

# KÖZFOGLALKOZTATÁSI ÉVKÖNYV



BELÜGYMINISZTERIUM

**2018**

2018

# Public Employment **YEARBOOK**

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## Dear Reader,

The Ministry of Interior pays special attention to making the results and experiences of value-creating public employment accessible to the broadest possible audience. Our publication - now traditionally - is intended to serve this purpose.

We have had another successful year. Participants in public employment are proud to present their work performed in 2018. Both the public employees and public employers have worked for the excellent results and have done a lot to make their programmes and work known. I am convinced that this information-rich publication, illustrated with photographs and figures, will help those interested in the subject to deepen their knowledge of the complex world of public employment. Take the opportunity to use their knowledge to launch new programmes that have already been tried and run successfully.

Dear Reader, I would like to recommend this publication to your attention.



**Dr Sándor Pintér**  
*Minister of Interior*



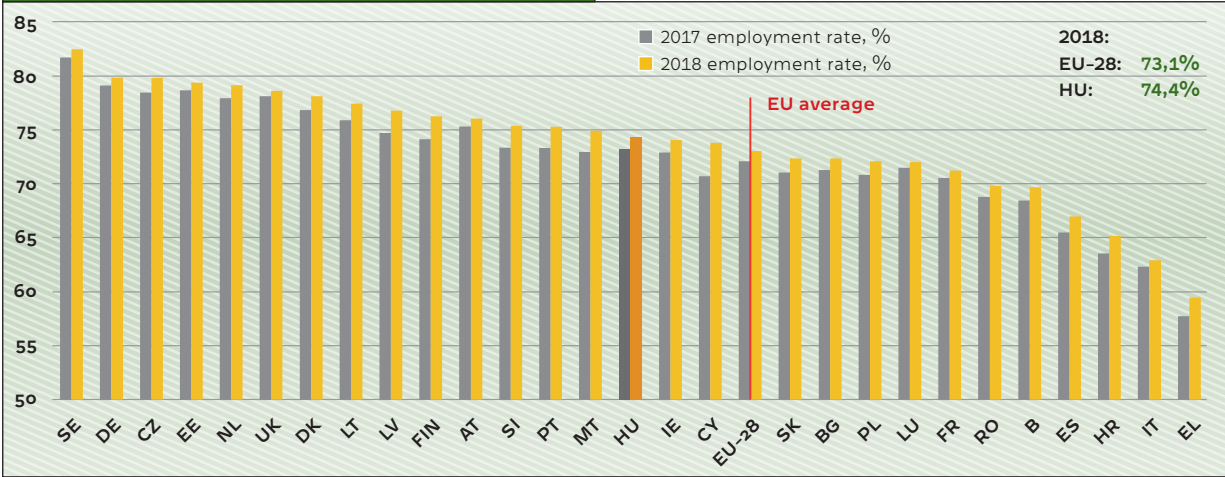
# Review of the labour market processed of 2018

In 2018, parallel with economic growth, the performance of the Hungarian labour market continued to improve. The activity rate for those aged 20-64 was over 77%, and the employment rate was slightly below the 75% target for 2020 (74.4%). This represented a 1.1 percentage point increase over the rate recorded in 2017. Similarly, the average rate for the EU-28 has improved: while the EU-28 employment rate was 72.1% in 2017, it rose to 73.1% in 2018. (Figure 1)

lower than the European average (66.8% in Hungary, 67.4% in the EU-28).

With the improvement of the labour market indicators of Hungary, our position among the Member States of the EU developed favourably over the past few years. While eight years ago Hungary was among the countries lagging behind, it has been ranked in the middle for the last three years. In the order of the 28 Member States according to the data of Q4 2018 Hungary was in 15th position in terms of employment rate. (Figure 2)

Figure 1: Changes in the employment rate (20 to 64 year olds) of the Member States of the European Union. Source: Eurostat



Behind the outstanding employment performance in 2018, the employment rate of young people (15-24 years old) was 6.4 percentage points, and that of older people (60-64 years old) 6.2 percentage points below the employment rate of the corresponding age groups in the 28 European Members States. At the same time, the employment rate of middle-aged people (25-54) between the two extreme age groups exceeded the European figures. In 2018, the employment rate of the Hungarian 40-55 age group (87.5%) was on average 5.8 percentage points higher than that of the EU-28 (81.7%). In 2018, the employment rate for men aged 20-64 was well above the 75% targeted for 2020 (82.1%) and was well over the EU average by more than 3 percentage points. In 2018, the employment rate of low-educated 20-64 year-olds did not significantly differ from the EU-28 (0.4 percentage point difference) and the employment rate for women was not significantly

The employment rate among those aged 20-64 was higher than the EU average first in Q2 2016 (HU: 71.4%, EU-28: 71.1%) and then the gap gradually widened to the fourth quarter of 2018; the quarter-on-quarter difference was 1.3 percentage points, but was even higher among men at 3.2 percentage points.

The unemployment rate in Hungary was one of the lowest in the EU in 2018 (3.7%), which corresponds to 2-3 percentage points below pre-crisis levels. Real wage growth accelerated rapidly in 2018 as a result of tight labour market and government measures (minimum wage increases, public sector wage settlements). Overall, in 2018, we were able to record 11.3% wage growth in the entire national economy in both gross and net earnings. Labour costs have risen faster than productivity.

## I. Review of the labour market processed of 2018

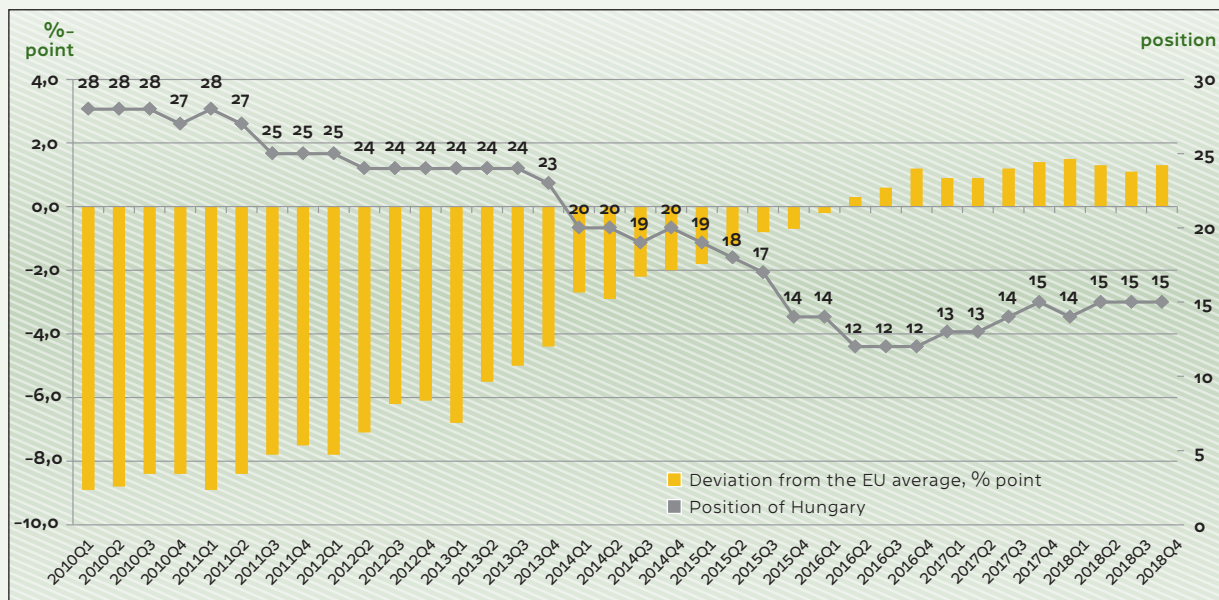


Figure 2: Deviation of the Hungarian employment rate (20 to 64 year olds) from the EU average and its position among the 28 Member States. Source: Eurostat

Despite a significant improvement of the labour market, in the most disadvantaged regions public employment is often the only option for value creating work, and therefore the elimination of territorial disproportions is one of its major components.

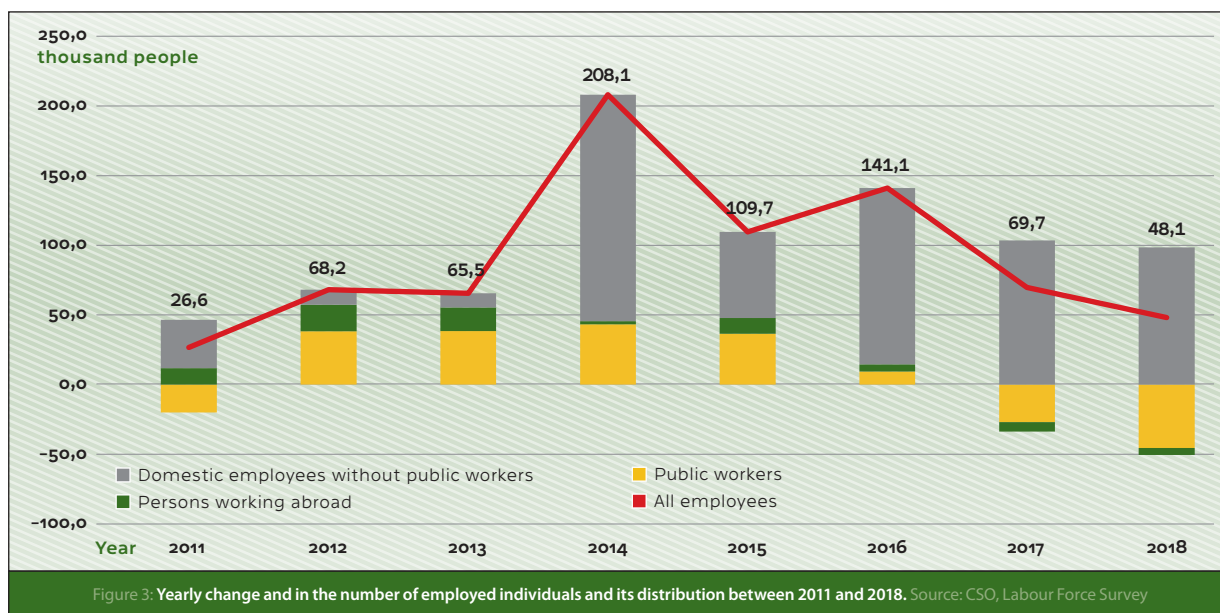
Public employment is still regarded by the government as temporary employment, which provides work and pay instead of benefits to job seeker groups who, due to their age, family responsibilities, social, health or mental disability, are unable to meet the employers' expectations of the primary labour market.

According to the Labour Force Survey of the Hungarian Central Statistical Office, the average number of people employed in Hungary was 4,469.5 thousand in 2018, up 1.1% over the year (almost 50 thousand). The pace of annual expansion has been declining in recent years, but its composition is gradually changing. In 2016, the increase in the number of public employees still played a

role in the increase in the total number of employees, but from 2017 it no longer plays a role. The number of public employees is decreasing and this decrease is offset by the expansion of domestic employment. Similar, albeit lower, trends are observed in the number of people working abroad. The intensive phase of emigration ended in the second half of the 2010s, and from 2017 the number of people working abroad is decreasing, according to the Labour Force Survey. In 2018, the number of people working on domestic sites as non-public employees increased by about 100 thousand. (Figure 3)

In 2018, public employees made up 3.3% of the total workforce, an accelerating decline from the 2016 peak of 5.1% over the last two years.

As the employment growth in recent years has affected men more than women, the gender employment gap has widened in recent years. In 2018, the employment rate for men (15-64 years) was 14.0 percentage points



higher than for women. The gap between the sexes in the 25-39 age group is high because of the childbearing period (this is partly related to the low level of part-time employment in Hungary) and in the age group over 60 years. In 2018, one quarter of women aged 60-64 (26.4%) and more than half of men were still employed due to better retirement opportunities.

Although employment and wage differences between education groups in Hungary continue to be larger than in the EU, the improvement in the employment rate was highest among those with only basic education (and especially among men). The activating role of public employment in this low-skilled group is important, as more than half of the public employees belong to this group. Between 2011 and 2018 the employment rate of people with no higher than primary qualifications improved by 15%, which is a larger improvement than measured in the groups with other school qualifications. Prior to the introduction of public employment on mass basis, such groups with low qualifications could not benefit from any increase in employment and therefore the latest improvement was unprecedented compared to the years before the crisis.

The decrease of territorial differences - at county level - has also been a tendency in the Hungarian labour market for years and continued in 2018. Public employment also

plays a role in this, as the resources are targeted from the labour market perspective: the number of people working in this form in disadvantaged areas is higher, and the larger - and already larger - number of job seekers is activated through public employment.

The weight of public employment decreased everywhere among the employed, with the highest in Szabolcs-Szatmár-Bereg County in 2018 (13.4%). In Borsod-Abaúj-Zemplén, one tenth of the workers worked in this form. Ratios below 1% were typical in the central region and in Fejér, Győr, Veszprém and Vas counties.

The annual rate of change in the employment rate varied between -1.2% (Veszprém) and 3.9% (Nógrád) among those aged 15-64. In 2018, the counties with the highest employment rates (Győr, Vas and Budapest) were characterised by a rate of over 73%, 10 percentage points lower in Borsod-Abaúj-Zemplén (64.2%), and still lower in Szabolcs-Szatmár-Bereg County (65.1%). In 2018, Somogy County was in the worst position, 'ahead' of the northeast counties with the lowest employment in the past, with an employment rate of 60.9%. (Figure 4)

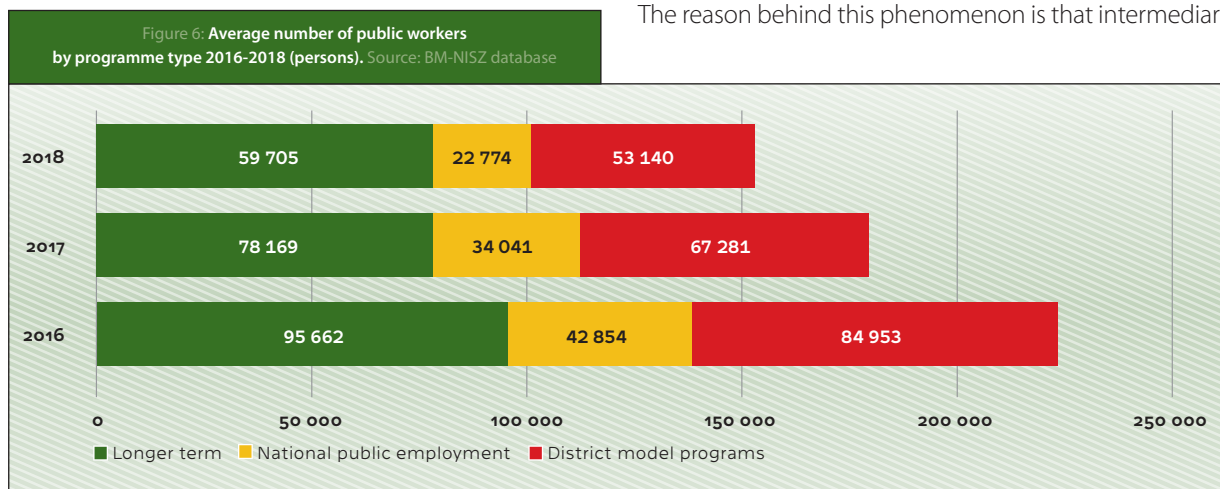






environment, the number of entrants to the open labour market was high, supported by the absorbing power of rising market wages as opposed to public employment wages at the same level as in previous years. As in previous years, in 2018, as a result of the outflow of job seekers and those in the public sector who are in the primary labour market, the composition of the remaining workforce has deteriorated in terms of employability. Those remained in the system, including public employ-

ment, who became increasingly difficult to be moved by the employment service. In the case of those entering public employment, it is also important to note that the influx of young people decreased significantly by 40.6 per cent also in 2018. The rate of decline is close to what was seen in 2017 compared to 2016. As a result, public employment entries for persons under the age of 25 decreased from 49.7 thousand in 2016 to 17.4 thousand in 2018. Public employment serves less and less the employment of those under the age of 25. The reason behind this phenomenon is that intermediary



## I. Review of the labour market processed of 2018

government agencies pay attention to the adequacy of targeting of young people, prioritise their inclusion in the Youth Guarantee Programme, and involve them in public employment programmes only when justified, at their own request. *(Figure 6)*

The distribution of public employment by programme type changed only slightly between 2016 and 2018. In 2018, 44 per cent worked in a longer-term programmes, 39.2 per cent in district model programmes, and another 16.8 per cent worked in national public employment programmes. Between 2017 and 2018, there was a significant, 33.1 per cent decrease mainly in the national programmes. In the other programme elements, the number of employees decreased by 21-23 per cent between the two years.

The average number of Start Work model programmes decreased by 37.4 per cent nationwide between 2016 and 2018. In Heves, Somogy and Nógrád counties the decline was over 45 per cent, and 54.1 per cent fewer individuals were employed in the district model programmes in 2018 in Baranya County than two years earlier. A lower, 30% decrease in the number of employees in two years was characterised by the district model programmes of Hajdú-Bihar, Szabolcs-Szatmár-Bereg, Vas and Zala counties.

The proportion of long-term public employment programmes increased slightly between 2016 and 2018, with most people working in this form of public employment. A number of local governments continued their former 'Start-munka' (Start work) model programmes in this form, using the equipment acquired and the investment projects implemented in the previous years.

From a territorial point of view, public employment continued to be concentrated in areas with poorer economic - employment status in 2018. 38% of the public workforce lives in Szabolcs-Szatmár-Bereg and Borsod-Abaúj-Zemplén counties, while close to 10 per cent in Hajdú-Bihar County. With the exception of Baranya and Somogy, the proportion of the counties in the western part of the country was 1-2

per cent this year. There was a similar territorial distribution of assistance related to public employment.

In 2018, 37.9 percent of those employed in district model programmes worked in agricultural programmes. In these programmes, the settlements produce primarily for self-sustaining purposes, supplying kitchens and other institutions serving the local residents. The proportion of people working in programmes for locally produced products was high, over 20 percent. 15.7 percent of the public employees worked on inland public road maintenance programmes this year. This year in total 1,496 settlements took part in the model programmes, which is a hundred less than last year. 1,076 settlements launched agricultural programmes and 743 settlements launched programmes building on local features. A large number of settlements applied for assistance for the maintenance of public roads in their urban areas (632) and those applying for funds for inland water drainage (446).

In 2018, the majority, 56.4% of those employed in public employment were women. The proportion of women exceeded that of men in 2016 for the first time. The proportion of men among the public employees decreases at a larger rate than that of women.

In terms of age distribution, it appears that the proportion of middle-aged people hardly changed between 2016 and 2018, while the number and share of those under 25 dropped significantly, from 10.2 per cent to 4.6 per cent. The number of older workers aged 55 and over has also decreased slightly, but to a lesser extent than the total workforce, so their proportion rose from 19.5 per cent to 24.4 per cent between 2016 and 2018.

