

2018

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By László Neumann

Socio-economic developments

Industrial relations

Forecasts

Annual Review

of Labour Relations and Social Dialogue

State policies

Tripartite social dialogue



Annual Review 2018

on Labour Relations and Social Dialogue

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- The two major political events in 2018 were the general election in April and the series of mass demonstrations fuelled by unilateral legislative steps, most prominently passing the “Slave Act” in December. While the first ensured Fidesz-KDNP regaining a two-third majority in the Parliament, the latter eroded its popularity and actions of opposition parties and youth groups got a new impetus.
- The growth of the economy was record high, estimations are above 4 per cent. However, a labour shortage remained companies’ major obstacle to growth. It is a novelty that tackling a labour shortage is now getting to be the main focus of government labour market policy measures, too.
- Due to the increase in the minimum wage, the tight labour market and government measures affecting the public sector and public utility companies, wages grew by 12.2 per cent in January-October.
- Unfortunately, tripartite social dialogue practically lost its influence on political decision making. Despite the objection of the social partners, especially that of all trade union confederations, in the framework of the Consultative Forum of Industry and the Government (VKF), the government did not change the two major bills affecting the world of work: wage levies on non-wage elements of the remuneration package (the so-called “cafeteria”) and the amendment of the Labour Code on organisation of working time.
- Contrary to the previous year, social partners’ lobbying channels also failed to compromise with the government intention, inter-confederational union cooperation several times ceased to exist.
- There were a few warning strikes and strike threats, both in the public and private sectors, mainly to protest against low wages/salaries. However, trade unions staged a series of mass street rallies, first during the national level conflicts on “cafeteria” in September, and then several times protesting against the “Slave Act” in December. The latter amounts to a brand-new political situation in which trade unions led the demonstrations and students, opposition parties as well as civic groups joined to express general dissatisfaction with the regime.
- New agreements at multinational companies in manufacturing ensure remarkable wage hikes for 2019. Nonetheless, with the further tightening labour market renegotiation of multi-year agreements is on the agenda in several sectors.
- As for the unions’ prospects, in the short run the main question is how far they can maintain the pressure of demonstrations (and maybe strike alerts) on the government to withdraw the “Slave Act”. At the end of the year expectations are very high, but realistically it is not likely that industrial workers would go on strike en masse.

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Socio-economic developments

In 2018 economic growth further accelerated due to a surge in EU transfers as well as the increase in consumption driven by steadily rising wages. After 3.8 per cent growth in 2017, GDP will grow by about 4.5 per cent in 2018. According to the evaluation by GKI Economic Research, this rate is one of the highest in the EU. At the same time, inflation is accelerating in 2018 (3.1% in November), external and internal equilibria are deteriorating and in this regard no change can be expected in 2019 either. That is why GKI maintains its expectation of diminishing growth to 3.2 per cent in 2019. Further reasons for this are that the stimulating effects of EU transfers are decreasing, global economic growth is precarious, and there is still no prospect of improving competitiveness.¹

As to the sectoral growth figures, the construction sector, following a dire year in 2016, produced the biggest increase, 20 per cent in 2018. This illustrates well that currently Hungary's economic development largely depends on EU funding. Among the strategic sectors, manufacturing grew by 3.0 per cent in the first three quarters, information and communication by 6.6 per cent and retail trade by 7.9 per cent.² Foreign Direct Investment (FDI), the engine of growth before the crisis, has practically been stagnating since mid-2017 due to falling business confidence.³ Investments grew by 16 per cent compared to the record high performance (25 per cent) of the previous year.⁴ The last two years' huge increase was mainly due to the government policy to speed up utilisation of EU funds.

Hungary has an open, export-oriented economy (roughly two-thirds of total production is exported); in 2018 the export volume increased by 5.4 per cent. Economic growth is largely dependent on the European business cycle, no doubt in 2018 this helped the country achieve record growth figures. The balance of trade recorded a surplus of HUF 2,015,586 million (€6,260 million) in the third quarter of 2018.⁵

Although the sovereign debt of the country remained high (71 per cent of GDP, latest forecast for 2018)⁶, it has remarkably decreased due to the government's stringent fiscal policy that has managed to maintain the budget deficit below three per cent, corresponding to the Maastricht criteria, since 2012.

Since 2010 the government has been attempting to get back control of banking, media and utilities (gas supply, water and electricity) resources by renationalizing formerly privatized companies. Despite the rhetoric against multinational capital, the government provides foreign manufacturing companies with generous subsidies. In 2018 this policy achieved that BMW announced building a new

automotive factory in Debrecen, Eastern Hungary. On the other side, FIDESZ declared helping to create the domestic business class through preferences of tenders in public procurement and of selling state-owned land. Similar to the previous years, 2018 also witnessed many scandals about how friends and families of FIDESZ leaders, especially those of Prime Minister Orbán, are getting richer.

After several years of wage restraint policy resulting in stagnation or slow increases, gross wages have grown considerably since 2016. According to the Central Statistical Office the gross wage hike was 12.2 per cent in January-October 2018. In the business sector gross wages increased by 10.7 per cent and salaries in the public sector were raised by 14.9 per cent. Net wages increased by the same per cent. The wage hike was primarily attributable to the increase in the national minimum wage (8 per cent for unskilled and 12 per cent for skilled workers) from 1 January 2018 onward. Additionally, while private sector wages were pushed upwards by the labour shortage, in the public sector following several years of stagnation, the government increased salaries in certain areas of public service and administration as well as at state-owned public utility companies. (The latter belong to the private sector in statistical terms.) Despite the wage hikes of recent years, Hungary's net average wage is still among the lowest in the EU.

The minimum wage for 2018 was 138,000 HUF (around € 428), which is € 19 higher than 2017, at around 47 per cent of the average wage. It is worth noting that since 1997 there has been a second mandatory floor for those working in jobs requiring vocational qualification, the "guaranteed wage minimum". Its value is 180,500 HUF (around € 561) for 2018.

The wages of women were, on average, 14.0 per cent lower than men's wages in 2016. Although this figure is smaller than the European average of the unadjusted wage gap (16.2 per cent), Hungary is far from being a country achieving better gender equality in general. According to the European Institute for Gender Equality, Hungary, together with Greece, Romania and Slovakia, is among the worst performing countries in the Gender Equality Index taking several economic, social and political dimensions into account.⁷

In the recent three years a high level of shortages of skilled employees has been the most important development in the labour market. Already in 2015 analysts identified skill shortages as a major challenge for employers.⁸ The reasons are manifold: demographic changes, increasing brain drain

¹ See: https://www.gki.hu/wp-content/uploads/2018/12/prognozis_181203-forditasra_eng-GB-1.pdf

² See: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qpt005a.html

³ See: <http://www.tradingeconomics.com/hungary/foreign-direct-investment>

⁴ See: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qb002a.html

⁵ Source: HCSO, http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qpf011d.html

⁶ See: <https://www.portfolio.hu/gazdasag/hatalmasat-csokkenhetett-2018-ban-a-magyar-allamadossag.1.309475.html>

⁷ See: The Gender Equality Index is a composite indicator that measures the complex concept of gender equality and, based on the EU policy framework, assists in monitoring progress of gender equality across the EU over time. See: <http://eige.europa.eu/gender-equality-index>

⁸ See: <https://www.eurofound.europa.eu/observatories/eurwork/articles/labour-market-industrial-relations/hungary-skills-shortages-a-major-challenge-for-employers>

of skilled workers, difficulties competing with Western European wages, structural problems with the reorganisation of vocational training, huge geographical differences in demand and supply in the labour market and extremely low labour mobility within the country. According to the mirror statistics and adjusted data of the Labour Force Survey about 350,000 Hungarian citizens worked abroad in 2017. Contrary to other Central-European countries (like Czechia, Poland), the labour shortage is hardly mitigated by foreign guest-workers due to the government's strong commitment to an anti-migrant policy. Although migration is a taboo issue in the government's rhetoric, in practice it cautiously subsidises hiring foreign temporary agency workers and building boarding houses for them. Current estimates report about 20,000 temporary workers from Ukraine and Serbia in manufacturing and construction industries.

Since 2010, the public works programme has been the centrepiece of the government's labour-market policy. Most of the participants were long-term unemployed people, often from disadvantaged regions and often members of the ethnic Roma minority who are no longer prepared for reintegration into the primary labour market. The main beneficiaries of the programme have been very poor local communities that have no access to any other central resources. But 2017-2018 witnessed a gradual change in the government's labour market policy: following employers complaints about labour shortages the government reallocated resources from public

work towards retraining, therefore the number of participants decreased. Compared to the 230,000 headcount during the public works programme's heydays, in October 2018 only 130,078 worked (at least one day) under this scheme.⁹

The overall employment rate (for the 15-64 age population) grew by 1.1 per cent compared to 2017, reaching a record high level of 69.8 per cent (77.0 per cent for men and 62.7 per cent for women). In the first three quarters of 2018 the Central Statistical Office registered an increase of 57,000 employed. As to the share of different sources of growth: the public work programme's contribution declined by 54,000, while the real source of the increase was the primary labour market, its job creation amounted to 109,000.

The unemployment rate declined in Q2 2018 to 3.7 per cent (3.3 per cent for men, 4.1 per cent for women), the record lowest levels since the transition to the market economy. The rate among young people (15-24 years) has also decreased but still is high, 10.5 per cent.

Based on Eurostat data¹⁰ the share of people at risk of poverty or social exclusion was 26.3 per cent in 2016, making Hungary the ninth poorest country in Europe, led by Bulgaria (40.4 per cent), Romania (38.8 per cent), Greece (35.6 per cent), Lithuania (30.1 per cent), Latvia (28.5 per cent), Croatia (28.5 per cent), Spain (27.9 per cent) and Cyprus (27.7 per cent.)

State policies

2018 witnessed two major political events: the general elections held in April and the series of street rallies against the "Slave Act" in December.

