Hungary²⁹³

András Gábos (TÁRKI Social Research Institute) and **Zsuzsanna Makay** (Hungarian Demographic Research Institute, HDRI)

April 2024

For comparisons with other countries in this review on leave provision and early childhood education and care services, please see the <u>cross-country tables</u> at the front of the review (also available individually on the <u>Leave Network website</u>). To contact authors of country notes, see the <u>members page</u> on the Leave Network website.

1. Current leave and other employment-related policies to support parents

Note on terminology: the Hungarian terms for the two elements of the Parental leave arrangements discussed in Section 1c. (GYES and GYED) include the word *gondozás*, that is 'care'. By contrast, GYET - available for families with at least three children, after the youngest child is older than three years of age (see Section 1d) - includes the word *nevelés*, that is 'upbringing'. The Hungarian terms for these three leave arrangements (Sections 1c and 1d) literally refer only to the payment element, although, in practice, they cover both leave periods and cash benefits (e.g., GYES is *Gyermekgondozást segítő ellátás*, literally 'allowance to support childcare'²⁹⁴). The payment related to Maternity leave, has been re-named as 'infant care payment' (CSED – *Csecsemőgondozási díj*) in 2015.

-

Please cite as: Gábos, A and Makay Zs. (2024) 'Hungary country note', in Dobrotić, I., Blum, S., Kaufman, G., Koslowski, A., Moss, P. and Valentova, M. (eds.) *International Review of Leave Policies and Research 2024*. Available at: https://www.leavenetwork.org/annual-review-reports/

The name of GYES has been slightly modified since 2016, while keeping the acronym (previously *Gyermekgondozási segély*).

a. Maternity leave (csecsemőgondozási díj, CSED) (responsibility of the Ministry of Culture and Innovation, State Secretariat for Family Affairs)

Length of leave (before and after birth)

- Twenty-four weeks: up to 4 weeks prior to birth.
- It is obligatory to take 2 weeks.

Payment (csecsemőgondozási díj) and funding

- One hundred per cent of average daily earnings, with no upper limit on payment. In cases when there has been previous employment (i.e., the pregnant woman is eligible), but no actual income can be determined on the first day of eligibility (e.g., the pregnant woman is on sick leave for several months, or is self-employed and does not have a current income), the payment is twice the daily amount of the official minimum wage.
- Social security (health and pension insurance) contributions continue to be paid and are not deducted from the gross amount of CSED.
- Payment is made to the mother either by the corporate social insurance payment services (when the employer has more than 100 persons on payroll) or the Treasury (in other cases).
- Payments are taxed at 15 per cent, but family tax credit can be applied.
- Funded by the NHIF (National Health Insurance Fund), which is financed through contributions from employers, employees, and general taxation: employers and employees both pay 6 per cent of gross earnings.

Flexibility in use

• The starting date can be from 4 weeks prior to the birth up to the date of birth itself.

Eligibility (e.g., related to employment or family circumstances)

- All mothers are entitled to 24 weeks' unpaid Maternity leave.
- Employees and self-employed women with an employment record of at least 365 days within two years prior to the birth of a child (and the birth is no later than day 42 after the end of employment) are entitled to the benefit payment during the period of Maternity leave. The 365-day period may include: 180 days of secondary or tertiary school attendance, duration of CSED or GYED (excluding *diplomás GYED*).
- Beyond the employment criteria, citizenship is not linked to eligibility.

Variation in leave due to child or family reasons (e.g., multiple or premature births; poor health or disability of child or mother; single parent); or delegation of leave to person other than the mother

- If the new-born is cared for in an institute for prematurely born infants, the unused portion of Maternity leave can be taken after the child is home for up to 1 year after the birth of the child.
- Guardians who care for the child are eligible.
- The father (birth or adoptive) is eligible if the mother dies or is not present in the household due to health-related reasons.

b. Paternity leave²⁹⁵ (responsibility of the Ministry of Culture and Innovation, State Secretariat for Family Affairs)

Length of leave

Ten working days.