In terms of education, there has also been a clear trend towards an increase in the proportion of those with low, at most, primary qualification. With their number decreasing, their proportion increased from 54.6 per cent to 57.6 per cent between 2016 and 2018. The number and proportion of all those with higher qualifications among public employees have also decreased in these years. *(Table 1)*

|                       |  | 2016           |                 | 2017           |                 | 2018           |                 |
|-----------------------|--|----------------|-----------------|----------------|-----------------|----------------|-----------------|
|                       |  | persons        | distribution, % | persons        | distribution, % | persons        | distribution, % |
| Gender                | Male   | 111,174        | 49.7            | 83,466         | 46.5            | 59,187         | 43.6            |
|                       | Female                                       | 112,296        | 50.3            | 96,025         | 53.5            | 76,433         | 56.4            |
|                       | <b>TOGETHER</b>                              | <b>223,470</b> | <b>100</b>      | <b>179,492</b> | <b>100</b>      | <b>135,620</b> | <b>100,0</b>    |
| Age                   | under 25                                     | 22,880         | 10.2            | 12,950         | 7.2             | 6,179          | 4.6             |
|                       | between 25-54                                | 157,110        | 70.3            | 126,681        | 70.6            | 96,358         | 71.0            |
|                       | 55 and over                                  | 43,479         | 19.5            | 39,861         | 22.2            | 33,082         | 24.4            |
|                       | <b>TOGETHER</b>                              | <b>223,470</b> | <b>100</b>      | <b>179,492</b> | <b>100</b>      | <b>135,620</b> | <b>100,0</b>    |
| School qualifications | Basic education                              | 122,018        | 54.6            | 99,997         | 55.7            | 78,055         | 57.6            |
|                       | Technical school, technical worker           | 58,037         | 26              | 45,173         | 25.2            | 33,727         | 24.9            |
|                       | Secondary technical school-technical college | 20,870         | 9.3             | 16,852         | 9.4             | 11,789         | 8.7             |
|                       | Secondary School                             | 16,965         | 7.6             | 13,492         | 7.5             | 9,709          | 7.2             |
|                       | Higher education                             | 5,580          | 2.5             | 3,977          | 2.2             | 2,340          | 1.7             |
|                       | <b>TOGETHER</b>                              | <b>223,470</b> | <b>100</b>      | <b>179,492</b> | <b>100</b>      | <b>135,620</b> | <b>100,0</b>    |

Table 1: Average monthly figure of people involved in public employment (2016-2018). Source: BM-NISZ database

Table 2: Average number of public employees by highest level of education and place of residence in 2018. Source: BM-NISZ database

|  | Living in disadvantaged settlements |             | Living in non-disadvantaged settlements |             | TOTAL          |              |
|--|-------------------------------------|-------------|---|-------------|----------------|--------------|
|  | persons                             | %           | persons                                 | %           | persons        | %            |
| Without primary school qualifications                | 12,689                              | 9.4         | 1,612                                   | 1.2         | 14,302         | 10.5         |
| Primary school                                       | 55,091                              | 40.6        | 8,662                                   | 6.4         | 63,754         | 47.0         |
| Professional school, vocational school               | 28,351                              | 20.9        | 5,376                                   | 4.0         | 33,727         | 24.9         |
| Secondary technical school, secondary grammar school | 15,979                              | 11.8        | 5,519                                   | 4.1         | 21,498         | 15.9         |
| Higher education                                     | 1,130                               | 0.8         | 1,209                                   | 0.9         | 2,340          | 1.7          |
| <b>TOTAL</b>   | <b>113,241</b>                      | <b>83.5</b> | <b>22,379</b>                           | <b>16.5</b> | <b>135,620</b> | <b>100.0</b> |

## I. Review of the labour market processed of 2018

The primary target groups of public employment include individuals living in disadvantaged settlements and job seekers with low school qualifications and without any vocational qualifications. In 2018, the highest level of education was primary school or lower in the case of 57.6 per cent of the public employees. Territorial targeting is well illustrated by the fact that 83.5 percent of the public employees lived in disadvantaged settlements in 2018. In terms of the proportion of the total number of public employees, it appears that in 2018, 91.1% of the public employees lived in disadvantaged settlements from an economic employment aspect or have low education. In the case of half of the public employees, both conditions, which made employment very difficult, existed this year. (Table 2)

In the case of persons leaving public employment, their labour market status is examined following each exit for the 180th day following the assistance. This indicator reflects the ratio of those who left the assistance scheme and were employed on the 180th day after the closing of the programme and the ratio of them who had a job in the open labour market. This

monitoring is based on the notification database of the insured employees, managed by the tax authority and the administrative database of the registered job seekers. In 2016, 15.6 percent of the 371 thousand exits were found in open labour market, in declared employment. The proportion of people entering the open labour market and remaining there half a year after public employment was 18.1 per cent in 2017, and the corresponding figure was 18.3 per cent in H1 2018. The share of those re-entering public employment decreased after 2016, but in 2017 and 2018 the figure exceeded 50 per cent also in H1 2018. (Table 3)

There is a significant difference in the rate of employment in the open labour market by age and highest level of education. In H1 2018, 24.9 per cent of the outgoing 25-year-olds were in jobs in the open labour market on the 180th day after public employment, with job finding ratios of 20.5% for those aged 25-54 and 11.4% for older people. There are even more marked differences among those leaving public employment by school qualifications. At the time of the survey, 13.4 per cent of those with no higher than primary education and 24.5 per cent of those with secondary education were in employment. In the case of a low number of individuals with higher qualifications, the employment rate is close to 40 per cent.

Table 3: Follow-up data of public employees on the 180th day from leaving public employment. Source: BM-NISZ database

| End of individual assistance | Number of individuals leaving the public employment programmes according to their employment status on the 180 <sup>th</sup> day after leaving the programme (persons) |                      |            |           |         | Ratio of leaving individuals who found a job (%) |                      |
|------------------------------|--|----------------------|------------|-----------|---------|--|----------------------|
|                              | In the open labour market  | In public employment | Job seeker | Not known | TOTAL   | In the open labour market                        | In public employment |
| 2016                         | 57,873   | 208,394              | 59,961     | 45,429    | 371,657 | 15.6   | 56.1                 |
| 2017                         | 63,814   | 183,612              | 59,367     | 44,850    | 351,643 | 18.1   | 52.2                 |
| 2018. 1 <sup>st</sup> half   | 36,802   | 104,457              | 35,094     | 24,554    | 200,907 | 18.3   | 52.0                 |

The majority of the public employment programmes offer jobs that are aligned to the abilities and skills of the participants, require low qualifications and can be held without any vocational qualifications.

Comparing the jobs held in the three large programme types, the top list is led by other, simple service and supply occupations in all three cases. From simple agricultural occupation to more specialised jobs, the general office administrator is also among the most common occupations of all three programme types.

In the case of longer-term programmes, a larger number, more than 1,000 people were employed in various cleaning and garbage collection jobs and employed

office, administrative, and machine-engine maintenance personnel. In the national programmes, a significant number of them were employed in simple construction, forestry and hunting activities. In this programme type, the number of workers in libraries and archives, other clerks and diggers is also significant. In the district model programmes beside these, simple construction industry jobs as well as work and production organisers occur in the largest numbers. (Table 4)

Table 4: List of top job roles within certain areas of public employment based on the 2018 average headcount.

Source: NISZ database Grey cells show occupations not requiring vocational qualification in FEOR main group 9

| Longer-term programme  |               | National public employment programme   |               | District start work model programme  |               |
|--|---------------|--|---------------|--|---------------|
| Other, simple service or transport worker who cannot be classified elsewhere                 | 32,889        | Other, simple service or transport worker who cannot be classified elsewhere | 3,651         | Other, simple service or transport worker who cannot be classified elsewhere                 | 27,144        |
| Other cleaner or helper  | 5,400         | Manual construction workers  | 2,375         | Workers in simple agricultural jobs  | 10,169        |
| Cleaner or helper working at institutions  | 3,218         | Workers in other simple construction jobs                                    | 2,366         | Workers in other simple construction jobs  | 4,166         |
| Waste collector, street sweeper  | 2,154         | Workers in simple forestry, hunting or fishing jobs                          | 2,034         | Labour organiser and production manager  | 1,449         |
| General office administrator   | 1,738         | Other administrator  | 1,526         | Simple industry worker   | 1,231         |
| Other, office or administrative worker who cannot be classified elsewhere                    | 1,304         | Workers in simple agricultural jobs  | 1,042         | General office administrator   | 924           |
| Workers in simple agricultural jobs  | 1,014         | General office administrator   | 1,037         | Manual construction workers  | 680           |
| Worker carrying out maintenance and repair on agricultural and industrial machinery (engine) | 1,004         | Simple industry worker   | 866           | Other industrial or construction worker who cannot be classified elsewhere                   | 471           |
| Labour organiser and production manager  | 968           | Library and archives manager   | 842           | Workers in other technical jobs  | 451           |
| Other administrator  | 800           | Cleaner or helper working at institutions                                    | 804           | Worker carrying out maintenance and repair on agricultural and industrial machinery (engine) | 418           |
| Kitchen helper   | 772           | Forestry worker  | 768           | Other cleaner or helper  | 377           |
| Social worker  | 651           | Other, social care worker  | 717           | Field crop producer  | 373           |
| Workers in other simple construction jobs  | 609           | Labour organiser and production manager                                      | 544           | Other, service industry worker who cannot be classified elsewhere                            | 371           |
| Simple industry worker   | 608           | Other industrial or construction worker who cannot be classified elsewhere   | 318           | Stonemason   | 344           |
| Workers in simple forestry, hunting or fishing jobs  | 602           | Data logger, coder   | 297           | Waste collector, street sweeper  | 311           |
| <b>TOTAL</b>   | <b>59,706</b> | <b>TOTAL</b>   | <b>22,774</b> | <b>TOTAL</b>   | <b>53,140</b> |

# Training and services within the public employment system

In Hungary, those with low qualifications are the most vulnerable in terms of training and the labour market in general. (Further) education and training and lifelong learning is the least accessible for this target group. Furthermore, by examining the education indicators within the participation rates, the lower the individual's education, the less likely he is to participate in education and training.

Accordingly, taking into account the employment policy recommendations of international organisations (European Commission, OECD), it is of utmost importance for the participants in public employment to develop human resources and support training programmes in order to enable them to move forward and to find employment in the primary labour market.

One of the key tools for the reintegration of the public employees is their participation in tailor-made basic and vocational training and further training in line with market needs. The training highlights the importance of learning and provides an opportunity for public employees to acquire some knowledge and enter the open labour market to find a job and income.

Any, public employment supporting training may be aimed at convergence or can provide missing competences, school qualification or professional knowledge and vocational qualifications, or may be aimed at preparing for entry into vocational training or further training too.

### *II.1. Trainings realised within the framework of the GINOP-6.1.1-15 major project*

The training of public employees with low school qualifications is supported with the major project under the title GINOP-6.1.1-15-2015-00001 'Training of individuals with low qualifications and public employees' (hereinafter: major project) between 2016 and 2019. It is important to mention that the primary target groups of public employment include individuals living in disadvantaged settlements and job seekers with low school qualifications and without any vocational qualifications. The target groups typically include individuals declaring themselves as Roma. The number of Roma is not an input indicator of target indicator of the project, but the Ministry of Interior also manages these data separately in its statistical data supplies.

The major project is implemented under the professional control of the Office of National Vocational Qualifications and Adult Training – as consortium leader –, as well as the Ministry of Interior – as top consortium member – and 18 County Government Offices from convergence regions (hereinafter: Government Offices) as consortium partners. During the period of training, the public employees receive public employment wages, funded by the MI.

Originally, the priority project was planned for 2016-2018, and provided training for at least 85,000 people, with a subsidy of HUF 30 billion, of which 80,000 individuals were of low, elementary or lower-secondary (ISCED 1, ISCED 2) qualifications in public employment or employment.

Only very few individuals (5.9%) with higher school qualifications (at least secondary - ISCED 3) could be involved in the programme. The target indicator of those obtaining a certificate or diploma is 68,000 people (80% of the total number of people to be involved in the programme).

For the training to be launched in the priority project, the primary goal was to catch up with the target group, develop the competences needed to start vocational training and meet the primary labour market needs. Following the launch of the project, taking into account the changes in the domestic labour market, in response to the shortage of labour, several training needs surveys were conducted with the professional coordination of the Ministry of Interior. It was a requirement for all of them that Government Offices and district offices should assess and collect training specializations primarily based on local and national open labour market demand and training needs identified in their daily contact with relevant local chambers and civil society organisations. The specialties appearing in the regular needs assessments serve as the basis for the bidding process, which results in the current List of Qualifications, thus ensuring the continuous start-up of the training. The List of Qualifications is revised at least once a year but it can also be continuously supplemented and updated if there is a need or justification for it. During the large-scale involvement in the trainings, the Ministry of Interior also monitored the launch of public employment programmes, so a significant part of the trainings took place in the winter period.

The List of Qualifications, effective at the end of 2018, published in November 2017 and updated three times



## II. Training and services within the public employment system

thereafter, contained 302 specialties, thus providing an extremely wide range of training opportunities for the public employees.

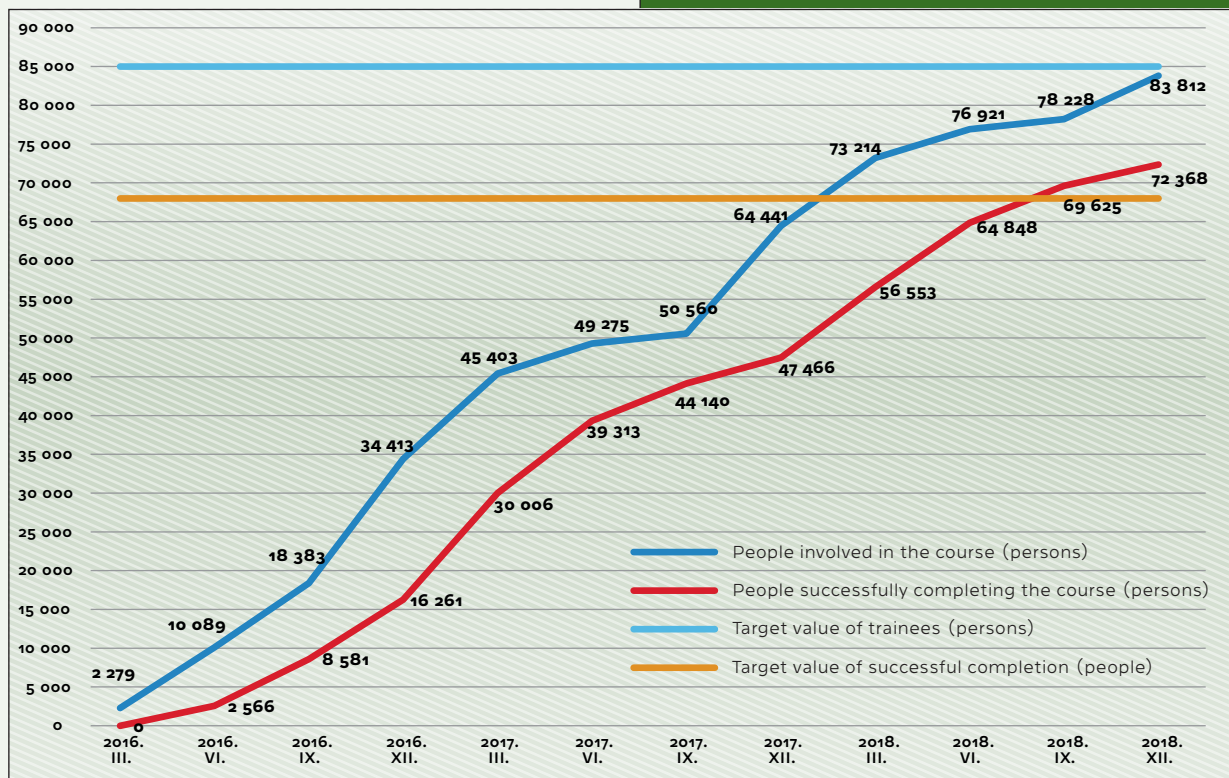
In the priority project, the target group was implemented in a planned manner, but - taking into account the characteristics of the target group (lack of sufficient motivation, endurance and monotony; mental and psychological problems) - rather short-term, skilled labour market workforce programmes have been launched.

The actual average unit costs of the trainings launched in the priority project were below the target value, resulting in significant residuals. At the initiative of the consortium and with the approval of the Managing Authority, the

planned physical completion of the priority project has been extended until 31 December 2019 in order to maximise the allocation of resources and to optimise the use of training for the public employees.

Parallel to this, on the basis of Government Decision 1545/2018 (30 October) amending the Annual Development Framework of GINOP, the budget of the priority project increased from HUF 30 billion to HUF 31.15 billion, and the number of participants in training increased by 2,200 persons. At the same time, a digital skills development programme aimed at catching up with the most disadvantaged small

Figure 7: Trends in the numbers of those who have been trained and who have successfully completed the training. Source: BM-KKSZF





settlements has been added to the curriculum. The 120-hour 'Entry into the world of digitalised work' training programme related to the programme element, developed by a joint working group of the Ministry of Innovation and Technology and the Ministry of Interior, has also been included in the List of Qualifications for public employment in winter 2018/2019.

Following the launch of the priority project (from February 2016), the number of people involved in training has increased continuously with varying intensity. By 31 December 2018, only 83,812 people had been enrolled - up to 98.6% so far - of which 28,447 (33.9%) declared themselves to be Roma.

Another key achievement indicator of the priority project is the number of successful graduates, who at the end of 2018 totalled 72,368, thus meeting and exceeding the expected target of 68,000. (Figure 7)

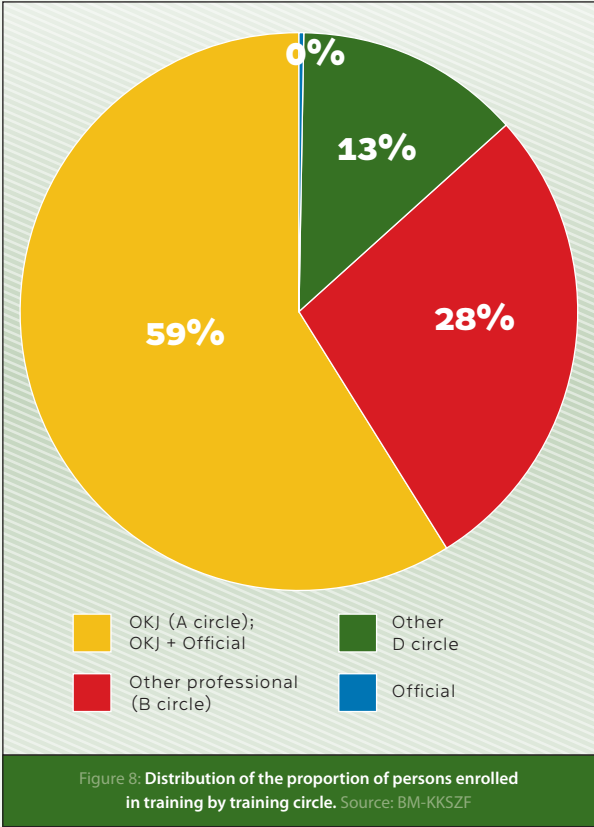
The number of staff allocated to the consortium partners in the priority project was determined on the basis of the

labour market indicators of the county and the number of people employed in public employment, thus helping to catch up with the low-qualified adult population living in less developed regions. (Table 5)

According to statistics, a part of the training programmes launched by the end of 2018 for low-educated people was a competency development program taking into account the special characteristics of the target group, which resulted in a much higher number of OKJ and OKJ + authorities (58.9%). and other vocational (27.4%) trainings (Figure 2). The programmes included vocational qualifications for missing occupations, in line with the labour market requirements, in order to enable public employees to find a job successfully later.

Table 5: Distribution of staff allocated to consortium partners by county.  
Source: BM-KKSZF

| County names           | Allocated total numbers<br>2015-2018<br>(persons) | Total number of involved<br>31.12.2018<br>(persons) | Number of successful<br>graduates 31.12.2018<br>(persons) |
|------------------------|---|---|---|
| <b>TOTAL, COUNTIES</b> | <b>85,000</b>                                     | <b>83,812</b>                                       | <b>72,368</b>   |
| Bács-Kiskun            | 4,995   | 5,106   | 4,447   |
| Baranya                | 4,945   | 4,808   | 3,829   |
| Békés                  | 3,870   | 3,930   | 3,519   |
| Borsod-Abaúj-Zemplén   | 15,293  | 14,711  | 12,137  |
| Csongrád               | 2,447   | 2,817   | 2,281   |
| Fejér                  | 2,588   | 2,309   | 1,932   |
| Győr-Moson-Sopron      | 686   | 759   | 747   |
| Hajdú-Bihar            | 8,242   | 8,438   | 6,969   |
| Heves                  | 4,149   | 3,752   | 3,084   |
| Jász-Nagykun-Szolnok   | 5,331   | 5,439   | 4,874   |
| Komárom-Esztergom      | 1,573   | 1,570   | 1,343   |
| Nógrád                 | 4,097   | 3,529   | 3,014   |
| Somogy                 | 5,240   | 5,399   | 4,585   |
| Szabolcs-Szatmár-Bereg | 14,040  | 14,168  | 13,440  |
| Tolna                  | 2,434   | 2,050   | 1,725   |
| Vas                    | 1,007   | 1,062   | 952   |
| Veszprém               | 1,828   | 1,693   | 1,482   |
| Zala                   | 2,235   | 2,272   | 2,008   |



## II. Training and services within the public employment system

Among the shortage professions, the industrial and construction industries (e.g. machine-cutting, masonry and cold-surfacing; carpentry) and other shortage professions are also represented among the list of implemented trainings (e.g. cook; social worker and nurse; meat product manufacturer; gardener). (Figure 8)

By the end of 2018, the number of trainees enrolled in the 'TOP 10' courses, the highest demand was for green space operator, basic competence development, construction and material handling machine operator, and kitchen assistant training. (Table 6)

Participation in training will, in the long run, improve the individual and increase his or her work prospects. The average duration of the training is three months, taking into account the characteristics of the target group (lack of sufficient motivation, endurance and monotony; mental and psychological problems), but

Table 6: GINOP-6.1.1-15 TOP 10 training of priority projects according to the number of people involved (Based on the NSZFH's December 2018 data supply) Source: NSZFH/BM – KKSZF

| Nr. | Training name                                       | Training circle                            | Number of involved |
|-----|---|--|--------------------|
| 1.  | Green area small machine operator                   | Other professional (B circle)              | 5,728 people       |
| 2.  | Basic competence development                        | Other (D circle)                           | 5,298 people       |
| 3.  | Construction and material handling machine operator | OKJ (A circle) + Official + OKJ (A circle) | 4,901 people       |
| 4.  | Kitchen helper                                      | OKJ (A circle)                             | 3,373 people       |
| 5.  | Park carer  | OKJ (A circle)                             | 3,190 people       |
| 6.  | Agricultural worker                                 | OKJ (A circle)                             | 3,115 people       |
| 7.  | Bio and green waste recovery, composting            | Other professional (B circle)              | 2,883 people       |
| 8.  | Vegetable and fruit processing                      | OKJ (A circle)                             | 2,498 people       |
| 9.  | Gardening worker                                    | OKJ (A circle)                             | 2,141 people       |
| 10. | Motor saw operator                                  | OKJ (A circle)                             | 2 134 fő           |

there are also longer courses of at least 1,000 hours of training (e.g. carpentry, confectionery, welding, social carer and nurse, baker, electrician).

