



FAMILY-FRIENDLY PROVISIONS

2010-2018



FAMILY-FRIENDLY PROVISIONS

2010-2018



MINISTRY OF HUMAN
CAPACITIES

2018.

WELCOME



“The disciples of the redeeming Christ know that no human community can live in peace without forgiveness, enemy love and without paying attention to others.”

Benedict XVI.

Family is the foundation of our Hungarian and Christian society. We must thank God and each other for living in a loving family every day of the year. We need to thank the parents, who ensure that our children can grow up happily in accordance with our values; we need to thank the grandparents, who provide help and show an example across generations; we need to thank the children, through whom parents can complete themselves, who ensure the survival of the Hungarian people and who also become loving parents as adults; and we need to thank all those people who work day by day, to help create and maintain a happy, loving atmosphere for families.

This love is based on our oldest traditions and Christian European values, which define the identity of the Hungarians, show the way and ensure the survival of our nation. That is why the main goal of the entire Hungarian society and prevailing political leadership is to protect families as well as to strengthen, support, and foster their prosperity, thereby ensuring a loving atmosphere and the happy growth of generations to come.

It is important that every parent can provide the necessities for a pleasant family life and can spend enough time with their children to bring them up in accordance with our values and get them started on the bumpy road of life. It is also important for children to acquire the necessary knowledge and values, to discover their inherent talents, but also to remain happy children and to smuggle some love and smiles into everyday life. These children represent our future, the survival and continued growth of the Hungarian people. Csaba Böjte perfectly summarized what children mean to us in the following few words:

“Every child is a miracle. You cannot know what is hidden inside: a new Endre Ady or Lujza Blaha. If we open the door for them, we give them the chance to develop their personality and talent.”

In history, each nation has had to face countless difficulties, but the importance of family was never questioned until the 20th-21st century. However, much of today's modern thinking places the individual before the family. At the same time, we need to take into account, that an individual is lonely without a family, loses his or her values and historical identity, cannot feel accomplished and what's more, cannot exist without a family.

Dear Reader, You now hold a volume that strives to present the importance of the institution of family and our fundamental Christian values, demonstrate past and present processes and outline the potential future. Read it with as much love as we have written it for you!

Prof. Dr Miklós Kásler
Minister of Human Capacities

WELCOME



*“When the captain of a vast ocean liner wants to turn it around, he may turn the wheel in vain: the ship will not turn immediately, but will only slowly adopt a new course. The most important thing is to designate our destination and adjust the wheel accordingly. It is important to highlight that the restoration of natural reproduction is a national cause; and it is not just **one** national cause among many, but the national cause. And it is also a European cause: not just **one** European cause among many, but the European cause.”*

*Excerpt from Prime Minister Viktor Orbán's speech
at the 2nd Demographic Forum in Budapest, 25 May 2017*

How long have we been in the twenty-fourth hour? The bells of demographic catastrophe seem to be tolling around us. They want to warn everyone that, unless something is done, Europe – which once used to be strong – will become a continent unable to defend itself. Disaster is on the doorstep. These signs want to tell us that if our vital instinct abandons us, if we fail to build solid grounds for Christianity and strengthen the European culture that is rooted therein, if we are reluctant to give a proper answer to the greatest challenges of our times, then slowly (or rather less slowly) but definitely we will destroy the pillars of our lives.

Europe has become a continent of empty cradles. While the dynamically growing population in various coun-

tries around the world is leaving to find a new home, Hungary has been struck with a painful period of three and a half decades, seeing more people die than be born. From year to year there are 30 thousand fewer Hungarians living in the world. The question is whether we watch it unattended as we slowly disappear and the European culture (together with the Hungarian one) falls inferior in the fight of civilizations. Or, what do we do to reverse this tendency? How does Europe and Hungary react to the demographic crisis? What needs to be done to see the Hungarian population in the 21st century rise again?

It is fundamental that our basic values get strengthened. They must be coherently and consistently represented.

Individuals should not be supported on their own, but on the community level. Private interests should be matched with national interests. Instead of surrendering to this massive external pressure, we should mobilize our internal resources. It is essential that the plans of our youngsters to have children become realized. Strong, cohesive families and communities are needed, since a strong nation can only be built on strong families. Thus, our aim is not merely survival, but growth and the improvement of the quality of life.

And for all this we primarily need safety and security – physical, financial and mental safety and security. We need family-centred public education, a health-care system that ensures health for the older years, social benefits that provide protection to those in need. We need a stable economy that creates jobs and acknowledges results and achievements. We need family policies that support childrearing. We need a culture that elevates communities. We also need Church and civil communities. We need them recognize their own responsibilities in shaping the nation's future.

After the joint work of the past seven years, finally there are the first encouraging signs that the Hungarian people's trust in the future is back. The nation's esteem,

which was once on the verge of fading away for good, is reviving again. Families know that they can rely on governmental support – may it be either the issue of entering the labour market, providing care for the children or creating a home. Attitude towards parenthood has been continuously improving since its lowest in 2011. With the change of the earlier tendency, the number of marriages dynamically started growing after 2010. Youngsters keep on maintaining a vision of their future as married couples with children. We have responsibility towards them. Anyhow, it is them who need our support. And with our encouragement they could feel and be assured that childbearing is not only for their own good, but it is for the benefit of the entire nation.

In the past seven years we set out on the path towards a family-friendly Hungary, yet there is still a lot to do. 2018 will be the year of families. This year families will enjoy double the amount of budget support than eight years earlier.

This publication is some kind of stock-taking. It is an encounter with reality: the anatomy of the evolution and destruction of a devastating world, and a suggestion for a way out of it. It is a government endeavour, which is outstanding as it is.

I recommend it to everyone.

Zoltán Balog

*Commissioner of the Prime Minister
President of the Foundation
for a Civic Hungary*

WELCOME



“Parents who regard raising children as a business venture will suffer a grave loss. (...) No child is a waste of money, not on a single day. Indeed, children pay back all that is spent on them on a daily basis. Imagine parents taking a ledger note of their children: in one column they will record the amounts spent on them, while in another all that they expect from them in return. My advice is - a rule which I kept to as much as could be expected of anyone - is the following: parents should close the balance at the end of each day and conclude: ‘I have children’. Now, the joy this means must be ample payment for all the investment.”

Zsigmond Móricz

When we asked our 8-year-old daughter what she wanted to be, without a moment of hesitation, she replied a mum. It is even natural for our sons, from their early years, that one day they want be fathers and grandfathers. They are preparing for this at least as much as for becoming successful engineers or famous football stars.

Still. The values that lend us the feeling of safety and security and that are so much taken for granted in the Western world are exposed to a growing number of assaults. And even though we have a traditionally family-centred way of thinking, it seems that our young people's plans for a married life with two children is not

enough. For decades now the Hungarian population has been on a roller-coaster ride, and is prone to demographic decline.

The publication that you are holding in your hands will provide an insight into the demographic evolution of the world. It will shed light on the reasons for modern-age migration, which is the gravest challenge facing Europe today. You will not only acquire an overview of the current demographic crisis besetting the continent, but may also learn that the present population growth in Europe is exclusively attributable to immigration. In Chapter 2, an outline is made of the Hungarian demographic

situation, going back centuries. Typical trends and the background of their evolution will also be discussed. The demographic consequences of the decisions that the Hungarian governments made between 2002 and 2010 will not be ignored either. The publication will explain, in detail, their mistakes and how they failed to support families and the nation. It will reveal the wounds they have caused. Wounds that will need time to heal after the insecurity, the restrictions, limited family subsidies, the wrong economic-political decisions and the marginalization of those living beyond the Hungarian borders have brought about.

We titled our publication ‘Family-friendly provisions, 2010-2018’, and this is the provisions that provides the basis for Chapter 4. Therein one can find out what it meant when the Orbán government made its decisions serve the Hungarian nation’s interest and enhance population growth.

The book will study the measures that were taken during the period 2010-2017 to ensure that this change of paradigm will leave its mark. The measures proposed ways

to remove the obstacles Hungarian young people face when it comes to starting a family or having children. They have been targeted at enabling Hungarian families to live a better life. Although family-policy related tools are not sufficient on their own for such a demographic twist, the publication emphasizes those approaches that are directly linked to population growth. The demographic achievements that our government accomplished in the past nearly eight years will be discussed in Chapter 6. Finally, a brief description will be made of the areas where there is the most to do in order to overcome population shrinkage and to further strengthen welfare for Hungarian families.

Fertility, the birth rate, life expectancy, migration balance, trends, percentages, budgets, hundreds of billions – they all abound. Nor is the publication short of charts, graphs or analyses. Finally, let me ask you one thing. Please, always bear in mind what lies behind the numbers while studying the data. It is new lives conceived, individual stories about life and fate, community, cohesion and belonging, love and family ties that lend the core message to the issue.

Katalin Novák

State Secretary for Family and Youth Affairs

INTRODUCTION

"By most reasonable definitions of the term, the European Union is experiencing a demographic crisis rooted in a shortage of births relative to deaths. In the great majority of the EU's 28 member countries, fertility is far below the level that would be necessary for the reproduction of the population over time. If this continues in the coming decades at such a low level, population size in the affected countries would shrink by more than half in the short span of two generations—roughly 60 years. This drastically reduced population would have an age distribution inconsistent with economic sustainability. In countries experiencing this syndrome an inevitable future would eventually entail permitting massive immigration from countries not suffering from population deficit.

But this prospect is not perceived, either by governments or by the general public, as a crisis. And understandably so: time horizons are short. Politicians are immersed in the here and now, their attention span extending at best to the next election. Public opinion has a similar limitation. In that short-term outlook the process of population shrinkage and an aging population are virtually imperceptible. From one year to the next population size and age distribution seem to be much the same. The road leading to what may in effect amount to collective and civilizational suicide is taken unhurriedly, step by step."

These were the words of demographer Paul Demeny at 2015 in the conference "Global migration processes and Hungary – Challenges and responses". Paul Demeny, the external member of the Hungarian Academy of Sciences (MTA), was the editor-in-chief of "Population and Development Review" for 38 years, which he founded.¹

GOVERNMENT OF VALUES

The second Orbán government, set up in 2010, defined its national strategy along values. These values were Christianity and the common law rooted therein. The protection of human life, marriage and family and the support thereof were all incorporated in the Fundamental Law, along with the principles of a labour-based society. They are the basic conditions for the long-term sustainability of the Hungarian nation, and government measures have been targeted at such components, as an expression of the above set of values.

IN THE SHADOW OF HERDER'S PROPHECY

Johann Gottfried Herder's tragic prediction was written in 1791, reading: "It may well come to pass that not even the language spoken by this small number of Hungarians, living in a melting pot with other nations, will be identified in a few centuries' time." It is imperative for responsible Hungarian scholars to act against this gruesome prophecy. Kölcsey, Berzsenyi, Vörösmarty, Illyés's poetry, as well as the sociography made by folk writers all reflect the worries and concerns about the future of the Hungarian nation. It lies in the hands of today's generations to make the Hungarian nation into a successful community, adapted to long-term sustainability – for there is no prosperous nation without happy families and children.

¹ The edited version of the English language presentation, held on 16 November 2015 in the Hungarian Academy of Sciences Headquarters, was published in the March 2016 edition of 'Population and Development Review' (pp. 111-120). Available in Hungarian under Demény Pál: Népesedéspolitikai. A közjó szolgálatában (CSO, Hungarian Demographic Research Institute) (pp. 357-367)

DEMOGRAPHIC CRISIS MANAGEMENT –

BALANCE BETWEEN INDIVIDUAL DECISIONS AND THE SOCIAL TARGET SYSTEM

1. CAUSES OF A DEMOGRAPHIC CRISIS

Childbearing is a personal decision, yet it has a vital effect on the community. Children are the ‘securities’ in a community’s future in all aspects of life.

Without a sufficient number of children and young people it is impossible

- to preserve and pass down the traditional values of the Hungarian nation;
- to create new values;
- to effectively address the actual challenges of modern times through ambitious responses;
- to ensure the resources that are essential for proper functioning.

These fundamental and obvious social objectives, however, have little influence on the individual’s decision to have children. A prosperous nation with a strong vision of the future is a pre-condition for everyone’s personal well-being. Still, parental plans to have children are basically determined by long-term objectives. They are defined by goals that concern the creation of a family community, its success and prosperity. Thus, they are mainly personal, individual or family-related, failing to be directly linked to the objectives affecting the entire community. In addition, the latter are less related to having and bringing up children. They are rather based on the output of the process itself. And neither do the ideology and time horizon really matter in the case of parental decisions. As has been said by Professor Demény, even though future community achievements clearly influence the individual’s well-being, they are still barely perceptible.

Besides the inconsistency between communal and personal objectives, which has a seemingly adverse effect on parenthood, the transformation of traditional societies and their development undoubtedly contributes to various demographic crisis events. In traditional societies, from before the era of industrialisation, having children was a matter of existence. Partly due to high mortality rates this was the only way of ensuring a family’s future. Family farms also had a great importance. Their running and passing on to later generations required a large family. In the absence of communal solutions, again it was the family that helped the parents or relatives who become unable to work due to illnesses or old age. Their living was ensured by a reliable family background.

The failure to have children is an ever smaller barrier to personal well-being in modern societies, though, just like the lack of large families. Transfer within the family seems to be continuously losing its significance and its motivational power. And this might have to do with social labour division and the development of the various communication forms. What is more, in certain life situations childbearing seems to be a definite obstacle to career building, especially among women.

And all these factors may evoke the false impression of the fading importance of family and children. Nevertheless, it can tremendously endanger the success of the community, and, in the long run, the individual’s well-being, if the main resource of development is no longer available in a sufficient amount.

2. ALTERNATIVES FOR DEMOGRAPHIC CRISIS MANAGEMENT

Individual and communal values cannot be transmitted, passed down and improved, and neither can the community be sustained and maintained without stopping population decline. There are two underlying factors to this: better attitude to parenthood and higher life expectancy.

Communities and nations with a stronger collaboration between generations have higher standards of living, are more prosperous and are more likely to create permanent and long-lasting values. In these societies a promising future, a successful present and broad experience are manifest together in private and community life alike. Thus, the wisdom of those with a decent career, the active-age groups with all their enthusiasm and innovative ideas, alongside the young people dedicated to changing their own and the community's destiny, hand in hand with curious children, create values together and, in this way, build the foundations for the nation's future.

Government policies and responsibilities are aimed at contributing to the enforcement of this vision with their tools at hand. The core elements for such an endeavour constitute the appropriate forms of information, communication and action. Young people facing the dilemma of making choices should be made aware of the consequences and the impact that delayed parenthood or its failure may have on the entire community and on its future. In parallel with this, not a single moment can be spared when it comes to demolishing the barriers in the way of childbearing. Apparently, bringing up children does not in the least prevent a successful and active way of living. Instead, it rather supports it.

2.1. A VISION OF THE FUTURE, POTENTIAL CONSEQUENCES AND THEIR DESCRIPTION

The current national Christian government pays special attention to the promotion of parenthood and the support of families with children. We believe that a child is an asset – both for the individual and at the community level. We emphasize that childbearing is a basic condition for the success and happiness of a nation. Without children no community goal can be achieved, community life is destined to fail. Assimilation into more mature societies would be unavoidable. And this would definitely lead to the natural disappearance of traditions and classical values, resulting in a loss of roots.

Every decision in favour of having children is a choice of the future. It is a vote for the decades to come – either opting for or rejecting the thrill they may hold. At the same time, every such decision has its own personal background. It is a kind of summoning of life situations, with potentially hideous dilemmas hiding behind it. Aware of this, the leaders and decision-makers of the country shall not turn their back on mothers and fathers. The core objective of our measures is to create life situations and develop a family-friendly environment that encourages parenthood, in the meantime pushing related fears and objections to the background.

The decision, however, is in the hands of young people. It is especially this group that has to bear the responsibility for having children and the commitments that go with it. It is mainly their task to provide for the appropriate conditions of childrearing. If we take it for granted that adult behaviour and the chances for a successful life are strongly influenced by childhood experiences, then it may be concluded that family circumstances are crucial in all life situations, just like in the micro-environment.

Our joint responsibility is even higher then, since it is decisive what models our children and grandchildren can rely on. From this point of view it is of utmost importance that the community institution, be it of any kind, is able to convey and mediate the appropriate values and knowledge in time, prior to parenthood years. In the course of this, light may be shed on the merits of children and family life. It may be demonstrated why it could be even worth fighting for these goals and their accomplishment. Besides public education institutions, the Church and civil communities also have their share in the process, playing a key role in community life.

2.2. GOVERNMENT MEASURES, THEIR SCOPE AND THE REASONS BEHIND THEM

Today's demographic crisis can only be managed with measures looking into the roots of the problems. Thus, it is not a superficial treatment that is at stake here with some spectacular forms of capital injection. What needs to be done is the mapping and efficient management of the causes, namely the relative yet strongly perceptible controversies between personal and communal objectives. What is needed is their harmonization to the greatest extent possible.

Yet, this is unmistakably a duty of great commitment. It is a complex task that sets forth requirements for the child and the young couple's environment even before the time of childbearing, along with the institutions involved in their teaching and education. It is crucial that family life and parenthood appear as values in taking care of our children, just like in kindergarten and school years. The essence of these samples and models is to enhance the understanding and acceptance of the current measures, and to prepare future generations for the appreciation, cherishing and maintenance of personal and community values.

The adopted government and parliamentary measures shall not only be in line with personal goals and intentions, but they should also foster them. The support is targeted at breaking down those obstacles in the way of childbearing that parents find the most critical. Such measures may differently affect the families in various situations. They may also influence personal careers and even the future of the entire community. Therefore, their efficacy requires initial consideration and thoughtful decision-making.

For this, it is essential that state measures provide assistance to those deciding to have children in as many fields as possible. They must cover every area that may prove to be dominant in the subject matter, since families may face different dilemmas when it comes to parenthood. Their worries mostly concern rising household costs, the temporary drop, especially in the mother's salary and income, and focus on the circumstances that are vital for successful childrearing. Regarding the latter, access to crèche and kindergarten services as well as schooling, along with their standards of quality, are fundamental elements calling for special attention.

It may be less stressful, yet it directly derives from a success-oriented national vision of the future, that the family policy promotes the added value-creating nature of child-bearing. Subsidy models shall be developed accordingly, since having children is undoubtedly a form of "investment in human capital" both on the level of the individual and the community. It is a justifiable and reasonable objective then that such an injection should pay off both on the individual and the community's side. Irrespective of the social micro-environment, people who are successful on the community level strive to have a balanced family life too, in this way contributing to the proper functioning of the whole society. Their family endeavours are to be encouraged and enhanced by the government.

Yet, the family policy shall also meet the natural demand for safety and security. Having children means a commitment for a lifetime, affecting each life period. Therefore, the predictability, stability and sufficient scope of family support – as far as the support of child-rearing is concerned – is an imperative, just like their duration. They shall be provided as long as they present substantive assistance.

It also comes from this that changes in personal intentions and decisions, if any at all, is not a key objective. For, without personal intentions, the lack of an individual's dedication to the cause, objectives are impossible to accomplish.

If the national strategy concentrates on the values as defined above, parenthood is bound to surpass the level of plans. And the drafting here does carry a message. Surveys prove that the realization of the plan of young Hungarian couples to have children would result in the controlled stopping of population decline over a time. Such plans, however, only partly come true. The actual fertility rates still tend to fall below the expected figures. Putting it bluntly, until the typical 'something has come in' approach dominates, the family policy is bound to struggle. Decision-making processes should push all factors that may set a barrier against personal ambitions into the background.

2.3. GOVERNMENT MEASURES AFTER 2010

Since 2010 the government has introduced several measures to enforce the afore-mentioned goals and objectives, focusing on individual and community aspects. From among them, it is worth highlighting the creation of a labour-based society, the acknowledgement of work, the restructuring of the taxation system, the introduction of family-based taxation and the widespread expansion thereof.

During the period 2010-2018 the amount of subsidies granted to parents with children showed a remarkable growth. To be more exact, the share of this budgetary fund rose from 3.5% to 4.8% in proportion to GDP. Family benefits after the number of dependants in a household have risen almost twenty times higher since 2010, even if assessed in real terms. As compared to 2010, the amount available to families with children was nearly HUF 1,000 billion more in 2018 than in 2010.

Demographic measures have a long time-span. It is not a reasonable expectation, therefore, that the rise in state subsidies shall automatically modify the demographic indicators in 1-2 years. Yet, we are convinced that a revised approach and the incentive to match personal and social objectives is the right direction to follow. We are sure that their results will be felt over time, and so the tendencies so far can undoubtedly be considered positive and promising. Recent years have also seen the birth rate and the fertility indices move from their lowest. Based on these trends we can now hope that the most significant indicator of the average child number, the so-called total fertility rate will reach the figure of 2.1 in the foreseeable future. This is a pre-requisite to be able to experience a growth in the population size of the Hungarian nation and reassuredly recall the phenomenon of population shrinkage only as a memory of the past.

CHAPTER I

INTERNATIONAL FORECAST



1.1. GLOBAL DEMOGRAPHIC TRENDS

On 01 January 2017 the world's population came to 7.550 billion. Today 10% thereof (almost 742 million people) live in Europe, making it the third in the list of continents. The first place is taken by Asia with 60% of the world's population (over 4.5 billion people). Africa comes in second before the 'old' continent with 1.2 billion people, which makes up 16% of the world's population. Europe is followed by Latin America and the Caribbean (9%, 645 million people), North America (5%, 361 million people), and finally Oceania with the smallest number of inhabitants (0.5%, 40 million people).¹

The United Nations Organisation published estimates and forecasts in June 2017 on the evolution of the population in the different regions of the world. The underlying goal behind the World Population Prospects was to draw attention to the ever more urgent demographic challenges, such as over-population and ageing societies. On the basis of the forecasts, the world's population will constantly increase, it will rise to 9.8 billion people by 2050 and to 11.1 billion by 2100. Population growth showed the greatest intensity in the 1960s (2% per year), which currently diminished to 1.1%. Yet the population is still growing by an average of 83 million every year. By 2050 forecasts predict a growth of 'only' 0.5%.

It was Warren Thompson in 1929 who first outlined the demographic evolution of the world's societies. Later, based on his findings, F. W. Notestein et al. elaborated on the subject matter in detail between 1936 and 1945. This theory is a model of demographic transition, which explains the demographic changes in developed and developing countries, as well as the different tendencies human civilization undergoes therein. Such tendencies affect human civilization – in parallel with its economic, health-related, technological and cultural development – in different levels as far as specific population groups and geographical regions are concerned. Their impact is discussed in a division of four stages.²

Stage 1:

This is characterized by permanently high and invariable death and fertility rates. The number of births and deaths mostly counter-balance one another, leading to a slow

growth in population size. The age-structure of society suggests a fundamentally young basis, with those under 18 constituting the majority of the population, which is typical of pre-modern societies. This demographic stage was dominant and prevalent in Western Europe until the 18th century, in Central and Eastern Europe until the first half of the 19th century, and in Asia until the end of the 19th century. (In other words it refers to population Type A.)

Stage 2:

Although the mortality rate is decreasing (due to better food supply and improved health-care), the number of births is still high. Consequently, population growth is accelerated. This period may also be referred to as 'demographic boom' (population Type B). There is a growing number of the elderly, the body of the population is built on young people and the middle-aged (between 18-45 years of age). This was typical of Western Europe until the second half of the 19th century, and in other parts of Europe until the mid-1900s. Meanwhile the trend also became true for Asia in the second half of the 1900s, and is present even today—though with diminishing intensity. Africa was the last to recently fall into this category. Nonetheless, a real population boom is yet to come on the continent.

Stage 3:

As life expectancy rises, the mortality rate further decreases. The negative trend is also perceptible in the fertility rate, first slowing down and later stopping population growth. And this gives way to the development of an ageing population, with more and more people passing the fertility age.

¹ World Population Prospects: The 2017 Revision, Key Findings and Advance Tables Source: https://esa.un.org/unpd/wpp/Publications/Files/WPP2017_KeyFindings.pdf

² Farkas, Péter (2012): *For the civilization of love – Social policy – family policy and Christian social ethics*. L'Harmattan

The major part of the population is made up by people between 30 and 60 years of age (population Type C). Western and Central Europe entered this stage at the beginning of the 20th century to see it last until the 1950s. In the meantime, in Eastern Europe this phase did not end until the millennium, and has not even started in Asia.

Stage 4:

In the last development stage, with the growing proportion of the elderly (the majority of the population is over 50) mortality rates keep rising. At the same time, fertility rates stagnate at a low level. Since those who were born in the 'boom era' have now become members of the elder age-group, their deaths are more intensely felt in the number of inhabitants, thus enabling a decline in the population. Finally, as a consequence of the larger generations' fading dominance, the mortality rate again gradually shrinks back to the invariably low birth rate level. In this way, the two impacts counter-balance one another and population growth is set back to its original level (population Type D). Western Europe entered this stage around

the end of the 20th, and beginning of the 21st century. The population structure (its age-tree), that is the scope of the various age-groups and their ratio is adjusted to these cyclical changes, which is further attested to in Figure 1/1.

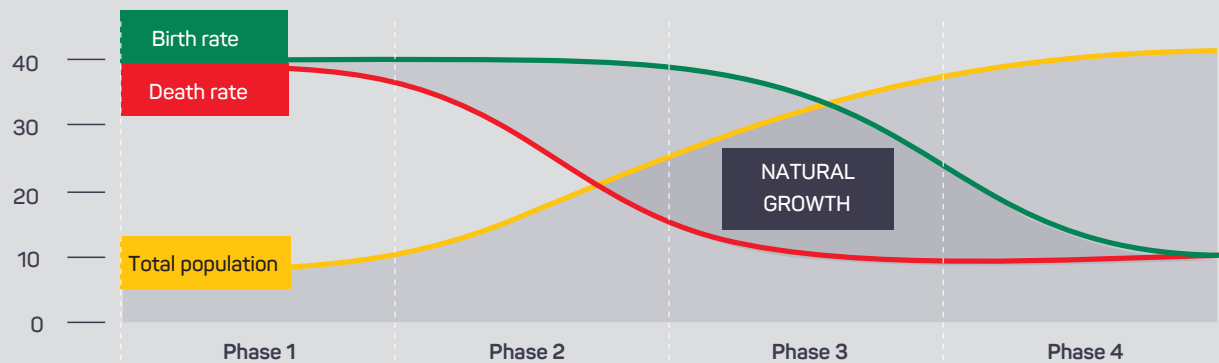
Based on the above theory, the population development of the continents and regions depends on which demographic stage they have reached. Western Europe, which is currently in the last demographic cycle, is clearly in the most advanced phase as far as demographic stages are concerned³. As regards its order, the cycle first emerges in the most developed regions to reach out to the most under-developed regions at last. In this context, it ultimately enters Africa from Western Europe through Central and Eastern Europe and Asia. All in all, demographic transition is delayed in developing countries. The reason for this is that such areas are still dominated by a growing number of births and a demographic boom (see Figure 1/4).

Figure 1/1 – FEATURES OF THE DEMOGRAPHIC CYCLES

MAIN VARIABLES	POPULATION TYPES			
	A	B	C	D
Birth rate	High	High	Decreasing	Low
Death rate	High	Decreasing	Low	Growing
Population density	Stagnating / slowly growing	Growing	Stagnating	Decreasing and later stagnating
Age distribution	Mainly children (under 18)	Mainly young, middle-aged (18-45 years of age)	Mainly middle-aged (over 30)	Mainly elderly (over 50)
Source: Quigley, 1966				

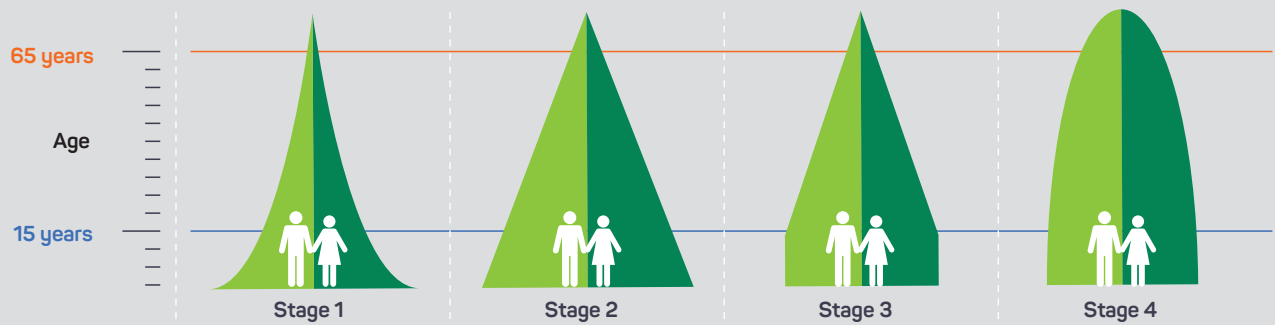
³ Carroll Quigley: *Tragedy and Hope: A History of the World in Our Time*. Macmillan Company, New York, 1966.

Figure 1/2 – STAGES OF DEMOGRAPHIC TRANSITION Birth and death rates (annually, per thousands inhabitants)



Source: www.ourworldindata.org

Figure 1/3 – AGE-TREES FOR THE VARIOUS DEMOGRAPHIC STAGES



Source: www.ourworldindata.org

Figure 1/4 – THE DYNAMICS OF DEMOGRAPHIC CYCLES AND POPULATION TYPES

PERIOD	Western Europe	Central Europe	Eastern Europe	Asia	Africa
1700	A	A	A	A	A
1800	B	A	A	A	A
1850	B	B	A	A	A
1900	C	B	B	A	A
1950	C	C	B	B	A
2000	D	D	C	B	B
2050	D	D	D	C	B
2100	D	D	D	C	B

Source: Quigley, 1966

The dashed line in the chart shows the time-lapse for the emergence of population Type B, which is subject to the greatest demographic pressure. It is apparent that a geographical region enters the next stage on average of every 50-100 years, from the 1700s on.

The description of the various stages, of course, only provides a general outline to the main tendencies in the demographic evolution. They might show deviations among the countries, even if these countries belong to the same civilizational groups. Such differences depend on local historical and economic events, unusual occurrences and, in modern times, even on State policy.

Therefore, the above descriptions cannot in the least be regarded as determinant factors. They merely provide a summary of the processes historically observed so far. Therefore, the actual outcome is subject to the concrete events or government measures in the given country or region, which may set a more favourable or even more adverse path for the forthcoming years.

1.2. ANTICIPATED DEMOGRAPHIC TRENDS UNTIL THE END OF THE CENTURY

1.2.1. POPULATION SIZE BY MAIN REGIONS

In support of the relations between the above cyclical changes, the continent-based comparison also reveals that the most remarkable demographic boom is still going on in Africa, where between 1950 and 2017 the population became 5.5 times larger. Population growth in Latin America, Asia and Oceania was also three-fold, while Europe showed the lowest rate among the continents – it reached only 35%.

This trend, namely the continent-based differences in population growth, will remain in the next 50-100 years. According to forecasts, Europe's population will shrink from 742 million in 2017 to 653 million in 2100

respectively, whereas in Africa, at the same time, it will increase from 1.3 billion to 4.5 billion people.

As shown in Figure 1/5, by 2100, those living on the African Continent will make up 40% of the total population of the planet, which will be the second highest rate after Asia's share of 43%. In the meantime, the proportion that the European population represents will decrease from the current 10% to 6%.

1.2.2. THE IMPORTANCE OF DEVELOPING COUNTRIES

According to forecasts, population growth is only expected in the least developed regions in the future. By

FIGURE 1/5 – DEMOGRAPHIC CHANGES BY REGION, FROM 1950 UNTIL 2100 (THOUSAND PEOPLE)					
REGION	POPULATION (thousand people)				
	1950	2017	2030	2050	2100
World	2,536,275	7,550,262	8,551,199	9,771,823	11,184,368
Africa	228,670	1,256,268	1,703,538	2,527,557	4,467,588
Asia	1,404,062	4,504,428	4,946,586	5,256,927	4,780,485
Europe	549,375	742,704	739,456	715,721	653,261
Latin America and the Caribbean	168,918	645,593	718,483	779,841	712,013
North America	172,603	361,208	395,453	434,655	499,198
Oceania	12,648	40,691	47,683	57,121	71,823
Source: www.un.org					

FIGURE 1/6 – DEMOGRAPHIC CHANGES BY REGION, FROM 1950 UNTIL 2100 (BILLION PEOPLE)

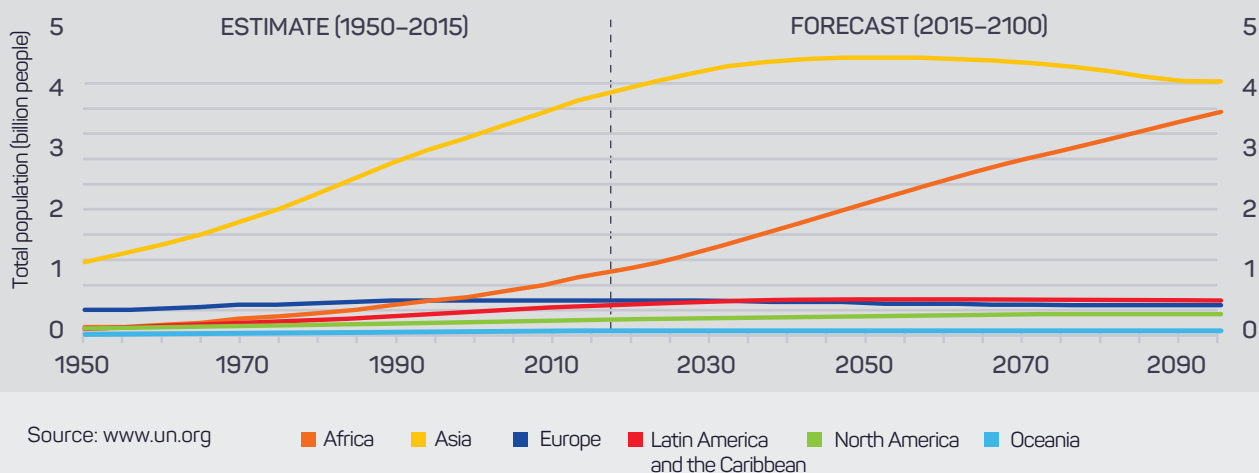
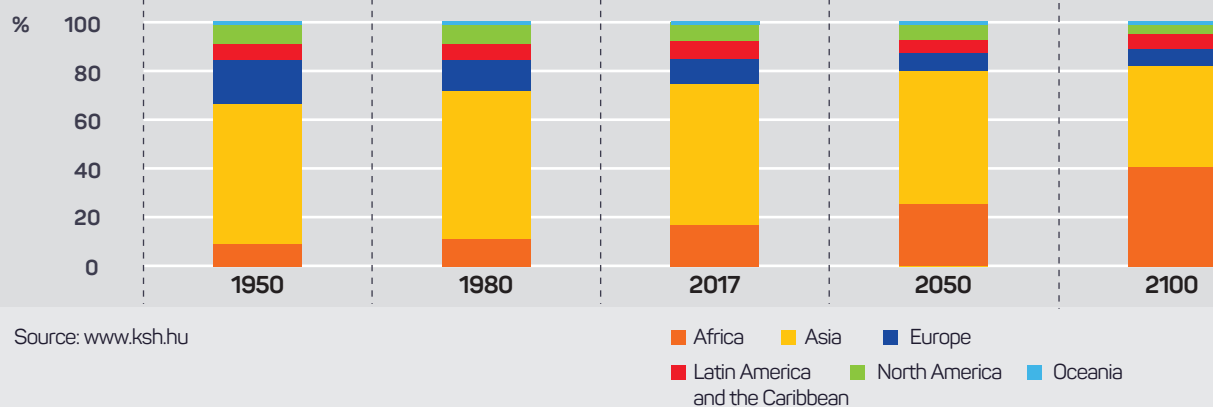


FIGURE 1/7 – THE DISTRIBUTION OF THE WORLD'S POPULATION BY REGION, 1950-2100



2050 the number of inhabitants will rise from the current 6.3 billion to 8.5 billion⁴. The least developed countries will show the most dynamic⁵ growth. There the population will rise from the present 1 billion to double this number by 2050, and over triple this figure, to 3.2 billion people, by 2100. It is not only the number of the inhabitants in these regions that will be increasing.

Their proportion in the world's total population will also be rising, almost reaching 30% by the end of the century. (The least developed regions are matched with the 47 countries mentioned in the statement made by the General Assembly of the United Nations. They are as follows: 32 in Africa, 9 in Asia, 4 in Oceania, and 2 countries in Latin America and the Caribbean.)⁶

⁴ Hungarian Central Statistical Office (2017): World Population Day, 11 July 2017. Statistical Review.

⁵ Source: <http://www.ksh.hu/docs/hun/xftp/stattukor/nepesedesi17.pdf>

⁶ Source: <http://www.un.org/ohrlls/>

**FIGURE 1/8 – THE WORLD'S POPULATION
BY THE ECONOMIC MATURITY OF THE REGIONS
(MILLION PEOPLE)**

AREA	2017	2050	2100
World	7,550	9,772	11,184
More developed regions	1,260	1,298	1,285
Less developed regions	6,290	8,474	9,899
Less developed regions without the least developed ones	5,288	6,557	6,701
Least developed regions	1,002	1,917	3,199
Source: www.ksh.hu			

In the same time period, a mere 2% growth can be forecast in the more developed regions – the number of those living in these regions will reach only 1.3 billion by the end of the 21st century. (More developed regions are Europe, North America, Australia, New Zealand and Japan.)

Global population growth will be driven by India and Nigeria, since 20% of this rise in population size between 2017 and 2050 is expected to be attributable to these two countries. During this period 26 African countries will see their population double. In addition, by 2100 another five African countries are predicted to experience a five-fold rise in the number of their inhabitants.

The population of the poorest regions currently equals 80% of that of the richest regions. This ratio, however, is steadily increasing, and by the end of the examined period (that is, by 2100) it is estimated to grow two and a half times more.

The governments of the developed countries, therefore, will have to cope with the following challenges:

- low fertility rate,
- a decrease in the number of the active working age population,
- accelerated ageing of the population,
- the sustainability of the various social security and benefit systems.

The following challenges are prevailing in the less developed parts of the world:

- poverty and unemployment,
- inequalities,
- food shortages,
- lack of education,
- teenage pregnancy,
- the provision of fundamental health care and social benefits.

Thus, in the rest of the century developing countries will be facing a great number of challenges, which are partly attributable to over-population. In the hope of better life prospects and living standards, migrants are expected to be heading to developed countries – in line with the current tendencies, or even in excess of the present volumes. This may quantitatively compensate the decline that is anticipated in the population of developed countries. However, Eastern and Central European countries, which are defined by low immigration but typically remarkable emigration, are predicted to experience a considerable fall in their populations.

1.2.3. AGEING POPULATION AROUND THE WORLD

Ageing is a phenomenon that takes place simultaneously with the growth in the world's population⁷. Due to the drop in the fertility rate and owing to the remarkable improvement in life prospects, the population is getting older as far as its age-structure is concerned. Changes can be easily traced by the examination of the ratio the three main age-groups represent within society. From 1950 until the end of the century, until 2100, the share of those under 15 years of age will shrink to half the number (from 34% to 18%). In the meantime, those over 65 or even older will have a proportion that is 4.5 times higher (rising from 5% to 23%). While currently those under 15 are represented in approximately double

⁷ Hungarian Central Statistical Office (2017): World Population Day, 11 July 2017, Statistical Review.
Source: <http://wivw.ksh.hu/docs/hun/xftp/stattukor/nepesedesiiy.pdf>

Figure 1/9 – CHANGES IN THE AGE-STRUCTURE OF THE WORLD'S POPULATION BY GENDER, BETWEEN 2017 AND 2100 (HUNDRED MILLION PEOPLE)

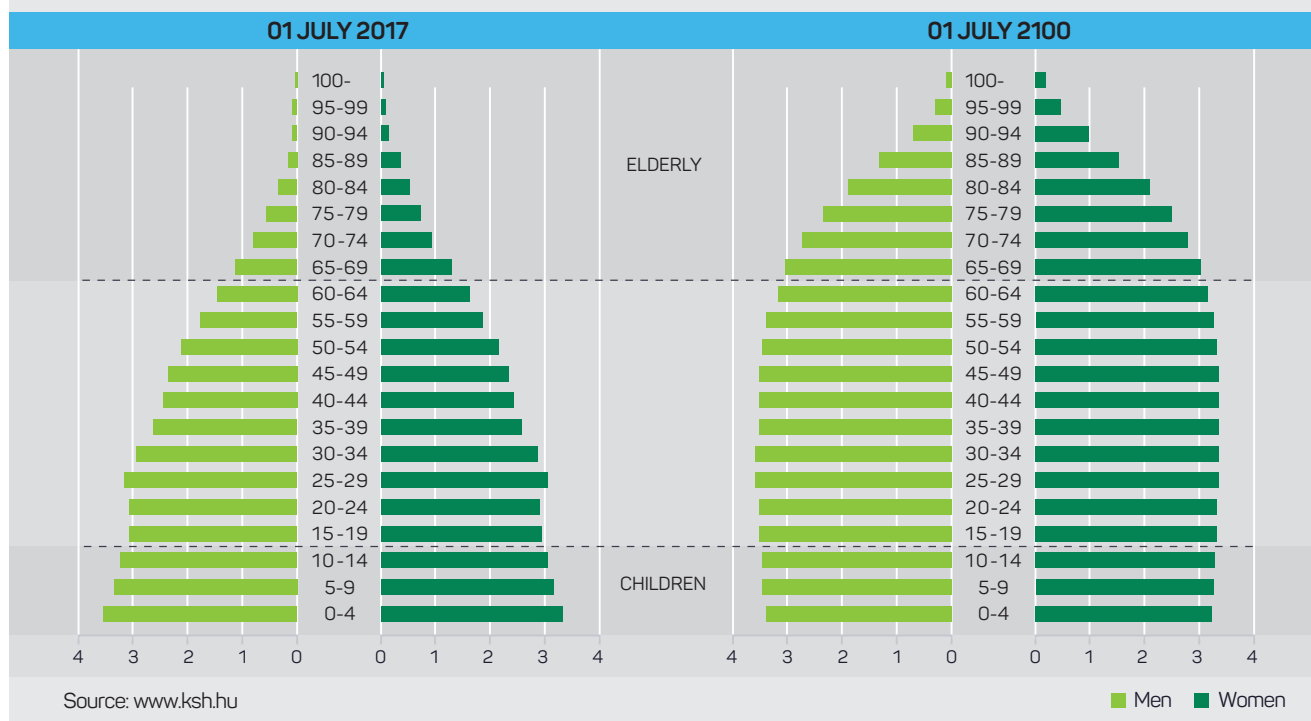
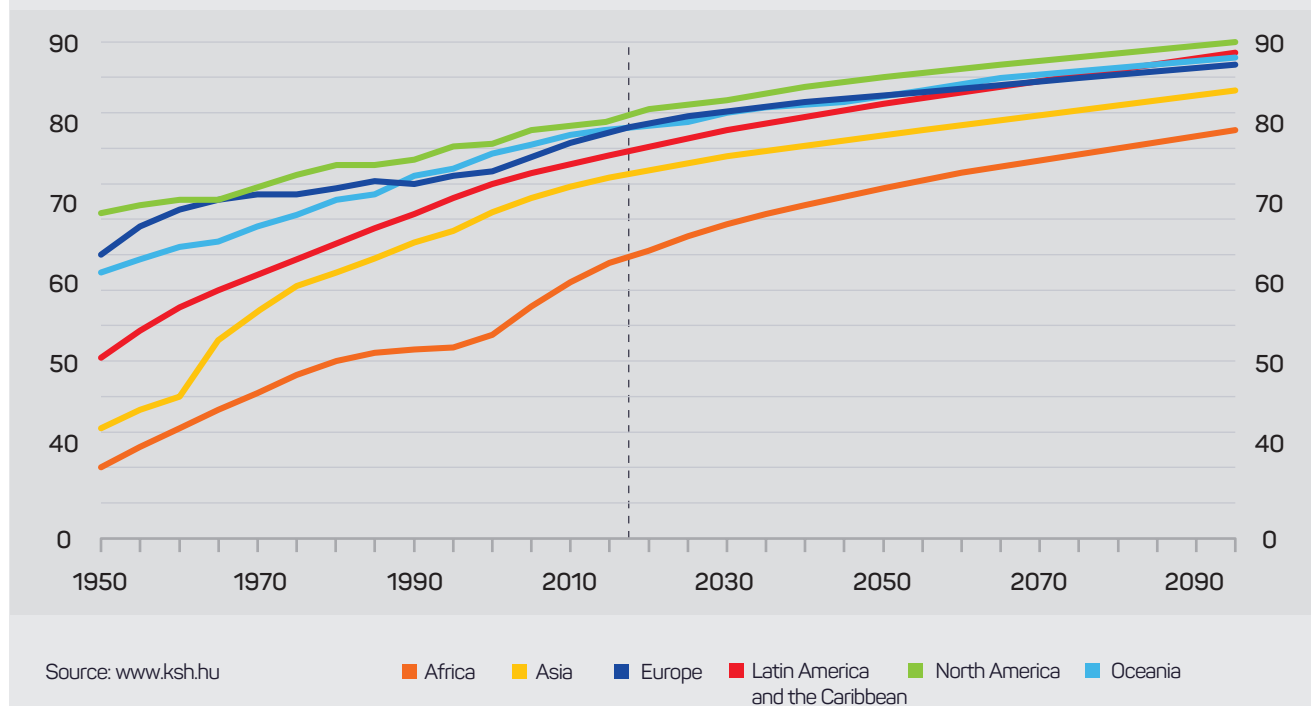


Figure 1/10 – AVERAGE LIFE EXPECTANCY AT BIRTH AND ITS EVOLUTION BY REGION, 1950-2100



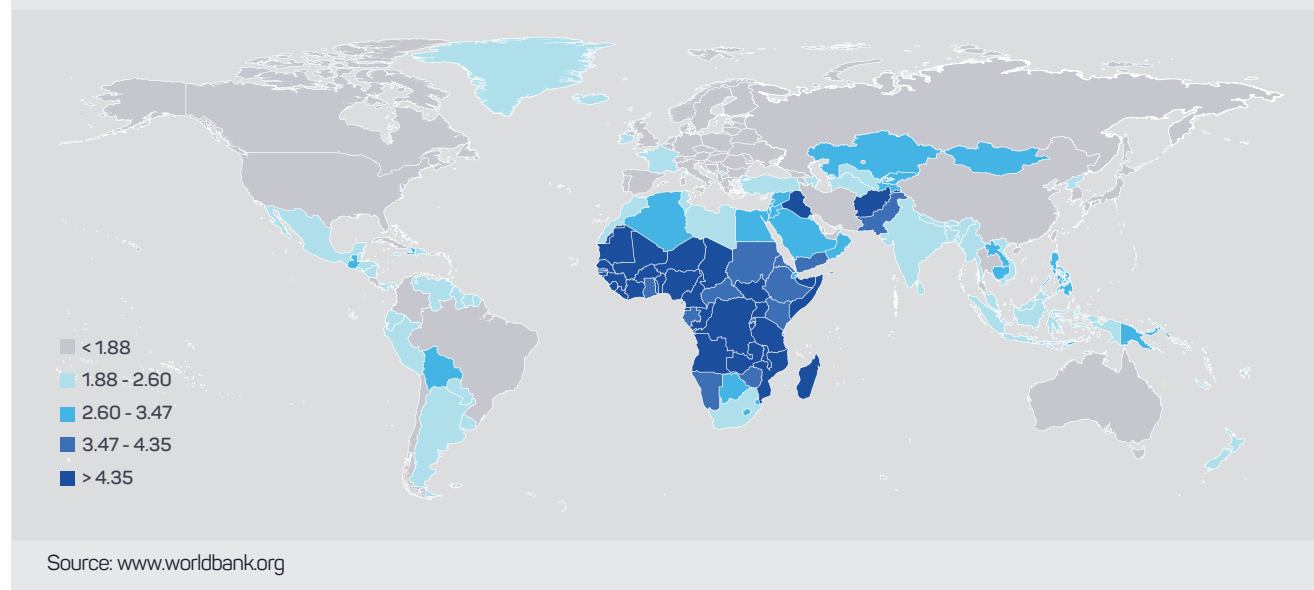
the number than those over 60, and by 2050 the two age-groups are estimated to be out-balanced. The interim group, that is those between 15 and 64 years of age, has been moderately growing in the past decades. Yet, until 2100, a small decrease may be expected until it is finally set back to the initial level of 60%. In developing countries with high fertility rates, ageing is anticipated to occur later, at a slower pace. By the end of the century, the largest change in the population's age composition can be forecast in Africa, Latin America and on the Caribbean Islands.

Average life expectancy at birth has been increasing almost uninterruptedly since 1950: it has risen by 25 years and is now close to 72 years of age. Continent-based deviations in the indicator are also remarkable as far as the generally positive trend is concerned – yet they are getting more and more moderate. In 1950 a newborn in North America could hope to live 31 years longer than an African infant. This difference is currently 17 years. The most remarkable improvement has been seen in Asia, Africa and Latin America, which at the time were

in the worst positions. Here people live 31, 25 and 24 years longer than 65 years ago. The smallest scale of improvement in life prospects could be observed in North America, where average life expectancy was the highest. There people live 11 years longer than before.

The UN forecast anticipates an improvement in the mortality rate and a further increase in average life expectancy at birth. By the end of the century, the latter will rise from the current 72 to almost 83 years. The largest scale of growth is expected in Africa and Latin America, where newborns may hope to live 16 and 12 years longer respectively. Consequently life prospects for those living in Africa will quantitatively more than double. However, differences between the continents are forecast to keep diminishing.⁸

Figure 1/11 – FERTILITY RATES AROUND THE WORLD, 2015



⁸ Statistical Review, World Population Day (11 July 2017) Source: <http://www.ksh.hu/docs/hun/xftp/stattukor/nepesedesiiy.pdf>

1.2.4. FERTILITY INDICATORS AROUND THE WORLD⁹

The most telling indicator for fertility is the total fertility rate (TFR), which defines how many children a woman would give birth to in her life in consideration of the birth frequency in a given period, by age. In the 1950s or 60s women globally had an average of 5 chil-

dren. Yet, this figure has decreased by half, being 2.5 today. From the second half of the 1960s, the rate started falling, with the exception of Africa. There the trend only showed its mark 20 years later than on the other continents. Currently the fertility rate is still the highest in Africa with an average of 4.4 children per female capita, versus the lowest level of 1.6 children in Europe. Nowadays it is true for almost half of the countries that

Figure 1/12 – FERTILITY RATES BY CONTINENT (PER FEMALE CAPITA)

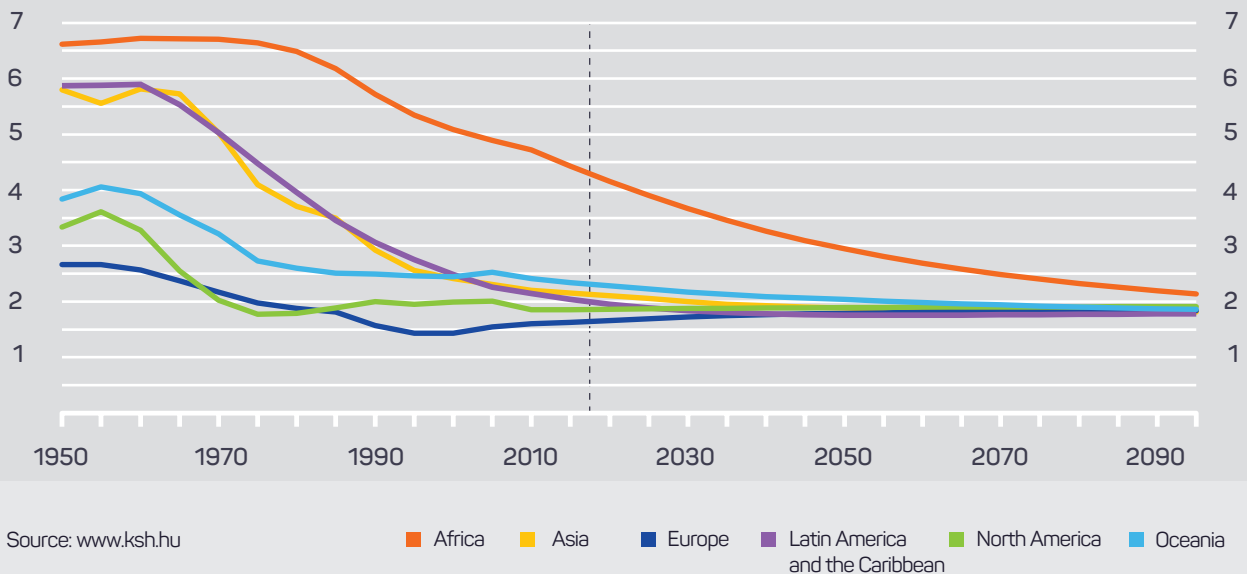
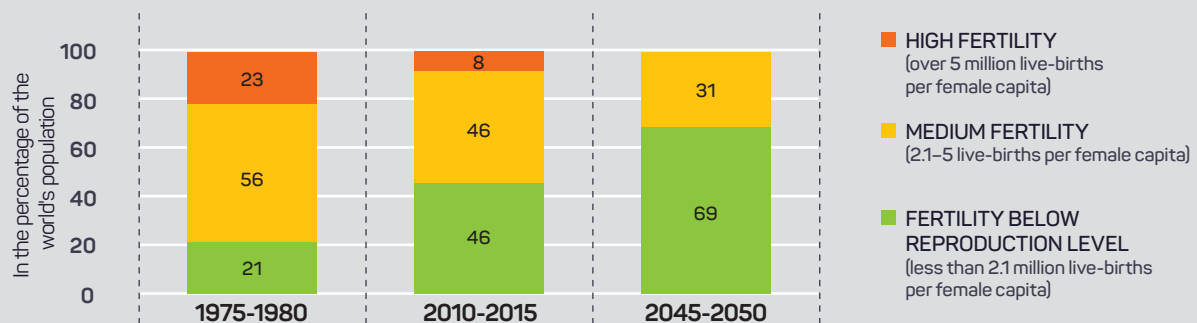


FIGURE 1/13 – WORLD POPULATION DISTRIBUTION BASED ON FERTILITY RATE



Source: www.un.org

⁹ Hungarian Central Statistical Office (2017): World Population Day, 11 July 2017, Statistical Review. Source: <http://www.ksh.hu/docs/hun/xftp/stattukor/nepesedesi17.pdf>

women do not give birth to as many children as could ensure the average child number of 2.1, which would be necessary to ensure the reproduction of the population. Mainly the most developed European countries belong to this group, but even in North America the fertility rate has also dropped below the reproduction level (to 1.85). At the same time, the emerging other regions have better indicators. Besides leading Africa, these countries, which are catching up, are characterised by fertility indicators that ensure the natural growth or at least the maintenance of the current level of the population. (They are 2.2 for Asia, 2 for South America and the Caribbean, and 2.4 for Oceania.)

Based on the forecast, the world's population will grow parallel with the decline that is further expectable in the fertility rate. By the end of the century, the average number of children per capita (2.0) will be slightly under the reproduction level. While the average number of children in countries where the fertility rate is currently high will continuously decrease until the end of the century, the indicator is expected to rise in countries with a low fertility rate. As a result of this, the European fertility rate will rise from the current 1.6 to over 1.8, thus reaching the number for Asia and Latin America, where the indicator keeps easing off to 1.8. And immigrants will have an ever bigger share in this. (KSH, 2017)

Forecasts predict a TFR of 1.9 in North America, which is slightly higher than the current value, yet is still insufficient for the reproduction of the population. At the same time, in Africa TFR is anticipated to exceed the reproduction value, yet only to a small extent. This means that as opposed to the other parts of the world, where the population is either stagnating or declining, the African Continent is expected to experience a constant growth in its population size in the remaining 80 years of the century.

1.2.5. THE ROLE OF MIGRATION IN GLOBAL DEMOGRAPHIC TRENDS

1.2.5.1. THE IMPACT OF MIGRATION ON POPULATION SIZE

Besides demographic indicators (such as fertility, reproduction, life expectancy, the rate of ageing, mortality) international migration also plays a crucial role in the changes of population size. Concerning the categories of migration, commuting, internal migration and international, cross-border changes of residence have been present for a time. Forecasts on population size take into account the migration balance, and to be more exact the migration loss and surplus from a specific country or settlement's point of view.

Push and pull factors are also among the drivers of migration, providing bases to the individual in his or her choice (Csepli, 1987; Gyenei, 2011).¹⁰ Along with finding a job and maximizing income, the desire for a pleasant place to live plays an ever more important role. Reasons behind emigration may also be economic, political or religious. However, according to research findings on migration, push factors are not enough. They need to be complemented by pull factors as well. Such a pull factor could be the higher standards of living in the area or region that the individual has pinpointed as a target destination, just like its economic maturity and better living conditions.

Competent research findings agree that the major drivers of migration are mostly economic or are related to living conditions. The population flows to areas that are richer or more prosperous, in search of better opportunities. They do so in flight from regions that only provide lower standards of living or worse living conditions. Nonetheless, this can only be performed if there are no significant physical or other administrative

¹⁰ Csepli, György: *Group awareness – national awareness. Essays, studies.* (pp. 373-383) Budapest, Gyenei, Laura: <https://jak.ppke.hu/uploads/articles/12332/file/Gyenei%20Laura%20Phd.pdf>

obstacles to their moving (e.g. large-scale natural geographical barriers (seawater, mountains) or artificial obstacles (e.g. defensive fencing, border checkpoints etc.)). Crisis situations in a certain region may periodically strengthen (or even weaken) these processes. Such are natural disasters, famine and starvation, civil wars or open armed conflicts.

Forecasts try to make predictions for a number of decades ahead through the continuous monitoring of statistical data. Making estimates for transitional migration poses a challenge, since internal and international migration may be either permanent or temporary (Bálint and Gödri, 2015)¹¹. Legal and illegal migration may also modify the overall picture, given the fact that no precise information is available about the masses of illegal immigrants breaching the applicable legislation in the target country/destination or violating the regulations of international conventions.

TERMS AND DEFINITIONS¹²

Migrant: A generic term for those persons who arrive in a given country from abroad with the intention of staying there for a longer period of time (usually for more than three months). They are recorded in statistical databases either based on their citizenship (foreigners) or their place of birth (persons born abroad). For destinations the term 'immigrant' is used, whereas in the case of countries of origin we refer to 'emigrants'. Asylum-seekers and refugees constitute a special subgroup of migrants. This study uses the term 'migrant' in many cases as a generic term for foreigners who are either on their way, or enter a specific country or who are residing in a certain foreign country.

Asylum-seeker: An asylum-seeker is a foreigner who has submitted a refugee claim and in the case of whom no final decision has been made yet.

Refugee: In the application of the Geneva Convention of 1951 a refugee is a person staying in a country other than his own country of origin, who has the well-founded fear that he would be subject to persecution in his country of origin for his race, religion, nationality, polit-

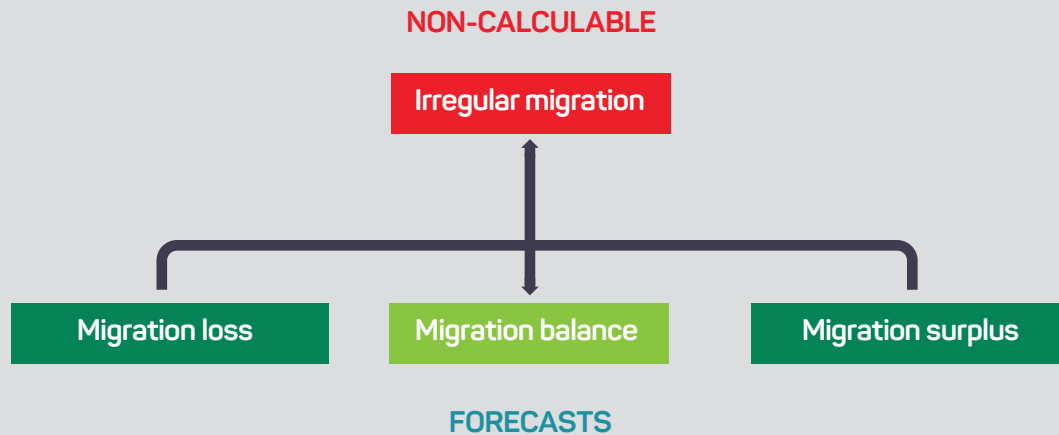
ical views or for his belonging to a special social group, and who cannot take advantage of the protection his own country could offer or does not wish to do so because of his fear of persecution. It is the host countries that recognize a person (migrant) as a refugee, for which such persons have to submit a claim and the authorities have to confirm that they meet the requirements of the relevant definition. It is after that they are granted the status of asylum-seeker. Recognizing a person as a refugee, however, is not the only form of protection that is applicable in EU Member States. Others are supplementary protection and humanitarian protection. These are discussed in this study under the term 'refugee', unless they have to be separately indicated. In many cases, the study uses the term refugee for a group of migrants. There the use of the term is justified by the life situation rather than by the legal status, with the aim that these people would therefore be easier to differentiate from other migrant groups.