Payment and funding

- One hundred per cent of absence fee (i.e., equal to the payment received for annual leave), with no upper limit on payment during the first 5 days. Forty per cent of absence fee for days 6 to 10.
- Payments are made to the father by the employer and refunded for the first 5 days by the National Treasury. Payments for the remaining period are not refunded.

Flexibility in use

• Leave can be taken during the first 2 months of the child's life and can be split into no more than 2 periods.

Eligibility (e.g., related to employment or family circumstances)

- All employed, biological and adoptive fathers. As same-sex couples are neither allowed to marry nor to adopt, they are not eligible for Paternity leave as a couple.
- There are no conditions linked to length of service.
- Fathers are also eligible in case of stillbirth or the death of the child.

c. Parental leave (responsibility of the Ministry of Culture and Innovation, State Secretariat for Family Affairs)

There are two types of leave and benefit: (i) for insured parents, Gyermekgondozási díj (GYED); and (ii) for non-insured parents, Gyermekgondozást segítő ellátás (GYES). Both are family entitlements.

²⁹⁵ Paternity leave has no separate name in Hungarian; it is just listed as one of the eligible reasons for leave days in the Code of Labour legislation.

In addition, there is an individual, non-transferable entitlement to 44 days of leave for parents having at least 1 child below the age of 3 years and being employed for more than one year. Parents taking leave are paid 10 per cent of earnings.

Length of leave

• GYED: from the end of the Maternity leave period until the child's second birthday, for insured parents.

GYES:

- a. From the end of GYED (child's second birthday) until the child's 3rd birthday, for insured parents.
- b. From birth until the child's 3rd birthday for parents who are not insured.

Payment and funding

- **GYED**: benefit of 70 per cent of average daily earnings calculated for the last 180 days prior the birth, up to a limit of 70 per cent of twice the minimum daily wage (HUF266,800 [€680.79]²⁹⁶ per month; the amount of the benefit is a maximum of HUF373,520 [€953.10]) in 2024.
- Payments are taxed and pension contributions are deducted, but family tax credit can be applied.
- Funding and delivery is the same as for Maternity leave.
- **GYES**: until the child's third birthday, a flat-rate benefit equal to the amount of the minimum pension, HUF28,500 [€72.72] per month. This is a gross amount from which pension contribution is deducted. For multiple births, 200 per cent of this amount is paid in the case of 2 children; 300 per cent for 3 children; then there are similar increases for additional children.
- Funded by the Treasury from general taxation.

Flexibility in use

- A parent taking GYED can work unlimited hours after the child turns six months old, while still receiving the full benefit until the child's second birthday (GYED extra). If the parent takes up GYED and works, they can still access public childcare for children under 3 years of age (bölcsőde).
- The family can keep receiving the benefit after the 1st child if a 2nd child is born (sibling GYED).
- A parent taking GYES cannot work until the child is 6 months old, but can then work unlimited hours while still receiving the full benefit until the child's 3rd birthday. If the parent takes up GYES and works, they can still access public childcare for children under the age of 3 years (bölcsőde).

²⁹⁶ Conversion of currency for 15 July 2024, undertaken using: https://data.ecb.europa.eu/currency-converter

Eligibility (e.g., related to employment or family circumstances)

- **GYED**: either of the parents living with the child is eligible as long as they have been employed for at least 365 days within the two years prior the birth of the child; however, only one parent at a time can actually take GYED. Foster parents are not eligible.
- Women who would not be eligible under the above listed criteria, but who have completed two semesters at a higher education institution recognised by the state within the two years prior to the birth of the child (diplomás GYED). In this case, they are eligible for two years of payment, beginning at the birth of the child. Those studying at undergraduate level receive a payment equal to the 70 per cent of the minimum wage, HUF186,760 [€476.55] per month in 2024, while for those at post graduate or PhD level, the payment is 70 per cent of the guaranteed minimum wage (HUF296,400 [€756.32]), HUF228,200 [€582.29] per month in 2024.
- Self-employed parents are eligible if they fulfil all criteria, e.g., in the case of GYED, that they have been insured prior to the birth.
- As same-sex couples are neither allowed to marry nor to adopt, they are not eligible for Parental leave as a couple; if one of the partners has a young child, they are eligible in their own right, but their partner is not.
- GYES: all parents are eligible, as are guardians.

