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## A. Rules on the free movement of workers

### 1. Finding a job

#### 1.1. *How to find a job*

In Hungary, employment agency services may be provided by bodies belonging to the State employment service (administrative bodies of the Budapest and county government district offices performing employment and labour market-related functions) and by authorised private employment agencies. Job seekers may not be charged for these services. Legal persons, companies without legal personality and sole traders having their registered office in Hungary may engage in private employment agency activities, provided they are registered with the competent government office's employment service in the locality of their registered office. On 31 December 2018, there were 914 companies registered as providing employment agency services (based on the total number of registered offices and places of business), over half of those companies were active in the Central Hungary Region.

Anyone – not only registered job seekers – may contact local government district office employment services or private employment agencies for assistance.

Information on the service is available on the National Employment Service (Nemzeti Foglalkoztatási Szolgálat, 'NFSZ') website. Current vacancies are shown on the Virtual Labour Market Portal (Virtuális Munkaerőpiac Portál, 'VMP'). Employers can post their job offers on the VMP website. The EURES (European Employment Service) agency system is also accessible from the NFSZ website, where information is provided on unfilled vacancies in Hungary.

Besides State and private employment agency services, a number of job portals, recruitment events, advertising newspapers and social media sites (LinkedIn, Facebook), as well as personal contacts may be used for job seeking.

#### Related topics:

Labour market trends in the first half of 2019	<a href="http://www.ksh.hu/docs/hun/xftp/idoszaki/mpf/mpf1906.pdf">http://www.ksh.hu/docs/hun/xftp/idoszaki/mpf/mpf1906.pdf</a>
NFSZ National Career Guidance Portal (Nemzeti Pályaorientációs Portál)	<a href="https://palyaorientacio.munka.hu/">https://palyaorientacio.munka.hu/</a>
'Munkügyi Szemle' (Labour Journal) website	<a href="http://www.munkaugyiszemle.hu">http://www.munkaugyiszemle.hu</a>
National Employment Service	<a href="https://nfsz.munka.hu">https://nfsz.munka.hu</a>
Virtual Labour Market Portal	<a href="https://vmp.munka.hu/">https://vmp.munka.hu/</a>
EURES Hungary	<a href="https://eures.munka.hu/">https://eures.munka.hu/</a>

## **1.2. How to apply for a job**

Curricula vitae (CVs) must be prepared in Hungarian and, depending on the post, also in English. Their format broadly conforms to standards applied to CVs in other European countries, and they must generally be prepared electronically and printed unless specified in the vacancy notice that they are to be handwritten. Applicants must always attach to their application copies of documents proving that they have the qualifications necessary for the job profile, as well as copies of language examination certificates.

The length of the entire CV cannot exceed one or two pages and must always include the following details:

- personal data and exact contact details;
- educational qualifications (in reverse chronological order);
- training courses, professional qualifications (in reverse chronological order);
- workplaces, work experience; IT skills;
- language skills, driving licence;
- other relevant skills, competences;
- hobbies, leisure activities.

A cover letter addressed to the organisation advertising the post or the potential employer, containing important information not included in the CV. It is advisable to explain how you heard about the vacancy, the position applied for, any skills and abilities you have that are relevant to that job, why you consider yourself the most suitable candidate for the job and what your goals and plans are. The cover letter should not be longer than one page and – unlike the CV – (if you submit a paper-based application) should always be signed by hand. It is important that the cover letter and the CV constitute a harmonic entity and that their contents reflect the expectations formulated in the vacancy notice or the job description.

It may be useful to provide references as well, such as details of a work experience that you are proud of or feedback from professionals who can provide an objective, but probably positive, overview of you as a person. Make sure to ask any people providing references for their permission for you to include their name, telephone number, position and company name in your CV.

Employers and recruiters will probably gather supplementary information about the applicants, and for that purpose, they will check their online presence and social media profiles (e.g. Facebook, Instagram, LinkedIn), it is therefore advisable to pay attention to the quality thereof.

National Employment Service	<a href="http://nfsz.munka.hu">http://nfsz.munka.hu</a>
Useful advice for writing cover letters	<a href="http://www.motivacioslevel.lap.hu">www.motivacioslevel.lap.hu</a>
Europass Hungarian website	<a href="http://www.europass.hu">www.europass.hu</a>

## **2. Traineeships & Apprenticeships**

### **2.1. Definition and eligibility – Traineeships**

(Not applicable for Hungary.)

### **2.2. Definition and eligibility – Apprenticeships**

Any person enrolled as a pupil in a VET institution operating in Hungary, or any person enrolled in adult education as a participant of a training course (hereinafter referred to jointly as: ‘student’) is entitled to participate in vocational education provided by the dual training place within the framework of an apprenticeship contract.

The apprenticeship contract establishes an apprenticeship between the student and the dual training place. With the apprenticeship contract, the student accepts the conditions of participating in vocational education and training and undertakes to participate in vocational education and training under the guidance of the dual training place, and the dual training place undertakes to employ the student within the framework of vocational education and training, as well as to provide to the student the allowances laid down in the Act on Vocational Education and Training.

The student is entitled to receive a salary for the work executed under the apprenticeship contract. The relevant legislation fixes the monthly salary as a specific percentage of the mandatory lowest amount of the monthly salary, applicable on the first day of the first month of the current year. As regards the other allowances, apart from the salary, the student is entitled to receive, also for July and August following the term-time of the academic year, the allowances provided to any employed person in any position filled in the possession of the professional qualification necessary for the profession chosen by the student at the dual training place.

Apprenticeships are governed by the Act on the Labour Code (hereinafter referred to as: the ‘Labour Code’), subject to the derogations provided for in the Act on Vocational Education and Training. Based on that, the student is entitled to the rights of any worker pursuant to or in connection with the Labour Code, in particular advocacy, occupational health and safety, salary and rest periods. However, the student is also bound to abide by the obligations of any worker, which are specific in certain cases. The student is evaluated and marked by the dual training place together with the VET institution.

Besides the VET institutions, the economic chambers ([www.mkik.hu](http://www.mkik.hu) and [www.nak.hu](http://www.nak.hu)) also play an important role in fostering the organisation of vocational education at the dual training place: following an aptitude test, the competent chamber, acting as the designated authority, registers the dual training places, then checks their activities related to vocational education and training.

Act LXXX of 2019 on Vocational Education and Training	<a href="https://net.jogtar.hu/jogszabaly?docid=a1900080.tv">https://net.jogtar.hu/jogszabaly?docid=a1900080.tv</a>
Hungarian Chamber of Commerce and Industry	<a href="https://mkik.hu/">https://mkik.hu/</a>
National Chamber of Agriculture	<a href="http://www.nak.hu/">http://www.nak.hu/</a>

### **2.3. Where to find opportunities – Traineeships**

(Not applicable for Hungary.)

### **2.4. Where to find opportunities – Apprenticeships**

Hungarian Chamber of Commerce and Industry	<a href="https://mkik.hu/">https://mkik.hu/</a>
National Office of Vocational Education and Training and Adult Learning / VET Centres	<a href="https://www.nive.hu">https://www.nive.hu</a> <a href="https://www.nive.hu/index.php?option=com_content&amp;view=article&amp;id=595&amp;Itemid=267">https://www.nive.hu/index.php?option=com_content&amp;view=article&amp;id=595&amp;Itemid=267</a>
Innovative Training Support Centre	<a href="https://www.ikk.hu/">https://www.ikk.hu/</a>

## **2.5. Where to advertise opportunities – Traineeships**

(Not applicable for Hungary.)

## **2.6. Where to advertise opportunities – Apprenticeships**

Hungarian Chamber of Commerce and Industry	<a href="https://mkik.hu/">https://mkik.hu/</a>
National Office of Vocational Education and Training and Adult Learning / VET Centres	<a href="https://www.nive.hu">https://www.nive.hu</a> <a href="https://www.nive.hu/index.php?option=com_content&amp;view=article&amp;id=595&amp;Itemid=267">https://www.nive.hu/index.php?option=com_content&amp;view=article&amp;id=595&amp;Itemid=267</a>

## **2.7. Funding for employers – Traineeships**

(Not applicable for Hungary.)

## **2.8. Funding for employers – Apprenticeships**

Hungarian Chamber of Commerce and Industry	<a href="https://mkik.hu/">https://mkik.hu/</a>
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### 3. Moving to another country

#### 3.1. Free movement of goods and capital

#### 3.2. Finding accommodation

Whether you want to rent or to buy a property, real estate agents and dealers, advertising newspapers, real estate websites, social media sites provide help in your search for a housing solution. In 2019, the prices of new and used homes increased exceptionally compared to the previous years; the property market is characterised by a high excess demand. In Budapest, the average price of used homes was HUF 46 million in 2019. Property prices rose faster in Hungary (especially in Budapest) than anywhere else in the EU. Prices of prefabricated flats range between HUF 260 000 and HUF 340 000 per square metre, while those of flats in brick buildings are HUF 400 000 to 570 000 per square metre. In towns and villages outside the capital, however, HUF 100 000 per square metre can even buy you a brick-built detached house. The monthly rent for a smaller flat (50 to 70 m<sup>2</sup>) ranges between HUF 80 000 and HUF 160 000, not including service charges. The search of properties for rental purposes is also possible on social media sites and groups. Tenants are advised to prepare for unforeseen situations in which the ownership of the flat changes and in such cases they have to look for another flat to rent within a short period of time. When searching for and choosing a housing solution, the condition, the location of the flat, the availability of public transport, as well as the reliability of the surroundings and of the neighbours are also very important aspects besides the price.

It is always important to be clear about the amount of communal service charges (which include the costs of cleaning the block of flats, waste collection and maintenance) and other public utility charges. Another aspect to consider is whether the flat has separate water, gas and electricity meters, as in older flats, flat-rate amounts based on estimates may still be charged (there being no separate meters). In any case, it is advisable to take over the flat in the possession of documents containing the exact position of utility meters, also clarifying the frequency of the settlement, whether it is based on a regular measurement of the consumption (monthly/quarterly/half-yearly/yearly notification by phone) or a flat-rate is applied.

Hungarian Central Statistical Office	<a href="http://www.ksh.hu">www.ksh.hu</a>
Property market prices, housing prices index	<a href="https://www.ksh.hu/docs/hun/xftp/stattukor/lakaspiacar/20193/index.html">https://www.ksh.hu/docs/hun/xftp/stattukor/lakaspiacar/20193/index.html</a>
Central Bank of Hungary, Housing Market Report, November 2019	<a href="https://www.mnb.hu/kiadvanyok/jelentesek/lakaspiaci-jelentes/lakaspiaci-jelentes-2019-november">https://www.mnb.hu/kiadvanyok/jelentesek/lakaspiaci-jelentes/lakaspiaci-jelentes-2019-november</a>
Housing	<a href="https://eures.munka.hu/Lapok/hazaterok_04_lakhatas.aspx">https://eures.munka.hu/Lapok/hazaterok_04_lakhatas.aspx</a>
Property statistics	<a href="https://www.ingatlanet.hu/statisztika/Magyarorszag">https://www.ingatlanet.hu/statisztika/Magyarorszag</a> <a href="https://koltozzbe.hu/statisztikak/">https://koltozzbe.hu/statisztikak/</a>
Persons seeking properties	<a href="https://ingatlankereso.hu">https://ingatlankereso.hu</a> <a href="http://www.ingatlankereso.info">http://www.ingatlankereso.info</a> <a href="https://ingatlan.com/terkep">https://ingatlan.com/terkep</a> <a href="https://otthonterkep.hu/">https://otthonterkep.hu/</a> <a href="https://ingatlanok.hu/terkepes-kereso">https://ingatlanok.hu/terkepes-kereso</a> <a href="https://lakas.lap.hu/">https://lakas.lap.hu/</a>

### 3.3. Finding a school

When moving to Hungary, it is a good idea to enquire first about the types of educational institutions located in the area of residence and the surrounding areas, and whether they have any places for the children. It is very important to transfer from the old school all the certification and data required by the new school for enrolment.

