SOLIDAR’s National Strategy Group (NSG) in Hungary reported deteriorations in both working and living conditions, and it is particularly concerned about the reduction of income and high unemployment that followed the Covid-19 pandemic. The health crisis also exposed the difficult situation of the healthcare sector, in particular a shortage of workers and a consequent increased workload for healthcare professionals. Moreover, civic space – the protection of democratic spaces and rights, as well as media and academic freedom – is increasingly under pressure from the government, which often used the pandemic as a pretext to limit civic freedoms. Measures to tackle the health crisis were often delivered without previous notice, and consultation with social partners and civil society was generally overlooked.
### Equal opportunities and fair working conditions

**WORKING CONDITIONS**

At the beginning of 2021, the participation rate in the Hungarian labour market stood at 63.2%.7 Although the number of unemployed people had been decreasing since 2015, the pandemic reversed this trend and the unemployment rate hit 4.5% in April 2021.8 In the same month, youth unemployment peaked at 14%.9 Due to the restrictions imposed by the government to limit the spread of the Covid-19 virus, the Hungarian economy suffered a particular impact in the second quarter of 2020, when GDP declined 13.6% compared to the same quarter in 2019.10 The hours of around 22% of workers were reduced due to the pandemic, while 8% were furloughed without a salary and 3% were dismissed.11 Following its policy of a “work-based society”,

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<table>
<thead>
<tr>
<th>2018</th>
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<th>EU-27 2020</th>
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</thead>
<tbody>
<tr>
<td>GINI index¹</td>
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<td>25.1</td>
<td>28.3</td>
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<td>Unemployment²</td>
<td>3.7%</td>
<td>5.4%</td>
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<tr>
<td>In-work poverty⁴</td>
<td>8.5%</td>
<td>8.5%</td>
<td>7.8%</td>
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<tr>
<td>Housing Overcrowding⁵</td>
<td>20.1%</td>
<td>20.3%</td>
<td>19.0%</td>
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<td>CIVICUS Civic Space Monitor⁶</td>
<td>OBSTRUCTED</td>
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Selected indicators on the state of social rights in Europe

Missing data for 2020 are not available at the time of publication of the Social Rights Monitor 2021.

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9 Ibid.
11 Ibid.
which grants social assistance in return for work, the government of Prime Minister Viktor Orbán did not design any specific measure to support workers without jobs. A short-time allowance was introduced from July to August 2021, but its short duration meant it did not have a measurable impact on Hungarians’ incomes and quality of life.

Social partners were little involved throughout the year, and their demands were not heard. There were also strikes. Several companies – mainly large multinationals – are reported to have terminated collective agreements with workers under the pretext of the pandemic. In addition, some temporary measures adopted by the government allowed employers to arbitrarily decide on their employees’ schedules, as well as to impose home-office solutions.

Despite the negotiation of a 4% increase in minimum wages, which was agreed on at the beginning of 2021, Eurofound reported that no increase in real terms was perceived by workers, due to inflation and the increase in daily expenses. In addition, the hourly minimum wage in Hungary remains the second lowest in the EU, above only that of Bulgaria.

The pandemic exposed some of the existing inequalities affecting the labour market, such as the gender gap in pay and income distribution, the shortage of workers in healthcare and education, and the population’s lack of digital competence and awareness.

**GENDER EQUALITY**

Women in Hungary do not have the same access as men to the labour market. The employment gap is still very wide between men (more than 80%) and women (65.3%), and women’s monthly earnings are still lower than those of men. The full-time equivalent (FTE) employment rate of women is around 20 percentage points lower than that of men. This also helps to explain the lower participation of women in the labour market, together with the fact that women are still mainly responsible for household care activities. While 56% of women carry out cooking and household tasks every day, only 14% of men do this.

Women in Hungary are underrepresented in both the political and economic worlds and therefore have low decision-making power and influence. Men make up 80% of government ministers, well above the European average of 66%, and 87% of parliamentarians are men, above the European average of 67%. In addition, women are even less present on the boards of the country’s largest companies: only 10% of board members are women. Worryingly, no woman is on the boards or decision-making bodies of research-funding organisations – these are 100% male. And women occupy only 29% of the seats on the boards of public broadcasters. The NSG thinks this is a serious situation.

