

**PES TO PES DIALOGUE PEER REVIEW**  
**PES approaches for low-skilled adults and young**  
**people: Work first or train first?**

**Work-first approach in Hungary**

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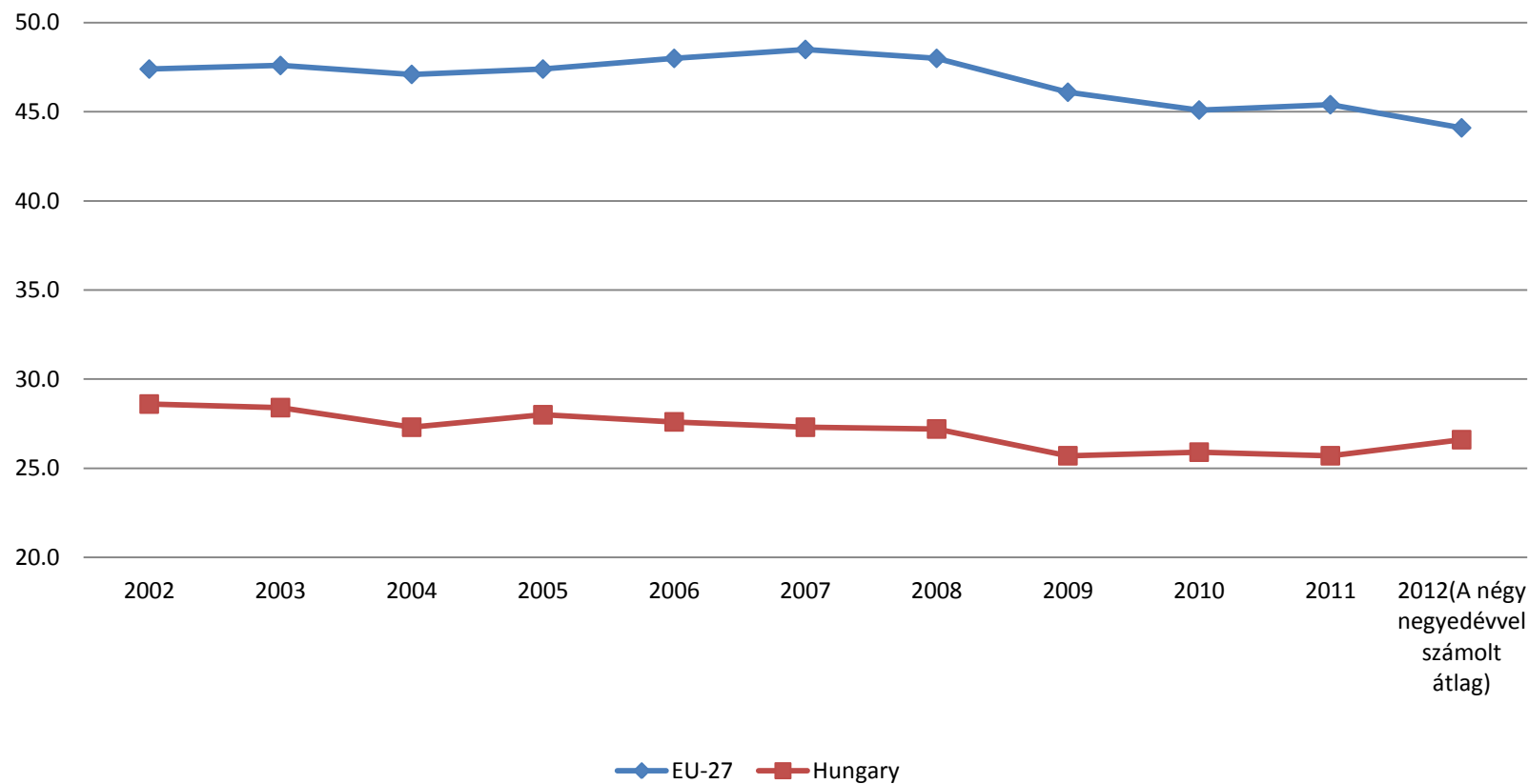


