobseekers in these jobs.

In the assessment of the tenders and in the decision preparation process emphasis was given to encouraging the support for investments to be implemented in disadvantaged areas and to the creation of as many jobs as possible.

In the award decision – taking into account the proposal and opinion of the Labour Centre /Labour Council – the following criteria have been considered:

- the proportion of employing jobseekers, especially handicapped ones (long-term registered unemployed, people of Roma origin, entrants, disabled people),
- the number of new jobs to be created,
- the disadvantaged situation of the settlement affected by the investment,
- the influence of the investment to the labour market of the area,
- the connection of the project to the small area or local development concepts, programmes.

II./ Support for job creation investment of high added value activities

The programme, which was launched as a pilot, supported businesses engaged in high added value activities and create a significant number of new jobs with relatively minimal levels of tangible asset development, mainly for qualified workforce with tertiary qualification, and mostly for entrants.

The tender was open for enterprises registered in Hungary with investments not started at the time when the tender application was submitted.

The requested subsidy within this tender scheme was 75 or 65 per cent of the actual monthly wage costs and its eligible charges for each work place depending on the fact whether the applicant employs registered or non-registered jobseekers or workers threatened by losing their jobs in the workplaces created by the investment.

On the basis of this tender programme 10 enterprises received totally 192 million Ft in non-refundable subsidies. With the help of this subsidy the successful enterprises created 163 new jobs upon the completion of the investments.

Question "B"

Please indicate the trends in employment³, covering all sectors of the economy. In connection with this, indicate as far as possible, the activity rate⁴, the employment rate⁵ and the breakdown of employment by region, by sex, by age, by employment status (employed, self-employed), by type of employment (full time and part time, permanent and fixed term, temporary), and by sector of activity.

³ Reference is made to the definition of employment adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982) or any further versions.

⁴ The activity rate represents the total labour force as a percentage of the population aged 15 years and over and living in private households. The labour force is defined as the sum of persons in employment plus the unemployed.

⁵ The employment rate represents persons in employment as a percentage of the population aged 15-64 years and living in private households.

Please give the trend of the figures and percentages of unemployed in your country, including the proportion of unemployed to the total labour force. Please give a breakdown of the unemployed by region, category, sex, age and by length of unemployment.

In 2004 the number of employed people was 3,900,000; the employment rate (in the 15-64 age groups) was 56.8%. Our backlog is significant compared to the EU, where the average was over 64% in 2002 among the then Member States. In EU-wide comparison the employment of the elderly is particularly low, due to the relatively low retirement age but primarily because of the prevalence and high rate of early retirement. In EU-wide comparison 94 to 96% of those taking out old age pension retired before the statutory retirement age, on average 3 to 5 years earlier. However, the situation in this regard has improved; due to the raise in the statutory retirement age the extension in the employment rate was the greatest in the elderly age groups. As of 2013 the early retirement age will be raised uniformly to 60 years, and at least 41 years of service period will be necessary for receiving unreduced pension benefits.

Compared with EU Member States, Hungary's backlog is particularly high in the employment of workers above 50 years of age, mainly due to retirements significantly before the valid retirement age and the prevalence of early retirement forms. According to 2005 data 94 to 96% of those taking out an old age pension retired before the statutory retirement age, on average 3 to 5 years earlier. In recent years an improvement can also be seen in this regard, partly due to the gradual raise in the retirement age. The restriction of conditions for retirement before the retirement age and for the benefit types in early pensions connected to the time spent in certain jobs is in progress.

In 2006 the number of employed people grew, though just slightly, thus on a yearly average 3,930, 000 people were considered as employed, which is 29,000 more than in the previous year and 326,000 more than in 1996, which was the nadir with regard to employment. Out of this 3,906,000 people belonged to the internationally considered 15–64 age group. This increase in the number of the employed took place by the increase in the headcount of the 20-64 age group (in 1995: 5,979,000, in 2006: 6,207,000), which comes primarily into question for employment purposes and the continuous increase in the retirement age. *In 2006 the employment rate of the 15–64 year age group reached 57.3%.* This still means a circa 7 percentage point backlog from the EU-25 average.

The improvements in employment have been accompanied by the decreasing number of unemployed. In 2006, after a nearly 13,000 increase in the headcount, some 317,000 people belonged to this category and the 7.5% unemployment rate is getting closer to the EU average. The domestic unemployment shows a new feature, namely that in 2004 female unemployment rate came up to the male unemployment rate and since then it is continuously above it.

However, it is important to highlight that unemployment did not grow to the detriment of employment; it is rather the sign of more earlier inactive people emerging in the labour market as potential workers. The number of inactive people in the 15-64 year group decreased by 152,000 between 2000 and 2006, and by some 40,000 from 2005 to 2006.

From mid 2006, after announcing the new budgetary consolidation route, the Government has continuously implemented the measures underpinning the consolidation. A part of the measures directly served the quick corrections, while the other part facilitates the durability of

the various structural measures, reforms and the corrections. *The effect of this correction has not been reflected in the main labour market indicators for 2006. In 2006 employment grew to some extent*, despite the negative employment effects of the steps and measures introduced to create and stabilize the balance of the general government.

The decreasing trend in the number of the inactive, as in the previous two years, was not caused by the same labour market rearrangements. In 2005 the drop in the number of the inactive was a consequence of the strong growth in the number of unemployed while the employment level was unchanged. One part of the inactive, who considered their labour market situation and employment opportunities more favourable, started to look for employment to a greater extent and more actively than in previous years, thus they were considered as unemployed. At the same time employed people became unemployed in a similar rate to that of the inactive.

In 2006 though, the decrease in the number of the inactive was accompanied by a smaller increase in unemployment (+13,400) and a much more significant increase in the employment (+27,400).

The source of this increase in employment was mainly given by the increasing employment rate of those in the 30-34 year age groups and the elderly working age population (50-59 year age group). *The employment of young people is still very low*: employment among 15 to 19 year old people is marginal; the employment of 20 to 24 year old people somewhat decreased, i.e. the time spent with studies and the period of labour market transition becomes longer and longer for them, at the same time regular work parallel with studies still cannot be called typical in Hungary.

The explanation for the relatively low Hungarian employment rate is the very high level of inactivity of those with basic level education, which is true for both genders and for the medium age group considered as the most active in the labour market.

In the employment forms deemed as atypical the prevalence of part-time employment has not changed. Less than 4 per cent of the total employment also worked in 2006 this way, mainly elderly women (often employed as pensioners). In 2006 the proportion of private entrepreneurs and associated entrepreneurs was 12.7%; 6.7% of the workers were employed with fixed term contracts.

Two beneficial changes are worth highlighting with regard to the age composition of the employed: on one hand, the number of young people between 15 and 24 years of age further decreased due to the further extension of schooling. On the other hand, the growth was the greatest among those over 50 years of age. However, a couple of years ago the labour market participation of those right before the retirement age was steeply decreasing; only 58.6% of men and 42.6% of women in the 55-59 age group are employed.

Table 1
Economic activity of the population between 15–64 year of age by gender (1998–2006)

Year	Number of the employed	Number of the un-employed	Number of active people in economic terms	Number of inactive people in economic terms	Population between 15–64 year	Activity rate	Unemployment rate	Employment rate
in thousand people						in %		
Total								
1998	3 676.2	310.4	3 986.6	2 867.9	6 854.5	58.2	7.8	53.6
1999	3 786.3	285.1	4 071.4	2 764.7	6 836.1	59.6	7.0	55.4
2000	3 832.0	263.2	4 095.2	2 745.5	6 840.7	59.9	6.4	56.0
2001	3 849.8	233.9	4 083.7	2 767.7	6 851.4	59.6	5.7	56.2
2002	3 850.3	238.4	4 088.7	2 761.0	6 849.7	59.7	5.8	56.2
2003	3 897.2	244.3	4 141.5	2 694.7	6 836.2	60.6	5.9	57.0
2004	3 874.7	252.4	4 127.1	2 699.2	6 826.3	60.5	6.1	56.8
2005	3 878.6	303.1	4 181.7	2 633.0	6 814.7	61.4	7.2	56.9
2006	3 906.0	316.5	4 222.5	2 593.3	6 815.8	62.0	7.5	57.3
Men								
1998	2 010.4	186.9	2 197.3	1 136.9	3 334.2	65.9	8.5	60.3
1999	2 069.3	169.9	2 239.2	1 086.8	3 326.0	67.3	7.6	62.2
2000	2 091.6	158.7	2 250.3	1 084.2	3 334.5	67.5	7.1	62.7
2001	2 102.4	142.4	2 244.8	1 095.1	3 339.9	67.2	6.3	62.9
2002	2 100.3	137.9	2 238.2	1 099.5	3 337.7	67.1	6.2	62.9
2003	2 112.7	138.4	2 251.1	1 078.9	3 330.0	67.6	6.1	63.4
2004	2 102.0	136.6	2 238.6	1 090.5	3 329.1	67.2	6.1	63.1
2005	2 101.2	159	2 260.2	1 068.2	3 328.4	67.9	7.0	63.1
2006	2 122.1	164.4	2 286.5	1 041.6	3 328.1	68.7	7.2	63.8
Women								
1998	1 665.8	123.5	1 789.3	1 731.0	3 520.3	50.8	6.9	47.3
1999	1 717.0	115.2	1 832.2	1 677.9	3 510.1	52.2	6.3	48.9
2000	1 740.4	104.5	1 844.9	1 661.3	3 506.2	52.6	5.7	49.6
2001	1 747.4	91.5	1 838.9	1 672.6	3 511.5	52.4	5.0	49.8
2002	1 750.0	100.5	1 850.5	1 661.5	3 512.0	52.7	5.4	49.8
2003	1 784.5	105.9	1 890.4	1 615.8	3 506.2	53.9	5.6	50.9
2004	1 772.7	115.8	1 888.5	1 608.7	3 497.2	54.0	6.1	50.7
2005	1 777.4	144.1	1 921.5	1 564.8	3 486.3	55.1	7.5	51.0
2006	1 783.9	152.1	1 936.0	1 551.7	3 487.7	55.5	7.9	51.1

(Source: Central Statistical Office)

Table 2
Activity rate by age group and by gender (1998–2006)

Year	%								
	15–24	25–29	30–39	40–49	50–54	55–59	60–64	15–64	65–74
	Total								
1998	39.6	72.8	79.3	79.2	61.8	26.0	7.6	58.2	2.4
1999	39.2	74.6	80.1	80.0	66.9	29.8	7.7	59.6	2.4
2000	37.2	75.4	80.2	79.7	68.7	34.7	8.0	59.9	2.6
2001	34.6	75.8	80.1	79.4	67.9	37.2	9.1	59.6	2.0
2002	32.6	75.1	79.9	79.5	68.7	41.0	9.7	59.7	2.3
2003	30.8	75.6	80.7	80.3	70.3	45.7	11.7	60.6	2.7
2004	27.9	76.7	80.2	80.2	70.8	47.9	14.1	60.5	2.9
2005	27.1	77.4	81.1	81.2	71.9	50.8	14.9	61.4	2.6
2006	26.8	77.9	82.2	82.0	73.0	52.0	13.8	62.0	2.7
	Men								
1998	44.4	87.8	87.9	82.0	69.7	40.1	10.6	65.9	3.7
1999	43.9	89.9	88.9	82.9	72.5	45.8	10.7	67.3	3.8
2000	41.8	89.3	89.7	82.3	73.0	51.7	11.9	67.5	3.9
2001	39.2	89.7	90.1	81.8	71.5	53.4	13.5	67.2	3.1
2002	35.9	88.2	90.4	82.6	71.5	55.1	14.7	67.1	3.4
2003	34.4	87.3	91.3	83.3	72.6	57.0	17.2	67.6	3.8
2004	31.4	88.2	91.0	83.3	72.8	56.2	20.3	67.2	4.4
2005	30.3	88.2	91.6	83.9	73.6	59.6	21.2	67.9	4.2
2006	30.1	88.9	92.6	85.2	74.4	61.3	19.6	68.7	4.3
	Women								
1998	34.6	57.5	70.8	76.5	54.5	14.3	5.4	50.8	1.5
1999	34.3	59.0	71.4	77.3	61.6	16.5	5.5	52.2	1.6
2000	32.5	61.1	70.7	77.3	64.8	20.4	5.0	52.6	1.8
2001	29.9	61.6	70.1	77.1	64.5	23.5	5.7	52.4	1.3
2002	29.2	61.7	69.2	76.6	66.2	29.0	6.0	52.7	1.5
2003	27.2	63.7	70.0	77.5	68.1	36.1	7.5	53.9	2.0
2004	24.3	64.9	69.3	77.4	68.8	40.9	9.3	54.0	2.0
2005	23.8	66.2	70.5	78.7	70.3	43.4	9.8	55.1	1.6
2006	23.4	66.5	71.5	79.0	71.7	44.1	9.4	55.5	1.6

(Source: Central Statistical Office)

Table 3
Number of employed people by age group and by gender (1998–2006)
number of the employed on an annual basis, in thousand people

Year	15–24	25–29	30–39	40–49	50–54	55–59	60–64	15–64	65–74
Total									
1998	523.6	474.6	936.4	1 173.1	385.4	146.7	36.4	3 676.2	19.4
1999	513.2	500.8	953.6	1 183.1	423.7	174.4	37.5	3 786.3	23.0
2000	473.4	529.2	975.0	1 159.9	450.6	204.1	39.8	3 832.0	24.2
2001	434.3	557.7	989.1	1 140.2	464.5	217.9	46.1	3 849.8	18.5
2002	391.6	572.6	999.7	1 113.8	482.1	239.4	51.1	3 850.3	20.3
2003	355.5	591.0	1 027.7	1 084.5	504.1	273.0	61.4	3 897.2	24.7
2004	305.8	601.4	1 045.3	1 041.8	513.7	289.5	77.2	3 874.7	25.7
2005	277.4	581.1	1 091.8	992.3	543.6	312.7	79.7	3 878.6	22.9
2006	271.5	563.8	1 146.8	951.2	566.2	333.8	72.7	3 906.0	24.1
Men									
1998	291.4	289.7	515.0	581.6	208.6	102.6	21.5	2 010.4	12.6
1999	287.4	304.7	525.5	588.2	220.6	121.0	21.9	2 069.3	14.3
2000	265.6	316.6	543.5	576.3	226.2	137.8	25.6	2 091.6	14.2
2001	246.0	333.2	555.3	562.0	234.3	141.8	29.8	2 102.4	11.3
2002	216.3	340.1	567.7	558.1	238.4	146.6	33.1	2 100.3	12.2
2003	198.8	344.8	585.7	536.9	251.1	156.2	39.2	2 112.7	13.8
2004	171.8	351.8	598.4	521.8	253.9	155.1	49.2	2 102.0	15.3
2005	156.2	340.2	623.8	494.8	268.0	167.7	50.5	2 101.2	14.9
2006	154.9	327.5	656.6	480.6	276.8	180.1	45.6	2 122.1	15.3
Women									
1998	232.2	184.9	421.4	591.5	176.8	44.1	14.9	1 665.8	6.8
1999	225.8	196.1	428.1	594.9	203.1	53.4	15.6	1 717.0	8.7
2000	207.8	212.6	431.5	583.6	224.4	66.3	14.2	1 740.4	10.0
2001	188.3	224.5	433.8	578.2	230.2	76.1	16.3	1 747.4	7.2
2002	175.3	232.5	432.0	555.7	243.7	92.8	18.0	1 750.0	8.1
2003	156.7	246.2	442.0	547.6	253.0	116.8	22.2	1 784.5	10.9
2004	134.0	249.6	446.9	520.0	259.8	134.4	28.0	1 772.7	10.4
2005	121.2	240.9	468.0	497.5	275.6	145.0	29.2	1 777.4	8.0
2006	116.6	236.3	490.2	470.6	289.4	153.7	27.1	1 783.9	8.8

(Source: Central Statistical Office)

Table 4

Employment rate by age group and by gender (1998–2006) in %

Year	15–24	25–29	30–39	40–49	50–54	55–59	60–64	15–64	65–74
Men									
1998	37.4	80.4	81.1	76.2	66.0	38.3	10.1	60.3	3.3
1999	37.8	82.8	82.2	77.9	69.0	44.0	10.5	62.2	3.7
2000	36.0	82.6	84.1	77.3	69.6	49.6	11.6	62.7	3.8
2001	34.4	83.2	84.9	77.6	68.2	51.3	13.1	62.9	3.1
2002	31.2	82.0	85.3	78.7	68.6	52.8	14.4	62.9	3.4
2003	29.7	81.3	86.3	78.9	69.7	55.2	16.8	63.4	3.8
2004	26.3	82.8	85.8	79.3	69.7	54.0	20.1	63.1	4.3
2005	24.4	81.9	85.9	79.1	70.1	56.6	20.9	63.1	4.2
2006	24.5	81.4	86.9	80.1	70.3	58.6	19.2	63.8	4.3
Women									
1998	30.6	52.7	66.0	72.3	52.3	13.6	5.1	47.3	1.2
1999	30.4	54.7	66.7	73.4	59.4	16.2	5.5	48.9	1.5
2000	28.8	56.8	66.8	73.8	62.5	20.0	5.0	49.6	1.8
2001	26.9	57.5	66.6	74.3	62.1	23.2	5.5	49.8	1.3
2002	25.8	57.5	65.4	73.4	64.0	28.3	6.0	49.8	1.5
2003	23.7	59.4	65.8	74.3	65.8	35.1	7.3	50.9	2.0
2004	20.8	60.3	64.8	73.5	66.0	39.8	9.0	50.7	1.9
2005	19.2	59.8	65.3	74.2	66.6	41.7	9.6	51.0	1.5
2006	18.7	60.7	65.9	73.6	67.9	42.6	8.9	51.1	1.6

(Source: Central Statistical Office)

Table 5
Number of unemployed people by age group and by gender (1998–2006)

Year	15–24	25–29	30–39	40–49	50–54	55–59	60–64	15–64	65–74
	number of the unemployed by age group, in thousand people								
	Total								
1998	85.3	43.5	74.1	79.2	19.2	7.1	2.0	310.4	3.6
1999	76.0	41.2	73.1	70.0	18.8	5.6	0.4	285.1	0.2
2000	68.7	41.6	61.1	64.7	19.5	7.0	0.6	263.2	0.5
2001	55.1	41.6	56.7	52.5	20.0	6.8	1.2	233.9	0.2
2002	56.5	43.2	58.9	52.1	18.4	8.7	0.6	238.4	0.4
2003	54.9	43.6	62.6	54.2	19.3	8.2	1.5	244.3	0.2
2004	55.9	41.6	66.6	54.3	22.4	10.2	1.4	252.4	0.5
2005	66.9	51.9	79.2	60.2	29.0	14.4	1.5	303.1	0.8
2006	64.1	53.0	85.0	65.3	32.5	14.2	2.4	316.5	0.3
	Men								
1998	54.7	26.6	43.0	44.6	12.0	4.9	1.1	186.9	1.8
1999	46.7	25.9	43.1	37.9	11.2	4.8	0.3	169.9	0.1
2000	42.5	25.7	35.9	37.2	11.1	5.8	0.5	158.7	0.2
2001	34.1	25.7	33.8	30.8	11.3	5.8	0.9	142.4	0.0
2002	32.9	26.1	33.8	27.8	10.2	6.5	0.6	137.9	0.1
2003	31.7	25.8	34.1	30.5	10.5	5.0	0.8	138.4	0.1
2004	33.3	22.6	35.8	26.7	11.4	6.4	0.4	136.6	0.2
2005	38.2	26.3	41.7	29.9	13.3	8.8	0.8	159.0	0.1
2006	35.3	30.1	43.2	30.4	16.1	8.5	0.8	164.4	0.2
	Women								
1998	30.6	16.9	31.1	34.6	7.2	2.2	0.9	123.5	1.8
1999	29.3	15.3	30.0	32.1	7.6	0.8	0.1	115.2	0.1
2000	26.2	15.9	25.2	27.5	8.4	1.2	0.1	104.5	0.3
2001	21.0	15.9	22.9	21.7	8.7	1.0	0.3	91.5	0.2
2002	23.6	17.1	25.1	24.3	8.2	2.2	0.0	100.5	0.3
2003	23.2	17.8	28.5	23.7	8.8	3.2	0.7	105.9	0.1
2004	22.6	19.0	30.8	27.6	11.0	3.8	1.0	115.8	0.3
2005	28.7	25.6	37.5	30.3	15.7	5.6	0.7	144.1	0.7
2006	28.8	22.9	41.8	34.9	16.4	5.7	1.6	152.1	0.1

(Source: Central Statistical Office)

Table 6
Number of unemployed people by the time spent with job search (1998–2006)
in thousand people

	Less than 1 month	1–3 months	4–6 months	7–11 months	12 months	13–18 months	19–24 months	25 months or more	Total
1998	13.0	44.2	44.2	45.5	16.1	39.3	27.6	64.3	294.2
1999	14.9	43.6	38.7	45.8	13.3	38.1	26.9	62.4	283.7
2000	16.7	38.7	35.3	42.9	13.0	37.2	23.8	54.9	262.5
2001	14.9	37.0	33.2	38.6	11.5	31.6	20.9	44.2	231.9
2002	15.5	39.4	34.8	40.7	11.6	32.7	19.8	42.5	237.0
2003	15.9	42.1	38.9	42.0	14.5	27.6	17.6	43.0	241.6
2004	13.0	42.0	39.9	41.8	13.5	33.4	19.6	47.2	250.4
2005	14.8	48.9	44.1	51.3	14.1	41.0	27.4	54.3	295.9
2006	13.3	50.7	48.3	51.9	17.4	41.5	26.6	58.8	308.5

(Source: Central Statistical Office)

Question "C"

Please indicate the trend in the number and the nature of vacant jobs in your country.

Table 7
Number of notified vacant jobs in 2005-2006

	2005	2006
Number of vacant jobs notified during the year:	447 057	488 332
of which: subsidised:	152 179	160 303
unsubsidised:	294 878	328 029

(Source: (ESO))

Remark: The notified vacancies statistics mean the vacancies notified to ESO (Employment and Social Affairs Office) and is not identical with the total labour turnover.

Questions from the European Committee of Social Rights

In connection with paragraph (1) of Article 1, the Committee requests information for 2005-2006 in particular on the following issues:

- **On the developments of the employment rate**
- **Labour market participation of female workers and on the developments of the employment rate**
- **Measures facilitating the employment of the elderly workers and on the developments of the employment rate.**

Data on the developments in the employment rate are included above.

