European Social Charter | Charte Sociale Européenne

COUNCIL OF EUROPE CONSEIL DE L'EUROPE

15/04/2013 RAP/RCha//2(2013)

EUROPEAN SOCIAL CHARTER

2nd National Report on the implementation of the Revised European Social Charter

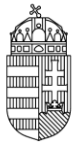
submitted by

THE GOVERNMENT OF HUNGARY

(Articles 1, 9, 10, 15 and 20
for the period of
01/01/2007 – 31/12/2010)

Report registered by the Secretariat on
12 April 2013

CYCLE 2012



National Report

Eighth Report

on the implementation of the European Social Charter and the Revised European Social Charter

Submitted by the Government of Hungary

covering the period from 1st January 2007 until 31st December 2010

Budapest, February 2013

Pursuant to Article C of Part IV of the Revised European Social Charter, the implementation of the commitments undertaken in the Charter shall be submitted to the same supervision as the European Social Charter. Under the reporting procedure set out in Article 21 of the European Social Charter, the reporting obligation extends to the accepted articles of the European Social Charter. On the basis of Resolution CM(2006)53 of 3 May 2006 of the Committee of Ministers of the Council of Europe, the national report of the year 2011 shall cover the topics of "Employment, Training and Equal Opportunities".

The report shall cover the implementation of the following articles of the European Social Charter and the Revised European Social Charter, ratified and approved by Hungary, with regard to the period indicated in the Table:

Provision	Reference period covered by the report
Article 1 (1)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 1 (2)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 1 (3)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 1 (4)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 9	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 10 (1)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 10 (2)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 10 (3)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 10 (4)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 10 (5)	1 June 2009 - 31 December 2010 (Revised Charter)
Article 15 (1)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 15 (2)	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)
Article 15 (3)	1 June 2009 - 31 December 2010 (Revised Charter)
Additional Protocol, Article 1/Article 20	1 January 2007 - 31 May 2009 (Charter) + 1 June 2009 - 31 December 2010 (Revised Charter)

From the Articles above, this is the first time a report is prepared concerning Article 10 (5) and Article 15 (3). The implementation of the other Articles with regard to the period between 1 January 2005 and 31 December 2006 was covered in National Report 5, and, accordingly, the information provided in those reports is updated and complemented.

This National Report was made on the basis of the questionnaire approved by the Committee of Ministers of the Council of Europe on 26 March 2008, and it contains the replies of the Government to the questions asked by the European Committee of Social Rights (hereafter:

ECSR) in its letter dated 11 December 2007, in its Conclusions No XIX-1 of 2008, and in its letter dated 24 June 2012 in connection with the implementation of the above articles.

Taking into consideration the fact that, pursuant to Article 23 of the Charter, national organisations with membership of international employers' and employees' organisations may deliver an opinion on this National Report, the report was sent to the relevant parties of the National Economic and Social Council (NGTT).

LIST OF REFERENCED LEGISLATION

- Act IV of 1959 on the Civil Code of Hungary (Ptk.)
- Act IV of 1991 on the promotion of employment and services to the unemployed (Flt.)
- Act XXII of 1992 on the Labour Code (Mt.)
- Act XXIII of 1992 on the legal status of civil servants (Ktv.)
- Act XXXIII of 1992 on the legal status of public employees (Kjt.)
- Act XXXVIII of 1992 on public finances (Áht.)
- Act III of 1993 on social administration and social services
- Act LXXIX of 1993 on public education
- Act I of 1996 on radio and television broadcasting
- Act LXXV of 1996 on labour inspection (Met.)
- Act LXXXI of 1996 on corporate tax and dividend tax
- Act LXXIV of 1997 on employment with a casual work certificate and on the simplified procedures for the payment of associated public dues
- Act LXXVIII of 1997 on the shaping and protection of the built environment
- Act LXXXI of 1997 on social security pensions (Tny.)
- Act CXL of 1997 on museum institutions, public library services and public education
- Act XXVI of 1998 on the rights and equal opportunities of persons with disabilities
- Act XCV of 2001 on the legal status of the professional and contracted military personnel of the Hungarian Defence Forces
- Act CI of 2001 on adult education
- Act LXXXVI of 2003 on vocational training contribution and support for the improvement of vocational training programmes
- Act XCII of 2003 on the rules of taxation (Art.)
- Act CI of 2003 on postal services
- Act CXXV of 2003 on equal treatment and the promotion of equal opportunities
- Act CXXXIX of 2005 on higher education
- Act CLXXXIII of 2005 on railway transport
- Act LXXXIV of 2007 on the rehabilitation allowance
- Act CVII of 2008 on the amendment of certain acts pertaining to social affairs and employment
- Act LX of 2009 on electronic public services
- Act CLII of 2009 on simplified employment (Eft.)
- Act CXXV of 2009 on Hungarian sign language and the use of Hungarian sign language
- Act LXXV of 2010 on simplified employment
- Act XC of 2010 on the creation and amendment of certain acts pertaining to economic and financial affairs

- Government Decree No. 253/1997 (XII.20.) on national settlement planning and building requirements
- Government Decree No. 118/2001 (VI. 30.) on the registration, and the conditions for the continuation, of activities related to employee hiring and private employment agencies
- Government Decree No. 177/2005 (IX. 2.) on subsidies that may be given to employers employing workers with reduced working capacity
- Government Decree No. 112/2006 (V. 12.) on the authorisation and subsidisation of social work
- Government Decree No. 291/2006 (XII.23.) on the National Employment Service

- Government Decree No. 51/2007 (III. 26.) on allocations to students in higher education and payments to be made by them
- Government Decree No. 85/2007 (IV. 25.) on discounts in public passenger transport
- Government Decree No. 213/2007 (VIII. 7.) on the National Rehabilitation and Social Expert Institute and its detailed rules of procedure
- Government Decree No. 92/2008 (IV. 23.) on basic examinations performed on persons with disabilities, the confirmation of eligibility for rehabilitation, and the review of the condition of persons treated in social institutions
- Government Decree No. 70/2009 (IV.2.) on the support of part-time employment to provide a possibility for fresh graduate skilled job seekers and to prevent layoffs
- Government Decree No. 132/2009 (VI. 19.) on subsidies that may be provided within the framework of the Social Renewal Operational Programme, Priority 1, Scheme 1.1.2: "Decentralised programmes for the employment of disadvantaged people", and Social Renewal Operational Programme, Priority 1, Scheme 1.1.1: "Promoting the rehabilitation and employment of people with reduced working capacity"
- Government Decree No. 292/2009 (XII. 19.) on the operational rules of the state budget
- Government Decree No. 328/2009 (XII. 29.) on scholarships in vocational schools

- Joint EüM-PM (Ministry of Health and Ministry of Finance) Decree No. 8/1983 (VI. 29.) on the employment of and social benefits for employees with reduced working capacity
- MüM (Ministry of Labour) Decree No. 6/1996 (VII. 16.) on subsidies promoting employment and subsidies that may be granted from the Labour Market Fund for crisis situations
- GM (Ministry of Economic Affairs) Decree No. 30/2000 (IX. 15.) on labour market services and subsidies that may be granted in connection with them
- IHM (Ministry of Informatics and Telecommunications) Decree No. 14/2004 (IV. 24.) on requirements for the quality of postal services related to the protection of consumers and access of persons with disabilities to postal services
- FMM (Ministry of Employment and Labour) Decree No. 15/2005 (IX. 2.) on the detailed rules for the determination of budgetary subsidies for the employment of persons with reduced working capacity
- IHM (Ministry of Informatics and Telecommunications) Decree No. 6/2006 (V. 17.) on the amateur radio service
- SZMM (Ministry of Social Affairs and Labour) Decree No. 14/2006 (XII.28.) on the competence of regional employment centres
- OKM (Ministry of Education and Culture) Decree No. 4/2010 (I.19.) on pedagogical special services
- Government Decree No. 1057/2005 (V. 31.) on measures necessary to implement the strategy for the development of vocational training

Table of contents

ARTICLE 1 - THE RIGHT TO WORK

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

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;

1) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE, CAUSES AND SCOPE OF THE REFORMS

Presentation of the policy adopted by the government to attain and retain full employment, and details of the measures and programmes implemented during the period of concern, aiming at the highest and most stable level of employment possible.

I. Changes in the support of/benefits to job seekers between 2007 and 2010

Regulations in force on 1 January 2007

A total of six types of benefits were defined as job seeker's benefits, under the umbrella term job seeker's support: job seeker's allowance, three types of job seeker's aid, reimbursement of costs and entrepreneurial benefit. Job seeker's benefits/support are regulated by Act IV of 1991 on the promotion of employment and services to the unemployed (Flt.), more specifically Section V and, as regards entrepreneurial benefit, Sections 44 - 46/A of the Act.

1. Job seeker's allowance was paid to people registering themselves as job seekers, provided that over the four-year period preceding the date of becoming a job seeker they had an employment record of **at least three hundred and sixty-five days,** were not entitled to disability or work accident-related disability pension, did not receive sick pay, wanted to find a job, but their independent job search activity was unsuccessful, and the public employment service was also unable to offer them a suitable job.

The **amount of the job seeker's allowance** had to be calculated on the basis of the average wage of the job seeker over the four calendar quarters preceding the date of becoming a job seeker. Average wages were confirmed by the employers in a manner specified by law. If a job seeker was employed by more than one employer over the four calendar quarters preceding the date of becoming a job seeker, the amount of the job seeker's allowance had to be calculated based on the average wage received from all of those employers. If the average wage of the job seeker could not be determined for the period specified, the amount of the job seeker's allowance had to be calculated on the basis of the national average of the position last filled by them before they became job seekers, or the national average of a similar position. In that period, the basis of daily job seeker's allowance was one-thirtieth of the average monthly wage of the job seeker. The amount of the job seeker's allowance in the first period of disbursement - which lasted until the half of the disbursement period, but for a maximum of 91 days - **is 60 percent of the allowance base**. The amount of the job seeker's allowance in the second period of disbursement is **60 percent of the mandatory minimum wage** on the

first day of entitlement to the job seeker's allowance. If the average wage is less than the lower limit of the job seeker's allowance, the job seeker's allowance is an amount equal to the average wage in both periods of disbursement. The upper limit of the job seeker's allowance in the first period is 120% of the mandatory minimum wage. If a person entitled to the job seeker's allowance was paid by their previous employer a rehabilitation wage supplement, the amount of the job seeker's allowance could be proportionately higher than the upper limit.

The **period of disbursement of the job seeker's allowance** had to be determined based on the period of time spent by a job seeker in employment over the four calendar years preceding the date of becoming a job seeker. The period of employment should not include the duration of employment in which the job seeker was paid job seeker's allowance. The four-year period defined above had to be extended by the following periods: regular or reservist military service, civilian service, illness leading to absence from work, sick leave for the purpose of taking care of a sick child, disbursement of pregnancy-confinement benefit, child care fee, or child home care allowance, disability or work accident-related disability pension, regular social annuity, temporary annuity, as well as health damage annuity for miners, custody, imprisonment and confinement, disbursement of nursing fee and child raising support, and full-time studies, provided that no employment relationship was established during these periods. The period of disbursement of the job seeker's allowance was calculated on the basis of the period of employment in a way that **five days of employment** corresponded to one day of allowance disbursement. The **longest period of disbursement of the job seeker's allowance was 270 days.** The first day of disbursement of the job seeker's allowance is the day when the job seeker applies to the public employment service. If the employment was terminated within the 90-day period preceding the date of becoming a job seeker by termination with notice by the employee or by termination without notice by the employer, the job seeker's allowance was available from 90 days after the end of the employment relationship terminated as described above. The period between the date when the job seeker applied to the public employment service and the first day of disbursement of the job seeker's allowance did not count towards the disbursement period of the job seeker's allowance.

If the person receiving job seeker's allowance established an open-ended employment relationship with full-time or at least four hours' part-time employment before the end of the period of disbursement of the allowance, at their request, half of the amount of the allowance still outstanding for the remaining part of the disbursement period **had to be paid in a lump sum**. Further, such payment was conditional upon the continuous employment of the person receiving the job seeker's allowance from the date when the allowance was terminated to the date of the above-mentioned payment.

The disbursement of the job seeker's allowance **had to be discontinued, if** the job seeker requested such termination, they received job seeker's allowance and was cancelled from the records, became entitled to old-age, disability or work accident-related disability pension, engaged in paid employment, except for employment with a casual work certificate, agreed to an educational programme with a grant reaching the applicable mandatory minimum wage, pursued full-time studies at an education institution, or exhausted the period of disbursement of the job seeker's allowance.

The disbursement of the job seeker's allowance **had to be suspended** for the following periods: if the job seeker received pregnancy-confinement benefit, child care fee, or child home care allowance, for the period of disbursement, for the period of pre-trial detention, imprisonment, confinement, except if the imprisonment was ordered to commute a fine, for

the period of public work, for the period of short-term paid employment for a maximum of ninety days, provided that the notification obligation was observed, for the period of receivingwage compensation allowance, as well as for the period of work with a casual work certificate.

Benefits of types **2-4**: **At the job seeker's request, job seeker's aid** had to be granted if they were not entitled to disability or work accident-related disability pension, did not receive sick pay, wanted to find a job, but their independent job search activity was unsuccessful, and the public employment service was also unable to offer them a suitable job. As a further condition for granting **support of type 1**, the job seeker's allowance had to be granted for the job seeker for a period of at least 180 days, and such period had to be exhausted. If the job seeker was over 50 years of age, **the maximum period of disbursement was 180 days, otherwise 90 days.**
Job seekers were entitled to job seeker's aid of type 2 if they had an employment record of at least 200 days over the four-year period preceding the date of becoming a job seeker, and they were not entitled to job seeker's allowance. In that case, the maximum period of disbursement of the benefit was 90 days.
To receive job seeker's aid of type 3, on the date of filing the application, the job seeker had to be at an age that is maximum five years before the retirement age applicable to them, and they had to have received job seeker's allowance for a period of at least 140 days, and the period of disbursement of the job seeker's allowance had to be exhausted. As a further condition, the job seeker had to reach the age defined above within three years after exhausting the period of disbursement of the job seeker's allowance, and had to have a period of service necessary for receiving old-age pension. The benefit was paid for the period until the job seeker became entitled to old-age, disability or work accident-related disability pension.

The **amount of the job seeker's aid** was **40 percent of the mandatory minimum wage** in force on the date of filing the application. If the average wage of the 4 calendar quarters preceding the date of becoming a job seeker was lower than the above amount, the amount of the job seeker's aid was equal to the average wage.

The disbursement of the job seeker's aid **had to be discontinued** in the cases described for the job seeker's allowance, except for the benefit of type 3, where, in case of paid employment, disbursement had to be discontinued irrespective of the duration of paid employment.
The disbursement of the job seeker's aid had to be suspended in the cases described for the job seeker's allowance, except for the benefit of type 3, where it had to be suspended for the period of paid employment, irrespective of its duration, and for 90 days if the job seeker did not observe the notification obligation. If the job seeker became entitled to job seeker's allowance as a result of paid employment during the suspension of the disbursement of the job seeker's aid of type 3, the disbursement of the aid had to be suspended also for the period of disbursement of the job seeker's allowance. In the latter situation, after the period of disbursement of the job seeker's allowance had been exhausted, the disbursement of the job seeker's aid had to be continued.

5. An entrepreneurial benefit was paid to persons who were job seekers, pursued an activity as a private entrepreneur or as a member in a partnership for at least 365 days within the four-year period preceding the date of becoming a job seeker, were not entitled to disability or work accident-related disability pension, did not receive sick pay, wanted to find a job, but the

competent employment centre was unable to offer them a suitable job.

The **amount of the entrepreneurial benefit** had to be calculated based on the income used as a basis for the entrepreneurial contribution. For the purposes of the calculation, the income to be taken into account was that of the last calendar year within the period of four calendar years preceding the date of becoming a job seeker in which the job seeker paid entrepreneurial contribution for at least six months. If there is no such calendar year, the amount of the entrepreneurial benefit had to be based on the mandatory minimum wage in force in the calendar year preceding the date of becoming a job seeker. A certificate of the relevant income was issued by the tax authority. The calculation of the entrepreneurial benefit was based on **65 percent of the monthly average of the income** determined. The lower limit for the monthly amount of entrepreneurial benefit is equal to 90 percent of the smallest amount of old-age pension in force on the first day of entitlement to entrepreneurial benefit, while its upper limit was double the amount determined in the above manner.

The **period of disbursement of the entrepreneurial benefit** had to be determined on the basis of the period in which the job seeker pursued an activity as a private entrepreneur or as a member of a partnership over the four years preceding the date of becoming a job seeker, and met their obligation to pay entrepreneurial contribution during the period of pursuing such activity. The four-year period defined above had to be extended by the following periods: regular or reservist military service, civilian service, illness leading to absence from work, sick leave for the purpose of taking care of a sick child, disbursement of pregnancy-confinement benefit, child care fee, or child home care allowance, disability or work accident-related disability pension, regular social annuity, temporary annuity, as well as health damage annuity for miners, custody, imprisonment and confinement, disbursement of nursing fee and child raising support, provided that, during such periods, the job seeker had no employment relationship and did not pursue the entrepreneurial activity mentioned above. For the purposes of calculating the period of disbursement of the entrepreneurial benefit, **five days of contribution payment** corresponded to one day of benefit disbursement. The **longest period of disbursement of the entrepreneurial benefit was 270 days.** The first day of disbursement of the entrepreneurial benefit was the calendar day following the date on which the job seeker applied to the public employment service (or an affiliate thereof).
The provisions concerning the job seeker's allowance had to be applied for the discontinuation and suspension of the entrepreneurial benefit.

If a job seeker was entitled to both job seeker's allowance and entrepreneurial benefit, **both benefits had to determined**, and the first day of disbursement of the job seeker's allowance could not be earlier than the day following the date on which the period of disbursement of the entrepreneurial benefit was exhausted. The period of entitlement to the job seeker's allowance and the period of entitlement to the entrepreneurial benefit had to be added up if the job seeker reached more than half of the period necessary for entitlement to at least one of the benefits, and the sum of the two periods reached the period necessary for entitlement to at least one of the benefits. In that case, the benefit to be granted was the one for which the job seeker reached more than half of the entitlement period. If the job seeker reached more than half of the entitlement period for both benefits, the benefit to be granted was the one whose entitlement period preceded the date of becoming a job seeker.

6. The **reimbursement of costs** meant that any justified costs arising from the use of interurban public transport in connection with the application for job seekers' support (unemployment benefit) or entrepreneurial benefit, or in connection with the job search

activity had to be reimbursed. In justified cases, legislative rules could also allow the reimbursement of the costs of local transport.

Major changes:

1. As far as job seeker's allowances determined after 1 January 2009 are concerned, if the job seeker established an employment relationship with the conditions described earlier prior to the exhaustion of the job seeker's allowance, the **amount of the remaining part of the job seeker's allowance to be paid in a lump sum was modified as follows**: if the employment relationship was established in the **first period** of disbursement, **80 percent** of the benefit payable for the remaining part of the period, and if the employment relationship was established in the **second period** of disbursement, **30 percent** of the benefit payable for the remaining part of the period

2. **The entrepreneurial benefit was discontinued as of 1 January 2010.** As of 1 January 2010, the benefit was determined on the basis of the entitlement period, rather than employment, and the basis used for calculating the job seeker's allowance was also modified. For benefits determined as a result of applications filed after 1 January 2010, it was no longer the average wage that had to be taken into account, but the basis of the labour market contribution, which was also certified by the employer in a manner specified by law. In practice, this modification mostly did not change the amount of the job seeker's allowance. It was not allowed to take into account the rehabilitation wage supplement when calculating the job seeker's allowance. The entitling period is the period of time during which the job seeker was in employment or pursued an activity as a private entrepreneur or a member of a partnership over the four years preceding the date of becoming a job seeker, provided in the latter case that they met their obligation to pay contributions during the period of pursuing the entrepreneurial activity. If there is no basis for the allowance in the preceding four calendar years, the calculation of the allowance must be based on the monthly average of the allowance base reached over a shorter period. If the job seeker had no allowance base whatsoever in the preceding four calendar years, the job seeker's allowance must be determined based on 130 percent of the mandatory minimum wage in force on the first day of entitlement. If the amount taken into account for the calculation of the allowance was lower than the minimum wage, the daily amount of the job seeker's allowance is 60 percent of the average allowance base in both periods.

3. On 31 March 2010, the temporary allowance was introduced. A temporary allowance may be paid to a job seeker until evidence is delivered - as required for entitlement to job seeker's allowance or job seeker's aid - of an entitlement period acquired in another member state of the European Economic Area, or for professional income, salary or average wage, or for any unemployment benefit used. The period of disbursement of the temporary allowance may not be longer than 180 days. The amount of the temporary allowance is 60 percent of the mandatory minimum wage in force on the date when the application is filed.

4. As of 1 August 2010, the job seeker's allowance did not have to be suspended for the period of employment qualifying as casual work. However, from this date, the period of employment qualifying as casual work during the period of disbursement of the job seeker's allowance cannot be taken into account as entitlement period in case of job seeker's allowances determined after the exhaustion or termination of the period of

disbursement of the job seeker's allowance.

II. Employment with a casual work certificate

Act LXXIV of 1997 on employment with a casual work certificate and on the simplified procedures for the payment of associated public dues entered into force on 1 September 1997.

Recognising shorter periods of occasional work as employment, the legislative regulation of casual work aimed to provide entitlement to social security and unemployment benefits primarily to the long-term unemployed. One of the advantages of employment with a casual work certificate was that the employer could clear all payments related to salary-based contributions and the personal income tax advance payable by the employee by sticking duty stamps attesting these payments into the casual work certificate in an amount corresponding to the salary paid for the casual work. Such duty stamps entitled the employee to use certain types of social security services – also taking into consideration the amount of the service base underlying the duty stamps – such as healthcare services, emergency healthcare services, pension or unemployment benefit. The use of the casual work certificate qualified as employment, and was therefore regarded as a form of work under a legal employment relationship. Because casual work qualified as employment, it was suitable for entitling the employee to unemployment benefit after 200 days of employment. If the annual income of a temporary employee was lower than HUF 433,333, and they had no more income liable to taxation, salaries earned in temporary employment did not have to be declared.

A casual work certificate entitled its holder to work for the same employer for a maximum of five consecutive calendar days, for a maximum of fifteen calendar days within a calendar month, and for a maximum of ninety calendar days within a calendar year, or, if the employer is a private individual or a priority public benefit organisation, for a maximum of one hundred an twenty calendar days within a calendar year. The casual work certificate was regarded as a public document containing the employment record of an employee in positions qualifying as temporary employment, in which entries could only be made by the issuer or the employer (except for the employee's signature). For agricultural employers, the 15-day monthly limit did not apply, and 120 days were allowed as the maximum duration of the legal relationship. Similarly, the 15-day monthly limit did not apply for seasonal agricultural work done by a foreign employee in Hungary with a permit, where the maximum duration of the legal relationship was 60 days.

To promote part-time work and atypical forms of employment, it seemed to be justified to decrease the amount of duty stamps, in addition to the possibility of the simplified payment of public duties. To that end, Act LXXIV of 1997 was amended as of 1 September 2002, decreasing the value of duty stamps by 50% or, in certain salary payment categories, by an even greater percentage. The main goal of the act was still to promote the employment of registered unemployed people with a casual work certificate. With a view to that, if an employer took on an unemployed person registered at the employment centre, the amount of duty stamps used for the payment of their public liabilities was further reduced, to approximately a quarter of the previous amount. Application for a casual work certificate was open to anyone free of charge at the competent employment offices at the permanent or temporary place of residence, as well as at certain municipal governments, which signed a corresponding agreement with the employment office. Employees had to submit their casual work certificate to the employment office by 15 January of the year following the year in

question, and, subsequently, the office provided the relevant data about employees who had been provided with a casual work certificate to the tax authority electronically by 31 March of the year following the year in question. The national tax authority provided the data received from the employment office to the heath insurance organisation, to the pension insurance organisation responsible for the Pension Insurance Fund and the private pension funds annually ex officio, by 31 August of the year following the year in question.

Casual work certificates became increasingly popular, and the number of casual work certificates steadily increased after they were introduced. In 2007, there were a total of 935,789 valid casual work certificates. This figure was more than 500 thousand higher than in the year before. The number of casual work certificates in circulation more than doubled in a year, while their number in 2007 was 29 times higher than in 2001. The rate of the growth was significantly higher than in the year before (123% vs. 52%).
The largest number of certificates was issued in counties with a difficult labour market situation (Borsod, Szabolcs, Hajdú-Bihar), "agricultural counties" (Békés, Bács-Kiskun, Csongrád), in Pest county and in Budapest.

During the year 2008, a total of 460,600 casual work certificates were issued by employment offices all around the country. The number of casual work certificates issued was 7.9% higher than that of the "booklets" issued in 2007. As far as the number of casual work certificates issued is concerned, after the dynamic growth in the first half of the decade, the last three years were characterised by a more moderate growth (although, as mentioned earlier, this is partly due to the fact that after August 2005 – unlike the previous practice – it became possible to use the booklets until they were full).

In the year 2009, there were 1,555,970 people possessing a valid casual work certificate. This was 278,200 more than in the year before, and the number of valid booklets was 21.6% higher than in 2008. Overall, the number of confirmed working days was 41.2% higher in 2008 than a year before. This means that in 2008 employees worked 3.1 million more days with a casual work certificate than in 2007. The most dynamic growth was seen in Northern Hungary (50.8%), in the Southern Great Plain (48.7%) and in the Northern Great Plain (45.8%) in a year-on-year comparison. Among the counties, Bács-Kiskun and Szabolcs-Szatmár-Bereg stand out, with a 68-70% increase in the confirmed number of people working with a casual work certificate compared to the year before. The total number of persons with a valid casual work certificate (more than one and a half million) means that nearly four in ten (37%) of the economically active population (between 15 and 74) had a booklet. The region with the highest rate of people possessing a valid casual work certificate compared to the economically active population is the Southern Great Plain, more specifically Békés county (59.4%), but the corresponding figure was also around 50% in three other regions with an unfavourable labour market situation (Northern Great Plain and Southern Transdanubia). At the same time, in Central Hungary less than 17.2% of the economically active population had a casual work certificate.

The most important area of use of casual work certificates is **seasonal agricultural work**, various types of **unskilled work** and **catering work**.

The steady growth was attributable to several factors: pursuant to a legislative change, the booklet could be used continuously, not only in the year of issue, labour inspections became more and more frequent; there were increasing endeavours to legalise employment. According to data from Central Statistical Office (KSH), the number people in the "other

inactive" category (not a student, not a pensioner, not on maternity leave, etc.) decreased sharply. In 2007, 70% of the holders of valid casual work certificates were registered job seekers, a little more than 15% were in employment, and 11% were students or pensioners. As compared to the year before, the rate of growth varied in each group: the number of valid casual work certificates used by registered job seekers increased above average (150%), while the number of booklets held by people in employment increased at a below-average rate, but even so it was double the previous figure. Nevertheless, looking at the growth trend, it can be established without doubt that the most dynamic growth was achieved in the number of casual work certificates held by people in employment, where the rate of growth was – with the exception of one or two years – higher than that of the increase in the number of booklets used by registered job seekers. As another important change, while at the turn of the millennium a significantly higher proportion of those holding a casual work certificate (26% in 2001) belonged to the group "other" (homemakers, on maternity leave, other inactive), this rate fell to 2% by 2007.

However, the casual work certificate **gave rise to much abuse.** Information was frequently filled in and stamps were stuck in the booklet subsequently, legalising employment "retrospectively". There was a growing number of cases where the casual work certificate, qualifying as a public document, was falsified using temperature-sensitive ink or pens with chemical ink that could be erased without a trace. The technique of easily erasing the traces of employment was primarily used in the construction industry and in agriculture. Unfortunately, this kind of abuse was also found in temporary employment relationships during the construction of the M6 motorway. It was also not uncommon for employers to use various techniques to force employees to pay for the duty stamps, although this was always the employers' responsibility.

The increase in the number of casual work certificates held by people in employment indicated the fact that, in addition to the usual forms of employment, it had become increasingly common to hire workers with a casual work certificate; as an indirect conclusion, we could even claim that the traditional forms of employment were gradually being replaced by this new form, primarily with the intention of achieving savings in taxes and contributions. As far as the "whitening" of employment is concerned, the casual work certificate can undoubtedly be regarded as a success story (although the overall picture is not fully positive, see above), but, unfortunately, a clearly negative trend also showed up, manifesting itself in the fact that the spread of employment with the casual work certificate was more and more at the expense of regular employment.

The above consequences, as a whole, motivated the legislator to review the concept of temporary employment. In December 2009, the National Assembly adopted Act CLII of 2009 on simplified employment, with the declared goal of making life easier for employment centres and employees, since it no longer required a casual work certificate to be issued.

III. Simplified employment

1. The first version of the regulation

As of 1 April 2010, Act CLII of 2009 put an end to the use of casual work certificates and duty stamps; instead, a simplified employment contract had to be signed, and the employer had to notify the national tax authority electronically of the fact of employment prior to the commencement of work. An employment contract had to be concluded by filling in the form attached in the annex to the act if employment lasted for at least 5 consecutive days;

otherwise, only an oral agreement and electronic notification was required, along with a properly maintained attendance sheet.
If there was no requirement to make a written employment contract, the employer had to maintain an attendance sheet, attached as an annex to the act, which had to be signed by the employee when starting and finishing work, with one copy handed over to the employee when finishing work, and a second copy retained until the end of the 5th year following the year in question. No such attendance sheet had to be kept when working in the household of a private individual.

Simplified employment was applicable in the following four cases:

- If the work is of a temporary nature, meaning that it lasts for a maximum of 5 consecutive calendar days, for a maximum of 15 calendar days within a calendar month, and for a maximum of 90 calendar days within a calendar year, between the same parties. (However, it is possible for the employee to do temporary work for various different employers all through the year).
- If the work is of a seasonal nature, only in the following sectors: agriculture (cultivation of plants, forestry, rearing of animals, fishery) and tourism. Seasonal agricultural work may not last longer than 31 days, with the exception of the cultivation of plants. In the case of seasonal work in the plant sector or in tourism, the employment contract may be concluded for the duration of the season (e.g. ski season, summer season at Lake Balaton).
- If the work is performed in the household of a natural person, irrespective of whether the employment contract is signed for a definite or indefinite term. In that case, the provisions of the act on simplified employment may only be applied if the work is solely targeted at creating the conditions necessary for the everyday life of the employer natural person and persons living in a common household with them, or their close relatives. This includes the occasional work of cleaners, the permanent employment relationship of housekeepers, the employment of an au pair, but does not include situations where e.g. an individual employer employs workers for the renovation of their house. If an individual employer wants to have their agricultural land cultivated by others, this can be done as seasonal agricultural work.
- Employment relationship (either definite or indefinite term) established by priority public benefit organisations.

Seasonality meant that the work to be done had to meet the requirement of being associated to one of the seasons or any period or time during the year, due to the nature of the goods produced or the service provided, i.e. irrespective of the conditions of work organisation, objectively.

Seasonal work is possible in some other sectors as well, but simplified employment could only be applied in those cases where the work met the requirements of casual work; otherwise, the general rules laid down in the Act XXII of 1992 on the Labour Code (hereafter Labour Code)had to be used for the contract. Also, the rules laid down in the Labour Code had to be applied for seasonal agricultural work, except for seasonal work in the plant cultivation sector, if it lasted for more than 31 consecutive days.

Changes also affected the amount of public dues related to simplified employment and the way of paying it. As of 1 April 2010, the system automatically allowing discounted public dues for temporary employment, which was lower than the general public dues, was discontinued. Also, the amount of the wage was solely at the discretion of the parties (of

course, it could not be lower than the minimum wage). With certain exceptions, work done under a simplified employment contract is associated with the taxes and contributions set forth in the general rules of taxation and social security.

Special discounts were applicable to the following:

- Work performed in the household of a natural person, provided that the employment contract is signed for a maximum of 31 days and the number of days worked in the month in question is not more than 10 working days, and
- seasonal work.

This means that the full amount of public dues had to be paid for temporary non-seasonal work, as well as for fixed-term or permanent employment in a household or at a public benefit organisation.

The discounted public dues were 30% in each category, which had to be calculated on the basis of the net wage (actually paid to the employee). These public dues served as a lump sum substituting several types of taxes and contributions; the tax authority split the amount paid between the central budget, and the Health Insurance, Pension Insurance and Labour Market Funds, as specified in the law.

Employees employed with the 30 % public dues were not considered as insured persons from a social security point of view; however, they became entitled to certain services, such as pension benefits, emergency healthcare services, or job seekers' support.

The obligation to notify the competent national tax authority of first instance had to be met via the Internet or, in specified cases, by phone. Phone notifications were allowed for seasonal work in households or in the plant cultivation sector.

The obligation to file a declaration had to be met according to the general rules, but in case of employment subject to discounted public dues the employer had the option to file the declaration electronically or on paper once a year, by 12 January of the year following the year in question.

Special rules were set up for seasonal work in the plant cultivation sector, providing additional benefits.

2. The redefinition of the rules of simplified employment

After the parliamentary elections, new regulations were introduced in the field of simplified employment, resulting in major changes. Unlike Act CLII of 2009 setting forth the earlier rules for simplified employment, Act LXXV of 2010 containing the new rules now only regulates the following cases of simplified employment:

- Seasonal work in agriculture and tourism
- Casual work

The time limits for the three types of simplified employment were partly changed:

- **Seasonal agricultural work:** work performed in the plant cultivation, forestry, livestock or fishery sectors which, due to the nature of the goods produced or the service provided, is associated to one of the seasons or any period or time during the year, or the movement of the agricultural products produced within the employer's

property, or the packaging thereof, provided that the duration of the fixed-term employment contract between the same parties is not more than 120 days in a calendar year.
- **Seasonal work in tourism:** seasonal work performed for an employer providing commercial services in tourism as defined in the act on trade, provided that the duration of the fixed-term employment contract between the same parties is not more than 120 days in a calendar year.
- **Casual work:** a fixed-term employment relationship between an employer and an employee for a maximum of five consecutive calendar days, for a maximum of fifteen calendar days within a calendar month, and for a maximum of ninety calendar days within a calendar year.

Paragraph 1 of section 2 of the act on simplified employment set a new limit for the number of employees that can be employed temporarily, saying that the maximum number of employees employed with simplified employment on one calendar day is the following:

- Maximum 1 for an employer not employing any full-time employee based on the Labour Code,
- Maximum 2 for an employer with 1-5 full-time employees based on the Labour Code,
- Maximum 4 for an employer with 6-20 full-time employees based on the Labour Code,
- The maximum number of persons that may be employed by an employer with more than 20 full-time employees based on the Labour Code is 20% of the total number of employees.

The employer may use the above quotas for the daily number of casual employees unevenly during the year in question. The quota not used up in the year in question may not be transferred to the following year.

If an employer and an employee establish an employment relationship more than once for seasonal work, or seasonal and casual work, the aggregate duration of such employment relationships may not be more than one hundred and twenty days over the calendar year.

Based on the transitional rule in paragraph 4 of section 16 of the Act on simplified employment pertaining to the year 2010, the number of days spent in employment with a casual work certificate or in simplified employment until 1 August is not taken into account in 2010 for the calculation of the periods according to the new Act on simplified employment.

The establishment of simplified employment

An employment relationship for the purposes of simplified employment is established based on the agreement of the parties by the fulfilment of the notification obligation of the employer. A written employment contract is only required (at the latest by the date on which work is started) if this is requested by the employee, or, if the employer is not subject to electronic declaration, then, at their option, simplified employment may be established by signing the contract according to the annex to the Act on simplified employment.

An employment relationship for the purposes of simplified employment **may not be established** between parties for whom an employment relationship already exists according to the rules of the Labour Code. If the employment relationship is not established for the purposes of simplified employment, the employment contract **may not be modified** with a

view to allowing the employer to employ the employee within the framework of simplified employment.

An employment relationship for the purposes of simplified employment may not be established by an employer defined in Section 1 of Act XXIII of 1992 on the legal status of civil servants (Ktv.) and Section 1 (1) of Act XXXIII of 1992 on the legal status of public employees (Kjt.) for the performance of functions belonging to their core activity.

Prior to the commencement of work, **an occupational health examination is not mandatory**, because, according to the law, the employer has to make sure the employee is in a condition suitable for performing work. [Section 6 of the Act on simplified employment]

Notification and declaration obligation
In both forms of simplified employment - seasonal work in agriculture or tourism and casual work - the **employer is obliged, prior to the commencement of work, to inform the tax authority** about the following data [Sections 11 (1) and (3) of the Act on simplified employment]:

- tax number of the employer;
- tax identification number and social security number of the employee;
- nature of simplified employment (seasonal work in agriculture or tourism or casual work);
- number of days of employment.

The **notification** submitted to the tax authority may be **withdrawn or modified** – particularly in the event that the nature of employment is changed or the work does not take place –

- within two hours after notification was sent, or
- if, according to the notification, employment started on the day following the date of notification, or if the notification included an employment relationship longer than one day, modifications are allowed by 08:00 hours on the day of notification.

The employer meets their declaration obligation electronically via the customer portal, or, at their option, the declaration obligation may be met, with the same data content according to paragraph 2 of Section 31 of Act XCII of 2003 on the rules of taxation, on paper on a monthly basis, by the 12th day of the month following the month in question.

Payment of public dues
With respect to the obligation of paying personal income tax and contributions, the amount of public dues payable by the employer are, irrespective of thewage and the daily working hours:

- In case of seasonal work in agriculture or tourism, per calendar day of employment per employee: HUF 500,
- In case of casual work, per calendar day of employment per employee: HUF 1,000

The employee does not pay any public dues. One hundred percent of the paid (net)wage must be considered as income from simplified employment.

The natural person does not have to a file a declaration about their income from simplified employment, unless

- they are a foreign citizen, or

- his or her income from simplified employment in the relevant tax year exceeds HUF 840,000, or
- in addition to their income from simplified employment, they did not have any income subject to a tax return, according to the Act on personal income tax, apart from earnings qualifying as emoluments not subject to taxation as defined in the Act.

Entitlement to benefits
Employees employed within the framework of simplified employment become entitled to pension benefits, emergency healthcare services and job seekers' support.

Statistical data pertaining to trends in employment
The trends of simplified employment can be established based on the information provided to the tax authority. According to the data provided, seasonal agricultural work was performed by 143,712 persons in August 2010, 274,096 persons in September, 206,670 persons in October, 71,901 persons in November, and 25,924 persons in December.

Seasonal work in tourism was performed by 5812 persons in August 2010, 3479 persons in September, 2260 persons in October, 1682 persons in November, and 1643 persons in December.

Casual work was performed by 169,301 persons in August 2010, 170,873 persons in September, 181,431 persons in October, 184,120 persons in November, and 157,602 persons in December.

The total number of notifications concerning simplified employment was 318,825 in August 2010, 448,452 in September, 390,361 in October, 257,703 in November, and 185,169 in December.

The peak employment at the end of the summer and at the beginning of the autumn was primarily caused by seasonal work, particularly seasonal agricultural work. As far as casual work is concerned, a steady rise can be seen until December, which can probably be explained by the spread of this form of employment and employers becoming more and more aware of it.

IV. Domestic work

According to the Act on simplified employment, domestic work was one of the subcategories of simplified employment as of 1 April 2010. However, as of 1 August 2010, after the adoption of Act XC of 2010 on the creation and amendment of certain acts pertaining to economic and financial affairs, domestic work ceased to be a form of simplified employment. This act introduced domestic work as a form of employment generating income outside the tax system.

The term domestic work covers activities solely targeted at creating the conditions necessary for the everyday life of a natural person and persons living in a common household with them, or their close relatives, such as the cleaning of the house, cooking, washing, ironing, taking care of children, tutoring children at home, treatment and care in the home, housekeeping and gardening. The legal relationship for the purpose of work is established between the household employee and the employer. In this respect, a domestic employee is a natural person doing domestic work, who does not perform this activity as a private

entrepreneur or as a member in a partnership. The employer, on the other hand, is a natural person who employs the domestic employee, i.e. a customer or a client.

The employer must give notification of the employment of a domestic employee prior to the commencement of work electronically or via the customer hotline. If this notification obligation of the employer is met prior to the commencement of work, no obligations arise to pay any taxes or contributions with respect to the income received by the domestic employee, only a monthly registration fee of HUF 1,000 has to be paid by the 12th day of the month following the date of notification, which amount is independent of the number of days of employment within the given month. If the employer fails to meet their obligation to give notification and/or pay the registration fee, it is not only the taxes and contributions payable according to the general rules that must be paid, but also all taxes and contributions normally payable by the employed private individual, and, furthermore, the employer may be liable to a penalty of up to HUF 100,000.

No declaration obligation arises on the part of either party in connection with the income outside the tax system, the amount of which must be certified by the employer at the employee's request. The payment of the registration fee does not result in the establishment of a right to social security benefits, and the household employee is not considered as an insured person.

According to information from the tax authority, 81 persons were registered as household employees in August 2010, 165 persons in September, 233 persons in October, 227 persons in November, and 224 persons in December. These figures are obviously still very low, but there is an increasing trend reflecting the spread of this form of employment.

V. Labour supply and promoting the activity of older employees - from the perspective of changes in pension regulations

Measures in 2006 and their consequences

In the middle of the decade, due to the lenient conditions governing entitlement to early retirement, the average age of retirement was low, much below the official retirement age. The rules for early retirement based on a person's health condition or the period of service in certain occupations were far too generous. The possibility of early retirement was open even to those who were in paid employment after retirement. The replacement rate for initial pensions had increased dramatically, so the system needed to be corrected in 2006. The new measures entered into force following the period of preparation required by the constitution, after the amendment of the act on social security pensions was adopted by the National Assembly at the end of 2006. The main content of the amendment includes:

- From 2013, the advanced retirement age is uniformly raised to 60 years, and pension benefits without a reduction require a period of service of at least 41 years. Reduced pension benefits are still available with a period of service of at least 37 years. (This measure has meanwhile been replaced by a decision in 2009 concerning the increase in the retirement age and associated changes in the conditions for early retirement, as well as later by the pension-related measures in 2012).

- Those choosing early retirement as of 1 January 2008 will only be able to receive a regular income above the minimum wage if they suspend their pension benefits. This

new rule applies to retirements after 1 January 2008, but in 2010 it was extended to everyone who opted for early retirement. (Two years later, this rule was modified, changing the maximum amount to one and a half times the minimum wage.)

- As of 1 April 2007, an insured person must pay a pension contribution with respect to any paid work done in addition to pension benefits according to the general rules on contributions. The payment of these contributions entitles pensioners to additional benefits: after one year of payment, pensioners receive a pension increase amounting to 0.4% (from 2008 0.5%) of their earnings.

- From 2007, employers employing workers in positions that are potentially harmful to health must pay an extra allowance to cover entitlement to early retirement. The associated costs were, to a gradually decreasing extent, subsidised by the central state budget between 2007 and 2010, but from 2011, the 13% contribution must fully be covered by the employers.

In November 2007, the National Assembly adopted amendments resulting in a further approximation of the effective age of retirement to the statutory retirement age and the correct handling of early retirement from the actuarial point of view:

- In the case of men, the earliest age for advanced old-age pension was not reduced to 59 years between 2009 and 2012, but remained 60 years (as opposed to the previous regulation).

- As of 2013, the rules for the reduction (malus) of advanced old-age pension will be corrected. The amount of this reduction would be, depending on the period remaining until reaching the retirement age, 0.3% per month for the period between 61 and 62 years of age, and 0.4% for the period before 61 years of age. In the longer term, this proposal would reduce expenditure by about 0.3% of the GDP. As a consequence, old-age pensions will be 3-4% lower on average. (After the pension-related measures taken in 2012, it is no longer possible to choose early retirement from 1 January 2012, so this rule became null and void.)

Increases in the retirement age

Increases between 1998 and 2009

The increase in the retirement age for men in the period between 1998 and 2009 came to an end in 2001, while for women it lasted until 2009, with annual increases of two years, resulting in a statutory retirement age of 62 years for both genders.

The implementation of these increases led to a higher effective age of retirement, which is, however, still below the statutory retirement age, but also had a successful influence on the involvement of older employees, i.e. the age group 55-64, in the labour market. The growth achieved in this field clearly intensified in the first decade of the new millennium. Between 2000 and 2010, the employment rate of older age groups increased much more dynamically than that of the age group 15-64 (although the employment of older workers is still very low, 10-12% lower than the EU average).

The increase in the statutory retirement age led to dynamic growth in Hungary. As compared to the average of the total population, the employment rates of the age group 55-64 increased to a much higher degree than those of all people of an active age. Essentially, the rise in the employment rates of the active age group is due to the higher presence of older age groups in the labour market.
In 1997, 27% of men between 55 and 64 years of age were employed, which rose to 39.6% in 2010. Incidentally, the employment rate of this age group reached a peak in 2006-2007, when 41.4% of men were in work in 2006 and 41.7% in 2007. During the period in question, employment figures rose even more for women between 55 and 64. In 1997, only slightly more than one-tenth (10.7%) of the members of this age group were in work. This rate tripled by 2010, when 30.1% of women were present on the labour market.
(http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/main_tables)

A further increase in the retirement age

An act adopted by the National Assembly regulates the process of **increases in the retirement age** based on the date of birth. Pursuant to that act, the statutory age of retirement is 62 years for those born before 1952, 62.5 years (more precisely 62 years and 183 days) for those born in 1952, 63 years for those born in 1953, 63.5 years for those born in 1954, 64 years for those born in 1955, 64.5 years for those born in 1956, and 65 years for those born in or after 1957. (Act XL of 2009 on the amendment of Act LXXXI of 1997 on social security pensions).

The table below shows the retirement age for people born in various years, the last four columns of the table containing the ever-stricter conditions of opting for early retirement, associated with the further increase in the retirement age. (The latter conditions ceased to be applicable after the adoption of the pension-related measures in 2012).

Rises in the statutory retirement age for age groups based on the year of birth

Year of birth	Statutory retirement age, years	Date of retirement	Early retirement age		Date of retirement	
			Women	Men	Women	Men
1951	**62**	**2013**	**57**	**60**	**2008**	**2011**
1952	**62.5**	**2014-2015**	**59**	**60.5**	**2011**	**2012-2013**
1953	**63**	**2016**	**59**	**61**	**2012**	**2014**
1954	**63.5**	**2017-2018**	**60.5**	**61.5**	**2014-2015**	**2015-2016**
1955	**64**	**2019**	**61**	**62.**	**2016**	**2017**
1956	**64.5**	**2020-2021**	**61.5**	**62.5**	**2017-2018**	**2018-2019**
1957	**65**	**2022**	**62**	**63**	**2019**	**2020**
1958	**65**	**2023**	**62.5**	**63**	**2020-2021**	**2021**
1959	**65**	**2024**	**63**	**63**	**2022**	**2022**

Source: ONYF (Central Administration of National Pension Insurance)

The measures aiming at increasing the statutory retirement age adopted in 2009 were complemented by stricter rules for early retirement as compared with the ones introduced in 2007, but these rules underwent a significant change in 2011, when the possibility of retiring by virtue of these legal titles practically ceased to exist.

Increases in the statutory retirement age for age groups born in various years

Year of birth	Statutory retirement age, years	Date of retirement
1951	**62**	**2013**
1952	**62.5**	**2014-2015**
1953	**63**	**2016**
1954	**63.5**	**2017-2018**
1955	**64**	**2019**
1956	**64.5**	**2020-2021**
1957	**65**	**2022**
1958	**65**	**2023**
1959	**65**	**2024**

As can be seen in the table, **the age requirement for old-age retirement for those born in 1957** (the first year of birth to which a retirement age of 65 is applicable) **is fulfilled in 2022 on their birthday**. Before them, those born in 1956, may retire at the age of 64.5 (64 years and 183 days), which may be in the second half of 2020 or in the first half of 2021, depending on which half year of 1956 the relevant person was born in. Fractional years must always be interpreted accordingly. If a person was born in the first half of the year of birth indicated in a given line, they may retire in the second half of the year corresponding to the year of retirement, while a person who was born in the second half of the year of birth indicated may retire in the first half of the year after.

The increase in the effective retirement age

In Hungary, the flexibility of the retirement age manifested itself in the fact that those entitled to do so typically retired earlier than the statutory retirement age. Additional years spent in employment were rewarded with pension bonus incentives, which resulted in a rise of the pension benefit by 0.5% per month, adding up to 6% per year. However, this incentive effect was hardly noticeable as e.g. the bonus was used by only a small fraction of new pensioners in 2004: 90% of affected workers retired earlier than the statutory retirement age, and only 6% worked until that age.

In parallel with the unfavourable labour market trends of the 1990s and the increase in the retirement age, early retirement became increasingly common practice. Moreover, in addition to advanced old-age pensions, further benefits were also available (age allowance, years deducted as a result of raising children), which promoted the spread of early retirement. Although the pension reform in 1997 led to significant changes in the system, and theretirement age-centre also rose by nearly three years, the earlier tendency could not be reversed.

In Hungary, the spread of early retirement was also facilitated by the favourable regulation of employment in addition to pension benefits, as it encouraged individuals to retire as soon as possible. This situation increased the deficit of the Pension Insurance Fund and simultaneously weakened the sustainability of the system in the long term. Therefore, there was an urgent need to adjust the system in a way that would decelerate this process. This adjustment was carried out in several stages. The pension measures adopted in 2006 should be particularly emphasised here, which had the primary objectives *of increasing the retirement age-centre*, redefining the rules of work in addition to pension benefits, and adopting stricter rules for early retirement. The same objectives were set by the pension measures in 2009 and,

more recently, in 2012, which did away with the possibility of people entering the system in the future by way of early retirement.

The table below illustrates the trends in the effective age of retirement over the past few years. As can be seen, in spite of a significant improvement, there is still a major difference compared with the statutory retirement age, currently 62 years, especially among women. The situation is expected to improve considerably in the future as the 2012 measures exert their effect, and as the increase in the retirement age is gradually implemented.

Trends in the effective age of retirement, years

	Total old-age and similar pensions	**O+S+DA together***	**Men Old-age pension**	**Women Old-age pension**
1996	**55.8**	**53.1**	**58.7**	**54.3**
1998	**57.4**	**52.6**	**59.6**	**55.9**
2000	**57.4**	**52.6**	**60.0**	**55.9**
2003	**59.5**	**54.3**	**59.7**	**58.8**
2005	**58.6**	**55.4**	**59.9**	**57.7**
2008	**58.3**	**56.2**	**59.8**	**57.3**
2010	**60.3**	**56.0**	**60.2**	**60.7**
2011**	**59.1**	**57.5**	**60.4**	**58.4**

Source: ONYF (Central Administration of National Pension Insurance)
** old-age and similar pensions, disability pensions and annuity*
*** preliminary data*

2) MEASURES TAKEN TO IMPLEMENT THE LEGAL FRAMEWORK

I. Suppors in the period between 2007 and 2010

Grants to qualified career starters seeking a job for the purpose of obtaining work experience and grants to support part-time employment in order to prevent redundancies, pursuant to Government Decree No. 70/2009 (IV.2).

a) Supports to qualified career starters seeking a job for the purpose of obtaining work experience

The labour affairs centre grants support, at the request of the employer, if the employer agrees to hire the career starter jobseeker under a work contract for at least four hours per day and for a term not shorter than 365 days.
The support is available for the term of employment, not to exceed 365 days, at a value amounting to between 50 and 100% of the wage costs incurred by employing the career starter. The amount of the grant - if 100% of the wage costs are covered - shall not exceed, on a monthly basis

a) the combined amount of the mandatory minimum wage and the social contribution tax in the case of career starters with primary level professional qualifications,
b) one and a half times the mandatory minimum wage in the case of career starters with secondary level education, secondary level qualifications or career starters who graduated from a secondary school offering vocational skills.
c) twice the mandatory minimum wage in the case of career starters with an advanced level or tertiary level education or career starters who graduated from a tertiary level school.

If the ratio of the support is below 100% of the wage cost, or the career starter is not employed full-time, then the proportionate part of the amount specified as the upper limit is taken into account.

b) Support to part-time employment in order to prevent redundancies

Based on a general announcement, the labour centre may provide support, at the request of the employer, if the employer employs a full-time worker on a part-time basis in order to prevent staff redundancies.
As a condition for taking the aid, the employer shall undertake

- to maintain the average statistical headcount applicable in the month preceding the month when the request is submitted to the labour centre, and
- to continue to employ the employee for an additional period identical with the period time for which the aid is granted, and
- to pay the amount of the aid, minus the applicable taxes and contributions, to the employee as wage, in addition to the wage payable to the employee for their part-time work.

The amount of the support shall not exceed 18 per cent of the basic salary of the employee payable for the lost working time and the social contribution tax. The amount of the aid shall not exceed one and a half times the mandatory minimum wage applicable at the time when the request is submitted. The aid shall not be paid for a period exceeding 365 days.

c) Support to interurban commuting

Between 1 July and 31 December 2006 the scope of eligible parties were: employers, career starters, persons with disabilities, and employees registered as unemployed for 6 months.
The aid may cover part of the travel cost of commuting or the entire cost, for a period not exceeding 1 year. Target group: persons unemployed for at least 6 months, career starters and in the case of persons with disabilities, those registered unemployed for at least 3 months.

Condition of the aid: if the employer has not terminated an employment relationship in a similar position for 6 months prior to submitting the application, and the employer is in compliance with the requirements of good labour relations.

Between 1 January 2007 and 15 May 2008: it is a de minimis aid, the employer must declare the amount of de minimis aid received over the last 3 years.

Between 30 June 2008 and 31 May 2009 the beneficiary must make a statement on the contents of the de minimis aid received over the previous 3 financial years, this form of support cannot be combined with other forms of state aid, and aid paid in several instalments must be discounted according to the date when it was granted.

Between 1 June and 30 September 2009 good labour relations were no longer certified according to a different statute.

From 1 May 2010 the employer refunded the cost of the full or discounted ticket or season pass of the employee used for commuting to work. Rate: at least 86%.

d) Support to group passenger transport

The scope of recipients between 1 January 2007 and 15 May 2008: employers, the term: up to 1 year. Value: up to the part of the price of a bus season pass for the route between the home address of the relevant employee and their workplace, payable by the employer. Target group: employees who spend over 2 hours a day travelling to and from the workplace. Condition of eligibility: the commuting of the employees to the workplace and back takes place by group passenger transport, since travelling is otherwise not possible or would be unreasonably troublesome. Preferred recipients: employers who employ persons with disabilities or persons who were previously long-term unemployed, where a higher proportion of employees are transported in this way.

Between 1 June and 30 September 2009 good labour relations did not need to be certified.

The provisions of Government Decree No. 292/2009. (XII. 19.) on the operational rules of the state budget and of Act XXXVIII 1992 on public finance, pertaining to the assessment of public debt and the retention of the amount of public debt payable by the beneficiaries of grants, in force as of 15 August 2010, applied to all forms of support.

II. START benefits

Based on the experiences gained in the labour market and in an effort to stimulate demand for employment, in 2006 the Ministry of Social Affairs and Labour initiated the expansion of the scope of social contribution allowances. In an effort to help youths to obtain work experience, after the favourable results of the START programme, the START PLUS and START EXTRA programmes were developed and launched by the Ministry from 1 July 2007. With these two programmes the government intends to provide assistance to groups who are at a disadvantage in the labour market, namely women with young children, the long-term unemployed, persons over the age of 50 and those with low levels of education who have been looking for work for a longer period. By implementing the START PLUS and START EXTRA programmes, through the provision of targeted social contribution allowances, it may become possible to promote the employment of disadvantaged groups in the labour market.

a) START card

Scope of beneficiaries
Any person below the age of twenty-five, or below the age of thirty in the case of persons with tertiary education, who have completed or interrupted their studies, and after the completion of their studies, have established working contractual relations for the first time, or an employment relationship with a scholarship, and have not performed work prior to the establishment of this legal relationship under a business contract or a contract of engagement or as a private entrepreneur.

Contribution allowances given to the employer
- exemption from paying fixed-sum healthcare contributions and
- instead of the aggregate amount of the 1% employer's contribution and 26% social security contribution, in the first year of employment a liability equalling 10% of the gross wage and in the second year equalling 20% of the gross wage applies.

The employer may apply this benefit, on a social contribution base equalling up to one and a half times the mandatory minimum wage in the case of young career starters with primary and

secondary education or with no education, and twice the minimum wage in the case of young career starters with a tertiary education.
The employer is entitled to the benefit if the career starter has a START card, or a certificate replacing the card, on the day preceding the first day of employment.

Validity
The term of validity of the card is two years from the date of issue. The START card may be obtained once. The client may only apply for a new card if it is damaged, destroyed or lost.

b) START PLUS card

Scope of beneficiaries
- any person who intends to establish a working contractual relationship within one year (365 days) after the termination of the payment of child home care allowance (GYES), childcare fee (GYED) child-rearing allowance (GYET) or nursing fee, or those who intend to take up working while receiving GYES after the child has reached the age of one, assuming that they are not in any employment relationship;

- any long-term unemployed person who has been registered with the employment agency of the state as a job seeker for at least 12 months within the period of 16 months preceding the date when the application for the START PLUS card is submitted, or, in the case of a career starter, for at least six months within an eight-month period.

Contribution allowances for the employer
- exemption from paying itemised healthcare contributions and
- instead of the aggregate amount of the 1% employer's contribution and 26% social security contribution, in the first year of employment a liability equalling 10% of the gross wage and in the second year equalling 20% of the gross wage applies.

The employer may apply these benefits against their social contribution base up to twice the mandatory minimum wage. If the wage of the employee exceeds twice the mandatory minimum wage, in respect of the surplus amount, the general rules governing the payment of social contributions are applicable. The employer is entitled to these benefits if the term of employment exceeds 30 days and the working time is at least four hours per day.

If the term of validity of the START PLUS card is shorter than two years, then for the first twelve months of the term of validity the more favourable social contribution payment option shall be applied. The employer is entitled to the benefit if the person concerned has a START card, or a certificate replacing the card, on the day preceding the first day of employment. During the term of employment affected by the benefit, the employer shall keep the START PLUS card and return it to the cardholder upon the termination of employment.

Validity of the START PLUS card
The term of validity of the card is two years from the date of issue, but in any case not longer than the period from the date of issue to the date of termination of the eligibility of the applicant for child home care allowance.
The START PLUS card may be obtained for employment following the termination of the payment of GYES, GYED, GYET and nursing allowance once for every different person for whom support is granted.