Despite a doubling of incidents of gender violence since the beginning of the pandemic, women in Hungary do not have the same access as men to the labour market. The employment gap is still very wide between men (more than 80%) and women (65.3%), and women's monthly earnings are still lower than those of men. The full-time equivalent (FTE) employment rate of women is around 20 percentage points lower than that of men. This also helps to explain the lower participation of women in the labour market, together with the fact that women are still mainly responsible for household care activities. While 56% of women carry out cooking and household tasks every day, only 14% of men do this.

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the country refused to ratify the Istanbul Convention on violence against women and gender-based violence in May 2020. The excuse was that Hungarian law already contained legal protection for women. Moreover, the Hungarian Parliament did not ratify the convention, as it was deemed to promote illegal immigration to the country, as well as a supposed “gender ideology”. However, this is nothing new for Hungarians, as the government has not ratified the ILO’s Violence and Harassment Convention either.

EDUCATION

Schools and education and training institutions were closed in March 2020, following a rapid increase of coronavirus cases in the country and across Europe. Education switched completely to online classes and methods, which were initially very difficult to access and adapt to. Hungary, like most other EU countries, had not made preparations to offer online teaching and learning, so teachers and students quickly had to find online platforms and tools. Civil society organisations provided huge support for online education, by coordinating teachers and providing assistance for disadvantaged students.

Inequalities have been exacerbated both at school level and at the level of individual students. Some schools appear to have been better prepared than others to deal with and adapt to online scenarios. Schools with a lower capacity to adapt were those where the majority of children came from poor backgrounds, notably Roma. Often, the poorest parents lacked the time to prioritize their children’s education. In other cases, they were digitally illiterate and thus unable to provide support. In households with more than three children of school age, parents often could not cope with their own work, as well as education and other daily tasks. In some schools, up to 57% of students did not hand in the weekly assignments prepared by their teachers.

In addition, students with special learning needs or disabilities were also disadvantaged during online learning. The lack of personal contact and reduction of time spent with support teachers disproportionately affected these students.

Other than some measures to test teachers and staff members for Covid-19, no major change was implemented that affected education in 2021.

The NSG reports that a new regulation on vocational education and training was implemented. From the 2020/21 academic year, training has been gradually transformed. However, successful graduation from high school is still one of the criteria for entering higher education.

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29 Ibid.
35 Ibid.
36 Ibid.
GOOD PRACTICE
The Safe Start

The Biztos Kezdet Gyerekház, or Safe Start Programme, is aimed at laying the foundations for children’s successful integration into society. It originated in an NGO project founded in 2020 by the Hungarian Directorat-General for Social Opportunities. It comprises different projects that aim to provide help for young children living in disadvantaged households, in order to give them with a “safe start” along with their peers, so that they do not lag behind in development and social skills. In addition, events for parents are organised to enhance group activities and community building. The Safe Start centres give adults support and the opportunity to use computers, the internet, and the telephone. This programme plays an important role in communities and fosters social cohesion.

Social protection and inclusion

Income distribution is not fair in Hungary, and there is a growing distance between the poor and the rich: the Gini-coefficient increased to 28.2% in 2020. Moreover, the Covid-19 pandemic’s consequences mainly affected low-income workers and those in precarious work situations. This led to a 58% increase in in-work poverty over the last decade, the biggest increase among EU countries, which left more than 8% of workers living in poverty. In 2020, 17.8% of Hungarian population were living at risk of poverty or social exclusion.

Children and young adults are the most affected group in society, and 15.2% live in material deprivation, compared to the EU average of 6.4%. Among Roma children, 43.7% live in severe deprivation.