The following educational institutions operate in Hungary: nursery schools, primary schools, secondary schools (offering programmes of four, six or eight years), colleges and universities. The territorial principle that applies to primary schools and four-year secondary schools guarantees places primarily for children living in the catchment area. Any remaining free places are filled by children from outside the area. Admission to eight-year and six-year secondary schools is based exclusively on an entrance examination and so the territorial principle does not apply. As a rule, children do not need to take an exam to enrol in a nursery or primary school. However, an entrance examination is necessary for admission to secondary schools or higher education institutions.

A nursery school or primary school is usually selected on the basis of proximity to one's home. A secondary school is selected on the basis of suitability to the child's abilities and future plans. Before applying, it is worth consulting the current secondary school league table, which ranks schools according to their students' results in school-leaving exams, language exams, competition results and university entrance exams.

Hungary ensures equal treatment for all students who are EU nationals: they are eligible for education grants and other benefits on the same terms as Hungarian students, and as full-time students they are entitled to receive student cards. Instruction is also available in languages other than Hungarian: there are numerous schools for ethnic minorities (which teach national culture and traditions as well as providing tuition in the mother tongue).

Hungary has 1 024 000 households with children of school age. The number of children from these households attending school is around 1 500 000. The total schooling cost per pupil is HUF 15 628. An average family spends, on average, HUF 30 000 to 40 000 per child at the start of the school year. 36% of pupils were provided with school meals at a discount price and 28% of them received school meals free of charge, in addition, 957 000 pupils received textbooks free of charge.

Website of the Educational Authority	<a href="http://www.oktatas.hu">www.oktatas.hu</a>
National Office of Vocational Education and Training and Adult Learning	<a href="http://www.nive.hu">www.nive.hu</a>
Informative website for students applying for admission to tertiary education institutions	<a href="http://www.felvi.hu">www.felvi.hu</a>
Education, schooling	<a href="https://eures.munka.hu/Lapok/hazaterok_10_oktatas.aspx">https://eures.munka.hu/Lapok/hazaterok_10_oktatas.aspx</a>
TranTrend education portal	<a href="http://tantrend.hu/">http://tantrend.hu/</a>
Information on nursery schools	<a href="https://ovoda.lap.hu/">https://ovoda.lap.hu/</a>
Information on primary schools	<a href="https://altalanosiskola.lap.hu/">https://altalanosiskola.lap.hu/</a>
Information on secondary	<a href="https://kozepiskola.lap.hu/">https://kozepiskola.lap.hu/</a>

schools	
Information on universities	<a href="https://egyetem.lap.hu/">https://egyetem.lap.hu/</a>
Schooling costs	<a href="http://www.ksh.hu/infografika/2018/iskolakezdes_infografika_2017_hu.pdf">http://www.ksh.hu/infografika/2018/iskolakezdes_infografika_2017_hu.pdf</a>
Education data, 2019/2020	<a href="https://www.ksh.hu/docs/hun/xftp/idoszaki/oktat/okt1819.pdf">https://www.ksh.hu/docs/hun/xftp/idoszaki/oktat/okt1819.pdf</a>

### **3.4. Taking a car with you (includes information on driving licences)**

### **3.5. Registration procedures and residence permits**

Hungary is a full member of the Schengen area. Nationals of the European Economic Area or of Switzerland (EU citizens) may enter Hungary with a valid passport or national identity card. Hungary has joined the European Agreement on Regulations governing the Movement of Persons between Member States of the Council of Europe, signed on 13 December 1957 in Paris. Nationals of Member States that are parties to the Agreement may enter Hungary for visits of not more than three months on presentation of a valid ordinary passport or an expired passport no more than a year out of date, or with a valid identity card or an expired identity card no more than a year out of date. Family members who are not EU nationals may enter Hungary with a travel document and, in the case of countries for which a visa is required, an entry visa, which may be obtained free of charge in an accelerated procedure. However, non-EU family members holding a residence card issued to a family member who is an EU national are exempt from obtaining a visa. Family members also benefit from preferential residence conditions. EU nationals and family members arriving with them or joining them are entitled to stay in Hungary for three months without having to fulfil any special conditions or other formal requirements and without having to register. EU nationals and their family members are entitled to stay for longer than three months if they are in active, paid employment or studying, or support themselves and their family members with their own funds, including full health care coverage.

A stay exceeding three months must be notified, and the legality of stay must be certified by the relevant document. The relevant authority will issue a registration certificate for the EU national and a residence card valid for a maximum of five years for family members who are not EU nationals taking up permanent residence in Hungary. The competent government office then sends the official residential address certificate to the applicant. Subsequent changes in residence must be notified to the document office of the competent local authority.

In Hungary, the Ministry of the Interior, as well as the National Directorate-General for Aliens Policing (previously: the Office of Immigration and Asylum) and its regional directorates are responsible for matters related to residence, except for visa matters which belong to the competence of the Ministry of Foreign Affairs and Trade. The description of the procedures and conditions in Hungarian, English and German, together with the contact details of the regional directorates and their customer service desks, is available on the Directorate-General's website.

EU nationals and their family members are entitled to permanent residence after residing legally and continuously in Hungary for five years, and receive a permanent residence permit accordingly. EU nationals and their family members may be expelled from Hungary only if they have failed to comply with the requirement to leave the territory of Hungary, if they have provided false or misleading information in the absence of the right to enter or reside in the country, or if their stay poses a real, direct and serious threat to a fundamental public interest, such as law and order, public and national security or public



health. If the EU citizen or family member develops a health condition endangering public health before the end of a three-month stay in Hungary, he/she may be expelled from the country if he/she does not submit to compulsory treatment; after three months, expulsion may not be initiated for this reason.

Related topics
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National Directorate-General for Aliens Policing	<a href="http://oif.gov.hu">http://oif.gov.hu</a>
Ministry of the Interior	<a href="http://www.kormany.hu/hu/belugyminiszterium">http://www.kormany.hu/hu/belugyminiszterium</a>
Ministry of Foreign Affairs and Trade	<a href="http://www.kormany.hu/hu/kulgazdasagi-es-kulugyminiszterium">http://www.kormany.hu/hu/kulgazdasagi-es-kulugyminiszterium</a>
Entering to, residing in and returning back to Hungary alone or with family members	<a href="https://eures.munka.hu/Lapok/hazaterok_03_hazateres.aspx">https://eures.munka.hu/Lapok/hazaterok_03_hazateres.aspx</a>

<b>3.6. Check-list for before and after you arrive in a new country</b>
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Before the arrival of your family members in the country, you need to make arrangements with the Hungarian consulate for the issuance of the necessary documents (visas) for their entry if they are nationals of countries under visa obligation. Arrangements must be made in advance for the issuance of a European Health Insurance Card (EHIC) or other forms (e.g. E121), which will be needed for the purpose of applying for a registration certificate or a residence card. If you are not intending to work during a prolonged stay, you will need to provide documentary proof of your financial resources in order to apply for residence documents. If you intend to work in the country, it is advisable to bring documents relating to your qualifications or previous jobs, and to have them translated if requested by the employer. Housing can usually be arranged within the first month, so it is sufficient to reserve temporary accommodation before arriving in the country, as it is easier to arrange permanent accommodation once in Hungary. The purchase or rental of residential property by EU nationals is not subject to any permits or other administrative formalities. In the case of students, admission certificates and reservations for reduced-rate student dormitories or other accommodation need to be made in advance. It is important for families with children to enrol in nursery and other schools in time. Please note that in Hungary, nursery school attendance is compulsory from the age of three. However, exceptions may be made in justified cases at the request of the parent. Admission to schools is subject to prior application and contact with the educational institution. In the event of long-term relocation, provision must also be made for the transport of possessions. A driving licence issued in an EEA Member State is valid until expiry. If the person has moved to Hungary in the meantime, it can be validated through a simple replacement, similar to the procedure applicable to Hungarian nationals. Family members who are not EU nationals are required to replace their driving licence. It is advisable to bear in mind that EU nationals are also entitled to public transport discounts. Hungary recognises disabled parking permits issued in partner EU Member States on a reciprocal basis.

After arriving in the country, the first step towards integration is to officially notify the authorities of your stay and to apply for the residence document at the National Directorate-General for Aliens Policing (which, due to the one-stop shop system, also means obtaining a residence card: as part of the procedure, this card is issued by the Budapest Government Office separately and is sent by post to the applicant). Persons

pursuing an economic activity are given a tax number and a social security number (known as 'TAJ number'). In the case of employees, these are requested by the employer, whereas self-employed persons or partnerships must make arrangements for obtaining them themselves. Employees must take a medical examination.

Website of the Ministry of Foreign Affairs and Trade	<a href="http://www.kormany.hu/hu/kulgaszdasagi-es-kulugyminiszterium">http://www.kormany.hu/hu/kulgaszdasagi-es-kulugyminiszterium</a>
National Health Insurance Fund of Hungary (Nemzeti Egészségbiztosítási Alapkezelő; 'NEAK')	<a href="http://www.neak.gov.hu">www.neak.gov.hu</a>
National Directorate-General for Aliens Policing (Országos Idegenrendészeti Főigazgatóság; 'OIF')	<a href="http://oif.gov.hu">http://oif.gov.hu</a>
Residing in Hungary	<a href="http://oif.gov.hu/index.php?lang=hu">http://oif.gov.hu/index.php?lang=hu</a>
Applying for a 'TAJ' card	<a href="http://www.neak.gov.hu/felso_menu/lakossagnak/ellatas_magyarorszagon/jogosultsag_az_ellatasra/ellatasra_jogosultsag_igazolasa/taj_kartya">http://www.neak.gov.hu/felso_menu/lakossagnak/ellatas_magyarorszagon/jogosultsag_az_ellatasra/ellatasra_jogosultsag_igazolasa/taj_kartya</a>

## **4. Working conditions**

### **4.1. Working conditions in Europe**

### **4.2. Recognition of diplomas and qualifications**

### **4.3. Kinds of employment**

The parties in an employment relationship are the employer and the employee. As a rule, anyone aged 16 or over may take up employment. Unless agreed otherwise, employment is established for full-time work, for an indefinite period. Hungarian law recognises atypical forms of employment as well. Examples include staff leasing, temporary employment, part-time employment, fixed-term employment and remote work, as well as independent, home-based piecework and foster parenting. School cooperative members who are full-time students no longer perform their tasks in an employment relationship, but rather as part of an assignment governed by civil law. However, the remuneration paid for the tasks performed cannot be lower than the lowest applicable minimum wage. In vocational training, the practical training of the student is conducted on the basis of a written student contract concluded between the student and the business organisation for the purpose of practical training at the business organisation. According to the student contract, the business organisation pays a cash allowance to the student. This, together with the contributions, is recoverable by the organisation.

Remote or distance work is employment where the employee does not work within a work organisation, at the registered office or place of business of the employer, but typically at his or her own place of residence, using a computer to perform the work and send it to the employer.

A staff leasing agency signs an employment contract with the employee, while it enters into an outsourcing agreement or work contract with the actual employer. However, there is no contractual relationship between the employer and the worker.

There is also a simplified employment scheme. The simplified scheme may be used for seasonal work in agriculture and tourism, or for casual work. In this case, simplification means that only the most important rules of labour law need to be applied. It also involves less paperwork to register and de-register.

