



Ensuring Employability in Hungary

CEI- HRD Forum Higher Quality of Education and Training- Better Employability

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HRD as a key for employability and social inclusion ... thought the documents

A common „European Framework”
~ OMC at EU and MS levels

Employment and Social Policies

EU: - **European Employment Strategy (EES)**

MS: National Reform Programme (NRP) –former NAP

EU: - **European Social Model (ESM)**

National Strategy Report on Social

MS: Protection and Social Inclusion

Education Policies

- Education & Training 2010

- Bologna Process 2010

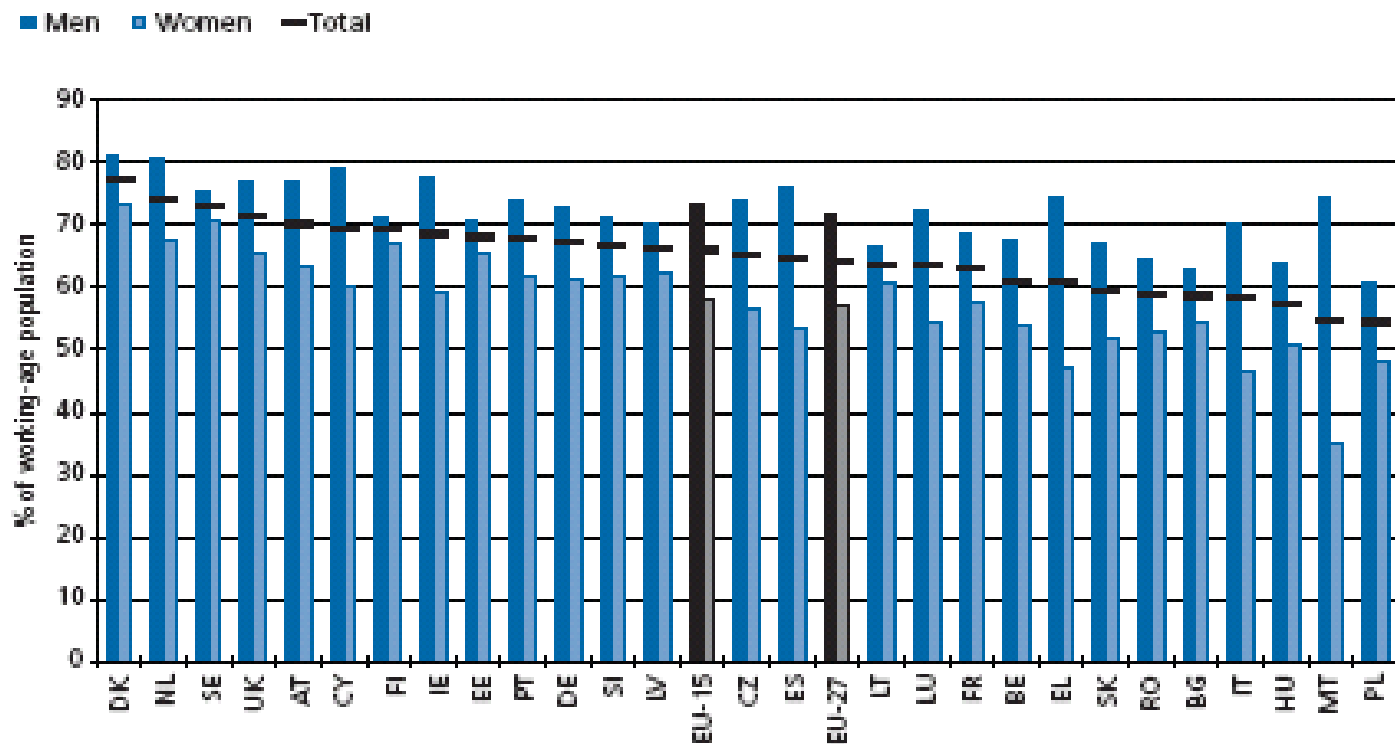
- LLL Strategy

... but a single HRD policy ?

- Common goals, even common indicators (?)
 - Coordination
 - Cooperation
 - Common programmes:
- 2007-2013 development period could be an answer → MS level: NHDP – SROP (**Social Renewal OP**)
- Statistically *one Hungarian citizens life* (life-cycle) **costs** 400 millions HUF (~1,5 millions **EUR**) (Adorján 2008)

I. Labour market and Employment in Hungary

Chart 8: Employment rates by gender for EU Member States, 2006



Source: Eurostat, EU LFS annual averages. Note: Data for DE and FR provisional.

EU27 & HU main figures



	EU27	HU
Activity rate (15-64) (2006)	70.1%	62.0%
Employment rate (15-64) (2006)	64.3%	57.3%
Total unemployment (2006)	7.1%	7.4%
Youth unempl. rate (15-24) (2006)	17.5%	19.1%
LTU	3.6%	3.4%
LLL (25-64) (2006)	9,7%	3.6%
Average exit age (EU '06, HU '05)	61.2 ys.	59.8 ys.