- **On the Government programme for facilitating the social inclusion of people of Roma origin and on the results and effects of the 1021/2004. (III. 18.) Government decision on the related measures.**

Government measures taken with the view to implementing the 1021/2004 Government decision affecting the employment field:

The active labour market instruments play an increasingly emphasised role in the improvement of the employment situation of the handicapped layers, though the decisive instrument in the subsidies are still the *public work programmes, public benefit employment and public purpose work*. Between 2004 and 2006 15,000 to 19,000 people of Roma origin were employed in the framework of public work programmes and public benefit employment. The number of complex labour market programmes is growing from year to year, thus providing the opportunity to use several active labour market instruments at the same time. Between 2003 and 2006, under the auspice of the Labour Centres, some fifty five complex labour market programmes were implemented to help the long term unemployed, including people of Roma origin. In these programmes a total of 5,000 people participated and nearly 3 000 million Ft in subsidy was used.

Between 2002 and 2006 the National Employment Public Foundation implemented *14 pilot (employment facilitating) programmes*. The number of people affected is around 1000 and the committed resources are near to 1 billion Ft.

In 2006 under *Measure 1.1 of the HEFOP* 2,500 people of Roma origin received aid, as estimated by the Labour Centres (this is 16.4% of the total number of 15,431 subsidised people) and 1,601.11 million Ft in aid was provided for the improvement of the situation of this target group.

The Phare Programme of 'Combating Exclusion from the World of Work' managed by the ESF provides employment, training sessions and labour market reintegration services for more than 2,900 unemployed, mainly of Roma origin. The committed amount was some 3.9 billion Ft. The estimated number of Roma participants was 1750.

Roma populace takes part in increasing numbers in *labour market training sessions* organised by the Labour Centres and the Regional Training Centres. According to estimates several thousand people per year get a profession, a qualification that can be used in the labour market.

All in all, the Labour Organisation *facilitated the employment facilities and actual employment of nearly 40,000 Roma workers each year with its services and active aid instruments*.

- On the measures facilitating the employment of the entrants and on the results of these measures.

The EYE Act was amended by the Act LXXIII of 2005 by introducing the START Programme. For the detailed rules of this amendment see the answer to point (1) Question "A" third sub-question.

- On the measures facilitating the employment of the long term unemployed and on the results of these measures.

- On the Roma employment rate and unemployment rate, compared also to the total population.

The measures facilitating the employment of the long term unemployed and the results of these measures

Similarly to other EU Member States, the employment rates for younger and elderly age groups are far behind the average data. In addition to age, labour market status is strongly influenced by the lack of education and marketable knowledge, qualification and skills, in particular if these are accompanied by socio-cultural disadvantages, and a place of residency in an economically handicapped area and thus the employment opportunities are extremely limited. For these groups it is typical that it is very difficult to form and maintain their labour market positions.

It is an important task for the State Employment Service to provide efficient help in job search for its registered long-term unemployed clients by its programmes and services and by subsidies provided to increase employment.

The long-term unemployed have several possibilities to choose from. For the job search and for an eventual career path amendment a significant help could be provided by discussions with the Labour Consultants and by filling in forms built on the self-knowledge supporting the decision. They can get acquainted with the actual job search methods in the Jobseekers

Clubs and they can increase their employment chances by exercising job search techniques. While using this service, the jobseeker might be awarded a wage compensation allowance for the period of taking part in the Jobseekers Club if it lasts for at least 15 days

The inclusion into the labour market of unqualified long-term unemployed or those having a qualification not matching the market demands in level or specification requires a much more complex treatment. This goal is served by *the organisation and support for complex labour market programmes*.

During the past years the State Employment Service put a special emphasis on the implementation of complex labour market programmes.

The relevant parts of these programmes:

- Selection of programme participants.
- Improving the mental state of the participants and motivating them.
- Preparing and training the participants in order to implement the programme successfully. In the training it is a key objective to learn convertible professional knowledge.
- Gaining or refreshing work experience means an excellent preparation for the inclusion/re-inclusion into the primary labour market.
- The programme participants may request special and complex human resources services (employment consultancy). Through this professional help they are able to develop a tailor-made action plan and may receive help in finding a solution to the problems hindering their employment.
- Of the participants, inactive unemployed people/jobseekers with multiple handicaps in the labour market may receive help in the framework of the mentoring programme, from professionals acting as mentors, in the job search or in keeping their current employment. Mentors also track those who have already found employment and provide for their after-care
- The sessions of the Jobseekers' Club create an opportunity to get further labour market information for those whose employment is completed with the conclusion of the given labour market programme.
- Participants can be tracked and followed-up even after the conclusion of the programme.

Table 8
Number of jobseekers registered for over one year and their proportion to the total number of registered jobseekers in the years of 2005 and 2006

Name	2005		2006		Change	
	number of people	proportion in %	number of people	proportion in %	number of people	as %
Number of jobseekers for longer than one year	100317	24.5	102473	26	2156	2.1

(Source: ESO)

The *public work programmes* primarily serve the employment, living and improvement of life quality of the handicapped and long-term unemployed population and the catch-up of disadvantaged settlements and small areas and are carried out by using public funds, and providing subsidies through tenders. The tender notices launched by the minister responsible for the sectoral management of the employment policy once or several times annually relate to the implementation of certain activities, generally in a 6 to 8 month period (mainly for urban infrastructure developments, maintenance of roads within the settlements, for rain-water drainage, for the refurbishment of the drainage system, solving environmental tasks, afforestation and maintenance of public areas).

The non-refundable subsidy that can be received under the tender makes possible the partial reimbursement of the wages and public charges of the people employed in the public work programme and of the costs of training to facilitate their employment.

The inclusion into the labour market of the unqualified long-term unemployed or those having a qualification not matching the market demands in level or specification requires a much more complex treatment. This goal is served by the organisation and support for complex labour market programmes.

The State Employment Service provided assistance to unemployed people/jobseekers registered for over one year as follows:

- **in the year of 2005 provided assistance for the subsidised employment of 29,908 people and for the unsubsidised employment of 16,954 people,,**
- **2006. in the year 2005 for the subsidised employment of 26,791 people and for the unsubsidised employment of 23,180 people.**

It supported the *labour market training* of

- **6,059 people in 2005, and**
- **2006. 5,444 people in 2006.**

Training for adults with lower qualification, for people with disabilities and for the elderly age groups

As of 2006 the normative subsidy provides support for acquiring the first qualification for those not having any qualifications acknowledged by the state, and for the second qualification of people over 50 years of age, and for the general, language and professional education of people with disabilities. So far nearly 4,00 people have been trained via this subsidy. The “Take One Step Forward” programme of the ESF serves the participation of workers with low qualifications in training sessions, which – up to mid 2007 – enabled the training of 15,600 people with low qualifications. The continuation of the programme starts in September 2007, also from EU resources.

In the period until the end July of 2009 we plan to provide support for the training of a further 22,000 people. In the above mentioned programmes the number of subsidised long-term unemployed was significant.

The role of Measure 1.1 of HEFOP in the employment of the long-term unemployed

Until 31st December 2006 jobseekers whose situation was not possible to change in a positive way (including long-term unemployed people) could be included in the County Programmes implemented in the framework of Measure 1.1 ‘Prevention and Treatment of Unemployment’ of the Human Resources Development Operational Programme. (The programme started as of 1st September 2004 and may provide assistance activities until 31st December 2007.)

Table 9

Data on long-term unemployed people included in the Measure 1.1 of HEFOP

Long-term unemployed over 30 years of age	ÖSSZESEN
Headcount included in the programme (each)	8006
Number of people successfully completing the programme (each)	5205
Number of people completing the programme with positive outcome	3159
Number of people in employment (each)	1454
Women (each)	4639
Men (each)	3367
Roma (each)	719
Disabled (each)	438

(Source: ESO)

Acces of Roma clients to the active instruments and services of the State Employment Service, their participation in the subsidies provided by the Measure 1.1 of HEFOP

In the registry maintained by the State Employment Service *there are long-term unemployed people of Roma origin in significant number* forming the most handicapped group in the Hungarian society in terms of their social circumstances and economic situation.

The Roma Inclusion Programme (RIÉP) – in support of which EU support has a significant role – covers the reinforcement of equal opportunities for children in education, the elimination of school segregation, the increase in Roma employment, in the quality of their health status and their health service, and the actual improvement of their housing conditions. The Hungarian Strategic Plan linked to the RIÉP⁶ set out comprehensive objectives and the related tasks in four priority areas: enforcement of equal treatment, culture, media and sport.

In the field of employment the improvement concerning people of Roma origin is primarily served by integrated complex employment programmes addressing the labour market disadvantages. Currently such programmes operate from domestic resources (programmes of the Labour Centres, OFA-programmes) and from ESF resources.

In order to ensure the access of people of Roma origin to the labour market programmes, the cooperation with Roma organizations (Roma minority municipalities, civil organisations) and their participation in the implementation of the programmes has a key role. In addition to the comprehensive (i.e. not targeted exclusively to people of Roma origin) programmes it is important to emphasize the ‘targeted’ Roma programmes (such as the Roma Employment Organizing Network operating within the State Employment Service, the Roma Janitor Programme supported by the OFA, the Settler Programme and the programme supporting Roma enterprises).

⁶ On the 25th June 2007 the Hungarian Parliament adopted the 68/2007 (VI.28.) Parliament resolution on the Decade of the Roma Inclusion Programme Strategic Plan.

In 2005 1,601 people participated in the programmes supported from the decentralised county envelopes and from the central envelope of the Labour Market Fund assessed. In the framework of Measure 1.1 of HEFOP the Labour Centres subsidised 1,911 people of Roma origin.

With regard to the subsidies from the decentralised envelopes of the Employment Sub-fund of the Labour Market Fund the support to the public benefit employment continues to prevail, with 18,624 participants. The further order of headcounts affected by subsidies: for labour market training: 3,053 people, for employment extending wage subsidy: 1,408 people, for takeover of employment related public charges: 1,256 people, for support of gaining work-experience for entrants: 874 people.

The subsidies awarded from Employment Sub-fund of the Labour Market Fund, the subsidies operated in a complex manner under the labour market programmes and under Measure 1.1 of HEFOP and the related wide-range services provided an improvement in the labour market situation and chances of *28,000 Roma jobseekers*.

In 2006 1,003 people took part in the 40 most significant programmes with Roma relevance supported from the decentralised county envelopes and from the central envelope of the Employment Sub-fund of the Labour Market Fund. Programmes providing professional experience while completing basic level studies and providing subsidised employment were the most successful. In 2006 in the framework of Measure 1.1 of the HEFOP the Labour Centres subsidised 1,911 people of Roma origin.

With regard to the subsidies from the 2006 decentralised envelopes of the Employment Sub-fund of the Labour Market Fund the support to the public benefit employment continues to prevail; 17,413 participants received this support. The number of participants in labour market training was 3,611, those receiving employment extending wage subsidy: 1,050 people, those affected by the takeover of employment-related public charges: 357 people, those receiving support in gaining work-experience for entrants: 452 people.

According to estimates of the subsidies awarded from the Employment Sub-fund of the Labour Market Fund, the subsidies operated in a complex manner under the labour market programmes and under Measure 1.1 of HEFOP and the related wide-range services provide an improvement in the labour market situation and chances of nearly *30,000 Roma jobseekers*.

We note that due to the ban on discriminating by origin there are no registers indicating the origin of employees and this hinders the precise reporting of the data.

Employment of people of Roma origin and its social-economic context

Employment:

According to sociological surveys the labour market situation of people of Roma origin dramatically worsened following the change in the system. On one hand, Roma persons used to work in the economic sectors generating the most loss and they were the least educated workers even there, on the other hand their negative labour market situation was aggravated by discrimination on ethnic grounds. According to a study led by Mr. István Kemény, in 2003 less than one-third of Roma men between 15 and 74 made their primary source of living from some kind of work activity, and less than one-third of them had some kind of regular work.

Currently there are very few people of Roma origin with jobs, and even fewer in stable, full-time jobs. However, those having a job can only find one in the bottom segment of the labour market. 70% of the working people of Roma origin work as unskilled or semiskilled workers. Twenty two per cent of them work as skilled workers; the proportion of people of Roma origin working as qualified blue collar or white collar worker is only 8%.

According to the survey some one-sixth of the Roma women had their primary source of living as from some kind of work activity, and also one-sixth of them had some kind of regular work. The negative labour market situation of Roma women is correlated with their early motherhood, with their unsatisfactory qualifications and discrimination on the grounds of gender.

Socio-economic context:

- A significant part of the Roma population lives in marginal small areas of the country suffering from social, economic, infrastructural and employment handicaps.
- The number of families living in segregated, slum ghetto housing with no amenities.
- The incidence of poverty is 5 to 10 times greater in the Roma population than the non-Roma population.
- Eighty eight per cent of the 3 to 5 year age group attends kindergarten as a national average; this number is only 42% for Roma children.
- The great level of dropping out of basic level education and qualifying Roma children as private pupils is much higher than the country average.
- Roma children are transferred to educational institutions established for the slightly mentally disabled in twice as high a proportion as the country average.
- Of the 20-24 year age group of Roma young people 82% finished elementary school; in the same age group 1.7% were studying in secondary school and 5.1% finished secondary school (in the total population this proportion is 76.4%).
- Countrywide 40% of the 18-20 year old people, but only 1.2% of people of Roma origin in the age of 20-24, study in tertiary education (the proportion of people with tertiary qualification is 14 per cent in society).

(Source: István Kemény, Béla Janky, Gabriella Lengyel: The Roma population in Hungary 1971-2003.)

The Central programme of the State Employment Service in order to increase the employment, stop the long-term unemployment and to facilitate the employment of people over 50

The main objective of the programme is to increase employment among people over 50 by addressing their problems with tailor-made and complex treatment.

In the light of the success of the programme that started on 1st January 2005 it continued in the year 2006 and the deadline for entry and commitments was 30th November. The Programme set a target of including 25,000 people nationwide and to find employment for 10,000 people. In 2006 29,853 received notification and 22,536 indicated their intention to participate by signing a letter of intent.

In 2006 3,340 *people* found jobs through intermediation but without subsidy, and 2,169 *people did so* of their own. With the help of the subsidies a total of 7,634 *people* found employment, with work trial: 1,366 *people*, employment extending wage subsidy: 435 *people*,

with the takeover of employment related public charges: 468 people, with a joint subsidy of employment extending wage subsidy and takeover of employment related public charges: 988 people, with public benefit work subsidy: 2,192 people, with other subsidies: 2,185 people got back to employment.

In 2006 in the framework of the programme a total of 13,143 people found jobs which show a good *pro rata temporis* overperformance of the set targets. Seven hundred and sixty nine people were involved in labour market training.

The State Employment Service provided labour market services for 25,029 people. The participation was the greatest– 6,611 people – in job search consultancy; 5,478 people took part in group information sessions, 3,173 people in individual consultancy, 2,996 people in training consultancy, and 1,891 people visited the job fairs of the State Employment Service.

In the HEFOP 1.1 Programme 814 people, in the rehabilitation procedure 1056 people have been involved.

- On the results of the trials of new methods developed in the framework of the EQUAL Community Initiative Programme to facilitate the labour market integration of handicapped people.

No data available.

- On the average time span necessary to offer a job for the unemployed under the active measures.

Table 10

The average time span necessary to offer a job for the unemployed under the active measures (day/person)

Year 2005	
Wage subsidies	138.9
Public benefit and public purpose work	110.1
Gaining work experience	139.8
<i>Total:</i>	<i>119.9</i>
Year 2006	
Wage subsidies	120.6
Public benefit and public purpose work	81.3
Gaining work experience	105.3
<i>Total:</i>	<i>89.3</i>

(Source: ESO)

- After joining the EU, on the number of foreign workers and in general the number of foreign nationals in Hungary.

Data related to the employment of foreign nationals in Hungary on the basis of the registers of the Employment and Social Office

Period: from 1996 until the first half of 2007

(Source: State Employment Service, www.afsz.hu)

The number of foreign nationals registered by the Employment and Social Office (and its predecessor) was growing continuously from the second half of the nineties. In 1996 altogether 20,296 work permits were issued, in 2005 more than 53.000; in addition to this the number of registrations and green card certificates were near to 20,000. It is worth comparing the number of work permits valid on the day before Accession, i.e. on 30th April 2004 with the data measured on 31st December 2004 and 2005. On the day preceding the accession 55,710 foreign workers had a valid work permit. Their number just slightly decreased by the end of the year and the number of people with valid registration was in excess of 10,000. From the entitled people it was mainly workers from Slovakia who have used the opportunity to find employment without restriction. At the end of 2005 though the number of valid work permits showed a more significant drop, reflecting the groups of nationals that fall out.

In 2006 the Labour Centres issued 52,505 general and 2,216 agricultural seasonal work permits, 16,132 registrations were made and 275 green card certificates were issued. Most of the seasonal agricultural work permits were used by Romanian and, in a smaller part, Ukrainian workers. Taking the four titles into account, on 31st December 2006 64,626 foreign workers had valid work permits or certificates.

In 2007 this slow decrease of the registered foreign workers in our database continued. The aggregated number of issued work permits, registrations and green card certificates was 29,251 in the first six months of 2007; this means a 9,222 (24%) decrease, compared to the data in the first half of 2006. This decrease is reflected in the aggregated number of valid permits, registrations and green cards on 30th June 2007: on 30th June 2006 it was 66,718, on 31st December 2006 64,626; on 30th June 2007 it was 62,020.

The change was mainly caused by the decrease in the number of Romanian, Slovakian and Ukrainian nationals within the total number of foreign nationals who earlier represented a dominant majority.

The foreign nationals mainly find employment opportunities in the central region. On the basis of the number of permits and certificates valid on the 30th June 2007, 57.44% of the foreign nationals registered by us worked in the Central Hungary region, and 24,7% of them in the Central-Transdanubia region. The share of the other regions varies between 1.7 and 5.5%.

[With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake]

Article 1, paragraph (2): to protect effectively the right of the worker to earn his living in an occupation freely entered upon;

Question A:

Please give information concerning legislative or other measures taken to ensure the elimination of all discrimination in employment which might be based on sex, social or national origin, political opinion, religion, race, colour or age and to promote effectively equal opportunities in seeking employment and in taking up an occupation.⁷

⁷ The term "discrimination" in this Form is to be understood in terms of Article 1 of ILO Convention No. 111 (Discrimination, Employment, Occupations).

a) Even though it is not within this reporting period, it is to be noted, that *Act CIV of 2006 (hereinafter referred to as Ebktv.mód.) on the modification of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities (hereinafter referred to as Ebktv.)* has modified several provisions of the Ebktv. as from 01 January 2007. Therefore, on the basis of Article 3 of Ebktv.mód, the Equal Treatment Authority (hereinafter referred to as the Authority) has been given competence to supervise the employers concerned on the basis of their respective applications to see whether they have adopted any plan for equal opportunities.

Concurrently with the effective date of Ebktv.mód., Article 70/A of the Labour Code pertaining to the plan for equal opportunities was amended with a new Section (4). Pursuant to this new Section (4), *the plan for equal opportunities shall provide for – apart from the requirements described in Section (2) of Article 70/A – separate measures to ensure the creation of obstacle-free workplace environments for people with disabilities, as well as on the proper order of procedures in connection with the enforcement of the requirements of equal treatment within the organization of the employer.*

Pursuant to the modification of Ebktv. having come to effect on 01 January 2007, Section (4) of Article 63 Such budgetary organs and legal entities in the majority ownership of the state that engage employees in excess of fifty persons *are obliged to accept their plans for equal opportunities.*

Furthermore, Ebktv.mód. raises those regulations pertaining to the Equal Treatment Advisory Board operated independently from the Government that so far were 26.) stipulated in Governmental Decree Pursuant to the modification of Ebktv. having come to effect on 01 January 2007, Article 17/B–17/D sets forth the regulations on the Equal Opportunity Advisory Board, as well as on the organizations assisting ETA in its tasks and responsibilities described in Section (1) of Article 14 of Ebktv.

Ebktv's Chapter III entitled the Enforcement of the requirement of equal treatment in certain fields describes some priority fields of the infringement of the requirement of equal treatment, for instance employment, social security and healthcare, residential conditions, training and education, as well as access to the movement of goods and the use of services. Pursuant to the modification of Ebktv. having come to effect on 01 January 2007, Article 21–23 defines what shall be deemed as direct or indirect negative discrimination in employment, and what the cases are when the employer has the option to exculpate itself.

Ebktv.mód. has clarified 21. benefits granted on the basis of work as described in Paragraph f) of Article 21 of Ebktv. as follows:

[Violation of the requirement of equal treatment means, especially if the employer implements discrimination against the employee directly or indirectly, especially when specifying, or applying subsequent ordinances:]

„f) benefits granted on the basis of labour engagements or other legal relations for the performance of work, thus particularly in the establishment and provision of wages and salaries as defined in Section (3) of Article 142/A of Act XXII of 1992 on the Labour Code”.

Otherwise, cases listed in Article 21 of Ebktv. as instances of negative discrimination have remained unchanged.

Pursuant to the modification of Ebktv. having come to effect on 01 January 2007, for employers Section (1) of Article 22 describes those cases of exculpation when the discrimination is deemed as legal. Under Section (2) of Article 22 of Ebktv. coming to effect on 01 January 2007, however, 22. such exculpation is always considered to infringe the requirement of equal treatment, and therefore it shall be injurious to apply directly any discrimination with respect to gender, race, colour of the skin, nationality, belonging to any national or ethnic minority as described in Paragraph f) of Article 21 (benefits granted on the basis of work) against employees.

b) For the sake of effective utilization of governmental supports, and to promote lawful behaviour of employers towards employees, furthermore to motivate the formation of well arranged labour relationships on the level of each employer, the Government wanted to reform the system of legal regulations regarding the utilization of governmental supports in a manner so that *among the entitlement for certain governmental supports and the conditions of winning governmental orders, the requirement of well-arranged labour-relationships should also appear.*

Accordingly, on 01 January 2007, the *modification of Act XXXXVIII of 1992 on public finances* (hereinafter referred to as *Áht.*) came to effect, and with respect to the provisions thereof employers applying for support that originate from the central budget and separate governmental funds shall as a condition of successful applications confirm that well-arranged labour relations are in operation at the given enterprise. Similar principles have influenced the modification of Act on public procurement procedures.

The labour relations of any employer is deemed to be regular if – *inter alia* – within two years prior to the date of the application for the grant no fines have been imposed on the employer by way of any effective and enforceable administrative resolutions or – in the event of the judiciary review of such administrative resolution – by way of any administrative resolution being subject to a effective court resolution due to the violation of regulations in relation to the observation of the requirements of equal treatment.