Variation in leave due to child or family reasons (e.g., multiple or premature births; poor health or disability of child or mother; single parent); or delegation of leave to person other than the parents

- **GYED**: The duration of the benefit lasts until the children's 3rd birthday in the case of twins.
- GYED can be also taken by non-pensioner grandparents, if they undertake the care and the upbringing of the child, while parents are working. One grandparent at a time can take GYED, but for more than one grandchild if the case. The amount of grandparents' GYED is the same as for parents: maximum 70 per cent of twice the minimum daily wage (HUF266,800 [€680.79] per month, which is a maximum of HUF373,520 [€953.10]).
- **GYES**: parents of a child with a long-term illness or disability can take leave until the child's 10th birthday (or even longer in discretionary cases); parents of twins are eligible until the children start elementary school, and receive a payment equal to the amount for one child multiplied by the number of twins.
- GYES can be taken by grandparents from the 1st to the 3rd birthday of the child, if the child is looked after in their own home and if the parents agree. Grandparents taking GYES can work fewer than 30 hours per week, or without limitation if the work is done in the home and the child is older than 3 years of age.
- If a family has another child while still receiving one of the child-raising allowances for their previous child/children (GYED or GYES), they can receive both benefits, including the benefit for the new baby (CSED, GYES or GYED).

d. Childcare leave or career breaks

• Either parent in a family with three or more children under 18 years of age, may take leave during the period between the 3rd and 8th birthday of the youngest child (*Gyermeknevelési támogatás*, GYET). Benefit payments are made in the same way as for GYES. The person taking GYET can work fewer than 30 hours per week, or unlimited hours if the work is done at home. While GYES and GYED are intended to promote childbirth and support reconciliation between work and child-rearing, GYET is considered an acknowledgement of parenthood as paid work and, consequently, recipients are credited with social insurance contributions.

e. Other types of leave and flexible working

Adoption leave and pay

- The same regulations regarding Maternity. Paternity and Parental leave apply for adoptive parents as for other parents.
- Paternity leave can be taken during the 2 months following the official resolution.

Additional paid leave for parents

 Forty-four days of additional paid leave for parents having at least one child below the age of three years and being employed for more than one year. Both mothers and fathers are eligible (as well as adoptive parents) for these 44 days and they receive ten per cent of the absence fee. The employee can not be dismissed during the leave.

Time off for the care of dependants

- Gyermekápolási táppénz is part of the sick-pay system, the length of which
 depends on the age of the child: under 1 year, unlimited; 12 to 35 months,
 up to 84 days per child per year; 36 to 71 months, 42 days; and 6 to 12
 years, 14 days. Single parents are entitled to a double period of leave. Leave
 is a family entitlement and sickness benefit is paid at 50 or 60 per cent of
 actual earnings up to a limit.
- Parents caring for a child facing long-term illness or disability may take Gyermekek otthongondozási díja (GYOD). The benefit is provided regardless of the age of the child. The gross amount of the benefit is equal to the minimum wage, which is HUF266,800 [€680.79] per month. In the case that more than one child is affected, the amount of the benefit is 1.5 times the base amount, HUF373,520 [€953.10] in 2024. If GYOD is provided for one of the children in a family, the other parent can claim GYES for another child in the same family. If both GYOD and GYES are claimed by the same parent, the amount of GYOD is reduced by the amount of GYES. Either of the parents (adoptive or biological) is entitled to GYOD.
- Employees may request unpaid carer's leave for a maximum of five working days per calendar year to care for seriously ill family members and persons living in their households.

Specific provision for (breast)feeding

 Mothers are entitled to 2 paid 1 hour breaks per day for breastfeeding until a child is 6 months old; and to 1 1 hour break until a child is 9 months old. The number of hours is doubled in the case of twins.

