



YouthPartnership

FACTSHEET ON SOCIAL INCLUSION/ EQUAL OPPORTUNITIES IN HUNGARY



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European Commission



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1) Risk of poverty

	Sources	Year	Age Range	%
At risk of poverty by age <small>(cut-off point: 60% of median equivalised income after social transfers)</small>	Eurostat	2006	Less than 18	25,0
Distribution of cross income by main sources of income for poor households with children: work income	Children poverty and well-being in EU. Current status and way forward. EC.2008 p.158	2005		44,3
Distribution of cross income by main sources of income for poor households with children: Unemployment benefit	Children poverty and well-being in EU. Current status and way forward. EC.2008 p.158	2005		8,3
Distribution of cross income by main sources of income for poor households with children: Family allowance	Children poverty and well-being in EU. Current status and way forward. EC.2008 p.158	2005		33,3
Distribution of children by the type of household (lone parent) and work type of adults of the household: jobless	Children poverty and well-being in EU. Current status and way forward. EC.2008 p.166	2005		13,0
Distribution of children by the type of household (lone parent) and work type of adults of the household: in full-time job	Children poverty and well-being in EU. Current status and way forward. EC.2008 p.166	2005		78,0
Distribution of children by the type of household (couple with children) and work type of adults of the household: both in full-time job	Children poverty and well-being in EU. Current status and way forward. EC.2008 p.166	2005		75,0
Distribution of children by the type of household (couple with children) and work type of adults of the household: both jobless	Children poverty and well-being in EU. Current status and way forward. EC.2008 p.166	2005		2,0
Risk of poverty rate by household type: Single parent with dependent children <small>(cut-off point: 60% of median equivalised income after social transfers)</small>	Eurostat	2006		39,0
Risk of poverty rate by household type: Household without dependent children <small>(cut-off point: 60% of median equivalised income after social transfers)</small>	Eurostat	2006		10,0
Risk of poverty rate by household type: Household with dependent children <small>(cut-off point: 60% of median equivalised income after social transfers)</small>	Eurostat	2006		21,0

2) Social Subsistence/Protection

A short description of country's social protection system and list of the benefits young people are entitled to	Annex 5
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3) Equal opportunities

A description of the forms of inequality, which young people may confront in their home country (eg. gender, religion/belief, ethnic origin, disability, geographical location related inequality)	Annex 6
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ANNEX 5

SOCIAL SUBSISTANCE/PROTECTION

There are five main pillars of social security in Hungary. Two largest are pensions and health protection services. Other three are unemployment insurance, the family support system and social assistance system. Gainfully employed and assimilated persons are insured against all risks: employees, the self employees, the self employed, job-seeker benefits and aid or job-seeker aid which is paid retirement. (MISSOC 2007.)

Various groups of the not gainfully employed population are entitled to health care benefits: Among people between 15 and 34 during full-time studying, maternity, home care allowance and unemployment. There are two insurance-related family subsidies and four universal family subsidies in Hungary. Pregnancy confinement assistance and childcare costs are dependent on insurance, while family allowance, child care assistance, child-raising support and maternity support are universal benefits. (MISSOC 2007, Eures 2008.)

Entitlement to the childcare fee continues until the child reaches the age of two. It amounts up to 70% of the average salary per calendar day. Tax and pension insurance contributions are deducted from the childcare fee, the payment term is classified as service time providing pension entitlement. (Eures 2008.) The State provides a monthly family supplement for education and schooling costs of children. This basic amount equals HUF 11 700, 47eur per child, which increases with the number of children or if the parent is a single parent. Childcare assistance is generally due until the child reaches the age of three. The beneficiary is entitled to child-raising support for three or four minors from the time the youngest child reaches the age of three until he/she reaches the age of eight. (Eures 2008.)

Insurance against illness provides entitlement to financial benefits. Financial benefits are sick pay, accident sick pay and accident allowance. Any insured claimant may receive sick pay, which was unable to work, because of an illness, pregnancy or childbirth and is not entitled to child-birth allowance. Sick pay is due for the period of the inability to work, at most for one year while the person is insured and for 45 days after the termination of insurance. Depending on the time spent in insurance, the rate is 60% or 70% of the daily average salary. (Eures 2008.)

Maternity benefits included check ups, delivery, basic advice on breast-feeding, home care services and family assistance. Any woman is eligible for maternity allowance 180 post birth days. Its amount is 70% of the average daily earning. The father is entitled to 5 days leave in the first 2 months after the birth. (Statat-System 2008.)

