



NATIONAL ACTION PLAN ON SOCIAL INCLUSION

HUNGARY

2004-2006

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**IN CONFORMITY WITH THE JOINT INCLUSION
MEMORANDUM AND THE COMMON OBJECTIVES
OF THE EUROPEAN UNION STRATEGY TO
COMBAT SOCIAL EXCLUSION**

JULY 2004

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Major trends and challenges

Economic background. Labour market and employment. Public welfare expenditures. Demographic trends, health status. Educational level. Income inequalities, poverty. Regional disparities.

1.1. Economic background

In 2001-2002, the Hungarian economy diverged from a course of growth triggered by exports and investments. The growth rate slowed, but even during this period it was sustained at two percentage points above the average for the eurozone.

From 2003, the target shifted to boosting competitiveness and restoring equilibrium. When preparing its budget for 2003, the Hungarian government resolved to operate with a more stringent set of fiscal policy conditions, to improve internal equilibrium, and to offer businesses a more attractive environment. Return to equilibrium and related growth became tangible as early as the latter half of 2003, and the positive changes in the economic pattern continued through the first quarter of 2004.

In 2003, the gross domestic product (GDP) rose by 2.9%. Economic performance steadily accelerated starting in the second quarter of the year, and by the fourth quarter it was up to 3.6%. Within that, industrial output - a defining element - grew steadily from quarter to quarter, and by the fourth quarter it was up by nearly 10%. A growth rate that had been consumption oriented gradually shifted to one dominated by expanding exports and growing investments, thanks to a pickup in international conditions and a tight fiscal policy.

In previous years the main driving force of the economic growth had been household consumption. In 2002, consumption had risen by a record 9.3%, while in 2003 it grew by a more moderate 6.5%, moved forward by a major rise in nominal wages and a very significant decline in consumer savings. A drop in the inflation rate was part of the reason why real wages were up by 13.6% in 2002 and by 9.2% in 2003.

In 2003, the volume of investments grew by 3.1%, a rate, which accelerated in the latter half of the year. The decisive reason for this was significant growth in business sector investments aimed at boosting production, and a pickup in housing construction.

Competitiveness improved as the exchange rate of the National currency, the HUF, firmed, assisting commodity exports and an improving international market. By the final third of 2003, imports for investment purposes and re-export played a greater role in the expanding import pattern than did imports for consumption, reflecting the changes in domestic processes. The country's international equilibrium began improving. After a year-and-a-half of deterioration, by the last quarter of 2003, the current account deficit declined.

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The current goal of economic policy is to take the greatest possible advantage of expanding opportunities for growth as external conditions improve. Doing this involves improving competitiveness, establishing the best environment possible to attract foreign direct investment (FDI), and aiming for a reduction in the general government deficit (currently 5.9% of GDP) and a continued decline in the current account deficit. Improving competitiveness requires bringing the exceptionally high rate with which real wages went up in past years back into line with productivity growth.

By meeting these goals – through making efficient use of the advantages of EU membership – we envisage that the Hungarian economy will once again grow rapidly while maintaining equilibrium.

1.2. Labour market situation and employment

The transition to market economy has instigated a profound adjustment in the Hungarian labour market. Between 1989 and 1997, *the number of employed people* dropped by 1.5 million, and the number of working retirees fell to one-quarter of the former level. The trend hit rock bottom in 1996 with only 3.6 million people in employment. That drastic plunge in employment increased the number of economically inactive people and the unemployment rate, amidst a complete restructuring in the major sectors of the labour market. After bottoming out in 1996, employment and economic activity began growing again.

In 2003, the average number of employed people between 15-64-years was 3.9 million, which reflected a growing, *57% employment rate* compared to the 56.2% of 2002. The employment rate among males was higher (63.4%) than among females (50.9%), in every age group. There was also an improvement in the activity rate: from 59.7% in 2002 to 60.6% in 2003, even though this remained well below the EU average.

The unemployment rate peaked in early 1993 (12.1%), and steadily declined afterwards to 2002. This was partly because the eligibility criteria for the unemployment benefit were gradually restricted, and eligibility period was shortened. In 2003, the unemployment rate rose to 5.9% from 5.8% in 2002. The average period spent in unemployment was 15.9 months in 2002 and 15.8 in 2003. In 2003, the long-term unemployed represented 42.5% of the total unemployed.

The high rate of *economically inactive* people is one of the most acute problems of Hungarian labour market. In 2003, nearly 40% of the working-age population (15-64) was inactive. This means they neither had jobs nor sought work actively. 30% of the economically inactive population were studying, 11% received child-care benefits, and 43% were already retired. The remaining 20%, altogether 548,000 people were inactive for unknown reasons.

The restructuring of both the number of employees and the relative employment rates of *the major economic sectors* also continued in 2003. Employment in agriculture dropped from 6.2% in 2002 to 5.5% in 2003, employment in industry decreased from 34.1% to 33.3%. At the same time, the rates of people in the services grew from 59.7% in 2002 to 61.2% in 2003.

There are quite substantial *regional disparities* in employment, both in terms of rates and sectoral distribution. In recent years, these disparities have increased. In 2003, the unemployment rate in Central Hungary was 68.8% of the national average, while in the northern part of the country it was 165.4%. The disparities in regional employment rates, on the other hand were not as sharp, ranging from 109.3% to 88.9%. The regional cohesion index of the Laeken indicators also shows growing regional inequalities, rising from 7.8 in 2000 to 9 in 2002. Despite low employment and high inactivity, in some regions there is a shortage of qualified labour force and lack of skills demanded on the labour market.

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Among the *population aged between 15-24*, both the number and rates of employment fell in recent years, primarily because of an increase in the number of people of this age group attending school full time. In 2002, the employment rate of this age group was 28.5%, while in 2003 it was 26.7%, well below the EU average of 40%. Since 2000, the number of school leavers registered as unemployed has been steadily increasing. In 2003, the number of school leavers under 30 registered as unemployed was 9.6% higher than the previous year, while the unemployment rate of the over-30s was 3.1% higher at 13.4% (EU-15 15.8%). Young people aiming to enter the labour market often face the problem that their qualifications do not meet market requirements.

In contrast with young people, the employment level of the generation close to retirement age, the *55-64-year-olds*, has increased significantly in recent years, rising from 25.6% in 2002 to 29.0% in 2003. The main driving force of this increase was a rise in the retirement age, which resulted in a particularly significant increase in employment of women.

The group that was the hardest hit by the transition and its implications for the labour market, were the *Roma*. Following the changes after 1989, more than half of the Roma in an economically active age, who used to be employed, lost their jobs. Their employment level declined to roughly half of the non-Roma population; while their unemployment rate is 3-5 times higher than that of the non-Roma people. The ratio of dependants per economically active person is also three times higher than in the non-Roma population. According to a 2003 survey on employment and income level amongst the Roma, only 21% of the 15-64-year-old Roma population were in employment. Within that, the male employment rate is 28%, while the female employment rate is only 15%.¹

The labour market situation of disabled people is extremely unfavourable. According to a 2002 survey conducted by the Central Statistics Office (CSO) among the working age population with long-term health problems (including disabled people), fewer than 95,000 of the total number of 656,000 were present on the labour market, and almost 10,000 as unemployed. Among those employed 20% were employed in sheltered jobs.

Hungary's employment policy is based on three overarching and mutually reinforcing measures in line with the European Employment Strategy. These are i) increasing employment to reach full employment; ii) improving quality and productivity of work; and iii) promoting social cohesion and improving labour market opportunities of disadvantaged groups. The National Action Plan for Employment, being prepared parallel to this document, details the measures aimed at promoting employment.

1.3 Public welfare expenditures

In the past ten years, welfare expenditure has gone down as a percentage of GDP. According to latest data on *social protection* that conforms to the EU (ESSPROS system), the overall welfare expenditure in Hungary in 2001 amounted to 19.8% of GDP including administrative expenditure, 7.7% less than the average for the EU-15. Available data for 1999-2001 show a moderate decline in social protection expenditure as a rate of GDP. Calculated in purchasing power parity (PPP), per capita welfare expenditure is far lower than the EU average, which was 2.8 times that of the Hungarian figure for 2001.

Health care expenditure plays a very significant role in individual welfare alongside social protection expenditure. In 1998, Hungary spent 6.9% of GDP on health care, a figure that declined to 6.7% in

¹ Kemény, Janky 2003.

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2001. In 1990, *education* expenditure amounted to 5,7% of GDP, down to 5.5% in 1995 and to 5.2% in 2001.²

Coordinated actions are needed, including a more efficient, targeted and coordinated use of welfare policy resources to implement top priority social-policy goals such as boosting social cohesion and combating poverty and social exclusion.

1.4 Demographic trends, health status

As in other countries within the region, negative trends in *demographic processes* became even more prominent in Hungary in the past decade. The birth rate continued to decline while mortality increased. As a result, in the past twenty years the population of Hungary went down by 500,000. The population decline was caused by a combination of a lower birth rate than the EU average (9.5‰ in 2002) and an exceptionally high mortality rate of 13.1 ‰ (EU average 9.5‰). Internal migration remained low and although immigration has been growing, it is well below the EU level.

The *breakdown of the population by age group* is similar to the European Union. The population is ageing and the percentage of young people is dropping steadily. In the 1990s the under-15s made up 20.5% of the population, a figure that dropped to 16.1% by 2003. Both the proportion of the age group 15-64 and over-65 has shown a slight increase. In 1990, 13.2% of the population was 65 or more, while in 2003 that figure had gone up to 15.4%.

Mortality figures in all the 7 regions of Hungary exceeded live births. Overall mortality indices are not good – life expectancy at birth is well below the EU average. However, the population trend, which has been deteriorating since the 1960s, appears to be turning around over the past few years, and the population decline curve has flattened. Life expectancy at birth has also increased, and in 2002 it was 68.3 years for males and 76.6 years for females, still 6-8 years lower than the EU average. The cause and age patterns of mortality are roughly the same as in the economically advanced countries. The most common causes include cardiovascular diseases, cancer and external factors. The rate of chronic diseases is on the rise, partly because of the ageing population and partly because of an unhealthy stressful way of life (sedentary lifestyle, inappropriate nutrition, smoking, alcohol consumption, etc.). One-third of Hungarians has regular physical complaints and over one-fourth (27%) have mental health problems.³

The Government Demographic Committee, which was established in 2001 and strengthened in 2002 to include nobilities from scientific and cultural life, designed a government demographic strategy in 2003, which was then opened up for social debate in 2004. Measures focusing on social inclusion, welfare and cohesion can create the most important social conditions needed to attain demographic policy targets. Increasing employment, overcoming barriers to employment and obtaining the kind of competitive knowledge that increases people's labour market opportunities are key issues. We need to evolve an employment, social and service-providing environment that supports harmonious family life and improves conditions for people who chose to have children. These systems need to offer substantial assistance in caring for dependant family members and children through appropriate family assistance and social services. It also needs to improve health consciousness and awareness of the environment, and advance the healthcare system, aimed at longer lives and more healthy years of life.

² ESSPROS does not include education data. The education data comes from a statistical information bulletin issued by the Ministry of Education, while the other data in this section comes from the Central Statistics Office.

³ Based on a time management survey conducted by the Central Statistics Office in 2000.

1.5 Educational level

The overall education level in Hungary improved over the past ten years. Both the number and rates of people with secondary school and college education increased, particularly among the young and particularly among young women.

The number of children attending *primary* school has been going down corresponding to a drop in the school-age population. About 5% of the under-16 year-old population do not finish the eight grades of primary school. This group has the poorest chances of finding jobs, and most never find a way to enter the workforce. While the number of young people aged 14-18 has been declining, the number of students attending *secondary school* full time has been steadily increasing. In 2002, 85.8% of all 22-year-olds had attained upper secondary qualification, which conforms to the EU target. The number of students in *higher education* has also been continuously growing. According to 2001 census data, nearly half (45.4%) of the 15-64-year-old population had graduated from secondary school and 12.4% from college. Some 17.4% of the 25-30-year-olds were college graduates.

Education level is a decisive factor in employment opportunities. In Hungary, significantly lower proportions of people with low education levels have jobs than the average for the EU, and the unemployment rates are highest for these groups.

Regarding educational inequalities, both research results and statistics suggest that development of pedagogy is not enough by itself to counterbalance the pervasive effects of social disadvantage on school performance. As the PISA research shows, the performance differences between schools in Hungary are exceptionally high by international comparison. These differences are directly related to the type of settlement in which the schools are located and to the social status of the students. This is partly a cause and partly a result of the high level of selectivity in the education system. Separation and segregation are also common phenomena in schools in Hungary.

One way to lay a foundation enabling one to prosper in society is education that is accessible to all, for it creates opportunity and offers the knowledge needed to obtain positions on the labour market. The goal of the medium-term public education-development strategy is to initiate and reinforce processes that prove successful in helping children and adolescents to develop and their personalities to grow. It should do the groundwork to encourage lifelong learning and active participation in society, enabling flexible adjustment to continuously changing labour market demands. The new strategy needs to reduce inequalities in the education system and guarantee the operation of the principles of solidarity and fairness, all of which strengthens social cohesion. The Hungarian Universitas Programme aims at improving equal opportunities, the revision of the benefit system available at universities, providing support for talented students coming from a disadvantaged background, strengthening anti-discrimination measures and guaranteeing politics-free education.

1.6 Income inequalities, poverty

Triggered by macroeconomic processes, by the mid-1990s household incomes bottomed out. The gap between the lowest and highest incomes increased as overall incomes dropped. Although no targeted survey of income has been conducted in Hungary since 1996, it is probable that by today the income differences and the gaps between highest and lowest that evolved by the end of the 1990s have been consolidated. In 2002, according to CSO data, the difference between the equivalised incomes of the highest and lowest 20% of the population was 320%, while 2003 data by TÁRKI claims the difference

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to be 450%. According to CSO, the Gini-coefficient for 2002 was 22.6%, while according to TÁRKI it was 29.6.⁴

In 2002, annual per capita net household income was HUF 573,000. One positive trend is that the relative income position of retiree households has improved in the past few years. At the same time, the per capita gross income of households with children was only 76% of the income of households without children.⁵ This means that earnings and the ability of households to support children, is still unable to keep up with the rising costs.

In parallel with an increase in the general income level, the rate of income from work within total income began to increase as transfers declined. In 2002, income from work amounted to 71% of the total national average while incomes from transfers amounted to 28%. The rate of other income (from capital and from transfers among citizens) continues to be negligible (1%).

According to the EU's definition of income poverty, nearly one in every ten Hungarians is poor. By international comparison that is not a high rate, but when evaluating this figure we need to realise that in Hungary, the poverty threshold is well below the minimum subsistence level.⁶

We believe that the Laeken indicators do not give a realistic picture of poverty in Hungary. In Hungary there is no stated "official poverty threshold". Instead, the threshold used to determine entitlement to welfare benefits is the government-guaranteed *minimum pension*. In 2003, that amounted to HUF 21,800/month and in 2004 to HUF 23,200/month, and it is the lowest of the poverty thresholds used. One very useful poverty threshold, regularly published by CSO, is "the amount households qualify as necessary to live very frugally." We call this the *subjective poverty threshold*. Finally, the poverty definition used by the EU is a *relative poverty*, which is 60% of the median income calculated in consumption units.

Various poverty thresholds and the proportion of persons and households living in poverty (Calculated using OECD1 consumption units)

	Poverty line	Population	Households
	HUF/year	rate, %	
Living below minimum pension	334 500	5.4	4.1
Living in relative poverty	394 870	9.2	7.5
Subjectively poor	461 153	17.0	14.4

Sources: Central Statistics Office (CSO) Household Budget Survey (estimated calculations), 2002

The *Roma population* is over-represented among the population at risk of poverty and particularly among the group living in persistent poverty. No matter what method of calculation is used, over half of the Roma population lives in poverty. If we consider all the people declaring themselves to be Roma to be part of this group, then one-tenth of all poor people are Roma. If we use other classification, then

⁴ According to Laeken indicators. We should note that the reliability of income data is questionable. The data come from the CSO Household Budget Surveys, which tends to underestimate both the income and in particular, the dispersion. The other available source, TÁRKI's Monitor surveys, produce income data that appears to be more realistic, but with a small sample from which the data was collected results in limited reliability, here, too. Limits in the ability to link registered data and information coming directly from the public are also a problem in Hungary, as are, to no small extent, distortions caused by un-reported income.

⁵ Data are from CSO Household Budget Survey.

