INDEX OF TABLES AND FIGURES

TABLES

HUNGARIAN LABOUR MARKET

Table 1: Net and real earnings calculated with the family tax relief introduced in 2014 35

IN FOCUS

Table 1.1: Some examples of public works programmes in middle and low income countries 47
Table K1.1: Participants and spending on Public Works Programmes and PES staff in 2012 59
Table K1.2: Design of public works programmes in 2013 60
Table 2.1.1: Intensity of central funding since 2011 (per cent) 73
Table 2.1.2: Overview of public works types 74
Table 2.2.1: Overview of the most important data sources on public works programmes 85
Table 2.3.1: The number of those involved in the public employment system between 2011 and 2013 and their share in the various programmes 89
Table 2.3.2: Accumulation of participation in programmes in various years, 2011–2013 (percentage) 90
Table 2.3.3: The number of participants in the public employment system and the annual percentages of participants in the various programmes, 2011–2013 90
Table 2.3.4: The number and share of days spent in the public employment system, 2011–2013 91
Table 2.3.5: The average length of participation, 2011–2013 (number of days) 92
Table 2.3.6: Average annual headcounts in the public employment system, 2011–2013 (thousand persons) 93
Table 2.3.7: The most frequent sequences describing paths in the public employment system 96
Table 2.3.8: The combination of episodes in the various sequences and their share 97
Table 2.3.9: Share of combination of episodes containing public works .. 98
Table 2.3.10: The distribution of sequences according to the number of public works episodes 99
Table 2.5.1: the rate of employment in 2003–2010 of those involved in public works programmes at the end of 2011 (estimates, yearly average of monthly observations, per cent) 114
Table 2.5.2: Selected indicators of persons involved in public works programmes in the fourth quarter of 2011, 2003–2010 115
Table 2.5.3: Employment episodes in market jobs of persons involved in public works programmes in the fourth quarter of 2011, 2003–2010 116
Table 2.6.1: Distribution of the serial number of public works episodes in the respective year of commencement 123
Table 2.6.2: Share of entrants to public works in the year of entry, broken down according to their characteristics and the distribution of the registered unemployed in the year of entry to public works 124
Table 2.6.3: Average marginal effects after logit estimation. Outcome variable: entry to public works from a non public works episode 126
Table 2.7.1: Distribution of full-time-equivalent person-days among public works employment instruments (%) 138
Table 2.7.2: County level inequalities of public works employment and unemployment, according to the instruments (Hoover indices, %, 2011–2013) 138
Table 2.8.1: Number of participants in the training programmes related to winter public works 144
Table 2.8.2: Age distribution of participants in winter training public works programmes and among all public workers by age (percentages) 145
Table 2.8.3: Educational distribution of participants in winter training public works programmes and among all public workers (percentages) 146
Table 2.8.4: Per cent distribution of participants in winter training public works programmes and among all public workers by their disadvantaged settlements 146
Table 2.8.5: Distribution of participants in winter training public works programmes by course type (percentages) 146
Table 2.9.1: Distribution of statuses on day 180 after leaving public works 149
Table 2.9.2: The raw rates of day 180 statuses 151
Table 2.9.3.: Average marginal effects gained from multinomial logit estimation 154
Table A2.9.1: Exit from public works and finding employment in the open labour market or in public works within 180 days after exiting – original and adjusted headcounts (persons) 158
Table 2.10.1: The within-branch share of public workers and local unemployment 163
Table 2.10.2: The effect of the district-level share of Roma on the within-branch share of public workers at different levels of unemployment 164
Table A2.10.1: Descriptive statistics of the estimation sample 165

LABOUR MARKET POLICY

Table 1: Amounts of minimum wages on 1 January 2015 (HUF/day) 191
Table 2: Income and expenditure related to employment policy in the central budget, 2011–2015 (in million HUF) 196

STATISTICAL DATA

Table 1.1: Basic economic indicators 201
Table 2.1: Population 203
Table 2.2: Population by age groups, in thousands 203
Table 2.3: Male population by age groups, in thousands 205
Table 2.4: Female population by age groups, in thousands 205