Article 7 of Act LXV of 2006 on the modification of *Áht.* and some related statutes came to effect on 24 August 2006. This Act added a new Article 17/A to Ebktv. According to the new provision: *“The Authority keeps official records in order to attest the observation of the requirement of equal treatment in proceedings at other authorities by including the particulars of employers who are stated to have committed infringement as defined in Paragraph aa) of Section (9) of Article 15 of the Áht. by way of its conclusive and enforceable resolution of the Authority.*

Pursuant to Section (4) of Article 17/A, on the basis of the details of the records so maintained the authority via its website shall disclose the names, business seats and tax numbers of the employers that have infringed the associated legal regulations, and thus been fined in the past five years in association with the requirement of equal treatment, in the field of employment, as well as the description of the infringement and the legal consequences applied, the date of the related resolution and the date of its becoming enforceable.

With these provisions, the procedures by supporting organizations become substantially simpler, as they can make sure if the Authority has imposed a fine on the employer applying for supports due to the violation of equal treatment.

The authority shall disclose the said data in relation to the infringements of the legal regulations that have been committed after 01 January 2006, and thus penalized with fines stipulated in effective and enforceable resolutions.

c) Effective legal regulations promoting the studies of young people with disabilities in higher education, such as Act CXXXIX of 2005 and Governmental Decree 79/2006 (Apr 5) on the enforcement of certain provisions of the Act offers a chance for obtaining a degree, rising in social ranks, arriving at the highest possible level of employment, and integrating into the society.

Please give information concerning sanctions in force and possibilities of legal remedies in cases of discrimination on the field of employment.

Although it is not within this reporting period, it is to be noted that according to the modification of the Ebktv. coming into effect on 01 January 2007, by relying on their rights to enforce their public-interest claims – in addition to their representation authorities – social and representative trade unions are entitled to initiate proceedings with the Equal Treatment Authority, and may exercise the rights of the client in any administrative proceedings launched. In these proceedings, social and representative organizations tend to act as representatives, and they have been involved as clients only when the organizations themselves suffered any injury.

On the basis of the right to enforce public-interest claims, there is an option to act in general against criteria and questionnaires that can be regarded as quasi norms. It means that the court of justice concerned or the Equal Treatment Authority will not examine the complaint upon the initiation of a particular, actual person, but – as the complaint affects a larger social group having protected rights – it operates upon the initiation of such bodies so authorized in Ebktv. (attorneys, authorities, representative organizations) that are also entitled to act for the benefit of the injured group. In the event of any enforcement of public-interest claims, it is sufficient for the applicant (claimant) to refer to a discriminative question, questionnaire associated with a single protected attribute, and thereby presume the potential occurrence of the disadvantage.

Under the authority granted by Ebktv., the Equal Treatment Authority acting in its scope of competence conducts administrative authority proceedings *ex officio* upon any related request against specific organizations to ascertain if the employer has observed the requirement of equal treatment.

Under Article 6 of Ebktv.mód., the detrimental legal consequences to be applicable against the violators of the requirements of equal treatment by the Authority have been clarified in details, and thus the sanctions that may be used on the basis Section (1) of Article 16 of Ebktv. are as follow:

The Authority may

- a) act for the cessation of the unlawful state of affairs,
- b) forbid the future demonstration of such unlawful conduct,
- c) act for the public disclosure of the effective resolution ascertaining the violation of the legal regulation,
- d) impose a fine (the amount of such a fine may range from HUF 50,000 to HUF 6,000,000),
- e) apply the legal consequences defined in the relevant separate legal regulations.

Should the Authority find that the obliged employer has failed to adopt any plan for equal opportunities, it shall require the employer to make up this failure, and may use the sanctions specified in Paragraph c)–e) of Section (1) of Article 16 of Ebktv.

Labour inspectorates supervise the observation of the requirement of equal treatment within the scope of labour supervision, similarly to the Equal Treatment Authority as based on Paragraph d) of Section (1) of Article 3 of Act LXXV of 1996 on labour inspection.

Question B:

Please indicate any methods adopted:

a) to seek the co-operation of employers' and workers' organizations and other appropriate bodies in promoting the acceptance and observance of the above policy of non-discrimination;

b) to ensure the acceptance and observance of the above policy through educational efforts.

a) Paragraph *e*) and *f*) of Section (1) of Article 14 of Ebktv., obligates the Authority to be in cooperation with social and representative organizations, as well as with the governmental bodies concerned in the course of its operations, and to inform the public and the Government regularly on the progress of the effectuation of equal treatment. One of the essential means of such information services is the website of the Authority: www.egyenlobanasmod.hu. At this website, all the information pertaining to the operation of the Authority can be found, and in addition English-language summaries are also disclosed on meetings with non-governmental and social organizations, international relations, the characteristics of proceedings, as well as on examined cases under the title of „Legal cases”. Regular information is released on the meetings of the Advisory Board alongside with the publication of the opinions, positions thereof in specific cases. As concerning the scope of the Authority’s competence and its rules of procedures, an **informative material** has been compiled both in Hungarian and English for non-governmental organizations, the contact centers of the ministries and the labour centers.

b) In 2002, the Hungarian Government concluded a trilateral agreement with the social partners on the renewal of the procedure of consultation. As a result, the National Interest Reconciliation Council (NIRC) was restructured, and its Equal Opportunities Council was set up with the task to discuss the issues regulated in this Convention. In the period under review, the Council discussed the draft bill associated with Ebktv. and its modification on several occasions.

c) An additional outcome of the process has been that as forums of the medium-level autonomous dialogue the sectoral dialogue committees have been operated since 2004, and there special partners have the option to decide on the sectoral regulation of certain (e.g. equal opportunities) issues with a view to the specific circumstances, demands of the individual sectors. In the period under review, the meetings of the sectoral dialogue committees focused on the ways to guarantee equal opportunities on several occasions.

Question C

Please indicate the guarantees, including applicable sanctions and remedies, which prevent any discrimination in regard to members of workers' organizations at the time of engagement, promotion or dismissal.

Sanctions have been discussed above, in Question A.

Under Paragraph s) of Article 8 of Ebktv., one of the cases of directly negative discrimination is a legal provision that leads to the unfavourable treatment of a person or a group due to their belonging to an – actual or alleged – organization for the representation of interests as opposed to an other person or group in a comparable situation. The following case demonstrates the related practice of the Equal Opportunities Authority:

The Applicant pleaded to the Authority on 08 October 2006 by stating that according to his position, his employer, the Board of P. Museums has violated the requirement of equal treatment against him because of his characteristic described in Paragraph s) of Article 8 of Act CXXV of 2003 on Equal Treatment and the Promotion of Equal Opportunities (Ebktv.). The Applicant represented that he had been acting as a secretary of the Trade Union since February 2004, and the employer did not question the legitimacy of his position in the basic organization of the workplace, or the existence of the trade union group up until January 2006; until that time he was also invited to management meetings as the secretary of the Trade Union. The negative discrimination against the person of the Applicant could be originated from an incident at the management meeting on 29 August 2005 when the manager of P. announced that more than forty retired caretakers should be dismissed immediately. The Applicant has informed the P. County General Assembly upon their related request.

Thereafter –according to the Applicant – the employer becoming subject to the proceedings changed his behaviour towards him, he asked for information and documentation on the functioning of the basic organization group lead by the Applicant on several occasions in the period from February to April 2006, and then from March, 2006 the Applicant was not invited to management meetings any more. From the pleading, the documents enclosed by the parties, the testimonies, as well as the hearings at the court sessions, it can be ascertained that the plead is partly grounded, and the defendant did violate the requirement of equal treatment against the Applicant because of his belonging to an organization for the representation of interests. The Applicant has justified in the procedure that he possessed the protected attribute described in Paragraph s) of Article 8 of Ebktv. at the time of the infringement, and also proved the fact of being discriminated by the employer questioning the legitimacy of the trade union group led by him, and thus his position in the trade union both in writing and words after February 2006, and by not being invited to the management meetings, which was to the contrary of the former practice. On several occasions, the defendant demanded the Applicant in written form to prove the legitimacy of the trade union group led by him, and send the charter, programme, the approval of the Board that gave way to the establishment and operation of a second group of the trade union, and also the resolutions of the general meetings of the given group of trade union from 2002 to March 2006. The letter dated as of 13 July was not only sent to the Applicant by the manager of the institution being subjected to legal proceedings, but also to his immediate superior, and foresaw that until the documents asked for were not available, he would not ensure the rights set forth in Section (1) of Article 24 of the Labour Code for the group of the trade union.

When giving evidence, the defendant confirmed that in fact he had not invited the Applicant as the secretary of the trade union to the management meetings since April 2006, even though the secretary of the other basic organization had always been invited. As concerning the applied sanctions, the Authority was aware of the fact that it did not accept each and every point of the pleading in connection with the grievance, whereas it could be ascertained the defendant did violate the requirement of equal treatment because of his attribute described in

Paragraph s) of Article 8 of Ebktv., and therefore it ordered the prohibition of any future infringement, and the publishing of its resolution for a term of 90 day at the website of the Authority.

After the date of the previous report, on 20 March 2005 the new rule pertaining to the protection of the labour rights of trade union officers came into effect. Article 28 of the Labour Code has been modified by *Act VIII of 2005* on the amendment of Act XXII of 1992 on the Labour Code for legal harmonization purposes. Under the unchanged rules of the Article 28 of the Labour Code, the immediate superior trade union organization shall in advance agree with the delegation, temporary employed at any other employer, relocation or ordinary dismissal of the employee acting as an elected officer of the trade union. The trade union states its position with regard to the action intended by the employer in a written form eight working days following the reception of the related information in a written form from the employer. The law fails to give unambiguous orientation to see when the refusal of agreement is lawful, which often leads to disputes at law. Therefore the modification transferred the established judicial practice into the text of the law, stating such refusal can be applied lawfully if the action of the employer

- a) would hinder the operation of the given trade union organization in which the employee occupies a position, provided that the omission of the action does not lead to ill-proportioned, serious disadvantage for the employer, or
- b) it would cause negative discrimination in the cooperation with the representative activities of the trade union.

The same protection rule is applicable to the dismissal of any member of the works council where the right of preliminary consent is held by the works council.

Question D

Please indicate whether any form of forced or compulsory labour is authorized or tolerated.⁸

No changes have occurred.

Question E

If so, please describe the nature and scope of any such labour and indicate the extent to which recourse has been had thereto during the reference period.

No changes have occurred.

Question F

Please indicate what measures are being taken to secure the complete abolition of forced or compulsory labour and the date by which these measures will be fully implemented.

No changes have occurred.

⁸ The term "forced or compulsory labour" in this Form is to be understood in terms of ILO Convention No. 29 (Forced Labour), Article 2.

Question G

Please give information concerning the conditions under which work is carried out in prison establishments.

No changes have occurred.

Questions of the European Committee of Social Rights

With reference to Paragraph (2) of Article 1, the Committee would like to be informed about the following of years 2005-2006:

-The Committee has ascertained the violation of the Paragraph (2) of Article 1 of the Charter, because on the basis of Section (1) and (8) of Article 7 Act XXIII of 1992 on the legal status of civil servants, only Hungarian citizens, or in the case of administrative positions EEA citizens, and family members thereof as defined in Article 11 of Regulation 1612/68/ECC are authorized to fill such civil servant positions.

The Committee has seen the fact as an achievement that after the modification of the Act on the legal status of civil servants administrative positions can be occupied in by EEA citizens and their family members, but in this interpretation this right should also be extended to all the citizens of all the member states of the Charter. The Committee would like to be informed on the further developments.

Although it is not within this reporting period, we are informing the Committee that Act LXXXIII of 2007 on the modification of Act XXIII of 1992 on the legal status of civil servants has been rectifying this issue since 01 September 2007. Pursuant to Section (8) of Article 7 of the modification of Act on the legal status of civil servants for administrative position – except for important and confidential positions where state secrets are also dealt with, and civil servants as heads of department administrators in charge – citizens of the member countries of the European Social Charter may establish labour relations with civil services. Thereby the scope of persons who are allowed to establish labour relations with civil services without having Hungarian citizenship has been further extended.

- On the basis of Section (1) of Article 22 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities it is not the violation of the requirement of equal rights

„a) if it is justified on the basis of the character or nature of the job, all proportionate discrimination with respect to all the important and justifiable conditions as considered for the employment,

b) all the distinction based on religious or ideological beliefs, belonging to a national or ethnical group, arising directly from the essential spirituality that determines the characteristics of the organization, or because it is justified by the contents or nature of the given job, whenever the distinction is based on proportionate and real requirements of employment.”

The Committee would like to have additional detailed information on the exceptions allowed by the law, as well as on their practical applications, e.g. what concrete occupations belong to the scope of the referenced exceptions.

An example to the exception described in Paragraph a) is the obligation to observe the occupational health requirements in association with work. Pursuant to Article 50 of Act

XCIII of 1993 on labour safety, the employees may be assigned only such work for the attendance of which they are suitable in terms of health conditions, as well as they have proper knowledge, skills and experience in safe working procedures that would not jeopardize health. Article 50/a sets forth that employees belonging to the vulnerable group of employees shall be protected from risks that are detrimental to their health in compliance with separate legal regulations. If any work may jeopardize the physical integrity, health of employees, the Minister for employment policy – in agreement with the Minister for health and the Minister for the given activity – may prescribe that such work may be performed only by persons who have adequate specialized qualifications (qualifications) and experience.

Decree no. 33/1998 (June 24) by the Minister of Public Welfare on the medical examination on job-related, professional and personal hygienic suitability and consultation (hereinafter referred to as Decree) is associated with these legal provisions, and states that any examination on the suitability for any given work shall be conducted in order to ascertain what strains are caused by the loading caused by activities in any given job and workplace, and whether the employees concerned are capable of bearing such strains. Any opinion given on suitability shall pertain to the job designated by the employer.

The purpose of any examination on the suitability for a given job shall be to judge:

- a) whether the strains caused by the loading arising from the working activities and the working environment
 - aa) do not jeopardize the health, as well as physical and spiritual integrity of the employee,
 - ab) do not influence the employee's health conditions negatively,
 - ac) do not cause any detriment to the physical, intellectual, psychic development of the employee's children;
- b) whether any chronic disease or disability of the employee does not lead to accident risks in the course of the attendance of work;
- c) in the event of working activities in positions having high epidemiological significance the personal hygienic and health conditions of the employee do not jeopardize the health of others, and if the employee can be engaged in this given position;
- d) in what positions and under what conditions the employee may be engaged without the risk of the deterioration of the existing health conditions if the employee has temporarily or permanently altered working abilities;
- e) whether the employee may be further employed in the given job,
- f) whether the employee suffers from such a disease due to which the employee needs regular occupational health supervision during the attendance of the given job;
- g) whether during any work abroad the employee will be suitable in terms of health for the attendance of the professional tasks in the given foreign country. (Article 1, 3 of the Decree)

The Decree has a closer focus on certain special groups of employees. For instance, it prescribes that any examination on suitability for a given job and the related consultation shall consider that women (with special respect to those in their age of conception and pregnant women – in particular women in the early period of their pregnancy –, as well as mothers shortly after confinement and breast-feeding their children, or providing breast milk to others), young people (under the age of 18), ageing employees are not suitable, or suitable only under certain conditions for the attendance of work involving risks of health detriments or work conditions with dangerous loadings as listed in the Decree (Article 10–Article 10/B).

The opinion given on suitability for a given job shall describe whether the examined person is suitable or not, or temporarily suitable or not for the given job, activities. If the person is

suitable, the employer may not engage him in any other job until any change to be confirmed by a repeated examination (Article 13 of the Decree).

It is to be noted that under Decision no. 97 of the Labour College of the Supreme Court any discrimination clearly arising from the properties or nature of the work, especially distinctions established in connection with all the material and lawful conditions pertaining to the employment, may not be deemed as negative discrimination. Accordingly, the Supreme Court lays down that lawfully the employer may insist on the occupation of certain jobs only by men exclusively at workplaces where the properties or nature of the work, working conditions exclude the employment of women. It can be ascertained in the light of the above-mentioned legal regulations.

An example for the exception described in Paragraph b) of Section (1) of Article 22 of Ebktv. is the legal status of the person employed by a school that is maintained by a church legal entity. Under Paragraph b) of Section (1) of Article 81 of Act LXXIX of 1993 on public education, if the educational-training institution is not maintained by the local government or a governmental body, and religious education as a subject is part of the curriculum, the teacher/instructor of religion shall possess a degree of higher education acquired in any church institution of higher education with the qualification of a teacher of religion or instructor of religion, or a degree of higher education in connection with the religious life (e.g. priest, theologian) and the commission of the competent church authority. Furthermore, in the selection of teachers for such schools religious or ideological beliefs fall under the above-mentioned provision of Ebktv.

-The Commission would like to be informed how courts interpret direct negative discrimination in relation to Act CXXV of 2003. (With the description of actual decisions.)

-The Commission would like to be informed on the interpretation of the discrimination on the grounds of age

According to the reasons added to Ebktv. the point of the *direct negative discrimination* is that the distinction is based on seemingly neutral grounds, still it affects persons with protected attributes in large numbers. For any exemption from the violation of the requirement, the given provision shall stand the test of reason in the case of any person having protected attributes, that is to say, it has a reasonable justification in direct relation with the given legal status by objective consideration. The definition of retaliation complies with the definitions given in Paragraph c) of Section (2) of Article 2 of Directive 2000/43/EC and Paragraph b) of Section (2) of Article 2 of Directive 2000/78/EC.

As concerning the interpretation of indirect negative discrimination, there have been not known any effective court decision where the court has ascertained the factual circumstances of indirect negative discrimination – except for the case below:

The authority has ascertained direct and indirect negative discrimination against the local government and the mayor where in contempt of the proposal by the minority government and the unanimous will – as testified by the large number of signatures collected – of the rather significant Roma minority the general meeting of the local government in the settlement failed to elect a local representative of Roma origin, or a member or president of the standing Committee of Ethnic Affairs (EBH) that was mandatory to set up. The authority found the representation of the interests of people of Roma origin was not ensured in the local government, and it was also ascertained that while in this local government qualified

presidents with proper experience had been elected to all the other standing committees, it was not considered as evident that the only Roma representative should be elected into the Committee of Ethnic Affairs. The Metropolitan Court of Budapest annulled the decision of the authority with respect to the fact that after the launching of the authority proceedings the local government requested the minority local government to delegate a member into the committee, but – in view to the escalated situation – after the above events the Roma representative of the local government insisted on being elected to be the president, and finally did not comply with the request of the local government.

Upon ETA's request for judicial review, the Supreme Court annulled that part of the effective decision of the Metropolitan Court of Budapest that annulled the provisions of ETA's resolution ascertaining indirect negative discrimination. In this round, the Supreme Court turned down the plaintiff's claim. With this move, the Supreme Court decided in conformance with the operative part of ETA's resolution that *the local government had applied direct negative discrimination against the Roma minority*. At the same time, they agreed with the effective order of the Metropolitan Court of Budapest in respect to fact the second sentence of the operative part of the resolution for the defendant – ascertaining direct negative discrimination – was in violation to the effective legal regulations, and thus in this context the effective decision came to be maintained in effect. As the result of the outcomes of the judicial review, the second paragraph of the operative part of ETA's resolution remained in force to order the termination of the unlawful conditions. This, however, applies only to the election of member of the Roma minority into the Committee of Ethnic Affairs at the local government acting as the plaintiff.

Resolutions of the Equal Treatment Authority in relation to negative discrimination on the grounds of age:

The Authority ascertained the violation of the requirement of equal treatment, and imposed a fine of HUF 450,000 on one of the travel agencies that terminated the employment of several employees over the age of 50. The agency hired 4 new employees within half a year, however their age averaged around 30. The requirement of equal treatment was violated with respect to discrimination on the grounds of age. The applicants – all the three of them were women – also asked with respect to their belonging to females that the Authority should ascertain the violation of the requirement of equal treatment, however in this regard the violation of legal regulations could not be established.

The applicant pleaded to the Authority to represent that in his opinion the ... Ltd. company violated the requirement of equal treatment, as in its current price list, within the group of persons authorized for student discounts it determines the age of 35 as a condition for the use of the discount.

The Authority found that the limited liability company subjected to the proceedings applied discrimination against the applicant because of his age, and as a sanction it obligated the agency to terminate the unlawful conditions.

The applicant lodged a complaint to the Authority that because of his age he was subject to negative discrimination while looking for a job. The Labour Center mediated the 37-year-old applicant with advanced German and elementary English knowledge, having economic and foreign-trade qualification to a job in a healthcare organization to work as foreign-language patient registration administrator where he was not employed with the reasoning – also

recorded in the mediation sheet – that „the colleagues are young, and therefore they would like to fill the vacancy with someone of similar age”.

The finance manager of the institution subjected to the proceedings was unable to prove adequately that he observed the requirement of equal treatment, or that he had no obligation to observe it. The defense he referred to was not accepted by the authority, it accepted the applicant’s pleading, and declared that the requirement of equal treatment was injured when the manager had explained the rejection of the applicant’s application for admission with reference to the age of associates working in similar jobs. In addition to ascertaining the fact of the violation of law, the authority forbade the defendant to continue the unlawful conduct, and decided on the public disclosure of the resolution.

- In connection with the compensation claim in connection with negative discrimination the Committee asks for confirmation that the amount of compensation that can be awarded has no limit defined (e.g. in legal regulation) in advance.

Pursuant to Article 12 of Ebktv., the claims in connection with the violation of the requirement of equal treatment, as well as during proceedings defined in separate legal regulations – thus especially in legal actions concerning personality rights, labour disputes, consumer protection, labour or offence authority proceedings – can be enforced.

Damage claim can be enforced in legal proceedings pertaining to personality rights or in labour proceedings. In case of legal proceedings pertaining to personality rights, the court acts on the basis of Act IV of 1959 on the Civil Code, whereas labour proceedings are grounded on the Labour Code. None of these Acts establishes a limit to the extent of compensation claims (in the case of the Labour Code, naturally, for the extent of the compensation claim to be paid by the employer).

- The Committee asks for confirmation that the scope of the Equal Treatment Authority’s competence also involves the field of employment.

The Authority’s competence also involves the field of employment. Pursuant to Paragraph *d*) of Article 5 of Ebktv., 5. the employer is obliged to observe the requirements of equal treatment in the context of any labour engagement, or in connection with any person authorized to give instructions in any other legal relation established for the performance of work, and in connection with any other legal relation directly associated with the foregoing. Within Chapter III of Ebktv. on the enforcement of the requirement of equal treatment in different fields of activities, there is a separate title on employment

Pursuant to Section (6) of Article 15 of Ebktv., 15. the Authority may not review decisions and measures of the Parliament, the President, the Constitutional Court, the State Audit Office, the parliamentary commissioner, or the courts and the public prosecutor’s office. The Act does not specify any other exception in connection with the scope of competence of the Authority.