⁶ EU guidelines call for calculating the poverty rate using modified OECD scales instead of using OECD1, but this is not relevant to current Hungarian situation.

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Roma people make up one-fifth of the poor population with regard to both income and housing conditions. The various poverty risk factors - low education level, unemployment, large families - are cumulatively present, besides the statistical fact that being a member of this ethnic group in itself significantly increases the probability of poverty.⁷

The most important risk factor for poverty in Hungary (in addition to ethnicity) is jobless household. The Laeken indicators show that the risk of poverty among the unemployed is nearly four times that of the national average.⁸ Poverty moreover, is prevalent primarily in the countryside, in small settlements and villages. As a result, the most severe poverty can be found in rural areas and small settlements.

The number of children in a household has long played a significant role in poverty. The risk of poverty for families with three or more children is about three times the national average while the risk for single-parent families is double the average. The poverty rate *among children under 16* is well over the national average (16% in 2002 - a Laeken figure)⁹ and most concerningly the highest risk of poverty is among children aged under 2.

As of the mid-1980s, the role of the *education level* and labour market position of the head of household played an increasingly crucial differentiating role in determining income inequalities. By today it plays an extremely important role not only in triggering inequality but also in terms of poverty risks.

In the late 1980s, the demographic factors influencing income levels, income inequalities and poverty have become less significant. The main role - aside from ethnicity, being Roma - is now defined by the position on the labour market of household members, principally of the head of household. The social exclusion of people no longer able to find a place on the labour market who are condemned to long-term unemployment, of people with low education levels working for very low wages, and of families with several children, is a social problem demanding urgent remedy. To better understand social exclusion and to monitor the processes resulting in exclusion requires an improved social statistics and better data.

1.7 Regional inequalities

In 2003, Hungary had 3,145 settlements. The population of Budapest continued to decline (17%), those of other cities remained unchanged (48%), and there was a slight increase in rural population (35%). In Western and Southern Transdanubia, and in the Northern Hungary region, the settlement structure consists of widely scattered or extremely tiny villages.

Three-quarters of the settlements have populations fewer than 2,000 and one-third have less than 500. The smaller a settlement is the larger the rate of elderly residents in its population. In settlements with fewer than 5,000 population the percentage of elderly people is 20%-25%. In 2001, 46% of all Hungarian settlements and 66% of all settlements with fewer than 500 population had backward socio-economic patterns and infrastructures, or significant unemployment.

In other words, regional inequalities appear on the one hand in the *settlement 'ladder'* of village, town and city, and on the other, in differences between *the eastern and western parts of the country*. In parallel, there are highly significant regional differences in socio-demographic parameters. These differences are manifest even on regional level but they are particularly strong on a micro-regional level. A good example of how regional and social disparities are linked can be taken from *mortality indices*. In the micro-regions, life expectancy at birth for males varies between 63 and 71, while for females it

⁷ Kapitány, Balázs - Spéder, Zsolt (2004) Poverty and deprivation: Turning points in our lives (in Hungarian). Workshop Studies 4. CSO

⁸ Calculating with poverty rates calculated using OECD1 consumption units.

⁹ Working with poverty rates calculated using OECD1 consumption units.

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ranges from 73 to 80. Hungary has micro-regions in which barely 60% of the male population reach the age of 60, in contrast, for instance, with Budapest's District II, where 85% reach age 60.

There are also significant regional inequalities in the labour market. The *unemployment* rate is lowest in Budapest and the agglomeration, and highest in the Eastern Hungary. In some micro-regions and employment zones, the unemployment rate is constantly over 10%-15%. In these regions the rate of unregistered unemployment is often also high. In Budapest there are 126 economically inactive persons per *100 economically active ones*, while the inactive figure for Szabolcs-Szatmár-Bereg county is 199. This index ranges from 113 to 246 from one micro-region to the next.

In disadvantaged regions other typical factors are *low educational levels* and *poor health status*. Social tensions prevail, primarily due to the discrepancy between the poor settlements having intensive need for local welfare services and the limited financial capacity of these local self-governments. Life spans are longer and populations are more mobile in the dynamically developing micro-regions compare to the stagnating, declining ones.

Despite significant resources spent on regional development, experience of past years shows that most of the backward regions are unable to overcome their disadvantages. The unemployment rate, GDP and other indices do not improve immediately, but an effective regional policy can prevent further deterioration. The impact of regional development policy and the support disadvantaged regions receive will appear on longer term and after a time lapse. At the meantime numerous infrastructural investments have been made and they are important prerequisites to future economic growth.

Strategic approach, main objectives and key targets

Promoting employment. Improving access to public services. Reducing poverty. Investing in the future. Mainstreaming the fight against social exclusion.

In the Joint Inclusion Memorandum (JIM), Hungary identified the main social risks and challenges of poverty and social exclusion. The current document, designed to conform to the EU's common objectives in combating social exclusion, summarises the main actions and measures being started between 2004 and 2006 to reduce poverty and exclusion

Fighting poverty and social exclusion is a society-wide obligation that requires the coordinated action of all sectors and all stakeholders to be successful.

MAIN OBJECTIVES IN THE FIGHT TO COMBAT SOCIAL EXCLUSION, 2004-2006:

- 2.1. PROMOTING EMPLOYMENT
 - 2.2. GUARANTEEING ACCESS TO PUBLIC SERVICES
 - 2.3. REDUCING POVERTY, INCLUDING PERSISTENT AND DEEP POVERTY
 - 2.4. INVESTING IN THE FUTURE: GUARANTEEING CHILD WELL-BEING
 - 2.5. MAINSTREAMING THE FIGHT AGAINST SOCIAL EXCLUSION
-

2.1. Promoting employment

An employment-friendly economic environment. Active labour market programmes. Training, adult education and lifelong learning. Reconciliation of work and family life. Services to assist employment.

EUROPEAN UNION GUIDELINES IN THE FIGHT AGAINST POVERTY AND SOCIAL EXCLUSION WITH RESPECT TO FACILITATING PARTICIPATION IN EMPLOYMENT

To promote access to stable and quality employment for all women and men who are capable of working, in particular:

- by putting in place, for those in the most vulnerable groups in society, pathways towards employment and by mobilizing training policies to that end;
- by developing policies to promote the reconciliation of work and family life, including the issue of child- and dependent care;
- to prevent the exclusion of people from the world of work by improving employability, through human resource management, organization of work and life-long learning.
- to extend ALMPs in order to facilitate the labour market integration of the long-term unemployed and other groups facing high poverty and exclusion risks.

Hungary considers that the best way out of poverty and social exclusion is employment. Therefore, integration/reintegration into the workforce is a top priority task. To promote employment and reduce inactivity, it is of fundamental importance to do the following, in accordance with the National Action Plan for Employment (NAP/empl) currently being designed:

2.1.1. Ensuring an employment-friendly economic environment

Through job creation, supports for small and medium-sized enterprises (SMEs), incentives to employment both for employee and for employers.

2.1.2. Active labour market programmes for disadvantaged groups

Comprehensive employment programmes including labour market training, wage subsidies, expansion of rehabilitation jobs and more community service type jobs and public work.

2.1.3. Improving employability by promoting marketable training, adult education programmes and lifelong learning

Advancing vocational training and expanding adult education programmes, as well as developing lifelong learning opportunities.

2.1.4. Promoting the employment of women and finding ways to reconcile work and family life

Promoting flexible employment, expanding day-care services and developing a network of services to care for dependent family members.

OBJECTIVES

2.1.5. *Providing community-based services that support the reintegration to the labour market*

Strengthening social services in their capacity to find pathways towards employment for the socially excluded, including counselling, psycho-social support services, and promoting inter-professional work by strengthening cooperation among local services (labour market, welfare, vocational training, healthcare and culture).

EMPLOYMENT TARGETS

- To increase the employment rate to 59% by 2006 and to 63% by 2010 (EU target is 70%);
- To increase the male employment rate to 64.5% by 2006 and to 69% by 2010;
- To increase the female employment rate to 53% by 2006 and to 57% by 2010 (EU target is 60%);
- To increase the employment rate of people over 50 to 33% by 2006 and to 37% by 2010 (EU target is 50%);
- To reduce the long-term unemployment rate to 2.2% by 2006;
- To increase the rate of people participating in lifelong learning and adult education to 10% by 2010-ig (EU target 12.5%);
- To reduce the number of young people who drop out of vocational training schools to half the current rate, that is, to 15%;
- To increase the number of places in day-care for children under the age of 3 by 10% by 2007, to facilitate reconciliation work and family life.

2.2. **Guaranteeing access to public services**

Providing enabling public services. Reducing regional disparities. Providing disabled access to services. Reducing discriminatory practices

EUROPEAN UNION GUIDELINES IN COMBATING POVERTY AND SOCIAL EXCLUSION WITH RESPECT TO ACCESS TO PUBLIC SERVICES

- To develop, for the benefit of people at risk of exclusion, services and accompanying measures which will allow them effective *access to education, justice and other public and private services*, such as culture, sport and leisure
- To *exploit fully the potential of the knowledge-based society and of new information and communication technologies* and ensure that no-one is excluded, taking particular account of the needs of people with disabilities.

OBJECTIVES

- To create opportunities for *lifelong learning* for social groups at risk of poverty and exclusion as well as to design integrated solutions which prevent and reduce school dropouts and other educational disadvantages
- To make investments to improve access to and the quality of public services, and in social services, transportation, housing and healthcare

A key social policy agenda in the fight against social exclusion is to ensure access to the labour market, to education and other public services that promote welfare and social equality, and the improvement of the quality and sustainability of these services.

2.2.1. Creating equal opportunity to access public services

In the area of *social services*: comprehensive support system in order to promote independent living skills for those in need of care. This includes promoting volunteering and supportive communities, increased legal protection for service users by establishing sustainable, reliable and transparent services and strategic service development.

Within the *education* system: expanding access to pre-school education for disadvantaged children, the elimination of discrimination in education, the integration of the Roma, assistance to students in disadvantaged situations and special-needs children. Additional support is needed for children in disadvantaged situations with comprehensive enabling programmes and complex teacher training components.

In healthcare: initiating preventive programmes with a special consideration of the need of disadvantaged social groups, developing services and improving access to healthcare.

In the area of e-inclusion: improving computer and Internet access, particularly among disadvantaged social groups.

In the area of culture and sports: reinforcing the role of culture as a factor in social integration by improving access to libraries, museums and other venues of general culture and by assuring improved access to sports centres and recreational facilities.

2.2.2. Reducing regional disparities

Improving regional access to employment, healthcare, social-, child welfare- and child protection services to reduce inequalities.

2.2.3. Ensuring an accessible service environment

Assuring physical and communicational accessibility to public buildings and public services as well as to certain private services (tourism, sports).

2.2.4. Reducing discriminatory practices

Introducing anti-discrimination measures in education and expanding opportunities for legal remedy to people accessing healthcare, social and child protection services/benefits, by providing patient-, care-recipient- and children's rights advocates, and by legal regulation and enforcement of equal treatment.

OBJECTIVES

TARGETS IN PROMOTING ACCESS TO PUBLIC SERVICES

To increase capacity of home care support by 10% by 2006 as a part of constantly improving access to need-based basic social welfare services.

Increasing opportunity for Roma children through the continuous expansion of integrated education. Ensuring the forms of education that best suit the abilities and personalities of special-needs students as well as for special needs children.

Increasing the rate of 22-year-olds with upper-secondary education to 88%

Increasing life expectancy at birth by three years (to 71 for males and 79 for females) by 2012. Reducing the rate of premature mortality by 10% by 2008 in the three most disadvantaged regions.

Increasing PC use to 50% of the overall population and Internet use to 40% by 2006. Bringing the indices for the disadvantaged groups closer to the nationwide average.

Establishing a venue for general culture accessible to everyone in every settlement by 2012.

2.3. Reducing poverty, including persistent and deep poverty

Incentivised social assistance system, general subsistence minimum. Increasing housing security. Reducing homelessness.

EUROPEAN UNION GUIDELINES IN COMBATING POVERTY AND SOCIAL EXCLUSION WITH RESPECT TO POVERTY, TO PERSISTENT AND PROFOUND POVERTY

- To guarantee that everyone has the resources necessary to live in accordance with *human dignity*.
- To put in place policies which seek to prevent *life crises, which can lead to situations of social exclusion*, such as indebtedness and becoming homeless.

Targeted and direct efforts are required to assist the most vulnerable groups, to reduce persistent and deep poverty and to prevent impoverishment. The following are needed to order to achieve that:

2.3.1. *Incentivised and targeted social assistance and the introduction of a minimum subsistence level*

Priority attention must be devoted to (a) people who often live in enclosed clusters of poverty, (b) the long-term unemployed and their families, (c) single elderly people, (d) people living with disabilities or chronic health problems, (e) families who lose their homes, (f) people requiring assistance for mental health problems, and (g) people suffering from discrimination. This means modernisation of the assistance system: establishing a social minimum and designing a general

OBJECTIVES

subsistence benefit to assist economically active age families living in income poverty. This means increasing certain cash supports to people in the most difficult circumstances.

2.3.2. *Improving housing security*

(a) reducing over-indebtedness, (b) eliminating slums, (c) increasing the rate of rental housing, and (d) supporting home procurement and retention.

2.3.3. *Reducing homelessness*

Reducing the number of homeless individuals and families who live on the streets and expanding integration opportunities for homeless persons.

POVERTY TARGETS

Revisiting and modernising social legislation.

Designing a social minimum as a new foundation on which to project cash benefits.

Introducing general subsistence benefit.

Increasing the amount of certain cash benefits.

Significantly reducing over-indebtedness by 2006.

Increasing the proportion of rental homes by 15% in 15 years.

Reducing the number of homeless persons living on the street, increasing opportunities to integrate homeless persons.

2.4. Investing in the future: guaranteeing child well-being

Advancing provisions supporting families and children with adequate benefits and care services. Enabling education. Protection of children's rights.

EUROPEAN UNION GUIDELINES IN COMBATING POVERTY AND SOCIAL EXCLUSION WITH RESPECT TO ASSURING CHILD WELL-BEING

To implement action to preserve family solidarity in all its forms

To guarantee children's rights extensively

To move towards the elimination of social exclusion among children and give them every opportunity for social integration.

Improving the social situation of children, combating child poverty, and integrating children who are removed from their families are of key importance in preventing the inter-generational transmission of poverty. The high rate of child poverty requires special efforts to improve the ability of families raising

OBJECTIVES

children to earn a living, achieve financial security, to improve chances of children at the start of school, and to advance child welfare services and services that support families.

2.4.1. *Guaranteeing benefits in cash and kind to families, expanding family support and child welfare services*

Increasing the number of child day-care and crèche places, developing child welfare services, facilitating the labour market participation of parents, expanding family- and child related benefits, providing free or subsidized school meals for children who are in need. Assisting lone-parents more extensively.

2.4.2. *Enabling education*

Combating discriminatory segregation in schools, taking measures to increase educational chances of disadvantaged pupils and students, reducing dropouts in all educational levels including vocational training, and establishing programmes to assist students to access higher education. Increasing the number of pre-schools and primary schools with a particular focus on Roma and disadvantaged children.

2.4.3. *Enhanced enforcement of children's rights*

Appointing a ministerial Commissioner for children's rights and children's rights advocates, combating child abuse.

CHILD POVERTY TARGETS

Improving the situation and the life chances of children living in deep poverty by expanding benefits in cash and in kind.

Introducing new institutions fostering equal opportunities and protection of rights.

Increasing pre-schools places in disadvantaged micro-regions populated predominantly by Roma, and advancing the infrastructure of primary schools in these areas.

Child welfare centres will be established in all settlements with populations exceeding 40,000, starting in 2005.

2.5. Mainstreaming the fight against social exclusion

Special priority to certain groups such as the Roma population, persons with disabilities, women, and elderly. Cooperation among sectors and administration levels. Involving NGOs

EUROPEAN UNION GUIDELINES IN MAINSTREAMING THE FIGHT AGAINST POVERTY AND SOCIAL EXCLUSION

- To mainstream the fight against exclusion into *overall* policy,
- To mobilise the public authorities at national, regional and local level, according to their respective areas of competence.
- To develop appropriate coordination patterns and structures.