Stateless person: A stateless person is not regarded as a citizen by any state. Most of them are, at the same time, refugees. The stateless persons included in the statistical data, as per the study, are also registered or recorded as stateless by the communicating authorities.

¹¹ Bálint, Lajos – Gödri, Irén: *Internal migration. In: Monostori Judit – Óri Péter – Spéder Zsolt (2015) (Ed.): Demographic Portrait, 2015. KSHNKI, Budapest: 1/1-186.*

¹² Source: Csuka Gyöngyi-Török Ádám (Ed.): *The elements, directions and prospects of migration into Europe, with an accelerated trend after 2015. MTA Migration Working Group, Budapest 2015. p. 10* http://mta.hu/data/cikkek/106/1060/cikk-106072_europabairanyulo.pdf

Figure 1/14 – THE MAJOR COMPONENTS OF MIGRATION



Unexpected macro-social phenomena could not be ignored either, along with forced migration that may be linked to unfavourable social, political or environmental situations (Castles, 2003)¹³. A typical sample of this is the armed civil war that has struck Syria. As a result of the conflict, one fifth of the population, namely 4.1 million out of the 21.4 million inhabitants left the country to move to neighbouring countries between 2012 and 2015, as has been reported by UNHCR¹⁴. Those subject to forced migration may be called refugees.

On a global level Europe, North America and Oceania are the host countries of international migration. At the same time, Africa, Asia, Latin America and the Caribbean comprise the sending countries. As a matter of fact, natural growth/decline has a stronger effect on the demography of most countries than migration itself. An exception to this is when migrants (including refugees) arrive or leave in a number that is relatively great in comparison to the population of the host country or the country of origin.

According to UN reports the total number of international migrants is around 258 million around the world. One-third of this number (78 million) are in Europe, 80 million in Asia, 58 million in North America, 25 million in Africa and another 8 million in Oceania. In the past 27 years the number of migrants has grown dynamically – by more than two-thirds, from 153 million to 258 million.

The UN migration-related estimates in Figure 1/16 cover net migration on the continents between 1980 and 2015. This indicator shows the difference between the number of immigrants and emigrants in a specific region, signalling a constantly intensifying volume during the period.

Figure 1/17 shows that the absolute value of migration has been, overall, rising in the past decades. Between 2000 and 2010 the level of net immigration into Europe, North America and Oceania reached an annual figure of 3.1 million. The trend showed a decline between 2010 and 2015, especially in Europe. At the same time, immigration from the countries of origin slowed down.

¹³ Castles, S. (2003). "Towards a Sociology of Forced Migration and Social Transformation." *Sociology* 37(1): 13-34.

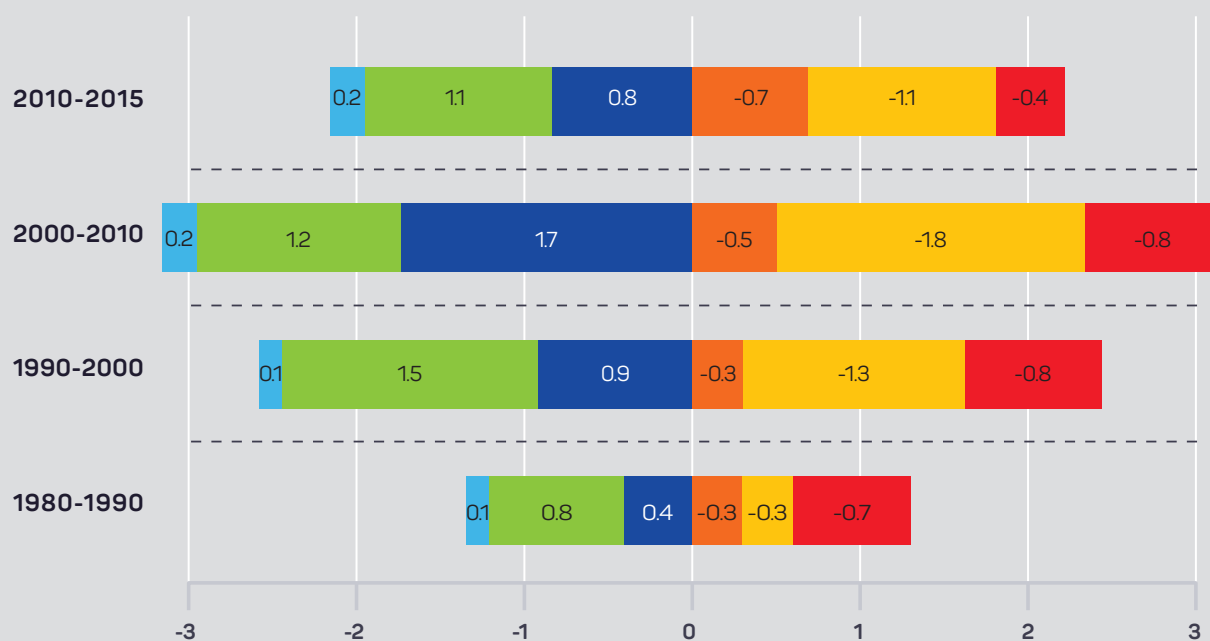
¹⁴ Csuka Gyöngyi-Török Ádám (Ed.): *The elements, directions and prospects of migration into Europe, with an accelerated trend after 2015*. MTA Migration Working Group, Budapest 2015. pp. 16-17

FIGURE 1/15 – MIGRATION BY TARGET AREA, 1990-2015

REGION	International migrant population (million people)					Annual average change, 1990-2017 (%)	Change, 1990-2017 (%)
	1990	2000	2010	2015	2017		
Developed regions	82.4	103.4	132.6	140.5	146.0	2.4	77.2
Developing regions	70.2	69.3	89.2	103.2	111.7	1.5	59.1
Africa	15.7	14.8	16.8	20.6	24.7	0.3	57.3
Asia	48.1	49.3	65.9	75.1	79.6	1.2	65.5
Europe	49.2	56.3	72.4	76.1	77.9	1.1	58.3
Latin and South America	7.2	6.6	8.2	9.2	9.5	0.1	31.9
North America	27.6	40.4	51.2	54.5	57.7	1.1	109.1
Australia	4.7	5.4	7.1	8.1	8.4	0.1	78.7
World	152.6	172.7	221.7	243.7	257.7	3.9	68.9

Source: www.un.org

Figure 1/16 – AVERAGE ANNUAL NET MIGRATION BY CONTINENT BETWEEN 1980 AND 2015 (MILLION PEOPLE)



Source: www.un.org

■ Africa
 ■ Asia
 ■ Europe
 ■ Latin America and the Caribbean
 ■ North America
 ■ Oceania

Figure 1/17 – NET MIGRATION VALUE BY CONTINENT (PER MILLION)

	2005-2010	2010-2015	2015-2020	2020-2025
Africa	-0.7	-0.6	-0.4	-0.3
Asia	-0.5	-0.3	-0.3	-0.3
Europe	2.4	1.1	1.4	1.2
Latin America	-0.9	-0.6	-0.5	-0.4
North America	3.7	3.2	3.1	3.1
Oceania	6.1	4.8	4.2	3.4

Source: www.un.org

FIGURE 1/18 – THE ABSOLUTE VALUE OF MIGRATION BETWEEN 2005 AND 2025, BASED ON UN ESTIMATES
(THOUSAND PEOPLE)

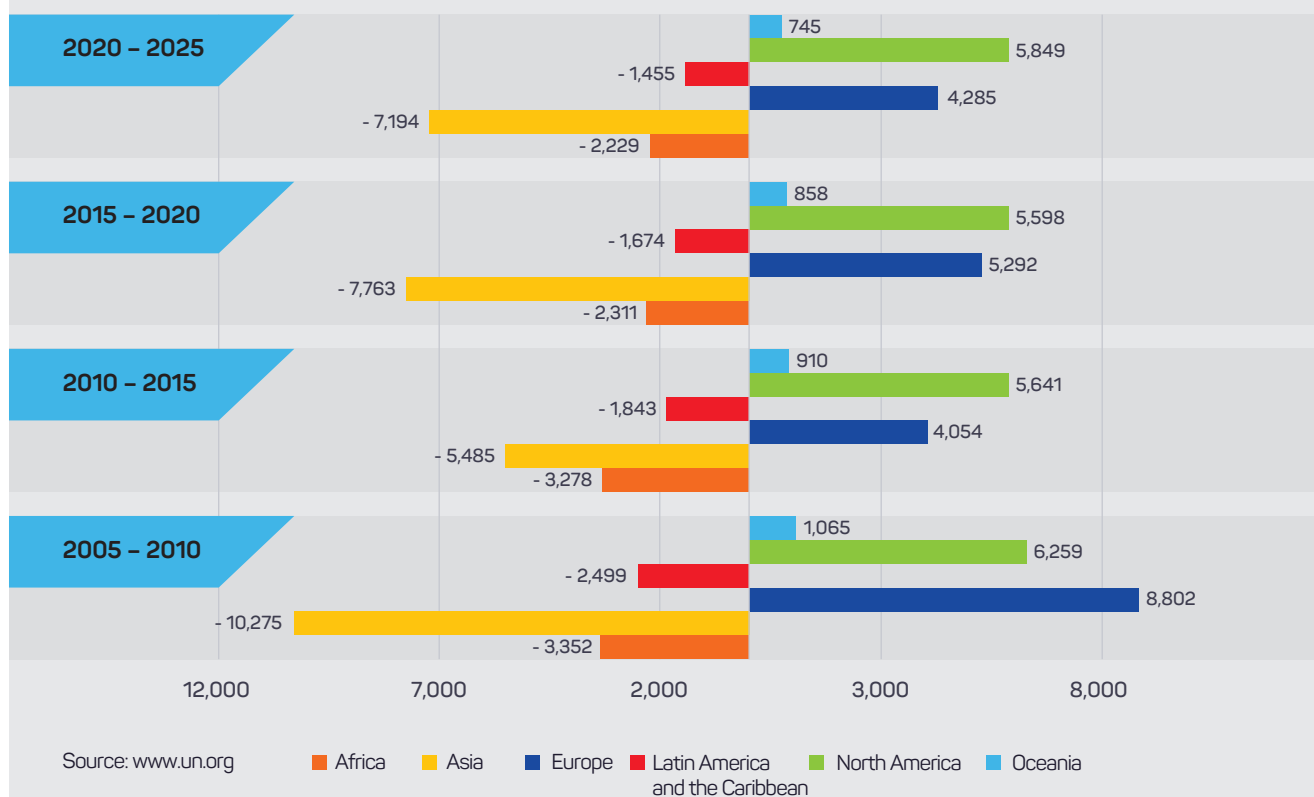


Figure 1/18 shows that the number of migrants flocking into Europe between 2015 and 2020 is rising as compared to the previous 5 years, almost reaching 5.3 million. Yet, after 2020 forecasts predict some moderation to 4.3 million. As regards the regions of origin, as of 2015 again there is a rising number of immigrants from Asia, coming to almost 8 million in five years.

The crisis in Syria has had a crucial impact on the scope and pattern of migration. Between 2010 and 2015 the estimated number of immigrants from this country was as high as 4.2 million, and the influx of another 1.2 million migrants is expected between 2015 and 2020 according to UN estimates¹⁵.

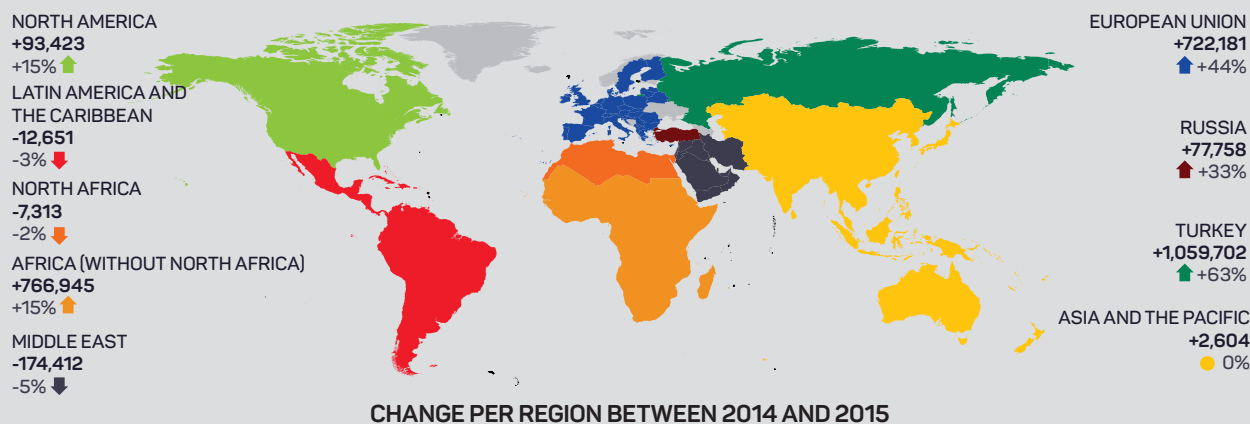
In 2015 only a smaller proportion of the total migrant population (244 million people) claimed refugee status, that is requested admission on grounds of their lives being threatened by war, conflict or persecution in their homelands. Between 1990 and 2015 their number grew by 8%, from 19.8 million to 21.4 million.

In comparison with the situation in 2014, by 2015 the number of refugees and asylum-seekers increased by 63% in Turkey and by 44% in the European Union (see Figure 1/19). According to the most recent OECD report, the number of asylum-seekers doubled between 2014-2015 – both in OECD countries and in the EU¹⁶.

During the period 1950-2015 a total number of 126 million people migrated from the medium or low-income regions of the world to regions characterised by high income levels, which means some 2 million migrants on a yearly average. The forecasts claim that in the same time interval, by 2080 another 154 million migrants will have settled¹⁷ in countries with high standards of living, where the population currently come to almost 1.18 billion. This means that the intensity of migration shall not only remain, but even grow in the decades to come.

On the one hand, this is justified by the intense population growth in low-income regions, which is expected to show a four-fold increase by 2080 (see also above). In the

Figure 1/19 – THE NUMBER OF ASYLUM-SEEKERS AROUND THE WORLD, 2015



Source: The Secretariat General of the Council of the European Union

¹⁵ World Population Prospects: The 2017 Revision, Key Findings and Advance Tables Source: https://esa.un.org/unpd/wpp/Publications/Files/WPP2017_KeyFindings.pdf

¹⁶ OECD International Migration Outlook 2017 http://www.oecd-ilibrary.org/social-issues-migration-health/international-migration-outlook-2017_rnigr_outlook-2017-en

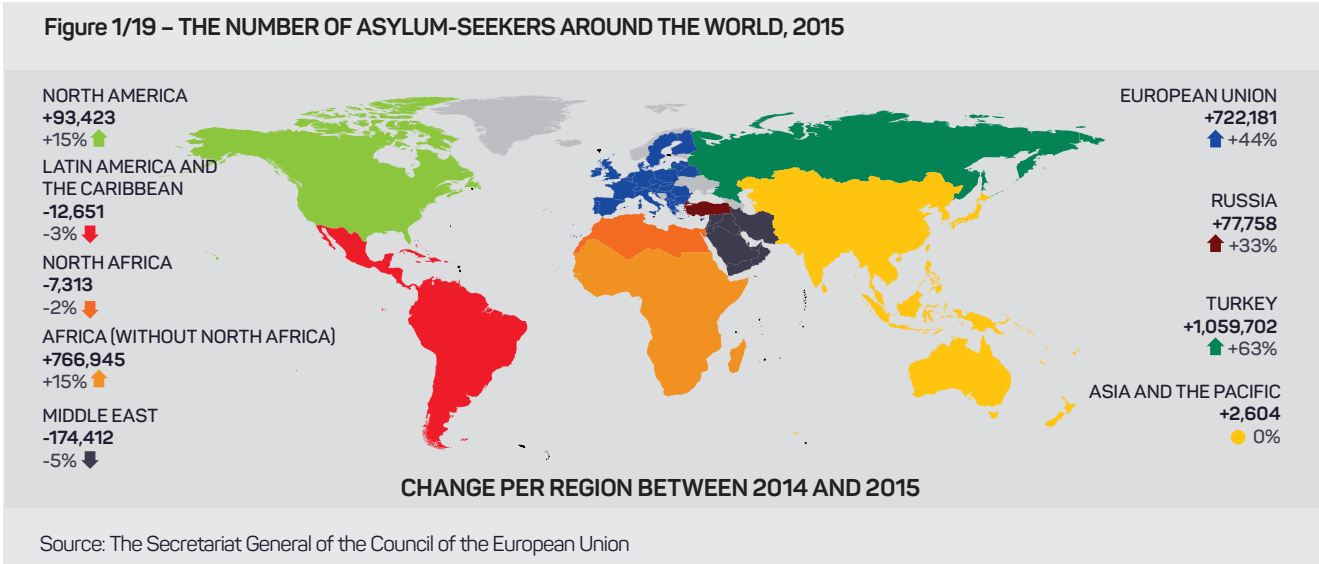
¹⁷ Source: UN, <https://esa.un.org/unpd/wpp/Download/Standard/Migration/>

meantime, the population of prospering countries will grow by just over 10% in 65 years, with migration being mostly accountable for the rise in this figure.

And neither will the economic differences and the regional differences in the standards of living show a significant change in the future. Pursuant to World Bank data, in 2016 the gross national income (GNI) per capita, based on purchase power parity, was nearly thirty times higher in high-income countries than in low-income ones. As opposed to this, PricewaterhouseCoopers (PwC) forecasts claim that during the period 2015-2060 the nominal DGP of the European Union, based on purchase power parity, will quadruple. In the Middle East and North Africa it will on average grow six times larger¹⁸, which means that the pace of such an evolution will be at least 60% higher than in developed countries. Nevertheless, according to UN data, regarding the population of the two regional units, a decrease of 4% is anticipated in the EU, meanwhile the population in North Africa and the Middle East is predicted to grow by nearly two-thirds. Consequently, the comparable GDP per capita, which is currently two and

half times higher in the EU than in the other region under analysis, is expected to rise to a smaller extent in North Africa and the Middle East. In this context, the "gap" concerning the income status seems to be opening, rather than closing. The difference between the living standards in the two regions is getting larger, giving grounds for migration western welfare societies, in the hope of a better life.

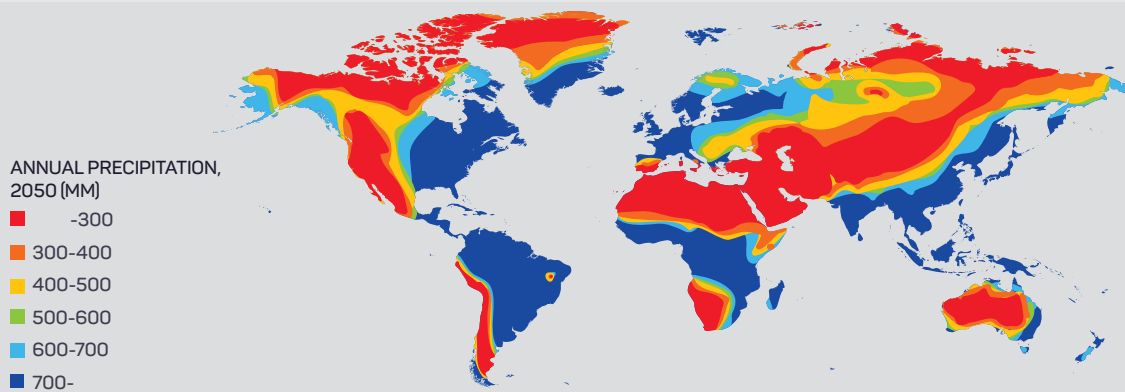
The above tendencies are also influenced by climate change in the various regions of the third world. According to a publication of the Hungarian Academy of Sciences, Economic and Regional Scientific Research Centre, Regional Research Institute in 2015 ¹⁹, the adverse impacts of global warming (e.g. the rise in the average temperature, the decrease in precipitation) are not spread evenly around the world. Instead, they will be felt the most severely and the earliest by those living in the poorest countries. Most of the less developed countries have tropical or subtropical climates, so they are located in warmer and drier geographical regions. In addition, they highly depend on the potentials of agricultural production, which is largely exposed to the negative effects



¹⁸ Source: Wikipedia, [https://en.wikipedia.org/wiki/List_of_countries_by_past_and_projected_GDP_\(PPP\)](https://en.wikipedia.org/wiki/List_of_countries_by_past_and_projected_GDP_(PPP))

¹⁹ Czirfusz Márton, Hoyk Edit, Suvák Andrea (Ed.): *Climate change – society – economy. Long-term regional tendencies and trends in Hungary.* MTA KRTK, Pécs 2015.

Figure 1/20 – EXPECTED ANNUAL PRECIPITATION BY 2050



Source: <http://nater.rkk.hu>

of climate change. What is more, health-care and social benefits are not in the least up-to-date and are scarce in these countries. And a combination of these factors makes it particularly difficult to adapt to the adversities of climate change, which may represent a further burden to the booming number of inhabitants, ultimately leading to migration to the richer regions.

Various estimates deal with the future evolution of migration, as a process evoked by climate change. According to them, the number of those who are forced to leave their place of residence due to climate change is expected to globally rise to 50 million – 1 billion by 2050. One of the most frequently referred estimates even indicates a number of 200 million people.²⁰ In addition, climate change may not only lead to masses of people setting off. It may also trigger armed conflicts, which would only bring about further destabilization in the affected areas (e.g. in the Middle East and North Africa).

Thirdly, based on UN expectations, during the period 2015-2060, the number of working age people (between 15 and 64 years of age) will drop in high-income coun-

tries by nearly 40 million. Pursuant to its predicted decline of 6%, their figure will fall from 782 million to 734 million. And considering the experiences of the currently dominating mainstream trend, these countries will most probably want to compensate for this considerable fall in the workforce through external migration from poorer regions. This is typically backed by the finding that, in the above period, the working age population of low-income countries is predicted to triple, that is grow from 345 million to 1.06 million. To be more exact, it is Africa where a remarkable rise is expected, seeing the number of people rise by 1.2 billion. In this context, the developed Western world will have the workforce it needs available from the countries of the third world – both in terms of number and age structure. It may seem to be self-explanatory then, in many respects, that the developed world seeks to build on migration from the third world. It should not be ignored, however, what difficulties and at times insoluble problems the social integration of the incoming population brings. This, unfortunately, is rooted in their cultural and religious background and in their level of qualifications and socialization, which are very much different from that of the Western population.

²⁰ Kate Burrows – Patrick L. Kinney (2016): *Exploring the Climate Change, Migration and Conflict Nexus* (<https://Mrwww.ncbi.nlm.nih.gov/pmc/articles/PMC4847105/#B284jerph-13-00443>)

As a consequence of the above three factors, the forthcoming decades are predicted to be defined by a higher level of migration in Europe. This is rooted in the factors' strengthening one another and in the matching of demand with supply. The three factors again are (1) the dynamic growth of the population in less developed

countries, (2) the remarkable differences between such countries and the western world as far as standards of living are concerned, and (3) shortages in the workforce in richer countries owing to the decline in the working age population. Inevitably, responses to the phenomenon are vital and essential.

1.3. CURRENT CHANGES IN THE POPULATION SIZE OF THE EUROPEAN UNION

1.3.1. GENERAL FEATURES

On 01 January 2017 a total of 511.8 million people were living in the 28 Member States of the European Union²¹. Between 01 January 1960 and 01 January 2016, the population of the Member States showed a rising number every year, all in all totalling a surplus of 103.6 million (25%), which equals an average annualized growth figure of 0.3%. As a balance of births and deaths, population size increased by 73.2 million during this period, which is accountable for 71% of the growth. The remaining 29% (that is a further 30 million inhabitants) is attributable to migration. The rise, however, was not evenly spread among Member States.

Population growth in the EU in the past (until the beginning of the 1990s) was mostly defined by natural growth (that is the difference between the total number of births and deaths) rather than by migration tendencies. Natural population growth was at its high in 1964, when the number of births exceeded that of deaths by 3.6 million. From that point on, the birth rate showed a continuous decline, while life expectancy was gradually rising, leading to a slow-down in the natural pace of population growth. Natural population growth in the 28 EU Member States was well-balanced in 2003, since the number of births did not exceed the number of deaths by as many as 100 thousand. Subsequently, the birth rate and natural population growth again slightly became stronger in a number of EU Member States, although the outbreak of the economic and financial

crisis in general brought about a change in the trend. Between 2008 and 2013 natural population growth fell from its earlier 578 thousand peak to 82 thousand, only showing a temporary rise to 191 thousand in 2014.

As a result of shrinking fertility rates, which could be experienced in the past decades in the EU, it could be observed in recent years that the population growth impact of natural reproduction had continuously slowed down, and from 2015 on it turned into natural decline. All this is explained with a remarkable death surplus (5.7%) in the background, which was experienced again in 2016, although to a smaller extent of 0.3% at the time.

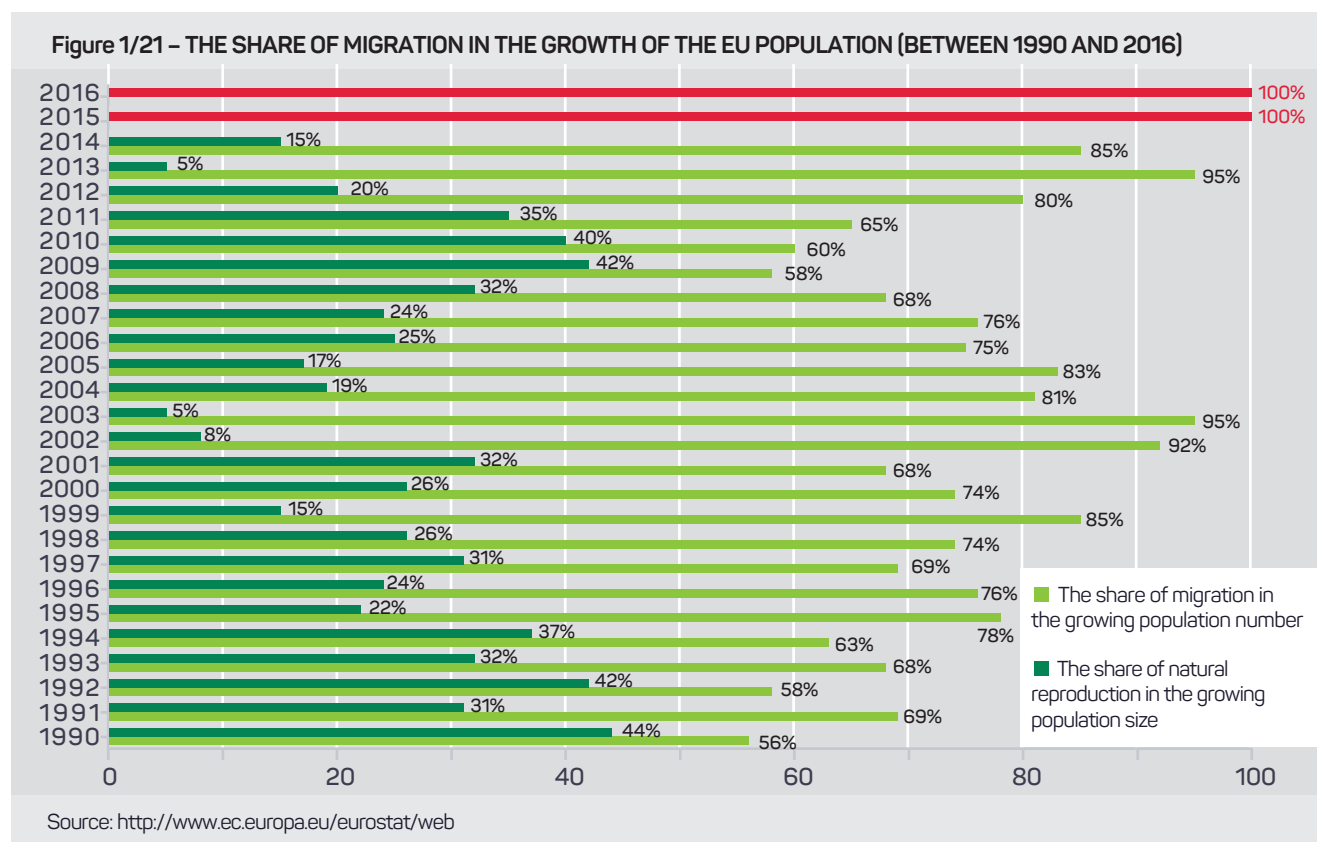
Despite the above, the EU's population is considerably increasing year by year (for example, in 2012 by 1.106 million, in 2013 by 1.830 million, in 2014 by 1.302 million, in 2015 by 1.714 million and in 2016 by 1.523 million people), which is, to an ever greater extent, the result of immigration and the EU's related encouraging policy in force since the end of the 1980s. To top it all, the population growth of 1.8 million in 2015 and 1.5 million in 2016 was, to the fullest extent, a consequence of a migration surplus. As seen earlier, if it hadn't been for migration, the population of the European Union would have decreased by 133 thousand in these two years, as the number of deaths exceeded that of births by exactly this number. This, however, was strongly counter-balanced by the inflow of a total of 3.1 million people into the EU from all over the world.

²¹ Source: Eurostat, <http://ec.europa.eu/eurostat/data/database>



The balance of external migration, which is based on the difference between immigration and emigration, overall annually averaged a positive result in the EU between 1961 and 2016. The population grew by an average of 580 thousand every year. In the examined period of 56 years, it was only in the 60s and 80s (1961, 1964-1968, 1970, 1982-1984) when, for a short time, there were more people leaving the EU than entering its territory. Yet, apart from these 10 years, a mostly net immigration could be perceived in the European Union. In 2013-2016 the migration balance (that is settling from abroad) resulted, on average, in an annual population growth of 1.6 million. This was a significant rise, being double the volume seen in the preceding four years' (between 2009 and 2012) increment. And all this implied an ever more strengthening pressure of migration. In 2013 1.743 million people more migrated into the European Union than left it, and this figure was 1.111 million in 2014, 1.831 million in 2015, and 1.539 million in 2016.

The scope of emigration to EU Member States, all in all, showed an average of nearly 2.5 million in the past ten years. Within this, during the period 2013-2015, an average of 2.8 million people migrated from a Member State to either another Member State or outside the EU. (In 2013 this number was 2.812 million, in 2014 it reached 2.765 million, while in 2015 it was as many as 2.754 million people.) On average, nearly half of the migrants (almost 1.5 million people) (in 2013 1.459 million, in 2014 1.478 million, while in 2015 1.485 million people) were citizens of the given country. In an average of 600 cases per year (22%) they were citizens of another EU Member State (coming to 587 thousand in 2013, 625 thousand in 2014, and 626 thousand in 2015). In the remaining, on average 700 cases per year (25%) it was a non-EU citizen migrating to another country (coming to 764 thousand in 2013, 659 thousand in 2014, and 633 thousand people in 2015).

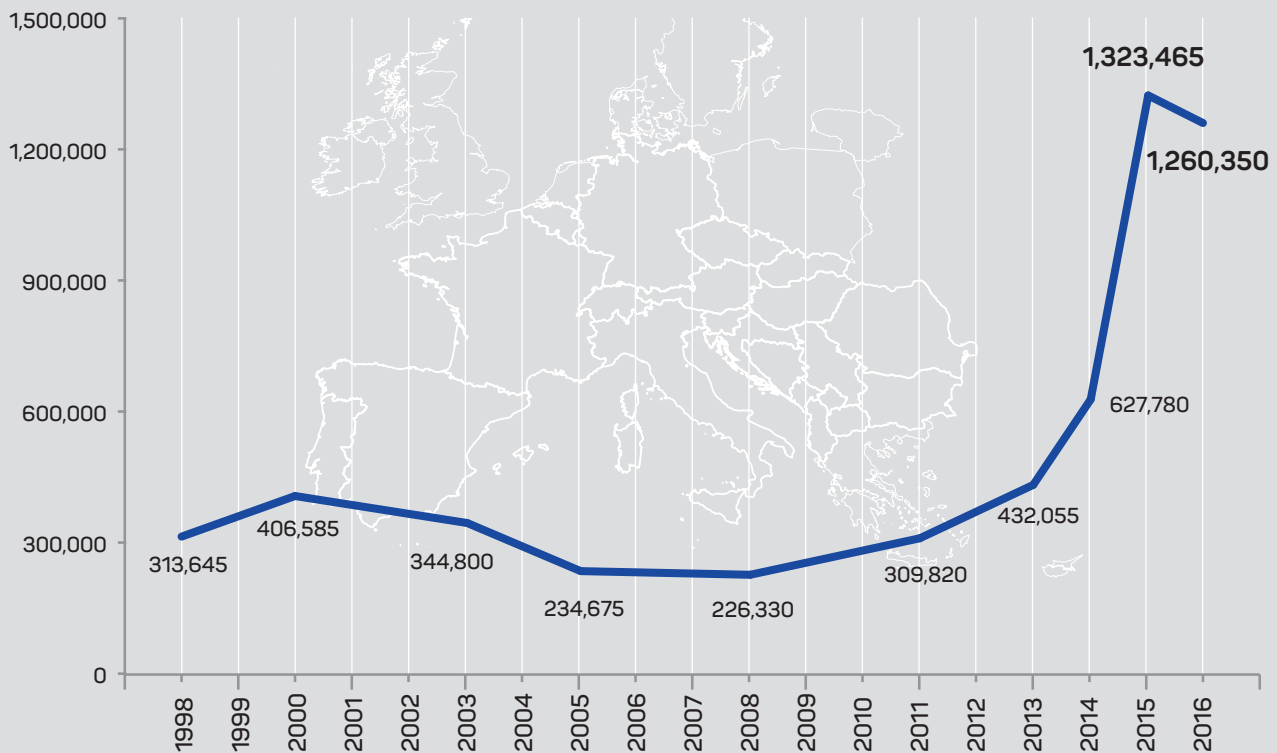


In the same period, the number of immigrants (for all EU Member States) stood at 3.6 million in the annual average of the past ten years. Between 2012 and 2015 this figure was, on average, 3.9 million people / year (coming to 3,402 thousand in 2013, 3,776 thousand in 2014, and 4,651 thousand people in 2015). From among them, in the past 3 years an annual average of 850 thousand (in 2013 834 thousand, in 2014 868 thousand, and in 2015 860 thousand) EU citizens returned to their homeland from abroad (constituting a share of 22%). Another 1.3 million EU citizens migrated to another EU Member State (coming to 1.179 million in 2013, 1,317 million in 2014, and 1.390 million in 2015), in a ratio of 33%. The highest proportion of 45% was taken by foreigners immigrating from outside the EU, who during the period 2012-2015 totalled an annual average of 1.8 million (1.379 million in 2013, 1,570 million in 2014, and 2,353 million people in 2015). From this it is apparent that there is an ever increas-

ing volume of immigration from outside the EU, leading to a constantly growing scale of settlement.

Nonetheless, as seen in the global trend, only a small part of the previously mentioned 3.6 million settlers claim refugee status and request admission. On average over the past ten years it was a mere 10% of settlers who did so. During the period 1998-2016 a total of 8.3 million people (an annual average of 435 thousand) submitted a refugee claim in the territory of the European Union. The annual number of asylum-seekers arriving in the EU is not evenly spread among Member States, though. The majority, 90% of them (i.e. 7.4 million people) request admission to founding Member States or to Western European countries that had earlier joined the European Union. In the meantime, 10% of them (0.8 million people) wish to settle in the "new" Member States in Central and Eastern Europe. Germany is the leader here with 2.4 million submitted refugee claims

Figure 1/22 – THE NUMBER OF ASYLUM-SEEKERS IN THE EUROPEAN UNION BETWEEN 1998 AND 2016



Source: Eurostat

(a share of 29%), and is followed by France (1 million, 12%), the United Kingdom (0.8 million, 10%), Sweden (0.7 million, 9%) and Italy (0.6 million claims, 7%). In comparison to their population, the highest number of asylum-seekers arrived in Sweden, Austria and Hungary.

The number of asylum-seekers between 1998 and 2014 was relatively unchanged, averaging around 330 thousand per year. Yet, with the escalation of the crisis in Syria in 2015-2016, this figure more than doubled from 2014 to 2015. While in 2015 their number was 1.323 million, in 2016 1.260 million people submitted a refugee claim.

The majority (around 60%) of the 1,260 million refugee claims made in 2016 (namely 750 thousand claims) were submitted by people arriving from Central and Eastern Europe. They were as follows: 339 thousand (27%) from Syria, 187 thousand (15%) from Afghanistan, 130 thousand (10%) from Iraq, 50 thousand (4%) from Pakistan and 41 thousand (3%) from Iran. There was again a significant proportion of asylum-seekers (almost 20%, i.e. 235 thousand people) coming from Africa. The nearly 130 claims (10%) submitted from non-EU Member States is also worth mentioning, almost half of which originated from Russia or Albania.

Although the number of asylum-seekers has been booming recently, they still constitute less than half of the foreigners immigrating from outside the EU. During the period 2013-2015 only 2.4 million (45%) out of the 5.3 million foreign migrants submitted a refugee claim. The remaining majority of 55% (i.e. 2.9 million people) did not do so.

At the same time, there has also been a rise in the number of those who try to enter the territory of the EU in an illegal way, by sea or through the green borders, evading the legal procedures (e.g. border checkpoints). According to the European Border and Coast Guard Agency (Frontex), the number of illegal entrants grew from 72 thousand in 2012, to 107 thousand in 2013, 283 thousand in 2014 and to 1.822 million in 2015. Through targeted border surveil-

lance interventions and with the stronger protection of the external borders of the EU, by 2016 this figure was successfully pushed down to 511 thousand (Frontex 2017)²². In 2016 nearly 40% of cross-border violators came from the Middle East (Syria, Iraq, Afghanistan and Pakistan), 20% arrived from Africa and another 22% from other regions. In the remaining one-fifth the country of origin could not be reliably identified.

During the period 2013-2016 the majority of the 2.7 million cross-border violators who attempted to enter the territory of the European Union, namely 62% thereof (i.e. 1.7 million people), arrived by sea, whereas the remaining 38% (i.e. 1 million people) by land. By making the inland border surveillance system stricter, however, the focus shifted to the sea routes. The number of illegal immigrants arriving in sea-vessels rose from 56% in 2013 to 71% in 2016. The most popular seaway in 2016 was the one from Turkey to Greece, the 'Eastern Mediterranean route'. 36% of all illegal immigrants (182 thousand people) came on this route. Another 181 thousand people, which comprises 36% of cross-border violators, used the so-called Central Mediterranean route (from Libya to Italy), and another 130 thousand people (25%) arrived on the Western Balkan inland route.

As a result of illegal border-crossing, there was a significant rise in the number of those who were illegally in the territory of the EU. This came to 307 thousand people in 2013, 425 thousand in 2014, and 699 thousand in 2015. According to the authorities, their number was a moderate 492 thousand by the year of 2016. Nearly 10% of illegal migrants registered in 2016 came from Afghanistan, 7-7% from Iraq and Syria respectively, 6-6% from Morocco and Ukraine, 5-5% from Albania and Eritrea, 4% from Pakistan, 3% from Algeria and Iran altogether, whereas the remaining 50% of them arrived from other countries.

As far as the 5.3 million migrants from outside the EU are concerned, between 2013 and 2015 admission was rejected by the authorities only for 7% of them, namely for a total of 384 thousand people (129 thousand in 2013, 116 thousand

²² FrontexRisk analysis for 2017 http://frontex.europa.eu/assets/PublicationRisk_Analysis/Annual_Risk_Analysis_2017.pdf

in 2014, and 139 thousand in 2015). This is a mere 17% compared to the 2.2 million cross-border violators.

The authorities thus practice a particularly laissez-faire attitude in connection with illegal immigrants and those who are illegally staying in a country. During the period 2013-2015 a return or detention decisions were made against a total of 763 thousand people, affecting only one-third or half of the total number of cross-border violators (2.2 million) and those illegally staying in the Member States (1.4 million) respectively. In addition, it was only two-thirds of those concerned (namely 496 thousand people), in the case of whom the decisions were actually enforced.

This means that during the period 2012-2015 a mere 40% of the 2.2 million migrants who entered the territory of the European Union (i.e. 0.9 million people) were subject to some kind of administrative sanction (in the form detention or the rejection of admission). The majority, 60% of them (i.e. 1.3 million people) did not have to face any such punishment.

1.3.2. MEMBER STATES WITH A GROWING OR SHRINKING POPULATION

The changes in population size show a varied picture in the Member States as far as their direction and factors are concerned. In 2016, out of the 28 EU Member States 10 actually experienced a decrease in their population, while in another 18 Member States there was some rise. Concerning the latter 18 countries, in 14 of them growth was supported by both natural growth and a migration surplus. Nevertheless, in most of them immigration played the lead role. The highest rate of migration surplus was registered in Luxembourg (16.2 per mil), Sweden (11.9 per mil), Malta (11.2 per mil), Germany (9.4 per mil) and Austria (8.7 per mil). At the same time, the highest rate of natural growth was recorded in Ireland (7.1 per mil), Cyprus (4.7 per mil), Luxembourg (3.6 per mil) and France (3.0 per mil). From among the countries with a growing population, in Germany and the Czech Republic the decrease in the population, originating from natural decline, was counter-balanced by migration surplus.

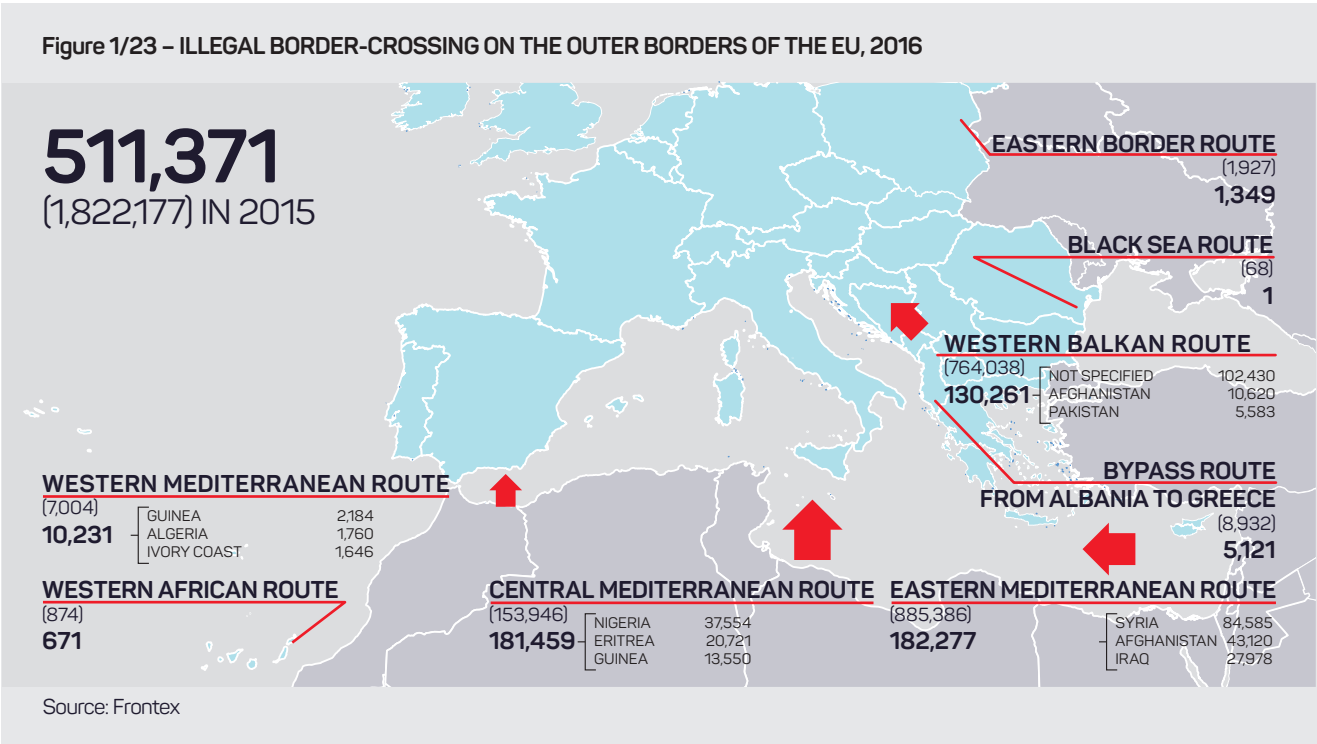
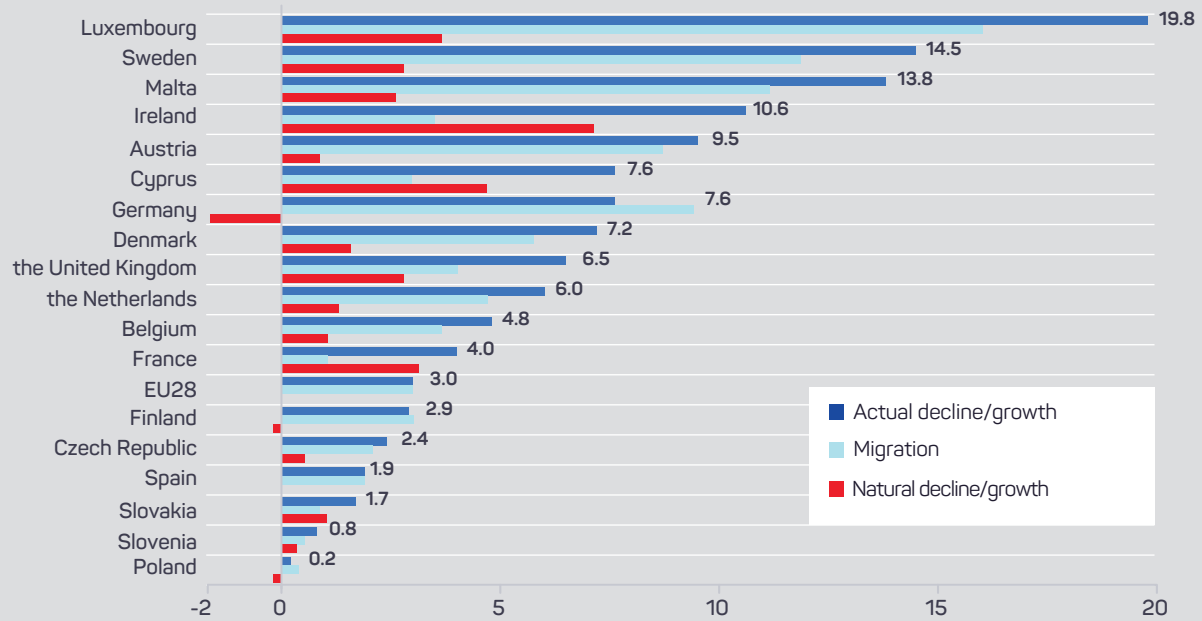


Figure 1/24 – THE SCALE OF ACTUAL DECLINE/GROWTH IN EU MEMBER STATES, 2016

Country	Natural decline/growth	Migration	Actual decline/growth	Natural decline/growth	Migration	Actual decline/growth
	Number (people)			Ratio (per mil)		
Romania	-68,061	-53,944	-122,005	-3.5	-2.7	-6.2
Italy	-141,823	65,717	-76,106	-2.3	1.1	-1.3
Bulgaria	-42,596	-9,329	-51,925	-6.0	-1.3	-7.3
Latvia	-10,483	-30,171	-40,654	-3.7	-10.5	-14.2
Croatia	-14,005	-22,451	-36,456	-3.4	-5.4	-8.7
Hungary	-33,990	2,790	-31,200	-3.5	0.3	-3.2
Portugal	-23,409	-8,348	-31,757	-2.3	-0.8	-3.1
Greece	-25,955	-500	-26,455	-2.4	-0.1	-2.5
Lithuania	- 6,612	-12,229	-18,841	-3.4	-6.2	-9.6
Estonia	-1,339	1,030	-309	-1.0	0.8	-0.2
Poland	-5,752	11,507	5,755	-0.2	0.3	0.2
Finland	-1,109	17,098	15,989	-0.2	3.1	2.9
Spain	-259	89,126	88,867	-0.0	1.9	1.9
Slovenia	656	1,051	1,707	0.3	0.5	0.8
Malta	1,134	4,896	6,030	2.6	11.2	13.8
Cyprus	3,984	2,499	6,483	4.7	2.9	7.6
Slovakia	5,206	3,885	9,091	1.0	0.7	1.7
Luxembourg	2,083	9,446	11,529	3.6	16.2	19.8
Czech Republic	4,913	20,064	24,977	0.5	1.9	2.4
Denmark	8,790	32,728	41,518	1.5	5.7	7.2
Ireland	33,507	16,606	50,113	7.1	3.5	10.6
Belgium	13,799	40,918	54,717	1.2	3.6	4.8
Austria	7,006	75,783	82,789	0.8	8.7	9.5
the Netherlands	23,523	78,864	102,387	1.4	4.6	6.0
Sweden	26,443	117,693	144,136	2.7	11.9	14.5
France	198,609	65,900	264,509	3.0	1.0	4.0
the United Kingdom	177,633	248,384	426,017	2.7	3.8	6.5
Germany	-150,000	774,316	624,316	-1.8	9.4	7.6
EU28	-15,854	1,539,352	1,523,498	-0.0	3.0	3.0

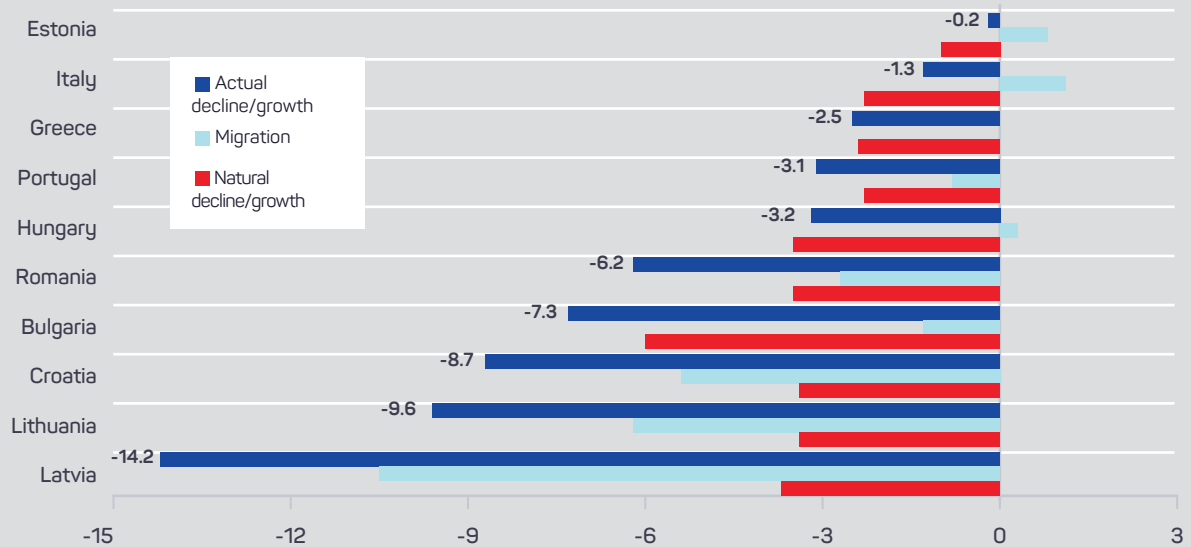
Source: Eurostat, KSH

Figure 1/25 – EU MEMBER STATES WITH AN ACTUALLY GROWING POPULATION (2016)



Source: www.ksh.hu

Figure 1/26 – EU MEMBER STATES WITH AN ACTUALLY SHRINKING POPULATION (2016)



Source: www.ksh.hu

Not even the positive migration surplus proved to be sufficient in Italy and Hungary, though, to make the number of population rise. The rate of natural decline surpassed the positive increment that originated from migration.

Detailed information from 2016 shows that, among EU Member States, the death rate mostly outnumbers the birth rate (with nearly 370 thousand) in Southern Europe and in those Central and Eastern European countries that later joined the European Union. This is further worsened by migration (especially to the Western European Member States), accounting for another 30 thousand people. The latter does not apply to Hungary and Italy, which are defined by a remarkable migration surplus. The most significant decline in the population was observed in Lithuania (-14.2 per mil), where the highest rate of emigration (-10.5 per mil) was coupled with the second largest scale of natural decline (-3.7 per mil). The natural population decline of almost net 400 thousand is, thus, mainly attributable to the predominantly low intention to have children. And emigration should not be ignored either. Notwithstanding, the majority of Member States in Western and Northern Europe (partially with the exception of Germany) are characterized by a birth and immigration surplus – both from other EU Member States and from outside the EU. The favourable effects of the natural population growth of approximately 360 thousand have been further strengthened by large-scale immigration (of over 2.1 million). So, the growing population of "old" EU Member States, in approximately 85%, can be "credited to" migration.

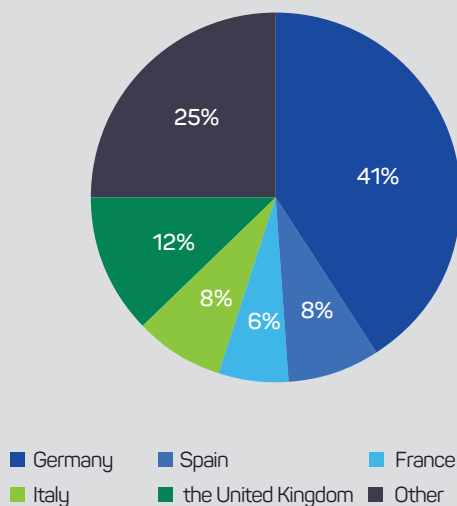
Figures 1/25 and 1/26 show a summary of the European countries with regard to the actual decline or growth rate. This value is the balance of natural growth/decline and migration.

The figure for countries with an actually shrinking population clearly shows that the highest scale of population decline takes place mostly in Baltic countries and in Southern and Eastern Europe (for example, in Hun-

gary). From among the Member States with an actually growing population Germany is outstanding, where the large-scale natural decline is well compensated by a remarkable volume of immigration.

The number and ratio of foreigners migrating into the EU is not evenly distributed among Member States. The majority (41%) of the 2.353 million immigrants, namely 968 thousand people chose Germany as a destination in 2015. The second most popular country was the United Kingdom (279 thousand immigrants, with a share of 12%), which was followed by Italy (187 thousand people, 8%), Spain (184 thousand people, 8%) and finally France (148 thousand immigrants, constituting 6% of the entire mass.) Three-quarters of all foreign immigrants, namely 1.8 million people fled to these five countries, while the remaining 25% (0.6 million people) was "distributed" among other Member States. The sharp break between "old" and "new" Member States is unmistakable again. 92% of all migrants (2.2 million people) were received by the former five coun-

Figure 1/27 – THE DISTRIBUTION OF FOREIGNERS MIGRATING INTO THE EU BY DESTINATION, 2015



Source: Eurostat

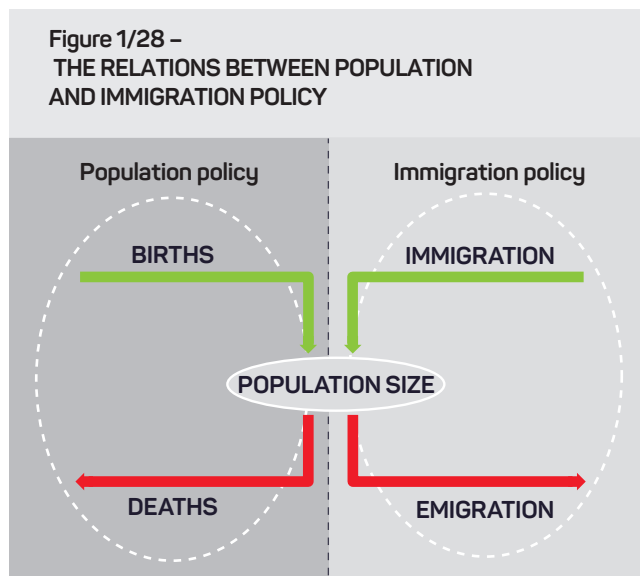
tries, meanwhile the other 12 Member States that only later joined the European Union had to host as many as 187 thousand immigrants altogether, which is a mere 8% of the total.

Given the fact that these emigration and immigration details are cumulated data for each Member State and do not apply for the whole of the European Union (and

thus contain the indices of migration within the EU, and among its Member States), the actual value of net immigration may be deduced from the balance of the number of non-EU foreign citizens migrating into and away from the Member States. Accordingly, it may be concluded that the number of foreign citizens currently settling from outside the EU came to 615 thousand in 2013, 911 thousand in 2014 and 1.720 million in 2015.

1.4. AN OVERVIEW OF THE EUROPEAN POPULATION AND MIGRATION POLICY

Two fundamental intervention mechanisms should be thoroughly examined in connection with the changes in population size and its forecast. Population policy, migration, immigration and refugee policy are meant to provide explicit answers to the emerging challenges besides the monitoring of demographic changes.



1.4.1. POPULATION POLICY

Population policy is society, State or any larger human community's endeavour to change population

growth procedures and structures based on a specific objective. This may take place directly through population-oriented legislation or measures (e.g. regulators directly affecting marriage, divorce, fertility or migration). Demographic trends may be changed (or may be intended to change) through economic, political, social, cultural etc. regulations or measures that may affect certain demographic processes. Such are the taxation system, social policy, family policy, education policy, health policy etc.²³

Therefore, population policy studies the demographic trends and demographic transition. It attempts to implement measures that have a positive impact on the changes in population size and on people movements in a given context (Demény 2016, Bakonyi 2012)²⁴. It pays particular attention to the distinctive features of ageing societies (namely the growth in the share of inactive people and the birth rate), which may reduce the supply on the labour market and, at the same time, increase the number of those in need of social care. Accordingly, such qualities also influence the optimal functioning of society. Evidence-based interventions may promote a balance between social processes and demographic trends, guiding outstanding changes in an optimal direction.

²³ EU Research on Social Sciences and Humanities 2006 https://cordis.europa.eu/docs/publications/1001/100124311-6_en.pdf

²⁴ Demény, Pál: *Population policy for the public good*, 2016

THE MAJOR GLOBAL STANCES OF POPULATION POLICY²⁵

• **Population growth and over-population:** In developing countries over-population is a major challenge. In the meantime, developed countries face a lower level growth of or even decline in the population alongside more intense ageing.

• **Ageing:** Ageing is a global problem to tackle. An inactive population poses a great challenge to more than half of the world's countries, and among developed countries the problem is twice as severe as in developing ones. As regards European and North American governments, 9 out of 10 found the problem stressful in 2013. The introduced measures were primarily targeted at raising the old-age pension age limit (in 61 countries), or they aimed at reforming the pension scheme (in 89 countries).

• **Fertility and family-planning:** As seen, reproduction is rather low among developed countries. It was Europe where the globally lowest level was measured between 2010 and 2015, with the rate standing at 1.6 children per parent. Nonetheless, Africa and Asia were characterized by high fertility, peaking at 4.7 children per woman of child-bearing age in Africa. 57% of the governments in emerging countries had taken steps to reduce the fertility rate. Key measures were introduced – both in developed and developing countries – with a view to reducing adolescent fertility. The spread of the direct family support scheme may also be rendered good, with a worldwide coverage of 81%. In fact, the highest amount of indirect family subsidies was realized in Latin America and the Caribbean, Africa and Oceania in 2013. In parallel with this, in Europe only less than half of the governments made efforts to directly support family-planning. There is an apparent change in the regulation of abortions as well. Developing countries have implemented much

stricter regulations in this field than their developed counterparts. Abortion is permitted under certain conditions in 86% of developed countries, whereas this figure is 40% for emerging ones.

• **Health conditions and mortality:** Poor health conditions and diseases, along with mortality, show different levels of threat in developed and developing countries. Infant and child mortality have become a three times larger problem in developing countries than in developed ones. And similarly this also holds for mother mortality and the problems indicated by HIV/AIDS infections.

CONCERNING THE PREVAILING 'MAINSTREAM' TRENDS WITHIN THE EU THE FOLLOWING SHALL BE STRESSED.