In the workfare scheme, people who are eligible for rehabilitative care or are registered as job seekers, and people who have applied for refugee or asylum status can be employed for 4, 6 or 8 working hours per day, for a period of between 1 to 11 months. The job seeker may be excluded because of the conditions set out in the workfare scheme. Bodies classified as public service employers – public authorities, local governments, NGOs and religious organisations, etc. – sign a contract with the relevant public employment service body, agreeing to employ public employees for carrying out statutory and optional local government tasks, local or community tasks or tasks stipulated by government pursuing public objectives. Such activities may not be for profit or involve positions for which a public servant, public official or government official status is obligatory. In the period from September to November 2019, the average number of people in employment was 4 517 000, i.e. 23 000 more than a year earlier. The employment rate in the 15–64 age group rose to 70.3%. While the rates improved for both genders, employment levels were higher among men than among women. Working as an au pair is an employment type (i.e. pursuing an activity involving household tasks) in which the employee helps private individuals (families) in looking after, educating and taking care of children in exchange for a compensation (remuneration, board and lodging, help with language learning etc.), but it is not deemed to be a regulated profession or a separate legal relationship.

The Labour Code is applicable to performing arts organisations, subject to the derogations set out in the Act on Specific Employment Rules Applicable to Artistic Professions (e.g. that unless agreed otherwise, a fixed-term contract lasts until the end of the season).

Ministry of Finance	<a href="http://www.kormany.hu/hu/nemzetgazdasagi-miniszterium">http://www.kormany.hu/hu/nemzetgazdasagi-miniszterium</a>
National Employment Service	<a href="https://nfsz.munka.hu">https://nfsz.munka.hu</a>
Ministry for Innovation and Technology	<a href="https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag">https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag</a>
Number of persons in employment (HCSO)	<a href="https://www.ksh.hu/stadat_eves_2_1">https://www.ksh.hu/stadat_eves_2_1</a>

#### 4.4. Employment contracts

Employment is always established by means of an employment contract. Employment contracts must be set out in writing. It is the employer's obligation to ensure that the contract is set out in writing. In the case of the simplified employment scheme, subject to meeting the employer's registration obligation, the legal relationship does not need to be set out in writing, unless the parties enter into the relationship using a template employment contract.

Compulsory contents of the employment contract: agreement on

- the job description,
- the place of work (if not stipulated, the place where the employee usually works),
- and the basic salary.

Within 15 days from the start of employment at the latest, the employer must inform the employee of the daily working hours, other elements relating to pay, the date of salary payment, the method of calculating and scheduling annual paid leave, rules for determining the notice period applicable to the employee and the employer, and the person exercising employer's rights, unless the period of employment is less than one month or the working hours are less than eight hours a week.

The employer and employee may only amend the employment contract in writing and by mutual consent. The law requires employers to propose an amendment to the employment contract when the employee returns from voluntary military service, maternity leave or unpaid leave taken for the purpose of caring for children or relatives. In this case, the amendment must be based on at least the annual average salary increase of employees doing the same work as the returning employee or, if no such employees exist, the average pay rise actually implemented by the employer. Parents returning from parental leave can unilaterally request in writing that their daily working hours be 20 hours per week. Civil and public servants, public prosecutors, professional personnel of armed forces and judicial employees have this right until their child reaches the age of three, whereas for employees with three or more children the right is extended until the child reaches the age of five. The employer is obliged to modify the employment contract or the position accordingly.

Government official status and public servant status constitute another type of employment relationship, which are established upon appointment (the persons concerned are government officials and public servants). Government officials are persons working in a central state administration body or its regional or local units, and persons employed by the Police, the National Tax and Customs Administration (NAV), as well as those who are working in the field of law enforcement and disaster response.

Public servants are persons employed by local governments or a number of other institutions (the Hungarian Competition Authority, the Hungarian Academy of Sciences, the Office of the President of the Republic, the National Election Office, etc.). They are subject to certain conditions, such as having a clean criminal record and legal capacity and, in the case of government officials, a university degree or, exceptionally, a secondary school qualification.

Under the Hungarian Civil Code, the parties may enter into outsourcing agreements or contracts for work. As a general rule, however, the choice of the type of contract establishing the basis for work may not limit or undermine the employee's lawful interests (bogus contracts are punishable by law).

Ministry of Finance	<a href="http://www.kormany.hu/hu/nemzetgazdasagi-miniszterium">http://www.kormany.hu/hu/nemzetgazdasagi-miniszterium</a>
Ministry for Innovation and Technology	<a href="https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag">https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag</a>
National Employment Service	<a href="https://nfsz.munka.hu">https://nfsz.munka.hu</a>
Labour Code (Act I of 2012 on the Labour Code)	<a href="https://net.jogtar.hu/jogszabaly?docid=a1200001.tv">https://net.jogtar.hu/jogszabaly?docid=a1200001.tv</a>

#### 4.5. Special categories

As a general rule, employment may be entered into after reaching the age of 16. However, with the exception of employment in the workfare scheme, people over the age of 15 engaged in full-time studies may be employed during school holidays, and people under the age of 16 may be employed in cultural, artistic, sporting or advertising activities with the permission of the public guardian authority.

A person younger than 18 is classified as a young worker and is subject to different rules. The consent of the legal guardian is required to validate any legal statement by a young worker or by a worker with partially restricted legal capacity in respect of the content of the job, as regards the conclusion, amendment or termination of the work contract or the obligations undertaken in it. Similarly, different rules apply in many cases to female employees, and especially expectant and breastfeeding mothers; such rules are mandatory in all cases.

As a general rule, employees may not be employed in jobs that may adversely affect them due to their physical constitution, health condition or development.

Expectant mothers must be temporarily transferred to a line of work that is suited to their condition in terms of health, from the time pregnancy is confirmed until the child reaches the age of one, or the working conditions must be changed accordingly in the existing line of work. The consent of the employee is required to be assigned to a new line of work.

Young workers, expectant mothers from the date of confirmed pregnancy to the third birthday of the child, single parents until the third birthday of the child and workers working under conditions which are hazardous to human health may not be employed for night work. These workers may not be required to perform extraordinary work or stand-by duty either, and the weekly days of rest must not be scheduled unevenly even with their consent.

Disabled people may obtain special accredited qualifications, depending on their disability (e.g. confectioner training for the hearing impaired). Those employing at least 30 people with disabilities or a number accounting for more than 25% of their staff are

entitled to an individual employers allowance or workplace conversion grant. On average, the state provides support to the employers of some 30 000 employees with disabilities each year.

In Hungary, refugees and foreign national beneficiaries of subsidiary protection status are entitled to take up employment without restrictions. As a rule, foreigners are allowed to take up employment with a work permit, but there are several exceptions. In employment, they must be treated equally in all respects, including remuneration, work safety, and trade union rights. To employ these groups, local authorities must adopt a local equal opportunities plan.

Legal action may be taken to enforce employment rights, but a mediation procedure is also available or the matter may be referred to the Equal Treatment Authority or to the Commissioner for Fundamental Rights.

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Ministry for Innovation and Technology	<a href="https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag">https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag</a>
Website of the Equal Treatment Authority of Hungary (Egyenlő Bánásmód Hatóság)	<a href="http://www.egyenlobanasmod.hu">www.egyenlobanasmod.hu</a>
Office of the Commissioner for Fundamental Rights (Alapvető Jogok Biztosának Hivatala)	<a href="https://www.ajbh.hu/">https://www.ajbh.hu/</a>
FŐKEFE Közhasznú Nonprofit Kft. (the largest, state-owned employer of people with disabilities in Hungary)	<a href="http://www.fokefe.hu">www.fokefe.hu</a>

#### 4.6. Self-employment

People starting up or terminating business as a sole trader may notify the registration body either electronically via the client portal, using the form provided, or in person at the metropolitan or county district office (Government Information Office [Kormányablak]). The application must indicate the sole trader's main personal data, the intended business and the main site or branch(es) where the business will operate from (places of commerce, manufacture or service), include documentation proving that there are no grounds for disqualification (e.g. certificate of good conduct), and provide any further data needed for notification to the National Tax and Customs Administration. A person may hold only one trading licence, which can be used to conduct several types of business and maintain several establishments and branches (places of commerce, manufacture or service). Sole traders have unlimited liability in respect of their entire assets for obligations arising from their operations. In addition to Hungarian nationals, EU and EEA citizens and people with equivalent legal status, people with immigrant or settled resident status, holders of a residence permit issued for the purpose of employment, family reunification or study and stateless people and other people granted admission who have been issued with a residence permit for humanitarian reasons are also authorised to pursue a business activity. A company may be a general unlimited partnership or a limited partnership without legal personality, or a limited liability company, a joint-stock company or a joint venture as a legal entity.

The first step in setting up a business organisation is to sign the articles of association or adopt the founding administrative provisions in the case of a joint-stock company, or approve the act of foundation in the case of a one-person business organisation. The law requires a compulsory minimum level of initial capital/shareholders' equity for the following company forms: HUF 3 million for a limited liability company, HUF 5 million for a private limited company and HUF 20 million for a public limited company. For the purpose of registering and publishing the establishment of a company, notification must be sent to the relevant court of registration that keeps the records. The procedure is conducted electronically. The company information service of the Ministry of Justice (Igazságügyi Minisztérium) provides free access to up-to-date basic information on firms (subscribed capital, registered office, scope of activity, representative) based on name or tax number.

Self-employment in Hungary is not limited to sole traders, but includes all economic activities that may be conducted independently pursuant to legislation, where the person concerned is obliged to provide for their own health insurance and pension insurance cover. This includes lawyers, European lawyers, notaries, independent patent lawyers, independent court bailiffs, private pharmacists, veterinarians authorised to carry out veterinary service activities, community caretakers, private social service providers, etc. Special funds and support are available for small and medium-sized enterprises.

Prime Minister's Office	<a href="http://www.kormany.hu/hu/miniszterelnokseg">http://www.kormany.hu/hu/miniszterelnokseg</a>
National Employment Service	<a href="https://nfsz.munka.hu">https://nfsz.munka.hu</a>
National Research, Development and Innovation Office (Nemzeti Kutatási, Fejlesztési és Innovációs Hivatal)	<a href="https://nkfih.gov.hu/palyazoknak">https://nkfih.gov.hu/palyazoknak</a>
Comprehensive tender monitoring site	<a href="http://www.pafi.hu">www.pafi.hu</a>
Tendering website	<a href="http://www.szechenyi2020.hu">www.szechenyi2020.hu</a>
Website of the Hungarian Foundation for Enterprise Promotion (Magyar Vállalkozásfejlesztési Alapítvány)	<a href="http://www.mva.hu">www.mva.hu</a>
Company details downloadable free of	<a href="http://www.e-cegjegyzek.hu">www.e-cegjegyzek.hu</a>

charge	
Nemzeti Cégtár companies information portal	<a href="https://nemzeticegtar.hu/">https://nemzeticegtar.hu/</a>

#### 4.7. Payment

In Hungary, employees are entitled to receive a compulsory minimum wage, the amount of which is determined by the Government on an annual basis. As of 1 January 2020, the minimum wage rates are HUF 161 000 a month, HUF 37 020 a week, HUF 7 410 a day and HUF 926 an hour. The guaranteed minimum wage for those employed in jobs requiring at least secondary level qualifications or vocational training is HUF 210 600. For people working under the simplified employment scheme, the daily labour charges are HUF 500 for agricultural seasonal work and for seasonal work in tourism, HUF 1 000 for casual work, and HUF 3 000 for film industry extras. Full-time workers in the workfare scheme earn HUF 81 530 per month if they have vocational qualifications and HUF 106 555 per month if they do not have vocational qualifications. In October 2019, the gross average wage was HUF 365 100 (net amount: HUF 242 300), 11.6% higher than a year earlier.

Employees are entitled to receive from the employer the salary laid down in the employment contract, which must be adhered to. The salary may be fixed as a time-based rate or on the basis of output, or a combination of the two. Employees must be paid for additional hours worked on top of the salary for normal working hours. The salary due to the employee must be entered in the accounts and paid out in a single payment monthly in arrears, in forint, in cash or through bank transfer. However, the employer and employee may agree on different arrangements. Employees must be given a written, detailed salary slip (electronic statements are also acceptable), and deductions may be made from the salary only pursuant to the legal provisions, an enforceable decision or the employee's consent. The payslip must show the employee's gross pay, the amount deducted in tax and social security contributions, and the net amount of salary paid. In certain cases, employers may even pay fringe benefits to their employees (e.g. contributions for meal, commuting to work, travel and other expenses within the so-called 'cafeteria' scheme). Employers issue employees with a tax certificate of payments and deductions required for their tax returns.