OBJECTIVES

Concepts such as social exclusion, social inclusion, and even equal opportunity have begun to take root in Hungarian politics, policy-making and social thinking as relatively new concepts. Emphasising the principle of *mainstreaming* in the Hungarian context means that combating poverty and social exclusion is more than a narrowly interpreted task of the social welfare system. Instead, it is an issue of general validity requiring work from all policy areas including all possible levels of administration (regional, county, micro-regional and local.). This requires revisiting laws, offering integrated programmes and comprehensive services as well as evolving the statistical systems that are able to measure their efficiency.

2.5.1. Mainstreaming the fight against the social exclusion of the Roma

Comprehensive employment, training, housing, healthcare, justice, cultural and anti-discrimination measures, implementing the 2004-2006 medium-term package of measures to promote the social integration of the Roma population including campaigns to shape public opinion and sensitivising training.

2.5.2. Mainstreaming the fight against the social exclusion of people living with disabilities

Guaranteeing physical and communicational, informational access, improving employment opportunities with educational, higher educational programmes, providing social and healthcare services, to shape social awareness and public attitudes, and to involve NGOs in the decision-making processes.

2.5.3. Gender mainstreaming

Improving opportunities for employment of women by increasing family solidarity, facilitating the coordination of family and job requirements, reducing violence against women, increasing their participation in public life and improving gender statistics.

2.5.4. Activation and dignity for the elderly

Facilitating the active life and the participation of the elderly; providing elderly-friendly physical and social environment and better access to public services; strengthening intergenerational solidarity and shaping the societal attitudes towards the elderly.

2.5.5. Cooperation between sectors and all levels of public administration

Preventing and eliminating social exclusion in various sectors and all possible levels of public administration, as well as in legislative, law-enforcement and strategic planning processes; strengthening the processes of regionalisation and decentralisation; providing synergy between the NAP and the implementation of Structural Funds between 2004-2006, and the planning of the programming period 2007-2013.

2.5.6. Supporting NGOs in their fight against social exclusion

Promoting social dialogue, empowering NGOs, assuring their participation in processes of decision- and policy making; enhancing the capacity of the non-governmental sector so that the NGOs become arenas of social solidarity, the fight against discrimination and equal opportunity.

TARGETS IN COMBATING SOCIAL EXCLUSION AS A HORIZONTAL ISSUE

Significantly reducing the social exclusion of the Roma.

OBJECTIVES

Continuing the programme that promotes physical, communicational and informational accessibility.

Establishing local and Regional Social Policy Roundtables and Social Policy Councils in the 7 regions.

Comprehensive approach to the multiple disadvantages of refugees and those receiving subsidiar protection.

Policy measures

Facilitating participation in employment. Enabling access by all to the resources, rights, goods and services. Helping the most vulnerable, Supporting groups in special life situations.

3.1 Facilitating participation in employment

Promoting employment for disadvantaged groups. Training measures and lifelong learning. Reconciliation of work and family life

Hungarian employment policy, in line with the European Employment Strategy, is based on the following three mutually reinforcing measures:

- full employment,
- improving the quality and productivity of work,
- promoting social inclusion and tolerance.

Low levels of employment limit economic growth rates, hamper its ability to adjust to change and tightly restrict overall budget inflows, while increasing expenditure. They limit opportunities to reduce taxes on longer term and increase the risk of social exclusion.

TARGET FOR HUNGARY'S EMPLOYMENT RATE

- to reach 59% employment rate of the total working age population by 2006 and 63% by 2010,
- to reach a female employment rate of 53% by 2006 and 57% by 2010,
- to reach a male employment rate of 64.5% by 2006 and 69% by 2010.

In recent years the government has made considerable efforts to promote economic growth and to create the financial and legal conditions for sustainable development. It is essential *to create new jobs, to provide incentives to promote the inflow of FDI* and to support *small and medium sized enterprises (SMEs)* to increase employment.

POLICY MEASURES

Promoting FDI is of particular importance to improving the long-term competitiveness of the Hungarian economy. The government plans to improve its FDI incentive system by offering more competitive tax conditions, altering certain elements in the support system, developing an investment-friendly system of procedures, institutions, and organisations, boosting labour competitiveness, and improving infrastructural conditions for investors. The Operative Programme for Economic Competitiveness (EC OP) of the National Development Plan is supporting industry and the service sector as areas of priority for investment promotion, for they are significant contributors to job creation. The business infrastructure development and proactive investment promotion counselling supported here will indirectly create jobs by improving competitiveness.

The Széchenyi Business Development Programme, a medium-term development programme for SMEs, was initiated in 2002. It is designed to help businesses grow, and to build networks and cooperation. A comprehensive support system assists the *SMEs* and includes tax concessions for investments, financial constructions that help *SMEs* access financial services, and supports available to bidders to improve competitiveness. To offer incentives to increase employment, the *EC OP* has offered *SMEs* the opportunity to improve their technologies and to work together in cooperation with other businesses and make joint investments.

Significant measures were already taken in past years to *cut taxes on low salaries* and to create a legislative and monetary environment that promotes the re-integration of unemployed people to the labour market. One move was to abolish the personal income tax rate on minimum wages and incomes lower than minimum wage. The lump sum healthcare contribution was also reduced, and in case of certain specific groups (mothers receiving childcare allowance or child raising support, and people who serve as family caregivers who take part-time jobs) it was abolished. After ascertaining the beneficial affects of these measures on increasing employment, deductions from low wages will be reduced still further. A particular emphasis will be placed on reducing taxes and contributions on incomes from work for the initial period after a person takes a job.

Measures to increase the employment level must spotlight the economically inactive population as well as the officially unemployed, and support their return to the labour market, since the official unemployment level is comparatively low. We need to *advance active employment policy measures* to promote the labour market entry of people who have been absent from the labour market for a long time because of long-term unemployment or inactivity. To do this, we need to improve the effectiveness of our active labour market policy and the quality of employment services.

The most important institution of the implementation of the Hungarian employment policy is the Public Employment Service (PES). It consists of the Employment Bureau, the Labour Centres in Budapest and in the 19 counties and 174 local branch offices, as well as the 9 Regional Labour Development and Training Centres. A Labour Market Fund, made up on contributions by employers and employees, provides the finances for active labour market measures and PES operations. The modernisation of PES is going to take place between 2004-2006 financed by the Human Resource Development Operational Programme (HRD OP) of the European Social Fund (ESF). The measure promotes more targeted services aiming to facilitating employability and more efficient services for people seeking a job.

Local governments also play an important role in operating support systems to manage unemployment, principally in organising public work.

NGOs have an important role in reaching and offering services for those unemployed and inactive people who are not in contact with PES. For over ten years, the National Employment Foundation has been supporting pilot programmes to assist disadvantaged groups in entering the labour market. As a result a number of target-group specific measures and methods have been developed that prove effective in promoting return to the labour market. The programmes include training and job-finding components,

labour market services, and psycho-social supports and services, adjusted to the needs of the target groups and the individual clients. These programmes will be continued in 2004-2006.

3.1.1. Promoting the employment of disadvantaged groups, active labour market measures

A central element of social exclusion is an uncertain labour market position or long-term exclusion from the labour market. Specific social groups in Hungary, particularly the Roma, and people with reduced working capacity, have particularly difficulties in accessing the labour market, for often they have to cope with multiple disadvantages.

Active labour market measures

Towards the end of the 1990s, when unemployment declined and the nature of unemployment changed, managing long-term unemployment became an increasingly great challenge that required new approaches and active employment policies.

Promotion of employment (through the measures of training, adult education, wage supports, assistance to business start-ups) has involved an average of 80,000-100,000 persons/month over recent years. To an average of 63% of people has been offered jobs because of wage supports, and after that they have been eventually hired permanently by their employers. Among first-time job seekers and young people receiving job supports to gain work experience the permanent hiring rate is 66.9%.¹⁰

The labour centres have started up *integrated labour market programmes* that use active labour market services and supports to re-integrate various groups of people in disadvantaged situations. In 2002-2003, some 39 integrated labour market programmes were started up by the Budapest and county employment centres, which use a combination of services, training, and supported jobs, and expected to see 3,950 persons enter the labour market through their efforts. Some 3,500 unemployed people are expected to be trained and employed within the framework of the programmes begun in 2004. An increasing proportion of integrated labour market programmes are constituted among those which aims to support the return to the labour market of the inactive and long-term unemployed with mentor services.

Various forms of public work support to find work for the groups that are most disadvantaged as far as accessing the labour market is concerned. These jobs include communal and institutional maintenance operations within communities, participating in building rental units being constructed by local governments, providing basic social services, and doing other local government, micro-regional or other public services. The goal of public work is to offer temporary work to people in the most disadvantaged positions as far as accessing the labour market is concerned, to retain their employability. When offering these jobs, priority is given to people who have been unemployed on long term, primarily to Roma. Each year the Ministry of Employment and Labour accepts bids for public work projects that offer temporary work to people in disadvantaged positions, and this includes the 2004-2006 period as well.

¹⁰ Based on PES monitoring for 2002

UNEMPLOYMENT TARGETS

To reduce the rate of people unemployed on long term by 2.2% by 2006.

To reach a point by 2006 when most unemployed are offered a new start or at least a temporary job before they have been unemployed for one year.

The Roma population

The employment indicators for the Roma population are very poor. Their disadvantaged labour market position is the combined result of the low educational levels and a lack of qualifications, living in disadvantaged regions, and discrimination on the part of employers. There have been numerous initiatives taken to improve their access to the labour market. These initiatives include labour market programmes and services run by employment organisations, PHARE programmes, Structural Funds projects starting from 2004, and the EQUAL Community Initiative. In addition, within the framework of the Széchenyi Business Development Programme in 2003 a separate invitation for bids was issued for Roma businesses.

For a number of years, Roma advocates, mentors and employment coordinators have been employed in the labour centres as well as in programme management to promote and facilitate Roma participation in the employment programmes.

The HRD OP has a complex approach promoting social inclusion, preventing poverty and social exclusion by promoting employment and by overcoming difficulties in entering the labour market as its priority. Most of the new programmes including measures supported by ESF treat promotion of social inclusion of the Roma population as a horizontal issue. Measures described here are intended to influence all factors of exclusion (low education levels, disadvantaged settlement, etc.) for all disadvantaged groups, although because of its high rate the Roma population has been specifically targeted

Improving the employability of disadvantaged people, particularly of the Roma is a measure that offers customised training, labour market services and personalised psycho-social supports, to people in disadvantaged situations. The target group of the measure includes people with low educational levels living in disadvantaged situations with a particular emphasis on the Roma, disabled people, persons who have qualified as defendants in criminal proceedings, early school leavers, people over the age of 45, and people who have recovered from addictions. The programme will reach about *8,000 people by 2008*.

The *Operative Programme for Regional Development (ROP)* includes measures to support local employment initiatives. *It offers opportunities in the four poorest regions of Hungary* to develop local employment strategies and to support employment projects in the social economy. The target groups of the employment component are people who are disadvantaged in accessing the labour market and are economically inactive or long-term unemployed. This programme will include *10,000-14,000 people a year*.

The Hungarian *EQUAL Community Initiative* supports the development and the dissemination of innovative approaches and methods that contribute to eradicating discrimination and inequalities from the labour market. The new methods and practices that have been proven to be successful will, on long-

term, shape domestic employment policy and expand its arsenal of tools within the framework of the programme.

Disabled people

Disabled people are especially disadvantaged when it comes to participation in labour market participation. There are multiple reasons for that: limited physical and informational access to institutions and workplaces offering labour market services, as well as by a low level of employers' receptivity. Another typical barrier of their integration to the labour market is a lack of marketable, up-to-date skills and qualifications.

The government therefore offers various incentives (tax concessions, supports in job creation) to employ disabled people. In addition PES gives priority to providing labour market services to disabled people. Furthermore, there are *rehabilitation group teams* working in each Labour Centres to help disabled people find jobs. At present there are *Rehabilitation Information Centres (RIC)* in operation at 16 Labour Centres offering comprehensive services and in 2004 a further 4 RICs will be established.

The Ministry of Employment and Labour will continue to provide services and support model programmes both already in operation as well as to be expanded, between 2004 and 2006 in the following areas:

- Ensuring access to information and services, partly through PES institutions, and expansion of RIC;
- Expanding alternative labour market services, partly through the more extensive involvement of non-profit organisations;
- Trainings for staff working in PES and in rehabilitation institution, preparing them to provide integrative labour market services;
- Establishing an employment rehabilitation research group;
- Providing support to employers that receive special government grants - primarily to target organisations - to update and modernise their operations.

A programme to revisit the support system for the employment of disabled persons has been underway since 2003. One of the first steps was to increase employer rehabilitation contributions by threefold and to double the tax credit deductible by individual businesses, individual farmers and employers who have fewer than 20 employees, *to provide an incentive to employing disabled people.*

EQUAL Community Initiatives will also play an important role in introducing *inclusive workplace practice* that promotes employment of disabled people, which will include broadening the functions of organisations specifically designed to employ disabled people.

3.1.2. Training and lifelong learning

Measures to provide training that improves employability are focused primarily on groups in disadvantaged labour market positions. This includes both the proactive training and retraining for employees who are threatened with dismissal as well as reactive job training for people who are already unemployed.

POLICY MEASURES

In the majority of the HRD OP measures disadvantaged groups enjoy a priority. Measures to prevent and manage unemployment focus primarily on training for school dropouts, young unemployed persons, long-term unemployed, and elderly jobless people. Within this project, the Public Employment Service organises on the one hand training that are customised to the special needs of the target groups and on the other hand counselling and career-orientation services. Improving the information and communication technology skills enjoy a top priority in all training schemes.

The prerequisite to lifelong learning is the existence of the key learning competencies. In line with the strategy for lifelong learning, HRD OP *measure Promoting the development of skills and competencies necessary for lifelong learning* aims to enhance the learning and the acquisition of those basic skills and competencies. The measure includes supporting the usage of competence-based training programmes in schools as well as training the teachers to teach these competencies.

HRD OP is also supporting an experiment to involve the local public culture institutions in adult education. The aim of this measure is expand the range of adult education programmes by involving more local actors – i.e. the culture institutions, thereby offering skills that correspond to local needs and services in regions where educational opportunities are otherwise limited or where other disadvantages have to be overcome. The methodology component will support adult education methods that are adjusted to the special needs of disadvantaged groups.

The *EQUAL programme also supports lifelong learning and sets priorities for evolving inclusive workplace practice* starting in 2004. The programmes will focus particularly on Roma, people with low educational levels, elderly working people, and people with disabilities, and involves training in order to improve their employability. To this aim the programmes include developing basic skills and expanding knowledge through the use of new technologies and procedures, and information and communication technologies.

In order to develop a competitive labour force all students in secondary school must be given the opportunity to take at least one medium-level foreign language test as well as tests for the European Computer Driving Licence (ECDL) and a driver's licence free of charge. For this reason, a *programme to advance foreign language instruction by 2006 will be designed* to improve the quality of language teaching in schools, and that all schools are equipped with computers and Internet access.

Despite the fact that the number of adults in education doubled in 2003, going up from 3.2% to 6% (330,000 people) it is well below the 12.5% target set by the European Union for 2010. The personal income tax credit (up to 30% of the course fees) and state grants for adult education introduced by the Adult Education Law in 2003 has contributed significantly to the expansion of the participation in adult

The structure of vocational training in Hungary was unable to adjust to labour market demands with the speed and flexibility necessary, creating serious barriers for employment growth. To better adjust training to labour market demands, changes to the National Training Registry was initiated in 2004 involving the representatives of employers. *Sixteen regional integrated vocational centres are being established between 2004 and 2006*, and will be tasked with coordinating and supervising a practice-oriented training system that meets with local labour market demands.

To improve employability efforts have to be made to prevent school dropouts. Dropouts are particularly high (30%) in vocational schools, therefore a programme being started in 2004 offering training to improve basic competencies for young people in disadvantaged situations before beginning the vocational training is intended to reduce dropouts.

To reduce school dropouts among Roma youth and to improve the quality of their education, with the financial support of the Labour Centres in several counties, supportive teachers are employed to offer

POLICY MEASURES

extra-curricular activities (tutorial activities, counselling, promoting inclusion, etc.) The employment of Roma school care takers and social work assistants serves the same purpose.

The “Workplace practice” programme with the cooperation of vocational schools for disabled students and PES enables these students to acquire work experience. The programme is going to be expanded.

TRAINING TARGETS

To increase participation in adult education to 10% by 2010.

To design a programme to advance foreign language education by 2006

To establish 16 regional integrated vocational training centres between 2004 and 2006.

To reduce the dropout rate of young people from vocational training schools by 15%.