Most developed (Western) European countries abstain from direct population-oriented interventions, and, therefore, do not take a position in the subject matter of birth rates, marriages and family-planning in general. Although there are several countries that provide large-scale socio-political subsidies to families and/or to those having children, they mostly do so in promotion of equal opportunities, rather than population objectives (Polónyi, 2002²⁶). As far as family subsidies are concerned, the approach, in support of common EU policies, does not focus on the enhancement of birth numbers and fertility primarily. Instead, it examines such allowances from a labour market point of view. With the development of the conditions it strives to make sure that parents with young children, especially mothers, can enter the labour market in the greatest number and in the shortest time possible (see, for example, the EU regulation on parental leave²⁷). It is, among others, due to this approach that in most Western European countries the fertility indicator is far below the reproduction level, and it approximates

²⁵ *World Population Policies 2013, United Nations*

<http://www.un.org/en/development/desa/population/publications/pdf/policy/WPP2013/wpp2013.pdf>

²⁶ Polónyi, István: *The economics of education*, Budapest 2002.

²⁷ <http://eur-lex.europa.eu/legal-content/HU/TXT/?uri=LEGISUM:emoo31>

Figure 1/29 – MARRIAGES AND REGISTERED STABLE, NON-MARITAL PARTNERSHIPS AMONG PERSONS OF THE SAME SEX WITHIN THE EUROPEAN UNION, 2017

Country (EU-28)	Marriage	Registered stable, non-marital partnership (with rights similar to marriage)	Registered stable, non-marital partnership (limited rights)	Registered stable, non-marital partnership (limited rights)	Marriage is not constitutionally restricted
Austria		X		X	X
Belgium	X		X	X	X
Bulgaria					
Cyprus		X			X
Czech Republic		X		X	X
Denmark	X			X	X
the United Kingdom	x – it is possible in some regions	x – it is possible in some regions		X	X
Estonia			X		X
Finland		X			X
France	X		X	X	X
Greece		X			
the Netherlands	X	X		X	X
Croatia					
Ireland	X	X		X	X
Poland					
Latvia					
Lithuania					
Luxembourg	X	X			X
Hungary		X		X	
Malta	X	X			X
Germany		X		X	X
Italy					
Portugal	X			X	X
Romania					
Spain	X	x – it is possible in some regions	x – it is possible in some regions	x – it is possible in some regions	X
Sweden	X			X	X
Slovakia					
Slovenia			X		X

Source: www.ilga-europe.org

the latter only in a very few countries (see Ireland, France, Sweden and the United Kingdom). (One can neither ignore the fact that in most of these countries the rate of live-births among migrants is again one of the highest. Therefore, migrants play a crucial role in the creation of favourable fertility indicators.)

In his theoretical work David Runciman studied the families' situation based on the relationship between civil society and the State in certain European countries. Accordingly, he distinguished between Northern, Central European and Mediterranean models.²⁸ His study suggests that it is in the northern countries of Europe where the families' status has eroded the most. Here the institutions of a welfare society have achieved the highest level

of maturity. The underlying reason behind this is that the status retaining features of the family, as a basic social unit, just like its ability to strengthen the social network have partially been lost. Consequently, in these countries civil society, as a basic social unit, has got stronger. Yet, it is incapable of meeting the requirements of the various demographic and reproduction functions that are so very natural when it comes to families. Hence the recognition that as far as migration is concerned, the most inclusive countries are those where family roles are the most marginal (northern model). In this way, even though the relation is not direct, there is still a correlation between the social role of the civil society, the weakening of families and the institution of migration, with the latter being an enforced solution to population problems.

²⁸ Runciman, David: *A theoretical overview in: Families and States in Western Europe*, ed.: Quentin Skinner, © Cambridge University Press, 2011.3.0.

²⁹ ILGA, <https://www.ilga-europe.org/resources/rainbow-europe/rainbow-europe-2017>

The economic–political elites of the EU do not in the least seem to consider it a problem if, as a result of the continuously high inflow of migrants, the distribution of live-births shifts from indigenous communities to a population of foreign ancestry. And it does so to an ever larger extent. What are the obvious signs that mainstream EU trends are not centred around the promotion of fertility in the present domestic population, and neither do they focus on the encouragement of childbearing or the strengthening of families? Apparent evidence for this is that current endeavours have been lately aimed at challenging the traditional values and at loosening up the social units that are based on classical values (for example, families built on the married life of a man and a woman, with the intention to have children). Instead, they rather urge new, artificial "social constructions". They encourage the propagation of self-expression for minorities with uncommon preferences, and the gradual extension of their rights. They intend to make sure that the various cohabitation forms that are so typical of people in such groups are, based on their legal status and eligibility, gradually placed on the same level with partnership forms that primarily serve the goal of social reproduction (like marriage). Such levelling shall be based on the abstract egalitarian principle of equality in law, irrespective of social utility as a main measure.

Accordingly, there is an ever larger value crisis perceptible across the European Union. It is a trend that opposes the classical values of family and marriage, as well as the ideological adapting points that are so closely related to ecclesiastical values. It is a trend that intends, if not at least, to doubt and push such values into the background. An illustrative sample for this trend is provided through the strengthening procedure to ensure equality in law to partnerships between persons of the same sex. As a result of the latter, within a period of twenty years (1996-2017), in nearly two-thirds of the 28 EU Member States (i.e. in 18 countries), the cohabitation of persons of the same sex achieved a legal status that is, in all aspects, equivalent to that of the partnership of heterosexual couples (e.g. in the form of marriage). And this also includes

eligibility (mainly) for adoption. Besides this, there are other intensifying attempts that intend to replace traditional, biological sexual belonging, as an orientation factor, with categories based on social genders pursuant to the 'gender approach'. Such endeavours, which at present rather define the attitude of overseas countries (such as the US, Canada and Australia), have also emerged in a few European countries. For instance, in Scandinavia they wish to enforce and implement their concept in public speech, education and teaching as well as public administration.

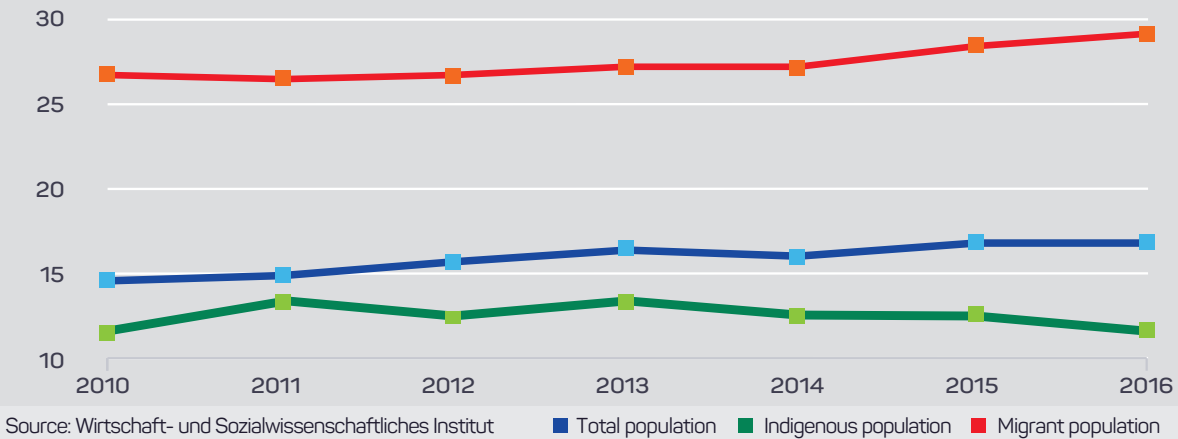
Quite understandably, the mainstream liberal, individualist ideology across the EU seems to be the major obstacle to solving the current demographic problems and the issue of population decline by building on traditional values and resources. It is against the idea to support and encourage childbearing as a community-level remedy to today's demographic challenges. Basically, it is its rejection of these traditional values (and especially the ideological ones) that has led to the enforced admission and integration of masses of migrants from outside the EU. The focus has been shifted to a 'solution' that is neutral as regards the 'mainstream approach'. It seeks a solution that does not require the application of pronatalist tools, since such tools are driven by classical family-centred values that the ideology rejects or at least renders out-dated.

1.4.2. MIGRATION AND REFUGEE POLICY, IMMIGRATION POLICY

Both developed and developing countries have to cope with the burden of **internal migration**, heading from small settlements in the country to urban areas in the cities. Apparently, emerging countries find it a particularly serious problem to tackle.

Additionally, **international migration** generates more intense problems on a global level. The number of international migrants shows an annual growth of 1.6%, which means the arrival of around 232 million people every

Figure 1/30 – PROPORTION OF THOSE EXPOSED TO POVERTY RISK IN THE POPULATION STRUCTURE OF GERMANY, 2010-2016



year. Most of the countries around the world pursue a fundamentally open-minded admission policy. Yet, these show substantial differences when it comes to the volume and complexity of migration or the impacts thereof. It is particularly typical of developed countries that immigration policy is determined with the underlying motivation to encourage the inflow of a highly qualified labour force. It was as many as 63% of the governments around the world that took steps to promote the integration and settlement down of immigrants in 2013.

Migration is influenced by several interconnected economic, political and social factors in the migrants' country of origin (push factors) and the destination (pull factors). The relative welfare and political stability that the European Union offers have always been highly attractive for immigrants (Eurostat, 2016)³⁰. At the same time, international migration is a great opportunity for the political and economic elites of the EU, since they may use it on the labour market as a kind of remedy to the emerging and worsening shortage of workers. This, however, has its obvious limitations. OECD countries have experienced a typically lower employment and activity

rate among immigrants. Accordingly, along with immigration, labour market activity is generally declining in the host country – depending on the scale of migration. Those who enjoy international protection or arrive with the intention to unite their families take an even longer time to get hired than those who specifically arrive with the purpose of finding a job. Eurostat data also confirm the typically lower employment rate among migrants from outside the EU as compared to the indigenous population. In 2016 the average employment rate was reported to be 67.1% among the latter, whereas it did not reach more than 53.6% with foreign migrants coming from outside the EU. Striking though, this is one-fifth less in proportion. Differences are generally larger in Western European countries, where the employment rate of migrants coming from outside the EU is, in many cases, one-third lower (averaging 50%) than that of the indigenous population (38% less in Belgium, 36% less in Finland and Sweden, 34% less in the Netherlands, 32% less in Germany and France, and 27% less in Austria etc.). In parallel with this, unemployment indicators are significantly worse for the migrant population. They show more than double the value (17.9%) that is typical

³⁰ It should be stressed in connection with the analysis of the statistical data in this summary that Eurostat data concern migration during a period of at least 12 months. Therefore, it takes account of those people as migrants who migrated to another country with the intention to stay there for a minimum of one year or permanently.

for the local inhabitants of the European Union (8.1%). These difficulties definitely put an extra burden on the social schemes in the affected countries and project the necessity to appropriate additional budgetary resources (further vocational training, active labour market programmes etc.). Such phenomena may especially find relevance in connection with the irregular migration wave unfolding since 2015, mainly affecting those Western European countries where the largest number of migrants is received.

The European Union is taken as one unit when it comes to the studying of international migration, due to the existing common EU regulations and approaches in effect in connection with migration. It was the Treaty of Maastricht in 1992 that laid down the free movement of persons within the EU as a principle for EU citizens, and this has been applicable ever since (Lipcsei, 2010)³¹. Along with the gradual expansion of the European Union (e.g. in 2004 and 2007), certain transitional periods have been established. Restrictions have been made for new Member States on entering the labour market (Gyenei, 2011). It should be emphasized, though, that other rules and regulations apply to citizens inside and outside the EU.

The European Union has recognized that labour immigration plays a key role in the growing active-age population of ageing countries, and thus in the revival of the economy too. According to this approach, immigration may serve as a solution to tackle the shortages and demographic difficulties present in the fields of the labour force and qualifications. Current policy discussions, however, prove that the promotion of immigration, on its own, is not sufficient to cope with the demographic problems, and neither is it appropriate for the regulation of ageing and population size (Bijak et al., 2007; UN report)³². In ageing countries with a declining population, and thus in the Western 'core countries' of the European Union, immigration is still understood as a potential solution to demographic problems and to labour supply, at the same time offering remarkable economic benefits. Those referring to demographic and economic benefits, nevertheless, often fail to take into account the social and cultural impacts the growing presence of a population with different ethnicity, culture and religion may have on the affected countries (Gödri, 2007). And neither do earlier advantages seem to be clear today. With regard to the actual irregular migration tendencies, it is, if not at least, doubtful whether the expected economic benefits can be realized in the recipient countries.

³¹ Lipcsei, Krisztina: *Changes in the European migration policy* http://elib.kkf.hu/edip/D_15098.pdf *Europe's migration and asylum policy* http://www.europarl.europa.eu/atyourservice/en/displayFtu.html?ftuId=FTU_2.13.html

³² UN Report https://cordis.europa.eu/docs/publications/1001/100124311-6_en.pdf Bijak et al. 2007 <https://search.proquest.com/docview/222^64i2i/fulltextPDF/82^EFC4i68yAjj.6F^PQ/i3?accountid=3204>.

A sample of such adverse social impacts may be found in the proportion German society is exposed to poverty risk in an understanding of the EU. The above effects are explained to be slightly worsening in the most important host country and this is reported to be so since 2015, that is from the point of time when migration pressure started to intensify. As depicted in the graph below, the underlying reason can be solely traced back to the rising level of poverty among arriving migrants. (The red line is for migrants, the blue one refers to the entire population, while the green line shows values concerning the indigenous population.)

It is important for the European Union that it holds the position of primary destination for immigrants with study, research or employment purposes, in order to enhance its competitiveness³³. For example, the European "blue card" facilitates the entry into the labour market for people coming from the Third World. It grants them various social and economic rights, and promotes the exercising of the right to family reunification, just like free movement within the EU after a time (Töttös, 2014)³⁴. Immigration into the EU is often inspired by the motivation of family reunification. As an aspect, the maintenance of the integrity of family life has an important role in confirming that integration into the host society is a justifiable option³⁵. Integration and anti-discrimination are indispensable principles for immigration policy, wherein integration is understood as the inclusion of immigrants into the institutional system and the relationships of the host society (Gyenei, 2011).

The basic document on the immigrant integration policy of the European Union was published in 2004 under the title "Common Basic Principles". The publication provides a definition to the integration process and explains the goals at stake through integration policy³⁶. Integration is described as a dynamic two-way process, which is based on the mutual commitments of both parties. It pays attention to labour market and educational integration. It takes into consideration the accessibility of public services, inter-cultural dialogues, the culture of the host society, and respects the differences in religions and cultures. Several regulations and action plans have been made in the past decade in this subject³⁷. Pursuant to them it may be concluded that the immigrants' assimilation into the host country or their efforts in this direction play a key role in obtaining the legal status of permanent residence. Besides the seemingly positive effects of immigration, however, its numerous negative consequences cannot be disregarded either.

Positive features:

- Immediately available workforce – in positions that do not require any qualifications, labour supply is generally easy to manage. When planning the necessary workforce, professions with a high inflow already calculating in the number of entrants.³⁸
- Import of new skills and knowledge

Challenges and negative features:

- Development of parallel societies
- Challenges faced by the healthcare and social care system
- Difficulties of integration and inclusion

³³ https://ec.europa.eu/home-affairs/sites/homeaffairs/files/oo_apr20i6_synthesis_reportjinal_en.pdf http://epc.eu/documents/uploads/pub_3500_intra-eu_mobility.pdf

³⁴ Töttös Ágnes <http://ajk.pte.hu/files/file/doktori-iskola/tottos-agnes/tottos-agnes-vedes-tezisek.pdf>

³⁵ https://ec.europa.eu/home-affairs/sites/homeaffairs/files/oo_apr20i6_synthesis_reportjinal_en.pdf

³⁶ Council of the EU, Justice and Home Affairs Council Meeting 2618th, *Common Basic principles on immigrants integration*, 14615/04, ip. November 2004, Brussels

³⁷ https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/background-information/docs/20i606oj/factsheet_action_plán_integration_third-country_nationals_en.pdf

³⁸ <http://ec.europa.eu/growth/tools-databases/regprof/>

**Possibly positive or negative features,
as per point of view:**

- The mixed impacts on the demographic structure – the socio-demographic nature of groups with high migration willingness may, in the long run, significantly modify the demographic profile of the host country.
- Multi-culturalism

Under the European Commission, the Directorate-General for Migration and Home Affairs is in charge of the migration policy of the European Union. The Commission initiated a debate in 2005 with the Green Paper on the future of the European Migration Network³⁹. The discussion was targeted at the urgent need for common rules for the admission of economic migrants, as a result of which at the end of 2005 the political plan about legal migration was adopted⁴⁰. In July 2006 the Commission ratified the communication on the political priorities of the fight against illegal immigration from third countries⁴¹, which was aimed at a balance between security and the fundamental rights of the individual in all stages of the illegal immigration procedure. In September 2007 it published its third annual report on migration and integration⁴². Its communication issued in October 2008 emphasized that the consolidation of the general migration approach, namely the fostering of coordination, coherence and enhanced synergies⁴³, is an important element in external and development policies.

The Stockholm Programme, which was adopted by the European Heads of State and Government in December 2009, lays down the framework and principles of the continuous development of the European home affairs and justice policies for the period 2010-2014. Migration related issues constitute a fundamental element of the programme. With a view to executing the planned changes, in 2010 the European Commission adopted an action plan about the implementation of the Stockholm Programme, which is aimed at "delivering an area of freedom, security and justice for Europe's citizens"⁴⁴.

The European Union intends to conduct further dialogue with non-EU countries and start collaborations in the subject of external migration and refugee policy. Based on the general approach, the EU is committed to contributing to the management of legal migration, to the elimination of illegal migration, the promotion of the improvement factors of migration and intends to strengthen international protection. It has mobilized a great number of resources to wipe out organized criminal networks responsible for smuggling and human trafficking. New legislations were adopted in 2013, through which the EU will coordinate and harmonize certain aspects of the national refugee procedures and ensure safe, secure, fair and efficient operation, free of abuse⁴⁵.

³⁹ <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52004DCo8n&from=EN>

⁴⁰ <http://eur-lex.europa.eu/legal-content/HU/TXT/PDF/?uri=CELEX:cj2006DCo66p&from=HU>

⁴¹ <http://eur-lex.europa.eu/legal-content/HU/TXT/PDF/?uri=CELEX:cj2006DCo402&from=HU>

⁴² <http://eur-lex.europa.eu/legal-content/HU/TXT/PDF/?uri=CELEX:52008DCo61i&from=HU>

⁴³ <http://eur-lex.europa.eu/legal-content/HU/TXT/PDF/?uri=CELEX:cj2010DCoi/i&from=HU>

⁴⁴ http://virwww.europarl.europa.eu/aty_ourservice/hu/displayFtu.html?ftuId=FTU_5.i2.3.html http://Mwww.europarl.europa.eu/aty_ourservice/hu/displayFtu.html?ftuId=FTU_5.i2.2.html

⁴⁵ http://ias.jak.ppke.hu/hir/ias/20162sz/1y_Gyeney_IAS_2016_2.pdf https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/background-information/docs/communication_on_the_european_agenda_on_migration_hu.pdf

In order to handle the ever intensifying pressure on migration, on 13 May 2015 the European Commission adopted the European Migration Strategy, stressing that more efficient migration management is needed, and this is a matter of joint responsibility (Gyenei, 2016)⁴⁶. The strategy covers all aspects of migration management, and consolidates the internal and external dimensions of migration.

The Strategy sets out concrete measures in the following four areas:

- control of the causes that trigger illegal migration
- life-saving and the securing of the outer borders
- definite refugee policy
- new policy on legal migration.

Subsequently the Commission put forward its first package of measures on migration crisis management, which comprises the following:

- proposal for the urgent relocation of 40,000 people in need of international protection, from Italy and Greece to other Member States
- recommendation for the resettlement of 20,000 people in need of international protection, from outside the EU
- EU action plan against migrant smuggling
- guidelines for taking fingerprints
- public consultation on the future of the Blue Card Directive.

Later the Commission submitted another, second package of proposals, consisting of the following⁴⁷:

- the proposal on urgent relocation – the relocation of 120,000 persons in clear need of international protection from front countries
- permanent relocation mechanism with the involvement of all Member States
- common European list of safe countries of origin
- more effective return policy
- public procurement rules and regulations on measures in support of refugees
- measures for the management of the external dimensions of the refugee crisis
- the setting up of the European Union Emergency Trust Fund for Africa.

Alongside the introduction of the different acts, steps have been taken for the management of the refugee crisis and there is intensive work going on with the aim of developing an "effective, humane and safe" European migration policy⁴⁸.

The relevant parts of the publication "Global Europe 2050", issued by the European Commission in 2012⁴⁹, reveal that the leading elites of the European Union are clearly aware of the main characteristics of migration and the challenges it represents. Page 65 of the publication, in part, reads as follows:

"This migration to Europe will have some important characteristics: first, migrants are much younger than the recipient population. Second, the migrants' birth rate is appreciably (approximately three times) higher than the continent's mean. Third, the immigrants are disproportionately concentrated in segregated neighbourhoods in large cities. Fourth, a significant proportion of these immigrants show little or no sign of second-generation assimilation into their host societies."

⁴⁶ <http://europa.eu/rapid/press-release-IP-15-5839-en.htm>

⁴⁷ <http://Mnvw.consilium.europa.eu/hu/policies/rnigratory-pressure/history-rnigratory-pressure/>

⁴⁸ <http://www.consilium.europa.eu/hu/policies/migratory-pressure/history-migratory-pressure/>

⁴⁹ <https://ec.europa.eu/research/social-sciences/pdf/policy-reviews/global-europe-2050-report-en.pdf>

The publication about the long-term future of the European Union (until 2050) identifies it as a great shock that migrant flows into the European Union might fail to continue in the future. It identifies this as a risk that is threatening the European growth and development prospects. The following lines come from pages 84-85, discussing the subject matter with the apparent intention to have a deterrent – at times absurd – effect:

"The failure to integrate asylum seekers, refugees, third country nationals coming to EU for family formation or family re-unification reasons, and undocumented immigrants, could result in widespread fear of foreigners and pressure on governments to seal immediately borders for newcomers. With no immigrants coming from now on, the total population of EU27 would decrease by 36 million people between 2030 and 2050 – falling from 492 million to 456 million. (...) Added value of diversity and multi-layered cultural background of people would be lost and Europe would be less innovative in producing goods and services tailored for world markets. (...) The Council of Europe and national legislations on family reunification would have to be revoked. Europeans would be marrying Europeans, and adopting only European children. They would be reluctant to study abroad or work abroad to avoid falling in love with a foreigner. If they marry a foreigner they would either have to emigrate or live separate life from spouse and children. (...) Fear and dislike of people from countries outside EU and within EU could re-surge from the past eroding values of humanism including individualism and diversity."

On 05 April 2017 the European Parliament adopted a resolution, with the majority vote of left-wing MEPs, on the management of refugee and migrant flows and the roles of external EU activities⁵⁰. According to this, as far as immigration is concerned, the principle of solidarity shall be followed when it comes to a common European response to the issue. Security and safety based approaches will not suffice. The document grants special importance to migrant integration, education and

employment. It stipulates that society should be more flexible and open to migrants. It also urges the implementation of a relocation programme for arriving migrants, through which they would be distributed among the Member States based on a pre-defined quota. Below are some quotes from the resolution.

"Whereas the successful implementation of a human rights-based migration policy requires challenging negative perceptions of migration and the development of positive narratives to depict migration movements as an opportunity for host countries, in order to counter extremism and populism" (...)

"Underlines that in today's world we are witnessing an unprecedented level of human mobility, and stresses that the international community must urgently undertake the strengthening of a common response to address the challenges and opportunities that this phenomenon represents; stresses that this response must be founded on the principle of solidarity and should not focus only on a security-based approach, but be guided by the full protection of the rights and dignity of everyone forced by any circumstance to leave their homes in search of a better and safer life" (...)

"Calls for the establishment of a genuine, human rights-based common European migration policy based on the principle of solidarity among Member States (...), with the securing of the EU's external borders and adequate legal channels for safe and orderly migration, including circular migration, as a sustainable long-term policy to promote growth and cohesion within the EU, in order to set a clear framework for EU relations with third countries" (...)

"notes the Commission's proposal regarding the establishment of an EU framework on resettlement, but calls for work to continue at EU level on the creation and strengthening of legal routes that would be complementary to resettlement;" calls on the Commission and Member States to take steps as far as concrete measures are concerned,

⁵⁰ <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P8-TA-2017-012&language=HU&ring=A8-2017-0045>

especially by means of resettlement programmes, humanitarian visas or Blue Cards, which would enable the actual opening up of legal and safe channels for migrants and refugees;" (...)

„recommends that legal migration opportunities be provided for employment purposes, since job-seekers constitute a great potential in the future of the European Union, considering the overwhelming challenges ahead of the EU.”

These lines all clearly substantiate that the European economic and political elites have, for a long time, been engaged in addressing the European population challenges through mass migration. In the meantime, they ignore all other potential alternatives that could serve as a well-grounded solution, such as the application of a pronatalist, family-friendly policy in support of fertility. An illustrative sample for this is Germany as the lead

destination for migrants. In March 2017 the German government submitted a demographic strategy to the Bundestag, wherein – after an analysis of the country's population situation – it proposed a number of objectives as an alternative solution to the problem. Such were the enhancement of the economic growth potential, the establishment of similar living conditions across the country, the improvement of social belonging and coherence and the consolidation of solidarity between generations, as well as a better matching of family and work, along with a balance between reliable finances and the social care system. Migration from the EU with the purpose of employment was one of the top-ranking items on the list of potential solutions for population decline and for the expectable shortage of labour force. In parallel with this, migration from the Third World was also highly prioritized, while family support and the encouragement of childbearing and live-births were not given a single mention.



1.4.3. THE MIGRANT POPULATION IN EUROPE

On 01 January 2016, out of the 510 million inhabitants of the 28 EU Member States, 35.1 million people were born outside the EU (making up 6.9% of the total population). 20.8 million people (59% of the latter number) were citizens of a non-EU country, which is 3.9% of the population of EU-28. The remaining 14.3 million people (41%) had already been granted citizenship in the host country. Still, on the same day, the number of EU citizens living in a Member State other than the one they were citizens of came to 19.3 million, constituting 3.8% of the total population of the European Union. This means that nearly two-thirds (65%) of the citizens living in an EU Member State other than their homeland (almost 54 million people) had some migration background. (It was only in a few Member States – Hungary, Ireland, Luxembourg, Slovakia and Cyprus – that the ratio of those coming from another EU Member State exceeded that of those coming from outside the EU.)

Nonetheless, the number of people with some migration background, coming from outside the EU is far from being evenly spread among Member States. In the mostly "old" Member States of Western Europe their proportion is above the average (8.1%). The majority (93%) of those born outside the EU, that is 32.8 million people, live in these countries. In contrast, they constitute only 2.3% of the population of those Central and Eastern European Member States that later joined the European Union, totalling 2.4 million.

As regards EU Member States, as of 01 January 2016, Germany had the highest number of foreigners coming from outside the EU – in absolute value, 6.6 million people. The second in line was France with 5.7 million people, to be followed by the United Kingdom (5.4 million), Italy (4.1 million) and Spain (4.0 million), altogether averaging a proportion of 8.0%. The 25.7 million people living in these five Member States made up 73% of the total number of foreigners in the EU Member States, meanwhile the total population of these countries also

constituted 63% of the total population of the EU-28. This clearly shows that Western Europe is the most open to host immigrants from outside the EU. In contrast to this, the phenomenon is attributed a marginal role in Central and Eastern European Member States. This is particularly well-supported by the number of those Russian citizens who come from Baltic countries and make up a considerable proportion (almost 22%) of those non-EU citizens who are residing in such Member States. However, it should be noted that Eurostat statistical data cover exclusively those people, with some migration background, who were born outside the EU. Eurostat does not have any information about second or third (etc.) generation-settlers, who were born in the host country and thus mostly have the appropriate citizenship too. Notwithstanding, in many cases, these people tend to follow the culture, traditions and customs of their family's country of origin, the features of which will be more dominant in their attitude than those typical of their present place of living.

The number of foreigners born outside the EU showed the relatively highest rate in Estonia, reaching 13.3% of the total population. It was again above 10% in Latvia (11.7%), Sweden (11.6%), Luxembourg (11.4%) and Croatia (11.4%). The number of foreigners from outside the EU substantially exceeded the average in Austria (9.9%), the Netherlands (8.8%), Belgium (8.7%), Spain (8.5%), France (8.5%), the United Kingdom (8.3%), Greece (8.1%) and Germany (8.0%) as well. On the contrary, their proportion was only as high as 1.9% in Hungary, and showed an even lower figure in most of the other V4 countries. Foreigners from outside the EU made up 2.5% and 1.1% of the population of the Czech Republic and Poland respectively. Across the European Union they were present at the lowest rate in Slovakia (0.6%).

The presence of foreign citizens (both those born in and outside the EU) evoked the highest cumulative figure in Western Europe, which implies that this is the region which is the most open to host entrants from across the borders, in every aspect. 93% of the 54.4. million for-

eigners (that is 50.8 million) live in "old" Member States, whereas they comprise a mere 79% of the total population of the European Union. Within this, 18 million out

of the 19.3 million EU citizens who are residing in an EU Member State other than their homeland live in one of the EU-17 States. It may be concluded then that citizens of

Figure 1/31 – THE PROPORTION OF INHABITANTS HOLDING FOREIGN CITIZENSHIP IN EU MEMBER STATES, 2016

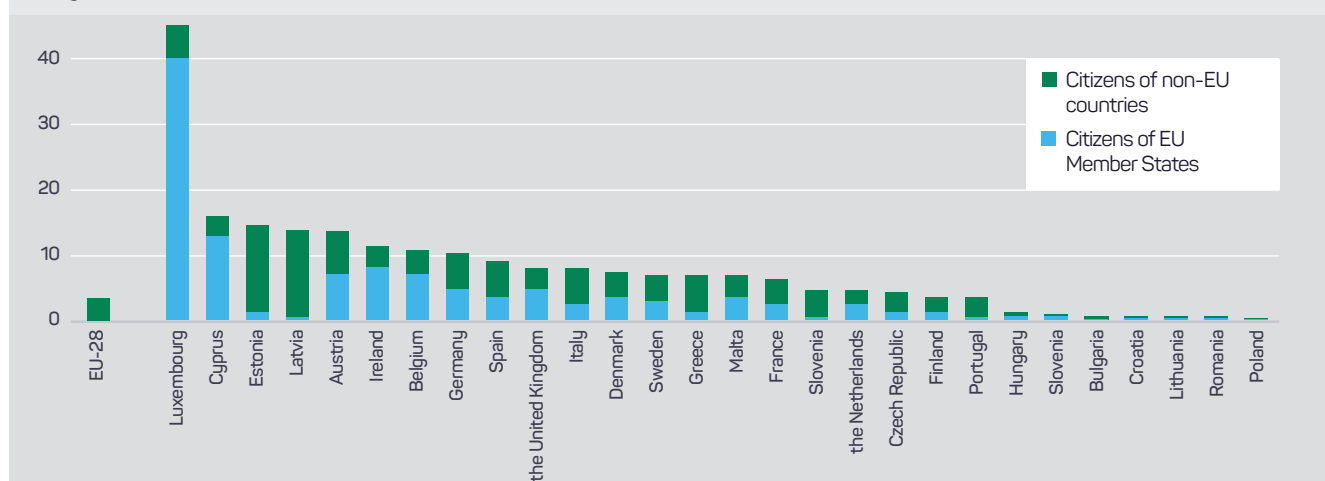


Figure 1/32 – THE DISTRIBUTION OF IMMIGRANTS IN EUROPE, BASED ON THEIR COUNTRY OF BIRTH IN 2016

Country	TOTAL		Born in another EU Member State		Born in a non-EU country	
	(thousand)	%	(thousand)	%	(thousand)	%
Belgium	1,846.6	16.3	866.8	7.7	978.8	1.2
Bulgaria	136.4	1.9	48.5	0.7	87.9	1.2
Czech Republic	433.3	4.1	171.8	1.6	261.5	2.5
Denmark	636.7	11.2	216.9	3.8	419.8	7.4
Germany	10,908.3	13.3	4,351.8	5.3	6,556.4	8
Estonia	193.8	14.7	19.2	1.5	174.6	13.3
Ireland	798.6	16.9	547.6	11.6	251	5.3
Greece	1,220.4	11.3	350.1	3.2	870.3	8.1
Spain	5,919.2	12.7	1,957	4.2	3,962.2	8.5
France	7,902.8	11.8	2,203.8	3.3	5,699	8.5
Croatia	547.9	13.1	68.6	1.6	479.4	11.4
Italy	5,907.5	9.7	1,823.8	3	4,083.6	6.7
Cyprus	172.8	20.4	110.4	13	62.4	7.4
Latvia	258.9	13.1	27.6	1.4	231.3	11.7
Lithuania	129.7	4.5	20.8	0.7	108.9	3.8
Luxembourg	260.6	45.2	194.8	33.8	65.8	11.4
Hungary	503.8	5.1	320.5	3.3	183.3	1.9
Malta	45.9	10.6	20.7	4.8	25.1	5.8
the Netherlands	2,056.5	12.1	554.9	3.3	1,501.6	8.8
Austria	1,578.2	18.2	713.6	8.2	846.6	9.9
Poland	626.4	1.6	216.3	0.6	410.1	1.1
Portugal	872.5	8.4	232	2.2	640.5	6.2
Romania	350.8	1.8	148.4	0.8	202.3	1
Slovenia	241.2	11.7	67	3.2	174.2	8.4
Slovakia	181.6	3.3	150.5	2.8	31.1	0.5
Finland	329.2	6	118.8	2.2	210.4	3.8
Sweden	1,675.1	17	529.8	5.4	1,145.3	11.6
the United Kingdom	8,698.2	13.3	3,250.6	5	5,447.5	83

Source: Eurostat

Figure 1/33 – THE AGE-DISTRIBUTION OF INHABITANTS WITH FOREIGN CITIZENSHIP COMPARED TO THAT OF THE INDIGENOUS POPULATION



an EU or non-EU Member State residing abroad are both over-represented to the same extent. They are represented in a far higher ratio in the richer Western part of Europe than in the poorer Central and Eastern European Member States. And this coincidence again supports the notion that migration within or into the European Union are both mostly driven by economic and living conditions.

This is quite understandable in the interpretation of the recognition that, assessed based on the GDP per capita, the standard of living indicator was almost two-thirds higher in Western European Member States than in "new" Member States later joining the EU. Furthermore, the figure for the whole of the EU is more than four times higher than the average indicator of living standards in the Middle East and African region, which are currently considered as the main sources of migration.⁵¹

In most Member States the majority of foreigners were non-EU citizens, with the exception of Luxembourg, Slovakia, Cyprus, Ireland, Belgium, the Netherlands, Hungary, the United Kingdom, Malta and Austria.

After the analysis of the population's age-structure it can be concluded that in the EU-28, as a whole, the foreign population (born outside the EU) was much younger than the indigenous population, which holds both for those living there for a longer time and for newcomers. According to their distribution by age, relatively young working age adults are represented in a higher number among foreigners than in the group of local inhabitants. As of 01 January 2016 the median age of the indigenous population was 44 years, while for foreigners residing in the EU it was 35 years, and for those immigrating from outside the EU in 2015 the figure showed 28 years.

Another important feature that can be deduced from the above concerns the number of working age people. As compared to the indigenous population with a ratio of 62%, the proportion of working age people (aged 15-64) among the migrant population is significantly, nearly one-third higher (82%), counting 28.9 million. At the same time, children and adults above 65 years of age are represented in a smaller number. The 1.9 million children comprise 5.5% of the population in lieu of the

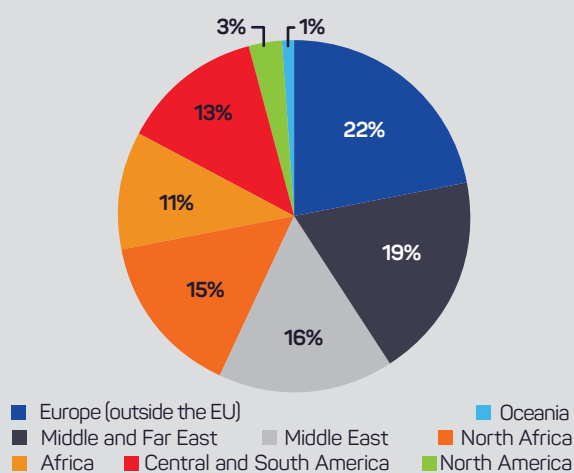
⁵¹ Source: <http://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>

anticipated 19%, and the 4.3 million adults above 65 have a proportion of 12% compared to 19% respectively. Consequently, the population of a migrant background is over-represented among working age people. It makes up 6.9% of the entire population, while it constitutes 8.7% of the working age population. At the same time, it is under-represented among those under 15 years of age and among the elderly, rating 2.4% and 4.4.% respectively.

Another thing is that men are represented in a higher number than women in the entire migrant population (with 56% and 44% respectively). For example, in 2016 the ratio of migrant men showed the highest number in Germany (63%). The above gender-based distribution also supports the recognition that foreigners mainly come to the EU from other countries, in search of work or a better life. Still, it is worthwhile checking the distribution of the population coming from outside the EU, based on their origin. Pursuant to UN records, in 2017 there were 34.9 million migrants⁵² residing in EU Member States. Most of them (93%), that is 32.4 million people were reported to be living in the "old" Western Member States of Europe, whereas another 2.5 million (7%) were living in those countries that later joined the European Union. Germany was the most attractive destination (6.8 million people, 20%). The second on the list was the United Kingdom and France (5.5 million people each, 16-16%), to be followed by Spain (3.9 million, 11%) and Italy (4 million, 12%). Three-quarters of the total migrant population, namely 25.8 were headed to these countries.

As per the country of origin, most migrants arrived from Asia (12.1 million, 35%). Approximately half of this number (5.3 million) came from the Middle East, in particular from Turkey (2.7 million), Pakistan (840 thousand), Iraq and Iran (886 thousand), Afghanistan (309 thousand), Syria (237 thousand) and Lebanon (211 thousand). As regards the other mass of 6.3 million people from the Middle and Far East, 1.3 million came

Figure 1/34 – THE DISTRIBUTION OF THOSE MIGRATING INTO THE EUROPEAN UNION, BASED ON THEIR COUNTRY OF ORIGIN



Source: UN

from India, 1.1 million from Kazakhstan, 1 million from China, another 496 thousand people arrived from the Philippines, and almost 400 thousand from Bangladesh, Vietnam and Sri Lanka.

The second highest number of migrants (9 million, 26%) originated from Africa. To be more exact, 5.1 million people came from North Africa (2.5 million from Morocco, 1.6 million from Algeria, 579 thousand from Tunisia, 289 thousand from Egypt, 68 thousand from Libya) and another 3.8 million people arrived from Sub Saharan Africa (e.g. 389 thousand from Nigeria, 302 thousand from the Republic of South Africa and Senegal, and 209 thousand from Angola, Ghana, Kenya, Congo and Somalia).

7.5 million people (22%) migrated to the EU from another European country. 2 million migrants arrived from Russia, 1.2 million from the Ukraine, 1 million from Bosnia and Herzegovina, 0.9 million from Albania, 601 thousand from Serbia and 530 thousand from Switzerland.

⁵² Source: <https://Mrwwun.org/en/development/desa/population/migration/data/estimates2/estim>

A migrant population of 4.4 million (13%) arrived from Central and South America, with the main countries of origin being Brazil (0.6 million), Ecuador (501 thousand), Argentina (385 thousand), Peru (360 thousand) and Venezuela (270 thousand). As far as North America is concerned, 685 thousand migrants came from the United States and 236 thousand from Canada, totalling 0.9 million people (3%) altogether.

The lowest number of migrants (0.3 million people, 1%) originated from Oceania, with 246 thousand coming from Australia.

It can be concluded from the above that nearly three-quarters of the migrant population from outside the EU came from regions where the GDP per capita, based on purchase power parity, is one-third of the EU average. Slightly more than one-fifth arrived from regions with an income level almost 25% lower than in the European Union. And only 4% of them came from areas where the standards of living are (approximately 20%) higher than in the EU⁵³.

However, migration itself not only influences the population size in the host country directly through the migrant population's settlement. Secondly it has an impact on natural population change through the migrants' intention to have children, subsequent to settling and unifying their families. It is a trend concerning the latter that, in many cases, the migrant population only manages to adapt the host country's socio-cultural patterns over a number of generations. The reason for this is that it still bears the cultural, socialization and other features of its homeland, just like its behavioural patterns and customs, which need a longer time to change. This is well reflected in their attitude to parenthood. Women from countries with high fertility rates, on average, tend to give birth to more children in the host country than the major indigenous population.

Figure 1/35 shows the former, current and in the long run expected fertility rates in major Third World countries (especially in the Middle East and North Africa) that may be rendered countries of origin in terms of migration. Between 2010 and 2015, among the countries under analy-

Figure 1/35 – FERTILITY RATE IN THE MAJOR COUNTRIES OF ORIGIN, 1975-2100

Country	Fertility rate in countries of origin							
	1975-1980	1990-1995	2005-2010	2015-2020	2020-2025	2025-2030	2045-2050	2095-2100
Bahrain	5.23	3.40	2.25	2.12	2.00	1.80	1.66	1.76
Kuwait	5.60	2.55	2.40	2.05	1.97	1.88	1.82	1.83
Morocco	5.90	3.70	2.55	2.60	2.42	2.17	1.89	1.80
Algeria	7.18	4.12	2.72	2.96	2.65	2.29	1.98	1.89
Tunisia	5.65	2.98	2.02	2.25	2.15	2.00	1.86	1.84
Libya	7.67	4.22	2.43	2.40	2.21	1.94	1.76	1.8
Egypt	5.70	4.12	2.98	3.38	3.15	2.80	2.36	1.88
Jordan	7.38	5.00	3.70	3.60	3.26	2.78	2.21	1.80
Syria	7.32	4.8	3.35	3.10	2.84	2.45	1.97	1.77
Iraq	6.80	5.65	4.55	4.55	4.27	3.79	3.11	2.20
Saudi Arabia	7.28	5.55	3.23	2.73	2.48	2.14	1.78	1.76
Iran	6.28	3.95	1.79	1.75	1.62	1.50	1.62	1.78
Oman	8.10	6.27	2.90	2.90	2.54	2.09	1.74	1.79
Qatar	6.10	3.74	2.23	2.00	1.88	1.71	1.62	1.76
the United Arab Emirates	5.75	3.93	1.97	1.82	1.73	1.61	1.63	1.77
Lebanon	4.23	2.80	1.58	1.72	1.70	1.69	1.70	1.78

Source: www.un.org

⁵³ Source: <http://Mnvwirnf.org/external/datarnapper/PPPPC@WEO/THA>

Figure 1/36 – DIFFERENCES IN THE FERTILITY RATE AMONG THE INDIGENOUS AND MIGRANT POPULATION

Country	Women with national citizenship			Women with foreign citizenship			The difference in fertility in favour of women with foreign citizenship		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hungary	1.33	1.26	1.24	1.44	1.20	1.15	0.11	-0.06	-0.09
Luxembourg	1.70	1.31	1.29	1.55	1.97	1.79	-0.15	0.66	0.50
Italy	1.31	1.32	1.31	2.24	2.13	2.04	0.93	0.81	0.73
Portugal	1.27	1.31	1.31	2.05	2.11	2.01	0.78	0.80	0.70
Greece	1.38	1.38	1.32	2.87	2.58	2.26	1.49	1.20	0.94
Austria	1.28	1.32	1.32	2.03	2.08	2.02	0.75	0.76	0.70
Germany	1.32	1.36	1.33	1.58	1.62	1.59	0.26	0.26	0.26
Spain	1.34	1.33	1.33	1.69	1.66	1.56	0.35	0.33	0.23
Latvia	1.34	1.20	1.36	1.20	1.02	1.29	-0.14	-0.18	-0.07
Malta	1.37	1.29	1.36	2.90	3.31	3.87	1.53	2.02	2.51
Cyprus	1.46	1.46	1.44	1.82	1.58	1.37	0.36	0.12	-0.07
Czech Republic	1.55	1.55	1.48	0.76	0.71	0.71	-0.79	-0.84	-0.77
Slovenia	1.51	1.55	1.48	2.73	2.49	3.81	1.22	0.94	2.33
Bulgaria	1.57	1.49	1.51	3.25	2.79	2.48	1.68	1.30	0.97
Estonia	1.66	1.69	1.56	1.46	1.33	1.31	-0.20	-0.36	-0.25
Belgium	1.74	1.76	1.72	2.54	2.53	2.42	0.80	0.77	0.70
Lithuania	1.54	1.54	1.74	3.18	3.64	4.70	1.64	2.10	2.96
the Netherlands	1.76	1.77	1.74	2.18	2.09	2.05	0.42	0.32	0.31
Denmark	1.86	1.89	1.77	1.75	1.78	1.66	-0.11	-0.11	-0.11
Finland	1.85	1.86	1.82	2.16	2.20	2.13	0.31	0.34	0.31
Sweden	1.89	1.93	1.85	2.47	2.53	2.44	0.58	0.60	0.59
Ireland	1.72	:	:	4.49	:	:	2.77	:	:
Iceland	2.26	2.24	2.06	2.13	2.02	1.82	-0.13	-0.22	-0.24
Norway	1.92	1.89	1.83	2.50	2.42	2.30	0.58	0.53	0.47
Switzerland	1.40	1.42	1.42	1.82	1.86	1.85	0.42	0.44	0.43
AVERAGE	1.57	1.55	1.52	2.10	2.07	2.11	0.53	0.52	0.59

Source: Eurostat

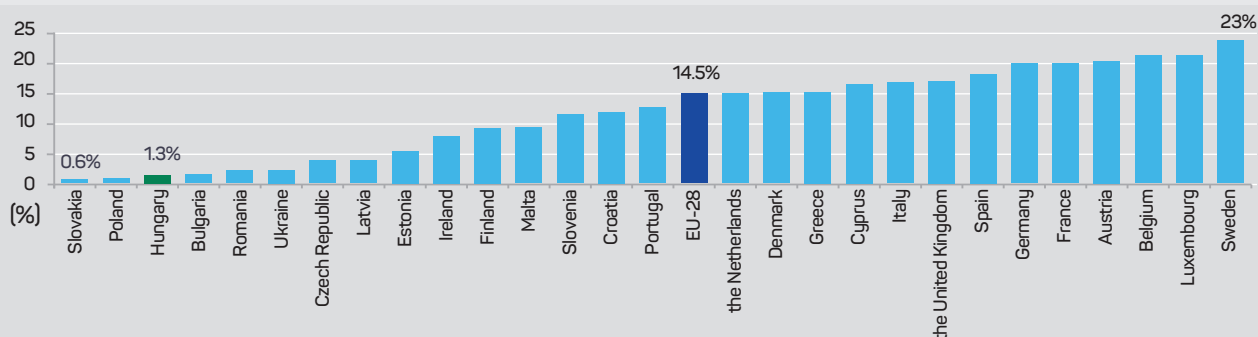
sis, it was Iraq, Egypt and Syria where TFR stood highest – at 4.55%, 3.38% and 3.1% respectively. These countries also had a high rate of population growth during the period 2000-2015, ranging between 16 and 78%.

As can be seen in Figure 1/36, the fertility rate among women who had a foreign citizenship and immigrated into an EEA country, was significantly higher than among the "indigenous" female citizens of the host country. It showed a rate that was, on average, one-third (35%) higher, even reaching the reproduction level. Of course, the scope and direction of such deviations may differ by country. In Central and Eastern European countries, where foreigners mostly follow European cultural patterns, the fertility rate is generally lower. On the other

hand, in the case of Western European countries typically receiving migrants from the Third World, the fertility rate of women with foreign citizenship shows a remarkable increment, almost in all cases. This phenomenon has been supported by other research as well⁵⁴. All the findings demonstrated that, from the end of the 1990s until 2005, in certain Western European countries (such as Austria, Belgium, France, Italy, Spain and Switzerland) the fertility rate among women with foreign citizenship was almost two-thirds higher than among the indigenous population, yet it mostly failed to reach the level typical of their homeland. Nonetheless, their fertility far exceeded the rate of 2.1 necessary for reproduction. Consequently, it may be established that migrants largely contribute to the changes in the birth number in a given country.

⁵⁴ Tomás Sobotka: *The rising importance of migrants for childbearing in Europe*. In: *Demographic Research*, Volume 19, Article 19, pp. 225-248. Max Planck Institute for Demographic Research, Rostock 2008. <https://Mnvw.demographic-research.org/volumes/vol19/p/19-p.pdf>

Source: Eurostat, Figure 1/37 – THE RATIO OF LIVE-BIRTH DELIVERIES BY WOMEN FROM OUTSIDE THE EU, 2015



Source: Eurostat

A study of 2017 examined six European countries (the United Kingdom, France, Germany, Belgium, Sweden and Spain)⁵⁵ with respect to the immigrant population's fertility, paying particular attention to migrants from countries with high fertility rates. The examination covered both first, second and third generation migrant women, that is those already born in the host country. It also reached the conclusion that fertility among first-generation migrant women coming from countries with high fertility rates largely exceeded the domestic average in all cases. Yet, the fertility rate among second-generation migrants was typically lower than their parents', and was rather closer to that of the indigenous population⁵⁶. This means that, over time, the host country's culture has an impact on the attitude to childbearing and its manifestation. Considering the fact, though, that migrants from countries with high fertility rates are expected to continuously arrive even in the future, the higher level of intention to have children among such a migrant population will further have an effect on birth numbers and on the population's structure.

In this way, the secondary effect that immigrants with a migrant background have on the European population situation may also be considered remarkable. As has

been seen earlier, migrants born outside the EU make up 6.9% of the entire population of the European Union. To be more exact, their proportion is higher in the Western "old" Member States (8.1%) and lower in the newly joining countries (2.3%). And they have an even more important role in European fertility trends. In 2015 as many as 738 thousand (almost 14.5%) of the 5.103 million infants born in the EU were children to mothers from outside the EU. (The remaining 80% of newborn babies were given birth to in their homeland, while another 5% of them were children to mothers from another EU Member State.) This means that people of a migrant background are represented in twice the proportion in the newborn population as their distribution in the total population would suggest. In addition, the trend is growing with the intensifying scale of migration. In 2013 the proportion of such live-births was only 13.9%, whereas in 2014 it constituted 14.2%.

In addition, the gap between the developed Western European and the moderately developed Central and Eastern European Member States proves to be remarkable as far as migration is concerned. In the old Member States a large number of live-births (in 2015, 17.5% thereof) could

⁵⁵ Kulu, H., Hannemann, T., Pailhé, A., Neels, K., Krapf, S., González-Ferrer, A. and Andersson, G. (2017), *Fertility by Birth Order among the Descendants of Immigrants in Selected European Countries. Population and Development Review*, 43: 32-60.

⁵⁶ Multi-generation migrants are in a situation that is fundamentally different from that of first generation migrants. First generation migrants socialize in the country of origin, and thus are likely to arrive in the host country with a mature personality and a strong set of standards. As opposed to this, second and third generation migrants – partially or fully – socialize in the host environment. In quite many cases, they lack a direct connection with their country of origin.

be attributed to a migrant mother from outside the EU. Although, in this sense, every sixth live-birth could be linked to a migrant woman from outside the EU, in Central and Eastern European countries and in those only joining the European Union after 2002, this ratio only reached 2.3%. Therefore, migration plays only a marginal role in the changes perceptible in the population size in the latter region. The rate of live-births that can be connected to the migrant population is particularly high in Sweden, where also every fourth live-birth (23%) is put into this category. Neither do Belgium, Luxembourg, Austria, Germany and France comprise exceptions, where every fifth child is born by a migrant woman from outside the EU.

(It shall be emphasized that these sets of data only cover the number of births linked to first generation migrant mothers. They do not include migrants of later generations. Therefore, the proportion that the total number of live-births by migrant mothers represents may be substantially higher than the above-mentioned data suggest.)

1.4.4. POTENTIAL DEMOGRAPHIC TRENDS IN THE EUROPEAN UNION UNTIL 2080

It may be concluded that it is economic causes that lie behind the core reasons of internal migration within and external migration from outside the EU. This means that the phenomenon is triggered, on the one hand, by the low standards of living in the "sending countries", along with their costs of living and employment difficulties. On the other hand, better employment opportunities and higher standards of living in the host countries, just like work-force shortages generated by the decline in working age population may be accountable for migration too.

Publication "Europe 2050" expects the EU's GDP to rise, in real terms, by 54% during the period 2010-2050. Although the North African and Middle East regions (which serve as the most important starting points of

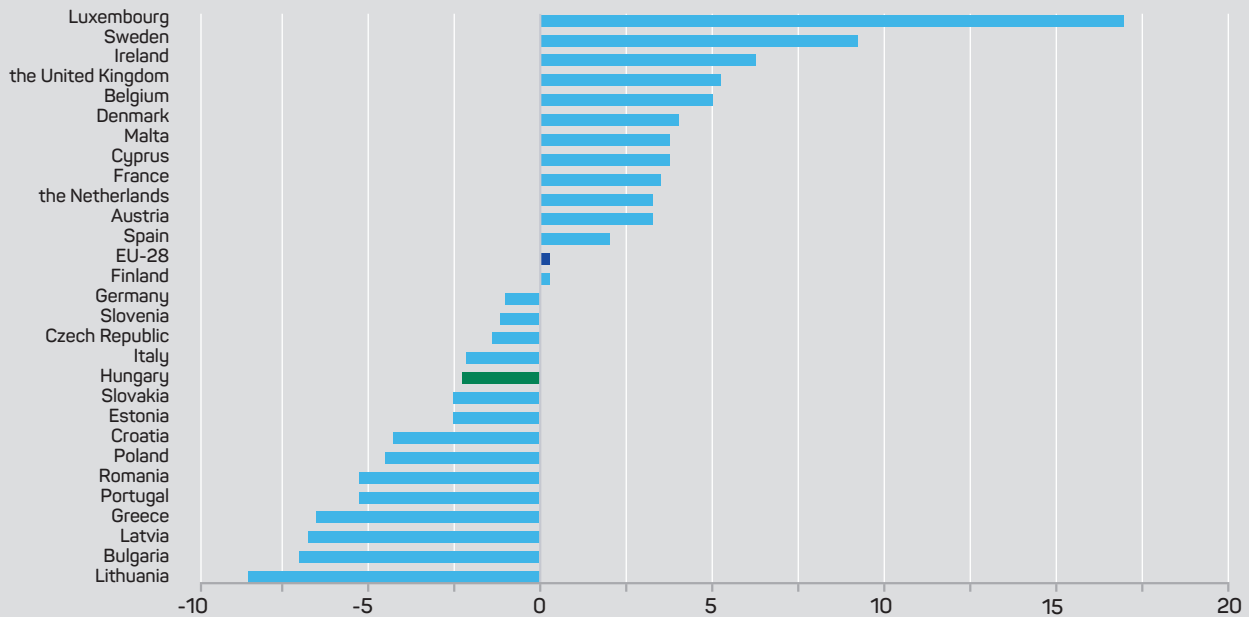
migration) are anticipated to show a much more dynamic growth of 400%, they are still less likely to produce more than 42% of the European economic performance. And this ratio will be only worsened by the population rise that is expected to take place in the meantime. Besides this, UN data claim that, during the period 2015-2060, the number of the working age population will drop by 18% (that is by 60 million), from 331 million to 271 million people. The European Commission's publication issued in 2006⁵⁷ forecasts a fall that is similar in level. It predicts a drop of 17%, that is a shrinkage from 311 million to 259 million people. Yet, this decline in the population size (approximately 50 million fewer) is predicted for a small interval, between 2011 and 2050.

This means that deviations as regards income, salary and the costs of living will still be high enough to act as enablers of migration tendencies. Moreover, due to the persistent labour force shortage in the EU in the forthcoming decades an open host attitude is anticipated to dominate, opening the road to inflowing masses. This notion is further supported by the future-related statements in "Europe 2050" (p. 65), claiming that:

"Indeed, migration flows enrich a society and if managed well can provide the necessary diversity in both business and social life. If migration stops societies will stagnate. (...) Europe will become increasingly multi-cultural, due to consistent immigration flows, mostly from Southern Mediterranean countries and Africa. The European society will become increasingly Muslim as, if current trends continue, over 10% of European nationals will be Muslim by 2020, and (...) by 2050, one in five European will probably be Muslim. (...) Even without Turkey (which alone includes a Muslim population of around 70 million) in the EU in the next decade, with a Muslim population equal to that of Germany, this will have a significant impact on not just Europe's culture and societal make-up but also on how the region operates on the international stage."

⁵⁷ Giuseppe Carone, Cécile Denis, Kieran McMorrow, Gilles Mourre, Werner Röger: Long-term labour productivity and GDP projections for the EU25 Member States: a production function framework. European Commission, Directorate-General for Economic and Financial Affairs, 2006. http://ec.europa.eu/economy_finance/publications/pages/publication680_en.pdf

Figure 1/38 – CHANGES IN THE POPULATION SIZE OF EU MEMBER STATES, 2016-2080 (%)



Source: Eurostat

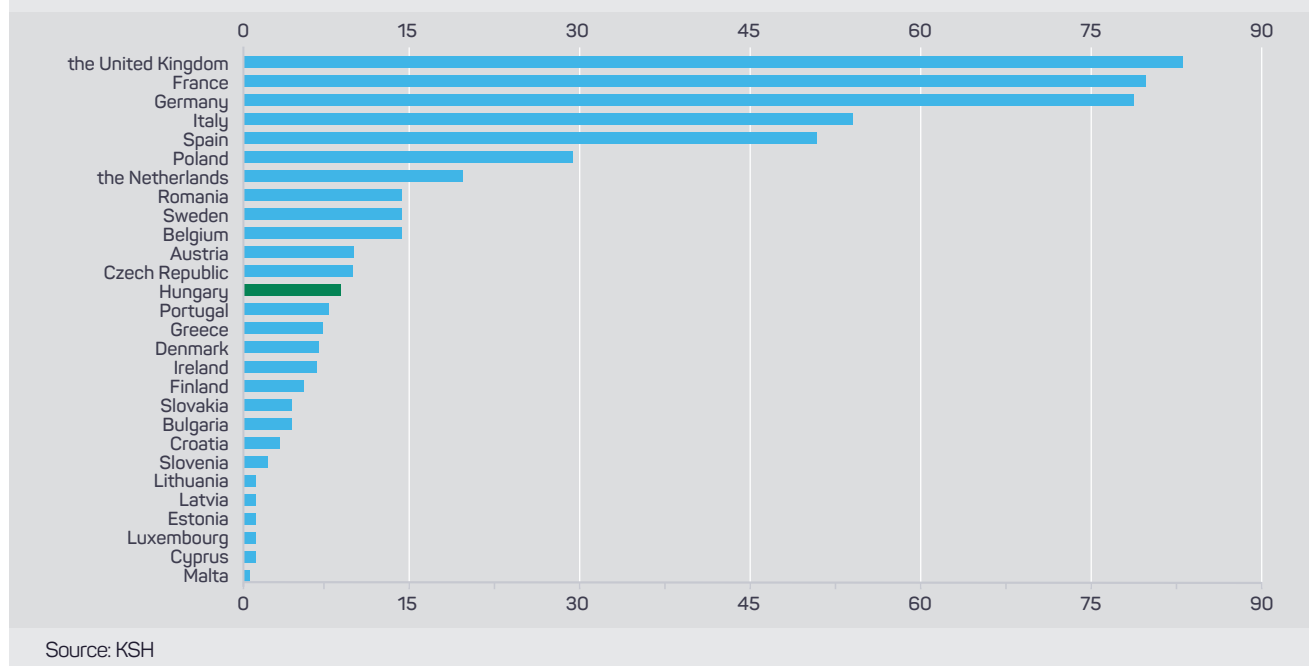
Pursuant to Eurostat population precalculus, the population size in the European Union will slowly keep rising until the middle of the 21st century. It will peak in 2045, totalling 529.1 million (which is a growth of 3.7% as compared to 2016). Subsequently it will be followed by a slight decline, to ultimately see the number of the population become a moderate 518.8 million by year 2080 after an interval of stagnation. This figure, however, will still be 1.7% higher than the present number of the population, with 8.5 million people plus. Despite the growth in the population size in the forthcoming decades, though, the period will be characterised by some natural decline due to the fertility rate's falling below the reproduction level. Nor will the positive migration balance be able to fully counter-balance the trend.

Inequalities within the EU will remain if the higher fertility rate in the developed countries is coupled with better life prospects and a migration surplus. Concurrently, the Central, Eastern and Southern European regions

will face lower fertility rates, lower rates of life expectancy and, in many places, will have to tackle the problem of youth emigration.

