

**THE HUNGARIAN LABOUR MARKET
2018**

THE HUNGARIAN LABOUR MARKET

Editorial board of the yearbook series

IRÉN BUSCH – Head of Department, Ministry of Interior, Department of Public Work's Statistics Analyses and Monitoring • KÁROLY FAZEKAS – general director, Centre for Economic and Regional Studies, Hungarian Academy of Sciences (CERS HAS) • JENŐ KOLTAY – senior research fellow, Institute of Economics, Centre for Economic and Regional Studies, Hungarian Academy of Sciences (IE CERS HAS) • JÁNOS KÖLLŐ – scientific advisor, Institute of Economics, Centre for Economic and Regional Studies, Hungarian Academy of Sciences (IE CERS HAS) • JUDIT LAKATOS – senior advisor, Hungarian Central Statistical Office (HCSO) • ÁGNES SZABÓ-MORVAI – research fellow, Institute of Economics, Centre for Economic and Regional Studies Hungarian Academy of Sciences (IE CERS HAS)

Series editor

KÁROLY FAZEKAS

THE HUNGARIAN LABOUR MARKET 2018

EDITORS

KÁROLY FAZEKAS

ÁGNES SZABÓ-MORVAI

**INSTITUTE OF ECONOMICS, CENTRE FOR ECONOMIC
AND REGIONAL STUDIES, HUNGARIAN ACADEMY OF SCIENCES
BUDAPEST, 2019**

Edition and production: Institute of Economics, Centre for Economic and Regional Studies, Hungarian Academy of Sciences.

Copies of the book can be ordered from the Institute of Economics, Centre for Economic and Regional Studies, Hungarian Academy of Sciences.

Address: 4. Tóth Kálmán Str, 1097 Budapest

Phone: (+36-1) 309 26 49

Fax: (+36-1) 319 31 36

E-mail: biblio@rtk.mta.hu

Web site: <http://mtakti.hu>

Translated by: *Orsolya Kisgyörgy* (Foreword; The Hungarian Labour Market in 2017; In Focus 5.2, 5.4, K 6.2, 8.2, 8.3, 11.2, 11.3; Labour Market Policy Tools, Pocketbook); *Krisztina Olasz* (In Focus Foreword, 1, 2.1, 2.3, K2.1, 3.3, 4.1, 4.2, 4.3, 5.1, 6.1, K6.1, 6.2, K6.3, 7, 8.4, K8.2, 9., K9.1, 10, 11.1); *Anna Adamecz-Völgyi* (In Focus 2.2, 8.1); *Endre Tóth* (In Focus 3.1, 5.3, K8.1); *Zsombor-Cseres Gergely* (In Focus 3.2); *Gábor Körösi* (In Focus K10.1); *András Simonovits* (In Focus 12)

Revised by: Stuart Oldham

The publication of this volume has been financially supported by the Hungarian Academy of Sciences and Ministry of Finance

Copyright © Institute of Economics, Centre for Economic and Regional Studies, Hungarian Academy of Sciences, 2019

Cover photo © János Eifert, 2019

ISSN 1785-8062

Publisher: Károly Fazekas

Copy editor: Anna Patkós

Design, page layout: font.hu

Typography: Garamond, Franklin Gothic

Printing: Oliton Kft.

CONTENTS

Foreword	11
The Hungarian labour market in 2017 (<i>Tamás Bakó & Judit Lakatos</i>)	19
Economic background	21
Labour force supply and employment	21
Labour demand and labour force potential	27
Earnings	33
References	39
In Focus: Women in the labour market	41
Introduction (<i>Ágnes Szabó-Morvai</i>)	43
1 Women in the labour market	47
1.1 The problem and its background and literature review (<i>Júlia Varga</i>) ..	47
2 Women in the Hungarian labour market – Trends in the past ten years	54
2.1 Labour force participation, employment, unemployment and wages (<i>János Köllő</i>)	54
2.2 Is there a glass ceiling in Hungary? Gender wage gap by educational attainment (<i>Anna Adamecz-Völgyi</i>)	63
2.3 Female and male managers (<i>Beáta Nagy & Anna Sebők</i>)	66
K2.1 Women in science – in Europe and Hungary (<i>Veronika Paksi & Dóra Groó</i>)	69
3 Women’s labour market performance in the EU and in Hungary	71
3.1 Female employment in post-socialist EU member states (<i>Flóra Samu, Ágota Scharle & Márton Csillag</i>)	71
3.2 Inequality in Europe – women, men and couples (<i>Zsombor Cseres-Gergely</i>)	76
3.3 Work-family policies affecting female employment in Europe (<i>Judit Kálmán</i>)	80
4 Human capital, part I. Birth and early childhood	89
4.1 Introduction (<i>Ágnes Szabó-Morvai</i>)	89
4.2 The role of early childhood shocks in the emergence of gender inequalities (<i>Ágnes Szabó-Morvai</i>)	91
4.3 The impacts of abortion restrictions on birth outcomes (<i>Anna Adamecz-Völgyi, Anna Bárdits, Gábor Kertesi & Ágnes Szabó-Morvai</i>)	95