3.1.3. Promoting the employment of women and the reconciliation of work and family life

An essential precondition for attaining equal opportunity for men and women is to facilitate the reconciliation of work and family life. This involves family supports, accessible and acceptable quality childcare, adequate care services for adult dependants, and forms of work organisation and employment that are better adjusted to family responsibilities, primarily the expansion of part-time work.

A PHARE programme begun in 2002 called “Creating Equal Opportunity on the Labour Market” is intended to assist women over 40 who are inactive but want to return to the labour market after caring for children or other family members. The programme builds on the adaptation of good practice from other member states, as well as to support projects including pilot projects and organisations offering services to job-seekers and business-starters.

In addition to supporting employers, women need *services and training*. Several programmes are being started up in 2004 to improve the employability of women facing disadvantages in the labour market for various reasons. Labour Centres in four counties began to run integrated labour market programmes to support women who want to return to the labour market. Within the framework of the HRD OP measure called *Promoting the participation of women in the labour market*, significant resources will be made available in 2004-2006 to support alternative employment services and the start-up of business enterprises that will (re)integrate women into the labour market or prevent their exclusion.

The components of the *family support system* (family allowance, maternity leave, childcare leave, childcare allowance, childcare fee, and tax credits) and the caregiver’s fee provides opportunity to leave the labour market temporarily to care for children or elderly and ill family members.

In order to facilitate employment, persons receiving childcare allowance in case their child is over a year-and-a-half or receiving child-raising support are permitted to work for up to four hours a day. As of 2003, once the child reaches the age of one, the right to receive childcare allowance may be transferred to a grandparent, which enables the parent to fully return to the labour market. In case of the childcare benefits either the mother or the father may receive it, moreover, as of 2003, fathers are entitled to 5 days of paid holidays when a child is born.

Improving day-care facilities for children will be a priority for 2004-2006. At present, there are day-care facilities for about 10% of the 0-3-year-olds. As of January 1, 2005, every settlement with over 10,000

POLICY MEASURES

population will be mandated to operate a crèche. In smaller settlements a “family day-care facility” can be an alternative to the crèche. Since 2003, this form of day-care has received state capitation grant. The HRD OP measure calling for *Developing the infrastructure of services supporting social inclusion* offers significant supports in that respect. The goal is to increase day-care facilities for children under the age of 3 by 10% by 2007. In addition, it will be necessary to significantly increase the state capitation grants to institutions caring for small children during that period. In order to guarantee the sustainability of the crèche, from 2005 the state capitation grant will be increased by 25%, and in settlements with less than 10,000 inhabitants the state capitation grant for family day-care service will be increased by 50%.

It is a priority government target to offer more support to women over the age of 40 who wish to return to the workforce and to women who want to return to the labour market following an absence due to child-care or care for other family members, by promoting therefore, *flexible forms of employment*. Measures taken include reducing mandatory employer contributions (such as the abolishment of the lump sum healthcare contribution) if they hire, on a part-time basis, women receiving childcare allowance or child raising benefit, or caregiver’s fees. A new form of employment support is being offered to parents with a child under 14 who wish to work part time. In 2004 the Labour Code was extended with rules on tele-work as well as the law on personal income tax sets favourable accounting rules to expenditures related to tele-work. The expansion of the tele-work would also enhance the labour market participation of those who care for severely disabled or long-term ill family member and thereby would boost the capacity of the family to attain income from work.

The *Family Friendly Workplace* award is being issued in 2004 for the fifth time. Applications can be submitted in three categories – small, medium, or large business; budget-sponsored institution; and foundation. It involves presenting practice regarding work time, extension training maintaining contacts with parents on temporary leave, and the operation of their childcare facilities. Winners are entitled to use the emblem “Family-Friendly Workplace” for the next year. In addition a HRD OP is also supporting the spread of family friendly workplaces by offering consulting and expert advice to organisations.

WORK AND FAMILY TARGETS

Increasing places in day-care for children under 3 by 10% by 2007 and designing financing conditions that assure sustainability.

Promoting the dissemination of flexible employment forms.

Advancing a family-friendly workplace environment.

3.1.4. Promoting labour market participation of older workers

In Hungary, the employment rate of people between the ages of 55 and 64 is well below the EU average (29.0 % in 2003). The reason is primarily an unfavourable labour market situation for older workers. A low retirement age and extensive opportunities for early retirement also play roles.

The gradual raising of the retirement age began in 1997. As of 2001, the retirement age for men reached 62, a level it will reach for women in 2009. Considering the demographic situation in Hungary, the new and uniform retirement age seems suitable. In order to increase the incentives of older workers to stay in the labour market as well as to improve the balance of the Pension Fund, starting 2004 workers who have reached retirement age but choose not to retire will grow by a half percent a month for every 30

POLICY MEASURES

days worked after attainment of retirement age. Employers are being offered incentives to employ older workers in that they do not have to pay healthcare contributions for workers over the age of 50 who previously were unemployed.

Expanding *further training opportunities* for older workers is a top priority. In 2003, barely 20,000 that is 1.5% of the age group over 50 participated in any form of training. Participation rates are also low in training organised by the PES. Therefore, older people will be one of the priority target groups in the ESF-supported *labour market programmes* between 2004 and 2006. These programmes will develop and offer people over the age of 45 training courses to retain and update their skills and knowledge.

Within the framework of the EQUAL Programme launched in May 2004 theme E supports lifelong learning and inclusive workplace practice pilot projects promoting the job retention capacity and employability of older workers, including the development of ICT skills, training on the use of new technologies, improving health and other work-related services.

OLDER WORKERS' EMPLOYMENT TARGET

To increase employment of workers over the age of 50 by 33% by 2006 and by 37% by 2010.

3.2. Facilitating access to resources, rights, goods and services for all

User-friendly and effective social services. Enabling education. Secure homes. Overcoming health disparities. Access to justice. Integrative culture. Information society for all.

3.2.1. User-friendly and effective social services

The social protection system in Hungary is made up of four major subsystems. They are mandatory social insurance (pension and health insurance), a system that manages unemployment, a universal family support system, and social provisions. The latter is made of up benefits in cash and kind, and institutional services that offer personal care services.

The report submitted to the government on 'Society's social situation and the social protection system' states that the role of the social provision system is to give an effective response to the social needs of society, to prevent exclusion and to offer effective assistance in the eradication of exclusion.

In the current situation and the foreseeable future priority will be given to

- people who have been excluded from the labour market,
- people who are at risk of losing their homes,
- children in socially disadvantaged situations,
- elderly people who need assistance due to their social situation or health status,
- people who need mental health support, and
- people whose health has been permanently damaged or who have disabilities.

This support in most cases must include both benefits (cash and kind) and personal care. These two types of support must be coordinated in order to provide effective help for the most vulnerable.

POLICY MEASURES

At present, the coordination between the various social provisions is rather weak. The subsystems of social protection are too fragmented. There are shortages in specific provisions; while there are serious inequalities accessing these services. The social assistance system needs to be simplified. Personal care services are fragmented; the financing are detached from performances, while, from the point of view of the citizens, there are very serious regional inequalities in the access to these services, specially in small, disadvantaged and poor settlements.

One of the main challenges of the coming years is to modernise the social provisions, which are crucial for supporting the poorest strata of society. This includes reforming cash benefits, adjustment of personal care services to the local needs, while adjusting the administration and financing system to these goals. A project called *SZOLID* (The Modernisation of Social Act and the Democratic and Long-term Development of Social Administration), initiated by the Ministry of Health, Social and Family Affairs and running parallel to the drafting of this document, is aimed at the long-term transformation of the social provisions. Within the project framework as of 2005 a short-term package of measures is to be introduced to halt the further deepening of poverty. It also contains a medium-term component, the preparation of a Solidarity Law, which will become a framework law to replace the Social Act adopted in 1993.

Main strands of the planned reform:

- *Providing an adequate social safety net for the most vulnerable;*
- *Rationalising certain elements of the social assistance system;*
- *Promoting and supporting employment by expanding day-care for children;*
- *Find an effective division of labour in terms of service provision in the field of basic social services between settlements and micro-regions;*
- *Reinforcing the professionalism of social administration and strengthening the role of the micro-regions.*

3.2.1.1. Social assistance

The role of social assistance is to offer protections for the most vulnerable strata of the society by providing the financial resources to meet their basic needs. In 2002, 1.7 million Hungarians, or about 17% of the population, received some form of social assistance. At the same time both the number of persons receiving assistance and the real value of the assistance dropped between 1998 and 2002.

The SZOLID project, aimed at modernising social legislation, plans to introduce the following changes between 2005-2006:

1. A fundamental change will involve the introduction of a new threshold, the so-called *social minimum to which all benefits will be projected*. The social minimum will take over the role of the minimum pension. The indexation of the social minimum as a threshold will need to be guaranteed by law. The most important goal in doing so is the effort to prevent people falling out of the social assistance system due to the lack of indexation and the loss of real value of the official poverty line.
2. In order to help the most vulnerable, the eligibility criteria of the regular social assistance will be expanded to all those people without any work experience, who are at active age, yet unable to find a job and live in income poverty.

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3. At the same time, a correction of the system will include supplementing several forms of benefits for people in the most difficult social situations, and will create *enhanced benefits*. The enhanced benefits will include increased caregiver fees for those caring for severely disabled person and increased elderly allowances for people over the age of 75.
4. The rationalisation of the free medical care card system, it to be more reflexive of social needs as well as real medication needs.

SOCIAL ASSISTANCE TARGET

Modernising the social provisions. Within this framework, the aim is to improve living conditions for the most vulnerable by making the social assistance system more effective, more efficient and more reliable.

3.2.1.2. Personal care services

Currently one of the biggest challenges is the lack of social service provisions exactly in settlements hit by multiple social disadvantages, where increased local needs are present for these services. Providing basic social care facilities is a legal obligation for all settlements. However, the small ones – which make up over half of the local self-governments – find it difficult to implement this legal obligation. At the same time, undifferentiated regulation results in low efficiency and high costs when it comes to providing services. As a result in many settlements, even the most basic social services are not provided, not accessible and the general care indices are very low.

The goal of the reform set out by the SZOLID project is to evolve a personal care system throughout the country that is sufficiently flexible to manage the changing needs, that can assure equal access to services, and can thus reduce the multiple disadvantages resulting from regional inequalities; offer individualised support services; promote a more just distribution of public welfare expenditures, and encourage the development of local communities capacity to help and self-help.

Social service development priorities, 2004-2006:

- to facilitate economic activity; promoting *independent living conditions*, and providing community-based care nearest to the recipient's own home environment; complete or partial labour market integration using rehabilitation, particularly with regard to persons with disabilities, persons with mental disorders or addictions and homeless people;
- to concentrate efforts to the severely disadvantaged regions in line with the priorities of regional and rural development, improving the capacity of settlements and micro-regions to retain their population through infrastructural development and through *employment* opportunities;
- to reduce regional inequalities by *improving access* to assistance and services (for instance, by expanding the network of remote homestead community caregivers);
- to improve the access and the efficiency of services by certain services to be provided not at the level of settlements, but at the level of micro-regions;
- to strengthen the professionalism of social administration and the strengthening the role of micro-regions;

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- to expand *community-based services*.

Improving services by strategic planning

To improve local service planning, as of 2003 all settlements with at least 2,000 population and all county governments have been mandated to design *service planning* strategy, which include the phasing of the special forms of care considered necessary. The strategy, which has to developed with the participation of the NGOs needs to be updated every two years. The county governments prepared their first strategy before the end of 2003, while local self-governments have to complete their plans by the end of 2004. Also, as of 2003, running local and county *Social Policy Roundtables* has been mandated by law. They are intended to assure the participation of various sectors in local social policy planning. Moreover, to strengthen the fight against social exclusion at regional level as well as to initiate regional social policy planning, a pilot programme has been underway since 2003 with the aim to establish regional planning network capacities.

Training professionals working in the social field

There are about 60,000 professionals working in social services. In 2004-2006, HRD OP is supporting the training of social work professionals through the measure called '*Promoting social inclusion through the training of professionals working in the social field*' a project aimed at training professionals and achieving cooperation between institutions and various sectors, to improve opportunities for rehabilitating and employing care recipients.

SOCIAL SERVICES TARGET

To assure attainable, mobile and sustainable social services. To increase home care support capacities by 10% by 2006, and day-care facilities for children by 10% by 2007.

To offer extensive training for social work professionals to reinforce inter-sectoral service development and strategic planning.

3.2.2 Enabling education

Equal opportunities from pre-school to college degree

The education system plays a crucial role in the fight against social exclusion. Besides promoting tolerance, it plays a key role in guaranteeing equal opportunity. To support this, the Ministry of Education has begun a comprehensive programme to build an enabling and affirmative education system from pre-school to college degree, in the epicentre of which the improvement of life chances of disadvantaged and in particular Roma children can be found.

Since the foundation for educational success are determined as early as in pre-school years, enabling and affirmative measures need to appear here first. About 11% of Roma children do not attend pre-school, even after the age of 5. The reasons include the high costs of these services and the lack of sufficient places and facilities. To increase their participation rate, as of September 2003, disadvantaged children are provided with free meals in pre-schools. Under an amendment to the Education Act, admission of children in disadvantaged situations (defined as children receiving regular child protection benefit or children in child protection registry) could not be denied admission to pre-schools, after-school day-care or student dormitories due to lack of

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space. Within the framework of the Operational Programme for Regional Development (ROP) it will become possible to *increase pre-school facilities and places* and primary schools in disadvantaged micro-regions, particularly ones in which there is a high rate of Roma population.

EDUCATION TARGET

To support 150-180 institutions a year in increasing pre-school facilities and places and primary school infrastructures in order to include larger proportions of disadvantaged and Roma children.

Integrated education

The integrated educational policy was laid down in the Act on Equal treatment and equal opportunity from January 2004, which bans discrimination in schools. In line with this legislative framework, to prevent disadvantaged and Roma students from dropping out of school and to reduce current school segregation practice, as of September 2003 a programme of *integrated education* was established in grades one and five of the primary schools and grade nine of vocational schools. This programme involved introduction of integration training in the grades given and ‘fostering talents’ programmes in the other grades, with state capitation grant.

The goal of integration is to eliminate segregated classrooms, to provide a common educational space *for children from differing socio-economic backgrounds* as well as to *introduce a differentiated educational organisation and teaching practice* that improve the quality of schools where disadvantaged children study, and to reduce the number of dropouts. The National Education Integration Network (NEIN) is providing professional assistance to the schools involved in the integration programme by sending coordinators to the regions. At present there are 45 schools participating in the programme with a high number of Roma population. (For description of the programme, see: Good Practice)

To support the integrated education of students in disadvantaged situations and special-needs students, there will be some funding available from EU Structural Funds between 2004 and 2006. The goals of a HRD OP measure is *to train experts* involved in educating these two target groups, namely Roma children and special needs students, *and develop a methodology for integrated education*. Training modules that can be introduced to teacher training, training of experts, and teacher further training programme packages are also being developed.

EDUCATION TARGET:

To assure equal opportunity for students in disadvantaged situations, primarily for Roma students, practical training is to be provided for 11,500 teachers and other professionals assisting teachers in 2005-2006. At the same time, 270 comprehensive models focused on an integrated pedagogical framework are being developed.

In Hungary, the proportion of children with special educational needs (learning disabilities) is 5.3% while the figure for the European Union is 2.5-3%. The other significant problem in addition to this exceptionally high rate is the overrepresentation of Roma children. Nearly 20% of Roma students are qualified as having special educational needs, while the rate for non-Roma students is only 2%. It often happens that children are redirected to special-needs schools simply because their social circumstances

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are poor and as a result they are not yet mature enough for school, or because they perform poorly on culturally-based tests. In 2003, a reform of the current system of defining students with special educational needs was initiated which focused on the issue how to prevent social disadvantages directly translated as special educational needs. The Act on Public Education included a new term “special needs” to replace the term ‘disability’, previously used to label children.

The goal of a project called “*Out of the Back Row*” is to reduce the number of students, who are unreasonably labelled as disabled and to return them to schools and classes with general curricula. As of September 2004, local self-governments will receive enhanced capitation grant for children thus returned to the mainstream education. The HRD OP central programme contains the resources intended to standardise the non-culture-biased tests that are relevant to the programme. At present about 3,000 children per year begin first grade labelled mildly disabled. The target of the programme is to reduce that number by two-thirds.

