

# Seven years for development

## New pathways of the Hungarian Public Employment Service



On 9 May 2007, the second national development plan of the Republic of Hungary was signed in the German town of Hof. Under the

“New Hungary” Development Plan (NHDP), this country of 10 million inhabitants will have access to EUR 25 billion development assistance over the seven-year Union budget cycle.

Special emphasis will be given to measures supporting economic growth and employment promotion as expressed in the National Reform Programme for Growth and Employment 2005–2008.

The Hungarian employment service will undergo almost total transformation during the seven-year period, which is divided into two-year-long action plans. The PES modernization programme started with PHARE support in Autumn 2002 and continued in the 1st Union cycle (2004-2007) in Hungary, under Measure 1.2. of the Human Resources Development Programme of the NDP. Almost half of the Service infrastructure has been renewed, a new client service programme has been worked out, and professional protocols, used with good results in several old Member States, have been taken over in the form of pilots (e.g. profiling, short-term labour forecasting, demographic forecasting, competence-based development of the PES staff, CAF, MbO, etc.).

In the next phase, from 1 January 2007, the Hungarian employment service, which already operates on a regional basis, will undergo the implementation of new large-scale administrative projects.

### New horizons

In the first two years, we shall develop employability in co-operation with NGOs. From 2009 on, we shall only conclude contracts with service providers complying with the relevant quality criteria and offering programmes/services with appropriate guarantees.

In the Hungarian administration restructuring process, which started in 2006, the National Employment and Social Office carried out a full-scale status survey and developed the national system for career choice and career correction. As a result, the traditional and electronic system will be upgraded nationally, in line with the relevant concepts of DG Education and Culture, and DG Employment and Social Affairs. Hungary is also a founding member of the European Life Long Guidance Policy Network agreed upon in Helsinki this year.

### Integrated policies

The competence of PES has been significantly expanded as a result of the restructuring of the Hungarian administration. As of January 2007, the Service hosts Mobilitas (National Youth Information Centre), the organisation responsible for the implementation of youth policy, and the Social Dialogue Centre, dedicated to fostering social dialogue. The latter includes the Hungarian Labour Mediation and Arbitration Service (LMAS), which celebrated its 10th anniversary last year. LMAS has, for example, already established excellent links with ACAS (the British Advisory, Conciliation and Arbitration Service) and with the overseas FMCS (the US Federal Mediation and Conciliation Service). This helps the Hungarian social partners to build up interest in the reconciliation culture. Under the NHDP, special attention is

given to the development of dialogue with the social partners through the new centre.

### The “Hungarian PES Plus”

Over the next seven years, an integrated social, rehabilitation and employment promotion and activation system will be created. For employers, we shall put dedicated on-line channels at their disposal, and provide special services to satisfy the needs of the SME sector. We shall lay the foundation for virtual job brokerage and training. Furthermore, hundreds of thousands will be involved in special programmes devoted to the acquisition of a first qualification, the elimination of digital illiteracy, and targeted assistance to improve conditions for disadvantaged groups.

Thanks to the above developments, by 2013-2015, PES will be the biggest human resources development organisation system in the Republic of Hungary. A lot is expected from the completion of this programme including a radical alteration of the PES image as well as that of the Hungarian public service.

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