5	Human capital, part II. Test scores and school performance	98
5.1	Changes in the gender gap in educational attainment (<i>Júlia Varga</i>) ...	98
5.2	Gender gaps in test scores in international comparison (<i>Zoltán Hermann</i>)	104
5.3	Girls in Hungarian vocational education (<i>Márton Csillag, Bori Greskovics & Tamás Molnár</i>)	111
5.4	Horizontal gender segregation in higher education – STEM applications (<i>Koen Declercq & Júlia Varga</i>)	114
6	Human capital, part III. The role of non-cognitive skills	122
6.1	The impact of the increasing significance of non-cognitive skills on the labour market situation of women (<i>Károly Fazekas</i>)	122
K6.1	Gender differences in the stability of personality traits over time (<i>János Kiss Hubert & Ágnes Szabó-Morvai</i>)	130
6.2	Gender differences in preferences in the literature (<i>Luca Flóra Drucker, Dániel Horn & Hubert János Kiss</i>)	132
K6.2	Gender differences in the use of cognitive skills at work (<i>Rita Pető & Balázs Reizer</i>)	139
K6.3	The effect of motivation and feedback (<i>Anna Lovász & Ágnes Szabó-Morvai</i>)	140
7	Human capital, part IV. Health and labour market participation among women (<i>Anikó Bíró, Réka Branyiczki & Péter Elek</i>)	141
8	Marriage, having children	151
8.1	The effects of teenage motherhood (<i>Anna Adamecz-Völgyi</i>)	151
8.2	The impact of childcare availability on female labour supply (<i>Ágnes Szabó-Morvai & Anna Lovász</i>)	156
K8.1	Development of nursery capacities (<i>Ágota Scharle</i>)	159
8.3	Career before and after having a child (<i>Anna Lovász, Ewa Cukrowska-Torzewska & Ágnes Szabó-Morvai</i>)	160
8.4	The role of parenthood in the gender wage gap (<i>Anna Lovász & Ewa Cukrowska-Torzewska</i>)	163
K8.2	Opportunities provided by the hungarian birth cohort study (<i>Balázs Kapitány & Zsuzsanna Veroszta</i>)	166
9	Division of labour in the household (<i>Ágnes Szabó-Morvai</i>)	167
K9.1	Spillover between work and private life (<i>Beáta Nagy, Gábor Király & Márta Radó</i>)	171
10	Classic labour market discrimination (<i>Anna Lovász & Bori Simonovits</i>)	173
K10.1	Labour market discrimination, 1995–2016 (<i>Gábor Körösi</i>)	177

11 The institutional context	178
11.1 Changes in the regulatory environment affecting female employment (<i>Ágnes Makó</i>)	178
11.2 Flexible work arrangements and other family-friendly measures among Hungarian companies (<i>István János Tóth, Miklós Hajdu & Ágnes Makó</i>)	184
11.3 The main characteristics of women in public works (<i>Irén Busch & Judit Lakatos</i>)	189
12 Dilemmas of Female40 (<i>András Simonovits & Melinda Tir</i>)	192
Labour Market Policy Tools (June 2017–May 2018) (<i>Miklós Hajdu, Ágnes Makó, Fruzsina Nábelek & Zsanna Nyíró</i>)	197
1 Institutional changes	199
2 Supports	200
3 Services	201
4 Active labour market measures and comprehensive programmes	201
5 Policy tools affecting the labour market	205
Statistical data	209
1 Basic economic indicators	211
2 Population	213
3 Economic activity	216
4 Employment	224
5 Unemployment	234
6 Wages	251
7 Education	258
8 Labour demand indicators	262
9 Regional inequalities	265
10 Industrial relations	273
11 Welfare provisions	278
12 The tax burden on work	284
13 International comparison	288
14 Description of the main data sources	291
Index of tables and figures	297