In the case of disadvantaged persons and the public employees, numerous problems during the training period may jeopardise the successful completion of the training, so mentoring is available throughout the training period. Of those involved in the priority project, 3,133 (10%) dropped out in 2017 and 2,880 (15%) in 2018. The reasons behind the increasing number of dropouts rate are dominated by health problems, financial difficulties, family and partner issues and integration difficulties.

Clients who are involved in a priority project already face disadvantages that are not always remedied by the project, so mentoring is a priority throughout the training, which is present in all 18 counties in the convergence regions.

The primary and most important role of a mentor is to keep in the training, to assist in the successful completion of the training, to prevent the drop-out as effectively as possible by the training institution, the district office, the public employer or at the initiative of the client. Mentoring can be done individually or in groups, however, due to the size of the target group and the low number of mentors, primarily group mentoring is characteristic. In spite of this, the mentor also provides personal counselling and service in case of specific problems with individuals.

An average of 118 mentors per month provided mentoring between the start of the priority project and December 2018. The number of clients per mentor has been constantly changing, sometimes exceeding 400. 96.7% of those enrolled by 31 December 2018, received 81,039 mentoring services, of which 61,986 were in group, 1,117 in individual and 17,936 in both group and individual forms. By the end of 2018, only 8.3% of them, 6,751 people dropped out. Out of the total mentored individuals, 27,296 persons in disadvantaged position have declared themselves to be Roma on the basis of a voluntary statement. *(Table 7)*

Experience so far has shown that involving the target group and keeping them in training - due to the severe social and mental obstacles - has been a major challenge for both district offices and training institutions, so personalised assistance will continue to play an important role until the project is completed.

It is important to emphasise that the target group is persons with multiple disadvantages. For the most difficult target group members, it is the mentors who are responsible for enrolling in the adult education programme, facilitating the completion of the course, encouraging certification and certification, maintaining motivation and preventing absents. For mentor service users, the same person involved may have multiple disadvantages at the same time. *(Figure 9)*

From the data it can be stated that besides the original target group of the service users (low-educated persons - 73,488 individuals), the majority of the involved persons are living in the beneficiary district and / or settlement, and those acquiring their first qualification within the programme.

Another feature of the service is the high number of people who identify themselves as Roma.

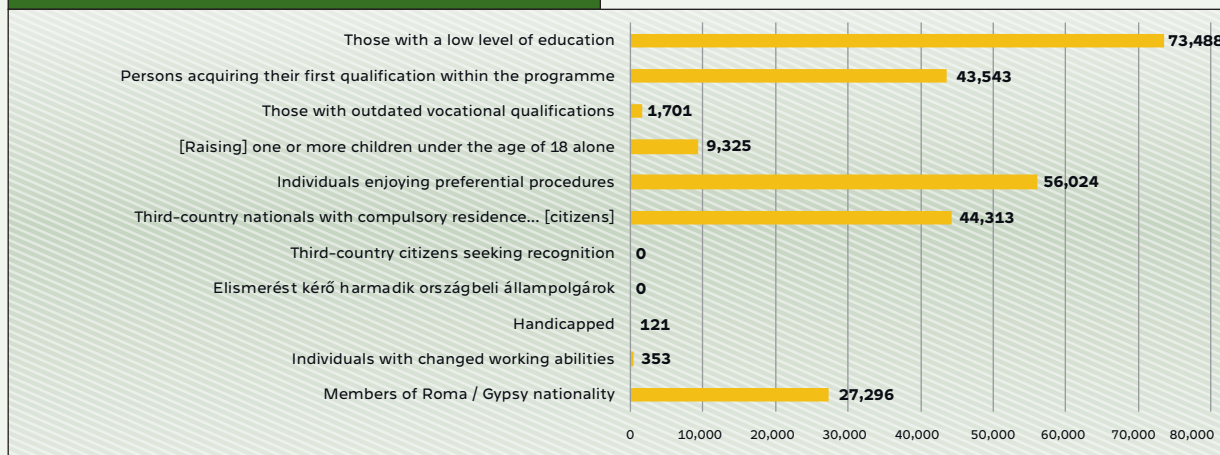
| Actual facts about the mentoring activity<br>of the priority project | Indicator data |               |               |               |
|--|----------------|---------------|---------------|---------------|
|  | 2016           | 2017          | 2018          | Cumulated     |
| <b>NUMBER OF PARTIES INVOLVED</b>                                    | <b>34,413</b>  | <b>30,028</b> | <b>19,371</b> | <b>83,812</b> |
| Beneficiaries of mentoring services                                  | 31,012         | 28,488        | 21,539        | 81,039        |
| of which Roma  | 11,062         | 9 459         | 6,775         | 27,296        |
| changed working ability  | 135            | 122           | 96            | 353           |
| female   | 18,410         | 15,830        | 13,309        | 47,549        |
| male   | 12,602         | 12,658        | 8,230         | 33,490        |
| Distribution of mentors by age group                                 |                |               |               |               |
| under 25 years of age  | 5,687          | 4,754         | 3,272         | 13,713        |
| 25-53 years old  | 21,299         | 19,825        | 15,202        | 56,326        |
| 54 years - up to retirement age                                      | 4,026          | 3,909         | 3,065         | 11,000        |
| Mentored individuals according to their labour market status         |                |               |               |               |
| public employee  | 30,889         | 28,385        | 21,353        | 80,627        |
| employed   | 123            | 103           | 186           | 412           |
| dropout  | 1,098          | 2,738         | 2,915         | 6,751         |
| received only group mentoring  | 23,879         | 21,252        | 16,855        | 61,986        |
| received only individual mentoring                                   | 247            | 557           | 313           | 1,117         |
| received both group and individual mentoring                         | 6,886          | 6,679         | 4,371         | 17,936        |
| Number of group mentoring sessions (number)                          | 6,297          | 8,271         | 7,275         | 21,843        |
| Number of individual mentoring sessions (number)                     | 11,424         | 13,320        | 9,203         | 33,947        |

Table 7: Key information about the mentoring service

Source: BM-KKSZF

Figure 9: Users of the mentoring service until 31.12.2018  
classification into disadvantaged groups.

Source: BM-KKSZF





## 11.2. Professional events in the framework of the priority project

From the start to December 2018, the Ministry of Interior supported the work of those involved in the implementation of the priority project by organising a total of 27 professional events.

The work of the professional leaders, implementers and mentors was facilitated by case discussions, supervision trainings, and the participants could get acquainted with appropriate methods to deal with the difficulties of the target group. During the professional days, major labour market players (e.g. Robert Bosch Kft., Flextronics International Kft.) and external professional lecturers (e.g. Vocational Training Centre, Chamber), representatives of the consortium partner counties reported their achievements so far, experience gained from training sessions, good practice, and effective case management. The range of events has also been enriched by the introduction of burn-out pre-burnout trainings to assist the leading consortium members involved in the implementation of the priority project.



Social cooperatives  
established on the basis of  
public employment

Cooperatives are special corporate enterprises recognised in the European legal systems and effectively operating in the practices of the Member States that have special characteristics in their objectives, operation and values compared to other market actors. There is a continuing interest in social economy actors in the European Union, including cooperative enterprises, mainly due to their increasingly important role in addressing socio-economic and environmental challenges, increasing employment in underdeveloped communities, economic development of local deprived areas and the strengthening of social cohesion.

Some of the social cooperatives operating in Hungary were organised on the basis of public employment funds, and in order to ensure their operating conditions, the government has created the following support measures to make social cooperatives successful and competitive in responding to local needs and economic needs.

- In its Decision 1497/2018 (12 October) the government confirmed its intention according to which the establishment of social cooperatives and the professional and methodology assistance to the activities aimed at improving the conditions of operation of social cooperatives in public employment programmes, suitable for that purpose and also undertook to assist in EU resources for that purpose.
- Government Decision 1743/2018 (20 December) on the reduction of economic inequalities between certain areas of Hungary also defines a task for social enterprises, especially social cooperatives established on the basis of public employment. Existing production capacity needs to be developed and integration and effective cooperation with market participants need to be ensured.

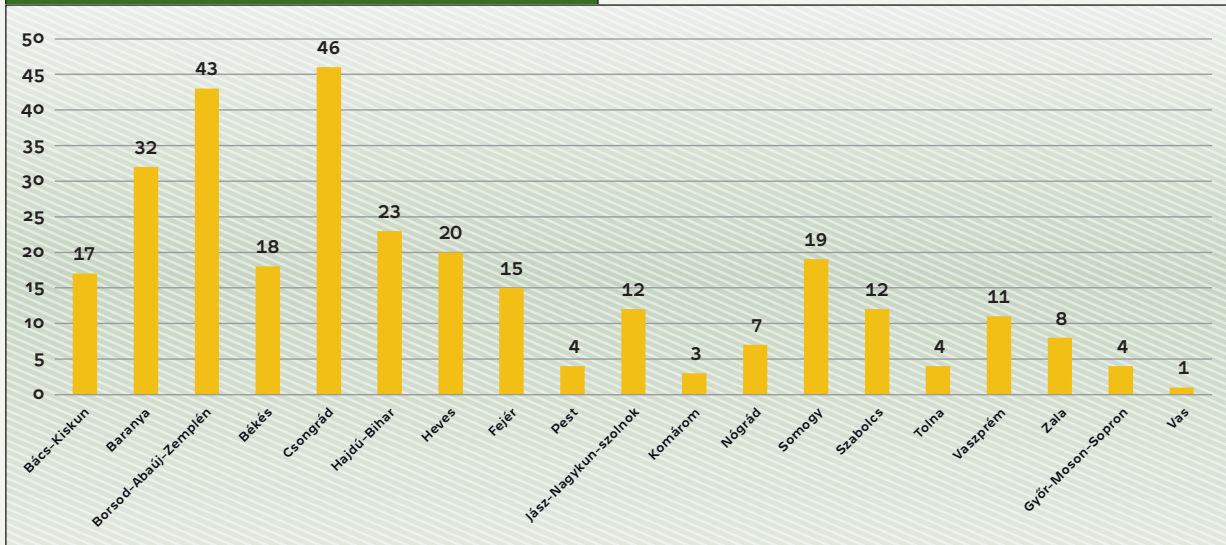
In line with the government's endeavours, the main objective is to make social cooperatives existing and to be established in the basis of the Start Work model programmes launched in public employment as real market actors and enterprises, using and operating their assets (infrastructure) previously acquired within the framework of public employment), to contribute to increasing employment in obsolete settlements, to the territorial equalisation of employment and to economic convergence of the underdeveloped regions.

### *III.1. The importance of social cooperatives developed on the basis of public employment*

- Social cooperatives in rural areas of Hungary can become the gatekeepers of local economic development, especially in those settlements where there is not a sufficient number of market enterprises involved in the revitalisation of the local economic environment.
- Social cooperatives play a key role in catching up with disadvantaged groups who are difficult to integrate into the primary labour market through direct employment and membership.
- Supported social cooperatives keep (professional) people experienced in local development in rural areas affected by catching up.
- Social cooperatives are involved as an inclusive workplace in the socialisation of disadvantaged workforce and provide workforce for for-profit market enterprises.
- The viability of social cooperatives is demonstrated by the fact that within two to three years of their foundation - multi-legged, multi-profile organisations - can generate annual net sales of between HUF 4.5 and 5 million.
- Social cooperatives contribute to the quality of life of the rural population through the products and services they produce.
- Social cooperatives often appear as generators and mediators of innovation in local economic development.

### III. Social cooperatives established on the basis of public employment

Figure 10.: Breakdown by county



#### III.2. Status of the social cooperatives established on the basis of public employment

Currently there are 295<sup>1</sup> social cooperatives in Hungary that have been established on the basis of public employment. The largest numbers are in Csongrád, Borsod-Abaúj-Zemplén, Baranya and Hajdú-Bihar counties. (Figure 10)

The main activities of social cooperatives organised on the basis of public employment are typically foodstuff processing, construction, sales and services. Their activities are based mainly on infrastructure transferred from public employment support through a loan agreement and procured from other tendering sources. (Figure 11)

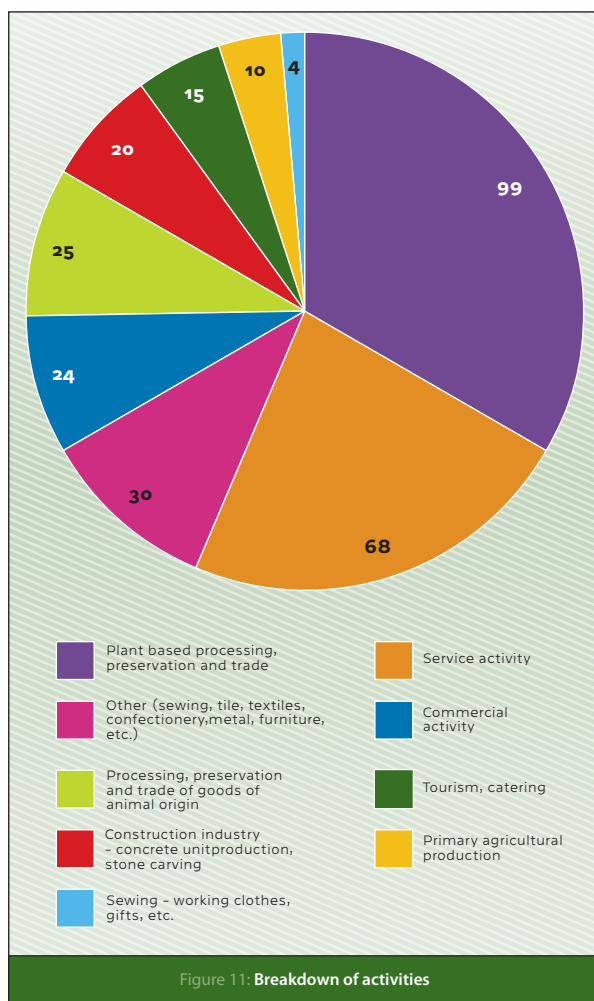
<sup>1</sup> Data available in OPTEN, April 2019: 1.) Social cooperative with a valid tax number, i.e. not cancelled: Of the 3,525, of which only 293 were based on public employment, the competence of the Ministry of Interior covers only 10% of social cooperatives. 2.) Operating (i.e. tax-filing) social cooperative: 1,838

#### III.3. Developing, expanding, self-sustaining capacities along existing productive and processing capacities created on the basis of public employment

With regard to the functioning of social cooperatives, the picture is very mixed. For their establishment, it is essential to provide public employment, economically measurable product for their start-up, state subsidies, such as additional funding from the public employment system - either tender funds - Focus / GINOP 517 tender program - or transfer assets to the cooperative. In addition, the founding membership of a municipal / public employer local government is decisive for the functioning of a social cooperative.

Social cooperatives that are successful as an enterprise are successful because they have found a niche market, operate according to a business plan, and seek professionalism in the selection of staff.





Most social cooperatives have not yet fully exploited their productive capacity due, among other things, to the scarcity of the outlets and the lack of skilled and unskilled workers.

A common problem with locally sourced supplies is the lack of local solvent demand, given that most cooperatives operate in deprived settlement environments. Social cooperatives consider the expansion of sales channels as a key task, but most organisations lack the necessary knowledge, experience infrastructure and network of contacts.

The problem is the lack of good quality and quantity of products, lack of market, labour, and inactivity of local governments to cooperate. Market demand assessments and product sales require significant resources and special competencies that most social cooperatives do not have.

At present, the number of social cooperatives that can be developed into a larger organisation through job creation and capacity building alone is not yet at the stage of significantly increasing their current employment capacity, given that a significant proportion of their costs are currently spent on personnel.

Further assistance is needed for sustainable operation. If the market of manufactured goods and services reaches significant growth in the future, – they may be suitable for a further increase of a few persons, taking into account the de minimis assistance limit. –

### III.4. State representative tasks

Act CVI of 2011 on the Amendment of Acts of Public Employment and Related to Public Employment as well as Other Pieces of Legislation (hereinafter: Public Employment Act) provided and opportunity for public employees working together for the same public employer for at least a year can continue using the tangible assets used in public employment free of charge pursuant to a lease agreement concluded with the public employer provided that they agree to continue working together for at least two years as members of a social cooperative established by them.

By 31 January 2018, 85 non-profit loans had been concluded nationwide, the value of the assets transferred under the loan agreement was HUF 1,934 million. The intended use of the assets transferred to a social cooperative based on public employment according to the business plan shall be monitored at regular intervals by the appointed representatives of the state on the spot.

### III. Social cooperatives established on the basis of public employment

#### III.5. Financing opportunities, assistance

One of the most important problems in the economic modelling of social cooperatives is the financing of activity and employment costs, so finding and securing resources is a priority task. In connection with this task, the Ministry of Interior's Cooperative Coordination Department contributes to the planning of domestic and EU funding for social cooperatives, the exploration of credit opportunities and the provision of resource integration.

From this year onwards, social cooperatives established on the basis of public employment also have the opportunity to obtain a discounted account management package and a simplified, low-cost loan through Erste Bank's Social Banking programme.

#### III.6. The role of the 'Focus on supporting social cooperatives with municipal membership' in the development of cooperatives

In the framework of the Focus call program, which is being implemented between 2016 and 2023, it is planned that 193 social cooperatives will receive HUF 14 billion in support, which will create jobs for 1,397 disadvantaged workers. The assistance programme intends to give incentives and provide assistance primarily to social cooperatives organised based on public employment in improving their employment abilities and in their process of becoming a self-sustaining market actors.

Beneficiary cooperatives employ an average of 7 people, which is a micro-business category, which is a micro-business category. The program is implemented in a broad partnership (Ministry of Interior, Ministry of Finance, OFA Nkft, AKI).

During the implementation of the Focus programme, it was recognised that further enhancement of the role of social cooperatives, the maintenance of the productive capacities required for the operation and their market positioning should be supported by additional programme elements.

**'Focus on the Market' programme item:** The 'Focus on the Market' programme element aims to strengthen the beneficiary social cooperatives' existing market position and maintain their economic performance in the longer term. Another goal is to adopt a marketing approach, use the right marketing tools to gain market access and demand, and promote networking.

By 31 January 2019, 29 applications had been received for the first round of grant applications, of which 25 social cooperatives had received support. Most of the applications required online marketing tools and services to help with the fair.

#### III.7. Major achievements, effects related to the establishment and operation of social cooperatives

The success of a cooperative can be determined almost at the founding stage. The cohesive power of a social cooperative is a mutually recognised interest, reflecting a bottom-up approach and an association of conscious and responsible individuals. A strong cooperative is fundamentally based on the decision and approach of the participating individuals and members.

