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# **Trade unions in Hungary 2012: New hope in a year of woes?**

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Looking back at 2012 Hungary's trade unions find little comfort in the past year. They had to swallow many a bitter pill. To employee interest representatives, '2012 was a year of woes', workers councils' chairman Imre Palkovics sums up the past twelve months. Hungary's smallest union confederation has most of its members among people doing physical work but it is that particular group who saw their real wages shrink 6–8 percent in value, mainly following enactment of flat tax legislation. 2013 marks the 25th anniversary of the beginning decline of the state-controlled unitary union movement and the nascence of new trade unions as authentic representatives of employee interests. Is the outgoing year likely to bring about a change for the ever-divided union movement, and if so, in which direction?

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## New labour law enacted

Hungary's six union confederations are unhappy with the new labour code that came into force as of 1 July 2012. Throughout 2011 the unions launched widely reported spectacular actions to protest against the new law – human chains around Parliament, rallies, demonstrations, petitions and road blockades. Some academics otherwise known for their distanced attitudes rushed to herald the beginning of a 'renaissance of the unions'. The national-conservative government however, relying on its overwhelming two-thirds majority in Parliament, saw no reason even for tiny corrections to its course that as such might alter the 'worker-hostile basic character' of the new employment law in any way.

The LIGA trade unions asked a research group of economists and social scientists of the Hungarian Academy of Sciences (MTA) and Budapest's ELTE University to find out how the new labour code has affected a group of 16 enterprises. The research group presented their preliminary report to an extraordinary congress of the LIGA trade unions in December 2012.

Business and union representatives alike said the government-vaunted positive impact of the new labour regulations on employment has not come about. Even speakers for the employer side doubt that a reduction of employee rights to the extent laid down in the new labour code was really necessary or made sense at all.

Not surprisingly employers claim the introduction of more flexible employment regulations will boost competitiveness. The trade unions, for their part, argue the modified labour regulations delivers employees even more vulnerable than before to entrepreneurial vagaries. Besides, the new law affects loyalty and productivity in the workplace.

The research group for their part are not sure that a relaxation of employment relations was absolutely necessary. They recall findings of international comparative studies which show that labour protective measures introduced with the enactment of a labour code of 1992 were already below average European standards.

The study further showed that the drop in employee pay following introduction of the new regu-

lations is attributable to reductions of extra pay for working afternoon shifts, lower unemployment benefits, extended working time limits, rather than to rest period deductions from working time or 6-month trial periods for new employees. Another negative factor responsible for shrinking yearly wage earnings is that more and more enterprises are unwilling to offer 13th month's salaries.

So the research group say their study justifies the general conclusion that the new labour code has moved the burden of new risks one-sidedly from employers on employees and on the community at large, has made the use of work power cheaper and more flexible, and has subverted human dignity and conditions for health and safety at work.

Certain interim solutions limiting application of the new regulations had expired with the end of the year, so with the new labour code coming into force in its full extent as of 1 January 2013 employees have seen their situation even more complicated to comply with. LIGA chairman István Gaskó says it is time now to start a serious discussion on the aberrations the present labour law engenders, as well as on ways to remedy the anomalies. His colleague from the MSZOSZ, Péter Pataky, speaking to MTI news agency and union information portal szakszervezetek.hu pointed out that 'Prime Minister Viktor Orbán described this law is the next most flexible labour code in Europe' adding 'This "flexibility" is going to cost employees dearly, especially in workplaces where there is no organised advocacy group, no trade union.'

Pataky points to the growing 'working poverty' in the country and puts the blame on the social policy line of the Orbán government, which is, to ease conditions for the better-off groups of society and to offer the others just as much employment as is necessary 'to forestall a hunger rebellion.' He acknowledges the minimum wage raise at the close of last year as a success of the unions in negotiations, yet cautions it is by no means certain that wage increases to a similar extent can be secured through negotiations at industry and enterprise levels for all employees in 2013.

## **Minimum wage compromise**

Following a months-long tug of war between employers and trade unions over the raising of statutory minimum wage agreement was reached just before year end, on 11 December. As of 1 January 2013 minimum wage was raised 5.4 percent, from 93 000 to 98 000 forint, as minimum salary for qualified work was up 5.6 percent, from 108 000 to 114 000 forint<sup>2</sup>. Target figures the parties defended almost to the end in the negotiations were widely disparate, so agreement was nowhere in sight for long. The unions themselves were in agreement only insofar as their demands were targeted on making good for inflation. Employers for their part wanted minimum pay levels to be raised 2.6 percent only in both wage and salary categories.