# Public Work Schemes in Hungary: Rationale

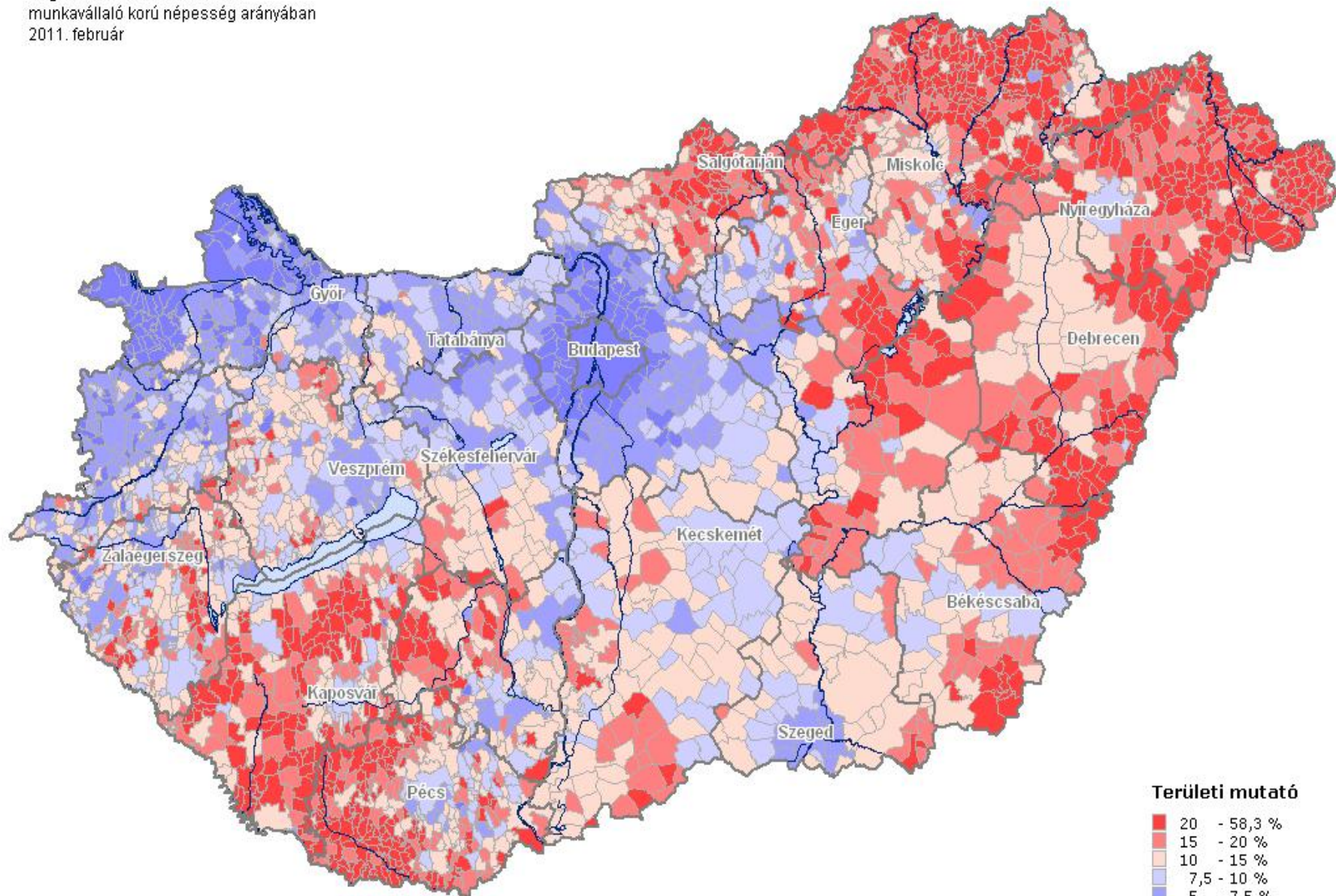
- The employment rate reached its pre-crisis level (at 51%; 2012) but still low,
- High inactivity rate,
- Huge regional differences,
- Failure of the previous government policies (since 90s),
- Overemphasised role of LM training vs. other tools,
- High ratio of low skilled job-seekers in the registry, stuck in the registry/ inactivity
- Goal: Activation / Less emphasis on passive measures & social transfers

# Employment rate of the low-skilled (ISCED 0-2) in Hungary and EU-27; 2002-2012

Pre-primary, primary and lower secondary education (levels 0-2)



Regisztrált munkanélküliek a  
munkavállaló korú népesség arányában  
2011. február



# Results

- 363 937 individuals were involved in public works in 2012
  - Out of them, 191 326 (53%) with secondary education or lower
  - 118 714 participants were involved in pilot (Start/ 'honor to work') programmes at small regional level (NUTS IV)
- 12 827 (3.4%) found vacancy in the *primary labour market* when they got the call-up for public work programmes
- Based on the monthly closing stock data 10.1% of the registered were involved in public work, as a result employment rate is higher (currently: + 100 000 employees)
- It is welcomed in some small regions as almost the only job available
- In 2012, HUF 132,2 billion (approx. EUR 436 m.) was the available funding from the National Labour Fund.

**Thank you for you attention!**

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