Despite the subsidies, it is not easy to set up a social cooperative, given the need to start a business at the same time, employ a disadvantaged target group and be present in the same market as for-profit businesses.

Furthermore, the success of social cooperatives cannot be measured solely in terms of economic performance - which is, of course, necessary to achieve the objectives - as they also perform a significant function of social integration and value creation, value transfer and preservation. Given their social mission - lower productivity (5-7 years to reach break-even point), they produce worse financial ratios - making them less creditworthy and their self-sustainability is also doubtful.

The Government aims to disseminate the form of social cooperatives and to make sure that the cooperatives take part in encouraging the development of the economy and the local communities, considering that its social and economic effects are positive.

### Social impact:

- Social economy organisations are expanding local employment opportunities, which promote the social inclusion and integration of the individual.
- Personal competencies develop the most, which can be translated into entering the open labour market.
- Employment also entails an improvement in the settlement's ability to maintain its population, while having a positive impact on morale. It stimulates the life of rural communities, keeps young people at home, and generates wealth through income from production - thus being able to achieve rural development goals. The rural values that have been preserved for centuries by the people there remain.
- With the strengthening of the cooperative form, self-care from the society appears, the individual as a member participates in the processes taking place in the cooperative, and thus feels itself to be a useful value creating member of the cooperative. Participates mentally strengthened in the life of the local community.
- It improves the quality of life and security of the individual and their family, reduces the likelihood of re-emergence of lagging behind and exclusion and the vulnerability of the individual.
- Increased social capital benefits the development of the local economy.

### Economic impact:

- The role of the countryside, the rural settlements, is being enhanced by local economic development through social economy organisations.
- In the case of social cooperatives organised on the basis of public employment, the principle of economy is clearly reflected. The state resource (public employment assistance) works in the first instance with the public employer local government, then it can transfer the assets acquired in public employment free of charge to the social cooperative under a loan agreement required by law, and then the social cooperative can operate them as an economic operator.
- The damage caused by additional macroeconomic costs - illnesses, crime, social conflicts - is reduced. The ability to retain the workforce in the countryside increases, and the perception of the individual's environment improves.
- The market share of local services and products is growing.

To sum up, the social cooperative, as an untapped new resource, is at the same time capable of developing a work-based economy, stopping poverty, and creating value-creating, self-reliance and self-care work for a wide range of social groups, including participants in the current public employment program. The cooperatives also support the integration into the community of disadvantaged groups, the development of under developed regions and, not least, by building strong local communities, they can also reduce the migration among the rural population and change demographic indicators favourably.

The Ministry of Interior has taken measures to date to create opportunities for local social economy and community development, but the viability, employment capacity and sustainable operation of social cooperatives is already dependent on how social cooperatives can seize opportunities and respond quickly to emerging problems.

Typically, social cooperatives, which are based on currently operating public employment, are not yet at the stage of significantly increasing their current employment capac-

### III. Social cooperatives established on the basis of public employment

ity. Rather, they are struggling with how to retain their employees and how to use and increase their existing capacity. However, the activities can set a good example in the application of a complex economic development concept, and their experiences may take a new direction in other affected settlements, helping local social economy start-ups.

#### *III.8. Successful social cooperative models*

##### **Baranya County | EGERÁG**

In 2006, the Local Government of Egerág started to establish a local economy run by the local government, and in 2016 a social cooperative was established for meat processing and marketing. In its meat processing activity, the Egerág Meat Processing and Sales Social Cooperative distributes approximately 40 types of traditional products. The meat is purchased exclusively by the residents and institutional catering. Among their products, smoked goods are sold in county towns and in several parts of the country. They also ship regularly to their partners in Budapest.

##### **Baranya County | HETVEHELY**

The Local Government of Hetvehely pays special attention to public employment, as this is the only opportunity for a working and willing population to have a secure living. As a result of the programmes, in 2015 Hetvehely Forestry, Building and Service Social Cooperative was established with membership of the local government. The social cooperative is principally engaged in forestry activities, in addition to providing construction services - electrician, cold-surfacing, masonry and painting. The further plans of the cooperative include the operation of a local government-owned kitchen serving public catering functions as a restaurant and the participation of employees in OKJ training. The long-term goal of the cooperative is to increase the

number of employees and to meet the requirements of the labour market.

##### **Bács-Kiskun County | TOMPA**

Tompa Sales and Service Social Cooperative was founded on 2 February 2017 with nine founding members: The Local Government of the Town of Tompa with eight natural persons. Based on farmers' experience, the Focus assistance scheme processes and sells local produce. The project employs five workers.

Its activity: processing and preserving of fruits and vegetables, food production, and retail and wholesale trade of vegetables and fruits.

Products: pickled purified, vacuum packaged vegetables and fruits in bottles, buckets and barrels.

The purpose of the cooperative is to create employment opportunities for disadvantaged people, job seekers and inactive people living in the Kiskunhalas region and to provide them with long-term employment in the field of food production, packaging and processing. Key partners include local retailers, kitchens run by the local government, and catering units.

##### **Békés County | PUSZTAOTTLAKA**

The Bodzási-Gábor Production and Service Social Cooperative is primarily engaged in agricultural services: harvesting of fodder, provision of machinery services and repair and maintenance of agricultural machinery. In their service site they service machines for the local government of the settlement or for individuals. Their aim is to create jobs locally for the public workers and job seekers of the cumulatively disadvantaged small settlements. Among their business partners are entrepreneurs and primary producers operating close to the administrative area.

The 'Willing to Work' Plant and Livestock Social Cooperative currently employs twenty people and is active in crop production and animal husbandry. In December 2017, the cooperative took over the operation of the local grocery store. In previous years they have been engaged

in keeping pigs and sows for fattening, and in 2018 the cooperative set the task of breeding Nóniusz horses. Their business partners are mainly local farmers, entrepreneurs and the local population.

### **Borsod-Abaúj-Zemplén County | MÚCSONY**

Design is always based on an idea, a thought. At last, the thought-provoking question of 'What should we make?' was the following: foodstuffs. Their goal is to create an economy that meets the needs of today's customers and is developing.

The pasta factory is able to supply the smallest commercial technology with a competitive supply of large-scale kitchens, commercial and catering units in the area. Their products include durum and 2-4-8 egg pasta. The plant is officially licensed and has a HACCP foodstuff safety system. As far as raw material use is concerned, eggs come from their own hatchery; flour now comes from external sources, but in 2016 they started to build their own mill, consisting of two mills. Their performance exceeds the capacity of the pasta factory, as market research shows that there is a great demand for ground products. They are proud of the fact that all their activities have been jointly designed from the start, and that all their products, from farm to fork, are attended by local people and factories.

The Mucsony Agricultural and Craft Social Cooperative is diversifying its activities based on local resources, including tailor-made sewing machines, industrial goods and multinational companies. In addition, they are an integral part of the life of the residents of the settlement, including the caretaker tasks of 12 condominiums.

### **Fejér County | ALAP**

The Fruit of Labour Social Cooperative of Alap operates a fruit and vegetable processing plant with six employees. The cooperative is currently engaged in the production of a variety of fruit juices. Agreements have been concluded with neighbouring local governments and farmers to provide vegetables and fruit. Their products are apple juice, sea buckthorn juice, apple-pear, apple-peach, and tomato, carrot, beetroot and pumpkin juice. One of the main objectives of the cooperative is to expand the range of employment opportunities, especially involving young people. They would like to represent their settlement with their exemplary, modern plant,

and would like to share their knowledge and experience with other settlements, so that they could even be a training institution.

### **Győr-Moson-Sopron County | RÁBASZENTMIHÁLY**

The village of Rábaszentmihály started the production of dry pasta within the framework of public employment in 2013, and in 2015 the livestock production was intensively developed with the establishment of a pig farm. Due to the increased tasks and precise work, it was necessary to raise the level of operation, so in 2015 the Social Cooperative for Producing and Selling Flavours of Rábaszentmihály was established. Production has become economically viable, so that workers can no longer work in public employment but as primary labour market workers. The main activity of the cooperative is the production of dry pasta, but it also deals with animal husbandry, processing of produced goods and trade. The cooperative is engaged in an innovative activity in the field of pasta production with the introduction of the production of coloured pasta. From March 2017, the meat shop in the settlement is also run by the cooperative, where the processing of fattening pigs provides quality meat products for the inhabitants of Rábaszentmihály and the surrounding settlements.

### **Hajdú-Bihar County | BEREKBÖSZÖRMÉNY**

The Berekböszörmény Premium Retail Social Cooperative was established in 2013. The main activity of the cooperative is the retailing of grocery stores with the addition of slaughtering and meat processing activities. The slaughterhouse and its equipment purchased from public employment support, as well as the refrigerator, trailer and grocery store, were transferred to the cooperative under a leasing contract. The cooperative buys pigs from the local government and primary producers; pigs are slaughtered and processed in the slaughterhouse and the meat factory. The surrounding social cooperatives and municipalities also have the opportunity to bring their own products to the shop. The cooperative also supplies processed pork to the kitchen of the settlement run by the local government. A showcase bakery has been established in the store's retail space from own funds.

### III. Social cooperatives established on the basis of public employment

#### **Hajdú-Bihar County | POLGÁR**

The Civic CSEMETE Service and Commercial Social Cooperative was founded by the Local Government of the Town of Polgár in 2013 with esteemed local public figures who, through their professional experience and contacts, can ensure the stable and efficient operation of the cooperative. The employees of the cooperative are primarily among the employees with multiple disadvantages. The basis for their activities is the assets acquired through tenders and transferred on the basis of a loan agreement. Their main activities are the implementation of the social firewood pack programme and the service provided to the population, which helps to keep the living environment in order. They also play an important role in the maintenance of green space for entrepreneurs and in agricultural services. The fruit and vegetable processing plant provides a new opportunity for successful economic activity by supplying processed vegetables to local kitchens and restaurants.

#### **Somogy County | LENGYELTÓTI**

The Lengyeltóti Unikornis Producing and Selling Social Cooperative was established on 5 January 2015 with the intention of creating long-term jobs for public employees who proved with their work and attitude that they were willing to work at a workplace offering a secure livelihood. The Social Cooperative established its activities from tenders and other funds. In addition to the dry pasta production plant, the stone factory with a 700 m<sup>2</sup> production hall and an office building is also dominant. In addition to the production of standard stone and concrete products, they are also engaged in building sculptures and the production of artificial stone products and ornaments, so they employ a full-time building sculptor to run the plant. Due to the need for paving stones for 'Green City' tenders, which have been awarded under the Territorial Operational Programme, the production of paving stones and bed elements has become the main activity of the plant, but garden and outdoor furniture made of artificial stone is gaining ground, including barbecues, benches, tables, fountains, birdhouses, flower vases. Meeting the

increased demands requires a steady increase in the number of employees, and today the number of employees has increased to nine.

#### **Veszprém County | LOVÁSZPATONA**

The main activity of the Lovászpátóna Processing and Trade Social Cooperative is the processing and marketing of vegetables and fruits. The raw material is purchased from producers in local and nearby settlements and from a Start Work model programme run by the Local Government of the Village of Lovászpátóna. The main purpose of the cooperative is to create jobs in the local area and to provide healthy, preferably preservative-free products, especially fruit juice, to the people living in the village and the surrounding area.

Their products are processed vegetable and fruit products: syrups, juices, jams, compotes, pickles, dried fruits, dried vegetables and seasonings.

Their services are: fruit and vegetable processing, green area management.

Some of the sales are made through local retail chains. Their partners are Zirc-Coop Zrt. and Kismegyer - Delikát Kft., as well as direct retail sales.

#### **Veszprém County | NYÁRÁD**

In the autumn of 2017, the Bitvamenti Social Cooperative received HUF 60 million non-refundable funding for its development under the Focus assistance scheme. The company currently employs eight people at three locations with five lines of business. Their activities are: grain storage, green area management, agricultural services, earthmoving, wood, paper and biobriquette production.

The purpose of the cooperative is to develop the local economy and employment, and to improve the settlements population retention power. The long-term plan is to create a complex, multi-legged, liquid cooperative that will provide the livelihoods of many local residents, and the liveability of the settlement.

Main clients: agricultural enterprises, local governments, local and nearby population.



## IV.

National  
public employers



The national public employers are public budgetary agencies that pursue activities across a number of counties. The national public employers are involved in almost all public employment activities, and therefore they employ a large number of public employees.

#### *IV.1. Water management directorates*

The purpose of the public employment programmes of the water management directorates is to operate the exclusively state-owned water facilities and to arrange for the development, maintenance and operation of public, state and local government as well as own water facilities. They are involved in the improvement of the quality of the local potable water as well as in the wastewater treatment and water damage elimination tasks of the settlement. There are regular activities relating to the changes in the weather, which include maintenance, the killing of shrubs, slurry control and cleaning and maintenance of banks.

In 2018, the Ministry of Interior provided of HUF 11,7 billion assistance for the public employment programmes of the water management directorates. The public employees repaired the drainage capacities of sewers and in the flood plains and removed water flow obstacles from the riverbeds and other sediments. This latter activity improves the ground water drainage, reduces water damages and increases the safety of production. Consequently, the activities of the public employees represent significant assistance. On average 17,354 people took part in the programmes.

#### *IV.2. State forestry companies*

The main objectives of the state forestry companies include the rehabilitation of forests, the marking and maintenance of forest paths, nature trails and hiking trails, establishment of firebreaks, performance of fire prevention activities and cleaning of forests of communal waste within the framework of public employment. There tasks also include soil preparation, planting plants, hoeing, killing of ragweed and other allergen weeds, breaking off shoots, maintaining trunks and removing grapevine. In

2018 on average 4,985 people took part in these activities with the help of the HUF 2.8 billion assistance.

#### *IV.3. Water management associations*

The water management associations perform tasks in the interest of the public within the framework of public employment as well, improving the environmental assets and infrastructure network of the country and turned out to be very effective in groundwater and flood protection too. The public employees took part in groundwater drainage and water replenishment, in agricultural water supply, sewer reconstruction, landscaping, shrub and plant control and the drainage of slurry.

In 2016, a review was already conducted at the water management associations to conclude whether there was still need for public employment assistance in their activities because their involvement in the performance of the tasks of the state was gradually decreasing. As activities occurred constantly in the winter too, new programmes had to be launched, in which on average 1,981 public employees were involved in 2018 with the help of HUF 884 million public employment assistance.

#### *IV.4. National park directorates*

The objective of the national park directorates in public employment is to perform all the tasks related to the nature conservation activities in protected and increasingly protected natural assets and areas, Natura 2000 sites as well as in areas and other assets falling within the scope of the international nature conservation treaties.

Consequently, in 2018 they continued to perform nature conservation tasks, killing non-indigenous species and allergen plants, refurbishing bird feeders and large game feeders, cleaning and maintaining playgrounds, nature trails and hiking trails, as well as other activities assisting pasture land maintenance and animal farming, as well as maintaining buildings managed by the national parks, with the involvement on average 642 people and with HUF 309 million assistance to the programmes.

## IV. National public employers

### *IV.5. Policing organisations, disaster prevention organisations and the Hungarian Army*

The policing organisations, disaster prevention organisations and the Hungarian Army perform public tasks. In their areas of operation, their main tasks include the maintenance and cleaning of the properties owned, managed and used by them as well as performing storage tasks. In 2018, they received HUF 3.4 billion assistance for the good quality performance of these activities, from which on average 5,487 public employees could be involved in the programmes.

### *IV.6. National programmes of Road Management Company*

Magyar Közút Nonprofit Zrt - Road Management Company - has been constantly involved in public employment from the beginning as one of the largest national public employers employing the largest number of public employees. The public tasks of the employer include construction of roads, motorways, bridges and tunnels and all the public tasks related to their maintenance and operation.

From March 2018 they launched a programme with the involvement of 1,500 people and with the help of HUF 3.38 billion assistance for cleaning up state-owned areas situated between agricultural land and state operated public roads pursuant to Government Resolution 1887/2016 (28 December) on the Tasks of Public Employment Programmes Related to the Cleaning of Areas Between Agricultural Land and Public Roads.

Based on the Government's decision, in the future the game control facilities by the roads will be reconstructed or installed within the framework of a new procedure, according to which the materials required for construction, replacement and reconstruction will be manufactured by prisons and the game orientation fences will be installed and maintained within the framework of public employment. On the basis of the success

of the previous year's programme, the current programme was extended nationally.

### **Road maintenance programmes**

In recent years, there have been three types of road maintenance programmes in public employment, such as the district Start Work model programmes in the road network maintenance programme element, the national programmes of Közútkezelő (Road Administration), and the so-called Local Government Road Guard programme.

### **The road network maintenance programme element of the district Start Work model programme**

The aim of the programme is the maintenance, restoration, renovation of the local government's urban road network, the maintenance of pavements, the laying of paving stones, thus reducing the risk of accidents. The maintenance and renovation of inland and outlying bicycle paths under local government management is also an objective and important activity of the district Start Work programme. Starting from 2018, the activities of the Local Government Road Guard and the district Start Work model programmes, launched in 2014, will continue with the maintenance of urban road network programme, in which the above-mentioned activities will be performed by the public employees.

The Road Management Authority also takes great care and responsibility in ragweed killing activities.

### *VI.7. Magyar Államvasutak Zrt.*

Similarly to the previous years, in its 2018 annual public employment programme MÁV Zrt, responsible for the operation of the railway tracks pursued activities related to the cleaning of the tracks and their environment, the maintenance of the plants of the connecting areas and the maintenance of the railway facilities. The Ministry of Interior provided HUF 764 million assistance to their programme last year, with which 1,400 people were given jobs in this transitional form of employment.



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## V.1. Public employment by churches

The churches joined public employment in 2011. Over the period of a few years, there was a sudden increase in the number of individuals involved in public employment programmes. Over the past few years, the largest church employers have been the Hungarian Reformed Church Charity Service Foundation, the Baptist Charity Service, the Ceferino Giménez Malla Institute and the Hungarian Charity Service of the Order of Malta's.

Most of the programmes employ unskilled public employees in kitchen, institutional cleaning, maintenance, social work, but also skilled labour, especially as an administrator. Typically, they clean the environment of the churches as well as institutions, maintain churches and buildings and perform minor refurbishment and simple administration activities. The majority of the respondents would be happy to choose a church as a primary workplace. The tolerant environment that also helps moral development has a positive impact on public employees.

### V.1.a. Hungarian Reformed Church Charity Service

The Reformed Church Charity Service has been one of the largest public employers from the beginning. In the stand-alone project, in the period from March to June 2018, an average of 1,809 people were involved in the programme in the 409 settlements covered by the programme with the help of public employment subsidies of HUF 721 million. As of July, an average of 1,657 people were involved in 348 settlements with support of HUF 1.342 billion.

They maintain abundant cemeteries and parks, care for old people, clean churches and social institutions, safeguard events, supervise children's events and accompany children. The social institution is typically engaged in laundry, exchange of bedding and kitchen and catering auxiliary tasks.

### V.1.b. Baptist Charity Service

The Baptist Charity Service has been a major religious public employer for years. Their activities in support of homeless people are outstanding, and the Ministry of Interior also supported them in 2018. The programme was implemented through the public employment of 53 people with the support of 88 million HUF.

#### The most significant of the previous results are:

- the establishment of a Social Service and Employment Centre in District 10 of Budapest, where a social laundry, public bath, hairdresser and public kitchen await the users,
- a wood processing plant that provides firewood for families in need in the District 10 of Budapest in the winter,
- as a result of the programmes, a temporary home for families (40 + 4 beds) and an assisted living facility (for 12 people) were opened,
- and provide new employment opportunities for programme applicants, such as sewing or making ornaments and home textiles that can reach a wider audience through public employment.

#### Operation and development of the Budapest Maglódí út employment site

The 2018 programme relied on the site in District 10 employing homeless people, where social laundry, public baths, and public kitchen service and social firewood processing were developed in previous years. The Maglódí Street site was able to provide employment and livelihood for 38 homeless people.

In close harmony with the public employment activities, there was also a supported housing service on the site where homeless people moving in were provided employment and social case management that responded to their individual needs and offered a complex support system that could greatly facilitate their social reintegration.

In 2018, the rehabilitation and renovation of the pavement section of the site was carried out. A mobile warehouse has been installed to ensure proper storage of the equipment

## V. Public employment programmes promoting the involvement of people with multiple disabilities who perform special activities

and assets procured at the site. They also acquired sewing tools to establish a new business.