Concerning "old" Western European Member States, the scale of expected population growth will be significantly higher (8%) than the total average for the EU, showing an increase of around 31 million. The European population, thus, will grow from 406 million to 437 million people. The trend, however, is the reverse in Member States that later joined the Union. Here there is prognosis for a population decline of 21% (i.e. 22 million people minus), causing the number of inhabitants to fall from 104 million to 82 million. In line with the above, Eurostat forecasts a positive migration balance for growing countries. Natural growth is expected in 8 countries. In the more developed Western and North European countries (e.g. France, Ireland, the United Kingdom or Sweden) fertility is already close to the reproduction level.

Figure 1/39 – EXPECTED POPULATION SIZE IN EU-28, 2080 (MILLION PEOPLE)



The highest rate of population growth will be experienced in major migration destinations. Until 2080 the number of inhabitants may double in Luxembourg and grow to 150% in Belgium and Sweden respectively. In contrast, Germany will be struggling with a population decline of almost 16 million in the coming decades. This is shocking, though, since Germany has the highest number of inhabitants now, and has always been the lead target country for migrants in recent years, and will remain so in the future too. It is the United Kingdom that is forecast to have the largest population size in 2080 (with 85.1 million people), which would mean a 16% of the entire population of the European Union. Second on the list will be France, with a share of 15% within the EU.

Eurostat estimates a population of 8.7 million for Hungary by 2080, which implies a decline of 12%. Our country will keep its position and remain the 13th on the list, yet, its share will drop from 1.9 to 1.7%. From among the countries that still had to cope with population decline in 2014, Cyprus and Spain were removed to the category

of growing countries, while Slovakia, Germany, Slovenia and the Netherlands joined the group of countries with a shrinking population. A positive migration balance has been prognosed for all countries with a growing population. In the forthcoming years Luxembourg will see the highest scale of population growth. The number of inhabitants in this migrant destination is estimated to almost double. Significant population growth is expected in Sweden (46%), Ireland (32%), the United Kingdom (26%) and Belgium (25%) as well. Besides them, natural growth will entail some migration surplus in the Netherlands, France and Denmark.

Needless to say, the expected components of such a prognosed demographic tendency call for in-depth analysis. By 2080 the fertility rate will move from the present range of 1.30-1.96 to 1.65-2.04, still staying below the reproduction level. Eurostat predicts a live-birth rate of 327 million (an annual average of 5.1 million) and a death rate of 385 million (an annual average of 6 million) for the whole of Europe for the period 2016-2080. This means that, according to its estimates, the to-

tal number of the European population will decrease by 58 million (900 thousand people per year) as a result of natural decline. More precisely, in the developed Western Member States a live-birth rate of 273 million and a death rate of 306 million are predicted, leading to a natural decline rate of 33 million. In moderately developed countries and in those Member States that only joined the European in 2002 or later, the natural decline rate is forecast to be even higher. According to the prognosis, quantitatively it will show a figure of 24 million fewer, which means that the birth rate will be 54 million as compared to the death rate of 79 million.

Apparently, this scenario still does not seem to favour the consolidation of family-friendly policies or the provision of subsidies to parents with children. Instead, it intends to put an end to population decline by other means than the mobilization of internal natural resources. The fertility rate is forecast to show only a slight growth in a time-lapse of 65 years, and its increase by 12-13% would still be mostly attributable to migrants with high fertility levels. It follows from this that the scenario strives to find a solution to these serious demographic problems through external alternatives: it relies on organized migration from the Third World. This is also mirrored in the report by the European statistical agency, claiming that during the period 2016-2080 a total of 65 million people will settle in the EU. Bear in mind that the settlement of an annual average of 1 million migrants quantitatively would equal a figure 6.5 times the population of Hungary. This, however, would presumably counter, or even reverse the negative demographic trend in Europe. A solid rise would be anticipated after the population decline, which is a consequence of higher mortality rates. The majority of the migrants (97%), namely 63 million people are proposed to be hosted by Western European Member States (mostly belonging to the euro zone) so that their natural population loss will be compensated.

(Shorter term UN forecasts also show similar results. Accordingly, during the period 2015-2050, the European mortality rate is expected to exceed the birth rate by 57 million, which is planned to be counter-balanced by an inflow of 32 million international migrants, triple the number of the Hungarian population. It cannot be ignored that, as a result, the European population might actually decline by 'only' 25 million.)

Overall, based on the Eurostat forecast, it may be assumed that migration will continue to have a key role in most 'old' EU Member States in keeping up the population size or in growing it. In the meantime, in the case of 'peripheral' countries later joining the EU, population decline will remain a typical feature, where emigration and low birth rates will prevail should the relevant government decisions or proper approaches be lacking.

This, however, brings about further problems – namely the fundamental transformation of the population-based identity and the ethnical–social structure of Western European countries. As seen beforehand, migrants coming from outside the EU are accountable for a considerable proportion, 18% of live-births in these countries. This is double the number they are represented by the total European population, nevertheless, the figure would imply a two times higher level of willingness to have children among them. All of this presents the picture that, in a few decades' time, migrants will have a share similar to the current one even among the working-age population, which now makes up about two-thirds of the total population. In addition, their ratio is predicted to become twice this high regarding live-births, if the indicated fertility differences still persist. And the continuous inflow of migrants makes this rather likely. The afore-mentioned distribution is quite probable to shift towards the migrant population by the end of the period, until 2080. At the same time, the question remains whether the socio-cultural and civilizational attempts made in the issue of integration will be able to adapt to the changes.

Western European Member States are expected to receive a further mass of 63 million immigrants in the next 65 years, as the forecast of the European Union's statistical office puts it. At least 33 million people out of the total Western European population of 407 million are currently migrants from outside the EU, while the number of the indigenous population does not exceed 374 million. Migrants will be accountable for almost one-third of the potential 273 million live-births in the future (i.e. almost 100 million infants), yet, their share in the estimated mortality rate of 306 million will be around 20% (about 60 million). In this sense, the current population with a migrant background might nearly quadruple by 2080 in the EU, moving from the present rate of 7% to 30%. What is more, they also constitute the majority as regards newborn babies, by the end of the century.

Apparently and undoubtedly, this Christian Europe, which is built on today's values and approaches and which follows the currently prevailing religious and cultural behavioural patterns, can no longer be maintained – at least not in the Western world. If the current political trends persist, which give way to a relatively uncontrolled inflow of migrants, we are bound to see the rise of a socio-cultural blend, a kind of heterogeneous creation that will be taken by the group that grabs the major share in the entire European population as its own. And it will do so pursuant to its own set of values. It will reshape the culture according to its own behavioural patterns. It will rely on an ideology that radically differs from that of Europe.

CHAPTER II

HUNGARIAN DEMOGRAPHY AND ITS HISTORY IN A NUTSHELL



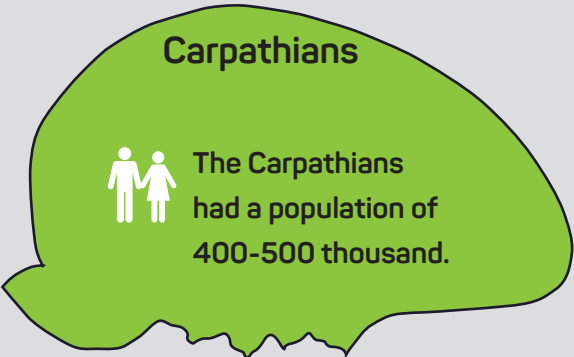
The evolution of this statistical science has always entailed a nose count—globally and thus in Hungary. It was as early as 2238 BC in China that the first census was conducted. Even the Bible makes several mentions of census data. And one of them is known to the entire educated world – the one that was performed at the time of Jesus Christ’s birth.

The first census in Hungary was organized between 1784 and 1787, which was not followed by any such event until the Compromise due to the nobles’ resistance (Andorka, 2001). Since 1870 the population has been counted every ten years, with the exception of 1941 and 1946. The last censuses were carried out in 2001 and 2011. Besides this, as of the second half of the 1900s, mid-term micro-censuses have been performed. (Within their framework, supplementary data recordings are made for current processes affecting society, yet such data are collected with a smaller sample – for example in 2016 it was for 10% of the population). The last Hungarian micro-census, which was the seventh, was held in 2016. Since 1876 data on births, deaths, marriages have been recorded and published in ever finer detail. Nonetheless, this also suggests that concerning the demographic changes before the end of the 18th century nothing but historical scientific estimates can be relied on. At the time of the Hungarian Conquest, the popula-

tion was estimated to be 400-500 thousand, which grew to 1.1 million by 1200 and to 1.5 million by 1300 respectively (Századok statisztikája, KSH, 2011) (Statistics of Centuries, CSO, 2011). Based on the sporadic data historians and demographers have concluded that, in the first six hundred years after the founding of the Hungarian State, the general population change showed an annual average growth of 3-4 per mil, similar to other European states and nations (Für, 2011).

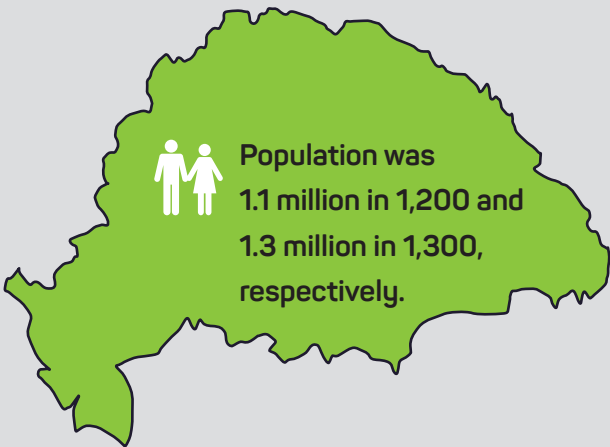
This was the trend for the subsequent period as well in spite of a most devastating natural disaster. Plague swept through Hungary and the whole of Europe in 1348, and continued to flare up until any lives until the second half of the 1770s. Still, demographic growth was stable. The population of Hungary before the battle in Mohács may have been around 3.5-4 million, being neck and neck with that of contemporaneous England. Out of the 3.5-4 million

Figure 2/1 – HUNGARY AROUND 900 AD



Source: KSH, Századok statisztikája
(CSO, Statistics of Centuries)

Figure 2/2 – HUNGARY IN THE 13TH CENTURY
(INCLUDING CROATIA)



Source: KSH, Századok statisztikája
(CSO, Statistics of Centuries)

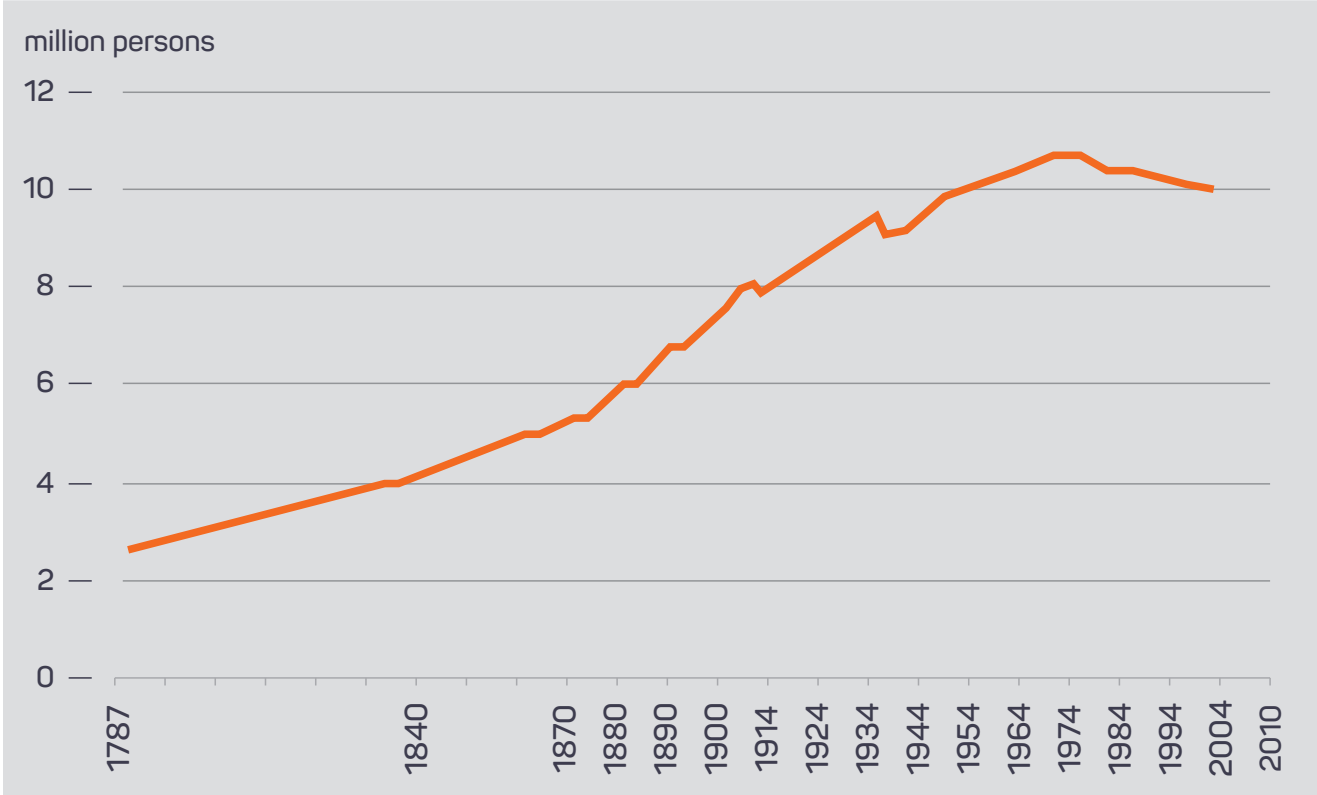
inhabitants of the Carpathian Basin around 3-3.2 million were Hungarian, making up about 75-80% of the population. (This figure suggested the existence of about 20,000 settlements, out of which 15,000 have remained.) In the meantime smaller villages in Transylvania welcomed the arrival of the first Romanians and Serbians. Ruthenians integrated into the communities of the North Eastern Carpathians, whereas Slovaks gradually started settling southwards of Upper Hungary.

The 150 years under the Ottoman Empire have brought about a serious break in the country's demographic development. By the end of the Turkish rule, the population shrank to the number before the battle of Mohács, to 4 million, although based on the natural demographic growth features it should have doubled during this time. Not more

than 50% of these 4 million people were Hungarian in the 1710s (Tóth, to be published). As a consequence of settling in, by the time of the first great census, at the end of the 18th century, Hungarians constituted a mere 40% of the population. In the meantime, civilizational influences, scientific development, the improvement of nurturing and housing conditions etc. led to a gradual decrease in deaths and infant mortality in Europe. After the second half of the 18th century birth rates remained high for a time, while death rates started to gradually decrease, leading to natural population growth.

At the time of the census under the reign of Emperor Joseph II, 8.1-8.2 million people inhabited the actual State territory (without Croatia), out of which the population in the area of today's Hungary came to 2.7 million (Századok statisztika).

Figure 2/3 – THE NUMBER OF HUNGARIANS LIVING IN THE TERRITORY OF CONTEMPORARY HUNGARY (1787-2010)



Source: CSO, Statistics of centuries

tikája, KSH, 2011). This figure, however, almost doubled in the next hundred years, to see another growth of 100% in the subsequent century too. The dynamic demographic expansion was only halted in the first half of the 20th century – by wars. The shock over the Treaty of Trianon and its resulting loss of area and population, just like the successive emigration broke the positive trend, and the phenomenon of natural population decline did nothing to help the situation. A natural shrinkage of the population has been experienced in the past two decades. Even population density started to worsen, which earlier doubled between 1880 and 1980. The number of inhabitants per square kilometre in today's Hungary is similar to that of Austria, Portugal, Slovakia and Slovenia (105.3 people/km² in 2017). The most densely populated areas in the European Union are Malta, the Netherlands and Belgium (in 2016: 1381, 410 and 371 people/km² respectively), whose numbers are multiple the domestic figures of Hungary.

In the first decade of the 21st century (that is nowadays) 52% of the population are women. The number of women per thousand men grew from 1019 in 1870, to 1096 in 2017, which had been influenced by the different mortality rates observed with the genders, wars and emigration trends, despite the male birth surplus (Andorka, 2001). In 1870 children accounted for 37% of the Hungarian population, whereas people above 60 constituted 5%. This means that around 60% of the population was made up by active working-age people. The proportion of the latter is still similar today (63%), however a significant shift can be perceived in the number of children and the elderly in favour of the latter. (Their proportion is currently 15% and 22% respectively). Emigration, war, as well as the changes in birth and mortality rates have left their mark on the pyramid-shaped age-tree so typical of young populations. Thus today, just like in other European countries, it depicts an ageing population structure.

According to Figure 2/4, the period from the 18th century until the first half of the 20th century, was defined by high live-birth and slightly lower death rates. Yet, as of the mid-

dle of the 1900s both indicators, and especially the number of live-births per thousand inhabitants, started to decrease, and after the 1970s it largely exceeded the death rate.

At the same time, the number of family members in one household also started to fall. In the 18-19th centuries a household usually had four to five family members, whereas in the last century this number typically changed to three or even fewer. The trend was also reflected in the change of the average number of children in the family and their distribution accordingly. The first signs of the shift could be perceived in the 1950s. In the mid-1900s three-quarters of the families had at least one child, and two-fifths had a minimum of three. Yet, less than 50 years later, at the beginning of the 21st century, only two-thirds of families had one child. A mere one-third of the families were raising more than one, and less than one-tenth of them were bringing up three children.

Figure 2/4 – LIVE-BIRTHS AND DEATHS PER THOUSAND INHABITANTS ¹		
YEAR	LIVE-BIRTHS	DEATHS
1823	30.6	23.2
1831	29.3	48.5
1876	46.7	34.9
1900	39.7	26.3
1925	28.4	17.1
1950	20.9	11.4
1975	18.4	12.4
2000	9.6	13.3
2010	9.0	13.0
2016	9.5	12.9
Source: KSH (CSO)		

¹ In: STATISTICS OF CENTURIES. Statistical curiosities from Hungarian history. KSH. 2011. pp. 40. (Table 2.10)

**Figure 2/5 – NUMBER OF FAMILY MEMBERS
PER HUNDRED FAMILIES²**

YEAR	PERSONS
1747-1748	400
1843	540
1949	339
1996	294
2001	291
2005	288
2011	287
2016	283
Source: KSH (CSO)	

In order to understand the population tendencies of the past hundred years, though, the total fertility rate (TFR) and its changes cannot be disregarded. (The latter shows the number of children a woman would give birth to pursuant to the birth frequency of the given year (see Figure 2/7)).

Practically, three longer phases may be distinguished in this respect. (The detailed analysis of population tendencies after 2002 is included in the next chapter.) The first one indicated a steady decrease between 1900 and 1960, while the next one, between 1960 and 1990, was dominated by stagnation (with TFR amounting to 1.79 in 1962, and 1.78 in 1992 respectively). Finally, the last phase lasting until 2012 again experienced another, yet less significant decline. More precisely, the total fertility rate gradually declined from 5.32 in 1900 to its lowest in 2011, which was 1.23, only to rise to 1.49 in 2016.

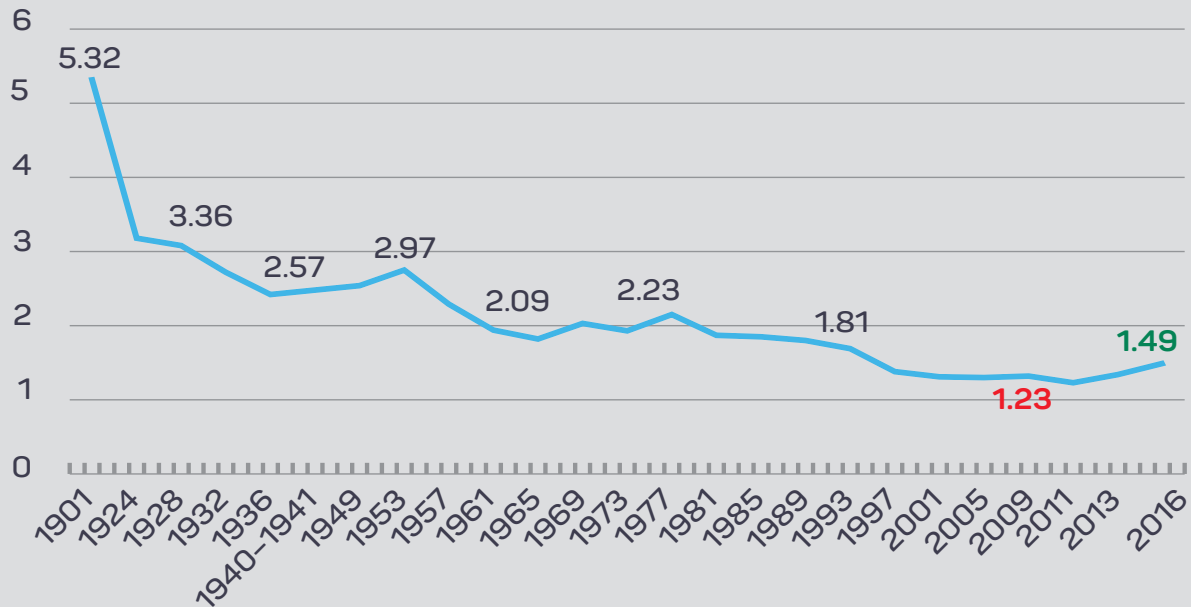
Figure 2/6 – FAMILY DISTRIBUTION BASED ON THE NUMBER OF CHILDREN (PERCENTAGE)³

FAMILY TYPE	1949	1960	1970	1980	1990	1996	2001	2005	2011	2016
WITH NO CHILDREN	27	31	34	35	34	33	34	35	34	37
WITH ONE SINGLE CHILD	32	35	35	34	33	34	34	34	36	34
WITH TWO CHILDREN	22	22	22	25	26	26	24	23	22	21
WITH THREE OR MORE CHILDREN	20	13	9	6	7	7	7	8	8	8
WITH CHILDREN, ALTOGETHER	73	69	66	65	66	67	66	65	66	63
Source: KSH (CSO)										

² In: STATISTICS OF CENTURIES. Statistical curiosities from Hungarian history. KSH 2011, pp. 42. (Table 2.13)

³ In: STATISTICS OF CENTURIES. Statistical curiosities from Hungarian history. KSH 2011, pp. 42. (Table 2.13)

Figure 2/7 – TOTAL FERTILITY RATE (TFR) BETWEEN 1900 AND 2016



Source: KSH (CSO)

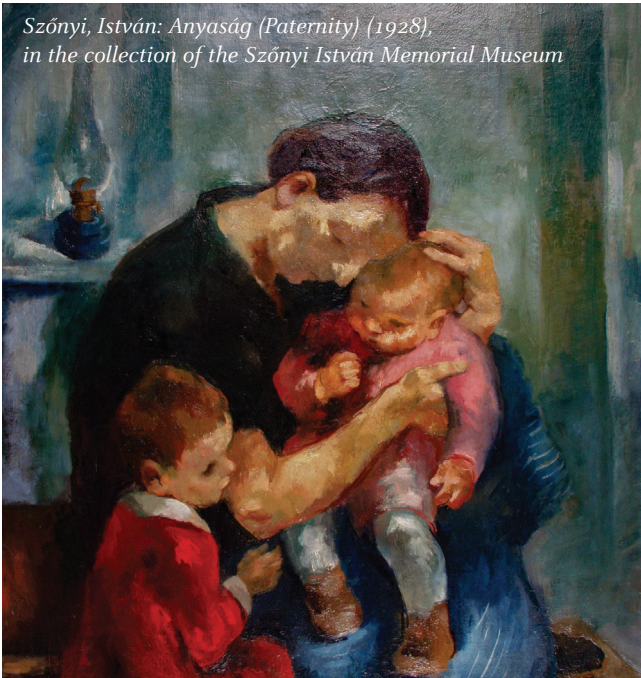
Anyhow, 2012 saw a remarkable change in tendencies, giving way to rising figures. And we hope that this trend will be long-term and, from now on, fertility will be set on the sustainable path of steady growth. Outstanding numbers are remarkable in the trend, which several times fail to follow the definite trend patterns, or readjust to the trend line again. All of them may be linked to a historical event that had an impact on the entire population (see the two world wars), or may be connected to population-related government interventions. The trends' perseverance is another feature that substantiates the recognition that parenthood is subject to deep social sentiments. Their mapping and elaboration cannot be ignored, since it is this knowledge that government measures in support of the achievement and maintenance of sustainable childbearing levels can be, in the long run, built on.

The main events influencing the population:

Even before World War I government measures were taken to mitigate family poverty and improve health-care conditions in order to stop the gradual decline in birth numbers.

The period during World War I saw a dramatic fall in crude live-birth rates, standing at an average of 16.3 per thousand women. It is striking, though, that during World War II this trend was less intense, even though the war itself had a much heavier death toll. Birth rates kept decreasing in the 1930s, also reaching over to the years of the global economic crisis. And this negative trend did not end until 1936, the reasons for which are manifold. The growing urban population and the gradual increase in school qualifications had made their mark. There was a less intense drop in the number from 1936 to 1937, yet after a couple of small exceptions, the trend basically remained unchanged until 1952. (The decline cannot be seen in the previous chart due

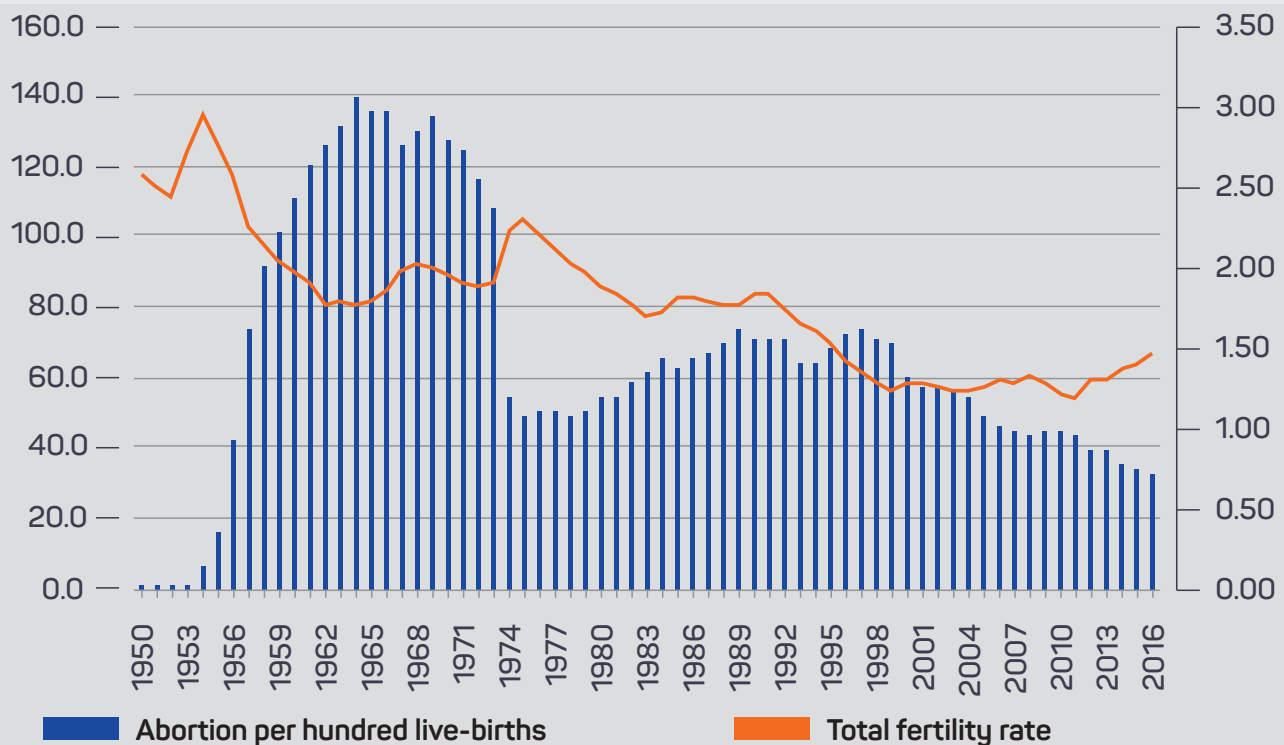
Szőnyi, István: *Anyaság (Paternity)* (1928),
in the collection of the Szőnyi István Memorial Museum



to the concise time interval.) The period between 1953 and 1956 was ruled by the Ratkó era, introducing a bachelor tax and the ban on abortion. It is a historical curiosity that the abolition of abortion was not a new regulation, but basically the restoration of a former legislation suspended during World War II. The pace of natural population growth, of course, showed a considerable increase in these years in response to state pressure.

The ban on abortion was lifted in June 1956, while the tax on childlessness was repealed after the revolution of 1956. During the 2.5-3 years of the practical abolition of abortion, as compared to previous years, about 80 thousand more children were born on a yearly basis (and infant mortality also decreased). As a result of the growing number of births and improved mortality rates, the Hungarian population grew by 100-110 thousand people per year (Für, 2011).

Figure 2/8 – THE RATIO OF TFR AND ABORTIONS RELATIVE TO EACH OTHER



The vertical axis on the right shows TFR, while that on the left depicts abortion.





The unrestricted permission of abortion, however, turned things upside down. Artificial abortions reached their peak of several million by the time of the change of the regime. (Between 1956 and 2016 their number approximated 5.9 million.) It is a tragedy that the socialist era used them as an active tool for population regulation (Farkas, 2014). The chart below depicts the negative relationship between the number of abortions and the fertility rate.

The unrestricted permission of artificial abortion, nonetheless, is only partially accountable for the drop in birth numbers. It is startling that in 1957 there were 13.3% fewer children born than one year earlier. As a matter of fact, such an extent of decline within a year could only be seen during World War I. Yet, the historical negative record was to come in 1962 after the peak in 1954, with the lowest ever figures globally. In 1962 93.3 thousand

fewer children (130,053 people) were born as compared to the generation in 1954 and this figure only exceeded the historical minimum of 1918 WWI by a mere 2,159 people. The difference between the fertility rates of 1954 and 1962 is also telling. With the growing age of women (and especially after the age of 25), the fertility rate drastically dropped. In this period women gave birth to their first child at the age of 20-22, and typically refused to have a second baby. Moreover, the trend of having one single child found its way back after the world war. And this entailed the return of the former negative trend that was observed with the fertility rate. The Ratkó era, in this sense, could only offset the negative trend from its track for a temporary period of 3 years. Its impact could again be temporarily felt with the 'Ratkó children' and 'Ratkó grandchildren', yet failed to expand to a third wave of generations.

In 1967 Hungary was the first, in the world, to introduce the disbursement of child care allowance (GYES), which was supplemented by the income-based child care fee (GYED) in 1985. Subsequent to the introduction of GYES, the total fertility rate temporarily increased, but after 2-3 years it again decreased to the original trend line.

The amount of family allowance and the childcare benefit was raised and extended in 1973. Regulations on artificial abortion were tightened and contraception was made widely available to the public. Still, the increase in the fertility rate did not prove to be permanent, and it did not exceed the single reproduction level for more than a few years. It should be noted that family allowance was gradually decreasing in comparison with the average wages in the second half of the 1970s. Notwithstanding their timing, the dramatic drop in the number of abortions in 1974 and the temporary bolt in the fertility rate were only slightly interconnected. The drop in the number of abortions was primarily attributed to the wide spread of modern contraceptive medicine. Meanwhile it was the expansion of GYES and the higher number of fertile women (Ratkó children) that could explain the temporary rise in the fertility rate. In 1984 new demographic and housing policy-related government decisions were aimed at having some long-term positive effect, yet in vain. Not even in the last decades of the Kádár regime could Hungary be considered as a welfare state (Muraközy 2008). As a matter of fact, it could not be rendered more than a State promising welfare. Yet, the latter remark is justifiable, since as compared to other socialist countries, Hungary made more serious attempts to get the regime accepted via better financial welfare. A part of this was based on the relatively high level of family subsidies (GYES, GYED), family allowance as well as free-of-charge crèche and kindergarten attendance (referred to as 'social policy', that is "szocpol").

Regime legitimisation, on the other hand, relied on the integration of market elements into the economic mechanism. The introduction of the second economy, however, forced people into a self-exploiting, multi-job-faceted behavioural pattern. As a consequence of all of this, more and more families fell apart, and the deterioration of people's state of health was not halted. To make things worse, fewer and fewer children were born. Family and population policies after the change of the regime were typically accompanied by two distinctive elements. One of them concentrated on financial subsidies, whereas the other one had to do with a lack of consensus about basic principles, means, tools and efficiency.

Family allowance was made available to every family as of 1990, irrespective of their involvement in the labour market and their financial status. From 1991 on, the Antall-government expanded the tax-base allowance (which was originally introduced for families with three or more children) to families with one single child or two children. Later the allowance was modified to tax allowance, which now decreased the amount of the income tax payable. The Social Act, which introduced the scheme of GYET (child raising support) for large families, was adopted in 1993.

Besides the economic shock of the change of the regime, the composition of births was also fundamentally affected by the extraordinary boom in school qualifications among women, which – among others – contributed to the postponement of parenthood to later years. Until the mid-1990s it was women aged 20-24, and until 2009 those between 25 and 29, who determined the domestic fertility rate as constituting the segments with the highest number of deliveries. From 1994 on, however, going against the generous and consciously structured family-supporting ideology and the actions of the conservative government, the left-wing Liberals showed less

understanding. Upon forming government, they took every opportunity to destroy or weaken the family support scheme. The basic conflict was rooted in the interpretation of the family policy. The confrontation of the concept 'social policy versus family and demographic policy' resulted in the doubtful opportunity to request family subsidies, or simply questioned their existence. Benefit schemes were either repealed or restructured. At the same time, research findings clearly show that the poorly considered modification of the family support scheme and the accompanying lack of predictability apparently adversely affected the attitude to childbearing, and thus the evolution of the Hungarian population (Pongráczné, 2009).

The Bokros package of 1995-96 only brought destruction and a long-term break in the family support scheme, and accordingly in the families' intention to have children. Among others, family allowance lost its universal nature. In this sense, the middle class was no longer eligible for such grants, and the family tax allowance was also repealed. The cancellation of GYED, and the stricter eligibility conditions for GYES and GYET led to a significantly higher poverty risk among families with children under the age of 2. The Bokros package had a disastrous effect on the demography. It saw young people lose their faith in safe and secure family planning. Anyhow, nothing could have served as a better example to prove that negative actions have an immediate effect, whereas favourable ones, with the aim of projecting a predictable future, only gain trust after many years (Farkas, 2012).

In 1998 the Orbán government restored the formerly repealed elements of the family support scheme, and within the framework of this it made family allowance universal again. It re-introduced the family tax allowance, with even more favourable conditions for families with more children. From 2000 onwards, GYED was available again. From 2001 on even grandparents became entitled to GYES. This period is regarded as the first family-policy related (pronatalist) governmental phase that was targeted at growing birth numbers.

During the two governmental cycles of the socio-liberal coalition subsequent to the change of the government in 2002, an external indebtedness spiral started to evolve due to intensive borrowing and slack economic growth. The governments led by Medgyessy and Gyurcsány mostly failed to preserve the family-policy related *acquis* of the first civic government. They cut back on housing allowances and made the conditions of family tax allowances significantly stricter by restricting them to families with three or more children and by binding them to a specific income limit. This, unfortunately, was only partially mitigated by the universal rise of the family allowance. In 2009-2010 the Bajnai government found the 'way out' in restricting welfare benefits. It froze the provision of family allowance, limited GYES to two years and even decreased the minimum amount of the old-age pension, which underlies the calculation of the many subsidies. The housing-support scheme ('szocpol'), which was definite until then, was replaced by a new benefit scheme offering limited opportunities. Interest rate subsidies were available to people under 35 for building, purchasing a

new flat, or reconstructing their own homes. Nevertheless, this hindered and, at the same time, impeded the housing objectives of several young couples and families with young children. The unfavourable family-policy related measures of the Bajnai era severely ravaged the social trust that was forming around the millennium. Consequently, natural decline again started to unfold.

According to researcher Tiborné Pongrácz (2009),

"The constant plea to understand the systemic stability of the family policy brought about unpredictability and insecurity, which may seriously hinder childbearing in the development period of family-planning and awareness. It apparently conveys the message that family and child safety are not important for everyone. Not all social groups acknowledge them as an asset. (...) The fundamental reason behind the failed attempts to better the demographic indicators lies in the constant changes of the support scheme. There is no efficient family policy without stability."

Family policy should be characterized by predictability, stability, complexity and flexibility. This has been recognized by the Hungarian family policy since 2010, whose goals and objectives, achievements and plans for the future will be discussed in the next chapters.

An aerial, high-angle photograph of a large, diverse crowd of people gathered in a public square or plaza. The people are wearing various winter clothing like coats, scarves, and hats. They are scattered across the paved ground, some standing in small groups, others walking. The perspective is from directly above, looking down on the crowd.

CHAPTER III

OVERVIEW –

THE DEMOGRAPHIC SITUATION AFTER THE CHANGE OF THE GOVERNMENT IN 2010, BASED ON THE DEMOGRAPHIC TRENDS BETWEEN 2002 AND 2010

3.1.

MAJOR FACTORS DETERMINING THE POPULATION SIZE OF HUNGARY

The most definite feature of a population at a given time and place (country) is the number of its inhabitants, and its structure based on gender and age. Population size and structure may show varieties due to people movement. Population size is defined by the balance of births and deaths (natural growth or decline) and by the balance of migration into or from a foreign country. Natural population change and migration balance together show the scale of actual growth or decline. Changes in the population's age-structure depend on the number of new entrants into (newborn babies) and leavers of the system per age-group (death, immigration and emigration by age).

The number of live-births largely depends on the number, age-composition and fertility of women of child-bearing age. In other words, it is defined by the frequency of births at a given age. Fertility is expressed by the total fertility rate, which shows how many children a woman gives birth to, on average. This indicator is an expression of the attitudes to childbearing in a country. Death rates vary according to population size, death expectancy and mortality. That is, they depend on the fre-

quency of death events at a given age. Mortality level is defined by average life expectancy at birth. It stipulates the average life expectancy of a newborn infant, specifying the age when he or she is expected to die. Healthy life expectancy at 65 differs from the above, expressing the number of years a person at the age of 65 can expect to live in a good state of health.

On 01 January 2010 the Hungarian population was 10 million 14 thousand. During the 8-year period of 2002-2010, as regards people movements, the balance of births, deaths and international migration underwent the following changes.

During the period 2002-2010 Hungary experienced a continuous decrease in its population size. Shrinking birth numbers were constantly exceeded by death rates, leading to a perceivable natural population decline in each year under analysis. Neither could the migration balance counter the negative trend. Although there were fluctuations in its volume, its constantly positive value could still only mitigate the decline. The population was actually getting smaller year after year.

Figure 3/1 – POPULATION CHANGE AND ITS DEFINING FACTORS, 2002-2010

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Population size, thousand people (January)	10,175	10,142	10,117	10,098	10,077	10,066	10,045	10,031	10,014
1. Number of live-births, persons	96,804	94,647	95,137	97,496	99,871	97,613	99,149	96,442	90,335
2. Number of deaths, persons	132,833	135,823	132,492	135,732	131,603	132,938	130,027	130,414	130,456
Natural population change, persons (1-2)	-36,029	-41,176	-37,355	-38,236	-31,732	-35,325	-30,878	-33,972	-40,121
3. Migration balance, persons	3,538	15,556	18,162	17,268	21,309	14,568	16,452	17,321	11,519
Actual population change, persons (1-2±3)	-32,491	-25,620	-19,193	-20,968	-10,423	-20,757	-14,426	-16,651	-28,602

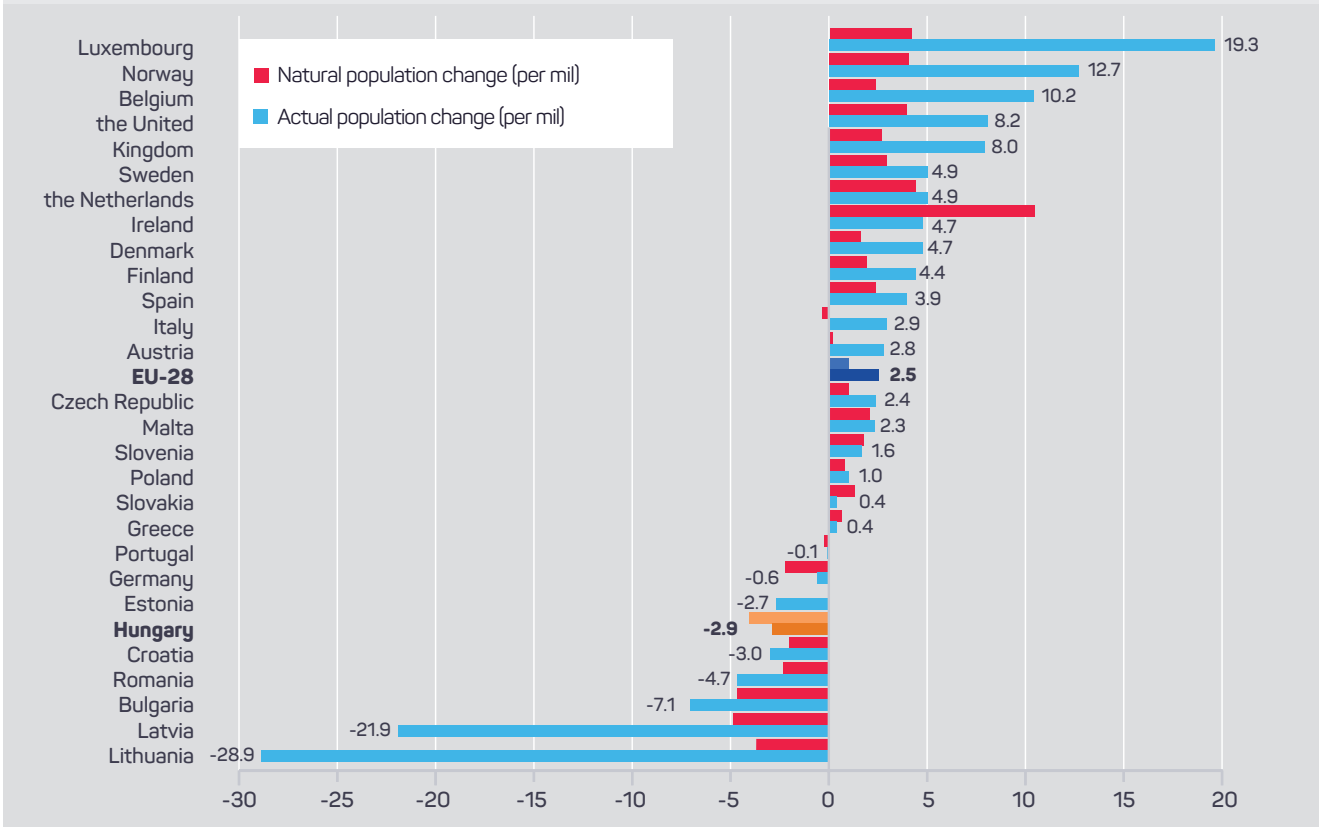
Regarding population change per thousand inhabitants, as compared to other EU Member States, in 2010 Hungary was one of the leading countries with a shrinking population. It had one of the poorest statistical results both in terms of natural and total population decline. Please note that population shrinkage derives from the negative balance of births and deaths, while actu-

al population decline also covers migration. Among the 28 Member States, Hungary was listed third and sixth among the worst performing countries concerning natural population change and actual decline. Based on this, the country was ranked one place lower – our position basically stagnated compared to 2002.

Figure 3/2 – EXPECTED POPULATION CHANGE PER THOUSAND INHABITANTS, 2002-2010

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Natural population change (per thousand inhabitants)	-3.5	-4.1	-3.7	-3.8	-3.2	-3.5	-3.1	-3.4	-4.0
Actual population change (per thousand inhabitants)	-3.2	-2.5	-1.9	-2.1	-1.0	-2.1	-1.4	-1.7	-2.9

Figure 3/3 – NATURAL POPULATION CHANGE IN THE 28 EU MEMBER STATES, 2010 (PER THOUSAND INHABITANTS)



3.2.

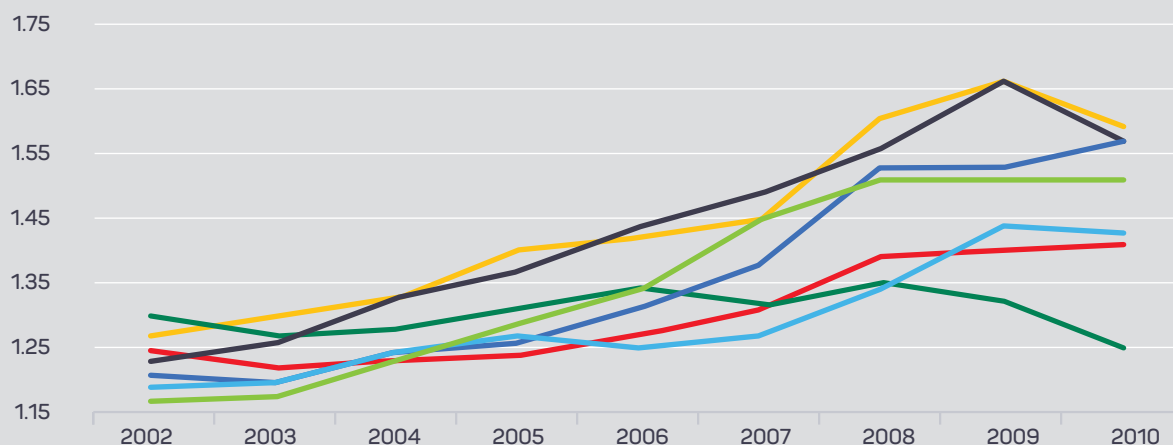
ATTITUDES TO CHILDBEARING AMONG HUNGARIAN FAMILIES IN 2010

3.2.1. CHANGES IN THE FERTILITY LEVEL

At the time of the change of the government, attitudes to childbearing Hungarian families was at its lowest ever. This, somehow, could be traced back to the 'crisis management' measures of the former government. Their mistaken course brought about restrictions that did not even spare families with children. The number of children and the fertility indicator for a given year are, on average, around 75% determined by parental decisions made on having children and family in the previous year. Basically in the majority of the cases any new life is conceived prior to the year under analysis, thus it may be concluded that such family-related decisions are influenced by the then actual socio-economic conditions, the government policy and the subsidies and benefits that are available. The fertility rate of 1.23 registered in 2011 was the lowest ever in the demography of Hungary, being 40% below the value (2.1) needed for the popula-

tion's reproduction, which suggests that it is the period inherited from the former government, full of crisis and uncertainty, that is largely accountable for the prevailing situation. It should also be added that the total fertility rate (TFR) of 1.25 recorded one year earlier, in 2010 was not favourable either, only ending up one place higher in the list of negative records. It was former socialist countries that struggled with the lowest fertility rate on the continent at the beginning of the 21st century. The indicator failed to reach even 1.3 at the millennium in Hungary, yet still proved to be quite high relative to the neighbouring countries. From among the ten countries later joining the European Union, in 2002 it was only Hungary and Estonia that recorded a total fertility rate higher than 1.3¹. Between 2002 and 2010, however, the rate started to grow both in Central and Eastern European countries earlier belonging to the socialist block, and among EU Member States. By 2010 it peaked at 1.59 in Romania, 1.57 in Slovenia and Bulgaria, 1.50 in Lithu-

Figure 3/4 – TOTAL FERTILITY RATE IN CENTRAL AND EASTERN EUROPEAN COUNTRIES, 2002-2010



Source: Eurostat

■ Slovakia
 ■ Slovenia
 ■ Romania
 ■ Poland
■ Hungary
 ■ Czech Republic
 ■ Bulgaria

¹ Demographic Portrait, 2012, pp. 33

ania, 1.51 in the Czech Republic, 1.43 in Slovakia, 1.41 in Poland and 1.36 in Latvia. Even though the highest figure recorded in Romania could not reach the EU level and the fertility indicator necessary for the population's reproduction, it still portrayed a definitely positive trend.

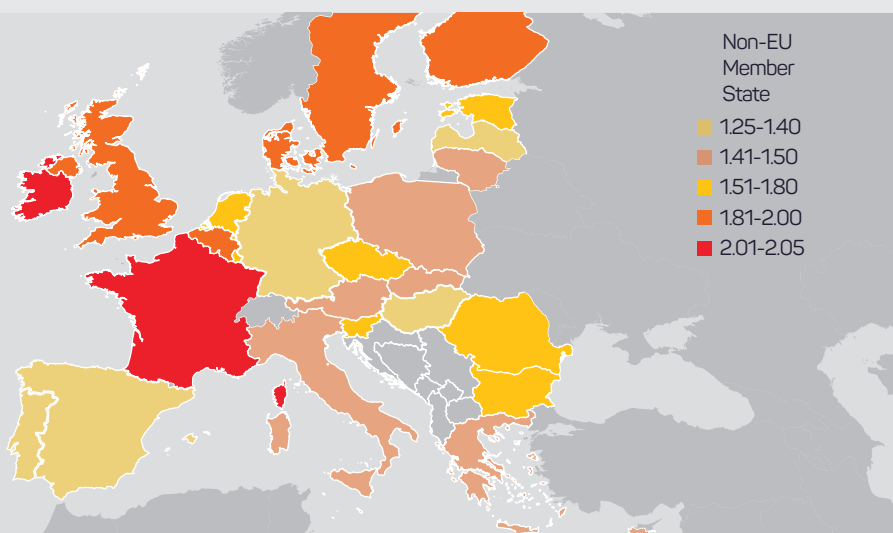
At this time, though, Hungary was just plummeting to new depths. In the period under analysis the indicator dropped by a significant 3.8%, after a moderate and temporary upheaval between 2006 and 2008.²

In 2002 the fertility rate averaged 1.46 across the European Union. The lowest fertility levels were registered in former socialist countries and in the southern States (Italy, Spain and Greece). It may be that the indicator of 1.3 measured in Hungary was low, still it was not outstandingly bad. In 2002 the Czech Republic (1.17), Slovakia (1.19) and Slovenia (1.21) performed more poorly. In the first years of the millennium Bulgaria, Romania, Poland and the Baltic countries all showed a less favourable picture.

By 2010 the fertility rate stood at 1.62 in the EU-28 Member States. The indicator was even better in the Benelux States, Estonia, Finland, Great Britain, Scandinavia and France. It is noteworthy, though, that countries with TFR above the EU average also had a higher number of births out of wedlock. "In most countries the higher number of marriages is coupled with a lower number of births out of wedlock. Yet, of course, there are exceptions. Scandinavia, to be more exact Denmark and Finland are special examples. There the traditionally high number of births out of wedlock is complemented with a first marriage rate far beyond the average of the EU-25 Member States. Again, it may be that a lower than average marriage frequency entails a relatively low number of births out of wedlock. Such countries include Spain, Poland and even Germany."³ In contrast, as seen above, the Hungarian total fertility rate showed some further decline as compared to its former level. By 2010-2011 it was at its lowest ever recorded, standing at 1.25 and 1.23 respectively. Somehow, the figures fell behind both

Figure 3/5 – TOTAL FERTILITY RATE IN EUROPEAN UNION MEMBER STATES, 2010

Hungary	1.25
Latvia	1.36
Malta	1.36
Spain	1.37
Germany	1.39
Portugal	1.39
Poland	1.41
Slovakia	1.43
Cyprus	1.44
Austria	1.44
Italy	1.46
Greece	1.48
Lithuania	1.50
Czech Republic	1.51
Bulgaria	1.57
Slovenia	1.57
Romania	1.59
Luxembourg	1.63
Estonia	1.72
the Netherlands	1.79
Belgium	1.86
Denmark	1.87
Finland	1.87
the United Kingdom	1.92
Sweden	1.98
France	2.03
Ireland	2.05



Source: Eurostat

² The technical literature in the field refers to fertility at such a low level as lowest-low fertility, which could be understood as quasi super low fertility.

³ Births out of wedlock in Europe. Statisztikai Tükör (Statistical Review), Year III, Issue 98, 29 June 2009. page 2 <https://www.ksh.hu/docs/hun/xftp/gyor/jel/je309042.pdf> (downloaded: 20 July 2017)

those of the former socialist countries and the EU Member States. Whereas in 2002 we ranked 17th in the list, we could not even hold this position. Both in 2010 and 2011 Hungary had the worst indicators among the EU-28 Member States.

3.2.2. NUMBER OF LIVE-BIRTHS

The fertility rate, as mentioned earlier, is a determinant in the actual number of live-births. Yet, the latter largely depends on the number of women of childbearing age (as per statistical terms, women aged between 15 and 49), and is indirectly affected by the proportion of those women in this age-group who live in a relationship. In addition, besides the attitudes to childbearing, any decrease in the number of fertile women leads to a proportional fall in the expected number of live-births.

There are fewer and fewer women of childbearing age in developed countries who could ensure the population's reproduction. And this yearly decrease has a fundamental impact on the number of births in a country.

The shrinkage in the number of women of childbearing age was more moderate in each EU Member State than in Hungary. It showed an average decline of 1% between 2002 and 2010. Within this, however, nine EU Member States experienced some growth due to the favourable fertility conditions of the previous decades. In Cyprus an increase of 21% was registered, whereas for Ireland it was 16%, for Luxembourg 12%, for Spain 8%, for Sweden and the United Kingdom 6%, for Belgium and Austria 2% and for Denmark 1% respectively. In two countries, namely Malta and Italy, there was practically stagnation. In the other countries there was a fall in their number, to different extents. The most significant drop was seen in Romania (15%), Latvia (11%), Lithuania (11%) and Bulgaria (10%). During the period 2002-2010 the number of women of childbearing age dropped by 5.8% in Hungary, falling from 2,534 thousand to 2,386 thousand. This was a decrease of 148 thousand, which

could be regarded as a featured, unavoidable result of the earlier demographic trends (namely the ageing of the Ratkó generations). Even though Hungary had worse conditions to face relative to the EU average, in comparison with other Central and Eastern European countries, our situation was not exceptionally bad.

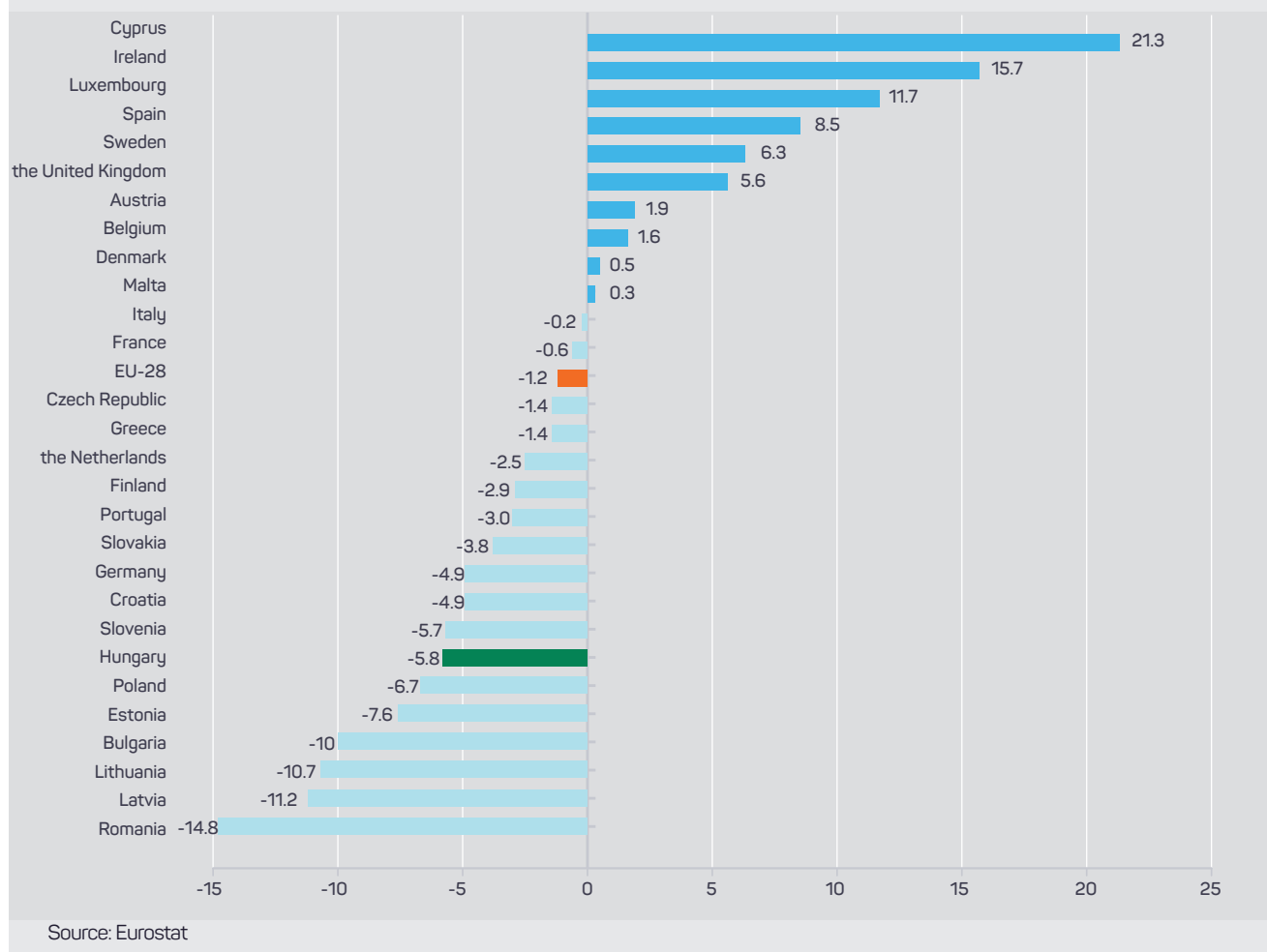
The domestic decline in the number of live-births, nonetheless, resulted in a remarkable decrease by 2010-2011. Accompanied by the negative effect of some other factors, it contributed to the worsening of the attitudes to childbearing⁴. In 2010 as many as 90,335 live-births were recorded altogether, while this number was only 88,050 in 2011. This was again a negative record in the Hungarian demographic trends and fell 9% below the figure for 2002, which amounted to 96,804. (Between 2002 and 2010 the birth rate showed a trend similar to that perceived with the fertility rate, yet, in the second half of the 2000s there were a number of upheavals. For example, in 2006 the birth number was close to 100 thousand, yet the trend was repeatedly weakened by the economic crisis and the 'adjusting' measures.)

Compared to the European Union, the number of live-births per thousand inhabitants was extremely low. In 2010 it was 9.0 and in 2011 it only reached 8.8, only preceding Germany in the list. Ranking as the second worst performing country, we were devastatingly lagging behind other V4 countries, whose development and situation was otherwise similar to ours. Compared to the scale of 9.5 measured in 2002, which enabled Hungary to take the 17th place in the ranking list of EU Member States, this meant a serious setback.

Such a low level in the attitudes to childbearing projected the tragic image of the irreversible process of some further acceleration in population decline. The change of the government in 2010 also embodied an opportunity to tackle the management of these unfavourable prospects. It evoked the recognition that such negative trends needed to be reversed for the sake of strengthening the nation.

⁴ Negative trends were additionally worsened by the shift of the average childbearing age to later years.

Figure 3/6 – THE NUMBER OF WOMEN OF CHILDBEARING AGE IN THE EU-28, 2002-2010 (%)



At the same time, other issues also were identified in this context, the management of which again constituted a set of tasks for the government after 2010.