According to the NSG, no specific measures have been adopted in 2021 to reduce poverty in Hungary. Moreover, social allowances have been frozen, as has been the case over the past few years, the NSG reports. This choice is connected to what Viktor Orbán started to call a “work-based society” and the government’s reform of the welfare system. Based on this

38 Biztos Kezdet Gyerekház: https://tef.gov.hu/projektek/
39 Hungarian Directorate-General for Social Opportunities: https://tef.gov.hu/
40 Safe Start - Devecser: https://maltai.hu/bkgydevecser
42 Ibid.
46 Ibid.
policy, most resources and allowances are now allocated to the “hard working” part of society, which basically means those who already benefit from a stable position in the labour market. Workers living in poverty and the unemployed are overlooked. The NSG denounces the choice of the country to offer social protection only in exchange for work. Moreover, consultations with relevant stakeholders have also stopped, and the ruling party overlooks parliamentary procedures and open consultations.

HEALTHCARE

The accessibility and affordability of healthcare in Hungary differs by region and health insurance coverage. The NSG reports that, during the pandemic, access to healthcare services was restricted to people without social insurance, which primarily affects poor workers and those in precarious situations.

The NSG reports that a lack of adequate professional personnel was a problem throughout the pandemic. This was especially problematic in the spring of 2021, during the third wave of the Covid-19 pandemic, when the number of infected patients needing hospital care and ventilators grew rapidly, increasing the ratio of doctors to patients. Most importantly, healthcare personnel in Hungarian hospitals denounced a lack of basic items such as soap and sanitizer, leading a large number of people to contract the coronavirus inside hospitals.

In March 2020, the government adopted changes to the healthcare system, and the public employee status of medical workers was removed. The government claimed a new system was needed to make healthcare workers more efficient and flexible. But the reform has made it easier to fire nurses and healthcare assistants, or to relocate them anywhere in the country. Despite substantial increases in doctors’ pay during the pandemic, the legislation included no pay rise for nurses or other medical workers. Medical personnel therefore had to face a difficult choice during an already uncertain and unstable period: accept the new conditions or resign. The workers denounced the lack of discussion with their representatives before the law was passed, so healthcare workers had to accept a new contract without fair prior consultation.

ACCESS TO AFFORDABLE AND ADEQUATE HOUSING

The NSG reports that the government’s housing policy in recent years mainly focused on incentives for families, as part of a long-term demographic strategy. This has been, according to the NSG, the main tool as well as the main objective guiding the government’s decisions

49 Ibid.
on housing. The Family Housing Support Programme (CSOK)\(^{57}\) aims to increase home ownership and provides significant support and low-interest loans for households with children to buy houses. Incentives increase in proportion to the number of children present in the household.

However, the NSG calls for broader policies on housing, which is often unsafe. The percentage of overcrowded dwellings in Hungary is 3.2 points above the EU27 average,\(^{58}\) and poverty prevents many residents from renovating. This highlights the need for public support for the maintenance of houses throughout the country.

**Hungary has one of the highest percentages (22.3%) in the EU of houses with a leaking roof and of houses without a toilet or bath (2.7%).** In addition, 5.4% of households are still unable to keep their homes warm.\(^{59}\) Because of the importance of adequate housing during a health crisis, the NSG calls on the government to take immediate action. It is particularly urgent, given that housing prices grew at a steady pace, rising by 6.8% compared to 2020, according to the country’s central bank.\(^{60}\)

Moreover, almost 7% of the population suffer from a housing cost overburden,\(^{61}\) meaning that housing costs represent more than 40% of household disposable income. Inequalities are evident: low-income households on average spend more than 27% of their income on house-related expenses, compared to 11% for high-income households.\(^{62}\)

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**GOOD PRACTICE**

**Welkám Májgrentsz!**

The Asylum Association Menedék\(^{63}\) looks for people throughout the country who are willing to rent a room or a flat for the project “Welcome migrants!”\(^{64}\) This aims to provide support to migrants and refugees who are having a hard time finding accommodation. People can register their rooms, and the organisation will match owners and tenants.
Civic space

The NSG describes a rather negative image of civic space in Hungary. After the first cases of Covid-19 in March 2021, the government of Prime Minister Viktor Orbán used the pandemic and health emergency as a pretext for passing laws granting him the power to rule by decree without parliamentary oversight. This power was granted for a period that was not explicitly defined.65 Among other powers, the government could arbitrarily restrict freedom, movement, and the right to peaceful assembly.66 In particular, the NSG reports that NGOs dealing with refugee rights, corruption, human and LGBTQI+ rights face discrimination from the state. They have no chance to receive public funds, so they often operate with scarce financial and human resources. Particularly on LGBTQI+ rights, the government is promoting discriminatory measures. For example, despite a 2020 rebuke by the European Court of Human Rights over Hungary’s violations of transgender rights,67 in May 2020 the government officially prohibited the gender recognition of transgender people, instead confirming that gender registration needs to be based on the sex assigned at birth.68 In November 2020, the constitution was amended to redefine the concept of family,69 declaring that children’s parents have to be a man and a woman and restricting same-sex couples’ right to adopt children.