Although prior to the general elections the opposition forces could cooperate to nominate a single candidate who eventually was elected to mayor of the city Hódmezővásárhely, during the general election campaign the fragmented opposition parties could not develop a common action against the incumbent Fidesz-KDNP. Furthermore, the local defeat triggered Fidesz-KDNP to wage a huge mobilisation campaign in the countryside. As a final result, Fidesz-KDNP won a third consecutive term, and with its 49 per cent of votes re-gained a two-third majority in the Parliament. It managed to grow its voter base by 466,000 compared to the previous elections in 2014. Beyond the manifold bias of the election law favouring the strongest party, the unbalanced access to mass media also to a large extent contributed to the Fidesz-KDNP victory; in fact the huge government propaganda campaign heralded the same message as the ruling party. Its contents, however, have not much

changed since 2015, basically the campaign maintained the refugee issue on the agenda, fought the EU's refugee quota and its alleged mastermind, George Soros, as well as the beneficiaries of his donations: the Central European University (CEU) and civic organisations. Furthermore, since the end of 2017 the State Auditory Office investigated the finances of opposition parties, most prominently JOBBIK.

As to the election results of the opposition parties, JOBBIK won 26 seats with 19 per cent of the votes cast, reaching its all-time best result, by gaining 73,000 more votes than four years ago. LMP also gathered 134,000 more votes resulting in six seats. Left-wing parties lost voters: MSZP, DK and Együtt together collected 263,000 fewer votes than four years ago. The major left coalition MSZP-Párbeszéd (Hungarian Socialist Party and Dialogue for Hungary) won 20 seats with 12 per cent of votes cast. The erosion of the left-wing parties is also due to the rise of two new parties, Momentum (started in 2015) and the satirical Two-Tailed Dog Party (2014). The two combined gathered 273,000 votes.

⁹ See: http://kozfoglalkoztataskormany.hu/download/4/e4/52000/Havi%20jelentés_2018okt_%28internetre%29.pdf

¹⁰ <http://www.peprobe.com/pe-content/uploads/2017/10/3-16102017-BP-EN.pdf>

With the regained two-third majority Fidesz-KDNP resumed those issues of its policy agenda that need qualified voting according to the Basic Law (Constitution), and insisted on putting through policies it had devised before the election. The latter are the legislation against NGOs helping migrants and the expulsion of Central European University (CEU). It also attacked academic freedom and further centralised control over the pro-government media conglomerate. The legislative steps had the major impact on the laws regarding administrative courts and organization of working time (the “Slave Act”), with 83 per cent of the population opposing the Labour Code amendment and triggering protests across the country. However, commenting on the critique of trade union and opposition parties, Prime Minister Viktor Orbán said the new legislation serves the interests of the employees, dismantling administrative hurdles for those willing to work more in order to get paid better.

2018 witnessed a huge series of demonstrations. In spring they were staged around the general election and then in defence of CEU, Hungary’s most prestigious private university that eventually the government expelled from the country. However, in December the Parliament passed the “Slave Act” with an unprecedented scandalous Parliamentary procedure in which the opposition MPs tried to block voting, then joined the street demonstrations.¹¹ The bill also mobilised trade unions, opposition forces and other groups that staged the first mass street rally on 8 December that was followed by a series of demonstrations in the capital and countryside until Christmas. The street movement somewhat eroded popular support of Fidesz-KDNP according to the latest poll and the parliamentary opposition has been re-energized.

In 2018, the following legislative changes have had a direct impact on labour and working conditions:

- In July the Parliament passed the amendment to the tax laws that will come into force in 2019. It eliminated the social security tax allowance for most types of non-wage benefits, introduced the so-called “cafeteria” (e.g. support for housing rent, assistance for mobility and contribution to voluntary pension or health fund, food vouchers, assistance to workers’ needy families). According to the trade unions’ open letter to the Members of Parliament the tax bill would decrease the overall net income of roughly two million employees. Employers’ organisations also argued that they would lose a low-cost motivational tool. On the other hand the law introduced a tax allowance to help certain people enter (or re-enter) the labour market: the target group includes jobseekers who were previously in education, redundant workers from the public service and those who are returning from maternity leave. As one of the measures to tackle labour shortage, employing pensioners will also be cheaper for companies, for they will be exempt from paying the social security contribution.
- In mid-August the government announced that a mass layoff would be implemented within the governmental bodies from January 2019. Official estimates say that the downsizing will affect 15-20% of central public administration personnel (an estimated 3,000 people).¹²
- Minor changes in the Health and Safety Act (Act XCIII of 1993) clarified the role of safety representatives and some of the related procedures.
- A new piece of legislation re-regulates the legal status of professional personnel at law enforcement organizations. According to experts, although 90 per cent of the law was copied from previous regulations on civil servants’ legal status, nonetheless, the rest amounts to unfavourable changes for the employees (for instance, working time does not include the rest period, fewer vacation days, unpaid on-call work, etc.)
- A new, separate court system will be set up to decide in cases concerning decisions of Hungarian authorities. The new courts are to have the final say in cases concerning taxes, construction permits, protests, strikes, and the disclosure of data of public interest. The legislation places the new “administrative court system” under the firm control of the Minister of Justice, which might threaten judicial independence and separation of powers. The new court system will take over the competencies of the currently separate labour court system, too.^{13,14}

¹¹ See: https://index.hu/english/2018/12/12/hungary_parliament_overtime_passed_scandal_chaos_overtime_banking_protest/

¹² See: <https://www.eurofound.europa.eu/publications/article/2018/hungary-latest-working-life-developments-q3-2018>

¹³ https://index.hu/english/2018/12/12/administrative_courts_minister_of_justice_unprecedented_powers_independence_separation_of_power/

¹⁴ http://www.masina.rs/eng/hungarys-new-slave-law-pushes-workers-brink/?fbclid=IwAR3G4-XMrWJtFFmw-7_G-n3DvcO7Q_79y7J-hnS7Mvxd60sPII3qQsrLyCw

- The new amendment to the Labour Code, often called the “Slave Act” by the opposition, effective as of 1 January 2019, raises the possible overtime hours from 250/year to 400/year based on individual agreements with employees, which agreement overrides even the collective agreements made with trade unions. This is called “voluntary overtime” and critics of the new law say that it makes employees vulnerable as they are not necessarily in the position to say no to a request from the employer. The new legislation also raises the overtime banking period to three years from one year. Nonetheless, it will be possible through collective agreements only, in this case the employer has to pay the employee for overtimes in one sum after 3 years.
- In line with the end-of-the year tripartite agreement, a government decree set the general minimum wage and skilled workers’ guaranteed wage for 2019 and 2020.

On the one hand, the “Slave Act” repeats last year’s failed legislative attempt that intended to extend the reference period of the working time frame up to 36 months through collective agreements. The language of the new law repeats word-by-word last’s year bill: it provided that extension can be justified by “objective or technical reasons or reasons about the organisation of work”. As is written in the 2017 report, then eventually the trade union confederations’ effective lobbying fended off the proposal. Now the law passed not only fulfils the flexibility demand of multinational car manufacturers but also tops it by legalising 400 hours overtime and by shorter advance

period to announce changes in a work schedule, both have presumably been illegal practice, especially at SMEs. Obviously, in this way the government is trying to mitigate the general labour shortage affecting small and medium-sized companies, too. Official working time statistics show that employers themselves are trying to cope with the labour shortage by increasing overtime. Since 2008 the average overtime hours per employee has grown by 40 per cent; in 2017 it reached two per cent of the total working hours in the country. That increase was particularly strong in public administration, amounting to 47 per cent in the same period.¹⁵

Industrial Relations

The annual round of wage bargaining customarily commences with tripartite agreement on a minimum wage hike and issuing national recommendation on an average wage increase for lower-level negotiations. Although such a recommendation was not issued for 2018, the increase in statutory minimums had a fundamental impact on the overall wage scene.

Although a multi-employer agreement was signed in healthcare in 2017, negotiations continued between the government and the strike committee formed by representative trade unions of the sector. As an outcome of the negotiation round, in January the Minister of Human Resources announced that the 8 per cent basic wage increase due in November would be paid as early as from 1 January onward. However, the increase was accompanied by the reduction of a special pay supplement received by skilled healthcare workers, meaning that the net wage of about 10 per cent of these skilled workers remained almost the same.¹⁶ In November a further pay raise was put on the agenda of the negotiations.

In February 2017 the government announced that wages in state-owned enterprises will grow by 30 per cent in the coming three years. In line with the multi-year agreement,

for instance, the Budapest City Transport Company offered a 12 per cent wage increase that was accepted by the three major trade unions of the company in February 2018.

In the private sector wage negotiations basically took place at company level. Dunafer steel mill, one of the biggest Hungarian companies, concluded an unprecedented agreement with local trade unions for 2018. Instead of percentages, the agreement includes two flat amounts of pay raises for manual and white-collar workers, respectively, as well as a 15 per cent hike in non-wage remuneration (cafeteria).¹⁷ At foreign owned “flagship” companies in manufacturing, like Audi Hungária, the base wage increase for 2017-2018 was set last year. Therefore, wage negotiation resumed in November. Although several rounds of negotiations took place and the parties’ positions somewhat approached, the final agreement was not signed until the end of the year. One of the most problematic issue is the compensation for changes in the tax law; the trade union initially wanted to maintain the net value of “cafeteria” which was unacceptable to the employer.¹⁸ At the Mercedes-Benz plant in Kecskemét the parties signed a new wage agreement for 2019-2020 on 5 December. The employer originally offered a 13 per cent increase but finally the parties agreed on altogether

¹⁵ <https://g7.hu/piac/20181214/egy-evtizede-folyamatosan-egyre-tobbet-tuloraznak-a-magyarok/https://wiiw.ac.at/protest-against-slave-law-in-hungary-n-356.html>

¹⁶ <https://www.eurofound.europa.eu/publications/article/2018/hungary-latest-working-life-developments-q1-2018>

¹⁷ <https://www.portfolio.hu/gazdasag/munkaugy/ritkan-latni-olyan-beremelest-ami-a-dunafermel-jon.277151.html>

¹⁸ http://www.ahfsz.hu/uploads/dokumentumok/ahfsz_friss_18.12.17_ahfsz-3.ajanlat.pdf

35 per cent for the two-year period for low-waged manual workers, 22 per cent for 2019 and 13 per cent for 2020. However, higher-waged employees will get a smaller raise and the non-wage remuneration package will change due to the taxation.¹⁹

In the last year multinational retail chains (e.g. TESCO, Metro) were the characteristic venues of wage conflicts and industrial actions which often resulted in two-year wage agreements. However in 2018 the Commerce Workers Union (KASZ) terminated the agreement at Auchan and Metro, referring to the labour market that had become tighter than expected. This move is rather unprecedented in Hungarian bargaining practice. The sectoral trade union threatened with industrial action unless the conflict is solved by a re-negotiated agreement.

