

COUNTRY REPORT

HUNGARY

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Introduction

In Hungary, personal household services (PHS) consist of home care and domestic work, with home care including social support and personal care, if needed.¹ Local governments have the legal obligation to provide home care,² while the central state offers support mainly through different types of allowances for people taking care of children, elderly or disabled relatives.³ As the state is the main employer in the sector, work arrangements mostly consist in public sector employment models, except for the case of domestic workers, who are directly employed by households. The state also oversees the training of PHS employees in the form of qualification courses for “domestic helpers” and “domestic care workers”. Personal care provision is limited to qualified care workers, while social support services may be offered by volunteers or domestic workers, too,⁴ with domestic workers often being unemployed persons working under the public work scheme regime.⁵



Factors Supporting the Growth and Development of the Field of PHS

Hungary registers negative rates of natural change, meaning that deaths outnumber births. Although net migration is positive, it cannot change the **negative demographic trend**.⁶ It is also politically not wanted.⁷ Life expectancy at birth is 72,5 years for men and 79,3 years for women.⁸ There are significant regional disparities with concern to life expectancy. The life expectancy of the Roma population is also significantly lower.⁹

Hungary faces different challenges regarding the labour market. The undeclared economy is estimated to make up 22 per cent of Hungary’s GDP,¹⁰ and there are **major inequalities regarding women and men on the labour market**. Women are generally better qualified than men, their number exceeds the number of men with medium-level and higher-level qualifications. However, there is a significant gender pay gap, especially with concern to women with higher qualifications. Unemployment numbers for women are generally higher, especially for women with lower qualifications¹¹. Women are further better represented

¹ National Office for Rehabilitation and Social Affairs, Hungary (2020).

² Hand in Hand Foundation (2020).

³ See Social Services Information Portal (*Szociális Ágazati Portál*), <http://szocialisportal.hu/intezmenykereso>.

⁴ National Office for Rehabilitation and Social Affairs, Hungary (2020).

⁵ Unified Information Portal on Disability (2019); Hungary, 2001, §27 (3), 1/2000, Decree on the Tasks of Social Services Providing Personal Care and the Conditions of Their Operation.

⁶ Eurostat (2019).

⁷ Juhász (2019).

⁸ Hungarian Central Statistical Office (2019).

⁹ Cseresnyés (2019).

¹⁰ Statista (2012).

¹¹ Hungarian Central Statistical Office (2020a).

among the part-time workers.¹² They usually choose part-time work to be able to perform unpaid care work for their families.¹³

Regarding the potential of jobs requiring lower qualification or skills levels, **Roma women with lower qualification could be considered a target employee group**, as they have a low employment rate and studies found that they do informal household assistance work. However, in most cases, middle-aged Roma women have only completed elementary school. In younger cohorts, 40 per cent of Roma women have completed secondary school or vocational training, so that they possess the formal qualifications required to access the labour market.¹⁴



Definition and Development of PHS Instruments

Home care is a form of basic social service provision that every local government entity, irrespective of the number of the settlement's inhabitants, must provide. Home care provision consists in social support and personal care.¹⁵ Social support refers to non-care and personal care as well as care activities.¹⁶ **Social support** must include ensuring the hygiene of the living environment, support in household activities, prevention of emergencies/emergency interventions, and support in moving to a residential facility, if required. **Personal care** must include the creation and perpetuation of a supportive relationship between the care worker and the client, the provision of medical and non-medical care services, and the provision of psychosocial support.¹⁷ **Domestic work** exclusively means ensuring the conditions required for the everyday life of natural persons and persons living in the same household or close relatives, such as cleaning the flat, cooking, washing, ironing, childcare, teaching children at home, home nursing, housekeeping, and gardening.¹⁸

Prior to the provision of home care, a **needs assessment** takes place, so that it can be decided which form of home care is appropriate for a case. As a rule, home care is provided for less than four hours a day. The four-hour requirement is not explicitly mentioned in the law anymore, but the needs assessment is still based on a four-stages scale. If needs correspond to the third stage and the amount of home care is not sufficient to cover the needs in-home care, a residential facility is recommended.¹⁹ In accordance with the needs assessment, local governments set priorities with the help of **priorities points**, so that a certain number of "needs points" corresponds to a certain number of hours of assistance. Depending on the availability of funding, services can be extended or restricted. Additionally, while some local

¹² Hungarian Central Statistical Office (2020b).