The NSG reports that the right to peaceful assembly was only partially respected in 2020 and 2021, as it was restricted due to Covid-19 containment regulations. Assembly therefore mainly moved online. Moreover, in April 2020, the government passed an amendment to the criminal code that broadened the offence of diffusing false or distorted information and made it punishable with a sentence of five years in prison.70 However, the NSG reports that media platforms in Hungary are increasingly controlled by the government or by pro-government businesses, which are politically biased and threaten media independence. Hungary’s media regulation authority did not renew the licence of the opposition media outlet Klubrádió, which expired at the beginning of 2021.71

In conclusion, civic space and freedoms have been constantly under attack in Hungary over the past decade, in which time they have eroded. The CIVICUS Monitor declared that Hungarian civic space is obstructed, based on the increased restrictions on the right of association, the systematic targeting of initiatives by LGBTQI+ and refugee organisations, and the decreasing independence of the media.72

71 European Parliament (2021) Media freedom under attack in Poland, Hungary and Slovenia
Civil dialogue and the national recovery and resilience plan

The National Strategy Group reports that, throughout 2020 and 2021, trade unions have been particularly active with negotiations and tripartite consultations with the employers’ representative and the government. Following their discussions, an agreement was reached in January 2021 to increase the Hungarian minimum wage. Dialogue with local authorities was initiated at the beginning of 2021 on the topic of animal welfare, when civil society and organisations were called on to give their opinions over animal cruelty in the context of circus. The dialogue aimed to improve animal wellbeing and, eventually, an amendment to the Hungarian Animal Protection Law.

Consultations with civil society over the national Recovery and Resilience Plan were carried out only from November 2020 to the first months of 2021. The National Strategy Group condemns the methodology adopted to allow civil society organisations to express their concerns over and demands for the plan. The NSG reports that CSOs were not included in the drafting of the plan and that, for the online consultation, they were only provided with a general summary of what the government had prepared. In April 2021, according to the National Strategy Group, the government finally published the comprehensive and complete plan. Therefore, civil society was not able to provide reasoned feedback and could not hold proper internal meetings to discuss the complete version. However, following the EU’s concerns over the lack of measures to prevent corruption, the Hungarian government had to rewrite the plan. This also happened behind closed doors and so lacked transparency. Throughout the year, citizens and organised civil society lost confidence in Hungarian institutions, and half of Hungarians were dissatisfied with the functioning of democracy in the country.

77 Politico (2021) Brussels holds up Hungary’s recovery plan: https://www.politico.eu/article/brussels-holds-up-hungarys-recovery-plan-but-for-how-long/
SOLIDAR’s Social Rights Monitor 2021 has been developed in the framework of the Together for Social Europe programme co-funded by the EU Programme for Employment and Social Innovation (EaSI). It provides an insight into the state of social rights in 16 European countries. The Monitor assesses the state of social Europe in terms of equality of opportunities, fair working conditions, social protection, inclusion and civic space based on the observations of Civil Society Organisations working on the ground in combination with statistical data and scientific findings. This information is provided by National Strategy Groups that are set up in each of the 16 countries by a SOLIDAR member or partner. The 2021 Monitor also analyses to which extent civil society and social partners have been involved in the design of the national Recovery and Resilience Plans, integrated in the 2021 European Semester cycle.

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SOLIDAR is a European and worldwide network of Civil Society Organisations (CSOs) working to advance social justice through a just transition in Europe and worldwide. With over 50 member organisations based in 26 countries (19 of which are EU countries), member organisations are national CSOs in Europe, as well as some non-EU and EU-wide organisations, working in one or more of our fields of activity.

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