Similarly at the state and municipality-owned companies unions are dissatisfied with the three-year agreement valid until the end of 2019. This agreement promised a 30 per cent increase for the three year period but scheduled only a 5 per cent increase for 2019. In September Imre Palkovics, the president of MOSZ initiated new negotiations for a two-year agreement that would ensure a two-digit rise for 2019 at the railway, post, distance bus and water management companies.²⁰ Nonetheless, new negotiations had not commenced by the end of the year.

As mentioned in the 2015, 2016 and 2017 reviews, the bipartite bodies for sectoral social dialogue, the Committees for Sectoral Dialogue (Ágazati Párbeszéd Bizottságok, ÁPB) are under government pressure. In recent years the government significantly reduced their financial support from the state budget and paid it with considerable delay only. This practically led to the death of this institution. This development shows that social dialogue is not welcomed by the government at the sectoral level either and promotion of collective bargaining, in line with ILO conventions and recommendations, is not a matter of importance nowadays.

Very few industrial actions were registered in the private sector at the beginning of 2018. Employees of Bosch in Hatvan and Miskolc staged a two-hour warning strike, with participation of 90 per cent of manual workers. Previously the employer unilaterally implemented a 9 per cent wage increase but the unions demanded to resume wage negotiations for a higher raise. Eventually in both factories wage agreements were concluded in February.

The Union for Hungarian Civil Servants, Public Servants, and Public Servant Providers (MKKSZ) continued the actions of last year and staged a two-day strike in January.

Of the 990 local government offices in Hungary, 98 participated in the strike and 6,854 employees stopped working, 40 per cent of the total local government workforce. As the government was not willing to negotiate with MKKSZ, another strike was conducted in February 2018. It paralysed 112 local government offices, in which 7,312 employees went on strike for five days.

Instead of strikes, as usual in Hungary, trade unions' discontent with government measures was channelled into mass street demonstrations. In September five confederations, led by the LIGA-member Electricity Workers' Union (EVSZ), protested against the tax laws eliminating preferential treatment of non-wage remuneration (cafeteria). On 8 December five trade union confederations staged their first rally against the "Slave Act", from which the series of street demonstrations have been developed. (The openly pro-government MOSZ abstained from both demonstrations, saying that they serve the political interest of the opposition parties). Trade unions also held road blockades around the country. In the last days of 2018 radical trade union leaders announced that they have set up a national Strike and Demonstration Preparatory Committee. It includes MSZSZ, the Trade Union Cooperation Forum (SZEF) and the Alliance of Professionals (ÉSzt) and a dozen trade unions (for instance, PDSZ, the Democratic Union of Teachers), and civil organisations. They will work together by coordinating information activities at workplaces, the various protest actions and begin to prepare major strike action. Beyond the "Slave Act", unions also are demanding the withdrawal of the law on law-enforcement employees and aim at proper social dialogue, the revision of the Labour Code, the Strike Law.²¹

As for organisational changes in union confederations, LIGA has lost two member organisations. While FRSZ, the Independent Police Trade Union left for MOSZ, PDSZ, the Democratic Union of Teachers, dissatisfied with the national policy stand of the confederations, has not yet joined any confederation.

Regarding international cooperation, the Hungarian Metal Workers Union (VASAS) and the German IG-Metall (IGM) operate two joint offices in Hungary within the framework of IGM's Transnationale-Partnerschafts-Initiative (TPI). Following the first office opened in Győr (Audi Hungaria), the second one is located in Kecskemét, next to the Mercedes-Benz plant and its supplier companies. International trade union solidarity also are keeping an eye on demonstrations against the "Slave Act", letters of support were sent by ICTU, ETUC, and a couple of national confederations.

¹⁹ <https://24.hu/fn/gazdasag/2018/12/06/megvan-mekkora-beremeles-lesz-a-mercedes-gyarban/>

²⁰ <https://magyaridok.hu/gazdasag/uj-beralkut-kothetnek-az-allami-vallalatokkal-3486539/>

²¹ The events are widely covered in the media. For detailed news in English see: <https://index.hu/english/#>

As to inter-confederation cooperation, the five confederations often engaged into joint actions, especially in lobbying the government and on legislation. Obviously, LIGA and MOSZ are still in the best position to lobby at the government ministries. However, such actions did not result in changing the government intentions: in December 2018 LIGA and MOSZ eventually failed to repeat its last April success, namely to fend off the amendment of the Labour Code on flexibilisation of working time. Previously,

a similar failure was the separate meeting with the Finance Minister on tax laws. The president of MSZSZ, however, attacked LIGA and MOSZ for engaging in a separate meeting. Similarly, at the end of the year, when LIGA and MOSZ signed the agreement on minimum wage but MSZSZ did not, inter-confederation cleavage along the political frontlines surfaced again. (See details below.)

Tripartite Social Dialogue

2018 witnessed a lot of formal meetings, small achievements in less serious issues and no concessions at all in causes of paramount importance. Let us start with the institutional developments. Following half a year of preparations the Consultative Body of Public Service Companies (Közszolgáltató Vállalkozások Konzultációs Fóruma, KVFK) held its founding meeting in February, which in theory provides the venue for negotiations between the government and social partners representing state-owned enterprises and their employees. Further to the 2017 amendment of the Vocational Training Act, new Sectoral Skill Councils (Ágazati Készségtanácsok) are to be established from mid-2018 onward in order to update curricula in vocational and adult training. Their members are mainly economic actors and companies but trade unions are eligible to send one member to each council.²²

In April and June, following the strikes in local government offices organized by the Union for Hungarian Civil Servants, Public Servants, and Public Servant Providers (MKKSZ), the National Public Service Interest Reconciliation Council (OKÉT) dealt with salaries of those 150-200,000 public sector employees who were left out from the targeted raises in the framework of different professions' "career paths". According to the government representatives the reserves of the budget would cover the expenses. The unions' achieved that further expert meetings would deal with the issue. Public sector unions were more successful in the issue of overtime payment for army and law enforcement personnel. An earlier piece of legislation that would have come into force in 2019 excluded pecuniary compensation, allowed free time only in exchange for overtime. By October unions achieved a further amendment which would allow overtime payment until 2023.²³ On the other hand, in November the government practically excluded meaningful debate on the bills on the legal status of army and law enforcement personnel, as it convened OKÉT and the Public Service Interest Reconciliation Forum (Közszolgálati Érdekegyeztető Fórum, KÉF) in the very last minute before submitting it to the Parliament, not leaving enough time to study the lengthy bill.²⁴

The National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács, NGTT) held two meetings in 2018. In April the council discussed the "sustainability of the pension system and possibilities for support of self-provision" and the "future of the housing market in connection with labour mobility". In the October meeting the possible impacts of digitalization on the labour market was discussed. One cannot expect serious impact from such consultations, however, the latter was the first occasion for trade unions to formulate their joint position on workers' priorities.²⁵

In July consultations on the planned changes in taxation and social security contribution commenced in VKF. Prior to the meeting trade union confederations had sent their joint position paper in which they initiated to maintain preferential treatment of those elements that aim to promote labour mobility, pension and health-care self-provision and support families. The employers also wanted to safeguard preferential taxation of certain elements of the "cafeteria", as cheaper tools of employee motivation. Also employers urged the government to make further cuts in wage levies, as it was promised in the multi-annual agreement in 2016. First it seemed that the social partners manage to persuade the government to change the "cafeteria" bill, at least government representatives promised to contemplate on the union initiatives. However, finally the government refused to change the bill and the original version was passed by the Parliament. Tamás Székely, vice-president of the Hungarian Trade Union Confederation (Magyar Szakszervezeti Szövetség, MASZSZ), raised the possibility of demonstrations and strikes in the second half of July. In September the trade union confederations' joint statement urged again the renegotiation of the cafeteria law. In the lack of positive answer the five confederations announced a street rally on 6 November.

Following the failure of formal negotiations, the presidents of LIGA and MOSZ met separately with the Minister of National Economy in October, already coinciding with the wage

²² http://ngtt.hu/wp-content/uploads/2018/11/Miniszteri_jelentes_20180309.pdf

²³ <http://www.liganet.hu/page/88/artID/9996/html/tulorapenz-a-katonaknak-es-a-rendvedelmi-dolgozoknak.html>

²⁴ https://nepszava.hu/3015674_harangozo-rabszolgava-tennek-a-kormanyzati-tisztviselokeket

²⁵ <https://szef.hu/rovatok/92-oeff/3160-ngtt-elott-a-munka-atalakulasa-a-digitalizacio-es-a-robotizacio-lehetseges-kovetkezmenyei>

negotiations, but they could not achieve anything either. The separate meeting was attacked by the president of MSZSZ, saying that it and the government were trying to make a secret compromise on the cafeteria issue with its favourite negotiation partners only.

Public sector trade unions were not consulted in advance about the planned mass layoff within the governmental bodies due from January 2019, the government provided them with detailed information only following the announcement.