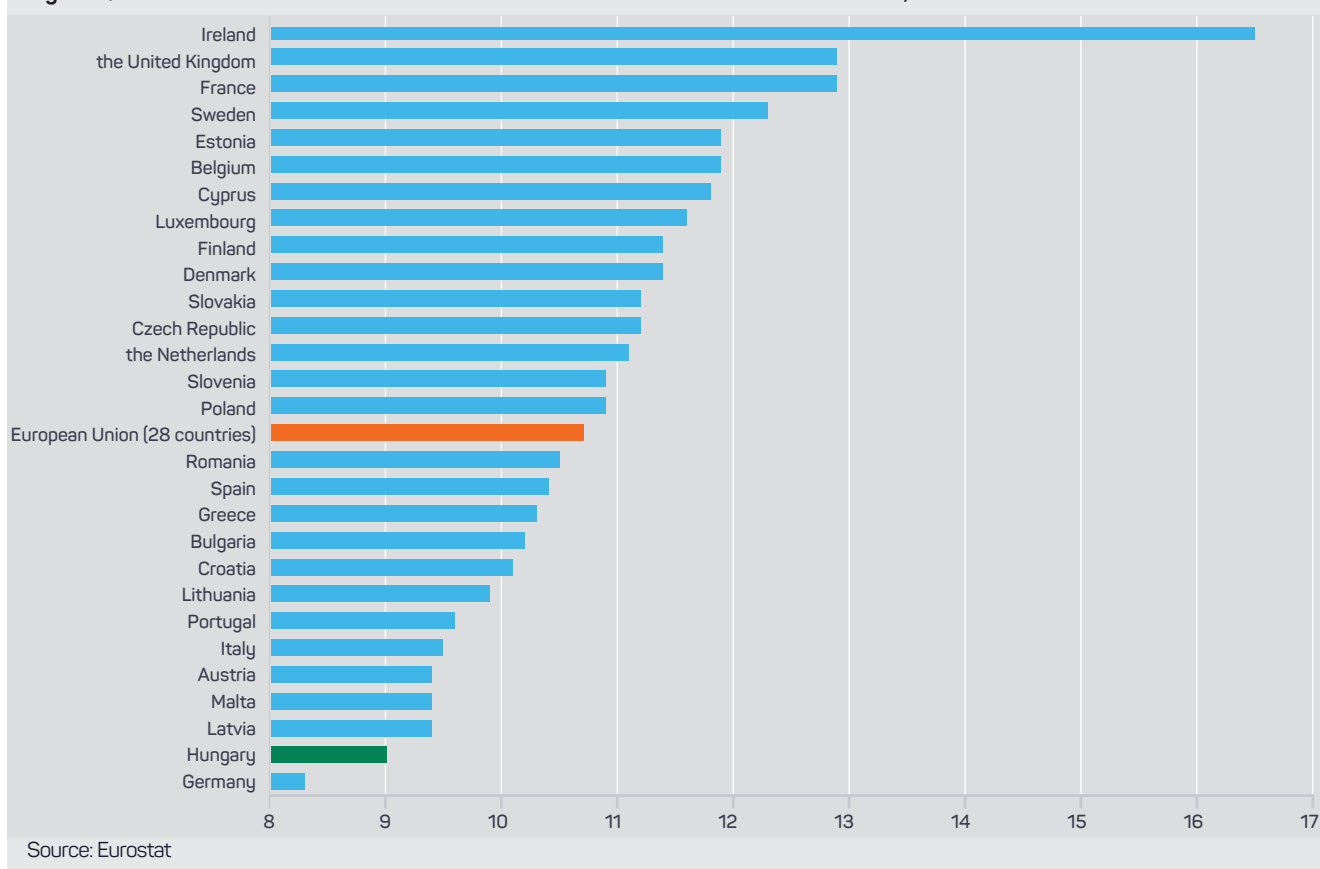
3.2.3. THE DIFFERENCE BETWEEN THE DESIRED, PLANNED AND ACTUAL NUMBER OF CHILDREN

The low or high level of intention to have children (and together with that the relevant indicators of live-births/fertility) may not only be confirmed after their comparison with the domestic and foreign data of the previous years. Family-related expectations among the fertile

population (more precisely the desired number of children) can also be taken into account, in order to compare them with the actual figures, since in this way it can be easily assessed how the actual indicators have met the expectations.

According to the epidemiological research conducted by Mária Kopp and Hungarostudy in 2009, the family is an important asset for Hungarians even today. It represents a value more significant than in the neighbouring countries, which is manifest in the desired and planned number of children as well. Men under the age of 45 want 2.13 children on average, whereas for women it is

Figure 3/7 – THE RATIO OF LIVE-BIRTHS PER THOUSAND INHABITANTS IN THE EU-28, 2010



2.14. The figure, however, is much higher than the number of children actually born, which currently stands at 1.49. It is a positive trend, though, that there are only very few who do not want to have any children at all. School qualifications are a decisive factor in this context. Within the group of those with lower qualifications the desired number of children is basically reached, while those with higher qualifications – and especially women – tend to lag behind with the planned number.

In pursuit of an answer to this remarkable difference one can notice that young women with children seem to have a less favourable judgement of their standards of living than women without any children. Men with children again have a better opinion about their conditions of living than those without children. The Hungarostudy research work led by Mária Kopp warned several times

that women with children are typically exposed to the risk of more intense psychological over-burden. Once it has been decided to contribute to the implementation of such childbearing plans, there is an urgent need for a population policy that helps mitigate these difficulties.

Mária Kopp argues that the population policy should also bear in mind one of the most important background factors of parenthood – an appropriate, safe and secure family environment (Kopp, Skrabski, 2006) and a supportive environment. These prove to be protective elements when it comes to the physical and mental health indicator. Emerging self-destructive behavioural patterns are also related to these factors, just like depression and the feeling of hopelessness and despair. This means that even though symptoms are perceptible among women with children, still our population policy should

support more than only this group. It should cover the entire environment, the family – in the narrower and broader sense. It should particularly focus on safe and secure relationships and inter-generation cooperation.

The representative Hungarian Youth Survey, carried out with an extensive sample in 2016, also came to a similar conclusion. According to it, Hungarian young people aged 15-29 still want 2.1 children on average, including children already born. Interestingly enough, a highly planned number of children is a common feature among young people in Hungary and beyond the country bor-

ders alike. (It is 1.9 in Upper Hungary, 2.4 in Transcarpathia, 2.3 in Transylvania and 2.2 in Vojvodina.) And this suggests that the high desired or planned number of children is a distinctive Hungarian feature in Europe, which is worth building on. Accordingly, instead of encouraging young people to plan to have more children, the population policy should support them in making their existing plans come true.

Having no children is still held to be ideal only by a very small proportion of society. For example, in 2013 only 2% of the population shared this view. At the same time,

Figure 3/8 – AVERAGE NUMBER OF LIVING, PLANNED AND ACTUALLY BORN CHILDREN IN OECD MEMBER STATES, 2010

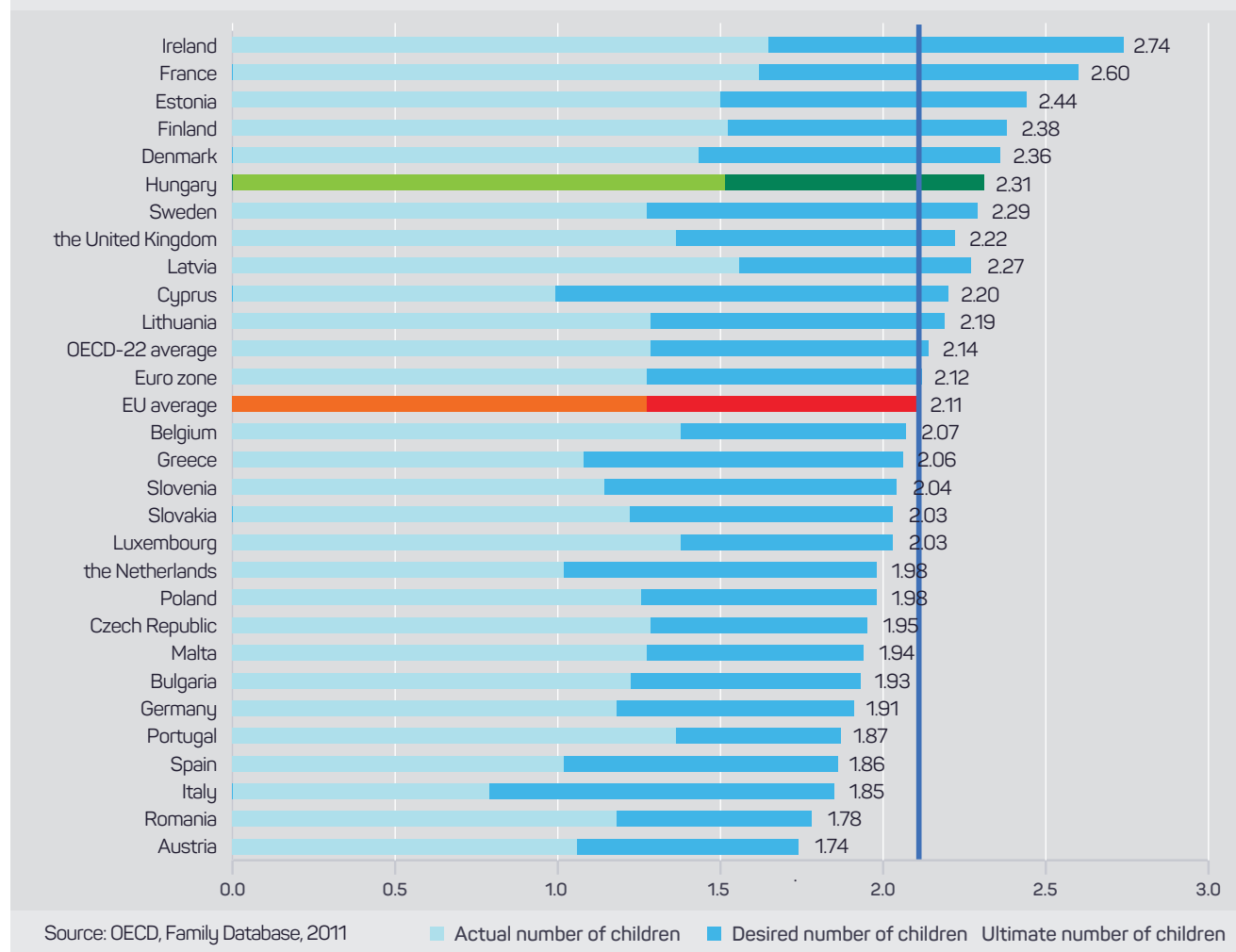


Figure 3/9 – THE DISTRIBUTION OF THOSE AGED 18-49 BASED ON THE IDEAL NUMBER OF CHILDREN, AND THE DISTRIBUTION OF WOMEN AGED 40-44 BASED ON THE NUMBER OF CHILDREN IN THE GIVEN YEAR

Number of children	1988		1994		2013	
	Ideal number of children (18-49 years old)	Actual number of children (40-44 years old)	Ideal number of children (18-49 years old)	Actual number of children (40-44 years old)	Ideal number of children (18-49 years old)	Actual number of children (40-44 years old)
No children	0	10	0	8	2	13
1 child	3	23	6	20	12	26
2 children	66	49	62	52	65	40
3 children	27	13	29	14	18	15
4 children	1	3	2	3	2	4
5+ children	1	2	0	2	1	1
Total	100	100	100	100	100	100

the ratio of those preferring to have one single child grew to 12%. This can be mostly explained by the fact that, in most cases, the latter fail to have a second (planned) child after their first baby was born. The distribution of those in favour of the two-children model did not really change, even though the proportion of those actually having two children has diminished. There was a significant moderation in the number of those who find the large family model the most appropriate. The comparison of the ideally planned and actual number of children clearly shows the remaining difference between the two values, which is not in the least negligible.

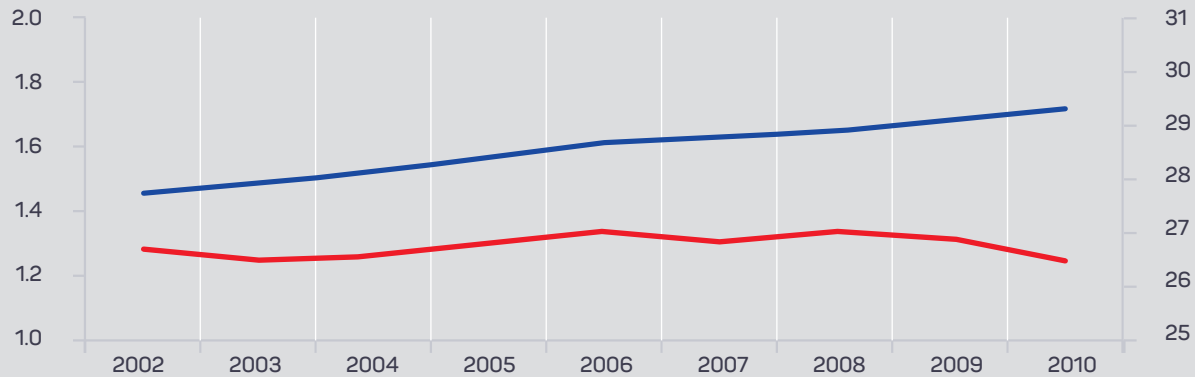
3.2.4. CHANGES IN THE AVERAGE CHILDBEARING AGE OF WOMEN

In the countries of the so-called "developed world" women are less likely to opt for maternity in their early years. The former young-age childbearing model has ceased to exist. Pursuant to Western European models, it was even a trend in Hungary in 2010 that more and more women decided to postpone having a child until the end of their 20s or beginning of their 30s⁵. Eurostat claims that between 2002 and 2010 average life expectancy at birth showed a significant growth. It rose from 27.8 years of age to 29.3 (equalling an increase of 1.5 years), which made Hungary

slip back to the ninth place from its previous position (8th place) in the ranking list of EU Member States. In respect to the second and third child it is even more important at what age a mother gives birth to her first baby (on average). This is quite understandable since the shifting of childbearing to some later stages of life may have serious social and demographic consequences, not to mention the health risks it poses. In 2002 the indicator for this was as high as 25.6 years of age, and 8 years later in 2010 it stood at 27.7 in Hungary. This means that women tended to give birth to their first child 2.1 years later in their lives. A slower pace of this shift could be first observed in Hungary between 2006 and 2008, which was unfortunately followed by a more intense inclination to delay parenthood. In our country it was after the change in the political system that the process got started and accelerated, which resulted in a strategy and paradigm change as far as childbearing behaviour is concerned. This entailed the expansion of tertiary education with an above average participation of women. Their intensive involvement had a desperate forcing power on young people to postpone their decisions on having children. Another component of this phenomenon may be found in decreasing fertility parallel to the rising level of school qualifications. The multiple figure of deliveries at an older age brought about an increase in the ratio of those parents who had

⁵ Demographic Portrait, 2012

Figure 3/10 – AVERAGE FEMALE AGE AND FERTILITY AT THE TIME OF CHILDBEARING IN HUNGARY, 2002-2010 (YEARS)

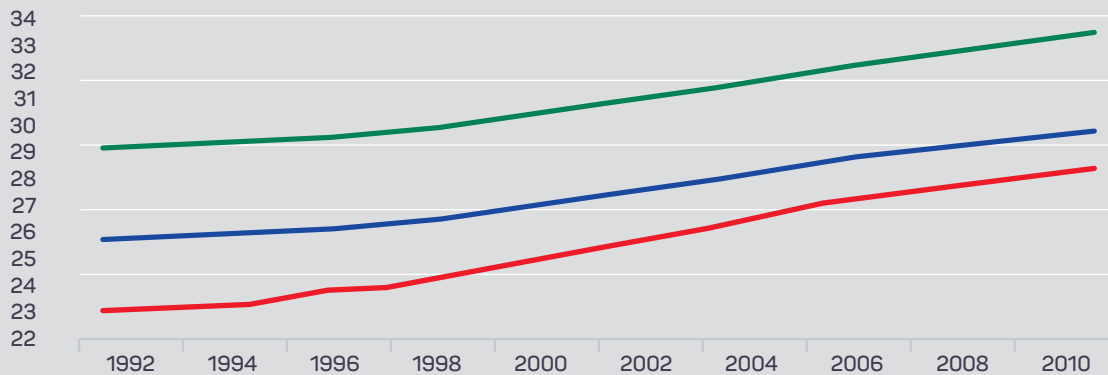


Source: KSH (CSO) ■ Left-hand scale: Attitudes to childbearing(TFR) ■ Right-hand scale: Average female age at the time of delivery

higher education diplomas. 2010 was the first year when, among women who have children, those holding a degree (33.5%) outnumbered their counterparts with secondary school qualification (31.8%) and primary school/vocational qualification (31.5%).⁶

Due to the radical changes children born at a young age did not really show in the yearly birth rate. Those born in older years, on the other hand, could hardly compensate or counterbalance the gap. There was a heavy drop both in the number of births and in the fertility level.⁷

Figure 3/11 – AVERAGE FEMALE AND MALE AGE IN HUNGARY AT THE TIME OF DELIVERY (YEARS OF AGE)



Source: Hungarian Central Statistical Office, Demographic Yearbook, 2012

■ Women, first child ■ Women, all children ■ Men, all children

⁶ Demographic Portrait, 2012

⁷ Social situation, 2010, population situation

In addition, the period saw such a dynamic growth in the average female childbearing age that had not been experienced before in EU Member States. The older age-group of women of childbearing age had an ever more important role in annual fertility levels. This change in the role partly derived from the growing fertility rate among women above 30. Yet, it was even more crucial that the attitudes to childbearing among women under 30 fell even more than before.⁸ Consequently, average childbearing age rose at a much lower level in EU Member States than in Hungary: it grew by 0.8 year (from 29.1 to 29.9 years of age).

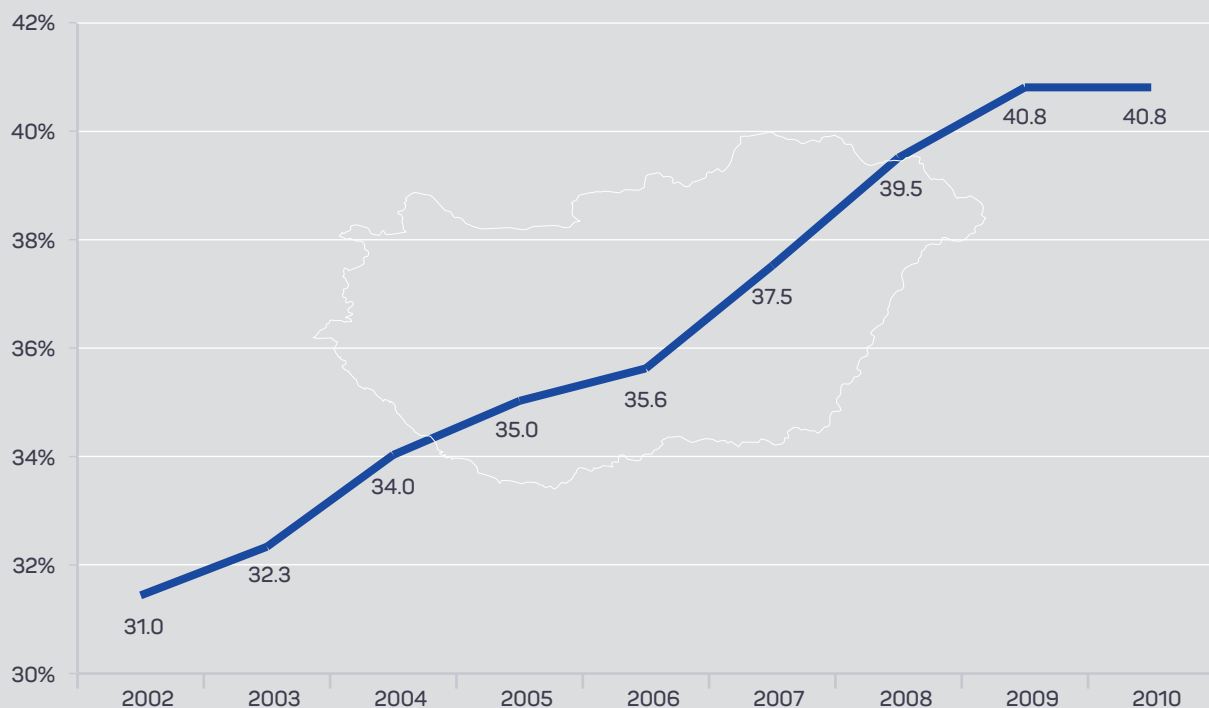
A similar change took place in all former socialist countries during this period. By 2010 in 8 of the above-mentioned countries the average age of first-time mothers was lower than in Hungary. The lowest were registered in Bulgaria (25.6 years of age) and Romania (25.5 years of

age), along with Baltic countries, where it was still above 25. The Czech Republic practically experienced a parallel change to Hungary. It was only Slovenian women where the average age at the birth of the child was higher, standing at 28.4. In other European countries, however, women were, in almost all cases, older at the time of the delivery of their first child than in Hungary. Still, our country's position further declined – we ranked 10th as opposed to our former 8th place.

3.2.5. RATE OF BIRTHS OUT OF WEDLOCK BETWEEN 2002 AND 2010

The decreasing number of births out of wedlock is becoming a typical negative trend in the 28 EU Member States and in Hungary too. The previous chapters already mentioned the general loss of values affecting Western

Figure 3/12 – THE PROPORTION OF LIVE-BIRTHS OUT OF WEDLOCK IN HUNGARY, 2002-2010



Source: KSH (CSO)

⁸ Social situation, 2010, population situation

Figure 3/13 – CHANGES IN THE PROPORTION OF BIRTHS OUT OF WEDLOCK BETWEEN 2002 AND 2010 (%)

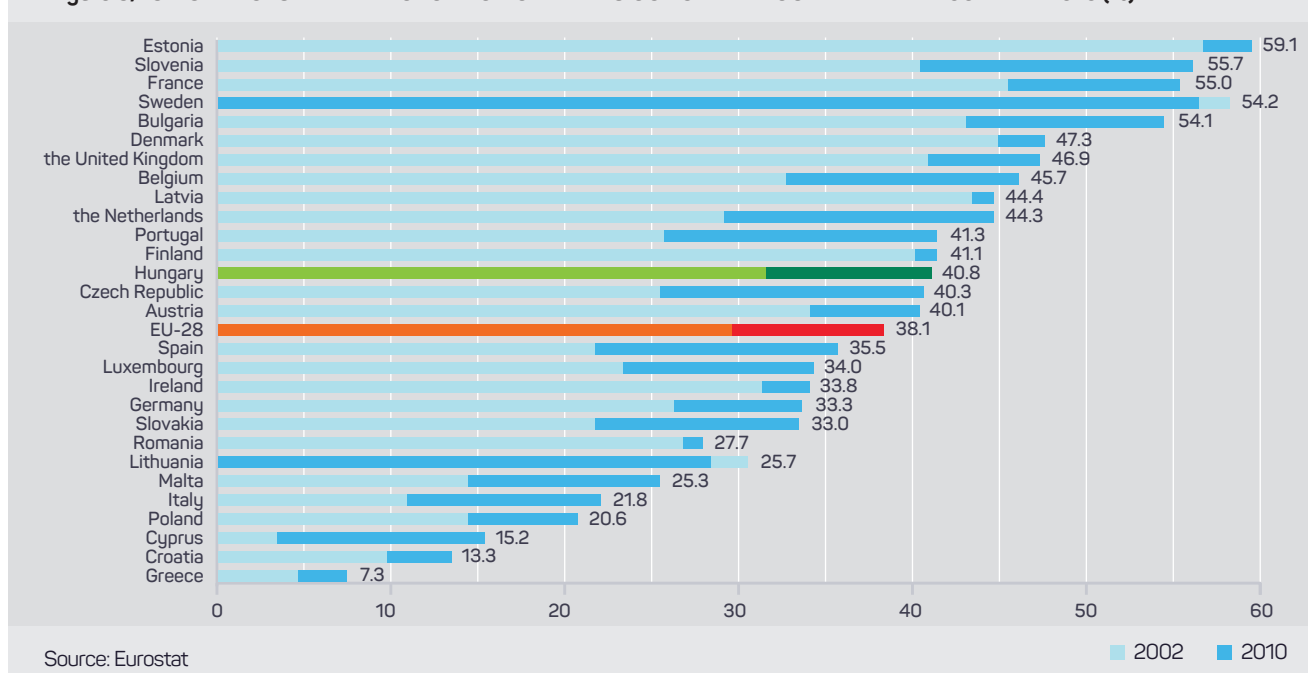
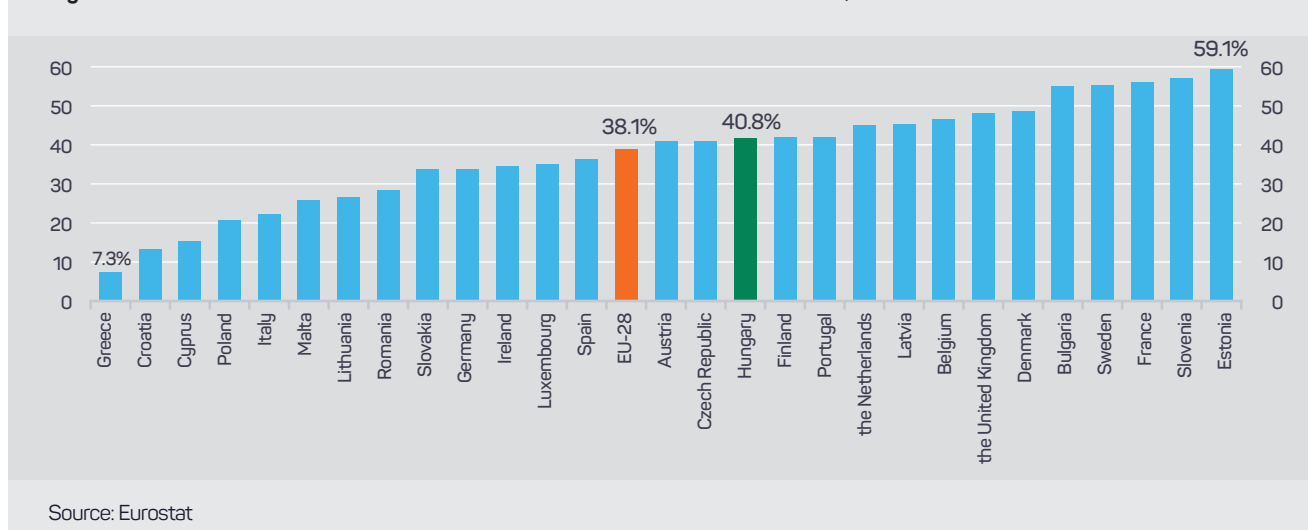


Figure 3/14 – THE PROPORTION OF LIVE-BIRTHS OUT OF WEDLOCK IN THE EU, 2010



Europe particularly. Cohabitation forms built on traditional values, community institutions and concepts (such as marriage and children) are gradually and repeatedly challenged. As part of the process fewer marriages are contracted, and children are, in many cases, born before the wedding or without the parents getting married. A similar trend could be observed in Hungary, although

the ratio of births out of wedlock already surpassed the EU average as early as 2002 (31.4%). It reached 40.8% by 2010, which was a rather high growth of 9.4 percentage points, indicating an ever widening gap compared to the EU average. Notwithstanding, our relative position compared to the Member States remained as it was, which means that two out of five children were born out of wed-

lock. There is obvious correlation between this trend and the rising proportion of those living in a partnership. In 2010 almost 59% of the children were born in marriage, 30% were born to couples in a partnership, while 11% were children to single mothers. It is startling, since in 2002 couples in a partnership had a share of only 19%.

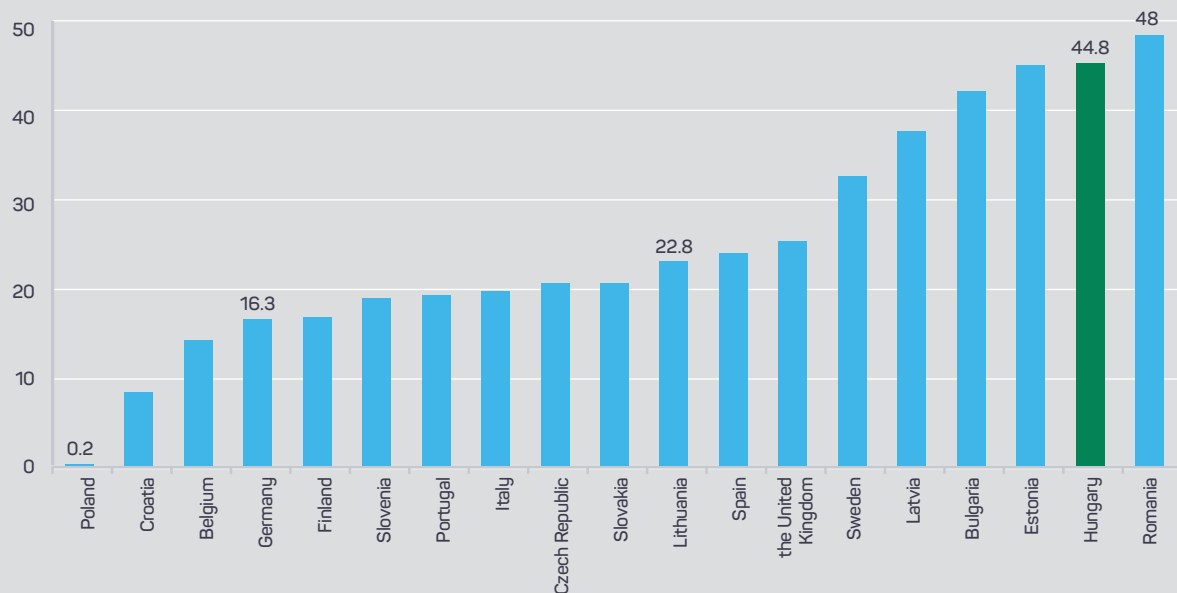
In 2002 around one-third (29.5%) of the children in the EU were born out of wedlock, which rose to 38.1% by 2010, indicating a 8.6 percent point strengthening in the trend. The leading country from among Member States was Estonia (59.1%), followed by Slovenia (55.7%), Sweden (54.2%), France (54.1%) and Bulgaria (54.1%). In these countries the number of children born out of wedlock exceeded that of babies born to married couples. The lowest rate was recorded in Greece (7.3%), Croatia (13.3%), Cyprus (15.2%) and Poland (20.6%) – both in 2002 and 2010, even though the figures still showed some improvement between these two years.

3.2.6. ABORTIONS⁹

There is strong correlation between the attitude to parenthood and the actual number of pregnancies, since in the age of modern family-planning couples have a wide scope of opportunities to influence childbearing and make it into a subject of conscious decision-making. In recent years, more precisely between 2002 and 2010, the number of obstetric events (live-births, spontaneous abortions, artificial abortions, still-births) fell by 13%, from 170 thousand to 147 thousand.

It shall be noticed, however, that the option whether a woman or couple wishes to keep the baby or rather decides to have artificial abortion is a key factor in the number of live-births. Between 2002 and 2010 abortions drastically dropped – by 28%, from 56,075 to 40,449, and this steady downturn trend was only interrupted by a minimum upheaval in 2008.

Figure 3/15 – THE PROPORTION OF ABORTIONS FOR HUNDRED LIVE-BIRTHS ACROSS THE EU, 2010



Source: Eurostat

⁹ *The demographic features of abortion, Statistical Review, Vol. VI., Issue, 21 December 2012.* https://www.ksh.hu/docs/hun/xftp/stattukor/terhessegmegszi_1.pdf

Another thing is that, from 1980 on, unmarried women (single, divorced or widower) outnumbered those who had an abortion. In fact, in 2010 they made up more than two-thirds of those who underwent such a procedure, which apparently suggests that it is the remarkable fall in the number of marriages that may be responsible for the phenomenon. Single women of childbearing age were represented in a higher proportion in the population than their counterparts. In addition, the number of abortions carried out among married couples was sinking, which may all lead to the conclusion that marriage as such may act as a shelter for a foetus and its life.

Nonetheless, in spite of the advantageous trends one cannot disregard the number of abortions, which was still painfully high in Hungary in 2010 as compared to EU Member States. During the period 2002-2010 the

rate of abortions only grew in Portugal, Poland, Spain and Belgium as far as EU Member States with comparable data are concerned. In the other Member States, though, there was a decline. The figure was reduced by more than 40% in Romania, Latvia and Slovenia. Artificial abortions were represented in a smaller number in Hungary too, making us smoothly adjust to the European trend. At the same time, our relative position was desperate, due to the larger scale reduction of abortions in several other Member States. While in 2002 our country was placed somewhere middle in the list, in 2010 we were the second worst performing country, before Romania, with 44.8 abortions per hundred live-births. This means that although abortion has a more moderate effect on birth regulation in Europe, in Hungary its impact is still rather significant despite the shrinking number.

3.3.

STARTING A FAMILY AT THE TIME OF THE CHANGE OF THE GOVERNMENT IN 2010

The afore-mentioned adverse effects played a key role in eroding families' trust in the confession that Hungary is a country where it is worth living and bringing up children. Inevitably, this was badly felt before 2010 in the attitudes to childbearing. To make things worse, the ruthless destruction they brought about also found its way, even one stage earlier, into the institution of family-planning and marriage. Insecure living, employment and housing did everything but motivate and inspire young people to make their decision of a life-time. Worsened by the spread of individualist values, undoubtedly, such a commitment and responsibility proved to be the hardest to take.

3.3.1. THE NUMBER OF MARRIAGES AND DIVORCES IN HUNGARY BETWEEN 2002 AND 2010

Similar to other European countries, Hungary has seen dramatic changes going on in the relationship forms

in the past two and a half decades. The range of relationship forms, in the traditional interpretation of the term, broadened and transformed. Partnership forms became widespread. 'Living apart together' as a union became dominant, where the partners have an intimate relationship but do not live in the same household. Another significant change can be attributed to the then social-liberal government inasmuch as they adopted a new regulation making it possible for couples of the same sex to, as of 2009, have their partnership officially registered and thus become eligible for rights that beforehand only married couples had been entitled to.

The above tendencies are well supported by the fact that the number of marriages in Hungary was at its historical lowest in 2010, even surpassing international trends. Compared to the 46 thousand marriages contracted in 2002 it dropped to 35,500, resulting in a decrease of 22.8%. Therefore, 2010 functioned as a catalyst triggering an unprecedented low

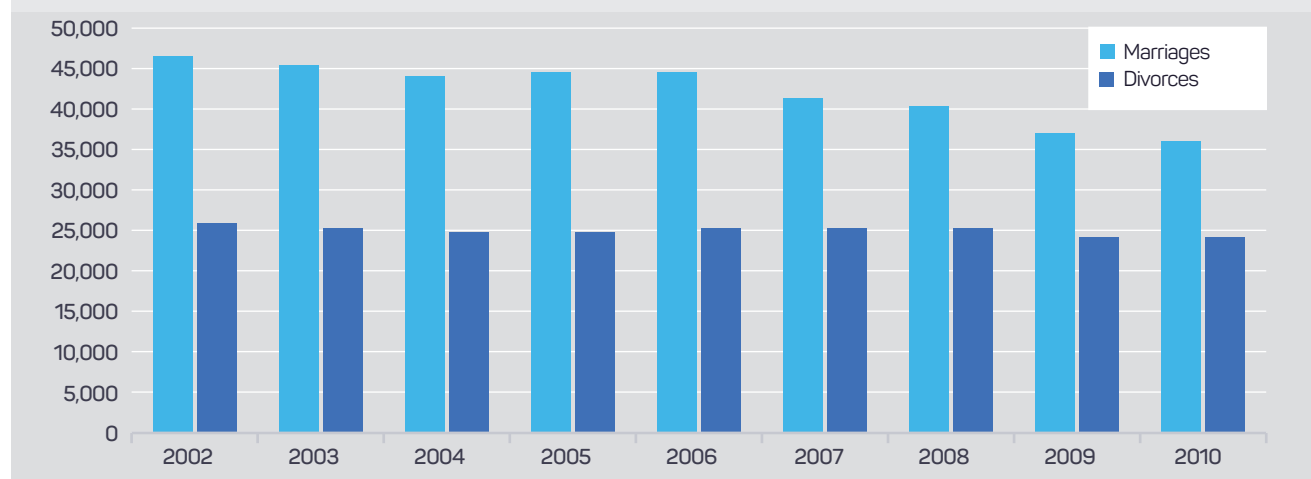


Figure 3/16 – MARRIAGES AND DIVORCES IN HUNGARY, 2002-2010

Year	Marriages				
	Total	Per thousand inhabitants	Total	Per thousand inhabitants	Per hundred marriages
2002	46,008	4.5	25,506	2.5	55.4
2003	45,398	4.5	25,046	2.5	55.2
2004	43,791	4.3	24,638	2.4	56.3
2005	44,234	4.4	24,804	2.5	56.1
2006	44,528	4.4	24,869	2.5	55.9
2007	40,842	4.1	25,160	2.5	61.6
2008	40,105	4.0	25,155	2.5	62.7
2009	36,730	3.7	23,820	2.4	64.9
2010	35,520	3.6	23,873	2.4	67.2

Source: Eurostat

Figure 3/17 – MARRIAGES VERSUS DIVORCES IN HUNGARY, 2002-2010



in two indicators. Both the number of live-births and the fertility rate hit their negative record, notwithstanding their importance in determining the attitudes to childbearing and family-planning in a country. While in 2001 more than half (52%) of the population above 15 years of age (i.e. 4.5 million people) lived a married life, this changed to 44% (3.8 million) by 2011, according to census data, which signals a decrease of approximately 0.7 million. In parallel with this, as has been referred to earlier, there is a growing relevance of partnerships. In 2001 in 89% of the households built on a relationship – that is in 2.1 million house-

holds out of the 2.4 million – couples led a married life, and it was only a mere 11% of them, namely 0.3 million that chose partnership as their form of cohabitation. However, by 2011 even the total number of such households showed a significant decrease, falling by more than 200 thousand (9%). And within this, the distribution of marriages and partnerships shifted to 81% compared to 19%. The latter could be explained by the 17% drop (350 thousand minus) in the number of married couples, whereas the number of households built on a partnership rose by 50% (130 thousand plus).

The number of divorces slightly changed, or rather stagnated between 2002 and 2010, signalling a decline of 6.4% – from 25,500 to 23,300. As far as marriages in a given year are concerned, the proportion of those that ended in divorce within a given time-interval – in other words, the total divorce rate – was as high as 55.4 in Hungary in 2002. (This means that if the marriage duration-specific divorce rates for 2003 remained as they are, out of hundred marriages contracted in 2003 55.4 would end in divorce.) In 2010, however, this rate was already 67.2, suggesting a considerable increase in their proportion, which implies a gradually eroding stability in marriages.

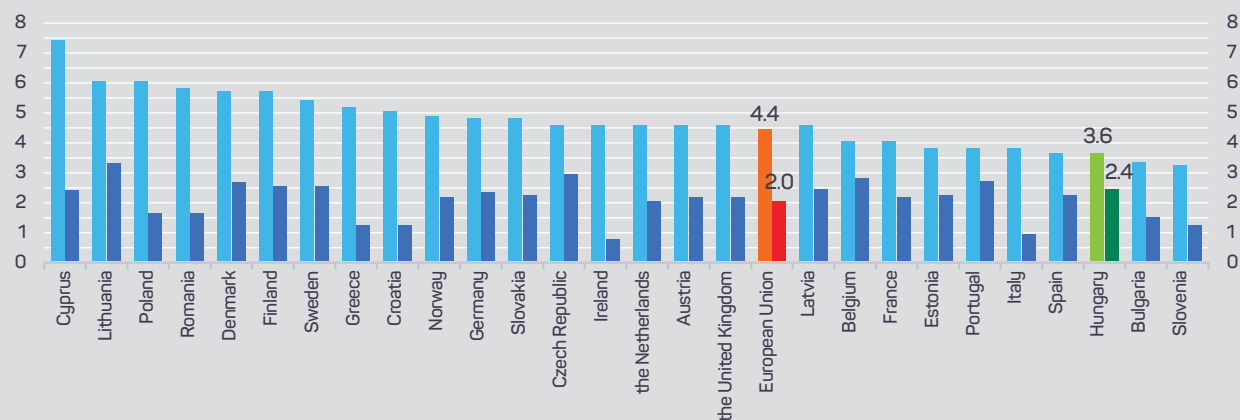
Changes in relationship forms and the fading importance of marriage has been a trend applicable to the whole of Europe. While in 2002 2.39 million marriages were contracted in the European Union, this figure was only as high as 2.22 million in 2010, meaning a 7% decline. Moreover, crude marriage rates (that is the number of marriages per 1000 inhabitants) fell from 4.9 to 4.4. Among the countries, enthusiasm for marriage was the highest in Cyprus, with 7.3 marriages per thousand inhabitants. In this context, Slovenia had the poorest statistical figures – 3.2 marriages per thousand inhabitants.

In 2002 Hungary fell 0.4 per-mil points below the European average marriage rate. The figure for our country

failed to reach the EU average of 4.9. It indicated 4.5 marriages per thousand people, being neck and neck with Luxembourg (18th place in the ranking list). To make things worse, the negative trend continued in 2010 with a drop from 4.5 to 3.6 respectively, which made us fall into the lower one-third of the ranking list, taking the 21st place in a draw with Spain. It should be remarked that in 2010 the Hungarian rate was only 0.8 per-mil points minus the EU average.

The trend observed in EU countries, according to which average marrying age was steadily growing, partly explains the deteriorating enthusiasm for marriage. In 2002 male and female marrying age showed the highest figure in Sweden (30.6 and 33.3 years of age respectively). Men entered their first marriage earliest in Lithuania (26.7 years of age), whereas the youngest years for women were recorded in Romania (24.1). In 2010 it was still Swedish men who got married the latest, and their age was continuously rising in this respect, peaking at 35.6. Austrian women also made their vows 6 years later than in 2002. On average they became spouses at the age of 33.5, thus earning themselves the title "eldest brides" in the region. Polish men and women started their married life youngest, at the age of 26.1 and 28.4 respectively.

Figure 3/18 – THE PROPORTION OF MARRIAGES AND DIVORCES PER THOUSAND INHABITANTS IN EU MEMBER STATES, 2010



Source: Eurostat

■ Marriages ■ Divorces

¹⁰ Crude marriage and divorce rate, number of marriages and divorces per 1000 people

Hungarians tended to get married in their earlier years in 2002. Although the average age of men and women at the time of their first marriage grew between 2002 and 2010, in 2010 Hungary still belonged to the younger group – with 28.3 and 31.2 years of age.

Figure 3/19 – CHANGES IN THE AVERAGE MARRYING AGE IN HUNGARY, PER GENDER, 2002-2010

	Average age of women at first marriage (years)	Average age of men at first marriage (years)
2002	25.7	28.5
2010	28.3	31.2

The number of divorces in the EU came to around 930 thousand in 2002. The divorce rate per thousand people showed an average of 1.9 in the European Union, while it was even higher in Hungary, climbing to 2.5. Relative to the EU this was enough for the 11th place in the ranking list, putting the country into the lower one-third of the Member States. Regarding the total divorce rate Belgium had the worst figure – 75% of marriages would have ended in divorce pursuant to the actual yearly data. Hungary was far beyond the EU average of 38.8 as far as divorces are concerned (55.4). In parallel with the decrease in the number of marriages, though, the number of divorces in the EU rose from an annual figure of 928 thousand to 986 thousand between 2002 and 2010. In 2010 the Hungarian divorce rate (2.4) exceeded the European average (2.0), putting the country into the last, ninth place, which clearly signalled a higher aptitude to end marriages.

3.3.2. THE DESIRED AND ACTUAL INDICATORS OF ENTHUSIASM TO START A FAMILY

Based on the number of marriages, which is the most direct indicator of the intention to start a family, the conclusion may be drawn that in Hungary the notion

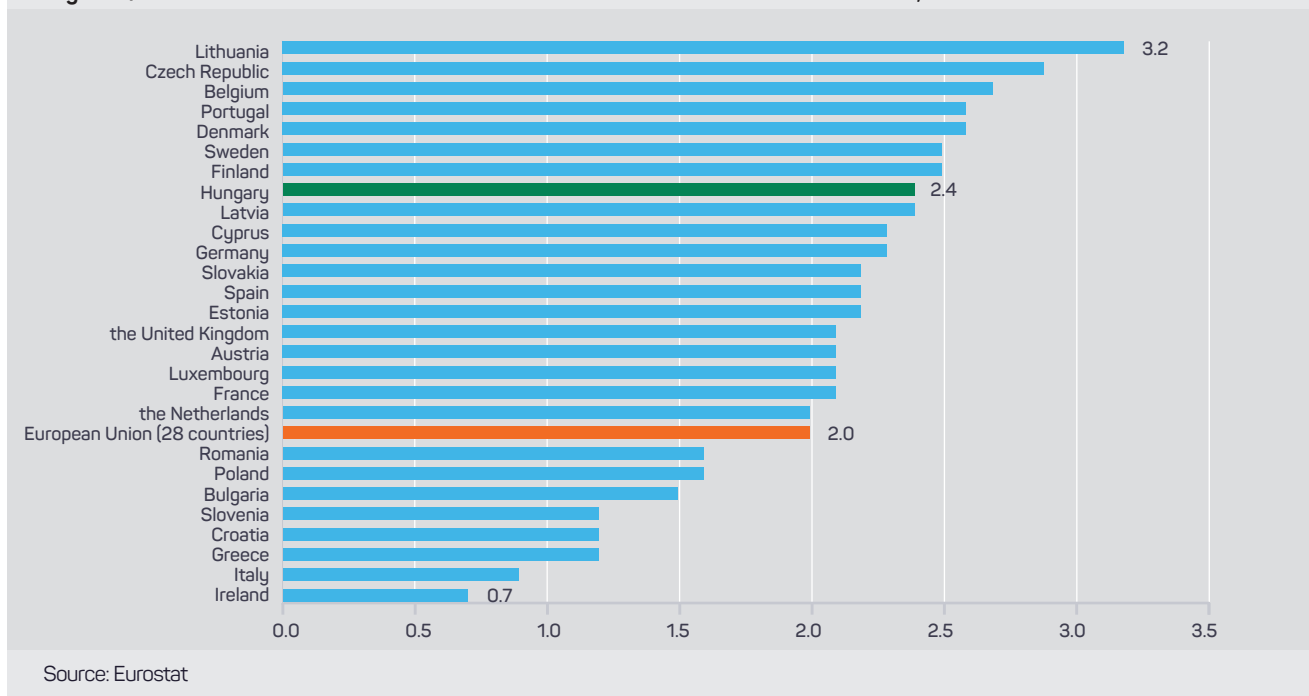
of living in a lasting relationship, in a family for a life-time has dramatically lost from its relevance. In contrast, findings by Tiborné Pongrácz suggest that the majority, namely 80% of the population¹¹ find marriage the most desirable form of living to this day. Inevitably, there seems to be a tremendous discrepancy between the portrayed future and the reality in this case. As per the current marriage rates, the majority of Hungarian women would never start a married life, while in 1990 marriage probability for women was as high as 78%. Again there is a contradiction between the desired and actual number of children. The majority of people belonging to the age-group 18-49 believe that "no-one can enjoy real happiness without children". Still, they rate the lowest in terms of enthusiasm for childbearing in Europe. This inconsistency between family and child-centredness and the form of living experienced and implemented in real life is a dominant feature of Hungarian people even today. Nevertheless, the rise in the fertility rate has recently been slowly pushing the country to the mid-range into the European ranking list.

The Hungarian Youth Survey in 2016 ended with similar findings¹². According to the information published, most young people still consider marriage as the most desirable form of living, and argue that having children is essential for a joyful life. Two-thirds of unmarried young people would like to get married, and it is a mere 6% of them who wish to pursue a different way of cohabitation. There has been an obvious rise in the proportion of those planning a married life, to the detriment of those against such an institution since 2012. 74% of women and 63% of men plan to get married some time in the future. Young people, however, only plan to move away from the parental home at the age of 27-28, which further explains the relatively low rate of marriages planned (and realized) at the end of their twenties.

¹¹ Pongrácz, Tiborné: *Family-planning decisions*, Kapocs, Year 11, Issue 4, pp 8-16

¹² http://Mnvw.ujnemzedek.hu/sites/default/files/atoms/files/magyar_ifjúság_2016_aq_web_o.pdf

Figure 3/20 – DIVORCE RATE PER THOUSAND INHABITANTS IN EU MEMBER STATES, 2010



3.4. STATE OF HEALTH, MORTALITY

3.4.1. MORTALITY

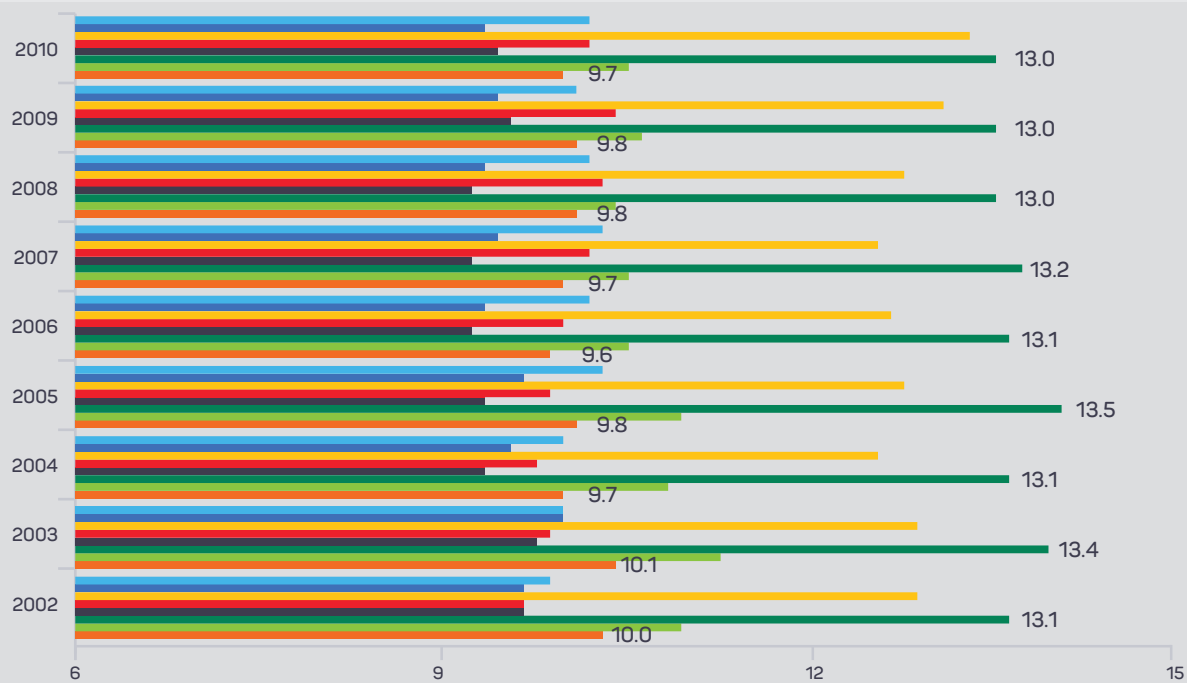
Prior to 2010 the Hungarian mortality rate showed quantitative improvement. The number of deaths was reduced by 1.8%, falling from 132,833 to 131,456 between 2002 and 2010. On the international stage, however, our position remained miserable.

In 2002 the number of deaths per thousand people averaged 10 per mil in EU Member States, moderating to 9.7 by year 2010. Again in 2010 Cyprus had a rate far more advantageous than the EU average, standing at 7.3. The same figure was 7.5 for Ireland and 7.6 for Malta. The highest mortality rates (expressed in per mil) were again recorded in Bulgaria (14.9) and the Baltic countries.

Similar to countries with a developed health culture, the Hungarian population is continuously ageing. In 2002 Hungary had the 25th poorest mortality rate for thousand inhabitants (13.1). Although some slight improvement could be observed by 2010 (13.0), we still remained the second worst performing country in the ranking list of the 28 EU Member States. Our lagging behind was therefore not substantially reduced during the period under analysis.

¹³ Crude divorce rate, number of divorces per 1000 people

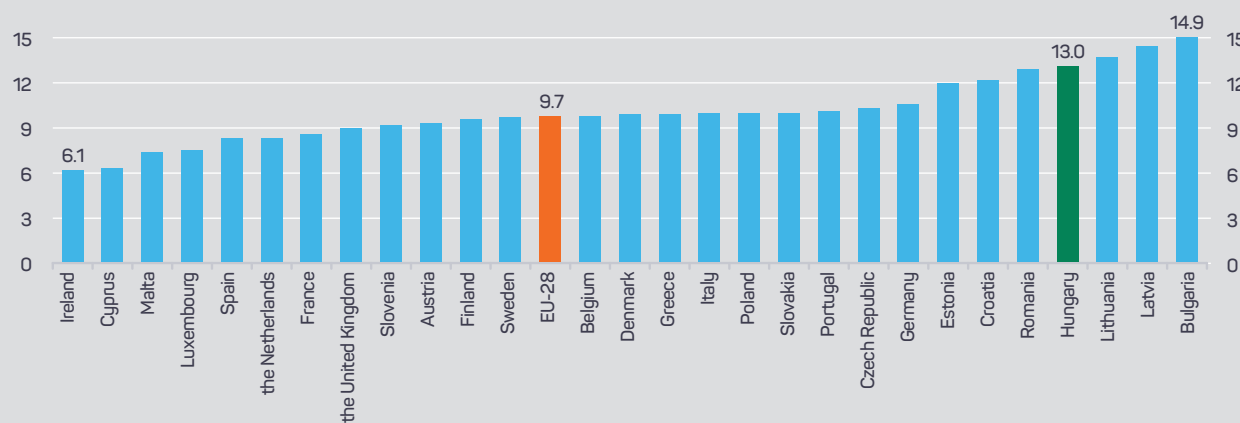
Figure 3/21 – CHANGES IN THE DEATH RATE PER THOUSAND PEOPLE IN HUNGARY AND IN THE NEIGHBOURING COUNTRIES BETWEEN 2002 AND 2010



Source: Eurostat

■ Slovakia
 ■ Slovenia
 ■ Romania
 ■ Poland
 ■ Austria
 ■ Hungary
 ■ Czech Republic
 ■ European Union (28 Member States)

Figure 3/22 – DEATH RATE PER THOUSAND PEOPLE IN HUNGARY AND ACROSS THE EUROPEAN UNION, 2010



Source: Eurostat

3.4.2. PREMATURE MORTALITY

The premature mortality rate (under the age of 65) per thousand persons steadily decreased between 2005 and 2010. The improvement was more considerable for men. In their case it was 6.2 in 2005, whereas women had a premature mortality rate of 2.5. In 2010 the same figure dropped to 5.3 and 2.2 respectively¹⁴.

3.4.2.1. THE STRUCTURE OF CAUSES OF DEATH

From the millennium to this day no substantial changes have taken place in the death cause structure. Almost three-quarters of all deaths may be attributed to some chronic, non-infectious disease. Cardiovascular and circulatory problems are the primary causes of death. On a yearly average, nearly every second person dies of such a disorder. Its counterpart can be found in the category of cancer. Such diseases altogether are accountable for 25% of the deaths on a yearly basis. And their share kept rising between 2002 and 2009. The number and rate of deaths due to respiratory diseases also grew, while the mortality rate due to digestive disorders showed a remarkable downturn trend. Violent deaths (accident, suicide) also became less significant.¹⁵

3.4.3. LIFE EXPECTANCY BETWEEN 2002 AND 2010

Life expectancy is the key determinant in population tendencies (including mortality), and along with that it is one of the most important indicators of better life. Life expectancy has been organically improving in developed countries lately, and thus in Hungary too. Yet, as far as our country is concerned no substantial progress has been made to catch up with Western European States. During the period 2002-2010, unfortunately, Hungarian mortality rates, life prospects and health conditions overall proved to be rather unfavourable as compared to the EU average.¹⁶

3.4.3.1. AVERAGE LIFE EXPECTANCY AT BIRTH BETWEEN 2002 AND 2010¹⁷

Due to bettering death and public health conditions, each EU Member State experienced a considerable rise in life expectancy at birth during the period under analysis. It grew by an average of 2.2 years until 2010, finally reaching 79.9 years of age. This favourable trend showed differences by country, though. The most significant improvement was recorded in Estonia (4.6 years), Slovenia (3.2 years) and Ireland (3.1 years). The highest levels of life expectancy at birth in 2010 were registered in Spain

Figure 3/23 – MORTALITY BASED ON LEADING CAUSES OF DEATH IN HUNGARY, 2010

2010	Total	Out of this							
		Malignant tumours	Acute myocardial infarction	Other ischaemic heart disease	Cerebrovascular disease	Bronchitis, emphysema and asthma	Liver disease	Accidents caused by vehicles	Deliberate self-harm
Men	65,137	18,032	4,258	11,132	6,083	2,708	3,302	590	1,945
Women	65,319	14,428	3,223	15,229	7,918	1,881	1,320	203	547
Total	130,456	32,460	7,481	26,361	14,001	4,589	4,622	793	2,492

¹⁴ Source: Health Report, 2011, p. 85 Table 20

¹⁵ Changes in the death cause structure in Hungary, 2000-2012, CSO, p. 14

¹⁶ Demographic Portrait, 2012, pp. 93

¹⁷ Average life expectancy at birth – women/men, KSH STADAT

Figure 3/24 – AVERAGE LIFE EXPECTANCY AT BIRTH BY GENDER, 2002-2010

	2002	2010	Change (years)
	MEN		
European Union (28 countries)	74.5	76.9	+2.4
Hungary	68.3	70.7	+2.4
	WOMEN		
European Union (28 countries)	80.9	82.8	+1.9
Hungary	76.7	78.7	+2.0
	DIFFERENCE BETWEEN MEN AND WOMEN (YEARS)		
European Union (28 countries)	6.4	5.9	-0.5
Hungary	8.4	8.0	-0.4

Source: KSH (CSO)

(82.4 years), Italy (82.2 years) and France (81.8 years). On the other hand, the worst indicators could be perceived in two Baltic countries, in Latvia (73.1 years) and Lithuania (73.3 years), along with Romania (73.7 years).

The positive trend proved to be stronger in Hungary than in the EU average. Average life expectancy at birth rose from 72.6 years in 2002 to 74.7 years in 2010. Yet, there was still a considerable lag behind the European figure in 2010, falling 5.2 years below it. In the list of the 28 countries Hungary ranked among the last as far as life expectancy at birth is concerned. In 2010 the country took the 24th place, and this means that its position in 2002 (23rd place) just got worse. Still in the same year in EU Member States the indicator exceeded the relevant figures seen in former socialist countries.

Regarding average life expectancy at birth, the period of 2002-2010 also revealed serious gender-based differences. Men could clearly expect a lifespan shorter than their female counterparts across the EU. The age difference between genders was 6.4 years in 2002, whereas in 2010 it was as high as 5.9. Hungarian average life expectancy showed a gender-based difference of 8.4 years in 2002 and 8 years in 2010. Even though there was some slight improvement, the figure was much higher than the EU average. As a matter of fact, the gap relatively grew in this field too.

3.4.3.2. AVERAGE LIFE EXPECTANCY AT 65 DURING THE PERIOD 2002-2010

Average life expectancy at 65 also showed a steady rise – both in EU Member States and in Hungary. It increased by an average of 1.6 years in the EU between 2002 and 2010, eventually reaching 19.4 years in 2010. The growth rate was 2.1 years in Ireland and Slovenia alike, while within the EU, it was two Baltic countries where it was the lowest. Average life expectancy at 65 rose by 0.8 year in Lithuania and by 1 year in Latvia. As far as EU Member States are concerned, in 2010 the indicator climbed highest in France (21.3 years) and in two Mediterranean countries, in Spain (20.9 years) and Italy (20.4 years). The poorest values were recorded in Bulgaria (15.1 years), Latvia (16.1 years) and Romania (16.1 years).

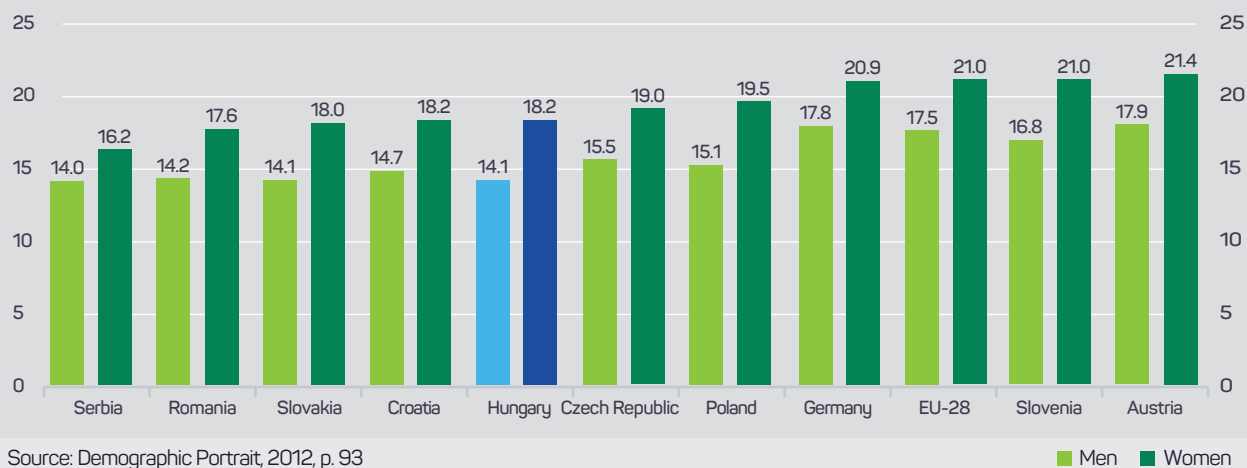
Hungary clearly fell closer to the category of the worst performing countries, taking the 24th place in 2010, just like in 2002. During the period 2002-2010 average life expectancy at 65 showed a growth of over 1 year, from 15.4 to 16.5. This, however, was still nearly 3 years minus the EU average. In this sense, old-age mortality in Hungary significantly fell below the Austrian and Slovenian figures, which both constitute part of the Western European pattern. In the period under analysis, a lagging behind could be perceived both against the Czech Republic and Poland, but not in the case of the other V4 country Slovakia.¹⁸

¹⁸ Demographic Portrait, 2012, p. 93

Figure 3/25 – CHANGES IN AVERAGE LIFE EXPECTANCY AT 65 DURING THE PERIOD 2002-2010 (YEARS)



Figure 3/26 – AVERAGE LIFE EXPECTANCY AT 65 IN HUNGARY AND IN SOME SELECTED COUNTRIES, BY GENDER 2010 (YEARS)



During the period under analysis, average life expectancy at 65 rose by an average of 1.7 years among men and by 1.5 years among women, as far as EU Member States are concerned. However, in Hungary this was 0.9 and 1.2 years respectively, indicating a smaller scale improvement.