Late last November the LIGA unions executive council approved their demands for minimum wage at 105 000 forint and for minimum salary for qualified work 115 000 forint. The MSZOSZ federation demanded 100 000 and 116 000 forint respectively. The social Christian oriented workers councils went farthest, resolving to push for 105 000 forint minimum wage and 120 000 forint minimum salary for qualified work. They argued that minimum wage covered barely 75 percent of subsistence level.

The negotiating parties did eventually meet in their demands, not least thanks to the government offering to take responsibility for payment of extra costs charged on wage and salary funds in ailing industries in the first half of 2013. A total of 256 000 employees in 11 food, textile, clothing and leather industries, in wood processing and furniture industry as well as in certain sectors of building industry benefit from the arrangement. Hungary's employer federation VOSZ estimates the government concession is going to ease the burden on the above sectors by 10 billion forint. At present 620 000 people in the competitive sphere work on minimum pay or minimum salary for qualified work levels. This is a fact in a country where the September 2012 official employment figure (for enterprises with at least 5 employees) was quoted at 1.829 million.

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<sup>2</sup> The exchange rate of the forint against the euro was at 290.35 on 4 January 2013.

The unions were not really happy with the compromise, for their avowed purpose to stop at long last the real pay decline is unlikely to come off in 2013. The unions do not share the government's optimism that inflation will have been not more than 5.2 percent this year. Many employers get around the minimum wage requirement by switching over to part-time work. Nor do minimum wage requirements hold for the 270 000 employees in municipal employment programmes or for first-time employees. Real wage development is further compounded by the statutory flat tax in Hungary, which effectively imposes tax obligation even upon the lowest earnings.

Workers councils and autonomous trade unions have voiced their discontent with the compromise worked out in the consultative forum of the competitive sphere (VKF). Of Hungary's six union confederations only three have joined the new interest reconciliation forum: LIGA, MSZOSZ and workers councils (MOSZ). The autonomous unions (ASZSZ), which are outside this government-recognised category of trade unions, fear, as do the workers councils that the gap between subsistence level and net minimum pay is yet going to widen. The autonomous unions predict net minimum pay and subsistence level are going to level off at about 64 000 forint auf 93 000 forint, respectively. The other confederations are of course aware of the problem, yet they do not feel strong enough at present to be able to push through any significant change there. Even so, LIGA chairman István Gaskó described the agreement worked out with the government and employers an „encouraging start“, as minimum pay had thus increased in real value for a first time since 2007.

## **A new generation head the autonomous unions**

Ever since the political turnaround has the image of Hungary's pluralist union movement borne the traits of skilled train driver and postgraduate lawyer János Borsik. Representing the well-organised train driver union he was from the beginning among the top bosses of the confederation of autonomous trade unions (ASZSZ), serving as chairman for the past 12 years, succeeding founding chairman Lajos Föcze who retired because of

old age. While Föcze was seen as a seeker of accommodation in internal union differences, Borsik earned himself a reputation of one who never shuns confrontation. It was probably the autonomous confederation chairman's political style that cost them their voice in the new consultative forum of the competitive sphere (VKF) which Viktor Orbán's national conservative government has recognised. Member organisations subsequently asked – over Borsik's head – the chairman of the MSZOSZ to represent their interests in the consultative body. They failed to see „the determined, combative and professional presence the confederation was expected to demonstrate, as a true representation of interests, following introduction of the abortive new labour code.“ János Borsik then withdrew noiselessly, so the confederation of autonomous trade unions elected Tamás Székely in his position at their November 2012 congress. The new chairman now carries hopes for a stronger confederation than previously, because members want it to “take a tougher stance and a new forceful, indeed combative, strategy”.

With the election of the 42-year old chairman of the chemical industry union to the lead post the confederation completed a generation exchange the top. The new chairman, a graduate engineer, was well thought of by both his predecessors who entrusted him with development of the chemical union's new IT system even as he was barely past graduation. As fellowship holder and guest auditor he gathered in Germany – and later in Sweden – at the Dortmund Social Academy and on union co-op programmes sustainable foreign experiences. He was barely 40 when, following satisfactory fulfilment of a string of responsibilities, he was given leadership of the chemical union, one of the biggest industrial trade union in the competitive sphere.