On 20 November the bill on the amendment of the Labour Code, which later on was termed the “Slave Act”, was submitted by two MPs of Fidesz without any prior professional debate and social dialogue. The trade unions immediately reacted with expert opinions and demanded appropriate negotiations within the framework of VKF. This meeting was held on 28 November. Beyond the already known trade union position (which was identical with the last April proposal when a similar bill was on the table) the novelty was that the employer organisations represented in VKF said that they had not initiated such changes and they did not support the 400 hour overtime in general but they could accept it as an option introduced by collective bargaining. One day later the presidents of MOSZ and LIGA separately met with representatives of the Finance Ministry and one of the MPs who submitted the bill. They agreed to modify the bill: the 400 overtime hours would need collective agreement provision and smaller changes would be in the rules of organisation of working time. In that moment this seemed to be a good compromise. On 6 December, however, another committee of the Parliament overwrote the compromise of 29 November. The new version of the bill allowed 400 hours of overtime with individual agreement between the employer and the employee. Finally this version was passed by the Parliament, nevertheless the mass rally of 8 December proceeded the scandalous voting procedure. The presidents of LIGA and MOSZ finally issued a statement in which they expressed their disappointment and then, together with other confederations, asked the President not to sign the law. However, he did so on 20 December and, quite cynically, wished Merry Christmas to workers.

The annual wage negotiation round commenced at VKF on 9 October. While trade unions wanted to conclude a multi-year agreement, employers were more cautious, referring to the uncertain economic forecasts. The employers’ major issue was the timing of cuts in the wage levies: they wanted to introduce it from the very beginning of the year instead of the multi-year agreement that scheduled it to the middle of the year. They also stressed that SMEs, especially small retail outlets in the remote villages needed support to pay employees in line with the increased mandatory wage minima. Both sides of social partners needed further negotiations on the cafeteria regulations, too.

In the rest of the year several rounds of negotiations were held and the trade unions demanded two digit raises (13-15 per cent), whereas employers insisted to 5-6 per cent. Talks between employers and unions have not produced an agreement before Christmas, and according to the president of MSZSZ the government was rather passive during the negotiations as it did not promote concluding the agreement. The law allows the government to decide unilaterally, if the sides fail to seal a deal by year’s end. The employers’ final offer for raising minimum wages for both skilled and unskilled workers was 8 per cent but the unions finally were demanding a 13 per cent increase. At the very last minute, on 30 December an agreement was concluded by the government, all employer organisations represented in the VKF and two trade union confederations: LIGA and MOSZ, while MSZSZ did not sign the agreement, which eventually accepted the employers’ final offer and probably was in line with the government’s intention. As to the contents of the agreement, the two-year agreement envisages an eight per cent increase in the minimum wage and the skilled guaranteed wage in each year. The recommendation for the wage increase in lower level collective bargaining is also 8 per cent for both years. Wage levies, in line with the 2016 agreement, will diminish by 2 per cent from July 2019 onward. It is not clear at the moment why LIGA and MOSZ did accept the employers’ final offer, and the role of the government in the final meeting is not known either. In its statement the president of the Railway Worker Unions (VSZ, a member of MSZSZ confederation) was swift to condemn the “traitorous” behaviour of LIGA and MOSZ which had agreed on far less of a raise than the common union demand had been. Sectoral unions, for instance in distant bus transport, also complained that the 8 per cent deal would prevent reaching a higher raise in sectoral and local bargaining, so the lower than two-digit hike would not mitigate the labour shortage at the companies.²⁶

²⁶ <https://www.portfolio.hu/gazdasag/munkaugy/most-kezdenek-kiakadni-a-dolgozok-a-minimalberalkun.12.309411.html>

Forecasts

Economic forecasts for 2019 are not as rosy as they were in the previous years. In 2018 economic growth was higher than expected (4.9 per cent in Q3), more than double the EU average and the highest in the Central-Eastern European region. This is certainly the zenith; the growth rate will diminish, together with the slowing down of the German economy. Unfavourable changes in the world economy and the high level of wages are the main risks in the near future according to the president of the Hungarian Chamber of Economy and Commerce.²⁷ Estimations of GKI Economic Research are as follows: GDP will grow by 3.2 per cent in 2019, with a 3.5 per cent inflation rate, a slightly higher level, seems likely in 2019. The number of employees will increase by around 0.5 per cent in 2019, with the presence of a significant shortage of labour. The unemployment rate is expected to be unchanged, 3.6 per cent in 2019.²⁸

Despite the relative low agreed increase (8 per cent) in the mandatory wage minimums, the persistently tight labour market will shape wage determination in the private sector in 2019 as well. Concerning the public sector and state or municipality-owned utility companies, presumably government decisions resulting in two-digit wage hikes are already in the pipeline. All in all, economic forecasts on two-digit wage growth seem to be realistic.

In the political scene, there will be two elections: in May 2019 parties will compete for the seats in the European Parliament and in October local councillors and mayors will be elected. Fidesz-KDNP already announced to commence the campaign as early as in January by sending letters to their supporters. The real question is whether the current resistance movement will endure up to the elections and manage to have an influence on a wider circle of the voters or will gradually lull, as happened to the previous waves of demonstrations against the regime since 2010.

As for the unions' prospects at company and sectoral level, the main question is how far they will be able to capitalize on the tight labour market and whether core employees with higher than minimum wages, the typical constituency of trade unions, will also benefit from the mandatory and collectively-agreed raises. The changing cafeteria regulation makes the coming wage bargaining rounds more difficult than usual, the bargaining parties have to find the optimum solution for meeting workers' needs and company profitability.

As the labour shortage will remain the major issue for employers and as wages grow steeply, re-negotiation of multi-year agreements will be on the agenda, as it has already happened to a couple of companies.

At the national level the main question is how far unions can maintain the pressure of demonstrations (and maybe strike alerts) on the government to withdraw the "Slave Act". This is not only a union issue any more, the fate of the general resistance to the regime is also largely dependent on the unions' drive. At the end of the year expectations about a general strike are high, commentators are enthusiastic, some of them even vision a pluralistic "popular front" that should be able to capture a wide range of discontents (in both urban and rural areas).^{29,30} However, given the current state of the Hungarian trade union movement, it is not likely that industrial workers en masse would go on strike. It is well known that the unionisation rate and strike activity has been extremely low in the country, especially in the private sector. A 2005 survey on workers' willingness to go on strike in the private sector found that only one-third of the respondents said they were willing to go on strike, provided being affected by the issue at stake, and only 11 per cent would join a solidarity strike. Moreover, trade union membership is highly divided politically, just like the whole society. Instead of a general strike, in the context of decentralised bargaining and huge differences in union power across the companies, local collective bargaining seems to be a realistic alternative. If unions with strong bargaining power were in place, the negative impact of the "Slave Act" could be mitigated or even eliminated through sectoral, or more likely, with company-level collective agreements; therefore at maximum warning strikes can be expected in course of implementation of the new regulations.³¹

²⁷ https://nepszava.hu/3019366_tul-magasak-a-berek-nehez-idokre-keszul-parragh-laszlo

²⁸ See: https://www.gki.hu/wp-content/uploads/2018/12/sajtoanyag-181212_eng-GB-3.pdf

²⁹ See: Szombati, Kristóf. 2018. "Protesting the 'slave law' in Hungary: The erosion of illiberal hegemony?" FocaaBlog, 28 December. www.focaa.blog.com/2018/12/28/kristof-szombati-protesting-the-slave-law-in-hungary-the-erosion-of-illiberal-hegemony/

³⁰ <http://hungarianspectrum.org/2019/01/05/dissatisfaction-with-the-orban-regime-is-gaining-momentum/>

³¹ See: Dr. Szabó Imre Szilárd: Szakszervezetek és a „rabszolgatörvény”. Avagy hol vannak „szakszervezetek”? https://m.blog.hu/sz/szabim/image/dr_szabo_imre_szilard_szakszervezetek_es_a_rabszolgatorveny.pdf

Annex - Information about:

- Structure of the economy

Number of registered companies (by size)

Company Size	2016	2017	2018 January-October
Micro 0-19*	578,345	570,603	509,244
Small 20-49	10,999	11,511	10,500
Medium 50-249	5,311	5,386	4,942
Large ≥ 250	998	1,044	987

* Including unknown-sized companies

Note: the table does not include self-employed persons, whose number grew from 380,000 to 450,000 between 2014 and 2017.

See: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qvd005a.html

Source: Own calculation based on http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qvd022.html

Number of employed by sector and gender (thousands)

Year	agricul- ture	industry	services	total	agricul- ture	industry	services	total	agricul- ture	industry	services	total
	Total				Men				Women			
2016	217.0	1 319.0	2 812.2	4 351.6	161.5	938.4	1 261.2	2 362.5	55.5	380.6	1 551.0	1 989.1
2017	220.0	1 389.8	2 811.5	4 421.4	164.5	990.6	1 262.2	2 417.3	55.5	399.3	1 549.3	2 004.1
2018 Q I-III.	213.5	1 441.1	2 811.0	4 465.5	159.5	1 039.1	1 244.1	2 442.8	54.0	401.9	1 566.8	2 022.8

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_hosszu/h_qlf017.html

Own calculation from: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qlf005a.html?down=1461.6

- Collective Bargaining System

The collective bargaining system is characterised by fragmented, single-employer bargaining, negotiated mainly between a company/institution level trade union and a single employer.

There are two different sources for estimating bargaining coverage. One is the official registry of collective agreements maintained by the Ministry of National Economy. Although reporting to the ministry the concluded agreements (and their modifications and terminations) is compulsory, the registry is not duly updated; its figures are biased upward, especially due to the presence of expired agreements. In November 2018 the registry

showed 27 per cent overall coverage of employees, 23 per cent for single-employer agreements and 8 per cent for multi-employer ones (which includes both agreements of company groups and genuine sectoral agreements concluded by employer associations). The coverage of single-employer agreements is remarkably higher in the public sector (35 per cent) than in the private sector (21 per cent). Another estimate stems from the Labour Force Survey; in the 2015 round of questionnaires, 21 per cent of respondents answered that his/her workplace was covered by a valid collective agreement. (In the earlier rounds of the survey this figure was higher: 27 per cent in 2004 and 22 per cent in 2009.)

