



The EU Mutual Learning Programme in Gender Equality

Support to lone parents

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Comments Paper - Hungary



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Comments Paper - Hungary

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1. Introduction

1.1. Facts about lone parent families

According to the Census of 2011, 22 % of the families with children aged 17 or under in Hungary are lone parent families. The overwhelming majority of lone parent families (LPFs), namely 91 %, are headed by a female parent. In the majority of cases, children live only with their parent, without relatives or non-relatives. LPFs are characterised by numerous social disadvantages, which is due to the family structure and the lower social status of affected parents. They have weaker positions on the labour market and the proportion of mothers' with lower educational attainment is higher. In 2011 the proportion of families without employed family members is 26 % in the group of one-parent families. In the two-parent families, 21 % of mothers have only educational attainment at ISCED 1 level, compared to 33 % among mothers who raise their child(ren) without co-resident partner. Conversely the rate of persons who have educational attainment ISCED 5-8 is lower among lone mothers than mothers with a resident partner. In the two-parent families, the ratio of mothers with degree is 22 %, and 16 % among their one-parent counterparts. Therefore the lone-parent families face a higher risk of poverty than families with two parents. In 2013 the poverty rate for the whole population was 14.3 %, 17.9 % for two-parent families with child(ren) and 34.3 % for LPFs.

2. Policy debate

2.1. Policy context in general

In Hungary, the problems of lone parent families are not in the centre of policy debates. Whilst poverty of families with children is an issue which is emphasised from time to time, the different groups/types of families – aside from the families with three or more children – are disregarded. The lone parent families are not recognised as a structured social group facing different kind of problems. The number and the age of children, the social position of the parent, the life cycle and the way how these parents turned into lone parent status (they can be widowed or divorced, they could undertake to raise the child alone etc.) in itself makes a distinction among the LPFs. Different groups of LPFs need specific support.

Regarding families with children, in recent years the integration into the labour market, the expansion of child care institution and family tax preferences were in the focus of social policy. Direct financial assistances exist, but there were no substantial changes in the political instruments, and not any important social or political debate on this matter.

There are no programmes based on structured and regular cooperation of state and civil actors concerning the LPFs. Moreover, the civil actors are not acquainted with programmes of other civil associations. Existing programmes cover the narrow aspects of the problem and they reach a smaller group of LPFs. It is also not clear how these programmes work out, how they can help lone parents in the short and long term. Unfortunately, the monitoring of existing state policies and supporting civil programmes is very poor.

The related research is also missing or poor, and as a consequence the Government does not receive detailed information about lone parent families, their structure, and problems.

In the recent years some civil associations have been trying to involve the Government in a project which aims to extend the information about lone parent families and about the routes in and out of lone parenthood and also to connect the activities of organisations, to recognise and spread the good practices in Hungary.

2.2. The main elements of the policy implementation

2.2.1. Integration into the labour market

- Before 2014, the disbursement of allowances was stopped for parents with children under 3 if they returned to or started work. The new law (*Act CCXXIV of 2013 on the amendment of certain legal acts relating to the restructuring of childcare benefits and to the enlargement of the benefit of exemption from the payment of social contributions tax*) which came into force at the beginning of 2014 promotes the employment of mothers by ending the restriction on paid work after the first birthday of the child. These reforms have fundamentally changed the role of these allowances. They are no longer simply an income replacement for parents who look after their children at home, but they can also claim them while at work, and especially in the case of childcare benefit (GYED) which is a generous supplement for 12 months.
- Moreover, according to the new law children whose mother or father is receiving childcare benefit can be enrolled in a publicly-funded nursery. Previously, the parents had to choose between the childcare benefit and state run nurseries. These instruments can be especially important for lone parents, because they are in the most difficult position in terms of reconciliation of family and work life.
- From this point of view, the new Labour Code (from 2012) is also important because it requires employers to provide part-time employment for parents of children under three years if requested. Furthermore, the Labour Code protects lone parents from employment termination based on redundancies until their child turns three years old. This is not the case for two-parent families.

According to the new Labour Code, lone parents are regarded as a special employee group with particular regulation. The following special rules apply to them:

- An employee may not be transferred to work at another location without the employee's consent until the child reaches sixteen years of age;
- Until the child reaches three years of age, additional restrictions remain in effect:

- an irregular work schedule may be used only upon the employee's consent;
- weekly rest days may not be allocated irregularly;
- overtime work or stand-by duty cannot be ordered;
- the workers may not be ordered to work in night shifts.

Unfortunately no information exists on everyday application of the Labour Code, because it is well known that employees are very defenceless and do not dare to enforce their rights.

2.2.2. Expansion of child care institution

Public day-care is available to almost all children aged 3 or above, but for smaller children, coverage is very low and the institutions are overcrowded. Whilst the care institutions for children aged between 0 and 3 favour children from lone-parent families in the process of admission, the number of places is so limited that many lone-parent families have to find other solutions, mainly in the private sector. The problem was recognised by the Government and day-care capacities were expanded, and financing was improved in the last decade. Also, new types of institutions were introduced. Thanks to these measures the proportion of children in day-care increased from 11 to 14 %, and the number of nurseries has been growing in the last decade. In 2004 there were 527, while their number reached 724 by 2013. From 2009, an integrated nursery-kindergarten can be established in kindergartens where a mixed-aged group takes in children age 2 and above. This measure can help parents in villages and small towns where there are free capacities in the kindergarten and on the other hand there is no nursery. It has been mentioned that children from lone-parent families are favoured for admission; furthermore most of the institutions support the view that working mothers should be supported by nurseries through preferring the admission of children from lone-parent families.

The opening hours of nurseries are not regulated by the state, but they have to be open minimum 10 hours per day. The opening hours are regulated by the maintainer (in most cases the municipalities).