After the expiry of the term of validity of the START PLUS card used for employment during the term of GYES, no additional card may be obtained for employment following the termination of the payment of GYES. If another child is born during the term of validity of the START PLUS card, the next card may be obtained with regard to the youngest child.
Long-term unemployed persons will remain eligible for obtaining a START PLUS card until they have become eligible for their old-age pension. In that case the START PLUS card may be obtained multiple times, subject to the applicable conditions.

c) START EXTRA card

Scope of beneficiaries
Long-term unemployed persons with disadvantages in the labour market, if
- they have reached the age of 50, or
- they have primary level education or lower, regardless of age, and
- persons eligible for availability allowance.

Additionally, persons holding a START card or START PLUS card and becoming eligible for a START EXTRA card within the term of validity of the card.

Contribution allowances for the employer
- exemption from payment of fixed-sum healthcare contributions, and
- in the first year of employment, exemption from the payment of the 1% employer's contribution and the 26% social security contribution. In the second year of employment a liability equalling 10% of the gross wage applies, instead of the combined amount of the employer's contribution and the social security contribution.

The employer may apply these benefits against their social contribution base up to twice the mandatory minimum wage. If the wage of the employee exceeds twice the mandatory minimum wage, in respect of the surplus amount, the general rules governing the payment of social contributions are applicable.
The employer is entitled to these benefits if the term of employment exceeds 30 days and the working time is at least four hours per day.

If the term of validity of the START EXTRA card is shorter than two years, then for the first twelve months of the term of validity the more favourable social contribution payment option shall be applied.
The employer is entitled to the benefit if the person concerned has a START EXTRA card, or a certificate replacing the card, on the day preceding the first day of employment. During the term of employment affected by the benefit, the employer shall keep the START EXTRA card and return it to the cardholder upon termination of employment.

Pursuant to Act CVII of 2008, Section 44, the employer shall be entitled to an additional benefit off the social contribution, if
a) the home address of the person holding a valid START EXTRA card and eligible for availability support is in a micro-region or locality in the most disadvantaged condition in terms of economy, infrastructure, social conditions and employment, and
b) by employing the person specified in section a), the annual average statistical headcount will be increased, and the increased headcount is maintained for the defined term, and
c) an undertaking is made that, prior to the end of the term of employment, the employment of the job-seeking person eligible for availability allowance shall not

have their employment terminated - for reasons related to the employer's operations - by ordinary termination or mutual consent; furthermore, winding up proceedings shall not be initiated by the employer company against itself, and the employer shall acknowledge that any violation of these obligations shall be regarded as unauthorized use of the benefit.

The system of criteria for selecting the most disadvantaged micro-regions and localities in terms of economy, infrastructure, social conditions and employment is contained in Annex 2 of the Act.
If the conditions defined in the law apply, the employer shall be exempted

a) for an additional period of two years after the expiry of the first year
   - from the payment of the social security contribution of 26%, and
   - from the payment of the employer's contribution of 1%, furthermore
b) for an additional period of one year after the expiry of the second year, from the payment of the fixed-sum healthcare contributions.

The employer shall be entitled to this benefit regardless of the expiry of the term of validity of the START EXTRA card. This benefit and any other benefit available under the law for employment purposes cannot be taken simultaneously concerning the same person. The eligibility for social contribution benefits is not affected if, after the start of employment, the home address of the job-seeking person eligible for availability support changes in such a manner that they no longer meet the conditions specified in section a).

Validity of the START EXTRA card
The term of validity of the card is two years from the date of issue, but in any case not longer than the period from the date of issue to the date of termination of the eligibility of the applicant for their old age pension. If the holder of a START card or a START PLUS card becomes entitled to a START EXTRA card within the term of validity of the card, upon their request a START EXTRA card shall be provided for the outstanding term of validity.
Persons with compound disabilities remain entitled to obtaining a START EXTRA card until they become eligible for their old age pension. In that case the START EXTRA card may be obtained multiple times, subject to the applicable conditions.

III. Support to promote the employment of older workers

The START EXTRA card was introduced as of 01 July 2007, thus the scope of beneficiaries was expanded by job-seekers with multiple disadvantages in the labour market. It is the subjective right of long-term unemployed persons who have reached the age of 50, and of persons with an education not exceeding primary school level, regardless of age, to obtain a START EXTRA card.

In the first year of employment the employer is exempted from payment of the 24% pension insurance contribution, the 3% health insurance and labour market contributions. In the second year of employment a liability equalling 10% of the gross wage applies, instead of the combined amount of the pension insurance contribution and the health insurance and labour market contribution.

The numbers were the following in the years 2007 and 2008: 1 124 and 5 580 persons, respectively, were employed with the START EXTRA card. At the end of the year 2009 there were 17,429 valid START EXTRA cards. As of 1 January 2009 the scope of eligibility for

START EXTRA cards was expanded to include persons receiving availability support. An employee that hires a person receiving availability support and living in the most disadvantaged micro-regions may take the benefits available to the employer for a term of 3 years, and in this case the benefits mean full exemption from the payment of contributions. So far, the employment offices have concluded "regional" agreements for 67 employees.
Persons employed with the START and START EXTRA card usually found jobs at enterprises that are legal entities, in particular at limited liability companies and companies limited by shares, at central budgetary agencies and within the category of unincorporated enterprises, at private enterprises and partnerships.

IV. Active measures in the labour market

A. The principles of vocational rehabilitation and employment policy concerning persons with reduced working capacity

State funding for professional rehabilitation is mainly aimed at the support of employment, and efforts to make persons with a long history of inactivity suitable for employment are implemented in the form of labour market programmes (mainly from EU funds) and in the non-profit framework. The quota system was designed to encourage inclusive employment, but the rehabilitation contribution, which has increased year by year, and in 2009 was as high as 2.5 times the minimum wage, failed to accomplish its purpose.
In 2010 the value of the contribution that was introduced exceeded the amount of the annual minimum wage (HUF 964,500/year/person). At the same time, wage support from the state budget may only be paid to employers who have fulfilled their quotas.

Following the accession of Hungary to the EU, support system had to be reorganised according to the requirements of the general block exemption regulation. According to competition rules on flat-rate type aid with no requirements on utilisation attached, the subsidies could no longer be maintained in the budgetary period following the accession. It was also unsustainable according to macroeconomic and employment policy considerations. Because expenses could not be planned and because, owing to the high per unit aid, the professionally justified expansion of the system had to be constantly limited, a new solution was required. Owing to the Hungarian employment structure, it was essential to include the employment capacity of enterprises with a staff of less than 20 persons and non-profit organisations in vocational rehabilitation.

The system of subsidies supported both market and social employment, without differentiation. Its flat rate type support did not take into account the content of the rehabilitation. In the open labour market, eligibility to aid was determined only by the minimum level of supported change in working capacity and by the ratio of employed workers with disabilities in the headcount, while in targeted organisations the type of change in working capacity was an additional criterion. The changing aid system broke down the aggregate support and organised its elements into stand-alone aid forms. The availability of grants was extended to every kind of employment pursuant to the Labour Code, with the exception of agencies operating on the sources of the state budgets and social employers receiving support from other sources.

Employment on a market and institutional basis

The rules governing the approval and delivery of aid that may be regulated by national legislation, within social institutions, and those governing employment on a market basis, which may be organised in the framework of EU competition legislation, were separated, and the institution of the protected market was created by amending the rules of public procurement. At the same time, the legislator equated employment within an institution as social employment, which ruled out the inclusion in the system of, and long-term support for, every other form of development and training employment.

Employment within an institution of persons having a legal relationship with the institution based on its professional programme, according to the requirements contained in the individual care, development and rehabilitation plan, building on the existing capabilities of the person under care, in accordance with their age, physical and mental condition, can be provided in the form of work-rehabilitation or employment aimed at development and training (collectively: social employment).

Persons or organisations may participate in social employment as employers if they hold a licence issued by the social authority (licence for social employment). The rules on the required staff and facilities of social employment, authorisation and professional supervision, are contained in a separate statute. The number of persons allowed to be employed in the form of social employment is limited, the permitted headcount and the amount of aid for social employment are specified in the law on the state budget. Upon its introduction, the aid was normative, since then grants may be obtained under an application system, for a term of 3 years. In the period under consideration the grant process was managed by the National Employment and Social Office.

The regulation mandated social employment in transition to meet several requirements expected from employment relationship and classified the more advanced version of the evolving forms of work, employment for development and training activities, as a legal employment relationship for a fixed term..

The framework of social employment is regulated by Act III of 1993. Social employment is tied to social institutions (offering day care or residential services) or the legal relationship of nursing (the opportunity of social employment independent from nursing has been terminated), excluding the earlier system of social employers hiring daily visiting carers, organised by locality.
It is a flat-rate aid, differentiated according to daily working time. It does not include the possible travel and escort costs of commuting to an external workplace, essential for the integration of residents of institutions, or the development and investment components.

Changing conditions of support, increasing incentives in employment

Measures implemented to promote employment:
For the term of the report we have no accurate figures on the employment of persons with disabilities, but as a reliable source, we have the data taken by the Hungarian Central Statistical Office (KSH) and the data of the periodical survey of the autumn of 2008, as provided below (KSH Social characteristics and support systems 2008).
In 2008 28.5% (1.748 million persons) in the 18-64 demographic indicated that they had permanent health problems, damage to health or disability, of whom 53.4% (938,000 persons: 432,000 men and 506,000 women) were prevented from employment or working because of

health reasons, by their own assessment (they are considered persons with disabilities by the research). About 80% of the persons with disabilities are in the 45-64 demographic. 43% of them live in villages, which is 10.8 percentage points higher than the corresponding figure registered among persons with no disability. As the basis of comparison, the research took the group of persons of 18 to 64 years of age with no restrictions (no disabilities) included in the sample.

Main characteristics: (wd.= with disabilities)

employment figures of the 16-64 age group	Ratio in the wd. group	Ratio in the non-wd. population
Activity ratio	27.4	72.7
Employment rate	23.0	67.3
Unemployment rate	16.3	7.4

Age group	Ratio in the wd. group
18-44	20.3
45-49	11.7
50-54	20.3
55-59	26.1
60-64	21.6

Highest level of education	Ratio in the wd. group	Ratio in the non-wd. population
Primary only	39.2%	18.1%
Skilled worker, vocational school	32.4 %	26.7%
Secondary or higher	28.4 %	55.2 %
incl. those with a degree	6%	19.8 %

Highest level of education	Employment rate		Unemployment rate	
	in the wd. group	Ratio in the non-wd. population	in the wd. group	Ratio in the non-wd. population
Less than primary	4.1	16.0	32.8	47.4
Primary only	14.1	44.2	27.4	18.4
Vocational school, trade school	28.4	75.4	13.3	8.0
Secondary	29.6	65.3	11.8	5.6
Tertiary	35.0	82.2	10.7	2.7
Total	23.0	67.3	16.3	7.4

The employment rate of 23.0% still significantly falls behind that of persons with no disability, but compared to the figures of 9-13% registered in the census of 2001 it should still be considered a significant achievement. Based on the data of the KSH and the decreasing number of persons with disabilities, we can assume that the number of persons with disabilities employed, seeking a job and in need of rehabilitation has increased substantially.

Although the headcount figures of active job-seeking (registered job-seekers with disabilities) do not reflect the marked structural change among the recipients of support, if we consider the time lines provided by the state employment service, the number of persons with disabilities approaching them in search of work, requesting a job placement or other labour-related services, has increased by approximately 40%.

Calendar year	Unemployed (job-seeker) persons with disabilities (affected, persons)*	Recipient of rehabilitation annuity asking for placement (affected, persons)**
2007	40,551	••
2008	41,346	2,232
2009	48,729	14,175
2010	57,707	26,350

*Source: *National Employment and Social Office, ** National Pension Insurance General Directorate*

As opposed to the planned figure of 9800, 14,806 persons were involved in the TÁMOP 1.1.1 project titled "Aid for the rehabilitation and employment of persons with disabilities".

In the reporting period, the increase in the employment level of persons with disabilities was primarily possible in the open labour market, as part of the obligation to provide employment and failing that, the obligation to pay rehabilitation contributions, and the provision of the necessary services and grants was possible within the framework of the TÁMOP projects.
Owing to the economic crisis, the situation of the state budget and the high ratio of persons in protected employment, Government Decree 168/2009 (VIII. 26.) suspended the submission of new applications for wage support from the state budget.

In the period under examination, the conditions of workplace rehabilitation changed significantly. The Labour Code delegates the definition of the scope of beneficiaries to the powers of a separate statute, and that separate statute was joint EüM-PM (Ministry of Health and Ministry of Finance) decree no. 8/1983 (VI. 29.), which provided a precise definition of who is entitled to rehabilitation in their employment, furthermore, it provided for the rehabilitation obligation of the employer. Simultaneously with the start of the transformation of the system of disability pensions and the qualification system, as well as the entry into effect of the fixed-term rehabilitation annuity, from 1 January 2008 the entire decree was invalidated.

At the same time, the rehabilitation capacity of the National Employment Service (ÁFSZ) was reinforced, and between 1 January 2007 and 31 December 2010 an independent Deputy General Director responsible for Rehabilitation and Social affairs was appointed, who was responsible for the management of the general departments of rehabilitation, accreditation and social affairs.

A network of independent office clerks was established, primarily for the purpose of dealing with the complex rehabilitation of persons receiving rehabilitation allowance and involved in the TÁMOP 1.1.1-08/1 project, launched in 2008 in the regional offices.

Several sub-projects of TÁMOP 1.3.1 provided professional support to the rehabilitation service now expanded with the project, where central matters were the development of learning materials, training and the methodology of rehabilitation.

a) Supports

<u>Supports available from the Labour Market Fund</u>

- **Support for the expansion of employment** (Act IV of 1991, and MüM (Ministry of Labour) Decree no. 6/1996 (VII. 16.) .

In an effort to promote the employment of workers with disabilities, to enable them to return to the open labour market and to eliminate the employment disadvantages arising from their condition, wage subsidy is available for promoting rehabilitation employment. The wage subsidy serving the expansion of employment may be granted in accordance with Regulation 800/2008/EC of the Commission (general block exemption regulation), and the support is regulated by Act IV of 1991 on the promotion of employment and services to the unemployed,and MüM (Ministry of Labour) Decree no. 6/1996 (VII. 16.).

Upon the request of the employer, support equalling 60% of the wage and wage-related taxes and contributions may be granted to the employer for the employment of persons with disabilities in the form of a legal relationship of employment, for a term not exceeding one year, or two years if the employed person had been registered as a job-seeker for at least twenty-four months, if the employer

- is a taxpayer with no outstanding public debt,
- complies with the requirements of good labour affairs,
- complied with their obligation specified in Article 8 (6) of Flt. concerning the positions indicated in the application in the 6-month period preceding its submission, furthermore, undertakes to employ the person assigned by the labour affairs centre, and
- has not terminated the employment of another employee working in the same or in a similar position in the 12 months prior to the submission of the application for aid, for reasons occurring within its operations, by ordinary termination, and
- undertakes not to terminate the employment during the term of the provision of the aid for any of the reasons specified in the previous section,
- undertakes to maintain employment for at least 12 months,
- or, in the case of employment for a shorter term than that, undertakes to maintain employment with a proportionally lower aid. (General Block Exemption regulation Article 41 (5))

For the purpose of this support, a person shall be classified as a job-seeker with a disability provided they meet the conditions defined in Government Decree 177/2005 (IX. 2.) paragraph2 a point e).

- **Support of job creation and job preservation**

The regulation which provides investment tools to promote the employment of persons with disabilities is in line with the system of aid to support employment. Based on a grant procedure, employers obliging themselves to hire persons with disabilities may receive aid from the Rehabilitation Subfund of the Labour Market Fund:

- for the establishment of inclusive workplaces,
- for the establishment of jobs for rehabilitation.

By submitting an application, non-refundable and/or refundable aid may be provided.

Support may be granted for the establishment of an inclusive workplace:

- for job creation;
- for the remodelling of production, service facilities - related to the employment of employees with disabilities - including accessibility within the meaning of Act LXXVIII of 1997 on the shaping and protection of the built environment and Government Decree 253/1997 (XII.20.) on the national settlement planning and building requirements;
- for the purchase, remodelling of fixed assets and equipment necessary for the employment of persons with disabilities, or the purchase of intangible assets;
- for upgrading of workplaces and work tools, in order to enable the employment of workers with disabilities.

In 2009 and 2010 the source of the aid was frozen.

In the case of aid to employment for rehabilitation purposes: for investments serving the purpose of the employment of persons with disabilities - by the establishment, upgrade, development of workplaces, the construction, installation and expansion of additional facilities, or remodelling, enhancing the level of safety, as well as the procurement of work tools.

An employer is eligible for aid to employment for rehabilitation purposes provided they comply with the rehabilitation employment obligation, and provided, in the premises of which the average statistical headcount of the employees was at least 50 persons in the 6 months preceding the submission of the application, and in the site of the employer affected by the investment, at least half of the employees are persons with disabilities, the system of work tools, technology, fixtures and equipment ensures employment compliant with the health condition of persons with disabilities, and the employer undertakes to maintain the above in the future, for a period of 5 years from the initial date of employment.
For the purposes of this aid, the criteria for classifying any person as having disabilities are defined by the statute referenced in the previous section.

In 2009 and 2010 the source of this aid was frozen.

Support to be provided from an appropriation of the state budget

The statutory background of this aid is provided by Government Decree no. 177/2005 (IX. 2.) as well as FMM (Ministry of Employment and Labour) Decree no. 15/2005 (IX. 2.). From 1 July 2007 aid provided from the central budget *may only be awarded to employers having a certificate of accreditation.*

From November 2005 a new element has been added to employment for rehabilitation, the ***accreditation system*** of employers hiring workers with reduced working capacity.

The main aspects and principles of the implementation of the system of accreditation are:
- the establishment of a workplace environment in compliance with the health and mental condition of the employee,
- observation of the rules, personnel and material conditions, and rules of conduct of rehabilitation activities,
- furthermore, the development of a multi-channel aid system based on the model of the European Union.

In this framework, employers hiring workers with reduced working capacity are assessed from the criteria of employment, the appropriate conditions of hiring workers with disabilities are rated, and the basis of accreditation is the classification assigned to the size and branch sites indicated in the application. *The statutes do not apply to the employment of persons with disabilities hired by agencies of state administration or agencies financed from the budgets of municipalities or from the central budget, or employment within a social institution.*

The purpose of the accreditation of employers hiring workers with reduced working capacity is to attest that in the headquarters, site or branch site defined in the certificate of accreditation, the employer

- has the personnel and material conditions defined in the system of requirements for accreditation that enable the employment of persons living with damage to health or disabled persons, in a workplace environment that is appropriate for their health conditions and disabilities, and
- facilitates, by their activities, the implementation of the highest level of employment achievable according to the skills of the employee.

The certificate of accreditation may be issued for different terms of validity according to level. Three levels of qualification are available (basic - term of validity: 5 years, rehabilitation - term of validity: 3 years, priority - term of validity; 2 years), furthermore, a fourth, conditional certificate may also be granted, which supports preparation for obtaining the priority certificate, with a term of validity not exceeding 1 year.

Types of certificates:

- ***basic certificate:*** certifies that the employer is in compliance with the basic accreditation requirements governing the employment of workers with disabilities, the title of the employer is: accredited employer;
- ***rehabilitation certificate:*** qualifies the employer as a rehabilitation employer;
- ***priority certificate;*** qualifies the employer as a protected employer;
- ***conditional certificate:*** supports preparations for obtaining the priority certificate.

Accreditation is open to every employer within the meaning of the Labour Code, regardless of the number of workers employed, for the level of qualification indicated in the application for accreditation, with two particular conditions applying to headcount:

- if the number of workers with disabilities is 20 or more, and this headcount also constitutes 40% or more of the total number of employees hired by the employer, a basic certificate cannot be obtained, only a rehabilitation certificate may be issued if the conditions are met.
- A priority (conditional) certificate may only be issued to an employer which employs at least 50 persons, of whom at least half of this headcount is made up of workers with disabilities of 50% or higher.

The aim of the aid from the state budget is to promote the employment of workers with reduced working capacity and to ensure working conditions appropriate for their qualifications and health conditions, in order to enable them to return to the open labour market, to enhance their adaptation skills, and to eliminate the employment disadvantages arising from their condition.

Three ***types of grants*** defined in a separate decree belong to this category:

- cost compensation grants (cost compensation grant to protected employers,

furthermore, grant for costs incurred related to the employment of a workplace assistant)
- rehabilitation cost grant (open to public benefit companies also employing persons not suitable for employment in the open labour market)
- wage subsidy promoting rehabilitation employment.

The cost compensation grant for protected employees and the rehabilitation cost grant may be awarded to protected employers for a period of 3 years, through application.

The purpose of the grants is to reimburse the additional costs incurred by employing workers with reduced working capacity (**cost compensation grant**) and workers not qualified for employment in the open labour market (**rehabilitation cost grant**), if they meet the conditions of good labour relations, as defined in a separate statute.
From 1 January 2009 cost compensation grants have included **subsidies provided to cover costs incurred by the employment of a workplace assistant.** If a workplace assistant needs to be hired owing to the damage to health or disability of workers, then the employer may reclaim the aggregate amount of the salary and contributions incurred during the time of the provision of assistance, provided the activity of the assistant is directly related to the performance of the job duties of workers with a disability of at least 67 per cent or workers whose health is damaged to an extent of at least 50 per cent, and to the individual work phases and working processes. Upon request, this type of cost compensation will be granted by the branch office which determines the budgetary wage grant.

Wage subsidy promoting rehabilitation employment.
The ***beneficiaries*** of the wage subsidy promoting rehabilitation employment are employers hiring workers with disabilities and subject to Article 73 of the Labour Code, if they have a certificate of accreditation and have fulfilled their rehabilitation employment obligations. *Agencies of public administration or agencies financed from the budgets of municipalities or from the central budget, and employees working in social employment are not eligible.*

As the wage subsidy promoting employment rehabilitation, in order to provide compensation for the lower productivity owing to the damage to health or disability of the worker with disabilities, *40 to 75 per cent of the aggregate amount of the wage and contributions* may be awarded as a wage subsidy, according to the extent of the reduction of working capacity or damage to health, and to the capability for rehabilitation and disabilities, for a term not exceeding 36 months, but in certain specified cases this grant may be re-awarded.

The rate of this subsidy may be, in the case of the employment of persons with disabilities [including comprehensive disturbances of development affecting the entire personality, as defined in Act XXVI of 1998 on the rights and assurance of equal opportunities for persons with disabilities ,paragraph (1) of section 23 subsection (d), ***up to 100 percent,*** if the activity performed by the employer is ***not classified as an economic activity***, or if the employee affected by the grant is not hired for an economic activity (excluding the voluntary and free donating activity of economic associations).

The amount of the subsidyalso depends on the qualifications necessary for working in the relevant job. [The submission of new applications for awage subsidy from the state budget was suspended by Government Decree no. 168/2009. (VIII. 26.), so in the case of grants awarded based on applications submitted prior to 1 September 2009, the decreased headcount may be substituted to the extent defined in the contract and the expired commitment may be

renewed at every level of accreditation, to the extent of the number of workers for which the grant is awarded].

From 2010 the rate of the grant has been defined by law as an upper limit, with regard to the fact that the source of the grant has lost its former character of not having an upper limit, and in the case of a closed source the maintenance of supported employment requires this solution.
Pursuant to Section 41/A of Act IV of 1991 on the promotion of employment and services to the unemployed, an employer subject to the obligation of rehabilitation (quota) may only receive a grant if the obligation of rehabilitation employment in the quarter preceding the submission of the application is complied with.

If the employer hires a number of workers in excess of the quota, grants may be awarded for the employment of each worker with disabilities.

In the period under examination, an employee is considered a ***worker with*** reduced working capacity who is engaged in employment relationship for a daily working time of at least four hours, if

- his or her *working capacity is reduced by 50-66 %*, and their health has been damaged to an extent of 40-49%, or
- his or her working capacity is reduced by 67-100 %, or
- his or her damage to health *exceeds 79 per cent* according to the expert opinion of ORSZI (National Rehabilitation and Social Institute), or
- his or health is damaged - according to the expert opinion of ORSZI - *by 50-79 per cent*, and related to that, they are not suitable for employment in their current position or the one held prior to the damage to health, or in any other position matching their qualifications without rehabilitation, however, the expert opinion of ORSZI does *not recommend their rehabilitation*, or
- his or health damage is - according to the expert opinion of ORSZI - *50-79 per cent*, and related to that, they are not suitable for employment in their current position or the one held prior to the damage to health, or in any other position matching their qualifications without rehabilitation, and they are *suitable for rehabilitation*,
- is disabled (visually handicapped or receives a personal annuity for the blind, or receives disability benefit owing to a comprehensive disturbance of development affecting the entire personality, or is qualified as severely mentally disabled, or is deaf or has a severe hearing disability, or has a severe physical handicap),
- it is not possible to register a reduction of at least 50% in working capacity or a health damage or disability of at least 40%, however, according to the expert opinion of OOSZI (National Institute of Medical Experts) or ORSZI, they can still be employed in their current position or learned profession, or *in another position or profession by the implementation of personalised rehabilitation.*

Pursuant to Section 19/B. of of Act IV of 1991 on the promotion of employment and services to the unemployed, the grants may also be awarded with different conditions in a combination of means, in labour market programmes, in order to promote the employment of disadvantaged persons in the labour market, pursuant to individual programme plans.
These include the grants available under the TÁMOP 1.1.1 programme titled “Support for the rehabilitation and employment of persons with disabilities” and the related investment-type grants available under the TÁMOP 1.1.1/B programme, serving accessibility and adaptation in the workplace.

To mention an example: within the programme, in the case of rehabilitation of an employee receiving rehabilitation annuity, neither the fulfilment of the quota nor the otherwise obligatory accreditation is a requirement for the award of a wage subsidy from the state budget, and if another employer takes on this task, they are exempted from the obligation of obtaining accreditation.

Other forms of support

- **Support in the tax laws for the employment of workers with disabilities**

Among employers not obliged to provide employment (exempted from the obligation of paying rehabilitation contribution) are *economic associations subject to corporation tax* whose statistical employee headcount for the year concerned does not exceed 20 persons, and, in the case of private entrepreneurs and owner farmers, those who are eligible for the benefit provided in the taxation system pursuant to Act LXXXI of 1996 on corporation tax and dividend tax , Section 7 (1), point (v) and Act CXVII of 1995 on personal income tax , Section 21 (1), and Section 49/B (6), point (b).
Employers subject to act on corporation tax and dividend tax may reduce their pre-tax earnings, and private entrepreneurs and owner farmers subject to act on personal income tax may reduce their earnings from their activity, if they hire an employee with a disability of at least 50%. The amount of such reduction shall be the wage paid to the employee based on the statistical headcount of qualifying employees, per person and per month, not to exceed the applicable minimum wage.

- **Opportunity of giving market preference to employers engaged in group rehabilitation employment.**

From 1 January 2007, in accordance with the relevant legislation, the contracting authority may reserve, or is required to reserve, the right to participate in a **public procurement procedure** for organisations qualified as protected employers, for organisations with a contract of protected organisation, furthermore, for organisations with a licence for social employment that hire persons with disabilities to an extent exceeding 50%, and for organisations hiring persons receiving care in social institutions, in the framework of social employment, which employ workers with disabilities to an extent exceeding 50%.

- **Support promoting the employment of disadvantaged job-seekers**

This aid is tied to the employment of persons who have been absent from the labour market and thus are in a disadvantaged situation *not owing to damage to health or the reduction of working capacity, rather owing to a given life situation,* (such as career start, care of a child or close relative, long-term unemployment, persons aged above 50, or with a low education not exceeding primary level). Accordingly, this support is also available if a job-seeker with reduced working capacity and showing specified labour market characteristics is employed.

Persons absent long-term from the labour market:

- young career starters,
- any person who intends to establish an employment relationship within one year (365 days) after the termination of the payment of child home care allowance (GYES), child care fee (GYED) child-rearing allowance (GYET) or nursing fee, or those who

intend to take up a job while receiving GYES after the child has reached the age of one, assuming that they are not in any employment relationship;
- long-term job-seekers,
- job-seekers eligible for availability support.

Young career-starters are persons under twenty-five years of age - under thirty years of age for persons with a degree - meeting the conditions required for the establishment of a working contractual relationship and holding a valid START card.

From 1 January 2009 an employer is entitled to further social contribution benefits if they hire a worker holding a valid START EXTRA card and is eligible for availability allowance, and their home address is in a micro-region or locality in the most disadvantaged conditions in terms of economy, infrastructure, social conditions and employment.

- **Support of employment within social institutions**

Supports are available for the employment of persons in institutional care in social facilities within the facility, i.e. for social employment (aid for social employment). The aid for social employment must be used for work-rehabilitation fee, salary type payments, personnel and material expenses related to employment or the procurement of fixed assets.

Form of employment:
- ***work rehabilitation***, the primary purpose of which is the development of the working capacity and skills of the employee,
- ***developmental and preparatory employment***, the purpose of which is the creation, restoration and development of an autonomous working capacity for the person under care in a social institution, furthermore, preparation of the person under care for working on their own, in the form of protected work or in the open labour market.

Support has been granted for employment within social institutions in the grant system since the year 2010.

b) Incentives for employers to take on workers with reduced working capacity

General obligations of the employer:

- The following persons shall observe the requirement of equal treatment concerning the given legal relation:
- any person who makes a proposal to conclude a contract to persons not specified in advance or invites such persons to make a proposal,
- any person who provides services or sells goods in premises which are open for customers,
- any private entrepreneur, legal entity or business association lacking the status of a legal person that receives subsidy concerning their legal relations established during the utilisation of the subsidy, starting from the date of receiving the subsidy, as long as the competent agency remains authorised to verify the utilisation of the subsidy according to the applicable rules, and

- employers, in respect of the legal employment relationship , the person authorised to give instructions, other employment relations and legal relations directly related to these.

In addition to workers with disabilities, the requirement of equal treatment shall also apply to the persons and organisations indicated in Act CXXV of 2003, Section 1, and any relevant violations will be investigated by the Equal Treatment Authority upon a report being received, and sanctions will be applied in the case of wrongful conduct.

- **When workplaces are designed, the needs of workers with disabilities must be taken into account**

In workplaces where workers with disabilities are intended to be hired, the doors, passageways, structures bridging differences in surface height, stairs, shower rooms, sinks and all kinds of equipment related to the workplace must be designed or converted, if necessary, to meet their physical conditions or with regard to their reduced working capacity.
Signs necessary for healthy and safe working must be displayed for workers with disabilities in their workplace, in a form recognizable by them.

- **The employer shall continue to hire the employee who became person with disabilities during the employment relationship in a position appropriate to their condition, as defined in a separate statute**

As a general rule the employer shall not terminate a person's employment by ordinary termination - unless they otherwise receive a pension - within five years before they reach the statutory retirement age, until reaching the age of 62, unless special considerations justify termination in the given situation (protection on account of age).
This rule shall be appropriately applied to the termination of employment by ordinary notice of employees receiving rehabilitation annuity and not classified as incapable of work.

Pursuant to section 90 (1) of the Labour Code, the employer shall not terminate employment by ordinary notice during the term defined below, which is the entire term of incapacity to work, in the case of persons receiving rehabilitation annuity pursuant to a separate statute.

Pursuant to section 91 of the Labour Code, the employer shall be entitled to terminate the employment of an employee receiving rehabilitation annuity after the expiry of the protection against termination, on the grounds of medical incapacity,

- if the worker can no longer be employed in their original position, and
- it is not possible to provide another position in the premises of the employer appropriate to the health condition of the worker, and
- if the employee does not consent to the amendment of the contract of employment necessary for their continued employment in a different position.

- **In the case of employment meeting the obligatory employment level, the employer is exempted from the payment of the rehabilitation contribution**

Pursuant to Section 41/A of Act IV of 1991 on the promotion of employment and services to the unemployed , every employer hiring more than 20 workers shall employ workers with disabilities to an extent of at least 5%, and if the employer fails to meet this requirement, a rehabilitation contribution with respect to the missing headcount is payable.

As of 1 January 2010 the amount of the rehabilitation contribution has been HUF 964,500 /person/year.
The employer shall pay an *advance* quarterly, to be calculated according to the *quarterly employment rate*.

Employment Office

HEADCOUNT FIGURES OF THE PROGRAMME PROMOTING THE EMPLOYMENT OF PERSONS WITH REDUCED WORKING CAPACITY
2007 to 2010 (persons)

Description	2007B	2008B	2009	2010
1 Relevant headcount of the period*	40,551	41,345	48,729	57,707
2 Total number of cases of placement without support**	7,912	7,023	1,140	2,030
3 Total number of cases of placement with support**	6,664	7,490	8,114	12,798
of which, in the framework of performing a public task	5,160	5,719	5,442	6,393
4 Placement without assistance	5721	5008	4,801	7,245
5 Total number of cases of placement	14,569	14,513	14,055	22,073
7 Total number involved in training	836 (2.1%)	1084 (2.6 %)	2,836 (5.8 %)	2,666 (4.6 %)
10. Closing headcount (actual number on the closing day of the period)	20,979	23,230	28,137	31,905
14 The expanded result compared to the relevant headcount (12/3 x 100)	27.8.	29.8	34.7	42.78
The narrowed result compared to the relevant headcount (13/3 x 100)	18.5	19.7	9.91	18.37

Note: * = One person may only be considered once ** = During the period under examination one person may be affected multiple times

A) between 1998 - 26 April 2008 job-seekers considered as persons with disability are those

a) who suffered a reduction in working capacity - according to the expert opinion of the Institute of Medical Experts of the National Health Insurance Fund, the National Institute of Medical Experts, or in the case of insured railway workers, that of the Institute of Medical Experts of the Hungarian State Railways - of at least 40 per cent, or

b) who do not have the certificate of the organisation defined in section a), but - based on the expert opinion of an agency providing occupational health services - for whom it can be determined that their chances of taking up employment and preserving their job have been reduced owing to physical or mental damage suffered.

B) from 26 April 2008 *a job seeker shall also be considered as a person with disability*

1. whose working capacity was reduced - according to the expert opinion of the National Rehabilitation and Social Institute (hereafter: ORSZI), prior to 15 August 2007, the National Institute of Medical Experts (hereafter: OOSZI), or in the case of insured railway workers, that of the Institute of Medical Experts of the Hungarian State Railways - of at least 40 per cent, or

2. who suffered health damage to an extent - according to the expert opinion of ORSZI - of at least 40 per cent, or is recommended for rehabilitation.

B. Promoting the entry of youths into the labour market

- **Promoting the entry of youths into the labour market (2007)**

Young people experience problems when trying to enter the labour market, their level of employment is low and has been decreasing year on year, as assessed since 2004. One of the reasons for this is the increased willingness to study, but the fact that it takes longer to find a job after graduating from school also has a negative impact.

Employment rate of the 15 - 24 demographic

	Employment rate (%)	
	age group 15 – 24	National
2004	23.6	50.5
2005	21.8	50.5
2006	21.7	50.9
2007	21	50.9

If we compare the figures of the previous years, we can determine that year by year it is the third quarter of the year when young people visit the customer service points in the highest number. This is the time when the academic year ends, and youths who were not admitted to a college or university and could not find an appropriate job typically visit the labour affairs customer service point at that time. As a result of our diverse information dissemination efforts of the last few years, in general the career starters know the opportunities offered by the labour affairs centre and make efforts to use this information to accomplish their objectives.

Registered career starters
changes in the number of job-seekers

Month	2006 (persons)	2007 (persons)
January	39053	38458
June	32785	34422
July	42162	42219
August	44221	44649
September	44945	45439
December	36895	40180

The composition of career starter jobseekers in terms of education is different for each region. In general, this group is also characterised by the tendency reflected in the labour market, i.e. the situation of young workers with a low level of education and no skills has increasingly deteriorated, and employers have unfavourable experiences about their work performance.
It is generally believed that those who experience learning difficulties during their school years will not perform well at work either. Fluctuation is high in this group, therefore employers are more willing to hire persons with higher education, even in positions for which a lower education would also be sufficient.

Distribution of career starter jobseekers according to education in the individual regions

Regions	primary and lower (%)	Vocational and trade school (%)	Secondary school (%)	College and university (%)
Middle Hungary	26.9	11	46.9	15.2
Middle-Transdanubia	28.9	16	46	9.1
West Transdanubia	23.2	16.2	45.8	14.8
South Transdanubia	43.6	18.8	32.3	6.2
North Hungary	49.3	16.4	28.5	5.8
North Plain	44.2	18.3	31.2	6.3
South Plain	32.1	20.7	39.3	7.9
Total	**40.6**	**17.7**	**34.3**	**7.4**

The chances of finding a job are different in individual regions. This is appropriately reflected in the following table, in which we compare the ratio of career starters to registered job-seekers in the regions with the ratio measured relative to job-seekers registered nationally. (Data as of December 2004). Youths living in North Hungary, in the North Plain and in the South Plain are not in a favourable position.
61% of job-seekers are registered in these regions.

Registered data of career starter jobseekers

Region	Ratio within the region (%)	National ratio %
Middle Hungary	4	4.6
Middle-Transdanubia	7.2	6.2
West Transdanubia	6.2	4.7
South Transdanubia	8.4	12.5
North Hungary	10.8	25.3
North Plain	11.2	31.2
South Plain	9.1	15.5

While in Transdanubia and Middle Hungary data within the region and national data show similar values, 72% of all career starter jobseekers live in the disadvantaged regions.

Another factor that deserves consideration is that in these regions almost half of all youths have an education of 8 classes of primary school or lower.

Over the years good relations have developed between the labour affairs centres and the educational institutes of the region. Their staff regularly visit classes of graduating students, the clerks in charge of education at the county level local governments, and the operators and teachers of the schools. They inform them about the opportunities in the labour market, employment and registration data, the services designed to promote employment and the available grants.

They focus highly on prevention. In order to enable youths thinking about their careers to obtain the widest possible range of information, in the autumn of every year they organise career exhibitions with the involvement of the institutes of the region engaged in the education and training of adults, as well as employers from the region.

They regularly inform institutes of education on the composition of registered job-seekers according to education level, the processes and trends of the labour market, thereby facilitating the preparation of the professional programmes of the schools.

The success of placement is facilitated by the right career selection and appropriately timed career change. For this, a knowledge of the features of the labour market is just as necessary as a knowledge of the various trades. Having operated since 2005, the e-career website facilitates career choices and changes of career in such a manner that it can be used on its own in any place with Internet access and is available any time of the day.

Compared to the year 2006 the number of visitors has doubled, with 449,304 visitors registered in 2007, and 30,000-40,000 hits monthly. If we consider breakdown to hours, it can be seen that the highest number of customers use the service between 10 a.m. and 2 p.m. In an on-call system, career consultants provide online consulting in the "Meeting room", which is the service that attracts the highest number of registered visits by our customers.

Typically, the distance consulting service is used most often by the age group of secondary school students, on the one hand because the teachers also point out this opportunity to their students, and on the other hand because those who are knowledgeable about and regularly use the computer system belong to this age group. Generally, school age users who log on request information about specific trades and specialisations, or require assistance with making their decisions, while older users expect information about job opportunities and trades where there is a shortage of supply.

- **Promoting the entry of youths into the labour market (2008)**

In 2008 the number of career starter jobseekers stood at 41,400 persons on average, which classifies 9.4% of all job-seekers in the career starter category. Compared to the previous year, the number of young career starters grew at a slower pace (2.6%) relative to the total number of job-seekers, but during the year the trend for career starters developed similarly to that of all registered job-seekers. In the last two months of the year the number of career starter jobseekers increased significantly, primarily in Middle Hungary, Middle Transdanubia and West Transdanubia.

In 2008 the decrease in the number of young career starters with a degree continued, which amounted to 15% compared to the previous year. This favourable tendency has been observed since 2006. In addition to that of college or university graduates, the number of youths who graduated from a vocational school or trade school also decreased, while that of persons with a low education (8 classes of primary school or lower) or with a secondary education certificate increased.

If we consider the ratio of career starters broken down regionally, it can be seen that their ratio is higher in regions where the situation of the labour market is already less favourable, and the relative index of job-seekers is higher. In the North Plain career starters constitute almost 12% of all job-seekers, while in Middle Hungary they are present in this group at only one-third of this ratio. These ratios are strongly related to the breakdown of career starter jobseekers according to level of education. In fact, while in West Transdanubia the ratio of career starter jobseekers with primary education or lower remains below 25%, in North Hungary 49% of all career starter jobseekers, i.e. almost every second career starter youth, has

a low level of education. (This ratio is somewhat lower in the North Plain and South Transdanubia, at 44% and 43% respectively.)

The highest number of career starters with a degree live in the eastern regions of the country. Another figure that reflects the situation well is that, while in the central region only 7% of career starter jobseekers were seeking a job for over one year as an annual average, in North Hungary the corresponding figure was 34%, and in the North Plain 31%. In addition to the composition, the difference is also highly correlated to the labour market situations of the individual regions, as while, for example, in the central region only 10% of career starters with primary education or lower were continuously seeking a job for over one year, in North Hungary this ratio was 46%.

In addition to the Career Orientation exhibitions, the staff of the regional labour centres also call the attention of young clients to other services facilitating career selection, and career orientation. With the involvement of primary and secondary educational institutions they prepare surveys and analyses in several regions on the intentions of students to continue their studies, and on the composition, according to skills/level of education, of persons added to or removed from the register.

The extremely valuable study titled "Vocational Training Strategy of the South Transdanubian Region" was assessed under commission from the Office of Education by the South Transdanubian Regional Labour Affairs Centre, which also provided assistance with supplementing it.

In West Transdanubia, in the framework of a regional labour market programme, in 2008 a new career orientation programme was launched, organised by the Association for School Culture and the Creation of Opportunity. Its mission is to enhance equal opportunities for disadvantaged students, primary and secondary school students exposed to dropping out, to promote their integration, improve their school performance, provide assistance with continued studies, develop realistic career choices, present trades which are in short supply, provide assistance with improving the structure of vocational training and operate a career orientation system.

The staff of the regional labour centres participate in the chat consulting service of the e-career website. According to their experiences, the website is not yet as well known as it should be, the number of users logging on is negligible, during the year 2008, 8210 persons registered on the website and 6513 completed the career orientation questionnaire. One reason for this is that, in contrast with the netsurfing habits of youths, the on-call service is only available during daytime. According to the opinions of registered visitors, the interactive questionnaires are useful and help them with making their career choice decisions.

Apart from the clients, in West Transdanubia our staff also presented the website and recommended its use to external service providers, our partners working in the field of social care (career orientation trainers, external Job-seeker Club leaders, as well as work consultants, staff of Telehouses and projects involved in the provision of information, staff of Family Assistance centres, rehabilitation mentors). The employment experts working in the committees of ORSZI (National Rehabilitation and Social Institute) use the website to prepare their expert opinions, raising awareness of the important need for the statistical figures of the websites to be constantly maintained and updated.

- **Promoting the entry of youths into the labour market (2009)**

Over recent years the changing labour market has once again highlighted the importance of career choice and career change decisions. In the third quarter of 2009 most of the regions conducted surveys, from which it can be demonstrated which schools the youths added to the labour register graduated from, and what qualifications they obtained. In addition, they also surveyed other competencies (language skills, driving licence), motivations, factors preventing placement, circumstances of career choice, features of the job seeking activity, and the types of assistance required by career starters. Based on their experiences, the regional labour affairs centres consider it necessary to develop a uniform tracking system, to be applied as mandatory to every secondary school and university or college.

The regional labour affairs centres present regular updates in the meetings of the Regional Development and Training Boards on the processes of the Labour market - with special regard to data on recently graduated students becoming unemployed - and on the trades which are in short supply or excessively saturated. The methods of choosing a career were presented in several regions, visits were organised to plants and institutes, trades in short supply were presented, EU learning opportunities were presented, there was an exhibition with stands allowing people to try out different trades, and professional forums, job fairs and conferences were organised.

E-career is a website containing country level data, which provides access to information concerning career choice and career change, and also provides an opportunity for the implementation and application of new, state-of-the-art forms of consulting.

Based on the consulting provided through a chat service, it is safe to say that the website is still not well enough known by the target group in order to make its operations sustainable, and an awareness-raising campaign should be conducted. At an annual level the number of customers logging in is negligible, since the staff provide the on-call service during daytime working hours, which is not compatible with the netsurfing habits of young people. In the year 2009 they were only able to provide meaningful assistance to a very small number of users, although in the opinion of visitors to the website, the interactive questionnaires are useful and help them with making their career choice decisions.

- **Promoting the entry of youths into the labour market (2010)**

In accordance with the practice of former years, most of the regions conducted surveys, from which it can be demonstrated which schools youths added to the labour register graduated from, and what qualifications they obtained. In addition, they also surveyed other competencies (language skills, driving licence), motivations, factors preventing placement, circumstances of career choice, features of the job seeking activity, and the types of assistance required by career starters. Based on their experiences, the regional labour centres consider it necessary to develop a uniform tracking system, to be applied as mandatory to every secondary school and university or college.

The methods of choosing a career were presented in several regions, visits were organised to plants and institutes, trades in short supply were presented, EU learning opportunities were presented, there was an exhibition with stands allowing people to try out different trades, and professional forums, job fairs and conferences were organised. In the career selection events

the presentation of state-of-the-art trades, upgraded skills and trades in very short supply in the labour market were at the centre of attention.

E-career is a website containing country level data, which provides access to information concerning career choice and career change, and also provides an opportunity for the implementation and application of new, state-of-the-art forms of consulting.

Based on the consulting provided through a chat service, it is safe to say that the website is still not well enough known by the target group in order to make its operations sustainable, and an awareness-raising campaign should be conducted. At an annual level the number of customers logging in is negligible, since the staff provide the on-call service during daytime working hours, which is not compatible with the netsurfing habits of young people. The staff can still only provide meaningful assistance to a very small number of users, although in the opinion of visitors to the website, the interactive questionnaires are useful and help them with making their career choice decisions.

C. Support to help career starters find a job

- **START programme**

Implemented from 1 October 2005, the START programme gives an opportunity for career starters to gain work experience for two years, while employers are given the opportunity to claim contribution allowance related to the employment of young workers.

The programme is expressly meant to provide assistance with obtaining experience which is essential in the labour market, consequently, only career starters who have not yet reached the age of twenty-five (or in the case of persons with a degree, the age of thirty), have completed their studies, or interrupted their studies and seek employment for the first time in their lives or start their career with a stipend, are entitled to obtain the START card, which is imposed as a condition for participating in the programme. The contribution allowance provide a significant incentive to the employer, since instead of public dues of 34% that would otherwise be payable, they only pay 15% of the gross wage in the first year, and 25% in the second year. There is no upper limit on the wage allowed to be paid to younger workers, but the benefit is only applicable up to one and a half times the minimum wage, or twice the minimum wage if the worker has a degree. Experiences of recent years show that employers have grown to like the START programme. According to the tax reports of the employers, the number of younger workers employed with a START card is growing year by year.

- **Supporting career starters with a trade qualification to obtain work experience**

The government has established the legal background - Government Decree no. 70/2009 (IV. 2.) - enabling labour centres to provide assistance to qualified career starter jobseekers in obtaining work experience. In an effort to promote the acquisition of work experience for young persons and to encourage their employment, employers are entitled to receive aid when they undertake to hire registered career starter jobseekers who have a qualification, as defined by the regional labour affairs centre, for a period of at least 1 year, in a position in which the young worker is able to obtain appropriate work experience. As an additional condition for claiming the aid, the job-seeker concerned should have been registered as a job-seeker for at least 90 days, and during that time they should have observed the obligation of cooperation.

At least 50% but not more than 100% of the wage payable to the career starter may be awarded to the employer as aid. The employers may claim this benefit through the labour affairs organisation.

- **TÁMOP 2.2.2 - presentation of the domestic career orientation system development project**

The purpose of the priority programme is the development of a lifelong guidance network in Hungary, as well as the expansion of the career orientation and career information toolset which could contribute to increasing the efficiency of operators in the labour market. The professional success of the programme is reflected by an international, policy level assessment made in May 2010, which qualified its aims as well as the individual programme elements as progressive, in accordance with the European guidelines, and in many aspects unique and pioneering initiatives. The indicators committed to in the framework of the programme have been delivered in the following way:

Monitoring indicator's name	Indi-cator's unit of measure-ment	Project results and products	Initial value	Target values		Fulfilment ratio of the indicators
				Committed	Delivered	
New FIT folders	pcs	100 new FIT folders have been completed.	202	302 pcs	302 pcs	100 %
Renewed FIT folders	pcs	50 updated folders have been prepared.	172	222 pcs	222 pcs	100 %
Career orientation films	pcs	42 new career orientation films were made.	344	364 pcs	386 pcs	210 %
Number of participants in postgraduate education	persons	76 obtained a degree	0	50 persons	76 persons	152 %
Satisfaction of persons taking career orientation consulting	%	Full average satisfaction is 92.91%.	Not available	+20%	+92.91 %	100 %
Number of persons receiving career orientation consulting	persons	27 059 persons involved seeking counsel	0	+10 000 pn/year	27,059 persons	270 %
Visits to the career orientation portal	visitors/ year	340,754 unique visitors	223,000	268,000 visitors/ year	340,754 unique visitors	127 %
Number of informational materials supporting career orientation	pcs	10 sets of informational materials have been prepared	0	10 pcs	10 pcs	100 %
Number of professionals participating in training related to career orientation	persons	1,916 persons participated in the training	0	2000 persons	1,916 persons	In February 2011 about 80 persons received training
Number of professionals who successfully graduated from training related to career orientation	persons	1,916 graduated from the training successfully	0	1900 persons	1,916 persons	In February 2011 about 80 persons received training

- **Accomplishments of the lifelong guidance network**

In consulting outlets established in over twenty-four cities around the country, close to fifty well-trained professionals were accessible to interested clients who faced the challenges of starting, changing or maintaining their careers, and needed to obtain information about their personal competencies. Career orientation services are available free of charge to clients of any age. In order to ensure the unified work of every counsellor, the Professional Protocol of Career Orientation Counsellors was drawn up, which provides guidance concerning individual and group consulting, group development, leading theme-oriented workshops and participation in outreach programmes.
The following table summarises the number of consulting cases in the year 2010:

individual	group	distant consulting	thematic workshops	group development	outreach service
3,792	3,376	706	2369	623	16,193

- **Measurement of the satisfaction of advice seekers**

The primary aim of the assessment of satisfaction was to survey whether users of career orientation programmes - i.e. advice seekers - are satisfied with the consulting service, and to determine the level of their satisfaction in the individual areas. The questionnaire developed according to this concept has a modular build up - in accordance with the consulting services - which is applicable for the assessment of the satisfaction of advice-seekers participating in individual personal and distance consulting, as well as for measuring the satisfaction of persons having participated in group consulting and group development, in personal outreach programmes and outreach distance services.

Type	Minimum	Maximum	Variation	Average:	%
Satisfaction - individual consulting	5.00	6.00	0.16	5.90	98.37%
Satisfaction - group consulting	3.68	6.00	0.46	5.46	90.98%
Satisfaction - group development	3.16	6.00	0.585	5.36	89.37%
Overall average satisfaction					**92.91%**

- **Professional network building activity**

Regional professional network building was launched with the aim of addressing professionals in either direct or indirect connection with career orientation activities. In that framework, the personal data of over 3500 persons were taken, of whom 600 work at present in the relevant area in possession of some kind of consultant qualification. The number and distribution of HR professionals involved in the network building activity by professional qualification are as follows:

Region	number of professionals (persons)	holds a qualification in counselling (persons)	holds a qualification in counselling %	holds "no" qualification in counselling (persons)	holds "no" qualification in counselling %
Middle Hungary	517	187	36.17%	330	63.83%

North Hungary	482	89	18.46%	393	81.54%
North Plain	529	74	13.99%	455	86.01%
South Plain	554	64	11.55%	490	88.45%
South-Transdanubia	620	58	9.35%	562	90.65%
Middle-Transdanubia	495	80	16.16%	415	83.84%
West-Transdanubia	453	70	15.45%	383	84.55%
Total	**3,650**	**622**	**17.04%**	**3,028**	**82.96%**

In the network building activity the professional community was surveyed from several angles. One of those was the differentiation of institutions and organisations employing HR professionals according to their form of financing, and the data may serve as useful supplementary information for implementing a cross-specialisation approach in Hungary.

Distribution of HR professionals involved in network building activity by sphere of activity:

Region	**number of professionals (persons)**	**central budgetary institutions**		**local government**		**competitive sector**		**non-profit organisation**	
		persons	**%**	**persons**	**%**	**persons**	**%**	**persons**	**%**
Middle Hungary	517	93	19.9%	165	33.5%	91	18.5%	139	28.2%
North Hungary	432	102	24.0%	255	60.0%	15	3.5%	53	12.5%
North Plain	529	112	24.1%	203	43.8%	39	8.4%	110	23.7%
South Plain	554	102	19.9%	304	59.4%	59	11.5%	47	9.2%
South-Transdanubia	620	96	13.3%	301	57.4%	10	1.9%	117	22.3%
Middle-Transdanubia	495	99	26.3%	168	44.6%	***27***	7.2%	82	21.8%
West-Transdanubia	453	62	22.2%	107	38.4%	40	14.3%	70	25.1%
Total	**3650**	**671**	**21,.8%**	**1503**	**49.0%**	**281**	**9.1%**	**618**	**20.1%**

- **Career orientation portal**

Work started on the development of the National Career Orientation Portal (NPP), in line with international trends and good practices, which has been available from September 2010 in test mode at the address: www.eletpalya.munka.hu, offering a constantly expanding range of tools and functions. The number of visitors to the portal, combined with the www.epalya.hu system:

	Unique visitors	**Page impressions**
January 2010	4,655	61,641
February 2010	22,630	349,504

March 2010	31,748	560,437
April 2010	27,982	487,313
May 2010	31,555	455,249
June 2010	27,330	402,397
July 2010	25,716	314,928
August 2010	29,967	392,069
September 2010	36,821	632,684
October 2010	35,220	831,633
November 2010	40,575	746,021
December 2010	26,555	454,431
Total	**340,754**	**5,688,307**

- **Training**

Two types of training activities were performed in the framework of the programme:

- Accredited sensitivity training sessions of thirty hours, which serve significantly to increase the career orientation skills of teachers, social workers and other professionals working in related areas. During the year 2010, 1916 persons graduated successfully from the sensitivity training.
- Postgraduate training course in the specialisations of career orientation teacher (Szent István University) and student counselling (Eötvös Loránd Scientific University). During the 2010s, 76 persons completed the postgraduate course successfully.

- **Development of tools**

In accordance with the new structure of occupations in effect since 1 January 2011 (FEOR-08), under the framework of the project, the following tool development activities were completed during 2010:

- preparation of 50 new folders presenting occupations,
- upgrade of 100 folders presenting occupations,
- preparation of 42 films presenting occupations.

In parallel, 40 newly developed on-line questionnaires on self-knowledge and career awareness were compiled and made available through the National Career Orientation Portal.

D. Measures aimed at supporting the placement of long-term unemployed persons, and the results of these

In this section we also answer the question of ECSR on long-term unemployed persons.

It is an important function of the Public Employment Service (ÁFSZ) to give efficient assistance to clients registered as long-term unemployed, through its programmes and services provided in an effort to increase employment, with job-seeking and placement.

Act IV of 1991 on the promotion of employment and services to the unemployed does not use the concept of the long-term unemployed. Pursuant to Directive no. 2004/28 by the Tax and Financial Control Administration, a long-term unemployed person is a person who has been registered with the county (or Budapest) labour affairs centre as an unemployed person (job-seeker) for at least 6 months directly preceding their employment. The fundamental aim is to

find jobs for long-term unemployed persons / job-seekers as soon as possible, to promote their employment by active means.
This group of clients is characterised by low levels of education, and a lack of professional skills or marketable vocational skills. The opportunities of clients with qualifications may be severely limited if they do not have even basic foreign language and IT skills.

One of the flexible forms of aid is aid to participation in **training courses** offered or endorsed by the labour affairs centre. An income supplement may be granted to the job-seeker for the term of their participation in the course. The rate of the aid was previously 60 per cent of the minimum wage applicable upon the date of granting, now it is 100 per cent.

By application it will become possible to participate in the **"Take a step forward" ("Lépj egyet előre")** programme, whose fundamental aim is to enable unskilled workers to acquire a qualification, or skilled workers to acquire a higher level qualification. The government intends to give subsequent aid to persons who graduate from the training successfully, in the form of a stipend equalling the amount of the applicable minimum wage.

Wage support aimed at increasing employment may be awarded to an employer that hires a worker who has been a registered job-seeker for 6 months. The rate of the support ranges from 50 to 100 per cent of the wage, for a term not exceeding one year.
Employers **performing activities of public interest** that undertake to hire a job-seeker referred to them by the labour centre may receive aid of max.70% of the direct costs incurred by the employment, for a term not exceeding one year.

The **public works** programmes primarily serve to improve the employment, livelihoods and living conditions of the long-term unemployed population, and to foster the convergence of disadvantaged localities and micro-regions, and are implemented through state funding, via applications for grants. Announced one or more times a year, the grants are aimed at the implementation of specific activities, usually for a term of 6 to 8 months. (Mainly for the development of the infrastructure of localities, maintenance of roads within the community, draining of storm water, renewal of the canal network, completion of environmental tasks, planting of woods, maintenance of public areas). The non-refundable aid available through an application enables the partial recovery of the salaries and contributions of persons employed in public works as well as the employment costs and the costs of the training required for their employment.

The employer may also request aid for **part-time employment.** One condition is that the employer should undertake to employ the job-seeker for at least half, but not longer than three-quarters of the working time. The ratio of this aid shall not exceed 75% of the combined amount of all wages and contributions of the relevant employee and/or the full or partial refund of the regional travel costs related to commuting to work and payable by the employee.

The employers may also apply for the **assumption of wage contributions**, under which the aggregate amount of the pension and health insurance contributions, the lump sum health contribution, the employer's contribution paid by the employer and levied on salaries related to employment may be refunded, partially or fully, for a period not exceeding 200 days.

Long-term unemployed persons may also apply for **aid for self-employment**, which they can also use if they join an existing business organisation. The amount of this aid may be up to HUF 3 million. The labour centre intends to enhance the chances of long-term unemployed

persons finding a job not only by giving grants to employers, but also by offering a wide range of **HR services**.

Long-term job-seekers have several options to choose from. Discussions with work consultants and the completion of decision supporting questionnaires, based on self-knowledge, may provide significant assistance with **job-seeking** or a **change of career**.
In Job-seeker Clubs they can learn about the current methods of searching for work, and by exercising job seeking techniques they can enhance their chances of placement.
When the service is used, job-seekers may receive an **income supplement** for the period of participation in the Job-seeker Club, if the period of the service is at least 15 days.