3.4.3.3. HEALTHY LIFE EXPECTANCY AT 65

Healthy life expectancy at 65 varies widely in EU Member States.¹⁹ In 2010 average life expectancy at 65 scored the highest in Sweden (13.7 years) and Denmark (12.7 years), whereas the lowest figures were registered in Slovakia (2.8) and Romania (5.1).

Hungarian women at 65 could, on average, hope to enjoy health for an additional 5.9 years in 2010. This, however, was far below the EU average, which rose to 8.8 by 2010. Accordingly, Hungary was listed 23rd, being one of the worst performing countries in this respect.

Healthy life expectancy at 65 was 8.7 years for men. As for EU Member States, it was in Sweden, Malta and Denmark where prospects were more favourable –12.3, 12.0 and 11.8 years respectively. Unlike this, in Hungary male healthy life expectancy at 65 was only 5.4 years in 2010, which suggested a considerable gap relative to women. This was only enough for the 25th place in the ranking list of EU Member States, indicating a remarkable lag behind the EU average.

The above indicator showed the most significant growth for women in Sweden – between 2004 and 2010 it increased by almost 2.6 years. The positive trend, however, was less remarkable in Hungary. It resulted in not more than 0.9 year plus for the period calculated from 2005, which rather signals some kind of stagnation. Healthy male life expectancy at 65 was more moderate during this time in the European Union. Yet, as opposed to Sweden with a lead growth rate of 2.2 years, the increment was quite insignificant in Hungary, only amounting to 0.3 years.

3.4.3.4. INFANT MORTALITY

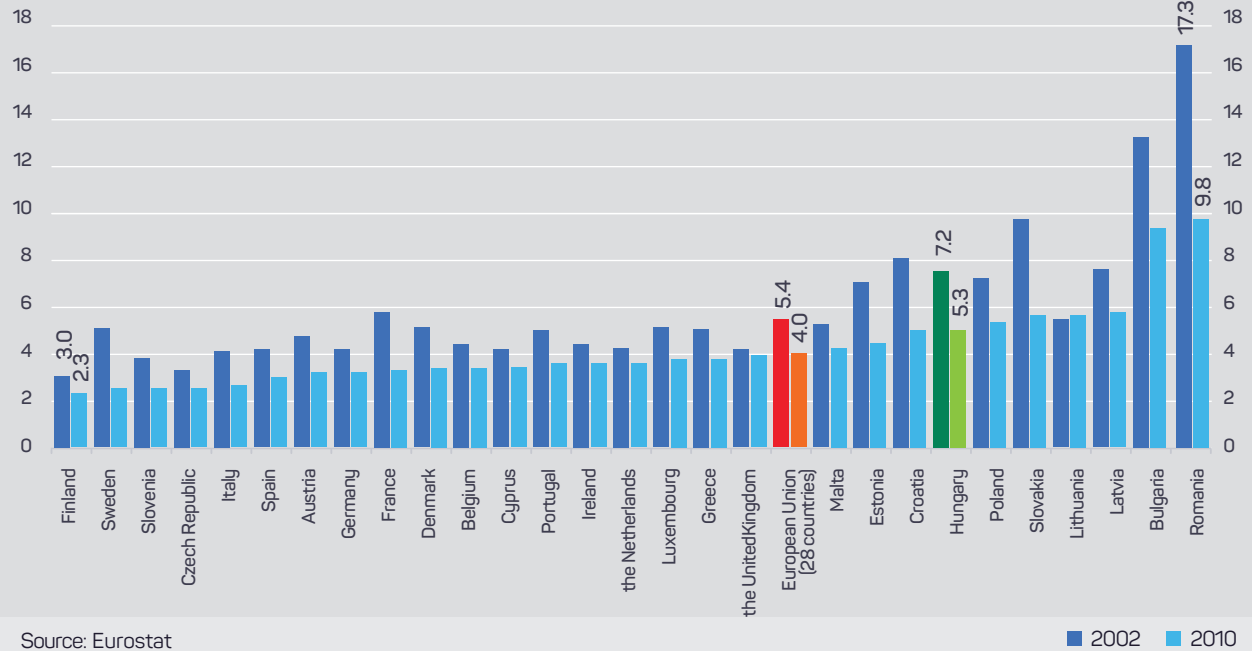
Infant mortality is of key importance since the number of infants passing away before 1 year of age is a sensitive indicator for the socio-economic maturity of a given region, along with the standards of its healthcare services. Still, it is continuously becoming less significant in developed countries, as recent years suggest. Infant mortality decreased to 4.0 per mil in 2010 from its previous figure of 5.4 in 2002 in the European Union. Notwithstanding this, the indicator was outstandingly high in two Member States – reaching 9.8 and 9.4 in Romania and Bulgaria respectively. In contrast, among the countries later joining the EU, the values were much more advantageous – being 5.7 for Slovakia, 5.6 for Latvia and 5.6 for Malta. Yet, they still failed to reach the EU average, which was also true in the case of Hungary. In 2010 the best scores were recorded in France (2.3), Portugal and Sweden (2.5).

The Hungarian infant mortality rate was 5.3 at this time, which meant a considerable improvement as compared to the figure of 7.2 in 2002. It was nearly 25% higher than the EU average, largely exceeding the figures observed in Western and Northern European countries. Nonetheless, relative to Central and Eastern European Member States it was still more favourable than in Romania or Bulgaria. Although there was a slight improvement in our situation compared to the EU average in 2002, our relative position in the ranking list of Member States got worse. While in 2002 Hungary took the 22nd place, in 2010 we only ranked 23rd.

In the period under analysis, each EU Member State recorded a decrease in infant mortality, with the exception of Malta. The highest scale of improvement was perceived in Romania (-7.5 per mil) and Latvia (-4.2 per mil). At the same time, this figure was -1.9 per mil for Hungary.

¹⁹ Information was available from after 2004 and based on gender only.

Figure 3/27 – INFANT MORTALITY RATE IN THE EUROPEAN UNION IN 2002 AND 2010



3.5. INTERNATIONAL MIGRATION, HUNGARIAN EXPATRIATES ABROAD

Although not to a significant extent, but immigration into and emigration from a foreign country have an effect on Hungarian demographic trends – and this was so even before 2010. The Hungarian population was constantly shrinking at this time, which was caused by the birth rate's falling relative to the number of deaths. Overall, natural population change had a negative balance, with an annual average of 36 thousand people minus. This was partly countered by the permanently positive balance of migration, amounting to an annual average of 15 thousand people. It should be noted, however, that the latter was rooted in the fact that the number of immigrants into the country surpassed that of those who left Hungary.

There were fluctuations in the migration balance (per thousand inhabitants) after 2002. Subsequent to the figure of 0.3 recorded in 2002, it read 1.2 in 2010, which was just slightly lower than the positive balance of 1.5 in the European Union. In this context, Hungary ranked in the middle range in the field, taking the 14th place. The lowest value (-25.2) was registered in Lithuania, with the largest scale of immigration taking place. The highest figure (19.2), however, was attributed to Cyprus, where emigration showed the greatest intensity.

The two components of this positive international migration balance – that is inbound and outbound migration – changed as follows during the period under analysis.

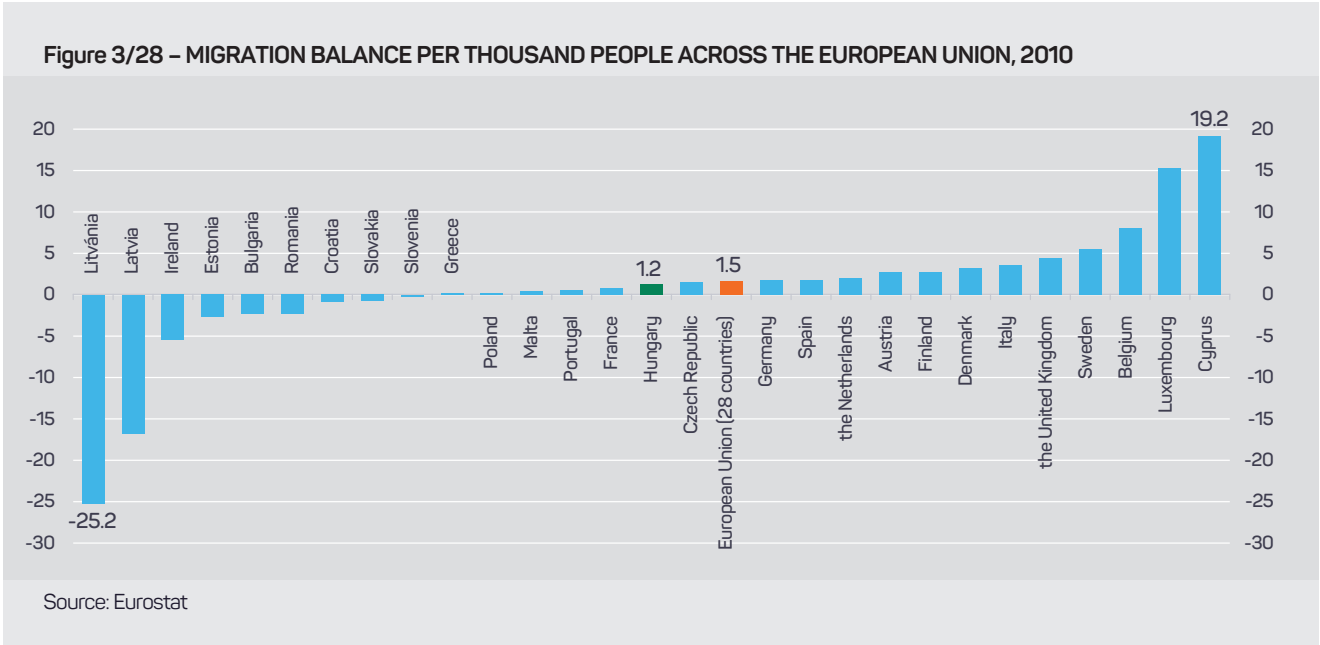


Figure 3/29 – INTERNATIONAL MIGRATION BETWEEN 2002 AND 2010

	2002	2003	2004	2005	2006	2007	2008	2009	2010
1 Returning Hungarian citizens, persons	1,318	1,359	159	148	132	117	137	143	1,575
2 Immigrant Hungarian citizens, persons	1,326	1,498	2,025	2,148	2,077	1,703	1,968	2,169	60
3 Immigrant foreign citizens from the Carpathian Basin, persons*	13,373	13,397	17,468	13,737	14,758	14,825	19,885	11,509	10,571
4 Immigrant foreign citizens from other countries, persons*	4,599	5,968	4,696	11,845	8,811	7,782	15,662	14,073	13,313
5 Immigration altogether, persons (1+2+3+4)	20,616	22,222	24,348	27,878	25,778	24,427	37,652	27,894	25,519
6 Emigrant Hungarian citizens, persons	4,194	3,122	2,121	2,024	1,910	2,671	5,350	4,883	7,318
7 Emigrant foreign citizens, persons	2,388	2,553	3,466	3,320	3,956	4,133	4,241	5,600	6,047
8 Emigration altogether, persons (6+7)	6,582	5,675	5,587	5,344	5,866	6,804	9,591	10,483	13,365
9 Statistical correction**	-10,496	-991	-599	-5,266	1,397	-3,055	-11,609	-90	-635
10 Migration balance, persons (5-8+/-9)	<u>3,538</u>	<u>15,556</u>	<u>18,162</u>	<u>17,268</u>	<u>21,309</u>	<u>14,568</u>	<u>16,452</u>	<u>17,321</u>	<u>11,519</u>

* Romania, Slovakia, Ukraine, Serbia, Croatia

** Sum of the difference between the migration balance taken into account in the further calculation of the population, and the balance of immigration and emigration (flow data)²⁰

The number of those who either immigrated or returned was around 26 thousand in 2010. 6.4% of them, namely 1,600 people were Hungarian, the majority of whom were citizens returning to the country. Another 41% (approximately 10,600 people) were foreign citizens arriving from regions inhabited by Hungarians in the Carpathian Basin, and thus they mostly had Hungarian nationality. The remaining half (13,300 people) were immigrants from other States – 6100 people arrived from other European countries, 4,100 from Asia, 1,700 from America and 500 from Africa. The number of emigrants came to 14 thousand. Just over half of them, more precisely 7,300 people had Hungarian citizenship, while the remaining 6,700 people were foreign citizens.

Hungarians from the Carpathian Basin apparently played a key role in making the domestic migration balance positive, leading to a more moderate population decline. If it hadn't been for the nearly 11 thousand immigrants arriving from the neighbouring countries in 2010, who mostly had Hungarian nationality, the migration balance would only have showed a minimum surplus.

²⁰ Source: Háblicsek, László: *The impact of international migration on the changes in the Hungarian population*. p. 6 <http://demografia.hu/kiadvanyokonline/index.php/demografia/article/viewFile/613/424>

One of the most terrible mistakes that the socialist-liberal governments prior to 2010 may be blamed for is their indifference towards the Hungarians beyond our borders. They simply refused to regard them as part of the nation. We all remember the rueful referendum of December 2004, which was basically meant to be a 'two times YES' from compatriots on two issues. Nonetheless, the then Hungarian government and its supporting coalition of parties rather started an open and unscrupulous anti-campaign against their own fellow countrymen in the subject matter. The institutional scheme in liaison with Hungarians and their organizations beyond the borders (namely the Határon Túli Magyarok Hivatala (HTMH) – Office for Hungarians Beyond the Borders) was dissolved, the related national policy (if any at all) was ignored and pushed to the periphery. The left-wing Liberal approach was well reflected in the parties' act upon the entire Hungarian community. In 2010 the civil power, which had just formed a new government, submitted a proposal for the modification of the Citizenship Law to enable preferential naturalization. The left-wing opposition, however, was reluctant to handle it as a national cause. A great number of their representatives were indecisive and abstained, yet there were MPs who said a definite 'no' to the issue in the meeting room. It was not too long after this that Parliament again voted on the bill to declare June 04 the Day of National Belonging. Notwithstanding, the proposal concerning the anniversary of the signing of the Treaty of Trianon was not in the least welcomed by the Socialist fraction. They openly and clearly expressed their objection and disapproval.

Neither did they care about the problem of emigration, which was targeted at foreign countries, and especially at the European Union, with the underlying purpose of employment or studying. They showed no sign of looking into the matter, although it was about Hungarians seeking their fortunes away from their homeland. They were unwilling to make attempts to create favourable employment and housing conditions for young people, even though this could have been a motivating factor for them to make a living in Hungary in the long run. Nor were they inclined to promote the relationship between Hungarian expatriates and the motherland, although such ties are vital for the maintenance of our national identity. It goes without saying that the political trend could not be followed any longer. It ignored our Hungarian compatriots beyond the borders, and was short of a single, coherent national political guideline. There was obvious need for some radical change in this respect too.

SUMMARY

The heritage of the new government in 2010 was more, or rather less, a country on the edge of economic, political and moral bankruptcy. Hungarian population indicators and health conditions were miserable, especially relative to other EU Member States.

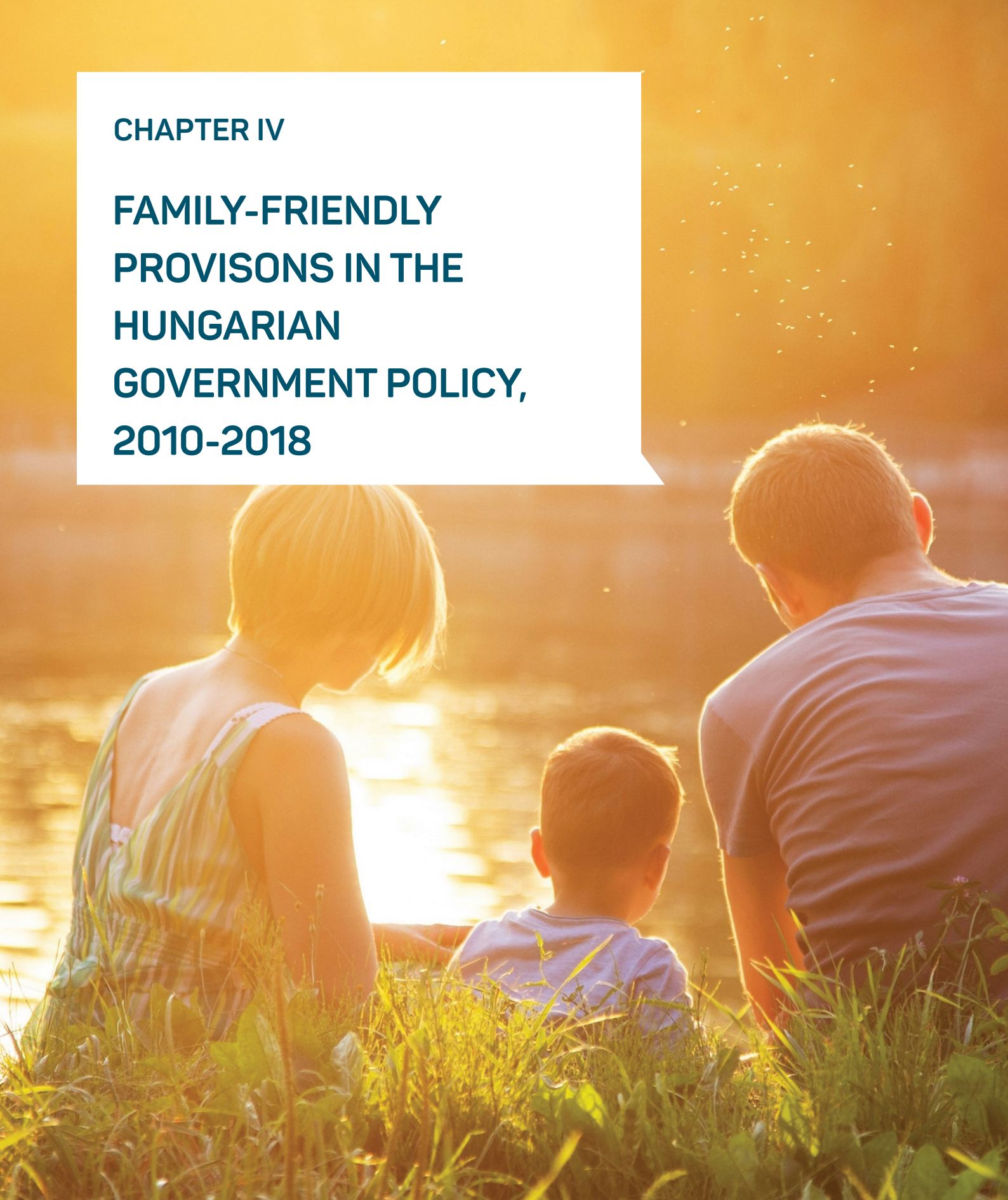
Live-birth and fertility data as an expression of the attitudes to parenthood fundamentally showed a downturn trend between 2002 and 2010. As a matter of fact, they plummeted to an historical low. More and more children were born out of wedlock, and women tended to give birth to their babies in their later years. To make things worse, the large-scale drop in the number of women of childbearing age posed a severe problem, just like the decreasing yet still soaring number of abortions. The Hungarian figures in these fields were outstandingly poor even in comparison with EU values. Nor was the family spirit exempt from such negative effects. The rate of marriages, as well as the number of those who lived in a relationship or formed a married couple clearly illustrated an adverse trend, since never had so few people made their wedding vows as in 2010. Enthusiasm for marriage was staggering compared to other EU Member

States, whereas divorces were represented in a remarkably high proportion. Nor were the indicators more favourable regarding mortality and health conditions. Relative to the EU, the death rate was exceptionally high. In 2010 Hungary was distinguished by a nominally rising level of life expectancy, yet it was still far below the European average. Consequently, the population's natural decline became more intense, and was recorded as one of the most grievous across Europe. Neither could its volume be countered by the positive migration balance, which made Hungary qualify as one of the worst performing countries in 2010 as far as natural shrinkage is concerned. In addition, government policies not taking into consideration our compatriots in the Carpathian Basin or abroad were based on an ideology that largely eroded the motherland's relationship with Hungarian expatriates.

This devastating and depressing picture led to the recognition that a paradigm shift was inevitable and unavoidable. For the new government it was an imperative to implement radical changes in pursuit of a pro-life, pronatalist and family-friendly political approach.

CHAPTER IV

FAMILY-FRIENDLY PROVISIONS IN THE HUNGARIAN GOVERNMENT POLICY, 2010-2018



When in 2010 the civic wing formed a government after its overwhelming victory at the elections, Hungary was in a devastating state both in terms of values, trust, faith and national self-esteem. Nor was the situation more favourable from an economic and demographic point of view. Family-starting and attitudes to childbearing were at their lowest, and the country was on the verge of demographic disaster. As a matter of fact, it was just about to take its share of unrecoverable blows, leading to the irreversible phenomenon of population decline, with families falling apart.

In 2010 the Hungarian people made a brave and courageous decision to regain the capability of self-governance. Even though it may have been in the last moment, they assigned the Government of National Cooperation the responsibility of constitutional democratic competences. The unprecedented trust and with that the government responsibility enabled us to close the doors on the grey days of transition, laden with nothing but uncertainty, perplexedness and division. We could ultimately use all our energy and resources to concentrate on the solution of a nation's destiny and the common vital questions thereof. Inevitably these concerns had been awaiting response, with one specific designated path to follow.

Yet, what is the core issue that underlies the Hungarian nation's future? Well, the question is whether we can stop population decline, which has been present for long decades. Or do we choose to succumb and surrender as a nation? Will we manage to maintain our Hungarian identity on this part of the Carpathian Basin as has been the case for the past thousand years? Or will we fall victim to global multiculturalism, depriving us of our national identity and country borders? Are the endeavours of homogenization going to define our times? Are they going to push us into the dual grabbing of values and cultures that are so much different from ours and that would definitely flow in with the masses of people from the third world? The dilemma is quite clear. After so many years wasted, can the nation finally form its own destiny?

From this crisis situation there was only one way out: we had to give back the Hungarian people their trust in the recognition that living in a family is fun. We needed to make sure that the general truth was taken for granted again, that starting a family and forming a union with our love, under

the institution of marriage, and the reproduction of life in our children are not a drag with a lot of financial burdens. Instead, as an asset children are a real source of joy and happiness. Public expenditure should also reflect the confirmation of such values. There is no longer room for an approach where families that have children and thus contribute to our population's reproduction are pushed to the peripheries when it comes to the distribution of funds. It cannot be that they benefit from residual resources. It was time to ensure the appreciation they deserve, and this includes financial support. Our goal was to see families give voice to their feeling that Hungary is a place worth living, it is a country where it is possible to have and raise children.

The Hungarian Christian government made its first efforts for a labour-based country and a stronger nation. It started focusing on a community that is built on families. Now the underlying pillar consists of entities that are actively involved in bettering their destiny or, more broadly, in improving community prospects. They are strong in their belief and faith, and rely on stable finances, and they will project this, through the bringing up of their children, into the destiny of the whole of society. Under this paradigm shift, the Programme of National Cooperation, which, as a new social contract with the entire nation, was adopted by Parliament in 2010, declared a number of principles. Such basic rules, which earned majority support, serve as cornerstones to government decisions to this day.

"Having children is not only joy for the family, but serves the purpose of the nation's growth."

"Family is a fundamental and basic value for everyone. Everybody wants to belong somewhere. There is no-one who would not long for a family, cosiness and affection."

An intimate family life is a desire even for those who at the time cannot enjoy it."

"Work, home, family, health and order – these are the solid foundations of the National Cooperation Scheme."

"The new government will, rebuild the family support scheme, and release it from the burden and mistakes of the highly unusual policies of the past eight years."

"The Government of National Causes (...) shall stabilize the situation of families, (...) by creating a future that is safe and predictable."

Along with these principles the government programme dedicated a separate chapter to the strengthening of families and the promotion of parenthood and childbearing. It is stipulated already in the first lines that "for the new government, which is built on the representation of common values and national causes, it is the family that constitutes the basis of the social policy. The family is a national and European common ground that needs the greatest possible intensive care and attention. It is Hungary and Europe's spiritual and mental health that are at stake when it comes to the restoration and maintenance of the families' integrity within both the country's borders and in Europe alike."

Our specific goals and objectives in connection with family support were also infiltrated by this approach, lending us the commitment to make sure that childbearing does not pose a poverty risk to families. We strove to lay the foundations for a family-friendly approach in all walks of life. This, among others, involves assistance to families with children in their housing plans, the coordination and matching of family, childrearing and work, and the provision of the possibly widest scope of daytime care services to children. The underlying intention is to prevent the labour market from creating barriers to families. As a matter of fact, through the family-family approach, it should rather encourage them to have as many children as they really wish. Our priority goal, besides this, has been built around better health conditions in the family.

Probably the essence of our social philosophy is best expressed by the lines in the government programme, saying that extra parental and family performance should be gradually and constantly acknowledged. For these entities contribute to the nation's prosperity and the social market economy's sustainability through their work and with the nurturing and education of their children.

The Programme of National Cooperation, thus, has initiated a comprehensive paradigm shift, which will not only be felt in the social and economy policy, but will reach out into family and population policy too. It announced a total break from the practice prior to 2010, which basically pushed the country into crisis with its mistaken policy.

Yet, what is the imminent essence of this seemingly new trend? How does it go against the old liberal dead-end approach with its ideology that is built around long-known, eternal values? How can it fight the 'mainstream' ideology that became so prevalent before 2010 in Hungary, even defining the Western European, the Atlantic, and global way of thinking? How can it prove its good against a dogma that tends to find its way into the major streams of policy-making, and which so overtly rushes to make gains from pushing the opposing conventional, value-based social interpretation into the background?

Before all else, by concentrating on the family as a basic community unit that carries and adds value. We refuse to regard the family as a mass of individuals prone to arbitrary changes and adjustment.

We do make a difference between the various cohabitation and relationship forms. And with respect to human dignity, we do so based on a key principle that underlies our nation's future: we seek those cohabitation forms which lend their members the framework of mutual care and affection, in the meantime serving the noble purpose of our nation's maintenance through the reproduction of life.

As regards the conventional interpretation of marriage, the government programme recognizes it as a perma-

nent and long-lasting love relationship between a man and a woman. We take it for granted that our gender, our existence as men or women are more than simply a "social construction" that could be arbitrarily shaped and formed. Instead, it is a biological feature from the moment of our birth, which designates our position and defines our role in the community for a life-time.

As a basic principle we believe that every human life deserves respect and support. And this holds not only for adults, but for foetuses too, growing in the protective environment of the mother's womb. And neither can it be different with incurable patients on the verge of life and death – they cannot be subject to autocratic inhumane decisions.

The programme also stresses that childbearing and reproduction are not automatically coupled with the parents' exposure to poverty, and accordingly rejects supporting families through a deprivation-based system of subsidies. Instead, it regards the support scheme as a form of community care, which is available to every family that plans to have or is raising children, irrespective of their financial status. Support shall be based on the interest of the children in the families, as a factor above all. According to the Hungarian Christian government, the responsibility that starting a family and childrearing entails is primarily borne by the parents – this the State cannot and refuses to take over. Church and civil communities, along with state actors may primarily provide assistance in the fulfilment of this task, though. We must also strive to make sure in our decision-making that responsible childbearing is compensated in proportion with the parents' extra efforts. In this way, those who contribute more intensively to the community's prosperity – either with their work, skills and knowledge or efforts, shall get a higher share of the common commodities, in proportion to the sacrifice they have made. For, as the government programme puts it, every child matters. We count on those in deprivation, or those living in families going bankrupt. We do not forget about children born into the middle class, and neither is our attention distracted from those who are yet to be born.

We believe that with a government policy aimed at the enhancement of childbearing, with a policy that wishes to provide children with proper opportunities and which makes every attempt to create an environment that fosters prosperity in the motherland, we will eventually manage to maintain the triple pillar of sustainable population, society and economy. Even though it may be replete with struggle, finally, in the long run, we will lay the foundation for a strong, healthy and ambitious nation. We are convinced that these goals need something else than the masses of foreign and unskilled migrants from the third world. The labour shortage and the low number of children, which may be deeply rooted in the distortive effects of the individualist ego and the false ideologies, require other responses.

The Hungarian family policy cannot follow the cosmopolitan and global patterns, and neither can it prescind from our nation's faith, culture and lifestyle that have been so much cherished for a millennium. We must observe our everyday principles. No labour market and economic interests, even if they are short-term, may cause us to succumb to the value-neutral nihilism the globalist mainstream trends want to force on us. And neither will we give up our views and philosophy for the uncontrolled inflow of strangers.

Finally, there is a sharp contrast between our ideology and the former approaches inasmuch as we take population policy beyond the borders. For us it is not restricted to Hungary. It is observed in the context of the Carpathian Basin, or better still, in respect to the entire Hungarian community around the world. Therefore, when it comes to the encouragement of childbearing, the support and strengthening of families, then we mean all the Hungarian families – whether they are living in the motherland, in the Carpathian Basin in regions that used to belong to our historical land, in the metropolitan cities of Western Europe or far away in diasporas overseas. We do not turn our back on the compatriots beyond the borders. We refuse to regard them as strangers or landless, just because the whims of history, persecution or any other cause al-

lowed them to drift far from us. We will not launch hysterical, fake and untruthful anti-campaigns against them. We will not write off any compatriot, not a single one, and neither will we do differently in the case of children. We find it crucial that every Hungarian benefits from their homeland's care and attention. For, without this the link that holds the entire nation together will be gone forever. Logically, today's population policy and national politics are interlinked, since the challenge to stop population decline and to consolidate families is a far-stretching problem, which extends beyond the country's borders, affecting the entire Hungarian community.

When in 2010 the constituents conferred upon us the right to govern the country, we pursued the above philosophy. We set it as an objective to spiritually and financially strengthen the institution of family, marriage and parenthood. This we wished to accomplish through the constitutional principles and law, which determine the public way of thinking, and intended to rely on financial subsidies, benefits and in-kind allowances provided by the State.

As the first stage of this endeavour of ours, in exercising our right to form a constitutional parliament based on the trust we received from the Hungarian nation, it was an imperative to adopt a new Fundamental Law, in replacement of the former constitution that was laden with the marks of the gravest period of the past government and the vague compromises of transition. There was an obvious need for a set of new principles that embrace our basic national values. Our confession and ambition in the Programme of National Cooperation, thus empowered by the Fundamental Law, lays the foundations for this legal system, and may become the guideline and lead organizer of the entire nation and its life.

The Fundamental Law, adopted on 18 April 2011, set forth in its preamble "National creed" that "We hold that the family and the nation constitute the principal framework of our coexistence, and that our fundamental cohesive values are fidelity, loyalty, faith and love."

Article L in the "Foundations" chapter makes mention of the protection of marriage, the special honour to the family as a key element in our nation's perpetuation, and the necessity to provide state fund to childbearing. And all this reasserts the importance of the above principles and institutions as our core national values.

It was a huge step forward in the new Fundamental Law that clearly stipulated that marriage is the conventional union of a man and a woman. Unlike the former constitution, which only made a general declaration on the protection of marriage and family, it confirmed that nothing else but the cohabitation of spouses, or parents and children may be regarded as a family relationship deserving special public attention and respect. Therefore, it gives no ground to the relativizing global trends that are aimed at the reinterpretation and ultimate elimination of thousand-year-old social structures – to dogmas that would not make a difference between relationships when it comes to the definition of marriage. In fact, the above are very much in line with a declaration in the Fundamental Law saying that the survival of a nation is subject to families. According to it, the family's constitutional importance is rooted in its capability and capacity to reproduce life.

"ARTICLE L.

- (1) Hungary shall protect the institution of marriage as the union of a man and a woman established by voluntary decision, and the family, as the basis of the survival of a nation. The foundation of family lies in marriage and in parent-child relationship.*
- (2) Hungary shall encourage the commitment to have children.*
- (3) The protection of families shall be regulated by a cardinal Act.*



Chapter "Freedom and responsibility" contains several regulations on the protection and support of families and children. The statement in Article II carries special weight claiming that "every human being shall have the right to life and human dignity; the life of the foetus shall be protected from the moment of conception". In contrast, the former constitution failed to contain any State commitment towards the institutional protection of foetal life. As a matter of fact, it was only in the practice of the Constitutional Court that a requirement was laid down for abortions. Pursuant to that, with due regard to the general life purposes that are applicable to a foetus, abortion was subject to regulations and restrictions. The new Fundamental Law, however, makes detailed specifications of such legislations, and protects this sensitive area from the potential changes that may evolve in the legal understanding of the subject matter. It tries to make sure that this field is not exposed to the constraints of a more liberal approach, which could develop in the practice of the Court, showing less respect to any life conceived.

As per Article XV (5), "Hungary has made specific measures for the protection of the family, children, women, the elderly and the disabled", which set it forth as an obligatory requirement for the State that it shall provide special assistance, among others, to families, in bringing up their children. Moreover, Article XVIII (2) stipulates that "Hungary has made specific measures to ensure health and safety at work for the young and parents alike". This provision is just as important, since in view of the due consideration and protection of the special life situations among parents with young children, it builds constitutional foundations for the sensible and reasonable control of employer gains, thus reducing the vulnerability of those concerned. Yet, of course, this shall be aligned with the modification of the Labour Code.

Article XXX (2) is no less significant either, claiming that "the rate of contribution for the coverage of common needs shall be established based on childrearing

costs when it comes to parents raising children". The underlying concept behind the regulation is that families that have or are raising children and, with this, contribute to the subsistence of the nation in the long run, should take on a share of the public burden in proportion with their reasonable expenses incurred through the nurturing of their offspring. Families that act out for the above objective shall be deduced the amount they spend on childrearing issues, basically determining their public obligations in proportion to the sacrifices they have made. This is just the opposite of the former liberal social philosophy, which grants the same scale of support to the individual, irrespective of their social usefulness or efforts. Or, to make things worse, in a liberal understanding, it may also be that support is disbursed only to the socially deprived (or to those who qualified for this), excluding any other person from the group of beneficiaries. This, however, totally disregards the possible correlation between eligibility and the active work or performance that has been done for the community. This practice is basically harmful for every party. On the one hand, it conserves distress and poverty, while on the other hand, it punishes the emerging entities – those who wish to actively contribute to the community. The provision in the Fundamental Law is a clear expression of our refutation of this earlier harmful, inefficient social policy. Instead, we are ready to act according to our view that the efforts of the community members made in the interest of society shall be taken account of at the time of the division of the public burden.

In connection with the above, one cannot ignore the changes that linguistics and terminology undergo when it comes to the dominant interpretational styles. In particular, all the definitions that make reference to deprivation or create a negative context to life, giving emphasis to its difficulties, shall be deleted from the family policy related vocabulary. This shall be applicable in the case of the relevant expressions for pregnancy, maternity grants and childcare allowance, replacing them with the pro-life and family-friendly equivalents

of childbearing, infant care fees and child care benefits respectively. And public education does not comprise an exception either.

Finally, attention shall be drawn to those provisions of the Fundamental Law [Article L (3)] that claim that the main regulations in connection with the protection of the family should be drafted in the form of an act that can be adopted and amended with the vote of at least two-thirds of the participating MPs. The importance of this lies in the predictability and stability it lends to families. And this is what has the most positive influence on long-term childbearing plans. Certainty, security and trust are crucial for parents who are planning to have children. Since in this way, they can be assured that the benefits and subsidies are available, even years later, under the same conditions or even in more favourable ones. It is critical that those couples who decide to have a larger family do not have to fear from being deprived of these grants – either because of their revocation or mitigation. Unfortunately, the latter measure was not rare under the governance of the left-wing liberal parties. For instance, the Bokros package destroyed the entire family support scheme, while the governments led by Medgyessy, Gyurcsány and Bajnai introduced austerity measures. In a voluntarist and unpredictable way, hiding behind the false excuses of the pressure of budgetary balance, nothing stopped them from cutting back on the resources that were so much necessary for families' livelihood and childrearing. The negative consequences of these inhumane, short-sighted politics, which did everything but build a common future, was clearly felt in the families' attitude towards parenthood.

That is why we found it important to incorporate the key framework and boundary conditions of the family support scheme in an act that cannot be amended with an all-time government majority. By restricting its modification to a wide-scope, cross-party consensus, the rules and conditions therein shall not be exposed to the whims of daily politics and to ad hoc austerity pro-

grammes dictated by narrow-minded fiscal aspects. It is the stability and predictability of the framework that ensures certainty and trust in the future for families. It provides security that was almost constantly absent in years past and that is so indispensable for a couple's commitment to childbearing.

In pursuit of this, on 23 December 2011, Act CCXI of 2011 on the protection of families was adopted by Parliament with an overwhelming majority. The anti-family approach of the left-wing liberal opposition, however, clearly showed in their rejection of the legal proposal. In fact, they gave voice to their objection by staying away from the voting procedure.

The preamble of the family protection act (Csvt.) follows the Fundamental Law in laying down the principles that define the families' role and importance in society. Some relevant quotes from the preamble may be read below.

"The family is the most important national resource of Hungary. As the basic unit of society the family is the guarantee for the nation's survival and the natural environment of the development of human personality, which must be respected by the State."

Growing up in a family is safer than any other possibility. The solid ground for the establishment of the family is marriage, which is a union for life based on mutual love and respect, therefore it must always be held in great esteem. The family fulfils its mission if a lasting and firm relationship of the mother and the father reaches fruition in their responsibility for children.

There is no sustainable development or economic growth without the birth of children and the expansion of families.

Harmoniously functioning families are inevitable for well-functioning societies.



The State helps the harmonization of work and family life.

The protection of families and the promotion of family welfare are duties shared by the State, the local governments, civil organisations, media service providers and the various economic entities.”

The first chapter (“Goals and principles”) of the Act confirms the declarations made in the Fundamental Law, claiming that the State protects the institution of family and marriage [Section 1 (1)], it encourages childbearing and supports the parents in the implementation of their plans to have children, in view of the demographic trends needed for the nation’s subsistence [Section 1 (3)].

Csvt. reasserts that the protection of good family relations has a significant role in the maintenance of physical, spiritual and mental health [Section 1 (2)]. It does so in reference to the well-known and statistically justified recognition that health conditions and life-prospects show considerably better values among married people than among those who are living alone or at least fail to live in a lasting relationship. The research carried out by Mária Kopp and Árpád Skrabski pinpoint that those men who were living together with their wives were 2.2 times less likely to die in the next four years. And this

figure was 2.7 in the case of men who could particularly rely on their spouse’s support, as compared to those living alone. Men without children were four times more likely to die an untimely death than those who were bringing up children. These findings are also confirmed by KSH data, which suggest that married men and women have better life prospects than their single or divorced counterparts, and even their mortality rates are lower – in every major death cause. According to research carried out for the period 2006-2007, the probability of untimely death (within 5 years) was two and a half times higher among single men and women at the age of 50 than in the case of their married counterparts. And it was double this figure in the case of divorced women and widowers, and climbed one and a half times higher in connection with men. Life expectancy at 25 was 11% higher in the case of married women (averaging an annual growth of 6 years), whereas married men could live 8-9 years longer (+22%) than their unmarried, divorced counterparts or widows. The rate-based difference is even sharper in the category of life expectancy at 50, in favour of people living a married life. It is around 16% and 35% for women and men respectively.

The Act stipulates as a key political–methodological principle that family support is separated from the so-

cial deprivation-based system of subsidies [Section 2 (1)]. As mentioned earlier, we believe that families and childbearing should be encouraged for their own sake, in appreciation of the sacrifice they represent. Parents need a contribution to their living expenses and the higher nurturing costs they are faced with, and this they shall receive after every child, irrespective of the families' wealth or financial status. We chose a path different from the one tread by the left-wing liberal government, who tended to cut back on benefits even in the case of average-income families. (As a matter of fact, we strive to enforce the separation of social and family policy in the government's organizational structure too. In 2010 first an independent Family Policy Department was established in the State Secretariat for Family and Youth Affairs under the Ministry of Human Capacities. Then, in 2014 the two fields, namely social and family policy were separated, and now there is a deputy state secretary dealing with family and population policy in the State Secretariat for Family and Youth Affairs under the Ministry of Human Capacities.)

It is just as important to consequently ensure that the parents are not only granted rights but take on the responsibilities and meet the obligations that go hand in hand with childbearing. Parents may be expected to make every effort under the given circumstances to take care of their children. Therefore, those families where the parents not only work for the subsistence of their own and the closer family but contribute to the community's prosperity through their produce and shared public burden, should enjoy the benefits of the resources in proportion with their efforts. This is well reflected in the Cstv. provision setting forth that "the State contributes to responsible childrearing in the form of subsidies primarily" [Section 2 (1)].

Section 2 (2) of Cstv. again gave voice to a forward aspect in claiming that "family support is a priority issue when it comes to the planning of the actual national budget of Hungary". A detailed description shall be made below of how the Government has met this principle in prac-

tice since 2010, making this year a divide compared to the previous period. We broke with the former left-wing liberal approach for good, which allocated resources for childbearing only based on the 'principle of residues', in many cases further decreasing them if short-term fiscal perspectives required so.

Section 3 (3) gives further emphasis to Article II of the Fundamental Law in connection with the protection of foetal life. It stipulates that the foetus should be protected and respected from the moment of conception, and should be granted statutory support". Another novelty could be found in Section 3 (2), which stipulates the requirements for introducing family life education as a curriculum in public education. In Section 4 the Law confirms the importance of family-work balance through the consolidation of daytime care services. The latter item is critical for our family policy, and is centred around the freedom of choice. The core objective is to ensure every parent the opportunity to return to the labour market in the form and at the time that best meets their own and their children's needs and expectations. They shall not in the least be restricted in this by administrative rules and other regulations on subsidies. Those who can and intend to go back to their workplace after their child has become 6 or 12 months old should not be barred by obstacles. And the chance shall be given to mothers to stay at home with the infant for a longer time, even for more than one year. Another significant element is that fathers will have a higher share in childrearing duties: besides the mothers they shall get more involved in their children's nurturing and education.

Cstv. also contains provisions that enable the adoption of the family-friendly approach in every social and economic field. This involves the media service providers' obligation to broadcast programmes in observation of the values of marriage and parenthood (Section 5–6). The legislation created another requirement, which set forth that families should be able to take advantage of the relevant subsidies and services in the simplest way, with the possibly lowest level of administrative burden.

The second chapter of the Law stipulates the children's basic rights and obligations towards each other and the environment. Chapter 4 and 5 are most probably the ones that are practically the most important with respect to the parents' daily lives. They determine the key allowances, subsidies and services families are entitled to, along with their boundary conditions so that they cannot be mitigated or revoked based on the arbitrary majority will of the actual government. They make sure that the relevant regulations may be modified only through comprehensive, cross-party consensus and compromise. Thus, Chapter 4 strengthens the protection of the family and childbearing in the field of employment (see the redundancy ban or restriction for parents with young children, and especially mothers; the protective rules and regulations at work, the option of part-time employment, extra days off etc.). At the same time, Chapter 5 sets the basic conditions applicable to the various financial subsidies (such as benefits, or tax and contribution allowance), enabling the diversified establishment of grants based on family structure, children's age, number and state of health, or the parents' earning activity etc. It also stipulates that, if an adverse amendment is made to the subsidies' conditions, which is unfavourable for families despite the statutory obligation that requires a two-third majority for any such modification, then a preparation period of at least one year shall be provided from the announcement until the new legislation comes into force [Section 23 (3)]. This further strengthens the family support scheme's stability, since – even if the necessary Parliamentary majority is at hand – short-term cost-cutting and austerity perspectives will not justify the tightening of the conditions. For, the consequences of such savings will not be felt earlier than in a year's time or even later.

In this way, the new Fundamental Law and the cardinal act on family protection, whose beneficial effects support one another, could, on the one hand, give back family life, marriage and reproduction their well-deserved appreciation in law and public thinking. In addition, to the extent of the role they play in the nation's sustainability, the acts of legislation elevated these values to a special position compared to the other relationship and cohabitation forms, in conformity with the consciously chosen lifestyle of single or childless persons. On the other hand, they created a firm, solid, long-term framework of conditions for the support of families that have or are raising children, which might also serve as an appropriate basis for the implementation of childbearing plans.

Notwithstanding, along with the rules of law and the institutional framework as a foundation, we also found the awareness-raising activity around the former principles indispensable. This was meant to replace the social attitude that until then ignored community goals and values and instead portrayed a self-centred, individualist approach. We intended to substitute it with a family-oriented philosophy that could find its way into all walks of life, embracing the most important segments. This value-based ideology may be disseminated through communication, in the media or in public education with an outreach to the youngest, or it may be mediated by making the public administration system more family-oriented.

Yet, the foundation, which so much relies on the Fundamental Law and on the above approach, was not sufficient. There was even stronger need for the consolidation of those families' financial status that have children. In any case, the change of the government in 2010 found middle-class families in an extremely poor, vulnerable situation, even though they made the highest contribution to society's subsistence. The wrong actions made by the left-wing liberal governments, which gave Hungary a taste of the darkest pits of the world economic crisis and which pushed the country to the edge of financial collapse, curtailed the benefits that were offered by the first civic government. In fact, their austerity measures, which were alleged to 'manage the crisis', did nothing but further worsen the situation. The false grounds of their ideology basically caused the family support and housing scheme to stagger. 2002 was a landmark in the history of the system inherited from the former government: ever higher instalments threw foreign currency debtors into despair, families' livelihood were jeopardized by booming costs of living and terrible overhead charges, not to mention the rising taxes. At this point it was not merely a question of moral duty for the new national government to bring about change. As a matter of fact, it was a must for the desired and necessary demographic twist. An ever higher part of the national income had to be reallocated to families that (plan to) have or are raising children.

SUMMARY

A distinctive Hungarian model has been shaping and formed since 2010, which is built on our own internal resources and assets – it is centred around the support of Hungarian families that have or are raising children. It abstains from relying on external instruments, through which, in the long run, we would definitely and inevitably be faced with the darkest hours of giving up our identity. It is a model that is capable of creating a strong, ambitious Hungarian nation in the Carpathian Basin, which can maintain itself and grow even without having to resort to mass migration.

CHAPTER V

MEASURES FOR TACKLING THE PROBLEMS AND CHALLENGES OF AN EARLIER ERA, 2010-2018



MAJOR PROBLEMS AFFECTING FAMILIES AND GOVERNMENT MEASURES FOR THEIR RESOLUTION AFTER 2010

Chapter III shed light on the situation the governance was in around 2010. It identified the main problem sources that were yet to be eliminated, whereas the conceptional–ideological background, which guided the related government decisions and measures in this direction, was outlined in the previous chapter.

Now it is time to introduce the concrete measures made in order to improve the life and well-being of those families that are raising children. These measures of the past seven to eight years were developed along the major problems that had been earlier identified in connection with population trends and family situations, which logically drives us to give a comprehensive picture of the way they have led to a positive trend in family spirit, marriages and childbearing – to a shift that was only a matter of pure desire in 2010.

The relevant steps will be specified in the following thematic order.

- **Measures in support of family-planning and childbearing:**
 - Family-based taxation, the launch and expansion of the family tax allowance
 - The restoration of GYES to a duration of 3 years, the extension of twin GYES, the introduction of adoption-related GYES
 - The constant elevation of the upper threshold for GYED
 - GYED for graduates and its expansion
 - The launch of "sibling GYED/GYES"
 - The launch of the Baby Bond
 - The reduction of lending debts after three or more children
 - The mitigation of student loan debt or its remittance after children
 - Allowance for firstly weds
- **Measures in favour of work and family life balance:**
 - GYED Extra: the development of job opportunities in parallel with childcare benefits
 - "Grandparental pension" (Women40)
 - Job Protection Action Plan
 - Part-time employment for parents with young children
 - The restructuring of the nursery system, capacity-building
- **Further measures in support of childrearing:**
 - The extension of free-of-charge meals for children in institutions and during holidays, the extension of the "School Milk" programme
 - The extension of State-funded textbook provision
 - Mandatory kindergarten education from the age of three
 - Initiation of the Erzsébet Programme
- **Measures for family housing:**
 - The launch and extension of the family housing allowance (CSOK)
 - Loans with interest rate subsidies for large families
 - VAT rebates and VAT reduction
- **Measures for vulnerable families:**
 - Steps in support of large families and their way of living
 - Steps to improve the situation of single-parent families
- **Measures to improve people's health:**
 - The spread of mandatory screening examinations
 - The spread of mandatory vaccinations (HPV)
 - The control of cardiovascular and circulatory diseases
 - The improvement of basic healthcare services
 - The building of prevention capacities in the healthcare system

- Regulations on smoking
 - Cracking down on excess alcohol consumption
 - The prevention of drug consumption
 - Encouraging people to exercise
 - Health and nutrition related measures
 - The inter-disciplinary improvement of early childhood intervention
- **“Navel cord” programme for Hungarian expatriates:**
 - The extension of the maternity grant
 - The extension of the Baby Bond
 - **Measures for the promotion of the family-friendly approach:**
 - The declaration of 2018 as the Year of Families
 - “Kopp Mária Institute for Demography and Families” (KINCS)
 - Family Cabinet

5.11. MEASURES IN SUPPORT OF FAMILY-PLANNING AND CHILDBEARING

As seen in the previous chapters, the total fertility rate – as the most important childbearing indicator – was at its lowest in 2010 and 2011. Its negative record has not only been unprecedented in Hungary but made us rank the last in the European Union too. And neither was it any better in the case of a enthusiasm to have a familiy. Never had so few wedding vows been made than in 2010. The Hungarian family support scheme, by 2010, was said to provide relatively higher benefits to families with children than was the case in other developed European countries. Yet this did not produce results, which could be explained in several ways.

On the one hand, the socio-liberal government exposed the family support scheme to a subsidy-based approach. Its underlying, yet mistaken, concept claimed that childbearing goes hand in hand with deteriorating finances, pushing families into poverty. Accordingly, they believed

that the issue had to be “managed” through the social system. This was mirrored in the then ministerial structure too, where benefits for those living in deprivation, just like childcare benefits, were managed under one single organizational unit. Inevitably, such a fundamentally mistaken concept could not have given grounds for the implementation of any coherent policy that takes into consideration the combined aspects of the population and the situation of families that are planning or already have children. This was basically the underlying reason for focusing on guaranteed universal subsidies (family allowance, GYES etc.), which was coupled with the cutting of work-based subsidies. (For example, family tax allowances for families with one or two children were withdrawn, and their amount was decreased for large families too. The insurance period for being entitled to GYED was extended from six months to one year.) At the end of the first Orbán-led government cycle, in 2002, work-based subsidies made up 37% of the cash benefits and allowances provided to families, which, however, shrank to 24% by 2010. Notwithstanding – or rather for this reason – poverty rate among families raising children (especially that of large families or single parents) got much worse during the previous two government cycles. The bitter experiences of the recurring destruction of the domestic family support scheme undermined safety and security in the long run. The left-wing liberal governments were not reluctant to manipulate the funds allocated for family support. Such money was badly affected when it came to cost cutting. It even fell victim to short-term fiscal perspectives, quite understandably evoking rather negative feelings in the population. People could no longer rely on the essential merit of trust: predictability was gone

The various complex family-friendly measures of the civic government after 2010, however, wished to get rid of these negative elements. They wanted to wipe out negative discrimination against women (and partly against men) raising children. Above all, they set it as a core objective to create long-term stability and security for Hungarian young people to encourage family-plan-

ning and childbearing. And the government is dedicated to pursue these views in the future too. Unmistakably, predictability is a must for having a family and children. No concrete subsidy could adequately counter its importance, since long-term decisions require long-term predictability, safety and security.

Unlike those before us, we are convinced that parents do not have the vision of relying on aid and subsidies when it comes to raising their children or sustaining the family. They are in possession of the resources needed for the appropriate and desirable conditions of childrearing. It is just that they need the relevant support for that. This, however, points at the target of the support: it shall be focused on these resources, on the physical and mental energy and time devoted to the cause. Therefore, we are committed to concentrating on such allowances and subsidies – benefits that are built on work-based income and which are meant to encourage employment, work-life balance and, at the same time, enable families to make their own decision on the way and extent chores (either at work or home) are shared by the members – mothers and fathers alike.

This was the goal that the civic government bore in mind when it drafted its measures related to family-planning and childrearing. They are intended to strengthen the feeling of security in pursuit of a vision of the future that is reliable and predictable in the long run. These are partly financial subsidies. On the other hand, they also wish to promote the notion that family, children and parenthood are all assets – both for the individual and for the whole of society.

Considering the latest fertility data it may be concluded that such goals seem to get implemented to an ever higher extent, which is partly attributable to the related government measures.

Extended family benefits and their further expansion

When it took office in 2010, the civic government proclaimed a 180-degree reversal in terms of subsidies. It totally opposed the aid-based politics of the former left-wing liberal government, which levied extreme taxation on the active population with the hidden aim to thus guarantee the subsistence of the inactive layers. Economic performance was pushed to the background, just like individual and innovative initiatives, which inevitably proved to be inadequate for sustainability, pushing the country to the edge of bankruptcy. The earlier failed practice was replaced with the concept of a labour and family-based society, which was built around a family-friendly single-key income taxation system, as its core element. The newly introduced taxation system did not penalize extra performance and did not restrict the creative instinct in personal results and achievements. It rather followed the principle that a ten times higher salary means ten times more tax to pay. Again in contrast with earlier practice, where families were put into higher tax zones based on the family allowances they received after the children they were raising, we had a different view. Instead of maltreating these families with the pressure of a higher public burden, we do acknowledge their childrearing-related costs and expenditures. We take it as a contribution to the long-term sustainability of the community and the nation, and decrease such families' taxes, fair and square, with the amount they invest in the cause.

It goes without saying, then, that family tax allowance constitutes one of the most crucial elements of the Government's family policy-related actions. Prior to 2011, as a consequence of the restrictions made by the former government, only families with three or more children were entitled to such an allowance, amounting to a monthly sum of HUF 4,000 per child. In addition, once the family reached a certain income level, above the average, this eligibility could be enforced to an ever smaller extent, ultimately dropping to zero.

The second Orbán government was inclined to emphasize its conviction that raising children entails much higher costs. And this is something reaching beyond the family. Childrearing is an issue that affects the whole of society, therefore communities should take on a higher share from the burden that families planning and having children have to face. Accordingly, as of 01 January 2011, the government introduced a real family-based type of taxation. Family tax allowances were expanded to families with one or two children. A significant rise could be perceived in the amount of the subsidy, and this rate has been growing ever since.

The allowance has been subject to a lot of attacks, though. Since it reduces the tax base after the number of children, it is available to those claimants who have adequate (work-based) income and salary. This, however, also conveys the message that families should rather rely on work and labour-based income than on aid and subsidies, which presents a higher value both on the level of the individual, the family, and the community. Of course, people with lower income levels are also eligible for allowances (of other types), in the context of social responsibility.

Allowance description

The income-limit was abolished with the allowance's introduction in 2011. This also suggested its difference from aid, and raised its monthly sum to HUF 10,000 (per child) after one or two children. Its amount for families with three or more children was increased from the earlier sum of HUF 4,000 to a monthly total of HUF 33,000 per child. And all this enabled individuals to reduce the consolidated tax base accordingly (shared on the family level). The allowance is available to families after the 91st day of pregnancy. It can be claimed for the foetus, which also demonstrates the Government's pro-life approach – a kind of commitment to the life conceived and to the mother who will give birth to the baby. The amount's rising in parallel with the number of children again is an expression of the civic government's

strong acknowledgement of families that, with their decision to have more than one child (especially those who raise three or even more children), make a stronger contribution to the community's maintenance. Families with one or two children have also benefited from its launch, unlike with the former regulation that did not allow them to claim any such allowance. (The benefit may be deduced from the earned income or public employment wages, or from the income tax or contribution after CSED or GYED, since these are subject to tax and contribution payment.)

What else could more facilitate the drawing of the full amount than the fact that, in its establishment, both parents' income may be taken account of. This means that if both parents have an income, or at least one of them is granted family support subsidies, which are subject to tax and contribution payment, the allowance may be taken out together by both parents, with the sum being divided between them. (However in over 90% of the cases, it is still only one of the parents who takes advantage of the benefit.) Even though the population policy is aimed at the creation and maintenance of stable, long-lasting relationships, the government does not want to make it unfavourable for those who, for some reason, have been unable to establish such relations. The regulatory element, according to which the allowance may be claimed even by several different individuals in successive periods within one taxation year (e.g. in the case of a divorce and marriage within the same year), again strengthens this view.

In order to make sure that the allowance is available even to those with a lower income, as of 2014 it may also be deduced from pension or the health insurance contributions. This means that if, based on the personal income tax, a person is not entitled to the full amount of the family tax allowance, then he/she may also claim it to the detriment of contributions. Accordingly, now it is almost 75% of the claimants – as compared to their earlier proportion of 50% – who can take advantage of the entire amount. What is more, conditions have become more favourable

Figure 5/1 – NUMBER OF BENEFICIARIES ENTITLED TO FAMILY BENEFIT, 2011-2016

NUMBER OF PARENTS REQUESTING FAMILY BENEFIT, BASED ON THE NUMBER OF CHILDREN (THOUSAND PEOPLE)					NUMBER OF FAMILIES REQUESTING FAMILY BENEFIT (THOUSAND PEOPLE)
YEAR	NUMBER OF CHILDREN			TOTAL	
	1	2	3 OR MORE		
2011	508	351	157	1,017	925
2012	532	388	185	1,105	1,014
2013	535	387	192	1,113	1,000
2014	530	383	191	1,103	1,051
2015	543	358	196	1,097	1,019
2016	518	396	211	1,125	1,044

Source: NGM

for those who earn less. By expanding the allowance to contributions, around 260-270 thousand families with lower wages could record a surplus income of an annual average of HUF 180 thousand in 2014, which affected around 25-30% of all those eligible for the grant.

There was no shortage of criticism directed at the system for its extra support to families with many children, though. Yet, this preference is based on the view that population growth, in the long run, can be maintained by relying on large families only. Considering that in many cases the parents either refused to or were not able to have a second child, the Government has decided to gradually double the allowance for families with two children. The amount shall grow to twice the original amount in 4 stages between 2016 and 2019, meaning that, as opposed to the former monthly sum of HUF 20 thousand per family in 2015, in 2016 families were granted HUF 25 thousand every month. This would rise to HUF 30 thousand forints in 2017, HUF 35 thousand forints in 2018, and in 2019 it will peak at a monthly

total of HUF 40 thousand after two children. In this sense, in 2018 it was already HUF 316 billion that was available to families with children, in the form of family allowances.

Regarding the distribution based on the number of children, 46% of the parents who made a claim for the allowance, that is 518 thousand had one single child, 35% of them (396 thousand) had two children, while the remaining 19% (211 thousand parents) were raising three or more children.

Money saved by families due to the allowance

As a consequence of the adoption of the current family benefit system, overall, families have been granted a remarkable fund. This they could spend on raising, educating, caring for their children, or on spending precious time with them – which is just as important. The resulting increment between 2011 and 2016 amounted

to almost HUF 1,300 billion, equalling over HUF 3,000 billion Hungarian forints if combined with the effects of the single-key taxation system. Basically one out of four eligible families could avoid tax-payment due to the allowance.