The new chairman in two jobs believes in the strengths of team work, rather than in the dominance of the man at the top. In the future, the co-chairmen of the confederation – at present there are three chairmen of major member organisations – will each be expected to speak out autonomously on their respective work domains. Tamás Székely is positive that the new elected board are bound for success on their way to changing public image the autonomous confederation for the better. „If you are serious about

pushing through union goals, you do need allies“, Székely has said repeatedly. He refers above all to a united action front of several tens of industrial unions from different confederations which attracted a lot of attention with joint actions they launched in the autumn of 2011, including a „trade union D-Day“ on 1 October, to protest government policies. He hopes such united union actions can touch off impulses for a necessary renewal of trade unions which cannot afford any deferral any more. IndustriAll European Trade Union, which emerged following unification of three European union federations in the industries sector, has perhaps set an example to follow. Calls for a „united and strong interest representation“ have often been heard from all 6 confederations for 10 years now, yet no specific actions followed such pleas, „because certain union leaders desperately cling to their chairs as they fail to see, or indeed refuse to acknowledge, that their time is over, and not just for themselves but for the entire structure of representation of interests in this country“, said Tamás Székely before he was elected.

Székely's election as chairman of has narrowed the gap between the confederation of autonomous unions and the MSZOSZ, as their chairman at least talks the same language. A possible integration of the autonomous unions with the MSZOSZ, said Péter Pataky, should not be envisaged as simply an annexation of one party by the other but as essentially a new organisation. Both Székely and Pataky believe that a robust organisation of a new kind can establish itself on the basis of the two confederations as an efficient trade union structure active in the services sector, public utilities and the manufacturing industries, relying on its substantial professional expertise and operating at national as well as regional levels.

Representation of union interest, according to Tamás Székely, should position itself in the centre, mid-way between opposition and readiness to negotiate vis-à-vis „the system in power at the moment“. At a news conference immediately upon his election he spoke in brief of the political objectives his organisation will pursue. Next to structural reforms of his own confederation designed to prevent member organisations from leaving the confederation, the new leadership body names a return of their union structure to the process of interest agreement in the competitive sphere as

their priority goal. The organisation is willing to strike an agreement with the government „when a long-term economic strategy which does not hurt interests of employees justifies such a move.“

As before, members of the confederation hold the question of age-related pensions, and recently also that of an amendment barring civil and public servants from receiving pension along with salary, to be of prime importance. The amendment has hurt above all the medical services and nursing personnel.

The government decision to introduce a 10 percent cut on energy prices for households certainly eases the situation for employees, say the autonomous unions, yet they fear providers may now try to make good the lost earnings by reductions at the expense of their employees and by cutting investment.

The autonomous unions stand by their critical view of the overly stringent regulations in the amended strike law which make walkout all but impossible.

### **Renewal of trade unions Illusion or realistic design?**

As mentioned before calls for more cohesion and stronger integration of Hungarian trade unions have been heard for a long time. What strikes the eye is that such a desire is again being voiced by representatives of practically every union confederation now. They feel now more distressed than ever since the democratic turnover that under Viktor Orbán's national conservative government representation of union interests has soon seen its political elbowroom curtailed through a series of constrictive regulations of the law.

Along with that, the level of trade union membership has kept falling ever since the system change. Industry organisations with membership between 20 000 or 30 000 employees are now the largest ones so there are obviously not many such unions at present. Their coverage of sectors they represent is scrappy at best. Also if you look for trade unions in strategically sound positions which are capable of pushing their interests despite reduced membership levels, the count is easy. The

number of unions that could perhaps be trusted to mobilise an entire industry for united actions, and subsequently to put through such actions, is small indeed.

To this comes moreover „that – pardon this word – idiotic union pluralism“ that developed in Hungary after the turnaround „where you get in a single enterprise 8 to 10 trade unions standing up separately to the employer“, says MSZOSZ chairman Péter Pataky criticising the trade union model of his country and slamming at his own confederation too. It still affords itself, „for some inexplicable reason, 36 membership unions“, as elsewhere in Europe long-standing trade unions in recognition of what is necessary give up their autonomy and integrate into above-industry blocks, to present their high level efficiency and strength. Pataky is right in his perception that the pursued renewal of the Hungarian union movement has to start exactly at this point, namely at work establishment and industry level, if that is the way is „to change the fragmented, inefficient, economically ailing, personal and group interest shielding structure.“