- System of tripartite social dialogue

Alongside the National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács, NGTT), with its diluted membership, since 2012 another body, the Permanent Consultative Forum between the Private Sector and the Government (Versenyszféra és a Kormány Állandó Konzultációs Fóruma, VKF) has been working. In this genuine tripartite forum three national trade union

confederations and three national employer organisations consult with the government. No changes occurred in the legal status of VKF in 2018; however their meetings became less frequent and significant. It is worth mentioning that legally NGTT is in charge of negotiations about the minimum wages but in practice such bargaining rather has occurred in VKF.

- Social security systems

Healthcare insurance	2014	2015	2016
Average number of insured (in thousand persons/month)	4,042	4,045	4,114
Proportion of insured to resident population, per cent	40.9	41.1	41.9

Source: <http://site.oep.hu/statisztika/2015/html/hun/A2.html>

- All sick-pay cases

	2014	2015	2016
Number of persons entitled to sick-pay, thousands/month	3,954	3,962	4,027
Daily average number of persons on sick-pay, thousands	59.1	63.6	69.1
Proportion of persons on sick-pay, per cent	1.5	1.6	1.7
Number of sick-pay cases b) in thousands	959.9	1 082.7	1,160.2
Number of sick-pay days, thousands	21,565.4	23,201.1	25,289.2
Expenses on sick-pay, million HUF	66,462.1	75,335.8	85,618.9
Expenses on sick-pay per day, HUF	3,082	3,247	3,386
Sick-pay days per case	22	21	22

Source: <http://site.oep.hu/statisztika/2016/html/hun/A2.html>

b) Also includes the number of accident sick-pay cases started in the previous year(s) and continuing in the current year.

- Education and vocational training

With regard to Hungary's long-term competitiveness, one of the most worrying developments is the downward trend in public education. The 2015 PISA test results shocked the public as they were worse than ever before. The Hungarian students scored worse in reading comprehension and in science last year than in a similar test in 2012, according to a fresh OECD report.³² The Hungarian education system has not only undergone a government-inspired reshaping towards low-quality vocational training (schools in which general subjects, IT skills and foreign language learning are missing from the curriculum) but this has been accompanied by cuts in the overall education budget. Hungary cut its education budget more drastically during the crisis in 2008-2009 than any other EU member state. Unfortunately, the Fidesz-KDNP government has not changed the trend but has continued the cuts in the

education budget. The problems of the education system in Hungary have been pointed out in the recent OECD indicators report, Education at a Glance 2016, which also highlights that Hungary does not invest enough public resources in education.

The current shortage in the labour market, to a large extent, is also attributable to the dysfunction of the education and vocational training system, say researchers. In recent years, the growth trend in employees' educational attainment has slowed down; fewer well-prepared young people start their careers. Instead of a labour force able to adapt to market changes, an increasing number of young people leave public education without basic skills and/or with obsolete professional knowledge.

Dual training system

From 2015 onward, dual training applications are available for Hungarian youth. However, this reform is highly controversial; the quality of public education and vocational training is debated. The share of general subjects in vocational training schools has been significantly reduced in the overall curriculum.

Some experts say this will make it very difficult for children to enter higher education or to change profession if they have opted for vocational training at the age of 14.

³² See: <http://hungarytoday.hu/news/hungarian-students-lag-behind-oecd-average-pisa-2015-study-reveals-39831>

Vocational training (Total, Type of school-site; Total, Type of education)

	Number of all students in vocational education (capita)			Number of female students in vocational education (capita)		
	2015	2016	2017	2015	2016	2017
Teacher training and education science	1,583	1,492	1,339	1,441	1,345	1,235
Arts	9 147	9,241	9,003	5,426	5,356	5,004
Social sciences		12	0		10	0
Business and administration	25,180	34,176	28,121	18,468	24,855	21,209
Natural science	21	14	0	14	9	0
Computing	5,202	5,235	5,106	579	737	644
Engineering, manufacturing and construction	57,640	60,203	59,080	6,330	6,847	6,722
Agriculture	6,215	5,920	5,778	2,128	1,984	1,955
Health and welfare	18,731	18,296	17,182	15,968	15,177	14,272
Services	40,051	41,324	41,807	23,387	24,356	
Total Field of training at initial education	163,770	175,913	167,416	73,741	80,676	75,192

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_hosszu/h_wdsi001a.html; <http://statinfo.ksh.hu/Statinfo/haViewer.jsp>

Employment rate (by gender and age group, per cent)

Year	Age group												Total
	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													
2015	4.4	43.3	73.6	77.2	81.3	85.2	84.2	80.4	66.4	25.4	4.6	2.0	55.9
2016	5.1	47.4	75.5	78.7	82.2	86.9	85.7	82.3	70.1	32.2	5.3	2.6	58.0
2017	5.8	49.3	78.7	80.2	83.1	88.6	88.3	84.1	72.5	35.2	5.8	3.0	59.3
2018 Q III.	5.7	48.8	77.6	79.4	83.2	88.3	88.8	85.4	74.1	37.5	6.7	3.6	60.1
Men													
2015	5.9	46.6	83.2	88.4	90.6	90.2	85.7	80.5	73.9	35.3	5.7	3.2	62.7
2016	6.2	52.7	84.4	90.7	90.9	91.2	87.2	83.0	76.2	44.7	6.8	4.5	65.0
2017	6.9	57.5	88.8	91.3	92.5	92.4	89.4	87.7	78.6	49.6	8.0	4.0	66.9
2018 Q III.	6.7	56.7	86.8	92.6	92.1	92.6	91.0	86.9	80.4	51.3	9.4	4.5	67.8
Women													
2015	2.9	39.9	63.5	66.0	71.9	80.2	82.7	80.3	60.0	17.3	3.8	1.3	49.5
2016	3.9	41.8	66.1	66.5	73.4	82.6	84.2	81.6	64.7	21.9	4.1	1.4	51.3
2017	4.6	40.8	68.0	68.8	73.6	84.7	87.3	80.6	67.1	23.3	4.2	2.2	52.1
2018 Q III.	4.6	40.4	67.9	65.6	74.3	84.0	86.6	83.9	68.4	26.2	4.6	3.1	52.8

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qif016.html
http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qif016a.html

Economically active population in the age cohort 15-29 years old

	Total population in this age cohort	inactive	active	active in per cent
2015	1,700,845	875,781	825,064	48.5
2016	1,676,583	842,525	834,058	49.7
2017	1,652,102	818,517	833,585	50.5
2018 (Q III)	1,638,315	812,687	825,628	50.4

Source: Own calculations based on: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qlf013a.html and http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qlf014a.html

• Unemployment

Unemployment rate (by age group and gender, per cent)

Year	Age group										Total
	15–19	20–24	25–29	30–34	35–39	40–44	45–49	50–54	55–59	60–64	
Total											
2015 (Q III.)	32.6	15.6	8.4	6.5	5.8	5.2	5.2	5.8	5.1		6.8
2016	26.3	11.5	6.3	4.8	4.6	3.8	3.7	4.5	3.8	5.6	5.1
2017	23.9	9.2	4.9	4.1	3.9	3.2	2.8	3.7	3.0	4.5	4.2
2018 (Q III.)	23.1	8.7	4.6	4.1	3.7	3.1	2.5	3.1	2.3	2.8	3.7
Men											
2015	28.2	17.1	7.9	5.7	4.7	4.5	5.4	6.0	5.1		6.6
2016	26.8	11.3	6.1	4.6	4.5	3.7	3.8	4.9	3.6	5.5	5.1
2017	23.0	8.2	3.9	4.1	3.4	2.8	2.9	3.6	2.7	3.5	3.8
2018 (Q III.)	23.9	7.5	3.9	3.7	3.6	2.5	2.3	3.2	2.2	2.5	3.5
Women											
2015	40.6	13.8	9.2	7.6	7.0	5.9	5.0	5.5	5.1		7.0
2016	25.5	11.7	6.7	5.0	4.7	3.9	3.6	4.2	4.0	5.7	5.1
2017	25.3	10.7	6.1	4.1	4.6	3.5	2.7	3.8	3.4	6.2	4.6
2018 (Q III.)	22.1	10.3	5.5	4.6	3.8	3.8	2.8	3.0	2.5	3.4	4.1

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qlf017a.html

*Number of unemployed (in thousand persons)
by job seeking period (in months)*

Months	< 1	1–3	4–6	7–11	12	13–18	19–24	25–	Total
2015	31.0	43.1	38.6	44.0	18.4	30.0	23.8	70.0	298.9
2016	28.6	28.6	28.6	28.6	28.6	28.6	28.6	28.6	234.6
2017	24.2	29.9	26.0	25.2	9.2	19.0	13.0	35.8	191.7
2018 (Q III)	21.9	25.1	24.9	23.2	9.1	15.9	11.3	31.6	173.8

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qlf011.html
http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qlf011.html

The time interval to find a new job decreased from an average from 17.9 months to 15.4 months in the recent one-year period; however still 33.5 per cent of the unemployed have been seeking a job for at least 12 months in 2017 Q III. (Own calculation)

Unemployment (in per cent)

	2015	2016	2017	2018 Q III.
15-64	6.8	5.1	4.2	3.7
15-29				
In details within the group of young people				
25-29	8.4	6.3	4.8	4.6
20-24	15.6	11.5	9.2	8.7
15-19	32.6	26.3	24.0	23.1

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qlf017b.html?down=1928
http://www.ksh.hu/docs/hun/xstadat/xstadat_hosszu/mpal2_01_02_29a.html

Net average monthly wages/salaries in Euro

Year	National Average	Private sector	Public sector
2015	524 (1€ = 310 HUF annual average)	555	465
2016	561 (1€ = 311 HUF annual average)	590	506
2017	639 (1€ = 309 HUF annual average)	665	592
2018 Q I-III	667 (1€ = 322 HUF monthly average)	691	629