EDUCATION TARGET

To return children unjustifiably labelled “disabled” to mainstream primary school classes and to reduce the number of children qualified as disabled in first grade by two-thirds.

Besides the effort to reduce the number of children unnecessarily labelled as disabled, an increased effort is needed to improve the quality of education children receive. The first step towards that was the change in terminology, where the term ‘disabled’ was replaced by the term ‘children with special educational needs’ used by the Act on Public Education from 1 September 2003. Between 2004-2006 an HRD OP measure called ‘Ensuring equal opportunities for disadvantaged pupils in education’ will finance programmes to promote educational integration and the provision of other local services for children in special educational needs with the help of special regional methodological education centres.

Re-qualifying pupils as “home schooled”, is a form of discrimination and segregation that has recently become widespread. The student is exempted from attending classes, which makes any learning impossible to supervise, with the end result that sooner or later the child drops out of school. Roma students are exempted from attending classes at eight times the rate of non-Roma and as of today some 10% of Roma students have been exempted in this way. In order to reduce the dropout rate, the Act on Public Education was amended to require more circumspect measures before declaring a pupil “home schooled”.

Programmes to assist students in disadvantaged situations

The “*study hall*” method (a kind of second chance schools) is a new element in the Act on Public Education. It is intended to promote extra assistance to disadvantaged children to achieve educational attainment and qualifications, in hopes that it becomes a major contributor to reducing dropouts. HRD OP is offering grants to assist in the dissemination of this vehicle, which already exists in organised form in the EU countries. The study halls are organisationally separate from the schools and are supported by them through mandatory cooperation based on separate agreement. The primary target groups for special assistance are children in the higher grades of primary school and secondary school students.

A new element of education, which reinforces individualised teaching, is that as of September 2004, in the first to third grades of primary school children cannot be mandated to repeat a year because of

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scholastic results. It has been found that most children forced to repeat a year could bring in their backlog with a bit more time spent on improving basic literacy and numeracy skills. As of September 2004 it will be possible to prolong the period of time devoted to basic literacy and numeracy skills.

There are several programmes to support disadvantaged and Roma youth in catching up in school, in continuing their studies, in accessing dormitory accommodations, in learning foreign languages, and in participating in secondary school through distance-learning combined with personal consultations. A good example of this is the Digital secondary school programme, which supports the acquisition of A-level and vocational qualification for Roma early school leavers with IT.

In higher education, affirmative action and positive discrimination is being introduced as of September 2005. The amendment is intended to assist students receiving child protection services and former recipients of those services as well as young people in disadvantaged situations who received regular child protection benefit because of their social circumstances, if their parents' education levels do not exceed primary school. As of 2005, in line with the affirmative educational policy, an applicant in a disadvantaged situation may be admitted to college with only 80% of the points set as the admission, as a kind of lowered threshold of entry to higher education. The students thus admitted are also assigned a mentor to help them with their studies.

Enabling and affirmative programmes must be closely coordinated to the system of need-based *social assistance*. As of September 2003, children with chronic illnesses or serious disabilities as well as children in families with three or more children, children being raised by a single parent, and children in the lower grades of primary school receiving regular child protection support are entitled to free textbooks. The measure significantly reduces the costs of starting school for families in difficult circumstances.

3.2.3. Secure housing

Preventing and reducing over-indebtedness

According to surveys, 500,000 Hungarian households (about 13% of all households) are over-indebted. Some of this debt was generated by mortgages while another comes from unpaid utility bills.

Since January 1, 2003 the Social Act makes it possible for local self-governments to offer debt management services. This assistance is based on a two-pillar system. On the one hand, people assisted receive cash benefit, transferred by local self-governments to the creditor, along with support towards housing maintenance, the minimum amount of which has been increased as of this year. The other pillar is debt management counselling, which is mandatory for everyone receiving benefit. The government offers local self-governments assistance *in starting up their counselling services* and at the same time it is helping them *to set up seven regional methodology advisory services* the main task of which is to *professionally prepare the debt management advisors*.

Under a programme adopted in 2004 to help *managing debts from mortgages and utility bills*, additional measures will be introduced in 2005. One move will be the consolidation of the mortgage debt for the most disadvantaged households while the other will be to expand existing debt management services in order to reduce debts.

The following measures are expected to be introduced *to help resolving overdue utility bills*:

- the current 25% family contribution will be reduced for the families in the most disadvantaged situation, while the remaining debt will be eliminated after debt management is finished, assuming that no further debt is accumulated within a given time period;

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- a ‘signalling system’ under which utility providers will signal debt management advisors before disconnecting electricity or gas;
- card operated metering will be introduced to prevent the accumulation of household debts.

The planned programme is expected to reduce household debts significantly.

As of housing assistance, one element of the social assistance system, the *housing maintenance support*, to assist people in need, has been reformed in 2004. The new system provides capitation grant for local self-governments in order to guarantee support for people in need. The minimum amount of this support has been increased significantly. Moreover, local self-governments can extend eligibility and can supplement the amount of support within its own jurisdiction.

OVER-INDEBTEDNESS TARGET

To significantly reduce excessive household debt (unpaid overdue debt) by 2006.

The “*At Home in Europe*” *National Housing Programme* begun in 2003 contains the short, medium and long-term housing policy measures. The top priorities of the programme are incentives for construction and investment, increasing the number of rental homes, expanding the system of social supports to gain access to housing and the initiation of individualised programmes for people in special life situations.

As of April 2004 there has been an increase in *housing construction benefits* (‘SOCPOL’) to assist young families in acquiring first homes. In some special cases, half of this amount may be granted to assist purchase of a resale home. The amount of support depends on the number of children in a family, and was significantly increased in 2004.

The measure of the Operational Programme for Regional Development (ROP) called ‘*Regeneration of urban areas*’ is intended to improve on slums in segregated urban areas. The programme includes renovating urban areas that are deteriorating and are populated by disadvantaged groups, using support from the European Regional Development Fund (ERDF). This measure is expected to connect 30,000-50,000 homes to utility mains or to renovate these connections between 2004 and 2006.

HOUSING TARGET

To increase rental housing to 15% of available housing in 15 years.

3.2.4. Overcoming health disparities

Advancing the healthcare system is a top priority given the overall poor health status and low life expectancy of Hungarians. On the one hand, satisfactory quality healthcare must be made accessible to all and targeted programmes are needed to improve the health status of disadvantaged groups.

HEALTH TARGET

To raise life expectancy at birth for men to 71 years and for women to 79 years within a decade.

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In the disadvantaged regions of the country (Northern Hungary, Northern Great Plain, Southwest) the healthcare infrastructure is less advanced than in other regions. A HRD OP measure entitled “*Health infrastructure development in backward regions*,” is supporting measures between 2004 and 2006 to equalise access to healthcare. The purpose is to improve the health status of people in disadvantaged situations whose opportunities to access the labour market are reduced because of poor health, and to quickly restore working abilities that have been damaged. The intention is to achieve this by establishing regional diagnostic centres and mobile screening facilities targeted at the disadvantaged population. Regional Health Centre model institutions are to be established and rehab centres set up. A regional health centre model institutions are also focusing on advancing health behaviour among the Roma population. They will handle early diagnosis, screening and treatments occurring in a high-risk population.

HEALTH TARGET:

To reduce premature mortality in the most disadvantaged regions by 10% by 2008.

A horizontal target of the *National Public Health Programme* is also improving access to healthcare services for disadvantaged groups. Among other things, research has begun to disclose the factors serving as obstacles for the disadvantaged groups to accessing healthcare services. A *sub-programme* called “*Tolerance for Health*” is establishing a model programme operating in hospitals in five cities. It is intended to resolve the special needs and problems of Roma population (advancing hospital social work, providing sensitivising training for physicians, regular screenings, boosting patient advocacy and offering training in conflict management for involved professionals).

To improve the health status of children in disadvantaged situations, as of 2004 a *school health development funding project* is being set up that offers funding on a capitation basis and a comprehensive survey will be conducted in the micro-regions affected. The goal is to offer prophylactic care to disadvantaged social groups and introduce methods able to influence a health-conscious behaviour.

Settlement and regional health promotion programmes are being started within the framework of the National Public Health Programme to improve the health development and the quality of life in local communities. Other preventive and therapeutic programmes, which include timely screening for breast and cervical cancer, are also intended to improve health promotion.

In 2004 started the programme called Dr.Info, the first general information system accessible through the phone and Internet to provide health and social information to citizens. The plan is to expand the system by introducing patient directing service.

The National Environmental Programme being implemented from 2003 to 2008 has a thematic action programme focused on health problems triggered by environmental factors. One priority task is to reduce health risks caused by outdoor and indoor air quality, including determining indoor air quality parameters and evaluating the health effects of environmental factors in the place of residence. Other tasks of the Environmental Programme include comprehensive survey of settlement and micro-regional environment health problems, exposure of the environmental health problems of more sensitive social strata (children, Roma, people who previously worked in hazardous occupations), and support to eliminate these problems.

3.2.5. Access to justice and crime prevention, promoting equal opportunity

Guaranteeing legal security, reiterating and guaranteeing fundamental rights, as well as combating social exclusion and making generally applied the equal opportunity both in legislation and in law enforcement are important areas of Government efforts to attain social inclusion.

The law *on equal treatment and equal opportunity* was adopted at the end of 2003. It discusses both direct and indirect discrimination and sets up a system of sanctions. The law sets requirements for equal treatment in employment, social security, healthcare, housing, education, training, exchange of goods and accessing services. The concept of “*public interest lawsuit*” was stated explicitly in the law. This allows civil and interest advocacy organisations to directly file lawsuits in cases of discrimination. In these cases the *evidentiary obligation is reversed*. Under the law from 2005 an *anti-discrimination body* is being set up to proceed in cases when this law is violated. The National Equal Opportunity Programme helping to implement this law starts public awareness-raising campaigns to promote changes in day-to-day practice that violate equal treatment.

In October 2003 the Parliament adopted the law on *legal aid provision*, aimed at establishing an institutional system for people unable to pay for such services. The law calls for provision of professional legal advice and representation in procedural law to attain respect for the rights of this group and the equitable resolution of their legal disputes. From April 2004 the institution system was begun with 3 advocates in each county, offering assistance to citizens on a means-tested basis. Until 2006 the assistance will not extend to lawsuits, but from 1st January 2006 it will include lawsuits, too. Clients will receive the services free of charge or will be advanced the fee by the state. Attorneys, notaries public and civic legal advocacy groups included in national registry provide the concrete legal services, and clients can choose freely among them.

Operation of the *Roma Anti-discrimination Client Service Network* begun in 2001 will continue and expand operations in 2004-2006. The goal of this network is to offer legal assistance to Roma people in discrimination cases. The assistance includes counselling, the drafting of documents and legal representation before courts or other authorities. At present there are one or two attorneys per county (altogether 27) employed in this project offering free services to Roma clients.

In February 2004 the Government adopted an *action programme to implement the National Strategy for Social Crime Prevention*. This programme involves a series of diverse efforts to reduce crime among children and minors, to increase urban safety, to prevent domestic violence, recidivism, victimisation, and to protect crime victims. The programme sets to prepare a law on crime prevention and victim protection. In 2004 the National Crime Prevention Board has been established as an advisory body for the Government. The Board provides an opportunity for the participation of state, local self-government, civil organisations and the church – both at national and regional level – in the implementation of crime prevention in various policy fields. The Probation Service with 300 probation officers has been re-organised in July 2003. In the fight against social exclusion of victims and offenders the service will be re-organised in a way that offers individual case-work and special support programmes. The Board was calling for bids in 2004 to offer programmes, researches and training in these areas.

There is no accurate data available on the number of *victims of domestic violence*, but it is probably a serious social problem. Until now victims did not have appropriate legal protections, and there was no institutional system in operation to manage such problems. Women and children forced to leave home were accommodated at transitional family shelters designed to work with homeless families. From 2004 in the frame of the *National Equal Opportunity Programme*, a network providing both comprehensive personal and informational assistance (legal, psychological, social) and protective shelter is being established. It assists and encourages the work of authorities and institutions involved in the cases of the victims.

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The Government adopted a bill *on preventing perpetrators of domestic violence from accessing the family* and submitted it to the Parliament. The bill calls for courts to treat lawsuits calling for such protections as a top priority.

3.2.6. Integrative culture and sports

Culture and access to culture play an important role in social integration. Improving opportunities to access culture is a governmental priority. One measure taken to this effect is that as of May 1, 2004 access to the permanent exhibitions of all national museums has been made free of charge.

The programme called “*The modernisation of public collections*” is another important tool in improving access to culture and cultural services. This scheme offers persons in disadvantaged situations and groups with disabilities a chance to access the world of culture. It includes increasing public library collections of audio-books, vocally-controlled software and appropriate library equipment to assure persons with disabilities the chance to access library sources and information.

A network of 2,200 Cultural Centres is one of the largest institutional systems in Hungary. Its most important task is to *recreate the old community spaces* of small settlements. Local self-governments receive significant assistance to re-start cultural institutions that have already been terminated. The support can be used to renovate buildings, purchase equipment and to establish disabled access.

CULTURAL TARGET

To have Cultural Centres available in all settlements of the country by 2012

An important consideration when improving the social status of the Roma population is to retain their cultural identity. Within the framework of the medium-term Roma programme, Roma cultural institutions and organisations are being surveyed, and publications including the cultural values of the Roma receive special supports. The conditions for maintaining a system of Roma cultural institutions are currently being designed. The Roma Cultural Fund, which has existed since 2003, regularly supports Roma minority self-governments, social organisations and associations that conduct registered cultural and artistic activity, and Roma artists.

Similarly to culture, one important function of sports is to promote the integration of persons trying to cope with various disadvantages through joint sports facilities. In 2003, the Ministry for Children, Youth and Sports established a Sports Committee for Persons with Multiple Disadvantages made up of representatives of central and local self-government organisations, and NGOs.

The ministry supports sports opportunities for groups that cannot access sporting opportunities because of economic or social difficulties through the *Moon Ray Programme*. There are few effective programmes in this area. Outstanding among them is the Hungarian Midnight Sports Championships’ Association, which has been in operation for several years and is aimed at changing the leisure and recreation practice of young people by offering them sports and games. The midnight table tennis club network draws over ten thousand young people a year, offering them an alternative to the street and drug consumption.

Sports for *persons living with disabilities* receive significant supports. As part of a PHARE programme currently underway, sports facilities are being made disabled-accessible.

3.2.7. Information society for all

Computer ownership in Hungary is 13%, which is well below the European Union average (44%) and this rate is even worse for disadvantaged groups (for instance, it is 5% among the Roma).

The *Hungarian Information Society Strategy (MITS)* has set the target of enabling all residents to access easily reachable, affordable and reliable quality Internet services in all communities within Hungary by 2004. The strategy considers it very important to reduce inequalities in access to computers, to build equal opportunity to information technology and to promote such access among disadvantaged groups, with a particular emphasis on persons living with disabilities, women, the Roma, rural residents and elderly people.

Measures included are to build up Internet access in every settlement, principally in libraries, cultural institutions or local self-governments within a programme called *Public Network*. Public Network includes building 4,000 Internet access points by 2005. Small settlements enjoy priority. The network called *eHungary Points* will offer public access to people who do not have their own equipment. A programme offering computer literacy is intended to increase knowledge of how to handle information technology, particularly for people who left school a long time ago. The government is continuing IT programmes already begun including *Sulinet*, which offers state subsidies after computer purchases and Internet access.

As of 2004, Structural Funds will be available to advance information infrastructures. The EC OP measure “*Development, extension of broadband telecommunication infrastructure*” supports building a broadband Internet access infrastructure in economically backward regions. The goal is to have access points available in every settlement of the country and have Internet service providers be able to access these points.

IT-TARGET

To have the average Internet use index among the target groups approach the national average by 2006.

To establish community-access points to the Internet in all settlements (E-Opportunity points)

3.2.8. Disadvantaged regions, regional inequalities

The economic, employment, infrastructural, social and health inequalities between the various regions of Hungary are significant. As a result, inequalities in living conditions are significant as well. The eastern and south-western parts of the country contain many tiny settlements with large numbers of Roma population. Here, there are few job opportunities, unemployment is high, there is a high rate of economically inactive persons and of persons working in the grey economy.