94% of households with children could take advantage of the support, which was as many as 1 million 51 thousand families in 2014. In the meantime, the total amount of tax and contribution allowances peaked at HUF 232.8 billion. Out of this, personal income tax allowance reached HUF

190.3 billion, which was HUF 10 billion higher than the initial total of the family allowance at the time of its introduction in 2011. In 2014 families with children could actually take out over two-thirds of the maximum available amount. This rise, from 56% in 2013 to 68% a year later, could be attributed to the allowance's expansion to social contributions. The rest could not be taken advantage of without an adequate income or salary. The contribution allowance generated an increment of HUF 42.5 billion for families, which was equivalent to 18.3% of the total amount. Practically, as a result of its expansion, families

Figure 5/2 – FUND CLAIMED UNDER FAMILY BENEFIT, 2011-2016

FAMILY BENEFIT AND CONTRIBUTION ALLOWANCE BASED ON THE NUMBER OF CHILDREN (BILLION HUF)						
YEAR	TYPE OF ALLOWANCE	NUMBER OF CHILDREN				TOTAL
		1	2	3 OR MORE	CANNOT BE SPECIFIED PRECISELY	
2011	family tax allowance	54.3	66.6	59.1	0.2	180.2
2012	family tax allowance	54.2	67.6	61.9	0.5	184.2
2013	family tax allowance	54.1	67.3	63.6	0.3	185.3
2014	family tax allowance	54.5	66.5	67.3	2.0	190.3
	family contribution allowance	1.8	5.1	29.8	5.8	42.5
	Total	56.3	71.6	97.1	78	232.8
2015	family tax allowance	56.4	67.6	70.5	0.5	195.0
	family contribution allowance	2.0	6.1	37.0	0.0	45.1
	Total	58.4	73.7	107.5	0.5	240.1
2016	family tax allowance	53.0	84.4	74.1	-	211.5
	family contribution allowance	2.0	12.1	39.0	-	53.1
	Total	55.0	96.5	113.1	-	264.4

Source: NGM

in 2014 were able to save an average of HUF 222 thousand in the form of tax and contribution allowances – meaning that they could spend this much more on their children and families.

In 2015 even the majority of families with young children could make use of the allowance. And this led to more than a quarter of the million eligible households, namely 259 thousand families, becoming exempt from personal income tax payment. (The ratio was 10% for the 539 thousand families raising one single child, 25% for the 334 thousand families with two children, while the 145 thousand families that had three or more children made up the remaining 85%.) Accordingly, in 2015 it was 1.1 million parents in 1 million families that requested the allowance – after 1.6 million children – in an amount of HUF 240 billion, averaging an income surplus of HUF 240 thousand per family. In 2016 a sum of HUF 264.6 billion had been drawn in the form of the allowance, while the budgetary proposal for 2017 was HUF 277 billion. For 2018 it is HUF 316 billion. Bear in mind that the latter is forty times higher than its amount of HUF 13 billion in 2010. Even the number of eligible families showed an outstanding rise. Now it surpassed 1 million, which is a ten-fold growth as compared to the 106 thousand households at the time of the change of the government.

It was partly attributable to the family allowance that, during the period 2010-2016, the average net income of families with children grew by 44.9%, whereas their real income also got 29.6% higher. (Relative to the 33% and 19% rise in the net and real wages of those who were not raising under-age children, this was a figure one-third and one and a half times higher respectively.) More precisely, the net income of families with one single child increased by 36.8%, while this rate was 46.6% for families with two children and 69.1% for families bringing up three or more children, which equals an improvement, in real terms, of 22.4, 31.2 and 51.2% respectively. In this sense, incomes showed the greatest rise with large families – their net growth rate was around 60-70%, while in real terms they grew by 50%. Owing to the family allowance, the average

net salary of an employee with children was 12.8% higher in 2016 than that of an employee without children. Accordingly, parents raising children got HUF 22 thousand more every month, adding up to an extra amount of 1.5 month's salary on a yearly basis.

Restoring the 3-year disbursement of GYES and its expansion to parents raising twins or adopting children

Childcare allowance is guaranteed based on subjective rights, which means that the father or mother, raising the child in one common household, is entitled to the subsidy irrespective of any previous employment or other conditions. The allowance may be disbursed from the baby's birth until his/her third birthday. (If the parent has not been insured for at least a year, and thus has become eligible for CSED or GYED, then the allowance is available to the beneficiaries as soon as the baby has become 2 years old.) (In the case of children who are permanently ill or severely disabled, the allowance is disbursed until the child is 10 years of age, while in the case of twins this period is extended to their first school year.) Once the child has reached the age of 1, the grandparents might also become entitled to GYES, provided that the child is raised and reared in one household with the parents.

- Notwithstanding this, GYES has had its share of criticism. On the one hand, it was criticised for its scale and scope, providing the minimum sum of the old-age pension, which is currently HUF 28,500 gross. On the other hand, it was accused of discouraging employment, claiming that, in spite of its rather low amount, it still caused a number of mothers to refuse to take full-time jobs in fear of losing their right to the allowance. Moreover, in 2009 the socio-liberal government froze it at the amount recorded in 2008. Such weaknesses, however, have been partially remedied through the following actions.

- The Bajnai government cut the GYES disbursement time by one year for children born after May 2010. This measure, made in 2009, meant that instead of receiving the allowance for its initial two-year period, now mothers who could not re-enter the labour market due to the prevailing capacity shortage in the crèche system, and would have been basically left without any allowance for a year – until the child started attending kindergarten. (It should be noted here that the crèche capacity in 2010 could only cater for 12% of all children under 3.) Upon taking office, this drastic measure was among our first actions to revise. As of 2010, GYES is available to the parent, foster parent or guardian until their child living with them reaches the age of 3. Consequently, an average of net HUF 380 thousand has been reimbursed to the 70 thousand families concerned. The full duration of the allowance, in this sense, may theoretically be the equivalent of the disbursement of one and a half times the initial amount.
- In acknowledgement of the extra burden with twins (or triplets) and the more demanding conditions their upbringing entails, from 2011 on parents are entitled to a multiple allowance based on the number of their children. For example, instead of the double amount in 2010, as of 2011 they received triple the amount for triplets, or a proportionally higher sum after a higher number of children. In this sense, three children entitle the parent to 300% of the actual minimum old-age pension, whereas logically it is 400% after four children.
- In order to provide better support to parents adopting children above the age of 3, the institution of adoption-related GYES was introduced. As of 2011, every parent has had the possibility of staying at home for 6 months after the child joined the family. This was to facilitate their relationship and adaptation to the situation, at the same time guaranteeing some income to the parent.
- The framework of the GYED Extra measures has also enabled parents to take a full-time job and, in parallel with this, enjoy the benefits of the allowance. Accordingly, from 2014 on, parents with a 1-year-old baby are not restricted to a weekly maximum of 30 working hours. The relevant age limit, which used to be 12 months for the infant, was also lowered to 6 months after 2016. What is more, upon the birth of another child in the family, GYES may be disbursed for both children, thus avoiding the benefit's termination after the elder child. Consequently, families with two children could basically get twice as much as the allowance's initial amount.
- Although it may be trivial on first hearing, the renaming of GYES (that is childcare allowance) to childcare benefit in 2016 proved to be a good solution. It is a much better expression of the benefit's nature: it is thus differentiated from subsidies that are granted based on the level of deprivation.

Higher maximum amount for GYED and the benefits of the regulation

The childcare benefit (GYED), as a work-based subsidy, may be disbursed from the time the child has become 6 months old until he/she reaches the age of 3, provided that the parent has been insured for at least one year. Its maximum amount, which equals 70% of the earlier average salary level, was raised from HUF 102,900 in 2010 to HUF 193,200 in 2018, implying a growth rate of 88%. In addition, the net sum thereof was doubled to HUF 144,900. The underlying reason for the rate of the increase lies in the fact that the upper threshold for the income that may be considered equals 200% of the actual minimum wages, and the fee may not be higher than 140% thereof. This is also meant to underline our ambition to pay special attention to responsible childbearing and to support families that find work essential for

bringing up their children. For, these families indirectly contribute to the maintenance of the broader community. Fairly enough then, parents who take advantage of the allowance do not have to give up their hard-earned income and careers if they choose to have children.

A stronger commitment has been made to parents raising twins. Both in the case of GYES and GYED the duration of the allowance was extended to three years as of 01 January 2014, in contrast with its earlier disbursement period, which used to be one year shorter.

It was again positive that the austerity measures, introduced by the Bajnai-government in 2010, got lifted. According to the measures, parents who failed to have a prior insured employment period of 1.5 years (which is the maximum duration of GYED), could only be disbursed the allowance at a reduced amount proportional to their shorter period of employment. From 2016 on, however, the allowance was again available until the child reached the age of 2, even if the parent's insured period was less than one and a half years. (Yet, the latter could not be shorter than twelve months.)

The acquis of the GYED Extra measures of 2014 were not restricted to GYES, though. Full-time employment after the child has become 12, or later after he/she has turned 6 months old, was again accessible for mothers receiving the childcare benefit, just like the allowance's multiple disbursement in line with the number of children in the household.

GYED for graduates and its expansion

Recent decades have seen a growth in the number of years spent in school due to the expansion of tertiary education, which unfortunately has an adverse impact on childbearing. For it is studying that makes young people in their most fertile years postpone family and children to older years. As outlined in the previous chapters, the average childbearing age is continuously rising, which at

the same time entails the risk that, with this shorter life-cycle in fertility, fewer children will be born than originally planned – or, to make things worse, these people might even fail to have children in their lives. Notwithstanding, there are also other factors that have discouraged higher education students from having children. Allowances of a considerable amount (such as CSED and GYED) are subject to employment, which means that without an income-earning activity of 6 months, these people were not entitled to the full amount. Although one semester from the school years could be counted in, full-time students still did not always manage to meet the work-related conditions. They could only be granted a much lower amount of GYES, which, however, could hardly promote the idea of childbearing among them.

The Government strived to halt this unfavourable trend: in 2014 it introduced GYED for graduates under the GYED Extra measures package. Since 01 January 2014 "GYED for graduates" has been available to full-time students at Hungarian universities, who have completed at least two semesters or finished their studies not more than a year ago but, as graduates starting their career, still fail to have the one-year insured period required for 'normal' GYED. It is mostly mothers who may be granted the benefit – from the child's birth until his/her age of 1. Yet, in the case of the mother's ineligibility, the father may also become a beneficiary. Similar to 'normal' GYED, the allowance equals 70% of the person's earlier income. Nevertheless, its basis for students doing their BA is determined by the actual minimum wages, whereas in the case of doctoral (PhD) programmes, just like undivided and master courses, it is the minimum vocational wages that should be taken account of. Accordingly, in 2017 the related sum was HUF 89,250 and HUF 112,700 gross, rising to 96,600 and HUF 126,350 by 2018 respectively. Apparently, this is three or four times higher than GYES, which is not more than HUF 28,500. No doubt, the incentive is outstanding. The motivation and drive the raised amount has brought about is reflected in the growing number of beneficiaries. Since its introduction in 2014, the number of students receiving GYED

for graduates has been steadily increasing – from 393 persons in 2014, to 903 students in 2015 and to 925 people in 2016. Overall, almost 2,200 young people received support in their endeavour to have children during the past three years.

In order to more efficiently assist higher education students in their plans, the duration of the allowance was extended by one year from 01 January 2018, basically doubling the disbursement period from one to two years.

The launch of "sibling GYED/GYES"

The GYED Extra measures package removed another negative element of the family support scheme in 2014. According to an earlier measure, the disbursement of the family support benefit (either GYED or GYES) had to be terminated for the elder child if a new baby was born to the family within 3 years. Disbursement was only possible after the youngest child (infant care fee – CSED or GYES, that is), which meant that family subsidies were available for one child per family. Nonetheless, since no difference can be made between children in terms of the costs and expenditures of their care and nurturing, the above measure was not only unfair but definitely 'punished' the arrival of a newborn to the family – should this happen within a reasonable time. After the revocation of this strange practice, family support benefits were again disbursed after more than one child – for the elder sibling and the newborn infant alike. This constitutes a considerable amount granted to the beneficiaries, ranging from a few hundred thousand to HUF 1 million, which may enable large families to have another child without having to delay childbearing due to financial reasons. In other words, it acted as a "sibling premium". (In the case of GYES, which is a guaranteed benefit on subjective rights, regulations restricted in its disbursement to maximum two children, excluding twins.)

Based on this amendment, for example, if a new baby is born to the family before the other child has become

18 months old, then it is the full amount of GYED and later of GYES that shall be disbursed for the elder sibling until he/she turns 2 or 3 respectively. And this shall be enforced regardless of the allowances received after the newborn infant.

The above change has allowed us, from year to year, to provide efficient support to an ever growing number of families deciding to have another child. In 2014 it was 17,852 parents who took advantage of multiple family grants after their children, while this figure rose to 23,808 and 25,759 in 2015 and 2016 respectively.

The launch of the Baby Bond

The Baby Bond, introduced on 01 December 2013, is another embodiment of our care for parents with children. Along with the acknowledgement of the importance of childbearing, it is a proof that we do care about the children's future prosperity. The Baby Bond was meant to supplement the Start account, which was a savings account with limited opportunities, available from as early as 2006. The underlying concept of the measure was to invest the money, which was accumulated for the newborn on the Start securities account (opened with the Hungarian State Treasury), into government securities with a duration of 19 years. The initial support sum of 42,500 HUF (the so-called "life initiative support") is placed on the child's Start account by the Hungarian State. Subsequently, the parents may supplement this with further annual payments, yet the Start securities account shall not be opened until the parents have made some financial contribution. Without this, the initial sum shall bear the interests of the deposit account that had been opened with the State Treasury, where the yields are lower: by failing to include the risk premium, they equal the rate of inflation. To this the Hungarian State undertakes to pay a yield 3% higher than the inflation rate and a financial support of 10%, to a maximum annual amount of HUF 6 thousand.

Figure 5/3 – SALES FIGURES FOR TREASURY BOND, 2017

	STOCK ON 31.12.2016 (BN HUF)	STOCK ON 31.03.2017 (BN HUF)	Q1 OF 2013	STOCK ON 30.06.2017 (BN HUF)	H1 OF 2013
Treasury Start securities account	115,683	122,522	5.91%	127,905	10.57%
Baby Bond	27,432	30,612	11.60%	32,525	18.57%

Source: MÁK (Hungarian State Treasury)

The savings accrued there, together with the interest, may be taken out by the child after reaching the age of 18, with the intention to spend it on statutory objectives, such as studies, housing, career or parenthood commitments. If there are no other payments besides the initial amount, then in accordance with the currently effective conditions, the child may take out not more than HUF 128,500 at the end of expiry. With a monthly parental payment of HUF 1 thousand (which equals HUF 12 thousand on a yearly basis), the total is HUF 547,200. Provided that every month HUF 5 thousand is placed on the account (i.e. HUF 60 thousand per annum), which is a prerequisite for a person's eligibility for the maximum of the State aid, the savings are expected to be around HUF 2.339 million, which is quite remarkable. (In the latter case, the total of the parental payments practically doubles with the State aid and the yields.)

Compared to the previous government prior to 2013, the underlying change the Baby Bond brought about was partly manifest in making the payment amounts unlimited. For example, earlier payments were restricted to a monthly maximum of HUF 10 thousand, and to not more than HUF 120 thousand per annum. This means that, from now on, although there is no State aid granted above the yearly sum of HUF 60 thousand, the risk premium is still available, enabling parents to ensure their children's future with rather favourable yields, even if the payments are rather high. The other major reform is

that the Start account can now only be opened with the Hungarian State Treasury, which provides a safer background for such investments. The commercial banks, for instance, failed to manage these accounts in the past.

Since their launch, four and a half times more Start accounts have been opened – the Treasury manages a Start account for 93 thousand children, on average. Concerning the different treasury bonds, which are said to be the safest investment forms, the Baby Bond underwent the largest-scale growth – by 30 June 2017 its stock amount reached HUF 32.5 billion. This, however, was only one-fifth of the HUF 127.9 billion placed on deposit accounts. In other words, this is the rate after which actual parental payments were made. And this corresponds to the State Treasury data. As per its report, in the first half of 2017 as many as 47,876 deposit accounts were opened with the Treasury after new live-births, while only in 11,903 cases thereof were parental payments made. This means that it was one in every four children who had a Start securities account opened to invest the savings in the Baby Bond.

The Baby Bond is an exceptionally advantageous savings and investment opportunity, especially in the current market of low yields. Responsible parents may rely on it to lay the financial foundations for their children's future.

The reduction of home loan debts for families with three or more children

One of the most harmful decisions of the financial-political elites in the period 2002-2010 was to eliminate subsidized, forint-based home loans, which triggered a shift, from 2004 on, towards low-interest foreign currency loans with an exchange rate risk. In August 2008, at the time of the outbreak of the world economic crisis, Hungarian households had a stock of lendings for house purchase of around HUF 3,400 billion, more than half (53%) of which was in a foreign currency. Basically, this amounted to HUF 800 billion, mostly in Swiss franc. And it was mostly complemented with mortgage loans for house purchases. In the case of these personal loans, in an amount of HUF 1,600 billion, the foreign currency rate was even higher, standing at 98%. All in all, the population accrued a mortgage loan debt of almost HUF 5,000 billion, which equalled around one-fifth (18%) of GDP. Until the change of the government in the summer of 2010, the situation got much worse. The forint became 20% weaker than the euro, and this decline was nearly 50% compared to Swiss franc. The rise of extra risk charges was also felt in loan interests, which caused the population's mortgage loan debt to grow by 40%, reaching around HUF 7,000 billion. Out of this, the foreign currency debt increased by HUF 2,000 billion, to HUF 5,300 billion, with a share strengthening from 70 to 77%. Consequently, the number of insolvent debtors was also rising continuously.

The new government, unlike the former, made a series of definite and rapid decisions to stabilize the situation, which was threatening disaster. It sought to mitigate the burden of families trapped in debt, with the following:

1. The laying down of transparent loan conditions in support of prudent compliance so that no more households would get indebted. Such were foreign currency lending based on the borrower's income in a foreign currency, the fixing of the instalments and the dispensable loan in proportion to the property value

by reference to income, the restrictions on unilateral contract amendment, and the act on fair banking;

2. Measures to sensibly and fairly mitigate the burden of the debts for clients who are still more or less capable of meeting the solvency requirements. These include preferential conditions for the final payment of debts, the exchange rate cap, the reimbursement of incorrectly charged amounts under the measure to hold banks accountable, or conversion into Hungarian forint;
3. The handling of those families' situation that are the most vulnerable, unable to pay their loan instalments, often threatened by eviction and the public sale of their home. Remedies to their difficulties could be the foreclosure and eviction moratorium, the setting up of the National Asset Management Inc. to purchase the indebted entities' properties, or the introduction of personal bankruptcy.

From 2010 to this day the Hungarian Government has taken several steps to help households struggling with mortgage loans, especially with foreign currency loans. The measures were targeted at relieving their situation, and the achievements in mitigating their burden have been considerable. Nevertheless, none of these complex measures focused on those borrowing households where there were under-age children. The steps either concentrated on all the debtors or on specific groups thereof – based on other criteria, such as the foreign currency of the loan, or the solvency level etc. At the same time, exposure and vulnerability among families with children is usually higher due to the number of dependants. The payment of the outstanding loan debt often poses a financial and psychological burden to the families, which prevents them from having more children, even though the desire is there. In many cases a larger dwelling is the prerequisite for the arrival of new family members, yet the latter is hindered by the loan debt on the property.

At present 955 thousand households have a mortgage loan debt totalling of HUF 5,151 billion. Two-thirds of this is re-

lated to housing purposes, while the remaining quasi one-third is personal loan. The average debt per family is HUF 5.4 million. Out of the approximately one million households, nearly 352 thousand are families with one or more children, which constitutes 37% of all debtors. Their debt of 2053 billion HUF makes up 40% of the whole stock, which means that the average debt per capita in families with children is 13% higher than in families without children.

Inevitably, a considerable amount of mortgage loans have been taken out for housing purposes. Yet, the Hungarian State may help these families by assuming part of their outstanding debt. In this way, a large part of their discretionary income would become ready for use. On the other hand, further housing plans (for instance, moving into a larger flat) could get more feasible, giving a green light to families' intention to have more children. The focus, before all, should be put on the alleviation of the burden that parents with children currently have to face. For, the highest level of livelihood expenses versus the family income are observed in this category. In addition, it is again this category where home extension or moving to a bigger property, as a necessary step, appear the most frequently.

Therefore, as of 01 January 2018 families planning three or more children may reduce their home loan debt by HUF 1 million after every newborn infant, which in the case of families with children would result in the shrinkage of this debt by one-fifth (18%), on average. Around 214 thousand families, having two or even more children, could benefit from the measure. Basically the measure could be advantageous for 22% of all the households that have accrued a loan debt, and for 61% of those raising children. In practice, the affected entities could enjoy the benefits of a grant of a total of 15-20 billion HUF per annum.

The credit entry, which is for a significant amount, is expected to encourage families that have two or more children and suffer from a loan debt to have even more children, in the hope of diminishing repayment burdens.

Mitigated student loan debt after children

Family-planning and childbearing have been postponed to later years, as the past decades suggest. It is no wonder that the national strategy strives to support young people in the most fertile age to start a family. It is committed to eliminating all the obstacles in the way. Otherwise, with parenthood being pushed to an older age, the chances are lower to finally have the desired number of children. It is important to help that layer of the middle class which spends most of the time learning, with a view to later turning the related achievements to their own and society's benefit. They need targeted support in making their plans, such as family-planning and childbearing, come true. The extra financial assistance, however, has further reasons that justify its necessity. Young people who are just about to start their career mostly have a lower income in the first years of employment, assuming possible housing difficulties with reasonably worse childbearing prospects. These disadvantages are to be compensated through various means by the Government.

**Figure 5/4 – HOUSEHOLD HOME LOAN DEBT
BASED ON THE NUMBER OF
CHILDREN**

Number of children	Stock (billion HUF)	Number of contracts (thousand items)	Number of households (thousand items)
0	3,098	592	588
1	882	173	152
2	715	138	137
3	240	44	38
4 or more	216	45	39
Total	5,151	991	955

Source: MNB



It is quite understandable that, similar to other actions that have been already announced, such as the introduction of "GYED for graduates" and the extension of its duration next year, further solutions mainly focus on those young people, as a primary target group, who are under 30 and either attend college or university, or are fresh graduates. Many in this age group have taken out student loans of a significant amount for their studies, the payment of which already constitutes a real financial burden to them. As a matter of fact, in several cases it may delay or even hinder their plans to start a family and have children. The student loan system, which has been in place since 2001, at present has two major pillars. One of them is a personal loan type ("Student loan 1"), which is available to students whose studies are funded by the State and to those who pay for their tuition. The monthly sum may differ, ranging from HUF 15 thousand to HUF 70 thousand based on the student's choice, and it can be requested for a maximum of 11 semesters, for five and a half years. In the first two years the minimum amount of the monthly instalment equals 6% of the minimum wage, which is HUF 8,280 in 2018. In the subsequent years, though, it is 6% of the gross income (salary) earned two years earlier, or in lack of this, it again equals 6% of the minimum wage. Any former student may decide to pay higher instalments at any time. The currently effective interest rate for a student loan 1 is 2.30%.

The other pillar is built on "Student loan 2" for specific purposes. This loan type, which was introduced in 2012, may be taken out by students for their tuition fees. In

practice, the sum is not disbursed to the students directly, but instead, it is received by the training institution. There is no upper threshold for its amount: it may cover the total tuition fee, with a duration similar to Student loan 1. In the first two years the sum of the instalment corresponds to the minimum wage, depending on the debt amount. Later, however, it equals 4–11% of the average income earned two years earlier. The State provides interest rate subsidies to those who take out Student loan 2, making the actual interest fall to 0% as of 01 January 2018. The payment of the debt shall be commenced with the termination of the student status or at the age of 45 at the latest.

Pursuant to the Student Loan Centre's records, currently as many as 196 thousand young people have accrued debts in an amount of HUF 273 billion. Their sum reaches HUF 1,387 million per capita in the case of Student loan 1, while it is on average HUF 907 thousand in connection with Student loan 2. Practically, the average debt per capita is around HUF 1,391 million. 87% of students (that is, 171 thousand) have Student loan 1, 8% (i.e. 16 thousand) have taken out Student loan 2, while 5% of them (9 thousand students) have signed contracts for both loan types. The mitigation or even remittance of the student loan debt, which may be of an order of several millions, could largely contribute to childbearing plans, though.

To this end, from 01 January 2018 on families that are planning to have children and at the same time have

accrued a student loan debts shall receive special assistance. As part of this, debt repayment shall be suspended for families where the mother has a student loan, starting from the third month of her pregnancy. During this period of three years not even interest will be adding up. In addition, half of the debt shall be written off at the birth of the second child, while in the case of a third child this will be applicable to the total amount.

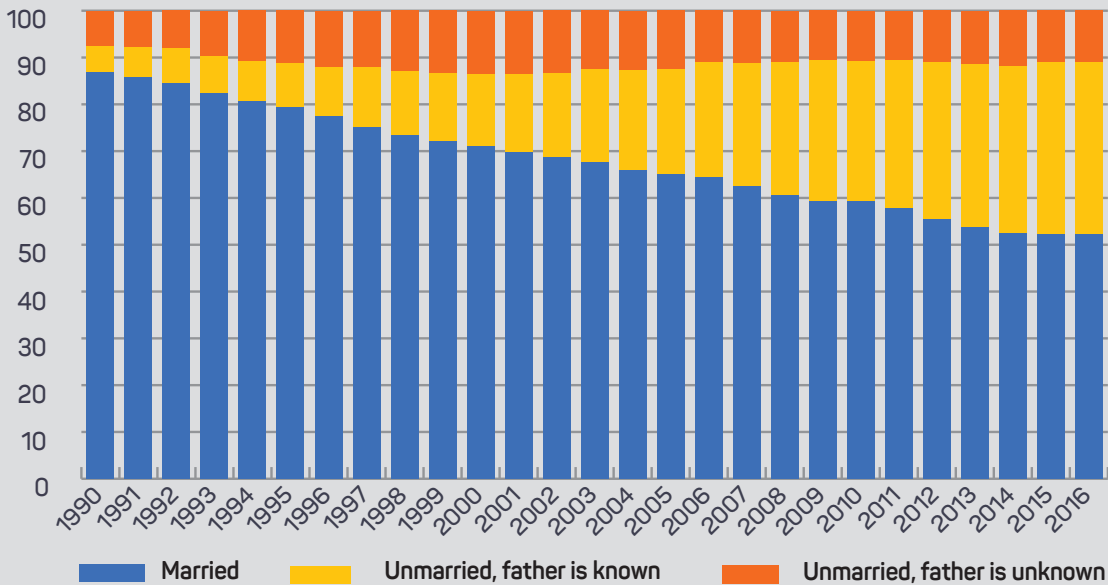
As the relevant data suggest as many as 116 thousand women and their families make take advantage of this opportunity. 13 thousand of those women who have a student loan debt are raising one child, while another 5 thousand have two or more children. They are the ones who may enjoy the benefits of loan mitigation or remittance. And the highest rate of support again goes to large families, to those young couples who plan to have three (or even more) children – their debt shall be 100% written off. As a consequence of the measure, mothers and families with children are expected to save a total of 1 billion HUF this year, which could largely decrease their debt – even to an

order of 100 thousand or a million. And this could considerably improve their opportunities in terms of childbearing and childrearing.

Allowance for firstly weds

The above sections focused on measures in support of childbearing. Yet, the enhancement of family-planning and marriage is just as important and challenging. Their significance cannot be but further supported by the recognition that solid and firm family and partnership ties are vital for having children. According to KSH data, in 2015 the majority of children, 89% of them (that is nine out of ten children) were born to people living in a relationship, and within this, 58% (i.e. six out of ten) to married couples. The number and proportion of children born out of wedlock was steadily increasing until 2015, to be repeatedly followed by a decrease after 2016. Notwithstanding, this fertility rate of married women was still one and a half times higher than that of their unmarried counterparts. While 100 married women were reported to give birth to 179 children on average, this figure was 120 for people in a partnership.

Figure 5/5 – THE DISTRIBUTION OF LIVE-BIRTHS BASED ON THE MOTHER'S MARITAL STATUS, 1990-2016



Source: KSH (CSO)

The rather unfavourable domestic conditions related to family-planning and relationships are, unfortunately, dominated by one of the most miserable, typically Hungarian features – they have become a battle-field of conflicting party politics. Still in these national issues, where a consolidated view among politicians is more than imperative, there is a tragic lack of consensus. While civil Conservative politics finds family and child-bearing one of the core elements of a nation's destiny, the left-wing looks at it a socio-political problem, evolving into a matter of subsidies.

And this shows in the number of marriages. It holds for marriages – just like for any other decision that is hopefully for a life-time – that they are inspired by long-term expectations, promising prospects and opportunities. It goes without saying then that the impact of the actual political system is clearly reflected in the related statistics. As has been demonstrated earlier, the civic government, taking office in 2010, recognized that the Hungarian demographic situation could not be improved without the promotion of marriage, as the basic traditional institution of the family. The view could especially find relevance in light of the historical low of childbearing among young people in the same year. Marriage devaluation showed a dramatic picture in Europe. Its scale and scope was so desperate – and it is even so today – that the measures made in their support may also have qualified as serious interventions with immediate effect on privacy. At the same time, the objecting statements and proposals doubting their importance and role have been reported to only embody "free thinking" and "the plurality of views", thus "fitting in the category of the freedom of speech". It was apparent to us that this negative, destructive process could only be stopped by confidently stepping up in protection of family and marriage, in the meantime taking our share of kicks. In this way we aimed to strengthen other European and world organizations and individuals in their belief that marriage and family are an asset. And we hope to assist them in sounding their supporting views, should they feel inclined to do so.

The protection of the institution of marriage under the Fundamental Law, just like in the family protection act, the emphasis of its importance, role and appreciation, along with a family-friendly policy and appropriate public thinking, may encourage young people to make their life-time commitment in their earlier years. Measures in favour of family and children, however, will have to be comprehensive. Direct support is needed for the first step, to that of marriage. For this is the tangible form of expressing our appreciation of society's move towards such an institution. To this end, as of 01 January 2015, firstly weds may receive a targeted allowance.

Within the framework of the financial support, every newly wed couple may be disbursed a monthly total of HUF 5 thousand, which is deductible from personal income tax, for two years. The "State-funded wedding present" amounts to HUF 120 thousand, which is available if at least one of the spouses got married for the first time.

The measure, nevertheless, is much more than some cash benefit. It carries the theoretical message that the legal institution of marriage and the partners' commitment in this matter are acknowledged and cherished by society. It is aimed at newly wed couples and partners planning their wedding, whose decision to start a married life and have children, even though they are of a personal nature, still determine the country and the nation's future.

The allowance was already popular by 2015. By the end of the year, almost 21 thousand families took advantage of the financial support, thus reducing their tax base by HUF 3.1 billion altogether. They made their claim for the allowance to a total of HUF 506 million, which could stay with newly wed couples, originating from their income. The number of claimants rose to as many as 54 thousand in 2016, which accordingly meant the disbursement of a higher grant. It peaked at HUF 14.5 billion, enabling couples to reduce their tax payable by HUF 2.2 billion.

Eligibility conditions for the allowance, targeted at newly weds, became even lighter after 2017. Until then, although the subsidy was available for two years, its disbursement was terminated if a baby was born to the family. In that case, the allowance of newly weds was replaced by the family allowance, making it impossible to receive both of them at the same time. Even though it did not discourage childbearing, the unfair nature of the latter restriction still led to its revocation last January. Since then married couples may reduce their monthly tax-base with the allowance for a period of two years, irrespective of whether the family welcomes the birth of a child during this time or not. In addition, the allowance may even be requested retrograde until 2015, if the affected couple lost eligibility because of a newborn infant.

5.1.2. MEASURES TO TACKLE THE PROBLEMS OF WORK-LIFE BALANCE

Work-life balance, the exploitation of female skills and abilities on the labour market, the potentials for personal careers are all great motivators of childbearing, together with the family. Women seem to be less discouraged by the potential loss of their income and career ambitions, or by the fear of being deprived of promotion opportunities when it comes to the question of children. If the circumstances are appropriate, they are ready to re-enter the labour market, taking a job that is flexibly adapted to their needs. Female employment rates are much higher in Western Europe, though. It is not only that female employment rates per se are rather high, but most women (more precisely, every third mother) are employed part-time, or take other flexi-time jobs (e.g. in the form of remote work). In contrast, Hungary, just like most Central and Eastern European countries has a significantly lower rate of part-time employment, not even reaching 10%. As a matter of fact, in Hungary a mere 7.6% of women were employed part-time in 2010. At the same time, the EU average was four times this high, standing at 30.7%. For example, in the Netherlands women taking a part-time

job constituted 74.9% of female employees, whereas in Germany, Austria, Belgium and the United Kingdom their proportion was 45.3%, 42.6%, 41.9% and 40.4% respectively. No doubt, this form of employment is still less widespread in our country, just like the culture thereof. Work opportunities in parallel with childrearing are not only crucial in terms of career goals and objectives. Current tendencies, similar to most European countries, substantiate that adequate financial resources for a family's livelihood require a model of at least 1.5 breadwinners.

The shortage of day-time childcare facilities for young children has been another element hindering the mothers' return to work. Western European countries have no difficulty providing such services in a relatively large volume, which is a basic criterion for mothers to be able to match family and work duties, alongside childrearing. In Hungary, however, only 12% of the children under the age of 3 could make use of nursery services (which could cater for a maximum of 37 thousand children). This was mainly rooted in the left-wing government's policy of 2010, which administratively raised the group head-count in crèches. But of course, such a measure could not prove to be sufficient without actual capacity-building.

Thirdly, the family support scheme itself failed to contribute to the cause. Its logic rather opposed the initiative of employment, almost punishing the mothers' return to work – since those who decided to apply for a full-time job before the child has reached the age of 3, were deprived of family support benefits (GYED, GYES).

And this inevitably obliged the new government in 2010 to take complex steps for the cessation of the earlier disadvantageous regulatory environment. In support of the facilitated coordination of work and family duties it had to propose measures that respect and help families in the enforcement of their right of free choice. Families had to be assured that they could make their

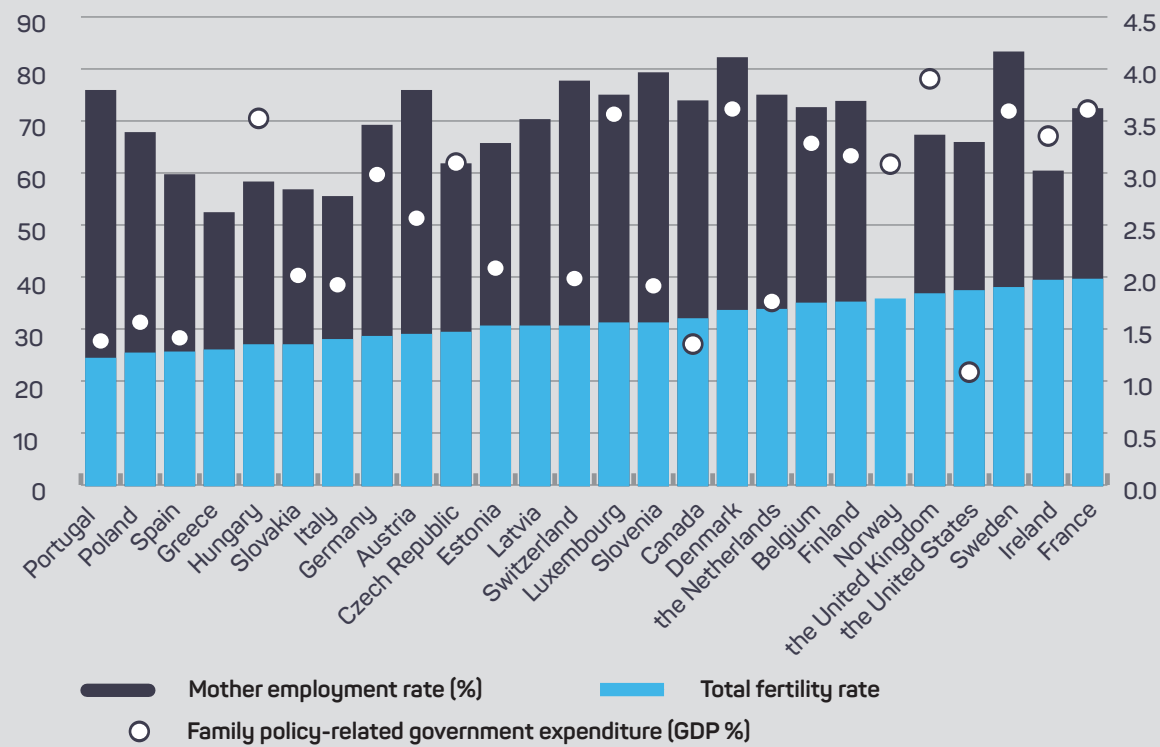
own decisions, in consideration of subjective life situations.

Childbearing decisions and the labour market

Technical literature about fertility has revealed in recent years that families are more likely to have children if female re-employment is guaranteed. The arrival of the first child is largely influenced by the mother and father’s bond to the labour market (Dribe & Stanfors, 2009). The question whether a family chooses to have a second child, though, is primari-

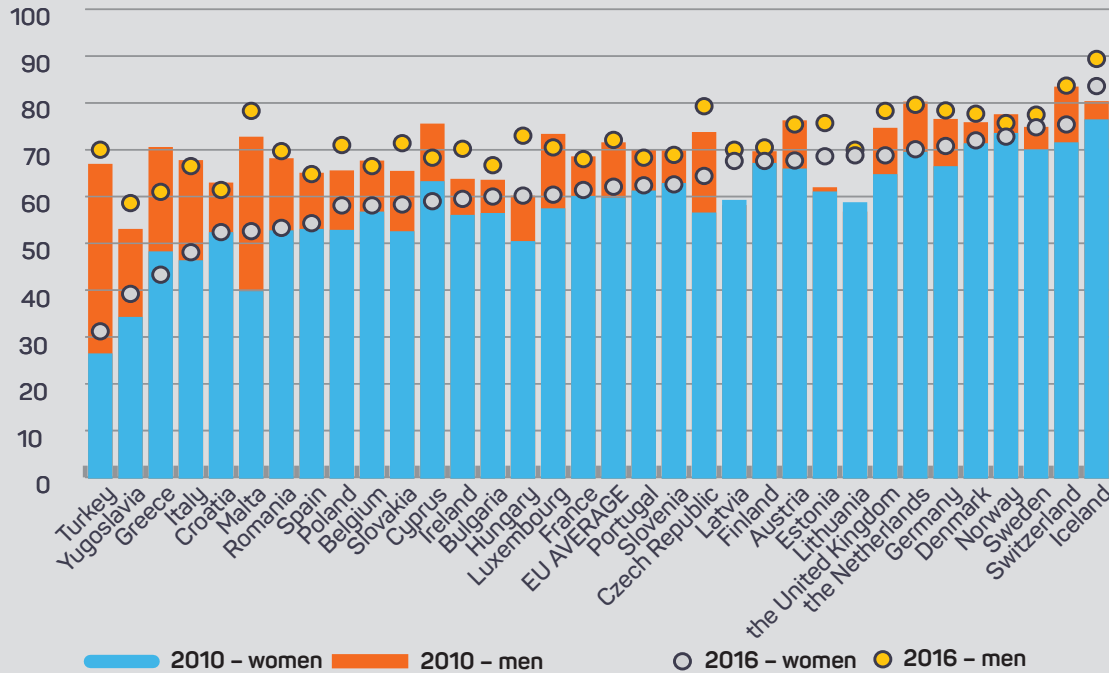
ly determined by the attitudes to childbearing in the country. In countries with high fertility rates, this depends on the woman’s firm employment background. The correlation, however, is not this obvious in low fertility countries, which suggests the emergence of difficulties in matching work with family life. Simulation-based assessments have proved that, as far as policies are concerned, it is the process of capacity-building in crèches and kindergartens that has the most positive impact on family-expansion, since this is the thing that best fosters female employability. (Greulich, Thevenon, & Guergoat-Lariviere, 2015; Luci-Greulich & Thevenon, 2014).

Figure 5/6 – FERTILITY, EMPLOYMENT AND FAMILY POLICY IN OECD COUNTRIES (2013)



Source: OECD Family Database, 2017

Figure 5/7 – CHANGES IN THE EMPLOYMENT RATE PER GENDER IN CERTAIN COUNTRIES, 2010-2016



Source: Eurostat

The situation of mothers with young children on the Hungarian labour market

Between 2010 and 2016 the labour market situation got much better for Hungarian women, although to a smaller extent than that of men. The former's activity on the labour market increased from 56.6% to 63.5%, which – due its weaker scope – resulted in a lagging behind of 13.5 percentage points against men, as compared to the previous 11.8 percentage points. Still in the same period, employment rates showed a considerable decrease for both genders. Their pace was similar, dropping from 11% to 5%. At the same time, the female employment rate rose from 50 to 60%, whereas for men this change was manifest in a shift from 60 to 73%, implying a higher rate of improvement in favour of the latter sex. Concerning the female employment rate, Hungary was pretty much lagging behind other EU Member States.

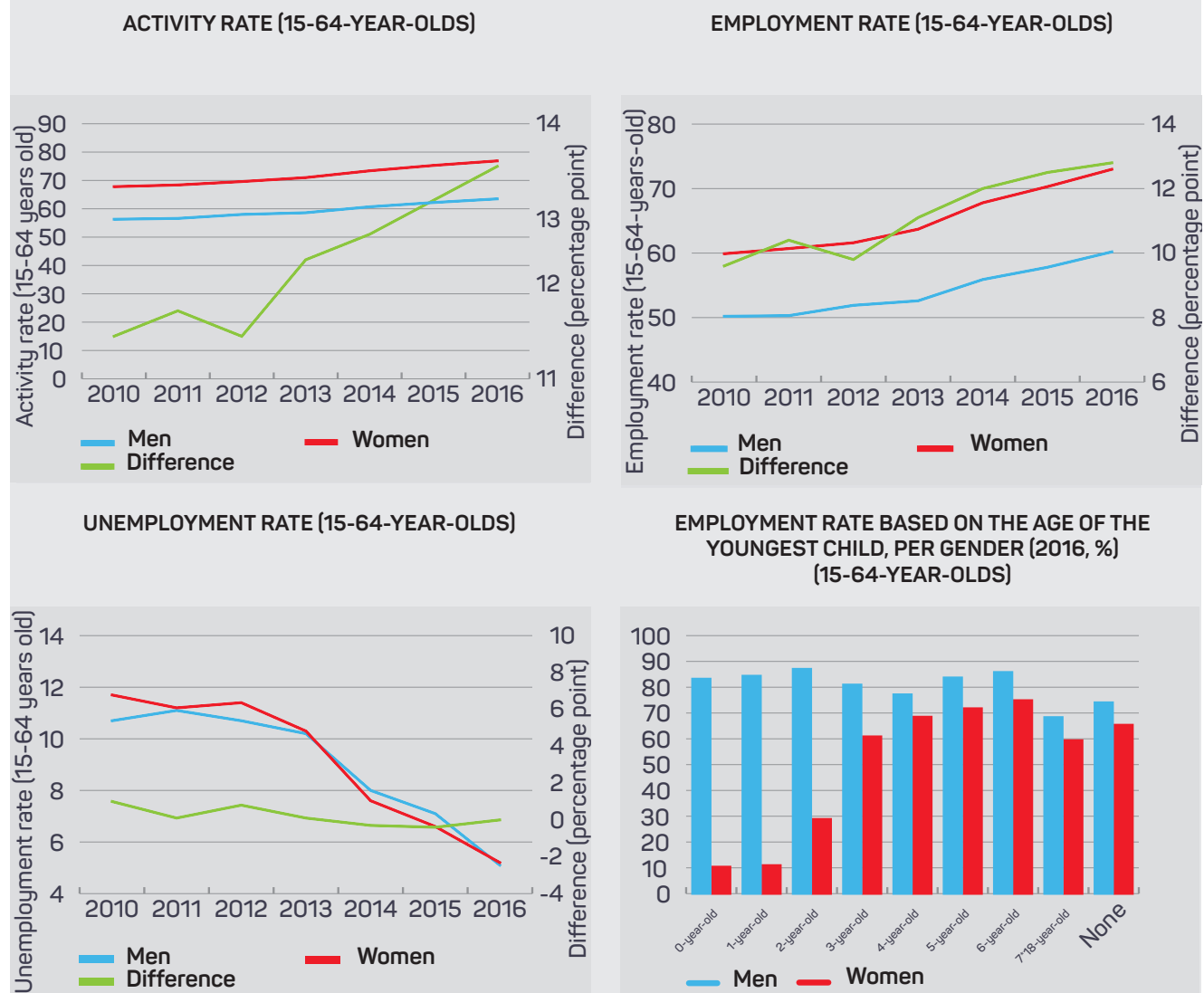
Yet, in contrast with our situation in 2010, by 2016 we managed to catch up and the earlier difference of 9 percentage points minus the EU average was now not more than 2 percentage points.

The most remarkable employment difference between men and women may be perceived in the case of parents with children under 3. There it is the rather high male employment rate (over 80%) that compensates the temporary shortage in the mothers' income. Nonetheless, it is a more serious problem that subsequent to the first kindergarten or school years, just like in the case of parents without children above 18, the lagging behind in female employment rates still stands at a stable 9 percentage points. With an age-based breakdown of the employment data it becomes clear that there is no difference between the genders in the age-group 25-35: male and female employment rates both reach 89%, which ba-

sically covers people who decided not to have children before they turned 35. Consequently, the permanent differences are rooted in childbearing age and pension regulations. The disadvantage experienced on the labour

market during the childbearing period, namely the long time spent far from work, has a negative influence on the entire female career path.

Figure 5/8-11 – CHANGES IN CERTAIN FEMALE AND MALE LABOUR MARKET INDICATORS IN HUNGARY, 2010-2016



Source: KSH (CSO)

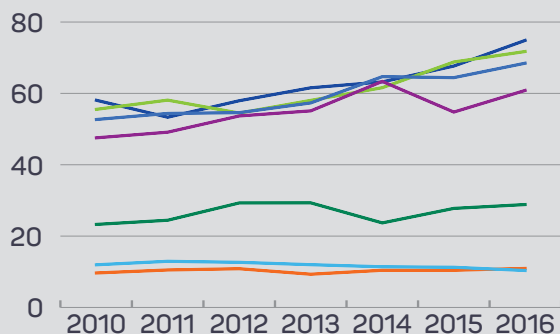
The period 2010-2016 saw a decrease in the unemployment rate of women with young children – in each child age-group. In fact, the mothers' activity and employment rate only improved in the case of children above 3. Mothers with younger children still had relatively lower labour-market activity.

Pursuant to the available research findings, becoming part of an institutional community from the age of 2 does not constitute any detriment to the child, provided that the standards of such institutional services (personal, objective conditions, the qualifications of the nursery teachers, children/teacher ratio) are appropriate. Institutions with higher standards of service may also contribute to the child's stronger mental and socializational development (for further details, see Blaskó, 2011). The increased crèche capacity and adequate information campaigns, moreover, could lead to a large-scale improvement in the

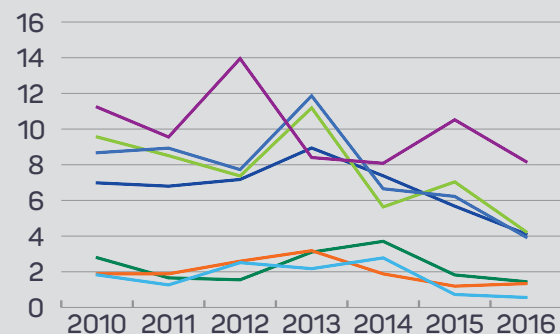
affected mothers' employment rate, raising it by around 30 percentage points. Although activity and employment rates show a significant gender-based difference, wages are relatively well-balanced as compared to the EU average, which is largely attributable to the favourable tendencies as of 2010. It is owing to them that the wage-gap tends to approximate the EU average – and it has done so to an ever larger extent since 2010. In 2015, men aged 25-34 had, on average, 9.1% higher salaries than women, while this figure was 19.2% for those between 35 and 44 years of age. The remarkable difference of the employment rates, and the smaller gap between wages imply that it is mostly those Hungarian women who enter the labour market that have higher qualifications and are likely to have a higher income. In contrast, there is a higher number of women in a more disadvantaged situation who seem to be at a disadvantage in their pursuit of a job.

Figures 5/12-14 – FEMALE LABOUR MARKET INDICATORS IN HUNGARY, BASED ON THE YOUNGEST CHILD'S AGE (2010-2016)

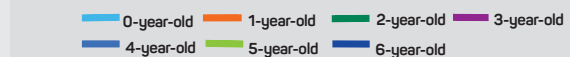
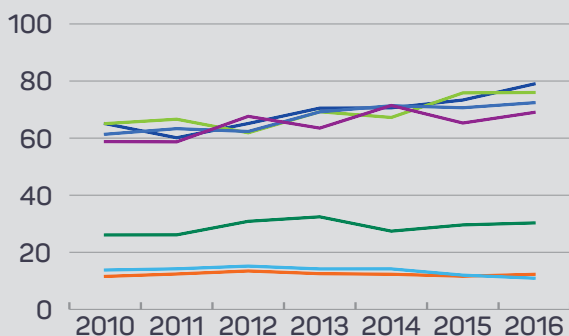
FEMALE EMPLOYMENT BASED ON THE AGE OF THE YOUNGEST CHILD, % (15-64-YEAR-OLDS)



FEMALE UNEMPLOYMENT BASED ON THE AGE OF THE YOUNGEST CHILD, % (15-64-YEAR-OLDS)

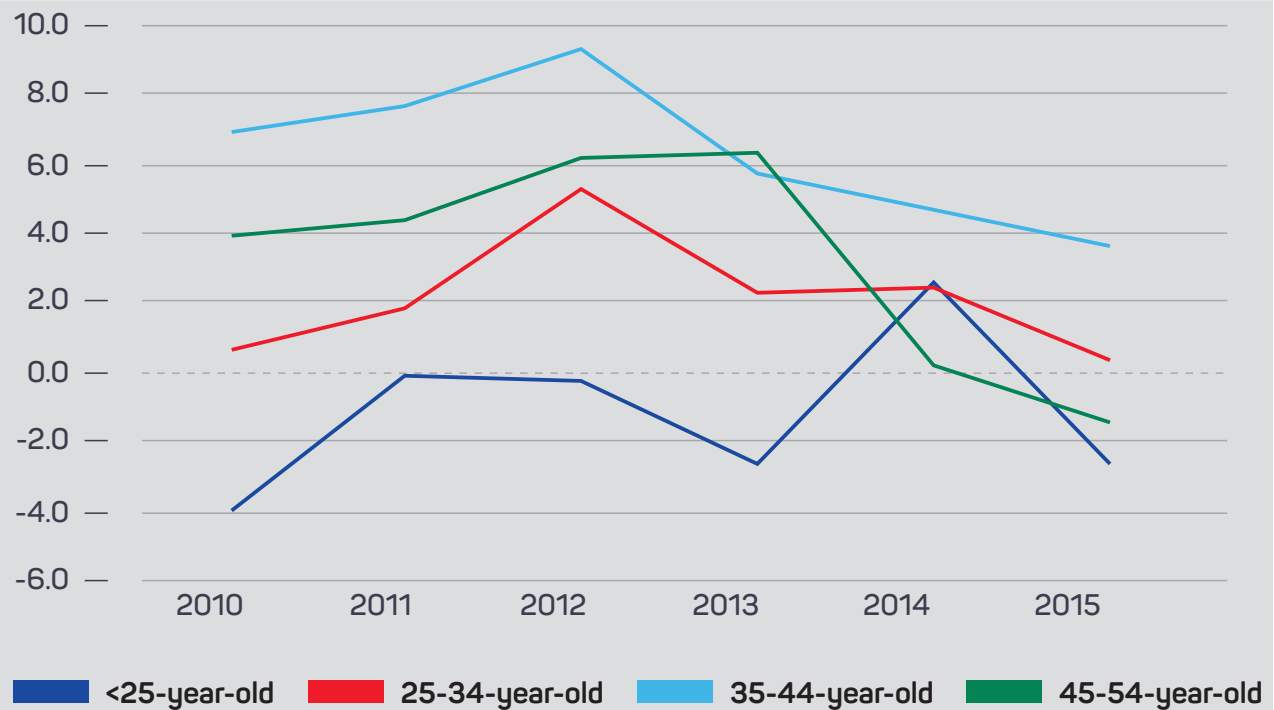


FEMALE ACTIVITY BASED ON THE AGE OF THE YOUNGEST CHILD, % (15-64-YEAR-OLDS)



Source: KSH (CSO)

Figure 5/15 – MALE-FEMALE WAGE GAP IN HUNGARY COMPARED THE EU AVERAGE, BASED ON AGE-GROUPS (2010-2015) (PERCENTAGE POINTS)



Source: Eurostat

Institutional environment and its impact on female employment

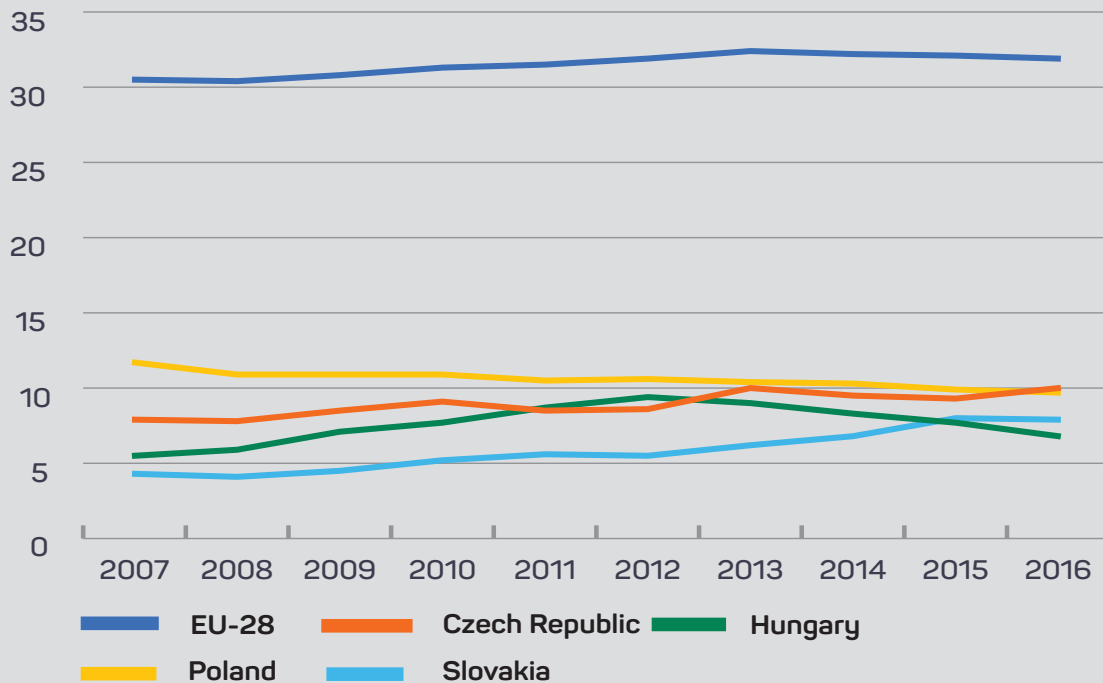
Family policies, flexitime job opportunities and the approach towards the employment of women with young children all have a crucial say in the chances and timing of the mothers' return to work.

Flexible employment

A country's employment structure is decisive in what scope and extent the coordination tools for work-life balance are at hand. Such are part-time jobs, flexitime or teleworking. Part-time employment could not have become so popular in Western Europe without an appropriate regulatory framework and the promotion of health and safety at work, along with financial subsidies. Strong employment protection provisions, relatively low unemployment benefits and

low tax burden all go hand in hand with part-time jobs being widespread. The rising level of female activity on the labour market and the shift from industrial production to services again act as key factors in the process. (Buddelmeyer, Mourre, & Ward-Warmedinger, 2008; Euwals & Hogerbrugge, 2006; Rice, 1990) If, however, the opportunities are scarce, a number of women may choose to postpone their return to work or simply give up their career for good, while others will decide not to have children so that they do not get excluded from the labour market. Remember, there are a lot of inactive women in these countries too who wish to take a part-time job, meanwhile others would like to have fewer working hours (Boca, Pasqua, & Pronzato, 2009; Del Boca, 2002). In 2016 women taking a part-time job made up only 6.8% of all female employees in Hungary, and this ratio has not shown any substantial change in the past 10 years. In contrast, EU Member States record a much higher proportion in the field, with part-time employment standing at over 30%.

Figure 5/16 – FEMALE PART-TIME EMPLOYMENT IN V4 COUNTRIES COMPARED TO THE EU AVERAGE, 2007-2016 (%)



Source: Eurostat

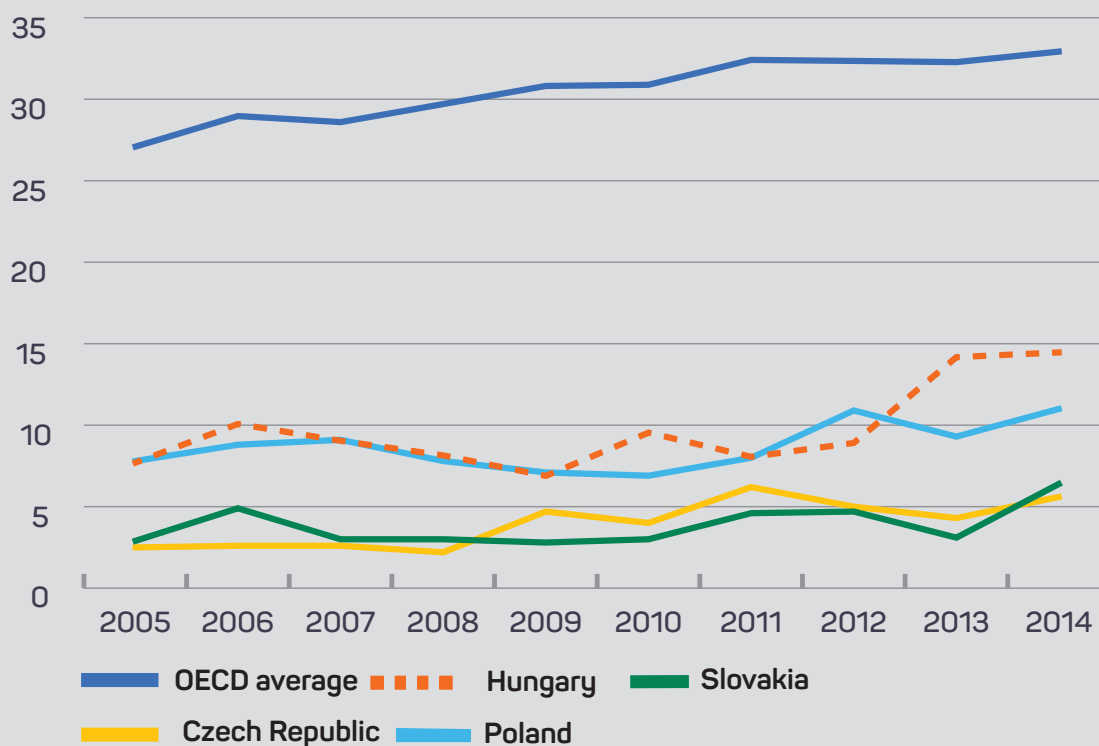
Crèche and kindergarten capacity

Better access to crèche and kindergarten services was crucial in making the originally negative relation between female employment and the fertility rate take a positive turn in OECD countries in recent years (Kögel, 2004). Several studies reached the conclusion that, as far as family-policy tools are concerned, it is capacity and reasonable pricing that shall be decisive when it comes to the question of childbearing (Boca, 2002; Feyrer, Sacerdote, & Stern, 2008). Kindergarten attendance is relatively high in Europe, nearing 90%, while the number of children in day-nursery shows a remarkable dispersion among Member States. The State-funded capacity in crèches may be modified by several factors, as was the case in Greece in connection with the strong demand for informal child-care services (for example, with the inclusion of the grandparents), or in the private day-nursery sector in the United Kingdom (Boca et al., 2009; Del Boca, 2002). Crèche and kindergarten capacity-building

most efficiently enlarges female employment supply in an institutional environment where other factors, such as job opportunities under temporary protection, do not set real barriers. It is Eastern European countries that have the most favourable position from this perspective, since they are prone to the most comprehensive influence of capacity-building on the employment rate (Szabo-Morvai & Lovász, 2017).

As compared to the OECD average, a relatively low number of Hungarian children attend day-nursery, just like in other Eastern European countries. Yet, this figure has been steadily rising since 2012, which is partly attributable to the capacity-building in crèches and to other daytime-care services provided for children under the age of 3. It is noteworthy that Hungary had the most dynamic and largest-scale growth performance relative to Slovakia, the Czech Republic or Poland in the field: between 2010 and 2016, in day-nurseries alone, capacity was enlarged by 23%.