Flexible working

- Employers are required to provide part-time employment for parents of children under 4 years of age if requested. By default, this means a working time of four hours per day, but other arrangements are also possible upon the agreement of the employer and the employee. For parents with 3 or more children, the possibility is available until the youngest child turns 6 years old.
- Working parents with children below the age of 8 years of age are eligible for flexible working hours and flexibility in their place of work, which requests can only be refused for a serious reason by the employer.
- Employed parents with children below 16 years of age are eligible to additional days off (for both parents): 2 days for 1 child; 4 days for 2 children; and 7 days for 3 or more children. Parents working in the Central Administration have double these days for leave.

2. Relationship between leave policy and early childhood education and care policy

The maximum period of post-natal leave is 3 years per child (except for families with three or more children, where leave can be taken until a child is eight years of age); the last year is paid at a low flat-rate, but insured parents taking leave are paid at a high earnings-related level until a child is two years old. Attendance at Early Childhood Education and Care (ECEC) (*óvoda*/kindergarten) from 3 years of age is compulsory for at least 4 hours per day. Children under 3 years of age are also entitled to an ECEC service (*bölcsőde*/nursery) place if the parent studies full-time or if the child turns 6 months old. However, there is a shortage of spaces in Hungary: while legislation is in place, implementation varies. According to legislation, therefore, there is no gap between the end of well-paid leave and the start of an ECEC entitlement, such a gap exists in practice, due to a shortage of places in nurseries. Otherwise, there is a one year gap between the end of well-paid leave (GYED) and an effective entitlement to ECEC.

For ECEC attendance levels, see 'relationship between leave and ECEC entitlements' in the cross-country tables at the front of the review.

3. Changes in policy since April 2023 (including proposals currently under discussion)

No changes reported.

4. Uptake of leave

a. Maternity leave

Statistics are only available on the number of women receiving benefits.²⁹⁷ The average number of mothers per month was 29,998 in 2023 (30,074 in 2022), which is 14.07 recipients per 1,000 women of fertile age in 2023 (13.85 in 2022). It is supposed that almost all eligible women take the leave.

b. Paternity leave

No information available since 2014.

c. Parental leave

Statistics are only available on the number of recipients of the benefits and the average amount of the benefit per capita. The average monthly numbers in 2023 were: for GYED, 114,630 (114,774 in 2022), or 53.8 recipients per 1,000 women of childbearing (15-49) age (52.9 in 2022); for GYES, 146,255 (148,653 in 2022), or 68.6 recipients per 1,000 women of fertile age (68.5 in 2022); and for GYET, 28,801 (30,297 in 2022), or 13.5 recipients per 1,000 of women of childbearing age (14.0 in 2022). There is no information on the proportion of parents taking leave, how long they take, or on the number of fathers taking Parental leave.

There is no information about how many parents work either full-time or part-time while receiving one of the Parental leave benefits (GYED, GYES or GYET).

In 2022²⁹⁸, the average monthly amount per recipient of GYED was HUF207,686 [€529.95], that of GYES was HUF31,316 [€79.91], while that of the GYET was HUF28,227 [€72.03]. The daily amount of the CSED was HUF12,390 [€31.62] (HUF9,537 in 2021 [€24.34].

d. Other types of leave and flexible working

In 2020, the total number of cases on paid leave to care for a sick child was 271,500 (21.7 per cent of all paid leave cases), while the total number of paid leave days to care for sick children was 1,297,000 (4.5 per cent of all paid sick leave days).²⁹⁹

_

²⁹⁷ All statistics in this section are from the Hungarian Central Statistical Office (*Központi Statisztikai Hivatal*) Yearbook of Welfare Statistics (see section 3); and HCSO STADAT online database, available at: https://www.ksh.hu/stadat_files/szo/hu/szo0050.html).

https://www.ksh.hu/stadat_files/szo/hu/szo0007.html

Statistical Yearbook 2020, National Institute of Health Insurance Fund Management. http://site.oep.hu/statisztika/2019/pdf/Evk19 e.pdf#pagemode=bookmarks&view=Fit H&page=1