POLICY MEASURES

A new *territorial and regional development fund* operates since 2004 intended to provide funding to overcome regional inequalities. It will help the most backward areas to catch up and will also contribute to improving living conditions for residents. To reduce spatial inequalities in conformity with regional development targets, which includes economic, cultural, educational, training, infrastructural and living conditions. The programme offers support to the disadvantaged regions in the following areas:

- investments to create or retain jobs,
- investments to advance the human infrastructure,
- projects to advance community based employment and public work,
- measures to resolve social, economic and employment crisis situations, and
- measures to promote micro-regional welfare gap-reduction programmes.

Developmental grant aimed at equalising regional development may also be provided to disadvantaged settlements. This grant has been available since 1996 to advance settlements that are underdeveloped from the socio-economic and infrastructural points of view, or are attempting to cope with an unemployment rate that significantly exceeds the national average. The grant is primarily supports investments in the production infrastructure, although in recent years investments by local government institutions as well as in human infrastructure are playing a steadily growing role.

One of the important tasks of coming years is modernising public administration, and within this, *promoting micro-regional associations of local self-governments*. After reviewing their tasks and authorities it will be possible to design a differentiated local self-government system. For this reason, in coming years the goal is to offer incentives to establish multipurpose micro-regional associations in which the local self-governments that make up the associations agree to jointly meet their mandatory tasks. As a result they will become more efficient because of the economies of scale. In 2004, a more targeted and incentivised form of support is being introduced.

When it comes to disadvantaged regions, there are certain basic infrastructural shortcomings that also have to be improved upon. At this time, in the settlements in which 2.7 million Hungarians live (primarily in the less advanced Northern Great Plain, Southern Great Plain and Northern Hungary) drinking water is not satisfactory in quality. This problem must be remedied by 2009 in such a way that *healthy drinking water be available to everyone*. Settlement sewage systems are another important priority. In the areas where such systems do not yet exist, a comprehensive programme is being implemented from 2000 to 2015, partly with European Union funds. The goal is to have sewage systems operating in 83% of all settlements by 2015.

Social inequality reduction programmes are being continued between 2004 and 2006 in disadvantaged micro-regions. The goal of these programmes is to improve the social safety nets for local residents and to offer them extra resources through a comprehensive support system to attain equal opportunity.

The *three-year micro-regional inequality reduction programmes* have been in operation since 2001. Currently they operate in ten micro-regions. The goal is to achieve a quantitative and qualitative development in social basic and specialised services and in basic child welfare services. It is planned to broaden the network, including ten more micro-regions between 2004 and 2006.

A *social land programme* has been in operation since 1992. It has helped to improve living conditions for people in backward settlements, mostly Roma families hit by long-term unemployment. The programme is currently running in nearly 250 settlements, involving 30,000 people, half of whose are Roma. In 2003 the possibility for *three-year programming* was introduced. The goal is to provide a new and more reliable support system guaranteeing continuous operational conditions to the supported settlements.

POLICY MEASURES

There is a *village and homestead community caregiver* network, which plays an important role in reducing regional inequalities and disadvantages resulting from the shortage of social support institutions in small settlements. It operates in settlements with fewer than 600 inhabitants. There are a total of 1,187 such settlements in the country and at this time the service is available in nearly 800 of them. The goal of years to come is to further expand the network, *introducing 50 new services by 2006* to small settlements and to settlements with large numbers of remote homesteads. The concept also calls for training 100 people to act as village and remote homestead community caregivers.

An inter-ministerial programme called '*For a more liveable village*' is targeted at designing initiatives, which focus on advancing regional, environmental and cultural sustainability and related activities as well as on remedying employment and social problems. The general goals of the programme that includes 516 settlements with multiple disadvantages, are as follows: to balance out unfavourable demographic processes, improve the employment situation, maintain local values, advance the economy based on local natural and human resources, improve and stabilise the income conditions of the rural population, and retain and advance the environment.

As of 2004, *regional development model programmes* coordinated by the Government Office of Equal Opportunity will get underway. A complex development starts in a region called Cserehát, a region where there is a high concentration of people hit by multiple disadvantages. There is serious exclusion, and urban areas contain a large number of slums. These poor urban and rural areas are becoming ghettos. The goals of the programme are cooperation along the border region, promotion of local forms of cooperation, advancing the transportation system, increasing opportunities for employment and income, advancing the human resources of the region, assuring education opportunities for the youngest generation, promoting improved access to healthcare services and participation in information society.

A significant amount of Structural Fund resources will be devoted to regional development between 2004 and 2006 coordinated by the Operational Programme for Regional Development (ROP). Some 75% of the ROP resources will be used in the four most disadvantageous regions (Northern Great Plain, Northern Hungary, Southern Great Plain, and Southern Transdanubia). A measure called "*Developing the accessibility of the regions and micro-regions lagging behind*" calls for improving roads and public transport to increase the mobility of labour and access to public services.

HRD OP measure of '*IT development in healthcare in the regions lagging behind*' aims to promote the improvement of the health status of active age population by improving the IT infrastructure. By setting up a regional inter-organisational informational system it is possible to avoid the repetition of tests and examinations, while with the E-receipt service the receipt prescribed by the doctors goes directly to the pharmaceuticals.

REGIONAL DEVELOPMENT TARGETS

Healthy drinking water for everyone by 2009.

83% of sewage system coverage by 2015.

Continuation of complex regional development programme for 516 settlements where there are multiple disadvantages called '*For a more liveable village*'.

Complex micro-regional inequality-reduction programmes to be started up in another 10 micro-regions by 2006.

50 new village and remote homestead caregiver services started up in the most disadvantaged settlements by 2006.

3.3. To help the most vulnerable

Roma. People living with disabilities. People with addictions and mental disorders. Homeless persons. Migrants and refugees.

3.3.1. Programmes to promote Roma integration

Indicators for employment, education, health, income and living conditions of the Roma population, who make up about 5-7% of the overall population, are far below the comparable indicators for non-Roma population. Their employment level is about half as high, their unemployment rate is three to five times higher, the rate of dependants per economically active person is three times that of the non-Roma. Roma children have very poor chances at school: only 44% of 14-year-old Roma children finish the eight grades of primary school. The rate of Roma children who finish secondary school is about 24%, but only 2.2% acquire A level in secondary schools or graduate from college or university. The poverty rate is about 5-10 times higher than it is for the non-Roma population. Some 20% of Roma live in segregated slums where the utility level is unsatisfactory and 60% live in disadvantaged settlements.

In 2004, the Hungarian government adopted a *medium-term package of measures to promote the social integration of the Roma*. The package, in addition to laying down a broad series of tasks for the various ministries, states that far more thorough monitoring of implementation is necessary.

It calls for fulfilment of tasks in the following areas:

- *incentives to achieve equal treatment and equal rights* (operation of a Roma Anti-discrimination Client Service Network, and further advancing the network if necessary, operation of a Roma Conflict Management and Legal Protection Fund),
- *improving quality of life* (model programme to eliminate slums followed by involvement of a complex slum elimination programme, additional surveys of the health status of Roma population, further advances in the social land programmes),
- *education and training* (promoting integrated education, designing reintegration programmes for early school leavers, introducing scholarships for Roma students),
- *employment* (promoting cooperation between county Labour Centres and Roma NGOs, further advancing public work programmes),
- *integration into information society* (training programmes, mentoring system),
- *culture, communication and identity* (learning and nurturing cultural values, Roma Cultural Fund, National Cultural Fund).

“*Decade of Roma Integration*” project, coordinated by the Hungarian Prime Minister and established with assistance from the Open Society Institute (OSI), the World Bank, the European Commission, UNDP, the Council of Europe Development Bank and the Finnish and Swedish governments, gets underway in 2005. The programme is offering nine countries of Central and Eastern Europe between 2005 and 2015 the opportunity to implement extensive measures to integrate the Roma and eliminate their isolation and exclusion. The four main areas of these measures will involve employment,

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education, healthcare and living conditions. The practical designing of the programme will take place in 2004:

- *Education*: setting up an *International Roma Education Fund* to promote the partnership between the government and the NGOs in the pilot projects to improve the situation and performance of the Roma in the education system.
- *Employment*: offering incentives to county Labour Centres to cooperate with Roma Minority Self-Governments and NGOs, employment of Roma staff in the Labour Centres, regular evaluation of the public work programmes, starting up training and employment model programmes, expanding social land programmes.
- *Housing conditions*: the programme is supporting a complete mapping of slums and slum-like living conditions and the design of a government implementation plan to eliminate/rehabilitate them.
- *Health*: to improve the *health status* of the Roma population, the programme aims to promote the dissemination of preventive services and to advance the quality and quantity of healthcare services for the Roma.

The Roma Anti-discrimination Client Service Network is operated by the Ministry of Justice. The Government Office of Equal Opportunities coordinates other programmes promoting Roma integration. It controls the *Roma Coordination and Intervention Fund*, which funds Roma Minority Self-Governments and Roma organisations in financial crisis. The Office also operates the *Conflict Management and Legal Defence Fund*, which offers assistance to organisations fighting against Roma discrimination and offering legal protection as well as conflict management and resolution programmes.

The *Public Foundation for Hungarian Roma* has been in operation since 1996 to support Roma integration programmes. In 2004 the Foundation funds participation in education, training and cultural activity, setting up businesses and participating in the information society.

The Ministry of Health, Social and Family Affairs also operates several support programmes to improve Roma access to social, child protection and healthcare facilities. Outstanding among them is a model programme that supports innovative solutions and developing local initiatives. Training programmes are also offered to local decision-makers and NGOs.

The programme “*Tolerance for Health*” is a model project being started up in five hospitals to improve care for Roma patients. It will improve hospital social work, provide physicians with sensitivity training in issues related to care for Roma patients, to assure discrimination-free care for Roma patients during the admissions process and through the work of the patients’ rights advocate. Finally, scholarships will be available to Roma young people to train in healthcare and social professions.

3.3.2. Measures to promote independent life for people living with disabilities

The rate of persons living with disabilities increased from 3.5% in 1990 to 5.7% in 2001. In many respects their living conditions are far less favourable than those of the average population. Although in the past decade their educational level has improved significantly, it is still well below the national

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average. Their employment indicators are very poor. In 2001, only 9% of them were employed and over half of the people in this group lived in jobless households.

In order to alleviate the multiple disadvantages of people living with disabilities in December 1999 a new law on the rights and equal opportunities of persons living with disabilities was passed, as well as the *National Programme for Persons with Disabilities* was introduced intended to implement the new legislation.

The programme is being implemented between 2000 and 2010, through medium term action plans. The medium-term action plan for 2004-2007 is being prepared in the first half of 2004. It defines the most important development trends in the areas of physical and informational accessibility, as well as access to transportation, healthcare, education, employment, sports, culture, recreation and social care. The goal is to establish the preconditions for equal opportunities, social integration, independent living, and to mainstream the fight against social exclusion of the people living with disabilities. With respect to the situation that the access programme is lagging behind in 2004 a comprehensive survey of access needs is being conducted and the estimated costs are assessed. The comprehensive accessibility will inevitably need Structural Fund resources in the long-term.

Several programmes will be implemented between 2004 and 2006 to improve *physical, informational and communicational accessibility*:

A programme to make public buildings accessible to disabled persons is being continued within the framework of the National Equal Opportunity Programme (with public buildings in small settlements set as a priority) as well as to guarantee access to *info-communication* and education. As part of a programme being implemented with PHARE support, 150 schools and sports centres will be made accessible to disabled persons by 2005. A similar programme is underway to improve access to *commercial accommodations and catering establishments*.

A model programme involving Baranya and Jász-Nagykun-Szolnok counties was started up in 2004. The purpose of the programme is to enable disabled access to *public outdoor spaces* through public work schemes. In coming years this programme must be extended to other counties.

To enable disabled access to *transportation*, the costs of establishing an acceptable level of disabled access to passenger transport will be estimated within the framework of the National Programme for Persons with Disabilities. The transport companies have designed their own disabled access strategies that are under implementation. In the coming years it will be necessary to increase the resources going into these areas if the goal is to be attained.

There is a law governing parking permits for persons with disabilities. In keeping with European Union recommendations, the system has been updated. The decree regulating the persons entitled to parking permits and the rules for applying for these permits take effect on July 1, 2004.

To assure *access to information*, for people with hearing impairment, regional sign-language interpreting services have been established. They provide translation, interpreting and note-taking assistance and offer information on the communication needs of the target group. They are in close contact with the welfare, healthcare, education, and employment institutions, as well as with interest groups. In coming years, the development of these services and the improvement in their operations will continue.

An important stage of the informational accessibility is the access to online information with developing websites accessible for people with visual impairment and providing special educational tools and software programmes for the disabled.

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In 2004 the Government Office of Equal Opportunities and the Ministry of Education have begun a campaign called “*More disabled young people in higher education,*” with the goal of having the largest possible number of students with visual and hearing impairment participate in higher education. At this time, 400 disabled youth are studying in colleges and universities. The goal is to double that number.

Providing assistance to disabled persons in their own home environment is a priority issue in the area of *social services providing personal care*. In 2003 a new form of institution, the so-called support services have been set up for promoting independent living of disabled people. In 2004, additional resources are provided to these support services. This includes the establishment of 20-22 new services as well as to provide additional support to current ones. The expansion of day-care services for persons with disabilities in 2004-2006 is included among the HRD OP measures. Bids are focused on evolving services that go beyond mandatory basic services and assist in social and labour market integration or offer service recipients trainings, as wells as sheltered, semi-sheltered or transitory jobs.

DISABLED TARGETS

Improvement of physical and informational access, and educational chances.

To significantly increase the number of persons with disabilities receiving assistance in their homes by 2006. Increasing in the number of support services. 1,000 new places in day-care facilities are to be established for persons living with disabilities.

3.3.3. Supporting persons suffering from addictions and psychiatric patients

Per capita alcohol and nicotine consumption in Hungary is traditionally high, and experimentation with drugs has been spreading since the 1990s. On the whole, the mental health status of the Hungarian population is not favourable and the suicide rate is also high.

The *National Public Health Programme* considers reducing the addiction to be a high-priority task.

HEALTH TARGETS

To reduce the number of alcohol-dependent patients from the current 800,000-900,000 to less than 500,000 by 2012;

To keep the number of drug-dependent persons down to the 2002 level in 2008; and

To reduce smoking by 8%/year from 2003 to 2005.

Within the framework of the programme measures during 2004 will be taken in the following areas:

- On the job support for early treatment of alcohol abusers,
- Advancing early treatment of alcohol abusers in primary health care,
- Developing self-help groups and NGOs to assist alcohol- and drug-dependent persons following successful treatment,
- Improving social care for persons suffering from addictions,

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- Advancing healthcare services for persons with addictions - drug clinics, drug rehabilitation institutions.

In the area of drug prevention there are numerous complex health promotion and drug prevention programmes in operation. They offer information campaigns, training, school prevention programmes, and healthcare services (drug clinics, drug buses). NGOs also play a significant role. In 2004, support has been given to programmes that promote health and prevent drug use in schools.

The National Strategy to Reduce Drug Problems, adopted in 2000, includes the coordinated government measures being used to combat drugs.

The main goals of the strategy are: (1) sensitising society to the effective treatment of drug issues, helping local communities to increase their problem-solving skills in reducing the drug problem; (2) creating the opportunity for young persons to become able to reject drugs; (3) helping individuals and families that become involved with drugs; (4) reducing opportunities to access drugs. A Report on measures taken in 2002-2003 has been prepared and an action programme including the measures to be taken in the time to come is currently being designed.

A *Network of Drug Coordination Forums* was set up within the framework of the National Drug Strategy. The number is over 70. A comprehensive programme was begun to further advance the network and will run from 2002 to 2005. Some 700 persons will be trained within the programme and their drug-prevention activity will be supported.

DRUG TARGET

To increase the number of drug-dependent persons being treated/rehabilitated by 40% between 2003 and 2005

Additional programmes to be implemented within the framework of the national drug strategy:

- Support for the development of re-socialisation and re-integration programmes and institutions
- Training, further training and peer training programmes
- Support for low threshold institutions and infrastructural developments

The social service system for mental health patients and persons suffering from addictions has to cope with a capacity shortage. There are significant shortages in regional coverage, too. In the field of *psychiatric care*, in 2004 *community-based services* were given priority, *including the dissemination of community care network*, the evolvement of a social support network, and offering special courses to caregivers and coordinators. In one year 10-12 services could be established by evolving objective and operative conditions. Similarly, in the care for people suffering from addictions the aim is to broaden the community care introduced in 2003.