Table 3.1: Labour force participation of the population over 14 years, in thousands 206
Table 3.2: Labour force participation of the population over 14 years, males, in thousands 207
Table 3.3: Labour force participation of the population over 14 years, females, in thousands 208
Table 3.4: Labour force participation of the population over 14 years, per cent 209
Table 3.5: Labour force participation of the population over 14 years, males, per cent 210
Table 3.6: Labour force participation of the population over 14 years, females, per cent 211
Table 3.7: Population aged 15–64 by labour market status (self-categorised), in thousands 212
Table 3.8: Population aged 15–64 by labour market status (self-categorised), per cent 213
Table 4.1: Employment 214
Table 4.2: Employment by gender .. 215
Table 4.3: Composition of the employed by age groups, males, per cent 216
Table 4.4: Composition of the employed by age groups, females, per cent 216
Table 4.5: Composition of the employed by level of education, males, per cent 217
Table 4.6: Composition of the employed by level of education, females, per cent 217
Table 4.7: Employed by employment status, in thousands 218
Table 4.8: Composition of the employed persons by employment status, per cent 218
Table 4.9: Composition of employed persons by sector, by gender, per cent 219
Table 4.10: Employed in their present job for 0–6 months, per cent 219
Table 4.11: Distribution of employees in the competitive sector by firm size, per cent 220
Table 4.12: Employees of the competitive sector by the share of foreign ownership, per cent 220
Table 4.13: Employment rate of population aged 15–74 by age group, males, per cent 221
Table 4.14: Employment rate of population aged 15–74 by age group, females, per cent 221
Table 4.15: Employment rate of population aged 15–64 by level of education, males, per cent 222
Table 4.16: Employment rate of population aged 15–64 by level of education, females, per cent 223
Table 5.1: Unemployment rate by gender and share of long term unemployed, per cent 224
Table 5.2: Unemployment rate by level of education, males, per cent 225
Table 5.3: Composition of the unemployed by level of education, males, per cent 225
Table 5.4: Unemployment rate by level of education, females, per cent 226
Table 5.5: Composition of the unemployed by level of education, females, per cent 226
Table 5.6: The number of unemployed by duration of job search, in thousands 228
Table 5.7: Registered unemployed and LFS unemployment 230
Table 5.8: Composition of the registered unemployed by educational attainment, yearly averages, per cent 231
Table 5.9: The distribution of registered unemployed school-leavers by educational attainment, yearly averages, per cent 231
Table 5.10: Registered unemployed by economic activity as observed in the LFS, per cent 232
Table 5.11: Monthly entrants to the unemployment register, monthly averages, in thousands 232
Table 5.12: Selected time series of registered unemployment, monthly averages, in thousands and per cent 233
Table 5.13: The number of registered unemployed who became employed on subsidised and non-subsidised employment 234
Table 5.14: Benefit recepients and participation in active labour market programmes 235
Table 5.15: The ratio of those who are employed among the former participants of ALMPs, per cent .. 236
Table 5.16: Distribution of registered unemployed, unemployment benefit recipients and unemployment assistance recipients by educational attainment 237
Table 5.17: Outflow from the Register of Beneficiaries 238
Table 5.18: The distribution of the total number of labour market training participants 238
Table 5.19: Employment ratio of participants ALMPs by gender, age groups and educational attainment for the programmes finished in 2014, per cent 239
Table 5.20: Distribution of the average annual number of those with no employment status who participate in training categorised by the type of training, percentage 239
Table 5.21: The distribution of those entering training programmes by age groups and educational level 240
Table 6.1: Nominal and real earnings 241
Table 6.2.a: Gross earnings ratios in the economy, HUF/person/month 242
Table 6.2.b: Gross earnings ratios in the economy, per cent 243
Table 6.3: Regression-adjusted earnings differentials 244
Table 6.4: Percentage of low paid workers by gender, age groups, level of education and industries .. 245
Table 7.1: School-leavers by level of education, full-time education .. 248
Table 7.2: Pupils/students entering the school system by level of education, full-time education 249
Table 7.3: The number of full time pupils/students by level of education 250
Table 7.4: The number of part-time pupils/students by level of education 250
Table 7.5: Number of applicants for full-time high school courses 251
Table 8.1: The number of vacancies reported to the local offices of the NFSZ 252
Table 8.2: Firms intending to increase/decrease their staff, per cent 253
Table 9.1: Regional inequalities: Employment rate 254
Table 9.2: Regional inequalities: LFS-based unemployment rate .. 255
Table 9.3: Regional differences: The share of registered unemployed relative to the economically active population, per cent 256
Table 9.4: Annual average registered unemployment rate by counties, per cent 257
Table 9.5: Regional inequalities: Gross monthly earnings 258
Table 9.6: Regression-adjusted earn-