- The Committee asks for accurate data on the number of legal proceedings launched for discrimination at the Equal Treatment Authority and the courts of justices, as well as on the number of cases, when the Authority or the acting judge ascertained the fact of negative discrimination.

2006 activities of the Equal Treatment Authority in the light of numbers

(Source: Equal Treatment Authority, www.egyenlobanasmod.hu)

In 2006, the Authority's file turnover doubled in comparison to last year's figure. Within this figure, the number of discrimination cases and complaints increased to 592 from 491 in 2005. While in 2005 the number of effective resolutions was 144, in 2006 212 cases came to such ends.

In comparison with the 9 reprehending resolutions in 2005 due to the violation of equal treatment, the numbers of these resolutions were 27 in 2006, i.e. it has tripled. The number of cases that could be closed amicably in 2005 was 6, while in 2006 it was 13, out of which in 12 cases the persons injured were of Roma origin. In 10 cases, the Authority imposed fines, the minimum amount of which was HUF 300,000, whereas the largest fine went up to HUF 1,3 million. The Authority made its reprehending resolutions public in 10 cases for a term of 30–90 days.

Out of the 212 resolutions the authority's 45 decisions were challenged at court, and finally 25 cases have been so far closed with effective decisions. Out of them, in 2 cases the court annulled the resolution of the Authority, and ordered it to start new proceedings, in 2 cases however the resolutions were repealed. In twenty-one cases, the court shared the Authority's opinion.

In view to the incoming petitions and resolutions, it can be claimed that in most cases negative discrimination concerned women over the age of fifty, or women with children, disabled persons and people of Roma origin, mostly in the field of employment. From among cases closed with effective decisions, the most petitions originated from Budapest, Pest County, Borsod-Abaúj-Zemplén County, Szabolcs-Szatmár-Bereg County, Békés County and Hajdú-Bihar County.

In most cases, the Authority conducted proceedings against local governments, governmental and law-enforcement bodies, service providers and employers. The breakdown of petitioners by sex did not change.

The difficulty and complexity of the cases received by the Authority are far beyond those of the cases received in 2005. It indicates that as a result of the informative activities attended with the involvement of the Authority and non-governmental organizations, an increasing number of people understand what negative discrimination means, when, against whom and how they can be subjected to action. 2007. In the EU member states, 2007 is the year of equal opportunities, and in this framework, in cooperation with other governmental and non-governmental organizations the Authority can further broaden its informative activities. The provision of wide-ranging information is also important because within the EU the Hungarian anti-discriminatory regulations offer one of the strongest powers for the Authority in its action against discrimination. The modification of Ebktv. on 01 January 2007 further broadened the Authority's powers, enforcement potentials, for instance by allowing the enforcement of claims of public interests in authority proceedings, or supervising employers obliged prepare a plan for equal opportunities.

- The Committee asks whether organizations, associations or other legal persons are authorized to participate in authority or court cases connected with discrimination for the benefit of the injured party.

See answer given to question „A” of Paragraph 2 of Article 1.

- The Committee asks for information whether there are legal regulations pertaining to anti-terrorism to preclude certain persons from occupying certain jobs, and if such regulations exist, under what conditions they are applied.

Such legal regulations do not exist in the Republic of Hungary.

A legal institution of similar functions, yet not directly associated with terrorist threats is the preliminary and interim national security control for the occupation of certain jobs.

Article 68–71 of Act CXXV of 1995 on national security service regulates the national security control to be performed by the national security services. The aim of such supervisions is to see whether persons appointed to occupy important and confidential positions, as well as persons actually occupying such positions meet the requirements of the security conditions that are necessary for the lawful functioning of the state and the national economy, or that arise from the security conditions of international commitments. The supervision of security conditions covers the exploration of such risk factors, circumstances, information whose use can potentially influence or assault the activities of persons occupying important and confidential positions in an unlawful manner, thereby creating a situation being in conflict with or threatening national security.

Persons occupying important and confidential positions include governmental leaders, as well as certain heads and employees of governmental agencies. Supervision can only be conducted only with the prior written consent of the person appointed to occupy such an important and confidential position. If the person concerned does not approve the supervision, s/he may not be engaged in an important and confidential position.

The supervision, as well as the examination and evaluation of the risk factors shall be proportionate with confidentiality and other security requirements associated with the occupation of the important and confidential position. The person concerned shall be informed on the completion of the supervision, as well as the findings of the security expert opinion formulated as a result of the supervision – except for circumstances indicating the perpetration of any crime. The originator of the supervision (prospective employer) may consider at its own discretion the expert opinion received from the national security service in making its decision on the employment. Thus the emergence of any risk factor should not necessarily prevent the establishment of the labour relation.

- The Committee asks for information on the legal guarantees protecting persons engaged in part-time jobs.

The Hungarian labour regulations contain provisions that are in line with Council Directive 97/81/EC on the framework agreement concluded by UNICE, ETUC and CEEP on part-time employment.

Part-time employment is feasible only on the basis of the separate agreement of the parties concerned. Under Article 78/A of the Labour Code in the lack of any other agreement labour engagements are made for full-time employment.

Pursuant to Article 84/A of the Labour Code, if the employee initiates the modification of the labour contract with respect to full-time or part-time employment, the employer shall act within his powers of consideration to contemplate its rightful interest, in particular circumstances of work organization, profitable operations and the conditions of the occupation of the given position to decide on the acceptance of the offer pertaining to the given modification. The employer is obliged to inform the employee on its decision in writing

within fifteen days. Furthermore, the employer is obliged to inform the employee on the potentials of part-time employment that are available locally, in a timely manner.

The Labour Code states also that in the case of part-time employment at least the principle of time-proportionate treatment shall be applicable with respect to direct or indirect employment benefits provided in cash or in kind on the basis of the labour relation if the entitlement for the given benefit is associated with the extent of working time. This guarantee rule is to ensure that in terms of wages and other benefits part-time employees may not suffer disproportionate disadvantages in comparison with full-time employees.

Article 8 of Ebktv. considers the part-time nature of employment or any other legal relation for work as a protected attribute. It means that it shall be deemed as negative discrimination if due to part-time employment any person is disadvantaged in comparison with full-time employees. Alongside with other factors, this provision has been incorporated in the domestic regulations in conformance with the framework directive on employment.

Article 5 of Act LXXX of 1997 on eligibility to social security services and. private pension, and coverage of services (Tbj.) sets forth that in view to social security all and any person in labour engagement, public employee and public service relations, etc. shall be eligible for insurance rights as irrespective of the fact whether they are engaged in full-time or part-time jobs.

- In connection with the work in detention institutions the Committee has the following questions:

- **For the employment of any person in detention – either within or outside the detention institution –, is it necessary to have the given person’s consent, or can s/he be obligated to provide such a consent? In this context, is there any difference between employments in public or private companies?**
- **In the case of employment at private companies, are the rules pertaining to the remuneration and working conditions of the persons in detention identical to the general rules on the employees of such workplaces?**
- **What kind of works can the person in detention be obligated to perform?**
- **What are the conditions of employment, who defines them and how?**

The form of employment by the detention institution whenever work is performed regularly and against remuneration is deemed as normal employment. The person in detention can be engaged to work by the institution or any business entity founded for this purpose. The decision on deployment for work with the specification of the given position and the employer shall be made by the admission committee. The duration of work, the beginning and end of the working time, the duration of breaks and the scheduling of shifts shall be described in the work order. The remuneration of work shall amount to at least one-third of the amount of the minimum wage for the previous year.

For the maintenance of the institution, work with no remuneration may be ordered, yet its duration may not exceed four hours a day, altogether twenty-four hours a month.

To the cost of maintenance, those persons in detention who do not work are not required have to contribute to, but from person in detention receiving pension benefits the amounts of contribution shall be deducted if the pension benefits are disbursed to the institution itself.

(Source: Hungarian organization of detention, www.bvop.hu)

The main rules for the employment of persons in detention are stipulated in Article 44 of Decree Law no. 11/1979 on the execution of punishments and other measures:

Section (1) of Article 44. The employment of prisoners is an important part of the execution of imprisonment. The underlying aim is to promote the maintenance of the physical and mental powers of prisoners, offer opportunities for the attainment and development of special expertise, thereby facilitating integration to society after being released.

(2) Prisoners shall be engaged in socially useful work that is in line with the general conditions of the detention institution.

(3) When specifying the work to be performed, the individual physical and mental capacities of prisoners, as well as their vocational qualifications and interests shall also be considered.

Section (1) of Article 45. The prisoners' rights and obligations in connection with the performance of work shall be governed by the general provisions of labour law with the differences arising from the special circumstances of detention.

(2) Healthy and safe working conditions shall be provided for.

(3) The prisoner's working time shall correspond to the working time stipulated in the relevant provisions of labour law.

(4) The prisoner shall be remunerated with respect to the general principles of the establishment of wages. If any prisoner is involved in studies instead of working, for the period of such activities s/he is entitled to receive the financial recompense specified in the relevant legal regulations.

(5) If the detention institution is unable to employ the prisoner for any time, and the prisoner has no money in deposit, the detention institution shall provide for the amount of money that is required for the satisfaction of the prisoner's substantial personal needs.

(6) After one year of work, the prisoner is entitled to receive twenty working days of paid leave."

The detailed rules of the employment, vocational training and therapeutic employment of prisoners are stipulated in Decree no. 6/1996 (July 12) by the Ministry of Justice and Law Enforcement on the rules of the execution of imprisonment and pre-trial detention.

[With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake]

Article 1, paragraph (3): to establish or maintain free employment services for all workers;

Question A:

Please describe the operation of free employment services available in your country, indicating the age, sex and nature of occupation of persons placed by them in employment and persons seeking employment.

Please indicate as far as possible the number of vacancies, the placement rate and the duration of unemployment of persons placed.

The number of registered vacancies in 2005–2006 is specified above under question C of Article 1, Paragraph 1.

Table 11
The number of successful mediations by the National Employment Service in 2005–2006

	2005	2006
Number of successful mediations by NES:	220 474	218 442
out of this: supported:	147 217	149 526
not supported:	73 257	68 916

See additional data in Table 12–16.

Question B

Please describe the organization of public employment services in your country indicating the accompanying measures for the unemployed, and where appropriate, the steps taken to revise the geographical distribution of local and regional employment centers and to redeploy resources when the changing patterns of economic activity and of population so warrant.

The Governmental Decree no. 291/2006 (Dec 23) on the National Employment Service decided on the appointment of the national employment body and the regional restructuring of the National Employment Service as from 01 January 2007.

The regional structure of the National Employment Service:

- Ministry of Social Affairs and Labour
- Employment and Social Office
- Regional labour centers (7)
- RLC Branch Office and Service Center (in 19 county seats, except for the Central Hungarian Region)
- RLC branch offices (in 147 microregional centers)

Partner organizations: Public Adult Training Institutional System (9 regional training centers).

Question C

If both public and private free employment services exist in your country, please describe the steps taken to co-ordinate such services, and to determine the conditions governing the operation of private employment agencies.

No changes have occurred.

Question D

Please indicate whether and how the participation of representatives of employers and workers in the organization and operation of the employment services and in the development of employment services policy is provided for.

No changes have occurred.

Question E

Please indicate what legislation or administrative guarantees are provided to ensure that these services are available to all.

No changes have occurred.

Questions of the European Committee of Social Rights

In connection with Section (3) of Article 1, the Committee would like to be informed on the following details for the years of 2005–2006:

- **As concerning the number and proportion of persons employed within the framework of job mediation performed by the national employment agencies in relation to the number of all the registered workplaces.**
- **As concerning average period of time until filling of vacancies.**

- The number and proportion of persons employed within the framework of job mediation performed by the national employment agencies have been specified under Question “A” of Paragraph (3) of Article 1 above.

*Table 12
Number of registered job-seekers as broken down for sex and age
20 December 2005*

Age groups	Men	Women	Total
-under 19 years of age	7974	5816	13790
20–24 years of age	29698	24159	53857
25–29 years of age	31170	26741	57911
30–34 years of age	28228	27671	55899
35–39 years of age	25361	26776	52137
40–44 years of age	24042	24604	48646
45–49 years of age	26050	25993	52043
50–54 years of age	23803	23314	47117
55–59 years of age	16086	11596	27682
over the age of 60	1238	329	1567
Total:	213650	196999	410649

Source: FSZH

Table 13
Number of registered job-seekers as broken down for sex and age
20 December 2006

Age groups	Men	Women	Total
-under 19 years of age	7110	5073	12183
20–24 years of age	27887	23075	50962
25–29 years of age	29822	25343	55165
30–34 years of age	28972	27617	56589
35–39 years of age	25447	26786	52233
40–44 years of age	22885	23957	46842
45–49 years of age	24569	24314	48883
50–54 years of age	24602	24077	48679
55–59 years of age	17566	12055	29621
over the age of 60	1229	1053	2282
Total:	210089	193350	403439

Source: FSZH

Table 14
Number of registered job-seekers as broken down for the main employment groups, according to the FEOR classification of the job sought, 20 December 2005

FEOR [Uniform Classification of Occupations] designation	Number of persons
1) Legislators, managers in administration, business federations, business	5585
2) Occupations requiring the independent application of university, college degrees	14881
3) Occupations requiring other higher or secondary qualifications	25374
4) Occupations in offices and administrations (client-oriented activities)	29135
5) Service-type occupations	56753
6) Occupations in agriculture and forestry	10121
7) Occupations in industry and construction industry	84727
8) Machine operators, assembly workers, drivers	35034
9) (Simple) occupations not requiring any qualification	149039

Source: FSZH

Table 15
Number of registered job-seekers as broken down for the main employment groups, according to the FEOR classification of the job sought, 20 December 2006

FEOR [Uniform Classification of Occupations] designation	Number of persons
1) Legislators, managers in administration, business federations, business	5680
2) Occupations requiring the independent application of university, college degrees	15935
3) Occupations requiring other higher or secondary qualifications	25535
4) Occupations in offices and administrations (client-oriented activities)	28515
5) Service-type occupations	57788
6) Occupations in agriculture and forestry	9853
7) Occupations in industry and construction industry	79624
8) Machine operators, assembly workers, drivers	33266
9) (Simple) occupations not requiring any qualification	147243

Source: FSZH

Table 16
Average lifecycle of terminated labour demands

Average lifecycle of terminated labour demands (from the date of registration to date of cancellation or termination, in days)	2005 fact	2006 fact
For supported jobs	29.2	28.3
For non-supported jobs	43.5	39.4
For all the filled (terminated) jobs, excluding foreign positions	36.0	34.1

[With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake]

Article 1, paragraph (4): to provide or promote appropriate vocational guidance, training and rehabilitation

Question A: Please indicate, illustrating with relevant data as far as possible, what measures have been taken to provide or promote:

a. vocational counseling;⁹

b. vocational training;¹⁰

c. vocational rehabilitation;¹¹

with the aim of offering the opportunity to everyone to earning their living in any occupation freely selected.

Please indicate whether equal access is ensured for all those interested, including nationals of the other Contracting Parties to the Charter lawfully resident or working regularly in your territory, and disabled people.

The Republic of Hungary has accepted the Article 9, 10 and 15 of the Charter, and thus the above matters are discussed in the specific chapters of the National Report pertaining to the above-mentioned articles.

⁹ If your country has accepted Article 9, it is not necessary to describe the vocational counseling services here.

¹⁰ If your country has accepted Article 10, it is not necessary to describe the vocational training services here.

¹¹ If your country has accepted Article 15, it is not necessary to detail the rehabilitation services provided to workers with altered physical or mental abilities here.

Article 9: THE RIGHT TO VOCATIONAL GUIDANCE

With a view to ensuring the effective exercise of the right to vocational guidance, the Contracting Parties undertake to provide or promote, as necessary, a service which will assist all persons, including the handicapped, to solve problems related to occupational choice and progress, with due regard to the individual's characteristics and their relation to occupational opportunity: this assistance should be available free of charge, both to young persons, including school children, and to adults.

Question A:

Please give a description of the service - its functions, organization and operation - specifying in particular:

- a. whether access to services is free of charge;**
- b. whether vocational guidance work is carried out in the public or private sectors;**
- c. the measures taken to supply all persons with adequate information on the choice of employment;**
- d. the measures taken to ensure a close link between vocational guidance and training on the one hand and employment on the other;¹²**
- e. the measures in hand for improving the services;**
- f. the details of special measures to assist disabled persons.**

Subquestion c

The modernization programme of National Employment Service (NES) has been implemented in several European budgetary periods; the modernization is invariably accompanied by the development of client spaces to facilitate individual job-seeking and the establishment of obstacle-free access, whereas obstacle-free communication is supported from other grant application resources.

More than 50% of the buildings of the labour centers and branch offices have been undergone the establishment of obstacle-free physical access. To promote the establishment of contacts, 2003 saw the start of internal grant applications for the establishment of obstacle-free communication in labour centers and regional labour development and training centers (obstacle-free environment for sight-impaired and blind, deaf and hearing-impaired clients). Similarly, in regional labour development and training centers the establishment of obstacle-free training conditions serves the labour market training of disabled persons. For labour-market services, counseling, several centers have implemented the establishment of obstacle-free access even to classrooms and for all the target groups (e.g. Northern Hungarian Regional Retraining Center, RLTC of Pécs, RTC of Kecskemét).

In terms of scope, a more significant task is the “translation” of informative materials to simple, understandable languages for mentally disabled clients. In this field, there are county-level initiatives, and institutional system also relies on the associated achievements of non-governmental organizations that contribute to labour-market services.

It has become an important part of the strategy of the National Employment Service to offer facilities for information services, job-seeking without visiting the institution. Towards this end, the e-career vocational guidance system has been deployed, and in this context associates

¹² If your country has accepted Article 10, it is not necessary to describe these measures here.

involved in human services and being on duty support Internet-based information seeking with consultation in night duty system.

In the execution of its service, orientation and information-service tasks, the National Employment Service relies on IT facilities to an increasing extent.

The www.afsz.hu website offers access to, for instance, advertised job offers, regulations pertaining to employment of persons with altered working abilities, documents describing the services specifically rendered to them, information on the accreditation procedure and a list of accredited employers, information on the procedure connected with protected workshops and a list of protected workshops, the list of service points with obstacle-free access, information on the e-career programme helping the selection of the proper vocation and the modification thereof, as well as additional important data, information.

The website also offers materials to help orientation in other website in the given topic under the title of “Useful information on the world of work”.

Subquestion d:

The harmonized development of vocational and adult training has been started. The associated Concept has been accepted by the State Reform Committee. The underlying aim is to harmonize economic demands and vocational training, to focus on the related “orders” of the economy in the contents of training courses, the vocational structure and capacities, as well.

In this context – among other things, there will be efforts to “*open vocational training and adult training systems towards each other, develop them in a harmonized manner*” as involving the following main areas:

- Encouragement of the utilization of the capacities of vocational training schools in adult education.
- Development of *joint vocational guidance and vocational orientation service system for young people and adults* from EU resources.
- Gradual development of the *system of career monitoring* for persons who have earned vocational qualifications, on the basis of which the labour-market values of certain vocations, schools can be appraised.

Services connected with vocational orientation, vocational guidance are also offered by the labour organization, as well as in some cases regional training centers acting as governmental agencies. These services are free of charges.

Question B:

Please indicate the measures taken in the field of vocational guidance to promote occupational and social advancement.

Though it does not belong to this reporting period, but it is to be noted that Hungary has joined the European Life Long Guidance Policy Network (ELLGPN) as a founding member state. The establishment of the Hungarian LLG Council was approved by the National Vocational and Adult Training Council at its meeting in September 2007.

Question C

Please indicate the types of information available in the vocational guidance services and the means employed to disseminate this information.

No changes have occurred.

Question D

Please indicate:

- a. the total amount of public expenditure devoted to vocational guidance services during the reference period;**
- b. the number of specialized staff of the vocational guidance services and their qualifications (teachers, psychologists, administrators, etc.);**
- c. the number of persons benefiting from vocational guidance broken down by age, sex and educational background;**
- d. the geographical and institutional distribution of vocational guidance services.**

The number of persons receiving vocational guidance:

The National Employment Service has assisted the choice and modification of vocations by persons being incapable of independent job-seeking with wide-ranging human services, thereby enhancing the chances of permanent employment. Human services have also been applied to promote the reintegration of the participants of Human Resources Operative programmes.

The choice and modification of vocations can be considerably promoted by individual, tailor-made guidance conversations with work advisors, the completion of questionnaires based on self-knowledge and designed for the support of decision-making, as well as group activities for vocational orientation or the modification of the selected vocation. These human services are beneficial for those clients who

- hold no vocational qualifications,
- are school leavers with new qualifications, but without any work experience
- hold vocational qualifications that are not in line with the existing market demands.

Table 17
Number of participants in vocational guidance in 2005 and 2006

Designation of the services	2005 (persons)	2006 (persons)
Work counseling (individual)	44 004	49 944
Reintegration group activities	3 277	4 364
Reorientation group activities	942	754
Group activities for the development of key abilities	699	509
Motivational group activities	2 967	12 821
Vocational guidance (individual)	10 956	18 060
Career modification guidance (individual)	2 378	3 201
Impulse group activities (group)	1 368	1 822
Career orientation group activities	15 449	11 977
Career correction group activities	2 360	718
Career reinforcement group activities	1 701	473
Job-seeking guidance (individual)	51 878	148 805
Training on job-seeking techniques (group)	10 411	13 798
Job-seeking club (group)	1 730	1 755
Rehabilitation counseling	8 540	9 181
Psychological counseling	6 097	5 460
Total	164 757	283 642

Source FSZH

NES' annual report for 2006 can be found here:

http://www.afsz.hu/engine.aspx?page=full_szervezetunk_uvegzszeb&switch-content=full_szervezetunk_uvegzszeb_szakmai_besz_2006&switch-zone=Zone1&switch-render-mode=full

In 2006, the associates of the offices of labour centers provided various human services to **283 642** persons, which is a significant increase in comparison to the corresponding figures for 2005 (**118 885 persons** - 72%).

In 2006, from among the services provided **234,651** persons attended individual and **48,997** persons visited group counseling, which exceeds the number of attendees to individual and group counseling in the same period of 2005 by **110,798** persons (89.4%) and **8,993** persons (19.7%), respectively.

This increase is not necessarily due to the rising number of job-seekers, but rather means that the clients have recognized the importance of the services, and use these opportunities better. A natural growth is attributable also to the fact that in the various programmes human services have come to the foreground. It is the very reason why the number of participants in motivational group activities has quadrupled, whereas the number of visitors to individual job-seeking counseling has tripled.