Exchange rate: 2016: 311.49, 2017: 309.21, 2018 (November): 322.31
 Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qli030.html
http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qli018a.html
http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qli057c.html
http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qli033a.html
http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qli034c.html

Consumer Price Index by Main Groups of Goods and Services (previous year = 100%)

Year	Food	Alcohol, tobacco	Clothes	Durable goods	Energy	Others, fuel	Services	Total
2015	100.9	103.1	100.0	100.8	97.1	95.4	101.9	99.9
2016	100.7	102.3	100.4	100.5	99.9	97.8	101.5	100.4
2017	102.8	104.8	100.5	99.7	100.8	103.6	101.5	102.4
2018 (I-X.)	187.3	106.2	100.3	99.2	101.5	101.7	101.2	102.4

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qsf001.html;
http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qsf001.html

Gender pay gap (unadjusted in per cent)

2013	2014	2015	2016
18.4	15.1	14.0	14.0

Source: <https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&pcode=tesem180&language=en>

Net monthly minimum wage (Mandatory minimum wages and deviations)

Year	Economically active population (thousand)	Gross average wage per person per month EUR*	Net average wage per person per month EUR*	Monthly mandatory gross minimum wage EUR	Per cent of the gross average wage	Poverty level for 1 adult EUR
2015	4 518,300	800	524	339	42.4	283
2016	4,586,200	846	561	357	41.2	284
2017	4,425,500	961	639	409	42.6	293
2018 (I-X.)	4 471,000	1,006	667	428	42.6	n.a.

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qlf033.html
http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qli007d.html
http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qli012b.html
http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qli030.html
<http://www.policyagenda.hu/hu/nyitolap/letminimum-2015>
<http://www.policyagenda.hu/uploads/files/Letminimum%202016.pdf>
<https://www.policyagenda.hu/elemezsek/2018/letminimum-es-tarsadalmi-minimum-2017-ben/#.XA1-oWhKiUk>

Actual weekly working hours

	2015	2016	2017	2018 (Q II)
Full time	40.8	40.7	40.6	40.5
Part time	22.5	21.9	22.2	21.9
Total	39.8	39.7	39.8	39.6

Source: http://appsso.eurostat.ec.europa.eu/hui/show.do?dataset=lfsq_ewhuis&lang=en

The number of actual working days/hours depends on the coincidence of national and religious holidays set as calendar dates and weekend rest days. In collective

agreements it is possible to deviate from legal working time (40 hours weekly) except for state or municipality-owned companies.

Normal work / atypical work

Atypical work refers to employment relationships not conforming to the standard or 'typical' model of full-time, regular, open-ended employment with a single employer over a long time span. The latter in turn is defined as a socially secure, full-time job of unlimited duration with standard working hours guaranteeing a regular income

and via social security systems geared towards wage earners securing pension payments and protection against ill-health and unemployment. Part-time work is measured and it is still on a low level – even for women; however compared to the situation 10 years ago it has doubled.

Part-time employees (in per cent)

Year	2015	2016	2017
Total			
	6.0	5.2	4.8
Men			
	4.4	3.5	3.1
Women			
	8.1	7.3	6.9

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qlf008.html

Employees with more than one job (yearly average, thousands of persons)

Year	2015	2016	2017
	46.8	55.2	66.7

Source: <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tps00074&plugin=1>

Employees working extra hours

The rate of employees (between 15-64 years) who regularly work extra hours in Hungary is the eighth lowest among member countries of the European Union. In 2014 it was 5 per cent of the Hungarian population while, for example, in the United Kingdom this rate was above 30 per cent.³³

According to research of Eurofound in 2013, the percentage of establishments granting flexitime to their employees was 54 per cent in 2013.

- Migration flow

Population (number of persons)

Population	2015	2016	2017	2018
	9,849,000	9,830,485	9,797,561	9,778,371

Source: https://www.ksh.hu/docs/hun/eurostat_tablak/tabl/tps00001.html

Non-Hungarian residents (number of persons)

Foreign residents	2015	2016	2017
	145,727	156,366	150,885

Source: http://www.ksh.hu/docs/hun/eurostat_tablak/tabl/tps00157.html

According to the Hungarian Statistical Office, in August-October 108,000 Hungarian citizens were employed abroad.³⁴ Estimates based on mirror-statistics (i.e. based on the destination countries' Labour Force Survey statistics on migrants from Hungary) show higher figures, more than 300,000. However in 2017 their share in the active-aged (20-64 years) Hungarian population was 5.2 per cent, still lower compared to those of CEE countries (e.g. Romania, Lithuania, Latvia and Bulgaria had 11-16 per cent figures). Between 2012 and 2017 the domestic active-aged population decreased by more than 30,000 annually on the average; in other words, during this five-year period the stock of active-aged people who migrated abroad grew by 170,000.³⁵ The Hungarian pattern of emigration is fundamentally different from the other nine countries from the former socialist camp. While in the

other countries the bulk of the emigrants come from the less-educated strata of society, the Hungarian situation is exactly the opposite. Relatively few people of modest educational attainment leave, and a very large portion of the emigrants come from groups who are in possession of a matriculation certificate and/or who finished college. This tendency had been notable in the Hungarian emigration statistics ever since 2004, but after 2011 it accelerated. Every year between 2012 and 2017 the emigration of college graduates grew by 0.7 per cent. As a result, in 2017 8 per cent of Hungarians with university degrees lived and worked abroad.³⁶

³³ <http://www.ksh.hu/docs/hun/xftp/stattukor/munkaido.pdf>

³⁴ <http://www.ksh.hu/gyorstajekoztatok/#/hu/document/fog1810>

³⁵ See: Hárs Ágnes (2018) *Növekvő elvándorlás – lehetőségek, remények, munkaerőpiaci hatások*. In: Kolosi, T. – Tóth, I. Gy. (eds.): *Társadalmi Riport 2018*. Budapest: TÁRKI http://www.tarki.hu/sites/default/files/trip2018/081-105_Hars_elvandorlas.pdf,

³⁶ See: <http://hungarianspectrum.org/2018/11/11/kopint-tarkis-report-on-society-2018-emigration/>

People seeking asylum (number of persons)

	Claimants of asylum	Receiving “refugee” status	Receiving “protected” status	Receiving “accepted” status
2014	42,777	240	236	7
2015	177,135	146	356	6
2016	29 432	154	271	7
2017 Q I-III.	2 725	75	730	73

Source: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_wvn001.html

The Orbán government has denied refugees entry into the country as clearly shown by the statistics above.

Adjusted rate of migration (for 1,000 persons)

Year	2014	2015	2016
	1.1	1.5	-0.1

Source: http://www.ksh.hu/docs/hun/eurostat_tablak/tab/tsdde230.html

The adjusted rate of migration shows the difference between the total change in population and the natural change in population (birth-death rate), thus it reflects the impact of migration.

Human Development Index

	HDI	HDI - Health	HDI - Education	HDI - Income
2012	0.831	0.862	0.890	0.750
2014	0.828	no data	no data	no data
2015	0.834	no data	no data	no data
2016	0.835	no data	no data	no data
2017	0.838	no data	no data	no data

Source: <http://hdr.undp.org/en/countries/profiles/HUN>

Gini-Coefficient

	2011	2012	2013	2014
Hungary	26.8	26.9	28	28.8
EU-28	30.8	30.4	30.5	31.0

Source: <http://www.oecd.org/social/income-distribution-database.htm>

Collective agreement coverage (in per cent of total employees)*

	minimum wage	sectoral	multi-employer	single-employer	average coverage
2009 ¹	100	n.a.	n.a.	n.a.	22
2012 ²	100	11	2	23	36
2016 ³	100		9	25	30
2017 ³	100		8	26	30
2018 ³	100		8	23	27

1 Source: <http://www.worker-participation.eu/National-Industrial-Relations/Countries/Hungary/Collective-Bargaining>

2 Source: EIRO. 2012. <http://eurofound.europa.eu/eiro/studies/tn1209014s/hu1209011q.htm>

3 Source: Own calculation based on data downloaded from the official registry of collective agreements maintained by the Ministry of National Economy

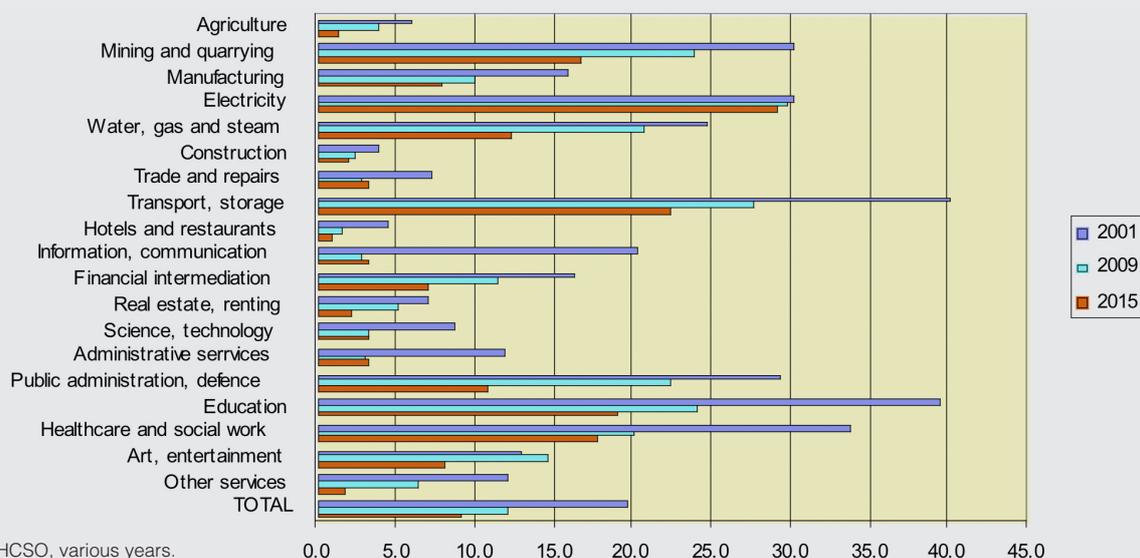
* Figures differ because of lack of data and some are only rough estimations. An explanation on the tendencies is presented on the website of the ETUC "Workers Participation" saying³⁷, "The figures on agreements registered with the Centre for Social Dialogue indicate that collective bargaining coverage fell by 14 percentage points between 2001 and 2012 – from 47 per cent to 33 per cent".