ings differentials 258
Table 9.7: Regional inequalities: Gross domestic product 261
Table 9.8: Commuting 261
Table 10.1: Strikes 262
Table 10.2: National agreements on wage increase recommendations 262
Table 10.3: Single employer collective agreements in the business sector 263
Table 10.4: Single institution collective agreements in the public sector 263
Table 10.5: Multi-employer collective agreements in the business sector 263
Table 10.6: Multi-institution collective agreements in the public sector 263
Table 10.7: The number of firm wage agreements, the number of affected firms, and the number of employees covered 263
Table 10.8: The number of multi-employer wage agreements, the number of affected firms, and the number of covered companies and employees 264
Table 10.9: The share of employees covered by collective agreements, percent 264
Table 10.10: Single employer collective agreements in the national economy 265
Table 10.11: Multi-employer collective agreements in the business sector 266
Table 11.1: Family benefits 267
Table 11.2: Unemployment benefits and average earnings 267
Table 11.3.a: Number of those receiving pension, and the mean sum of the provisions they received in January of the given year 268
Table 11.3.b: Number of those receiving pension, and the mean sum of the provisions they received in January of the given year, from 2012 268
Table 11.4.a: Number of those receiving social annuities for people with damaged health, and the mean sum of the provisions they received after the increase, in January of the given year 269
Table 11.4.b: Number of those receiving social annuities for people with damaged health, and the mean sum of the provisions they received after the increase, in January of the given year, from 2013 .. 269
Table 11.5: The median age for retirement and the number of pensioners 270
Table 11.6: The number of those receiving a disability annuity and the mean sum of the provisions they received after the increase, in January of the given year 271
Table 11.7: Newly determined disability pension claims and detailed data on the number of newly determined old-age pension claims 271
Table 11.8: Retirement age threshhold 272
Table 12.1: The mean, minimum, and maximum value of the personal income tax rate, per cent .. 273
Table 12.2: Changes in the magnitude of the tax wedge in the case of minimum wage and the temporary work booklet 274
Table 12.3: The monthly amount of the minimum wage, the guaranteed wage minimum, and the minimum pension, in thousands of current-year HUF 275
Table 12.4: The tax burden on work as a ratio of tax revenue and earnings 276
Table 13.1: Employment and unemployment rate of population aged 15–64 by gender in the EU, 2014 277
Table 13.2: Employment composition of the countries in the EU, 2014 278

FIGURES

HUNGARIAN LABOUR MARKET

Figure 1: The number of employees and the employment rate, 2008–2014 21
Figure 2: Monthly changes in the number of public works employees, 2010–2014 22
Figure 3: Number of employees reporting to be working in Austria and Germany, 1999–2013 23
Figure 4: The breakdown of the employment rate by educational attainment, 2006–2014 25
Figure 5: Employment rate in the various regions of Hungary, in the age group 15 to 64, 2006–2014 25
Figure 6: The number of registered job seekers, unemployed by the ILO definition and self-reported unemployed, 2006–2014 26
Figure 7: Regional unemployment rates in Hungary, 2006–2014 27
Figure 8: The average unemployment spell and the rate of long term (over one year) unemployed in all unemployed, 2006–2014 28
Figure 9: The number of recipients of job seeking benefit, social provisions and of job seekers not receiving any support, 2010–2014 29
Figure 10: Gross earnings and the minimum wage, 2006 = 100 percent 31
Figure 11: Gross earnings in the major sections in the private sector, 2014 32
Figure 12: Gross earnings in the public sector, 2010–2014 33

IN FOCUS

Figure 1.1: The rate of long-term unemployed among the unemployed in OECD countries before and after the crisis, 2007, 2013 43
Figure 1.2: Changes in social spending and real GDP between 2007/2008 and 2012/2013 in OECD countries 43
Figure 1.3: Expenditures for active labour market interventions in GDP-ratio before and after the crisis in EU member states, 2006, 2012 44
Figure 1.4: Expenditure on direct job creation in GDP percentage, 2006 and 2012 52
Figure 1.5: Expenditure on direct job creation within active labour market measures 53
Figure 1.6: Expenditure on direct job creation within total labour market expenditure 53
Figure 1.7: The rate of participants involved in direct job creation (public workers/100 job seekers) 2006, 2009, 2012 54
Figure 2.1.1: Spending and participation in public works programmes by type, 2014 73
Figure 2.1.2: Cost of public works programmes by type (billion HUF at 2000 prices) 75
Figure 2.3.1.: Average monthly headcounts in the public employment system (thousand persons) .. 93
Figure 2.3.2: Public works with and without training, monthly figures (thousand persons) 94
Figure 2.3.3: The length of staying in the public employment system of participants only registered who entered after 1 January 2011 and left before 2013 96
Figure 2.4.1: Perceptions of the aim of public works 102