The integration into the labour market of long-term unemployed persons with no skills, or with skills of a level and type not compliant with market needs, requires a complex approach. The organisation and support of complex labour market programmes serves this purpose.
In 2005, of all persons unemployed/seeking a job for over one year the Public Employment Service (ÁFSZ) placed into work 29 908 persons with aid, and 16 954 persons with no aid.

Within the group of long-term unemployed persons 6,059 participated in labour market training. The corresponding figures of persons above the age of 50 *(2,821 persons, 1.81 %)*, is low both in absolute and relative terms, which is primarily attributable to the relatively low inclination to learn, which is characteristic of this demographic.

Number of persons registered as seeking a job for over one year and total number of registered job-seekers in the years 2005 and 2006

Description	2005		2006		Change	
	persons	distribution %	persons	distribution %	in persons	in %
Number of job-seekers beyond one year	100,317	24.5	102,473	26	2156	2.1

- **Results of the HEFOP 1. 1 measure**

We provide the following information in response to the question on the number of participants in the ECSR Human Resources Development Operational Programme: Until 31 December 2006 it was possible for jobseekers (including long-term unemployed persons) whose situation could not be expected to improve as a result of intervention by traditional means to be included in programmes launched at county level in the framework of the HEFOP 1.1 measure titled "The prevention and handling of unemployment". (This programme was operational between 1 September 2004 and 31 December 2007).

Data of long-term unemployed persons involved in the HEFOP 1.1 measure.

Long-term unemployed, aged 30 and over	TOTAL
Headcount involved in the programme (persons)	8006
Number successfully completing the programme (persons)	5205
Number completing with a successful outcome (persons)	3159
Number of placements (persons)	1454
Women (people)	4639
Men (people)	3367
Roma (people)	719
Reduced capacity to work (people)	438

- **Support for placing job-seekers at micro-, small and medium enterprises and at non-governmental organisations**

Launched in January 2006, this programme offers aid to micro-, small and medium enterprises and non-governmental organisations which increase their staff by a person registered as a job-seeker for at least three months: for a period of one year they are released from the payment of employer's contributions if they undertake to maintain the employment of the worker for the same time as the term of the aid. The period of joining the programme lasted until 31 December 2006, while the entire term of the programme concluded on 31 December 2008.

A total of 11,471 economic associations were involved in the SME+ programme, in which a total of 14,142 registered job-seekers were given a job. In addition to the support of micro-, small and medium enterprises and non-governmental organisations, the programme also plays a preventive role concerning long-term unemployment.

- **Training for adults with a low level of education, disabled persons and older demographics**

From 2006 normative aid has been available for persons not having a qualification recognised by the state in order for them to acquire their first, in the case of persons over 50, for their second qualification, furthermore, for the general, language and vocational training of disabled persons. This aid has so far enabled the training of close to 4000 persons. Implemented with ESF support, the "Make a step forward" programme serves to increase the participation of workers with low levels of education, and had enabled the training of 15,600 persons with low levels of education by mid-2007. This programme continued in September 2007, also financed by EU funds. In the period until the end of July 2009 we planned to provide support for training an additional 22,000 persons. A significant number of long-term unemployed persons received aid under the programmes mentioned above.

- **Access of Roma clients to the active tools and services of the Public Employment Service (ÁFSZ) (including HEFOP 1.1)**

The records maintained by the Public Employment Service contains a significant number of long-term unemployed persons of Roma origin, who constitute the most disadvantaged group of Hungarian society in terms of social conditions and economic status.
According to the employment figures of the Hungarian Statistical Office, in 2006 only 20% of the Roma population was employed.
We estimate that 1,601 persons participated in the labour market programmes assessed in the year 2005, receiving support from the county-level decentralised and central budgets of the

Employment Subfund of the Labour Market Fund. In the framework of the HEFOP 1.1 measure, the labour affairs centres supported 1,911 persons of Roma origin.
In respect of the aid provided from the county-level decentralised budgets of the Employment Subfund of the Labour Market Fund, aid to public interest employment continued to dominate, with 18,624 persons. The subsequent order of the headcount affected by the aid is: labour market training: 3,053 persons; wage subsidy to increase employment: 1,408 persons; assumption of wage contributions related to employment: 1,256 persons; aid to career starters in order to gain work experience: 874 persons.
The grants awarded from the Employment Subfund of the Labour Market Fund, the grants operated in a complex manner in the labour market programmes and in the framework of the HEFOP 1.1 measure, coupled with the wide range of attached services, enabled 28,000 Roma job-seekers to improve their labour market position and chances.

We estimate that 1,003 persons participated in the 40 most significant labour market programmes affecting Roma persons in the year 2006, receiving support from the county-level decentralised and central budgets of the Employment Subfund of the Labour Market Fund The most successful programmes provided an opportunity to gain work experience and subsidised employment together with the completion of primary school studies. We estimate that in the framework of the HEFOP 1.1 measure, the labour affairs centres supported some 2,543 persons of Roma origin in 2006.

In respect of the aid provided from the county-level decentralised budget of the Employment Subfund of the Labour Market Fund in 2006, aid to public benefit employment continued to dominate, and we estimate that close to 17,413 persons received this aid. We estimate the number of persons involved in labour market training at 3,611, the number of those receiving wage subsidy aimed at increasing employment at 1,050, the number of those affected by the transfer of wage contributions at 357, and the number of those receiving career starter grants in order to gain work experience at close to 452.

We estimate that the grants awarded from the Employment Subfund of the Labour Market Fund, the grants operated in a complex manner in the labour market programmes and in the framework of the HEFOP 1.1 measure, coupled with the wide range of attached services enable close to 30,000 Roma job-seekers to improve their labour market position and chances.

- **Central Public Employment Service programme to increase the employment level of persons above the age of 50, to interrupt long-term unemployment and to enhance their chances of finding a job.**

The main target of the programme is to increase the employment levels of persons above the age of fifty, to interrupt their long-term unemployment and to enhance their chances of finding a job through the complex and customised management of their various concerns.

With regard to the success of the programme launched on 1 January 2005, we continued the central programme throughout most of 2006, remaining open for entry and making commitments until 30 November. Our aim is to involve *25 000 persons* in the programme nationally, and to find jobs for *10 000 persons*. In the year 2006 *29,853 persons* were notified, of whom *22 536 persons* indicated their intention to participate in the programme.

In the year 2006 *3 340 persons* found a job through referral, without aid, and *2 169 persons* found a job on their own. Using the grants, we contributed to the placement of a total of *7 634*

persons, *1 366 persons* found a job through work trials, 4*35 persons* through wage subsidy aimed at the increase of employment, *468 persons* through the assumption of contributions, *988 persons* through the combined supports of wage subsidy aimed at the increase of employment and the transfer of contributions, *2 192 persons* through grants to public benefit work and *2 185 persons* through other kinds of aid.
In the framework of the programme, in the year 2006 a total of *13 143 persons* found a job, which goes much beyond the proportionate delivery on the set targets. We have involved *769 persons* in labour market training.
We have provided labour market services to *25,029 persons*. In the highest number *6 611 persons* participated in job-seeking consultancy sessions, *5,478 persons* in group information meetings, *3,173 persons* in individual consulting, *2,996 persons* in training consulting, and *1,891 persons* visited our job fairs.
We have involved *814 persons* in the HEFOP 1.1 programme and *1 056 persons* in the rehabilitation process.
In total, the implementation of the programme in the years 2005 and 2006 can be considered successful, receiving favourable feedback from employers, employees and society in general.

Distribution of the relevant number of persons participating in the major active tools according to gender, age in 2007 (%)

	Training to persons not in employment	Support to becoming an entrepreneur	Wage subsidy	Public interest employment	Support of career starters for gaining work experience	Support of the employment of career starters
Men, women together						
Under 20 years	16.7	0.3	3.2	3.2	13.5	59.3
20-24	43.7	11.7	19.7	11.0	75.6	40.7
Total for under 25 years	**60.4**	**11.9**	**22.9**	**14.1**	**89.1**	**100.0**
25-44	24.0	67.8	47.4	47.6	10.9	0.0
45-49	7.3	11.4	9.9	14.7	0.0	0.0
above 50 years	8.3	8.9	19.8	23.5	0.0	0.0
Total	100.0	***100.0***	***100.0***	***100***	***100.0***	***100.0***
Men						
Under 20 years	11.0	0.5	4.4	4.2	18.0	56.4
20-24	28.5	11.1	20.5	11.0	71.6	43.6
Total for under 25 years	39.5	**11.6**	**24.9**	**15.2**	**89.6**	**100.0**
25-44	45.0	68.6	44.8	43.9	10.4	0.0
45-49	**6.6**	11.1	8.7	14.8	0.0	0.0
above 50 years	8.9	8.7	21.6	26.2	0.0	0.0
Total	100.0	***100.0***	***100.0***	***100.0***	***100.0***	***100.0***
Women						
Under 20 years	21.0	0.0	2.2	1.8	9.8	66.7
20-24	55.2	12.3	19.0	10.9	78.9	33.3
Total for under 25 years	76.2	**12.3**	**21.2**	**12.7**	**88.7**	**100.0**
25-44	8.1	66.9	49.5	52.6	11.3	0.0
45-49	7.8	11.8	10.8	14.7	0.0	0.0
above 50 years	7.8	9.0	18.4	20.1	0.0	0.0
Total	100.0	***100.0***	***100.0***	***100.0***	***100.0***	***100.0***

Source: Public Employment Service

Distribution of the relevant number of persons participating in the major active tools according to gender, education in 2007 (%)

	Training to persons not in employment	Support to becoming an entrepreneur	Wage subsidy	Public interest employment	Support of career starters for gaining work experience	Support of the employment of career starters
Men, women together						
Less than primary school	1.2	0.1	1.3	10.1	0.4	0.0
Primary school	22.2	6.6	22.1	44.1	6.9	7.1
Primary or lower, total	**23.4**	**6.7**	**23.4**	**54.2**	**7.3**	**7.1**
Vocational, trade school	23.2	37.6	35.2	27.1	18.0	83.6
Secondary vocational school, technical institute	24.1	30.0	21.0	8.5	27.4	7.9
Secondary school	15.7	12.9	11.9	6.7	15.4	1.4
College or university	9.1	12.8	8.4	3.5	31.9	0.0
Total	100.0	***100.0***	***100.0***	***100.0***	***100.0***	***100.0***
Men						
Less than primary school	1.9	0.2	1.5	11.5	0.8	0.0
Primary school	30.3	6.8	22.6	46.7	11.0	8.9
Primary or lower, total	32.2	**6.9**	**24.2**	**58.2**	**11.8**	**8.9**
Vocational, trade school	29.4	45.2	45.4	31.8	28.2	79.2
Secondary vocational school, technical institute	21.9	27.1	17.8	5.5	27.4	10.9
Secondary school	11.1	7.7	6.3	3.0	11.6	1.0
College or university	5.4	13.0	6.4	1.6	21.1	0.0
Total	100.0	***100.0***	***100.0***	***100.0***	***100.0***	***100.0***
Women						
Less than primary school	0.9	0.0	1.1	8.3	0.1	0.0
Primary school	18.5	6.5	21.7	40.6	3.5	2.6
Primary or lower, total	19.4	**6.5**	**22.8**	**48.9**	**3.6**	**2.6**
Vocational, trade school	19.3	29.1	27.0	20.9	9.5	94.9
Secondary vocational school, technical institute	27.1	33.3	23.6	12.4	27.4	0.0
Secondary school	20.8	18.6	16.5	11.5	18.6	2.6
College or university	11.8	12.5	10.1	6.2	40.9	0.0
Total	100.0	***100.0***	***100.0***	***100.0***	***100.0***	***100.0***

Source: Public Employment Service

Distribution of the relevant number of persons participating in the major active tools according to gender, age in 2008 (%)

	Training to persons not in employment	Support to becoming an entrepreneur	Wage subsidy	Public interest employment
Men, women together				
Under 20 years	8.1	0.4	4.3	2.9
20-24	26.9	11.5	25.8	11.3
Total for under 25 years	**35.0**	**11.9**	**30.0**	**14.3**
25-44	48.3	68.1	41.8	46.2
45-49	7.0	10.0	6.9	14.1
above 50 years	9.7	9.9	21.3	25.5
Total	100.0	***100.0***	***100.0***	***100***
Men				
Under 20 years	10.6	0.4	5.8	3.7
20-24	30.7	8.9	26.3	11.6
Total for under 25 years	41.3	**9.3**	**32.1**	**15.3**
25-44	43.0	70.3	38.0	43.0
45-49	**5.9**	9.5	6.2	13.9
above 50 years	9.8	10.9	23.7	27.9
Total	100.0	***100.0***	***100.0***	***100.0***
Women				
Under 20 years	5.8	0.4	3.0	1.9
20-24	23.5	13.9	25.3	11.0
Total for under 25 years	**29.4**	**14.3**	**28.4**	**12.9**
25-44	53.1	66.0	44.9	50.4
45-49	8.0	10.6	7.5	14.4
above 50 years	9.5	9.1	19.3	22.2
Total	**100.0**	***100.0***	***100.0***	***100.0***

Source: Public Employment Service

Distribution of the relevant number of persons participating in the major active tools according to gender, education in 2008 (%)

	Training to persons not in employment	Support to becoming an entrepreneur	Wage subsidy	Public interest employment
Men, women together				
Less than primary school	2.1	0.1	1.1	10.2
Primary school	28.1	7.4	26.2	45.6
Primary or lower, total	**30.3**	**7.5**	**27.3**	**55.8**
Vocational, trade school	21.9	32.4	30.1	26.9
Secondary vocational school, technical institute	22.6	28.0	20.8	8.2
Secondary school	15.9	15.9	12.3	6.1
College or university	9.4	16.2	9.5	3.0
Total	100.0	***100.0***	***100.0***	***100.0***
Men				
Less than primary school	2.5	0.1	1.8	11.1
Primary school	35.2	7.9	30.3	47.9
Primary or lower, total	37.7	**8.0**	**32.1**	**59.1**
Vocational, trade school	27.1	41.8	37.5	31.7
Secondary vocational school, technical institute	19.2	25.1	17.7	5.3
Secondary school	10.9	10.2	7.2	2.7
College or university	5.2	15.0	5.5	1.2
Total	**100.0**	***100.0***	***100.0***	***100.0***
Women				
Less than primary school	1.8	0.1	0.6	8.9
Primary school	21.8	6.9	22.9	42.5
Primary or lower, total	**23.7**	**183.2**	**23.4**	**51.4**
Vocational, trade school	17.3	23.9	24.0	20.5
Secondary vocational school, technical institute	25.6	30.6	23.3	12.0
Secondary school	20.3	21.1	16.5	10.7
College or university	13.2	17.4	12.7	5.4
Total	**100.0**	***100.0***	***100.0***	***100.0***

Source: Public Employment Service

Distribution of the relevant number of persons participating in the major active tools according to gender, age, education in 2009 and 2010 (%)

	Training to persons not in employment	Aid to becoming an entrepreneur	Wage subsidy	Public interest employment	Subsidy to wage costs	Allowance for regional commuting	Subsidy to employer training	Participation in job-seeker club
2009								
Men	48.1	47.9	46.6	50.9	42.0	26.4	40.1	31.4
Women	51.9	52.1	53.4	49.1	58.0	73.6	59.9	68.6
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2010								
Men	49.7	48.8	48.2	52.3	43.4	28.7	54.8	26.8
Women	50.3	51.2	51.8	47.7	56.6	71.3	45.2	73.2
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2009								
25 years and under	36.1	15.6	28.6	16.9	30.5	38.2	11.7	50.6
26 to 50 years	56.1	75.0	50.5	59.6	51.3	48.6	76.1	36.4
above 50 years	7.8	9.4	20.9	23.5	18.2	13.2	12.2	13.0
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2010								
25 years and under	33.1	14.7	25.3	18.9	18.6	25.4	9.3	40.4
26 to 50 years	58.4	74.4	47.9	55.1	63.0	58.8	75.9	45.6
above 50 years	8.5	10.9	26.8	26.1	18.4	15.9	14.9	14.0
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2009								
Primary level	29.5	7.3	26.5	45.8	23.5	22.4	18.4	13.8
Secondary level	61.3	75.9	64.7	48.4	60.9	62.7	58.2	66.8
Tertiary	8.6	16.5	8.4	5.6	15.1	14.2	23.4	19.0
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2010								
Primary level	27.0	8.9	30.9	43.1	20.3	21.2	12.7	8.9
Secondary level	64.8	74.8	62.4	50.1	67.4	67.7	68.9	70.3
Tertiary	7.5	15.8	6.3	6.5	11.9	10.0	18.5	20.6
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2009								
Career starter	22.3	5.8	10.9	6.4	12.3	16.1	4.5	43.9
Non-career starter	77.7	94.2	89.1	93.6	87.7	83.9	95.5	56.1
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
2010								
Career starter	19.9	8.2	19.7	12.2	10.4	19.1	3.7	37.3
Non-career starter	80.1	91.8	80.3	87.8	89.6	80.9	96.3	62.7
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: ÁFSZ (State Employment Service)

V. Reduction of regional labour market disparities

In the 2007 to 2013 planning cycle, in 2007 the Government launched the New Hungary Convergence Programme, in order to stop the deterioration of micro-regions that fell behind, and to start their economic and social convergence, utilising EU funds. Under the framework of the programme, a budget of approximately HUF 135 billion will be spent on developing the environmental and HR infrastructure, the economy and, in parallel with that, the human resources of the region in the 33 micro-regions in the most disadvantaged situations.

The launch of the programme aimed at the convergence of the micro-regions in the most disadvantaged positions was justified because in Hungary today the regional disparities created a situation of unequal opportunities for members of society. The disparities occurring in the living conditions of people living in the most backward regions have resulted in the exclusion of these disadvantaged regions and an intensification of the segregation process.

The composition of the population in the most backward areas according to age and education is adverse, which is reflected by the indicators of employment. Human resources substantially determine the economic competitiveness of individual regions. Owing to the high level of relocation and the settlement of population groups excluded from the cities, in the localities of these regions most of the residents are inactive, dependent persons.

Efforts at convergence have been launched in these regions, including the improvement of employability and the quality of life, an expansion of the range of locally available public services and an increase of the economic performance of micro-regions.

As part of the flagship programme titled *"We give up on no one - Chances for people living in the most disadvantaged regions",* approved by the government, the strategy on the professional content of the programme has been developed, which contains the system of employment and social aims, as well as the domestic aid and programmes related to the development measures, also including the tasks of the Public Employment Service concerning the implementation of the programme.

In addition to EU funds, in order to ensure a successful outcome, in the financial planning of domestic grants and programmes funded from the decentralised budget of the Labour Market Fund (MPA) Employment Subfund, priority was given to disadvantaged micro-regions. Starting in 2008, based on the ministerial methodological recommendation, regional labour affairs centres are required to assign a larger than average share of the allocation of funds to disadvantaged micro-regions, in order to provide a significant improvement to their position.

Financed from EU resources, this flagship programme affected 33 micro-regions, but with its supplementary programmes and grants the, Ministry of Social Affairs and Labour provided support to 47 micro-regions (9 in the South Transdanubia region, 15 in the North Hungary region, 15 in the North Plain region, 8 in the South Plain region), thus the programme contributed to improved living conditions and access to jobs for approximately 1.5 million people.

Since the situation of the relevant micro-regions is not identical, a resource allocation was needed that best adapted to the particular features of the individual micro-regions. In the resource utilisation of the Labour Market Fund, the efficient way was to give above-average aid to micro-regions where the ratio of job-seekers significantly exceeded the unemployment

rate prevailing in the region, and where the level of employment was also lower than the regional average.

Of the various forms of grants and labour market programmes in these regions the ones primarily applied were those with a lasting and sustainable impact and outcome in improving the situation, and increasing the number of jobs and work opportunities for the people living in the given micro-region.

The experiences gained in relation with the grants awarded by the regional labour centres, the labour market programmes and other measures, can be summarised as follows:

Among the tools used by the active employment policy, a significant part of the total funds was spent on *support to public benefit work* and *support aimed at the increase of employment.*

One of the reasons is that a significant proportion of enterprises operating in the most disadvantaged micro-regions do not have enough capital, and therefore are not able to finance the additional burdens incurred by the employment of a new worker. Active means of employment alleviate this problem, together with the grants provided from EU funding, which can be taken together in some cases (e.g. employment with the START cards).

Of the various forms of public employment, in addition to employment for a public purpose, municipalities are able to provide casual work opportunities to unemployed persons living in the community, often in a disadvantaged situation, by supporting public benefit work. Being in a difficult situation, the municipalities of the relevant regions were not always able to provide their own share for the support of public benefit work.

The grants for public benefit work also enabled a high number of persons in difficult situations, excluded long-term from the primary labour market, to be given work.

Regarding the deepening of the disparities among the individual regions, one important factor is that successful regions have a high knowledge base capable of adapting to change. As one of the most important determining factors of regional development, knowledge is becoming ever more valuable. The levels of education and skills of the population of the regions show a very different picture in the various parts of the country.

Those who dropped out of the education system when they passed the age of compulsory schooling are able to complete their primary school studies or obtain qualifications in the form of adult education. Therefore it is no coincidence that the *education* was the form of grant with the third highest expenditure. When determining the skills to be taught, the labour affairs centres took into account the chances of finding a job after graduation and the composition of job-seekers on record according to qualification.

In the case of participants in courses launched at the expense of the decentralised employment fund, the staff of the outlets gave preferential treatment in enrolment for the course to people living in disadvantaged localities, compared to people not living in disadvantaged regions. In some cases this created tension among job-seekers. A higher level of interest in the training sessions was registered in county seats and large cities, especially concerning the courses organised by the regional training centres.

While in the case of persons living in disadvantaged regions, due to a shortage of jobs, training only has a favourable impact on their chances of finding a job, for city residents it also increases the number of jobs actually taken. However, it should not be ignored that persons involved in the training were removed from the passivity caused by the failures experienced earlier, and received a new impetus for job-seeking.

One of the most severe problems for job-seekers living in the most disadvantaged regions is that it is difficult for them to commute to the training institutes, therefore the labour centres deliver most of the courses locally. In micro-regions where it would not be a good idea to support the training of 15 to 20 in the same specialisation, travel cost refunds are available for the participants, to enable them to attend courses held in the county seats or in major cities.

In addition to the available grant options, the relevant labour affairs outlets took care to ensure that the highest possible number of participants of training courses supported from European Union funds should come from the most disadvantaged micro-regions. When determining the European Union sources to be allocated to the outlets, the labour affairs centres took into account the labour market indicators of disadvantaged regions, and made it an objective to improve the situation and employability of people living there in the long term.

The *subsidy for job maintenance* provide assistance to companies facing a temporary liquidity crisis so that they may continue to provide work to their employees. The grants help the employer to get through the difficult period and thus redundancies can be avoided. This is especially important in disadvantaged micro-regions, although the amount of grants in these regions is not significant, falling way behind other types of wage and contribution support.

The *labour market programmes* provide complex assistance to job-seekers wishing to return to the world of work. The labour centres launched labour market programmes directly affecting the disadvantaged micro-regions that also resulted in the creation of new jobs in the region.

The staff of the regional labour centres took special care to provide opportunities, in addition to the labour market programmes, for the use of *labour market services* to job-seeking clients. The various individual and group consulting sessions and training sessions prepare the job-seekers for participation in the training, or for seeking a job, i.e. they lead to the resolution of the temporarily or persistently difficult life situation and thereby contribute to successful employment in the short or long term.

3) KEY DATA, STATISTICS

a) Employment trends and the related breakdown of the activity rate, the employment rate and employment according to region, gender, age group, employment status, type of employment and classification of activity.

The recession of the global economy, resulting from the global financial crisis, has had an adverse and lasting impact on employment, resulting in an increase of tensions in the labour market in most European countries. In certain Member States of the European Union labour market processes going in the same direction have occurred in the period following the crisis, the main features of which are a decrease in employment and an increase in unemployment. The longer-term trend clearly indicates that the Hungarian and European Union employment

levels are moving in synch with each other. Considering the fact that in the European Union a larger drop occurred from a significantly higher level of employment, a convergence could be registered simultaneously with the deteriorating employment indicators between the domestic and the European employment levels.

In 2008, if we assess the 15 to 64 demographic in Hungary, there were some 4,178,000 people in the labour market, for which the activity ratio amounted to 61.5%. Compared to the previous year, the major numbers reflecting the labour market situation of Hungary showed a downward trend, the number of employed persons decreased by about 50,000 and that of unemployed persons increased by about 17,100. In total, the activity ratio fell by 0.4 percentage points. In 2008 56.7% of the 15 to 64 demographic were employed, as an annual average there were 3,849,000 persons in this group. In the space of one year the employment rate decreased by 0.6 percentage points.

In 2009, within the 15 to 64 demographic the number of economically active persons amounted to 4,171,600, a decrease of 6,300 persons compared to the status a year earlier, despite which, compared to 2008, the activity ratio increased by 0.1 percentage points, which can be explained by the fact that the decrease in the number of the active population was smaller than the decrease in the number of this population group (persons between 15 and 64 years of age). The activity rate amounted to 61.6%, which is 9.3 percentage points lower than the average figure of the European Union.

In 2010, as an annual average figure, the number of economically active persons amounted to 4,224,600, which is the result of an increase of over 50,000 persons. This raised the activity rate to 62.4%. However, in 2010 the increase in the number of economically active persons was also due to an increase in the number of unemployed, as annual average employment proved stagnant. According to the data of the labour force survey, the number of employed persons amounted to 3,750,000 in 2010, an employment rate of 55.4% in the 15 to 64 demographic, which is the same level as the year before. But if we assess the quarterly timelines of the employment rate, we can see that in the 1st and 2nd quarters of 2010 it was still worse than the corresponding value of the same quarters of the previous year, however, in the 3rd and 4th quarters there was an improvement in employment levels compared with the same periods in 2009.
It can be seen that in Hungary in the period between 2007 and 2010 employment decreased by about 150,000 persons (the employment rate among persons of 15 to 64 years of age fell from 57.3% in 2007 to 55.5% in 2010), and the employment rate of men fell much faster than that of women.

Compared to 2007, the number of employed experienced the greatest fall in the construction industry, but a significant loss of headcount occurred in the processing industry as well. In 2010, compared to the previous year, this number was stagnant, with agriculture, the processing industry and the construction industry losing staff, at the same time as increases in employment in the sectors of the processing industry, the manufacturing of textiles, clothing, leather and leather goods, the production of coke, crude oil processing, the pharmaceutical industry, the production of computers, electronic goods and optical goods and vehicle manufacturing. The sectors of water supply, waste management, transport, warehousing and accommodation services also enjoyed growth. In the vast majority of the non-material sectors of the economy the number of employed also increased during the one-year period, especially in branches dominated by the state budget sector. The increase of headcount in the state budget sector is mainly the result of public employment programmes.

One of the reasons for the low level of employment in Hungary is the low participation in the labour market at the extreme ends of the age scale. In Hungary one-fifth of the young (those between 15 and 24) are employed (21% in 2007, by 2010 this had fallen to 18.3%). In parallel, in the group aged 15 to 24, the rate of unemployment had risen from 18% in 2007 to 26.6% in 2010. Concerning economic and social transformation, in Hungary since the middle of the 1990s the participation of youths in the labour market has been almost constantly on the decrease. One of the factors explaining this change is the expansion of education, and the extension of the time spent by youths in training. Another factor contributing to the low level of activity in the labour market is that very few people work while studying in Hungary. The global crisis was felt in the employment of the young as well, the significant drop in labour demand also decreased the chances for employment of young people intending to enter the labour market. Another reason why the chances of youths in the labour market shrank during the crisis is that one of the least painful reactions available for companies to address the economic difficulties is to stop or postpone the hiring of new staff, which impacted young people and career starters to a greater degree. In addition, a higher proportion of youths were subject to redundancies, bearing in mind the fact that a higher ratio of this group worked in unstable positions that were easier for employers to do away with. As the combined effect of all the above, over recent years the unemployment rate among the young has risen significantly in Hungary, and the measure of this increase can be considered outstanding even by European standards.

The employment rate of older persons (the 55 to 64 demographic) in Hungary also falls significantly behind compared to the EU average; however, as a result of the increase in the retirement age, the employment level of older age groups (those aged 55 to 64) has increased both in the European Union and in Hungary. In Hungary this improvement has been particularly spectacular among older women, in the period under examination, and especially in the 55 to 59 demographic, where the employment rate increased by 7 percentage points between 2007 and 2010. This gradually improving tendency is related to the fact that with the postponement of the date of retirement, older persons remain active in the labour market increasingly longer. Since the increase in the retirement age is greater among women over recent years, the increase of employment has also been more marked for women. Naturally, alongside this, the unemployment rate of the older age group has also increased.

Disparities in terms of education are also outstanding in Hungary. In fact, the other significant factor behind low domestic employment is that in Hungary the employment situation of persons with low levels of education is significantly worse compared to those with a higher education than in the Member States of the EU. In Hungary less than 30% of people of working age, with an education of less than 8 classes of primary school, are employed (20% in 2010), in contrast with the ratio of almost 50% registered in the EU (in 2010 the EU-27 figure was 45.1%). The low Hungarian employment level is coupled with the low penetration of atypical forms of employment: e.g. the level of part-time employment has not changed significantly in Hungary for several years: in 2008 4.1% of employees worked part-time, which is significantly lower than the EU average, although this figure had risen to 5.8% by 2010. Within the categories of employees, the proportion of those working under a fixed term labour contract was 7.3% in 2007, rising to 9.7% by 2010.

In Hungary the employment of men continues to show a wider gap compared to the EU average, since in the four years under examination the Hungarian rate decreased to a larger extent than the EU average, and the gap actually widened. In 2007 64% of all Hungarian men

aged 15 to 64 were employed, in 2010 60.4%. On average, during the same time, this rate decreased from 72.5% to 70.1% in the EU. Thus the gap in the employment level of Hungarian men rose to almost 10 percentage points. By contrast, among women the gap in the employment level was somewhat lower (in 2010 50.6% of women between the ages of 15 and 64 were employed, while in the EU this ratio was 58.2%).

The detailed analyses of employment rates imply that the employment position of persons in the best employment age and those with an education higher than primary level do not suffer any major setback in Hungary compared to the EU (e.g. women aged 40 to 45, men with a degree). This is especially true if we do not assess the employment situation by traditional employment rate, but rather by the ratio of persons actually working in a reference week, or the employment rate converted to full working time. In fact, the numbers suggest that in Hungary relatively few people are employed, but they work relatively a lot.

Within Hungary the characteristics of the labour market continue to show significant regional disparities, and the economic crisis seems to have rearranged these only temporarily (as a result of the crisis, unemployment temporarily rose to the highest extent in the West and Middle Transdanubia regions, an area with a dominant export-oriented processing industry, e.g. it doubled in the Middle Transdanubian region between 2007 and 2010, from 5.0% to 10.3%, but the increase was almost the same in West Transdanubia as well). In 2010 the employment rate is still the lowest in North Hungary (42.9%) and in the North Plain region (44.1%) in the 15 to 74 demographic. These ratios fell behind the national average by over 5.0 percentage points (49.2%). Middle Hungary showed the highest employment rate of 53.8%, however, there are higher disparities than that among the counties and even among the micro-regions.

b) The trends and percentage values of the unemployed living within Hungary, and the ratio of the unemployed compared to the entire workforce. Figures on the unemployed according to region, category, gender, demographic and length of unemployment.

The number of unemployed - as measured in the workforce survey, according to the definition of the ILO - was 328,000 persons in 2008 in the age group 15 to 64, which equals an unemployment rate of 7.9%. While in 2007, in comparison to the EU, the domestic rate of unemployment had been average (and expressly favourable in the years prior to that), in 2008 the unemployment rate in Hungary exceeded the EU average by almost 1 percentage point. In 2009 unemployment continued to rise (the number of unemployed persons increased by over 90,000 in the space of one year) and the rate stood at 10.1%. Although in the year 2010 an increase was registered in economic activity, in the labour force survey this derived from the continued increase of the number of unemployed persons, while employment stagnated. The weak business climate increased the number of unemployed, as opposed to the number of employed workers. In 2010 there were 474,500 unemployed persons, which is 54,000 more than in 2009. At 11.2%, the unemployment rate was 1.1 percentage points higher than in 2009, while in 2009 an increase of 2.2 points occurred compared to the preceding year - and the pace of increase of unemployment slowed down. This slowdown can also be monitored on a quarterly basis: in the first quarter of 2010 the rate of unemployment still exceeded the level of the corresponding quarter of 2009 by 2.2 percentage points, but in the last quarter this difference was only 0.4 percentage points.

There may be several reasons behind the increase of unemployment:

- The gradual increase in the retirement age slowed down traffic at the "exit" end, therefore many persons intending to enter the labour market for the first time had to be registered as jobseekers.
- Persons with disabilities are no longer allowed to exit the labour market so easily, the statutes compel them to keep seeking a job for a certain period of time.
- Among persons who were formerly employed long-term, but who became unemployed as a consequence of the crisis, a group developed that could not reintegrate into the labour market, therefore also becoming long-term unemployed.
- The tightened system of social support for persons of active age also requires persons to seek jobs who had previously received inactive social support.
- Despite the slight economic recovery, demands in the labour market were still quite moderate in 2010.

Unemployment has developed according to a trend similar to that of the EU average in the recent past in Hungary, i.e. since the first quarter of 2010 it has practically remained unchanged as a result of economic stabilisation. Actually, the relative position of Hungary in the ranking of EU member states somewhat improved in 2010, but the main problem in Hungary is still not high employment, rather the extremely high level of inactivity.
In 2010 (and in 2009) men were affected by unemployment to a greater extent, an unemployment rate of 11.6% was registered as the annual average for men, while in the group of women this value was 10.8%. In 2008 women's unemployment was still higher (8.1%) than that of men (7.7%). Owing to the change of retirement rules, women can also exit the labour market only later, but it should be mentioned that in 2009, the year when the full-blown crisis evolved, the unemployment of men increased to a much higher extent than that of women.

Unemployment measured in the 15 to 74 demographic was still the most favourable in Middle Hungary in 2010 (8.9%), and the value measured in North Hungary was almost twice as high (16.0%).

Activity of the age group 15 to 64 by gender								
Year	Employed	Unemployed	Economically active	Economically inactive	15 to 64 demographic	Activity ratio	Rate of unemployment	Rate of employment
	thousand persons					%		
$Together								
2007	3 897,0	311,7	4 208,7	2 591,0	6 799,7	61,9	7,4	57,3
2008	3 849,1	328,8	4 177,9	2 616,3	6 794,2	61,5	7,9	56,7
2009	3 751,3	420,3	4 171,6	2 599,4	6 771,0	61,6	10,1	55,4
2010	3 750,1	474,5	4 224,6	2 544,6	6 769,3	62,4	11,2	55,4
$Men								
2007	2 125,5	164,0	2 289,5	1 029,4	3 318,9	69,0	7,2	64,0
2008	2 092,9	174,2	2 267,1	1 054,3	3 321,4	68,3	7,7	63,0
2009	2 026,4	233,5	2 259,9	1 055,7	3 315,6	68,2	10,3	61,1
2010	2 005,4	264,3	2 269,6	1 051,7	3 321,3	68,3	11,6	60,4
$Women								
2007	1 771,5	147,7	1 919,2	1 561,6	3 480,8	55,1	7,7	50,9
2008	1 756,2	154,6	1 910,8	1 562,0	3 472,8	55,0	8,1	50,6
2009	1 724,9	186,8	1 911,7	1 543,7	3 455,4	55,3	9,8	49,9
2010	1 744,7	210,3	1 955,0	1 492,9	3 447,9	56,7	10,8	50,6

Source: KSH-Mef

Activity ratio according to age groups, by gender													
Year	15–19	20–24	25–29	30–34	35–39	40–44	45–49	50–54	55–59	60–64	65–69	70–74	Total
	demographic												
2007	4,5	45,6	78,2	80,6	83,4	84,8	81,2	73,7	50,8	13,8	4,8	1,1	54,9
2008	4,4	44,7	78,2	79,4	83,4	85,2	81,5	74,7	48,9	13,3	4,8	1,5	54,6
2009	3,9	44,2	77,1	79,4	83,3	85,2	81,8	75,3	52,1	13,6	4,8	1,6	54,7
2010	3,7	44,8	77,2	79,7	83,6	85,5	83,6	76,4	56,6	13,5	4,9	1,5	55,4

Source: KSH-Mef

Number of employed persons by age groups, by gender (thousand persons)														
Year	15–19	20–24	25–29	30–34	35–39	40–44	45–49	50–54	55–59	60–64	65–69	70–74	Total	Of that: the 15-24 demographic
	age													
$Together														
2007	17,6	244,0	546,9	592,5	578,4	465,7	485,0	564,0	330,2	72,7	24,7	4,5	3 926,2	261,6
2008	16,2	229,7	518,4	605,4	576,9	474,1	474,0	561,1	321,0	72,3	24,1	6,2	3 879,4	245,9
2009	11,8	208,1	474,4	598,4	569,2	481,9	467,4	517,5	347,3	75,3	24,2	6,4	3 781,9	219,9
2010	11,5	207,3	452,3	576,4	593,2	485,7	461,0	503,3	381,5	77,7	25,0	6,1	3 781,2	218,8
$Men														
2007	11,4	140,0	317,1	349,1	324,9	244,7	234,6	278,2	182,6	42,9	14,5	3,0	2 143,0	151,4
2008	10,7	132,5	298,3	358,4	323,8	244,7	232,5	275,5	175,6	40,9	13,8	4,1	2 110,8	143,2
2009	7,4	114,8	268,6	357,4	317,4	244,7	234,8	250,1	188,1	43,1	14,5	4,0	2 044,9	122,2
2010	6,3	114,4	252,8	343,2	329,2	252,1	224,8	242,5	194,9	45,2	14,0	3,3	2 022,6	120,6
$Women														
2007	6,2	104,0	229,8	243,4	253,5	221,0	250,4	285,8	147,6	29,8	10,2	1,5	1 783,2	110,2
2008	5,5	97,2	220,1	247,0	253,1	229,4	241,5	285,6	145,4	31,4	10,3	2,1	1 768,6	102,7
2009	4,4	93,3	205,8	241,0	251,8	237,2	232,6	267,4	159,2	32,2	9,7	2,4	1 737,0	97,7
2010	5,3	92,9	199,5	233,2	264,0	233,6	236,3	260,9	186,7	32,5	11,0	2,8	1 758,6	98,2

Employment rate by age groups and gender (%)														
Year	15–19	20–24	25–29	30–34	35–39	40–44	45–49	50–54	55–59	60–64	65–69	70–74	Total	Of that: the 15-24 demographic
	age													
$Together														
2007	2,9	38,1	71,6	74,8	77,9	79,1	76,3	69,5	48,4	13,6	4,8	1,1	50,9	21,0
2008	2,7	36,6	71,1	73,7	77,7	79,4	76,2	69,9	46,2	13,0	4,7	1,5	50,3	20,0
2009	2,0	33,3	67,7	72,1	76,1	77,9	74,8	69,5	48,5	13,2	4,7	1,6	49,2	18,1
2010	2,0	33,6	66,1	71,5	75,4	77,3	75,7	69,6	51,7	13,0	4,9	1,5	49,2	18,3
$Men														
2007	3,7	43,8	81,6	87,0	86,6	83,7	78,0	70,7	58,2	18,9	6,6	1,9	58,0	24,2
2008	3,5	42,2	80,5	86,7	86,0	82,8	78,2	71,2	55,1	16,8	6,4	2,7	57,2	23,1
2009	2,5	36,6	75,5	85,2	83,7	80,7	75,9	70,6	57,1	17,2	6,7	2,6	55,5	19,9
2010	2,1	36,8	73,1	83,0	83,7	79,7	76,9	69,6	57,4	16,9	6,7	2,1	54,9	20,0
$Women														
2007	2,1	32,5	61,2	62,2	69,0	74,6	74,7	68,3	40,0	9,7	3,5	0,6	44,3	17,8
2008	1,9	31,0	61,3	60,5	69,2	76,1	74,4	68,7	38,7	10,0	3,5	0,8	44,0	16,9
2009	1,5	30,0	59,7	58,7	68,3	75,2	73,6	68,5	41,1	10,0	3,2	1,0	43,4	16,3
2010	1,9	30,3	59,0	59,3	67,1	74,8	74,5	69,7	46,9	9,8	3,7	1,1	43,9	16,6

Source: KSH-Mef

Number of the unemployed by demographic and gender (thousand persons)

Year	15–19	20–24	25–29	30–34	35–39	40–44	45–49	50–54	55–59	60–64	65–69	70–74	Total	Of that: the 15-24 demographic
	age													
$Together														
2007	9.8	47.8	50.3	46.0	40.8	33.6	31.2	34.4	16.6	1.2	0.2	0.0	311.9	57.6
2008	10.0	51.0	52.0	47.1	42.0	34.7	33.1	38.1	18.8	2.0	0.4	0.0	329.2	61.0
2009	11.5	67.7	65.7	60.7	53.6	45.6	44.1	43.0	26.0	2.4	0.4	0.0	420.7	79.2
2010	9.7	69.5	75.6	66.9	64.5	51.9	48.4	49.1	35.7	3.2	0.1	0.2	474.8	79.2
$Men														
2007	6.5	26.0	28.9	23.3	19.4	15.5	15.4	18.4	9.8	0.8	0.2	0.0	164.2	32.5
2008	6.6	27.3	28.5	26.2	21.6	18.4	16.2	18.2	10.4	0.8	0.1	0.0	174.3	33.9
2009	7.1	40.8	39.2	33.7	28.9	24.4	23.4	20.2	14.6	1.2	0.1	0.0	233.6	47.9
2010	6.1	40.6	45.0	39.9	33.4	28.2	23.9	25.7	19.8	1.8	0.0	0.2	264.5	46.7
$Women														
2007	3.3	21.8	21.4	22.7	21.4	18.1	15.8	16.0	6.8	0.4	0.0	0.0	147.7	25.1
2008	3.4	23.7	23.5	20.9	20.4	16.3	16.9	19.9	8.4	1.2	0.3	0.0	154.9	27.1
2009	4.4	26.9	26.5	27.0	24.7	21.2	20.7	22.8	11.4	1.2	0.3	0.0	187.1	31.3
2010	3.6	28.9	30.6	27.1	31.1	23.7	24.4	23.4	15.9	1.4	0.0	0.0	210.3	32.5

Unemployment rate by demographic and gender (thousand persons)

Year	15–19	20–24	25–29	30–34	35–39	40–44	45–49	50–54	55–59	60–64	65–69	70–74	Total	Of that: the 15-24 demographic
	age													
$Together														
2007	35.8	16.4	8.4	7.2	6.6	6.7	6.0	5.7	4.8	..	..	..	7.4	18.0
2008	38.2	18.2	9.1	7.2	6.8	6.8	6.5	6.4	5.5	..	..	..	7.8	19.9
2009	49.4	24.5	12.2	9.2	8.6	8.6	8.6	7.7	7.0	..	..	..	10.0	26.5
2010	45.7	25.1	14.3	10.4	9.8	9.7	9.5	8.9	8.6	..	..	..	11.2	26.6
$Men														
2007	36.3	15.7	8.4	6.3	5.6	6.0	6.2	6.2	5.1	..	..	..	7.1	17.7
2008	38.2	17.1	8.7	6.8	6.3	7.0	6.5	6.2	5.6	..	..	..	7.6	19.1
2009	49.0	26.2	12.7	8.6	8.3	9.1	9.1	7.5	7.2	..	..	..	10.3	28.2
2010	49.4	26.2	15.1	10.4	9.2	10.0	9.6	9.6	9.2	..	..	..	11.6	27.9
$Women														
2007	34.7	17.3	8.5	8.5	7.8	7.6	5.9	5.3	4.4	..	..	..	7.6	18.6
2008	38.2	19.6	9.6	7.8	7.5	6.6	6.5	6.5	5.5	..	..	..	8.1	20.9
2009	50.0	22.4	11.4	10.1	8.9	8.2	8.2	7.9	6.7	..	..	..	9.7	24.3
2010	40.4	23.7	13.3	10.4	10.6	9.2	9.4	8.2	7.9	..	..	..	10.7	24.9

Source: KSH-Mef

Év	less than 1	1–3	4–6	7–11	12	13–18	19–23	24	25 and more	Total
	months									
2007	13.8	49.4	44.3	50.1	12.7	43.3	17.6	8.4	64.9	304.5
2008	13.7	50.5	47.9	53.5	13.4	39.8	19.2	8.1	74.7	320.8
2009	18.8	71.9	67.0	77.4	18.1	51.2	19.9	7.7	80.6	412.6
2010	16.9	64.9	63.1	84.4	23.6	75.9	31.3	12.1	95.4	467.6
					%					
2007	4.5%	16.2%	14.5%	16.5%	4.2%	14.2%	5.8%	2.8%	21.3%	100.0%
2008	3.3%	15.7%	14.9%	16.7%	4.2%	12.4%	6.0%	2.5%	23.3%	100.0%
2009	4.6%	17.4%	16.2%	18.8%	4.4%	12.4%	4.8%	1.9%	19.5%	100.0%
2010	3.6%	13.9%	13.5%	18.0%	5.0%	16.2%	6.7%	2.6%	20.4%	100.0%

Source: KSH-Mef

Number of employed persons by sector, division of the national economy and gender *

Period	Agriculture, forestry, fishing	Mining, quarrying	Processing industry	Electricity, gas and water supply	Construction industry	Services	Total
2007	182.9	14.6	872.0	64.2	330.5	2,462.0	3,926.2
2008	169.2	8.5	853.0	80.7	312.0	2,456.0	3,879.4
2009	175.8	8.5	794.6	84.1	293.3	2,425.6	3,781.9
2010	171.8	11.1	786.6	85.4	277.6	2,448.6	3,781.2

Source: KSH-Mef

* The classification of the economic activities of employers was performed according to the TEÁOR'03 system of 2008, but by 2008 the new data compliant with TEÁOR'08 had also been published. From 2009 the classification of economic activities has been made according to TEÁOR'08.

Number of employees according to the term of their employment contracts and gender [thousand persons]							
Years	Open-ended employment contract			Fixed term employment contract			Total number of employees
	men	Women	total	men	women	total	
2007	1,679.8	1,509.1	3,188.9	140.3	110.5	250.8	3,439.7
2008	1,633.8	1,503.0	3,136.8	154.8	113.4	268.2	3,405.0
2009	1,574.0	1,456.2	3,030.2	156.1	123.6	279.7	3,309.9
2010	1,541.1	1,455.7	2,996.8	172.9	147.8	320.7	3,317.5

Source: KSH-Mef

Total number of employed persons according to full or part-time employment and gender [thousand persons]							
Years	Part-time			Full time			Total number of employed persons
	men	women	total	men	women	total	
2007	59.0	103.4	162.4	2,084.0	1,679.8	3,763.8	3,926.2
2008	70.1	109.1	179.2	2,040.7	1,659.5	3,700.2	3,879.4
2009	80.1	130.1	210.2	1,964.8	1,606.9	3,571.7	3,781.9
2010	78.8	141.2	220.0	1,943.8	1,617.4	3,561.2	3,781.2

Source: *KSH-Mef*

Employment ratio in the 15-74 demographic					Unemployment rate in the 15-74 demographic			
Territorial unit	2007	2008	2009	2010	2007	2008	2009	2010
Budapest	57.0	57.0	56.0	54.7	4.9	4.3	6.2	9.1
Pest	55.1	54.2	53.2	52.5	4.6	5.1	7.2	8.7
Middle Hungary	**56.2**	**55.9**	**54.8**	**53.8**	**4.7**	**4.6**	**6.6**	**8.9**
Fejér	54.2	53.1	50.8	50.1	4.8	5.5	9.4	9.5
Komárom-Esztergom	55.6	56.1	52.7	53.5	6.0	5.2	8.5	8.8
Veszprém	54.4	52.4	50.2	49.6	4.4	6.8	9.8	12.5
Middle Transdanubia	**54.7**	**53.7**	**51.1**	**50.9**	**5.0**	**5.8**	**9.3**	**10.3**
Győr-Moson-Sopron	56.0	55.7	54.6	54.4	3.7	3.5	6.3	6.9
Vas	55.7	54.3	51.0	51.2	6.8	5.5	10.2	10.4
Zala	55.7	54.3	51.8	49.5	5.3	6.6	10.8	11.8
West Transdanubia	**55.8**	**54.9**	**52.8**	**52.1**	**5.0**	**4.9**	**8.6**	**9.2**
Baranya	45.0	44.0	46.8	48.0	7.5	10.4	11.6	13.0
Somogy	43.8	45.0	44.5	45.3	11.7	10.4	11.4	13.5
Tolna	47.0	47.1	47.1	47.6	11.6	10.2	9.4	8.4
South Transdanubia	**45.1**	**45.1**	**46.1**	**47.0**	**10.0**	**10.3**	**11.0**	**12.1**
Transdanubia	**52.1**	**51.4**	**50.1**	**50.1**	**6.4**	**6.8**	**9.5**	**10.4**
Borsod-Abaúj-Zemplén	43.4	42.3	42.0	42.0	13.8	14.7	16.0	17.3
Heves	46.6	46.8	45.5	45.8	11.0	11.0	12.9	11.8
Nógrád	46.4	43.9	42.5	41.7	9.5	12.6	15.9	18.4
North Hungary	**44.7**	**43.7**	**43.0**	**42.9**	**12.3**	**13.4**	**15.2**	**16.0**
Hajdú-Bihar	46.1	45.6	43.2	44.6	7.9	8.9	11.3	13.2
Jász-Nagykun-Szolnok	48.4	49.2	46.4	46.5	9.4	8.5	11.4	10.9
Szabolcs-Szatmár-Bereg	42.4	40.9	40.6	41.9	14.7	17.5	19.1	18.4
North Plain	**45.3**	**44.8**	**43.1**	**44.1**	**10.8**	**12.0**	**14.2**	**14.5**
Bács-Kiskun	48.2	48.7	46.9	47.7	9.3	8.6	10.9	10.8
Békés	46.4	45.2	44.1	46.0	8.1	10.2	13.4	12.5
Csongrád	50.5	49.4	49.3	50.0	6.0	7.7	7.8	8.9
South Plain	**48.4**	**47.9**	**46.9**	**48.0**	**7.9**	**8.7**	**10.6**	**10.6**
The Plain and North	**46.1**	**45.5**	**44.3**	**45.0**	**10.3**	**11.3**	**13.3**	**13.6**
Country total	**50.9**	**50.3**	**49.2**	**49.2**	**7.4**	**7.8**	**10.0**	**11.2**

Source: KSH-Mef

Development of employment rates in Hungary and in the EU by demographic and gender									
		2007		2008		2009		2010	
		EU27	HU	EU27	HU	EU27	HU	EU27	HU
15 - 24	Men	40,4	24,2	40,3	23,2	37,0	19,9	36,2	20,0
	Women	34,2	17,8	34,4	16,8	32,9	16,3	31,8	16,6
25 - 29	Men	81,8	81,6	81,6	80,5	78,0	75,5	77,0	73,1
	Women	68,7	61,2	69,3	61,3	68,1	59,7	67,3	59,0
30 - 34	Men	88,5	87,0	88,4	86,7	85,8	85,2	85,1	83,0
	Women	70,8	62,2	71,6	60,5	70,3	58,8	69,8	59,3
35 - 39	Men	89,9	86,6	89,8	86,0	87,4	83,7	86,5	83,7
	Women	72,8	69,0	73,4	69,2	72,8	68,3	72,3	67,1
40 - 44	Men	89,4	83,7	89,5	82,8	87,4	80,7	86,8	79,7
	Women	74,5	74,6	75,0	76,0	74,7	75,2	74,4	74,8
45 - 49	Men	87,5	78,1	87,8	78,1	86,1	75,9	85,6	76,9
	Women	73,4	74,7	74,3	74,4	73,9	73,6	74,2	74,5
50 - 54	Men	82,9	70,7	83,2	71,2	82,1	70,5	81,7	69,6
	Women	66,6	68,3	68,0	68,7	68,1	68,5	68,9	69,7
55 - 59	Men	67,1	58,2	68,7	55,1	69,1	57,1	69,5	57,4
	Women	48,2	40,0	49,8	38,7	51,4	41,1	52,9	46,9
60 - 64	Men	37,8	18,9	38,9	16,8	38,6	17,2	38,2	16,9
	Women	21,3	9,7	22,1	10,0	22,8	10,0	23,4	9,8
15 - 64	**Men**	**72,5**	**64,0**	**72,7**	**63,0**	**70,7**	**61,1**	**70,1**	**60,4**
	Women	**58,2**	**50,9**	**58,9**	**50,6**	**58,4**	**49,9**	**58,2**	**50,6**

Source: Eurostat

c) Development of the number and nature of job vacancies in the country over time

Number of labour force vacancies reported to the National Employment Service (NFSZ) during the year, qty.

	2007	**2008**	**2009**	**2010**
Supported	133,260	144,519	167,054	183,893
Not supported	272,556	261,014	149,592	173,875
Total	**405,816**	**405,543**	**316,652**	**357,784**

Source: NFSZ register

In the four-year comparison to be assessed, the number of labour force vacancies reported by employers to the National Employment Service has developed in different ways. From 2007 until 2009 the number of reported job vacancies continuously decreased, while by 2010 an increase of 13% had occurred. The biggest factor in the decrease from 2007 to 2008 and the higher volume decrease that occurred from 2008 to 2009 was the global economic crisis that erupted in the autumn of 2008. When the crisis set in, the external and internal markets shrank significantly, as both consumption and output fell substantially. The labour markets responded to the decreasing demands relatively quickly, which mainly resulted in the decrease of employment and the increase of unemployment, thus a significant drop was registered in the supply of jobs submitted by employers as well. This shrinking demand was slightly alleviated by the "Road to work" public benefit work programme that was launched in the spring of 2009, whose primary aim was to help people displaced from the labour market because of the crisis to return. In 2007 the majority of jobs were those for which employers did not claim any kind of state aid, but by 2009 this number decreased owing to the reasons given above, with the same distribution remaining in 2010, because in parallel with the increase in the number of subsidised jobs, the number of unsubsidised jobs also went up.

d) The average term necessary to receive an offer of a job in the framework of active measures aimed at unemployed persons

Under the framework of the Management by Objectives system, the Employment Service regularly evaluates the development of the indicators measuring the performance of the National Employment Service . One of these indicators is the one for restart, which evaluates the ratio within the group of persons added to the community of job-seekers who have received the support of active measures or have been involved in successful referrals during 6 or 12 months, respectively. In accordance with the definition of the indicators assigned to the EU employment guidelines, an assessment must be made 6 months after registration for those under 25, and 12 months aftet for those older than that. Between the years 2007 and 2010 the values of these indicators were as follows:

The (EU) indicators of restart for those under 25, added 6 months earlier and those above 25 added 12 months earlier (number and ratio of those who received or did not receive the support of active measures or successful job placement)				
	Jan to Dec, 2007	Jan to Dec, 2008	Jan to Dec, 2009	Jan to Dec, 2010
8.1 under 25 years total inflow	138 579	136 470	158 020	163 831
8.2 under 25, received inflow support or successful mediation	48 908	50 324	53 988	68 244
8.3 under 25, did not receive inflow support or successful mediation	89 671	86 146	104 032	95 587
8.4 Under 25 years, received support or successful mediation	35,29%	36,9%	34,2%	41,7%
8.5 under 25, did not receive support or successful mediation %	64,71%	63,1%	65,8%	58,3%
8.21 above 25 total inflow	464 597	478 971	509 065	622 056
8.22 above 25, received support or successful mediation from inflow for 12 months	236 168	251 713	264 690	347 854
8.23 above 25, did not receive support or successful mediation from inflow for 12 months	228429	227258	244375	274202
8.24 above 25, received meaningful support or successful mediation (%)	50,83%	52,6%	52,0%	55,9%
8.25 above 25 years, did not receive meaningful support or successful mediation (%)	49,17%	47,4%	48,0%	44,1%
8.26 above 25 years outflow (not registered at the end of the 12th month)	288 416	302 557	297 303	360 440
8.27 above 25 years, stayed in (registered at the end of the 12th month)	176 181	176 414	211 762	261 616
8.28 above 25, ratio of leaving (%)	62,08%	63,2%	58,4%	57,9%
8.29 above 25, ratio of staying (%)	37,92%	36,8%	41,6%	42,1%
8.30 of those leaving above 25, received support or successful mediation (person)	174 386	191 495	190 418	254 610
8.31 above 25 and left, received support or successful mediation, %	60,46%	63,3%	64,0%	70,6%
8.32 above 25 and stayed, received support or successful mediation, persons	61 782	60 218	74 272	93 244
8.33 above 25 and stayed, received support or successful mediation	35,07%	34,1%	35,1%	35,6%
8.34 above 25 and stayed, did not receive support or successful mediation	114 399	116 196	137 490	168 372

Source: NFSZ register

The ratio of persons who received a grant or successful mediation within the inflow of persons under 25 was 35.3% in 2007; in 2010 it was up to 41.7% after a significant increase

from 2009 to 2010. The ratio of persons above 25 who have received grants or successful referrals during the 12 months also increased, from 50.8% in 2007 to 55.9% in 2010.

e) Data on the development of the number of foreign employees and foreign citizens in general staying in Hungary, based on the register of the National Employment and Social Office about the employment of foreign citizens in Hungary.

In this section we also answer the relevant question of ECSR.

Period: years 2007 to 2010
(Source: National Employment Service, www.munka.hu)

The number of foreign employees listed in the register of the National Labour Office (and its legal predecessors) showed a decrease in the period between 2007 and 2010.
In 2007 a total of 38,493 personal permits were issued, within which the number of agricultural seasonal permits was 907. Employers reported a total of 10,614 persons to the labour centres, furthermore, 6,123 green cards were issued. On 30 December 2007 39,822 personal work permits were in effect, within which the number of agricultural seasonal permits was 20.

In 2008, the number of personal work permits (29,349) was almost one-quarter less than the corresponding figure of the previous year (by 23.8%), and this decrease continued in 2009 as well. In that year 9,730 permits were issued, a decrease of 68.1% compared to the year 2008. It should be noted that one of the factors at play in this process is that in 2008 the employment of Romanian workers became partially exempt, then in 2009 fully exempt from the requirement to obtain a permit, with employers now only subject to the reporting obligation.
In the year 2010, as opposed to former years, an increase of 16.5% was registered in the number of issued personal work permits. In that year a total of 11,337 work permits were issued by the county labour centres.