3.3.4. Improving the life chances of homeless people

There are only estimated figures available on the number of homeless people in Hungary, but it is believed they are 35,000-40,000. Homeless shelters can accommodate about 6,200 people. Day shelters and soup kitchens can provide for 5,000 persons/day. These capacities can cover only a portion of needs, and the number of homeless people living on the street or in places not suitable for housing far

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exceeds the current capacity of the care system At the same time, the least evolved area of the care system is assistance to persons outside institutional care. There are also too few programmes in prevention and re-integration.

In the years to come, top priorities in caring for the homeless are reducing the number of people living on the streets and creating pathways that lead back to society.

HOMELESSNESS TARGET

To reduce the number of homeless people living on the street. To do this, day-care has to be advanced in a manner that promotes more effective care by operating dispatcher services.

Street social work has to be advanced on the one hand, while on the other, complex programmes designed at re-integration into society have to be supported. The priority goal of the programme is evolving and advancing the operation conditions for street social work both in the countryside and in Budapest and to maintain *regional dispatcher* centres. They will be charged with surveying needs and available services, and monitoring and organising access. To better coordinate work on the regional level, as of 2004, *Regional Methodology Centres* are being established. Special emphasis will go to social work case management that is not shelter-based. The supported *re-integration programmes* for homeless persons will be focused primarily on job finding and on creating opportunities for independent living. One pillar of independent living is maintaining a home and to do this, the programme to increase accommodations outside of institutions will continue. Available development resources will be used in a flexible and need-oriented manner, coordinated by Public Foundation ‘Cooperation’ established in 2003, covering Budapest and Pest County.

A legislative amendment in 2004 has targeted the establishment of *six regional and four Budapest health centres* which are to provide emergency care, monitoring, and nursing to back up street social work.

HRD OP measures include expanding day-care for homeless persons in 2004-2006. The goal is primarily to evolve services that are aimed at integration into society and the labour market, and that improve the skills of service recipients and provide sheltered, semi-sheltered, or transitory employment.

3.3.5. Promoting the social integration of immigrants and refugees

Compared to other EU member states, the number of foreigners immigrating into Hungary and settling here is low, barely 2% of the population. At the same time, it is expected that the number of immigrants will increase with the country’s EU membership. For that reason it is very important to evolve the institutions and policy tools that support social integration. Act 139 of 1997 on asylum sets the tasks of the social inclusion of refugees, within the framework of which the Office of Immigration and Naturalisation has been offering integration programme packages for refugees since 2002.

In 2003 a pilot integration programme was started up with PHARE support, offering refugees complex assistance in social and labour market integration. A pre-accession programme called MATRA was started up in 2003, aimed at designing the *institutional conditions* for a comprehensive refugee and “immigrant” integration programme.

In order to develop a complex migration strategy in 2004 the Government established a Migration Inter-ministerial Committee.

To support the social integration of refugees primarily through trainings are at the focus of EQUAL Community Initiative, too. The programme aims to support the social inclusion of refugees through language- and vocational training by developing and piloting innovative methods and integrated services.

A “Twinning Project” that will run for 15 months begins in January 2005. The primary goal is to provide further training for local self-governments and labour centres staff, who come into contact with foreigners during their work, as well as to design a proposal to establish a legislative background.

3. 4. Groups in special life situations

Children and elderly people.

3.4.1. Preventing and reducing the risk of child poverty and preserving family solidarity

The effects of the demographic changes typical of today are manifest in Hungary, and traditional family structures are also reshaped. In 20 years, the number of marriages dropped by nearly half, and today 40 in every 100 marriages ends in divorce. The rate of lone-parent families is 16%. In ten years, the number of non-married couples increased from 5% to 11%. Nowadays in Hungary nearly every third child is born outside of marriage.

The factors that most strongly increase the risk of child poverty are the unemployment of parents, being born into a large family, or in a disadvantaged region. In order to compensate for these disadvantages, a *differentiated family assistance system* operates in Hungary. It plays a priority role in the social protection system. Family assistance to families with children make up a very high proportion of household incomes in a comparison with the EU, at an average of 11,3%¹¹, coming second to incomes from work. Despite that, the poverty rate of families with children is about double that of the national average. The risk of poverty is highest in lone-parent families and in families where there are more than three children, although in recent years there has been some success in reducing the risk of poverty among large families. From the point of view of child poverty, a major risk factor is the lack of labour market participation of parents. This means that increasing chances of jobs for parents is a key issue in reducing child poverty. Further support can be provided by benefits in cash and kind as well as by personal care services and targeted programmes.

Benefits in cash and in kind

Regular child protection benefit (RCPB) is the most significant cash assistance to families. The assistance was introduced in 1997, and has been provided to an average of 800,000 children a year, and to about 700,000 in the past year. RCPB is available to all families with children where the per capita income does not exceed the current minimum pension. It plays a significant role in the lives of low-income families where there is no economically active person. However, lone-parent families face serious difficulties even if the family income exceeds the level set by the minimum pension as eligibility criteria. Therefore, in line with the SZOLID project, from 2006 the eligibility criteria will change for

¹¹ As a proportion of net income. It becomes 14.5% if we include tax credit as well.

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RCPB in a way that lone-parent families will receive RCPB even if the family income exceeds the minimum pension. A further adjustment will result from the introduction of the social minimum as a new threshold. As a result of these changes the number of children receiving RCPB are likely to go up in the coming years.

CHILD POVERTY TARGET

To reduce child poverty with a more targeted RCPB. A more extensive support for lone-parent families.

An amendment to the Child Protection Act in 2002 set more differentiated and more targeted conditions for *assisted meals for children*. As of September 2003, meals are provided free of charge for children in the greatest need in crèches and pre-schools. These are children with disabilities, children living in large families, and children receiving regular child protection benefit. At present, children in these categories in schools are charged a reduced (50%) rate for meals.

As of September, *free textbooks* became available to an even broader group of children than assisted meals. Children in grades 1-13 or attending a vocational training school, who are living in large families, chronic ill, disabled, or raised by single parent are entitled to free textbooks. So are children in grades 1-4 who receive regular child protection benefit. As of September 2004, children receiving regular child protection benefit will be entitled to free textbooks from grades 1 to 8. The system is under continuous expansion to increase the number of children entitled to the benefit, which will eventually include students in grades 9-13 who receive regular child protection benefit.

Child welfare services

The system of child welfare services is intended to manage the problems of children being raised in families under disadvantaged conditions. Currently, the services are provided in 95% of Hungary's settlements, at the same time, however, many of the services are provided by one person only. The services operate various community programmes for families in difficult social circumstances and in special life situations, such as:

- recreational and cultural programmes jointly for parents and children,
- personality development and conflict management group sessions for parents,
- group sessions for children to promote adjustment to school and success in their studies,
- programmes for families in special circumstances - young parents, parents in disadvantaged situations, or single parents.

An amendment to the 2002 Child Protection Act mandates the establishment of *Child Welfare Centres* as of July 1, 2005 in all settlements with populations of more than 40,000. The centres are intended to provide *street and district social work* by operating "*street children*" projects and provide *hospital social work* in hospital children's wards (focusing on neglected and abused children). They also provide services to maternity wards (mothers in crisis, young mothers). *On call* services must be organised and weekend liaison services are optional in the centres to promote contacts between the children and the divorced- or the non-resident parent, and between children living in foster care and their birth parents. Another task is to build a specialist care network for special-needs children. In 2004, a programme of accredited further training for foster parents was begun to enable them to raise special needs children

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Additional programmes support the operation and development of local self-government's *youth information and counselling offices*, the establishment of *youth community spaces*, and programmes that promotes community values for children and/or adolescents (the programme is called "We need a space").

Targeted programmes

In 2004, a programme called "*Sure Start*" (an adaptation of a UK programme) was started. The programme is operated by inter-sectoral cooperation with involving NGOs, aimed at complex support to families with children under 6, who live in disadvantaged regions, villages, and urban areas. The goal of the programme is to evolve cooperation between sectors and NGOs based on local need in the healthcare and child welfare, in day-care, and in family care, to break the "cycle of deprivation." The adaptation of the programme to Hungary began in a geographic area where there were regional disadvantages as well as other risks of exclusion. In the years to come, the goal is to expand the programme, depending on available financing.

3.4.2. Activation and dignity for the elderly

Similarly to European trends, the general ageing of population is increasingly typical in Hungary, too. This is an increasing challenge as far as maintaining living conditions and quality of life are concerned. The strata of elderly are differentiated. There are groups of youthful, energetic persons as well as a growing number of fragile elderly who need significantly more nursing and care capacity than are available at present. Meanwhile responses to the challenges of age, the issues of "active ageing" are being increasingly spotlighted in Hungary, too. At the same time, from the point of view of the living conditions of retirees, increasing the rate of economic activity is a key, which means that early retirement needs to be effectively reduced.

In past years numerous measures were taken to assist retirees to *improve their financial situations*:

In 2003 and 2004, widows pension, provided in addition to their own pension, were raised from 20% to 30%, which affected about 580,000 widows. As of 2003, the concept of a 13th month pension is gradually being introduced. The full 13th month will be paid in 2006 for the first time, until then the pension will be increased by one week each year. In 2004 the extra amount is being paid in two instalments, one in May and one in December. In 2003, the real value of pensions was increased by 8% (partly as a result of the introduction of the first week of the 13th month). A further increase in real value is expected in 2004.

ELDERLY TARGET

To assist elderly people to actively and extensively participate in society, to achieve an active and dignified life as senior citizens. In order to do this we must establish:

- An elderly-friendly physical and social environment
- Expanded access to public services
- Reinforcement of participation in local community
- Shaping the social attitudes towards senior citizens
- Facilitating inter-generational solidarity

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The *Government National Action Programme for the Elderly* (KINCS) will coordinate measures affecting elderly persons in various policy fields. The programme is targeted at improving information (research and conferences) and activating elderly people (training, programmes), as well as improving their healthcare and welfare (geriatric wards, professional nursing home, expanding caregiving).

The extensive travel concessions offered to senior citizens in Hungary - compared to elsewhere in Europe - serves to *support a senior-friendly physical and social environment and an active old age*.

- Road and rail transport is free of charge within the country for persons over the age of 65,
- Pensioners who are not yet 65 may purchase monthly tickets for local transport at a preferential rate as well as 16 long distance tickets at a 50% reduced rate or 8 tickets at a 90% reduced rate, plus another two tickets at a 90% reduced rate annually,
- Women over the age of 55 and men over the age of 60 are eligible to 20% reduced rate on rail transport.

A model programme called “Senior-friendly housing” was begun in 2003. In 2004, taking advantage of the experience of redesigning some 40-50 apartments to make them senior-friendly, a series of technical and architectural standards are being established. They will assist fragile elderly (principally persons over the age of 75) who live alone and have reduced functional capabilities to remain in their own homes amidst secure conditions and to stay active.

The establishment of an award called “Senior-friendly Local Self-Government” is being established to *promote participation in local communities*. The programme will seek out “best practice,” and disseminate them. Local self-governments are key players in creating a physical environment appropriate for elderly people, for promoting participation in cultural life, for including the elderly in local public life, and for assuring public services. As of 2004, three local self-governments a year, which are deemed the most outstanding in this area, will be awarded and together with the other most successful bidders, will meet at conferences and publish good practice aimed at improving quality of life for seniors in a yearbook.

To shape societal attitudes towards the elderly, the following programmes are being established between 2004 and 2006:

- A series of research projects called “Living conditions for seniors” on the elderly population, its health status, living conditions and activity,
- Celebration of World Senior Day and month, turning it into a social event,
- Dialoguing by media campaigns, publications, conferences to popularise active ageing,
- A senior sports meeting is being organised yearly from 2004. It will be a nationwide sports event involving elderly persons.

Supporting inter-generational projects aimed at furthering tradition, culture and recreational activities are intended to *build solidarity between generations*.

Expanding access to public services

A project within the framework of the *National Public Health Programme* aims to disseminate innovative methods in the area of geriatric outpatients and daytime healthcare. Within this framework, integrated social and healthcare services adjusted to the demands and needs of senior citizens and accessible from their homes will be modelled.

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In the period between 2004 and 2006

- the financing of geriatric wards has to be ensured with their own geriatric code system,
- acute hospital beds have to be transformed to be able to provide long-term nursing care
- the hospice system has to be evolved and disseminated within both an institutional and a home-based care framework
- the system of skilled home-based nursing has to be advanced.

The development of *social services* for elderly people - particularly as regards basic services - include home care support services which allow this group to remain in their homes and continue to live safely and independently. The goal is for this care to be accessible in all settlements throughout the country. Currently, 55% of local self-governments offer these services.

A supplementary form of home care support is the ‘signalling’ system. It is offered by 247 local self-governments and is accessible throughout the country except for Heves and Nógrád counties. As of 2004, the development of the signalling system will receive priority. The government has introduced capitation grant for this form of social care services as of 2004.

The developmental goals between 2004 and 2006:

- strengthening cooperation between home care support, primary healthcare services and the home-based nursing service to improve the effectiveness of home care in every settlements,
- home care support with signalling system is to be made accessible in 500 settlements,
- developing both home-based and institutional care facilities for elderly people with dementia, in terms of institutional care specially financed dementia care centres to be set up in 800 nursing homes by 2006,
- provisions of Internet access (with 2,100 computers) to be set up in day-care, transition institutions, and elderly homes to improve their chances of accessing information.

The Hungarian Information Society Strategy (MITS) sets a high priority on *promoting equal access to information technologies*, which includes promoting computer and Internet access for senior citizens and training programmes. The target is to increase the number of computer and Internet users among the over-60 population by 15% by 2006.

Assuring multi-channel access to information (traditional, electronic, and telephone) supports the dignity and autonomy of elderly people. As of 2004, a service called DR. INFO, which operates over the telephone and the Internet, will be made available. It offers general information on health issues in an easily accessible manner and plans are to advance the system following a targeted survey. KINCS plans to introduce other telephone services by 2006, which elderly people can access.

4

Institutional arrangements

Inclusion of relevant bodies. Mainstreaming the fight to combat social exclusion., Promoting dialogue. The role of social statistics.

4.1. Mobilising all relevant bodies

One important principle is to assure, that the people affected by poverty and exclusion are able to participate in decision-making that affects them. This requires the social inclusion of people in disadvantaged situations, supporting the NGOs that represent them, the strengthening of decision-making and legislative processes through a more intensive societal dialogue, as well as improving the accountability and better access to social administration and services.

4.1.1. Involving people in disadvantageous positions, protecting their legal rights, and guaranteeing their participation in decision-making processes that affect them

The continuous expansion of civil rights and guaranteeing that disadvantaged social groups get to exercise them are priority government tasks. To do this, numerous new initiatives and measures have been introduced to facilitate and to foster fundamental rights.

In 2003, the Parliament adopted a law guaranteeing people in disadvantaged social situations *legal representation* and access to legal counsel services - within the framework of a new institutional system - to exercise their rights and to resolve their legal disputes. Depending on per capita income, citizens can receive these services either by free of charge or the state advance the costs.

Facilitating and fostering the fundamental rights of citizens, *patient rights, children's rights and as of 2003 care-recipients' rights advocates* have been institutionalised.

To enable groups in special life situations to participate in general and local elections, among other things, a programme to provide homeless persons with necessary identification documents has been introduced. In addition, audio-Internet programmes are now available for people with visual impairment, to help them participate in the voting process and to provide them with information enabling them to make informed decisions.

INSTITUTIONAL ARRANGEMENTS

In order to speed up and improve the efficiency of public documentation services, a new initiative has been undertaken to develop the conditions necessary to provide electronic access to public documentation services. The new system would enable citizens' access to documentation services from home. Local public administration institutions will establish common public documentation service units that will enable citizens to manage their official matters in one place. This is served by United Official Service Centres as 'front office units' being established in Budapest and in five new micro-region centres, where currently there is no public documentation service available.

Several new initiatives have been taken to provide people with the information needed to exercise their rights as citizens. Within the framework of the National Equal Opportunity Network programme, equal opportunity offices and information points have been set up on regional and micro-regional level, and county Opportunity Centres are being set up. In 2004, Opportunity Centres are being established in all 19 counties and Budapest. The network will be based partly on existing institutions (Civil Service Centres, tele-houses, local self-governments' social services) and partly, it will involve the establishment of new offices in micro-regions which currently lack these facilities. The main activity of these centres will be to provide information and legal assistance, and to promote grass-roots initiatives. They also are expected to build up institutional cooperation to reduce the gap between the backward and advanced regions of the country, and to promote equal opportunities for people living with disabilities, Roma, the elderly, families, women, and children in disadvantaged situations. The National Equal Opportunity Network should be developed at micro-regional level by 2006 based in disadvantaged settlements.