The employer deducts the following contributions from the private individual's gross income and pays the relevant amounts to the National Tax and Customs Administration (NAV):

- 10% pension contribution,
- 8.5% health insurance and labour market contribution, comprising 4% health insurance contribution for benefits in kind, 3% health insurance contribution for cash benefits, 1.5% labour market contribution,
- and personal income tax (a standard 15%).

Deductions incumbent upon the employer:

- 1.5% vocational training contribution,
- 17.5 % welfare contribution tax,
- rehabilitation contribution (employers with more than 25 staff have to pay it annually in the amount of nine times the minimum wage, if the average number of people with disabilities they employ is less than 5% of the average number of staff).

The same rates of contribution apply to foreign employers. Payment can be made monthly by the foreign employer or its representative or, in the absence thereof, by the employee, to the National Tax and Customs Administration's bank account designated for this purpose.



For certain categories of employees, the employer is entitled to a reduction of the 17.5% welfare contribution tax.

Mothers are exempted from personal income tax (PIT) until the end of their lives if they have raised, are raising, or, at any time after 1 January 2019, will raise four or more children. Artists, athletes and coaches may opt for the preferential tax type ‘simplified contribution to public revenues’. Taxpayers may choose the simplified contribution to public revenues to pay tax on income only if it was paid to them in HUF and did not exceed the legally imposed cap of HUF 60 million. There is a further condition regarding this cap, in that the income must be equal to at least 12 times the minimum wage. If the people concerned have an annual income of at least 12 times the minimum wage, taxed in accordance with the ordinary rules, on any amount in excess of that the employer pays a contribution of only 19.5%, and the taxpayer pays only 15% tax on the gross salary. In addition to the income tax, foreign resident performing artists and foreign film crew members will also need to pay the 19.5% welfare contribution tax on their incomes earned after 1 January 2019. The welfare contribution tax will be payable until such time as the income earned in the current year reaches twenty-four times the amount of the minimum wage.

National Tax and Customs Administration	<a href="http://www.nav.gov.hu">www.nav.gov.hu</a>
Hungarian Central Statistical Office	<a href="http://www.ksh.hu">www.ksh.hu</a>
Magyar Nemzeti Bank (Central Bank of Hungary)	<a href="http://www.mnb.hu">www.mnb.hu</a>
The cost of living in 2020	<a href="https://nfsz.munka.hu/Documents/MI%20MENNYI%202020_TMKH_20200115_tanusitvanyal.pdf">https://nfsz.munka.hu/Documents/MI%20MENNYI%202020_TMKH_20200115_tanusitvanyal.pdf</a>
Salaries in Hungary	<a href="https://www.fizetesekek.hu/fizetesekek">https://www.fizetesekek.hu/fizetesekek</a> <a href="https://www.hays.hu/piaci-%C3%A1ttekint%C3%A9s">https://www.hays.hu/piaci-%C3%A1ttekint%C3%A9s</a>
Wage compass	<a href="https://www.profession.hu/kalkulatorok/beriranytu">https://www.profession.hu/kalkulatorok/beriranytu</a>

#### 4.8. Working time

Under the Labour Code, full-time work is eight hours a day. Shorter working hours may be laid down in the employment contract or by agreement between the employer and the employee. In the case of stand-by work, or if the employee is a relative of the employer or of the owner, the agreement between the parties may stipulate longer working hours, although not exceeding 12 hours a day. The job is of a stand-by nature if the employee is at the employer’s disposal for at least one third of the normal working hours without performing any work or there is significantly less work involved for the employee than in normal circumstances.

The employee’s daily or weekly working hours may not exceed twelve or forty-eight hours, respectively. For stand-by jobs, the daily or weekly working hours may not exceed 24 or 72 hours, respectively. The full period of on-call duty must be considered working time if actual working time cannot be measured. The limits on working hours, the work regime and the rules governing the arrangement of working time are established by the collective bargaining agreement or, in the absence thereof, by the employer. The work regime may follow a general pattern (five days per week from Monday to Friday), or it may be undefined (the employee has the right to distribute the weekly working hours; in this case it does not affect the undefined nature of the work if the employee may perform some of their work tasks at a certain time or period of time due to their special characteristics). In order to protect employees, if uneven working hours are

applied, the law specifies the minimum and maximum period of daily working hours. Accordingly, daily working hours may not be less than four hours. The employer's operations may be uninterrupted (maximum six-hour break a day), shift work (operating at least 80 hours per week) or seasonal (related to a specific season in the year).

The employer may also specify the hours to be worked by the employee within a specific time frame. As a general rule, this period of time may be no longer than four months or six months in the case of uninterrupted, shift-work, stand-by work and seasonal operations or 1 year if provided for in a collective agreement, where justified for technical or organisational reasons. Maximum two hundred hours overtime may be ordered per calendar year. Subject to a written agreement between the employee and the employer, a further additional one hundred and fifty working hours may be required (voluntary overtime). Employees may cancel the agreement as of the end of the calendar year.

Sunday is not classed as a working day. A fifty-percent supplement is payable for Sunday work. However, Sunday work may form part of normal working hours in certain cases (e.g. where the nature of the business normally involves Sunday operation, seasonal work, work performed without interruption, or work abroad).

Work carried out between 10 p.m. and 6 a.m. is classified as night work.

Employees may not be required to work and employers are not obliged to provide work during rest periods. Rest periods:

- breaks;
- daily rest periods;
- weekly rest day (or weekly rest period).

Breaks during the working day are the shortest type of rest period. They are to allow time to eat and rest during the working day. A 20-minute break may be taken during the day, if the daily working time is more than six hours. Except for stand-by work, the break does not count as working time.

Employees must be allowed at least 11 hours of rest between completing one day's work and starting the next day's work. If an employer grants eight hours as daily rest period, the successive daily rest periods must be at least 22 hours. Travel time is not included in this period.

Employees are entitled to two rest days a week. Even if an employee may be required to work on Sundays as normal working hours, it must be ensured that the employee has at least one rest day a month that is a Sunday. Instead of the weekly rest day, a weekly rest period may be granted, which is 48 hours without interruption and, once a month, must be scheduled to include a Sunday.

The Labour Code provides for working time reductions for certain employees, such as trade union officers, workers' council members, employees pursuing primary education studies, and breastfeeding women. If required by law, for the period of working time reductions, the employees receive absence pay (which consists of the base salary, the flat-rate supplement, the piece rate and the wage supplement calculated on the basis of the average of six months). In the case of employees on monthly salaries, the amount of the absence pay varies according to the number of workdays in the month under the general employment rules.

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Ministry for Innovation and Technology	<a href="https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag">https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag</a>

National Employment Service	<a href="https://nfsz.munka.hu">https://nfsz.munka.hu</a>
Labour Code (Act I of 2012 on the Labour Code)	<a href="https://net.jogtar.hu/jogszabaly?docid=a1200001.tv">https://net.jogtar.hu/jogszabaly?docid=a1200001.tv</a>

#### **4.9. Leave (annual leave, parental leave, etc.)**

Employees are entitled to leave in each calendar year worked, based on how long they have been working. Part-time employees and pensioners in employment are also entitled to leave. Leave comprises basic and supplementary leave. The standard length of basic leave is 20 working days. Employees are entitled to supplementary leave depending on their age. Employees are entitled to longer supplementary leave in the year in which they reach a specific age. Length of supplementary leave:

- 1 working day from the age of 25,
- 2 working days from the age of 28,
- 3 working days from the age of 31,
- 1 additional working day every 2 years up to the age of 45,
- 10 working days from the age of 45.

In addition to the above, employees are entitled to additional supplementary leave in certain cases. The Labour Code specifies the following types of supplementary leave: for young workers, workers bringing up a child under 16 years of age, workers working underground on a permanent basis, workers spending at least three hours a day in a workplace exposed to ionising radiation, fathers for the birth of a child, disabled workers, people entitled to disability benefits or benefits for the blind.

If employment starts after the beginning or ends before the end of a year, the leave days due are calculated on a pro rata basis, except for the five days of supplementary leave granted to fathers for the birth of their child, which can be used in its entirety, irrespective of the start or end date of employment.

The employer is obliged to grant seven days of annual leave at a time requested by the employee, taken in two parts at the most, and the employee must notify the employer 15 days before going on leave. Once per calendar year, employees must be allowed to take at least 14 consecutive days of leave when they are exempt from the obligation to work or to be available for work. Employees must be notified that the leave is granted no later than 15 days before the start of the leave. The age-based supplementary leave may be granted until the end of the following year on the basis of the agreement concluded by the parties for the calendar year. The employer may interrupt the employee's leave for a substantial reason that directly affects its operation or because of some exceptionally important economic interest, but must provide compensation for any costs and losses incurred.

Mothers are entitled to 24 consecutive weeks of maternity leave, of which two weeks must be taken; this counts as working time. Employees are entitled to unpaid leave: (a) until the child reaches the age of three, for the purpose of child care, including managers; (b) for the period during which they are in receipt of child care benefit or child allowance, up to the child's 10th birthday; (c) to care in person for a relative requiring permanent care, for up to 2 years; (d) for the duration of voluntary military reserve service.

If unable to work, employees may take 15 days of sick leave per calendar year, during which time they receive 70% of their absence pay. If the sick days fall on a public holiday, the absence pay is only due to employees paid on an hourly or output basis.

As a rule, employees do not have to work on legal public holidays, which are: 1 January, 15 March, Good Friday, Easter Monday, 1 May, Whit Monday, 20 August, 23 October, 1 November and 25 and 26 December. A 100 % wage supplement is payable for work performed on a legal public holiday, on Easter or Whit Sunday or on a Sunday which would otherwise be a legal public holiday.

#### **4.10. Termination of employment**

Employment can be for a definite or indefinite period.

Employment is terminated upon the employee's death, if the company is wound up without a legal successor, on expiry of the fixed period or if the employer is changed in such a way that at the time of handing over all or part of its activity (its organisation unit, financial and non-financial resources) the employer taking over is not subject to the Labour Code. Employment for an indefinite period may be terminated by mutual agreement between the employer and employee, by a notice of termination, or termination with immediate effect. The probationary period is a maximum of three months, or six months if provided for by a collective agreement.

Notice must be given in writing and takes effect upon being communicated to the party concerned. The employer is obliged to give reasons for termination, which must be clearly stated. In the case of employees who are within five years of retirement, of mothers and single fathers with children up to the age of three, or of employees receiving rehabilitation allowance or pay, notice on the grounds of employment-related conduct may be given only in severe instances. In the case of people over the legal age of retirement, it is not necessary to give grounds for a notice of termination.

Employees may terminate an indefinite employment contract at any time without giving grounds. However, in the case of fixed-term employment contracts, grounds must be given and termination is permitted only for serious reasons. The employer may give notice at any time, except in the following cases where termination is prohibited: pregnancy or the first six months of treatment related to human reproduction procedure in the case of female employees, provided that the employer is notified in advance. The employer may withdraw notice of termination in writing within 15 days of the notice being given. Further periods when termination is prohibited are maternity leave, unpaid leave used by either parent for the purpose of looking after a child, and the performance of actual voluntary military reserve service.

The notice period is at least 30 days, which, in the case of dismissal by the employer, may increase to 90 days depending on length of service. The parties may agree on a longer notice period not exceeding six months.

Fixed-term employment can be terminated by the employer giving notice during the winding-up or liquidation of the company, for reasons based on the ability of the employee or if the employment relationship becomes impossible to sustain due to unavoidable external reasons.

Severance pay is due if the employer terminates employment by notice or ceases to exist without a legal successor or if the employer taking over the employee is not subject to the Labour Code. A further condition for severance pay is that the employee must have been employed for at least three years by the employer. The employee is not entitled to severance pay if he or she is considered retired at the time notice is served or if the reason for termination is employment-related conduct on the part of the employee or the employee's (non-health-related) abilities.