The number of employees reported by employers showed an increase between 2007 and 2009, however, in 2010 a decrease occurred compared to the previous year. In 2008 the number of reported foreign citizens decreased by 23.5%, in 2009 by 41.0% compared to the previous year. Concerning the data of the years 2008 and 2009, we should note that - similarly to the work permits - one of the factors in this considerable growth is that the employment of Romanian citizens became partially, then fully subject to the reporting obligation. It is an additional factor that the employment of citizens of every EEA Member State became exempt from obtaining a permit, only the obligation to report the fact of employment remained. This is reflected in the statistics.

After 2007 green cards were only issued in 2008, in that year a total of 4,025 green cards - 2,098 less than in the previous year - were issued to foreign citizens. Concerning both of these years it can be said that over 90.0% of all green cards were issued to Romanian citizens.

As a result of these processes, on 31 December 2010 a total of 17,854 personal work permits were in effect, which means a decrease of 55.2% compared to the status as of 31 December 2007. At that time there were no agricultural seasonal permits in effect.
Although between 2007 and 2009 the number of citizens reported by employers increased, in 2010 this number was falling. This decrease has been registered constantly since that time.

In the period under examination, the development of the number of foreign workers concerning the permits and reports was significantly influenced by the fact that there had been a change in the method of taking up a job by citizens of countries relevant for the Hungarian labour market.

If we only consider the number of workers on record, regardless of whether they held a work permit or the employer reported them, then we can make the following statement.
In the period between 2007 and 2010, the number of workers arriving from neighbouring countries - i.e. Romanian, Slovakian, Ukrainian workers - who have a dominant role in terms of the employment of foreign workers in Hungary, decreased. This is the main reason for the decrease in the numbers of work permits and citizens reported by employers.

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

2. to protect effectively the right of the worker to earn a living in an occupation freely entered upon;

There were no modifications in the legal regulations in the reviewed period, compared to those reported earlier.

Questions/requests raised by ECSR in connection with Section (2):[1]

Elimination of discrimination in employment

- **ECSR asks for information about legal remedy available to those who attack the exceptions in paragraph (1) of Section 22 of Act CXXV of 2003 on equal treatment and promotion of equal opportunities (hereafter: Act on equal treatment and promotion of equal opportunities).**

Section 21 It is considered a violation of the principle of equal treatment in particular if the employer inflicts direct or indirect negative discrimination upon an employee, especially when the following dispositions are defined or applied:

a) for access to work, especially in public job advertisements, hiring, and regarding the conditions of employment;

b) for a disposition made before the establishment of the employment relationship or other relationship related to work, related to the procedure facilitating the establishment of such a relationship;

c) in establishing and terminating the employment relationship or other relationship related to work;

d) in relation to any training before or during the work;

e) in determining and providing working conditions;

f) in establishing and providing allowances due on the basis of the employment relationship or other relationship related to work, particularly in establishing and providing salaries defined in paragraph (3) of Sect. 142/A of Act XXII of 1992 on the Labour Code;

g) in relation to membership or participation in employees' organisations;

h) in the promotion system;

i) in the enforcement of a liability for damages or of a disciplinary liability.

Section 22 (1) The principle of equal treatment shall not be considered violated if

a) the discrimination is proportional, justified by the characteristics or nature of the work and is based on all relevant and legitimate terms and conditions considered during the hiring, or

b) the discrimination arises directly from a religious or other ideological conviction or national or ethnic origin fundamentally determining the nature of the organisation, and it is proportional and justified by the content or nature of the employment activity or the conditions of its pursuit.

(2) During the application of the provisions of Par. *f)* in Section 21, any direct negative discrimination in relation to the characteristics defined in Paragraphs *a)-e)* of Section 8 is always considered a violation of the obligations of equal treatment.

The Equal Treatment Authority shall investigate cases on the basis of complaints received, and if the person subject to the proceedings can effectively exculpate themselves, i.e. can prove that in connection with the specific legal relationship they were not obliged to observe the requirement of equal treatment or proceeded in accordance with a legal regulation or there was no correlation between the applicant's protected characteristic and the disadvantage inflicted on them, the Equal Treatment Authority shall reject the complaint. In this case, pursuant to Section 17 of the Act on equal treatment and promotion of equal opportunities ,

[1] It is hereby stated for information purposes that Section 13 (detailed below), Sections 16&17 and Section 63/A of Act CXXV of 2003 on equal treatment and promotion of equal opportunities lapsed on 1 January 2012, 1 February 2012 and 22 December 2011, respectively.

the applicant may turn to the Tribunal of Budapest (formerly: Metropolitan Court) vis-à-vis the decision.

Section 17 (1) The decisions and orders of the Authority shall not be appealed against in the scope of a public administration procedure.

(2) The decisions and orders of the Authority in a pending procedure concerning the violation of the principle of equal treatment cannot be altered or annulled by supervisory powers.

(3) A procedure for the judicial review of any decision or order by the Authority falls within the competence and exclusive jurisdiction of the Metropolitan Court.

(4) The Metropolitan Court shall take the necessary actions via a panel comprised of three professional judges, if the party concerned requests so in a filed petition or the Authority requests so in a statement of its own relating to the contents of the petition.

If the person subject to the proceedings cannot exculpate themselves, the Equal Treatment Authority upholds the application of the party as having suffered an infringement of rights and, pursuant to Section 16 of the Equal Treatment Act, applies the sanctions in paragraph (1), which may, based on paragraph (3), also be applied collectively.

Section 16 (1) If the Authority has established that the provisions ensuring the principle of equal treatment laid down herein have been violated, it may

a) order that the situation constituting a violation of law be eliminated,

b) prohibit the further continuation of the conduct constituting a violation of law,

c) order that its final decision establishing the violation of law be published,

d) impose a fine,

e) apply a legal consequence determined in a special act.

(2) The legal consequences set out in paragraph (1) shall be determined by considering all the circumstances of the case, with particular regard to those who have been affected by the violation of law, the consequences of the violation of law, the duration of the situation constituting a violation of law, the repeated demonstration of conduct constituting a violation of law and the financial standing of the person or entity committing such a violation.

(3) The legal consequences set out in paragraph (1) can also be applied collectively.

(4) The amount of the fine imposed in accordance with point *d)* of paragraph (1) may vary from fifty thousand to six million Hungarian forints.

(5) If the Authority establishes that an employer subject to the obligation to approve an equal opportunities plan has failed to meet this obligation, it shall call upon the employer to rectify the omission and, with the appropriate application of paragraphs (2)-(4), the Authority may apply the legal consequences defined in points *c)-e)* of Section(1).

Prohibition of indirect negative discrimination

- **ECSR asks for information about financial protection available to those suffering a violation of the law, in case of indirect negative discrimination.**

Section 9 Any dispositions which are not considered direct negative discrimination and apparently comply with the principle of equal treatment, but put any persons or groups with the characteristics in Art. 8 at a considerably larger disadvantage than other persons or groups in a similar situation were or would be, are considered indirect negative discrimination.

If, based on the application, the Equal Treatment Authority establishes that indirect negative discrimination is indeed inflicted, it upholds the application of the party as having suffered an infringement of the law and, pursuant to Section 16 of the Act on equal treatment and promotion of equal opportunities , applies the sanctions in paragraph (1) thereof. In cases where a relatively large group of persons is found to have been affected by indirect negative discrimination, these sanctions may also be applied collectively, based on paragraph (3), against the person infringing the law. The Equal Treatment Authority follows the same procedure for establishing the fact of direct negative discrimination, harassment, retaliation

and unlawful segregation. The Equal Treatment Authority passes a public administrative decision which may only be reviewed by a public administrative court. Still, in parallel with the public administrative procedure, the person having suffered an infringement of the law may also turn to the labour court, however, the Equal Treatment Authority is not informed about the decision of this court and the labour or civil courts are not bound by the decision of either the Equal Treatment Authority or the public administrative court.

Equality strategy

- **ECSR asks for information about the activities of the** Equal Treatment Authority **in relation to the equal opportunities plan.**

Section 63 (4) Budgetary organisations employing more than fifty persons, as well as legal entities in majority state ownership are obliged to draw up an equal opportunities plan.

This provision is in effect from 1 May 2010 (repeatedly modified in 2011 via Act CLXXIV of 2011, consequently, the provision concerning the equal opportunities programme is integrated in Section. 31 of the Act on equal treatment and promotion of equal opportunities)

Section 63/A[2] (1) The local government and the multi-purpose micro-regional association adopt a five-year local equal opportunities programme, regarding the criteria provided in separate legislation.

(2) A situation analysis needs to be made about the educational, living, employment, healthcare and social standing of social groups in disadvantaged situations, within the local equal opportunities programme, and the measures required for the complex management of all problems detected during the situation analysis also need to be identified. In the course of programme development, due care should be taken for concordance between the local equal opportunities plan, any other development plans and concepts to be made by the local government, and the public education-related equal opportunities plan.

(3) In preparing the local equal opportunities programme, priority attention shall be paid to

a) measures promoting the enforcement of the requirements of equal treatment,

b) preventing unlawful segregation in education and training, or actions against the same, and measures required for providing equal access,

c) measures required for providing equal access to public services and healthcare services,

d) any measures that can mitigate the labour market disadvantages of those in disadvantaged situations and can improve their opportunities in employment.

(4) The timescale of the implementation of the local equal opportunities programme and any potential change in the situation described in paragraph (2) shall be subject to review every two years and, based on this review, the local equal opportunities programme must be revised as necessary.

(5) An equal opportunities expert as defined in separate legislation shall be involved in the preparation of the local equal opportunities programme, its review under paragraph (4) and its supervision. The opinion of the equal opportunities expert taking part in preparation shall be attached to the approved local equal opportunities programme, its review under paragraph (4) and its supervision. The opinion shall be attached to the application as per paragraph (8).

(6) The local government and the multi-purpose micro-regional association can receive funds from the sub-systems of the state budget, from European Union funds or funding from other programmes financed by international agreement and awarded by individual decision or by tender only if they possess a valid equal opportunities programme, compliant with the provisions of this Act.

(7) The incorporated association of a local government can receive funds from the sub-systems of the state budget, from European Union funds or funding from other programmes financed by international agreement and awarded by individual decision or by tender only if all the local governments constituting the association possess a valid equal opportunities programme, compliant with the provisions of this Act.

[2] It is hereby stated for information purposes that Section 63/A of Act CXXV of 2003 on equal treatment and the promotion of equal opportunity was modified as of 7 July 2012, and this issue has not been included in the responsibilities of the Equal Treatment Authority prior to this date. The provisions concerning local equal opportunities programs are provided in Section 31 of the Act on equal treatment and promotion of equal opportunities, which has been in legal effect since 22 December 2011.

(8) At the request of the mayor, the chairman of the county general assembly or the president of the association council (for multi-purpose micro-regional associations), the Authority checks if the local government or the multi-purpose micro-regional association has a valid local equal opportunities programme, compliant with the provisions of this Act, and certifies this fact in an official certificate within forty-five business days of receipt of the application. The Authority publishes the official certificates on its website.

(9) The organisation assigned by the Government in a decree keeps a register of equal opportunities experts, stating therein:

a) the equal opportunities expert's family name and first name,

b) the equal opportunities expert's place and date of birth, and mother's maiden name,

c) the body issuing the document which certifies the qualification required for entry in the register of experts, the number and date of this document,

d) the date of entry in and deletion from the register, and the number of the decision,

e) the date of suspension of the expert's activity,

f) the equal opportunities expert's contact data (postal address; phone, fax number; email address).

(10) The organisation keeping the register is permitted to handle the personal data specified in paragraph (9) for five entire calendar years after deletion from the register.

(11) The organisation duly appointed by the Government shall grant a permit to an equal opportunities expert who

a) has a university-level qualification or tertiary level technical qualification,

b) has attended the technical training specified in separate legislation,

c) has professional experience, as stipulated in separate legislation, and

d) has a clean criminal record and is not subject to prohibition from an occupation that would exclude their activity as an equal opportunities expert.

(12) Concurrent with the submission of the application for the permit for an equal opportunities expert, the applicant proves they have a clean criminal record and are not subject to prohibition from an occupation that would exclude their activity as an equal opportunities expert with an official certificate, or may ask the criminal registration body to forward the data proving these facts to the organisation assigned by the Government to this task, based on the latter's data request submitted for assessing the application for granting a permit to act as an equal opportunities expert. In the course of the data request, the organisation assigned by the Government to this task may apply for the data described in paragraph (13) from the criminal registration body.

(13) Within the framework of the official control conducted in the period of acting as an equal opportunities expert, the organisation assigned by the Government to this task also checks that the expert has a clean criminal record and that they are not subject to prohibition from an occupation that would exclude their activity as an equal opportunities expert. The organisation assigned by the Government to this task may apply for data from the criminal registration system, with the aim of official control. The data request may only be aimed at data showing if the expert has a clean criminal record or is subject to prohibition from an occupation that would exclude their activity as an equal opportunities expert.

(14) The organisation assigned by the Government to this task shall handle the personal data collected on the basis of paragraphs (12) and (13)

a) until the definitive completion of the procedure aimed at a granting a permit to an equal opportunities expert, or

b) for the duration of the official control, in case of registration of the equal opportunities expert, or until the definitive closure of the procedure, in procedures aimed at deletion from the register.

(15) The Government is given the authorisation to establish, in a decree, the criteria detailed in paragraph (1), the regulations concerning the pursuit of the equal opportunities expert's activity and the conditions thereof, the expert's qualification, extension training, operation and professional practice, the rules of entry in the register, assignment based on the register, termination, the management of complaints and deletion from the register, as well as the assignment of the organisation keeping the register.

(16) The minister for the promotion of social equal opportunities is given the authorisation to establish, in a decree and with the consent of the minister for tax policy, the size of and the detailed rules of payment of the administrative service fee payable in procedures related to the register of equal opportunities experts.

The Equal Treatment Authority does not carry out any statistical collection activity in connection with the equal opportunities plan. Only upon request, but not ex officio, is the Equal Treatment Authority permitted to review if those obliged to do so have approved such a plan. Approximately 1-5 applications are received by the Equal Treatment Authority a year in connection with the plan, which the ETA follows up on in accordance with the legislation.

Effective, proportionate and dissuasive remedy

- **ECSR asks if in practice the damages awarded can sufficiently dissuade employers from infringing the law.**

Once the Equal Treatment Authority has established the violation of provisions ensuring the requirement of equal treatment, it applies the sanctions as per paragraph (1) of Section 16 of the Act on equal treatment and promotion of equal opportunities, which may also be applied collectively, based on Section (3). Pursuant to paragraph (4) of Section 16 of the Act on equal treatment and promotion of equal opportunities, the fine imposed by the Authority under point d) of paragraph (1) of Section 16 may range from fifty thousand to six million Hungarian forints.

Compliant with Directive 2000/78/EC of 27 November 2000 Establishing a General Framework for Equal Treatment in Employment and Occupation, wherein any reimbursement payable to the victims of discrimination is only provided as a possibility, the Equal Treatment Authority does not have any statutory option to grant financial compensation to the victims of discrimination. Still, the victim of discrimination is granted the possibility, whether irrespective of or after the decision of the Authority, to submit a claim for damages in a civil or labour court.

Prohibition of discrimination in employment on grounds of nationality

- **ECSR asks for information about the enforcement of the prohibition of discrimination in public service on grounds of nationality.**

Paragraph (8) of Section 7 of Act XXIII of 1992 on the legal status of civil servants was complemented, in paragraph (2) of Section 5 of Act LXXXIII of 2007 on the amendment of Act XXIII of 1992 on the legal status of civil servants, with the citizens of the States that are signatories of the agreement on the European Social Charter. The amendment entered into force on 15 July 2007, so from this date on legal relations in public service can be established for administrative positions not only with persons vested with the right of free movement and residence but also with the citizens of states which are party to the agreement on the European Social Charter. Based on the intentions of the legislator, the conditions underlying the establishment of legal relations in public service (command of Hungarian language at an extent necessary for fulfilling the position, except administrators occupying positions which are stated to be essential and confidential under the legal regulations and except administrators assigned as heads of unit) are equal with regard to both the citizens of states which are party to the agreement on the European Social Charter and the persons vested with the right of free movement and residence. Consequently, it is established that between 15 July 2007 and 31 December 2010 Hungary granted the right to work, including the right to freely select an occupation in public service, in accordance with the requirements in Subsection (2) of Section 1 of the Revised European Social Charter.

Prohibition of negative discrimination in employment on other grounds (sex, race, ethnic origin, religion, sexual orientation or political opinion)

- **ECSR asks if there is any special regulation on the prohibition of negative discrimination on the above grounds (apart from the general prohibition of all**

forms of discrimination, as provided in Art. 5 of the Labour Code), and what steps have been taken in practice to combat these forms of discrimination.

The prohibition of negative discrimination on the above grounds is provided, but not exclusively, in the branch acts below:

- Act CXXV of 2003 on equal treatment and the promotion of equal opportunities,
- Act XXVI of 1998 on the rights and equal opportunities of persons with disabilities,
- Act XCV of 2001 on the legal status of professional and contracted military personnel of the Hungarian Defence Forces,
- Act LXXIX of 1993 on public education.

- **Are there any rules applicable to full-time or part-time employees concerning the minimum working week, any rules to avoid undeclared overtime work, any rules requiring equal pay, and have there been any measures taken to avoid undeclared overtime work?**

The labour regulations in effect in the reporting period do not provide a statutory definition about employees considered to be part-time workers. Part-time workers can be defined in comparison with full-time employment. The Labour Code establishes in this regard that, unless otherwise agreed to, a employment relationship is established for full-time employment (paragraph(1) of Section 78/A of the Labour Code). The working time of full-time employment shall be eight hours a day or forty hours per week (paragraph (1) of Section117/B of the Labour Code). Employment-related provisions or an agreement between the parties may stipulate a shorter working time for full-time employment than that specified in paragraph (1) paragraph (2) of Section117/B of the Labour Code). However, employment in shorter full-time differs from part-time employment.

In case of part-time employment, the parties can freely agree on the length of the working time. Depending on the above, they may agree to fix the daily working hours at a certain number of hours less than the full-time working time and, accordingly, agree on the conditions underlying part-time employment. The Labour Code provides guidance for some instances of such agreements. In the case of irregular distribution of working hours (upon using a working time limit) the daily working time cannot for example be less than four hours. However, based on an agreement between the parties, the length of the daily working time can even be shorter, in the case of part-time employment (paragraph (1) of Section 120 of the Labour Code). The Labour Code does not stipulate the lower limit of working time in part-time employment. Moreover, neither does the Code define a minimum value wherewith working time must be shorter than full-time work to qualify as part-time employment. Additionally, no minimum working week is defined.

The Labour Code does not regulate the concept of "comparable full-time worker" either. However, based on Section 5 of the Labour Code, the principle of equal treatment is equally applicable in part-time employment and in labour relations established for full-time employment. Accordingly, a comparison can be made on the basis of the provisions pertaining to the requirement of equal treatment, in compliance with Act CXXV of 2003 on equal treatment and the promotion of equal opportunities. The basis of a part-time worker's remuneration is likewise adapted to the general rules of remuneration for work, i.e. the law likewise fails to define a minimum working week in this case. Part-time workers are also entitled to receive the rights and benefits accorded by law to full-time workers. The Labour

Code does, however, provide a special rule in cases where the employee's entitlement to direct and indirect employment benefits, provided in cash or in kind on the basis of the labour relationship, is associated with the length of the working time. In this case, the principle of time-proportionate treatment shall be applicable to employees' benefits in part-time employment (paragraph (2) of Section 78/A of the Labour Code). However, applying the principle of time-proportionate treatment shall not be mandatory in these cases, either, if more favourable benefits are provided in favour of the employee.

The Labour Code specifies the principle of time-proportionate treatment in connection with the calculation method of the hourly personal basic wage:

Section 144/A of the Labour Code. The hourly personal basic wage shall be calculated so that the monthly personal basic wage is divided by

a) 174, for full-time employment,
b) the time-proportionate part of 174 hours, for part-time or short full-time employment or in stand-by work in the case of working hours in excess of eight hours a day or forty hours a week.

The accordant salaries shall underlie any subsequent wage calculations, e.g. the calculation of hourly wage supplements (Section 145 of the Labour Code) or the remuneration for any work performed on a legal holiday (Section 149 of the Labour Code).

The principle of time-proportionate treatment shall similarly apply to calculations based on the monthly average wages. Pursuant to paragraph (10) of Section 152 of the Labour Code, if an employment-related provision prescribes the application of monthly average wages for the establishment of payment obligations, one day's average wage multiplied by twenty two shall be applied as the employee's monthly average wage. For a working time frame, the hourly average wage should be multiplied by 174, or by a time-proportionate part thereof (for part-time or short full-time employment or in stand-by work in the case of working hours in excess of eight hours a day or forty hours a week) to calculate the monthly average wage. For hourly salaries, one day's average wage shall equal the hourly average wage multiplied by the length of the working time.

Act CXXVI of 2009 on the amendment of certain acts on labour issues could comprehensively introduce part-time employment, based on the employee's unilateral decision, in various acts on legal statuses, i.e. through the amendment of Act XXXIII of 1992 on the legal status of public employees Act XXIII of 1992 on the legal status of civil servants, Act LXVIII of 1997, Act LXXX of 1994 and Act LXVII of 1997 on the legal status and remuneration of judges. With regard to Act XLIII of 1996 on the service of professional members of the armed forces and Act XCV of 2001 on the legal status of professional and contracted military personnel of the Hungarian Defence Forces, the law permits part-time employment if the original assignment of a member of the professional staff (staff member) can also be fulfilled in part-time service, due to the nature of the assignment.

In this framework, the Act on the legal status of civil servants was completed with the below Section 23/B, based on Section 6 of Act CXXVI of 2009:

"Section 23/B (1). At a written request of a public servant in full-time employment, the employer is obliged to stipulate a part-time working time reaching

a) twenty hours a week,
b) a length equal to half of the assignment-based working time, for stand-by positions

in the assignment if the public servant is on unpaid holiday according to point a) of paragraph (5) of Section. 138 of the Labour Code at the time of submission of the application.

(2) The employer may reject the public servant's application for an irregular distribution of the working time only if it would generate a substantially greater organisational workload. The employer is obliged to justify the rejection of the application in writing.

(3) The stipulation of part-time employment shall be effective

a) from the day following the termination of unpaid leave,

b) if the public servant has to take their ordinary holiday under point b) of paragraph (3) of Section 134 of the Labour Code, from the day following the completion of the holiday.

Upon the application of point b), unless otherwise agreed between the parties, the ordinary holiday shall be commenced on the first working day following the expiry of the unpaid leave. If stipulated otherwise by agreement, the ordinary holiday shall be commenced within thirty days of expiry of the unpaid leave.

(4) The employer shall be notified about the application at least sixty days before terminating the unpaid leave, as per paragraph (1). In the application, the public servant is obliged to inform the employer

a) about the date when the child authorising the employee to take unpaid leave has reached their third year of age, and

b) about their proposal for working time distribution, provided they intend to work in irregular working time.

(5) Contrary to paragraph (4), for employees employed in the position of an educator in an educational-training institution, the employer shall be notified about the application during the period of the unpaid holiday, sixty days before the end of the study period in the school year or the completion of the first half-year.

(6) The principle of time-proportionate treatment shall apply, pursuant to this Act, to direct and indirect employment benefits provided in cash or in kind on the basis of a public servant's labour relationship from the date set out in paragraph (3), provided entitlement to the benefit is associated with the length of the working time.

(7) In part-time employment stipulated on the basis of the application as per paragraph (1), the employer is obliged to employ the public servant

a) until the time set in the application, but

b) until the child has reached the age of three at the latest.

Afterwards, the public servant's working time shall be determined at an extent in effect prior to the submission of the application, while remuneration shall be set with the due application of the principle of time-proportionate treatment.

(8) paragraphs (1) to (7) shall not apply to appointed and assigned senior managers and managers."

With regard to the **control of overtime**, it is emphasised here that based on Section 140/A of the Labour Code, the employer is obliged to keep a register of overtime-related data even in case of part-time employment, including data related to

a) ordinary working time and overtime, duty and stand-by,
b) grants of leave,
c) other working time allowances.

The provision in point a) shall not apply if the employee is entitled to determine or arrange their own work schedule. The starting and closing time of the assigned and fulfilled ordinary and extraordinary work, the duty and stand-by status shall be ascertained from the register, by calendar days or 24 consecutive hours.

Act LXXV of 1996 on labour inspection (hereafter Act on labour inspection) does not specifically define the control of the rules of part-time employment by the labour authority. It does not differentiate in inspecting the observation of labour law provisions relevant to the employment of full-time or part-time workers. Consequently, the scope of labour inspection likewise covers part-time employment in the cases specified by law.

As regards the subject of control, the labour authority controls the observation of provisions laid down by legislation or in collective agreements on working time, rest-time, extraordinary work and holidays, in accordance with point f) of paragraph (1) of Section 3 of the Act on labour inspection. In terms of part-time employment, observing the length of working time as stipulated in the labour contract is of outstanding importance.

On account of any irregularities detected during control, the inspector may take the following measures during proceedings, according to paragraph (1) of Section 6 of the Act on labour inspection:

a) draw the employer's attention to observing the rules on employment,
b) oblige the employer to eliminate the irregularity within a pre-set time,
c) prohibit any further employment if engagement or employment cannot be maintained due to the severity of the infringement of the law in the cases of the first phrase in point *a)* and in points *b), e), f), i), k)* and *q)* of paragraph (1) of Section 3, and the infringement cannot be remedied in a short time. If further employment is prohibited because the employer violated the provisions concerning the formalities of legal declarations necessary for the establishment of an employment relationship , the notice of the legal relationship or, in case of hiring workforce, the delivery of the labour contract to the hiring company, the inspector obliges the employer to pay remuneration as per paragraph (4) of Section 151 of the Labour Code to the employee during the period of prohibition,
d) oblige the employer employing a foreign employee without a work permit to effect a payment to the Labour Market Fund, in accordance with Section 7/A,
e) initiate the termination or cancellation of unemployment benefit, in case of receiving unemployment benefit without legal grounds,
f) make a proposal for labour penalties to be levied in accordance with Section 7,
g) conduct a disciplinary proceeding,
h) proceed on the basis of paragraph (5) of Section 1 and establish the existence of a legal employment relationship from the day of signing on, and oblige the employer to observe the provisions concerning the employment relationship,
i) prohibit the employer from continuing their activity if they fail to have the permit or registration prescribed in the legislation on employment.

The following decisions were taken in connection with the registration of overtime, during the reporting period:

Labour case 2009. 120 By way of assessing any indirect evidence, the court may establish the length of overtime performed by the employee, if the employer fails to meet their obligation to register the working time (Section 118/A, Section 119, Section 126 and Section 140/A of Act XXII of 1992).

Equal Treatment Authority,2009. 1986 II. The statutory working time shall be, in case of omission of registration, the duration of the working time, and extraordinary work can be established by deliberation, based on other evidence (point *a)* of paragraph (1) of Section 140/A of Act XXII of 1992, paragraph (1) of Section 206 of Act III of 1952).

For an analysis on the specifics of part-time employment, see INSTITUTE OF ECONOMICS, HUNGARIAN ACADEMY OF SCIENCES BUDAPEST, 2010 MT-DP – 2010/10 Antal SERES, "A részmunkaidős foglalkoztatás tendenciái és terjedésének tényezői az Európai Unióban és Magyarországon" *(English title: Tendencies of part-time employment and the factors behind its expansion in the European Union and Hungary*), download from:
http://www.mtakti.hu/kiadvany/mtdp.html
http://econ.core.hu/file/download/mtdp/MTDP1010.pdf

Transformation of undeclared employment to regular employment

Pages 7-8 of the Fifth Report for the 2005-2006 period supply information relevant to Employment Guideline 9 (transformation of unregistered employment to registered employment). The scope of labour inspections, the sanctions imposed upon unregistered employment or employment without an employment contract and the set of other related legal consequences (compliance with regular labour relations) did not essentially change in the 2007-2010 period, compared to the report.

Act LXXV of 1996 on labour inspection was completed with a new Section 6/A in Act XXXVIII of 2009 with effect from 1 July 2009, which demonstrates the importance of assessing the infringement of undeclared work; the new provision identifies the labour irregularities whereby the labour authority does not only have the option to impose a fine-type sanction but is also obliged to impose a labour penalty. The provision newly entering into force ranks the following here:

a) infringement committed in connection with the formalities of legal declarations necessary for the establishment of an employment relationship [paragraph (2) of Section 76 and Section 75/A of the Labour Code],
b) omission of the reporting obligation stipulated in separate legislation in connection with the establishment of a labour relationship [point a) of paragraph (4) of Section 16 of the taxation rules Act].

Still, the new provision also set a condition of exemption, with a view to the priority of the interest in notifying the employment relation: if the employer met their notification obligation concerning the declaration of the establishment of employment relations for the entire period of actual employment with some delay but still before the commencement of labour control, no sanction of labour penalty shall be imposed on the employer.

The cases of exemption are complemented in Act CXVI of 2009, with effect from 1 January 2010, with the case when, based on legislation, another party is obliged to meet the notification obligation and the employer transferred the data underlying such a notification to the party subject to the notification obligation in due time (in these cases reporting is done by the State Treasury, on behalf of state or local government-owned companies).

The provisions on official registration and disclosure, as provided in Section 8/C of the Act on labour inspection, were later mitigated by the legislator, due to their excessive severity, and a moratorium was provided for registration. Based on the provision amended in Act XXXVIII of 2009, employers repeatedly committing an infringement are recorded in the official register; and, in lieu of the former 5-year term, the infringement is deleted after 2 years have elapsed since the entry into force of the decision underlying the registration and the date of it becoming executable.

In the 2007-2010 period one of the priority target areas of labour control was the control of undeclared employment. The efficiency of intensive labour inspection is shown in the table below:

	2007	2008	2009	2010
Number of employees subject to infringement	72743	69075	56206	29869

The decrease in the number of detected infringements, related to undeclared employees in 2007-2009, took place with an essentially identical number of labour controls, which suggests the preventive effect of intensive controls.
Replacing employment with a worker's casual work certificate (Act LXXIV of 1997) by the simplified form of employment is considered an action adopted in the attempt to reduce

undeclared employment. Act CLII of 2009 on simplified employment entered into effect on 1 April 2010 (and was replaced by Act LXXV of 2010 as of 1 August 2010). The Act considerably simplified the rules pertaining to occasional work, primarily agricultural and tourism-related seasonal work, so indirectly it must evidently have had an impact on discouraging undeclared employment.

- **What legal regulations apply to the protection of civil rights and human dignity, and how is this interpreted in judicial practice for the protection of the private life against interventions in any connection with labour relations?**

The Labour Code provides for the protection of inherent rights in the frames of waivers. Accordingly, an employee shall not waive their rights in protection of their salaries and their person in advance, nor shall they conclude an advance agreement which may prejudice their rights to their detriment (paragraph (2) of Section 8 of the Labour Code).

The rights to the protection of privacy are specified in Act IV of 1959 on the Civil Code. Among those which also govern labour relations, the following are highlighted:

Section75 (1) Inherent rights shall be respected by everyone. Inherent rights are protected by law.

(2) The provisions on the protection of inherent rights shall also apply to artificial persons, unless such protection, by virtue of its very nature, can only be given to private persons.

(3) Inherent rights shall not be deemed violated by conduct that is approved by the holder of the rights, provided the granting of such approval is not in violation or breach of the interests of society. A contract or unilateral statement that otherwise restricts inherent rights is null and void.

Section 76 The breach of the requirements of equal treatment, violation of the freedom of conscience, any unlawful restriction of personal freedom, injury to body or health, insult to the honour and human dignity of private persons shall particularly be deemed as violations of inherent rights.

Section 77 (1) Everyone has the right to bear a name.

(2) Scientific, literary or artistic activities or activities accompanying public performances may be pursued under an assumed name without injuring the rights and legal interests of other persons.

(3) The name of an artificial person must be different from the names of other previously registered artificial persons who are engaged in similar activities in the same field of endeavour.

(4) The illegal use of another person's name or a name similar to that of another person shall particularly be deemed a violation of the right to bear a name. A person engaged in scientific, literary or artistic activities, if the name can be confused with the name of another person who has already been engaged in similar activities, shall not even be entitled to use their own name, at the request of the affected person, without a distinctive addendum or omission while engaged in such activities.

Section 78 (1) The protection of inherent rights shall also include protection against defamation.

(2) The statement, publication or dissemination of an injurious untrue fact pertaining to another person or a true fact with an untrue implication that pertains to another person shall be deemed defamation.

Section 80 (1) Any misuse of the likeness or recorded voice of another person shall be deemed as a violation of inherent rights.

(2) With the exception of public performances, the consent of the person affected shall be required for the public use of their likeness or recorded voice.

(3) A likeness (recorded voice) of a missing person or a person under criminal prosecution for a felony offence may be used for substantial public interests or a justifiable private interest with the permission of the authorities.

Section 81 (1) A person who has violated the sanctity of mails or has come into the possession of a private or business secret and publishes such secret without authorisation or abuses it in any other manner shall be construed as having violated an inherent right.

Section 83 (1) Data management and data processing by computer or other means may not violate inherent rights.

(2) Information from registered data may only be disclosed to duly authorised bodies or persons (in addition to the person concerned).

(3) If any registered fact or datum is false, the person affected shall be entitled to demand that the false fact or datum be corrected in a manner prescribed by a separate legal regulation.

Section 84 (1) A person whose inherent rights have been violated may have the following options under civil law, depending on the circumstances of the case:

a) demand a court declaration of the occurrence of the infringement;

b) demand to have the infringement discontinued and the perpetrator restrained from further infringement;

c) demand that the perpetrator make restitution in a statement or by some other suitable means and, if necessary, that the perpetrator, at their own expense, make an appropriate public disclosure for restitution;

d) demand the termination of the injurious situation and the restoration of the pervious state by or at the expense of the perpetrator and, furthermore, to have the effects of the infringement nullified or deprived of their injurious nature;

e) file charges for punitive damages in accordance with the liability regulations under civil law.

(2) If the amount of optionally imposed punitive damages is not in proportion with the severity of the actionable conduct, the court shall be entitled to penalise the perpetrator by ordering him to pay a fine to be used for public purposes.

(3) The above provisions shall also apply if the infringement occurred through the publication of an illegal advertisement.

The protection of human dignity in Hungarian law rests on and develops through the case-law of the Constitutional Court. The interpretation of the right to human dignity, as a definition of a "general personality right" and the most fundamental core of the individual's autonomy and self-determination, affects the definition of the protection of human dignity. One of the most essential axioms in the interpretation of the right to human dignity is established in Decision 23/1990 (X. 31.) AB of the Constitutional Court. Accordingly, the "right to human dignity means that there exists within the individual's autonomy, within their free self-determination, a core which cannot be subjected to the disposition of others, according to which (...) human beings remain a subject and cannot be transformed into an object or a tool."

The protection of human dignity is manifested in multiple forms in the labour law. By way of arranging work during the exercise of the power to control, the employer is for instance obliged to respect the employee's human dignity, i.e. the employer is not permitted to set working conditions which mean that the employee is unable to exercise their rights or fulfil their obligations originating from the employment relationship. The fulfilment of working conditions having no regard to the capabilities of the employee can e.g. violate human dignity if they are humiliating, degrading or abusive for the employee, e.g. accompanied by long-term chronic exercise of pressure or unreasonable distribution of work.

The protection of human dignity is specifically regulated in connection with the application of adverse legal consequences, in paragraph (2) of Section 109 of the Labour Code. Accordingly, the collective agreement can only establish disadvantages that are related to the employment relationship and do not violate the employee's personality rights and human dignity as an adverse legal consequence. No pecuniary fine shall be prescribed as an adverse legal consequence.

Consequently, the protection of human dignity warrants, in terms of adverse legal consequences, that no actions shall be taken against the employee which have a punitive and humiliating nature or which consider the employee as the subject in the application of adverse legal consequences; and serves the aim whereby the exercise of the employee's labour rights and the fulfilment of their obligations are not frustrated in consequence of the above actions, by injuring their dignity.

The protection of human dignity is especially important in exercising the right to give instructions. One of the most essential barriers to the right to give instructions is that the instruction must not contradict any legislation. With regard to inherent rights, this means that the employer is obliged to respect the provisions of the Civil Code and the Labour Code on

the protection of personality rights when exercising the right to give instructions. Following on from the first sentence in paragraph (2) of Section 104 of the Labour Code, the employee shall not be obliged to follow instructions if this would violate a legal regulation or a regulation pertaining to employment.

Among the cases of infringement detected in judicial practice, there was one case (related to the exercise of the right to give instructions) when the violation of human dignity was established on account of flagrant unlawfulness in the circumstances of extraordinary notice. The employee's movement with compulsory escorts in the workplace and the prohibition thereof in public in the workplace represents the violation of human dignity. In the specific case, the fact that the plaintiff in a senior position could, from the time of receipt of the letter of notice, move in the respondent employer's site only with escorts, that the delivery of the employee's personal belongings was under control in the office and then, in the eyes of many, the employee was escorted to the gatehouse through the yard, and that the respondent employer instructed the gatehouse service to "expel" the plaintiff employee, which was even posted on the wall in writing, did represent the violation of personality rights, and the employer's procedure injured the plaintiff in their human dignity Equal Treatment Authority 2000. 359.). Assigning escorts to the employee and expulsion mean a transgression of the limits of the right to give instructions and also injure human dignity.

The protection of human dignity is also of outstanding importance in exercising supervisory power. In controlling the employee's personal conduct and performance, the employer is obliged to refrain from the use of any tools and methods and from the adoption of any measures that can injure human dignity. These requirements govern the employees' control with technical devices (operation of an electronic surveillance system, access control system, control by an appliance or machine commissioned during production, etc.) and the employees' personal control. In practice, the protection of human dignity was specified in connection with the management of personal data and with personal control.

The protection of the employee's human dignity was assessed especially in connection with the use of electronic monitoring devices. Based on the data protection supervisor's practice, monitoring in the workplace with an electronic device can result in the injury of employees' human dignity (429/K/2004) ABI 2004, 362 et seqq.; (1627/A/2004, 892/A/2004, 1280/K/2004) ABI 2004, 94.). According to consistent practice, the permanent monitoring of employees' performance is illegal as it violates the data protection principles ABI (368/P/2009, 1015/P/2009, 2047/P/2009, 2098/P/2009, 2900/P/2009, 2812/P/2009), (1477/K/2009, 1744/K/2009).

In the data protection supervisor's practice, the informal control system ("whispering network") in workplaces can injure the right to human dignity if employees can freely report one another to the employer, even for petty offences (ABI 2007, 652/K/2007-3).

In relation with the exercise of the right of control, the legality of internal workplace regulations on searching formed the subject of investigations in judicial practice. The disregard of rules pertaining to personal control and searching can also violate the right to human dignity. Conducting a personal control of several female employees in a closed room with no female searchers present represents a violation of the workplace prohibition of control without a female searcher, with regard to female employees. "The employer's interest in property protection supports control including the employees' personal control, this may, however, not injure the right to human dignity. To warrant the above, the employer may

stipulate rules that protect the employee, with regard to the specifics of control." (Equal Treatment Authority 2000. 249.)

Otherwise, as regards employees, point c) of paragraph (1) of Section 103 of the Labour Code summarises the requirements relevant to anticipated conduct in employment relations. Accordingly, employees are obliged to cooperate with their co-workers and perform work and otherwise proceed in a manner without endangering the health and safety of others, without disturbing their work and causing financial detriment or damaging their reputation.

In the application of the Equal Treatment Act, case groups that put the criteria of violating human dignity in a new light have been elaborated in practice. All types of conduct with the potential for violating human dignity have been extensively clarified in the course of interpretation of the concept of harassment.

The injury of human dignity was most frequently established in connection with the factual circumstances of harassment. In the cases investigated by the Equal Treatment Authority , various types of conduct with the potential for violating human dignity were subject to assessment, based on the statutory definition of harassment.

Pursuant to paragraph (1) of Section 10 of the Act on equal treatment and promotion of equal opportunities, harassment is conduct of a sexual or other nature violating human dignity, related to the relevant person's characteristics defined in Art. 8, with the purpose or effect of creating an intimidating, hostile, degrading, humiliating or offensive environment around the particular person.

Conduct leading to the violation of human dignity includes in particular the following, in the practice of the Equal Treatment Authority:

Any harassing conduct aimed at chasing the specific employee out of their job and occasionally humiliating them, through offensive and vulgar conduct, in front of the person exercising the rights of the employer, fulfils the factual circumstances of harassment, provided the consequential unmanaged pressure led to an excessively tense and malignant workplace atmosphere around the attacked employee (Equal Treatment Authority Decision 1/2010).

An environment injuring and humiliating human dignity is established if the employee is, due to their sexual orientation, subject to sarcastic or outrageous comments by the person exercising the rights of the employer, behind their back and during working hours, and the employee becomes the target of such jest, parody or mockery (Equal Treatment Authority Decision 49/2010).

The factual circumstances of harassment were fulfilled by the actions that implied scheming by the employee's colleagues in a way that the person exercising employer’s rights accepted these intrigues and, as a result, talked more and more frequently to the employee in an offensive tone and tended to "continuously strive to rummage in the subordinates' private lives like a despot", while making pejorative and obscene comments and violent inquiries, for the employee represented a dissenting approach with regard to the common verbal manifestations used in the workplace (Equal Treatment Authority Decision 26/2009; Equal Treatment Authority Decision 69/2006).

The factual circumstances of harassment were fulfilled, for example, by the workplace manager's "degrading campaign" against the employee, for the employee submitted an application to a managerial post and, in correlation with this, a malignant environment was created around the employee (Equal Treatment Authority Decision 1260/2008; Equal Treatment Authority Decision 704/2007).

The Equal Treatment Authority found a violation of human dignity when, contrary to the principle of proportionality, the employer did not, without due cause, grant a reward to the employee and wantonly initiated almost two month-long disciplinary proceedings against the employee (Equal Treatment Authority Decision 1277/2008).

The Equal Treatment Authority endorsed the violation of human dignity when the employee was subject to various atrocities by the shop manager and their colleagues because, on account of actions taken in connection with the disappearance of a television set owned by the company, the employee made a complaint to the regional agent of the company, who in turn conducted a relevant audit. The employer failed to take the necessary measures to remove the injurious and humiliating conditions in the employee's environment and, as such, fulfilled the factual circumstances of harassment (Equal Treatment Authority Decision 25/2008).

Another case of a violation of human dignity came about when, on several occasions in the period of exemption, the employer complicated the employee's entry into the workplace and attendance at the elections of the works council, assigned an escort to the employee in each instance and essentially banned the employee from the area of the workplace (Equal Treatment Authority Decision 170/2008).

The ETA found a violation of human dignity when the mode of an investigation conducted by the employer vis-à-vis the employee in connection with the employee visiting websites with sexual content from the computer located in the room for resident house tutors during service time generated a humiliating and injurious environment (Equal Treatment Authority Decision 1/2008). The investigation conducted did not meet the requirements of proportionality, necessity and suitability, so it had a highly stigmatising effect on the employee both among students and colleagues.

Health condition-related harassment was established when the management of the company officially disclosed employees, identifying them by their names, who were on the sick list in a specific year (Equal Treatment Authority Decision 81/2008).

The employer's conduct whereby the employees were subject to unfavourable measures, due to their university qualifications and recognised professional prestige (e.g. revocation of cost compensation for clothing, dismissal, defamation, presentation of a certification on certified absence) and, consequently, a humiliating and injurious workplace atmosphere was created during the employment relationship, was also considered a harassment by the Equal Treatment Authority (ETA Decision 22/2006).

Based on the quoted decisions, the factual circumstances of harassment can be fulfilled by types of conduct that are not in reasonable and objectively justified correlation with the exercise of labour rights and the fulfilment of obligations, hence, disturb work through their effect and curtail the intangible interests of the affected employee. Nevertheless, no justified criticism, dispute, judgement, opinion, advice or characterisation related to the exercise of labour rights during the validity of the employment relationship, no discussion of work-

related problems, no instructions for correction, etc. shall be considered harassment (opinion 384/5/2008 (IV. 10.) TT of the Advisory Board of the Equal Treatment Authority on the concept of harassment and sexual harassment).

Additional questions sent by ECSR on 14 June 2012, concerning Section (2)

- **How long is the mandatory minimum service period for voluntary/professional military personnel?**

In general, pursuant to Section 2 of Act XCV of 2001 on the legal status of professional and contracted military personnel of the Hungarian Defence Forces in effect in the above reference period, the member of the professional staff is the soldier of a junior officer's or officer's rank who enters the military service as a vocation, for an indefinite period of time, while the member of the contracted staff is the ordinary soldier (of no rank) and the soldier of a junior non-commissioned officer's, junior officer's or officer's rank who enters the service relationship under a fixed-term contract.

Pursuant to the Act, a service relationship can be established, based on volunteering, with a legally competent person who has reached their 18th year of age, has a permanent residence or stay within the country, has the school qualifications and technical skills required in the staff of the specific rank, is of Hungarian nationality, is suitable for service from a health, mental and physical point of view, contributes to the management of their personal data after the termination of their service relationship and accepts the statutory restriction of some of their constitutional rights. The control of compliance with the national security requirements stipulated in separate legislation shall be essential for establishing a service relationship, provided assignment in the planned position is conditional on such at the time when the legal relationship is established.

No service relationship shall be established with a person who has a criminal record; who has a clean criminal record but has, due to committing a criminal act, been definitively sentenced to non-suspended imprisonment for a term in excess of one year, for three years of being exempted from the detrimental legal consequences accompanying the conviction; against whom the court has imposed the sanction of demotion or termination of a service relationship; who is under the scope of actions for probation or the postponement of formal accusation; who is under the scope of prohibition from an occupation that excludes the performance of any activity essential for occupying the position which is to be filled; whose demotion or whose termination of the service relationship was effected as a disciplinary punishment or whose service relationship was terminated on the grounds of unworthiness.

At the establishment of a service relationship, a minimum 3-month but maximum 6-month probation period shall be stipulated for the person enrolled in the staff, however, no probation may be stipulated for those graduating in military and law enforcement training, those taken over from the contracted staff to the professional staff or for soldiers who repeatedly extend their contracts. Additionally, no probation may be stipulated in contracts concluded for the execution of tasks originating from the fulfilment of international obligations or cooperation. The requirements of physical fitness must be met until the end of the probation period at the latest. During the probation, the member of staff shall be given basic training and a training course aligned to the characteristics of the Hungarian Defence Forces and their position. In case of re-entry in the staff, a maximum 6-month probation period may be stipulated if at least

one year has elapsed between the termination of the service relationship and the submission of the application for re-employment.

A basic or college qualification of at least tertiary level in the technical field specified in the legislation is required for occupying a post subject to an officer's rank. At least a secondary school leaving examination certificate and, additionally, for positions specified in the legislation, vocational qualifications for the specific job are required for occupying the post subject to a junior officer's rank. For crew positions, a minimum of a primary school qualification is required. The qualification necessary for occupying a senior position, the vocational qualification, training certificate or skills shall be acquired in the frames of in-school or non-formal education and training in national or foreign military or civilian tertiary level and secondary level educational institutions. After completion of the training, the member of staff is obliged to maintain their service relationship for a term double the training period but for one year at the least.

A contracted service relationship shall only be established with a person who agrees to the service for at least 5 years and 3 years in case of officer's/junior's positions and junior non-commissioned officer's positions, respectively. Based on common consent and considering the statutory restrictions, the duration of the contracted service can be extended occasionally, by five years at the most. In case of a contracted service relationship, a contract to perform a task originating from the fulfilment of international obligations or cooperation may, upon volunteering, be concluded for a shorter period than above, or the term of the contract can equal the duration of disbursing a scholarship, for those graduating in a non-military educational institution as military scholarship-holders.

Apart from the mandatory term agreed to at the establishment of a contracted service relationship, the Act on the legal status of professional and contracted military personnel of the Hungarian Defence Forces does not stipulate a mandatory minimum service time.

- **Are there any circumstances (e.g. special training, specific operational expectations and requirements) that justify dissimilar mandatory minimum service times, and under what conditions may the affected persons leave the service before their service time has elapsed?**

The Act on the legal status of professional and contracted military personnel of the Hungarian Defence Forces requires the person enrolled in the staff, except those who have completed their basic military training, to complete a training course, vocational school or special training (hereafter training course) in general military issues conforming to the nature of the service or as necessary for the specific position, and to pass an examination. The leader of the military organisation is obliged to warrant that the member of staff commence the fulfilment of their training course obligations within a year. If the member of staff fails to commence the training course, fails to complete it within the pre-set term or fails to pass an examination through their own fault, their service relationship is terminated.

The Act specifies the cases of termination of a service relationship which can, inter alia, take place by common consent, by resignation, release, with immediate effect during the probation, concurrent with the imposition of the threat of demotion, by demotion in criminal proceedings, by the application of prohibition from an occupation that excludes the pursuit of an activity necessary for fulfilling the job occupied within the service relationship or of prohibition from public affairs, and through the death of the member of staff, their transfer

into another public service legal relationship, or upon the expiry of the fixed term set in the contract, unless such term is extended. Additionally, the service relationship can also be terminated during the probation period, without the need to provide any justification, with immediate effect, at the initiative of either party.

The Act on the legal status of professional and contracted military personnel of the Hungarian Defence Forces specifies the cases of origin of the obligation of reimbursement imposed on the member of staff, so for instance the member shall be subject to the obligation of reimbursement if their service relationship is terminated before the expiry of the mandatory period of the service relationship (except in case of incapacity for health or mental reasons) due to non-fulfilment, through their own fault, of the training obligation stipulated in the legislation, the failure to eliminate any conflict of interests, a refusal to take an oath of allegiance or the loss of Hungarian citizenship, or in the cases resulting in the termination of legal relationship as stipulated in the act on certain obligations to declare property, and if the person undertaking the service fails to meet the requirement of impeccable personal conduct. The member of staff shall also be subject to the obligation of reimbursement if, through their own fault, they fail to meet their obligation under the command or the study contract during the validity of the service relationship.

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

3. to establish or maintain free employment services for all workers;

1-2) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS, AND MEASURES TAKEN TO IMPLEMENT THE LEGAL FRAMEWORK

The question raised by ECSR with regard to employment services and their employees is also answered in this section.

Operation of free employment services available in Hungary

I. The structure of state employment services, actions taken for the unemployed. Review of steps taken to revise the geographical distribution of local and regional labour centres and to redeploy resources.

Regional restructuring in the labour organisation

Labour Service Bureaus were set up in each county in Hungary in the mid 1980s, followed by County (Metropolitan) Labour Centres and their offices from 1991 onwards. In the offices, the associates primarily entered the actual customers' data in the register, handled the applications for unemployment support and later unemployment benefit, provided job mediation services and kept manual registers. Following the entry into effect of Act IV of 1991 on the promotion of employment and services to the unemployed and due to the masses of customers being dealt with, the associates in the offices began to specialise in specific groups of tasks after a while, which led to the creation of official (benefits-oriented) associates specialised in provisions for the unemployed and the mediator's job.

The steady growth in the central and office-based workloads from the early 2000s, the increasingly complicated types of support following our accession to the European Union, and the obligation to provide central labour market programmes and services, called for the establishment of a better-arranged and up-to-date set of training and employment support schemes flexibly adjusted to the changing conditions and to the regional transformation and renewal of the Public Employment Service.

The organisation, still with an employment policy mission, was restructured from 2007: the responsibilities of the metropolitan labour centre and the county labour centres were taken over by regional labour centres.

The regional labour centres used to comprise a central organisational unit and regional offices. The regional office was in charge of tasks related to the financial administration of support for the promotion of employment and for the professional management and coordination of its offices. The appeals lodged against its decisions were assessed by the director general of the regional labour centre.

Some further district offices were also affiliated to the regional offices. The former were primarily responsible for customer service, which facilitated the customers' comprehensive supply of information and their use of various HR services. In addition to these tasks, the

offices were also responsible for assessing, suspending and terminating job seekers' benefits and for concluding official contracts connected to aid for the promotion of employment.

The decision-making levels were lowered in consequence of the restructuring, so the work processes could be simplified. The aims of the support could be emphasised more transparently and in a more controlled manner, and service tasks took precedence over official responsibilities in the work of the offices, which had custom-tailored, direct relationships with their customers.

With the aim of increasing the labour market opportunities of disadvantaged persons and groups, the transformed system of background institutions was able to improve operational efficiency and dramatically increase the successful performance of employment policy tasks in the organisational units.
After 1 January 2007, some of the tasks not directly connected to services to customers were removed from the offices. Only regional offices have since been in charge of financial issues, so the offices now lay an emphasis only on keeping contact with customers, supplying them with information and finding various opportunities promoting the independent or supported employment of job seekers.

The financial, accounting and official permission procedures, the keeping of registrations for performing certain activities and the tasks of data provision were transferred to the central organisational units of the regional labour centre, so the establishment of the regions contributed to a uniform fulfilment of data and information needs.

Concurrent with restructuring, steps were taken to start, review and simplify the activities reaching the highest number of cases in the organisation (assessment of provisions for the unemployed, public benefit employment, salary subsidies, etc.), as a result of which the administrative burdens on the offices could be lowered.

The regional transformation of the labour centres led to a decrease in the number of managers. The creation of 7 regions and the introduction of an integrated IT system in support of work processes contributed to uniform practice and quicker communication.

Functioning as a more flexible and service-oriented organisation which is quicker in adapting to labour market changes, the Public Employment Service developed interactive internet connections with its customers (announcement of job positions on the internet, placement of CVs, with the option of free searches) and so got closer to both employers and job seekers.

From 1 January 2007 on, in consequence of this transformation, the number of central organisational units in regional labour centres dropped by 121, the number of district organisational units went up by 81, so all in all the **number of organisational units went down** from 362 to 322, **by** some **40**, while the establishment of regional labour centres **led to a decrease in the number of senior officials by 72**.

The majority of IT tasks related to regional transformation affected the areas of registration of job seekers, assessment of job seeker's allowances, job seeker's aid and entrepreneurial benefit, accounting, financial disbursements, bank transfers, supports and data provision. With regard to IT systems, the most important task was to solve the management of financial statements and registrations and of compulsory data provision to partner organisations.

The job seeker's benefits, salary compensation allowances and cost compensations were all accounted and transferred to customers in the regional labour centres. Similarly, regional labour centres were, from 2007 on, in charge of meeting the data provision obligations to the various partner organisations (Tax and Financial Control Administration, Hungarian State Treasury, National Directorate for Pension Payments, National Health Insurance Fund, etc.).

Regional transformation did not have any major impact on the registration of job seekers and the operational process of systems designed to manage provisions, services and supports. The change in document management relevant to powers and competences called for careful preparation and system modification, including the legal review of files, their change in content and form, their modification, and their integration into the IT system. The spheres of action related to support, once managed by labour centres, was taken over by the regional offices.

Government Decree no. 291/2006 (XII. 23.) on the Public Employment Service gave a detailed account of the duties of the Employment and Social Office, the regional labour centres and regional offices.

The applications related to supports were still received by the offices, but the director of the regional office with the power to sign was authorised to conclude the official public administrative contract. Later on, this meant in practice that, due to mailing and delivering the files, the administrative terms were likely to lengthen.

Decree no. 14/2006 (XII. 28.) by the Ministry of Social Affairs and Labour (SZMM) on the Competence of Regional Labour Centres designated the area of competence of the regional labour centres and their regional offices, and the operational scope of the offices under the regional offices.

II. Regulatory changes in private job mediation activities, 2007-2010

The registration of private job mediation activities and the conditions of undertaking them have been governed by Government Decree no. 118/2001 (VI. 30.) since 30 June 2001. The Decree underwent the following major changes between 2007 and 2010, with the primary aim of compliance with Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on Services in the Internal Market:

In accordance with the amendment of the Decree, the conditions of undertaking private job mediation activities are that

- the private job mediator, or at least one person employed by them, have the specific professional qualifications and experience, and
- the private job mediator has the deposited financial collateral prescribed in this Decree.

i.e. the Decree provides an essential guarantee for the mediators to perform their activity with the highest possible degree of expertise, given that at least one person must have proper qualifications and experience. Moreover, the Decree introduced the institution of financial collateral, which is likewise an important guarantee for those using the mediation service, because if the mediator infringes the law during their activity and is subjected to the obligation to pay damages, the damages (at least in part) can be settled from the financial collateral, which may not be used for other purposes, and the collateral may not be released from the bank until all obligations are settled.

The private job mediator reports their intention to undertake the activity, with the data content stipulated in the Supplement to the Decree, to the labour centre with competency at the mediator company's registered seat.
The Decree produced a standard form in plain language interpretable by mediators and containing the necessary data so as to assist this reporting activity. This period opened the door to mediators to submit their reports in, among others, electronic form.

The attachments enclosed by the mediator with the report were subject to the following simplifications:

- for individual entrepreneurs, the certification of entry in the register of private entrepreneurs was acceptable in lieu of a certified copy of the entrepreneurial ID, which would have incurred costs for the mediator;
- with regard to financial collateral, it is no longer an obligation to attach the original of the deposit contract with the financial institution.

With regard to the size of the financial collateral, the Decree previously set HUF 500,000 unilaterally for the mediator's activity. The new provision now differentiates between the directions of the mediation activity and, accordingly, makes a difference between the sizes of financial collateral, as follows:
The size of financial collateral, in case of pursuing private job mediation activity, shall be

- five hundred thousand Hungarian forints, if directed domestically or within the territory of the other Member States of the European Economic Area;
- one million Hungarian forints, if directed at the territory of a state not party to the Agreement on the European Economic Area.

As the amount of damages can be higher in non-EEA member states, and enforcement of the claim may also be more complicated and, in general, more costly, this differentiation provides greater security for those using the services of a job mediator.

Mediators are subject to a reporting obligation to the labour centre, so that the labour centre as a registration authority can properly control the activity of the mediators. The data content of the report has been modified, given that from now on it is no longer satisfactory if the mediator reports the date of commencement and the pursuit of the mediation activity, but the report must also include the direction of the activity, i.e. if the activity is to be performed in EEA or non-EEA states.

The then existing Employment Office (later: Employment and Social Office) keeps a publicly accessible registration of the data - now also accessible on its website.

Sanctions play a crucial role in the control of the mediation activity. The labour centre is entitled to prohibit the mediator from undertaking the activity and, concurrently, delete them from the register if they have committed a flagrant infringement of the law. Since there have been cases of malpractice by mediators, which the authority became aware of through, inter alia, the reports of those using the mediation service, the sanctions had to be made stricter. Accordingly, based on the new provision, if the mediator makes a multiple breach of the rules in the Labour Code or the Decree when undertaking their activity, the labour centre may prohibit the mediator from further such activity. A major proportion of violations stem from the mediators charging fees and costs, under various guises, to those using the mediation service, contrary to the express prohibitive provisions of the Decree.