The increase in the number of attendees to individual job-seeking counseling can be justified by the fact that **clients registered as job-seekers are now required to show more activeness**, and in the course of the counseling the tailor-made action plan of the clients are shaped jointly.

Career and work counselors, rehabilitation advisors and psychologists working in the labour centers supply information to the clients visiting the organization on job and training opportunities, and at the same time offer individual and group counseling.

Furthermore, if primary and secondary schools operating in the given county request so, information on the labour market, as well as assistance to the choice of the proper vocations may be given to young people being ahead of making their choices in the framework of the form master's class. Similarly, a significant rise in the number of visitors to **work counseling** has been recorded, except for a couple of counties (*Baranya, Borsod-Abaúj-Zemplén, Győr-Moson-Sopron, Komárom-Esztergom, Nógrád, Zala*) where a small number of people used this service.

In psychological counseling, experts tries to promote the clients' readiness for work, and in additional lay an emphasis on the exploration and mitigation of problems hindering employment; they also conduct skill tests in connection with the labour-market trainings whenever such examinations are required for participation in certain trainings.

In 2006, a strong focus was dedicated to **information services, including** the provision of information on the transformed support schemes, as well as the details of the associated regulations. Both employers and workers with altered working abilities tended to inquire about supports being available from the budget and accreditation issues, yet there were also many who contacted the experts to have a deeper insight into the set of conditions regulating pension-type benefits.

Rehabilitation counseling witnessed slightly increasing interests in comparison to the previous years.

Job-seeking counseling (individual) grew by altogether 96,927 attendees, i.e. by 186%. The large-scale increase was also due to the fact that active job-seekers – in compliance with their job-seeking agreements – could obtain the required information from the specialists in this form of services.

In general, it can be claimed that the clients can have access to the employment information advisors (EIA), rehabilitation information centers (RIC), job-seeking clubs and psychological services in all the counties.

In 2006 again, disadvantaged social groups (*e.g. school leavers, persons with permanent employment problems*) were considered as target groups of human services. Practical experience indicates that tailor-made counseling and participation in complex labour-market programmes potentially mobilize these groups, and directly or indirectly ensure their re-channeling to the labour market.

Question E

Please indicate whether equality of access to vocational guidance is ensured for all those interested, including nationals of the other Contracting Parties to the Charter lawfully resident or working regularly in your territory, and disabled persons.

2005–2006 saw the continuation of the establishment of obstacle-free communication in the labour centers and regional training centers. For at least one target group, the central unit of each labour center has implemented the establishment of obstacle-free communication, and 7 out of 9 regional training centers have also started their preparations for the training of disabled persons. The associated calls for tenders have invariably preferred complex solutions. From 2006, the database of obstacle-free service points will be uploaded to the website of NES with the description of the contents of obstacle-free communication.

The contents of the establishment of obstacle-free access are as follow:

Instrument standards (optimal equipment) in the communication-oriented development of NES services for the establishment of complex obstacle-free access

1/ Required equipment of customer services, self-information point

- Clients have access to computers, scanners and printers.
Required software applications: speaking (reading) software + headset
Character recognition programme
Magnifying programme
- At least 1 pillow equipped with mobile induction amplifier per service point, with a headset and administrator microphone
- Telephone that is suitable for receiving SMSs

2/ Room for group activities

The entire space is equipped with an induction amplifier.

3/ Classrooms

The entire space is equipped with an induction amplifier.

Computerized equipment to ensure the integrated training of people with various disabilities (see customer centers)

4/ Communication technology to overcome physical obstacles (levels and distances)

Computers equipped with web cameras both at the service provider and the client spaces, thus making communication absolutely free of physical obstacles.

5/ Mobile services

Notebooks with CD- and DVD-players, projectors.

6/ Obstacle-free spaces

Indication of the direction to follow – tactile guidelines, tread surfaces from materials featuring different coarseness and densities.

Simultaneous application of light and audible signals, as well as captions.

7/ Elements of obstacle-free physical spaces

Obstacle-free entrances, max. 5% ramps or stair elevators, obstacle-free entrance doors.

Customer services, self-information point, unit in the furniture of the community room designed for the use of wheel-chairs (rounded, recessed table surfaces, adjustable height, adjustable stairs).

Article 10: THE RIGHT TO VOCATIONAL TRAINING

With a view to ensuring the effective exercise of the right to vocational training, the Contracting Parties undertake:

Article 10, paragraph (1): to provide or promote, as necessary, the technical and vocational training of all persons, including the handicapped, in consultation with employers' and workers' organizations, and to grant facilities for access to higher technical and university education, based solely on individual aptitude;

Question A:

Please give an account of the functions, organization, operation and financing of the services designed to provide vocational training for all persons including disabled persons, specifying in particular:

- a) the rules laid down by legislation, collective agreements or carried out otherwise;**
- b) the total amount of public expenditure devoted to vocational training;**
- c) the number of vocational and technical training institutions (at elementary and advanced levels);**
- d) the number of teachers in such schools in the last school year;**
- e) the number of pupils, full-time and part-time in such schools in the last school year.**

No changes have occurred.

Question B:

Please indicate how the arrangements for vocational training are provided with reference to the various types of vocational activity and, if data are available, to age and to sex.

No changes have occurred.

Question C:

Please state what measures are taken to ensure a close link between vocational guidance and training on the one hand and employment on the other.

No changes have occurred.

Question D:

Please indicate the methods adopted by your government with a view to providing access to higher technical education and university education on the basis of the sole criterion of individual aptitude.

No changes have occurred.

Question E:

Please indicate whether equality of access to vocational training opportunities is ensured for all those interested, including nationals of the other Contracting Parties to the Charter lawfully resident or working regularly in your territory, and disabled persons.

No changes have occurred.

Article 10, paragraph (2): to provide or promote a system of apprenticeship and other systematic arrangements for training young boys and girls in their various employments;

Question A:

Please give an account of the legal framework and the functions, organization, operation and financing of apprenticeships and/or other systems for training young boys and girls in various jobs in your country.

No changes have occurred.

Question B:

Please give an account of the measures taken to implement this provision, stating approximately, if possible, the number of young persons benefiting from training systems.

No changes have occurred.

Question C:

Please indicate how the arrangements for vocational training are divided between the various types of vocational activity.

No changes have occurred.

Question D:

Please describe any measures under which private apprenticeship schemes are assisted out of public funds.

No changes have occurred.

Question E:

Please indicate whether the measures described are applicable to all categories of young boys and girls likely to benefit from and wishing to undertake apprenticeship or vocational training.

If this is not the case, please give an estimate of the proportion of those not covered and, if possible, indicate the categories concerned.

No changes have occurred.

Question F:

Please indicate whether equality of access to apprenticeship training is ensured for all those interested, including nationals of the other Contracting Parties to the Charter lawfully resident or working regularly in your territory, and disabled persons.

No changes have occurred.

Article 10, paragraph (3): to provide or promote, as necessary:

a) adequate and readily available training facilities for adult workers;

b) special facilities for the re-training of adult workers needed as a result of technological development or new trends in employment;

Question A:

Please give details of the facilities provided for the training and retraining of adult workers, in particular the arrangements for retraining redundant workers and workers affected by economic and technological change.

No changes have occurred.

Question B:

Please indicate how the arrangements for vocational training are divided between the various types of vocational activity.

No changes have occurred.

Question C:

Please state whether the measures described are applicable to all categories of interested workers likely to benefit from and in need of training or retraining facilities. If this is not the case, please give an estimate of the proportion of those not covered and, if appropriate, give details of the categories concerned.

No changes have occurred.

Question D:

Please indicate the approximate number of adult workers who have participated in training or retraining measures.

No changes have occurred.

Question E:

Please describe special measures to assist adult women wishing to take up or resume employment.

No changes have occurred.

Question F:

Please indicate whether equality of access to adult training and retraining is ensured for all those interested, including nationals of the other Contracting Parties to the Charter lawfully resident or working regularly in your territory, and disabled persons.

No changes have occurred.

Article 10, paragraph (4): to encourage the full utilization of the facilities provided by appropriate measures such as:

- a) reducing or abolishing any fees or charges;*
- b) granting financial assistance in appropriate cases;*
- c) including in the normal working hours time spent on supplementary training taken by the worker, at the request of his employer, during employment;*
- d) ensuring, through adequate supervision, in consultation with the employers' and workers' organizations, the efficiency of apprenticeship and other training arrangements for young workers, and the adequate protection of young workers generally.*

Question A:

Please give a brief account of any fees or charges imposed in respect of vocational training and indicate, where appropriate, the measures taken to reduce or abolish such fees or charges.

No changes have occurred.

Question B:

Please describe the system existing in your country for providing financial assistance (allowances, grants, loans, etc.) to participants in vocational training. Please indicate also the nature of the financial assistance provided (amounts, duration, eligibility criteria, etc.). Please indicate whether equal treatment in respect of financial assistance is ensured for nationals of all the Contracting Parties to the Charter lawfully resident or working regularly in your territory.

The number of people having applied for admission to the free adult education programme entitled “One Step Ahead” is approximating ten thousand, as there are plenty of skilled and unskilled workers who wish to attain utilizable knowledge.

The “One Step Ahead” free adult education programme having been set up under the financial support of the Government and the European Union has attracted considerable interests on the part of those wishing to learn. In view to the situation assessment prepared, the implementation of the programme is in good progress. So far, approx. 9,900 people have applied for admission to the trainings designed for the vocational training and the attainment of general knowledge required for the vocational qualification of more than 11,000 adults, which can be regarded as a significant accomplishment in view to the fact that the application round was started just two months ago. From among both skilled and unskilled people, there are plenty who wish to have some advancement, though the Government and the European Union have intended to offer an opportunity primarily to unskilled workers to acquire the required knowledge. Therefore, the organizers of the programme are looking forward to the applications of unskilled people up to a ratio of 91 percent, and in 70 percent they intend to support those in their studies who have completed the 8 grades of the primary school at the maximum. 60% of the supported people will come from the circle of the unemployed.

In the light of the applications, there are a lot of educated people who wish to continue their studies, they tend to show a larger aptitude for learning. On the other hand, those with lower school qualifications need more encouragement, and thus are assisted by the county-based mentors.

Approximately five and a half thousand people from those holding 8-grade primary-school qualifications at a maximum have applied for admission to these trainings in just two months. People who do not have even 8-grade primary-school qualifications seem to be in need of more encouragement, as they are less aware of the existence of this opportunity. Only 1.2% of all the applicants, i.e. 115 people belong to this category. Labour centers engage such experts to act as mentors who are expected to assist the involvement of less educated people into the trainings offered in the framework of the programme.

Among the cc. 9,900 applicants, the proportion of skilled workers is significantly large (37.5 %). 3,700 of them hold vocational qualifications, which were foreseen upon the start of the programme, because with higher qualifications the aptitude for further training tends to increase. The “One Step Ahead” programme still intends to promote the involvement of primarily those in learning who are unskilled or have lower school qualifications.

The programme prioritizes the unemployed, and the underlying objective is to have the unemployed to fill up 60 percent of the headcount of these training facilities. Accordingly, 62.3% of the 700 applications that have been preferred have belonged to the unemployed.

Question C:

Please indicate the measures taken to include time spent on training taken by workers, at the request of their employer, in the normal working hours.

No changes have occurred.

Question D:

Please indicate the supervision and evaluation measures taken in consultation with the social partners to ensure the efficiency of apprenticeship and other training arrangements for young workers.

In the light of the long-standing request of the organizations for the promotion of the interests of employers and the prevailing labour market processes, in 2006 the system of vocational training was fundamentally transformed with the adoption of Decree no. 1/2006 (Febr 17) by the Ministry of Education on the National Vocational Qualification Registry (OKJ), as well as on the order of procedures of admission and cancellation to and from the National Vocational Training Registry.

Question E:

Please indicate if the provision of sub-paragraphs (a), (b) and (c) of Article 10 para. 4 are applicable to the great majority of the persons concerned.

No changes have occurred.

Article 15: THE RIGHT OF PHYSICALLY OR MENTALLY DISABLED PERSONS TO VOCATIONAL TRAINING, REHABILITATION AND SOCIAL RESETTLEMENT

Article 15: the right of physically or mentally disabled persons to vocational training, rehabilitation and social resettlement

With a view to ensuring the effective exercise of the right of the physically or mentally disabled to vocational training, rehabilitation and resettlement, the Contracting Parties undertake: paragraph (1): to take adequate measures for the provision of training facilities, including, where necessary, specialized institutions, public or private;

Question A:

Please indicate the criteria applied to grant disabled status and give an estimation of the total number of disabled persons as well as the number of disabled persons of working age.

Typical regional data on the loading of rehabilitation capacities and factors influencing the efficiency of rehabilitation

2005-2006

County	Number of people in their economically active age 2006	Census data Number of people in their economically active age receiving disability pensions Jan 2005	Census data Number of people receiving disability pensions for their altered working abilities (with the age of eligibility accomplished) Jan 2005	With opinions given by the NCs of first and second instance Under the legal regulations pertaining to SI 2005	Newly registered as people with disabilities 2004/2005	Newly registered as people receiving disability pensions for their altered working abilities 2004/2005	Total number of people newly registered for benefits 2004/2005	Unemployed receiving disability pensions for their altered working abilities Affected/new 2005	Job-seeker receiving disability pensions for their altered working abilities . Affected/new 2006	Activity rate (Centr. Statist. Office) region 2006	Unemployment rate (Centr. Statist. Office) county 2005, region 2006
1	2	3	4	5	6	7	8	9	10	11	12
Budapest		53 887	11 484	28 986	6297	n.d.	.	2194 1336	1680 955		4,7
Pest		45 810	15 913	23 731	2149	n.d.	.	3268 2061	3065 1590		5,9
<i>Central Hungary</i>	<i>1 241 100</i>	<i>99 697</i>	<i>27 397</i>	<i>52 717</i>	<i>9974 9548</i>	<i>4 650 3287</i>	<i>14 624 12 835</i>	<i>5462 3397</i>	<i>4745 2545</i>	<i>59,2</i>	<i>5,1</i>
Bordo-Abaúj-Zemplén County		36 928	24 294	14 819	2 393	3 288	5 681	4298 2392	4067 1831		12,0
Nógrád		9 497	5 014	4 524	831	831	1 662	1901 801	1676 655		9,5

Heves		18 419	6 663	7 362	1 455	1 154	2 609	1393 751	768 379		8,3
<i>Northern Hungary</i>	<i>422 800</i>	<i>64 844</i>	<i>35 871</i>	<i>26 705</i>	<i>4 679</i> <i>4992</i>	<i>5 273</i> <i>4201</i>	<i>9 952</i> <i>9193</i>	<i>7592</i> <i>3944</i>	<i>6511</i> <i>2865</i>	<i>49,8</i>	<i>11,0</i>
1	2	3	4	5	6	7	8	9	10	11	12
Hajdu		29 358	16 306	11 745	1 921	1 896	3 817	3233 1666	2943 1320		8,4
Szabolcs		37 730	33 541	15 882	2 546	2 850	5 396	4992 3133	4871 2395		10,3
Jász		22 834	13 984	10 100	2 100	1793	3 893	2481 1585	2115 1051		8,3
<i>Northern Great Plain</i>	<i>529 500</i>	<i>89 922</i>	<i>63 831</i>	<i>37 727</i>	<i>7 550</i> <i>6617</i>	<i>6 539</i> <i>5592</i>	<i>14 089</i> <i>12 209</i>	<i>10 706</i> <i>6384</i>	<i>9929</i> <i>4766</i>	<i>51,4</i>	<i>10,9</i>
Békés		27 576	14 181	12 998	2 277	1 752	4 029	1699 1114	1627 899		8,4
Csongrád		29 096	10 655	15 483	2 738	1 492	4 230	3391 1982	3000 1407		7,5
Bács		26 841	12 445	15 826	2 692	1 784	4 476	2599 1517	2402 1162		8,5
<i>Southern Great Plain</i>	<i>490 900</i>	<i>83 513</i>	<i>37 281</i>	<i>44 307</i>	<i>8 181</i> <i>7649</i>	<i>5 028</i> <i>3828</i>	<i>13 209</i> <i>11 477</i>	<i>7689</i> <i>4613</i>	<i>6316</i> <i>3468</i>	<i>51,8</i>	<i>7,8</i>
Fejér		13 825	5 636	5 071	1 387	769	2156	1877 1059	1896 1024		6,3
Veszprém		12 705	5 252	6 716	1 228	750	1 228	1119 613	971 523		5,3
Komárom		15 451	5 350	6 511	1 544	943	1 544	2349 1415	1906 984		7,5
<i>Central Transdanubia</i>	<i>466 400</i>	<i>41 981</i>	<i>16 238</i>	<i>18 298</i>	<i>4 628</i> <i>4204</i>	<i>2 462</i> <i>1890</i>	<i>7 090</i> <i>6 074</i>	<i>5345</i> <i>3087</i>	<i>4773</i> <i>2531</i>	<i>58,1</i>	<i>6,1</i>
Baranya		24 356	14 354	12 875	2 017	1 850	3 867	3308 2326	3464 2099		8,4
Tolna		14 472	7 272	8 694	1 466	1292	2 758	1714 998	1469 890		8,8

Somogy		13 631	10 135	9 046	1 113	1 244	2 457	1993 908	2038 921		9,2
<i>Southern Transdanubia</i>	<i>351 000</i>	<i>52 459</i>	<i>31 761</i>	<i>30 615</i>	<i>5 143 4864</i>	<i>4 386 3396</i>	<i>8 982 8260</i>	<i>7015 4232</i>	<i>6971 3910</i>	<i>51,8</i>	<i>9,0</i>
Zala		7413	3862	4 476	840	530	840	1365 764	1231 619		6,4
Vas		8697	3163	5 070	1027	475	1027	1088 621	994 494		8,0
Győr		16 364	3611	7 773	1 759	430	2 189	1638 991	1547 898		4,3
<i>Western Transdanubia</i>	<i>428 000</i>	<i>32 474</i>	<i>10 636</i>	<i>17 319</i>	<i>4 135 4221</i>	<i>1 435 1004</i>	<i>5 061 5 225</i>	<i>4091 2376</i>	<i>3772 2011</i>	<i>58,7</i>	<i>5,7</i>
<i>Country total</i>	<i>3 930 100</i>	<i>465 797</i>	<i>223 116</i>		<i>45 966 42 877</i>	<i>30 152 23 496</i>	<i>76 118 66373</i>	<i>47 900 28 033</i>	<i>44 360 22 467</i>	<i>55,0</i>	<i>7,5</i>

Source: 2. Central Statistical Office labour engagement data

3-4. ONYF Census data on people receiving old-age pensions or similar benefits

January 2005, after the general increase of these benefits

5. OOSZI [National Medical Expert Institute] Statistical report on the activities of the Institution in 2005

6-7 ONYF [National Pension Fund Directorate] Studies on the composition of people newly registered as people with disabilities in 2004 and 2005

9-10. FH [Employment Office] Census data on the programme for the promotion of the employment of people with altered working abilities.

Statistics for the period from 20 Dec 2004 to 20 Dec 2006

11-12 Central Statistical Office Household statistics

Question B:

Please describe the measures taken to give effect to this Article, in favour respectively of physically and mentally disabled persons through vocational training within the framework of general schemes, wherever possible, or within specialized public or private institutions. Please provide information in particular regarding:

- a) assessment of the vocational skills of disabled persons (frequency, practical skills) and criteria used to assess the prospects of rehabilitation of a disabled person;**
b) adjustment of the methods of vocational rehabilitation in accordance with the needs of the labour market.

b1) The modernization of the complex rehabilitation system (the institutional system for the qualification of people with altered working abilities on modern grounds) started in 2006. The objective of the development is to increase the proportion of active rehabilitation benefits, as well as to extend the scope of rehabilitation services. The form of the modernization efforts accepted by the Government (Governmental Decree no. 2191/2006 (Nov 15)) is the introduction of the group being eligible for rehabilitation benefits as an addition to the current benefits of the disability pension scheme. Besides considering the participation in rehabilitation as a precondition of the provision of financial benefits (cooperation obligations), the new system modifies the conditions of the disbursement of disability pensions: instead of the concept of the reduction of general working abilities, it adopts the terms of health impairment, alteration of vocation-specific working abilities, as well as rehabilitatability. As a consequence of the continuation of governmental reforms, in May 2007 the Government defined the additional tasks in details by way of Governmental Resolution no. 2077/2007 (May 09) on the governmental measures associated with the introduction of the rehabilitation benefit. In this context, it is Act LXXXIV of 2007 on the rehabilitation benefit that serves as the legal authorization and framework for the implementation of the reform, as well as for taking the required actions with the use of additional European Union funds in line with the relevant provisions of the 2007 Governmental Resolution.

b2) Under Decree no. 33/1998 (Aug 24), the employability of job-seekers are rated by the health centers for occupational health on the basis of the evaluation of 47 pairs of skills.

b3) The rehabilitation of workers who have become people with altered working abilities at their workplaces is rated by the rehabilitation committee of the respective workplaces, in particular the physician of basic occupational health services.

b4) In the case of the continued employment of people with any alteration of the working abilities remaining under 50%, towards the provision of employment supports the rehabilitation needs are determined by OOSZI's Medical Expert Committees on the basis of Article 5 of Governmental Decree no. 177/2005 (Oct 02).

Question C:

Please specify:

- a) the number and nature of the principal specialized institutions giving suitable training and the total number of places available;**
b) the number of persons undergoing such training;
c) the number of staff and their qualifications;

d) the financial support available to a person with a disability participating in the training.

No changes have occurred.

[...the Contracting Parties undertake:]

Article 15, paragraph (2): to take adequate measures for the placing of disabled persons in employment, such as specialized placing services, facilities for sheltered employment and measures to encourage employers to admit disabled persons to employment.

Question A:

Please describe the measures taken to ensure the placement and, if appropriate, the employment of physically or mentally disabled persons (for instance quotas, financial subsidies, etc.). (Include the mandatory requirement to restore persons whose working abilities have been altered by occupational accident or illness to their former jobs, the ban on dismissals because of retardation, etc.).

Transformation of social employment

It was high time to transform the support system connected with the employment of workers with altered working abilities. Small and medium-sized enterprises, as well as non-governmental organizations started to have increasing shares in the employment structure, but were not deemed as eligible organizations. In the case of employers receiving priority subsidies, the support system was not correlated with the quality of employment, or wages and salaries paid to the workers in any way, the relevant legal regulations did not pose any upper limit to the applied support amounts, the system was not protected against malpractices, and therefore both macro-economic and financing requirements, as well as the employment support rules of the European Union encouraged the establishment of a new support system. Supports were to be applied for by the employers themselves in conformance with the rules pertaining to tax payments.