Termination with immediate effect is possible if the other party significantly breaches essential obligations, whether through negligence or intentionally.

Special rules apply to public servants, government officials and public officials. Employment is established for an indefinite period by appointment and the acceptance of such appointment. Both the appointment and the acceptance thereof must be in writing. The legal relationship may be terminated by resignation on the part of the employee, by dismissal on the part of the employer, by mutual consent, or with immediate effect by either of the parties during the probationary period. The period of notice for resignation or dismissal is two months or at least 60 days in the case of public servants, and may be up to 8 months depending on length of service. In the case of dismissal or if the state administrative body is abolished without a legal successor, severance pay of up to eight

months' salary is due, increased by half if the person concerned is in the protected age group. Government officials reaching retirement age may apply to continue working. Authorisation to do so is ultimately at the discretion of the government.

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Ministry for Innovation and Technology	<a href="https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag">https://www.kormany.hu/hu/innovacios-es-technologiai-miniszterium/foglalkoztataspolitikaert-felelos-allamtitkarsag</a>
National Employment Service	<a href="https://nfsz.munka.hu">https://nfsz.munka.hu</a>
Labour Code (Act I of 2012 on the Labour Code)	<a href="https://net.jogtar.hu/jogszabaly?docid=a1200001.tv">https://net.jogtar.hu/jogszabaly?docid=a1200001.tv</a>

#### **4.11. Representation of workers**

Representative bodies may be set up and operated in order to protect the economic and social rights of employees and to assert their interests more effectively. The two relevant forms of such bodies are trade unions and works councils. Employees are free to join or not join any trade union of their choice. If the number of employees exceeds 15 in the previous six months, they elect a works representative and if it exceeds 50, they elect a works council. The employer is obliged to notify the employees if these circumstances arise. If, despite such notification, no representative body is set up, the employer cannot be held responsible. These bodies represent employees in respect of their rights as regards a specific employer.

One of the most important rights of a trade union is to enter into a collective bargaining agreement with the employer. Furthermore, it informs employees of their rights and obligations with regard to financial, social, cultural, living and working conditions, and represents its members in dealings with the employer, state bodies and courts in areas relating to labour relations and employment. It is also entitled to ask the employer for information relating to the employment of personnel, to issue opinions and initiate a consultation. A trade union may also check compliance with rules governing working conditions. Trade union officers are entitled to increased labour law protection against dismissal by the employer.

Trade unions are a social organisation, established on the basis of freedom of association. In order to set up a trade union, at least 10 founding members must declare its incorporation, determine its founding administrative provisions, elect its management and representative bodies and then register the organisation with the court. Some trade unions have low levels of membership (100 people), and others operate with several thousand members (e.g. Magyar Köztisztviselők, Közalkalmazottak és Közfoglalkoztatási Dolgozók Szakszervezete – the Trade Union of Hungarian Public Servants and Public Sector Employees).

In addition, chambers have been established by law in many sectors. Membership in some chambers is compulsory, i.e. the given economic activity may not be pursued without membership in the chamber, such as the Hungarian Chamber of Architects (Magyar Építész Kamara), the Hungarian Bar Association (Magyar Ügyvédi Kamara) and the Hungarian Medical Chamber (Magyar Orvosi Kamara). Representative organisations can enforce their interests through the National Economic and Social Council (Nemzeti Gazdasági és Társadalmi Tanács). Since members of the Council include representative organisations and federations, they have extensive rights when it comes to consultations and issuing opinions in dealings with the Parliament and the Government.

Many Hungarian trade unions are members of the European Trade Union Conference (ETUC).

National Confederation of Hungarian Trade Unions (MaSZSZ)	<a href="http://www.szakszervezet.net">http://www.szakszervezet.net</a>
Democratic Confederation of Free Trade Unions (LIGA)	<a href="http://www.liganet.hu/">http://www.liganet.hu/</a>
Trade Union Association of Intellectuals (ÉSZT)	<a href="https://www.eszt.hu/">https://www.eszt.hu/</a>
National Federation of Workers' Councils (MOSZ)	<a href="https://munkastanacsok.hu/">https://munkastanacsok.hu/</a>
Cooperative Forum of Trade Unions (SZEF)	<a href="https://szef.hu/">https://szef.hu/</a>
Trade Union of Hungarian Civil Servants and Public Sector Employees (Magyar Köztisztviselők, Közalkalmazottak és Közfoglalkoztatottak Szakszervezete)	<a href="http://www.mkksz.org.hu">www.mkksz.org.hu</a>
Chamber of Hungarian Architects (Magyar Építész Kamara)	<a href="http://mek.hu/">http://mek.hu/</a>
Hungarian Medical Chamber (Magyar Orvosi Kamara)	<a href="http://www.mok.hu">www.mok.hu</a>
Hungarian Chamber of Pharmacists (Magyar Gyógyszerész Kamara)	<a href="http://www.mgyk.hu">www.mgyk.hu</a>

#### **4.12. Labour disputes – strikes**

Employees and representative organisations may initiate labour disputes to assert claims deriving from their employment contract in the case of employees, and to assert claims deriving from the Labour Code, a collective bargaining agreement or works agreement in the case of representative organisations. Labour disputes are handled by a special court called the Labour Tribunal. The term of limitation is three years in the case of labour rights claims, but for some legal declarations made by the employer (e.g. unilateral modifications of the labour contract) the deadline for filing claims is 30 days. The labour dispute may be preceded by a reconciliation procedure designed to reach an agreement if the parties have agreed on this or if it is included in the collective bargaining agreement. Before taking legal action, government officials must refer their complaint to the Arbitration Committee of Government Officials for a decision, after which they have 30 days to take the matter to court. Range of cases affected: termination of the legal relationship of government service, written notice regarding the termination of conflict of interests, qualification and performance evaluation findings, resolutions made on disciplinary or compensation issues as well as on paying damages, and unilateral modification of appointment.

Employees have the right to strike in order to enforce their economic and social interests under the Fundamental Law and the relevant 1989 Act, unless the strike is unlawful (e.g. for a purpose which conflicts with the Fundamental Law). Participation in a strike is voluntary; no-one may be forced to participate or to refrain from participating. A call to strike is permissible if the collective labour dispute conciliatory procedure fails to produce results within seven days, or if no conciliatory procedure is entered into for reasons not attributable to the party calling the strike.

When exercising the right to strike, employers and employees are subject to a cooperation obligation under the law.

Strikes may not be held at judicial bodies, in the Hungarian armed forces, in the police force and at law enforcement agencies, at civilian national security services and at the



National Tax and Customs Administration in the case of permanent staff. The right to strike may be exercised at state administration bodies under special rules as set out in an agreement between the government and the relevant trade unions. Similarly, no strike may be held if such action would directly and seriously endanger human life, health, physical integrity or the environment, hinder response to natural disasters or undermine an existing collective agreement.

In the case of employers performing activities with a fundamental effect on the population, such as public road transport, telecommunications, supply of electricity, water and gas and other energy services, there is an important legal safeguard stating that strikes may be carried out only if they do not obstruct the provision of a sufficient level of service. This means that such strikes are lawful only if, in the absence of relevant legislation, the parties agree on the sufficient level of service or, in the absence of such agreement, on the basis of a court decision (within five working days). Such a strike may not be started in the absence of such an agreement or court decision. The initiation of a strike or participation in a lawful strike may not be deemed to be a violation of the employment contract and no detrimental action may be taken against the employee as a consequence. This means that although employees participating in a lawful strike are not entitled to remuneration or other benefits, they are entitled to the rights arising from the employment relationship.

Website with news about strikes	<a href="http://sztrajk.lap.hu">http://sztrajk.lap.hu</a>
Arbitration Committee of Government Officials	<a href="http://kdb.gov.hu/">http://kdb.gov.hu/</a>
HCSO data, number of trade unions, 2017	<a href="https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qpg005a.html">https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qpg005a.html</a>
HCSO data, Interim data - Trade unions, strike events statistics	<a href="https://www.ksh.hu/stadat_evkozi_9_1">https://www.ksh.hu/stadat_evkozi_9_1</a>

#### **4.13. Vocational training**

*Information available on the website of the Directorate-General for Internal Market – do not duplicate.*

## 5. Living conditions

### 5.1. Summary of living conditions in Europe

### 5.2. The political, administrative and legal systems

Hungary has been a republic with a multi-party system since 1989. The most important bodies are the Parliament (or National Assembly), the President of the Republic and the Government. Parliamentary and local elections are held every four years. The next elections will be held in 2022. The 199 members of parliament are elected in a single round, either individually or from their party's nationwide list. Only parties receiving at least 5% of the votes in the elections are represented in parliament. The President of the Republic calls on the candidate from the winning party to form a government.

The following parties with their own grouping sit in the Hungarian Parliament: FIDESZ – Magyar Polgári Szövetség (Hungarian Civic Union), the Kereszténydemokrata Néppárt (Christian Democratic People's Party – ruling party) and, in opposition, Magyar Szocialista Párt (Hungarian Socialist Party), Jobbik Magyarországért Mozgalom (Jobbik, Movement for a Better Hungary), Lehet Más a Politika (Politics Can Be Different), Demokratikus Koalíció (Democratic Coalition) and Párbeszéd Magyarországért (Dialogue for Hungary). In addition, Liberálisok (Hungarian Liberal Party) and Mi Hazánk Mozgalom (Our Homeland Movement) are parties that work in Parliament without their own groupings. The legal system is hierarchical, i.e. lower-level legislation must comply with higher-level legislation. The Hungarian legal system follows continental traditions. Types of legal regulation: acts (can only be enacted by parliament); decrees (adopted by the government and its members); local authority decrees; other legal instruments of state governance. Acts of law adopted by parliament are approved or sent back by the President of the Republic, who is then responsible for their promulgation. They enter into force only after this procedure.

In Hungary, the judiciary is made up of the Curia (Hungary's supreme court), regional courts of appeal, regional courts and district courts. Judges are independent, reaching decisions on the basis of the law and in line with their deliberations. They may not be influenced or directed in making their judgements.

The Constitutional Court is the supreme guardian of the Fundamental Law (the Hungarian Constitution). The Constitutional Court carries out both general and case-specific constitutional reviews in accordance with the Fundamental Law and constitutional acts.

The police is responsible for public safety and the protection of public order, including criminal investigation, crime prevention, policing, criminal detention and border-guarding tasks.

Legal service departments (Igazságügyi Szolgálatok) provide legal advice free of charge to anyone requesting their services. In Hungary, there are various types of legal assistance available free of charge for people in need: a legal assistant from the contacts directory of legal assistants in non-contentious proceedings and legal representation in civil and criminal proceedings. In addition, people in need can be exempted from all fees and charges if they take legal disputes to court.