Deputy Chairman of SZEFT trade union co-operation forum József Fehér raises another issue, which should make above all trade unions in the public sector to think over seriously the consequences of their disunity. Viktor Orbán's national conservative government has lately obliged public servants and law enforcement staff to seek membership in chambers, which trade unions watch critically. Fehér is hopeful that in the long run public sector employers will be willing to talk to a dozen or more trade unions. Replying to left liberal daily Népszabadság's sceptical query if the latest call for greater unity once again reflects someone's wishful thinking or at long last a concrete declaration of intent, Fehér said cautiously, „Certainly more than wishful thinking, but no specific action plan yet.“

The SZEFT leader is even more doubtful about consequences the centralisation attempts in the public administration may have for interest representation organisations, which go along with staff reductions and so with loss of members for the trade unions. Various offices are being merged into single organisational units under new government agencies in the comitatus (administrative

counties). So trade unions in the public administration, the law enforcement sector and the judiciary now face the job of developing unitary structures as well. Basic interests, specifically labour law-related conditions for employees in these domains, are essentially similar anyway. Even so, tough obstacles have still be negotiated on the road to the goal; for of trade unions active in the law enforcement domain alone four have joined the confederation, and three of those active among police officers.

Lastly, there is a financial consideration that may prompt the fragmented unions to seek a merger. A regulation of public sector employer to stop, as of January 2012, deducting automatically trade union membership dues from salaries, has sent down the number of union members by a half, according to the trade union active among employees of the Ministry of Internal Affairs and Law Enforcement domains (BRDSZ). That dramatic drop in membership, by the same number, was also confirmed by the independent trade union of police officers (FRSZ) which is in the LIGA. Conditions of work of trade unions in the public sector have worsened additionally as they had to give up free office and telephone services and payment of salaries for full-time trade union officials was discontinued.

The idea that the confederations could merge under one umbrella organisation, which has been around for a long time, is considered to have little chance of success. An organisation structured as an umbrella would warrant member confederations their autonomy, but these would mutually agree to delegate certain responsibilities, for example educational work, legal protection or international relations, to a common umbrella organisation. Exactly ten years back Hungary's confederations agreed in an understanding signed in Mátraháza declaring their intent to establish such an umbrella organisation, but the idea quickly vanished. The idea of an umbrella organisation was lately mentioned by LIGA chairman István Gaskó only, yet no delighted response followed. In fact the opposite happened: Tamás Székely gave the LIGA proposals towards an umbrella an unusually sharp rebuff in October 2012, even before he was elected chairman of the confederation of autonomous unions, as he said, „We are not going to build any empire for Gaskó!“ On the

portal of his chemical trade union he charged the LIGA chairman with preparing „to establish a union monopoly“ and pushing his „personal ambitions“. Keen to cater to the „government for favours“, by establishing an umbrella organisation Gaskó allegedly tried to put Hungary's independent union movement „into the yoke of the government“, the way he had done before as he used the LIGA trade unions „as an instrument of the government campaign“.

Maybe the reason why Tamás Székely chose to strike so hostile a tone against the LIGA chairman was that he wanted to show himself before his autonomous confederation as a resolute chairman for the future. But again, it is also possible that his reaction was a calculated riposte to an equally rude old-style enemy-bashing criticism from the LIGA unions, which had described the MSZOSZ as „a serf of the socialist party“. There are confederations in Hungary, the argument went, that are so closely tied up to the socialist party (MSZP) that they cannot allow others to lend a hand in solidarity. In that particular case the LIGA felt they had found the last piece of evidence for their admission to the newly established union of public sector workers. The initiative for founding that new union had indeed come from a mayor and a Member of Parliament for the MSZP. The executive head of the interest representation that seeks to get social benefit claimants who engage in work-creation schemes organised in trade unions is a former political secretary of state of the socialist party, who previously served as deputy chairman of the MSZOSZ. The LIGA then called upon the MSZOSZ to distance themselves from that organisation because of its close links to the party. Both cases go to show that any trustful co-operation between the six confederations would rely on what is yet a pretty rickety basis. Instead of looking closely at the reason for their reciprocal lashings the parties involved often seek to outbid each other in mutual incriminations reaching for worn down and futile instruments to sow suspicion, which bears the unmistakeable traits of weaponry from the arsenal of a 'cold civil war' between the bitterly estranged political parties. That way a potential partner in a joint effort towards stronger unity, which all trade unions have meanwhile come to see as a necessity, is sometimes openly suspected of treason, whereby any

chance of co-operation is again damaged even before it was attempted at all.

The confederations' ritualistic wrangling for prestige and supremacy experienced observers have come to know too well over the past two decades since the change of system obfuscate the picture of possible positive changes that are beginning to show in other areas of Hungary's pluralistic union movement.