### Public employment in Miskolc and Hajdúböszörmény

With the help of the programme's rural sites they were able to be present in less developed regions, where people in welfare institutions face greater challenges than the national average in finding a job in the labour market. The sites operate in social and child welfare institutions where public employment activities aim at directly and indirectly improving the lives of families who do not have a home of their own by involving them in our care.

- Sewing: home textiles (bed linen, curtains) were sewn for social and educational institutions and worn-out textiles were repaired.
- Basket weaving: baskets, pencil cases and other storage instruments were woven, painted and decorated. The finished products were used in their institutions and distributed to students of educational institutions.
- De-branding: in the case of counterfeit branded products (clothing and footwear) seized by NAV, the clothes have been sorted to assist distribution to those in need after removing the fake branding and labels.
- Weaving: woven carpets were made from scrap clothes and textiles created during the de-branding.
- Institutional operation: the cleaning, operation and maintenance tasks that occur in the day-to-day life of the institution have been completed.

In order to develop the sites, the fence at the Hajdúböszörmény site has been refurbished to provide a separate, secure space for the established warehouse to store the assets of the public employment programmes and the produced goods, as well as regional storage for their other public employment programmes. Lavender production

was started at the Miskolc site, the products of which are used in the production of lavender pillows.

### Establishment of a public employment site in Csepel Works

A new employment site has been opened in Csepel, in the area of Csepel Works, where several homeless hotels operate. The site can accommodate 170-180 people. Within the project element the following employment and social activities were implemented:

- establishment of an employment site
  - social laundry and public bath,
  - clothing store and donation of clothes,
  - public kitchen service,
  - institution maintenance and operation
- social activity
  - temporary accommodation for 180 homeless people,
  - crisis management in winter.

Homeless people are provided with housing, employment and social assistance at the same time.

### National public employment programme

The national public employment program of the Charity Service was implemented in the spring in a total of 46 settlements, and thereafter in 54 settlements, in which the institutions maintained by the Charity Service carry out cleaning and maintenance tasks and care for the green areas belonging to the institutions. As an added benefit, activities also include assistance to pensioners and disabled people and other activities aimed at improving their quality of life. The programme was attended by 290 public employees on average, with a total grant of HUF 378 million.

### *V.1.c. Boldog Ceferino Intézet (The Ceferino Giménez Malla Institute)*

The Blessed Ceferino Institute, founded by the Hungarian Catholic Episcopal Conference at the end of December 2014, is dedicated to helping Roma and disadvantaged people based on Christian values. The backbone of the programme focuses on Roma social assistants who can offer authentic help to Roma families and communities in information supply, other advice and mental support. In 2018, an average of 187 public employees participated in this work in 46 settlements from March to June, while in July also 187 public employees took part in it in 42 settlements. The programme implemented with HUF 240 million assistance included supplementary education activities and the support of domestic farms helping disadvantaged families in self-sustenance.

### *V.1.d. Hungarian Charity Service of the Order of Malta's*

The public service programmes of the Hungarian Maltese Malta Charity Service (hereinafter Maltese Charity Service) were also supported by the Ministry of Interior in 2018. On average, sixty people worked as public employees in priority projects.

The service appears as a public employer at various points of the country. One of their model programmes implemented in two settlements of Jász-Nagykun-Szolnok County and in Tiszabura and Tiszabő is one of the most outstanding achievements. They operate a public bath and laundry, a joinery plant and a sewing shop in Tiszabura and a plant preservation facility in Tiszabő.

Tiszabura is one of the poorest settlements of the country, where many people live in colonies and segregation, in houses with no level of comfort, with no means of maintaining daily hygiene.

After the necessary modifications and renovations, the location of the public bath and public laundry is at Tiszabura, Kossuth Lajos út 26, formerly used as a dwelling site. The property was purchased by the Maltese Charity Service for the programme, it is now owned by it and provides it as own funds. A total of 16 people worked in

the public bath, ten of whom were involved in the design of the building, and five were washing, drying, cleaning and ironing the bedding, clothes and other household linen of local residents with large-performance washing and drying machines. In addition, they managed and cleaned the public bath, and at the same time participated in running the charity clothing donation point. One person worked as building caretakers. The public laundry also made it possible to clean the donated clothes so that clean clothes could be handed over to those in need at the donation point. The programme element was realised with the public employment of 10 employees on average with a grant of HUF 70 million.

The carpentry plant building was previously renovated also as part of a public employment programme. All the required unskilled work was performed by public employees. The equipment of the plant allows marketable production, but it can also function as a training workshop, so that it can provide practical space for school-based or extra-school carpentry training from year to year. The plant is used to produce primarily doors and windows and simple structure furniture (kitchen furniture, street furniture) for charity purposes. The company operated with 22 public employees on average with a subsidy of HUF 161 million.

The sewing shop was earlier also reconstructed and equipped with machines and raw materials required for its activities, and therefore they cannot cut, embroider, sew buttons and perform screening. Besides the production activities, it also functions as a study workshop for seamstress training. The sewing shop produces primarily bedding and household textiles as well as simple working clothes for charity purposes. The sewing manager - an experienced plant manager - is provided own funds. The programme element allowed the public employment of an average number of 20 people with a grant of HUF 126 million.

A plant preservation facility has already been set up in Tiszabő at Fő utca 32, located previously in a residential property, also provided by the Maltese Charity Service as own contribution.



## V. Public employment programmes promoting the involvement of people with multiple disabilities who perform special activities

The long-term objective of the programme is to contribute to the improvement of the social and labour market situation of local families and, indirectly, to the development of the entire village through sustainable and community supporting activities.

They make pickles and jams. In line with the charitable activities, the products represented tangible donations for many people and in 2018, they also started selling their products in the market.

The plant provides a wide base for local families to carry on additional income-generating activities by producing 40 to 50 tons of vegetables and fruits per year. To this end, a gardening programme was launched with local families in connection with the programme. The raw materials are purchased from local and surrounding local governments, family farmers and primary producers. The public employment of an average of 7 persons was realised with a subsidy of HUF 90 million.

### V.2. Cultural public employment

Cultural public employment has been successful for years. The programme offers temporary jobs in their profession to individuals with secondary and higher qualifications but without a job in culture or public education. It also eases the shortage of cultural experts in settlements, increases the local identity and strengthens the ability of smaller settlements to keep their population. The collection and classification of cultural and natural assets continued within the framework of digitisation programmes.

#### V.2.a. *Nemzeti Művelődési Intézet Nonprofit Kft.*

In 2018, the Nemzeti Művelődési Intézet Nonprofit Korlátolt Felelősségű Társaság continued the cultural public employment programme previously launched by the National Institute for Culture, which ceased to exist without

a legal successor on 31 December 2016. The objective of the programme continued to be supporting the professional activities of cultural civil society organisations and local governments performing public education tasks. The training, which became absolutely necessary for improving the efficiency of the work, was provided primarily with online content. The previously established national professional network made sure that all activities were performed in high quality on a continuous basis.

A community employment programme was launched in crafts for disadvantaged groups, the members of which are involved in knowledge sharing related to crafts and popular traditions focusing on the region of their place of residence and, when applicable, their nationality. The public education institutions and other organisations performing activities based on a public education agreement were also involved in the programme besides the local government partners. In the period from March to June, on average 2,205 people were involved in the cultural public employment programme with HUF 1.117 billion assistance from the Ministry of Interior. As of July, the public employment of 105 people in the twenty settlements covered by the programme was realised with the support of HUF 100 million. Although the number of people involved decreased, more individuals with higher qualifications OKJ [National List of Qualifications], higher qualifications) took part in the programme.

#### V.2.b. *Hungarian National Museum*

In connection with the Public Collection Digitisation Strategy, a lot of people conducted the professional assistance activities of digitisation tasks in the 2018 Public Cultural Programme, relying on the professional methodological background of the Hungarian National Museum. During the implementation of the program, 337 people worked in 99 settlements with support of HUF 168 million between March and June. In July, an average of 236 people in 96 settlements contributed to the construction of the databases and made public data available with the support of HUF 191 million.

They entered data in the fast data capturing systems developed in order to make system management easier (OnlineData system, [onlinedata.museumap.hu](http://onlinedata.museumap.hu)). The digitised data of artefacts are published on the MuseuMap portal of Magyar Nemzeti Múzeum ([museumap.hu](http://museumap.hu)) and also on the Europeana portal (depending on demand).

### *V.2.c. National Széchényi Library*

The library branch of cultural public employment allows libraries run by universities and local governments to employ public employees to assist librarians in providing better services to the readers. The objective of the programme is to promote the advanced practical services of libraries, accessible for anyone, as assistance or another option for people to obtain information, learn, or organise cultural leisure time and community activities. In libraries operated in disadvantaged settlements, people cannot only read but can also use the internet or edit documents and therefore the number of visitors to the library has increased significantly. As the Hungarian National Digital Archive and Film Institute (MaNDA) ceased to exist, the task of digitising library materials was transferred to the National Széchényi Library. From March to June, an average of 1,086 people were employed in the 626 settlements covered by the programme, with a grant of HUF 530 million from the Ministry of Interior. From July, an average of 827 people benefited from HUF 691 million support in 597 settlements.

### *V.2.d. National Archives of Hungary*

The main responsibility of the National Archives of Hungary (Archives) is to keep historic documents of historic value for a long term. The assistance from the Ministry of Interior contributes to the success of that work significantly. The devices and equipment to be purchased also ensure the long-term sustainability of the programme. In addition to building and digitising the database, from March to June, 112 people were supported by HUF 57 million in 30 settlements, and 78 employees in 28 settlements from July, with the support of HUF 65 million. Over the past few years nearly 10% of the public employees became public employees of the Archives and also wish to continue assisting public employees in returning to the primary labour market. Approximately 40% of those who left the Archives were able to find jobs in other employers.

### *V.2.e. Magyar Teátrum Közhasznú Nonprofit Kft.*

In 2016, Magyar Teátrum Közhasznú Nonprofit Kft., MACIVA Kft., the National Theatre, the Association of Directors of Rural Theatres and the Hungarian Theatre Company formed a professional consortium to implement the cultural public employment programme of the sector in line with the development aims of the Hungarian performing art. In 2018, from March to June, the Ministry of Interior supported the programme with HUF 162 million, providing an average of 328 people in 71 settlements. As of July, they provided public employment for 67 people in 8 settlements with a grant of HUF 65 million. Within the framework of the Performing Art Cultural Public Employment Programme, a professional database and a performing artist network were created for providing more information on and promoting the activities of the various forms of arts. The programme provided effective assistance in the daily operation of the performing art organisations operating in Hungary and remained the only option for survival in many cases.

### *V.2.f. Forum Hungaricum Nonprofit Kft.*

Forum Hungaricum Nonprofit Kft. is a public benefit organisation established as the legal successor of MaNDA. In the period from March to June, the Nonprofit Kft. provided employment for a total of 279 people in 57 settlements with support of HUF 144 million. As of July, an average of 120 qualified job seekers, unable to find a job in the labour market, were involved in the process of digitising and archiving cultural heritage in 56 settlements. Their activity made significant contribution to turning our cultural heritage into part of public domain through digitisation both in Hungary and abroad.

### *V.2.g. Médiaszolgáltatás-támogató Vagyonkezelő Alap (Media Services and Support Trust Fund)*

The Media Services and Support Trust Fund (MTVA) has been digitising and processing the audio-visual content of the media assets kept in its archive within

## V. Public employment programmes promoting the involvement of people with multiple disabilities who perform special activities

the framework of its public employment programmes running for years. As a large number of valuable films and audio materials of rapidly deteriorating quality have been accumulated, they must be preserved using current advanced technology. Owing to the materials processed by the public employees, the M3 theme-based archive TV channel and the new online platform of the National Audio-Visual Archive were launched.

The main objective of the programme in 2018 remained the digitisation of the analogue public service media assets, which still exist in large quantities. In order to make these documents transparent and easily searchable, the databases were validated, structured and analysed

with advanced IT solutions. The public employment programme was implemented at three Budapest sites: at the production base in Kunigunda utca, the radio building in Bródy Sándor utca and the MTI building on Naphegy tér. As a continuation of the 2017 programme, the Ministry of Interior provided a total grant of HUF 103 million for the implementation, providing employment for an average of 123 employees. After 30 June 2018, the programme was extended for a further five months with 66 employees. In December, the programme provided job opportunities for an average of 35 public employees, for which the Ministry of Interior provided around HUF 8 million in grants.



## Good practices in the public employment sector in 2018

## VI.1. Baranya County

### LOCAL GOVERNMENT OF THE VILLAGE OF MAGYARMECSKE

In 2018, the Ministry of Interior provided HUF 19.5 million for the implementation of the local government's agricultural programme, which involved the employment of 14 people. The municipality on the outskirts of Ormánság, one of the most disadvantaged areas of the country, has been engaged in agricultural activities since the start of the public employment programmes, which have been increasingly successful. Two hectares of land were covered with open-field and foil vegetables. Most of the vegetables produced were used in local catering, which also reduced meal costs. The remainder was distributed among the elderly and the socially deprived locally, thereby contributing to a higher quality of life.

### LOCAL GOVERNMENT OF THE VILLAGE OF MINDSZENTGODISA

The local government of the settlement has been engaged in field horticulture since 2011. In order to continuously reduce manual labour and make the next few years profitable, structural changes were started in 2017, and since then 1,000 vines and 600 roses have been planted. The purpose of implementing the Agricultural public employment programme was to provide the local government with its own 250-serving kitchen with raw materials and to help the socially deprived and the elderly. In horticulture, crops that were in high demand for the kitchen were grown, and in the heated tent, primaries and seedlings were produced. More and more people in the village started cultivating their small gardens, while in 2012, eight people demanded to plough their gardens and prepare the soil, and today more than thirty small gardens have been ploughed and prepared for sowing. In 2018, the Ministry of Interior provided HUF 26.8 million support for the implementation of the programme of the local government for the public employment of 27 persons.

### LOCAL GOVERNMENT OF THE TOWN OF KOMLÓ

Komló, as one of the largest public employers in Baranya County, has been involved in the implementation of public employment programmes from

the beginning. The local government, as it was excluded from the disadvantaged target group after the amendment of the 2015 legislation, continued its activities with hundreds of people in the framework of longer-term public employment. The local government was one of the participants of a special public employment programme run by the Ministry of Interior in 2016-2017, providing jobs for multiple disadvantaged job seekers. In 2018, the Town Management of the Local Government of the Town of Komló implemented another model programme for public employment. The aim of the model programme was to create social facilities for public employees and to improve the environment of the local government buildings renovated in the previous years in the framework of public employment. For the remainder of the programme, the renovation of the building used for the existing public employment programme was completed and the warehouse was expanded. The modernisation has also made it possible to store the products produced by the public employees and the raw materials needed to produce the products. The Ministry of Interior provided HUF 16.4 million in funding for the implementation of the other public employment model programmes for 2018, employing 15 people.

## VI.2. Bács-Kiskun County

### LOCAL GOVERNMENT OF THE VILLAGE OF BÁCSSZENTGYÖRGY

The Bácsszentgyörgy Toy Factory and People's School started its activity on 1 October 2013 as a micro-regional Start Work programme, in the framework of which 26 people were employed in public employment. Their wood, wool and cotton products combine old folk toys and modern development tools. They ignore the use of chemicals and toxic paints and try to use only natural ingredients and auxiliary materials. It is important that the products contain as many old folk toy ideas and decorations as possible, thus preserving traditions. Their products are made of natural ingredients, following Montessori and Waldorf patterns, taking care to preserve the world of folk motifs.

## VI. Good practices in the public employment sector in 2018

Another feature of the Toy Factory is the 'People's School' programme, which distributes and shows their programmes and games to schools, kindergartens and events in the town. Their products primarily promote the development of children, taking into account the needs of different age groups. In 2018, the programme was implemented through the employment of 8 public employees, with a subsidy of HUF 12,455,543. Their product range keeps expanding and they exhibited their products at the 4th Public Employment Exhibition and Fair.

### **LOCAL GOVERNMENT OF THE VILLAGE OF DUNAPATAJ**

The settlement launched its agricultural model programme in 2013. As the cultivated area increased, the varieties of cultivated plants were expanded. Vegetables produced are cooked and pickled for winter use. Animal husbandry involves keeping hens. The activities conducted within the programme for years expanded in 2015 (fruit growing, preserving, making jams, pepper planting), and a foil tent was set up, which provided opportunities for seedling cultivation and vegetable gardening. In 2016 the increased products were stored in a separate room and refrigerator chamber for preservation.

The Local Government of the Village of Dunapataj operated five Start Work model programmes (elimination of illegal waste deposit sites, maintenance of agricultural, inland public roads, public employment building on local features, use of bio- and renewable energy) in 2018, with 32 public employees and HUF 88,771,314 subsidy. So far, the local government has received three 'Start Plus' awards in recognition of its outstanding professional work in the implementation of public employment programmes.

### **LOCAL GOVERNMENT OF THE VILLAGE OF MÁTÉTELKE**

Nowadays, agriculture and animal husbandry are part of the lives of those who live here. There is no major company or employer in the settlement, the lo-

cal government is the largest employer of the village, where the largest number of employees is employed in the framework of public employment.

Vegetables produced have been tailored to market needs. In 2016, a refrigeration chamber was created and a mobile refrigeration chamber was purchased. Thanks to this, the crops can be stored longer after harvest, thus increasing the sale time.

In 2015, the local specialties program was set up with solar drying cabinets. Experimentally, the self-grown fruit and spice plants were dried and dried. Thanks to the woodworking machines, wooden boxes and spice racks have been and are still being made. They also have sewing machines for sewing bags and other accessories, and sell them. Sheep, chickens and rabbits are reared in animal husbandry. In the framework of a longer-term public employment programme, bags, accessories and pen cases made of jeans are made. Colouring the handicraft palette, the woodworking works include vases, small storage boxes, mixing spoons. In 2018, 20 people were employed in the framework of the agricultural programme, with the support of HUF 28,916,990.

In 2017, the local government was awarded the 'Start Plus' award for its outstanding professional work.

## **VI. 3. Békés County**

### **LOCAL GOVERNMENT OF THE VILLAGE OF ALMÁSKAMARÁS**

The local government undertook the production of workwear in a sewing workshop model programme, funded by the Ministry of Interior, within the framework of a consortium. Regardless of this sewing workshop programme, another public employment model programme of 2018 targeted and implemented the sewing of work safety gloves, employing an average of 20 people. The programme, supported by HUF 34.8 million, also played a role in carpet weaving, embroidery



and leather making. As a result of the Ministry of Interior's support and agreement to date, the local government has entered into a cooperation agreement with Ipoly Kft., which is under the supervision of the Hungarian Prison Service Headquarters for the manufacture of safety gloves. Following the start of the entire manufacturing process, 2,083 pairs of gloves were manufactured monthly.

**LOCAL GOVERNMENT OF THE VILLAGE OF KEVERMES** | In recognition of the implementation of the 2015 district Start Work model programme, the municipality received the Start Plus Award, which was used to develop a new bakery. The aim of the project was to revive the production of the 'Kevermesi Bread', which was previously recognised as a quality product. In 2016, the building began to be renovated and rebuilt, and the following year, the building was completed and licensed for use, after which continuous production and sales began after the trial baking. Based on the sales data for the period after the commencement of operations, the volume of production and sales significantly exceeded the annual forecast of the local government. As a result, they were targeted to expand the bakery building by launching their other public employment model programme in 2018. After the expansion, bakery products were made available not only for local and residential use, but also for local governments in the neighbouring settlements, as well as in retail stores. The extension of the bakery building was realised with the support of HUF 44 million. After the completion of the programme, the local government has already provided employment for the 5 employees from its own resources.

**LOCAL GOVERNMENT OF THE VILLAGE OF CSANÁDAPÁCA** | The local government has successfully established and operated a cold pressed sunflower cooking oil plant within the framework of a public employment programme building on local features, the products produced have been utilised for social delivery and sold in significant quantities on the local market. In 2018, the Ministry of Interior provided a total of HUF 29.5 million in support of the operation of the edible oil plant and the development of a broader product range, as well as the

processing of fruit and vegetables produced and the production of beverages. During the implementation of the programme, 15 people were employed in public employment.

## **VI.4. Borsod-Abaúj-Zemplén County**

Within the framework of a longer-term public employment programme launched by the **ROMA NATIONALITY SELF-GOVERNMENT OF KELEMÉR** for the past four years, the public employees, building on local features, produced handmade household utensils and furniture made of cane and manufactured briquettes.