• Trade union density

Union density is now below 10 per cent. Official data from the Labour Force Survey are available for 2001, 2004, 2009 and 2015. The latest survey showed a 9 per cent overall density, with substantial differences across industries and workplaces with different company size and ownership structure (HCSO 2015). While the electricity industry (29 per cent), transport and postal services (22 per cent), education (19 per cent) and health care (18) are still trade union strongholds, at the other extreme are hotels and catering (1 per cent), construction (2 per cent) and retail (3 per cent), customarily barely organised. The strategically important manufacturing sector was also slightly below average with 8 per cent unionisation. Not independently of the sectoral distribution, unions traditionally fared better in larger companies and state/municipality-owned workplaces. However, since 2009 public sector unions have suffered the most serious drop in their membership. Teachers' union density has fallen by 21 per

cent, unionisation in healthcare and social work has dropped by 12 per cent and by as much as 41 per cent in the water, gas and steam industry. The record high loss, however – 52 per cent – has occurred in public administration and defence, which was attributable to a decree of the Internal Minister that phased out the check-off system, that is, the automatic deduction of union dues by the employer. Labour Force Survey data support the results of a 2015 population survey on a smaller sample that indicated a mere 5 per cent union density in the private sector.³⁸ Administrative data are also available for the public sector (without state/municipality-owned companies and public works schemes) because unions have to report annual membership data in order to prove their representativeness in social dialogue forums. These data show a 25.5 per cent membership decrease between 2011 and 2014, which means a 19.9 per cent drop in the unionisation rate if we take the 8 per cent headcount shrinkage into account.

Trade union density by industries (2001–2015)



Source: HCSO, various years.

³⁷ <http://www.worker-participation.eu>

³⁸ See: Dabis E., Feleky G., Lőrinczi J., Rossu B. and Ruzs Molnár, K. (2015) Elemző tanulmány – az új Munka Törvénykönyvének hatásvizsgálata, Budapest, LIGA

- Employer's organizations density

There are no recent data available and estimation is difficult. According to a study by Eurofound³⁹ one can carefully calculate that the nine cross-sectoral employers' organizations have together 180,000 member companies out of around 300,000 corporations. A careful estimation

is that the density in terms of employees might be around 50 per cent. According to a recent study⁴⁰ the employers' organisations are characterized by a very low level of willingness to cooperate and sustainability, which hampers their effectiveness.

- Workplace representation

Workplace representation in Hungary is provided by both local trade unions and elected Works Councils with the balance between the two varying over time. Under the 2012 Labour Code, unions have bargaining rights but lost their monitoring powers and their right to be consulted. Works Councils have information and consultation rights but in practice often find it difficult to influence company decisions. In theory, according to the Labour Code, Works

Councils (with more than one member) should operate at establishment with at least 50 employees. However, according to the Labour Force Survey in 2015 just 30 per cent of respondents knew about a Works Council at his/her workplace at firms with more than 50 employees. The actual penetration rate was slightly higher (36 per cent) at companies with more than 300 employees.⁴¹

Thresholds for the number of members elected to Works Councils.

Size of the company (Number of employees)	Size of the Works Council (Number of members)
21-50	1
51-100	3
101-300	5
301-500	7
501-1,000	9
1,001-2,000	11
2,000+	13

³⁹ <http://www.eurofound.europa.eu/observatories/eurwork/comparative-information/national-contributions/hungary/hungary-representativeness-of-the-european-social-partner-organisations-in-the-cross-industry-social>

⁴⁰ Kiss, Mihály: Ágazati párbeszéd Magyarországon, LIGA: 2014

⁴¹ Labour Force Survey, Hungarian Central Statistical Office 2015

Trade unions mapping

Trade union confederations

1. Democratic League of Independent Trade Unions (LIGA)
2. Merger: Autonomous Trade Unions Confederation (ASZSZ) and National Confederation of Hungarian Trade Unions (MSZOSZ): Hungarian Trade Union Confederation (MaSZSZ)
3. Confederation of Unions of Professionals (ÉSZT)
4. Forum for the Cooperation of Trade Unions (SZEF)
5. National Federation of Workers' Council (Munkástanácsok)

Main industry federations

6. Metalworkers Union (Vasas)
7. Federation of Trade Unions of the Chemical, Energy and Allied Workers (VDSZ)
8. Democratic Union of Teachers (PDSZ)
9. Teachers' Union (PSZ)

1.	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Független Szakszervezetek Demokratikus Ligája	Democratic League of Independent Trade Unions (LIGA)	
Founding Year	1988		
Sector/Branch	Confederation		
Cycle of Congresses/ Last Congress	2017		
Important Functionaries (Chairman. President. International Secretary. Youth Leader. etc.)	Name	Function	Homepage
	Dr.Melinda Doszpolyné Mészáros	President	www.liganet.hu
	János Czövek, Dr. József Szilágyi, Gábor József Fürjes, Erzsébet Buzásné Putz	Co-presidents	
	Piroska Kállay	International secretary	international@liganet.hu
Number of Members (please comment on the official number applying a sensitive approach)	104,000		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support. European project funding, real property assets		
Number of staff (estimated if necessary)	16		
Political Orientation (short story in three lines)	Clear separation from politics; the organisation negotiates with all parties representative in the Hungarian Parliament.		
Cooperation in national committees	National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT) The Consultative Forum of the Industry and the Government (Versenyszféra és a Kormány Állandó Konzultációs Fóruma. VKF)		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	ETUC	ITUC, TUAC	

2.	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Értelmiségi Szakszervezeti Tömörülés	Confederation of Unions of Professionals	
Founding Year	1989		
Sector/Branch	Confederation, but at public universities, research institutes, university hospitals		
Cycle of Congresses/ Last Congress	2015		
Important Functionaries (Chairman. President. International Secretary. Youth Leader. etc.)	Name	Function	Homepage
	László Kúti	President	www.eszt.hu
Number of Members (please comment on the official number applying a sensitive approach)	76,000 (in 2014) but decreasing		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, real property assets		
Number of staff (estimated if necessary)	2-5		
Political Orientation (short story in three lines)	None; more of a representation of professional interests for white collar workers;		
Cooperation in national committees	National Public Service Interest Reconciliation Council (OKÉT). National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT)		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	Eurocadres and indirectly re- presented by SZEZ in ETUC	(indirectly represented by SZEZ in ITUC)	

3.	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Szakszervezetek Együttműködési Fóruma	Forum for the Cooperation of Trade Unions	
Founding Year	1990		
Sector/Branch	Confederation. Public sector: teachers, the health sector, culture and arts, public administration, police, public media and telecommunication		
Cycle of Congresses/ Last Congress	05/2016, compulsory every year by law, elections every 4 years (last 06/2015)		
Important Functionaries (Chairman. President. International Secretary. Youth Leader. etc.)	Name	Function	Homepage
	András Földiák	President	www.szef.hu
Number of Members (please comment on the official number applying a sensitive approach)	75,000 (2015) 69,000 (2016), 65,000 (2017), 59,000 (2018)		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, real property assets		
Number of staff (estimated if necessary)	5 employees + 1 accountant (not including the president and the 2 vice-presidents)		
Political Orientation (short story in three lines)	Due to having members from the public service no party political connections; member organisations are free to decide on electoral alliances – cooperates traditionally closely with ESZT		
Cooperation in national committees	National Public Service Interest Reconciliation Council (OKÉT). National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT)		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	ETUC	-	

4.	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Munkástanácsok Országos Szövetsége	National Federation of Workers' Council	
Founding Year	1990		
Sector/Branch	Confederation mainly in public sector, public utilities, manufacturing and retail		
Cycle of Congresses/ Last Congress	09/2018		
Important Functionaries (Chairman. President. International Secretary. Youth Leader. etc.)	Name	Function	Homepage
	Imre Palkovics	President	http://munkastanacsok.hu
Number of Members (please comment on the official number applying a sensitive approach)	50,000 (2014)		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, real property assets		
Number of staff (estimated if necessary)	n.a. (10-15 estimated)		

Political Orientation (short story in three lines)	Christian-national; in elections often is the informal supporter of different Christian-conservative parties; good relationship to the current national-Christian FIDESZ-KDNP government.	
Cooperation in national committees	National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT). The Consultative Forum of the Industry and the Government (Versenyszféra és a Kormány Állandó Konzultációs Fóruma. VKF)	
Membership	Regional Umbrella Associations	Global Umbrella Associations
	ETUC	ITUC

5.	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Magyar Szakszervezeti Szövetség	Hungarian Trade Union Confederation	
Founding Year	2015 through merger of MSZOSZ and ASZSZ		
Sector/Branch	Confederation, railway and local public transport, chemical industry, many industries with strong metal worker unions, construction, mining but also social services and food processing, large number of multinationals		
Cycle of Congresses/ Last Congress	4 years - constitutional / annual – required by law 2015, next: 21. 02. 2019		
Important Functionaries (Chairman. President. International Secretary. Youth Leader. etc.)	Name	Function	Homepage
	László Kordás Tamás Székely Károly György Mária Hercegh László Juhász	President Vice-president International secretary Chair Women's Section Chair Pensioners Section	elnok@szakszervezet.net tamassz@vdsz.hu kgyorgy@szakszervezet.net herceghm@mav.hu nyugdijas@szakszervezet.net
Number of Members (please comment on the official number applying a sensitive approach)	110,000		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, real property assets		
Number of staff (estimated if necessary)	10-15		
Political Orientation (short story in three lines)	As for values MASZSZ stands on the political left (its main founder, MSZOSZ previously had longstanding cooperation/alliance with MSZP /Social-democratic party; MASZSZ declares itself politically non-partisan		
Cooperation in national committees	National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT) The Consultative Forum of the Industry and the Government (Versenyszféra és a Kormány Állandó Konzultációs Fóruma. VKF)		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	ETUC	ITUC	