AUTHORS

ANNA ADAMECZ-VÖLGYI – UCL INSTITUTE OF EDUCATION; BUDAPEST INSTITUTE

TAMÁS BAKÓ – IE CERS HAS

MÓNIKA BÁLINT – CERS HAS

ANNA BÁRDITS – CEU

ANIKÓ BÍRÓ – IE CERS HAS

RÉKA BRANYICZKI – CEU; TÁRKI SOCIAL RESEARCH INSTITUTE

IRÉN BUSCH – MINISTRY OF INTERIOR DEPARTMENT OF PUBLIC WORK'S
STATISTICS ANALYSES AND MONITORING

ZSOMBOR CSERES-GERGELY – EUROPEAN COMMISSION, JOINT RESEARCH CENTRE

MÁRTON CSILLAG – BUDAPEST INSTITUTE

EWA CUKROWSKA-TORZEWSKA – UNIVERSITY OF WARSAW

ÉVA CZETHOFFER – CERS HAS

KOEN DECLERCQ – IRES, UCLOUVAIN, FNRS, AND LEER, KU LEUVEN

LUCA FLÓRA DRUCKER – CEU

PÉTER ELEK – IE CERS HAS; EÖTVÖS LORÁND UNIVERSITY, DEPARTMENT OF ECONOMICS

KÁROLY FAZEKAS – IE CERS HAS

BORI GRESKOVICS – BUDAPEST INSTITUTE

DÓRA GROÓ – ASSOCIATION OF HUNGARIAN WOMEN IN SCIENCE

MIKLÓS HAJDU – CORVINUS UNIVERSITY OF BUDAPEST

ZOLTÁN HERMANN – IE CERS HAS

DÁNIEL HORN – IE CERS HAS

JUDIT KÁLMÁN – IE CERS HAS

BALÁZS KAPITÁNY – HUNGARIAN DEMOGRAPHIC RESEARCH INSTITUTE

GÁBOR KERTESI – IE CERS HAS

GÁBOR KIRÁLY – BUDAPEST BUSINESS SCHOOL, FUTURE OF HIGHER EDUCATION
RESEARCH CENTRE

HUBERT JÁNOS KISS – IE CERS HAS

JÁNOS KÖLLŐ – IE CERS HAS

GÁBOR KÖRÖSI – IE CERS HAS

JUDIT LAKATOS – HUNGARIAN CENTRAL STATISTICAL OFFICE (HCSO)

ANNA LOVÁSZ – IE CERS HAS

ÁGNES MAKÓ – INSTITUTE FOR ECONOMIC AND ENTERPRISE RESEARCH

TAMÁS MOLNÁR – BUDAPEST INSTITUTE

FRUZSINA NÁBELEK – INSTITUTE FOR ECONOMIC AND ENTERPRISE RESEARCH

BEÁTA NAGY – CORVINUS UNIVERSITY OF BUDAPEST
ZSANNA NYÍRŐ – INSTITUTE FOR ECONOMIC AND ENTERPRISE RESEARCH
VERONIKA PAKSI – CENTRE FOR SOCIAL SCIENCES, HAS
RITA PETŐ – CEU
MÁRTA RADÓ – CORVINUS UNIVERSITY OF BUDAPEST;
CENTRE FOR SOCIAL SCIENCES, HAS
BALÁZS REIZER – IE CERS HAS
FLÓRA SAMU – CORVINUS UNIVERSITY OF BUDAPEST;
CENTRE FOR SOCIAL SCIENCES, HAS
ÁGOTA SCHARLE – BUDAPEST INSTITUTE
ANNA SEBŐK – CERS HAS
WU SHANSHAN – BEIJING NORMAL UNIVERSITY
ANDRÁS SIMONOVITS – IE CERS HAS
BORI SIMONOVITS – EÖTVÖS LORÁND UNIVERSITY
ÁGNES SZABÓ-MORVAI – IE CERS HAS
JÓZSEF TAJTI – MINISTRY OF FINANCE
MELINDA TIR – CERS HAS
ISTVÁN JÁNOS TÓTH – IE CERS HAS
JÚLIA VARGA – IE CERS HAS
ZSUZSANNA VEROSZTA – HUNGARIAN DEMOGRAPHIC RESEARCH INSTITUTE