Government Decree no. 118/2001 (VI. 30.) imposes an annual data provision obligation on private job mediators, with regard to their activity. The data and data sheets of the annual activity must be forwarded to the competent labour centre. When the data are accumulated, some detailed summary reports are made annually on the activity of private job mediators and are also published on the internet (www.munka.hu). Based on the mandatory data provision by private job mediators to the National Employment Service with regard to the range of organisations meeting the data provision obligation, 21, 142 and 69 non-profit private job mediators functioned in 2008, 2009 and 2010, respectively, on 31 December of the relevant year.

Number of functioning private job mediators on 31 December of the relevant year broken down according to business forms*

	2008	2009	2010
Legal entity	***238***	***602***	***607***
- company	218	471	539
- non-profit organisation	20	131	68
Unincorporated business association	***30***	***61***	***19***
- company	29	50	18
- non-profit organisation	1	11	1
Private entrepreneur	**8**	**33**	**16**
Total	**276**	**696**	**642**

*The table specifies the business forms only of private job mediators who met their data provision obligation.

However, no information is available about free private job mediation offices so, based on the data provision, this group cannot be separated.

III. Actions taken to coordinate free public and private employment services and to determine the conditions governing the operations of private employment agencies

Government Decree no. 118/2001 (VI. 30.) permitted employment services to be provided by private mediators, in addition to public employment bodies, in Hungary. The Decree stipulates the personnel and material conditions of commencing and pursuing the activity and the size of the mandatory financial collateral.

Among these provisions, it needs to be emphasised that the activity may only be commenced after registration by the labour centre. A similarly important rule states that, for the assurance of equal opportunities, no remuneration or cost compensation may in any form be claimed from the job seeker for the job mediation services, just as in the public employment network. Private job mediation companies are obliged to report on their annual activity, the number and direction (domestic or abroad) of their mediations and the nature of mediated jobs, to the National Labour Office, which publishes the summarised reports on its website.

The reports show that the number of private companies and enterprises pursuing this activity rose between 2007-2009 but has been decreasing since. Still, the number of job seekers employing private job mediation services is continually rising.

The provisions are continually being maintained and approximated to EU law, so the Decree was amended in 2009 while maintaining the original objectives and values.

3) KEY DATA, STATISTICS

The question raised by ECSR with regard to employment and efficient job mediation services is also answered in this section.

Number of persons offered jobs in employment services provided by state employment organisations, and their ratio versus the number of total reported jobs. Average time until vacancies are occupied.

326,000 mediations were completed in the offices in 2010. This is more than in 2009 (267,000) but less than in 2007 and 2008. The one-year growth in 2010 is due to the rise in the number of both non-supported and supported labour demands, and, in the supported group, primarily to the significant number of public benefit work programmes. Among completed mediations, the ratio of successful mediations was rather low in 2007 (16.3%) and 2008 (26.7%), while it exceeded as much as 60% in the two subsequent years. An analysis based on the nature of employment concludes that offices were more efficient in mediating to supported jobs. This ratio exceeded 80% in the past two audited years. This ratio was much lower with supported jobs: almost every fourth mediation met with success.

Number of mediations, based on the register of the National Employment Service

	2007	**2008**	**2009**	**2010**
completed mediations (cases)	259742	325782	267907	326318
successfully completed mediations (cases)	144724	170746	181117	210713
incl.				
for supported jobs	101497	122114	140160	160198
for non-supported jobs	43227	48632	40956	50515
ratio of successfully completed mediations (%)	*55.7*	*52.4*	*67.6*	*64.6*

In the group of non-supported jobs, approximately every third mediation could be completed successfully (50,500 cases). The number of successful mediations showed some growth compared with the previous year, which corresponds to the rate of increase in the number of requests for non-supported labour. The biggest number of successful mediations was reached on the primary labour market, among mechanical fitters (6,400) and in the group of simple servicing, transportation and similar occupations (6,100).

Annual average closing-day number of job seekers registered by the National Employment Service, as broken down for age and sex (persons)												
	2007			2008			2009			2010		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
20 years of age and below	12,863	9,878	22,741	12,829	10,028	22,858	15,180	11,282	26,463	13987	10585	24572
21-25 years of age	30,929	26,669	57,599	31,956	27,299	59,254	43,050	34,741	77,791	42415	35853	78268
26-30 years of age	31,515	27,278	58,793	31,661	26,796	58,458	40,721	31,837	72,558	38803	31509	70312
31-35 years of age	29,736	29,371	59,106	31,688	30,639	62,327	42,572	37,837	80,409	42729	38882	81611
36-40 years of age	26,046	28,519	54,565	27,203	29,602	56,805	35,589	35,650	71,238	37016	37126	74142
41-45 years of age	23,526	25,169	48,695	24,604	26,437	51,041	32,861	33,480	66,341	34896	35646	70543
46-50 years of age	25,304	25,752	51,055	25,563	26,388	51,950	32,236	32,252	64,488	33972	33318	67289
51-55 years of age	24,185	24,393	48,578	25,993	25,958	51,951	34,403	33,225	67,628	37193	36169	73361
56-60 years of age	15,218	9,751	24,969	16,106	10,221	26,327	20,445	12,510	32,955	22877	17448	40325
Over the age of 60	544	270	814	679	683	1,362	850	1,047	1,897	1123	1117	2240
Total	**219,865**	**207,050**	**426,915**	**228,282**	**214,051**	**442,333**	**297,907**	**263,860**	**561,768**	**305012**	**277652**	**582664**

Source: National Employment Service

Annual average closing-day number of job seekers registered by the National Employment Service, as broken down for the job sought (persons)				
FEOR-93 (Uniform Classification of Occupations)	**2007**	**2008**	**2009**	**2010**
Occupations in armed forces, armed services	1,010	624	709	545
Legislators, managers in administration, business federations, business	5,847	5,812	7,439	8273.42
Occupations requiring the independent application of university, college degrees	16,799	16,832	20,861	24484.9
Occupations requiring other higher or secondary qualifications	28,840	31,603	40,020	46746.8
Occupations in offices and administrations (client-oriented activities)	30,453	29,376	37,966	40024.8
Service-type occupations	62,143	64,072	83,576	89644.2
Occupations in agriculture and forestry	9,299	8,624	10,584	10455.7
Occupations in industry and construction industry	79,100	74,197	114,588	111354
Machine operators, assembly workers, drivers	35,919	38,954	53,447	53610.3
(Simple) occupations not requiring any qualification	156,768	171,889	192,472	197,477
unknown	735	350	107	48
Total	**426,915**	**442,333**	**561,768**	**582,664**

Source: National Employment Service

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

4. to provide or promote appropriate vocational guidance, training and rehabilitation.

Hungary has ratified Articles 9, 10 and 15 of the Revised European Social Charter, so the questions herein are answered under the relevant articles in the report.

The answers to the questions raised by the ECSR are given under paragraph (3) of Article 10, and paragraph (1) of Article 15 of the Charter.

ARTICLE 9 - THE RIGHT TO VOCATIONAL GUIDANCE

With a view to ensuring the effective exercise of the right to vocational guidance, the 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 schoolchildren, and to adults.

1-3) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASOSN FOR AND EXTENT OF THE REFORMS, MEASURES TAKEN TO IMPLEMENT THE LEGAL FRAMEWORK, AND RELEVANT STATISTICS

The Act on public education contains provisions about pedagogical special services, which provide a framework for the mandatory tasks of further education and **vocational guidance**. As part of those mandatory responsibilities, county governments ensure the operation of special services, involving the organisation of related tasks in each settlement. As part of the professional pedagogical services, the Act on public education stipulates the provision of information to students as a mandatory task, to be handled by professional service providers.

Preparation for the role of an adult is described in the National Curriculum as a priority development task, with vocational guidance as a key element. Its general purpose is to help students in their choice of schools or careers. Components: development of self-knowledge through the understanding of individual aptitudes and capabilities; getting to know the most important jobs and occupations, as well as the paths, opportunities and alternatives related to them, by way of activities and experience. Also, students must be made aware of the fact that they may be forced to change careers several times during their lifetime.
In Hungary, vocational guidance is a service that has been provided to all children/young people for many years. The National Employment Service performs this kind of advisory activity both individually and in groups.

The right of adults to vocational guidance and other associated services is specified at the highest level in Act IV of 1991 on the promotion of employment and services to the unemployed, particularly Section 21 of the Act. The detailed rules for this activity are laid down in GM (Economy Ministry) Decree no. 30/2000 (IX. 15.) on labour market services and subsidies that may be granted in connection with them.

The volume of the services provided within the reference period was as follows, taking into consideration the five comprehensive categories:

Description of services	2008 (persons)	2009 (persons)	2010 (persons)
Work guidance (individual)	115,789	81,325	59,889
Vocational guidance, individual (including: career selection and change)	22,478	15,776	12,624
Job search guidance total:	296,480	201,203	189,553
Rehabilitation guidance	7,798	6,999	9,288
Psychological guidance	5,497	2,785	2,683
Total:	**448,042**	**308,088**	**274,037**

Note that the use of the service has increased fourfold by 2008 as compared to the volume immediately after its introduction; the relative reduction is due to the activity of various websites providing consultancy services. In some cases, one person (typically a job seeker) used more than one service component, which is difficult to track statistically.

It is important to know that, at the request of the job seeker, a wage compensation allowance may be granted by the employment office for the period of participation in the group activities offered, if the duration of the service is at least 15 days, and if it is provided by the employment office, or an aid is granted by it for its provision. The maximum period for such an allowance is 90 days within a calendar year.

Under the TÁMOP 2.2.2 scheme, in September 2008 a content and methodological development programme was launched with a view to achieving a kind of synthesis between various separated subsystems within the labour, educational and other systems. By the end of 2010, the programme delivered the following results:

- Establishment of a network of advisors in 24 cities, involving 50 professionals providing free-of-charge individual and group consultancy, group-based development, and outreach programmes.
- Regional professional network development via personal surveys with 3,000 persons and nearly 1,000 institutions.
- Preparatory work for the vocational guidance portal also dates back to the above-mentioned reference period. The portal can be described as efficient based on the cost per visitor (less than 0.5 EUR). See http://www.epalya.hu/munkaeropiac.
- Development of information tools, e.g. films and folders presenting occupations.
- Training courses, attended by 1,600 professionals by 2010.

This development reached nearly 3,000 professionals, most of whom (2,500 persons) work in schools, in the social field, or in public education, about 300 persons performed tasks on behalf of the Employment Service, and a few hundred professional private entrepreneurs also had to be taken into account.

The average annual number of persons working in the given field on behalf of the Employment Service was 50 civil servants, with an average monthly salary of 250,000 HUF in the reference period.

ARTICLE 10 - THE RIGHT TO VOCATIONAL TRAINING

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

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

1) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS

Provision of (mainly technical) support for vocational training and provision of opportunities to ensure that training can be continued at a higher level and at universities.

- In the given reference period, i.e. between 2007 and 2010, the typical maximum score attainable in entrance examinations at universities and colleges was 480. As part of the total number of allowable additional score, **30 points could be awarded** for advanced or higher-level qualifications listed in the National Training Register (thereinafter: OKJ). (This regulation is still applicable, with only minor changes in amounts.)
- Employers were allowed to use an amount deductible from their 1.5% vocational training contribution to support vocational schools, secondary technical schools and higher education institutions, mostly in their own field of expertise, primarily of course in practical training, within the relevant period. (The rate of 1.5% must be calculated on the basis of gross wages in the previous year.) A few typical figures **for the year 2009**, also indicating further possibilities of deductions:

Payments directly to the Training Sub-Fund of the Labour Market Fund	HUF 42.1 billion
Costs of the practical training of those learning at companies	HUF 16.1 billion
Support to vocational schools and secondary technical schools	HUF 10.7 billion
Training provided to own employees	HUF 7.8 billion
Support to higher education	HUF 4.5 billion
Total:	**HUF 81.2 billion**

Primarily for reasons of economy and efficiency, the regulation of training programmes with costs deductible from the vocational training contribution was amended as of 1 January 2012 in a way that the costs of practical training were only deductible in case of those learning at companies, all other developments could be financed in an application-based system.

- Higher-level vocational training is a special scheme, with unchanged rules, providing training at a higher level and promoting access to higher education; during the

reference period, it was subject to the common regulations of vocational training and higher education; the training was organised in a school-based system for those having passed a school-leaving examination, normally with a duration of two years, providing a qualification of level 55, between the advanced level (54, technician) and the higher level. From the resulting credit points, 30-60 points were recognised by higher education institutions. Number of participants in the reporting period: 7,000-8,000 persons. The 30 types of training courses covered an average of 13 of the 21 OKJ professional groups, with most courses taking place in the following areas (in this order): agriculture, IT, economy-management, and arts-public education-communication. It must be noted that this "intermediary" type of training is necessary from the point of view of both the labour market and education, although the training only partially met the original expectations, with a high drop-out rate, partly due to the successful entrance examinations taken by the participants after the first year. *As of 2012, higher-level vocational training is clearly subject to the control, programmes and evaluation of higher education.*

2) MEASURES TAKEN TO IMPLEMENT THE LEGAL FRAMEWORK

At the request of ECSR, a more detailed summary is provided on Government Decree No. 1057/2005 (V. 31.) on the measures required to implement the strategy for the development of vocational training.

This document describes in detail the legislative changes, developments, programmes, institutional reorganisations, etc. carried out between 2007 and 2010.

The Government Decree consists of 3 main parts, presenting the task, the responsible ministers and the delivery deadlines.

Part I: Quality vocational training for everyone.

1. Shape vocational training according to the users' needs.
   a) Introduction of the EU quality assurance system for vocational training (CQAF) - *completed*
   b) Establishment of a vocational training planning system based on the needs of the labour market - *completed primarily by reorganising regional development and training committees, set up to determine the number of students in the 9th year of the school system.*
   c) Award of excellence for vocational training institutions with a high rate of students finding employment on the labour market - *the award of excellence was awarded in two years according to conditions specified in detail.*
   d) Establishment of the EUROPASS system - *completed*
   e) Conclusion of (preliminary) student contracts - *completed*

2. Improve access to vocational training.
   a) Vocational School Development Programme, including (among other things) vocational training for adults - *completed*
   b) Infrastructural extension of the Vocational School Development Programme – *completed*

c) To facilitate LLL, access to various levels of vocational training must be made available for all age groups, also for adults of various ages - *completed, partly through the widespread adoption of modularisation*. "The Road to Vocation" scholarship programme – *completed*. Reorganisation of regional training centres – *completed through financing*, the restructuring of the organisation was postponed to the next period.
d) Development of a new vocational training structure – *completed through modularity and the introduction of competency bases*.
e) Modular training programmes. See answer under point d).
f) Create possibilities for taking into account the existing knowledge of adults – *may be described as largely completed partly through the above developments, partly through accreditation regulations, but the recognition of knowledge gained through informal and non-formal ways is still a challenge.*
g) Access to training must be improved by developing the adult education framework. Support must be provided for training programmes related to investments generating employment and the adoption of new technologies by companies, as well as ones ensuring the development of entrepreneurial skills - completed through a number of legislative amendments and by continuous domestic and EU financing. *Completed through training aids related to green-field investments, the 1.5% amount that may be deducted by the employers, and, not least, ESF programmes.*

3. State-of-the-art materials in training.
This point primarily covered the development and distribution of digitised teaching materials – *may be described as completed by digitising the large number of new modular and competency-based professional materials published in early 2006 (OKA).*

4. Renew the training of trainers.
Using EU funds, training was provided to a large number of teachers and instructors with respect to all vocational training institutions, completing the HEFOP, later TÁMOP sub-programmes and schemes. Relevant detailed information can be found in various EU reports.

II. A more efficient system for vocational training control and financing.

1. Improve the ability of users to promote their interests.
a) Development of the system of professional reconciliation *completed through the National Council for Vocational Training, the National Council for Adult Education, and the regional development and training committees. The consultative bodies of the regional vocational training centres (thereinafter: TISZK) affect the organisation and, most importantly, the financing of school-based vocational training, which have been established in the mean time, as well as those of the regional training centres for adults, may also be taken into consideration here. Programme Council for Adult Education – not established under this name, but the National Council for Adult Education, and its legal successor from 2006, the National Council for Vocational Training and Adult Education can be regarded as a substitute.*

b) A proposal must be developed for the modernisation of the system of operation of vocational training schools. *Completed through the extensive use of EU grants; the number of TISZK centres, essentially of two types, registered by the end of the reporting period is over 80. The members of the first type are only budgetary institutions, while the other type involves private businesses as well. The majority of TISZK centres were registered and publicised on the website of the National Institute for Vocational Training and Adult Education (thereinafter: NSZFI) in 2008.*
c) Incentive system for the integration and accreditation of vocational training schools in adult education. *Completed through the gradual adoption of the accreditation system, of course with voluntary accreditation.*
d) By simplifying the process of being listed in the register of vocational training courses, without deteriorating the stability and transparency of the system, it must be ensured that the structure of vocational training can better adapt to actual trends in employment. *Completed by modifying the rules for being listed, modified or cancelled in the OKJ.*

2. Make the use of resources more efficient, improve the utilisation of capacities.
a) A more cost-effective system of vocational training must be established by creating a system of TISZK and continuously improving their infrastructure conditions. *Completed, see the answer under point 1/b.*
b) Coordination of the requirements of the labour market and those participating in adult education, and better utilisation and transparency of the capacities of institutions offering adult education, as well as the reorganisation of the support system of adult education, taking into consideration various interests. *Completed by abolishing the system of normative grants in adult education and personal income tax benefits for adult education; however, the aids to be paid from the Training Sub-Fund of the Labour Market Fund, opportunities to access EU resources, and costs that could be deducted by employers from the vocational training contribution were further retained in the system. Due to privacy concerns, the launch of Employee Training Cards failed to materialise, and they have not been introduced since.*
c) The extremities seen in the acceptance of development aids provided to vocational training schools from the Training Sub-Fund of the Labour Market Fund must be eliminated. *A solution was only offered at the end of 2011 based on the regulation of the new vocational training contribution, where, also refining some other acts, this aid became a kind of support provided solely in an application-based system.*
d) To facilitate the performance of the longer term functions of the Labour Market Fund, the residual resources of the fund must be made available for current financial operations, subject to the prior agreement of the Minister of Finance. *This was only partially completed, if there was a need for the residual resources to be used for an identical purpose.*
e) The environment (buildings, equipment) of education and training must be continuously modernised taking into consideration regional requirements. *Completed primarily using EU resources.*
f) Further items to differentiate the financing of vocational training courses – *partially completed within the reporting period.*

3. Improve the institutional system of vocational training.
   Listing of technical aspects, such as the location of the background institution, achieving a higher degree of objectivity at examinations, issues related to the professional development of the background institution, etc., which can be described within the relevant period as largely *completed*.

III. A more advanced information system. (It aims at the better preparation of decisions.)

a) By improving the labour market information system, changes in the labour market needs of the regions must be constantly monitored. By continuously analysing the employment situation of young people completing vocational training and people participating in adult education, data must be provided for the adjustment of the structure of national, regional and local vocational training, and assistance must be offered to provide a basis for the vocational and career decisions of those affected. *Reliable information is only available regarding the status of the 180th day after the labour market training of an adult, but this retrieval system has been in use since 1995. The tracking of adults leaving the school system and non-labour market training is still an issue to be solved; some developments are ongoing, the obligation to provide feedback will be primarily imposed on the employer.*

b) The statistical system must be modernised in order to provide appropriate indicators to evaluate trends in vocational training, to make the necessary decisions and to supply the required information to the EU. *Such developments took place in the reporting period within the organisation of NSZFI, and they will also be carried out to analyse the consequences of new legislation on education and training.*

c) An identification and registration system must be put in place for tracking and monitoring citizens participating in adult education. *This could not be completed for privacy reasons.*

d) A complex information system must be put in place to provide information on vocational training in order to ensure vocational training developments are properly justified, as well as to keep track of programmes supported from domestic and international resources. *Examples of this kind of complex information system are the Yearbook of Education, also available in an electronic form, and the on-line adult education statistics available at www.nive.hu, which has been in operation since 2009.*

e) A career tracking system must be put in place. *This issue has not yet been solved, but it is constantly on the agenda, governed by the new 2011 acts on education.*

3) KEY DATA, STATISTICS

We provide the following information to answer the sub-question on the capacities of the education system in vocational training and adult education:

Academic year	**Number of students in school-based vocational training (persons)**			
2007/2008	Vocational school	Special vocational school	Secondary technical school	(Grammar school, for comparison)
	129,066	9,773	281,898	243,152

Academic year	Number of institutions			
2007/2008	Vocational school	Special vocational school	Secondary technical school	(Grammar school, for comparison)
	489	137	765	618

It must be noted that the dramatic fall in the number of students in vocational schools, seen from the beginning of the 1990s, came to an end in the mid-2000s, and there was even a moderate increase in some of the years.

Number of adults enrolled in training, based on data provided in 2008	
Type of institution	**Persons**
Accredited and public education institutes	9,191
Accredited training institutions	256,812
Other institutions	176,044
Public education institutions	11,521
Total:	**453,568**

It must be noted that the number of persons participating in adult education has been growing ever since. An average of about 50% of those enrolled in training learns a trade. Analysing statistical correlations from an institutional point of view, about 65% of those having completed an adult education course attended a private institution.

Questions/requests by the ECSR in connection with Section (1):

- **The ECSR requested information on the conditions of being admitted to higher education.**

In the period of concern, the conditions of higher-level vocational training are regulated by Act CXXXIX of 2005 on higher education as follows:

A precondition for being admitted to higher-level vocational training is the successful passing of a school-leaving examination, with the exceptions described below.
As far as applications to higher-level vocational training is concerned, each higher education institution may determine at its discretion the expected result of the school-leaving examination and the expected results in secondary education in order to be admitted. Admissions to higher-level vocational training may also be conditional upon a certain qualification.
If the higher education institution prepares students for a higher-level qualification requiring the fulfilment of certain health or other career aptitude requirements, it is allowed to admit, or take over, to higher-level vocational training only those applicants who satisfy the relevant health or other career aptitude requirements.
If the higher education institution prepares students for a higher-level qualification requiring the fulfilment of certain professional eligibility requirements, it is allowed to admit, or take over, only those applicants who satisfy the relevant professional eligibility requirements. The requirements of the professional eligibility examination must be defined in the vocational

training programme. If higher-level vocational training is organised by the higher education institution jointly with a business association, the requirements of the professional eligibility examination are defined jointly by the higher education institution and the organiser of the training practice. If higher-level vocational training is organised by the higher education institution jointly with a secondary school, the requirements of the professional eligibility examination are defined jointly by the higher education institution and the secondary school.

It is not permitted to reject an application for higher-level vocational training if the applicant has signed a student contract, provided that such an applicant has met the necessary career aptitude, health and professional eligibility requirements, as well as the minimum requirements for admission as specified by law.

The relevant career aptitude, health and professional eligibility requirements must be published as part of the admission information.

The provisions on vocational training must be applied for the determination and definition of career aptitude and health requirements.

A precondition for being admitted to the bachelor programme is the successful passing of a school-leaving examination. At least two years before the admission procedure, the Government adopts a decree to specify those subjects of the school-leaving examination in which an advanced-level examination must be passed in order to be admitted to certain basic programmes at higher education institutions.

As far as application to the bachelor programme is concerned, the higher education institutions providing training in a certain field make a joint decision on the subjects in which they require an advanced-level school-leaving examination to be passed, based on the subjects determined by the Government at least two years before the admissions procedure. It is the higher education institution that determines the expected result of the school-leaving examination and the expected results in secondary education in order to be admitted. If certain health or career aptitude requirements need to be met to fulfil basic educational requirements, those eligibility requirements must be applied. It is the Government that determines in which cases participation in a health or career aptitude test may be required, the list of subjects of the school leaving examination from which higher education institutions can choose, as well as the equivalence of the results of school-leaving examinations passed prior to the introduction of the two-tier examination system, or those passed abroad or in a foreign system, with the advanced level examination results.

With the below exception, applications for admission to a bachelor programme must be ranked in each branch of training and in each course according to uniform admission criteria determined for each field of education. The applications for admission of those meeting the admission criteria must be accepted in the order of their ranking in a way that the application of students with a better ranking should be accepted according to the priority of institutions defined by them.

The higher education institution is entitled to require a career aptitude or practical test to be passed, depending on certain special capabilities required for the studies or on the specifics of the occupation that may be filled after obtaining a degree, provided that the existence of such capabilities cannot be, or cannot properly be, established based on the school leaving examination. If the higher education institution requires a practical test, the results of the tests are taken into account for the ranking of applications.

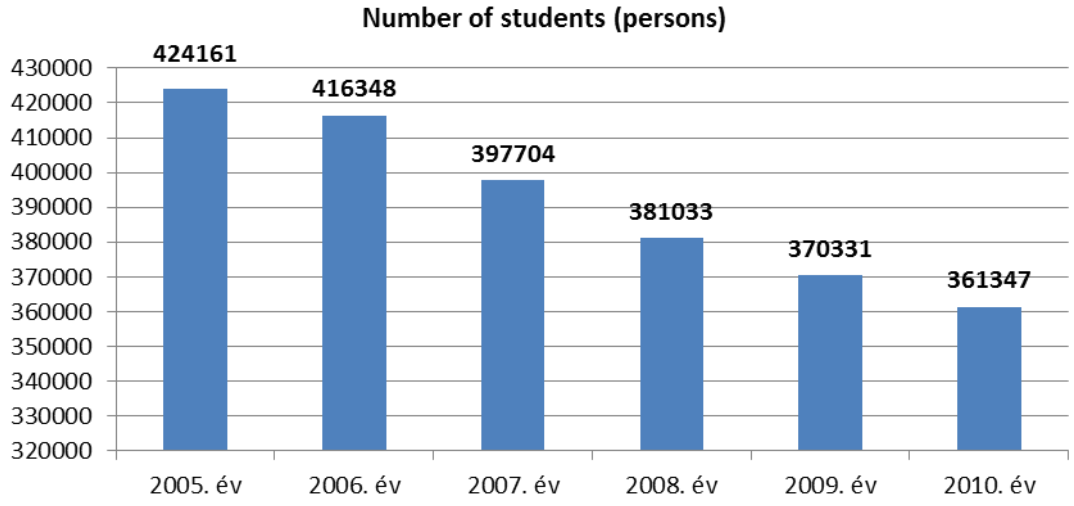
It is the Government that determines the conditions for taking into account any outstanding results reached in secondary school academic competitions or other competitions with a scientific purpose, or any outstanding results in sports, for the ranking of applications for admission to higher education, the way such conditions are to be used, as well as the situations in which a professional eligibility or practical examination may be required.

Students obtaining a bachelor degree and a diploma certifying qualification may be admitted to the master programme.
Students with a bachelor or master degree and a qualification may be admitted to further vocational training. For further vocational training, experience gained in a certain job position, professional experience of a certain number of years, or any qualification acquired earlier may also be defined as additional requirements.
Students with a master degree and a qualification may be admitted to a doctorate programme.
The higher education institution is free to determine additional requirements for admission to the master programme, further vocational training and the doctorate programme, as long as it applies identical admission criteria, irrespective of which higher education institution the applicant graduated from.

- **The ECSR requested information on the indicators necessary to evaluate the compliance of the education and training system with the Charter (e.g. total capacity of the system; expenses on education and training as a percentage of GDP, number of students qualified, enrolled in vocational training or higher education, etc.)**

Number of students at each level of training (all programmes, 2005-2010)

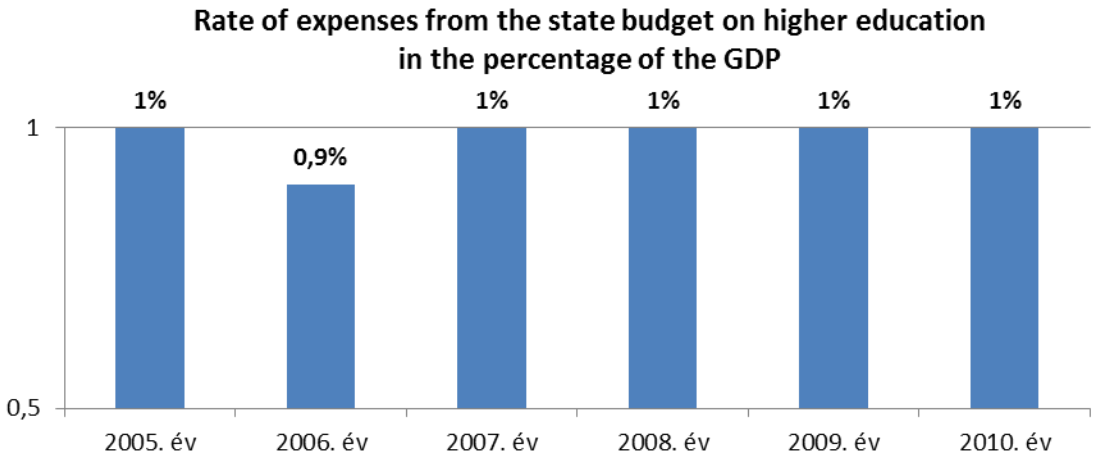
The expansion of higher education reached a peak in 2005, and the total number of students has been decreasing since then. There was a steady fall in the number of students by nearly 15% in the periods between 1 January 2005 and 31 December 2006, as well as between 1 January 2007 and 31 December 2010.



Source: KSH (Central Statistical Office)

Expenses from the state budget on higher education as a percentage of GDP

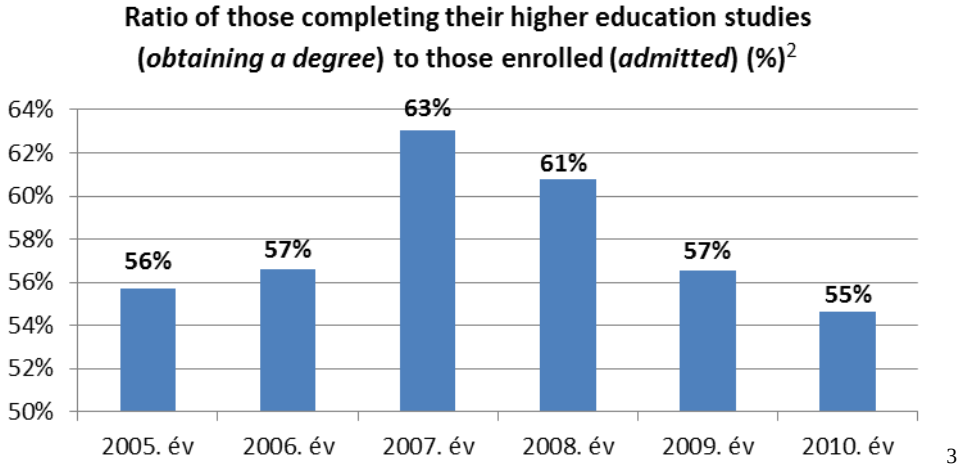
Expenses from the state budget on higher education as a percentage of GDP did not change much in the periods between 1 January 2005 and 31 December 2006, or between 1 January 2007 and 31 December 2010, except for 2006, remaining at 1%.



Source: Statistics of the Ministry of Human Resources (EMMI)

Ratio of those completing their higher education studies (obtaining a degree) to those enrolled (admitted)

Since 2006, no central statistics have been published to provide any information on drop-out rates in higher education. Mobility within the new system of training, changes to other programmes or institutions, passive semesters, and the fact that students are allowed to study two semesters longer without paying an extra fee, make the determination of actual drop-out rates all but impossible. Measurement is further complicated by the fact that there are many students who complete their studies but do not pass a language examination, and therefore do not receive their diploma, in full-time educational programmes an average of 20-23 percent of university/college students are delayed in this way.
The annual number of students admitted to higher education is 90-100,000, but only 50-54,000 diplomas are issued by universities and colleges. It cannot be determined with certainty how many of the remaining 40,000 students have delayed, postponed or discontinued their studies. The ratio of students successfully completing their studies (receiving a diploma) to those enrolled/admitted was at the highest level in 2007 and 2008; however, this figure fell back to the 2005 and 2006 levels in 2009 and 2010.



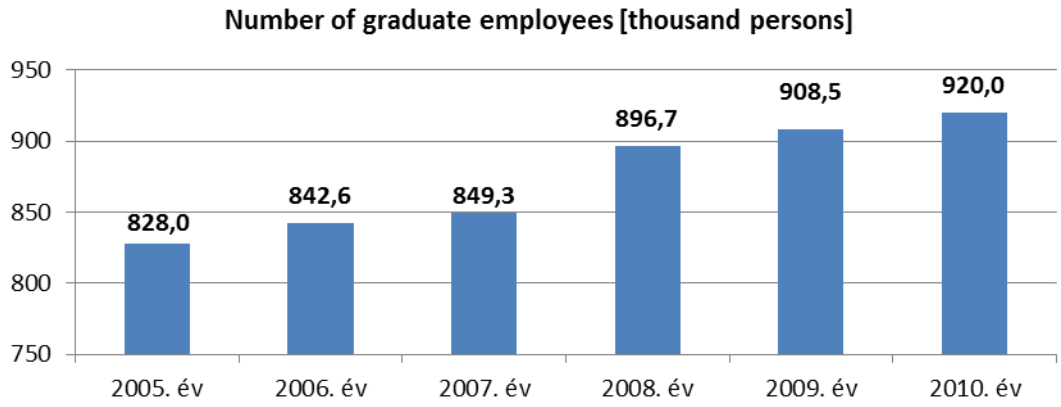
3

Source: Statistics of the Ministry of Human Resources (EMMI), Education Office

[2] college-level education, bachelor programme, university-level education, master programme

Number of graduate employees

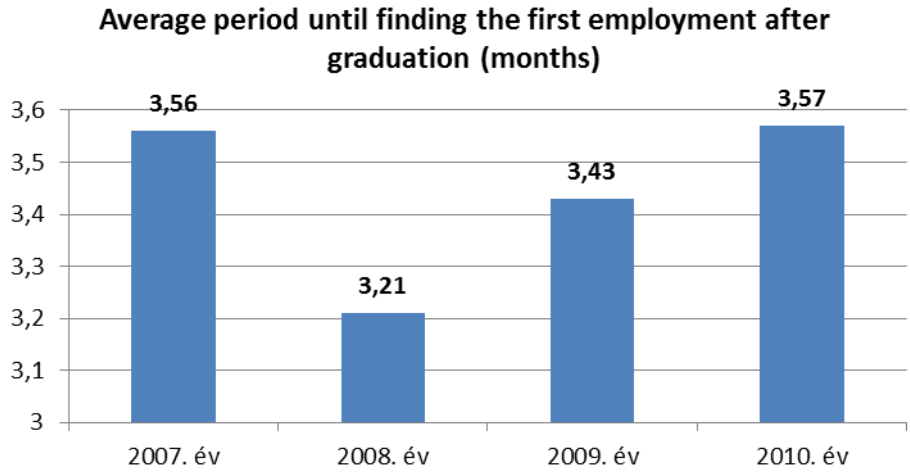
Graduates have a better chance of finding employment than those with a lower level of education. The employment rate among those with a university or college degree has consistently been above 70% since 1998. The number of graduate employees increased by almost 10% in the period between 1 January 2005 and 31 December 2006, as well as between 1 January 2007 and 31 December 2010.



Source: KSH (Central Statistical Office) and MKIK GVI (Institute for Economic and Enterprise Research of the Hungarian Chamber of Commerce and Industry), 2012

Average period until finding the first employment after graduation

In the vast majority of cases (80%), the job search activity after receiving the pre-degree certificate was successful. Moreover, two-thirds of the job seekers found employment virtually immediately, i.e. within one month.
Overall, fresh graduates looking for a job in the year 2007 found employment within 3.56 months on average after leaving university or college. The average job search period in 2008 and 2010 was 3.4 months among those successfully finding a job[4]. There were no reliable statistics for the years 2005 and 2006, but fresh graduates found employment within more or less the same time in those two years as in the period between 2007 and 2010.



Source: felvi.hu, 2011 (Fresh graduates), Educatio Nonprofit Kft. Tracking the careers of graduates 2009-2010

[4] *http://www.felvi.hu, 2011 (Fresh graduates)*

- **The ECSR requested information on the ways employers and employees take part in the development and provision of vocational training.**

In the period concerned, representatives of employers and employees participated in the work of tripartite bodies delivering an opinion on legislative, institutional and developmental questions concerning vocational training**,** such as the National Council for Vocational Training and Adult Education or the Vocational Training Committee of the Labour Market Fund. With regard to further aspects of this question, let us present two figures, clearly indicating the amount that employers could have deducted from their vocational training contributions for the provision of training to their own employees and the corresponding number of trainees. It must be noted here that, based on their own statements, employers spend a larger amount on training their employees than what is actually deducted from the tax mentioned above. In 2008, employers spent HUF 7.8 billion in accounted deductions on providing training to 95,427 persons, but their actual expenditure was HUF 9.8 billion, meaning 26% of total training expenditure was not deducted from their tax. The number of trainees and the amount showed variations of +/- 10% in the period 2007-2010. (*Pursuant to new legislation entered into force on 1 January 2012, the costs of training provided to employees cannot be automatically deducted from the training contribution.*)

[With a view to ensuring the effective exercise of the right to vocational training, the Parties undertake:]
2. to provide or promote a system of apprenticeship and other systematic arrangements for training young boys and girls in their various employments;

1-3) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS, MEASURES TAKEN TO IMPLEMENT THE LEGAL FRAMEWORK, AND RELEVANT STATISTICS

In this section, we also answer the questions of the ECSR regarding training in vocational education.

Apprentices and students partly attending secondary technical schools

In the period of concern, apprentices spent the 9th and 10th years participating in general training, while in years 11 and 12 they mastered professional knowledge – finally obtaining a secondary school certificate. In the period of their professional training, i.e. in years 11 and 12, the ratio of theory to practice was 60:40% on average. (*Pursuant to new legislation, the practical part will increase in importance.*) Theoretical training is provided by teachers with a higher education degree, but practical training may be provided by any instructor with at least 5 years of professional experience in the relevant OKJ trade, and, of course, with the corresponding vocational school certificate. (*Pursuant to new legislation, the quality requirements set for instructors will become stricter.*) There are no peculiarities as regards the selection of teachers and instructors, it is basically the responsibility of the heads of institutions, who mostly recruit their staff by posting job advertisements, while eligibility for the job is determined based on an interview and the documentation of previous experience. Students spending the practical training component at companies received a financial grant depending on their progress.

In 2010, the vocational scholarship system was already in operation, which motivated these students, typically living under difficult conditions, to perform well, especially in bottleneck occupations. Government Decree No. 328/2009 (XII. 29.) on scholarships in vocational schools provides a scholarship for all students achieving appropriate results in their vocational training, and, furthermore, by supporting the teachers participating in the development of professional competences, it allows students lagging behind to catch up with their peers. The monetary value of the scholarship is 10-30,000 HUF, resulting in a significant improvement in the quality of life of the students' families living in poverty or extreme poverty. At the same time, the award of the scholarship does not primarily depend on the disadvantaged situation of the student, but on their results in vocational training.

The popularity of the scheme is illustrated by the below table:

Year	**Number of students (persons)**	**Net payments (HUF/year)**
2010	21,687	2,059,891,042
2011	*26,059*	*3,289,846,296*
2012	*31,010*	*3,914,917,092*

Student contracts were terminated for the following reasons:

- Exclusion from the vocational training school, and therefore automatic termination of the contract with the company.

- The organisation providing the practical training was terminated without a legal successor.
- The organisation providing the practical training was banned from such activity by the Chamber.
- By mutual agreement (in this case, of course, it is possible to make a contract with another entrepreneur or receive practical training at the school workshop).

Some statistics about student contracts:

Year	**2007**	**2008**	**2009**	**2010**
Number of student contracts:	37,000	44,000	46,000	48,000
Minimum wage (HUF):	65,500	69,000	71,500	73,500
Minimum benefit as a percentage of the minimum wage, increased depending on progress and educational results:	20	20	20	20
Average minimum benefit for one student (HUF/person):	13,100	13,800	14,300	14,700

Based on the statistical figures, school-based vocational training is characterised by the following list of popularity:

1. Hotels and restaurants/tourism
2. Mechanical engineering
3. Architecture
4. Trade/Marketing/Business administration, etc.

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

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;

1) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS

The most prominent act in the given reference period (2007-2010) regarding changes in vocational training and adult education is Act CII of 2007 on the amendment of the acts necessary for the implementation of the reform programme affecting vocational training and adult education, which

- on the one hand modified Act LXXVI of 1993 on vocational training by attaching a more important role to the chambers of commerce in practical training, allowed the establishment of so-called regional integrated vocational training centres in several legal forms for more efficient operation, clarified changes in connection with the OKJ (due to the introduction of modularity and competency-based training), and implemented those changes in the examination system;
- on the other hand modified Act CI of 2001 on adult education by clarifying state control over adult education institutions, introduced stricter sanctions, specified the content of the adult education contract in accordance with the implementation practice of the time, and finally, detailed certain aspects of data provision in connection with closed programmes;
- shifted the focus of possible grants by amending Act LXXXVI of 2003 on vocational training contribution and support for the improvement of vocational training programmes.

2) RELEVANT DATA, STATISTICS

Vocational training and further training of adults

NUMBER AND DISTRIBUTION OF THOSE ENROLLED IN TRAINING BASED ON THE PAYER OF THE TUITION FEE, 2010

PAYER	NUMBER OF THOSE ENROLLED	
	IN TRAINING	%
(Natural) persons enrolled in training	152,676	22.3
State resources	21,502	3.1
Other	49,429	7.2
EU resources, EU and domestic co-financing or international and EU resources	123,363	18.0
Labour Market Fund	27,401	4.0
Businesses and budgetary institutions not from the vocational training contribution, and non-profit organisations	193,890	28.2
Businesses (as employers) from the vocational training contribution	118,020	17.2
Total:	686,281	100.0

Source: Statistical database of the National Statistical Data Collection Programme (OSAP) (http://osap.nive.hu/statisztika)

Based on 2009 statistics, we provide the following information in relation with ECSR's question concerning the types of further vocational training and education programmes on the market for adults:

ADULT EDUCATION PROGRAMMES AND NUMBER AND DISTRIBUTION OF THOSE COMPLETING THE TRAINING ACCORDING TO THE TYPE OF TRAINING, 2009.				
TYPE OF TRAINING	**PROGRAMMES (COURSES)**		**THOSE COMPLETING THE TRAINING**	
	NUMBER	**%**	**NUMBER**	**%**
Basic professional training providing a basis for qualification	346	0.6	3,804	0.6
Training providing an OKJ qualification recognised by the state	6,749	11.9	101,174	16.3
Training necessary for a position or occupation, not providing an OKJ qualification	4,445	7.8	56,998	9.2
Further vocational training	11,831	20.8	223,281	35.9
Training for the inclusion of disadvantaged persons	182	0.3	2,978	0.5
Training to promote employment, entrepreneurship	354	0.6	5,224	0.8
Authority-type (transport, communication and water management)	1,671	2.9	40,740	6.5
Language training	22,686	39.8	82,777	13.3
General adult education	4,797	8.4	73,278	11.8
Rehabilitation training for people with reduced working capacity	77	0.1	888	0.1
IT training	3,806	6.7	31,110	5.0
Total:	**56,944**	**100.0**	**622,252**	**100.0**

Source: Statistical database of the National Statistical Data Collection Programme (OSAP) (http://osap.nive.hu/statisztika)

The order of training programmes according to the preferences of adults 1. Further vocational training; 2. Training providing an OKJ qualification recognised by the state; 3. Language training.

The **number of employees trained internally by employers and the costs deducted from the vocational training contribution (tax) for this purpose** were the following in the period of concern:

Year	Number of participants (persons)	Gross expense of the employer (HUF billion)	Costs deducted by the employer from the vocational training contribution (HUF billion)
2007	94,131	8.7	7.3
2008	95,424	9.8	7.8
2009	110,923	10.8	7.6
2010	100,243	10.9	6.6

Considering the relatively constant number of employees trained internally by the employer, showing an average of 3.9 million employees in the reference period, approximately 2.5% of employees participated in this form of training, but the actual rate is about 4%, taking into consideration non-deducted training programmes, such as those for management.

If we interpret the concept of adult education and adult training more broadly and add up all forms of school-based training, the following figures can be calculated:

RATES OF PARTICIPATION IN SCHOOL-BASED ADULT EDUCATION (EVENING, CORRESPONDENCE AND DISTANCE COURSES) BY AGE GROUPS IN THE ACADEMIC YEAR 2010-2011				
2010/2011	**15-64**		**25-64**	
	Number of participants	Rate compared to population (%). Total population of the age group: 6,857,377 persons	Number of participants	Rate compared to population (%). Total population of the age group: 5,625,698 persons
1. Primary school	1,997	0.03	1,010	0.02
2. Secondary grammar school	43,172	0.63	23,908	0.42
3. Secondary technical school	33,232	0.48	17,615	0.31
4. Vocational school	8,103	0.12	6,058	0.11
5. Higher-level vocational training	3,312	0.05	2,124	0.04
6. Higher education bachelor programme (college-level training)	76,656	1.12	56,161	1.00
7. Master programme (university-level training)	17,370	0.25	14,927	0.27
8. Undivided education	5,936	0.09	4,613	0.08
9. Further vocational training	15,237	0.22	14,536	0.26
10. PhD/DLA programme	2,109	0.03	2,011	0.04
Total adult education (1-10)	*207,124*	*3.02*	*142,963*	*2.54*
Of which total professional adult education (3-10)	**161,955**	**2.36**	**118,045**	**2.10**

Source: Central Statistical Office (KSH)

Hungarian law only allows study or examination leave for public education, and not for other types of training. However, it is possible to agree on the absence with the employer, and the collective bargaining agreements of each sector may contain relevant regulations for this purpose. As an example, the typical duration of training leave in case of on-the-job training is 5 days.

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

4. to provide or promote, as necessary, special measures for the retraining and reintegration of the long-term unemployed;

1) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS

Section 14 of Act IV of 1991 on the promotion of employment and services to the unemployed (Promotion of training) contains detailed rules regarding the target groups that may be supported by the state and benefits that may be provided during the training.

2) MEASURES TAKEN TO IMPLEMENT THE LEGAL FRAMEWORK

See the measures related to the long-term unemployed described under paragraph (1) of Article 1.

3) RELEVANT DATA, STATISTICS

The group of unemployed adults undergoing training or retraining, participating in courses supported/coordinated by the National Employment Service (NFSZ). Statistics of the reference period:

Annual number of affected participants in courses supported/coordinated by NFSZ				
	2007	**2008**	**2009**	**2010**
Unemployed	38,513	53,500	53,591	60,336
In employment	3,303	3,564	884	1,326
Total:	**41,816**	**57,064**	**57,745**	**61,662**

Note that, prior to the start of the crisis in 2008, about 40% of unemployed participants were able to find a job after the course; today this percentage is lower.

Questions/requests by the ECSR in connection with Section (4):

Fees and financial support

- **The ECSR requested information on the adult-age learning programme "One Step Forward", financed by the ESF, organised in the reference period, as well as on its duration.**

A major obstacle to the employment of disadvantaged adults is their low level of education. In Hungary, 40% of the adult population does not have a qualification. People without even primary education are in the most difficult situation, as a precondition for joining almost any course providing a qualification is the certificate of primary education. Research findings

unanimously state that for these people, out-of-school training could probably be a solution for integration and learning a trade.

The most successful labour market programme of the past few years was the "One Step Forward" programme, launched back in 2006 still under HEFOP, aiming at inclusion and providing qualifications. It was revived under TÁMOP, and its further continuation is still on the policy agenda. Marketability was a key criterion in selecting the qualifications that could be acquired. The Programme took place in two stages:

	I. Stage (HEFOP)	II. Stage (TÁMOP)
Years	2006-2007	2008-2009
Number of enrolments	20,500 persons	19,402
Cost	HUF 6.2 billion	HUF 10.665 billion

The number of applications for both stages was at least double the quota. The Programme preferred the admission of adults with a low level of education and without qualifications. This process was helped by mentors, who managed to launch a group for the completion of years 7 and 8 of primary school in every county, and to inspire participants to complete the training. In this way, the rate of those with at least 8 years of primary education was finally 75%. Tracking shows a varied picture, partly due to the economic-financial crisis that has erupted in the mean time. Nevertheless, it can be seen that the situation of about 40% of the participants has improved in some way or other, with approximately 25% of unemployed adults finding a job.

The Programme featured two innovative elements: on the one hand, in the recruitment part of the training, the employment service played an active role between the individuals and the adult education institution, and on the other hand, the mentors' activity mentioned earlier also proved useful.

- **The ECSR requested more detailed information on grants available during the reference period, particularly their efficiency and availability to students. Furthermore, the ECSR requested information on whether the equality of financial support is ensured for the citizens of the Contracting Parties legally residing or regularly working in Hungary.**

Support for students in higher education institutions is governed by the Act on higher education, the Government Decree on payments to be made by students and support provided to students, and the Government Decree on doctorate programmes. The normative grant allocated to higher education institutions based on the number of their students is determined in the annual Act on the state budget. Furthermore, students are also supported through various application programmes and scholarships.
The grant allocated to the institutions is currently 119,000 HUF per student. The grant allocated to those participating in a doctorate programme is 1,116,000 HUF/year.

Further types of cash benefits and benefits in-kind that can be provided to students are the school accommodation support (to be differentiated from student hostels, which are operated by higher education institutions) with a normative grant of 116,500 HUF, support for purchasing and producing course books and for sport and cultural activities (11,650 HUF/person/year), student hostel support (116,500 HUF/person/year) and, used as a substitute, support for the housing of students (60,000 HUF/person/year).

Support that may be provided to students is regulated by the higher education institutions, taking into consideration the framework created by the Government Decree.

These benefits may be claimed by the students, depending both on their school performance and on their social status, by way of application. The grant provided to each institution from the annual budget on a per-student basis can be used for scholarships determined on the basis of educational results; scholarships granted on the basis of outstanding professional, scientific or political performance beyond the curricular requirements; regular or one-off financial social support based on the social status of students; in-cash housing support; course book benefit; support for auxiliary materials; or support for the costs of professional practice.

As of 2007, the distribution system of the normative grant for students' benefits was changed, with a shift towards social support as opposed to performance-based support.

In the first semester, socially disadvantaged students receive basic support for starting the school with a guaranteed amount. The amount of this kind of support is uniform in bachelor programmes and in higher-level vocational training, in undivided training it is 50%, in master programmes 75% of the normative grant per student. A new element of social support is the support provided to the most disadvantaged groups with a guaranteed amount, replacing the amounts that were subject to a change in each semester with a fixed amount. Depending on situations defined in a Government Decree (Decree no. 51/2007 (III. 26.) on allocations to students in higher education and payments to be made by them), applications may be submitted for regular social support amounting to 20% or 10% of the normative grant per student. Those entitled to this support include students with disabilities, students disadvantaged due to their health condition, socially disadvantaged students, breadwinner students, students from large families, and orphan students.

In state-financed education, students may apply for student hostel accommodation. When awarding regular social support and housing support, the number of persons living in a household, the income status of persons living in a household, as well as the distance between the location of training and the place of residence are taken into consideration.
According to the 2005 Act on higher education, persons entitled to free movement and stay, as well as the citizens of countries in which, based on the principle of reciprocity, Hungarian students may use the higher education services of the relevant state, may be granted social or other scholarships, social support or housing support during their studies in Hungary in state-financed education only on the basis of an international agreement, law, work plan or the principle of reciprocity.

Year	**Normative grant (HUF/person/year)**						
	Student	Doctorate programme	Republic scholarship	Student hostel	Housing support	Course book, lecture notes	Sports, culture
2005	91,000	1,012,200	302,500	50/80,000	50/60,000	7,000	820
2006/I	91,000	1,012,200	302,500	80,000	60,000	7,820	
2006	116,500	1,092,600	335,000	116,500	60,000	11,650	
2007	116,500	1,092,600	335,000	116,500	60,000	11,650	
2008	119,000	1,116,000	340,000	116,500	60,000	11,900	
2009	119,000	1,116,000	340,000	116,500	60,000	11,900	
2010	119,000	1,116,000	340,000	116,500	60,000	11,900	

As of 2006, support for course books and lecture notes on the one hand, and for sport and cultural support on the other hand were merged.

Training efficiency

- **The ECSR requested more detailed information on the reorganisation of OKJ in 2006 concerning the reasons for the development and the evaluations performed since then to maintain the learning system (apprentice training) and other training results related to young employees.**

The reorganisation was motivated by several factors:

- A gradual deterioration in the satisfaction indicators of employers concerning young new entrants in the past years;
- Reports from expert chairmen of examination boards on the lack of certain competencies;
- Between 1994 and 2006, a number of new qualifications appeared in Hungary as a result of the settlement of working capital and continuous product and technology developments.

The new modular and competency-based OKJ, introduced in 2006, is regarded by experts as well-founded in its concept, up-to-date, and compliant with several EU recommendations, but it also gave rise to a number of problems right from the outset, e.g. there were too few modules dealing with the actual trades, and the lengthy written, practical and oral examinations lasted almost a week. The high workload on teachers and the difficulties arising in connection with the composition of examination boards, caused by lengthy examination periods, presented a real challenge.

Future-oriented possibilities integrated in the new OKJ: transparency, mobility, the possibility of recognising previously acquired knowledge and, first of all, experience, better adaptation to meeting economic needs, the possibility of acquiring certain sub-qualifications, mainly for those affected by dropping out or unemployment. The innovation led to a uniform structure of professional and examination requirements, which are now work-activity-focused, modular and competency-based. They included all task and property profiles (professional, personal, social and methodological).

In 2004-2005, a total of 11 principal authorities took part in the process of setting up the professional and examination requirements for the 2006 OKJ, delivering the following uniform structure:

- Conditions necessary for starting the training;
- Input competencies;
- Prior school education;
- Determination of the necessity of a school leaving examination certificate for various qualifications;
- Prior professional education;
- Required experience;
- Number of credits that can be received for taking into account higher education;
- Career aptitude requirements;
- Ratio of theory to practice;
- Level examination;
- Professional requirement modules;

- Examination parts;
- List of tools.

Finally, 422 complete qualifications and 2,500 modules were determined with the help of approximately 20,000 experts from the relevant fields, actually working in the three categories of enterprises (small, medium and large).

The new OKJ published in 2012 is already based on the provisions of the new Act of 2011 on vocational training, offering a solution to the challenges described above:

- Examinations at the end of the modules can now be taken into account.
- The Chamber reviewed and updated the professional and examination requirements, with a reasonable reduction in the number of examination exercises as one of the consequences.
- The duration of the examination activity is now limited.
- The number of examination days has been reduced.
- There are now institutional guarantees for the further training of the members of examination boards.
- Modular training now has a wider basis, leading to potentially better chances of finding employment after training.
- To improve the quality of adult education, there are now a minimum number of lessons.
- The percentage of practical training is now higher for many qualifications.
- The OKJ itself can now be much better interpreted as a macro table.

Taking into consideration the fact that the state still finances the acquisition of the first qualification for its citizens, there are a number of guarantees ensuring proper learning conditions for young people learning a trade. One of these is the system of study contracts, as already mentioned earlier.

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

5. to encourage the full utilisation 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 their employer, during employment;

d) ensuring, through adequate supervision, in consultation with the employers' and workers' organisations, the efficiency of apprenticeship and other training arrangements for young workers, and the adequate protection of young workers generally.

1) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS

The legislative rules for vocational training are included in Act LXXVI of 1993. Within the reference period, the acquisition of the first qualification is free of charge for every citizen up to the age of 23 (Item "a").

As for Items "b", "c" and "d", the detailed rules are included in Act LXXXVI of 2003 on vocational training contributions and support for the improvement of vocational training programmes. Furthermore, general support for the training system is also specified in Section 39 (2) d) of Act IV of 1991 on the promotion of employment and services to the unemployed.

ARTICLE 15 – THE RIGHT OF PERSONS WITH DISABILITIES TO INDEPENDENCE, SOCIAL INTEGRATION AND PARTICIPATION IN THE LIFE OF THE COMMUNITY

With a view to ensuring to persons with disabilities, irrespective of age and the nature and origin of their disabilities, the effective exercise of the right to independence, social integration and participation in the life of the community, the Parties undertake, in particular:

1. to take the necessary measures to provide persons with disabilities with guidance, education and vocational training in the framework of general schemes wherever possible or, where this is not possible, through specialised bodies, public or private;

1) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS

Under this point also questions of the ECSR are answered on the steps already taken by Hungary and the planned measures to promote the integration of students with disabilities in traditional vocational training and higher education.

Irrespective of their skills and health condition, children are subject to compulsory full-time schooling in Hungary. It is the duty of the notary to monitor school enrolment of students over the compulsory school age and the notary also has the right to sanction.

Schools teaching students with special learning needs **can define a longer period than one academic year** in their local curriculum for those students to fulfil all the requirements of one academic year. When calculating the average size of groups and classes, children and students with special learning needs are taken into consideration – depending on the type of disability – as two or three people, so that the maximum size of separate classes organised for them is between 7 and 15, and in the case of integrated teaching the obligation to use this multiplier ensures that the size of the class is smaller.
Beyond the curricular activities compulsory for every school, rehabilitation curricular activities with the purpose of health care and education shall be organised in institutions taking part in the education of students with special educational needs, irrespective of whether the education is done together with the students with special educational needs. The allotted academic time with the purpose of rehabilitation can be 15-50% of compulsory academic time allotted to the curricular activities, dependent upon the type of disability.

In examinations – including the secondary school graduation (school-leaving) exam – students with special needs are entitled to longer preparation time, and in addition the use of any aids used in the course of their school studies have to be allowed (e.g. typewriter, computer), and if necessary written exams must be replaced by oral exams, or vice versa.

Students with special needs can be exempted from the evaluation and assessment of certain subjects or sections of subjects by the head teacher. In such cases, the development and inclusion of the student shall be ensured through individual activity, on the basis of an individual development plan. In the exam students can choose another subject instead of the

exam subjects, in accordance with the examination rules. All students with special educational needs are entitled to textbooks free of charge.

Special vocational schools can be established for young people who, due to their disabilities, cannot progress together with the other students. The special vocational schools established for this purpose can prepare students to acquire a vocation from the National Register of Vocational Qualifications or to take a professional exa; and for those young people whose personality does not enable them to take a professional exam, the special vocational schools can provide them with the skills necessary for employment or start in life in two academic years.