Every day they make renewable, unique products that are aesthetically pleasing and of high quality. For those who are interested, there is a handicraft presentation for visitors, and they participate in festivals, exhibitions, school and kindergarten events.

The minority self-government did not have its own building, so within the framework of another public employment model programme, it purchased and renovated its own building with the participation of two unskilled workers, where they could carry out the above activities without difficulty and store their products, materials and machinery.

The subsidy amount of the program was HUF 3,453,104, of which the local government purchased the property, the building materials needed for the renovation and the materials needed for the basket weaving activities.

**LOCAL GOVERNMENT OF THE VILLAGE OF SAJÓGÁLGÓC** | In 2017, the local government launched a programme with 9 people employed in public employment, and in 2018 it continued it with 8 people. Handicraft wood products are produced as part of a public employment programme building on local features. The programmes taught public employees for traditional handicraft, wood carving. After the initial difficulties, they produce high-quality products and objects, which they also sell. Building on local features, this activity will continue in 2019, also employing 8 people in public employment. The total cost of the program was HUF 12,479,992.

## VI. Good practices in the public employment sector in 2018

### **LOCAL GOVERNMENT OF THE VILLAGE OF SZEGILONG**

| In 2015, the Local Government of the Village of Szegilong started operating a pasta factory in its public employment model programme building on local features. Pasta with 8, 4 and 2 eggs and without egg are produced by a machine, or manually. The quality of the 19 products is premium, made from high quality flour and using eggs from hens reared in the settlement's agricultural programme, and no additives are used. The production of the plant is continuous and the number of customers is increasing. The products are used primarily in catering but are also popular with the general public, which is supported by the sale of a convenience small shop run by the local government. Larger quantities are purchased by grocery stores and restaurants in the surrounding settlements. In view of the increase in orders, the plant has become able to operate in a cooperative form, but at present, despite increasing production and revenues, it is not operating efficiently due to the cost of energy requirements for machinery and furnaces. Significant cost reductions are provided by the local government through solar panels as part of another public employment model programme. The purpose of the programme is to build a solar system to provide cheap energy supply and prevent the plant from becoming unprofitable. The programme was launched with 7 people in public employment, at a total cost of HUF 37,540,207.

### **VI.5. Csongrád County**

### **LOCAL GOVERNMENT OF THE VILLAGE OF MAROSLELE**

| The Local Government of the Village of Maroslele has set up a small plant for cold pressing of oilseeds within the framework of a public employment model programme started in 2012, where the oil obtained from the oilseeds is processed. The programme

includes the processing of oilseeds and the production of flours and creams made from different seeds. Their products are also recommended for food allergies, vegetarians and vegans as they are milk, egg, soy, gluten and additive free, and contain no salt or flavourings. The programme is designed to ensure continued public employment and to demonstrate production technologies. The plant procures the necessary raw materials within the agricultural programme element of the district Start Work model programme. In 2018, the programme was implemented with the employment of 15 public employees with a subsidy of HUF 22,643,782. Their products, known as the 'Gold of Maroslele', have been available to customers over the years with an ever-expanding supply of goods. In addition, in 2018, the local government launched an inland water drainage, bio and renewable energy and inland public roads maintenance programme, with 19 public employees, providing HUF 25,524,327.

So far, the local government has twice received the 'Start Plus' award in recognition of its outstanding professional work in the implementation of public employment programmes.

### **HOMELESS ASSISTANCE CENTRE OF SZENTES**

| The Homeless Assistance Centre of the Town of Szentes has been providing service to homeless people since 1996. Since 2013, it has been implementing employment within the framework of the national public employment pilot programme with the involvement of 15 persons in 2018 with a grant of HUF 20,310,602.

The two wooden houses purchased in the programme of previous years are well suited for the project-related employment workshop. In one of the chalets, the conditions for making rag rugs were created using three looms. The finished pieces are primarily used by the institution as tapestries, steppers, mats. In the other wooden house, the homeless people deal with shaping ceramic objects, making ceramic house numbers, baking trays and ornaments.

The public employees working at the centre produce an increasing number of demanding, spectacular, diverse and more products and these products are displayed and sold at national and county public employment exhibitions.

In 2017, the local government was awarded the 'Start Plus' award in recognition of its outstanding professional work in the implementation of public employment programmes.

## VI.6. Fejér County

### LOCAL GOVERNMENT OF THE VILLAGE OF SZABADHÍDVÉG

| The local government has been involved in the implementation of public employment programmes from the outset. Among other things, they launched an agricultural programme, growing vegetables on 14 hectares, strawberries and raspberries in 2018, as well as fruit and energy plantations in previous years. Horticulture played an important role both in the market and in agriculture, as consumers and processing units demanded first-class and quality vegetables and fruits. Some of the goods produced were sold to their contracted partners in kitchens, used for social catering, and set up sales outlets to meet the needs of residential customers. In the nursery they dealt with the cultivation of nearly 70 kinds of crops, and the product range includes fresh vegetables, jams and pickles, along with frozen, ready-to-cook vegetables. For the implementation of the settlement's agricultural programme, the Ministry of Interior provided HUF 61.1 million for the employment of 35 people.

### LOCAL GOVERNMENT OF THE VILLAGE OF ALAP

| In 2018, the Ministry of Interior provided HUF 19 million in grants for the implementation of the local government's agricultural programme, which involved the public employment of 10 people. This year they have grown fruit and vegetables on 13 hectares of open field and foil. The produced crops were mainly used for catering and the surplus was transferred to the Fruit of the Work Social Cooperative of Alap, where in 2017 a fruit processing plant was

commissioned. Cooperation with the Local Government of the Village of Nagyszokoly was also ongoing, and its pickling plant purchased the peppers, beets and other vegetables produced there. The produce of the lavender plantation, which was planted a few years earlier, has already been processed under contract work.

## VI.7. Győr-Moson-Sopron County

### LOCAL GOVERNMENT OF THE VILLAGE OF CSIKVÁND

| The local government of the settlement established a vegetable and fruit processing plant in the framework of the 2016/17 public employment programme. Under the agricultural programme, of the vegetables and fruits produced on 7.5 hectares, pickles, preserved fruit and jams are produced. On average, 18 people participate in the programme, and in 2018 the local government received HUF 29.5 million in support of its expansion and operation. In addition to many traditional vegetables and fruits (e.g. onions, garlic, carrots, apples), their products include a variety of special marmalades (beetroot jam, zucchini jam, plum jam, apple jam), compote and pickles, which are also sold on the local market.

## VI.8. Hajdú-Bihar County

### LOCAL GOVERNMENT OF THE TOWN OF HAJDÚ-BÖSZÖRMÉNY

| Hajdúböszörmény has been implementing public employment programmes since 2012, and has been the largest public employer in the county for years. Within the agricultural programme, they deal with vegetable and fruit production, fodder production and animal husbandry. In the framework of the local features programme, the construction of the slaughterhouse was started in 2015, which continued in 2016, and expanded with new activities (establishment of a wire mesh plant, renovation of social rental housing and wooden pavilions, other wooden products). Following the implementation of the slaughterhouse, and in connection with it, a meat processing plant was set up within

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the framework of another public employment model programme, involving a HUF 240 million support. The establishment of a meat processing plant created an opportunity for expanding and linking agricultural activities and their widespread use. The two plants are currently operating on a non-profit basis, providing a primary labour market opportunity for 11 full-time employees. In 2018, the local government implemented its public employment programmes in seven programmes, with public employment of 780 people, and with a subsidy of nearly HUF 1.2 billion.

So far, the local government has twice received the 'Start Plus' award in recognition of its outstanding professional work in the implementation of public employment programmes.

### **LOCAL GOVERNMENT OF THE TOWN OF HAJDÚ-NÁNÁS**

The local government of Hajdúnánás has been implementing public employment programmes since its inception, the most important being the agricultural programme. They are also engaged in demonstrative keeping and breeding of native species. In the framework of the 2013 public employment programme, a processing plant was set up that can process both plant and animal raw materials. In 2016/2017, in the framework of the Start Work programme, a slaughterhouse was created. The plant or raw material processing operates in the form of a social cooperative. With a new investment, an EU-certified meat farms has been established to further develop the processing plant, employing five public employees. The finished meat is sold at the on-site sample shop or the purchased moving shop equipped with a fridge counter. In order to move forward, they are in talks with buyers in the Czech Republic and Italy, who want to sell meat packed in vacuum packs prepared with a special processing method, providing a steady job opportunity for nine people. In 2018, the local government implemented its public employment programmes in six programmes, employing an average of 408 public employees and with a grant of nearly HUF 550 million.

In 2014, the local government received a 'Start Plus' award in recognition of its outstanding professional work in the implementation of public employment programmes.

### **LOCAL GOVERNMENT OF THE TOWN OF HAJDÚ-HADHÁZ**

Since 2013, the municipality has been engaged in sheep breeding within the framework of a public employment pilot programme. In the vicinity of the settlement, some of the slaughterhouses authorised to slaughter sheep do not carry out sheep slaughtering in the lack of capacity, and the other part is far from Hajdúhadház. Selling sheep, lambs on foot, as live animals is difficult because no point of purchase works in the area. Market demand is more for processed sheep meat, so the Ministry of Interior provided public employment support for a 318 square meter small sheep slaughterhouse in 2016 in two phases. With the spread of healthy, up-to-date nutrition, the public catering units of the town and nearby catering facilities are looking for buying packaged racka lamb and sheep meat. The plant is planned to be commissioned in 2019.

In 2018, 200 people participated in the public employment programme, for which the Ministry of Interior provided nearly HUF 283 million in grants.

In 2013, the local government was awarded the 'Start Plus' award in recognition of its outstanding professional work in the implementation of public employment programmes.

## **VI.9. Heves County**

### **LOCAL GOVERNMENT OF THE VILLAGE OF TISZANÁNA**

In the local government's 2017 programme building on local features, significant investment-related assets were created, including the construction work to be carried out on the buildings and structures in need of renovation. After the completion of the programme

in 2018, the activity was not taken over by a social co-operative organised on the basis of public employment, but performed the tasks it had started earlier to a high standard. During its first year of operation, the social cooperative has proven to be a prosperous and successfully stand-alone.

As part of an agricultural programme, the local government started to set up a self-sustaining farm using local labour. The programme carries out a number of activities in the fields of animal husbandry, crop production, forestry and beekeeping. Crop production involves horticultural and arable crops. Two foil tents cover 164 m<sup>2</sup> of primary produce, which is used for public catering and social purposes. Cereal crops are grown on arable land and are used as animal feed (sheep, pigs, poultry), and are sold. The produced sorghum is made into brooms during the winter. In 2018, with 105 public employees in the settlement, agricultural, inland waterway, agricultural dirt road maintenance, inland public road maintenance, and bio- and renewable energy use programmes were implemented at a total cost of HUF 138,541,241.

**LOCAL GOVERNMENT OF THE VILLAGE OF BÜKKSZENTERZSÉBET** | Organised by the Local Government of BükkSZenterzsébet, a village museum was established years ago as part of the public employment programme, where more than ten thousand old household items, forgotten work tools, hand-woven and embroidered home textiles with Palóc motifs are preserved; the village museum inaugurated three years ago is unique in the entire region. The collection is growing year by year. In the beautifully renovated building there are five rooms, which contain not only our ancestors' furniture, furnishings and utensils, but also fabrics, World War relics and children's toys. The place is special, it is free to visit every day, and it also hosts various community events. In the summer, the Museum Night holds a bouquet ball in a courtyard in front of the museum. The locals are very proud of the collection, and many have offered new items from their cherished treasures. (The rustic road leading to the house was, by the way, jokingly called the 'Putnoki Promenade', because Dezső Putnoki, a public employer, made it alone out of demolished building materials.)

The parish building, which also hosts events organised by the local government, has been renovated in a unique way with the help of public employees.

In 2018, with 30 people employed in the settlement, local public and local road maintenance programmes were implemented at a total cost of HUF 38,499,566.

## **VI.10. Jász-Nagykun-Szolnok County**

**LOCAL GOVERNMENT OF THE VILLAGE OF BEREKFÜRDŐ** | In 2012, the local government established a horticulture program within the Start Pilot Work Programme, where the vegetables produced are used in catering, but the increased amount of crops justifies the need for processing.

The local government has received funding under the public employment programme to develop a 300 square metre fruit and vegetable processing plant. The aim of the processing plant is to increase the level of processing, to cover the entire product chain, to ensure its presence on the consumer market, and to continue work for five persons for five years. In 2018, a total of seven hectares of the agricultural programme involved field and greenhouse plant cultivation and fruit tree planting tasks, with 15 public employees and support of HUF 29,077,775. The programme, building on local features, produced paving stones and pavement edges with five public employees, with a grant of HUF 5 195 475. The programme has contributed to the development of the settlement by meeting community needs based on local demand.

In 2013, the local government was awarded the 'Start Plus' award in recognition of its outstanding professional work.

**LOCAL GOVERNMENT OF THE VILLAGE OF JÁNOSHIDA** | September 2013 saw the start of value-creating public employment in Jánoshida with a larger number of employees. In addition to programmes based on agriculture and local characteristics, a social programme has been launched to deal with the day-to-day operations of the settlement's infrastructure and safe operation.

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In the first step, the mill building was completed, and then a livestock department was built on the by-products produced by the mill. In the following years, the local government continuously developed its public employment program. The mill is capable of producing various kinds of flour and its largest buyer is the Jászapáti Bakery. Within the framework of animal farming livestock has been steadily increasing over the last six years, with 130 ewes currently forming the core stock, whose lambs are constantly being sold. They have white female pigs and mangalica pig varieties, where they also earn income from the sale of live pigs. Four years ago, a wild farm was established under a licence, for breeding wild boars. They currently have a total of 45 wild boars.

In 2018, within the framework of public employment, the local government operated five programmes (building on local features, agricultural, inland water drainage, bio- and renewable energy use and maintenance of inland public roads) employing a total of 54 persons, providing HUF 75,454,616 support.

### **LOCAL GOVERNMENT OF THE VILLAGE OF TISZAÖRS**

| Within the agricultural programme, the village has been engaged in goat farming since 2012, which led to the establishment of a goat milk processing plant.

In 2016, the Local Government of the Village of Tiszaörs submitted an application for an investment model programme announced by the Ministry of Interior, which received a favourable evaluation. The establishment of the plant took place in two stages,

Between 1 November 2016 and 31 October 2018, it employed 12 people, resulting in a 266 m<sup>2</sup> dairy plant. The plant is capable of processing 1,200 litters of milk a day, from which cheese, yoghurt, cottage cheese, sour cream and herds are made. In Tiszaörs, there were four public employment programmes in 2018 (building on local features, agricultural, illegal landfill and inland public road maintenance programs) with a total of 73 employees, with support of HUF 98,974,789.

So far, the local government has been awarded the 'Start Plus' award three times in recognition of its outstanding professional work in the implementation of public employment programmes.

### **VI.11. Komárom-Esztergom County**

#### **LOCAL GOVERNMENT OF THE VILLAGE OF BAKONYSZOMBATHELY**

| In the framework of an agricultural programme, the local government produces 11 hectares of open-air vegetables (peppers, tomatoes, cucumbers, onions, potatoes, cabbage, etc.) and fruit (apples, pears, cherries, cherries, peaches). They continued their activities in 2018 with the involvement of 13 people, with the support of HUF 20.2 million, which was expanded with 500 m<sup>2</sup> foil tent cultivation. They are primarily sold to local and neighbourhood residents, and unsold produce is distributed on a social basis.

### **VI.12. Nógrád County**

#### **LOCAL GOVERNMENT OF THE VILLAGE OF BÁRNA**

| Since 2015, the local government has been providing public employment within the framework of district Start Work programmes.

In 2018, the district Start Work provided an opportunity to employ an average of 30 people through public employment building on local features and inland water drainage programme elements, with a grant of nearly HUF 43.6 million.

A leisure park was built in the village in 2015, a country house and a study path that covers the entire village in 2016, and in 2017 a multifunctional community facility that can host the events of the village, play the role of a producer market, and can accommodate up to 60 people. In 2018, the local government continued to



develop infrastructure based on public employment and building on local features. Perhaps the most spectacular element was the construction of a covered outdoor circular stage. As part of the programme, the said study trail was widened to the surrounding mountains and the sections of the route were cleared. In the immediate vicinity of the village of Bárna (within its administrative borders) there is a very wide range of wildlife, and from the four mountain peaks surrounding the settlement one can observe the mountains of the Mátra, the Bükk, the Karancs-Medves, the Low and the High Tatra. Information points have been set up at rest areas close to the springs of the area. In addition, benches, waste bins, information boards were made and the finished items were finally placed gradually. The local carpentry workshop was moved to another property and the interior design of the building was completed and the electrical system renovated. The renovation included creating a water block, repairing and painting the interior doors and windows, repairing the interior walls, creating an accessible walkway leading to the building, installing a gutter, replacing the flooring and building a heating system with a self-made fireplace. This building is intended to serve as a central information point.

#### **LOCAL GOVERNMENT OF THE VILLAGE OF RÁKÓCZIBÁNYA**

Over the past 4 years, about 450 m of pavement and 400 m of wider cycling – as well as a bicycle path parallel to Kazári út have been completed as part of the district Start Work programme elements. In order to increase the safety and comfort of the inhabitants of the settlement, the maintenance and improvement of sidewalks, ditches, slopes, parks and inland roads with the associated 7 km ditch and 7 km roadblock is a constant task for the public employees every year.

In 2018, the district Start Work provided an opportunity to employ an average of 26 people through public employment building on local features and inland water drainage programme elements, with a grant of nearly HUF 36.2 million. As a result of the sacrificial work carried out under the programme elements, a number of pavement sections have been supplemented by transport assisting barriers, the bicycle path received a decorative fence; on certain pavement sections, concrete beams were used to support the slope edges, portholes were filled, ditches were deepened and concrete slabs were placed in them,

the road to the new cemetery was reconstructed, the connecting road between Újélet and Kertész út was cleaned of mud, fences were replaced and 2 pagodas were built. In 2018, the local government received the ‘Start Plus’ award. The prize money of HUF 10 million was used to establish a belfry and an electricity metering facility to illuminate the sports field and the bicycle path with solar panel operated candelabra.

#### **LOCAL GOVERNMENT OF THE VILLAGE OF VARSÁNY**

Taking advantage of local conditions, the settlement has been running well-functioning public employment programmes for many years. In 2018, the municipality launched public employment programme elements based on district Start Work agricultural programmes building on local characteristics, for which the Ministry of Interior provided a subsidy of HUF 71.1 million with the employment of an average of 51 employees. In 2018, the local government managed 13.2 ha of land owned by it. The public employees planted saplings of raspberries, elderberries and plums, and took care of the orchard. A variety of vegetables and herbs were grown in the existing foil tents and in open field cultivation. The kitchen garden plants produced were handed over to the 350-serving kitchen and were used for meals.

As in 2017, there was a sewing workshop, a carpentry workshop and a processing plant within the framework of local public employment building on local features. Products such as high-quality work and protective clothing, mostly made of natural materials, in a variety of colours and styles, have come to praise the hands of the public employees. Unique souvenirs and aesthetic items for everyday use, created with the creative combination of organic cotton, knitted, woven and non-woven fabrics, herbs and spices. The breakthrough of folk costumes bringing a Renaissance into daily fashion generates an increasing interest in demanding, authentic, hand-embroidered costumes. Shawls, bags, chef accessories, shoulder bags, decorative cushions, wall covers, kitchen linen were made with utmost care, based on contemporary photographs and copying surviving original pieces, while preserving the motifs typical of the region. In the processing plant, in summer processing of fruits and vegetables (syrops, jams, pickles, filtered or fibrous drinks), in the winter the kneading, stretching and cutting of homemade pasta was done.