Government portal	<a href="http://www.magyarorszag.hu">www.magyarorszag.hu</a> , <a href="http://www.kormany.hu">www.kormany.hu</a>
Nemzeti Jogtár (Collection of Hungarian Legislation)	<a href="http://www.njt.hu/">http://www.njt.hu/</a>
Official website of Magyar Közlöny, the journal promulgating Hungarian legislation	<a href="http://www.magyar kozlony.hu">www.magyar kozlony.hu</a>
Judicial Information	<a href="https://igazsagugyiinformaciok.kormany.hu/">https://igazsagugyiinformaciok.kormany.hu/</a>



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### 5.3. Income and taxation

According to figures from the HCSO, the gross average wage was HUF 365 100 in October 2019, 11% higher than a year earlier. In the period between January and October 2019, the gross average wage was HUF 360 400 and the net average wage was HUF 239 700; both had risen by 10.9% year-on-year. In October 2019, the gross average wages of people in full-time employment (at businesses employing at least five staff, at budgetary institutions and at not-profit entities relevant in employment terms) amounted to HUF 365 100 across the national economy or, HUF 375 300, excluding workfare employees. Net average wages amounted to HUF 242 800 excluding allowances and HUF 250 200 including allowances. Gross average wages, as well as net averages wages excluding allowances rose by 11.6%, whereas net average wages including allowances rose by 11.7% year-on-year. Gross average wages were the highest in the finance and insurance section (HUF 657 500) and they were the lowest in hotel accommodation and catering (HUF 236 800). Gross average wages amounted to HUF 394 100 for men and HUF 328 500 for women in full-time employment, representing an increase by 11.5% for men and by 10.1% for women in one year. The gross average wage was HUF 278 600 for the below-25 age group, HUF 375 900 for those between 25 and 54, and HUF 355 000 for people above 54. On a year-on-year basis, average wages rose by 16.5%, 11.2% and 10.8%, respectively, in the different age groups. Regular gross average wages (excluding bonuses, rewards and the one-month extra benefit) may be estimated to be HUF 337 000, having increased by 10.5% in one year. While consumer prices rose by 3.2% year-on-year, real wages increased by 7.4%. The main types of central taxation are personal income tax, value added tax, excise duty and interest tax.

There are three VAT rates in Hungary today: 27%, 18% and 5%, where the latter two can be considered as preferential rates. The 5% rate applies to books, certain foods, and products whose sale the State supports through a lower rate of VAT. Most products and services are subject to 27% VAT, whereas certain services (e.g. financial services) are tax-exempt, i.e. no VAT is payable on them. A high excise duty is levied on fuel, alcoholic drinks and tobacco products. Interest tax is payable on interest earned from savings in Hungary, investment yields, market profits from shares; the applicable tax is 15% of the interest income from investment.

Local authorities levy local taxes. Local taxes are: building tax, land tax, communal tax, tourism tax, vehicle tax and local business tax.

The personal income tax rate is 15% for all categories of income. The consolidated tax base is reduced by

- the family allowance for dependent children (tax base reduction of HUF 66 670 per month for one child, HUF 133 330 per month for two children, HUF 220 000 per month for three or more children),
- the personal tax relief for severe disability (5% of the minimum wage, HUF 7 450 per month in 2019) and;
- The consolidated tax base is reduced by the allowance for first marriage.
- Both spouses may reduce their personal income tax by a monthly net amount of HUF 5 000 for the 24 months after the wedding if at least one of them is marrying for the first time.

The following two tables show the total labour cost and net salary for monthly gross salaries of HUF 150 000 and HUF 800 000 (based on one year's work, with 1, 2 or 3 dependent children).

<b>Employment 1 - Salaries and wages: HUF 150 000</b>			
<b>Number of children</b>	<b>1 child</b>	<b>2 children</b>	<b>3 children</b>
Annual gross income:	1 800 000	1 800 000	1 800 000
Calculated PIT:	22 500	22 500	22 500
Family tax base allowance:	66 670	150 000	150 000
PIT after discounts and allowances:	12 500	0	0
Pension contribution (10%):	15 000	15 000	15 000
Health insurance and labour market contribution (8.5%):	12 750	12 750	12 750
Family contribution allowance:	0	17 499	25 500
Contributions net of family allowance:	27 750	10 251	2 250
Total monthly deductions from gross pay:	40 250	10 251	2 250
Welfare contribution tax (19.5%):	29 250	29 250	29 250
Vocational training contribution (1.5%):	2 250	2 250	2 250
Total monthly employer's charges:	31 500	31 500	31 500
Monthly amount payable to the state:	71 750	41 751	33 750
Employer's total monthly costs:	181 500	181 500	181 500
<b>Monthly net amount:</b>	<b>109 751</b>	<b>139 749</b>	<b>147 750</b>

<b>Employment 2 - Salaries and wages: HUF 800 000</b>			
<b>Number of children</b>	<b>1 child</b>	<b>2 children</b>	<b>3 children</b>
Annual gross income:	HUF 9 600 000	HUF 9 600 000	HUF 9 600 000
Calculated PIT:	HUF 120 000	HUF 120 000	HUF 120 000
Family tax base allowance:	HUF 66 670	HUF 266 660	HUF 660 000
PIT after discounts and allowances:	HUF 110 000	HUF 80 001	HUF 21 000
Pension contribution (10%):	HUF 80 000	HUF 80 000	HUF 80 000
Health insurance and labour market contribution (8.5%):	HUF 68 000	HUF 68 000	HUF 68 000
Family contribution allowance:	HUF 0	HUF 0	HUF 0
Contributions net of family allowance:	HUF 148 000	HUF 148 000	HUF 148 000
Total monthly deductions from gross pay:	HUF 258 000	HUF 228 001	HUF 169 000
Welfare contribution tax (19.5%):	HUF 156 000	HUF 156 000	HUF 156 000
Vocational training contribution (1.5%):	HUF 12 000	HUF 12 000	HUF 12 000
Total monthly employer's charges:	HUF 168 000	HUF 168 000	HUF 168 000
Monthly amount payable to the state:	HUF 426 000	HUF 396 001	HUF 337 000
Employer's total monthly costs:	HUF 968 000	HUF 968 000	HUF 968 000
<b>Monthly net amount:</b>	<b>HUF 542 001</b>	<b>HUF 571 999</b>	<b>HUF 631 000</b>

Tax relief rules are the most favourable for families with three children. The gross salary of HUF 800 000 per month comes to HUF 572 000 net for employees with two children and to HUF 631 000 net for employees with three children. Tax relief for families may be claimed against both tax and social security contributions. Consequently, employees with a gross salary of HUF 150 000 receive a net salary of HUF 147 750 (nearly equal to the gross salary), if they have three children.

Effective from 2019, the range of fringe benefits were curtailed considerably, as were the benefits previously available as certain specific benefits or tax-free benefits. As from 1 January 2019, employers may provide fringe benefits with preferential applicable taxation

terms only by paying into the relevant (catering, accommodation or leisure) wallets of the Széchenyi Recreation Card (SZÉP Card). In 2019 fringe benefits are subject to 15% personal income tax and 19.5% welfare contribution tax. This represents a total tax liability of 34.5%. Private sector employers may grant fringe benefits equal to the part of the annual figure of HUF 450 000 proportionate to the days spent in employment. At budgetary entities, the cap is equal to the proportionate part of an annual figure of HUF 200 000.

National Tax and Customs Administration	<a href="https://www.nav.gov.hu/">https://www.nav.gov.hu/</a>
<a href="#">Tax related information</a>	<a href="https://ado.hu/">https://ado.hu/</a>
<a href="#">Hungarian Central Statistical Office</a>	<a href="http://www.ksh.hu">www.ksh.hu</a>
<a href="#">HCSO – Salaries and wages</a>	<a href="https://www.ksh.hu/gyorstajekoztatok/#/hu/list/ker">https://www.ksh.hu/gyorstajekoztatok/#/hu/list/ker</a>
<a href="#">HCSO – Consumer prices</a>	<a href="https://www.ksh.hu/gyorstajekoztatok/#/hu/list/far">https://www.ksh.hu/gyorstajekoztatok/#/hu/list/far</a>
<a href="#">National Tax and Customs Administration, fringe benefits</a>	<a href="https://www.nav.gov.hu/nav/ado/szja/cafeteria.html">https://www.nav.gov.hu/nav/ado/szja/cafeteria.html</a>

## 5.4. Subsistence costs

The cost of living includes the following main expenditure items:

- food,
- housing and household maintenance expenses (+ costs of electricity, water and natural gas),
- transport and telecommunications,
- education and culture,
- services (clothing, hairdressing, restaurants, dentist, entertainment, etc.).

Data from the HCSO shows that monthly per capita consumption was HUF 88 600 in the first half of 2018. Hungarian households spent 28% of their total personal expenditure on food. The second highest outlay was on household maintenance (20%), but for those renting a home the figure was much higher (reaching 50-60%). Daily transport costs represent 11% of the total expenditure. The amount remaining for other needs was spent on clothing, culture, hotel accommodation and entertainment.

The price of fuel is around HUF 380 to 480 per litre. A family of four spends approximately HUF 35 000 to 50 000 on groceries per week, while a decent pair of shoes costs anywhere between HUF 20 000 and HUF 25 000. Cinema and museum tickets cost HUF 800 to HUF 1 900 on average.

The average cost of a visit to the hairdresser ranges between HUF 1 900 and HUF 4 000, though obviously there may be considerable differences between prices in Budapest and outside the capital. Dinner in a medium-range restaurant costs between HUF 2 900 and HUF 3 800 per person.

Hungarian Central Statistical Office	<a href="http://www.ksh.hu">www.ksh.hu</a>
HCSO – Household living standards, 2017	<a href="http://www.ksh.hu/docs/hun/xftp/idoszaki/hazteletszinv/hazteletszinv17.pdf">http://www.ksh.hu/docs/hun/xftp/idoszaki/hazteletszinv/hazteletszinv17.pdf</a>
<a href="#">HCSO – Consumer prices</a>	<a href="https://www.ksh.hu/gyorstajekoztatok/#/hu/list/far">https://www.ksh.hu/gyorstajekoztatok/#/hu/list/far</a>
HCSO - Household consumption, H1 2018	<a href="http://www.ksh.hu/docs/hun/xftp/stattukor/haztfogy/haztfogy1806.pdf">http://www.ksh.hu/docs/hun/xftp/stattukor/haztfogy/haztfogy1806.pdf</a>

## 5.5. Housing

Housing options in Hungary differ considerably between Budapest and the rest of the country. While detached houses are common in villages and smaller towns, people in larger cities tend to live on housing estates and in blocks of flats. On 30 June 2019, residential real estate loans amounted to HUF 3 488 billion, i.e. they were 4.9% (HUF 164 billion) higher than at the end of 2018, whereas their ratio to GDP rose from 7.8% to 8.2% year-on-year. Most of the loans taken out during the first six months of 2019 concerned used homes, with 58 000 home loans worth a total of HUF 426 billion disbursed. The number of loans rose by 11%, whereas their amount rose by 9.2% year-on-year. Home loans continued to be disbursed for the purpose of purchasing used homes, 7 out of ten home loans disbursed served this purpose (6 out of ten disbursements). During the first half of 2019, the amount of loans disbursed for the purpose of purchasing used homes increased to HUF 295 billion. There are 4.45 million homes in the country. 27% of homes are in blocks of flats, and nearly half of the homes have three or more rooms. The average size of homes is 79 square metres. The proportion of owner-occupied homes is high: in Hungary, almost 97% of homes are privately owned. However, the proportion of owner-occupiers is decreasing. This change

is attributable to the spread of private rented accommodation, which accounts for 6% nationally, and over 10% in Budapest. The level of rents varies considerably, depending on the location, accessibility and condition of the property. The most expensive properties are naturally properties in good condition in Budapest. The rent for a smallish, average 1.5- or 2-bedroom home in good condition, not including service charges, is HUF 80-100 000; rent is over HUF 150-180 000 for homes over 100 square metres.

Written contracts are recommended when renting a property, and compulsory when buying. The contract must be countersigned by a lawyer or notary and submitted to the land registry, which manages real estate records, for the purpose of registering ownership. In order to clarify the legal status before purchasing or renting a home, it is advisable to check the deeds of the property, which contains public data on the owner and encumbrances on the property. The property deed can be requested online from the land registry office or in person from a government office. An important rule is that if a taxpayer rents out a property in one municipality at the same time as renting a property in another, tax has to be paid only on any profit arising from the difference between the incoming and outgoing rent.

In 2019, the stamp duty (current name: duty on transfers of property for consideration) payable by buyers of property is 4% of the purchase price in all cases. The duty payable will be HUF 400 000 for a flat worth HUF 10 million and HUF 800 000 for a detached house worth HUF 20 million. The seller incurs a tax liability only if they have earnings from the sale of the property. If a seller who had purchased a property for HUF 15 million at some point in the past is able to sell it for only HUF 13 million years later, they will not incur any tax liability. The seller will need to pay personal income tax if they resell a property within 5 years of purchase (in the case of flats and detached houses) or within 15 years. PIT is payable only on the difference in prices. A property acquired in 2014 or any other prior year will not generate taxable income if sold in 2019; in other words, the seller will be exempt from tax if they have held the property for more than 5 years. When buying a home, it is necessary to register with the local electricity, gas and water providers and waste collection company and provide them with the relevant particulars.