According to the Government Decree on the general rules of the application process to higher education institutions, young people with disadvantages are entitled to the same benefits and additional services they are provided with during the secondary school graduation (school-leaving) exam, i.e. longer preparation time, the use of any aids used in the course of their school studies or written exams replaced by oral exams, or vice versa. Under the title of preferential rights, students with disabilities are accorded extra points when applying to all bachelor's and master's degree courses, unified, undivided courses or accredited post-secondary vocational programmes.

According to Act CXXXIX of 2005 on higher education, during the period under examination students with disabilities shall be provided with preparation and examination corresponding to their disabilities, in addition to supporting them in fulfilling their obligations resulting from their student status. In justified cases, they shall be exempted from learning certain subjects or sections of subjects, or from the obligation to take an exam. If necessary they shall be exempted from the obligation to take a language exam or certain parts or levels of the exam. They shall be provided with longer preparation times on the exam, the use of aids, particularly typewriter or computer, shall be made available to them on the written exam, and if necessary written exams must be replaced by oral exams, or vice versa. Based on this paragraph, exemption can only be provided in the context of the condition which serves as a basis for the exemption, and the student cannot be exempted from fulfilling the basic educational requirements necessary for obtaining qualification attested by diplomas in the bachelor's and master's degree courses or certification attested by certificates in the accredited post-secondary vocational programmes.

The student is entitled to pursue education in higher education for twelve semesters as a state-funded student, including the accredited post-secondary vocational programmes. The state-funded period can be prolonged by four semesters in the case of students with disabilities by the higher education institution.

The higher education institutions are entitled to additional normative funding of 120,000 HUF/person/year based upon the actual number of students with disabilities. The additional normative funding can be used for financing tasks required to enhance the conditions appropriate for the special needs of people with disabilities.

As defined in the organisational and operational rules of the higher education institution:

- the requests of students with disabilities for assistance, exemption and benefits are assessed,
- the institutional coordinator managing the support of students with disabilities is assigned and performs their duties,

- students with disabilities – based upon the type and level of disability – can use the personal and technical assistance and services provided by the institution, or available by other means, if the institution does not provide them,
- students with disabilities can use the textbook and lecture note grants for special lecture notes, or technical devices substituting lecture notes and supporting other methods of preparation.

The duties of the institutional coordinator supporting students with disabilities:

- to participate in assessing and registering the requests submitted by students with disabilities,
- to maintain contact with students with disabilities and their personal assistants,
- to provide students with disabilities with assistance opportunities available during their studies and exams, and to organise consultation opportunities required by students with disabilities during term-time,
- to make proposals on how to use the normative funding in support of the studies of students with disabilities, and how to purchase technical devices required for assistance.

2) MEASURES TAKEN TO IMPLEMENT THE LEGAL FRAEWORK

The most significant measures taken for the purpose of ensuring the rights of the child to children with disabilities since the last reporting period:

- Measures in relation to the determination of disability

The Hungarian Government has launched several programmes – besides the legislative measures – for the purpose of enhancing the quality of the procedure for determining disability; as a result of which a new Ministerial Decree [No. 4 of 2010 (I. 19.) of the Ministry of Education and Culture] has been issued. For the first time at a legislative level, the decree determines the detailed standard rules of procedures of expert and rehabilitation committees and the professional requirements for investigations substantiating an expert opinion. Without a doubt the National Development Plan (2004-2006) provided the biggest opportunity for achieving the objectives, besides the necessary legislative amendments. In the framework of component B of activity 2.1 of the Human Resources Development Operational Programme the members of Expert and Rehabilitation Committees Examining Children's Learning Abilities received support through accredited training. This programme, targeting modernisation, the extension of services and the establishment of standard procedures and protocols, assisted in improving the professional work and quality of the expert committee. Each expert committee was represented on the training sessions.
The reference book elaborated in the framework of the project includes the situation analysis by the expert committees, the quality management system of the expert committees, the procedural instructions, the quality records, and the protocol developed for the investigation.

- Measures taken for developing children with severe compound disabilities

Children with severe compound disabilities are subject to compulsory full-time schooling since the 2006 amendment of the Act on public education. This obligation shall be fulfilled in the framework of developmental school education. The statutory deadline for completing the system of developmental school education was 1 September 2010. In case the student cannot

participate in developmental school education – on the basis of the expert opinion of the expert and rehabilitation committee – then compulsory education is fulfilled in the framework of individual development training; the preparation ensured for the student is at least 8 hours per week. Pedagogical programmes of rehabilitation and, on the basis of these, individual development plans are prepared in developmental school education, where students are allocated to groups according to the function of their disability, state of development and age. In the interest of preparing for these duties, the directive on school education of students with severe, compound disabilities [Annex 3 of Decree No 2 of 2005 (III.1.) of the Ministry of Education and Culture] was drawn up, in addition to professional theoretical basic questions, a professional publication presenting the diagnostic work, the promising practices and the legislative environment was prepared, and professional conferences were organised.

- Measurements taken to increase the number of children with disabilities in school education and enhancing the professional quality of integrated education

In recent years the emphasis has been placed on establishing the conditions of integrated training and education within the objectives and measurements of the education policy, in accordance with international trends.
It is a general European trend that institutions formerly dealing only with children with special educational needs are changing their functions. Their names vary: expert centre, methodological centre, assistance centre. They provide diverse services: training of educators, running courses, developing and disseminating materials and methods, direct assistance to majority schools and parents, provisional or more permanent individual and small-group work with children, counselling when changing schools. The Unified Special Education Methodological Institutions correspond to these institutions in Hungary.

On the basis of the action plan for years 2007-2010 of the National Disability Programme, [Government Decree No 1062 of 2007 (VIII. 7.)] a professional document, named "Getting started – Preparing for recognising disabilities and helping children and young people with disabilities" has been drawn up, which supports the acquisition of knowledge on disabilities for students from the 1st to 12th grades as an alternative course material.
In the framework of the Human Resources Development Operational Programme, as a result of the development work with the aim of creating equal opportunities for students with special education needs in public education, competence-based programme packages, also suitable for supporting integrated learning, have been elaborated and published. Recommendations have been made for all programme packages, taking into account the particularities of every type of disability. The recommendations include, among others, the characteristics required for identifying the disability causing the special educational needs, the priority capability areas and requirements related to a given competency area, forms of organisation teaching, and the expected patterns of behaviour from educators and school group members with no disabilities in the inclusive learning and educational institutes. Methodological institutional guides supporting the daily work of educators, documentation guides and sets of tools supporting learning and lifestyle according to the different types of disabilities have been prepared within the framework of the programme.

The so-called note-taking service was introduced at the University of Debrecen on the basis of an experimental model programme launched at the University of Rochester in the United States in 2008. Under the programme, higher education students with no disabilities help their hearing impaired classmates – according to the needs of hearing impaired people – to take

notes during the lectures. The experimental model programme has proven successful; the future aim is to disseminate the programme in other higher education institutions.

The state provides the financing for further training courses for educators, integrated learning and the development of an inclusive education system from European Union funding. The four most important related programmes with tenders are: "Institutional awareness-raising training sessions" (e.g. integrated education of students with disadvantages or special educational needs, introduction of new procedures for teaching and education organisations, reform of evaluation culture); "Diagnostics of special education needs, training for developers of children with special care needs"; "Competence-based education, equal access in innovative institutions'; and 'Integration of students with special educational needs".

3) RELEVANT DATA, STATISTICS

Under this point questions of the ECSR are answered in relation to students with disabilities integrated in the traditional education system, and enrolled in special education institutions.

The number and ratio of children with disabilities

The number and ratio of children, students with special educational needs (with disabilities) broken down in the public education system (kindergarten, primary and secondary schools, integrated or together in special education institutions established for that purpose)

Academic year	Total number of students with special educational needs (SEN) - Children, student with disabilities - /person	The ratio of the total number of SEN children, students to the total number of students and kindergarten children in full-time education - %
2001/2002	58,615	**3.2**
2002/2003	64,199	**3.5**
2003/2004	70,561	**3.9**
2004/2005	74,569	**4.2**
2005/2006	78,808	**4.5**
2006/2007	81,672	**4.7**
2007/2008	78,882	**4.6**
2008/2009	75,664	**4.5**
2009/2010	77,844	**4.6**
2010/2011	79,412	**4.7**

The number of children, students with special educational needs and with disabilities in kindergarten, primary and secondary school education (integrated, together in special education institutions established for that purpose) 2007 – 2010.

Determination of the special educational needs of children, students	2007/2008 academic year		2008/2009 academic year		2009/2010 academic year	
	total	of which girls	total	of which girls	**total**	of which girls
Mild degree of mental disability	32,482	13,146	31,223	12,562	**28,511**	11,451
Moderate degree of mental disability	6,192	2,420	6,254	2,485	**6,213**	2,478
Hard of hearing	1,101	497	1,213	559	**1,288**	590
Deaf	483	244	455	218	**445**	207
Visually impaired	540	239	537	229	**557**	239
Blind	269	122	266	128	**275**	126
Motor disabilities	1,235	492	1,299	501	**1,216**	494
Speech disabilities	4,048	1,118	4,311	1,101	**3,790**	1,013
Mild degree of mental disability, visually impaired	148	77	159	77	**148**	80
Mild degree of mental disability, blind	41	13	34	10	**9**	4
Mild degree of mental disability, hard of hearing	207	81	227	84	**187**	76
Mild degree of mental disability, deaf	124	46	51	23	**63**	26
Mild degree of mental disability, motor disabilities	308	129	406	164	**423**	192
Moderate degree of mental disability, blind	95	36	76	32	**43**	17
Moderate degree of mental disability, deaf	19	8	20	10	**30**	9
Moderate degree of mental disability, motor disabilities	219	75	296	117	**351**	131
Deaf and blind	15	5	17	5	**38**	10
Autism	1,276	231	1621	258	**1,865**	325
Abnormality of development of cognitive feature	27,020	9,011	23,757	7,573	**29,708**	9,508
Abnormality of development of behaviour	3,060	726	3,442	793	**2,684**	577
Total	78,882	28,716	75,664	26,929	**77,844**	27,553

Public education for children, students with special educational needs in different types of institutions according to the forms of education

Kindergarten children (with disabilities) in special education

Educational year (academic year)	Number of kindergarten children (with disabilities) with special educational needs	Number of children in integrated education	**Ratio of children in integrated education, %**
2004/2005	5,746	4,317	75
2005/2006	5,327	3,896	73

2006/2007	5,324	3,840	72
2007/2008	4,660	3,286	71
2008/2009	4,917	3,509	71
2009/2010	5,027	3,820	76

Primary school students (with disabilities) in special education

Academic year	Number of primary school students (with disabilities) with special educational needs	Number of students in integrated education	**Ratio of students in integrated education, %**
2004/05	56,922	24,067	42
2005/06	60,651	29,930	49
2006/07	61,585	33,277	54
2007/08	57,931	32,719	56
2008/2009	52,945	30128	57
2009/2010	52,572	31,762	60

Vocational school students (with disabilities) in special education

Academic year	Number of students (with disabilities) with special educational needs	Number of students in integrated education	**Ratio of students in integrated education, %**
2004/05	2,011	1,617	80
2005/06	2,188	1,841	84
2006/07	2,699	2,582	96
2007/08	3,631	3,412	94
2008/2009	4,196	3971	95
2009/2010	5,252	5057	96

Special vocational school students (with disabilities) in special education

Academic year	Number of students (with disabilities) with special educational needs
2004/05	8,369
2005/06	8,797
2006/07	9,563
2007/08	9,773
2008/2009	9,785
2009/2010	9,968

Secondary school students (with disabilities) in special education

Academic year	Number of secondary school students (with disabilities) with special educational needs	Number of students in integrated education	**Ratio of students in integrated education, %**
2004/05	681	509	75
2005/06	777	572	74

2006/07	1,071	858	80
2007/08	1,086	955	88
2008/2009	1,487	1,355	91
2009/2010	1,769	1,635	92

Secondary vocational school students (with disabilities) in special education

Academic year	Number of secondary vocational school students (with disabilities) with special educational needs	Number of students in integrated education	**Ratio of students in integrated education, %**
2004/05	748	748	100
2005/06	954	943	99
2006/07	1,333	1,324	99
2007/08	1,694	1,669	99
2008/2009	2,172	2,141	99
2009/2010	2,652	2,652	100

Distribution according to the nature of disabilities in academic year 2009/2010

a06t28	**Initial data of children, students with disabilities (academic year 2009/2010)**	**Total**	**Total integrated**	**ratio of integrated students, %**
Mild degree of mental disability		28,511	7,956	**28**
Moderate degree of mental disability		6,213	316	**5**
Hard of hearing		1,288	952	**74**
Deaf		445	104	**23**
Visually impaired		557	429	**77**
Blind		275	93	**34**
Motor disabilities		1,216	977	**80**
Speech disabilities		3,790	2,514	**66**
Mild degree of mental disability, visually impaired		148	19	**13**
Mild degree of mental disability, blind		9	4	**44**
Mild degree of mental disability, hard of hearing		187	19	**10**
Mild degree of mental disability, deaf		63	6	**10**
Mild degree of mental disability, motor disabilities		423	42	**10**
Moderate degree of mental disability, blind		43	3	**7**
Moderate degree of mental disability, deaf		30	2	**7**
Moderate degree of mental disability, motor disabilities		351	24	**7**
Deaf and blind		38	3	**8**
Autism		1,865	670	**36**
Abnormality of development of cognitive feature	SEN A	18,965	18,093	**95**
	SEN B	10,743	10,395	**97**
Abnormality of development of behaviour	SEN A	1,821	1,701	**93**
	SEN B	863	781	**90**
Total		**77,844**	**45,103**	**58**

The number of students with disabilities has continuously increased in higher education during the past years. The number of students with disabilities in higher education

institutions: 1,013 students in 2007, 1,179 students in 2008, 1,658 students in 2009, 2,158 students in 2010.

	Total number of higher education students	Total number of higher education students with disabilities
2007	397,704	1,013
2008	381,033	1,179
2009	370,331	1,658
2010	361,347	2,158

Further questions/requests by ECSR in relation to paragraph 1

Education

- **The ECSR requests information on the decisions taken in relation to complaints that were submitted by parents of children with mental disabilities to the Ministerial Commissioner for Educational Rights in relation to inadequate facilities or services provided by the educational institutions of their children: How many complaints have been submitted in relation to such issues? How many complaints have been considered to be justified or unjustified?**

The Equal Treatment Authority can and does investigate cases where complaints have been lodged against educational institutions in relation to the integrated education of children with disabilities. In case the complaint is lodged by parents of children with disabilities, the Equal Treatment Authority can initiate proceedings against the educational institution on the basis of point (g) of Section 8 and Section 27 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities.

The number of such complaints submitted to the Equal Treatment Authority is minimal – 1-2% of all complaints in every year.

Legal cases of the Equal Treatment Authority on the topic of discrimination against people with mental disabilities
(Source: Equal Treatment Authority, www.egyenlobanasmod.hu)

Legal case 1:
The applicant submitted a request to the authority on the grounds of a violation of the requirement of equal treatment and complained that the mayor of the local government which maintains the competent kindergarten in the applicant's place of residence refused to issue the declaration of acceptance required for the kindergarten enrolment of the applicant's child with special educational needs, and that the mayor of the local government of residence did not take the necessary measures to ensure the integrated kindergarten education of the child.

The authority initiated proceedings against the local government maintaining the institution and the local government with competency for the residence of the minor, and against the mayors representing those institutions. The following was determined based on the available documents, the expert opinion, and the official record of the court:

The minor is directly discriminated against compared to kindergarten children living in the place of residence because the minor – due to the disability (autism) – cannot use the services that are provided by the educational institution for children without disabilities who are of the

same age and live in the same place of residence. The daily travel to a kindergarten far from the minor's place of residence would have been a disadvantage and disproportionate constraint upon the minor, considering that on the basis of the expert opinion the minor can participate in integrated education.

The parties subjected to proceedings declared during the proceedings that they did not have the authority to issue the declaration of acceptance because the articles of association of the institution only ensured primary kindergarten education and did not include requirements for the provision of children with special educational needs. They were of the opinion that the local governments cannot be required to amend their articles of association on the basis of the relevant legislation. The parties subjected to proceedings claimed that they did not fulfil their duties because they had no information that the child can participate in integrated education but several available statements contradicted this.

The authority found during the proceedings that the mayor of the local government maintaining the kindergarten infringed the requirement of equal treatment by refusing to issue the declaration of acceptance when the education of the child with autism was not ensured. The requirement of equal treatment was also violated by the mayor of the local government of residence because the expected measures had not been taken to ensure adequate kindergarten enrolment of the child, whereas the kindergarten provision of children without disabilities was ensured by the local government in the local kindergarten. The mayors subject to proceedings did not prove that they fulfilled or were not obliged to fulfil the requirement of equal treatment in the framework of the given legal relationship. The reasons given by the mayors that the kindergarten education of children (with autism) with special educational needs is a compulsory task for county governments cannot be accepted as reasonable; the reference to the costs required for establishing the necessary conditions is also not reasonable because it prevents a child who can participate in integrated education from being enrolled in the local kindergarten.

Despite being, according to the expert opinion, capable of participating in integrated education, the child could not exercise the right in the competent kindergarten of residence, which is contrary to international agreements and Hungarian legislation. The latter stipulates kindergarten education of students with special educational needs as a compulsory task for settlement municipalities in cases, as in this case, where the child can participate in integrated education.

The authority found that the mayors of the settlement maintaining the kindergarten and of the settlement of residence of the child violated the requirement of equal treatment. The authority prohibited the further continuation of the infringement and also ordered the discontinuation of the unlawful condition – by the end of academic year 2010/2011 at the latest – and ordered that its final and enforceable resolution declaring violation of the law be made public for 60 days on its website.

Legal case 2:
According to the complaint, the local government of a country town deleted the integrated education of students with autism from the articles of association of the municipal public education institutions. The Expert and Rehabilitation Committee Examining Children's Learning Abilities designate one primary school of the town for the applicant's child, who is suitable for integrated education. The designated school did not provide the child with the required personnel and physical conditions.

The Authority initiated proceedings against the local government and against the primary school, and held a hearing. During the hearing, the parties asked for the suspension of the proceedings in order to enter into an arrangement. The local government had reinstated integrated education and teaching of students with autism into the articles of association of public education institutions. The parties entered into an arrangement during the proceedings and set a deadline for, among others, introducing a personalised set of support tools specifically for children with autism, establishing a personalised system of rules and rewards, involving a pedagogical assistant to lessons, continuous professional consulting with the parent, the special education teacher of the child and the class teacher. The local government specified in the arrangement that, on the basis of amending their articles of association, the public education institutions reviewed their pedagogical programmes and would ensure provision for students with special educational needs in the future. The local government undertook to provide the child with an educator with autism-specific knowledge and make the participation in professional training courses possible.

The parties did not claim any further expenses related to the proceedings and jointly asked the authority to approve the arrangement.

The Authority approved the arrangement in its resolution according to Section 75 of Act CXL of 2004 on the general rules of administrative proceedings and services.

Legal case 3:
A foundation lodged a submission to enforce a public benefit claim to the Equal Treatment Authority. The applicant claimed that the competent local government, as maintainer, infringed the requirement of equal treatment in relation to disability and other situations of the students of a primary school.

The applicant described in its submission that, on the grounds of the resolution of the local government, the students of the school started the school year in a building in which – contrary to the former school building – the physical conditions are not suitable for the education and training of children with special educational needs.

During the proceedings the authority suspended the proceedings for 30 days at the mutual request of the parties – in order for the parties to enter into an arrangement between them. The parties formulated the draft arrangement within the time available and at the next oral hearing entered into an arrangement with the following content:

1. *Every class can use the gymnasium in the new school building according to its lesson schedule from school year 2009/2010. The maintainer ensures that all children would have an opportunity to change their clothes for physical education classes in the locker rooms of the gymnasium from school year 2009/2010.*

2. *The movement development and use of materials will be regularly ensured in the established complex room and in the movement development room of the new school building from the date of the arrangement. The materials for individual movement development (e.g. giant balls, trampolines) will be placed and used in these two locations.*

3. *The maintainer takes action to ensure that the school ceremonies in the presence of the whole school community can be organised on demand in the gymnasium of the new school building. There is also no suitable location for organising school ceremonies in the presence of the whole school community. This shall be decided by the school and the parents. The parents shall get to know the schedule of the school year on which they have the right to give opinions and make recommendations.*

4. *The parties set the following deadline for developing accessibility in the renovated school yard: 15 June – 1 September 2009. The fence will be renovated in parallel with the school yard.*

5. *The maintainer undertakes to install the appropriate ventilation equipment and exhaust fans for the purpose of better ventilation of the toilets and washrooms by 31 May 2009.*

6. *The maintainer undertakes to provide the school with the statutory headcount norms regarding special education professionals. In the framework of substantive education, both in the afternoon and the morning curricular activities, a professional teacher with a relevant special education degree instructs the combined classes. The combination of the 1st to 3rd graders and 2nd to 4th graders into one class is not unlawful because the law provides the opportunity to establish a combined class from three consecutive grades. The maintainer reconfirms that if the increasing class size requires, the class combinations will be abolished in accordance with legal requirements.*

7. *The parties did not claim any further expenses related to the proceedings and jointly asked the authority to approve the arrangement.*

The Authority approved the arrangement in its resolution according to Section 75 of Act CXL of 2004 on the general rules of administrative proceedings and services.

Legal case 4:
According to the applicant, the kindergarten designated for the applicant's child infringed the requirement of equal treatment when it did not provide the child, who has a permanent and severe disability originating in an organic abnormality in the development of behaviour but suitable for integrated education, with the daily two-hour remedial training and speech development therapy specified in the expert opinion. Furthermore the kindergarten allowed the child to stay in the group only for two hours.

The Authority subjected to proceedings the designated kindergarten, which described in its substantive declaration that the integration of the child into the community was not smooth, the child required great care from the beginning. The child's behaviour became more abusive and aggressive towards the classmates and nurses after two years, and the child was running out of the group room, potentially causing an accident. In the morning when only one kindergarten teacher was present with the children, neither the safety of the children in the group nor the safety of the applicant's child could be guaranteed. Therefore the kindergarten decided that provision for the child could only be undertaken when two kindergarten educators worked at the same time. The kindergarten informed the applicant on providing care in reduced hours and the applicant did not object to the decision. In the characterisation made for the expert inspection, the head of the kindergarten declared that they did not

consider provision with reduced hours an ideal solution, because then the special development of the child would only be provided for a shorter time. The applicant declared during the proceedings that the two-hour daily remedial training was provided by the kindergarten for one year, after which the head of the establishment indicated that they were not in the position to continue it. A special education teacher was working with the child but closer cooperation between the kindergarten and the special education teacher was only developed after the beginning of the proceedings. The speech therapist coming to the kindergarten met the child only twice because the child did not cooperate with him. After restricting the stay in the kindergarten, the child was not even allowed to the kindergarten when the speech therapist was there. The expert opinion previously issued on the child started to come under review during the proceedings and the authority suspended the proceedings until the end of the review. On the basis of the new expert opinion, the child of the applicant continues to be a child with special educational needs who is suitable for integrated education, and for whom intensive speech therapy, care by a special education teacher and sensomotoric integration therapy were recommended on condition that the development is continued in the kindergarten, subject to the proceedings, and then continued in the speech therapy class of the designated school from the next school year. After the completion of the expert opinion, the kindergarten still refused to provide the child with the two-hour remedial training and speech therapist for the remaining few months of the school year.

The Authority investigated whether the measure taken by the kindergarten was unavoidable in resolving the conflict between the fundamental rights in this case and whether it was suitable and proportionate for achieving the goal. According to point (a) of paragraph 2 of Section 7 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities, if this Act does not stipulate otherwise, the principle of equal treatment is not violated by such conduct, measure, condition, omission, instruction or practice (hereafter called collectively: disposition), which limits a basic right of the entity brought into a disadvantageous situation in order to enforce another basic right in an unavoidable situation, assuming that such a limitation is suitable for this purpose and is also in proportion to it.

The Authority found, on the basis of the available documents, that the restrictive measure of the kindergarten was not unavoidable because the new expert opinion did not confirm the deterioration in the child's condition since the committee issuing the expert opinion still recommended integrated education in the designated kindergarten, stressing the importance of speech therapy development. The measure was not suitable for achieving the goal since the child continued meeting with classmates and behaved many times abusively towards them in the permitted two hours, which apparently could not be prevented by the two kindergarten teachers present at the same time. By taking the measure, the kindergarten restricted the child's right to development to an extent which was disproportionate to the fundamental right to protection and care required for the adequate physical, intellectual and moral development of the classmates; in particular because the child was not only deprived of the essence of integrated kindergarten education but could not also receive the required training – which could have improved the child's condition – so did not even have a chance to integrate into the community.

The Authority found on the basis of the available evidence that the kindergarten infringed the requirement of equal treatment when it did not take the best interests of the child into consideration and did not seek the best solution for the purpose of the child's development. Through the above measures the kindergarten implemented direct discrimination in relation to the characteristics (disability) specified in point (g) of Section 8 of Act CXXV of 2003 on

equal treatment and the promotion of equal opportunities because the child received integrated kindergarten education only for a limited time and thus the child's rights to development were infringed. Within its sanctioning powers, the authority determined the unlawful condition, prohibited the further continuation of the infringement and also decided to apply point (c) of paragraph 1 of Section 169/I Act CXL of 2004 on the general rules of administrative proceedings and services – disclosure of the resolution – for 30 days. When imposing the sanction – making the resolution public on the bulletin board of the school – the authority took into account that the parents of classmates had applied to the notary for the protection of their children so it would be worth introducing the decision of the authority to the community members. The authority appreciated during the short – 30 day long – disclosure that the kindergarten had taken the disproportionately restrictive measure for the purpose of protecting the interests of the child's classmates. The aim of the disclosure on the website of the authority is that in other similar cases the objectives related to prevention and repressive effect – i.e. improving the situation of people with disabilities – can only be achieved by making the resolution public.

Legal case 5:
According to the applicant, the local government with competence in the residence of the child and the primary school designated in the expert opinion for the residence of the child infringed the requirement of equal treatment when they refused the admission of the applicant's child – suitable for integrated education – with a permanent and severe disability originating in an organic abnormality in the development of cognitive abilities and behaviour. The applicant did not get any support from the mayor of the competent local government of residence in connection with the school admission after the refusal. Also, the applicant took exception to the fact that even though the second primary school designated by the expert committee admitted the applicant's child, but before the autumn holiday announced that the child could not return to the school after the holiday since the school was not able to provide the child with the required personnel and physical conditions.

On the basis of the available data the Authority initiated proceedings against the competent local government and the two primary schools. (After the start of the proceedings, the education of the applicant's child was continued in the second primary school designated by the expert committee in school year 2011/2012.) During the proceedings the Authority suspended the proceedings for 60 days at the mutual request of the parties – in order for them to enter into an arrangement. The parties formulated the draft arrangement within the time available and entered into an arrangement, in which the local government subject to proceedings undertook to conclude a task-provision agreement with the local government maintaining the primary school newly designated by the expert committee for school year 2012/2013. The two primary schools specified in the arrangement that they would make every endeavour to ensure that the students of the school were not treated less favourably, on the grounds of their characteristics listed in Section 8 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities than any other person in a comparable situation is, or would be, treated. They also undertook to take the best interest of children into account when taking their measures or making their decisions.

The Authority approved the arrangement in its resolution according to Section 75 of Act CXL of 2004 on the general rules of administrative proceedings and services.

Legal case 6:

According to the applicant, the kindergarten designated for the applicant's child and the local government of the city with county rank maintaining the kindergarten infringed the requirement of equal treatment when it did not provide the child – with a permanent and severe organically originated disability, but suitable for integrated education on the basis of an expert opinion – with the appropriate personnel and physical conditions. The applicant's child is suitable for integrated education and had been enrolled in the designated kindergarten, in accordance with point (a) of paragraph 29 of Section 121 of Act LXXIX of 1993 on public education, as a child with special educational needs, (thereinafter: SEN/a) but who did not receive the required development training. The request claims that on the basis of their articles of association, neither of the kindergartens maintained by the local government is suitable for children with special educational needs according to point (a) of paragraph 29 of Section 121 of Act LXXIX of 1993 on public education, nor can they provide them with the required development training.

The designated kindergarten and the local government were subjected to proceedings. The kindergarten described in its substantive declaration that it was aware of the fact – on the basis of the parent's information – that the child requires individual development training and care, and therefore the child was put into the group of a kindergarten teacher with a special education degree. The child is suitable for integrated education according to the expert opinion issued in 2009 – which the kindergarten was informed of – and their problem belongs to disability group SEN/a. The kindergarten subject to proceedings declared that the child was not expelled from the kindergarten, although if they had been more careful then this would have been the right solution. Finally the local government and the local school were consulted in the matter of the child's development in 2010, after which a special education teacher started to train the child.
The kindergarten subject to proceedings described in its substantive declaration that the integrated training and education of the child with special educational needs is ensured by the town through a travelling network of special education teachers, and the development of children with physical disabilities in disability group SEN/a is provided in two kindergartens, according to their articles of association. They declared that they had planned to amend the articles of association of 1 kindergarten in every part of the town in 2011 so that they would be suitable for the provision of all children in disability group SEN/a. In relation to the applicant's child, the party subjected to proceedings claimed not to have had any idea about the expert opinion on the child, and the head of the kindergarten did not request the establishment of personnel and physical conditions required for the provision of the child from the said party. Immediate measures were taken after the applicant had indicated the problem, so in a few days the parent was informed that the child would receive the required development training with the help of a special education teacher in the designated kindergarten. The local government claimed not to have infringed the requirement of equal treatment because the child received the required development training after they had become aware of the situation.
The Authority established during the proceedings that the kindergarten considered the development of child as satisfactory – as opposed to the available expert opinion – by being a member of the group of the kindergarten teacher with a special education degree. The consultations regarding the child's development, specified in the expert opinion, started only a year later at the initiative of the parent, when the local government was informed of the problem. The Authority could also establish during the proceedings that the local government found out only in October 2010 that the child had not received the required development training. On the basis of the declarations made during the proceedings, the Authority established that the local government did not receive the expert opinion on the child because

the designated place of residence of the child was a different settlement at the time the expert opinion was issued.

During the proceedings the parties mutually asked for the suspension of the proceedings because they saw a chance to reach an arrangement. The arrangement would have been based on the review of the articles of association of kindergartens maintained by the local government, the obligation of heads of kindergartens immediately to inform the maintainer about the enrolment of an SEN-child, and the issue of the child's further kindergarten education. Eventually the applicant did not want to enter into an arrangement with the parties subjected to proceedings since the child reached the compulsory school age and could not remain in the kindergarten in spite of the applicant's request for fairness.

The Authority established that the local government had not infringed the requirement of equal treatment since the required development training was provided by a travelling special education teacher immediately after the local government had become aware of the child's situation. Although it could be established on the basis of the submitted documents that there was no kindergarten maintained by the local government which could provide all children in disability group SEN/a with the required training, but according to the relevant legislation the local governments are not obliged to amend the articles of association of their institutions. Nevertheless, the law allows the parent of the child with special educational needs to ask the mayor for help in order to ensure the conditions required for the child's kindergarten education and school training and education in the settlement, and the local government subjected to proceedings complied with this request. The Authority found on the basis of the available evidence that the kindergarten infringed the requirement of equal treatment when it did not take the required and expected measures to ensure the conditions of integrated kindergarten education and thus did not take the best interest of the child into consideration, and did not seek the best solution for the purpose of the child's development. Through the above measures the kindergarten implemented direct discrimination in relation to the child's disability, for though applicant's child could receive integrated kindergarten education, the right to development was infringed while the head of the establishment had not informed the maintainer for a year, in spite of the lack of suitable personnel and physical conditions, and had not asked the maintainer for help in order to provide the child with the necessary development.
In addition to determining the unlawful condition and prohibiting the further continuation of the infringement, the Authority ordered its resolution public be made public, taking into account the seriousness of the omission by the kindergarten subjected to proceedings, and also that in other similar cases the objectives – i.e. improving the situation of people with disabilities – related to prevention and repressive effect can only be achieved by making the resolution public.

After receiving the resolution, the local government of the city with county rank subject to proceedings submitted its general assembly resolution to the Authority, in which the articles of association of 1 kindergarten in every part of the town were so amended that they would be suitable for the provision of all children in disability group SEN/a.

- **The ECSR requests information on the number of students / pupils with disabilities integrated in the traditional education system or enrolled in special education institutions.**

The Equal Treatment Authority cannot provide information on the number of students / pupils with disabilities integrated in the traditional education system or enrolled in special education institutions, only on the complaints received in relation to integrated education. The great majority of complaints in relation to educational issues were lodged by parents of children with disabilities or compound disabilities, in which they asked the Equal Treatment Authority to initiate proceedings against the educational institution. In these cases the protected characteristics determined in points (e), (g) and (q) of Section 8 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities served as a basis and points (a), (d), (g) and (i) of paragraph 2 of Section 27 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities were determined as discriminatory measures. In addition, when the party who suffered a violation of the law refers to point (e) of Section 8 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities as protected characteristics, the infringement would be determined in accordance with paragraph 2 of Section 10 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities (unlawful segregation, segregation).

Section 10

(2) Unlawful segregation is conduct that separates individuals or groups of individuals from other individuals or groups of individuals in a similar situation on the basis of their characteristics as defined in Article 8, without any law expressly allowing it.

Vocational training

- **Supplement to the question of the ECSR on the steps already taken by Hungary and the planned measures to promote the integration of students with disabilities in traditional vocational training and higher education.**

Enshrining in law the practice already applied by the Constitutional Court in this issue, point (h) of paragraph 2 of Section 27 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities and paragraph 2 and 3 of Section 27 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities, proceedings can be initiated with reference to any characteristic listed in paragraphs 2 and 3 of Section 8 of Act CXXV of 2003 on equal treatment and the promotion of equal opportunities. In addition, according to Section 29, a Government Decree created pursuant to the law or the authorisation thereof may order an obligation to give positive discrimination to a specified group of participants in education within or outside the school system in respect of education or training.

Section 29 A government decree created pursuant to the law or the authorisation thereof may order an obligation to give positive discrimination to a specified group of participants in education within or outside the school system in respect of education or training.

- **The ECSR requests information regarding the effects of the Workplace Exercise Programme, which aims to give students with mental disabilities a chance to get acquainted with certain workplaces during their education, on the labour market integration of people with disabilities.**

The Workplace Exercise Programme (thereinafter: WEP programme) is a programme with the aim of preparing young people with mental disabilities and autism for open labour market employment. Typically people with moderate degrees of mental disabilities are involved in the programme who need longer preparation, and also people in whose cases it is not decided whether they can be recommended for sheltered employment or not.

The WEP programme has three sub-programmes, elaborated by the Salva Vita Foundation.

1. The WEP programme has been running in special and skills-developing special vocational schools across the country since 1996. The programme was declared a central programme module by the then Ministry of Education in 2006, which means that every special and skills-developing special vocational school can incorporate it into its pedagogical programme. The WEP programme was introduced in 23 settlements. The programme was running in 21 institutions in academic year 2009/2010. Approximately 100-120 educators helped in implementing the programme.

2. WEP programme for people living in families
   The programme was amended in 2005 for young people who have already finished vocational school but have not yet worked. Afterwards approximately 25 professionals took part in implementing the programme across the country. 12 non-governmental organisations introduced the programme in 2006. The spontaneous employment rate of people leaving the programme was around 20% (Apart from the local labour market conditions, the success of employment depends significantly on whether there is a labour market service provider present in the close vicinity in order to efficiently help in the employment of this group of people).

3. The institutional WEP programme was introduced by 10 institutions.

Total results:

More than 240 workplaces received apprentices by 2010. The students were able to get acquainted with a total of 132 types of professions and activities. Altogether 1,100 people with disabilities participated in the three sub-programmes. Approximately 10% of the students were employed 'spontaneously' after finishing the programme, not necessarily by the employer providing the practice - although there have also been examples of this - but anywhere else in the open labour market. The abilities, skills and competencies of the students are significantly improved by the programme, helping them with greater chances of finding employment in the future. Their employment rate significantly depends on whether there is a special labour market service provider in the vicinity.

If the Equal Treatment Authority receives a request where the party who suffered a violation of law is an employee with mental disabilities who was discriminated against by not finding employment due to their mental disability, then the Authority investigates whether the employer can meet the requirement of reasonable adjustment and the employment does not constitute significant financial burden for them. The Equal Treatment Authority receives and investigates 1-2 notifications of this kind annually. It should be noted that Act CXXV of 2003 on equal treatment and the promotion of equal opportunities does not include such requirements but the Equal Treatment Authority proceeds also in these cases.

Legal case studies of the Equal Treatment Authority in the topic of reasonable adjustment
(Source: Equal Treatment Authority)

According to the applicant, he was discriminated against in connection with his disability when his employer terminated his services on the grounds of his medical disability after he

submitted his claim for compensatory leave due to his blindness. Although the employer had recognised the legal basis of the claim, the applicant was later sent for an occupational medical examination twice during the same week. The representative of the employer accompanied the applicant to the second occupational medical examination and informed the doctor that the personnel and physical support of the employer would be revoked in the future so the doctor declared the applicant unfit for work.

The Authority initiated proceedings against the employer on the basis of the available documents, and suspended the proceedings in view of the ongoing labour lawsuit. The Authority continued its proceedings after the legally binding court judgment, which declared that the employer had unlawfully terminated the services of the applicant. The Authority found, on the basis of the summary of facts in the judgment, that the extraordinary occupational medical examination was conducted in connection with the protected characteristics and disability of the applicant, who had previously been declared fit for work in spite of his disability (blindness), since it was ordered by the employer after it had turned out that applicant was 'also legally blind' on the grounds of ophthalmological findings attached to the medical certificate proving his eligibility for compensatory leave. The Authority found that the employer did not provide access to equal opportunities for the applicant and denied the provision of the requirement of reasonable adjustment when it informed the doctor that it did not intend to ensure the personnel and physical conditions required for the applicant's work in the future, and when it actually revoked these conditions from the applicant after the occupational medical examination. The party subjected to proceedings implemented direct discrimination in relation to the applicant's disability by refusing reasonable adjustment i.e. the applicant was not allowed to use the working conditions and computer programmes previously adjusted to his requirements (text reader programme) and could not use the previously assigned personal help either.

Since the party subjected to proceedings could not exculpate themselves by proving that the discrimination towards the applicant was deemed justified by the character or nature of the work and proportionate by being founded on all material and lawful conditions that may be taken into account in employment - particularly it could not prove that applicant was not sent to the extraordinary occupational medical examination in connection with his disability, and that the aim of refusing the further use of personnel and physical help was not to make the applicant's continued work impossible, and that due to ensuring an equal opportunity environment, the further employment of the applicant would have been such a disproportionate burden that it could have made the operations of employer impossible – the Authority established on the basis of the available documents that the party subjected to proceedings implemented direct discrimination in relation to the applicant's disability. Within its sanctioning powers, the Authority prohibited the further continuation of the infringement and also decided to make the resolution public, taking into note the declaration of the party subjected to proceedings, the seriousness of its measure (i.e. the party subjected to proceedings took a measure that made it impossible for the applicant to work) and that in other similar cases the objectives related to prevention and repressive effect – i.e. improving the situation of people with disabilities – can only be achieved by making the resolution public.

[With a view to ensuring to persons with disabilities, irrespective of age and the nature and origin of their disabilities, the effective exercise of the right to independence, social integration and participation in the life of the community, the Parties undertake, in particular:]

2. to promote their access to employment through all measures tending to encourage employers to hire and keep in employment persons with disabilities in the ordinary working environment and to adjust the working conditions to the needs of the disabled or, where this is not possible by reason of the disability, by arranging for or creating sheltered employment according to the level of disability. In certain cases, such measures may require recourse to specialised placement and support services;

More detailed information on the employment of people with disabilities can be found under paragraph (1) of Article 1, in point 'A' of the part about active labour market measures.

1) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS

There was no significant change in the reporting period. The elaboration of full-scale reforms of the disability welfare system and the employment rehabilitation system was started at the end of 2010. Currently in the framework of provisions based on health damage many difficult, confusing provisions are laid down in several regulations. It has been necessary to standardise and decrease the number of categories of benefits, and to ensure transparency and more pronounced enforcement of employment aspects. In addition to the above, an important component of the reforms is to re-define the complex assessment criteria of people with reduced working capacity and to simplify the institutional system and the rules of procedures for receiving benefits.

2) MEASURES TAKEN TO IMPLEMENT THE LEGAL FRAMEWORK

After accession to the EU, Hungary had the opportunity to use the assistance provided by the European Social Fund which particularly aimed, among other things, to reduce the unemployment rate in the Member States.
The priority project TÁMOP 1.1.1 'Supporting the rehabilitation and employment of people with reduced working capacity' aimed to achieve integration and return to the labour market and the retention of workplaces with the help of new services and forms of assistance. The priority project is operated by the competent branch offices of the Regional Labour Centres.
The project targeted the support of people with reduced working capacity who are in need more personal services and assistance in order to improve their employability and integration into the open labour market.

Such supporting activities could be chosen from the service and assistance programme components by the participants that support them in getting training, gaining work experience and workplace exercise through supported employment, trying out work and self employment and the related services. Furthermore, assistance and services have become available that can

contribute to the rehabilitation, improved labour market opportunities and personal development of participants.

The new accreditation and assistance system is in use from the beginning of July 2007. On the basis of this, only accredited employers could receive salary subsidies or cost compensation.

The principles of the new national set of rules regarding state grants were primarily drawn up based on Commission Regulation (EC) No 2204/2002, and on Commission Regulation (EC) No 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty establishing the European Community since 2008. This defines what sheltered employment is and who is considered a disabled worker. The objective and result of the aid exempted by this regulation is to promote employment, particularly employment of employees with disabilities, in accordance with the European Employment Strategy, without altering trading conditions in a way contrary to common interests. Thus social employment and the support of activities of market participants are significant basic principles.

The situation of social institutional employment

Until 30 June 2008 one essential expert opinion determined the employability of people living in social institutions or in daytime care within the framework of social employment, i.e. the expert opinion of the vocational rehabilitation assessment issued by the expert committees summoned by the county methodological centres. It can be seen as positive that this expert opinion was based upon the results of previous examinations, assessments, individual development and employment plans, and rehabilitation programmes of the people in care. The opinion was formulated by the institution and was performed characteristically by indirect examination. Nevertheless, this examination was not based on the previous expert opinions, defining the rate of reduced capacity for work and disability (invalidity), issued by the National Medical Expert Institute or National Rehabilitation and Social Institute, or on the result of the occupational medical examination. The expert opinion included the name and address of the employee, the place, time and method of the examination, the names of the expert examiners, and the opinion on the claimant's capacity for rehabilitation, the assessment of the claimant's condition, and the competencies, skills, and suitability for work and employment of people in care. The opinion made recommendations for the type of employment and included the occasionally formulated dissents. The examination was requested by the head of the establishment. Based on the data of previous representative surveys, the institutions deemed the activity of expert committees summoned by the methodological departments to be of average or good professional quality. The really narrow time frame provided for one person in care, which resulted from the large number of applications and the financial difficulties, was problematic. The latter reason resulted in organising the examinations 1-2 times per year, which was very unfavourable for people in care waiting for employment opportunities.

According to Government Decree no. 92/2008 (IV. 23.), the organisation of vocational rehabilitation assessments was under the authority of the Regional Methodological Institutes from 1 July 2008 until 1 July 2009 (when the regional branch offices of National Rehabilitation and Social Institute took over). While the pre-examination documents compiled by the care and employment institutions and the results of individual developments were previously taken into consideration by the expert opinion in all particulars, now the documentation required by the new system defines the given person's medical, employment

rehabilitation and long-term employment status prominently on the basis of medical and therapeutic documentation. This examination inquires of the therapist whether an expert opinion by the National Institute of Medical Experts has previously been performed. The data to be filled out by the social worker quantitatively inquire about pedagogical or social history and questions on the course of life. There is no chance to communicate qualitative information. Since the points regarding a person's health condition are more informative, these data prevail when choosing the form of work. The data sheet is passed to the therapist. The data sheet is based on the already acquired, available information not on the recommendation of the institution.
The examination by the National Rehabilitation and Social Institute, i.e. the vocational rehabilitation assessment, does not in itself state what form of work shall be chosen for the applicant. The opinion of people elaborating and participating in the individual development plan of the employee shall prominently be taken into consideration. The labour market service providers assess the person intending to become employed in the open labour market according to their laid down methodology, as part of the services they provide. The assessment mainly focuses on the person's medical case history, life cycle assessment, social status, present medical and physiological condition, cognitive skills, assessment and evaluation of self-help, social, communication and working ability skills and motivation. The survey and assessment are performed by a team, which results in an individual strategy, and a forecast regarding the outplacement to the open labour market.

Government Decree no. 112 of 2006 (V. 12.) on the authorisation of social employment and the awarding of social employment grants was amended as follows:
The experiences based on the targeted examination and impact assessment made it possible to conclude that the anomalies of social employment can be traced back to two main reasons. The first is the dysfunctional practice of the occupational medical examination for people integrated into the labour market where pursuant to the Act III of 1993 (thereinafter: Social Act) the aspects of employment, i.e. the therapeutic needs and objective consideration of restoring labour market skills, were neglected. The legal gaps in the authorisation of social employment and monitoring of the operation are the second reason: primarily institutions providing daytime care and people in care could get additional funding through forms of employment specifically not related to social employment, in many cases even without any actual employment.
The authorisation and monitoring of daytime care in case of social employment based on the system of daytime care institutions is not performed by the same authority whose task is to authorise and monitor the employment. The successful functioning of social employment can only be based on the professional programme and set of tools of the basic institutions, and these aspects are currently not assessed by the body authorising employment.
When assessing the adequacy of professional programmes, it should be looked at whether the objectives of development-preparation activities can be realised through the planned activities, and therefore the people in care can fulfil their commitments in the open labour market or sheltered employment. During the authorisation process, employment concepts are excluded that can have a role in development but do not constitute a daily work activity and thus warrant neither a salary allowance nor institutional support. These activities can be used within the basic services of the institutions but achieve their development objective without any institutional support or salary outlay.

The amendment of the legislation:

- restructures the system of social employment to grant-based financing instead of the present normative-based financing next to a 3-year integration period;
- supplements the conditions for authorisation. The body authorising employment shall also consider whether the employment programme complies with the institutional programme. The fulfilment of this condition shall be based on expert opinions on this topic;
- supplements the rules of agreement between the social institution and the external employer by stipulating that the competent authorising body shall also be informed of the conditions laying down the employment authorisation;
- specifies that amendments to the authorisation, due to changes in the conditions of employment, shall be initiated even when the changes occurred in the conditions of the social institution and not in those of the employment;
- makes it possible that the operation of the social and guardianship authorities can also be monitored next to the employer. During the monitoring process, compliance problems disclosed are forwarded to the authorising body, which can also act on its own initiative in order to correct the errors noted;
- strengthens the consequences of any non-compliance disclosed during the monitoring process and the conditions of withdrawal of an operation licence and suspension of operations.

3) RELEVANT DATA, STATISTICS

The headcount of people with reduced working capacity in January of the given year

Year 2007: 206,696;
Year 2008: 194,977;
Year 2009: 183,533;
Year 2010: 171,479;
Year 2011: 158,096
Source: Central Administration of National Pension Insurance

Questions/requests by ECSR in relation to paragraph 1:

Anti-discrimination regulation

- **The ECSR requests information on the steps already taken by Hungary and the planned measures regarding the implementation of the principle of reasonable adjustment. The ECSR repeatedly draws attention to the fact that the employers shall be obliged to take the necessary steps regarding the principle of reasonable adjustment that can effectively ensure that people with disabilities, particularly those who have become disabled due to accidents during their work or by occupational diseases, get employed and stay in an employment relationship or any other work relationship. In addition, the ECSR request information on the legal case studies regarding this topic.**

If the Equal Treatment Authority receives a request where a party who suffered a violation of the law is an employee with disabilities who was discriminated against by not getting employed due to their disability, the Equal Treatment Authority investigates whether the

employer can meet the requirements of reasonable adjustment and the employment does not constitute a significant financial burden for the employer.

The Equal Treatment Authority receives and investigates 1-2 notifications of this kind annually. It should be noted that Act CXXV of 2003 on equal treatment and the promotion of equal opportunities does not include such requirements, but the Equal Treatment Authority proceeds also in these cases.

The Equal Treatment Authority organises training sessions in the framework of the TÁMOP 5.5.5 programme, where the attention of participants is regularly drawn to the fact that the authority can initiate an investigation on the grounds of submissions lodged due to infringement of or failure to meet the requirement of reasonable adjustment.

Legal cases of the Equal Treatment Authority on the topic of reasonable adjustment
(Source: Equal Treatment Authority)

According to the applicant, he was discriminated against in connection with his disability when his employer terminated his services on the grounds of his medical disability after he submitted his claim for compensatory leave due to his blindness. Although the employer had recognised the legal basis of the claim, the applicant was later sent for an occupational medical examination twice during the same week. The representative of the employer accompanied the applicant to the second occupational medical examination and informed the doctor that the personnel and physical support of the employer would be revoked in the future, so the doctor declared the applicant unfit for work.

The Authority initiated proceedings against the employer on the basis of the available documents, and suspended the proceedings in view of the ongoing labour lawsuit. The Authority continued its proceedings after the legally binding court judgment, which declared that the employer had unlawfully terminated the services of the applicant. The Authority found, on the basis of the summary of facts in the judgment, that the extraordinary occupational medical examination was conducted in connection with the protected characteristics and disability of the applicant, who had previously been declared fit for work in spite of his disability (blindness), since it was ordered by the employer after it had turned out that applicant was 'also legally blind' on the grounds of ophthalmological findings attached to the medical certificate proving his eligibility for compensatory leave. The Authority found that the employer did not provide access to equal opportunities to the applicant and denied the provision of the requirement of reasonable adjustment when it informed the doctor that it did not intend to ensure the personnel and physical conditions required for the applicant's work in the future, and when it actually revoked these conditions from the applicant after the occupational medical examination. The party subjected to the proceedings implemented direct discrimination in relation to the applicant's disability by refusing reasonable adjustment i.e. the applicant was not allowed to use the working conditions and computer programmes previously adjusted to his requirements (text reader programme) and could not use the previously assigned personal help either.

Since the party subjected to the proceedings could not exculpate themselves by proving that the discrimination towards that applicant was deemed justified by the character or nature of the work and proportionate by being founded on all material and lawful conditions that may be taken into account in employment - particularly it could not prove that the applicant was not sent to the extraordinary occupational medical examination in connection with his

disability, and that the aim of refusing the further use of personnel and physical help was not to make the applicant's continued work impossible, and that due to ensuring an equal opportunity environment, the continued employment of the applicant would have been a disproportionate burden that could have made the operations of employer impossible – the Authority established, on the basis of the available documents, that the party subjected to the proceedings had implemented direct discrimination in relation to the applicant's disability. Within its sanctioning powers, the Authority prohibited the further continuation of the infringement and also decided to make the resolution public, taking into consideration the declaration of the party subjected to proceedings, the seriousness of its measure, (i.e. the party subjected to proceedings took a measure that made it impossible for the applicant to work) and that in other similar cases the objectives related to prevention and the repressive effect – i.e. improving the situation of people with disabilities – can only be achieved by making the resolution public.

- **The ECSR repeatedly requests information on whether the legislation still stipulates the prohibition of a cessation of an employment relationship or any other work relationship on grounds of disability.**

The Equal Treatment Authority launches an investigation when the applicant possesses a protected characteristic as defined in point (g) of Section 8 of the Act CXXV of 2003 on equal treatment and the promotion of equal opportunities and applies to the authority for proceedings against the employer to be initiated on the basis of point (c) of Section 21. The employer has the opportunity to exculpate themselves, according to point (a) of Section 22.

Measures promoting the employment of people with disabilities

- **The ECSR requests information on the planned or already taken measures regarding the employment situation of people with disabilities**

Until 2010, the 5% employment quota was a requirement for employers of over 20 persons i.e. they had to employ 5% of employees with reduced working capacity. (After 2010 the requirement is applied to employers of over 25 persons). Should this quote not be met, the employer shall pay a rehabilitation contribution. The rehabilitation contribution significantly increased – from 177,600 HUF per person per year to 964,500 HUF per person per year – in 2009. This measure dramatically increased the employment demand for people with reduced working capacity.

- **The ECSR request information on the implementation of Act LXXXIV of 2007 on the rehabilitation allowance**

Background

Approximately 1.5 million jobs ceased to exist in the employment situation after the change of the system. Early retirement was a generally accepted practice in the first half of the 1990s, and in particular many people were placed on disability pensions. This trend continued even into the new millennium. The modernisation of the care system for people with reduced working capacity started in Hungary in 2007, when provisions of early disability pension were reformed and the rehabilitation allowance was introduced.

The reform was needed because, on the one hand, the practice established since the change of the system, i.e. the provision of early disability pension on grounds of health damage, has become unsustainable and placed an undue strain on budget. On the other hand, the system established many decades ago – not compliant with the new social-economic conditions, or with the requirements of the European Union, particularly the objectives of the Lisbon Strategy – addressed the problem only as a passive financial provision and did not pay any attention to preventing invalidity and compensating for the disability caused by health damage. As a result of this, the number of people with disabilities has become irrationally high and the related costs have increased, and legal employment has decreased while illegal employment has increased.

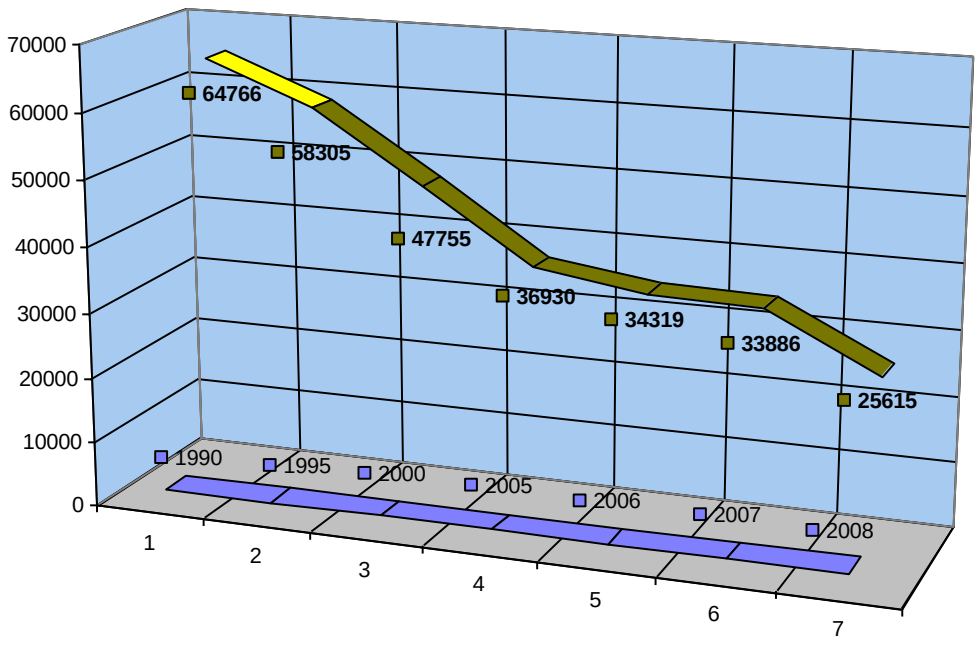
The majority of the Member States of the European Union provide rehabilitation services for citizens who lose their working capacity due to accident or health damage, because employees who have become disabled can be re-integrated into the labour market through these services and become active tax payers instead of living off benefits. This approach and practice are reinforced by the Convention on the Rights of Persons with Disabilities and other documents of the ILO, WHO and EU.

Accordingly, the main objective of modernisation is to establish a system promoting employment, as well as social re-integration based on the principle of "everyone should work who is capable or can be made capable of working". The prerequisite for the successful social activation of employees with reduced working capacity is successful employment, which enables an independent, autonomous lifestyle and, on the other hand, decreases government expenditure and increases government revenues (since the more independent a given person can be made, the less government support is needed and the higher level of salary can be achieved by this person).

The following figures and table show the main indicators of the disability pension system: 379,300 and 337,500 **persons were given early disability pension** in Hungary, respectively, on 1 January 2010 and 2011. For some of them this decision is final, but the majority is obliged to take a medical examination every 1-5 years.
Next to the other provisions, the system of regular social annuity is also included in the care system for people with reduced working capacity, in the framework of which 162,000 persons received annuity in 2010.

The main components of modernisation: The point of the modernisation concept is that applicants for disability pension, who are put into invalidity group III by the assessment committee and meet the eligibility requirements, are provided with rehabilitation services organised by the National Employment Service for a maximum of 3 years, or more recently for 4 years, in order to be able to finally obtain permanent employment in the labour market, without the help of any state aid.

Number of people who became disabled (1990-2008)



23,238 and 24,994 persons, respectively, received disability pensions in 2009 and 2010.

Proportion of people receiving autonomous disability pensions in the given year, %

Year	Pension received due to employment-policy reasons	Old age Pensions	Disability, work accident-related disability pension	Rehabilitation allowance	Autonomous Total pensions
1995	**24.1**	**33.1**	**42.8**	**-**	**100.0**
2000	**3.6**	**41.8**	**54.6**	**-**	**100.0**
2005	**3.1**	**62.4**	**34.5**	**-**	**100.0**
2010	**10.1**	**48.0**	**27.4**	**14.5**	**100.0**

The aim of restructuring the *disability system* from a rehabilitation point of view is not to encourage people to acquire and maintain existing provisions, but to successfully rehabilitate their remaining labour skills and promote their re-integration into the labour market. A new, complex rehabilitation system is established for the above purpose, which brings together health, employment, and social criteria.

The reforms of the disability provision system from a rehabilitation point of view include the following:

- a new system of classification is devised, based on the remaining skills and competencies to be developed,
- an extensive, personal service-support system and new, motivating rehabilitation provisions for the programme period,
- restructuring of the rules for classification and monitoring in a way that prevents current abuses, and
- the establishment of new target groups and more efficient monitoring methods among people currently receiving invalidity pension.

The process started in 2008 and has not finished yet; in 2011 further significant reforms were implemented in the system, which extend beyond the reference period.

A new social security provision was introduced on 1 January 2008, which primarily aimed to restore the labour skills of the given person and promote their employment in the framework of a complex rehabilitation process.