2.2.3. Family tax break

The system of family tax break reduces the tax base of individuals before the deduction of income tax. The amount of income tax can be reduced by HUF 10,000 per month for one child, HUF 20,000 per child for two children and HUF 33,000 per child for three or more children. This financial assistance continues until children reach adulthood. It is an important change in respect of lone-parent families from 2014 that if a family cannot exploit the family tax break in full due to low income, they have been able to use it to reduce the amount of their pension and health care contributions. Since the proportion of low-income family is higher among lone-parent families, this change greatly affects their income conditions.

2.2.4. Other relevant instruments

- Family allowance is a universal benefit paid monthly to families with children until the children reach school age. After that, it can be paid to families with children who are enrolled in education up to the age of 20. The amount of family allowance is different for distinct family arrangements, but the level of allowance is very low and the deviation is not significant.
- Alimony is an important part of lone-parent family income, however it can occur that the non-resident parent stops alimony payment or does not pay the total amount of alimony legally awarded to the co-resident parent. In those cases the state protects the lone-parent families by paying alimony in advance. This support can be given to families where the average per capita income is maximum twice as much as the minimum pension. The maintenance is given only for three years and it can be extended for an additional period only once.
- The families in need receive regular child benefit (by local government), but the legal background is provided by the state. There is no exact data on how many lone-parent families are supported by this benefit, but the total number of families is very high. For lone-parent families the eligibility conditions are more supportive, but there is no significant bias in favour of lone-parent families.

3. Transferability aspects

The French and the German support systems to lone parents have two main pillars: the first is the financial support and the second is the integration into the labour market which is connected to the problem of reconciliation of family and working life.

Most of the described French financial social policy measures aim at supporting families with children as a whole, but in several cases special measures refer to lone-parent families. In many cases the conditions of entitlement are different, or the amount of supports is higher for lone-parent families. In Hungary there is no allowance exclusively for lone parent families, on the other hand it has been mentioned that the level of family allowance is higher, and the entitlement conditions of regular childcare benefit differ for lone-parent families. Getting an insight into the details in Hungary the deviation in favour of lone-parent families in the regulation is so inconsiderable, that the effect of it is equivocal. In other words, the Hungarian financial support system does not handle the problems of lone-parent families appropriately and efficiently. The French financial measures are various, but the efficiency of these measures is inexplicit, as stated in the discussion paper. Based on the description it cannot be concluded whether the French measures are better or not compared to other measures across Europe. Furthermore it has been mentioned that there is little data available about the effects of these policies.

The other main pillar of the support system is the integration of lone parents into the labour market as it is emphasised in the French and also in the German support system. From this point of view two highlighted areas were explained in the discussion papers. One of them is the support for lone parents in developing their ability and qualification in relation to the labour market, and the other is to increase the feasibility of child-care institutions. The French paper refers to the diversity and the increase in the childcare services, but it does not explain how this system can help the lone-parent families, who regulates the work of nurseries and

kindergartens, or what the main elements of the flexibility are. It would be useful to explain these aspects since the French child care system has a very good reputation and the measures for reconciliation work and family life work properly.

4. Recommendations and conclusions

I do agree with the statement of the German discussion paper that a holistic and target-group specific approach can achieve success in improving living conditions and integration into the labour force and also integration into the social life of lone-parent families. It follows that the policies should deal with problems of lone-parent families separating them from general family policies, since they have several specific problems as a consequence of family structure and the specific living conditions.

In my opinion the second important general recommendation is that European social policies have to deal with lone parents not only by combatting poverty, but also in terms of integration, labour force and family policies. It would be important to set targets on European level which are connected with labour activities of lone parents.

Referring to the labour force integration, a complex programme is needed containing legal measures, activities of employees and employers and also the civil actors. In Hungary some legal measures protect the lone parents through the Labour Code. This regulation is helpful to lone parents to reconcile work and family life. Applying these measures would be also important in other European countries.

Another important factor is the improving of human resources of lone parents. Since the participation in the labour market is a crucial factor for the level of living conditions, the importance of training and retraining is outstanding.

Civil sector and organisations run by churches have a considerable part in social integration of lone parents. In Hungary several organisations deal with families from different points of view. Some of them give only information about the legal opportunities, others try to help in a more complex way. Several good practices have evolved in Hungary which can be shared on European level. It will be important to give financial support to these civil initiatives since they are the only actors who can provide complex and personal help for LPFs.

It was mentioned that lone-parent families are an especially vulnerable social group in economic terms, so the financial support is an important factor for most of them. Here the state plays an important role but it is also important to emphasise both parents' responsibilities (if both of them are alive) in improving the living conditions of the family. Unfortunately in many cases the financial situation of non-residential parents is very bad too, therefore they cannot give financial support to the child(ren) and the resident parent. In those cases the Hungarian approach is regarded as a good practice, as the state provides advance alimony to the concerned families.

Not only the number of places but other characteristics of nurseries are important. Flexibility of opening hours and offering child care services during summer is especially needed by lone parents. The national policies should take into consideration these needs and regulate opening hours in different times of day and seasons more strictly. According to the research, this factor can improve social integration and living conditions of lone parents effectively.

As the French discussion paper has mentioned, the information systems concerning the solution of emerging problems of lone parent families are also important. National policies should support state or civil institutions to establish forums and networks for LPFs. It is especially important immediately after the family becomes an LPF and when the parent has to cope with financial, psychological and also organisational problems.

In Hungary – and also in other countries – there are several civil organisations whose aim is to promote family-friendly workplaces. However it would be useful if the state also promotes these activities in different ways: financial support for civil organisations, subvention for family-friendly workplaces and flexible jobs.