You may also need to sign contracts with a telephone company and internet and cable television service providers.

Land Registry	<a href="http://www.foldhivatal.hu">www.foldhivatal.hu</a>
Home loans (HCSO)	<a href="http://www.ksh.hu/docs/hun/xftp/idoszaki/lakashitel/lakashitel1812.pdf">http://www.ksh.hu/docs/hun/xftp/idoszaki/lakashitel/lakashitel1812.pdf</a>
HCSO Number of homes built	<a href="https://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_zrs003b.html">https://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_zrs003b.html</a>
HCSO Housing stock, density	<a href="https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_wde001b.html">https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_wde001b.html</a>
NKM National Utilities Ltd. (Nemzeti Közművek)	<a href="https://www.nemzetikozmuvek.hu/">https://www.nemzetikozmuvek.hu/</a>
Power supplier ELMŰ-ÉMÁSZ	<a href="https://elmuemasz.hu/">https://elmuemasz.hu/</a>
E.ON Hungary	<a href="https://www.eon.hu">https://www.eon.hu</a>
Fee Collection Holding Co. (Díjbeszedő Holding Zrt.)	<a href="http://www.dbrt.hu">www.dbrt.hu</a>
Public utilities	<a href="https://kozmuvek.lap.hu/">https://kozmuvek.lap.hu/</a>

## 5.6. Health care systems

In Hungary, healthcare is provided by both public and private healthcare providers. A healthcare provider may only conduct healthcare activities in Hungary if it holds an operating licence issued by the government office (depending on competence). Any service provider meeting the personnel and material requirements is eligible for a licence. The healthcare provider is entitled to financing from the Health Insurance Fund for providing healthcare services if the National Health Insurance Fund of Hungary (NEAK) has entered into a financing agreement with it to perform tasks. As a rule, healthcare provided from capacity covered by the financing agreement is granted to patients free of charge. However, a fee may be charged for care provided from surplus capacity. In Hungary, cc.

Healthcare consists of services and monetary benefits. Services: screening tests, emergency care, lifesaving, GP services (GPs can be freely chosen), specialist outpatient care, inpatient care, medical rehabilitation. All Hungarian nationals under the age of 18 or over 60 are entitled to free dental care, and regardless of age, everyone is entitled to dental inflammation centre examinations and the treatment of tooth and mouth diseases related to an underlying illness. Monetary benefits include maternity allowance, child care allowance, sick pay (childcare sick pay) and accident sick pay, depending on prior insurance coverage.

People classified as insured are entitled to use the services of the healthcare system in Hungary. Everybody carrying out an economic activity is insured. Insured people are entitled to both healthcare services and monetary benefits.

In addition to insured people, anyone receiving welfare benefits in some form (e.g. sick pay, family benefits, accident sick pay, accident allowance, old-age or survivors' benefit, etc.), socially disadvantaged people and minors are entitled to healthcare services. Anyone not falling into any of the insured categories can pay the mandatory HUF 7 710 per month (HUF 257 per day) to the Healthcare Fund and thereby become entitled to healthcare services, provided that they have been residing in Hungary for the previous 12 months.

Entitlement to benefits can be verified by the 'TAJ' card (which contains the person's social security number and other personal data). EU nationals staying in Hungary on a temporary basis, arriving from the territory of an EEA member state, may present their European Health Insurance Card to request necessary medical care, essentially emergency services. Planned care is available as an EU patient at the patient's own expense.

Legislation lays down which medicines are prescription-only and which ones can be obtained over the counter. Healthcare providers with a contract with the NEAK issue prescriptions free of charge. In Hungary, prescription medication may be purchased only with prescriptions complying with Hungarian law or prescriptions duly issued in another EU country. In February 2018, there were 2 383 public pharmacies (and 678 branches) in Hungary, online distribution is also possible. Medication funded by the social security is reviewed annually. A number of basic, non-prescription drugs can also be purchased outside the pharmacies (e.g. at petrol stations and shopping malls).

Public health tax is payable on foodstuffs with high sugar, salt, alcohol or caffeine content when they are placed on the market. The tax collected is used to improve the health of the population.

National Health Insurance Fund (Nemzeti Egészségbiztosítási Alap)	<a href="http://www.neak.gov.hu">www.neak.gov.hu</a>
National Institute of Pharmacy	<a href="https://www.ogyei.gov.hu/">https://www.ogyei.gov.hu/</a>

and Nutrition (Országos Gyógyszerészeti és Élelmezés-egészségügyi Intézet; OGYÉI)	
National Healthcare Service Centre (Állami Egészségügyi Ellátó Központ)	<a href="http://www.aeek.hu">www.aeek.hu</a>
Ministry of Human Capacities	<a href="http://www.kormany.hu/hu/emberi-eroforrasok-miniszteriuma">http://www.kormany.hu/hu/emberi-eroforrasok-miniszteriuma</a>
Public expenditure on healthcare as a % of the GDP	<a href="https://www.ksh.hu/docs/hun/xftp/stattukor/eukiadasok/1015_modositas.pdf">https://www.ksh.hu/docs/hun/xftp/stattukor/eukiadasok/1015_modositas.pdf</a>
GP services	<a href="http://www.neak.gov.hu/felso_menu/lakossagnak/ellatas_magyarorszagon/egeszsegugyi_ellatasok/haziorvosi_ellatas">http://www.neak.gov.hu/felso_menu/lakossagnak/ellatas_magyarorszagon/egeszsegugyi_ellatasok/haziorvosi_ellatas</a>
OGYÉI Pharmacies Search Engine	<a href="https://ogyei.gov.hu/gyogyszertarkereso">https://ogyei.gov.hu/gyogyszertarkereso</a>

## 5.7. The education system

Public education institutions in Hungary include nursery schools, primary schools, grammar schools, vocational grammar schools and secondary vocational schools, basic level art educational institutions, boarding schools and dormitories. Public education establishments may be founded and maintained by the state, national minority self-governments, legal church entities and organisations engaged in religious activities, or other people and organisations.

Participation in public education financed by the public institution maintenance centre is generally free of charge in Hungary, although in certain cases a limited fee may be charged (for music lessons, dormitory accommodation, etc.).

The state also supports the operation of non-state-run educational institutions.

Children can attend a crèche in Hungary up to the age of three, where they are looked after in small groups, with whole-day or half-day supervision.

Nursery school education begins when the child is three years old and lasts until 31 August of the year in which the child reaches the age of seven. Nursery school education is compulsory, from which exemption may be requested to a limited extent.

Subject to reaching the level of development required for school admittance, children in Hungary are required to participate in compulsory education from the calendar year in which they reach the age of six before 31 August. Compulsory education ends in the academic year in which students reach the age of 18.

As a rule, primary education lasts for eight years; it may be received at a primary school for eight years or, after completing the fourth or sixth academic year, at a secondary school for a further six or eight academic years.

Secondary education commences in year nine and, depending on the type of school, is completed at the end of year ten, twelve or thirteen. The main types of secondary education institutions are: secondary vocational school, grammar vocational school and grammar school. Upon completing studies at the latter two, students take a secondary school leaving examination.

Institutions of higher education in Hungary are state and non-state universities and colleges recognised by the State. Universities provide training for four, five or six years, while colleges provide courses that last three or four years. School leavers receiving the required marks in the secondary school leaving examination may be admitted to a higher education institution without an entrance examination. In the 2019/2020 academic year, 1 553 000 persons participate in training offered at different levels in public and higher education. 330 500 children go to nursery schools, 720 300 children attend primary school, the number of full-time pupils is 189 000 in grammar schools, 149 100 in vocational grammar schools, 65 800 in secondary vocational schools, 4 700 in vocational



schools and 2 300 in skills development schools. 285 000 young people study at higher education institutions. 720 300 pupils receive primary school education. There are currently 75 400 teachers employed full-time at primary schools. The number of pupils per teacher is 9.6. There are currently 65 800 students at secondary vocational schools and 149 000 at vocational grammar schools, whereas the number of students has risen to 189 000 at grammar schools.

In the 2019/2020 academic year, the total number of teachers employed in public education institutions within the framework of a main employment relationship (full-time or part-time) is 167 300. Currently, 203 600 students are pursuing studies at higher education institutions. 93% of all the students, i.e. 186 800 persons (91.7% of the students), are studying in bachelor, master or non-divided streams. 7 800 are taking part in vocational higher education, 8 200 in PhD programmes and 800 in specialised further training. In recent years, the number and proportion of students of foreign nationality has risen steadily, by 8.2%, their number is currently 36 100.

Ministry of Human Capacities	<a href="http://www.kormany.hu/hu/emberi-eroforrasok-miniszteriuma">http://www.kormany.hu/hu/emberi-eroforrasok-miniszteriuma</a>
Educational Authority	<a href="https://www.oktatas.hu/">https://www.oktatas.hu/</a> <a href="https://www.oktatas.hu/koznevelis/kozerdekuadatok">https://www.oktatas.hu/koznevelis/kozerdekuadatok</a>
HCSO preliminary data on education 2019/2020	<a href="https://www.ksh.hu/docs/hun/xftp/idoszaki/oktat/oktatas1920.pdf">https://www.ksh.hu/docs/hun/xftp/idoszaki/oktat/oktatas1920.pdf</a>
HCSO on-the-job training statistics	<a href="http://www.ksh.hu/docs/hun/xftp/stattukor/mhelykepzesek15.pdf">http://www.ksh.hu/docs/hun/xftp/stattukor/mhelykepzesek15.pdf</a>
HCSO adult education and training statistics	<a href="https://www.ksh.hu/docs/hun/xftp/stattukor/felnottoktatask16.pdf">https://www.ksh.hu/docs/hun/xftp/stattukor/felnottoktatask16.pdf</a>
HCSO education statistics	<a href="https://www.ksh.hu/oktatas">https://www.ksh.hu/oktatas</a>
Rapid statistics on public education	<a href="https://www.kormany.hu/download/5/8e/b1000/Statistikai%20gyorst%C3%A1j%C3%A9koztat%C3%B3_2019_dec.pdf#!DocumentBrowse">https://www.kormany.hu/download/5/8e/b1000/Statistikai%20gyorst%C3%A1j%C3%A9koztat%C3%B3_2019_dec.pdf#!DocumentBrowse</a>

## 5.8. Cultural and social life

There are numerous entertainment and recreation opportunities in Hungary. In addition to the multiplex movie theatres located mostly in major shopping centres, there is a network of art cinemas where arthouse films are screened. There are theatres in all cities, although most are in Budapest. The Budapest Opera House, the Erkel Theatre, the Academy of Music and the Budapest Palace of Arts offer a variety of programmes for classical music lovers; their artists are renowned all over the world. Four regional units of the National Philharmonic Orchestra organise classical music concerts. Furthermore, there are over 850 museums (e.g. the Csontváry Museum in Pécs) and libraries across the country. As regards entrance fees, the same discounts are available to both EU and Hungarian nationals.

Young people throughout Europe are familiar with the summer festival Sziget as well as the Szeged Open-Air Festival; other festivals, such as VOLT, EFOTT, Balaton Sound and Fishing on Orfű, also attract huge numbers of visitors. Also worthy of mention are the many evening music venues to be found in the cities. Over the last few years, Budapest has become one of the favourite leisure destinations for Europe's young people.

As a major attraction for families, Budapest offers the Városliget (City Park), where children can enjoy the zoo and botanical garden plus the circus, while adults take in the Museum of Fine Arts and the 'Múcsarnok' exhibitions. Outside Budapest there is also much to offer, with excellent exhibitions and zoological gardens (Veszprém, Debrecen,



Nyíregyháza) and outstanding natural attractions (Hortobágy, Lake Tisza Ecocentre, Kis-Balaton).