¹³ Berettyóhír (2017).

¹⁴ FRA (2016).

¹⁵ Hand in Hand Foundation (2020).

¹⁶ National Office for Rehabilitation and Social Affairs, Hungary (2020).

¹⁷ Hand in Hand Foundation (2020).

¹⁸ Hungary, 1993, Law on Social Administration and Social Services, III, §63.

¹⁹ Hungary, Ministry of Social and Employment Issues, 2007, Decree on Detailed Rules for the Examination and Justification of Care Needs & Social Need Based on State of Health, 36/2007 (XII. 22.), §3/A (3) and Annex No. 3.

governments expect clients to bear a proportion of the costs (relative to their income), others might offer services for free.

Persons caring for a severely disabled relative or a disabled or chronically ill (meaning a need for more than three months of care) child, receive a **care allowance** reaching from HUF 37,490 to 67,485 (EUR 110 to 200).²⁰

Home care allowance for children is a new form of and the highest care allowance to which exclusively the parents of severely disabled persons (and not only children, but also disabled adults, as the relationship is determinative) are entitled to. The amount of this allowance is HUF 100,000 (EUR 285) for one disabled child and HUF 150,000 (EUR 428) for more than one disabled child.²¹

Persons looking after children younger than 14 years of age may receive a **child supervision allowance**, if they can prove that there are no other possibilities for supervision available for their child (nursery school, kindergarten, after-school among others). The child supervision allowance should not exceed 90 per cent of the public worker wage. At present, the child supervision allowance is HUF 26,220 (EUR 79).²²

However, there are **different instruments**, such as tax incentives for employers of parents of young children²³ **that support the labour market integration of parents**. “Program 40”, an early retirement programme targeting women who have made retirement contributions for 40 years, further aims to support young families, as most women who fulfil the programme’s conditions are grandmothers enabled by retirement to care for their grandchildren.

Since the beginning of 2019, 5,000 retired persons living in structurally weak areas, who are not able to leave their homes, have been provided **access to digital infrastructure and basic training** to prevent loneliness.²⁴



Landscape of Users

Home care is oriented towards neglected, lonely, elderly, or disabled people who do not need a lot of daily assistance (approximately not more than four hours of daily assistance, though this is not explicitly mentioned in the legislation anymore).²⁵ Users of **care allowance** are families of persons with disabilities, and users of **child supervision allowance** are parents with children younger than 14 years of age.

²⁰ Unified Information Portal on Disability (2019).

²¹ Unified Information Portal on Disability (2019).

²² Unified Information Portal on Disability (2019).

²³ Szakszervezetek.hu (2016).

²⁴ Szász (2017).

²⁵ Calvinist Church Charity (2014).



Financing of the Main Instruments and Associated Prices

While the **central state** finances allowances, the **local governments** finance basic social services.



Work Arrangements

PHS are provided by 1,346 institutions, out of which 1,024 are local governments and 251 church-affiliated institutions.²⁶ Consequently, most formal work arrangements are based on **public sector employment models**. The employment of domestic workers consists in **direct employment by households**, and services are carried out daily.

Many families/private households turn to the private PHS providers, as they do not get any or enough help from public PHS service providers/the state, trying to find for example home care assistants working for them, legally or illegally. Therefore, there is a thriving market of undeclared work in the PHS sector in Hungary (unfortunately, there are no detailed data). Due to the low payment in the sector, many care workers work for an official service provider and in the form of undeclared work for private clients at the same time.