The State provides "life-start" support for each newborn baby HUF 42 500. Support is transferred to a specified "start account", and the amount, together with interest, will only be paid to the child after he/she reaches the age of 18. Family allowance age 0-16year 11700huf / child (47 euros) and other benefits are for example home care allowance, child raising support and child care fee. (Eures 2008, MISSOC 2008.)

Sources:

[Eures – The European Job Mobility Portal](#) 2008.

MISSOC 2007. Mutual Information System on Social Protection. [Comparative Tables – Part 5.](#)

[Statat-System 2008. Social security, social welfare.](#)

ANNEX 6

EQUAL OPPORTUNITIES

Hungary joined in the EU on May 2004 among 10 other countries. Countries are mainly from Eastern Europe and new member states are also the poorest countries in EU. In Hungary more than three quarters of the population live on incomes below 60% of the EU median and half of the population lives on 40% below the EU median. In Hungary 1.333.000 inhabitant are totally poor, 68% of them present working age. The rate indicates that the differences between social groups are relatively large. Highest risk of poverty extends to

the people living alone, being unemployed and/or having children. Situation reflects also amount of pension, social security and childcare. Families with one or two children where one of the partner is not working (at least a year) are the largest group among those at risk of poverty. (The Social Situation in the European Union 2007, pp. 5; 34; 39.) However the income position has improved continuously between 1997 and 2006. (Hungarian Statistical Office 2007, pp. 14.)

Hungary inland migration has slightly increased during last few years. The main destinations of inland migration are in central parts of the country; Pest county and western and central Transdanubia and Budapest, the capital of Hungary. Standard of living is better near Budapest than elsewhere in the country. Infrastructure, natural resources and way of living is more traditional in Northern and Eastern parts. In recent years northern Hungary has had the greatest loss both natural and inland migration. The gipsies are biggest minority group (10% of population) and inequality is large among them (no taxes, unemployment is high, need of social protection is high). (Hungarian Central Statistical Office 2005, pp. 10-11).

The annual unemployment rate was 7.4% in 2007. The rate is a bit higher than the EU average. The employment rate of 15-24 year-olds was in 2007 18.0%. 37% of them were unqualified, which was detrimental to their chances to find a job. For students (age 20-29) with the degree, unemployment rate was 6%. (Hungarian Statistical Office 2007, pp. 12). Male and female unemployment rates were equal in 2007. The biggest rises were among women aged 20-24 years. Central Hungary employment rate was highest and northern Hungary had the lowest rate. (Hungarian Central Statistical Office 2005, pp. 18). Hungarian men earn 19% higher salaries than women (Sosiaalinen tilanne Euroopassa 2004, pp. 41.)

In recent years the ranking of EU countries by level of education has changed slightly and the differences among them have narrowed. Young people between 20 and 24 with at least secondary examination averaged 76-77% in 25 EU-countries. In Hungary 83% of the young people had at least secondary qualifications in 2004. Tertiary education institutions have expanded and number of student has grown very fast. Year 1990 8,5% of 18-22 year old population was studying tertiary education. In 2005 rate was over 24%. The most commonly chosen subjects were business, economics, law and tourism/hotel courses. In Hungary 55% in aged group 5-29 attended education, which was 5% lower as compared to an average figure in EU countries. Hungary spent 5,5% of their GDP on education, average in EU-countries is 5,2%. (Hungarian Central Statistical Office 2005, pp. 14).

Most marriages were among 25-29 year-old women and 30-34 year-old men. Getting married has delayed to later years of life mainly because of extended study times in full-time education and because of the more liberal society, which allows living with a partner even without marriage. However, divorce rate has not changed during recent years. The number of marriages was 4.3 per thousand inhabitants in year 2004. It is rather low in the EU countries. In Hungary marriage rate was 7th lowest place on the list. Anyway Hungary had one of the highest divorce rates. (Hungarian Central Statistical Office 2005, pp. 8.)

Living conditions and housing are midrange on the EU-ranking list. The average floor area is 30m², a little over one room per inhabitant. In 2003 90-91% had bathrooms, piped water, and drainage. Only 59% were connected to a public sewer. Hungary has the highest owner-occupation rate (92%) of any member country. (Hungarian Central Statistical Office 2005, pp. 25.)

Sources:

[Hungarian Central Statistical Office 2005.](#)

[Hungarian Statistical Office 2007.](#)

[Social Situation in the European Union 2007. Social Cohesion through Equal Opportunities.](#) European Commission, Eurostat.

[Sosiaalinen tilanne Euroopassa 2004.](#) Yleiskatsaus. Euroopan komissio.