A good case in point is perhaps that of two undertakings which seek to lift co-operation between industry trade unions over and above the boundaries of the confederations to accommodate it to the changing conditions and so to lead it on a better and more auspicious path. Specifically, three of the most important railway unions, belonging to three different confederations, are contemplating establishment of a joint federation for the representation of union interests, to strengthen their impact vis-à-vis the government and their partner in negotiations on the part of employers, but also in order to use resources more efficiently by addressing jointly certain mutually agreed tasks. These include joint meetings of executive bodies which will approve any indispensable organisational moves and define current interests. At the initiative of LIGA chairman István Gaskó, who also heads a Free Railway Union VDSZSZ Szolidaritás, Prime Minister Viktor Orbán met with labour leaders for an open exchange of opinions last September. Next to member organisations of the LIGA and the two co-operating railway unions of MSZOSZ and the autonomous confederation, other industry unions not belonging to the LIGA were invited to attend. Recently a congress of the railway union VSZ from the MSZOSZ late last November gave the projected joint federation for a representation of union interests in the railway green light.

Following international and European examples Vasas, a metal workers union, and VDSZ, a chemical industry union, are planning to carry out „the biggest fusion in recent decades“ and to create „the most powerful interest representation in this country“. The metal workers union is member of the MSZOSZ, member organisations in the chemical union belong to two confederations. A majority are with the autonomous unions' confederation (ASZSZ), a smaller part in the MSZOSZ.

Both unions say they are positive that a new organisational form is necessary and that the fusion of the unions must be deferred no longer „because the government is keen to crush the weak and that may lead to the utter annihilation of the Hungarian union movement“, and also because the tendency in Europe now is to concentrate union power in large organisations comprising entire sectors of the economy. In that perception Vasas and the VDSZ are referring to IndustriAll, the new European federation of industry unions, which the Hungarians have joined as members. A working group of experts from both unions are sorting out details of the projected federation of Hungarian industry unions. VDSZ chairman Tamás Székely told Népszabadság daily the federation of metal and chemical industry unions will represent some 50 000 organised employees. Should that be the case, the federation would speak for more than 10 percent of all registered trade union members in Hungary. For the time being the two above cases are just declarations of intent, but at least they may send a telling signal to the other trade unions which are still at a loss about what to do or prevaricating.

#### **Public employment programmes: New groups and organisations trade unions may target**

Faced with the numerous problems that come up in connection with government and municipal employment-creation programmes trade unions would really surprise observers if they did anything short of committing themselves wholeheartedly to this new challenge. It is of course up to the unions themselves to decide if they prefer to tackle the job of interest representation for that growing group of particularly disadvantaged workers as a special responsibility within the framework of existing union structures or through separate organisations established for these target groups. At this point it looks they are inclined to emulate the union pluralism they are familiar with from the primary labour market on the public employment-creation programmes sector as well. Next to the above-mentioned union for employees on public employment-creation programmes, which the LIGA disparaged as „a branch“ of the socialist party, the LIGA itself is busy building an organisation of its own it chose to give the odd

designation Union of Persons in Legal Relationship with Public Employment (KÖFÜSZ) which addresses the same target group. The label „independent“ highlights the LIGA claim to represent interests of the new target group free of partisan policies. The LIGA charges that at the time they were in government the MSZP used to look down upon all those on public employment-creation programmes the way the current government now does.

Insofar as the programmes of the two organisations can be said to be known at all they apparently differ in no way in their statements of basic goals. Both reject meaningless activities in their programmes, as these are irreconcilable with the principle of human dignity. Therefore they declare to pursue an all-embracing improvement of work conditions under which decent work is rewarded with decent pay. Both organisations hold the present maximum monthly pay for work on employment-creation programmes which is now at 47 000 forint (71 800 forint before tax) as insufficient to pay one's living. To be precise, such amounts are being paid to full-time employees alone. So of those employment programmes only those deserve to be supported that create those concerned a true chance of return to the primary labour market.

