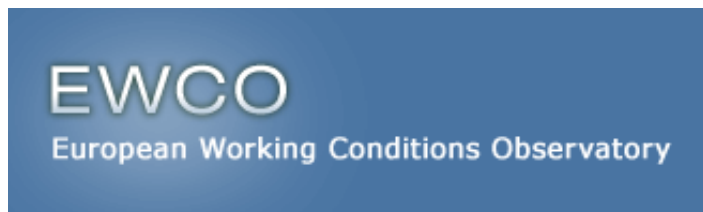


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Schemes aim to help people with disabilities into work

Hungary's 2001 national census showed that just 10% of people with disabilities in the country had a job. More recent figures from 2011 indicated this had risen significantly to almost 20%, though the proportion is still below the EU average. Low levels of employment among people with disabilities have been linked to generally low levels of education. Governments have made efforts in recent years to improve the employment prospects of people with disabilities using both national and EU funding.

Background

There have been a number of attempts by Hungarian governments to improve job opportunities for people with disabilities and a variety of programmes and funding methods have been tried.

The initiatives have had some success. Figures show there has been a significant increase in the percentage of people with disabilities in work in Hungary. According to census statistics, around 10% of people with disabilities were employed in 2001. By 2011, this figure had risen to almost 20%.

Over the past five years, the system of rehabilitation subsidies has gradually been revised. One reason for this is the hope of increasing the social integration of people with disabilities. Another is to curb growing public expenditure in this area, most of which went on subsidising sheltered employment.

Labour market situation

According to the 2011 census, 457,000 people are classed as having a disability in Hungary, representing 4.6% of the population. This proportion has decreased since the previous census in 2001.

The prospects for people with disabilities in Hungary of finding a job in the open labour market have traditionally been poor. Table 1 shows their employment rate is currently 18.1%, which is higher than 10 years ago but still lags behind the EU average, as does overall employment.

Table 1: Employment among people with disabilities, Hungary and EU, 2011 (%)

	People with disabilities		Total population	
	Hungary	EU	Hungary	EU
Employment rate	18.1	45	58.7	64.2
Unemployment rate	27	22	10.1	10.9

Source: Eurostat, KSH (Hungarian Central Statistical Office), ILO

Low levels of education among people with disabilities are a factor in the employment figures. The proportion of people with disabilities who have only primary education or lower (38.2%) is more than one and a half times higher than in the rest of the working population. A further third of people with disabilities have vocational and apprentice-level qualifications, compared to 24.8% of those without a disability.

The General Certificate of Education, which is the secondary school qualification in Hungary, is held by around 15% of people with disabilities, compared to 52.9% of those not classed as having a disability.

Just 5% of people with disabilities have a higher education degree, compared with around a third of the workforce without a disability.

Recent government programmes

The current [Hungarian government](#) has set up initiatives to help people with disabilities into employment, and the system of state subsidies has been restructured. The measures include:

- rules obliging business associations employing more than 25 people to ensure that at least 5% of them are workers with disabilities;
- legislation imposing a penalty on companies that fail to hire their quota of workers with disabilities of HUF 964,500 (€3,234 as at 23 September 2013) for every unfilled place as a rehabilitation contribution to the state;
- rules stating that businesses employing workers with disabilities may claim tax benefits, and will be exempt from the 27% social contribution tax;
- a pledge from the [Ministry of Human Resources](#) to support the employment of people with disabilities with funding of HUF 35 billion (€117 million).

Under this funding scheme, companies were asked to tender in 2012 for accreditation to the programme and 326 businesses received cash grants.

There are two types of employment specified by the scheme – ‘long-term’ and ‘transit’. The long-term employment scheme is for people who are unlikely to ever enter the open labour market due to the level of their disability. The transit scheme is for those who may be able to work in the labour market and is intended to enhance their opportunities through professional education or skills development, or an improvement in their health.

Figures released on 1 January 2013 show that this scheme’s government funding has brought 30,300 people with disabilities into employment.

The job creation programme is co-financed by the European Social Fund with HUF 11.7 billion (€39 million) of funding available over the next three years. The money will help the [National Rehabilitation and Social Office](#) open 85 offices where human resource associates with labour market experience and skills can support people with disabilities to find jobs.

Tobacco licensing issue

In a separate but related development, the government decided in 2012 that the sale of tobacco products would in future be limited to just 5,000 licenced vendors. Before the new rules came in there were 45,000 tobacco retailers. The primary aim was to discourage underage people from smoking by restricting tobacco sales to designated corner shops.

The government awarded the licences after a tendering procedure, and claimed it wanted to support small family businesses, single mothers and people with disabilities.

The Minister of National Development, Lászlóné Németh, said giving preference to this group had been one of the reasons for changing the licences for selling tobacco. However, only around 5% of those successful in the tender process – 280 out of 5,145 – had a disability.

Lajos Hegedűs, President of the [National Federation of Disabled Persons’ Associations](#), said

the tendering process had solved employment difficulties for only a limited number of people with disabilities. Mr Hegedűs drew attention to the fact that in other EU countries, such as Austria, Finland and Spain, a similar process had seen a much larger proportion of people with disabilities win tenders.

He added that many people with disabilities who had been selling tobacco products before the tender process had not been successful, though the exact figures were not yet known. His view was that limiting the number of tobacco retailers had made no positive impact on the employment of people with disabilities.


Commentary

Employers are looking for people who can fill their job vacancies, whether the worker has a disability or not. People with disabilities have historically had fewer opportunities to move into the labour market in Hungary. This has been due largely to misinformation, prejudice and discrimination.

In recent years, changing attitudes, legislation and developments in workforce have led to improvements in the situation. Many employers are now proactive about hiring people with disabilities, especially since they have the incentives of tax breaks and other social benefits. They understand that disability itself may have little impact on the talent and productivity of an employee.

The government has decided that employment of people with disabilities is a priority issue, but the handling of the recent tobacco licence tendering process seems contradictory to its goals.

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