Hungary has a wealth of mineral water spas, which strongly influence leisure activities, as they have given rise to a number of world class four- and five-star wellness and spa hotels in all parts of the country. In recent years, a number of thematic night-time programmes have grown to reach nationwide coverage; examples include the nights of theatres, museums, professions, spas and arthouse cinemas, all of which offer rich entertainment for free. In addition, countless excellent gastronomical events take place throughout the country.

All cities offer sporting opportunities: a variety of sports can be pursued at various sports facilities and fields, and special, extreme sports are offered in larger cities.

Sports pages	<a href="http://www.magyar.sport.hu">www.magyar.sport.hu</a>
Cultural programmes, news	<a href="http://www.kultura.lap.hu">www.kultura.lap.hu</a>
Website of the Hungarian State Opera House	<a href="http://www.opera.hu">www.opera.hu</a>
Hungarian Theatre Portal	<a href="http://www.szhaz.hu">www.szhaz.hu</a>
Pesti Műsor – an events magazine for Budapest	<a href="http://www.pm.hu">www.pm.hu</a>
National events locator	<a href="http://www.est.hu">www.est.hu</a>
Radio programmes, news	<a href="http://www.radio.lap.hu">www.radio.lap.hu</a>
Television programmes, news	<a href="http://www.tv.lap.hu">www.tv.lap.hu</a>
Hungarian Public Broadcasters	<a href="http://www.mediaklikk.hu/">www.mediaklikk.hu/</a>
Sziget Festival	<a href="http://www.sziget.hu">www.sziget.hu</a>
Outdoor Festival of Szeged (Szegedi Szabadtéri Fesztivál)	<a href="http://www.szegediszabadtteri.hu">www.szegediszabadtteri.hu</a>
Liszt Ferenc Academy of Music (Liszt Ferenc Zeneakadémia)	<a href="http://www.zeneakademia.hu">www.zeneakademia.hu</a>
Palace of Arts (Művészetek Palotája)	<a href="http://www.mupa.hu">www.mupa.hu</a>
Wellness hotels	<a href="http://www.utaztithon.hu">www.utaztithon.hu</a>
Hungarian Tourism Agency	<a href="https://csodasmagyarorszag.hu/">https://csodasmagyarorszag.hu/</a>
Activity tourism	<a href="http://www.programturizmus.hu/">www.programturizmus.hu/</a>
Budapest Zoo and Botanical Garden (Fővárosi Állat- és Növénykert)	<a href="http://www.zoobudapest.com">www.zoobudapest.com</a>

## 5.9. Private life (birth, marriage, death)

In Hungary, the vast majority of babies are born in hospitals; while home births are permitted under strict rules, they are rare. Births must be notified to the competent civil registrar on the first working day following the birth at the latest (the national authority responsible for the registration of births is the Budapest Government Office). Upon notification, the civil registrar immediately enters the birth in the register and automatically issues the birth certificate to the child's legal guardian. Birth certificates are required in various official procedures throughout one's life.

Marriages can be held before the civil registrar 30 days after notification of the intention to marry. Marriage ceremonies are held in public, in the presence of two witnesses, where the man and woman, appearing together, jointly declare their intention to marry before the civil registrar, and the registrar then records the marriage in the register of marriages. A marriage certificate is issued from the register, which serves as evidence of the marriage. Marriages between direct relatives and siblings, and marriages with the direct descendant of a brother or sister, or between an adoptive parent and an adopted

child during the period of adoption, are invalid. Under Hungarian law, marriage is permitted only between a man and a woman, whereas same-sex couples can have a registered civil partnership, which gives them the same status as married couples, with the exception of the joint adoption of children and having a married surname. Hungarian law also gives certain rights to unmarried heterosexual couples living in the same household. For example, the partners are treated as relatives and jointly own property in proportion to their contribution to the household, etc.

In addition to marriages made under civil law, it is common in Hungary to hold a church wedding. Unlike the civil wedding however, this does not entail legal consequences under family and property law and is not recognised by the state.

Either party or both parties may jointly request that the court dissolve the marriage if their marriage has deteriorated completely and irreparably. If a request to this effect is made jointly by the married partners without being influenced, this condition need not be scrutinised and the court will dissolve the marriage.

Deaths must be registered on the first working day after the death; the civil registrar immediately enters the death in the register on the basis of the relevant report. After registering the death, the registrar issues a death certificate to the person or entity responsible for organising the funeral.

Government portal	<a href="http://www.magyarorszag.hu">www.magyarorszag.hu</a>
Government Information Offices	<a href="https://kormanyablak.hu">https://kormanyablak.hu</a>
Family-Friendly Country portal	<a href="http://csalad.hu/">http://csalad.hu/</a>
Website of the Ministry of Foreign Affairs and Trade	<a href="http://www.kormany.hu/hu/kulgaszdasagi-es-kulugyminiszterium">http://www.kormany.hu/hu/kulgaszdasagi-es-kulugyminiszterium</a>
Ministry of Human Capacities	<a href="https://www.kormany.hu/hu/emberi-eroforrasok-miniszteriuma">https://www.kormany.hu/hu/emberi-eroforrasok-miniszteriuma</a>
National Directorate-General for Aliens Policing	<a href="http://oif.gov.hu">http://oif.gov.hu</a>

## 5.10. Transport

By virtue of its geographical location, Hungary plays an important role in European international traffic, with a considerable amount of business and private transit traffic. The country's motorways (M0 - Budapest ring, M1 - Budapest-Hegyeshalom, M3 - Budapest-North Great Plain, M5 - Budapest-South Great Plain, M6 - Budapest-Pécs, and M7 - Budapest-Lake Balaton) can be used by motorcycles, Category D1/D2 passenger cars, and buses (B2) by purchasing a prepaid e-vignette.

Fees for passenger cars, motorcycles and buses (in 2019)				
Category	Weekly (10 days)	Monthly	Annual	Annual COUNTY
D1M Motorcycles	HUF 1 470	HUF 2 500	-	-
D1 passenger car Fewer than 7 seats	HUF 3 500	HUF 4 780	HUF 42 980	HUF 5 000
D2 passenger car More than 7 seats	HUF 7 000	HUF 9 560	HUF 42 980	HUF 10 000
B2 buses	HUF 15 500	HUF 21 975	HUF 199 975	HUF 20 000

Motor vehicles heavier than 3.5 tonnes must pay a toll, the amount of which varies by type of vehicle and the distance travelled, not only on motorways but also when using

certain stretches of national roads (totalling 6 513 km). The toll can be paid electronically.

Speed limits are as follows: 130 km/h on motorways, 90 km/h on public roads, and 50 km/h in residential areas.

The age threshold for obtaining a driving licence in Hungary is 17 years. The medical certificate must be renewed every 3.5 or 10 years, depending on age. There are 4.1 million road vehicles in Hungary, of which 3.4 million are passenger cars.

Transport fines are high. They range from HUF 20 000 to HUF 90 000 (the latter would be for driving without a licence), and the driver receives penalty points. Drivers reaching 18 penalty points are temporarily disqualified from driving for six months. The Public Road Intelligent Camera Network has also been put into operation in order to monitor the traffic.

Railway services are mainly provided by the state-owned company, Magyar Államvasutak Rt. (MÁV Rt.). The privately owned Győr-Sopron-Ebenfurt Railway also operates services on certain lines in the north-west of the country (Sopron, Mosonmagyaróvár, Hegyeshalom). A 260-km single trip costs HUF 4 200, and no discount is given for return tickets (i.e. the single fare is doubled). Added to this are the supplements and reservations purchased in advance or on the day of travel, which cost anywhere between HUF 150 and HUF 1 035. The full price of a 30-day rail pass for a 260-km distance (e.g. from Budapest to Nyíregyháza) is HUF 160 900, i.e. almost double the minimum wage. Long-distance bus fares are roughly the same as rail fares.

Local public transport is available in cities. Buses are available in most cities, while Budapest, Szeged and Debrecen also have trams. Budapest also has four metro lines and a large number of trolleybuses. Public transport tariffs are generally higher, proportionally, than for long-distance transport (a single ticket for any means of transport in Budapest costs HUF 350). Several suburban railway (HÉV) lines connect Budapest with the adjacent area. In addition, several regional train services operate up to a distance of 40-50 km. Most cities have brought in parking fees, which are expensive and therefore provide an incentive to use public transport as much as possible. In the busiest parts of Budapest, parking can cost as much as HUF 450 per hour.

The data available indicates that the volumes of non-local passenger traffic in the country have not changed much over the last 10 years: bus traffic represents three quarters and railways represent one fourth of such traffic.

Discounts are available on both local and non-local transport. Eligibility for discounts is determined on the basis of age (under the age of 6, from 6 to 14, over 65) or student, pensioner, unemployed or refugee status. Disabled people and groups travelling together are also eligible for discounts. Discounts are 100%, 90%, 67.5% or 50%, depending on the category. For example, a family with three children can receive a 90% discount on all non-local lines. These discounts are also available for EU nationals.

Hungary has two international airports, one in Budapest and another in Debrecen. Most of the passengers arrive from or leave for airports in the United Kingdom, Germany, Italy, Spain or the Netherlands. Those who arrive in Budapest by air, may choose between bus service 200E (standard-price ticket) and the direct airport bus 100E. Travel by taxi is offered by Főtaxi, the official transportation partner of Budapest Airport, as well as other taxi companies. Taxi services in Hungary are regulated by decree and the fare is fixed at HUF 300/km (EUR 0.95/km) on top of the one-off basic fee of HUF 700 (EUR 2.2) and the waiting fee. As a result, a ride to the city centre will cost approximately HUF 7 200 (EUR 26), depending on the traffic conditions. Also available is the miniBUD Airport Shuttle Service and other transfer services. In 2018, nearly 14.9 million passengers passed through the Ferenc Liszt International Airport (BUD - Budapest Airport), which represents an increase by 13.5% year-on-year.

National Toll Payment Services Plc. (Nemzeti	<a href="http://www.autopalya.hu">www.autopalya.hu</a>
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Útdíjfizetési Szolgáltató Zrt.)	
Centre for Budapest Transport (Budapesti Közlekedési Központ)	<a href="http://www.bkk.hu">www.bkk.hu</a>
Hungarian Public Road Nonprofit Ltd. (Magyar Közút)	<a href="http://www.kozut.hu">www.kozut.hu</a>
Road information (Útinform)	<a href="https://www.utinform.hu/">https://www.utinform.hu/</a>
Rail transport	<a href="http://www.mav.hu">www.mav.hu</a>
Bus transport	<a href="http://www.volan.hu">www.volan.hu</a>
Ferenc Liszt International Airport	<a href="http://www.bud.hu">www.bud.hu</a>
Debrecen Airport	<a href="http://www.airportdebrecen.hu">www.airportdebrecen.hu</a>
Fuel prices	<a href="http://www.holtankoljak.hu">www.holtankoljak.hu</a>
Train timetables and reservations	<a href="http://www.mavcsport.hu">www.mavcsport.hu</a>
Airport minibus service	<a href="https://www.minibud.hu/">https://www.minibud.hu/</a>
Suburban transport – Urban and Suburban Transport Association (Városi és Elővárosi Közlekedési Egyesület)	<a href="http://www.veke.hu">www.veke.hu</a>
Transport fines	<a href="http://kalkulatorlap.hu/kozlekedesi_szabalysertesi_birsagok.html">http://kalkulatorlap.hu/kozlekedesi_szabalysertesi_birsagok.html</a>
HCSO Transportation and travel	<a href="https://www.ksh.hu/szallitas_kozlekedes">https://www.ksh.hu/szallitas_kozlekedes</a>
HCSO Road accident statistics	<a href="https://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/efeb002.html">https://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/efeb002.html</a>