Landscape of Intermediaries and Quality Management

Out of the 1,346 institutions providing PHS, 193 providers are located in Budapest and the Pest county, so that the distribution throughout the country is fairly even.²⁷



Landscape of Employees and Degree of Professionalization

Social support refers to non-care, personal care, and care activities. Consequently, **personal care** can be performed only by **qualified care workers**, while **social support services** may be

²⁶ See Social Services Information Portal (*Szociális Ágazati Portál*), <http://szocialisportal.hu/intezmenykereso>.

²⁷ See Social Services Information Portal (*Szociális Ágazati Portál*), <http://szocialisportal.hu/intezmenykereso>.

offered by **volunteers** or **domestic workers**, too.²⁸ Providers of **domestic work** as specified by Law XC are usually **unemployed persons** who need to prove that they have worked for 30 days during a year in order to continue receiving social allowances.²⁹ Seen from this perspective, domestic work is the gendered version of public work, which usually consists in heavy, physical work.

Basic care according to the European Care Certificate (ECC) based on BESCLO (EGT in Hungary) is available in Hungary without preconditions and costs a fee of HUF 16,000 (EUR 48).³⁰

Basic qualifications for the PHS sector can be acquired either as domestic helpers or as domestic care workers. Helpers pursue a qualification course of 80 hours, out of which 16 are dedicated to theoretical issues and 64 for practical training. Care workers pursue a qualification course of 160 hours, out of which 60 are dedicated to theoretical issues and 100 hours to practical training. The courses are overseen by the Directorate-General for Social Affairs and Child Protection³¹.³² Completed elementary education is a precondition for taking part in a qualification course.³³



Wages

The wages in the **PHS sector** are around **minimum wage level**, which is about EUR 450 for the time being. Hourly wages reported by intermediary agencies range between approximately EUR 2 and 4.50.³⁴ However, there is **no minimum wage obligation** with concern to **domestic workers**. Here, wages are open to the bottom.



Social Dialogue in the Field of PHS

A main social partner involved in the dialogue is the **Hand in Hand Foundation**³⁵, an interest representation for people with disabilities.

²⁸ National Office for Rehabilitation and Social Affairs, Hungary (2020).

²⁹ Unified Information Portal on Disability (2019).

³⁰ Hand in Hand Foundation (2020).

³¹ <https://szgyf.gov.hu/en/>.

³² Directorate-General for Social Affairs and Child Protection, Hungary (N/A).

³³ See Certification and Training Courses/Trainings for Social Services on the National Certification Registry, <http://tatabanya.felnottkepzes.hu/tag/betanitott-szocialis-segito-kepzes>.

³⁴ See Best Work, <https://micimacko.net/allasok/idosgondozo.html>.

³⁵ <http://info.kezenfogva.hu/>.



Policy Process

The **State Secretariat for Social Affairs** affiliated with the Ministry of Human Resources³⁶ is responsible for the legal framework of PHS. **Local governments** are responsible for the provision of basic social services. The **local offices of the central state administration** (*járásí hivatalok*)³⁷ are responsible for the financial allowances.



Commonalities Across Countries

The Hungarian intergenerational policy regime can be described as “familialism by default”.³⁸



Previous Instruments

In 2011, the **law on early retirement and disability pensions** was abolished, as it was too costly.³⁹



Promising Practices

The Hand in Hand Foundation and its partners are running a service called SWALLOW, a home help service for families who take care at home of a disabled child or adult family member. This service is like an ordinary babysitting service. The families are able to have some free time, but mainly they use the service so they can keep their jobs, or take care of the household or other family member in need (for example, elder relatives).

The service is supervised by the Hand in Hand Foundation; workers/employees get the opportunity of training every year. The service is financed by the Ministry of Human Resources with a total budget of HUF 95,000,000 HUF (EUR 270,000), which makes the provision of 31,600 hours of service possible. The service providers need to apply to be provided with their annual budget at the Ministry of Human Resources every year.

³⁶ <https://2010-2014.kormany.hu/en/ministry-of-human-resources/organisation>.