The aim of the new, complex classification system is to ensure that expert opinions – on health damage, disabilities, reduced capacity to work and other reduced abilities resulting from diseases, injuries and disorders – are delivered on the basis of a standardised methodology and set of professional principles. In addition, expert opinions should not concentrate on the lost skills but on the remaining skills which can be developed, the change in professional working ability and chances of rehabilitation.
Eligibility: persons are eligible for the rehabilitation annuity who have a registered residence in Hungary (according to the Act on maintaining records on the personal data and address of citizens), and who

- have suffered health damage of 50-79%, making them unsuitable for rehabilitation, and
- do not pursue a gainful activity, or
- their salaries/wages are at least 30% less than the monthly average of their salaries/ wages in the four calendar months before the health damage (for persons who suffered health damage before their periods of employment, the salaries in the four calendar months prior to the submission of the claim shall be assessed from 1 July 2009), and
- can be rehabilitated,
- have worked the necessary time to qualify for disability pension according to their age, and
- do not receive any other social security, financial health insurance, regular pension-like or unemployment provisions.

In case of provisions established after 1 August 2009, the employment paid and salaries and compensations gained in the Member States of the EEA as well as in Member States with the relevant social policy or social security agreements shall also be assessed when establishing the provision.

Persons are not eligible for the rehabilitation annuity who receive

- old-age pension, early old-age pension, early old-age pension of a reduced amount, early retirement pension, disability pension, old-age allowance, allowance for incapacity for work, widow's allowance, old-age allowance of an increased amount, allowance for incapacity for work of an increased amount, widow's allowance of an increased amount, widow's pension on grounds of age, widow's pension on grounds of invalidity, or
- miners' pension, pension with special dispensation, old-age pension of people pursuing certain artistic activities, service pension, old-age pension for mayors, allowance for civil servants, or
- pregnancy-confinement benefit, child care fee, sick pay, accident sick pay, or
- unemployment provisions, or unemployment provisions in the Member States of the EEA and Member States with the relevant social policy or social security agreements, or
- temporary allowance, regular social annuity, health damage annuity to miners, invalidity annuity, or

- cash benefits for war orphans and national orphans, supplement for national resistance.

The amount of the rehabilitation annuity is equal to 120% of the disability pension in group III, calculated on the basis of the same period of employment and average salary, and its minimum value is equal to 120% of the prevailing minimum pension.

The amount is higher than the disability pension because pension contributions have to be paid from the rehabilitation annuity – in order for it to be calculated into the period of employment – and people given rehabilitation annuity do not receive "13th month" provisions.

Persons pursuing gainful activity and exceeding the salary and compensation limit in the 3-month average will receive a rehabilitation annuity reduced by 50%.

The rehabilitation annuity can be granted for the time period required for rehabilitation, up to a maximum of three years. If the conditions are met, the provision can be prolonged in the interest of successfully implementing rehabilitation, or can be revived after being terminated, but the duration cannot exceed 3 years in these cases either. If the rehabilitation was not successful then the person receiving the allowance can become eligible for a disability pension or unemployment or social provisions on grounds of their health condition.

Cooperation obligation, rehabilitation agreement

The person eligible for the rehabilitation annuity is obliged to cooperate with the national employment service for the purpose of successful rehabilitation; under this, the person:

a) enters into a written rehabilitation agreement with the national employment service, and
b) fulfils the requirements of the rehabilitation plan laid down in the annex of the rehabilitation agreement.

The rehabilitation agreement includes:

a) declarations stipulating that the person receiving the rehabilitation annuity
   aa) undertakes to fulfil the cooperation requirement, and
   ab) accepts job offers and training opportunities with no reimbursement obligation; and
b) the forms of independent job-seeking for the person receiving the rehabilitation annuity;
c) the services, specified in separate legislation, to be provided by the national employment services for the person receiving the rehabilitation annuity; and
d) the frequency of the occasions when the person receiving the rehabilitation annuity should present themselves to the national employment service, and the method of maintaining contact.

When a rehabilitation annuity is granted, the pension insurance administration office draws the attention of the person receiving the allowance to their obligation to fulfil the cooperation requirement, and informs the person of the legal consequences arising from breach of the cooperation obligation. When concluding the rehabilitation agreement, the rehabilitation needs and the labour-market conditions of the given region are taken into consideration.

The rehabilitation annuity is considered a pension for tax purposes, so the rules on taxation of pensions apply when paying taxes. Pension contributions (private pension fund membership

fees) are paid from the allowance so the period during which the rehabilitation annuity is granted qualifies as a period of employment for tax purposes provided the specified pension contributions are paid. The pension insurance administration office is classified as the employer so it is their duty to deduct pension contributions. The employer's contribution to the pension contribution, which is currently 21%, is paid to the Pension Insurance Fund by the central budget.

People receiving the rehabilitation annuity become entitled to health provision in a similar way to pensioners i.e. they are provided with health care services on a solidarity basis, without paying any contributions.

Rules of procedure

When assessing a claim for rehabilitation annuity, the expert body for rehabilitation performs a complex assessment, as specified in separate legislation, and delivers an expert opinion within 60 days of the request of the pension insurance administration office on

a) the extent of the applicant's health damage,
b) their professional working ability,
c) their capacity for rehabilitation, the possible directions of rehabilitation, their rehabilitation needs, and the time period required for rehabilitation.

The pension insurance administration office is bound during its procedure by the expert opinion issued by the expert body for rehabilitation.

The amount of the allowance is reduced by 50% if the monthly average of the compensation and salary – reduced by the personal income tax and contributions – of the person receiving the rehabilitation annuity and pursuing gainful activity exceeds, in 3 consecutive months:

- 90% of the amount of the monthly average compensation serving as the basis for invalidity pension, and after establishing the rehabilitation annuity, exceeds the amount adjusted by the regular pension increases, but
- at least the amount of the prevailing mandatory minimum salary.

After 1 August 2009, the salaries and income earned from employment in the Member States of the EEA and in Member States with the relevant social policy or social security agreements are also included in the assessment. In this regard, the pensioner has the obligation to provide proper notification, and in case of non-compliance the pensioner may be obliged to pay back the whole amount of any pension benefits they are not entitled to.

Review

The national employment service initiates a review by the pension insurance administration office in case of a permanent deterioration in the health condition (or lack of actual health damage) of the person receiving the rehabilitation annuity.

Termination of the payment

The payment of benefit is terminated if

a) the person receiving the rehabilitation annuity dies;
b) the person receiving the rehabilitation annuity asks for it to be terminated;
c) the time period of the payment expires;
d) the person receiving the rehabilitation annuity is out of the country for more than three consecutive calendar months;

e) in case of gainful employment, the monthly average of the compensation and salary earned by the person receiving the rehabilitation annuity exceeds, in 6 consecutive months, 90% of the amount of the monthly average compensation serving as the basis for invalidity pension, and after establishing the allowance, exceeds the amount adjusted by the regular pension increase(s), but at least the amount of the prevailing mandatory minimum salary;
f) there is a permanent deterioration in the health condition of the person receiving the rehabilitation annuity, which makes rehabilitation impossible,
g) the person receiving the rehabilitation annuity fails to fulfil the cooperation requirement, or the obligations laid down in the rehabilitation agreement for reasons attributable to the person, or
h) the person receiving the rehabilitation annuity is repeatedly employed without making the legal declaration required when establishing a legal employment relationship.

The rules of procedure, tasks and structure of the National Institute of Rehabilitation and Social Experts (ORSZI) are laid down in Government Decree no. 213 of 2007 (VIII. 7.) on the National Institute of Rehabilitation and Social Experts and its detailed rules of procedure.

The expert committees of the National Institute of Rehabilitation and Social Experts, established at the headquarters of the National Institute of Medical Experts from 15 August 2007, proceed by conducting a complex assessment, which later forms the basis for developing a customised rehabilitation programme for people with reduced working capacity.

The rehabilitation programme includes – in addition to the financial support – medical rehabilitation, development and training rehabilitation, training employment, sheltered institutional employment and outplacement to the open labour market through salary subsidies.

In the future, invalidity provision can not only be measured as a passive financial provision, but also through the rehabilitation services received by people with reduced working capacity, since the fundamental aim of the change was to give opportunities to people who can be made capable for working in spite of their illness (or disability).

From 2008 the institution, as the expert body for rehabilitation, delivers expert opinions within the framework of a complex assessment on the extent of health damage, the professional working ability, the capacity for rehabilitation, and the possible directions and time period of rehabilitation.

The most important change in the system from the point of view of a medical examiner is that, from autumn 2008, the expert committees assess the health damage of the person as a whole, their remaining labour skills and their potential for useful employment, instead of determining only the reduction in working ability, which was the situation in the past.

Statistical background:

Based on the data of the Central Administration of National Pension Insurance, 2,075 persons (1,012 men, 1,063 women) received rehabilitation annuities on 1 January 2009 at an average amount of HUF 64,447 (69,971 HUF for men, 59,360 HUF for women). On 1 January 2010, 13,858 persons (6,726 men, 7,132 women) received benefit at an average amount of 67,575 HUF (72,641 HUF for men, 62,798 HUF for women). On 1 January 2011 24,594 persons

(11,795 men, 12,799 women) received benefit at an average amount of 72,807 HUF (78,244 HUF for men, 67,796 HUF for women).

- **The ECSR requests information on the system of support for people with reduced working capacity, particularly in relation to the employment chances of people who have become invalid due to workplace accidents or occupational diseases.**

No inventory was made in reference of this question. The employment rate of people with reduced working capacity is 22%.

- **The ECSR requests information on the number of people participating in social employment, including data on employees in sheltered employment and their transition to the open labour market.**

1,332 persons participated in social employment in the year 2007; 2,339 persons in 2008; 750 persons in 2009; 8,223 persons in 2010. Legislation does not make transition obligatory, and there is no record of the rate of this.

- **The ECSR requests information on people participating in sheltered employment in relation to people with disabilities, and on the pace of their transition to the open labour market. In addition, it repeats its previous request on the requirements of participation in sheltered employment and whether the trade unions were involved in setting up these requirements.**

With regard to sheltered employment, the selection was granted by means of tenders and ultimately 21 organisations were selected. Some organisations employed, between 2006 and 2010, an average of 22,000 persons who could not have been employed in the open labour market. This is 90% of the total number of employees. All 22,000 persons are employees with disability or reduced working capacity, among whom an average of 50% have severe disabilities.
Consultations were held with the HVDSZ 2000 Union (Local Industry and Municipal Workers' Union 2000) through the Committee on Dialogue for Rehabilitation.

[With a view to ensuring to persons with disabilities, irrespective of age and the nature and origin of their disabilities, the effective exercise of the right to independence, social integration and participation in the life of the community, the Parties undertake, in particular:]

3. to promote their full social integration and participation in the life of the community in particular through measures, including technical aids, aiming to overcome barriers to communication and mobility and enabling access to transport, housing, cultural activities and leisure.

1) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS

Significant progress has been made in the field of access in respect of both legislation and other measures. Act XXVI of 1998 on the rights and equal opportunities of persons with disabilities (thereinafter: Disability Act) has been amended several times, in which equal access has been given preference over making buildings suitable for the physically handicapped. In addition to the former and existing requirements related to the physically handicapped, the needs of other disability groups are also covered by the rules of law on national landscaping and construction requirements, and this changeover is reflected in several other sector-specific rules of law. Act CXXV of 2009 on Hungarian sign language and the use of Hungarian sign language was adopted in relation to which subtitling and sign language interpretation have been set as criteria for certain TV programmes. The training and utilisation of guide dogs have been regulated since 2009. Through an almost fifty-fold increase in resources, mainly from EU funding, calls for tenders have been issued expressly for the elimination of obstacles, while equal access has been introduced as a horizontal requirement for infrastructure developments within the sectors. Training programmes for specialists are being transformed, including training of different engineering and construction specialists and communication specialists as well as programmes to eliminate obstacles on websites (making them accessible). Following national surveys, there are now several websites giving information on service providers that can be accessed with equal opportunities.

The Disability Act makes it compulsory to "eliminate obstacles" (i.e. provide accessibility) regarding public services coming under the responsibility of the administration and municipalities, through a threefold system of requirements. The Disability Act defines equal opportunity of access separately for services, buildings and information. In case of government-maintained public services, the Disability Act set a uniform deadline of 31 December 2010, while for municipality-maintained services, a compulsory schedule - with deadlines of 31 December in 2008, 2009 and 2010 - was set for educational, health and social services, and for municipality customer services. The deadline is 31 December 2013 for the buildings and services in the private sphere. Furthermore, the Act states that if, owing to their disability, anybody is unlawfully afflicted by some drawback – for example, an institute fails to make its services available with equal opportunities by the set deadline – the person will be entitled to all the rights accorded to them without prejudice to their inherent rights. In practice, this means that a person with disability – or any other person acting on their behalf – may initiate legal action against the institution which has not fulfilled its obligations.

Act LXXXVIII of 1997 on the formation and protection of the built environment sets requirements regarding the elimination of obstacles in public buildings, and defines some basic terms: "the built environment shall be considered accessible if the convenient, safe and independent use of such areas is ensured for all persons, including handicapped persons or groups for whom special facilities, equipment or technical solutions are necessary." Government Decree no. 253/1997 (XII.20) on the national requirements of spatial planning and building gives details on the requirements of the elimination of obstacles regarding the built environment.

Act CLXXXIII of 2005 on railway transport and Act XXXIII of 2004 on passenger transport by bus set the deadline for the elimination of obstacles as 1 January 2013 for railway transport and interurban bus transport, respectively. Supervisory power is exercised by the National Transport Authority, which may handle the complaints regarding passenger rights and impose fines. The domestic application of Regulation 1371/2007/EC on railway passengers' rights and obligations is assured by Government Decree no. 270/2009 (XII.1.) on the detailed conditions of railway passenger transport performed on the basis of regional, suburban and local operation licences and Government Decree no. 271/2009 (XII.1.) on the detailed conditions of railway passenger transport performed on the basis of national licences. The decrees include detailed technical specifications and standards for providing access for the physically handicapped with equal changes, including for example the installation of low platforms, ramps, elevators, wide doors, and seats reserved for persons with disabilities.

Act LX of 2009 on electronic public services sets the conditions necessary for the use of electronic public services; therefore, where made possible by the nature of the issue, people with disabilities can deal with issues to do with public services without any obstacles, and also by phone. The Cross-Ministry Committee on Information Technology pays special attention in public administration to improving opportunities for the physically handicapped and to ensuring equal access to public services. Recommendation No. 19 prescribes that the homepages operated by central public administration organs must be accessible for the blind, persons with visual impairment and for the colour-blind, too. The Web Content Accessibility Guidelines 2.0 (WCAG 2.0) was translated into Hungarian in 2009.

Act C of 2003 on electronic communications provides for the increased consideration of the requirements of users with disabilities. According to the ministerial decree issued on the basis of the Act, radio equipment and telecommunications terminal equipment has to be suitable for use by persons with disabilities. As for subscribers with disabilities, support from the central budget can be given for the use of universal electronic telecommunications services. Based on Decree no. 6/2006. (V.17.) by the IHM (Information Technology and Telecommunications Ministry) on the amateur radio service, a 50% discount off the examination fee is offered to persons with disabilities.

In accordance with Act CI of 2003 on postal services, easy and undisturbed access to postal services by persons with disabilities is to be assured when postal access points are established and operated. Based on Decree 14/2004 (IV.24.) by the IHM (Information Technology and Telecommunications Ministry) on the requirements of the service quality in relation to the protection of consumers and the access to postal services by persons with disabilities, the postal service provider is obliged to ensure accessibility for persons with disabilities at the places where the services are provided, including the possibility of obtaining information. A person with disability is entitled to equal opportunities in terms of information when using

postal services. The postal service provider has to provide opportunities for obtaining information to people with serious communication disabilities. The service provider is obliged to publish, at customer service points and on their homepage, the operating rules and working hours of the customer service, their operating conditions, telephone and internet details, as well as details of how employees assisting persons with disability can be contacted. The social organ representing the consumer or the interests of the consumer or those of persons living with disabilities may lodge complaints to the service provider regarding postal services.

The Social Act stipulates that when social services are used, in order to enforce the rights of persons with disabilities, special attention shall be paid to ensuring an obstacle-free environment and access to information, to developing competencies and skills, and to establishing the conditions for maintaining or improving conditions, as well as to the principle of self-determination, respect for the decisions of persons with disabilities regarding their lifestyles, and the right to social integration. When a new operating licence is issued to an organ providing social services, free accessibility is compulsory.

In Hungary, 2003 saw the start of the establishment of sign language interpretation services. Currently there are 19 county and 3 metropolitan (Budapest) sign language service providers in the country, and one national service provider operates for the deaf and blind. The legal background is provided by the sign language Act, on the basis of which such services can be provided only in accordance with the Act, as of 1 January 2011.

Based on Act I of 1996 on radio and television broadcasting, the public service and national television broadcaster is obliged to make available all public announcements, news and movies through sign language or Hungarian subtitles for at least two hours per calendar day in 2010. Thereafter the daily number of hours is increased by 2 hours a day, culminating in the service becoming compulsory for the entire broadcasting period as of 2015. A programme which begins with subtitling or sign language interpretation is to be provided in the same way for the entire duration of the programme, without interrupting its unity.

Based on Decree 27/2009 (XII.3.) by the SZMM (Ministry of Social and Labour Affairs) on the rules of training, testing and use of guide dogs, such dogs are those that assist a person with disability in exercising their right to equal accessibility and an independent life and that prevent emergencies, fulfil habilitation duties and comply with certain veterinary requirements. To provide equal access to public services, the owner and the coach are entitled to stay with the dog and use the dog in organisations and institutions providing public services, on the territories of service providers and in all other areas and facilities, with the exception of areas not open to the general public.

In accordance with Section 26 of the Disability Act, "In the interest of laying the foundations for the measures required to create equal opportunity for persons living with disability, Parliament shall draw up a National Disability Affairs Programme." This programme (thereinafter: NDAP) includes the long-term, strategic goals and main professional directions and priorities of the sector-specific disability policy for 7 years.

For each new investment implemented from state and EU resources on the basis of the national disability programme, it should be stipulated when the support is awarded that the building or structure to be built, or the new mass transportation vehicle or other equipment, must meet the requirements concerning free accessibility. At the same time the national

disability programme obliges the ministries to make the schedule regarding the implementation of free accessibility for everybody for the years 2008–2010.

According to the decree on transport allowances for persons with a serious physical disability, such persons are entitled to financial support for the purchase of a passenger car, passenger car conversion and transport allowance.
The decree on the parking certificate of persons with limited ability to move provides for parking easements for persons with physical disabilities, persons with sight impairment (or blind persons), persons with mental disability, persons suffering from autism and persons with compound disabilities. This easement exempts the person concerned from the payment of parking fees and from the observation of certain traffic rules.
The transportation of seeing-eye dogs and guide dogs is free of charge on the domestic railway and bus transport networks.

Government Decree no. 85/2007 (IV.25.) on the allowances of public mass transportation provides for an extraordinarily high (90% or free of charge) discount from the fares on public mass transportation for persons with serious disabilities and persons accompanying them. As far as railway and bus transport is concerned, the staffs at the stations and on the vehicle (the driver of the bus in bus transport) are obliged to pay special attention and give every possible help to passengers with disabilities when they get on and off the vehicle to make their journey smooth.

An insured person referred to out-patient special care, in-patient care and medical treatment or rehabilitation is entitled to support for their travel costs. In addition, the insured person is entitled to receive support for their travel costs related to the trials and supply of medical implements. Any person escorting them is entitled to the same level of support, if such an escort is deemed necessary by the physician referring the patient to special care. If the person with disability makes use of a health service, the cost refund covers the use of scheduled interurban and public means of transport. Persons unable to travel by mass transportation as certified by a medical certificate are entitled to a per kilometre amount as the cost refund, as provided for by the relevant legislation. If the person has to be accompanied by another individual, this amount is to be given to the insured person and the accompanying person jointly. In addition, compensation is due to the accompanying person for their travel to and from the place of abode of the insured person.

Government Decree no. 132/2009. (VI. 19.) provides for a refund of the costs of local and interurban journeys related to training, support given for commuting and gaining work experience, support for group passenger transportation related to commuting and gaining work experience, support for travel costs related to making use of the service, and a refund of the costs of local and interurban journeys connected with job seeking. When the person concerned travels to the place of training, the costs of using their own vehicle may also be refunded for persons with a physical disability. The costs of commuting, those of travelling for gaining work experience by local and interurban vehicles, and the costs of commuting by private vehicle may be refunded to a person with a physical or other disability or to the relative of such a person.

The task of basic services laid down in Section 65/C of the Social Act is to give assistance, in their own home and housing environment, through the means of social work, to those who need help in maintaining an independent lifestyle as well as help in solving problems arising from a health condition, mental state or other condition. Special basic services have many

forms that support the independent lifestyle of persons with disabilities, their ability to remain in the family or accommodation in their own housing environment.

In order to facilitate the lifestyle based on self-determination, persons with disabilities can primarily choose the support service from among the provisions offering them personal assistance. In the framework of the social service aimed at the provision of persons with disabilities in their housing environment, personal assistance as a special form of assistance and transporting assistance are provided in order for them to use public services. In addition, the tasks of the assistance service also include providing persons with disabilities with access to information and ensuring the availability of the sign language service.
Daytime care is provided by daytime institutions, by the home assistance available for everybody at a legislative level (fulfilment of basic care, nursing duties, assistance in the prevention and elimination of emergencies) and by the home assistance service under the alarm system (assistance provided to persons with disabilities living in their own home and capable of using the alarm equipment for the elimination of emergencies resulting from maintaining an independent lifestyle).

If 24-hour care is needed for the purpose of supporting an independent lifestyle then the traditional forms of social institutional provisions – caring-nursing homes, rehabilitation institutions – provide solutions in addition to residential homes. External accommodation can be provided on the basis of the Social Act, beyond the rehabilitation institutional provisions.

The residential home specified in the Social Act, and the special basic services, fall under the competency of the community-based social services and their aim is, among others, to replace or prevent institutional care.
The formulation of the strategy on replacing the accommodation of social institutions providing care-nursing for people with disabilities was started in the second half of 2010 and was adopted by the government in July 2011. The novelty of this strategy is that the complex service provided by the residential institutions until now will be shared out to services in support of the independent lifestyle and housing service.
The adoption of the strategy was preceded by extensive social consultation. The draft was passed to the relevant professional, representative and interest organisations by the Ministry of National Resources, and was also published on the homepage of the ministry.

Act XXXIX of 2010 on the amendment of certain social and employment regulations after the entry into force of the new Civil Code came into effect on 31 March 2010. Through this Act, the legislative body decided to follow the professional policy direction of organising community-based services and residential home services. Therefore the number of accommodation places cannot be increased in a way that would mean reinforcing the "old structure" from 1 January 2011. New accommodation places can only be established in residential homes.

2) MEASURES TAKEN TO IMPLEMENT THE LEGAL FRAMEWORK

To achieve the above target, the Public Foundation for Equal Opportunities for Disabled Persons compiled and issued in 2007 the publication titled "Auxiliary document for the implementation of complete accessibility," which was revised and issued again in 2009 under the title "Auxiliary document for providing the conditions for free accessibility to public services with equal opportunities." The above documents are available to everybody on the homepage of the Public Foundation and on the Government website. The application of the

document is compulsory for every tender implemented from EU resources. Furthermore, the criteria in the documents are also suitable for evaluating accessibility. The publication deals with the elimination of obstacles in the built environment, the architectural elements of the info-communication accessibility (setting up guiding lanes, the use of colours, lighting and structured spaces, accessibility of alarm equipment), with making information systems accessible (client direction systems, direction marks, information systems, pictograms, colour coding), with the use of sound amplifiers (induction loop amplifiers, receivers-transmitters) and with making homepages and online services accessible.

In the field of health care, 23 out-patient clinics and 8 hospitals were made accessible for everybody in small regions, while related works are underway in emergency care and oncology developments. In the field of child protection, tenders may be invited for the development of child welfare services, kindergartens and family day-care centres. The accessibility of library services in terms of infrastructure conditions is assured through the "Knowledge Depot Express" programme, including support for the purchase of supplementary devices and software. The Rehabilitation Information Centres operated in labour centres are fully accessible in each county.

According to Section 2 of Act CXL of 1997 on museums, public library provision and public education: "In the course of exercising the rights set forth in this Act, any form of negative discrimination is forbidden." For this purpose, several cultural institutions have been made accessible in the framework of TIOP developments. In the framework of content developments, TÁMOP projects were implemented that introduced 'blind-friendly' user programmes or programmes for persons with visual impairment in the library services, organised comprehension development training sessions and also increased the number of audio books.
The criteria used to evaluate projects included whether applicants targeted the target groups of adults with disabilities or disadvantages (people with a low level of education, unemployed people, permanently inactive people, migrant adults, etc.) in order to support them in using library services.
One of the criteria for evaluating cultural projects is also whether the aspects of equal opportunities are enforced in the application, or whether the proposed solutions ensure fulfilment of the principle of equal opportunities.

3) RELEVANT DATA, STATISTICS

While carrying out a governmental study, the accessibility of 90 public administration homepages was checked. Of the websites examined (for example those of ministries, county cities, the Constitutional Court and that of the Board of Customs), 23% met all the criteria, 40% included sub-pages for persons with sight impairment and 10% offered the possibility of changing the text size.

The national tourism database maintained by Hungarian Tourism Plc. includes the list of hotels and other places of accommodation where rooms accessible to everybody can be found, based on the information provided by the hotels themselves. Experience shows that these data are not always reliable.

An "Accessibility Cadastre" is available on the situation of accessibility to the institutions of the National Employment Service, which is updated every six months.

ARTICLE 20. THE RIGHT TO EQUAL OPPORTUNITIES AND EQUAL TREATMENT IN MATTERS OF EMPLOYMENT AND OCCUPATION WITHOUT DISCRIMINATION ON THE GROUNDS OF SEX

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 recognise that right and to take appropriate measures to ensure or promote its application in the following fields:

a. access to employment, protection against dismissal and occupational reintegration;

b. vocational guidance, training, retraining and rehabilitation;

c. terms of employment and working conditions, including remuneration;

d. career development, including promotion.

1) PRESENTATION OF THE GENERAL LEGAL FRAMEWORK, THE NATURE OF, REASONS FOR AND EXTENT OF THE REFORMS

With regard to equal employment and payment conditions for women and men, from the four-year period this Report deals with (1 January 2007 – a 31 December 2010), there are three laws we shall focus on: the Constitution that was in force that time (Act XX of 1949), the Labour Code, and Act CXXV of 2003 on equal treatment and the promotion of equal opportunities.

As regards the principle of "equal pay for equal work", there were no major legislative changes in the said period. There were only minor legislative changes, such as from May 2010, making it compulsory for local authorities to prepare a local equal opportunities plan (adding that those that fail to meet this requirement cannot benefit from the central budget, European Union funds or financial resources from other international institutions). These measures will hopefully encourage employers to comply with the rules of equal opportunities in the course of employing both women and men.

As regards the principle of equal pay for equal work, the Hungarian Labour Code was not amended during the reporting period.

The following judicial decisions on principles (Equal Treatment Authority – EBH) and major judicial decisions (BH) were delivered during the period under review:

EBH 2010. 2175: It does not constitute a violation of the principle of equal treatment that civil servants participating in the premium years programme shall be paid only those emoluments (jubilee bonus, 30% of food allowance) set out in this Act [Section 4 of Act CXXII of 2004 ; Section 22 (1) of Act CXXV of 2003].

EBH 2010. 2155: During the examination of the principle of equal pay for equal work, it becomes necessary to determine those being in equal position. In this respect, it is a crucial

circumstance if an employer is a nationwide business organisation, which employs several employees in the same position at several different locations, to whom uniform regulations are applied as regards position-specific working conditions and such salary classification as well. Therefore, the legal issue before the court cannot be determined by the simple comparison of the salaries of three employees in the same position, but instead, the personal base salary of all other employees in the same position shall be taken into account (Section 5 and Section 142/A of Act XXII of 1992; Section 8 of Act CXXV of 2003).

EBH 2009. 1980: Remunerations in kind differing in amount and use given to employees, with regard to the different locations the work is to be carried out at, does not constitute the breach of the principle of equal treatment [Section 5 of Act XXII of 1991; Section 8 t) and Section 22 (1) a) of Act CXXV of 2003].

BH2010. 227: The burden of proof rests on the organisation subject to the procedure (respondent) to prove compliance with the principle of equal treatment. Evidence of the likelihood of injury is necessary for launching a procedure (Section 13 of Act CXXI of 2003).

BH2010. 224: The exclusion of civil servants employed in the framework of the premium years programme from entitlement to receive support from voluntary pension funds does not constitute a breach of the principle of equal treatment [Section 49/H (1) i) of Act XXIII of 1992; Sections 4 and 6 of Act CXXII of 2004; Section 8 r) of Act CXXV of 2003].

The following study processes statistical data on income inequality between men and women:
"Income inequality between men and women and gender segregation in today's Hungary"
The first thematic study of the research entitled "Equal opportunities in the field of work" in both Hungarian and English (short version), April 2011
http://www.egyenlobanasmod.hu/tamop/data/TAMOP_EBH_rovid.pdf - *see Appendix 1 for the abridged version of the study in English.*

2) MEASURES TAKEN TO IMPLEMENT LEGAL FRAMEWORK

The most important development concerning equal pay is the document titled "National Strategy to Promote the Social Equality of Women and Men – Directions and Goals 2010-2021" adopted by Government Decree no. 1004/2010 (I. 21.). This document, among other things, presents the current situation of the principle of equal pay for women and men in Hungary, and also demonstrates the measures taken by the government in order to mitigate the disadvantageous position of women compared to men concerning their employment conditions.
The fourth chapter of the Strategy focuses specifically on the employment situation of women and men: it presents how the ratio of the employment of women and men differed (the difference decreased slightly between 1990 and 2008) and how this ratio changed compared to the EU average (since the change of the system, the employment of women has decreased slightly more than the employment of men). The difference of pay between women and men (gender pay gap) is also discussed in the document: whereas before 2000 it had been around 20% (therefore above the EU average of 17%), by 2007 it had decreased to 16.3%, which is below the average of the member states of the EU. According to the document, the main reason for the difference of pay is not the breach of the principle of "equal pay for equal work", but the fact that women and men usually work in different positions and different fields, where payment conditions also differ. Nevertheless, the number of women among private entrepreneurs is significantly below that of men, and they are also under-represented

when it comes to higher, decision-making positions, including political ones. One more problem arises from the above, namely that women can expect a lower level of pension and social benefits as well, because these are calculated based on the level of their previous salary.

The fifth chapter of the Strategy deals with the further reduction in differences of pay, and determines the objectives and measures to be taken in order to improve women's employment and promotion opportunities. These proposed measures include:

- more efficient enforcement of the principle of "equal pay for equal work";
- the development and propagation of standard calculation methods that facilitate the comparative analysis of incomes earned in different fields of employment and different positions;
- providing incentives for women to choose professions and jobs that are currently dominated by men (and vice versa) in a greater proportion than now;
- a more balanced participation of women and men in different fields of education;
- the elimination of damaging gender stereotypes from lower levels of education;
- more efficient preparation of women to fill managerial positions; and
- the facilitation of synchronising work and family life, including, in the latter, particular incentives for women and men to take equal roles in household duties and in taking care of children; this entails the expansion of the capacity of nurseries and crèches with regard to the number of places for children and the number of staff taking care of the children.

In addition to this, it is also necessary to mention that the Advisory Board of the Equal Treatment Authority issued a resolution in January 2008 in connection with the principle of "equal pay for equal work", which was of great help to the judicial practice in cases brought in relation to a breach of this principle.

3) RELEVANT DATA, STATISTICS

1. Annual changes in the employment rate of women and men of 15 to 64 years of age

	2007	**2008**	**2009**	**2010**
Women	50.9%	50.6%	49.9%	50.6%
Men	64.0%	63.0%	61.1%	60.4%
Total	**57.3%**	**56.7%**	**55.4%**	**55.4%**
Employment gap	*-13.1%*	*-12.4%*	*-11.2%*	*-9.8%*

Source: KSH (Central Statistical Office)

2. Annual changes in the unemployment rate of women and men of 15 to 64 years of age

	2007	**2008**	**2009**	**2010**
Women	7.7%	8.1%	9.8%	10.8%
Men	7.2%	7.7%	10.3%	11.6%
Total	**7.4%**	**7.9%**	**10.1%**	**11.2%**
Unemployment gap	*0.5%*	*0.4%*	*-0.5%*	*-0.8%*

Source: KSH (Central Statistical Office)

3. Differences of pay between women and men expressed as a percentage

2007	**2008**	**2009**	**2010**
16.3%	17.5%	17.1%	17.6%

Source: Eurostat.

From the above data we can see that the employment of both women and men decreased between 2006 and 2010, primarily due to the economic crisis; however, this setback was less severe in the case of women; therefore, the employment gap also decreased, from 13.1% in 2007 to below 10% in 2010. The situation is very similar in the case of unemployment: whereas before 2008 the unemployment rate of women was a half percentage point higher than that of men, as result of the crisis, the situation reversed, and by 2010 the unemployment rate among men became nearly 1 percentage point higher than among women.

Despite the fact that apparently more men lost their jobs during the crisis than women, which in principle would result in the increase of labour demand among them, thus necessarily leading to decreased levels of expected salary, their payment advantage compared to women has not decreased, but increased steadily in the past couple of years, therefore the gender pay gap became larger by 2010 than it had been in 2007, according to data provided by Eurostat. (This is valid only in the private sector. In the public sector, salary differences decreased significantly in the previous period, except in the field of education.)

Questions and requests of the ECSR in connection with Article 20:

Equal Rights

- **The ESCR asks for more information with regard to the following: if a person believes they have been a victim of discrimination and the facts suggest that there was discrimination, then the respondent has to prove that the principle of equal treatment was not breached. Reversal of the burden of proof.**

Act on equal treatment and the promotion of equal opportunities:

Burden of proof

Section 19. (1) In procedures initiated because of a breach of the principle of equal treatment, the injured party, or the party entitled to enforce public interest claims, must prove that

a) the injured person or group has suffered a disadvantage, or - in case of enforcing public interest claims - the danger thereof is imminent, and

b) at the time of the infringement, the injured party or group possessed one of the characteristics defined in Section 8, de facto or by the assumption of the respondent.

(2) If the case described in Paragraph (1) has been proven probable, the other party shall prove that

a) the circumstances proven probable by the injured party or the party entitled to enforce public interest claims did not exist, or

b) they have observed or, in respect of the relevant relationship, were not obliged to observe the principle of equal treatment.

(3) The provisions set out in Paragraphs (1)-(2) shall not apply to criminal or misdemeanour procedures.

The Authority takes into account Section 19 of the Act on equal treatment and the promotion of equal opportunities in the course of its procedure. This does not mean, however, that the respondent could not refer to any one of the below provisions in relation to supplying evidence:

Section 7. Unless otherwise provided in this Act, no such behaviour, measure, condition, omission, instruction or practice (hereafter collectively: provision) shall breach the principle of equal treatment, which

a) restrains the fundamental right of the party who suffered a disadvantage, if such restriction is necessary to ensure the exercise of another fundamental right and is unavoidable, provided that the restriction is a suitable instrument to achieve this objective and is proportionate therewith,

b) in cases not covered by point a), are found by objective consideration to have a reasonable explanation directly related to the relevant relationship,

Section 22 (1) of the Act on equal treatment and the promotion of equal opportunities,

Section 23 An act, a government decree based on an act or a collective contract may order an obligation for positive discrimination for a specified group of employees in respect of the employment relationship or other relationship aimed at employment,

Section 25 (2) of the Act on equal treatment and the promotion of equal opportunities, or

Section 26 (3) of the Act on equal treatment and the promotion of equal opportunities.

According to Section 19 of the Act on equal treatment and the promotion of equal opportunities, the burden of proof rests on the party which is subject to the procedure at hand (respondent) in respect of providing proof that the circumstances proven to be probable by the injured party or the party entitled to enforce public interest claims did not exist, or that they observed the principle of equal treatment, or that, in respect of the relevant relationship, they were not obliged to observe the principle of equal treatment.

According to Section 14 of the Act on equal treatment and the promotion of equal opportunities, the Equal Treatment Authority is obliged to conduct an investigation to gather evidence ex officio, during which it shall hear the parties if necessary. Both the plaintiff and the party against whom the complaint is filed have the right to present their case and the evidence in support thereof. According to Section 19 of the Act on equal treatment and the promotion of equal opportunities, the burden of proof rests on both parties, although the gravity of their burden differs. The injured party or the party entitled to enforce public interest claims shall prove the probability that the injured person or group suffered a disadvantage, or the danger thereof was imminent, and at the time of the infringement, the injured party or group possessed one of the characteristics defined in Section 8, de facto or by the assumption of the respondent. If the injured party or the party entitled to enforce public interest claims can support their case by the above, the person against whom the complaint is filed has to prove that the circumstances do not correspond to reality and that, unlike what the other party stated, they observed the necessary regulations.

The injured party has the right to appeal against the decision of the Equal Treatment Authority before a court of law. The court (the Metropolitan Court of Budapest has exclusive jurisdiction over these matters) can either dismiss the case or order the Authority to conduct a new procedure, or annuls the decision of the Authority.

- **The ECSR asks for more information with regard to the following: what remedies do the laws offer to victims of discrimination in cases when punitive action (retribution) is taken against a person/employee who made a complaint because of a breach of the principle of equal treatment, or who requested the initiation of a procedure (Section 10 (3) of the Act on equal treatment and the promotion of equal opportunities).**

Section 10 (3) Retribution is conduct that causes infringement, is aimed at infringement, or threatens with infringement, against the person making a complaint or initiating procedures because of a breach of the principle of equal treatment, or against a person assisting in such a procedure, in relation to these acts.

Legal cases from the Equal Treatment Authority's practice concerning the issue of retribution:
(Source: Equal Treatment Authority, www.egyenlobanasmod.hu)

Legal case 1:
The applicant's employer, a transportation company, deprived the applicant and those participating in the lawsuit filed against it, of their tasks assigned to them previously, because of the lawsuit brought against the company; therefore, the applicant's performance-based monthly salary and benefits decreased significantly. In addition, the applicant's roster-based employment was terminated as well; therefore, they were not entitled to bonuses and annual premiums paid at the end of the year. The employer drew the applicants' and the others' attention to the fact that they would only receive bonuses and stimulus packages, if they did not sue the company for the pay that was due to them but was not paid, although they performed their work.
Moreover, the applicant was transferred to the neighbouring town, thus forcing him to commute 70 kilometres daily. His salary was decreased for unexplained reasons. When he expressed his complaints, he was reassigned to reserve service.

The respondent in the procedure by the Authority referred to the fact that the applicant had no lawsuit filed for a labour dispute against his employer; therefore, the applicant's request was ill-founded and unsubstantiated. The petition filed in the Labour Court previously, which the applicant also joined, was rejected by the court in April 2009 without issuing summons. During the hearing held by the Authority, the respondent said that the illness of the applicant's roster partner also contributed to the reason for the applicant's disputed roster-transfer. The reason why the applicant was not awarded a bonus was unjustified absence. The respondent stated in general that the quantity and quality of the work performed changed proportionately, so based on the mathematical average, half of the roster routes pay 'better', while the rest pay 'worse', but the work needed and the performance also change accordingly. The respondent emphasised that necessary roster changes do not constitute a "deprivation of tasks", as everybody is obliged to follow the roster and obliged to be on reserve service as well if necessary.
The Authority held several hearings in order to clarify the facts and heard witnesses and protected witnesses from both sides. The latter confirmed that in September 2009 the respondent "'talked' to employees, including the applicant, who, to the respondent's knowledge, were suing the company. They said that sanctions were imposed by the respondent against the employees who did not withdraw their lawsuit. One of the protected witnesses said that the applicant was separated from his roster partner and was assigned to another roster before he suffered his injury.

The Authority was of the opinion that the employer's conduct was equivalent to the statutory definition of retribution, for it infringed the applicant's rights (reduced his salary and committed retribution) by assigning him to another roster as punishment for the applicant's participation in the lawsuit before the Labour Court and for the reaction he gave during the meeting with his superiors in September 2009, and was not willing to change his mind as regards the lawsuit. The Authority highlighted the fact that the statutory definition of retribution places emphasis on the prohibited conduct directed against a person who complained in relation to an infringement of the principle of equal treatment, although it is not necessary for the applicant to be a party to a lawsuit at the time of filing the request, or that the basic discrimination case be well-founded, and therefore successful.
The Authority rejected the request with regard to the claim to bonus and the reserve service.
The Metropolitan Court of Budapest affirmed the decision of the Authority.

Legal case 2:
The applicant worked as a nursery teacher in an institution maintained by the local authority. The head of the institution tried to convince her several times to join a church. The applicant believed that her boss turned against her because she did not follow his advice, and did everything to discredit her both professionally and humanly because of her religious beliefs. The applicant filed a complaint to the local authority for this discrimination. The local authority conducted a dedicated investigation in the institution. Following the filing of the complaint, the head of the institution directed her colleagues and nursery teachers with whom the applicant never worked together to write characterisation letters about her, which the head of the institution used against her during the said investigation. According to the applicant, a few months later the institution sent the characterisation letters to the doctor conducting the occupational health assessment as well, based on which the doctor found her to be unsuitable to fill the position. The doctor conducting the assessment on the second instance ordered a psychiatric assessment that proved the applicant to be healthy and suitable to fill the position. The applicant found the procedure conducted by the institution to be humiliating and disparaging, and complained that the opinions written by her colleagues were used against her in the investigation carried out by the local authority, and in the health assessment.
The head of the institution denied that he had ordered the characterisation letters, although, admitted that he himself wrote a characterisation letter, as the doctor had asked him to do so. The Authority heard several witnesses, who supported the claim in part by proving that the head of the institution had asked the nursery teachers to write characterisation letters on the applicant and it turned out that they were not aware of the fact that those would be used. It is still unclear how the applicant acquired the characterisation letters, but considering that the local authority's stamp was on them, it can be established that they were used during the examination, which did not reveal any irregularity with regard to the atmosphere of the workplace the complaint was about.
The doctor conducting the health assessment of the first instance admitted that he had asked the head of the institution to write his prior verbal complaints down because there was a chance that there was a conflict of interest with the applicant. The institution characterised the applicant as being an immoral, having personality disorders, dressing provocatively and inappropriately compared to her age, whose thinking was mixed with mystical and magical elements. The head of the institution mentioned in the characterisation letter the 'accusatory behaviour' and 'outrageous allegations'.
The Authority found that both the characterisations made in relation to the investigation of the local authority and the characterisations used during the occupational health assessment violated the applicant's human dignity.
According to the Authority, the applicant's human dignity was seriously violated as a result of the fact that the institution obliged nearly thirty people to write down their personal opinion about the applicant and share their opinion with their superiors, which the institution used in the procedure initiated based on the applicant's complaint. Those people who wrote the characterisation letters were not informed that their notes, including the expression of their opinion, would be used during the investigation by the local authority.
The letter written by the head of the institution placed the applicant in a very humiliating position, in its characterisation, the employer described his worries about her to a degree of detail that was unreasonably personal, even if the employer was truly convinced about the employee's unsuitability. The head of the institution forwarded those characterisation letters written by colleagues mentioning details of the applicant's private life and intimate circumstances, which are not relevant factors in determining her suitability for the position.

It could be stated that ordering and using the characterisation letters was related to the complaint about discrimination; therefore, the institution's conduct met the definition of retribution. The Authority ordered its resolution to be published for 90 days and prohibited the employer from future infringements.

Legal case 3:
The applicant, who testified before the Authority as a witness in another procedure, filed a request with the Authority, in which he asked the Authority to determine that his employer had applied retribution against him by the practice of having 'long talks' with him after testifying as a witness and about the prior case in which he had testified as a witness, and pressurised him in different ways. The result of this was that the applicant was forced to terminate his employment with immediate effect.
Following the service of the notice of the procedure, the respondent's legal representative informed the Authority's administrator that the applicant and his former employer had started negotiations that would also affect the Authority's procedure. A few days later the applicant and his former employer submitted to the Authority their agreement and asked the Authority to close the retribution case.
The Authority approved the parties' agreement.

Legal case 4:
A married couple of two teachers turned to the Authority and filed a complaint against their employer, a primary school, because they believed that their employer committed retribution against them by depriving them of their bonuses and excluding them from the teachers' school trip due to the fact that they had won a lawsuit [with a final decision] against their employer, who had terminated their employment unlawfully, breaching the principle of equal treatment. The applicants believed that it was also retribution when the employer did not execute several parts of the final judgment: did not pay their overdue stipend and did not reinstate them in their original positions. The Authority could not investigate the alleged violation of equal treatment with regard to the execution of the final judgment, as that is subject to judicial recourse. Regarding the denial of bonuses and participation in the teachers' school trip, the employer in its defence said that bonuses were given only to active employees, who were de facto working; therefore, employees who were on sick-leave or on maternity leave at that time did not receive the bonuses either. The applicants were not allowed to participate in the teachers' school trip because that was part of the bonus and so only those could participate who received a bonus as well.
In contrast, the applicants argued that it was through no fault of their own that they could not be active employees, because for the three years their lawsuit laid before the Labour Court, they had to spend their forced vacation during the time that was considered for the bonus. They also debated the bonus nature of the trip referring to the fact that family members of employees could also participate.
During the investigation the Authority examined which employees were excluded from the bonus beyond the applicants and why, and heard witnesses in order to explore whether the trip was of a bonus nature at the time under review or in previous years.
The Authority rejected the claim with regard to the failure to execute the final judgment and to the exclusion of the bonuses; however, the Authority condemned the School for excluding the applicants from the teachers' school trip. The Authority accepted the School's defence in connection with the bonuses, in which the School stated that by giving bonuses it could reward the performance only of those actually working. Considering that the employer consistently rewarded only those actively working, it was not discriminatory that the applicants did not receive a bonus.

However, the School did not manage to prove that the teachers' school trip was of a bonus nature, and therefore had excluded the applicants without reasonable cause. As family members who were not employed by the School could also join the trip, and it was revealed that the trip was not part of the bonus in previous years either, it was open to everybody. Witness statements support the assertion that the applicants were personae non gratae for the trip, which can be traced back to the fact that they had been pursuing a lawsuit against the School for years.
The Authority applied the sanctions listed in Section 16 (1) b) and c) of the Act on equal treatment and the promotion of equal opportunities. The Authority obliged the School to consider the applicants as the same active employees as other employees of the School in the future. The Authority obliged the School to abolish the practice of putting the applicants in a disadvantageous position, because they had sued the School previously, which they also won.
The Authority ordered its resolution on the infringement to be published. In the case under review the Authority found the publication to be an especially effective sanction, which facilitates the deterrent nature of its resolution.

Legal case 5:
The applicant, in his petition submitted to the Authority on 26 June 2008 via electronic mail, stated that his employer, a social institution maintained by the local authority, breached the principle of equal treatment by the following: he was the target of his employer's and his colleagues' criticism on the message board of a community portal, he was intentionally left out of those entitled to a bonus, moreover, his employer does not give him night shift and transferred him to another wing of the building. His protected characteristic is his health, as designated by the applicant. During the procedure the applicant invoked that his employer retaliated against him for turning to the Authority by initiating a disciplinary procedure against him.
The employer's defence was that it had reorganised the applicant's work in January 2008 because, as rumour had it in the institution, the applicant had become overly close to one of the persons the institution provided care for. The employer said it did not give the applicant a bonus because it was not satisfied with his work and because he was on sick-leave and not working for months.
During the investigation the Authority revealed that the head of the institution had issued a director's warning for misconducts of a greater or lesser degree. Based on the statements on the distribution of bonuses, the Authority found that even those employees received a bonus, who were previously given a director's warning, and even those who were absent from work for up to several months as result of their medical condition. Having conducted the investigation, the Authority concluded that the complaints about the applicant's work performance, taking into consideration the nature of the misconducts for which the director issued a warning or a reprimand as a disciplinary action, did not constitute such a substantial circumstance that would have justified the complete denial of a bonus. The denial of a bonus cannot be regarded as proportionate either, because bonuses were also given to employees issued with a director's warning for even more severe misconducts than that of the applicant.
The employer referred to the fact especially that it denied the applicant a bonus because, in its opinion, the applicant's sick-leave was not justified. Despite the fact that there were other employees who received a bonus while they were absent from work for even a longer time period, it can be stated that the applicant was denied the bonus because his circumstances forced him to be on sick-leave. Although the Director admitted that she had doubts about the justification of the applicant's sick-leave, she failed to take the necessary steps to review the situation.

The employer justified the disciplinary procedure against the applicant by saying that it became aware of such facts in connection with the case in January 2008 that substantiated reasonable suspicion that the applicant was indeed demonstrating unethical conduct toward a former patient of the institution. Based on the documents of the disciplinary procedure the Authority found that the employer did not become aware of any new data that it could not have been aware of before, or could not have suspected. The employer discontinued the disciplinary procedure on the grounds that there was no legal basis on which it to base it. The Authority found that the employer was in breach of the law because the disciplinary procedure, lasting nearly two months, and the number of witnesses it heard could have been enough to violate the applicant's human dignity.
The Equal Treatment Authority applied the sanction set forth in Section 16 (1) b of the Act on equal treatment and the promotion of equal opportunities, and prohibited the continuation of the conduct constituting a violation of law.

- **The ECSR asks for detailed information with regard to the following: how is the right of equal pay for equal work guaranteed for women and men; which national law requires the right to be guaranteed? The ESCR draws the attention to the fact that this principle must be clearly expressed in national laws. The definition of pay must include every new aspect of that and the law must be drafted so that the pay for work can be compared in the case of each employee.**

According to Section 70/B. of the Constitution in force during the period this report covers "everyone has the right to equal compensation for equal work, without any discrimination whatsoever." The Labour Code in force at that time also laid down rules on this principle in Section 142/A., and defined the concept of "equal work". Accordingly, "the principle of equal treatment shall be based on the nature of the work, its quality and quantity, working conditions, vocational training, physical and intellectual efforts, experience and responsibilities". Section 21 states that it is considered a particular violation of the principle of equal treatment if the discrimination is based on a protected attribute or characteristic of the applicant, as listed under Section 8 of the Act on equal treatment and the promotion of equal opportunities.

The Equal Treatment Authority establishes that the principle of equal pay for equal work may oblige the employer, as a sanction, to introduce a clear and transparent payment system. The Equal Treatment Authority initiates a procedure if the applicant has a protected or characteristic included in Section 8 a) of the Act on equal treatment and the promotion of equal opportunities, or any other protected attribute or characteristic included in Section 8 of the Act on equal treatment and the promotion of equal opportunities, and refers to the violation of Section 21 f) of the Act on equal treatment and the promotion of equal opportunities. The Equal Treatment Authority examines in particular the provisions set out in Section 142/A of the Labour Code. If it is necessary, the Equal Treatment Authority appoints an expert specialised in matters such as the criteria used for work evaluation.

Section 142/A of the Labour Code (1) In respect of the remuneration of employees for the same work or for work to which equal value is attributed, no discrimination shall be allowed on any grounds (principle of equal pay).

(2) The principle of equal treatment shall be based on the nature of the work, its quality and quantity, working conditions, vocational training, physical and intellectual efforts, experience and responsibilities.

(3) For the purposes of Subsection (1) 'salary' shall mean any remuneration provided to the employee directly or indirectly in cash or kind (social remuneration) based on his/her employment.

(4) The salaries of employees - whether based on the nature or category of the work or on performance - shall be determined without any discrimination among the employees (Section 5).

Legal cases from the Equal Treatment Authority's practice concerning the issue of equal pay for equal work:
(Source: Equal Treatment Authority, www.egyenlobanasmod.hu)

Legal case 1:
The applicant submitted a petition against her former employer and its successor, because she believed that they were in breach of the principle of equal pay for equal work in relation to her being a woman.
The applicant, a recent graduate, was hired as a legal advisor by a construction company.
After that, the company hired another recent graduate as a legal advisor, a man, who, in the applicant's opinion performed the same tasks as she did. Upon a change as a result of legal succession in the person of the employer, during the renegotiations of salaries, the applicant became aware of the fact that her colleague was paid 70% more than her.
After that, she made a complaint to her employer, who promised her to gradually increase her salary and diminish the salary difference contingent upon the applicant's performance. This, however, never happened during her employment.
The predecessor employer's defence was that it paid more to the male legal advisor because his professional experience, his language skills and the quality of his work was above those of the applicant, therefore resulting in the salary difference. The successor employer's defence was that the reason for the salary difference was that the employer was not satisfied with the applicant's work performance and it offered the gradual salary improvement in what it called a motivation package to encourage the applicant to better work performance.
During the procedure the Authority found that, according to the salary classification system of the predecessor employer, the applicant was classified as an employee with only secondary education, while her colleague was classified in accordance with his degree and belonged to those with a degree obtained in higher education.
The Authority found that the male colleague was basically executing the same tasks as the applicant and the job offered was suitable for both of them. According to the Authority, even if there were differences regarding their language skills and professional experiences, the actual salary difference was on the one hand disproportionate, and on the other hand the employer did not apply an objective standard when evaluating the benefits. By not classifying the applicant in accordance with her highest level of education, while the male colleague was rewarded with higher salary levels for the benefits of his professional experience, the employer breached the principle of equal treatment. The Authority condemned both the predecessor and the successor employer in its resolution. The Authority imposed a penalty on the predecessor employer amounting to 3,000,000.00 HUF, and 1,000,000.00 HUF on the successor employer. The Authority ordered its resolution to be published and prohibited the employers from any future conduct of infringement.

Legal case 2:
The applicant filed a request at the Authority, in which she asked the Authority to determine that her employer was in breach of the principle of equal treatment by setting a lower salary for her than that of her colleagues in the same position from a certain period of time of her employment. The employer did not change this practice even when the applicant was appointed team leader of her team of three people. The applicant found this difference to be unlawful, as most of the work performed was of the same character, they were responsible for different phases of the same process and their positions overlapped for the most part. In addition to this, the newly appointed executive could not have had an insight - then - into the work the employees performed. The applicant concluded that the only reason her salary was

set forth this way was her gender, and her female colleague's similar position attests to this fact. The applicant found it to be unlawful that she was forced to terminate her employment after the initiation of this procedure.
The respondent said that in its opinion there was difference between the work performance of the applicant and her male colleagues from qualitative and quantitative aspects as well. The respondent believed that the applicant's reference to the employment documentation was wrong, because it did not correspond to the actual reality, which can be proven retrospectively in accordance with the system of free proof. It also highlighted that the applicant and her colleagues were working in different phases of the same workflow, and to judge which one is more important is within the employer's discretion. The male colleague in question also has extensive reporting duties, which he performs in a foreign language, and has obtained specialised qualifications as well. When being appointed team leader, the applicant was informed that her salary would be improved as soon as the employer had the means. Although, because of the financial situation of the company, a salary settlement was not an option, the employer approved a 5,000.00 HUF raise for the applicant.
Based on the investigation conducted it can be concluded that the applicant's complaint was substantiated for the reasons below:
The principle of equal pay for equal work is a principle of both national law and the law of the European Union. In this procedure the applicant proved that the employer's measures were detrimental to women, which can be proven by statistics. After that the employer shall prove that the position classification system is formal, is based on objective assessment and factors and is non-discriminatory. Although, it is in the competence of the employer to determine what significance it attributes to specific positions and workflows, these decisions shall be based on objective and transparent grounds. The employer's reasoning was not realistic, according to which the value of a position is not determined by the title given to that position (leader), but by the value of the work the person performs while filling that position. The employer's other justification was also unrealistic, according to which the male colleague working at customer services had broader powers in practice than the classification of his position and was even entitled to give orders to his non-subordinates. These statements contradicted even the employer's own organogram and its employment documentation. It shall be highlighted that the special norms regulating the issue of discrimination shall be construed in light of the decisions of the Court of Justice of the European Union (former European Court of Justice), which include the principles of objectivity and transparency as well. The employer's standpoint cannot be accepted and is not in accordance with EU practice, according to which the 30-40,000.00 HUF salary difference per month can be regarded as negligible. It did not stand up to scrutiny either that the finances did not allow a salary settlement, because it was never a problem in the case of the applicant's male colleague. The confidentiality of the data on payment and the sanctions for the disclosure of such data breach the enforceability of the principle of equal pay for equal work in general, and thus breach the principle of equal treatment as well. Finally, it constitutes retribution if the employer detrimentally modifies - for example by offering a part-time job - the employment contract of an employee who has complained about compliance with the principle of equal treatment.
Based on the investigation conducted it can be concluded that respondent discriminated based on the nature, quality, quantity of the work, working conditions, necessary qualification, physical or intellectual effort and was not based on experience. Contrarily, the employer's motivation was the stereotype (the employee would do the work for lower pay as well), at which both the international and national legislation are aimed. In addition to this, it can be unequivocally established that respondent did not provide a level playing field (equal opportunities) regarding actual professional advancement for the applicant. The applicant

was working for the same pay even in her leading position, while her male colleague, who himself said that he could never see the applicant as a leader, had broader powers and higher pay even in a subordinate position. Taking into account all the circumstances, the objective non-discriminative background that is based on formal grounds and which is required by the laws of the EU cannot be seen (transparency) beyond these extra opportunities.
The Equal Treatment Authority found that respondent was in breach of the principle of equal treatment by the following: the applicant was given unfavourable treatment because of her gender compared to the male employee working in the same position and performing work of equal value; the employer set the amount of the applicant's salary at a lower level than that of the male employee. The Authority also found that the respondent's conduct was equivalent to retribution, for it offered a part-time job to the applicant during the administrative procedure, which also resulted in the termination of employment. The Authority prohibited the future conduct of infringement from the day of receipt of the resolution and ordered its final and enforceable resolution to be published for 90 days. The Authority imposed a penalty on the respondent amounting to 2,000,000.00 HUF.