Average unemployment period in HU: over 16 months
(according LFS)

Progress in relation to targets set in the previous NAP/incl:

Indicator:	Target value for 2008 set in the previous NAP:	Target value for 2010 set in the previous NAP:	Actual value (2007):
Employment rate of the population of age 15-64	57,0%	58,7%	57,3%
Employment rate of women	51,8%	53,2%	50,9%
Employment rate of employees of age 55-64	33,3%	34,8%	33,1%
Activity rate of the population of age 15-64	62,1%	63,3%	61,9%
Activity rate of men	68,2%	69,1%	69%
Activity rate of women	56,2%	57,6%	55,1%
Early school-leaving among people of age 18-24	11%	10%	10,9%
Ratio of the population of age 25-64 participating in education and training	8% (2013)		3,9%
Ratio of the population of working age (18-59 years) living in jobless households	10% (2013)		11,8%

II. Programmes of the Hungarian Government

New planning

for the long term:

- National Development Strategy 2020
- National Regional Development Plan 2020

for middle term:

- Second National Development Plan, officially called New Hungary Development Plan 2007-2013, it contains 7 regional operative programmes
 - within Social Renewal OP & Social Infrastructure OP
- Rural & Agricultural Development Plan 2007-2013

for short term:

- National Reform Programme (NRP) 2008-2010
- National Strategy Reports on Social Protection and Social Inclusion 2008-2010 Hungary
- Program for Convergence 2009-2011

Full list of the new documents...

- Convergence Programme
- New Hungary Development Plan (2007-2013)
- Sustainable Development Strategy (under planning, date of presentation: 1 July, 2007)
- National Cancer Control Programme (2006-2013)
- National Infant and Child Healthcare Programme (November 2005 – 2013)
- National Public Health Programme (2003-2013)
- Green Paper on Hungarian Healthcare (26 July 2006)
- Energy Policy 2006-2015 - GKM studies
- Hungarian Information Society Strategy (2003-)
- National Broadband Strategy (2005-2013)
- National Environment Protection Programme (2003-2008)
- National Strategy Report on Social Protection and Social Cohesion (under planning –
Date of presentation: 15 October, 2006)
- Pension Strategy Report (2005-2006)
- Hungarian Strategy for Life-long Learning (2005-2013)
- Knowledge for All! Action Plan (2006-2010)
- Education IT Strategy (2004-2006)
- Equal Opportunity in Education Work Programme (31 August 2006)
- Medium Term Strategy for Science-technology and Innovation Policy (31 October
2006)
- Reforms in Education 2002-2006
- Vocational Training Strategy
- National Tourism Development Strategy (2005-2013)
- New Hungary Regional Development Strategic Plan (2007-2013)

Planned Distribution of Funds among Operational Programmes

265 HUF/euro, prices of 2004

Operational programmes	Total billion HUF
Economic Development OP	674.03
Transport OP	1721.47
Social Renewal OP	933.29
Social Infrastructure OP	538.95
Environment and Energy OP	1053.56
West-Transdanubia OP	128.25
Central Transdanubia OP	140.46
South-Transdanubia OP	194.99
South-Great Plain OP	207.05
North-Great Plain OP	269.64
North-Hungary OP	249.91
Central Hungary OP	430.29
State Reform OP	40.61
Electronic Public Administration OP	99.49
Implementation OP	94.88
National Performance Reserve	98.38
The New Hungary Development Plan in total	6875.27
European Territorial Cooperation*	106.81

Programmes on employability development SROP 1st priority

Priority axes and interventions	Total funds	Division of funds
<p>1.) Improving employability, promoting entry to the labour market</p> <ul style="list-style-type: none">- Development of the employment services and establishment of an integrated employment and social service system- Labour market activation, prevention and training- Social economy, innovative and local employment initiatives and pacts	723 686 776	17,66 %

Main programmes within SROP Priority 1 2007-2008 (AP1)

- Labour market activation, prevention and training
- Social economy, innovative and local employment initiatives and pacts
- Transnational and cross-border cooperation
- Development of the employment services and establishment of an integrated employment and social service system
= further development of the PES

A good practice: Start+ and Start Extra Cards



Start+ individuals are eligible for the card if:

- they want to work one year after using up maternity benefits;
- they want to work after the first post-childbirth year, not having a workplace to return to;
- they are long-term unemployed

Start Extra

programme provides a 32 percentage point (first year; the cap was HUF 41 600, EUR 182, in 2007) to 17 percentage point (second year; the cap was HUF 22 100, EUR 96, in 2007) contribution credit, therefore contributions are fully waived or are payable at the rate of 15 % respectively. Individuals are eligible if they are **registered as long-term unemployed, are past the age of 50 or have, at most, primary education.**

Performance and achievements

	Start+	Start Extra
Size of target group	94 000	86 000
Employment target by end of 2008	18 000	
6+ months employment target	8 570	
Cards issued (until may 2008)	10 283	4 682
Valid cards out (by may 2008)	10 244	4 585
Employed cardholders (in march 2008)	4 655	1 980
Reach of programme (cards/target group)	10.9%	5.4%
Share of employed out of cardholders	45.4%	43.2%
Proportion of employment target until March 2008	37%	

Source: Ministry of Employment and Social Affairs, programme data.

III. Barriers of improvements / successful solutions

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- New documents (from OMC) give a much more structured view on national policies (indicators, goals etc.)
- ESF gives an additional space for acting

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- To much to coordinate, parallel moves at MS and EU levels as well

Thank you for your kind attention!