³⁷ <http://www.kormanyhivatal.hu/hu/borsod-abauj-zemlen/szervezet/jarasi-hivatalok>.

³⁸ Saraceno/Keck (2010).

³⁹ Bódi/Farkas (2019).

The service is well organised, and it serves the needs of the families on demand. It has its own information technology (IT) support system that helps to organise and manage the service itself and to collect data.

Glossary

Formalisation: In the context of informal care work, the European Commission describes how “formalisation of informal care takes place either through payments and associated social security (pension and health insurance), training/ certification of skills schemes and finally legislation (recognition of status and rights to being assessed as a carer)”. In the same article, the EC associates “any type of formal work” with the following features: payments (preferably regular and predictable); an employment contract and social security (such as being protected by regulation); training and validation of skills; and finally broader legislation which recognises the importance of the role and offers assurance of a certain minimum standard of rights”.⁴⁰

Immigration: “Immigration” is the action by which a person establishes their usual residence in the territory of a Member State for a period that is, or is expected to be, of at least 12 months, having previously been usually resident in another Member State or a third country (Regulation (EC) No 862/2007 on Migration and international protection).⁴¹

Migration Chain: The terms “chain migration” or “migration chain” refer to “a process in which initial movements of migrants lead to further movements from the same area to the same area. In a chain migration system, individual members of a community migrate and then encourage or assist further movements of migration”.⁴²

Professionalisation: “[P]rofessionalisation means granting workers of a certain sector employment and social protection rights that are equivalent to those enjoyed by employees working under employment contracts regulated by law, including a decent wage, regulated working hours, paid leave, health and safety at work, pensions, maternity/paternity and sick leaves, compensation in the event of invalidity, rules governing dismissal or termination of the contract, redress in the event of abuse, and access to training; whereas the domestic work and care sector can be professionalised through a combination of public finance (tax breaks), social finance (family allowances, aid to businesses, mutual societies and health insurance, works councils, etc.) and private finance (payment for services by private individuals)”.⁴³

Regularisation: In the context of (illegal) migration, “regularisation” is defined by the European Union (EU) “as state procedure by which illegally staying third-country nationals are awarded a legal status”; a synonym that is rather used in the USA and less in the EU is “legalisation” (AE: “legalization”).⁴⁴

⁴⁰ European Parliament (2008).

⁴¹ Eurostat (2018).

⁴² European Commission (2018a).

⁴³ European Council, European Parliament (2016: 6).

⁴⁴ European Commission (2009).

Regular Profession: In the context of work and professions, the EU defines a “profession” as “regulated (...) if [one has] to hold a specific degree to access the profession, sit special exams such as state exams and/or register with a professional body before [one] can practice it”.⁴⁵

Undeclared Work: In the EU, the term “undeclared work” denotes “[a]ny paid activities that are lawful as regards their nature but not declared to public authorities, taking account of differences in the regulatory systems of the Member States.” The Member States have adopted a variety of different definitions focusing upon non-compliance with either labour, tax and/or social security legislation or regulations: If there are additional forms of non-compliance, it is not undeclared work. If the goods and services provided are unlawful (for example, the production/trafficking of drugs, firearms and persons, or money laundering), it is part of the wider criminal economy, such as the “*shadow economy*” (often defined as including both the undeclared economy and the criminal economy), and if there is no monetary payment, it is part of the unpaid sphere.⁴⁶

Undocumented or Irregular Migrant: The EU defines a “undocumented” or “irregular migrant” as “a third-country national present on the territory of a Schengen State who does not fulfil, or no longer fulfils, the conditions of entry as set out in the Regulation (EU) 2016/399 (Schengen Borders Code) or other conditions for entry, stay or residence in that EU Member State”.⁴⁷

Unpaid Sphere: The term “unpaid sphere” refers to activities that are lawful as regards their nature but not declared to public authorities and without monetary payment.⁴⁸

⁴⁵ EU (2019).

⁴⁶ European Commission (2018b).

⁴⁷ European Commission (2018a).

⁴⁸ European Commission (2018b).

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