Legal case 3:
According to the applicant, her employer employed her for lower pay than her male colleagues working in the same position, thus breaching the principle of equal treatment and the principle of equal pay for equal work. According to the documents attached her salary was lower than that of her male colleagues by approximately 70-93,000.00 HUF between 2005 and 2008, and as a result her premium was also less because that was calculated based on the annual base salary. The employer terminated the applicant's employment by reference to re-organisation and redundancy. In the applicant's view the reason for the measure was the procedure initiated before the Authority, therefore, it constituted retribution.
The Authority heard the applicant Act CXXV of 2003 on equal treatment and the promotion of equal opportunities personally and obtained the statements of the applicant and the respondent, and the necessary written documents, held a public hearing and appointed an expert.
The representative of the respondent explained that the lower salary level of the applicant was due to the reasons below:

- *The applicant did not work on the procurement of strategic articles, she worked only on the procurement of articles requiring less responsibility and which do not require technical knowledge in general.*
- *The applicant, contrary to her male colleagues, does not have a technical qualification, although this would be of assistance in the work.*
- *The applicant's language skills are at a lower level than those of her colleagues.*
- *The applicant has less practical technical and production experience than her male colleagues.*

As result of the procedure it was proven that the applicant was wronged, thus, pursuant to the rules of evidence that divide the burden of proof between the two parties, the respondent should have excused itself. The Authority, based on the findings of the expert, found that the applicant was performing a very similar (basically the same) work to that of her colleagues. The only things that differed were the volume of the procurement and the typical composition of the procured materials. It was clear that there were no significant problems with the applicant's work performance, she was the one who satisfied the 2006 premium tender in the highest percentile, and in essence she had the same responsibility as her colleagues. As the applicant was in charge of procuring technical articles, the Authority found the lack of technical qualifications, said to be a reason for the salary difference, to be irrelevant. With regard to language skills it was proven that the language skills of one of the male colleagues

were only slightly better than the applicant's, and that the applicant also managed procurement procedures that required the use of a foreign language.
Based on the above, the Authority found that the respondent was in breach of the principle of equal pay for equal work as it could not excuse itself by the excuses that it referred to. The work performed by the applicant and her colleagues can be regarded as equivalent based on most of the factors listed in the Labour Code, it can be performed with the applicant's experience and so the differentiation of payment to this extent is not valid.
With regard to the above the Authority found that the respondent was in breach of the principle of equal treatment and applied the following sanctions:

- *it prohibited the future conduct of infringement;*
- *it ordered its final and enforceable resolution on the infringement to be published for 6 months on the Authority's and the respondent's website; and*
- *imposed a penalty of 500,000.00 HUF.*

With regard to the termination of the employment contract of the applicant, the Authority found that it did not breach the principle of equal treatment. The company had valid grounds to refer to the worsening economic environment when it introduced the hiring freeze and redundancies. The applicant was offered a new position, which she refused. The company did not hire a new employee and during the same time period at least 6 other white-collar workers had their employment terminated, which also supports the assertion that the termination of the applicant's position and employment was not a unique and punitive measure, but part of a company-wide process.

Legal case 4:
The applicant worked as a store-keeper at a tool store in the same position as her other two male colleagues, but her salary was 70% lower than that of one of her colleagues, and 100% lower than that of the other one. She believed that her employer discriminated against her on the basis of her being a woman.
The Authority initiated its procedure and obtained a summary of the salaries paid during the time period under examination, with respect to which the company said that the salaries were the results of work bargain, and while the two male employees in question had been employed by the company for 15 and 16 years and the applicant and another female store-keeper were hired 4 and 2 years before, one of the male employees had previously held a managerial position. On the contrary, according to the applicant, one of the male colleagues started working in the store-keeper position almost simultaneously with her, while the other one started after her (they were employed in different positions prior to that), so she was the one who trained them for their new position. During the time period under review, the employer set the applicant's salary on a much lower level than those of the male employees working in the same store-keeper position, and the difference persisted in its proportion when the salaries were increased as well, which resulted in a wider difference expressed in HUF. Even though the male employees were employed by the company starting from 1993 and 1994, they started working in the store-keeper position only in 2003 and 2007, that is one of them could have only approximately two more years of experience than the applicant, while the applicant had more experience than the other one. The basis for comparison can only be the same position concerning the professional experience, and that, in this case, could not serve as basis for the extremely high salary difference.
The employer did not deny the difference in pay; it could not justify the validity and the proportionality of the discrimination on the grounds of the characteristic or the nature of the work: the only reason it had for the higher salary of the men was that they had spent more years at the company. The professional experience gained in completely different positions is not valid grounds for the salary difference, according to which the male employee's salary

was continuously 50-110% higher than that of the applicant. The direct discrimination based on gender was also supported by the fact that another female employee working as a store-keeper had also 45-60% and 100% lower salary than her male colleagues, throughout her entire employment. In its resolution on the infringement, the Authority prohibited the future conduct of infringement and imposed a penalty on the employer amounting to 500,000.00 HUF.

- **In connection with the burden of proof the ECSR asks for information with regard to the following: which party bears the burden of proof in gender discrimination cases and does the law order the reversal of the burden of proof?**

In every procedure by the Authority initiated because of a violation of the principle of equal treatment, thus in gender discrimination cases as well, pursuant to Section 19 of the Act on equal treatment and the promotion of equal opportunities, the burden of proof is reversed, which the Equal Treatment Authority takes into consideration during its procedures.

- **The ECSR asks for information on the remedies available for the victims of gender discrimination, with special focus on whether the amount of compensation is limited or not.**

The Equal Treatment Authority found that it applies the sanctions set forth in Section 16 (1) of the Act on equal treatment and the promotion of equal opportunities in cases of violation of the principle of equal treatment. These sanctions can be applied collectively as well. Pursuant to Section 16 (4) of the Act on equal treatment and the promotion of equal opportunities, the amount of the penalty imposed by the Authority according to Section 16 (1) d) may range from fifty thousand to six million HUF.

Pursuant to Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation, which refers to compensation to be paid to the victims of discrimination only as an option, the Authority has no legal right set forth by legislation that would enable it to provide financial compensation to the victims of discrimination. Nevertheless, the victims of discrimination have the right to enforce their right to compensation regardless of the Authority's decision, or thereafter, before a civil court or a labour court.

APPENDIX

Sources of international law incorporated into Hungarian Law

(In the appendix of the questionnaire from among the international conventions referred to with regard to Article 1, 9, 10, 15 and 20)

Name of Convention	Date of Signature of Convention	Date of Ratification	Number of Law
International Covenant on Economic, Social and Cultural Rights (1966)	25 March 1969	17 January 1974	Legislative Decree 9/1976 on the Promulgation of the International Covenant on Economic, Social and Cultural Rights adopted on 16 December 1966 by the 21st session of the General Assembly of the United Nations
European Convention for the Protection of Human Rights and Fundamental Freedoms (1950)	06 November 1990	05 November 1992	Act XXXI of 1993 on the Promulgation of the European Convention for the Protection of Human Rights and Fundamental Freedoms adopted on 4 November 1950 in Rome and of the eight Additional Protocols thereto
ILO Convention No. 2 on Unemployment, 1919		01 March 1928	Act XV of 1928 on the adoption of the draft international convention on unemployment adopted by the 1919 Washington International Labour Conference
ILO Convention No. 29 on Forced Labour, 1930		08 June 1956	Act XLVIII of 2000 on the Promulgation of the ILO Convention No. 29 adopted on the 14th session of the International Labour Conference on Forced Labour in 1930

ILO Convention No. 88 on Employment Service, 1948		04 January 1994	Act LIII of 2000 on the Promulgation of the ILO Convention No. 88 adopted on the 31st session of the International Labour Conference on Employment Service in 1948
ILO Convention No. 105 on Abolition of Forced Labour, 1957		04 January 1994	Act LIX of 2000 on the Promulgation of the ILO Convention No. 105 adopted on the 40th session of the International Labour Conference on Abolition of Forced Labour in 1957
ILO Convention No. 111 on Discrimination in Employment, 1958		20 June 1961	Act LX of 2000 on the Promulgation of the ILO Convention No. 111 adopted on the 42nd session of the International Labour Conference on Discrimination in Employment in 1958
ILO Convention No. 122 on Employment Policy, 1964		18 June 1969	Act LXII of 2000 on the Promulgation of the ILO Convention No. 122 adopted on the 48th session of the International Labour Conference on Employment Policy in 1964
ILO Convention No. 142 on Human Resources Development, 1975		17 June 1976	Legislative Decree 21/1977 on the Promulgation of the ILO Convention adopted on the 60th session of the International Labour Conference concerning Vocational Guidance and Vocational Training in the Development of Human Resources on 23 June 1975
ILO Convention No. 181 on Private Employment		19 September 2003	Act CX of 2004 on the Promulgation of the ILO

Agencies, 1997			Convention No. 181 adopted on the 85th session of the General Conference of the ILO on Private Employment Agencies
Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin			Act CXXV of 2003 on equal treatment and the promotion of equal opportunities
Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation			Act CXXV of 2003 on equal treatment and the promotion of equal opportunities
UN Convention on the rights of persons with disabilities (2006)		20 May 2007	Act XCII of 2007 on the Promulgation of the Convention on the Rights of Persons with Disabilities and its Optional Protocol
Council of Europe Recommendation R(98)14 on gender mainstreaming			National Strategy to Promote the Social Equality of Women and Men; Government Resolution No. 1004/2010 Act CXXV of 2003 on equal treatment and the promotion of equal opportunities

Principal laws and regulations

In effect in December, 2010

Act III of 1993 on social administration and social services

1993. évi III. törvény a szociális igazgatásról és szociális ellátásokról

Az ellátások formái

57. § (1) Szociális alapszolgáltatások
a) a falugondnoki és tanyagondnoki szolgáltatás,
b)
***c)* az étkeztetés,**
d) a házi segítségnyújtás,
***e)* a családsegítés,**
***f)* a jelzőrendszeres házi segítségnyújtás,**
g) a közösségi ellátások,
***h)* a támogató szolgáltatás**,
i) az utcai szociális munka,
***j)* a nappali ellátás.**
(2) A személyes gondoskodás keretébe tartozó szakosított ellátást
***a)* az ápolást, gondozást nyújtó intézmény,**
***b)* a rehabilitációs intézmény,**
***c)* a lakóotthon (a továbbiakban *a)-c)* pont együtt: tartós bentlakásos intézmény),**
***d)* az átmeneti elhelyezést nyújtó intézmény (a továbbiakban *a)-d)* pont együtt: bentlakásos intézmény),**
e)
f) az egyéb speciális szociális intézmény
nyújtja.
(3) A (2) bekezdés *a)*, *b)* és *d)* pontjaiban meghatározott intézmény legalább tíz fő, legfeljebb százötven fő ellátását biztosítja. Telephellyel rendelkező szociális intézmény esetén a férőhelyszámot az ellátást nyújtó székhelyen és az egyes telephelyeken külön-külön kell vizsgálni. 2011. január 1-jét követően fogyatékos személyek ápolást-gondozást nyújtó intézményi ellátása céljából új férőhelyet csak lakóotthoni formában lehet létrehozni.

Étkeztetés

62. § (1) Az étkeztetés keretében azoknak a szociálisan rászorultaknak a legalább napi egyszeri meleg étkezéséről kell gondoskodni, akik azt önmaguk, illetve eltartottjaik részére tartósan vagy átmeneti jelleggel nem képesek biztosítani, különösen
a) koruk,
b) egészségi állapotuk,
c) fogyatékosságuk, pszichiátriai betegségük,
d) szenvedélybetegségük, vagy

e) hajléktalanságuk
miatt.
(2) Az (1) bekezdés szerinti jogosultsági feltételek részletes szabályait a települési önkormányzat rendeletben határozza meg. Jogosultsági feltételként jövedelmi helyzet nem határozható meg.

Jelzőrendszeres házi segítségnyújtás

65. § (1) A jelzőrendszeres házi segítségnyújtás a saját otthonukban élő, egészségi állapotuk és szociális helyzetük miatt rászoruló, a segélyhívó készülék megfelelő használatára képes időskorú vagy fogyatékos személyek, illetve pszichiátriai betegek részére az önálló életvitel fenntartása mellett felmerülő krízishelyzetek elhárítása céljából nyújtott ellátás. Jelzőrendszeres házi segítségnyújtást biztosíthat
a) a házi segítségnyújtást végző szolgáltató, illetve intézmény, vagy
b) a megyei önkormányzat, a többcélú kistérségi társulás és a 86. § (2) bekezdésének c) pontja szerinti önkormányzat, úgy, hogy a házi segítségnyújtást a 90. § (4) bekezdése szerinti megállapodás útján biztosítja.
(2) A jelzőrendszeres házi segítségnyújtás keretében biztosítani kell
a) az ellátott személy segélyhívása esetén az ügyeletes gondozónak a helyszínen történő haladéktalan megjelenését,
b) a segélyhívás okául szolgáló probléma megoldása érdekében szükséges azonnali intézkedések megtételét,
c) szükség esetén további egészségügyi vagy szociális ellátás kezdeményezését.
(3) A fogyatékos személyek, illetve a pszichiátriai betegek részére nyújtott jelzőrendszeres házi segítségnyújtás ellátója együttműködik a támogató szolgáltatást, illetve a pszichiátriai betegek részére közösségi alapellátást nyújtó szolgáltatóval.
(4) A jelzőrendszeres házi segítségnyújtás igénybevétele szempontjából szociálisan rászorult
a) az egyedül élő 65 év feletti személy,
b) az egyedül élő súlyosan fogyatékos vagy pszichiátriai beteg személy, vagy
c) a kétszemélyes háztartásban élő 65 év feletti, illetve súlyosan fogyatékos vagy pszichiátriai beteg személy, ha egészségi állapota indokolja a szolgáltatás folyamatos biztosítását.
(5) A (4) bekezdés c) pontja szerinti esetben a háztartásban élő kiskorú személyt nem kell figyelembe venni.
(6) A súlyos fogyatékosságot a 65/C. § (5)–(7) bekezdése szerint, a pszichiátriai betegséget és az egészségi állapot miatti indokoltságot külön jogszabály szerint kell igazolni.

Támogató szolgáltatás

65/C. § (1) A támogató szolgáltatás célja a fogyatékos személyek lakókörnyezetben történő ellátása, elsősorban a lakáson kívüli közszolgáltatások elérésének segítése, valamint életvitelük önállóságának megőrzése mellett a lakáson belüli speciális segítségnyújtás biztosítása révén.
(2)
(3) A támogató szolgáltatás feladata a fogyatékosság jellegének megfelelően különösen
a) az alapvető szükségletek kielégítését segítő szolgáltatásokhoz, közszolgáltatásokhoz való hozzájutás biztosítása (speciális személyi szállítás, szállító szolgálat működtetése),
b) az általános egészségi állapotnak és a fogyatékosság jellegének megfelelő egészségügyi-szociális ellátásokhoz, valamint a fejlesztő tevékenységhez való hozzájutás személyi és eszközfeltételeinek biztosítása,

c) információnyújtás, ügyintézés, tanácsadás, a tanácsadást követően a társadalmi beilleszkedést segítő szolgáltatásokhoz való hozzájutás biztosítása,

d) a jelnyelvi tolmácsszolgálat elérhetőségének biztosítása,

e) segítségnyújtás a fogyatékos személyek kapcsolatkészségének javításához, családi kapcsolatainak erősítéséhez speciális, önsegítő csoportokban való részvételükhöz,

f) egyes szociális alapszolgáltatási részfeladatok biztosítása a fogyatékos személyek speciális szükségleteihez igazodóan,

g) segítségnyújtás a fogyatékos emberek társadalmi integrációjának megvalósulásához, valamint a családi, a közösségi, a kulturális, a szabadidős kapcsolatokban való egyenrangú részvételhez szükséges feltételek biztosítása,

h) a fogyatékos személy munkavégzését, munkavállalását segítő szolgáltatások elérhetőségének, igénybevételének elősegítése.

(4) A támogató szolgáltatás igénybevétele során szociálisan rászorultnak minősül a súlyosan fogyatékos személy.

(5) A (4) bekezdés alkalmazásában súlyosan fogyatékos a külön jogszabály szerinti fogyatékossági támogatásban, vakok személyi járadékában, illetve magasabb összegű családi pótlékban részesülő személy.

(6) A súlyos fogyatékosságot igazolni lehet

a) az ellátás megállapítását, illetve folyósítását igazoló határozattal vagy más okirattal,

b) az ellátás megállapításának alapjául szolgáló, a fogyatékosság fennállását igazoló szakvéleménnyel.

(7) Ha a szakvélemény a következő felülvizsgálat (ellenőrző vizsgálat) időpontját, illetve az állapot fennállásának várható idejét tartalmazza, a jogosultság eddig az időpontig áll fenn.

Nappali ellátás

65/F. § (1) A nappali ellátás hajléktalan személyek és elsősorban a saját otthonukban élő,
a) tizennyolcadik életévüket betöltött, egészségi állapotuk vagy idős koruk miatt szociális és mentális támogatásra szoruló, önmaguk ellátására részben képes személyek,
b) tizennyolcadik életévüket betöltött, fekvőbeteg-gyógyintézeti kezelést nem igénylő pszichiátriai betegek, illetve szenvedélybetegek,
c) harmadik életévüket betöltött, önkiszolgálásra részben képes vagy önellátásra nem képes, de felügyeletre szoruló fogyatékos, illetve autista személyek
részére biztosít lehetőséget a napközbeni tartózkodásra, társas kapcsolatokra, valamint az alapvető higiéniai szükségleteik kielégítésére, továbbá igény szerint megszervezi az ellátottak – ide nem értve az idős személyeket – napközbeni étkeztetését.
(2) Rendkívül indokolt esetben nappali ellátás olyan fogyatékos személyek részére is biztosítható, akire nézve szülője vagy más hozzátartozója gyermekgondozási segélyben, gyermeknevelési támogatásban vagy ápolási díjban részesül.
(3) A fenntartó a 92/B. § (1) bekezdésének c) pontja szerinti szakmai programban meghatározhatja, hogy az intézmény az (1) bekezdésben meghatározottak közül melyik ellátotti csoportokat látja el. Ez a rendelkezés nem érinti a 86. § (2) bekezdésének b)–d) pontja szerinti önkormányzatok ellátási kötelezettségét.
(4) A gyermekek napközbeni ellátása keretében biztosított, Gyvt. szerinti gyermekétkeztetés szabályait kell alkalmazni a nappali intézményben ellátott fogyatékos gyermekek ellátása során nyújtott étkeztetésre.

Ápolást, gondozást nyújtó intézmények

67. § (1) Az önmaguk ellátására nem, vagy csak folyamatos segítséggel képes személyek napi legalább háromszori étkeztetéséről, szükség szerint ruházattal, illetve textíliával való ellátásáról, mentális gondozásáról, a külön jogszabályban meghatározott egészségügyi ellátásáról, valamint lakhatásáról (a továbbiakban: teljes körű ellátás) az ápolást, gondozást nyújtó intézményben kell gondoskodni, feltéve, hogy ellátásuk más módon nem oldható meg. A 68. § (5) bekezdése szerinti személy ellátása esetén az ellátás tartalmát a 94/B., illetve 94/D. § szerinti megállapodás határozza meg.
(2) Ápolást, gondozást nyújtó intézmény az idősek otthona, a pszichiátriai betegek otthona, a szenvedélybetegek otthona, a fogyatékos személyek otthona, valamint a hajléktalanok otthona.
69. § (1) A fogyatékos személyek otthonába az a fogyatékos személy vehető fel, akinek oktatására, képzésére, foglalkoztatására, valamint gondozására csak intézményi keretek között van lehetőség.
(2) Enyhe értelmi fogyatékos kiskorú csak kivételes esetben helyezhető el a fogyatékos személyek otthonában.

70. § (1) A fogyatékos személyek otthonában elkülönítetten kell megszervezni a kiskorúak és a felnőttek, valamint az enyhe értelmi fogyatékos személyek és a középsúlyos, illetve súlyos értelmi fogyatékos személyek ellátását.
(2) A fogyatékos kiskorúak esetében az ápolással, gondozással párhuzamosan – a külön jogszabályban foglaltak szerint – biztosítani kell a korai fejlesztést és gondozást, ötéves kortól a fejlesztő felkészítést, valamint az iskolai tanulmányok folytatásának segítését.
(3) A nagykorú fogyatékos személy intézményi ellátását úgy kell megszervezni, hogy számára az állapotának megfelelő önállóság, döntési lehetőség biztosított legyen. A fogyatékos személy részére biztosítani kell – a fogyatékosságának megfelelő – szinten tartó, képességfejlesztő, foglalkoztatást, továbbá sport- és szabadidős tevékenység végzését is.
(4) A fogyatékos személyek otthonában elkülönítetten rehabilitációs részleg is működtethető, feltéve, hogy az a külön jogszabályban meghatározott tárgyi és személyi feltételeknek egyébként megfelel.
(5) A nagykorú fogyatékos személy fogyatékos személyek otthonában történő elhelyezésének feltétele a benyújtott orvosi dokumentáció felhasználásával lefolytatott alapvizsgálat elvégzése.

Rehabilitációs intézmények

72. § (1) A rehabilitációs intézmény a bentlakók önálló életvezetési képességének kialakítását, illetve helyreállítását szolgálja.
(2) Rehabilitációs intézmény
a) a pszichiátriai betegek,
b) a szenvedélybetegek,
c) a fogyatékos személyek,
d) a hajléktalan személyek
rehabilitációs intézménye.
74. § (1) A fogyatékosok rehabilitációs intézménye azoknak a fogyatékos, valamint mozgás-, illetőleg látássérült személyeknek az elhelyezését szolgálja, akiknek oktatása, képzése, átképzése és rehabilitációs célú foglalkoztatása csak intézményi keretek között valósítható meg.

(2) A fogyatékosok rehabilitációs intézménye előkészíti az ott élők családi és lakóhelyi környezetbe történő visszatérését, valamint megszervezi az intézményi ellátás megszűnését követő utógondozást.

Átmeneti elhelyezést nyújtó intézmények

80. § (1) Az átmeneti elhelyezést nyújtó intézmények – a hajléktalanok éjjeli menedékhelye és átmeneti szállása kivételével – ideiglenes jelleggel legfeljebb egyévi időtartamra teljes körű ellátást biztosítanak.
(2) Az átmeneti elhelyezés különös méltánylást érdemlő esetben az intézmény orvosa szakvéleményének figyelembevételével egy alkalommal, egy évvel meghosszabbítható.
(3) Az átmeneti elhelyezést nyújtó intézmények típusai:
a) időskorúak gondozóháza;
b) fogyatékos személyek gondozóháza;
c) pszichiátriai betegek átmeneti otthona;
d) szenvedélybetegek átmeneti otthona;
e) éjjeli menedékhely;
f) hajléktalan személyek átmeneti szállása;
g) bázis-szállás.
83. § A fogyatékosok gondozóházában azok a fogyatékos személyek helyezhetők el, akiknek ellátása családjukban nem biztosított, vagy az átmeneti elhelyezést a család tehermentesítése teszi indokolttá.

Lakóotthonok

85/A. § (1) A lakóotthon olyan nyolc-tizenkettő, a külön jogszabályban meghatározott esetben tizennégy pszichiátriai beteget vagy fogyatékos személyt – ideértve az autista személyeket is –, illetőleg szenvedélybeteget befogadó intézmény, amely az ellátást igénybevevő részére életkorának, egészségi állapotának és önellátása mértékének megfelelő ellátást biztosít.
(2) A lakóotthonok típusai a következők:
a) fogyatékos személyek lakóotthona;
b) pszichiátriai betegek lakóotthona;
c) szenvedélybetegek lakóotthona.
(3) A lakóotthoni ellátás formái:
a) fogyatékos személyek lakóotthona esetében,
aa) rehabilitációs célú lakóotthon,
ab) ápoló-gondozó célú lakóotthon;
b) pszichiátriai, illetve szenvedélybetegek lakóotthona esetében rehabilitációs célú lakóotthon.
(4) A rehabilitációs célú lakóotthonba az a személy helyezhető el,
a) aki intézményi elhelyezés során felülvizsgálatban részt vett, és a felülvizsgálat eredménye, illetve a gondozási terv és egyéni fejlesztés alapján lakóotthoni elhelyezése az önálló életvitel megteremtése érdekében indokolt;
b) aki családban él és képességei fejlesztése, valamint ellátása lakóotthoni keretek között biztosítható és rehabilitációja családjában nem oldható meg;
c) az a)–b) pontban meghatározottakon túl önellátásra legalább részben képes;
d) lakóotthonba kerülése időpontjában a tizenhatodik életévét már betöltötte, de a reá irányadó öregségi nyugdíjkorhatárt még nem.

(5) A fogyatékos személyek ápoló-gondozó célú lakóotthonába – intézményből történő elhelyezés esetén a felülvizsgálat és az egyéni fejlesztés eredményeire figyelemmel – a fogyatékosság jellegétől és súlyosságától függetlenül helyezhető el fogyatékos személy, figyelemmel a (4) bekezdés b)–d) pontjában meghatározott rendelkezésre. A nagykorú fogyatékos személy fogyatékos személyek ápoló-gondozó célú lakóotthonában történő elhelyezésének feltétele a benyújtott orvosi dokumentáció felhasználásával lefolytatott alapvizsgálat elvégzése.
(6) Az ápoló-gondozó célú lakóotthon az ellátottnak teljes körű ellátást biztosít.

Act LXXXIV of 2007 on the rehabilitation allowance

2007. évi LXXXIV. törvény a rehabilitációs járadékról

A rehabilitációs járadékra való jogosultság

3. § (1) Rehabilitációs járadékra az a polgárok személyi adatainak és lakcímének nyilvántartásáról szóló törvény szerint bejelentett magyarországi lakóhellyel rendelkező személy jogosult, aki
a) 50–79 százalékos egészségkárosodást szenvedett, és ezzel összefüggésben a jelenlegi vagy az egészségkárosodását megelőző munkakörében, illetve a képzettségének megfelelő más munkakörben való foglalkoztatásra rehabilitáció nélkül nem alkalmas, és
aa) kereső tevékenységet nem folytat, vagy
ab) a keresete, jövedelme legalább 30 százalékkal alacsonyabb az egészségkárosodást megelőző négy naptári hónapra vonatkozó keresete, jövedelme havi átlagánál, továbbá
b) rehabilitálható, és
c) az életkora szerint szükséges szolgálati időt megszerezte.
(2) A jogosultsághoz szükséges szolgálati időre, megállapítására és igazolására a társadalombiztosítási nyugellátásról szóló 1997. évi LXXXI. törvénynek (a továbbiakban: Tny.) a rokkantsági nyugdíjhoz szükséges szolgálati időre vonatkozó rendelkezéseit kell megfelelően alkalmazni azzal, hogy a jogosultsághoz szükséges szolgálati időbe be kell számítani a rokkantsági, baleseti rokkantsági nyugdíj időtartamát is. Ha az egészségkárosodás azelőtt következett be, hogy az igénylő szolgálati időt szerzett volna, az (1) bekezdés *a)* pont *ab)* alpontja szerinti feltételt azt az időpontot megelőző négy naptári hónapra kell vizsgálni, amelytől kezdődően az igénylő a rehabilitációs járadék megállapítását kéri.
(3) Rehabilitációs járadékra nem jogosult az, aki
a) öregségi nyugdíjban, előrehozott öregségi nyugdíjban, csökkentett összegű előrehozott öregségi nyugdíjban, korkedvezményes nyugdíjban, rokkantsági nyugdíjban, baleseti rokkantsági nyugdíjban,
b) bányásznyugdíjban, korengedményes nyugdíjban, egyes művészeti tevékenységet folytatók öregségi nyugdíjában, szolgálati nyugdíjban, az országgyűlési képviselők javadalmazásáról szóló törvény alapján járó öregségi nyugdíjban, polgármester öregségi nyugdíjában vagy közszolgálati járadékában,
c) terhességi-gyermekágyi segélyben, gyermekgondozási díjban, táppénzben, baleseti táppénzben,
d) munkanélküliség esetére járó ellátásban,
e) átmeneti járadékban, rendszeres szociális járadékban, bányász dolgozók egészségkárosodási járadékában, rokkantsági járadékban
részesül.
(4) Az (1) bekezdés *a)* pont *aa)* és *ab)* alpontja alkalmazása során

a) az uniós rendeletek hatálya alá tartozó személy esetén EGT-államban,
b) a szociálpolitikai, szociális biztonsági egyezmény hatálya alá tartozó személy esetén – ha az egyezmény eltérően nem rendelkezik – a szerződő államban
végzett keresőtevékenységet és ott szerzett keresetet, jövedelmet is – az igénylő nyilatkozata, illetve az ügyben hatáskörrel rendelkező külföldi szerv adatszolgáltatása alapján – figyelembe kell venni.

A rehabilitációs járadék összege

4. § (1) A rehabilitációs járadék összege – a magánnyugdíj-pénztári tagságtól függetlenül – megegyezik a rokkantsági nyugdíj (III. rokkantsági csoport) összegének 120%-ával. A rehabilitációs járadék legkisebb összege megegyezik a rokkantsági nyugdíj legkisebb összegének (III. rokkantsági csoport) 120%-ával.
(2) A rehabilitációs járadéknak az (1) bekezdés szerint megállapított összegét 50%-kal csökkenteni kell, ha kereső tevékenység folytatása esetén a rehabilitációs járadékban részesülő 3 egymást követő hónapra vonatkozó – a személyi jövedelemadóval és a Tny. 13. §-a (1) bekezdésének *a)* pontja szerinti járulékokkal csökkentett – keresetének, jövedelmének havi átlaga meghaladja a rokkantsági nyugdíj alapját képező havi átlagkereset összegének 90 százalékát, illetve annak a megállapítást követően a rendszeres nyugdíjemelés(ek) mértékével növelt összegét, de legalább a mindenkori kötelező legkisebb munkabér (minimálbér) összegét.
(3) A rehabilitációs járadék összegének meghatározása során a Tny.-nek a rokkantsági nyugdíj összegének meghatározására vonatkozó rendelkezéseit kell megfelelően alkalmazni azzal, hogy a 3. § (2) bekezdése szerint a jogosultsághoz szükséges szolgálati időbe beszámított rokkantsági, baleseti rokkantsági nyugdíj időtartamát figyelmen kívül kell hagyni. A rokkantsági nyugdíj felülvizsgálata során megállapított rehabilitációs járadék összege nem lehet kevesebb a jogosultság utolsó hónapjára járó rokkantsági nyugdíj összegénél.
(4) A rehabilitációs járadékot évente emelni kell, az évenkénti emelésre a Tny. rendelkezéseit kell megfelelően alkalmazni.
(5) A (2) bekezdés alkalmazása során
a) az uniós rendeletek hatálya alá tartozó személy esetén EGT-államban,
b) a szociálpolitikai, szociális biztonsági egyezmény hatálya alá tartozó személy esetén – ha az egyezmény eltérően nem rendelkezik – a szerződő államban
végzett keresőtevékenységet és ott szerzett nettó keresetet, jövedelmet is – a rehabilitációs járadékban részesülő nyilatkozata, illetve az ügyben hatáskörrel rendelkező külföldi szerv adatszolgáltatása alapján – figyelembe kell venni.

Együttműködési kötelezettség, a rehabilitációs megállapodás

(A tranzitálást külön nevesítve nem tartalmazták a jogszabályok, de pl. a jelölt rész a járadékra jogosultak elhelyezkedésének ösztönzésére vonatkozó rendelkezések).

7. § (1) A rehabilitációs járadékra jogosult **a rehabilitáció sikeres megvalósulása érdekében az állami foglalkoztatási szervvel történő együttműködésre köteles**, amelynek keretében
a) az állami foglalkoztatási szervvel írásbeli **rehabilitációs megállapodást köt**, továbbá
b) teljesíti a rehabilitációs megállapodás mellékleteként meghatározott rehabilitációs tervben foglaltakat.
(2) A rehabilitációs megállapodás tartalmazza:

a) a rehabilitációs járadékban részesülő nyilatkozatát arra vonatkozóan, hogy
aa) vállalja az együttműködési kötelezettség teljesítését, valamint
***ab)* elfogadja a számára felajánlott megfelelő munkahelyet, valamint térítési kötelezettséggel nem járó képzési lehetőséget; továbbá**
***b)* a rehabilitációs járadékban részesülő önálló munkahelykeresésének formáit;**
c) az állami foglalkoztatási szerv által a rehabilitációs járadékban részesülőnek nyújtandó, külön jogszabályban meghatározott rehabilitációs szolgáltatásokat; valamint
d) a rehabilitációs járadékban részesülőnek az állami foglalkoztatási szervnél történő jelentkezései gyakoriságát, a kapcsolattartás módját.

Act XXII of 1992 on the Labour Code

1992. évi XXII. törvény a Munka Törvénykönyvéről

Az egyenlő bánásmód követelménye

5. § (1) A munkaviszonnyal kapcsolatban **az egyenlő bánásmód követelményét meg kell tartani.**

(2) Az egyenlő bánásmód követelménye megsértésének következményeit megfelelően orvosolni kell, amely nem járhat más munkavállaló jogainak megsértésével, illetve csorbításával.

65. §
(3) A munkáltató köteles döntése előtt az üzemi tanáccsal véleményeztetni:
d) a külön jogszabályban meghatározott egészségkárosodott, **megváltozott munkaképességű munkavállalók rehabilitációjára vonatkozó intézkedések tervezetét;**
Esélyegyenlőségi terv

70/A. § (1) A munkáltató és a munkáltatónál képviselettel rendelkező szakszervezet – szakszervezet hiányában az üzemi tanács – együttesen, meghatározott időre szóló esélyegyenlőségi tervet fogadhat el.
(2**) Az esélyegyenlőségi terv tartalmazza** a munkáltatóval munkaviszonyban álló, hátrányos helyzetű munkavállalói csoportok, így különösen
a) a nők,
b) a negyven évnél idősebb munkavállalók,
c) a romák,
***d)* a fogyatékos személyek, valamint**
e) a két vagy több, tíz éven aluli gyermeket nevelő munkavállalók vagy tíz éven aluli gyermeket nevelő egyedülálló munkavállalók
foglalkoztatási helyzetének – így különösen azok bérének, munkakörülményeinek, szakmai előmenetelének, képzésének, illetve a gyermekneveléssel és a szülői szereppel kapcsolatos kedvezményeinek – elemzését, valamint a munkáltatónak az esélyegyenlőség biztosítására vonatkozó, az adott évre megfogalmazott céljait és az azok eléréséhez szükséges eszközöket, így különösen a képzési, munkavédelmi, valamint a munkáltatónál rendszeresített, a foglalkoztatás feltételeit érintő bármely programokat.
(3) Az esélyegyenlőségi terv elkészítéséhez szükséges különleges személyes adatok csak a személyes adatok védelméről és a közérdekű adatok nyilvánosságáról szóló 1992. évi LXIII.

törvény rendelkezései szerint, az érintett önkéntes adatszolgáltatása alapján az esélyegyenlőségi terv által érintett időszak utolsó napjáig kezelhetőek.
(4) Az esélyegyenlőségi tervnek rendelkeznie kell
***a)* a fogyatékos személyek akadálymentes munkahelyi környezet megteremtését biztosító külön intézkedésekről, valamint**
b) a munkáltató szervezetén belüli, az egyenlő bánásmód követelményének érvényesítésével kapcsolatos eljárási rendről.

72. § (1) Munkaviszonyt munkavállalóként az létesíthet, aki tizenhatodik életévét betöltötte.
(2) **Korlátozottan cselekvőképes személy törvényes képviselőjének hozzájárulása nélkül is létesíthet munkaviszonyt.**

76/C. § (1) A munkaviszony – a felek megállapodásának megfelelően – állandó vagy változó munkahelyen történő munkavégzésre jön létre.
(2) Ha a munkavállaló a munkáját – a munka természetéből eredően – szokásosan telephelyen kívül végzi, a munkaszerződésben állandó munkavégzési helyként a munkáltató azon telephelyét kell megjelölni, ahonnan a munkavállaló az utasítást kapja. E rendelkezést kell megfelelően alkalmazni távmunkavégzés esetén is.
(3) Változó munkavégzési hely esetén a munkavégzési helyre vonatkozó szabályok szempontjából a munkavállaló munkahelyének azt a telephelyet kell tekinteni, amelyre a munkáltató munkavégzés céljából beosztotta. Változó munkavégzési helyben történő megállapodás esetén a munkavállalót első munkavégzési helyéről – a 76. § (7)–(8) bekezdésének megfelelő alkalmazásával – tájékoztatni kell.
(4) Amennyiben a munkáltató székhelyének, telephelyének megváltozása miatt a munkavállaló munkavégzésének helye módosul, a munkaszerződést módosítani kell, ha
a) a változás következtében a munkahely és a lakóhely közötti naponta – tömegközlekedési eszközzel – történő oda- és visszautazás ideje másfél, illetve tíz éven aluli gyermeket nevelő nő és tíz éven aluli gyermeket egyedül nevelő férfi, valamint a megváltozott munkaképességű munkavállaló esetében **– a megváltozott munkaképességű munkavállaló által igénybe vett közlekedési eszközzel – egy órával növekszik, vagy**
b) a változás a munkavállaló számára személyi, családi vagy egyéb körülményeire, illetve költségeire tekintettel aránytalan vagy jelentős sérelemmel jár.

A munkáltató továbbfoglalkoztatási kötelezettsége

85. §
(2) Az (1) bekezdés alapján ideiglenesen áthelyezett, illetőleg áthelyezés nélkül módosított munkafeltételek mellett foglalkoztatott nő munkabére nem lehet kevesebb előző átlagkereseténél. Ha a munkáltató nem tud az egészségi állapotának megfelelő munkakört biztosítani, akkor a nőt a munkavégzés alól fel kell menteni, és erre az időre részére az állásidőre járó munkabért kell folyósítani.
(3) **A munkáltató a munkaviszony fennállása alatt megváltozott munkaképességűvé vált munkavállalót köteles — a külön jogszabályban meghatározottak szerint — az állapotának megfelelő munkakörben továbbfoglalkoztatni.**
(4) Az (1)—(2) bekezdésben foglalt rendelkezésektől érvényesen eltérni nem lehet.

Felmondási védelem

90. § (1) **A munkáltató nem szüntetheti meg rendes felmondással a munkaviszonyt az alábbiakban meghatározott időtartam alatt:**
g) **a külön törvény szerinti rehabilitációs járadékban részesülő személy esetén a keresőképtelenség teljes**
időtartama.

91. § A munkáltató a rehabilitációs járadékban részesülő munkavállaló munkaviszonyát a 90. § (1) bekezdésének *g)* pontjában foglalt felmondási védelem leteltét követően rendes felmondással egészségügyi alkalmatlansága miatt akkor szüntetheti meg, ha a munkavállaló eredeti munkakörében nem foglalkoztatható tovább, és a munkáltatónál egészségi állapotának megfelelő másik munkakör nem biztosítható, illetve, ha a munkavállaló az ilyen másik munkakörben történő foglalkoztatáshoz szükséges munkaszerződése módosításához nem járul hozzá.

Act CXXV of 2003 on equal treatment and the promotion of equal opportunities

2003. évi CXXV. törvény az egyenlő bánásmódról és az esélyegyenlőség előmozdításáról

Hátrányos megkülönböztetés

8. § **Közvetlen hátrányos megkülönböztetésnek minősül** az olyan rendelkezés, amelynek eredményeként egy személy vagy csoport valós vagy vélt
g) **fogyatékossága,**
h) **egészségi állapota,**

25. § (1) Az egyenlő bánásmód követelményét az egészségügyi ellátással összefüggésben érvényesíteni kell különösen az egészségügyi szolgáltatásnyújtás, ezen belül
a) a betegségmegelőző programokban és a szűrővizsgálatokon való részvétel,
b) a gyógyító-megelőző ellátás,
c) a tartózkodás céljára szolgáló helyiségek használata,
d) az élelmezési és egyéb szükségletek kielégítése
során.
(2) Törvény, illetőleg törvény felhatalmazása alapján kormányrendelet e törvény rendelkezéseivel összhangban **az egészségi állapot vagy fogyatékosság,** illetve a 8. §-ban meghatározott tulajdonság alapján a társadalom egyes csoportjai **részére a szociális és az egészségügyi ellátórendszer keretein belül többletjuttatásokat állapíthat meg.**

Joint EüM-PM (Ministry of Health and Ministry of Finance) Decree No. 8/1983 (VI. 29.) on the employment of and social benefits for employees with reduced working capacity

8/1983. (VI.29.) EüM-PM együttes rendelet a megváltozott munkaképességű dolgozók foglalkoztatásáról és szociális ellátásáról

Hatályban volt: 2007. december 31-ig.

A megváltozott munkaképességű dolgozó rehabilitációjával kapcsolatos munkáltatói feladatok

3. § (1) **A megváltozott munkaképességű dolgozót a munkáltató köteles elsősorban eredeti munkakörében és szakmájában foglalkoztatni. Ha ez nem lehetséges, a munkáltató működési körén belül olyan munkakörben kell őt alkalmazni, ahol egészsége további romlása nélkül, munkaképességét hasznosítani tudja. Ennek megfelelően a dolgozó munkaszerződését módosítani kell.**
(2) Az (1) bekezdésben foglaltak megvalósítása érdekében a munkáltató a megváltozott munkaképességű dolgozót köteles
a) a munkakörülmények módosításával, elsősorban eredeti munkahelyén (munkakör) és szakmájában tovább foglalkoztatni, vagy
b) a munkáltató működési körén belül a dolgozó egészségi állapotának, korának és képzettségének figyelembevételével megfelelő munkahelyre áthelyezni, illetőleg
***c)* más munka végzésére betanítani, vagy szakképzésben részesíteni;**
***d)* szükség esetén az e célra létrehozott külön üzemrészben foglalkoztatni;**
e) részmunkaidőben alkalmazni;
f) bedolgozóként foglalkoztatni, ha a munkáltató tevékenysége erre módot ad.
(3) A (2) bekezdésben meghatározott intézkedések költségei a munkáltatót terhelik.

4. § (1) A munkáltatói rehabilitációs feladatok ellátásáért a munkáltató felelős. A rehabilitációs intézkedést a munkáltató vezetője (szövetkezet elnöke), vagy az általa kijelölt személy (továbbiakban: munkáltatói rehabilitációs megbízott) teszi meg.
(2) A szövetkezeteknél a munkáltatói rehabilitációs megbízottat a szövetkezet vezetősége jelöli ki.
(3) A szakszerű rehabilitációs javaslatok kidolgozása és a megváltozott munkaképességű dolgozó foglalkoztatásának figyelemmel kísérése érdekében annál a munkáltatónál, ahol foglalkozás-egészségügyi szolgálat, foglalkozás-egészségügyi orvos (a továbbiakban: foglalkozás-egészségügyi orvos) működik, megváltozott munkaképességű dolgozókkal foglalkozó bizottságot kell létrehozni és működtetni. Mezőgazdasági szövetkezetben a vezetőség dönt arról, hogy a munkáltatói rehabilitációs bizottság feladatait a szövetkezet melyik szerve látja el. (A továbbiakban: munkáltatói rehabilitációs bizottság.)
(4) A munkáltatói rehabilitációs bizottság legalább három tagból áll. Vezetője a munkáltatói rehabilitációs megbízott, tagjai az üzemi tanács, illetve az üzemi megbízott által kijelölt személyek.

A megváltozott munkaképességű dolgozó munkajogi védelme

11. § (1) Nem lehet rendes felmondással megszüntetni a munkaviszonyát, a bedolgozói jogviszonyát
a) a 2. § (1) bekezdés *a)* pontjának hatálya alá tartozó dolgozónak, ha munkaképesség-változásának mértéke az 50 százalékot eléri,
b) a 2. § (1) bekezdés *b)* pontjának hatálya alá tartozó dolgozónak, amíg baleseti járadékban részesül,
c) a 2. § (1) bekezdés *c)* pontjának hatálya alá tartozó gümőkóros beteg dolgozónak mindaddig, amíg a foglalkoztatási tilalmat okozó betegsége a tüdőbeteg-gondozó intézet igazolása szerint fennáll.
(2) Az (1) bekezdésben foglalt felmondási tilalom nem vonatkozik arra a megváltozott munkaképességű dolgozóra

a) aki a munkáját ismételten nem megfelelően látja el, illetőleg a munka elvégzésére alkalmatlan, kivéve ha a nem megfelelő munkája vagy az alkalmatlansága a megváltozott munkaképességével függ össze;
b) akinek a munkáltató működési körén belül, vagy azonos helységben más munkáltatónál – a helyi rehabilitációs bizottság véleményének figyelembevételével – egészségi állapotának, korának, képzettségének megfelelő új munkahelyet biztosít, illetőleg a betanítására vagy az átképzésére, továbbképzésére vonatkozóan javaslatot tesz, de azt a megváltozott munkaképességű dolgozó nem fogadja el;
c) aki öregségi, rokkantsági nyugdíjra, baleseti rokkantsági nyugdíjra, öregségi vagy munkaképtelenségi járadékra jogosult;
d) akinek a részére sem a munkáltató, sem a munkáltató telephelye szerint illetékes rehabilitációs bizottság alkalmas munkahelyet biztosítani nem tud;
e) aki húsz főnél kevesebb dolgozót foglalkoztató munkáltatóval áll munkaviszonyban, bedolgozói jogviszonyban, vagy húsz főnél kevesebbet foglalkoztató szövetkezettel áll munkavégzésre irányuló jogviszonyban.

Az egyes szociális és munkaügyi tárgyú törvényeknek az új Polgári Törvénykönyv hatálybalépésével összefüggő módosításáról szóló 2010. évi XXXIX. törvénynek a Munka Törvénykönyvét módosító rendelkezése

34. § Az Mt. 177. § (2) bekezdése helyébe a következő rendelkezés lép:
’(2) A személyhez fűződő jogai megsértése esetén a munkavállalót az őt ért nem vagyoni sérelemért sérelemdíj illeti meg.

Act XXIII of 1992 on the legal status of civil servants

1992. évi XXIII. törvény a köztisztviselők jogállásáról

7. § (1) Közszolgálati jogviszony büntetlen előéletű, cselekvőképes, - a 10. § (4)-(7) bekezdésében, a 10/A. § (7) bekezdésében foglaltak, valamint ügykezelői feladatkör kivételével - közigazgatási versenyvizsgával, és legalább középiskolai végzettséggel, ügykezelői feladatkörre legalább középszintű szakképesítéssel rendelkező magyar állampolgárral létesíthető és tartható fenn. Jogszabály által meghatározott fontos és bizalmas munkakörre közszolgálati jogviszony csak azzal létesíthető, aki a munkakörre előírt, az állami élet és a nemzetgazdaság jogszerű működéséhez szükséges biztonsági feltételeknek megfelel. A jelentkezőnek írásban nyilatkoznia kell arról, hogy ezeknek a követelményeknek megfelel, és hozzájárul ahhoz, hogy ezt az illetékes nemzetbiztonsági szolgálat ellenőrizze. Az ellenőrzéshez való hozzájáruláshoz a külön törvényben meghatározott hozzátartozó nyilatkozatát is csatolni kell. Ha az érintett úgy nyilatkozik, hogy a fontos és bizalmas munkakörrel együtt járó kötelezettségeknek nem kívánja magát alávetni, vele fontos és bizalmas munkakörre közszolgálati jogviszony nem létesíthető.

(8) Az (1) bekezdéstől eltérően ügykezelői feladatkörre közszolgálati jogviszony - a jogszabály által meghatározott fontos és bizalmas ügykezelői munkaköröket, valamint a 68. § (3) bekezdésében meghatározott vezetői megbízás esetét kivéve - a külön törvény

szerint a szabad mozgás és tartózkodás jogával rendelkező személlyel is létesíthető, ha a feladatkör ellátásához szükséges mértékű magyar nyelvismerettel rendelkezik:
c) az Európai Szociális Kartáról szóló megállapodásban résztvevő államok állampolgáraival.

A Magyar Köztársaság 2010. évi költségvetését megalapozó egyes törvények módosításáról szóló 2009. évi CIX. törvénynek az egyenló bánásmódról és az esélyegyenlőség előmozdításáról szóló 2003. évi CXXV. törvényt módosító rendelkezése

30. § Az egyenlő bánásmódról és az esélyegyenlőség előmozdításáról szóló 2003. évi CXXV. törvény (a továbbiakban: Ebktv.) a következő új 63/A. §-sal egészül ki:
63/A. § (1) A helyi önkormányzat, valamint a többcélú kistérségi társulás – a külön jogszabályban meghatározott szempontok figyelembevételével – öt évre szóló helyi esélyegyenlőségi programot fogad el.
(2) A helyi esélyegyenlőségi programban helyzetelemzést kell készíteni a hátrányos helyzetű társadalmi csoportok oktatási, lakhatási, foglalkoztatási, egészségügyi és szociális helyzetéről, illetve meg kell határozni a helyzetelemzés során feltárt problémák komplex kezelése érdekében szükséges intézkedéseket. A programalkotás során gondoskodni kell a helyi esélyegyenlőségi program és a helyi önkormányzat által készítendő egyéb fejlesztési tervek, koncepciók, továbbá a közoktatási esélyegyenlőségi terv összhangjáról.
(3) A helyi esélyegyenlőségi program elkészítése során kiemelt figyelmet kell fordítani
a) az egyenlő bánásmód követelményének érvényesülését segítő intézkedésekre,
b) az oktatás és a képzés területén a jogellenes elkülönítés megelőzésére, illetve az azzal szembeni fellépésre, továbbá az egyenlő esélyű hozzáférés biztosításához szükséges intézkedésekre,
c) a közszolgáltatásokhoz, valamint az egészségügyi szolgáltatásokhoz való egyenlő esélyű hozzáférés biztosításához szükséges intézkedésekre,
d) olyan intézkedésekre, amelyek csökkentik a hátrányos helyzetűek munkaerő-piaci hátrányait, illetve javítják foglalkoztatási esélyeiket.
(4) A helyi esélyegyenlőségi program időarányos megvalósulását, illetve a (2) bekezdésben meghatározott helyzet esetleges megváltozását kétévente át kell tekinteni, az áttekintés alapján szükség esetén a helyi esélyegyenlőségi programot felül kell vizsgálni.
(5) A helyi esélyegyenlőségi program előkészítésébe, illetve (4) bekezdés szerinti áttekintésébe, valamint felülvizsgálatába a külön jogszabály szerinti esélyegyenlőségi szakértőt be kell vonni. Az elfogadott helyi esélyegyenlőségi programhoz, annak (4) bekezdés szerinti áttekintéséhez, valamint felülvizsgálatához csatolni kell az előkészítésben részt vevő esélyegyenlőségi szakértő véleményét. A véleményt a (8) bekezdés szerinti kérelemhez csatolni kell.
(6) A helyi önkormányzat, valamint a többcélú kistérségi társulás az államháztartás alrendszereiből, az európai uniós forrásokból, illetve a nemzetközi megállapodás alapján finanszírozott egyéb programokból származó, egyedi döntés alapján nyújtott, pályázati úton odaítélt támogatásban csak akkor részesülhet, ha az e törvény rendelkezéseinek megfelelő, hatályos helyi esélyegyenlőségi programmal rendelkezik.
(7) A helyi önkormányzatok jogi személyiséggel rendelkező társulása az államháztartás alrendszereiből, az európai uniós forrásokból, illetve a nemzetközi megállapodás alapján finanszírozott egyéb programokból származó, egyedi döntés alapján nyújtott, pályázati úton odaítélt támogatásban csak akkor részesülhet, ha a társulást alkotó helyi önkormányzatok

mindegyike az e törvény rendelkezéseinek megfelelő, hatályos helyi esélyegyenlőségi programmal rendelkezik.
(8) A hatóság a polgármester, a megyei közgyűlés elnöke, illetve a többcélú kistérségi társulás esetében a társulási tanács elnökének kérelmére megvizsgálja, hogy a helyi önkormányzat, illetve a többcélú kistérségi társulás rendelkezik-e az e törvény rendelkezéseinek megfelelő, hatályos helyi esélyegyenlőségi programmal, és ezt a tényt a kérelem beérkezését követő negyvenöt munkanapon belül hatósági bizonyítvánnyal igazolja. A hatóság a hatósági bizonyítványokat a honlapján közzéteszi.

Act XXVI of 1998 on the rights and equal opportunities of persons with disabilities

1998. évi XXVI. törvény a fogyatékos személyek jogairól és esélyegyenlőségük biztosításáról

Közszolgáltatásokhoz való egyenlő esélyű hozzáférés

7/A. § (1) A fogyatékos személy számára az e törvényben meghatározottak szerint – figyelembe véve a különböző fogyatékossági csoportok eltérő speciális szükségleteit – biztosítani kell a közszolgáltatásokhoz való egyenlő esélyű hozzáférést.
(2) A közszolgáltatások engedélyezésére vonatkozó külön jogszabályok szerinti hatósági eljárás során az egyenlő esélyű hozzáférés szempontjának érvényesülését biztosítani kell.

7/B. § (1) A 4. § *fa)–fb)* alpontjában meghatározott – 2007. április 1-jén már működő – közszolgáltatások vonatkozásában az egyenlő esélyű hozzáférés megvalósításának határideje 2010. december 31.
(2) A 4. § *fc)* alpontja szerinti – 2007. április 1-jén már működő – közszolgáltatások esetében az egyenlő esélyű hozzáférés megvalósításának követelményét a mellékletben rögzített évenkénti ütemezés szerint kell végrehajtani.
(3) A közoktatásról szóló 1993. évi LXXIX. törvény (a továbbiakban: Kt.) 88. §-ának (1) bekezdése alapján elkészített fővárosi, megyei fejlesztési tervben meg kell határozni, hogy a helyi önkormányzat által nyújtott közszolgáltatások esetén milyen módon kell megvalósítani az egyenlő esélyű hozzáférés feltételeit. Ennek elkészítése során figyelembe kell venni a Kt. 85. §-ának (4) bekezdésében meghatározott önkormányzati intézkedési tervben, valamint a Kt. 89/A. §-ának (5) bekezdésében meghatározott többcélú kistérségi társulási intézkedési tervben foglaltakat. A mellékletben meghatározottakat a fővárosi, megyei fejlesztési tervvel összhangban kell megvalósítani.
(4) A 4. § *fd)–fe)* alpontja szerinti – 2007. április 1-jén már működő – közszolgáltatások esetében az egyenlő esélyű hozzáférést a közszolgáltatást nyújtó épület nyilvánosság számára nyitva álló részei tekintetében 2013. december 31-éig kell biztosítani.
(5) A 4. § *fa)–fc)* alpontjában meghatározott közszolgáltatások egyenlő esélyű hozzáférhetővé tételének megteremtését az európai uniós társfinanszírozással megvalósuló fejlesztések támogatják.

7/C. § A közszolgáltatásokhoz való egyenlő esélyű hozzáférés biztosítása érdekében a fogyatékos személy az önálló életvitelét segítő kutyáját – külön jogszabályban meghatározottak szerint – beviheti a közszolgáltatást nyújtó szerv, intézmény, szolgáltató mindenki számára nyitva álló területére.

Act CXXV of 2009 on Hungarian sign language and the use of Hungarian sign language

2009. évi CXXV törvény a magyar jelnyelvről és a magyar jelnyelv használatáról[1]

Általános rendelkezések

1. § E törvény célja a magyar jelnyelv nyelvi státuszának elismerése, továbbá annak biztosítása, hogy a hallássérült és siketvak személyek a magyar jelnyelvet, illetve a speciális kommunikációs rendszereket használhassák és az állam által finanszírozott jelnyelvi tolmácsszolgáltatást igénybe vehessék.

Térítésmentes jelnyelvi tolmácsszolgáltatás

4. § (1) Térítésmentes jelnyelvi tolmácsszolgáltatást az a magyar állampolgársággal, vagy a szabad mozgás és tartózkodás jogával rendelkező, valamint bevándorolt és letelepedett hallássérült, illetve siketvak személy vehet igénybe,
a) aki magasabb összegű családi pótlékban részesül, vagy
b) aki fogyatékossági támogatásban részesül, vagy
c) akinek hallássérülése legalább az egyik fülön meghaladja a 60 dB-t, vagy mindkét fülön a 40 dB-t, vagy
d) akinek fogyatékossága – a BNO-10-es osztályozása szerint – egyidejűleg a H54-es és a H90-es csoportba tartozik.
(2) A térítésmentes jelnyelvi tolmácsszolgáltatás
a) az (1) bekezdés *a)* és *b)* pontjában meghatározott esetben az ellátást megállapító határozat,
b) az (1) bekezdés *c)* és *d)* pontjában meghatározott esetben szakorvosi igazolás, illetve szakorvos által kiadott audiogram
bemutatásával vehető igénybe.

5. § (1) Az állam által biztosított térítésmentes jelnyelvi tolmácsszolgáltatás időkerete évi 36 000 óra, személyenként legfeljebb évi 120 óra.
(2) Az (1) bekezdés szerinti éves személyenkénti időkereten felül az állam
a) a tanulói jogviszonnyal összefüggésben a gimnáziumban, szakközépiskolában, illetve szakiskolában tanulói jogviszonyban álló személy részére tanévenként 120 óra,
b) a hallgatói jogviszonnyal összefüggésben a felsőoktatási hallgatói jogviszonyban álló személy részére szemeszterenként 60 óra,
c) a képzéssel összefüggésben a felnőttképzésben részt vevő személy részére képzésenként a képzés óraszáma 20 százalékának megfelelő mértékű
térítésmentes jelnyelvi tolmácsszolgáltatást biztosít.

Finanszírozási szabályok

10. § (1)[2] A térítésmentes jelnyelvi tolmácsszolgáltatáshoz, valamint a jelnyelvi tolmácsszolgálatok működéséhez szükséges forrást a mindenkori költségvetési törvény tartalmazza. A térítésmentes jelnyelvi tolmácsszolgáltatás finanszírozása a 6. § (1) bekezdése szerinti szervezet útján történik.

[1] A törvényt az Országgyűlés a 2009. november 9-i ülésnapján fogadta el. A kihirdetés napja: 2009. november 27.
[2] A 10. § (1) bekezdése a 2010: CLXXI. törvény 93. § (1) bekezdése szerint módosított szöveg.

Act I of 1996 on radio and television broadcasting

1996. évi I. törvény a rádiózásról és televíziózásról

„8/A. § (1) A közszolgálati, illetve az országos televíziós műsorszolgáltató – a szakosított műsorszolgáltató kivételével – köteles biztosítani, hogy a műsorszolgáltatása során
a) valamennyi közérdekű közlemény, illetve – amennyiben a műsorszám jellegéből más nem következik – hírműsorszám,
b) a filmalkotás, valamint a 2. § 19. pontjának *e)* alpontjában meghatározott és a fogyatékos személyek számára készített közszolgálati műsorszám naptári naponként
ba) a 2010. évben legalább két órán keresztül,
bb) a 2011. évben legalább négy órán keresztül,
bc) a 2012. évben legalább hat órán keresztül,
bd) a 2013. évben legalább nyolc órán keresztül,
be) a 2014. évben legalább tíz órán keresztül,
bf) a 2015. évtől teljes egészében
magyar nyelvű felirattal vagy jelnyelvi tolmácsolással is elérhető legyen.
(2) A feliratozással, illetve jelnyelvi tolmácsolással megkezdett műsorszámot a műsorszolgáltató annak teljes időtartama alatt – a műsorszám egységét nem sértve – 6 óra és 24 óra közötti időszakban köteles feliratozni, illetve jelnyelvi tolmácsolással ellátni.