6.	in National Language	in English	
Name of TU Federation/ Confederation/ Trade Union	Vasas Szakszervezeti Szövetség	Hungarian Metalworkers' Federation	
Founding Year	1877		
Sector/Branch	Metallurgy, automotive industry, electro-technical industry		
Cycle of Congresses/ Last Congress	2017		
Important Functionaries (Chairman. President. International Secretary. Youth Leader. etc.)	Name	Function	Homepage
	Béla Balogh Zoltán László Lívia Speigné Balogh Balázs Bábel	President Vice-President Vice-President International secretary	www.vasasok.hu
Number of Members (please comment on the official number applying a sensitive approach)	Around 22,000		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, European project funding, real property assets		
Number of staff (estimated if necessary)	23		
Political Orientation (short story in three lines)	Left wing orientation of the leadership, but no congruent orientation of the company-level unions		
Cooperation in national committees	Sectoral social dialogue committees		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	IndustriALL European Trade Union	IndustriALL Global Union	

7.	in National Language	in English	
Name of TU Federation/ Confederation/ Trade Union	Magyar Vegyipari, Energi-aiipari és Rokon Szak-mákban Dolgozók Szakszervezeti Szövetsége (VDSZ)	Federation of the Chemical, Energy and General Workers' Unions	
Founding Year	1906		
Sector/Branch	Chemical, Pharmaceutical, Gas, Tyre&rubber, Alu, Paper and Allied		
Cycle of Congresses/ Last Congress	05/2016		
Important Functionaries (Chairman. President. International Secretary. Youth Leader. etc.)	Name	Function	Homepage
	Tamás Székely	President	www.vdsz.hu
Number of Members (please comment on the official number applying a sensitive approach)	30,000		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, European project funding, real property assets		
Number of staff (estimated if necessary)	15-20		
Political Orientation (short story in three lines)	Not close to any political party, government-critic professional position for workers' rights, salaries/pensions and work conditions		
Cooperation in national committees	Sectoral Social dialogue committee Chemical Industry		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	IndustriALL Europe (Chemical and paper sectors committees)	IndustriALL Global	

8.	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Pedagógusok Demokratikus Szakszervezete	Democratic Union of Teachers	
Founding Year			
Sector/Branch	Education		
Cycle of Congresses/ Last Congress	11/2018		
Important Functionaries (Chairman. President. International Secretary. Youth Leader. etc.)	Name	Function	Homepage
	Tamás Szűcs	President	www.pdsz.hu
Number of Members (please comment on the official number applying a sensitive approach)	cca. 3.800 – 4.000		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, real property assets		
Number of staff (estimated if necessary)	10-20		
Political Orientation (short story in three lines)	No political expression possible according to LIGA rules. However a former president had a function in FIDESZ (but left the union when doing so)		
Cooperation in national committees	National Public Service Interest Reconciliation Council (OKÉT).		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	ETUC	Education International (EI)	

9.	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Pedagógus Szakszervezet	Teachers' Union	
Founding Year	1918		
Sector/Branch	Education		
Cycle of Congresses/ Last Congress	06/2018 (Congress Elections) 09/2018 (Last Congress)		
Important Functionaries (Chairman. President. International Secretary. Youth Leader. etc.)	Name	Function	Homepage
	Zsuzsanna Éva Szabó	President	www.pedagogusok.hu
Number of Members (please comment on the official number applying a sensitive approach)	24,317		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, real property assets		
Number of staff (estimated if necessary)	40		
Political Orientation (short story in three lines)	Due to having members from the public service no party political connections		
Cooperation in national committees	OKÉT		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	ETUCE	International Education - IE	

Employer Association Mapping

Confederation of Hungarian Employers and Industrialists

(Munkaadók és Gyáriparosok Országos szövetsége. MGYOSZ)

National Association of Entrepreneurs and Employers

(Vállalkozók és Munkáltatók Országos Szövetsége. VOSZ)

National Federation of Consumer Cooperatives

(Általános Fogyasztási Szövet-kezetek Országos Szövetsége. ÁFEOSZ)

Hungarian Association of Craftsmen's Corporations

(Ipartestületek Országos Szövetsége. IPOSZ)

National Association of Strategic and Public Utility Companies

(Stratégiai és Közszol-gáltató Társaságok Országos Szövetsége. Stratosz)

1.	in National Language	in English	
Name of the association	Munkaadók és Gyáriparosok Országos Szövetsége	Confederation of Hungarian Employers and Industrialists	
Founding Year	1902 / 1998		
Sector/Branch	Confederation, mainly in industry but also (industrial) services; all sizes but mainly larger companies		
Cycle of Congresses/ Last Congress	27 May 2015 Congress ("közgyűlés")		
Important Functionaries (Chairman. President. Director. etc.)	Name	Function	Homepage
	Dr Futó Péter Wimmer István Vadász Péter	President General secretary Co- president	www.mgyosz.hu
Number of Members	6,000 (companies)		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, real property assets		
Number of staff (estimated if necessary)	8-12		
Political Orientation (short story in three lines)	Pragmatism, no orientation, but believing in social partnership and dialogue		
Cooperation in national committees	National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT) The Consultative Forum of the Industry and the Government (Versenyszféra és a Kormány Állandó Konzultációs Fóruma. VKF)		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	BUSINESSEUROPE	International Organization of Employers. IOE; International Congress of Industrialists and Entrepreneurs. ICIE	

2.	in National Language	in English	
Name of the association	Vállalkozók és Munkáltatók Országos Szövetsége	National Association of Entrepreneurs and Employers	
Founding Year	1988		
Sector/Branch	Confederation, mainly in production and SMEs		
Cycle of Congresses/ Last Congress	5 years/19 May 2016		
Important Functionaries (Chairman. President. Director. etc.)	Name	Function	Homepage
	Tolnay Tibor Perlusz László Varga Julianna	President General Secretary International Director	www.vosz.hu
Number of Members	53,000		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, entrepreneurial activity		
Number of staff (estimated if necessary)	28		
Political Orientation (short story in three lines)	NGO, non political		
Cooperation in national committees	National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT) The Consultative Forum of the Industry and the Government (Versenyszféra és a Kormány Állandó Konzultációs Fóruma. VKF)		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	EUROCOMMERCE	IOE, BIAC	

3.	in National Language	in English	
Name of the association	Általános Fogyasztási Szövetkezetek Országos Szövetsége	National Federation of General Consumer Cooperatives and Business Associations Co-Op Hungary	
Founding Year	1949 / 1990		
Sector/Branch	Retail-whole sale		
Cycle of Congresses/ Last Congress	2016		
Important Functionaries (Chairman. President. Director. etc.)	Name	Function	Homepage
	Dr Zs. Szöke Zoltán	President	www.afeosz.hu
Number of Members	1,200 member organisations		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, real property assets		
Number of staff (estimated if necessary)	n.a.		
Political Orientation (short story in three lines)	n.a.		
Cooperation in national committees	National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT) The Consultative Forum of the Industry and the Government (Versenyszféra és a Kormány Állandó Konzultációs Fóruma. VKF)		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	n.a.	n.a.	

4.	in National Language	in English	
Name of the association	Ipartestületek Országos Szövetsége	Hungarian Association of Craftsmen's Corporations	
Founding Year	1890		
Sector/Branch	Handicraft		
Cycle of Congresses/ Last Congress	2018 (General Assembly - yearly)		
Important Functionaries (Chairman. President. Director. etc.)	Name	Function	Homepage
	László Németh Gábor Solti	President International Secretary	www.iposz.hu
Number of Members	30,000		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, European project funding, real property assets		
Number of staff (estimated if necessary)	6		
Political Orientation (short story in three lines)	n.a.		
Cooperation in national committees	National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT) Council for Business Development (Vállalkozásfejlesztési Tanács)		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	European Construction federation (EBC) and European metal federation (EMU) SMEunited, Hanseatic Parliament		

5.	in National Language	in English	
Name of the association	Stratégiai és Közszolgáltató Társaságok Országos Szövetsége	National Association of Strategic and Public Utility Companies	
Founding Year	1994		
Sector/Branch	Public enterprises		
Cycle of Congresses/ Last Congress	2015		
Important Functionaries (Chairman. President. Director. etc.)	Name	Function	Homepage
	Pelcz Gábor Dávid Ilona Haranghy Csaba Illés Zoltán Bánhidi-Nagy Attila	President Co-President Co-President Co-President Secretary-General	http://www.stratosz.hu/
Number of Members	28		
Finance (major sources of finance. please comment on the official figures applying a sensitive approach)	Membership fees, governmental support, European project funding, real property assets		
Number of staff (estimated if necessary)	3		
Political Orientation (short story in three lines)	n.a.		
Cooperation in national committees	National Economic and Social Council (Nemzeti Gazdasági és Szociális Tanács. NGTT)		
Membership	Regional Umbrella Associations	Global Umbrella Associations	
	CEEP	CEEP	



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Hungary / By László Neumann

About the Author

László Neumann (1949) Sociologist, PhD, is a senior research fellow at the Institute for Political Science, Hungarian Academy of Sciences, formerly at the Research Institute of Labour and its successor institutions. His earlier studies focused on shop-floor wage/effort bargaining and privatisation of former state-owned enterprises. Current research interest embraces several fields of industrial relations and labour market policy: decentralised collective bargaining, employee participation, employment practices and labour relations at foreign-owned companies and social dialogue at various levels. He previously was an adviser to the Democratic League of Independent Trade Unions (LIGA) and lectures in collective bargaining at Law Faculty of ELTE University, Budapest.

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