The legal framework of the transformations was established with the concurrent adoption of transitional regulations in the autumn of 2005, in the context of the following legal regulations:

- Governmental Decree no. 176/2005. (Sept 02) on the rules pertaining to the supervision of the accreditation of employers engaging workers with altered working abilities, as well as to the supervision of accredited workers,
- Governmental Decree no. 177/2005. (Sept 02) on the budgetary support to the employment of workers with altered working abilities,
- Decree no. 14/2005 (Sept 02) by the Ministry of Employment and Labour on the rules of the rehabilitation accreditation procedures and the related set of requirements,
- Decree no. 15/2005. (Sept 02) by the Ministry of Employment and Labour on the detailed rules pertaining to the budgetary support to the employment of workers with altered working abilities,
- Joint Decree no. 25/2005 (Dec 27) by the Ministry of Employment and Labour, Ministry of Health, Ministry of Youth, Family, Social Affairs and Equal Opportunities and the Ministry of Finance on the modification of Joint Decree no. 8/1983 (June 39) by the Ministry of Health and the Ministry of Finance on the employment of and social benefits to workers with altered working abilities,

- Decree no. 26/2005 (Sept 02) by the Ministry of Employment and Labour on the rehabilitation accreditation fee.

Under Governmental Decree no. 177/2005. (Sept 02) on the budgetary support to the employment of workers with altered working abilities coming to effect on 01 January 2006, towards the encouragement of the employment of workers with altered working abilities employers engaging such workers shall be eligible for wage supports, cost compensation supports and rehabilitation cost compensation supports.

a) Towards the promotion of the employment of workers with altered working abilities, upon any related application wage supports may be provided if the employer engages or intends to engage such workers with altered working abilities in any working environment or labour engagement that corresponds to their health impairments or disabilities, and in case employment is thus provided in the framework of such rehabilitation-oriented working activities that are tuned for the existing abilities of the workers concerned, and are related to the performance of activities specified in the employer's articles of association, deed of foundation, charter or entrepreneurial ID. Wage supports may be granted for deployment to work, the preservation of workplaces, employment rehabilitation, as well as the reimbursement of the costs of the employment of persons assisting such workers in their jobs.

Wage supports may be supplied only to such employers who hold accreditation certificates issued on the basis of any accreditation procedure that has been conducted in conformance with the separate legal regulation on the rules of the accreditation of employers engaging worker with altered working abilities. The amount of the non-repayable supports may range from 40% to 100% of the wages and the associated public dues in connection with any worker with altered working abilities.

b) Cost compensation supports may be granted to employees that have qualified to be protected employers on the basis of any priority or conditional certificate in the course of the above-mentioned accreditation procedure if they engage workers with altered working abilities in the framework of labour engagement. Protected employers may receive reimbursement of costs for the passenger transportation connected with the traveling of workers with altered working abilities to work, costs incurred with the employment and the development of proper conditions of work for such workers, as well as management, administration costs, logistic, work-organization and other transportation costs. These supports may be granted on the basis of grant application procedures.

Rehabilitation cost supports may be given to employers engaging workers with altered working abilities if they undertake the employment of such persons in the framework of the authority contract concluded on the basis of the grant application procedures (contract for protected organizations) who due to their health conditions or the nature of their disabilities could not be otherwise employed in the open labour market. A maximum of 80% of costs incurred in association with the employment may be reimbursed as supports.

Within the grant application scheme, approx. HUF 2 billion have been provided to the support of investments for the creation of rehabilitation workplaces, and an additional amount of HUF 2 billion has been turned on the preservation of rehabilitation jobs.

As relying on the authorization granted by the Act on public procurement procedures, the end of 2006 saw the publication of the governmental decree that introduced public procurement procedures reserved specifically for employers engaging workers with at least 50% alteration of their working abilities (protected workshops). Under these regulations, in such public

procurement procedures the tenderer has the option to reserve the right for protected workshops to take part in the public procurement procedures.

Main features of the support system in 2006:

Businesses having been supported in the former system may apply for supports until 30 June 2007 to the maximum extent of their statistical headcount in 2005, under variable conditions, in connection with the workers that have medical expert certificates for at least 40% alteration in their working abilities.

The new wage support system came to effect on 01 January 2006, and includes both normative elements and constituents being subject to grant applications.

These are:

Wage support granted to employment rehabilitation in proportion of the wages paid to workers with altered working abilities and the related public dues, up to an extent of 40–100%, to such employers that provide adequate working conditions and work organizations to workers with at least 50% alteration in their working abilities as certified by medical experts, and that properly observe the associated labour and labour safety regulations (these supports may be applied for from the engagement of the first person complying with the above criteria). Notwithstanding the above criteria, a maximum of 60% wage support may as well be granted to the engagement of workers with alteration in their working abilities under 50% if

- OOSZI's related expert opinion confirms that the given worker is suitable for the attendance of the specified job with respect to his/her health conditions, experience and remaining abilities,
- the employer has not received any other wage support for the employment of the worker,
- the employer has not initiated ordinary dismissal in any similar job for 6 months, and undertakes that it will not terminate the employment of the worker for at least 12 months for similar reasons.

Wage supports provided for the engagement of workers with altered working abilities are limited, as they are established on the basis of the average gross wages and salaries on the level of the national economy in the second year prior to the year of application as published by the Central Statistical Office with the corrections set forth in the relevant legal regulations, as well as the differentiations reflecting the vocational training demand of the jobs wherein workers with altered working abilities are engaged.

The rate of the support shall be identical for each employer in view to the given person, yet the amount of the disbursable support may differ with respect to the training demand of the job occupied. There is an option for the 100% reimbursement of the personal wage of assisting persons directly contributing to the work in proportion of the working time dedicated for the given purpose if it is justified by the conditions of the employee (excluding assisting persons providing social, mental, medical help). No support may be granted if the wages are reimbursed from any other budgetary fund.

The support may be applied for at the competent labour center that shall undertake an obligation for the provision of the support for 36 months at the maximum, and thereafter shall disburse the amount of support on the basis of the authority contracts to be concluded on a monthly basis in a follow-up manner.

Under Article 4–6 of Governmental Decree no. 177/2005 (Sept 02), the extents of wage supports for the promotion of the employment of employees with altered working abilities (2006) are as follow:

The basis of the support is the wage paid and the associated public dues calculated for the working time that is expended on helping the person with altered working abilities concerned and the assisting personnel.

The individual maximum of the support for any person in full-time employment entitled to receive a 100% rate is the *monthly* wage paid to the given person and the associated public dues;

Monthly limit for the payment of the support: annual gross average pay on the level of the national economy two years ago, disbursement limit: differentiated for jobs not requiring any qualification, jobs requiring secondary-level qualifications, and jobs requiring special qualification of higher education.

The amount of the support – if the support is established to be 100 percent of the wage paid to the employee with altered working abilities and the associated public dues – may not exceed the gross average pay on the level of the national economy that was effective two years prior to the year under review, as published by the Central Statistical Office.

a) 60% for jobs not requiring any qualification,

a) 80% for jobs requiring elementary- or intermediate-level qualifications,

a) 120% for jobs requiring specialized qualifications of higher education or formal school qualifications of higher education.

For part-time employments, the upper limit shall be decreased in the ratio of the part-time to full-time employment.

In 2006, there reference gross average pay for 2004 on the level of the national economy was 145,700 HUF/month.

The certificate in itself does not grant any entitlement for support.

Until 30 June, the accreditation certificate is not a pre-condition of supports (wage supports are provided by the county-based labour centers that are competent in the respective places of work).

No wage support may be granted if with respect to their employment workers with altered working abilities receive the following supports:

- support supplied on the basis of Article 27/A–30 of Joint Decree no. 8/1983 (June 39) by the Ministry of Health and the Ministry of Finance on the employment of and social benefits to workers with altered working abilities,

b) allowances granted on the basis of tax regulations to private entrepreneurs and employers being subject to the scope of the Act on corporate income tax and dividend withholding tax with respect to the employment of workers with altered working abilities,

c) supports for the promotion of employment granted under Act IV of 1991 on the promotion of employment and services to the unemployed and on the basis of the legal regulations adopted under the authorization of the Act;

No wage support may be granted to employment from 01 January 2006 and 01 July 2007 on the basis of any application submitted with respect to Article 4–7 of the said Decree if the employer

a) is subject to bankruptcy, liquidation proceedings or dissolution,

b) has overdue public liabilities in taxes or similar payables to be collected as taxes in excess of 60 days, unless the tax administration has permitted deferred payment or installment payment,

c) within six months preceding the submission of the application, it has been subject to the imposition of any labour fine for the infringement of the rules listed in Paragraph *d)* and *l)-n)* of Section (1) of Article 3 of Act LXXV of 1996 on labour supervision, provided that the aggregate amount of fines imposed on the basis of effective resolutions in the period under review has reached up to the ten-fold amount of the smallest amount of wage,

c) within six months preceding the submission of the application, it has been subject to the imposition of any labour safety fine for the infringement of the rules listed in Article 82 of Act XCIII of 1993 on labour safety, provided that the aggregate amount of fines imposed on the basis of effective resolutions in the period under review has reached up to

da) a ten-fold amount of the smallest amount of mandatory wage for any employer engaging two hundred workers at the maximum,

da) a fifteen-fold amount of the smallest amount of mandatory wage for any employer engaging more than two hundred, but less than a thousand workers,

da) a twenty-fold amount of the smallest amount of mandatory wage for any employer engaging more than a thousand workers,

- on the basis of Paragraph *(c)* of Section (1) of Article 16 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities, it has been obligated to pay any fine within six months prior to the submission of the application.

The criteria specified in Section (1) shall not be examined if the applicant is an accredited employer.

Co-disbursement limit: no support may be granted if the given wage and the associated public dues are concurrently repaid from any source listed in the relevant legal regulations.

In the framework of the grant application procedure announced by the Minister of Social Affairs and Labour, protected employers may receive cost-compensation supports, whereas public-interest companies engaging persons who otherwise cannot be employed in the open labour market may be granted with rehabilitation cost support (the associated invitations for applications can be found at the website of the Ministry of Employment and Labour).

Persons living in social institutions may be employed within the respective institutions under two new forms of supports as from July 2006, i.e. skill-development work rehabilitation and development employment (labour relations for definite terms), jointly: social employment (the relevant rules are defined in Act CLXX of 2005). The institution may involve any other employer in the implementation of developing employment.

At the same time, the support schemes for market-based and social employment have been separated, and the support to employees within the institutions offered in the former support system has been terminated.

According to the plans, social employment is to prepare the participants for the transition to protected employment and employment in the open labour market. These forms of employment are backed by independent social employment support (normative).

Since November 2005, a new element in rehabilitation employment has been the *accreditation system* of employers engaging employees with altered working abilities; in this scheme, employers engaging persons with altered working abilities are rated in view to employment criteria, and the basis of the accreditation is the rating of the business sites, branch sites specified in the associated applications.

Three levels of rating can be achieved, these are:

- basic certificate

- rehabilitation certificate
- priority certificate, which authorizes its holder to use the title of protected organization. The same title shall be granted to any employer that meets the basic conditions of the priority certificate, fulfills all the conditions within 1 year, and thus is given a conditional certificate.

Such accreditation is open to all the employers as defined in the Labour Code, as irrespective of the number of employees, for the rating level specified in the application for accreditation, yet with two specific conditions in relation to the headcount:

- if the headcount of persons with altered working abilities reaches 20 persons, which at the same time makes up at least 40% of the employees engaged by the given employer, the basic certificate cannot be issued,
- priority (and temporary) certificates may be issued only to employers that engage at least 50 persons, and within this headcount at least 50% of the personnel is made up of persons with altered working abilities.

No business sites may be accredited in central and local budgetary organizations or in social institutions.

The accreditation procedure is conducted by the Employment and Social Office with the involvement of specialized labour experts. (The form of application can be downloaded from the website of the Employment and Social Office)

The employers concerned have been interested in the obtainment of priority certificates since 2006 (under the relevant legal regulations, the other entitlements for support shall be defined with respect to this category), while for employers applying for the other supports the accreditation certificate has been deemed to be a condition of supports since 01 July 2007.

The regulation aiming to promote the employment of persons with altered working abilities by investment means has been tuned for this system of employment supports. As a general rule, supports may be furnished to receiving workplaces as a so-called *de minimis*, whereas in the framework of grant application facilities supports may be obtained for the purpose of rehabilitation employment on the basis of the EU's employment support regulation pertaining to protected organizations.

From the rehabilitation resources of the Labour Market Fund, supports may be furnished to the employment of persons with altered working abilities for the benefit of employers that undertake such obligations (employment obligations), on the basis of grant application procedures, for the purposes of

- a) creation of jobs,
- b) conversion of production, service facilities – in association with the employment of persons with altered working abilities –, including the implementation of obstacle-free access as described in Act LXXVIII of 1997 on the development and protection of the constructed environment and Governmental Decree no. 253/1997 (20/12) on the national requirements of regional planning and construction,
- c) purchase, conversion of devices, equipment required for the employment of persons with altered working abilities,
- d) modernization of workplaces and working devices for the employment of persons with altered working abilities,
- e) investments that towards the employment of persons with altered working abilities – in combination with the actual investment – aim at the creation of jobs, the modernization and development thereof, as well as building, construction, enlargement and conversion of

facilities, the enhancement of their safety, the purchase and conversion of working devices, the enhancement of their safety.

With the modification of Act III of 1993 on social administration and social services (hereinafter referred to as Social Act) in 2005, in July 2006 the domestic legal regulations on the employment of people attended in social institutions and at the same time employed in the institutions changed.

The purpose of social employment is to allow persons attended in social institutions, as well as people with disabilities and disadvantaged persons (with disabilities, psychiatric disorders and addictions, homeless people) to work in such forms of work and jobs that are the most appropriate for their abilities and skills, as well as to offer them the opportunity to learn and develop.

The Social Act differentiates two categories of social employment:

- work rehabilitation,
- developmental–preparative activities.

1. Work rehabilitation:

Work rehabilitation aims at the preservation and development of the willingness of persons attended in social institutions to work, as well as their physical and mental abilities, alongside with their preparation for developmental–preparative activities.

As concerning employment, the largest extent of disadvantages are suffered by persons with serious mental disorders, multiple disabilities, chronic psychiatric disorders and addictions, and towards their re-integration continuous work rehabilitation leading to certain outcomes should be ensured.

Work rehabilitation is conducted within the legal framework being available within the institution, on the basis of the agreement to be made between the attended persons (or of the attended person is legally incapable due to any guardianship, the responsible legal representative) and the head of the institutions.

The agreement shall contain

- a) detailed description of the activities executed in the framework of work rehabilitation,
- b) time schedule of the work rehabilitation,
- b) monthly amount of the work rehabilitation fee,
- d) a letter of intent stating that the attended person intends to act in cooperation in the work rehabilitation as allowed by his/her physical and mental conditions.

Work rehabilitation is eligible for being recorded as employment. Such activities are deemed to belong to work rehabilitation as assisting, supplementary activities connected with the maintenance and tidying of the outdoor and indoor environments, in particular in the vicinity of the institution.

In the course of work rehabilitation, the emphasis is laid on the learning and practicing of partial work processes, as well as on adaptation to the working activities and general socialization with the underlying aim of preserving such skills, as well as socializing in regular work.

The actual activities and schedules of work rehabilitation shall be determined on an individual basis, with respect to the conditions and abilities of the attended persons, in the form of individual nursing, developmental and rehabilitation plan so that the duration of such

activities may not exceed 6 hours a day and 30 hours a week, but should be at least 4 hours a day and 20 hours a week.

In the case of work rehabilitation, the head of the social institution shall pay a so-called work rehabilitation fee to the attended persons. The monthly amount of the work rehabilitation fee may not be less than 30% of the statutory minimum wage as effective from time to time.

The expert committee conducting the examination on suitability for rehabilitation shall evaluate the efficiency of work rehabilitation in every two years in the framework of written reviews. In the course of such evaluation, the suitability of the attended person for developmental–preparative activities shall be examined alongside with the option of transferring the person to developmental–preparative activities, as well as the conditions and methods thereof.

2. Developmental–preparative activities:

The purpose of developmental–preparative activities is to teach certain work processes to persons attended in social institutions, and by way of their employment the shaping, restoration, development of independent working capabilities, as well as the preparation of the attended persons for protected work or employment in the open labour market.

Developmental–preparative activities constitute a form of social employment applied in training and preparation for individual work in the case of people with altered working abilities, as well as person with mental disadvantages. In the framework of developmental–preparative work, it is to be ensured that persons with altered working abilities should have opportunities to acquire supplemental, developed skills and techniques that at any later date they can offer to potential employers.

Developmental–preparative activities should encourage the participation of each person involved in rehabilitation in such employment wherein the remaining abilities can be exploited to the farthest possible extent, and that by means of employment their independent working abilities should evolve on preparation for engagement in the open labour market. Developmental–preparative activities shall be deemed as labour relations, but with respect to the special circumstances of the people attended in institutions. Prescribes the application of guarantee rules in connection with young employees.

Developmental–preparative activities may be executed on the basis of labour contracts concluded for definite terms – for a year at the maximum – between the attended person and the institution, or the attended person and another organization having made an agreement with the institution for the employment of attended persons.

In the framework of developmental–preparative activities:

- a) persons having accomplished their age of 16 may be employed,
- b) the duration of the employment may not exceed 8 hours a day and 40 hours a week,
- c) no working time limit may be applied,
- d) if the daily working time of any employee exceeds four and a half hours, at least 30 minutes of break shall be provided,
- e) employees may not be scheduled to work at night, in extraordinary or multiple shifts, on duty or emergency readiness,
- f) the rules of delegation, commissioning, manpower hiring may not be used.

In the case of persons being in legal relations with the institution, participation in any form of social employment is feasible on the basis of the professional programme of the given institution, in conformance with the individual nursing, developmental and rehabilitation plan, as building upon their existing abilities, and with respect to their ages, physical and mental conditions.

From among the employees of the various forms of social employment, the best performers are offered the opportunity of progress – admission to protected employment outside the institution, and thereafter being transferred from protected forms of employment to integrated forms of employment in the open labour market.

Pursuant to the Social Act, only such persons and organizations may act as employers in social employment that have the mandatory social employment permit (issued by the social authorities).

The decision on the employment of the persons attended in the institution shall be made by the head of the social institution, on the basis of the examination on suitability for rehabilitation,¹³ and the related expert opinion of the expert committee¹⁴.

The head of the institution shall notify the attended person or the legal representative on the decision in writing together with the person or organizations – if the attended person has already entered any legal relation – employing the attended person. If the attended person or the legal representative challenges the decision of the head of the institution, within eight days following the receipt of the associated notification they may plead to the maintainer of the institution that shall decide on the employment of the attended person within 15 days.

The Social Act towards the proper authority supervision of social employment prescribed for the social authority to keep records on the social employment ensured in the social institutions belonging to its scope of competence. Such records shall contain:

- a) the name, address, business seat, business site of the employer, as well as a copy of the social employment permit;
- b) the natural identifying particulars of the employee, the place of residence or habitation, the expert opinion of the expert committee conducting the examination on the suitability for rehabilitation, as well as a copy of the agreement for employment or labour contract.

¹³ Any applicant for attendance shall attend the examination on the suitability for rehabilitation prior to his/her admission into the institution, prior to the commencement of social employment, as well as on an annual basis throughout the employment.

Purpose of the examination on the suitability for rehabilitation

- to ascertain whether on the basis of the existing the abilities, skills the applicant for attendance in the rehabilitation institution can be regarded as suitable for voluntary participation in the rehabilitation programme, and

- to ascertain whether with respect to his/her age, physical and mental conditions – the attended person is suitable for work in the framework of social employment, and if s/he is suitable, which form of social employment is the most appropriate.

¹⁴ Upon contacted by the social institution, the expert committee conducting the examination on suitability for rehabilitation hears the attended person and the legal representative, and then within 15 days willing such contacts the committee shall send its expert opinion on the attended person concerned to the head of the social institution with the corresponding reasons.

In its expert opinion, the expert committee shall ascertain whether the attended person is suitable for work in the framework of social employment, and – if s/he is suitable – the committee shall make a proposal on employment in work rehabilitation or developmental –preparative activities.

To enable the institutions to comply with their duties in employment, the central budget shall supply adequate resources to the attendance of the tasks. Consequently, the social institution may apply for supports to the persons employed in the framework of social employment (hereinafter referred to as social employment support). Such social employment supports may be expended on the work rehabilitation fee, wage-type payments, as well as personnel and material expended incurred in connection with the employment, and the procurement of tangible assets.

The number of persons to be employed in the framework of social employment and the amount of social employment supports shall be specified in the Act on the budget.

In 2006, employment in social institutions may be financed from a total limit of HUF 4 billion. Pursuant to the Act, the employment support may be expended on wages and wage-type expenses, operating expenses in connection with employment (organization, administration costs, and procurement of tangible assets, operating costs, service fees, personnel and material expenses).

Such supports may be granted to municipal; church and other non-governmental social institutions, as well as external employers, non-profit organizations if they undertake an obligation for the employment of persons being in special life situations whose chances to enter jobs – due to their health conditions hindering work – are very restricted.

The methods to utilize, use and account for social employment supports are specified in Governmental Decree no. 112/2006 (May 12) on the authorization of social employment and social employment supports.

So far, no data are available on the number of persons participating in social employment.

Question B:

Please indicate the number (actual or approximate) of physically or mentally disabled persons who during the reference period found paid employment (whether in specialized institutions or not).

Table 18
Employment and Social Office
Number of people involved in the programme for the promotion of the employment of persons
with altered working abilities 1999–2006

Description	1999	2000	2001	2002	2003	2004	2005	2006
1. Headcount in the reference period*	26 705	32 899	42825	38 276	42 706	45 002	47 792	44 360
2. Total number of cases of employment without supports**	3 210	4 389	4778	5 957	6 600	7 700	6846	7778
3. Total number of cases of employment with supports**	4 681	5 429	6 088	7 998	7 984	5 961	8 000	7510
out of this: for public duties	2 405	2 415	2 430	4 960	4 912	2 897	6	6 566
4. Independent employment	164	376	76	53	3 008	3 477	199	4 977
5. Total number of cases of employment	7 891	9 818	10 866	13 955	14 584	15 519	3 330	15 288
							14 846	
7. Transferred to training, total	1 640	2 144	2 395	1 890	1 917	1 103	1 449	1 424
7.1. Supports to the practice sites of training	0	0	0	6	0	0	26	24
10. Closing headcount (as effective on the closing day of the period.)	13 782	14 973	15 321	16 623	17 686	19 951	22 075	20 948
14. Extended result in comparison to the headcount concerned (12/3 x 100)	34.4 %	34.7 %	29.6%	34.2%	31.5%	29.4%	27.2 %	29.0%
Narrowed result in comparison to the headcount concerned (13/3 x 100)	26.3 %	25.9 %	22.2%	24.5%	22.7%	22.5%	20.2 %	19.9%

Remark:

* = A single person can be recorded just once

** = A single person may be affected on several occasions in the reference period

ADDITIONAL PROTOCOL OF THE EUROPEAN SOCIAL CHARTER

Article 1

Right to equal opportunities and equal treatment in matters of employment and occupations without discrimination on grounds of sex

1. With a view to ensuring the effective exercise of the right to equal opportunities and equal treatment in matters of employment and occupation without discrimination on the grounds of sex, the Parties undertake to recognize that right and to take appropriate measures to ensure or promote its application in the following fields:

- access to employment, protection against dismissal and occupational resettlement;
- vocational guidance, training and rehabilitation;
- terms of employment and working conditions, including remuneration;
- career development, including promotion.