## VI. Good practices in the public employment sector in 2018

### VI.13. Pest County

#### LOCAL GOVERNMENT OF THE VILLAGE OF TÁPIÓSÁG

| The local government has been taking part in the implementation of district Start Work model programmes since the beginning. There were very few jobs in the settlement, and those were open rather for men (pallet factory). As a result, when the Start Work programme was launched, the local government was looking for an area where the employment of women could be a priority. Since many job seekers were qualified as seamstresses, it was clear to the management of the village to set up a sewing workshop, including sewing workwear. In 2017, a tailor-made sewing business was started as part of a programme building on local features. The programme started with six people in a 70 m<sup>2</sup> local government building in a relatively poor condition, with deficiencies in machinery and mechanical capabilities. Later, due to the large number of orders, it was necessary to expand the number of staff and machinery. The programme already generated significant revenue in 2017, and continued in 2018 with eight employees. The sewing workshop was operating in a deteriorated building of the local government, which needed to be modernised and developed, for which the amount of support received under the Start Plus Award was used. In 2018, the settlement launched a programme building on local features and maintenance of inland public roads, with a grant amounting to HUF 28,590,644. In the programmes 20 public employees took part.

### VI.14. Somogy County

#### LOCAL GOVERNMENT OF THE TOWN OF LENGYEL-TÓTI

| The local government of the town began its agricultural public employment activities in 2011 with a five-hectare arable field and 80-90 m<sup>2</sup> crop production in foil in the micro-region. In 2018, this activity developed as

follows: the total cultivated area was already 30 hectares, where elderberries, sea buckthorn, wheat, maize and potatoes were grown, along with vegetable gardening. For the implementation of the programme, the Ministry of Interior provided HUF 70 million in support for the public employment of 35 people. Most of the produce was used and processed in the kitchen run by the local government and the surplus was sold on the domestic and external markets. They cooperated with local businesses, seeking professional advice and not competing with each other. In addition, experimental plots were provided to various development and other groups in their area.

#### LOCAL GOVERNMENT OF THE VILLAGE OF HOSSZÚVÍZ

| The local government's public employment program for 2017, building on local features, worked well and was successful in 2018. The purpose of launching the programme was to continue the local tradition of textile and carpet weaving, sewing and weaving. The public workers made beautiful decorative objects, folk art children's clothing and rag rugs. As part of the programme, the local government purchased a farmhouse which was renovated to provide space for carpet weavers. The carpets and other textile products made at the handicraft workshop were handed over to the public institutions of the village and to the disadvantaged residents. The excess product was sold in the neighbouring craft markets. The public employment of 8 persons was realised in the programme with a subsidy of HUF 20 million.

#### LOCAL GOVERNMENT OF THE VILLAGE OF KELEVÍZ

| The local government of the settlement has been involved in basket weaving for many years, building on local features, reviving a long-forgotten profession typical of the area, sometimes practiced by employees of public employment from home. In 2018 willow plantation was started in order to provide some of the necessary raw material for the activity in the future. In order to facilitate sales, the local government has set up a public employ-

ment showroom and model shop on its own. Their plans included the planting of more willows on the properties of the local government and the establishment of a social cooperative. In 2018, the Ministry of Interior provided HUF 26 million in funding for the implementation of the programme for the public employment of 15 people.

## **VI.15. Szabolcs-Szatmár-Bereg County**

**LOCAL GOVERNMENT OF THE VILLAGE OF GYULA-HÁZA** | Thanks to the work of the public employees, the district has been running well-functioning district Start Work programmes for many years, as a result of which the local government is moving towards full self-sufficiency in meat and vegetables.

The local government received a grant of HUF 104.5 million for the implementation of the element of public work based on agricultural and local characteristics of the district Start Work, launched in 2018, and employed an average of 81 people. In the agricultural programme, animal husbandry, horticulture and arable crops were cultivated on about 10 hectares, fruit trees were cultivated on 2,000 m<sup>2</sup>, and raspberries and blackberries were planted on one hectare, and apple trees were planted on half a hectare. Building on local characteristics, they carried on woodworking, construction, concrete element manufacturing, sewing and decorative sewing. As a result of the continuous successful work of the local government, in 2018 it received the 'Start Plus' award.

### **LOCAL GOVERNMENT OF THE VILLAGE OF PENYIGE**

Similarly to previous years, the local government launched three district Start Work programme elements in 2018 - agricultural, public employment building on local features and agricultural road maintenance - employing an average 45 people and using HUF 61.6 million of subsidies. For many years, public employment building on local features has been producing wood products and carrying out maintenance work. The product range includes flower box, trash can, wooden bench, bench, outdoor toilet, ladder and fence. In the traditional handiwork, the use of a cross-stitch embroidery method and the appearance of a settlement-specific plum motif, tablecloths, haversacks, souvenirs, rag dolls, and cloth mats,

crocheted mats, crochet products and ornamental glassware are all included.

### **LOCAL GOVERNMENT OF THE VILLAGE OF TISZA-ADONY**

| The Local Government of the Village of Tiszaadony received a grant of HUF 63,534,480 for the employment of 15 registered job seekers in the framework of an application launched in 2016 for the launch of a pilot project for investment purposes. By a decision of the Ministry of Interior, the local government had the opportunity to build up a capacity to process goat milk and goat cheese, coming from livestock farming in the framework of public employment.

The milk processing plant producing semi-hard, semi-fat goat curd cheese was set up in two stages. Phase I started in November 2016 and was successfully completed at the end of October, 2017. With an additional grant of HUF 63,534,480, the local government could start Phase II. which was completed at the end of October 2018. In the course of this, the technology of the plant was improved and the entire programme was successfully completed.

In addition to the investment model programme, the local government implemented four other programme elements within the 2018 district Start Work programmes - agriculture, inland drainage, inland public roads maintenance and public employment built on local features - using an average of HUF 78 million and employing 55 people.

## **VI.16. Tolna County**

### **LOCAL GOVERNMENT OF THE VILLAGE OF FÜRGED**

| The sewing workshop model programme was launched on 1 September 2015, in a consortium of eight settlements of four counties, one of which was the Local Government of the Village of Fürged. The primary purpose of the programme was to sew and sell the necessary workwear to the public employees of the local government as part of Start Work model programmes. The support provided the settlements concerned with the opportunity to become self-sufficient, facilitated the future operation of new types of social cooperatives, thus creating employment opportunities locally. In the framework of the 'EVERYTHING YOU CAN THINK OF'

## VI. Good practices in the public employment sector in 2018

competition, the idea was formulated in 2014 that a community development and job creation programme could be implemented in the settlement. An average of 7-8 thousand complete work clothes are sewn each year.

In the same year, the Medence Csoport Kft. of Budapest approached the local government to make bags for them from recycled molino. This working relationship still exists, with 60-70% of the products sold by Fürged. After gaining practical experience here, a total of 15 people were able to find employment in the primary labour market.

For the implementation of the 2018 model programme, the Ministry of Interior provided HUF 36.8 million in support of 20 people in public employment.

**LOCAL GOVERNMENT OF THE VILLAGE OF NAGY-SZOKOLY** | The local government started to deal with fruit growing in 2011 within the framework of public employment. It was already realised then that self-sufficiency and the production and promotion of local products could be a breakaway opportunity for the settlement. The preservation plant was established with the help of tender and cooperation. During the processing of the fruits produced, there was waste that was still suitable for further use. Based on this, the village also started to deal with livestock, and many of the waste from the processing plant was used to feed the hens. The local government intended the huge quantity of eggs to be used for further use: a pasta factory was built, which now produces 8-egg homemade pasta using machines, but still in the traditional way. Continuous development, ever-expanding product ranges, and marketing and sales considerations have made it necessary to collect finished products under one brand. The wide variety and popularity of Szokoly Falcon Products' demonstrates the success of the journey that the local government, the Szokoly Falcon Producing, Processing and Selling Social Cooperative, and of course the public employees working in it, have taken.

For the implementation of the settlement's agricultural programme in 2018, the Ministry of Interior provided nearly HUF 50 million in support for the employment of 26 persons.

### VI.17. Vas County

#### **LOCAL GOVERNMENT OF THE VILLAGE OF KELÉD** |

The multi-disadvantaged small settlement of Vas County started its agricultural programme in 2013, which deals with growing vegetables and fruits typical of the region, nowadays on about 11 hectares. In 2015, a vegetable processing plant was set up to process the raw materials produced. In 2018, the product range was operated and expanded with 41 people in public employment, with subsidies of HUF 66.6 million. Currently, the plant produces 30 kinds of pickles, with an annual capacity of over ten thousand bottles.

### VI.18. Veszprém County

#### **LOCAL GOVERNMENT OF THE VILLAGE OF SÜMEG-PRÁGA** |

As of 2015, the local government started to develop a leisure park in the settlement, which now has wooden benches, tables, cooking areas and indoor community spaces, within the framework of public employment building on local features.

The park has a high attendance each year, and has hosted national gatherings and family weddings and local events. Due to its location it is situated in the outskirts of the village, thus it is directly connected to the surrounding natural environment. The park also attracts kindergarten and schoolchildren from local and surrounding communities to this pleasant 'relaxing grove' where they can play in the playground in safe conditions. In 2018, within the framework of public employment building on local features in, the local government was

given the opportunity to further expand the park, using HUF 9.1 million and employing 6 people. It was an important aspect that they could further develop the park under the large deciduous trees, in harmony with nature. The programme included the construction of wooden objects, a nest swing, two triangular swings, a balance swing, a ring swing and a double swing, as well as seating, benches, and a dollhouse to play with and inspire children to play with inspiration.

In 2018, the local government received the 'Start Plus' award, which included a grant of HUF 10 million for the purchase of a well-equipped compact tractor and other hand tools and industrial machinery for the maintenance, cleaning, supply of the outdoor recreation park.

## **VI.19. Zala County**

### **LOCAL GOVERNMENT OF THE VILLAGE OF TÜRJE**

| The local government has been taking part in the implementation of the district Start Work model programmes for years. As part of the 2018 district Start Work

programmes, public service and agricultural dirt road maintenance programmes based on agricultural features and building on local features were launched with a grant of nearly HUF 78 million, employing an average of 52 registered job seekers.

From 2012, the agricultural programme element will continue to provide employment to public employees who carry out their duties in the kitchen garden, orchard, arable crop and flower gardening, and care for the one and a half hectare energy willow plantation. Flower and vegetable seedlings are grown in the greenhouse, which are planted in the flower beds, in the open air and in the foliage in the spring. As a result of their work, the parks of the settlement were improved. The vegetables and fruits produced are handed over ready to cook to the kitchen of the village school, where they can be stored for longer. The fruits produced (apples, apricots, peaches) are used to make healthy, natural juices in the vegetable and fruit juice plant that was built.

In 2018, the local government received the 'Start Plus' award, which was used for the purchase of a fruit press for the processing of fruits and a tractor for the maintenance of the plantation, with a grant of HUF 10 million.

## VII.

# Public employment exhibitions

Public employment exhibitions offer an excellent opportunity for presenting value-adding public employment activities. The exhibitions provide an opportunity to learn about the tangible results of public employment programmes, receive information on the diversity of the goods produced, take part in preparing certain of the products, while getting a taste of the gastronomic supply as well as cultural life of small settlements. At the same time, the exhibitions create an excellent forum for discussions and the exchange of experience between public employers and social cooperatives.

By presenting their products to the public, the settlements taking part in public employment exhibitions are able to show that the work-taking place in this type of employment is highly diverse and is implemented as an activity that generates value, even though public employment is a temporary form of employment. It brings the often misunderstood or inadequately known system of public employment closer to local communities and the local population, along with the activities conducted in that employment and its achievements. The possibility to take part in these events serves as the recognition of the great efforts made by local governments in public employment to promote the socialisation of public employees in work and the results attained in the development of their settlements.

## **VII.1. County public employment exhibitions**

The county public employment exhibitions have a tradition of five years. The first presentation of value creation took place in Békés County in 2013 with 54 exhibiting settlements. By the end of September 2018, nine county public employment exhibitions were held in Békés, Borsod-Abaúj-Zemplén, Hajdú-Bihar, Jász-Nagykun-Szolnok, Komárom-Esztergom, Nógrád, Pest, Szabolcs-Szatmár-Bereg and Tolna counties. In Csongrad County the exhibition was scheduled for the beginning of the Advent period, the last week of November. A total of 457 public employers and social cooperatives organised on the basis of public employment participated in the county exhibitions. The exhibitions were organised by government offices coordinating public employment programmes. The

events prove to be a good forum not only for the local governments to introduce themselves, but also for hearing their difficulties, problems encountered in the practice of public employment, constructive suggestions and thoughts. Participation gives recognition to exhibiting settlements and provides motivation for their activities in public employment.

Similarly to earlier years, the Ministry of Interior found it reasonable to provide central support to the costs incurred in connection with organising the events in 2018 as well, based on which government offices were able to make use of assistance for their costs of organisation.

In 2018, the county public employment exhibitions were opened on 28 July 2018 by the Hajdú-Bihar County (Tisza-gyulaháza) exhibition. Subsequently, on 4 September in Komárom-Esztergom County (Tatabánya), on 5 September in Békés County (Békéscsaba), on 6 September in Jász-Nagykun-Szolnok (Szolnok), Szabolcs-Szatmár-Bereg (Nyíregyháza) and Tolna counties (Tamási) ), on 7 September in Borsod-Abaúj-Zemplén County (Miskolc), on 8 September in Pest County (Nagykátá), and on 22 September in Nógrád County (Érsekvadkert), public employment exhibitions opened, where public employers presented the results of their work done throughout the year. The exhibitions were concluded by the 5th Advent Public Employment Exhibition and Fair in Csongrád County (Szeged) on 28 and 29 November 2018.

The exhibition programmes were diversified by trade forums, theatre productions, playgrounds and petting zoos for the children in every county. There was an opportunity to cook and taste dishes specific to particular regions at a number of locations.

More and more public employers, who implemented a processing plant from public employment sources and within the framework of investment programmes, can introduce themselves at the county public employment exhibitions. Many could present their products at this year's exhibitions for the first time with great success among visitors.

County public employment exhibitions provide an excellent platform to show the public the effectiveness of public employment, the diversity of its activities, and its impact on settlement development.

### VII.2. 4th National Public Employment Exhibition and Fair

For the fourth time in 2018, the Ministry of Interior organised an event promoting its public employment activity, the National Public Employment Exhibition and Fair, which was entitled 'Fair for Rural Traditions and Tastes'. The venue for the event this time was provided by Mille-náris Park on 14-15 September 2018.

The exhibition was opened by Tibor Pogácsás, State Secretary for Local Government, representing the Minister of the Interior. The aim of the exhibition was again to inform visitors about the value-creating nature and diversity of the renewed public employment, to help the exhibiting local governments and social cooperatives to get in touch with each other, to get to know each other's good practices. The exhibition was once again an excellent opportunity to introduce the settlements, to introduce and represent local gastronomy, traditions and centuries-old Hungarian values.

133 exhibitors exhibited at the 4th National Public Employment Exhibition, of which 103 were local governments and 30 were social cooperatives organised on the basis of public employment. All the cooperatives exhibiting here were among the winners of the 'Focus on Supporting Social Cooperatives with Local Government Membership' contest programme organised by OFA Országos Foglalkoztatási Közhasznú Nonprofit Kft. (National Employment Nonprofit Ltd.).

The event was again accompanied by full-day cultural programmes on both days. On the occasion of the Year of Families, the programmes expanded in a child-friendly way. Many renowned bands have performed, many times on interactive family shows, with lots of music, interesting musical instruments, costumes, funny and skill-building games. This time too, kids were awaited with special folk skill-building wooden toys in the play area, including basket carousel or knight tournament. A new element in the programmes was the presentation of the Budapest

Police Headquarters and the Budapest Disaster Management Directorate, which was a great success for both children and adults. The police dog show, the smoke tent, the firefighting and the viewing of vehicles made the exhibition even more colourful, bringing the public closer to the daily work of these organisations.

The enthusiasm of the exhibitors was unbroken this year as many again opted for spectacular cooking and tasting, which gave them the opportunity to introduce visitors to the gastronomic specialties of their region. Those interested could get a taste of the flounder or the slambuc, but they could taste the ostrich stew or even the pork chop with polenta.

All exhibitors received a commemorative entry card, and the top three finishers of the 'Most Beautiful Stand' award were also selected this year. The winner was the Local Government of the Village of Körköregapáti (Hajdú-Bihar County), the second placed was the Fogyatékkal Élőket és Hajléktalanokat Ellátó Közhasznú Nonprofit Kft. (Disabled and Homeless Supplier Nonprofit Ltd.) in Szombathely (Vas County), while the third place went to the Local Government of Kelevíz (Somogy County). The prizes were awarded by Undersecretary for Public Employment and Water Affairs Dr Imre Hoffmann.

The exhibition was a great success this year too, with nearly ten thousand people attending the event. Exhibitors and visitors alike were pleased with the organisation and implementation and the new location. Public employment has repeatedly demonstrated its important role in nurturing and preserving local values, in rural development, in catching up areas lagging behind in the labour market, and in the social reintegration of job seekers with various disadvantages.





## VIII.

Public employment  
information  
available online

## **VIII.1. Public employment portal**

Since 2015, the Public Employment Portal has provided extensive information on the public employment system. It provides information on current and planned programmes, collects news, events, and research findings related to public employment. It constantly updated data on how many settlements and districts participate in model programmes, national and longer-term programmes, the proportion of job seekers activated by public employment, and how the proportion of beneficiaries and public workers in the area is changing. Public employers, including local governments, nationally-owned public service companies, and civil and church organisations, will be able to learn about basic concepts of the public employment system, information on occupational safety, training programmes and services through the portal. The portal fulfils an important information task by outlining where public employees can turn to legal aid in case of discrimination. The website contains monthly and annual data on the public employment of the Ministry of Interior, and the main headcount data are also available in a detailed geographical breakdown, with map navigation. In addition, the portal provides an opportunity to show good practices in public employment and draws attention to upcoming public events, such as, e.g., public employment fairs. Compared to the first year of its existence, the average number of users of the portal increased by 22.8% in four years. This number was able to increase despite the fact that in 2018 the number of people employed in public employment decreased significantly. The most visited are the months of February-March and September-November. The former increases the number of visitors due to the launch of public employment programmes, while the latter increases the number of visitors due to public employment exhibitions. The most read menu item on the site is 108 frequently asked questions and answers (FAQs), currently covering 11 topics. Visitors to the site can also contact the BM's public employment departments through the portal. More and more people are referring to the portal's information in scientific works and publications on public employment.

## **VIII.2. Virtual Public Employment Market**

The assets generated by public employment programmes are primarily used in the public kitchens of the institutions located in the settlements and may be used as social benefits for the population in need. Over the years, however, with the increasing efficiency of production, the quantity available for sale on the market by municipalities has increased significantly. With a view to effectively selling this product surplus and promoting inter-municipal product exchange, the Ministry of Interior has developed an electronic interface for the Virtual Public Employment Market.

The Virtual Public Employment Market, launched on 16 September 2016, offers an opportunity for public employers to register their production surpluses into it, or search among the products recorded, and enables contact between the public employers having surpluses and those interested in the products offered.

By 31 December 2018, more than 95% of public employers involved in production activities registered on the Virtual Public Employment Market, and 56.5% of registered users registered products. 1,047 different types of products were registered on the application interface, of which surpluses were available of 370 products on 31 December 2018. Based on the proposals for modification that were raised in the course of using the Virtual Public Employment Market, further development of the application commenced, and there are a number of functions being developed to make use of the application more comfortable and efficient for the users. The new functions are planned to be implemented in the second half of 2019.

Virtual Public Employment Market can be reached at

**<http://vkep.munka.hu>**

# Public employment according to the media

The public employment system has been attracted by media interest since its renewal in 2011. The Hungarian media primarily focuses on the social and employment role of public employment. In 2018 several hundred news items, analyses, interviews and reports were published in connection with public employment. The topics are usually easy to outline, the attitudes of the articles vary on a broad scale.

In addition to the above, county and regional newspapers regularly report on public employment, most notably in their articles, detailing the public employment programme of each settlement. Opinions of some media about public employment have changed little by little, but positively, over the years. By the end of 2018, more and more information is published about the need for public employment, and the declining headcount figures are clearly welcomed.

### Top topics in 2018

The theory of the fundamentally flawed ‘distorting’ effect that public employment systems exert on labour market statistics returns every year in the press. Although public employment cannot contribute to an increase in the number of employed, the number of participants in the programme is declining on an annual basis. This process has been positively evaluated by all media, with recent criticisms mostly focused on inequalities caused by territorial disparities and frozen public employment wages.

The leaders of interest representation bodies related to public employment made several statements in 2018.

Alongside the trade unions, financial institutions also focused on analysing public employment outcomes and expected changes.