Another goal of the Network is to establish Equal Opportunity Professional Fora, which will be charged with designing and implementing action plans to remedy problems related to local discrimination and unequal treatment.

4.2. Mainstreaming the fight against poverty and social exclusion

The National Action Plan has set a top priority on making extensive efforts to encourage social inclusion in all policy areas and on all levels of administration.

4.2.1. Coordination mechanisms

In order to develop the National Action Plan as well as to monitor the Joint Inclusion Memorandum, the Government established a Committee to Combat Social Exclusion, with the representation of all relevant ministries. The Committee will be responsible for the follow-up and evaluation of the NAP. As of the programmes detailed and targets set in this document all the relevant governmental bodies will report annually to both the Committee and to the Government.

During the preparation of the NAP, in the process of social dialogue the draft version was sent directly to many hundreds of civil and professional organisations. Many of the comments have been considered and incorporated into the final document. Our goal in coming years is to continue to expand and reinforce the involvement and participation of the regional and local actors, to initiate extensive professional dialogue to imbed the fight of social exclusion in Hungarian policy-making processes and public deliberations.

The enabling state mainstreams the fight against social exclusion in all fields and levels of administration, therefore the goal of the Hungarian public policy is to employ a consistent and integrated approach of equal opportunity and equal treatment. To put this principle into practice, a Minister without Portfolio responsible for Equal Opportunities was appointed in 2003, and the Government Office of

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Equal Opportunities was established. The role of the Office is to mainstream equal opportunity and to reinforce coordination between the Government, NGOs and interest groups. The Office also develops and initiates programmes aiming to improve the life-chances of the Roma, of people living with disabilities, and of women.

To improve governmental coordination, Roma desk officers have been appointed in various ministries, as well as government level inter-ministerial Committees (Roma issues, demography, migration, drugs, etc.) are in operation. To promote social inclusion, a ministerial Commissioner for disadvantaged students has been appointed in the Ministry of Education since 2002, and a ministerial Commissioner to advocate for the rights of children will soon begin working.

Special governmental attention needs to be devoted to the coordination of the NAP and the Structural Funds. Both in the Joint Inclusion Memorandum and the current NAP a priority attention was given to the ways Structural Funds can contribute to key goals, measures and actions undertaken in the fight against social exclusion and how the social inclusion agenda gets incorporated into national, regional and local development plans. Therefore, it is crucial to provide synergy between the NAP and Structural Funds both in terms of the implementation of first National Development Plan (NDP) between 2004-2006 and in the programming of the second NDP for 2007-2013.

4.2.2. Awareness-raising programmes and trainings to better understand the mechanisms of social exclusion

To increase our knowledge, understanding of and effective response to social exclusion, support for research, conferences, and prejudice-reducing, sensitivising trainings are essential, just as the comprehensive media campaign initiated by the Government Office for Equal Opportunities, which is focused on promoting social solidarity, reducing violence and prejudice, and achieving inclusive societal dialogue.

Within the framework of a PHARE programme, a series of anti-discrimination actions are to be implemented in 2004-2005. Initiatives called '*Creating an inclusive society*' and '*Local initiatives to reinforce tolerance*' are being started up in 2004 to reduce anti-Roma prejudice and increase social inclusion as part of a nationwide media campaign. In addition to the campaign, a primary school teaching package, which tells about the history and culture of the Roma, is being designed with the aim to transfer it to 250 teachers in 50 schools through consultations. When the programme is concluded, the schools involved will be able to design their own education packages, too.

4.3. Promoting dialogue and partnership

4.3.1. Supporting NGOs in the fight against social exclusion

Hungary recognises that societies based on market economy and democracy founds itself on the division of labour between the state, the market and the civil sector.

The division of labour and various forms of cooperation between these three sectors are evolving. At present there are about 60,000 NGOs in Hungary. The Central Statistics Office reports that 47,000 of them are actually operative. This number reflects principally a quantitative development since the political system changed in 1989/90, with particularly explosive growth in the early 1990s.

The large NGO community offers an increasingly expansive framework for grass roots movements, and the classic signs of voluntary and self-initiated activity and of donations from citizens have appeared, giving tens

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of thousands of people the scope to attain individual self-fulfilment. A draft law on voluntary work will also promote the capacity of the civil communities to participate in the fight against social exclusion.

Public services have started to move towards to multi-sectoral schemes. Areas such as education, culture, healthcare and welfare are ones in which we see definite alternatives and added-value opportunities offered by NGOs. The creativity of these groups is also playing a growing role in the fight against poverty. The Hungarian NGO sector evolved in a single decade and is now diverse and variegated.

The development of the sector, its accumulated experience, the requirement of increasing democratisation in society along with the will to act in the public good and changes in the political environment have created an opportunity for the NGOs to undergo qualitative changes in years to come. One necessary condition is a deliberate government NGO strategy that is both tolerant and self-restricting.

As far as NGOs' revenues are concerned, as compared to the 40%-60% of state contribution seen in the European Union countries, they are under 30% in Hungary. This is why separate funding such as the National Civil Fund Programme is important, since it provides effective means of assisting civil society in its operations. Since 1996 it has been possible for taxpayers to earmark 1% of their personal income tax to be given to the NGO of their choice. In 2003, 34% of taxpayers took advantage of this opportunity and directed their 1%-s to nearly 22,000 NGOs. The basic principle of the National Civil Programme is to provide matching funds from the central budget. The goal of the Programme is to support the operation of NGOs that can take over tasks currently conducted by the state and to ensure equal opportunities for NGOs operating in disadvantaged regions. This is served by distributing supports on a regional level, decided by boards made up decisively of NGOs.

The Church with its institutions and services also plays an important role in the fight against social exclusion. It runs various and numerous programmes and support services for socially disadvantaged groups.

The Alliance of Social Professionals (3SZ) has initiated the establishment of the Hungarian Anti-Poverty Network in April 2004. The network is going to become the Hungarian member of EAPN, the European Anti-Poverty Network hopefully still in 2004. Currently the Hungarian network has 30 NGOs active in the social field among its members. The network has laid out a variety of tasks. They include providing public fora to discuss the problems of poverty and exclusion, guaranteeing rights and opportunities for persons who are poor and excluded, and introducing national and EU initiatives to improve living conditions. They take it upon themselves to continuously monitor these activities and to voice opinions and submit proposals as well as to provide information and opportunities for cooperation among members.

4.3.2. Dialogue fora in the social field - establishing Social Policy Councils

Civil organisations let them be engaged in 'voicing' or service provisions are key actors of societal and social dialogue. Societal dialogue is based on partnerships therefore it is crucial to increase the role of the civil organisations in sectoral conciliations, as well as to strengthen the institutional framework for it.

The most comprehensive fora of dialogue between the government and the society are the so-called Councils. The Social Council, which was founded in 1991, is going to be reformed in 2004. The Social Policy Council will be organised at three – national, regional and county – levels, which will enable the diffusion of conciliation processes by offering more opportunities for the civil organisations to have a voice in the decision-making processes. Besides, the Council of the Roma, the Council of the Disabled and the Council of the Elderly will continue to provide independent and important fora for groups in disadvantaged situations.

4.4. Quality and relevance of Hungarian statistics in light of EU requirements

Considering the limited nature of institutional data and very strict laws on data protection in Hungary, a great deal of data, which should be available institutionally, has to be collected from citizens. However, data collections from citizens are unable to meet their task since people tend to be quite limited in their willingness to respond. It is particularly difficult to access income data that realistically reflects people's living standards. The last income survey in Hungary was in 1996, but no targeted survey on poverty has been conducted since the political system changed (1989/90).

Data collections intended to do the groundwork for social decisions on the one hand, and to monitor those decisions on the other, are insufficient, regarding both quantity and quality. For this reason, the Government has given top priority to supporting social data collection and to reinforcing the official statistical service in the area of social statistics.

Hungary has agreed to introduce SILC surveys as of 2005 and to manage the data collections that conform to the Laeken indicators. Plans include a targeted investigation of the poor, a large-sample stratification survey and an income survey, as well as methodological projects to assist the preparation for these data collections. There is very little information available on the social structure of contemporary Hungary, or on the socio-economic mechanisms that trigger, reproduce and transmit poverty. There are no adequate, relevant statistical categories that fit the new situation and therefore it is very important to conduct a large-sample investigation to learn more about the social classes and strata in Hungarian society.

Data on social protection expenditure was recently published in conformity with ESSPROS for the very first time. The most recent data available are for 2001. A priority task of the time to come will be to promote efforts to collect and compute data on social protections, to transform the accounting systems of social institutions, to advance registration data, and to alter the classification system to meet ESSPROS requirements.

EU funding requires exact knowledge on how resources were spent and with what impact. Both the targets and the effects have to be made measurable. The social sphere has to be made able to quantify its goals, to be effective, to achieve transparency in its spending, and to become accountable. The prerequisite to all this is a move towards a higher standard and a more transparent accounting system. Meeting the new requirements calls for the fulfilment of new professional, objective and informational conditions, which will have to be created for social institutions as quickly as possible.



Good practice

Health visitors' services. Village and homestead caregivers. Integration programme in public education. Rehabilitation Information Centres.

5.1. Integration programme in education

In Hungary today, one frequent method used to segregate disadvantaged Roma students is to organise “segregated” primary school classes. Research found over 700 segregated classrooms in Hungary today, where Roma pupils learn using a reduced curriculum with a very high rate of dropouts and grade repetition.

In 2003, the Ministry of Education initiated an integration programme to put an end to this highly detrimental practice of segregation. Since 2002, a ministerial Commissioner has been assigned to promote the integration of disadvantaged and Roma children.

The goal of the integration programme is to eliminate segregated classes and to introduce differentiated organisational and pedagogical practice, which contribute to improving the performance of disadvantaged pupils and to reducing dropouts.

The programme was introduced in the first and fifth grades of primary school and the ninth grade of vocational training schools in September 2003, where it will gradually be spread to the higher grades. With government capitation support the initial grades began preparations for integration and the others were focused on preparing pupils to evolve their skills. The capitation support is due for disadvantaged children who attend class and study in the same group as other children not qualified as disadvantaged under the educational decree definition. In the 2003 academic year, statistics showed that 8,776 first, fifth and ninth grade students began school in classes preparing them for integration, and another 24,117 primary and secondary school students attended classes helping them to evolve their skills. The goal is to include another 270 schools in the programme within a three-year period.

Schools offering integrated education are being assisted by the National Education Integration Network (NEIN) with regional counsellors and coordinators. NEIN currently operates 45 model institutions in regions heavily populated by Roma. They offer professional assistance to the neighbouring settlement schools to achieve integrated education. NEIN provides regional and micro-regional coordinators and counsellors to assist the schools that offer integrated education.

Other measures of support that contribute to implementing the programme:

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- An HRD OP measure offers significant resources to support the institutions joining in the integration programme, support the training of teachers and the development of pedagogical methods promoting integrated education and preventing early school leaving;
- The HRD OP central programme offers sensitivitis training and preparations for integrated education for staff of child welfare services, local decision-makers, the representatives and coordinators of the bodies maintaining public educational institutions, as well as representatives of minority authorities, NGOs, and the media;
- In 2003, a programme was begun to change the system under which children were rendered “disabled” (See Section 3.2.2.);
- “Out of the Back Row” is a programme intended to return children unjustifiably qualified as disabled to regular schools and classes (See Section 3.2.2).

5.2. Village and remote homestead community care-giving

Village community care-giving is a way of alleviating the disadvantages resulting from a shortage of institutions in hamlets and the outskirts of residential areas. This service meets basic needs and guarantees access to basic services. The advantage of village and remote homestead community care-giving is that the services are integrated and community-based, and are adjusted to local conditions and specifics and to individual and community needs. At the same time, they are offered in small settlements and homesteads where basic social support is not otherwise provided because of the disadvantaged status of the settlements.

Village community care-giving includes basic social and healthcare services (such as taking prescriptions to be filled, transporting people to doctors’ offices, etc.), transporting pre-school and schoolchildren to school, other child transport (i.e. special classes, swimming lessons, language classes, other programmes, etc.); mediating other welfare needs, service-needs, and information between the local self-government and citizens. Its services include organising and assisting in cultural programmes and recreational activities, other services (organising shopping trips, organising repairs of household appliances, procuring livestock feed and seed, handling various administrative matters, etc.), participation in fulfilling local government tasks, and assistance in managing official matters with local self-governments.

An amendment in 2003 established the remote homestead community caregiver service for outlying or other residential regions with a minimum of seventy and a maximum of four hundred residents. Under the law, this service is the same as the village community caregivers’ service, but the activity is often different, because of differences in environment, opportunities, and conditions (for instance, long distances, poor roads, a lack of infrastructure, etc.).

At present there are nearly 800 village- and remote homestead community caregivers. Most caregiver positions have been established by communities themselves that submitted bids for funding to the ministry. At present the system is maintained by government capitation funding. Plans are to expand the network in the years to come. By 2006, another 50 new services will be started up for villages with fewer than 600 residents and for settlements surrounded by remote homesteads. One hundred village- and remote homestead community caregivers will be trained to do this job over the same period.

5.3. Assuring equal access to Public Employment Services

The different groups of disabled people differ in their motivation, skills and abilities to advocate for their interests. Their transportation problems are also different as well as their abilities to communicate. The Ministry of Employment and Labour has initiated a number of programmes to reduce discrimination, and to assure equal access to information and services.

Rehabilitation working groups operate in all Labour Centres. They offer a variety of services and coordinate among institutions providing employment rehabilitation to assist disabled persons to return to the labour market. Rehabilitation Information Centres (RIC) provide information on the labour market and rehabilitation possibilities to disabled people, their family and employers. If necessary they provide psycho-social services as well. At present there are 15 RICs in County Labour Centres providing services in accessible environment. Between 2004-2006 RICs further will be opened in the remaining Country Labour Centres.

Another phase of the development – which began in 2003 – is to collect and provide accessible information to disabled people. Therefore, a growing number of Labour Centres, Offices, and Workforce Development and Training Centres are preparing websites accessible for people with visual impairments and publishing documents in Braille or in audio formats. To promote communication with people with hearing-impairment, PES staff attends courses in sign-language and the offices of the institute are being equipped with induction loops that increase the performance of hearing aids. If need be, they also have access to sign language interpreters. Persons with physical impairments are offered special software and computers with special equipment. “Easy to read” language is also spreading, to assist persons with intellectual disabilities.

The next phase of development is to enable not only information, but the PES’ own human services to become accessible to meet the special needs of disabled persons.

5.4. Health visitors’ services

The health visitors’ service has been operating for 89 years. It was established in the early 20th century to improve the health and social welfare of citizens. Health visitors focus on health maintenance, disease prevention and family protection focusing on women, mothers, infants, and children. Currently, district health visitors and school-youth health visitors work within primary healthcare, while hospital health visitors form part of the specialist healthcare system.

The Health Act of 1997 guaranteed the presence of health visitors in all settlements throughout the country within the primary care framework. The registry maintained by the health visitors guarantees that all children in the area receive prophylactic care and all mandatory inoculations in a timely manner.

Tasks handled by the health visitor include protection of women, care-giving to pregnant women, to children aged 0-18, and to families and the handling of public health tasks. Visits to families, and ongoing care for pregnant women and families with children in the home make up a substantial portion of health visitors work. The district health visitors’ service is focused primarily on preventing, recognising, and eliminating health problems and mental and social risks. The great advantage of the programme is that it extends to the entire country, offering universal coverage.

District health visitors pay special attention to pregnant women who are in crisis, they initiate social assistance and if needed placement in shelters for expectant mothers. When visiting families, the health visitors make a special effort to seek out pregnant women who are not yet under medical care. The health visitors inform

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families of benefits to which they are entitled and assist them in accessing them. They become involved with families in crisis and in helping individuals to mobilise their own resources - in offering mental assistance. When necessary, they initiate child protection measures. The health visitors work independently, but in cooperation with the primary and specialised outpatient care system, the education system, the child welfare system, and with specialists in social welfare and family assistance institutions. In addition to visiting families, the health visitors offer counselling of definitive importance in preventive care and in participation in screenings. In addition to screenings, the health visitors working in schools conduct group health education programmes for pupils and students. District health visitors teach in schools part time, while in 2002, there were 486 school health visitors teaching and handling school tasks full time.