2. Provisions concerning the protection of women, particularly as regards pregnancy, confinement and the post-natal period, shall not be deemed to be discrimination as referred to in paragraph 1 of this article.

3. Paragraph 1 of this article shall not prevent the adoption of specific measures aimed at removing de facto inequalities.

4. Occupational activities which, by reason of their nature or the context in which they are carried out, can be entrusted only to persons of a particular sex may be excluded from the scope of this article or some of its provision.

The Appendix to the Protocol¹⁵

1. *Article 1*

It is understood that social security matters, as well as other provisions relating to unemployment benefit, old age benefit and survivor's benefit, may be excluded from the scope of this article.

Article 1, paragraph 4

The provision is not to be interpreted as requiring the Parties to embody in laws or regulations a list of occupations which, by reason of their nature or the context in which they are carried out, may be reserved to persons of a particular sex.

Question A:

Please state the specific provisions in statutes, examples of significant collective agreements, etc. which, in your country, forbid direct and indirect discrimination on grounds of sex in the areas covered by paragraph 1 of Article 1.

Legal regulations that forbid direct and indirect discrimination on the grounds of sex.

¹⁵ The Appendix contains interpretative provisions.

- **Constitution:** Section (1) of Article 70/A. The Republic of Hungary shall ensure for all and any persons abiding in her territory human rights and civil liberties as without any discrimination on the grounds of – in particular – race, colour, sex, language, religion, political or other opinion, national or social origin, situation arising from birth or otherwise.

- **Labour Code:** Section (1) of Article 5. In connection with all and any labour engagement, the requirements of equal treatment shall be invariably observed.
Section (2). The consequences of any violation of the requirement of equal treatment shall be properly remedied, which may not entail the infringement or derogation of the rights of other employees.
(Provision of the Labour Code pertaining to the ban on discrimination lapsed on 27 January 2004, and instead the general legal principle connected with the observation of the requirement of equal treatment has been adopted.)

- In the light of the **Act on equal opportunities (Ebkty.)**: On the basis of the requirement of equal treatment, natural persons, any of their groups, as well as legal persons and organizations without any legal person abiding in the territory of the Republic of Hungary shall be subject to the same respect and circumspection in the context of the provisions of this Act, as well as the same extent of consideration of individual aspects.
In the course of establishing and acting in their legal relations, procedures and measures, the Hungarian state, local and minority governments, their respective bodies, organizations exercising authority powers, armed forces and bodies of law enforcement, public foundations, public bodies, organizations involved in public services, institutions of public education and higher education (hereinafter jointly referred to as educational institutions), persons and institutions providing child-protection care and child-welfare services, museums, libraries, cultural institutions, voluntary, mutual savings funds, private pension funds, health service providers, political parties, as well as budgetary organizations are obliged to observe the requirement of equal treatment.
In the context of any given legal relation, the requirement of equal treatment shall be observed by
 - a) whoever makes any offer from or calls for offers to persons not specified in advance for the purpose of concluding any contract,
 - b) whoever provides services or distributes goods in premises being open to customers in general,
 - c) with respect to its legal relations established for the utilization of governmental supports, any private entrepreneur, legal person or organization without any legal person receiving governmental supports from the date of the utilization of such governmental supports as long as the proper utilization of these governmental supports can be controlled by any authorized body in conformance with the relevant rules, and
 - d) any employer in the context of any labour engagement, or any person authorized to give instructions in any other legal relation established for the performance of work, and in connection with any other legal relation directly associated with the foregoing.

Those questions of the datasheet serving for the registration of collective bargaining agreements and attached to Decree no. 2/2004 (Jan 15) by the Ministry of Employment and

Labour on the detailed rules of the registration and recording of collective bargaining agreements that refer to the substances of such agreements focuses only to the issue whether under Article 23 of Ebktv. the collective bargaining agreement contain any requirement of positive discrimination for a specific circle of employees (e.g. enrollment of the family members of employees having been in labour engagement for longer periods of time, conclusion of study contracts, etc.) if the same conditions apply otherwise. Other questions in connection with equal opportunities have not been included in the datasheet, and therefore no comparative data can be given to see in what proportion these agreements regulate issue of equal opportunities. No similar issue was raised by the study focusing on the substances of the collective bargaining agreements of several sectors and closed at the beginning of 2007, and therefore it can be assumed that social partners tend to rely on the opportunities rather rarely to act against negative discrimination in the context of collective bargaining agreements.

Question B:

Please describe all significant case law and other decisions in the field covered by paragraph 1 of Article 1.

Practice of the Constitutional Court:

In association with the above-referenced Section (1) of Article 70/A of the Constitution, in the existing practice of the Constitutional Court unconstitutional, negative discrimination among persons may be ascertained if any person or group of persons are treated in a less favourable manner in comparison to other persons or group of persons being in the same situation [Resolution no. 21/1990 (Oct 04.) by CC, ABH 1990, 73, 78; Resolution no. 32/1991 (June 06) by CC, ABH 1991, 146, 162; Resolution no. 43/B/1992 by CC, ABH 1994, 744, 745]. Such discrimination shall be deemed as unconstitutional “if any legal regulation makes a distinction between (mutually comparable) legal subjects belonging to the same group in terms of the relevant legal regulations without having any specific constitutional reason for such distinction” (Resolution no. 191/B/1992 by CC, ABH 1992, 592, 593).

Judgements from the practice of the Supreme Court:

BH1997. 210:

If the employer has made any ungrounded distinction in the evaluation of premium-related tasks to the detriment of any employee, the justification of any criterion of exclusion shall have no significance, but the employee concerned – similarly to the other workers – shall receive the premium [Section (1) and (2) of Article 5 of the Labour Code].

BH2003. 86:

The Act forbids the application of negative discrimination among the employees due to any circumstance not associated with the labour engagement. If, however, such discrimination is needed, and can be justified with objective circumstances, it shall not be forbidden [Section (1) of Article 5 of the Labour Code].

BH2004. 255:

I. The labour court shall have competence in judging any claim established for the negotiations preceding the conclusion of the labour contract, and the judgment of the said claim shall also rely in the general provisions of the Labour Code [Paragraph *a*) of Section (2) of Article 349 of the Code of Civil Procedure].

II. Any party referring to negative discrimination shall evidence the factual existence of such discrimination, whereas the other party may provide exculpatory evidence by proving the proper observation of equal treatment [Section (2) of Article 5 of the Labour Code].

Case law from the practice of the Equal Treatment Authority and the Metropolitan Court of Budapest:

The acting council of the Metropolitan Court of Budapest has affirmed the resolution of the Authority made in 2006. The said resolution has ascertained that Z. Kft. violated the requirement of equal treatment by using negative discrimination against the Applicant on the grounds of sex in comparison to the male workers engaged in the same position and performing work in the same value when her hourly wage was established lower than the hourly wages of the male workers. As the company has proved to be unable to exculpate this action of theirs at the Authority, the Authority has obliged the accused party to pay a fine of HUF 1,000,000.-.

Under the decision of the court, the Authority did reveal the factual circumstances appropriately, in full scope, and thereafter applied a sanction that was proportionate to the weight of the infringement of the relevant legal regulations. In addition of the said fine, the reprehended business association was to bear the costs of the related public dues and legal fees.

(Source: Equal Treatment Authority, www.egyenlobanasmod.hu)

Question C:

Please state the guarantees provided for the recognition of the right to equal treatment to which male and female workers are entitled, in particular the protection provided against possible retaliatory measures taken by an employer following a complaint or legal proceedings for discrimination.

The Labour Code sets forth the requirement of exercising the related rights for their specific purposes, including the ban on the application of retaliatory measures. Pursuant to Article 4 of the Labour Code, the rights and obligations specified in the Labour Code shall be exercised and fulfilled for their specific purposes. A right is in particular not exercised for the respective purpose if it aims at or leads to the derogation, the restriction of the promotion of the lawful interests, or harassment, the repression of the expression of the opinions of others. Any detrimental consequence of exercising rights in conflict with the specific purposes shall be remedied adequately.

An obligatory contextual element of the plan of equal opportunities is that the plan of equal opportunities shall provide for the rules of procedures in connection with the enforcement of the requirement of equal treatment within the organization of the employer.

Pursuant to Section (1) of Article 7 of Ebktv., directly negative discrimination, indirectly negative discrimination, harassment, unlawful separation, retaliation, as well as all and any instruction towards such actions shall be deemed as the violation of the requirement of equal treatment. Under Section (3) of Article 10 of Ebktv., any such conduct shall be deemed as retaliation that causes, is intended to cause, or threatens to cause any infringement of rights against the person who has objected to the violation of the requirement of equal treatment, instituted any proceedings for such purpose or acts in cooperation in these proceedings. The definition of retaliation complies with the definitions given in Article 9 of Directive 2000/43/EC and Article 11 of Directive 2000/78/EC.

Under Section (1) of Article 10 of Ebktv., any such conduct shall be deemed as retaliation that causes, is intended to cause, or threatens to cause any infringement of rights against the person who has objected to the violation of the requirement of equal treatment, instituted any proceedings for such purpose or acts in cooperation in these proceedings.

Question D:

Please state the measures taken and the machinery established in your country to guarantee or promote in practice equality of opportunity and equal treatment. This information should be specified according to the various areas listed in paragraph 1 of Article 1.

In practice, equal opportunities and equal treatment are promoted by plans and programmes of equal opportunities. Such budgetary organizations and legal persons in majority state ownership are required to adopt their own plans for equal opportunities.

Municipalities may also formulate local plans for equal opportunities wherein they should analyze tendencies in the situation of disadvantaged groups, and define the objectives tuned for the promotion of the equal opportunities of these groups with special respect to their residential conditions, healthcare, employment and social situation. Local plans for equal opportunities are contain the resource demand of the accomplishment of the stated objectives and the planned schedule for their implementation; until 30 June in the year after any year under review, the local government is required to accept an annual report on the fulfillment of the plan.

The employer and the trade union – or in the lack of a trade union, the works council – represented at the given employer may as well jointly accept a plan for equal opportunities for a definite term.

Any plan for equal opportunities shall analyze the employment situation of disadvantaged employee groups engaged by the given employer, thus in particular

- a) women,
- b) employees over the age of forty,
- c) people of Roma origin,
- d) persons with disabilities, and
- e) employees having two or more children under the age of ten, or single employees having any child under the age of ten

with special respect to their working incomes, working conditions, professional careers, training, as well as benefits in connection with the upbringing of children and parental roles –, alongside with the objectives of the employer for the given year to ensure the effectuation of equal opportunities and the means required for the accomplishment of the same, especially training, labour safety and other programmes applied by the employer in association with the conditions of employment.”

The special personal particulars required for the preparation of the plan for equal opportunities may be handled only in compliance with the relevant provisions of Act LXIII of 1992 on the protection of personal data and the publicity of data of public interest, on the basis of the voluntary information service of the person concerned and until the last day of the period specified in the plan for equal opportunities.

The plan for equal opportunities shall provide for

- a) specific measures to ensure the establishment of obstacle-free workplace environment for people with disabilities, and

b) proper order of procedures in connection with the enforcement of the requirements of equal treatment within the organization of the employer.

Question E:

Please supply information on de facto situation which, in your country, constitute inequalities in matters covered by paragraph 1 of Article 1 and state the specific measures taken to remedy those situations.

In Hungary, between 2000 and 2005 the average pay gap for women decreased considerably, from 21% to 11% according to the summary data for the national economy calculated on the basis of the related database of EUROSTAT (gender pay gap in unadjusted form). (The data have been provided by the Central Statistical Office). The pay gap measured in 2005 was smaller than in most of the European countries, which is 15% on the average.

Such significant, average improvement of the women's pay position on the level of the national economy was primarily caused by the outstanding (altogether nearly 50%) salary increases executed in the public sector in 2000–2003. In the public sector, 2/3 of the employees are women, in comparison to their 50% ratio measured on the level of the national economy. A contribution to the improvement of the income status of women was that among women the proportion of those holding higher school qualifications, vocational certifications seemed to be on a steeper rise than in the case of men.

The requirement of the provision of equal pays to men and women is also included in the Hungarian legal regulations. Beyond the promotion and control of the enforcement of the relevant legal regulations, the Government does not and cannot have any specific means for the establishment, shaping of the wages and salaries paid to women. The above-mentioned average – and in certain segments even larger – pay gap fundamentally does not root in the infringement of the principle of “equal wages for equal work”, but rather reflects the situation of women in the division of work and the labour market.

The fact that in low school qualification categories the ratio of women has tended to decrease, whereas in high school qualification categories it has increased indicates that *women have gained more advantage from the transformation of the school qualification structure than men*. It is especially notable that between 1992 and 2005 the proportion of women grew from 52.9% to 58.9% among employees holding college degrees, from 35.7% to 43.4% among employees with university degrees. In addition, differentiation should also be made with respect to the fact what professions are covered by these school qualifications: professional that guarantee well-paid jobs in the labour market, or that make job-seeking rather problematic.

Women and men tend to be concentrated in different economic sectors, or even if they are engaged in the same sector, they are employed in different positions. This is significant, because jobs typically reserved for women can be characterized with low pays.

The rearrangement of the subsectoral structure has also continued.

Between 1992 and 2005, women lost grounds in nearly all the subsectors of processing industry. There are two exceptions: one of the them is *textile industry*, where women continued to become dominant. In 2005, 4/5 of the workers of the industry were women, which is remarkable, because it is the subsector that features the lowest gross monthly average

pay: 53% of the average pay in the national economy, and 57% of the average pay in the processing industry.

The other exception is the *manufacturing of equipment and machinery* where the spectacular increase of the production output since 1997 has created so many more jobs for women that the proportion of women in comparison to the male headcount has significantly risen (from 30.8% in 1992 to 38.3%). Moreover, the average pay in this subsector is larger than the average of the national economy or the processing industry.

Between 1992 and 2005, the ratio of women employed in the *service sector* increased from 63.6% to 76.1%. In 2005, 55.6% of the workforce of the tertiary sector were women, similarly to the corresponding figure in 1992 (55.6%). This apparent immobility was accompanied by a dynamic transformation of the structure of employment on the level of the subsectors.

The ratio of women has increased only in the field of public services. This field includes *public administration and mandatory social insurance*, where between 1992 and 2005 the proportion of women grew to 50.9% within the total employed headcount in comparison to 43.1% in 1992. In *education*, the employees of the sector came to contain more women (77.5%) in comparison to the former 75.8%. In *healthcare*, the share of women also rose in comparison to the total employed headcount.

In the subsectors listed above, even in 2005 the average pay for women witnessed the largest negative gap in public administration in comparison to the average pay of men (by 22.5%); in the very field where women made the most significant headway among employees.

While public services have seen a continuing process of women coming to a dominant position, in market services the proportion of women has considerably dropped in comparison to the total employed headcount.

In 2005m the presence of women among the employees of *trade* hit a significantly lower rate (54.4%) than in 1992 (58.3%). Formerly regarded as a typically female occupation, this profession has thus undergone a move towards the establishment of an equilibrium between the female and male headcount. The same applies to accommodation services. In 1992, three-fourths of the employees in the *financial sector* were women, which fell to 66.9% by 2005. This subsector also reflects the largest gap between the pays to women and men: women receive 56.4% of the average pay of men.

On the level of elementary occupations, the separate presence of women and men in the labour market is even more apparent, and this situation seems to be almost steady in time. *30% of these occupations have fully or massively become dominated by women:* almost three-fourths of women employees are engaged here with just 13% of the total number of male employees. Such occupations belong here as health visitors, nurses, shorthand typists, or obstetrics, kindergartners, payroll accountants, cosmeticians, dressmakers, kitchen hands, cleaners, finance administrators. *On the other hand, there are occupations that are dominated by men.* This group make up 54% of the occupations, such as operators of mobile machinery; operators and drivers of agricultural power machines; scrabblers, glassmen, lumberers, hunters, tool-makers, firemen, bricklayers, cladders, electricians, carpenters–scaffolders, joiners, stokers, truck drivers, property security guards, welders, etc. These occupations offer work to 74% of men and 12–13% of women. Thus, on the level of occupations the proportion of “male” jobs is almost the double of occupations dominated by women.

In its publication entitled „Women and Men in Hungary, 2005”, the Central Statistical Office compared the advantages of men in terms of pay as concerning the ten most popular female and male occupations. The study reflected that except for kitchen hands in all the other women occupations men tend to earn more – or even much more – than women. Naturally, the top ten male occupations in terms of headcount shows the same situation, though there were four of them where no women were engaged at all. It means that the pay gaps between the two sexes are mainly the consequences of discrimination surfacing in employment segregation.

A small proportion of occupations (15–16%) can be regarded as balanced with respect to the participation of the two sexes, though it is a rather welcome fact that the proportion of these occupation grew from 14.8% in 1994 to 16.3% in 2005. Nevertheless, the ratios of men and women actually engaged in these occupations are even smaller. Examples from this group of occupations are: managers of such divisions in economic, budgetary organizations that are involved in functional operations, professions within the scope of social sciences, technical administrators, occupations in the catering industry and printing industry, legal professions, etc. In connection with this latter one, it is to be noted that formerly the legal profession used to undergo a process wherein women came to a dominant position. By today, it seems that this tendency has been reversed.

Vertical segregation can be measured in the fact what presence women and men have in the hierarchical order of the world of labour. A general observation is that most of men rise to higher positions, whereas women tend to remain on lower levels.

More than half of earning women (55.5% in 2005) are engaged in intellectual occupations; the corresponding ratio for men is less than one-third (29.7%), though with the progress of time this ratio has been increasing. The position of women in the workplace hierarchy has not changed at all: it is still typical that *the lower one descends in the ranks of occupations, the more employed women can be found.*

The ratio of women among top managers has dropped from a bit over one-third – which was deemed to be fairly low anyway – to under one-third, which reflects strong under-representation in comparison to the 45.8% share of women among the total number of employees. It is also presumed that even larger differences could be found if the managerial positions of women were separately examined in the public and private sector. However, no data are available for such a comparison.

In occupations calling for the independent utilization of qualifications from higher education, the ratio of women has remained unchanged (56–57%).

Work activities requiring specialized qualifications or university degrees for the support of other qualifications of higher education (para-professional occupations) have continued to become dominated by women (two-third dominance of women).

In simple office occupations, even ten years ago there used to be 9 women out of 10 employees. Since then, 43% of the men have left these occupations deliberately or from necessity, whereas only 22% of the women have made a similar decision. As a result, the proportion of women has increased from 91.2% to 93%.

The *physical headcount* has also been subject to large-scale rearrangement as concerning the main groups of the individual occupations.

In service-type jobs, the number of men and women has equally risen by 18%. The other prospering area embraces occupations, such as operators and assemblers of machines, vehicle

drivers, where the number of women has increased by 68%, whereas the growth rate for men has been a sole 9%. Due to this fact, the presence of women in these occupations has increased from 21.1% to 27.6%.

Between 1994 and 2005, the number of women employed in agriculture and construction industry decreased by 27% and 28%, respectively, which was accompanied by a considerable drop in the ration of women, as the number of men engaged in both groups of occupations remained unchanged. The termination of jobs not requiring any vocational or professional skill has affected the situation of men and women equally, and thus the proportion of women remained 56–57%.

Recently, the European Employment Strategy has been evaluated to see how much it guarantees equal opportunities to men and women. In the framework of the evaluation, the division of the labour market of the individual countries has been compared on the basis of *sex-related segregation indices*. *The data show that in countries with lower employment rates the segregation of the individual sectors, occupations on the grounds of sex tends to be less significant than in countries with higher employment rates.*

For Hungary, both of the examined indicators well exceed the corresponding averages of EU25. The sectoral index is 19.7% (EU25: 17.6%), which is somewhere in the middle between the respective indicators of the member states reflecting the best and the worst ratios. The employment index is above the sectoral index in each country; in Hungary, it is 28.8% (EU25: 25.2%).

As concerning the *employment status*, there are significant differences between men and women. In 2005, out of 10 working women 9 were employees, whereas for men the number of employees in this context hardly reached up to 8.

Both sexes can be characterized with the growing proportions of employees among the active population, while the number of entrepreneurs, self-employers has dropped. The members of cooperatives have almost entirely disappeared, and the tendency has not been restricted to the members of agricultural cooperatives. The proportion of men acting as members of business partnerships is almost the double (4.7%) of the corresponding figure for women (2.6%). Although the past century has seen the rise of business enterprises, this process seems to have affected women less than men. Between 1992 and 2005, among working women the ratio of entrepreneurs, self-employers increased only from 5.4% to 6.4%, while for men this growth led from 8.8% to 11.8%. As a result, the presence of women among entrepreneurs has decreased from 35% to 31.5%. The underlying reason is that men who have lost their jobs, yet are regarded as the bread-winners are more forced to ensure the subsistence of their families in any other way, e.g. by becoming entrepreneurs, and in addition “female” occupations and professions are less suitable for starting up independent activities.

In the case of women, working time is a key issue, because family duties are not easy to harmonize with the 8 hours of daily work.

In general, it can be claimed that *out of ten persons there is only one on the average who works in variable working hours, whereas the other 9 have permanent schedules*. This ratio seems to have remained quite stable with the progress of time. Among employed men, there are two and a half times as many workers engaged in variable working hours as women. In 1995, 6.3% of those employed with permanent schedules performed less than 40 hours a week, and 25.2% of them worked more. Since then, the ratio of these latter one has been decreasing

(2005: 10.6%). In both groups, there are quite significant differences on the grounds of sex. *Approximately 70% of employees working less than 40 hours a week are women, and one-third of them are men; in the case of employees working more than 40 hours a week, the situation is reversed: 70% of them are men, and only 30% belong to women.*

In 2005, 2.7% of men employees and 5.8% of women employees claimed that they were working in part-time jobs. These ratios have been stable for years. Two-thirds of those in part-time jobs are women. There are much more men and women with low school qualifications among the occupants of part-time jobs than workers with high school qualifications.