Figure 2.5.1: The cumulated distribution of the duration of finished employment episodes, market jobs, 2003–2010 116
Figure 2.5.2: The correlation between the number of employment episodes and the total amount of time worked, market jobs, 2003–2010 117
Figure 2.6.1: The number of entrants to public works in respective months 120
Figure 2.6.2: Time series characteristic of the composition of public works participants in respective months 121
Figure 2.6.3: Proportion of entrants to public works from non public works episodes as a function of cumulated experience in the public employment system 122
Figure 2.7.1: Counties in Hungary 132
Figure 2.7.2: Full-time-equivalent person-days of public works employment (above) and the number of unemployed persons (below) at the municipal level (2013) 135
Figure 2.7.3: Distribution of public works employment (full-time-equivalent person-days), unemployment and population according to settlement size categories (2013) 136
Figure 2.9.1: Status of public works participants on day 180 after exiting, broken down by the months of entering public works 150
Figure 2.9.2: The raw rates of day 180 statuses after exiting public works as a function of the length of various episodes, non-parametric estimation, 2011–2012 150
Figure A2.9.1: The difference between the adjusted and non-adjusted day 180 public works and open labour market statuses 159
Figure 2.10.1: The share of public workers within public sector establishments, May 2013 162

STATISTICAL DATA

Figure 1.1: Annual changes of basic economic indicators 201
Figure 1.2: Annual GDP time series 202
Figure 1.3: Employment rate of population aged 15–64 202
Figure 2.1: Age structure of the Hungarian population, 1980, 2015 204
Figure 3.1: Labour force participation of population for males 15–59 and females 15–54, total 209
Figure 3.2: Labour force participation of population for males 15–59 210
Figure 3.3: Labour force participation of population for females 15–54 211
Figure 4.1: Employed 214
Figure 4.2: Employment by gender . 215
Figure 4.3: Employees of the corporate sector by firm size and by the share of foreign ownership 220
Figure 4.4: Activity rate by age groups, males aged 15–64, quarterly 222
Figure 4.5: Activity rate by age groups, females aged 15–64, quarterly 223
Figure 5.1: Unemployment rates by gender 224
Figure 5.2: Intensity of quarterly flows between labour market status, population between 15–64 years 227
Figure 5.3: Unemployment rate by age groups, males aged 15–59, quarterly 229
Figure 5.4: Unemployment rate by age groups, females aged 15–59, quarterly 229
Figure 5.5: Registered and LFS unemployment rates 230
Figure 5.6: Entrants to the unemployment register, monthly averages, in thousands 232
Figure 6.1: Annual changes of gross and net real earnings 241
Figure 6.2: The percentage of low paid workers by gender, per cent .. 244
Figure 6.3: The dispersion of gross monthly earnings 246
Figure 6.4: Age-income profiles by education level in 1998 and 2013, women and men 246
Figure 6.5: The dispersion of the logarithm of gross real earnings 247
Figure 7.1: Full time students as a percentage of the different age groups 248
Figure 7.2: Flows of the educational system by level 249
Figure 8.1: The number of vacancies reported to the local offices of the NFSZ 252
Figure 8.2: Firms intending to increase/decrease their staff 253
Figure 9.1: Regional inequalities: Labour force participation rates, gross monthly earnings and gross domestic product in NUTS-2 level regions 254
Figure 9.2: Regional inequalities: LFS-based unemployment rates in NUTS-2 level regions 255
Figure 9.3: Regional inequalities: The share of registered unemployed relative to the economically active population, per cent, in NUTS-2 level regions 256
Figure 9.4: Regional inequalities: Means of registered unemployment rates in the counties, 2014 257
Figure 9.5: The share of registered unemployed relative to the population aged 15–64, 1st quarter 2007, per cent 259
Figure 9.6: The share of registered unemployed relative to the population aged 15–64, 1st quarter 2014, per cent 259
Figure 9.7: The share of registered unemployed relative to the population aged 15–64, 3rd quarter 2007, per cent 260
Figure 9.8: The share of registered unemployed relative to the population aged 15–64, 3rd quarter 2014, per cent 260