Nationally dominant media reported surprisingly little about good practice in public employment in the country. In contrast, county newspapers regularly report on the success of cities and villages in public employment, the path of their self-sufficiency, and one of the outstanding stages of their development.

Public employment exhibitions are subject to extraordinary media coverage from year to year, although interest in national newspapers continued to decline in 2018, in line with trends observed in previous years. The flagships of the news coverage of the exhibitions are county papers, which have positively evaluated these community events.

In recent years, Hungary has seen unprecedented growth in demand for labour, which has also affected public employment. From the second half of 2018, county newspapers regularly published articles about the lack of public employment in certain settlements, or even the termination of public employment due to staff shortages.

As of 1 November 2018, the government has doubled its employment allowance for public employees who have successfully entered the private sector. Minister of Finance Mihály Varga announced in a statement to MTI that the wage-related employment allowance will increase to HUF 45,600 per month, which could further motivate public employees to find success in the primary labour market.

| Television stations  | Radio stations | National daily, weekly and monthly newspapers | Online pages, news portals |
|--|----------------|---|----------------------------|
| RTL Klub,  | Kossuth Rádió  | Magyar Nemzet                                 | Index                      |
| TV2  | InfoRádió,     | Magyar Idők                                   | Origo                      |
| M1   | Klubrádió,     | Népszava                                      | hir24                      |
| Hír TV   | Lánchíd Rádió  | Napi Gazdaság                                 | hirado.hu                  |
| EchoTV   |                | Világgazdaság                                 | atv.hu                     |
| ATV  |                | Vasárnapi Hírek                               | VS.hu                      |
| RTL II   |                | HVG   | MNO                        |
|  |                | Figyelő                                       | Portfolio                  |
|  |                | 168 óra                                       | 168 Óra                    |
|  |                |   | Abcug.hu                   |
| Table 8: Media publishing the most about public employment in 2018 |                |   | 444                        |
|  |                |   | mandiner.hu                |
|  |                |   | figyelo.hu                 |

**X.**

# Public employment publication

### **X.1. Public Employment Exhibitions 2017**

Year of publication: 2018

The publication sums up the experience of the national and county public employment exhibitions of 2017. It presents the system of public employment, its successes, best practices and the outcomes of the programmes implemented.

### **X.3. Public Employment Yearbook (2017)**

Year of publication: 2018

A summary yearbook of the implementation, main events, programmes and experiences of public employment in 2017 in English.

### **X.2. Közfoglalkoztatási Évkönyv (2017) [Public Employment Yearbook, 2017]**

Year of publication: 2018

A summary yearbook of the implementation, main events, programmes and experiences of public employment in 2017.



# Control of the proper use of public employment assistance

The Ministry of Interior, as a professional controller of public employment, pays special attention to monitoring the correct use of public employment subsidies and examining the progress of programmes. In addition, it provides professional guidance and accountability for government offices and district / district official control tasks. It verifies the conditions of the public employment relationship as well as the fulfilment of the obligations of the official contract and the on-site implementation of the public employment programmes. It participates in the comprehensive supervision of the work of government offices in the field of specialty, conducts subject and goal studies within its competence, during which it checks the implementation of professional management and the fulfilment of the specified tasks.

Authorisation to audit is granted by Act XLIII. of 2010 on the Central State Administrative Organizations and the Status of Government Members and State Secretaries, Government Decree 320/2014 (13 December) (previously Government Decree 323/2011 (28 December) on the designation of the state employment agency, the labour safety and employment authority, and on the performance of the official and other duties of these bodies, as well as the Directive of the Minister of the Interior 11/2018 (12 June) (formerly 15/2014 (5 September)).

In order to ensure uniform labour market control practices for public employment programmes, the Ministry of Interior issued a Code of Conduct in 2015, which is updated annually as legislative changes occur. At the same time, it set out the expected level of control over the allocated budget resources. It provides methodological guidance for specific audit tasks that arise during the year by providing a consistent approach.

## ***XI.1. Official control activities of government offices and district offices***

The Ministry of Interior, as the professional controller of public employment, compiled and published the National Report on Audits of Public Employment Programmes conducted by capital and county government offices and district offices in 2018 by 28 February 2019 pursuant to Section 7(4) of Government Decree 66/2015.

With a view to legislation and procedures, audits were held for altogether 3,484 contracts out of the statutory contracts of public employment programmes launched in 2018 concluded by government offices of the counties and of Budapest as well as district/Budapest district offices. Commitments for controlled contracts were close to HUF 81 billion, which is 42.87% of the total amount of commitments under the official contracts signed in 2018. The audits at both national and county levels exceeded the level set by the Ministry of Interior.

In 2018, in total 124 inquiries were received by the capital and county government offices and district (capital district) offices concerning public employment programmes, public employers and public employees, submitted either as complaints (27) or public interest notifications (97).

Pursuant to the provisions of Act CLXV of 2013 on Complaints and Public Notices, the examination of a repeated complaint or a public interest filing by the same complainant or a public interest complainant with the same content, and of a complaint or public interest filing by an unidentified person, may be decided by the competent body. On this basis, 118 of the 124 notifications were investigated, representing 95.16% of the cases. Due to its content identity, no investigations were launched in 5 cases, while in 1 case the investigation was conducted in 2019.

72.88% of the 118 notifications examined, i.e. 86 cases, were unfounded. In 11.02% of reports, that is, in 13 cases, the investigation found the report to have been well founded, and the allegations made in the report were found to be well founded in 16.1% of cases, that is, in 19 cases.

In 2018, the audits revealed a breach of administrative contract in 9 counties involving 33 public employees. The findings were made due to the failure of the public employer to perform all or part of the tasks and obligations assumed in the public contract.

In these cases, in the course of the administrative procedure, a decision was made on the repayment obligation, on the basis of which the amount of aid already paid was recovered in whole or in part at a total amount of HUF 130.55 million at national level.

## XI. Control of the proper use of public employment assistance

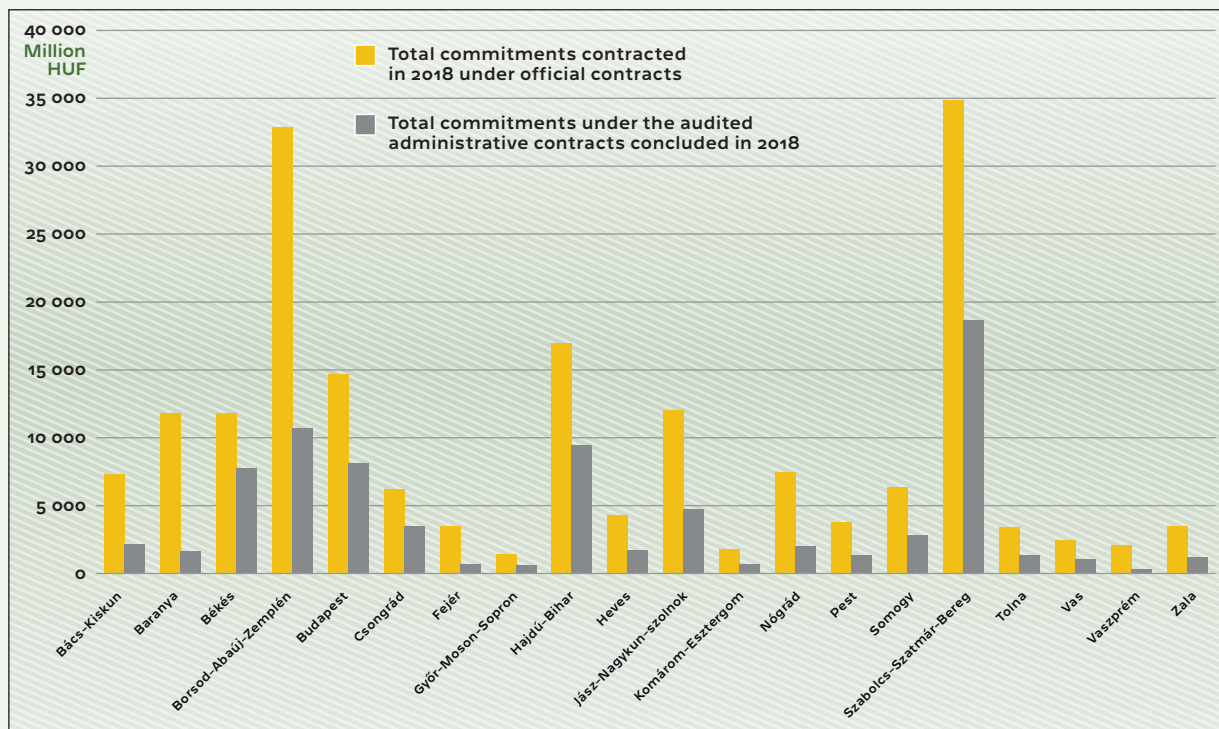


Figure 11: Breakdown of the administrative contracts concluded in 2018 and the amount of commitments under the audited administrative contracts

In 2018, criminal complaints against unknown perpetrators were filed concerning eight public employers in 4 counties based on the findings of audits by government offices and district (Budapest district) offices.

### Reasons for reporting:

- well-founded suspicion of a crime of fiscal fraud,
- misdemeanour of the use of fake private document,
- fraud offense,
- offence of misconduct.

## XI.2. Direct audit activity of the Ministry of Interior

The Ministry of Interior carries out direct audits primarily on national public employment programmes, as well as investigating complaints and filings of public interest.

In the framework of this, it carried out a special examination of the implementation of the national water management program at a total of 58 sites at water management directorates and at 24 sites at water management associations. The inspections concerned a total of 4,574 persons.

The audits covered the regularity of employment under the programme, the legality of the classification of guaranteed public employment wages, and the on-the-spot work, including the examination of work performance.

All in all, the programmes examined were characterised by the fact that work was carried out in a place appropriate to the programme plan, the activities of the public employees were documented, the rules of their employment were mostly followed, the achievements were documented and traceable.

### Deficiencies identified:

- incomplete wearing of the work clothing and protective equipment provided,
- lack of employability assessment (1 person),
- outdated / incomplete public employment contracts (updates compliant with effective legal regulations),
- the qualification documents were not available on the spot,
- the job description needed clarification / addition (2 public employees),
- the public employer has only partially complied with his written information obligation under Article 46 of the Labour Code,
- documentation of work, fire and accident education could not be presented by the public employer (1 stage engineering),
- lack of documentation of the records of leave (1 section engineering),
- the issue of unpaid leave must be reviewed (1 stage engineering),
- the work log and attendance sheet were not available on site (2 brigades),
- incomplete / missing attendance sheet and work log,
- the brigade leader signs the attendance sheet (2 brigades).

Based on the findings of the extended ex-post inspections the events occurred in isolation, at individual sites and the competent parties already took the necessary measures to terminate them.

The Ministry of Interior received directly notifications of public interest and complaints in 26 cases in 2018.

According to the Act CLXV of 2013 on Complaints and Public Notice, 3 cases, which were sent by the applicant to the regionally competent government office, were not investigated, in 9 cases the Ministry of Interior did not have the competence to investigate what was described in the application, it therefore transferred it to the competent administrative authority, after informing the notifier.

In one of the cases examined, the complainant's report was well founded, and in 6 cases the report was partially justified. In 7 cases the applicant's allegations were not supported by the verification. In both well-founded and partly well-founded cases, the Ministry of Interior has initiated action by the regionally competent government office to address the problem identified.

The legality of providing longer-term public employment support to certain civil society organisation, foundations and federations was a major investigative task in 2018. The audits have established that in some cases the core activity has been identified as a grant. There have been civil society organisations where a large number of public employment programmes have been launched in relation to the number of members, but the conditions for effective work have not been provided, so in this case, too, it is suspected that public employees have been involved in core activities. Based on the findings of the audits, the grants were reviewed and the headcount reduced to the actual need for ancillary activities.

Comprehensive audit in the field of public employment was conducted in 2018 with 5 government offices under the timely scheduling and coordination of the Prime Minister's Office.

The overall investigation concerned the legality of the granting and treatment of the grant and of the accounts, which was supplemented by an examination of the supporting documents, which were not attached but which supported the classification and the lawful use of the grant.

Overall, the public administration functions of the government and district offices under review, as first-line support agencies, complied with the law.

## **XI.** Control of the proper use of public employment assistance

However, their procedures do not always follow the instructions of the professional controller Ministry of Interior. One of the district offices approved an amendment to the district public employment model programme that had previously been rejected three times by the Ministry of Interior and also initiated the withdrawal of unused funds. In the matter, the Ministry of Interior initiated employer's measure, and the Prime Minister's Office launched a follow-up review for 2019.

In another government office, an additional investigation by the employer revealed employment irregularities. The public employer operated by the local government has blocked public servant statuses approved with a budget and statuses falling within the scope of the Labour Code and filled them with public employees. The government office took steps to detect and eliminate the recurrence of the incident and reported on the outcome within the deadline.



## **XII.**

### Closing remarks



In its Resolution 1139/2017 (20 March) the Government decided to gradually reduce public employment to 150,000 by 31 December 2020. In line with government expectations, the average number of public employees was 179,492 in 2017, **and was reduced to 135,620 in the average of 2018.**

With the recovery of the economy in 2018, there was a significant demand for labour in the open labour market. At its meeting on 6 September 2018, the government reviewed some issues related to public employment. At the government meeting, the Prime Minister set out the task of putting together an **economic development concept that could effectively help the catching-up of beneficiary regions.** The completed proposal contained governmental measures for the economic development of these areas, a possible way of implementation and a set of instruments, thus helping to reduce the economic disparities between certain areas of Hungary. **One of the priority tasks for 2019 may be the implementation of the tasks set out in the economic development concept for public employment.**

It is possible to implement economic development in the beneficiary regions by creating jobs, stimulating the local economy and developing activities that can be carried out locally and adapted to local conditions. This can be achieved most rapidly **by building on the productive capacities created by public employment in the regions concerned, developing them or possibly operating them in a controlled manner.**

**Summing up** the results of the last year, it can be concluded that the public employment assistance system closed a successful year. In addition to the positive changes in economic life, the public employment subsidy system continues to provide assistance to the many disadvantaged people who are unable to find employment in the open labour market.

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**Dear Reader,** in this publication we have tried to present the very broad system of public employment and its results, which have a significant impact on local communities and individuals. It can be said that nowadays public employment as an assistance system has become a socially accepted norm, even for those who criticise it for providing a livelihood for a significant number of job seekers.

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## XIII.

Winners of  
Start Plus award  
in 2018

## BÁCS-KISKUN COUNTY

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Kunadacs  
**Ildikó Farkas**



Madaras  
**István Juhász**

## BARANYA COUNTY

---



Vajszló  
**István Horváth**



Solt  
**Pál Kalmár**

## BÉKÉS COUNTY

---



Békéscsaba  
**Péter Szarvas**



Ecsegfalva  
**Mária Kovács**

## BARANYA COUNTY

---



Baranyahidvég  
**Csaba Nagy**



Beremend  
**Ferenc Theisz**



Kondoros  
**Péter Ribánszki**



Körösladány  
**Károly Kardos**

**XIII.** Winners of Start Plus award  
in 2018

**BÉKÉS COUNTY**



Méhkerék  
**Margit Tát**

**BORSOD-ABAÚJ-ZEMPLÉN COUNTY**



Karcsa  
**László Milinki**



Makkoshotyka  
**Ferenc Kántor**

**BORSOD-ABAÚJ-ZEMPLÉN COUNTY**



Encs  
**András Szeles**



Erdőhorváti  
**Gábor Takács**



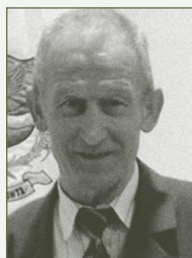
Pusztafalu  
**Viktor Takács**



Sajógalgóc  
**Péter Jaskó**



Hejce  
**István Lévai**



Hejőszalonta  
**József Anderkó**



Sátoraljaújhely  
**Péter Szamosvölgyi**



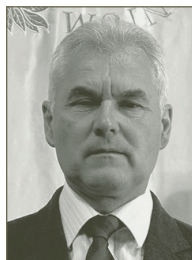
Semjén  
**Béla Setét**

## BORSOD-ABAÚJ-ZEMPLÉN COUNTY

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Szentistvánbaksa  
**István Rontó**



Tarcsl  
**László Butta**



Tiszalúc  
**László Majdanics**

## CSONGRÁD COUNTY

---



Csanádalberti  
**Zoltán Csornyik**



Ópusztaszer  
**József Makra**

## FEJÉR COUNTY

---



Sáregeres  
**Mária Tiringner**

## FŐVÁROS

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Baptista  
Szeretetszolgálat  
**Tibor Hány**



Magyar Máltai  
Szeretetszolgálat  
**Father Imre Kozma**

**XIII.** Winners of Start Plus award  
in 2018

**GYŐR-MOSON-SOPRON COUNTY**

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Kisalföld Zrt.  
**Tibor Orbán**

**HAJDÚ-BIHAR COUNTY**

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Nagyhegyes  
**Istvánné Bajusz**



Nyíradony  
**(Mrs) Kondásné, Mária  
Erdei**

**HAJDÚ-BIHAR COUNTY**

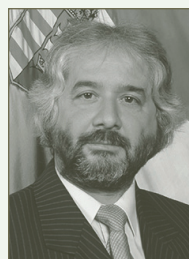
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Fülöp  
**Péter Hutóczki**



Földes  
**(Mrs) Jeneiné, Dr Izabella  
Egri**



Püspökladány  
**Zsigmond Kiss**

**HEVES MEGYE**

---



Görbeháza  
**(Mrs) Giricz, Béla Lászlóné**



Konyár  
**Szilárd Víg**



Egerbakta  
**Tibor József Varga**



Tenk  
**Tamás Szopkó**



## JÁSZ-NAGYKUN-SZOLNOK COUNTY

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Fegyvernek  
**László Tatár**



Hunyadfalva  
**(Mrs) Vékonyné, Eszter Házi**



Jászládány  
**(Mrs) Bertalanné, Katalin Drávucz**



Mezőtúr  
**Zsolt Herczeg**



Tiszafüred  
**Imre Ujvári**



Tiszaszentimre  
**(Mrs) Koczurné, Ibolya Tóth**

## NÓGRÁD COUNTY

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Csécse  
**István Barna**



Rákócziánya  
**Gábor Jakab**



Sósartyán  
**Gabriella Tóth**

## PEST MEGYE

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Tápióság  
**Anita Halasi**

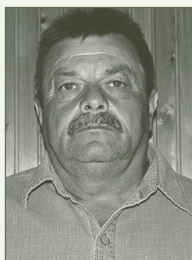


**XIII.** Winners of Start Plus award  
in 2018

**SOMOGY COUNTY**



Bárdudvarnok  
**Balázs Mester**



Mosdós  
**József Keresztes**



Somogyudvarhely  
**Kornél Kiss**



Kállósején  
**László Belicza**



Kölcse  
**Pál Balku**



Nyírbogát  
**(Frau) Dr. Simonné,  
Dr. Ildikó Rizzák**



Nyírbákó  
**Miklós Sipos**

**SZABOLCS-SZATMÁR-BEREG MEGYE**



Csenger  
**Zsolt Forján**



Gyulaháza  
**Béla László Bárdi**



Nyírparsznya  
**János Szabó**



Nyírtass  
**Erzsébet Jenei**

## SZABOLCS-SZATMÁR-BEREG COUNTY

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Ramocsaháza  
**Róbert Ragányi**



Tiszabercel  
**Zsolt Szántó**



Nagyszokoly  
**Bálint Bors**



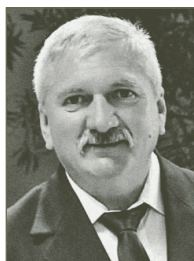
Tamási  
**Ferenc Porga**



Tiszabezdéd  
**Attila Daku**



Tiszadob  
**György Bán**



Tiszavid  
**Bertalan Szűcs**

## TOLNA COUNTY

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## VAS MEGYE

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Vasvár  
**Balázs Tóth**

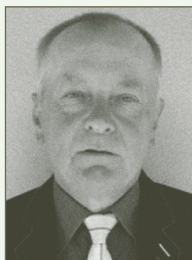
**XIII.** Winners of Start Plus award  
in 2018

**VESZPRÉM COUNTY**

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Sümeprága  
**Csaba Hujber**



Nyárád  
**Károly László Pajak**

**ZALA MEGYE**

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Türje  
**Ferenc Nagy**



Zalakomár  
**Tamás Csárdi**