As business organizations are becoming increasingly capital-intensive, and because the process of the obsolescence of technology is accelerating, companies strive for cutting idle labour expenditures on their unit products by prolonging the operating times of their machinery and equipment. This method allows faster depreciation of fixed capital costs, which mitigates the risks of investments rooting in the internationalization of competition. However, the prolongation of operating hours is not an economic pressure affecting only in production plants. Delivery and stand-by times are to be also adjusted to the related expectations of the clients, and the same demand is surfacing on the part of the customers in connection with the opening hours in the service sector. All these factors lead to the wide-ranging spread of multi-shift employment, weekend shifts, evening and night work, as well as even more special working schedules.

Multi-shift jobs engage hardly one-fifth of employees; for men, the corresponding ratio is slightly higher than in the case of women.

Special schedules affect cc. 15% of all the employees, and mostly men again. Evening, night and weekend works are generally described with the collective term of anti-social work schedules. There are just a few employees who are forced to undertake these schedules regularly, yet occasionally they affect a large number of people. Here, the presence of men is much weightier than that of women.

10.8% of men employees work *regularly in the evening*, whereas for women the corresponding ratio is 7.3%. *Night work* affects 11% and 4%, respectively. In general, one-tenth of the employees are scheduled for *Saturday* works, and *Sunday* activities involve 7.3% and 5.4% of women, respectively.

Home employment covers 6.8% of all the employees, and there is hardly any difference as concerning the respective ratios of men and women. The currency of *distance work* is still very modest: only 2.

The participation of *self-employers* in atypical working activities is different from that of the employees. They cannot be characterized with distance work, either, which is absolutely not true for home-based work; the underlying reason can certainly be traced back in the fact that the business sites of enterprises tend to be accommodated in the places of residence of the entrepreneurs. From among entrepreneurs, there are much less people working in multiple shifts and evenings – regularly or occasionally – than employees, but at the same time there are much more of them being active in special schedules, as well as on Saturdays and Sundays. Within the group of self-employers, the participations of men and women in atypical forms work are rather similar to each other in comparison with employees.

As concerning fringe benefits, TÁRKI's finding is fairly informative: "Women face 7% smaller chances to receive fringe benefits; even if their positions, pays and durations spent at the respective companies are all considered in the model." (Munkaerőpiaci Tükör [Labour Market Mirror], p. 41, Wages and fringe benefits)

In general, it can be claimed that the pay gaps between the two sexes are mainly the consequences of discrimination surfacing in employment segregation. It is doubtless that there have occurred positive changes in the segregation of occupations on the grounds of sex since the change of the political regime up to date, yet these changes have proved to be insufficient.

The issue concerning the protection against dismissal is discussed under Question “G” below.

Question F:

Please indicate if, in your country, social security matters and the other provision listed in the Appendix are excluded from the scope of the Protocol.

Concurrently with the ratification, the Republic of Hungary did not make any declaration by way of which she would exclude social security matters from the scope of the Protocol, and thus these issues belong to the scope of the Protocol.

Social security matters, including benefits granted to old-age pensioners and widows, are subject to the social insurance and other social legal regulations, and accordingly issues associated with social security are discussed in the National Reports on the execution of Article 8, 12–14 and 16–17 of the Charter. Unemployment services are discussed in this National Report under Article 1 of the Charter pertaining to the right to work.

Question G:

Please state the specific measures taken in accordance with Article 1, paragraph 2, to protect women in employment or occupations, particularly with respect to pregnancy, confinement and the post-natal period.

Measures for the protection of women (general information):

Pursuant to the Labour Code, women and young employees may not be engaged in any work that would be detrimental to their constitution or development. Jobs where women or young employees may not be engaged, or may be employed only with the provision of specific working conditions and/or on the basis preliminary medical examinations are described in the relevant legal regulations.

For the protection of health or any other public interests, such legal regulations – in consultation with the National Interest Reconciliation Council – may as well set forth the criteria of the establishment of such labour relations beyond the associated provisions of the existing provisions of law, and require the availability of certain special qualifications or experience for the occupation of any given job.

Due to their sex, age, health conditions, a certain group of workers are exposed to increased risks even under identical working conditions. The appendix of the Decree contains the list of loadings that potentially deteriorate the health of the so-called vulnerable groups alongside with the loadings calling for disallowance. For instance, the list specifies what are the factors that should be considered for the employment of women, young people, pregnant women, people over the age of 45. The scope of the Decree covers all the employers who engage employees in the context of organized work defined in the Act on labour safety. Towards the fulfillment of the employer’s duties in connection with safe work not jeopardizing human health, the employer is obliged to appoint an employee, or attend such duties with the use of

external services. Employees are entitled to elect a labour safety representative from among themselves for the supervision of the execution of the employer's duties.

Measures for the protection of women with respect to pregnancy, confinement and the post-natal period:

In connection with the fact of pregnancy:

The employee may not be obligated to conduct any examination towards the ascertainment of pregnancy, or present any related certificate, unless it is so required in the context of the employee's examination and consultation in connection with her suitability for any given work under the relevant legal regulations. [Section (2) of Article 77 of the Labour Code]

From the date of the ascertainment of pregnancy until the date when the child accomplishes the age of one – on the basis of the presentation of the physician's opinion pertaining to suitability for any given work –, the women shall be temporarily transferred to any position as appropriate for her health conditions, or in the existing position the working conditions shall be modified accordingly. The new position may be assigned only with the employee's approval. [Section (1) of Article 85 of the Labour Code]

According to Decision no. 57 of the Labour College of the Supreme Court, any woman transferred to any other, temporary position due to her pregnancy shall be paid her average wage or salary received in her former position even if she has been transferred:

- to a position with shorter working hours, or
- from a position involving night work to any other position, or from a multi-shift job to a one-shift position.

The Decision also set forth that any pregnant women may be transferred to another job only with her consent.

In the event of adoption of a baby, the benefits pertaining to child-bearing women shall be granted to the woman involved in the adoption.

In connection with the leaves for the duration of pregnancy, confinement or post-natal period:

Pursuant to the Labour Code:

Section (1) of Article 138. Any pregnant or child-bearing woman shall be eligible for twenty-four weeks of maternity leave. This leave shall be issued so that four weeks should desirably fall prior to the expected date of confinement.

Section (2). The maternity leave shall be terminated:

- a) with the dead birth of the child, after six weeks following such an event;
- b) if the child dies, on the fifteenth day following the date of death;
- c) if the child – in conformance with separate legal regulations – has been temporarily placed to any other place, to temporary or permanent nursing, or placed to any boarding social institution for a term in excess of thirty days, on the date following such placement of the child.

(3) In the cases specified under Paragraph *b)-c)* of Section (2), the duration of the maternity leave – after confinement – may not be shorter than six weeks.

(4) If the child is nursed in any institution for the nursing of premature infants, any part of the maternity leave not utilized – within one year following the date of confinement – may be used after the release of the child from the institution.

(5) The employee shall be granted with unpaid leave

a) until the child accomplishes the age of three for the purpose of the child's home nursing;
 b) until the child accomplishes the age of ten, during the period of the disbursement of child-care allowance, provided that the employee nurses the child in her own home;

a) until the child accomplishes the age of twelve whenever the child becomes ill, for the purpose of home nursing;

(6) In the first six months of breast-feeding, women shall be given two times one hour of working time allowance a day, and thereafter one hour a day until the end of the ninth month. For twins, such working time allowance shall be granted in conformance with the number of twins.

In addition to normal paid leaves, employees may as well be entitled to receive other working time allowances, primarily due to their personal circumstances. Such allowances include the so-called maternity leave associated with the birth of children, thereafter unpaid leaves for the nursing of children, as well as 5 working days of working time allowance to be granted to fathers for the confinement period. Furthermore, the employer is obliged to permit the use of unpaid leaves to the employee in two distinct cases: due to the nursing of any close relative, as well as the for the construction of any own flat, house from own resources.

Pregnant and child-bearing women shall receive 24 weeks of maternity leaves for the duration of which they shall be paid maternity benefits on the basis of their employer's legal relations with the social insurance fund, and in an amount corresponding to 70% of the daily average pay.

After the expiry of this benefit, an unpaid leave may be requested for the home nursing of children until the children's age of 3, 10 and 12. Upon the employees' related requests, such unpaid leaves applied for with respect to the nursing of children shall be granted.

After the expiry of the maternity benefit – also on the basis of the social insurance regulations, and in view to the said insurance legal relations – child-care fees may be applied for until the children's age of 2. The amount of the child-care fee shall correspond to 70% of the average pay for a calendar day, but may be 70% of the double of the minimum wage as effective from time to time on a monthly basis, at the maximum. Child-care allowance may be applied for until the child accomplishes the age of 3, or for the home nursing of the child until the age of 10. Pursuant to Act LXXXIV of 1998 on the support of families, until the children's age of 1 the persons receiving child-care allowances may not be involved in any income-earning activity, but since 01 January 2006, after the children's age of 1 they have been allowed to be engaged in work with no time limitation (instead of the formerly effective 4 hours). If any child is nursed at home due to illness, until the child accomplishes the age of 12 the employee may use unpaid leaves with reference to this circumstance.

Breast-feeding women shall receive nursing working time allowance, and such periods shall be deemed to have been spent at work. For such periods, the employee shall be paid an absence fee. The same allowance shall be granted to mothers feeding their children artificially, as well as mothers who have adopted their children. Nevertheless, no allowance shall be given parents whose children have been placed to public nursing, institutional nursing unless the natural mother visits the infant home for the purpose of breast-feeding the child.

In connection with the termination of the labour relation:

The employer may not terminate the labour relation by way of ordinary cancellation during the period of

- sick benefits received for the nursing of sick children,
- unpaid leaves granted for the home treatment or nursing of close relatives,

- treatments associated with human reproduction procedures as specified in separate legal regulations,
- pregnancy, three months after confinement, as well as maternity leaves,
- unpaid leaves granted for the home treatment or nursing of children, and the disbursement of child-care allowance – even without using any unpaid leave – until the children’s age of three.

If the duration of the above-mentioned protection against dismissal exceeds

a) fifteen days,

a) thirty days,

any term of notice may be started only after fifteen or thirty days, respectively.

Question H:

Please state whether other specific measures for protecting women or men in matters covered by paragraph 1 of Article 1 exist and explain the reasons for such measures and their scope.

Issues regulated in paragraph (1) of Article 1 of the Additional Protocol have been discussed comprehensively in the foregoing.

Question I:

Please indicate whether there are occupations (if so, which ones) that are reserved exclusively for one or other sex, by specifying if it is because of the nature of the activity or the conditions in which it is carried out.

R list such health risk factors whose occurrence makes women employees unemployable or employable solely with the provision of certain additional conditions.

Pursuant to Article 50 of the Act on labour safety, the employees may be assigned only such work for the attendance of which they are suitable in terms of health conditions, as well as they have proper knowledge, skills and experience in safe working procedures that would not jeopardize health. Article 50/a sets forth that employees belonging to the vulnerable group of employees shall be protected from risks that are detrimental to their health in compliance with separate legal regulations. If any work may jeopardize the physical integrity, health of employees, the Minister for employment policy – in agreement with the Minister for health and the Minister for the given activity – may prescribe that such work may be performed only by persons who have adequate specialized qualifications (qualifications) and experience.

R is associated with these legal provisions, and states that any examination on the suitability for any given work shall be conducted in order to ascertain what strains are caused by the loading caused by activities in any given job and workplace, and whether the employees concerned are capable of bearing such strains. Any opinion given on suitability shall pertain to the job designated by the employer.

The purpose of any examination on the suitability for a given job shall be to judge:

a) whether the strains caused by the loading arising from the working activities and the working environment

aa) do not jeopardize the health, as well as physical and spiritual integrity of the employee,

ab) do not influence the employee’s health conditions negatively,

ac) do not cause any detriment to the physical, intellectual, psychic development of the employee’s children;

- b) whether any chronic disease or disability of the employee does not lead to accident risks in the course of the attendance of work;
- c) in the event of working activities in positions having high epidemiological significance the personal hygienic and health conditions of the employee do not jeopardize the health of others, and if the employee can be engaged in this given position;
- d) in what positions and under what conditions the employee may be engaged without the risk of the deterioration of the existing health conditions if the employee has temporarily or permanently altered working abilities;
- e) whether the employee may be further employed in the given job,
- f) whether the employee suffers from such a disease due to which the employee needs regular occupational health supervision during the attendance of the given job;
- g) whether during any work abroad the employee will be suitable in terms of health for the attendance of the professional tasks in the given foreign country. (Article 1, Article 3)

The Decree has a closer focus on certain special groups of employees. For instance, it prescribes that any examination on suitability for a given job and the related consultation shall consider that women (with special respect to those in their age of conception and pregnant women – in particular women in the early period of their pregnancy –, as well as mothers shortly after confinement and breast-feeding their children, or providing breast milk to others), young people (under the age of 18), ageing employees are not suitable, or suitable only under certain conditions for the attendance of work involving risks of health detriments or work conditions with dangerous loadings as listed in the Decree (Article 10–Article 10/B).

The list of loadings that are subject to bans on the employment of vulnerable groups (young people, pregnant women, mothers shortly after confinement and breast-feeding their children, or providing breast milk to others, as well as ageing employees), or permitted under certain conditions are contained in Appendix no. 8 of the Decree.

Appendix no. 8 of the Decree

Loadings potentially deteriorating the health of vulnerable groups of employees, and thus requiring bans

[Bans are indicated in the Appendix with the symbol +. The numbers in brackets (see the relevant explanations at the end of the table) indicate the respective conditions of employability.]

	Loadings	Preg nant	You ng peop le	<45	45-x	>x	You ng peop le	>x
		(1)	years of age				years of age	
		women						men
1.	Loadings arising from the work itself							
1.1.	Excessive physical loading							
1.1.1.	Dynamic muscular work							
1.1.1.1.	Work with medium difficulty	+	(3), (5)	(3)	(3)	(3), (5)		(5)

1.1.1.2.	Hard work	+	+	(3)	(3)	+	(3)	(3)
1.1.2.	Muscular work mainly involving static elements							
1.1.2.1.	Materials handling work	+				+		
1.1.2.2.	Elevation of > 10 kg weight	+	(5)	(5)	(5)	+	(5)	(5)
1.1.2.3.	Work performed in constrained postures	+	(5)	(5)	(5)	+		(5)
1.1.2.4.	Work involving the accumulation of micro-traumas on the small joints of the hand	+	(5)		(5)	(5)	(5)	(5)
1.2.	Increased psychic loading							
1.2.1.	Activities performed under the conditions of time constraints (individual serving of machines, production lines or line-type technologies) if the operating time for the execution of periodically repeated activities consisting of some elementary operations does not exceed 3 minutes, and there is no organized exchange of activities	+	+		(5)	(5)	+	(5)
1.2.2.	Activities involving increased psychic loading or special attention (decision-making duties under time constraints, registration and interpretation of large masses of information with differing meanings, fulfillment of high-precision control functions in any environment featuring disturbing stimuli) if such activities exceed 50% of the statutory working time	+	+			(5)	+	(5)
1.3.	Work involving such risks in excess of the average extent that may jeopardize the employee's or others' health, physical integrity (9)	+	+	(5)	(5)	(5)	+	
2.1.	Workplace climate with increased loading							
2.1.1.	Heat loading							
2.1.1.1.	Hard physical work performed in heat exposure	+	+	+	+	+	+	+
2.1.1.2.	Physical work with medium difficulty	+	+			(5)	+	(5)
2.1.1.3.	Light physical work	+	+				+	
2.1.2.	Work performed in a cold working environment	+	+				+	
2.1.3.	Work performed in alternating cold and warm environments	+	+					(5)
2.1.4.	Work performed in a wet working environment	+	(5)				+	(5)
2.2.	Hand/arm vibration over 2.5 m/s ² exposure	+	+	+	+	+	+	
2.3.	Work involving vibration on the entire body: over 0.5 m/s ² exposure	+	+	+	+	+	+	
2.4.	Work in ionizing ray exposure	+	+				+	
2.5.	Microwave ray exposure	+	+				+	
2.6.	Work performed in noise exposure: 87 dBA equivalent calculated with respect to the noise-reduction capability of the personal hearing-protection equipment applied Daily exposure to any level in excess of the sound pressure level, as well as momentary noise impact on the employee in excess of the 140 dBC peak sound pressure level	+	+				+	
2.7.	Work performed in overpressure	+	+			(5)	(5)	+

2.8.	Exposure to very toxic chemical substances that deteriorate reproduction, are carcinogenic, teratogenic, mutagenic:							
2.8.1.	Work involving the manufacturing, neutralization, packaging and direct application (spraying, pulverization, gasification) of plant-protecting agents with properties described in 2.8 (including all the organic phosphoric acid esters irrespectively of their individual properties)	+, (2)	+	(5), (8)		(5)	+	(5)
2.8.2.	Work involving the manufacturing, packaging and application of organic solvents	+, (2)	+	(5)		(5)	+	(5)
2.8.3.	Work involving the manufacturing, processing, use of mercury and mercury compounds, indium and indium compounds, chromium VI and chromium VI compounds	+, (2)	+	(5)		(5)	+	(5)
2.8.4.	Work involving the manufacturing, packaging, operating use of antibiotics	+, (2)	+	(5)		(5)	+	(5)
2.8.5.	Work involving the manufacturing, packaging of hormones, hormone products	+, (2)	+	(5), 8		(5)	+	(5)
2.8.6.	Carcinogenic substances specified in separate legal regulations	+, (2)	+	(5)			+	
2.8.7.	Exposure to the following chemical substances:							
	aminopterine	+, (2)	+	(5), (8)			+	
	anti-coagulants	+, (2)	+	(5), (8)			+	
	work involving the manufacturing, packaging, use of cytostatic agents	+, (2)	+	(5), (8)			+	
	diphenyl-hidantoine	+, (2)	+	(5), (8)			+	
	manufacturing, processing, packaging of tobacco products	+, (2)	+	(5), (8)			+	
	phenol	+, (2)	+	(5), (8)			+	
	halothane	+, (2)	+	(5), (8)			+	
	iodine-containing medicines, combines and sequential oral contraceptives	+, (2)	+	(5), (8)			+	
	melphalane	+, (2)	+	(5), (8)			+	
	methyl-CCNU	+, (2)	+	(5), (8)			+	
	non-.steroid oestrogenic substances	+, (2)	+	(5), (8)			+	
	nicotine	+, (2)	+				+	
	tireostatic agents			(5), (8)				
	treo-sulphane	+, (2)	+	(5), (8)			+	

	Substances deteriorating reproduction, Category 1	+, (2)	+				+	
2.8.8.	Substances deteriorating reproduction, Category 2	+	+				+	
2.8.9.	Mutagenic substances, Category 2	+	+				+	
	hexa-methyl-phosphorus triamide	+	+				+	
	di-ethyl sulphate	+	+				+	
	benz(a)pyrene	+	+				+	
	benz(d,e,f)chrysene	+	+				+	
	1,2 dibromo-3-chloride propane	+	+				+	
	ethylene oxide	+	+				+	
	methyl-acryl-amidomethoxy-acetate (with $\geq 0.1\%$ acryl-amide content)	+	+				+	
	methyl-acryl-amido-glycolate (with $\geq 0.1\%$ acryl-amide content)	+	+				+	
	ethylene-imiline; aziridine	+	+				+	
acryl-amide	+	+				+		
2.9.	Dust exposure causing pulmonary fibrosis	+	+				+	
2.10.	Work involving the risk of or exposure to toxoplasm and rubeola virus infection, unless adequate protection has been provided to pregnant workers by way of immunization	+	+				+	

Legends:

+ Ban.

(1) The ban applies to pregnant women, child-bearing and breast-feeding workers.

(2) The ban also applies to workers delivering breast milk to others.

(3) 70% of the value for men as specified in Appendix M1 of Hungarian Standard MSZ 21875:79.

(4) Cancelled.

(5) Case-by-case decision in the framework of basic services, including examination on suitability for the given job and ergonomic studies on the job, as well as loading-strain analysis.

(6) Except for works involving light-diving research activities (e.g. archeology).

(7) Work in jobs involving underground mining, deep-drilling for mineral oil and natural gas mining, case-by-case decision in conformance with Section (5) above, except for: women not involved in physical work, or those who are required to spend some time in underground mining or drilling derricks for the purpose of their professional training.

(8) The examination conditions and the examination itself for early pregnancy (pregnancy < day 14) shall be ensured. For the protection of early pregnancy, women in their conception age may be employed for work with the substances indicated as (8) (in connection with the manufacturing, packaging, as well as – for plant-protective agents – application of these substances) only if the employer provides for quick tests required for diagnosing early pregnancy. Such quick tests shall be provided to women employees in family planning by way of the physician of the occupational health services whenever the fact of family planning has been notified to the physician, and the method and date of the application of the quick test have also been discussed in advance with the physician, and at the same time the employee makes a written statement that she will act as agreed in the discussion, and inform the occupational health physician on any outcome of the test within 24 hours.

(9) Jobs, activities specified in Appendix 4.

x Retirement age for the given individual.

* Substances deteriorating reproduction, Category 1.

The opinion given on suitability for a given job shall describe whether the examined person is suitable or not, or temporarily suitable or not for the given job, activities. If the person is suitable, the employer may not engage him in any other job until any change to be confirmed by a repeated examination (Article 13).

It is to be noted that under Decision no. 97 of the Labour College of the Supreme Court any discrimination clearly arising from the properties or nature of the work, especially distinctions established in connection with all the material and lawful conditions pertaining to the employment, may not be deemed as negative discrimination. Accordingly, the Supreme Court lays down that lawfully the employer may insist on the occupation of certain jobs only by men exclusively at workplaces where the properties or nature of the work, working conditions exclude the employment of women. It can be ascertained in the light of the above-mentioned legal regulations.

List of the main legal regulations referenced in the National Report

Act XX of 1949 on the Constitution of the Republic of Hungary

Act IV of 1991 on the promotion of employment and services to the unemployed

Act XXII of 1992 on the Labour Code

Act XXIII of 1992 on the legal status of civil servants

Act III of 1993 on social administration and social services

Act XCIII of 1993 on labour safety

Act CXXV of 2003 on equal treatment and the promotion of equal opportunities (abbreviated as Ebktv.)

Decree no. 33/1998 (June 24) by the Minister of Public Welfare on the medical examination on job-related, professional and personal hygienic suitability and consultation