An expert report commissioned by HRportal.hu has found public employment-creation programmes offer „low pay, bad work conditions and little economic use“. The experts are in doubt about the government argument that these programmes help the long-time unemployed to re-integrate in the primary labour market. Even optimistic estimates of the experts put the success rate at not more than 20 percent and much lower than that in the private sector. Latest official statistics (KSH) show public employment-creation programmes have in any case a positive effect on the number of those in employment. Last October employment was at 3.953 million, 71 000 or 1.8 percent more than the year before. The statistical office is in no doubt that the growth of employment is attributable mostly to the increasing public employment-creation programmes. While employment-creation programmes gave jobs to 82 000 on average in the first seven months 2012 and the even though the number of people on such programmes continued to grow in the ensu-

ing months, the actual number of jobs had fallen badly short of the government target of 200 000 jobs to be created on such programmes in twelve months of the year, as Policy Agenda, a social and economic analytic think tank, pointed out. The government may perhaps try to define its target so as to show that it managed to provide jobs, over a shorter or longer time span in 2012, to a total 200 000 people. In reality, however, most of those employed on these programmes were given a chance to work for several months for a little more than their social security benefit rates.

As of 1 January 2013 the government ordered monthly pay for full-time work on public employment-creation programmes that requires no technical training or secondary school education to be raised to 49 000 forint (75 500 forint before tax). Remuneration for full-time work where these conditions are required goes up to 63 000 forint (96 800 forint before tax) a month.

Experts warn of the demoralising effect such poor pay for work on public employment-creation programmes creates. They also point out that as a consequence of having been jobless for a long-time most of those engaging in such programmes are badly in debt, so a portion of their pay goes away immediately to pay their debts.

Furthermore the expert report warns that misuse of public employment-creation programmes cannot be ruled out. It may happen, for instance, that employees on minimum wage get their contracts terminated only to be re-employed right away on worse conditions of an employment-creation programme.

Many local government bodies are seen to take advantage eagerly and widely of employment-creation programme to provide jobs for instance in the health service to ambulance drivers or cleaning services for pay which is under the statutory minimum wage. Apparently certain municipalities were found which took advantage of such employment programmes even to get better-educated people to work as office staff. It is those people who used to get substantially better paid for roughly the same kind of work before they lost their jobs that feel the way they are treated as badly degrading and discriminatory.

In a recent audit report Hungary's ombudsman for fundamental rights has confirmed the misgivings and reservations that have been heard in reference to the system of public employment-creation programmes. Given their extremely disadvantaged situation people involved in the programmes are barely capable of enforcing their interests „because of the preponderant position of the state and local government bodies as employers and because no well-defined code of procedure is in force“. The ombudsman report goes on to say, „That kind of unpredictability violates legal security and hampers the advancement of equal opportunities“ for those concerned, states the commissioner for fundamental rights and calls upon the government to remedy the irregularities as soon as possible. Na case in point, for instance, is the regulation concerning the granting and scope of holiday leave, which puts those employed in the public employment-creation programmes at a disadvantage compared to employees in other sectors. Deduction of social benefits is also worrying, says the ombudsman.

### **2013 the watershed for of Hungary's trade unions?**

At the turn of the new year many a comment were heard from Hungarian union leaders, who just cannot imagine the system of representation of trade union interests its present shape to go on much longer in their country. They are convinced that the pluralistic union movement introduced after the system change was a necessary choice at the time but that now it is high time to hit a new road. „Sooner or later this process will set in here in this country, as we shall find the way to come together organisationally“, said hopefully László Kuti, chairman of the Association of the Intelligentsia union (ÉSZT). Referring to strikes and actions undertaken by secondary school and college students in protest against government education policies in the outgoing weeks last year he called upon trade unions to learn a lesson from the exemplary co-operation of the young people in those protest actions.

2013 must bring about a change in the life of Hungarian trade unions, said MSOSZ chairman Péter Pataky. „It is intolerable that we should go

on doing what we have been doing for 10 years now, namely to say what we are doing is no good yet do nothing about it thereafter.“ While Pataky still does not deem it possible for a unitary trade union to emerge in Hungary at present, he is confident that a new kind of confederation can still be created on the basis of existing and operating industry trade unions. Genuine federations of trade unions built on industry organisations appear now compellingly as the „guiding principle“ to follow in efforts to overcome the present chaos; for „it is not in the pluralist model as such that is the problem, but the present disarray“, which obstructs the operation of a workable, efficient, constructive and professionally qualified representation of interests.

The LIGA trade unions for their part apply their „new strategy“ of last autumn to pursue the avowed goal of expanding their regional and industry union structures and to organise employees at small and medium enterprises (KMU), a drive they have neglected up to now.

2013 marks the 25th anniversary of the beginning decline of the state-controlled unitary union movement and the nascence of new trade unions as authentic representatives of employee interests. Is the outgoing year likely to bring about a change for the ever-divided union movement, and if so, in which direction?