Figure 5/17 – THE NUMBER OF CHILDREN, UNDER THE AGE OF 3, ENROLLED IN DAY-NURSERY IN THE V4 COUNTRIES BETWEEN 2005 AND 2014 (%)



Source: OECD Family Database, 2017

Cash benefits

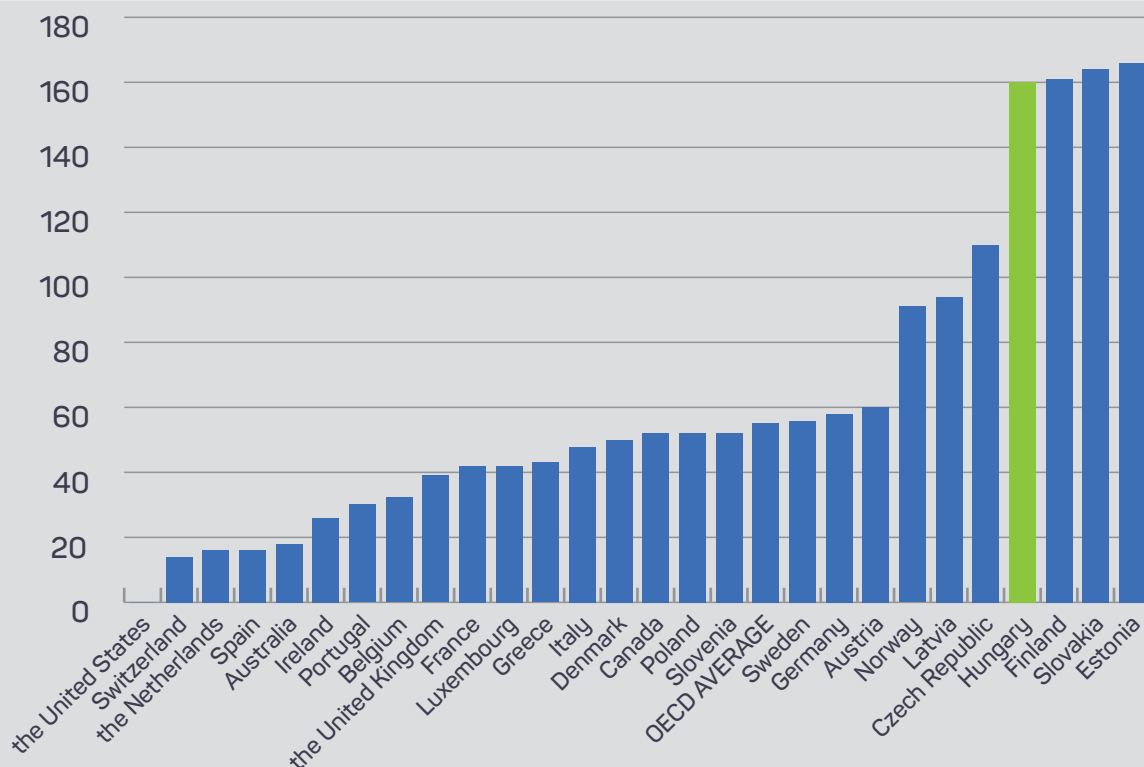
Cash benefits related to young children have a dominant effect on the female labour supply. It is a generic feature of European countries that employment protection is available throughout the entire duration of the allowance, which means that any parent staying at home with a young child shall be re-employed by his or her previous employer pursuant to the applicable legislations. Higher benefits of a shorter duration (of around one year), combined with employment protection, are to assist mothers in their childcare duties, without endangering their return to work. Lower benefits of a longer duration (of over 2 years), in contrast, tend to encourage mothers to stay away from work for a prolonged period. This, however, entails loosening work relations and fading knowledge capital, which may not only diminish their chance of eventually re-entering the labour market, but leads to a decreased amount in their potential

salary (Boeckmann, Misra, & Búdig, 2014; Lovász, 2016). Childcare benefits were available for 160 weeks (almost three years) in Hungary in 2016, showing one of the longest duration periods among OECD countries. At the same time, as of 2016, the Hungarian regulations make it possible for the mother to be employed as soon as the child has become 6 months old, thus ensuring that the allowance does not restrict her in being employed again.

Norms and beliefs

It is simply more for the institutional system than directly determining the time when a mother with a young child re-enters the labour market: it clearly communicates the many acceptable norms towards society. It was not long ago that Hungarian families found it unacceptable if a mother chose career building instead of staying at home with the child until he/she turned 3.

Figure 5/18 – THE DURATION PERIOD OF FAMILY SUBSIDIES IN CERTAIN OECD COUNTRIES, 2016 (WEEKS)

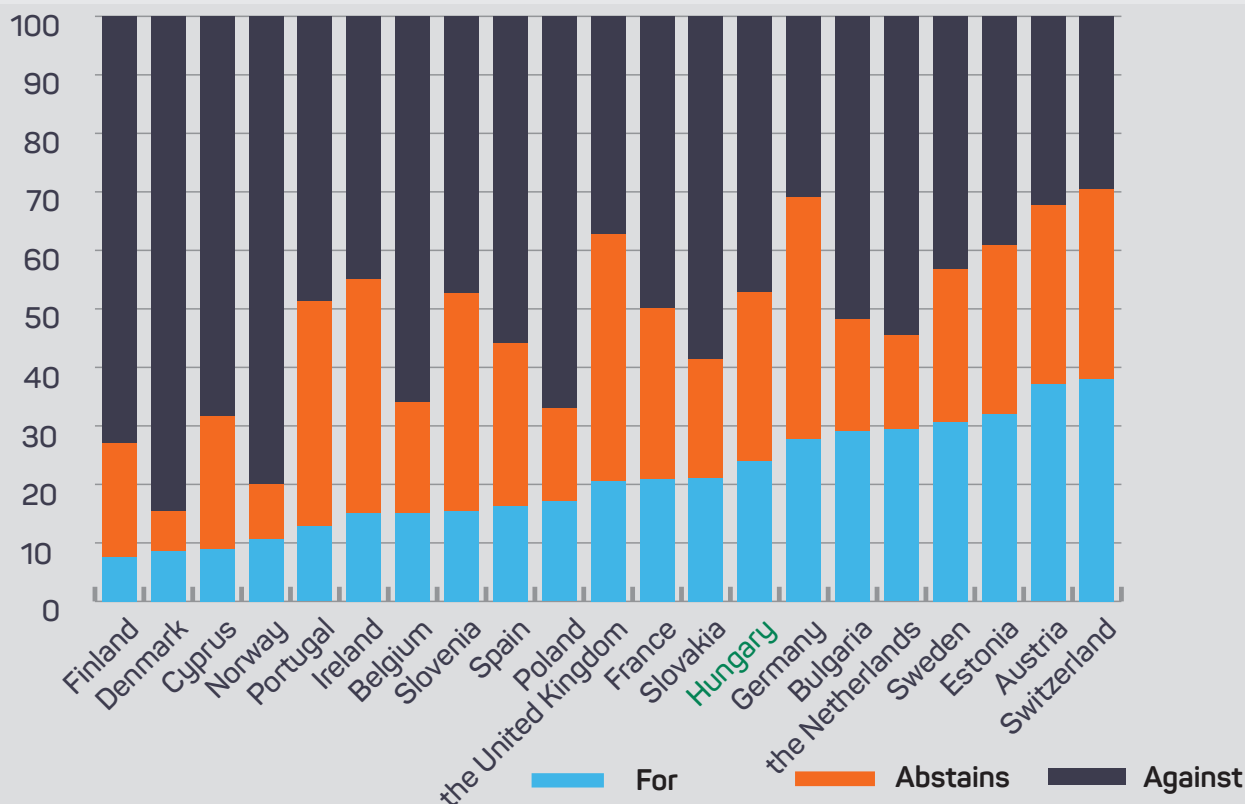


Source: OECD Family Database, 2017

This could be partly rooted in the government communication prior to the change of the government, while the existing institutional system (e.g. widely available kindergarten services from the age of 3, and GYES until the age of 3) might also be blamed, since the latter offers it to mothers, as a ‘rule of thumb’, to return to work around the time the child has reached the age of 3 (Blaskó, 2011; Hasková, Győry & Szikra, 2012). The opportunity for the mother to choose to work in parallel with receiving cash benefits may strongly contribute to the way public thinking evolves, just like to the expansion of day-time care and crèche services for children under the age of 3. 24% of Hungarian respondents were against the mother’s re-employment before the child becomes 3 years old. According to the European Social Survey data from 2006, another 29% refused to take sides in the matter, while the remaining 47% supported the cause, placing Hungary in the mid-range in the ranking list of the countries involved.



Figure 5/19 – "ARE YOU AGAINST LETTING MOTHERS WITH CHILDREN UNDER 3 GET BACK TO WORK?" 2006 (%)



Source: European Social Survey, 2006

Measures

The next sections focus on the most important measures that were taken between 2010 and 2017 in connection with work and family life balance.

GYED Extra – the creation of the freedom of choice

The GYED Extra measures package, introduced in 2014, served the purpose of lifting the restrictions that adversely affected parents with children. Several elements of the family support scheme have been elaborated on so far. They all encouraged childbearing (such as "sibling GYES/GYED", "GYED for graduates"), making us now concentrate on programme items that facilitate

easier return to work for parents with young children. As mentioned earlier, prior to 2014 the Hungarian family support scheme did everything but enhance employment for women with young children. Actually, it rather baulked at their return to work. GYED and GYED (that time, TGYÁS) made it impossible for them to pursue a job, while GYES and GYET allowed a weekly maximum of 30 hours of work, or an income-earning activity at home. On top of it all, if the limitations were surpassed, the allowance was no longer disbursed. As a matter of fact, the strict regulations did not really cause a problem in the case of TGYÁS (disbursed until the child turned 5-6 months old) or GYET (available to mothers raising three or more children). The other two allowances, however, were more severely affected. Parents and mothers continuously found themselves at a crossroads. It was rooted in the rigidity of the sys-

tem that they could not avoid a loss of income: if they wanted to get back to work, they had to waive their right to the allowance. They might as well have decided to stay at home, but in that case they did not have a salary to build on. It was, among others, for this reason that only a mere 19.3% of women raising two-year-olds had a job in 2010. Nonetheless, this number was 51.8% in the case of mothers whose children had reached the age of 3.

The GYED Extra measures package was seeking to find a remedy to these anomalies, when in 2014 it permitted income-earning activities for parents whose children have become 1 year old, in the meantime guaranteeing the disbursement of GYED and GYES. Full-time employment was not restricted either, so mothers were not deprived of their opportunity to work and obtain some extra income. In addition, as of 2016, families were given a wider range of choices – mothers could return to work as soon as their child turned 6 months old, in the meantime enjoying the benefits of the allowances.

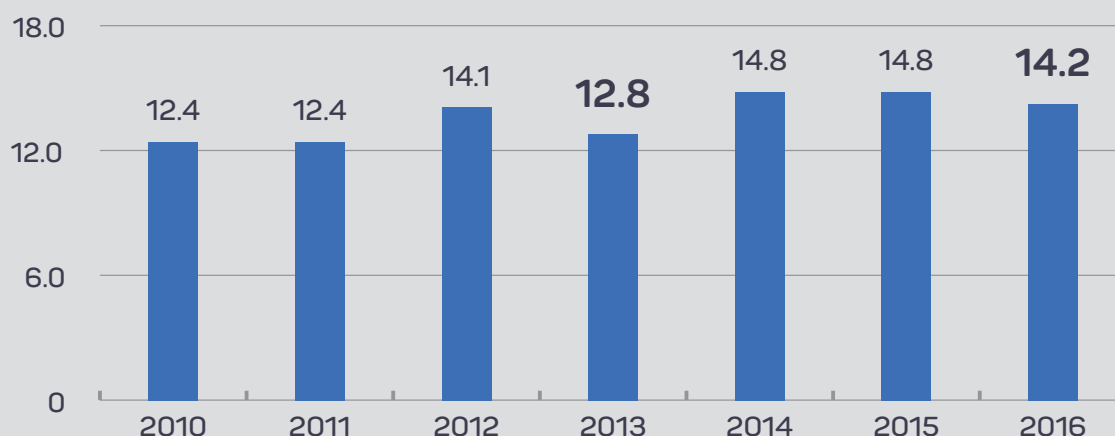
In this way, parents have been granted a real freedom of choice. They are no longer bound by financial constraints when it is about finding the most ideal time for their re-employment – and all this adjusted to their own needs. Upon assessing the achievements of the GYED Extra measures, though, it is important to stress that our core objective was something different from encouraging mothers to get back to work as soon as possible. Instead, it was about providing them with the freedom of choice – the decision whether they stay at home with the child or re-enter the labour market, without facing any restrictions or a financial loss. In our understanding, budgetary aspects should not rule their moves. They should be assured that the decision is in their own hands – it is at their discretion if they choose to prosper at home or in the office.

The above measure resulted in an ever growing number of family members finding their way into the labour market. In parallel with receiving the relevant al-

lowances, it was as many as 29 thousand parents who took a full-time job in the year when the regulation came into force. What is more, after reaching the figure of 39 thousand in 2015, their number stood at 42 thousand in 2016, implying a 60-70% growth within two years. Nearly 60% of the affected parents taking a job relied on GYED, whereas the remaining 40% were granted GYED.

At the same time, the employment rate for women with children under the age of 3 did not show any remarkable increase. In 2016 it stood at 14.2% against its figure of 12.8% in 2013, which was the last year prior to the measure. Nor could the introduction of the GYED Extra package bring much progress. Yet, even though the breakthrough was still pending, these were definitely important steps taken in the right direction. Improvements were seen in the duration of the cash benefits. It is a key strength of the package that the disbursement period of the subsidies ceased to act as a retardant regarding female re-employment. Its discouraging effects could hardly be felt – if at all, and this might as well have contributed to a better attitude to parenthood. The moderate improvement in female employment also underlined that it is about more than the elimination of the countering factors (such as the restrictive rules in the family support scheme). There will be no sign of progress unless the insufficient capacity and affordable pricing of childcare services is solved, which might prove to be the main reason for staying away from work.

Figure 5/20 – EMPLOYMENT RATE AMONG BETWEEN 25-49 YEARS OF AGE, WITH CHILDREN AGED 0-2 (2010-2016) (%)



Source: KSH (CSO)

Figure 5/21 – THE CUMULATED NUMBER OF GYED EXTRA BENEFICIARIES BETWEEN 2014 AND 2016

Year	Income-earning activity in parallel with GYED/GYES		Grants for parallel disbursement	GYED for graduates	Total
	Beneficiaries working parallel to receiving GYED	Beneficiaries working more than 30 hours per week, in parallel with receiving GYES			
2014	18,460	10,657	17,852	393	47,362
2015	21,204	14,711	23,808	903	60,626
2016	25,859	16,626	25,759	925	69,169

Source: NGM, MÁK

Taking a comprehensive look at the achievements of the GYED Extra measures package from 01 January 2014, it becomes apparent that altogether 69 thousand parents were granted one of the allowances during 2016. To be more exact, 42 thousand parents could get back to work after their child turned 1 year old, another 26 thousand received allowances for more than one child at the same time, while 925 could enjoy the benefits of GYED for graduates. Beneficiaries outnumbered their previous figure for 2014 by almost 22 thousand, which equalled an increase of 46%. (It is, however, less possible to add up

the number of beneficiaries in connection with certain submeasures, since some were most probably entitled to more than one benefit – for example, they could be granted multiple allowances after two children while also re-entering the labour market. Therefore, the cumulative data here rather serves the purpose of giving an overview of the orders.)



"Grandparental pension" or "Women 40", if you like

At the time of the change of the government there was no retirement option for women that would have granted eligibility for a full-scope allowance prior to reaching the normal retirement age. For most of them, there was no pension scheme that could, in any way, acknowledge and compensate the double burden in their active life, when duties at work and at home had to be matched with the responsibilities of childrearing.

In response to this, the civic conservative government committed itself to taking it as a priority issue and finding a remedy to this weakness after the elections. As of 2011, women with 40 years of employment were entitled to the full amount (without any reduction), irrespective of their age, and could at the same time retire. The

measure, however, reached beyond the pension policy. Besides its intention to provide more favourable retirement conditions to women as an appreciation of the extra stress they took in their active years, the notion of equity and justice was surpassed by family and population policy-related goals and objectives. They wanted to make sure that women around 60 could actively get involved in taking care of the grandchildren or elder family members in need. This was a great relief to young and active, income-earning generations, by helping them create a balance between work and family life. Moreover, the social institutional system providing day-time care services could also benefit from the measure.

Through "grandparental pension", persons entitled to "Women40" may retire 4.5 years earlier than their ineligible counterparts, implying the receipt of a con-

siderable top-up pensionary income (disregarding the salary they give up). In the first years after the allowance's launch (2012-2016) around 24-28 thousand new entrants were registered on a yearly basis, meaning a programme-related budgetary expenditure of HUF 6-17 billion. By October 2017 the cumulated number of beneficiaries reached 209 thousand, suggesting that preferential retirement had been established for this many women since 2011. As far as central budgetary sources are concerned, just for 2018 a rather significant sum of HUF 260 billion was allocated for the cause (see Figure 5/46).

No domestic analysis has been made of the measure's impact on childbearing yet, and neither is the international literature rich in assessments in this subject. Still, there are mentions of German families living close to the grandparents, which are reported to have more than one child, with the mother more likely to get back to work, if they have the chance to rely on the grandparents' assistance when it comes to day-time care for the children (Garcia-Moran & Kuehn, 2012). Another study, which builds on Italian data, claims that one single grandparent staying at home and taking part in childrearing may increase the future number of children in the family by 5% (Battistin, De Nadai, & Padula, 2014).

Part-time employment opportunities for parents with young children

As seen earlier, flexible working conditions are indispensable for parents to be able to match family duties with the career, since it is impossible for them to ensure appropriate day-time care for their children when having to adhere to the requirements of full-time employment. The solution for this, however, is widespread in Western Europe, with a solid culture of part-time jobs. Unfortunately, Hungary is lagging behind in the matter – the concept is just beginning to gain attention, with a small number of employees taking advantage of flexible, atypical employment forms. Not even the em-

ployers are adequately informed about their distinctive features: they lack the knowledge in connection with the work-organizational and other benefits. No wonder then that they have been rather reluctant to be partners in their promotion, distribution and introduction to the corporate culture.

Considering of the situation the State found it an imperative to intervene in the labour market processes in the form of central regulations. It made it legally binding for employers to make shorter working hours available to employees with young children. Accordingly, since the new Labour Code became effective in 2012, it has been a statutory obligation of companies, even in the private sector, to allow part-time jobs (4 working hours per day) for parents with children under the age of 3, should the employee request so, with the accompanying modification of the respective employment contract. (The public sector has been bound by such provisions since as early as 2010.) As of 2015 the option has been available to large families until the youngest child becomes 5 years old.

Despite the considerable rise in the number of working mothers with young children, part-time employment basically stagnated at the same level during the period 2010-2016. And the latter underlines the problem that in prevailing agreements between the employer and the employee, factors different from the statutory requirements tend to get more emphasis. Consequently, provisions setting forth that parents should be employed after their child has turned 3 fail to get appropriate attention.

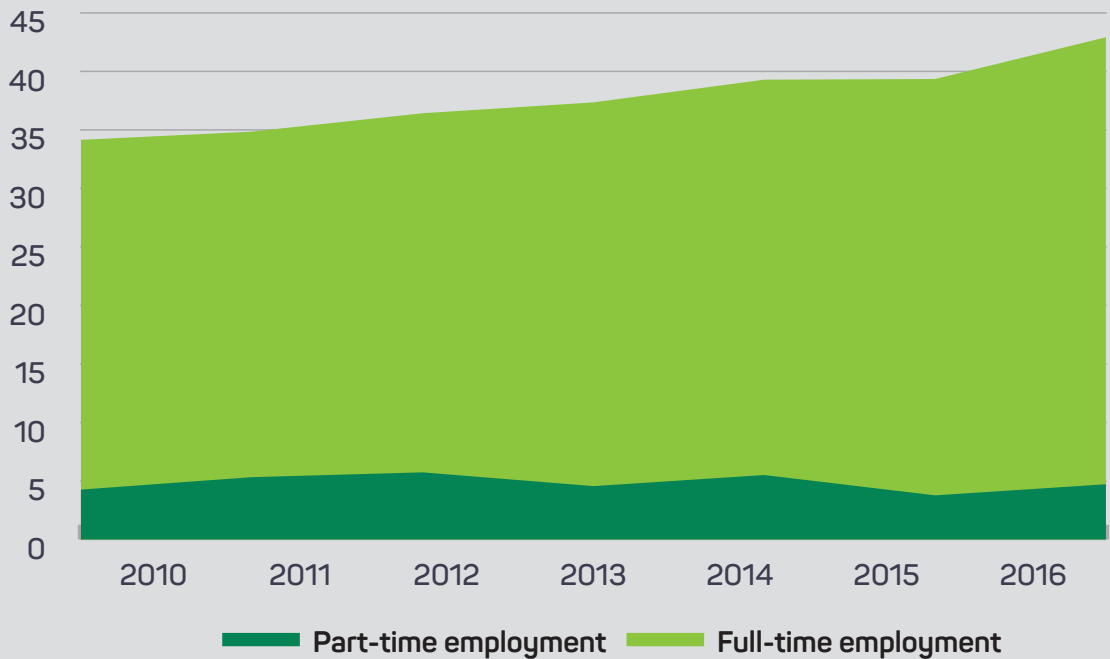
Job Protection Action Plan

Part-time employment for parents with young children was closely linked to the job protection action plan, which came into force on 01 January 2013, replacing the Start Plusz programme of the former government. The measure was based on the recognition that employers should not only be bound by administrative

provisions in the subject matter. They should receive financial incentives (in the form of tax allowances and contribution discounts), in this way motivating them to employ parents with young children even at the expense of ‘privileging’ them against other employees.

The special life situation of this group provides them the opportunity to work part-time, even enforcing stricter redundancy conditions, and the partial or full-scope prohibition of night-shifts or other special work schedule in their case.

Figure 5/22 – FULL AND PART-TIME EMPLOYMENT AMONG WOMEN WITH CHILDREN AGED 0-6 (2010-2016) (%)



Source: KSH (CSO)

Within the framework of the programme, a discount is available to employers who take on vulnerable employees (such as workers under 25 and/or young people starting their career, employees above 55, or permanent job-seekers) or, from now on, mothers with young children. The sum may be claimed back from the social contribution tax (19.5%) and the vocational training levy (1.5%) payable after the gross salary, and shall be automatically available in the first 3 years of employment, or for an extended period of 5 years in the case of large families – as of 2015. Its amount is

the equivalent of the public burden (of a total of 21%) payable after the first HUF 100 thousand of the gross salary in the first two years (or, in the case of large families, in the first three years) of employment. The allowance shall be available for an additional one year (or for two in the case of large families) in a sum as high as 50% of the public burden (totalling 11.25%).

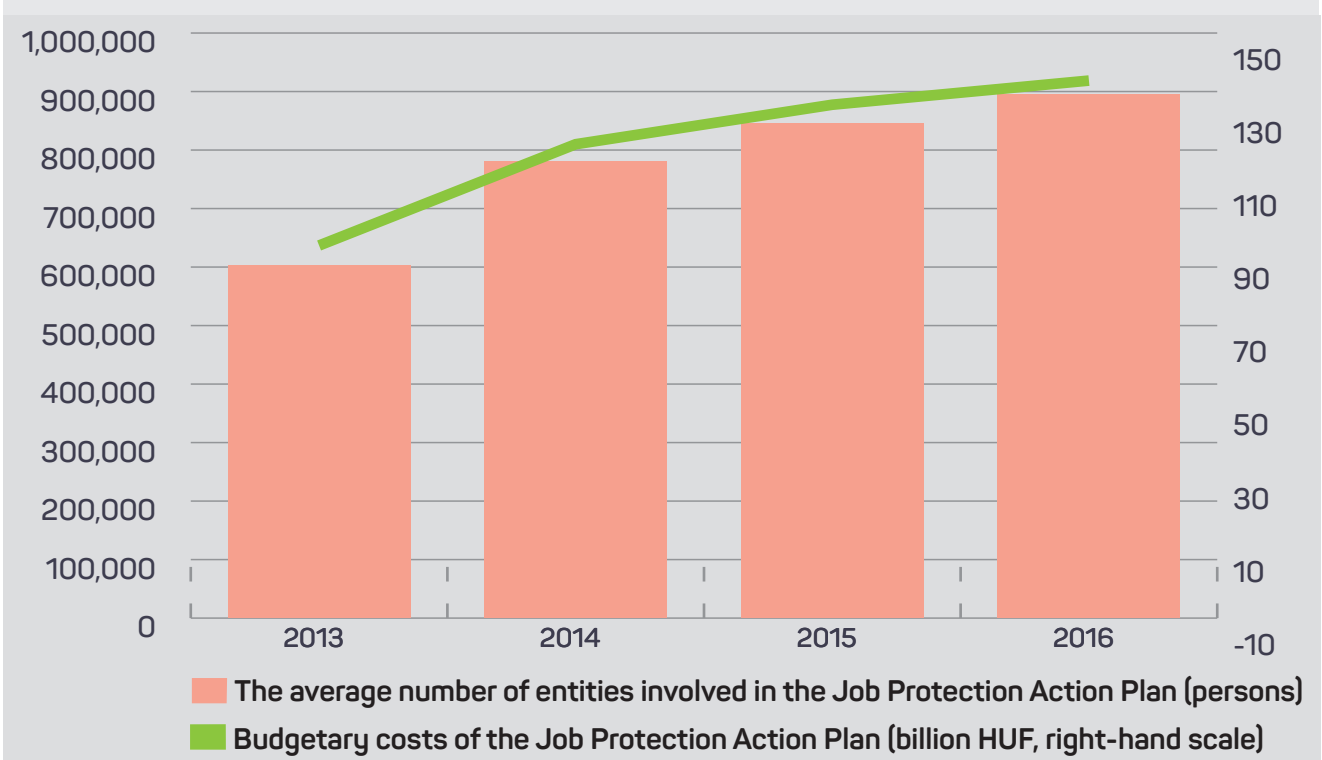
As compared to the former "Start Plusz" programme, the Job Protection Action Plan no longer requires employees to apply for a specific plastic card (similar to

the tax card available at the Hungarian tax authority) to enforce the allowance, which deliberately streamlines the take-up process. In addition, the reduction rate also increased. The "Start Plusz" scheme entitled employers to a contribution discount of two years only, requiring them to pay, after a gross salary equivalent to 200% of the minimum wages, a social health contribution of 10% in lieu of the former 27% in the first year. In the second year the rate payable changed to 20%, while employers were exempted from the payment of the vocational training levy. Under the Job Protection Action Plan, the employer is entitled to almost HUF 700 thousand after any hired worker with young children, which is one and a half times the sum

that was available under the conditions in 2010. The wage saving, which is again available after employees with three or more children for the entire duration, totals HUF 1.1 million, being almost two and a half times the amount that could be claimed back in 2010.

Within the framework of the entire programme, employers enforced their entitlement to tax allowances after a total of 603 thousand colleagues in 2013, while this figure rose to 895 thousand in 2016. To be more exact, in 2016 it was 37 thousand parents with young children that served as a basis to the allowance in an amount of HUF 9.6 billion.

Figure 5/23 – AVERAGE NUMBER OF ENTITIES INVOLVED IN THE JOB PROTECTION ACTION PLAN AND THEIR BUDGETARY COST, 2013-2016



Source: NGM

Even though there is no evaluation available about the Job Protection Action Plan yet, the comprehensive analysis about its predecessor, the START Plusz Programme, made by Szabó-Morvai in 2014, reveals that the latter had no real impact on mothers with young children at work. This, however, may also be explained by the low number of people who applied for the card. The new regulation, at the same time, granted the employers automatic access to the social contribution discount, thus expanding the scope of claimants with orders. Nevertheless, the lack of survey leaves us unaware whether it improved or worsened the employment rate of mothers with young children. The technical literature contains several impact assessments on the effects of a number of social contribution discounts similar to the Job Protection Action Plan, which are available to employee groups that are in a disadvantaged situation from some labour market perspectives. The impacts vary, depending on the conditions, the amount and the duration of the contribution allowance. Some studies report a positive influence, while others state that such discounts had no or a rather negative effect in certain target groups (for example, Azmat, 2014; Azmat & González, 2010; Blundell, Costa Dias, Meghir, & Shaw, 2013; Francesconi & Klaauw, 2007). However, the results are mostly related to American and Western European countries. There is no published assessment, of a similar standard, available for Eastern Europe.

Better paternal engagement in childrearing

It is important when it comes to the matching of work with family life that household chores and childrearing duties are divided between both parents. Mothers should be supported through the fathers' more active involvement in tasks, thus encouraging and motivating them to give birth to more children. Women shall not be left alone in taking care of the children. Ideally, both parents should take on the same share of duties in raising their children.

Recognizing the critical nature of the problem, the Government has recently created a number of measures that propose stronger paternal engagement in the matter. A core element of this measure was to make additional time-off available to both parents. As of 2012, it is not only one parent (typically the mother) who is eligible for two days off work per child, and a maximum of 7 days altogether. Again from 2012 on, fathers of twins shall be entitled to 7 paid days off work in lieu of the former 5 days, after the babies are born. As of 2016, both parents may claim child-nursing sick pay (GYÁP) after their children are above the age of 3, thus increasing the eligible sick pay days to double the original number in the family.

It should also be stressed that in Hungary, as a main rule, both family support forms are available to the father, with the exception of CSED and maternity grants, which may be disbursed to him if the mother has passed away or is prevented from eligibility.

No impact assessment has been made on the allowances fathers are entitled to after their children in Hungary, and nor do such studies abound at an international level. Actually, in most countries these exemptions are restricted to a few days or weeks, the effect of which is rather hard to show. Nor is their influence examined in connection with fertility or female employment. The measure most probably have nothing but a knock-on effect, since in an ideal family the burdens of childbearing are taken jointly by the two parents. This family model supports the mother's return to work and, thus, indirectly enhances the motivation to have more children. "As we see it today, the most efficient means for higher fertility is found in the creation of a social climate where, in the eyes of a woman, childbearing and parenthood cannot in the least be interpreted as a step towards the infringement of female personal freedom" (Surányi & Danis, 2010).

The transformation of the nursery system, capacity-building

We cannot stress enough the importance of appropriate day-time care services for children when it comes to the parents' return to the labour market. Young children need adequate care for the time the mother and father are away from home, fulfilling their tasks at work. Western European good practices and the experiences of GYED Extra both reaffirm that employment among women with children under the age of 3 may only get substantively stronger if the problem blocking their return to work, namely the scarcity of childcare facilities, is alleviated. To this end, the introduction of "Grandparental pension" must be coupled with the further enlargement of crèche capacities, with the widest outreach possible.

In response to the hiatus, a significant improvement has taken place in the day-nursery sector in Hungary since 2010. By 2016, the number of operational day-nurseries increased by 13%, from 668 to 755, and the number of available places rose by almost 23% (to more than 39 thousand). On the other hand, the number of children enrolled in day-nurseries only increased by 7% in this period, which may indicate that their capacity-building served primarily the purpose of decreasing overcrowding in crèches. From 2013 onwards, the official places available practically outnumber the children enrolled, which is in close relation with the care that is essential for children with special needs. Basically 1 child with special needs is considered 1 child enrolled, but due to his/her needs it is just as if he or she has taken up two places in the day-nursery. Even though the number of family daytime-care facilities almost doubled between 2010 and 2016, these only provide one sixth of the places for children under 3, and thus, their increase only has a small effect on the stock of available places.

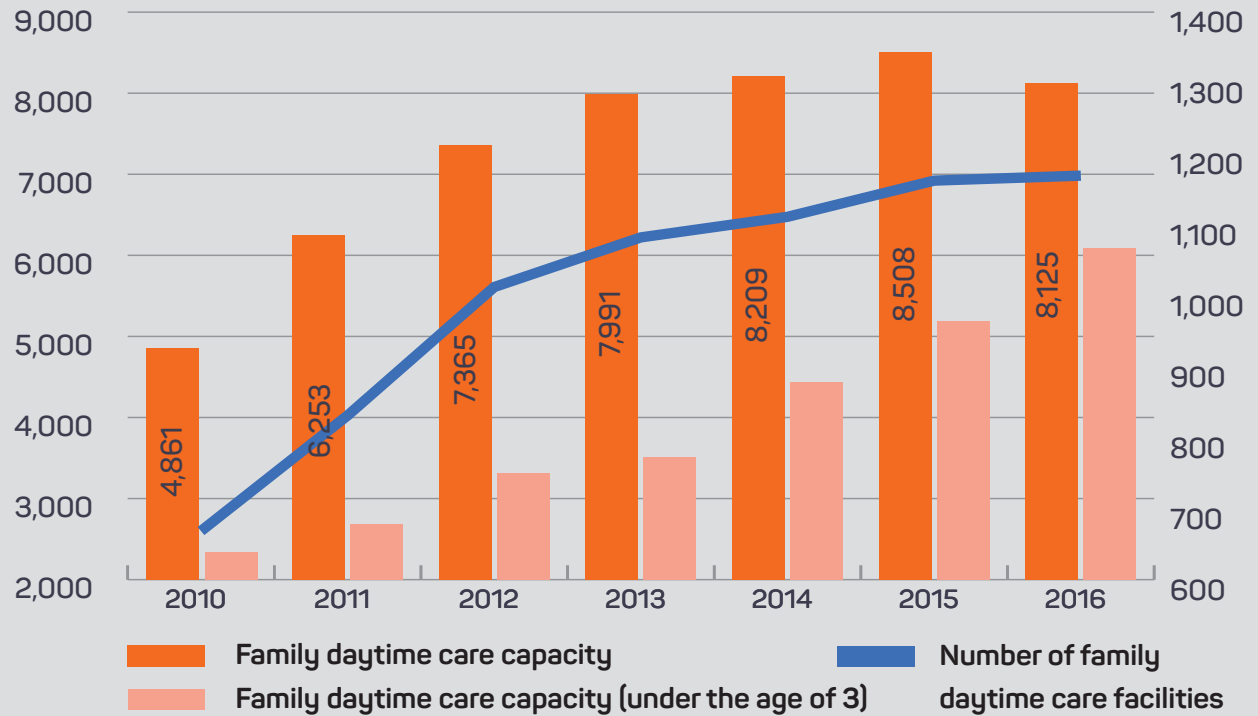
The Council of Europe stated at its Barcelona session on 15-16 March 2002 that Member States must eliminate factors that hinder the job market participation of

women, and they have to strive to provide child care for at least 33% of all children under the age of three, in consideration of the actual demand for child care alternatives and the country's child care system.

Based on the data from the Hungarian Central Statistical Office, in 2016 more than 17% of children under the age of three received some form of daytime care (nursery care, family day care, unified kindergarten-nursery), through the provision of more than 47 thousand places. And this percentage is steadily rising year by year (2010: 12%, 2011: 13%, 2012: 14%, 2013: 15%, 2014: 16%, 2015: almost 17%), although it still falls behind the above goal.

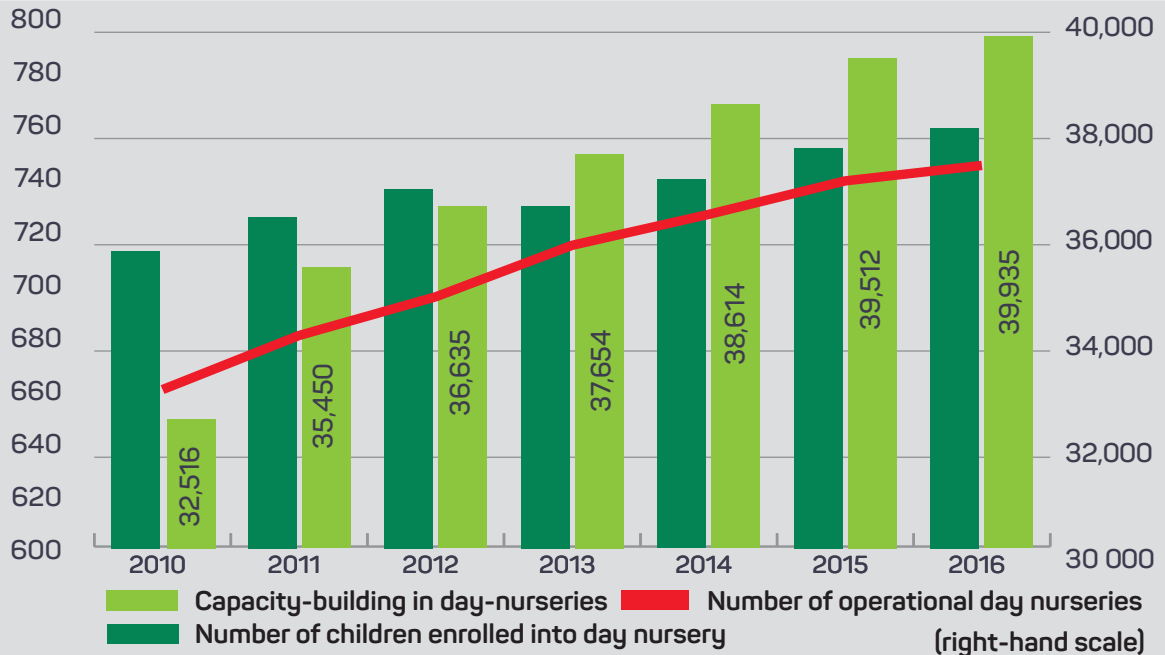
It is a Government objective to raise the daytime-care service capacity to 60 thousand places by 2020, which would equal a 28% growth (13,000 places plus) compared to the present situation. Daytime-care facilities for children under the age of 3 are rather dispersed in the country. The smaller the settlement, the less probable it is that there are crèche or kindergarten services available in the vicinity. The Government pays special attention to family support, concentrating on the lessening of the burden childrearing means to parents and on the promotion of employment among mothers. The restructuring of the crèche services in 2017, for instance, was a measure to fulfill this purpose. As of 01 January 2017 day-nurseries, catering for children under the age of 3, provide four different options for childcare, in the form of two institutions (crèche and mini-crèche) and two services (family day-nursery and corporate day-nursery). The new regulation stipulates that each settlement where children under the age of 3 number at least 40, or crèche services are requested by at least 5 children's parents shall cater for day-nursery services on site. Local municipalities are obliged to meet the legislative requirements on the provision of day-nursery services by 31 December 2018 at the latest.

Figure 5/24 – FAMILY DAYTIME-CARE CAPACITY BETWEEN 2010 AND 2016



Source: KSH (CSO)

Figure 5/25 – CAPACITY IN DAY NURSERIES, 2010-2016



Source: KSH (CSO)

The provision that, from next year on, crèche services should be provided in small settlements as well is aimed at achieving a higher standard of living for the Hungarian middle class, and at the same time it indirectly fosters rural development.

This restructuring is designed to eliminate the current regional inequalities and proposes to create a flexible, multi-stage, multi-stakeholder system, which is designed to provide daytime-care or supervision for children in a cosy atmosphere, either in a private home or in a corporate environment. The services shall be targeted at a small group of people, and shall respond to the local needs, in the meantime adapting to the parents' work schedule.

The new structure and the new regulation offer more flexibility and are more permissive than their present counterpart in terms of local municipality requirements. The local governments may themselves choose the form of institutions and services for the daytime-care of children under 3. They may also decide to provide the services independently, in association with another party, or under the terms and conditions of a supply contract.

The new forms of daytime-care may be created under the Regional Development Operational Programme (TOP) and the Competitive Central Hungary Operational Programme (VEKOP) during the period 2014-2020. It is again these programmes that provide a framework for the development and capacity-building of existing institutions and for the upgrading of the present services, providing a budget of around HUF 100 billion for the cause (that is, for the development of day-nurseries, mini crèches, family day-nurseries and kindergartens). The invitation to tender "GINOP-5.3.8. Support for the creation of corporate day-nurseries" was published as a supplement to the above measures. Its original budgetary sum of HUF 4 billion was raised to HUF 6 billion, to support the establishment of corporate day-nurseries.

Besides the EU funds, a considerable amount is planned to be allocated, from the domestic budget, to day-nursery capacity-building. Domestic tenders will make development resources available to the interested settlements as early as 2017, provided that they are municipalities with a maximum of 10 thousand inhabitants, where the tax-power capability levied by the local self-government does not exceed HUF 20 thousand per inhabitant. The fund, which may be used for the establishment of mini crèche capacities, amounted to HUF 1.1 billion in 2017, and was raised to a total of HUF 1.5 billion for the successive year. Applicants may submit their tender for a maximum amount of HUF 10 million. In order to improve the day-time care of children under the age of 3 and to enhance the employment of mothers with young children, the Government set forth the provision of an additional HUF 3.5 billion to the crèche development programme in 2018, which had been initially allocated a domestic development source of HUF 1.5 million for the purpose. As far as crèche services are concerned, the Government is enthusiastic about the establishment of an efficient and properly financed support scheme, to reaffirm the guidelines prescribed in the technical regulations.

The consolidated operation of crèche services, however, requires a significant extra fund from the central budget of 2018. Accordingly, the State-funded support to day-nurseries and mini crèches has more than doubled compared to the previous years, and increased to almost three and a half times the amount in 2010, totalling HUF 36.8 billion. In 2018, however, this remarkable improvement will not only affect the fund's quantitative advancement. The financing system shall also undergo qualitative transformation, to help local governments perform their long-term operational tasks more effectively. As of 2018, the central budget will provide task-based support for the operation of day-nurseries and mini crèches (wages, operation) – similar to the one granted to kindergartens. In this sense, the State fund will cover almost 100% of the operational costs and expenditures, in lieu of the 50% rate so far.

The normative-based State fund allocated for family day-nursery services will continue to rise in 2018 – from the original sum of HUF 346 thousand it will be raised to HUF 360 thousand per year. 2018 will see considerable improvement in the support of corporate day-nurseries too. The State fund shall reach an annual sum of HUF 360 thousand per person in the case of budgetary bodies, while for other organisations it will peak at HUF 180 thousand per person. It is noteworthy that the same grant came to HUF 148,230 in 2017 for each beneficiary.

Besides this, the Government has offered long-term perspectives for day-nursery professionals, in the framework of which it differentiatedly, and in several stages, increased the wages of early childhood education professionals between 2016 and 2017. As a first step, from 01 January 2016 those early childhood education professionals who had tertiary qualifications and were working in day-nurseries also got entered into the progression scheme for educators, resulting in an average pay-rise of net 60 thousand forints for them each. The educator pay scheme again offered an additional 3.5% salary rise between 01 September 2016 and 01 September 2017, providing a further increment of around net HUF 7 thousand per person. For early childhood education professionals with tertiary qualification, the involvement in the progression scheme meant a pay-rise of almost HUF 73 thousand (net) from 2015 to the end of 2017. Wages for early childhood education professionals working in crèches with secondary qualification have been complemented with a new crèche allowance. The latter has been available since 01 January 2017, the disbursement of which has led to an average pay rise of 11% among the affected experts, with their salary eventually exceeding the initial gross sum of HUF 153,042 by HUF 16,734. Last year the introduction of the new crèche allowance was coupled with a significant rise (+25%) in the minimum guaranteed wages, which resulted in a monthly net increment of 32% in the case of early childhood education professionals working in crèches with a secondary qualification. As regards the launch of the new

system, the transformation follows a complex method, through which the Government may enforce its two-fold approach. It has set obligations for the responsible local governments, and has adjusted the scheme ‘design’ to family and maintainer demand. It funds the developments and the capacity-building processes from domestic and EU resources. The improvement of operational financing has never been this efficient, not to mention the extra wage development and training opportunities offered to crèche service professionals.

An earlier domestic impact assessment serves as proof for the justifiable expectation that the expansion of the number of places in day-nurseries will have a quantitative effect on the employment rate. In the case of children around 3, access to kindergarten services was a key determinant in the 17% improvement of female employment (Lovász & Szabo-Morvai, 2013). Although the children affected by the capacity-building in day-nurseries are younger and thus the benefits of the enlargement may be subject to the mothers’ views about staying at home, still positive changes are bound to show in the mothers’ employment rate and in their attitude to parenthood.

5.1.3. MEASURES SUPPORTING BRINGING UP CHILDREN

Several measures have been described that are destined to improve families’ intention to have children, and enhance the actual birth of planned infants. Yet, one must not forget about those parents who have already been ‘suffering from the stress’ of childcare. They have been ‘staggering’ under the serious burden of expenditures that the bringing up of a child entails, since children are not a ‘one-time investment’ at their birth, but continuously require financial effort and sacrifice. In most cases it is really hard to separate the subsidies whose benefit is directly linked to childbearing and to the first successive years from subsidies that are meant to mitigate the costs of an older child. This seems to be justified based on the

positive experiences of some "practising" parents, who claim that the latter one, trying to reduce the later stress and related costs of childrearing, may indirectly motivate parents to have more children. And, vice versa, the former family subsidy, which is fundamentally aimed at the promotion of childbearing, may support the parents until the child has attained the age of majority or finished his/her studies. Herein, however, we will make an attempt to summarize those measures that provide assistance in the payment of various – typically State-funded – services which have been requested based on the children in the family. Such measures intend to reduce the burden of childrearing costs incurred by the parents, by partially or fully taking them over.

The institutional provision of meals to children throughout the school year and during holidays

Before 2010, the provision of meals to children was primarily a part of social aids. After 2010, however, the civic government expanded the scope of eligible children. On the one hand, it intended to make healthy meals available to as many children as possible. On the other hand, it wished to demonstrate that the State would assume some of the costs of childrearing – thus acknowledging the long-term interests of the country and the nation. As far as catering services for children are concerned, strict regulations were introduced on the contents and the quality. The number of children eligible for free meals was increased to make sure that not one single child stays hungry in such institutions. Accordingly, healthy and nutritious meals are provided at least three times a day – four times in nurseries –, out of which at least one is a hot meal. As a result of wider eligibility, the amount of HUF 31.7 billion spent on institutional meals in 2010 was increased by almost two and a half, to HUF 72.6 billion by 2018, and it had already reached HUF 67.2 billion already in 2017.

Based on the Government's decision, the number of children eligible for free meals in day-nurseries and kindergartens during the school year has been increased sig-

nificantly since 01 September 2015. Previously, it was the socially most deprived children who received free meals, yet being eligible for regular child protection benefits they hardly made up more than one quarter (27%) of all affected children. In addition, children living in large families (in households with three or more children), just like chronically ill or seriously disabled children and their siblings (16%) received their meals at half of the normal price. However, for the majority of the children (57%), parents had to pay the full price.

As of 2015, children who previously paid half price are now granted free meals. And neither do the parents have to pay for their children's meals if the net income per person in the family does not exceed 130% of the minimum wage, which is HUF 119,300 this year. It is just that the income cannot exceed the average level. As a result, compared to the 112 thousand children in 2010, by the academic year of 2016/17, the number of children enjoying free meals in day-nurseries and kindergartens has increased by almost one and a half times, to 269 thousand (157 thousand plus). Currently, 68% of the children in day-nurseries and 77% of the children in kindergartens receive meals free of charge in the institutions. This is altogether 76% of the affected children, which means that three out of four children enjoy such benefits, while this ratio was only 30% in 2010. All in all, the number of children receiving free meals in day-nurseries, kindergartens and schools has increased from 338 thousand in 2010 to 467 thousand in the academic year of 2016/17, which equals a 38% growth. From among the approximately 1 million children, instead of the expected one third (34%), almost half (46%) receive free meals, which is a considerable help to the parents, especially to the parents of children under 6. The Hungarian practice of providing children with free meals is unique in Europe, and clearly indicates the civic government's pro-family and pronatalist values.

It was an important and progressive step in the elimination of poverty and malnutrition that more children in need received free meals in the summer holiday of 2016.



Beforehand this, socially deprived children with disadvantages or multiple disadvantages could receive one hot meal per day in the settlement that was designated for such services based on their place of residence. This opportunity, which was only available during the summer holidays, was now extended to other holidays too and to certain periods of the school year when these children cannot attend the day-nursery or public education institution, and thus cannot get meals several times a day. With this measure, however, not a single day can pass without making sure that these socially deprived children, who in many cases might not get enough food with their own families, can have a hot meal at least once a day within the framework of catering services provided during the holiday.

In 2016, as much as 208 thousand children in need in day-nurseries, kindergartens and schools had free meals during the holidays, which is almost 60% more than the 131 thousand children that were eligible in 2010. The budget allocated for this purpose also significantly increased. From HUF 2.3 billion in 2010 it was raised to HUF 6.7 billion by 2018, which is almost a three-fold growth. This measure was an important step towards the elimination of social deprivation, malnutrition and children going hungry.

The consumption of dairy products in an appropriate quantity also forms part of a healthy diet. In promotion thereof, recent years have seen a significant rise in the number of children benefitting from the School Milk Programme, which ensures the provision of healthy dairy products to children in public education institutions (kindergartens, primary schools, secondary schools). And in proportion with this the related budgetary appropriations increased. While in 2010 only 130 thousand children were covered by the programme, under a domestic budget of HUF 690 million, in 2016, the number of children involved was three and a half times higher, 450 thousand. The budgetary resources of HUF 4.3 billion allocated for this purpose for 2018 – with the same number of beneficiaries – are almost six times higher than those in 2010.

Expanding the free textbook scheme

Meeting the material requirements of school education, which largely takes the form of textbook purchase, and takes up a considerable part of the family budget. These costs are clear for parents even before they have children. They can get both written and audiovisual information about the related problems in their environment. That is why it is vital that the families are reassured that the Government and society help them in this field too.

Accordingly, in order to alleviate the stress that the creation of resources for the start of the school year might entail, the Government has significantly decreased the purchase cost of textbooks for parents. As a first step it took over textbook publishing, which previously had been fragmented and operated by multiple market actors: it founded the Könyvtárellátó Nonprofit Kft. (Library Supply Non-Profit Ltd., KELLO). As the following step, the right to free textbooks was expanded to an ever wider range of pupils, in an ascending system from academic year 2013/2014 on. Previously, disadvantaged beneficiary groups (pupils with chronic illnesses, disabilities, families with 3 or more children, recipients of regular child protection allowances, and children in child protection care or after-care), i.e. a little more than half of all students, had access to textbooks free of charge in primary and secondary school. Pursuant to the new public education act in force, as of academic year 2013/2014, free textbooks became available starting from the first year of primary school. The allowance is provided in a cascading order to every successive grade on a yearly basis. This means that, besides the social beneficiaries, from school year 2014/2015 on, textbooks shall be supplied to first and second graders free of charge. As of academic year 2015/2016 this shall be applicable to 1st–3rd graders, while it will cover all the junior years in primary school (namely the 1st–4th graders) from 2016/2017 onwards. In this sense, together with other beneficiaries, as compared to academic year 2013/2014, now 119 thousand more children, namely 733 thousand pupils are exempt from payment. This 13% growth af-

fects 67% of the 1.2 million primary and secondary school pupils, against their ratio of 54% in 2013. From school year 2017/2018 on, or in other words, since last September, free textbook provision has been extended, in a single step, to all primary school pupils (5th–8th graders), and to the first year of secondary school (9th grade). Thus the number of free textbook recipients increased by 285 thousand (39%), to 1,018 thousand. 85% of pupils are now included in the free textbook scheme. The extra costs incurred by the measure amounted to HUF 3.8 billion in 2017.

All in all, the planned 2018 budget for textbook provision support is HUF 12.3 billion, two-thirds (68%) more than in 2010 (HUF 7.3 billion).

Due to these steps, compared to 2013, parents' textbook-related expenses decreased by HUF 2.2 billion (30%), from 7.3 billion to 5.1 billion, and the average price of textbooks also dropped by almost one-fourth (23%). Today, only 41% of (the lowered) textbook costs have to be paid by parents, while in 2013/14, before the State took on the task of textbook supply, this figure was 48%. Consequently, this set of measures considerably reduces parents' financial burden at the start of the school year.

The government measure, according to which – from 2016 onwards – families with under-age children will receive September's family support subsidies (family allowance, child care allowance, child raising support) a month earlier, in August, also fits in this line. As per the measure, the families concerned receive double allowance in that month to help them with the expenses incurred at the start of the school term.

Lowering the age limit of compulsory kindergarten education participation

Before 01 September 2015, kindergarten attendance was only compulsory for children aged 5 and above. For chil-

dren who did not participate, this meant being left out of the preparatory educational work carried out in kindergartens, and thus, of proper preparation for primary school, which consequently pushed them to a disadvantaged situation as compared to their peers. Moreover, these children could not get three daily meals that they would have been provided in the kindergarten. What is more, caring for and supervising the children at home also stopped mothers from returning to the job market.

This is why the Government made the decision to lower the age limit of compulsory kindergarten attendance from the previous 5 years to three years of age, starting from the kindergarten education year of 2015. (The maintainer or notary may allow an exemption from the regulation, until the child has become 5 years old.) This measure enables the children to develop in a suitable environment, to get efficient preparation for school studies, and to have access to the most basic services – such as institutional catering –, and at the same time, relieves the parents from tasks related to daily childcare and supervision.

Attempts were made to facilitate this change by suspending family allowance payments in families where the children were absent from the kindergarten for at least 20 days without justification. The restriction, which withholds disbursement until the child regularly meets his or her kindergarten attendance obligations, shall be applicable as of 01 January 2016, according to the pattern of the school education system introduced five years earlier, in September 2010. As a matter of fact, as a result of the latter, the number of pupils with more than 50 unjustified absent classes decreased by 62%, dropping from 29 thousand in the academic year 2009/2010 to 11 thousand by 2015/2016. Now, relying on the efficacy of the school attendance obligations, which may directly effect the payment of family allowances, with this step we expect to ensure that parents take responsible care of their children's regular attendance at kindergarten.



Initiation of the Erzsébet Programme

It is quite often emphasized in connection with childbearing plans that the parents should feel certain that they can create appropriate circumstances for their children. These days, summer holidays and vacation are essential for the children when it comes to the question of proper standards of living, and they also comprise a means of recreation for the parents. Furthermore, since taking care of the children during the long summer holidays is an issue for mothers and fathers alike, they believe it is necessary to be provided with opportunities for their children to recreate, rest, and play in a safe environment and in an appropriate way. Financial means, however, often do not permit participation in the desired programmes, or impose a burden on the family that leads to difficulties in other areas of life.

The launch of the Erzsébet Programme was meant to find a remedy to these problems. This is Hungary's largest summer camp programme, in which almost 400,000 children have attended summer camps since 2012. Children were able to take part virtually for free, in two locations in Hungary (Fonyódliget and Zánka), and another one abroad, in Transylvania (Ivő). 2016 was a record year for Erzsébet camps, as nearly 90 thousand children participated, which is expected to approximate 100 thousand in 2017.

In 2016, the programmes received a sum of HUF 4.36 billion for their management from the central budget, while in 2017 the Government allocated HUF 5.2 billion for tasks related to children's camps and other events. In 2010, there was no similar central summer camp programme that could have supported the children and their families. Therefore the initiative has definitely been an important measure to improve child and family well-being and the quality of life.

5.1.4. MEASURES TO COMBAT HOUSING-RELATED DIFFICULTIES

A proper home is indispensable for a family's well-being and prosperity, and thus is a key factor in the improve-

ment of the general attitude to parenthood. Housing measures in support of childbearing, however, have concentrated specifically on large families, and on having three or more children in recent years. Their primary target consisted mainly of middle-class families with a regular income, and was less focused on families with the lowest income. But before all, they concentrated on the promotion of dwelling acquisition. Besides the family policy-related aspects, some of the measures also present important economic stimulus – even in terms of the building and housing industry, and the evolution of property prices. Even though the demographic and economy-invigorating effects of most of them, from 2010-2016, are hard to show due to the brevity of time, still, their significance and potential for better cost-effectiveness in housing expenses definitely justifies the need for a thorough assessment.

Housing and parenthood relations

As an introduction to the topic, a few words shall be dedicated to the importance of a decent home from a childbearing point of view. Even though the number of scientific studies on the correlation between housing and parenthood is rather scarce, there are early international examples calling attention to the negative influence that over-crowded housing can have on the general attitude to parenthood. (Thompson 1938) Pursuant to a research studying the European housing schemes, the southern countries, where fertility rates are the lowest, have typically more property-owners and lower mobility levels. Here the problem lies in the acquisition of the first home that young people so much need for starting a family. Yet, the closed ownership-dominated market makes their job rather hard. (Mulder and Biliari 2006) A Czech study had a look at the relation between fertility rates and affordable housing from the time of the change in the political system. It examined the correlation based on the underlying aspects of property prices, affordable housing costs and the number of newly built flats. According to its findings, those women who were

living in regions that had better affordability indicators tended to have children at an earlier age. Still, better housing did not modify the total fertility rate. It was apparent, though, that regions with higher property prices gave ground to the tendency to push parenthood to later years. (Kosteletzky 2009)

The Hungarian Demographic Research Institute made a study for the period 2012-2013, titled "Landmarks in our lives". In its assessment it attempted to pinpoint the elements that influence childbearing decisions. Even though most respondents indicated the financial situation as the most important decisive factor in having children, still a high number – as a matter of fact, 23% of all respondents – claimed that housing conditions had a key role. Accordingly, housing conditions constitute a substantial, yet not the primary aspect when it comes to the question of parenthood. The equation is further complicated by the fact that the majority of those who stressed housing conditions in the survey did not plan to have any more children. For those who seemed to be more determined in the matter of parenthood – even in the short run, housing conditions (just like the financial situation) seemed to have lost relevance (13%), and they were less important for those who were still indecisive (17%) too. Families coming to a final decision are likely to be in a better housing and financial situation, therefore improved housing conditions will probably have a stronger impact on the group which is still less resolute when it comes to the issue of parenthood. (Korfa 2016)

The timing of having children and its delay are largely affected by the problem of insecure or inappropriate housing. A data-recording in 2008 established that 63% of men and 62% of women thought it was inappropriate housing conditions that mainly led to the postponement of childbearing to some later years. And this made it the second most significant element in the recession period, coming after an uncertain future. (Paksi et al. 2014)

Housing conditions in Hungary with respect to parenthood

Appropriate housing conditions make a complex picture, with several factors to study. Such are access to housing (in other words, the alternatives to purchasing, renting or exchanging a flat), affordable housing costs (overhead charges, rental, loan instalments), the quality and location of the available properties and access to services (e.g. schools, early childhood care services in the vicinity), along with legal safety.

As far as access to housing is concerned, there is still no quantitative housing shortage perceivable in Hungary (with 4.4 dwelling units for 4.1 million households), but the qualitative maintenance of the housing stock and the provision thereof as per demand requires the building of new dwellings. 92% of households are owners of the property, another 5% pay rent as tenants or live in the flat as beneficiaries. (It is important to note that there are no strict boundaries between the latter two due to the popularity of letting without a rental agreement.)¹ Community-owned residential rented dwellings make up less than 3% of all flats, and this ratio is getting ever smaller. Unfortunately, in comparison with the EU the figure is already very low: the European average stands at 30%. Households belonging to the poorest two income deciles and young people moving into their first home more often tend to form an independent household in a social housing unit. A critical problem that young people are faced with is access to housing, which causes them great trouble at the time of their moving away from the parents into their first own household. Leaving the parental nest is subject to several factors. Apart from the financial and housing conditions, the length of studies, the family's financial status and the young people's potential partnerships are all decisive. Moving is postponed to ever later years. While in the 1970s young people started their own life in their first dwelling at the age of 25, this shifted to 27.4 years of age by 2015. (CSO Housing Survey 2015) Young adults claim that one of the key barriers to child-

¹ Central Statistical Office, *Statdat table 2.2.3.2. Housing-related data, income deciles by region and settlement-type (2011-)* http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_zhcoipa.html az adatok referenciaéve 2016 (2016 is the reference year)

bearing is establishing the conditions of independent housing. Although prices have been continuously rising since 2015, which has worsened the chances of getting a flat, better loan conditions and the higher number of jobs could partially counter the trend. Those who are just about to buy their first flat are in a much better position than in 2010. (FHB 2016) Three-quarters of those acquiring their first flat moved to an own property, while another 14% of them started their independent life in lodgings. (KSH Housing Survey 2015) Access to housing and its drag, however, are present with the growing of the family and the rising number of children. It is vital that families have the opportunity to move to a smaller or bigger flat based on the number and needs of the family members. In other words, adaptive home-purchase is crucial. A resilient housing market supports geographical mobility, enabling families to more easily change place of residence for career or other reasons. This mobility, nonetheless, is hindered by the low number of affordable rental housing and the remarkable regional differences in their pricing. In the past six years buying a flat has become much easier, prices showed some decrease between 2008 and 2014. Thus, owing to the reducing prices and better income conditions an own property has become ever more affordable. The ratio of prices against salaries dropped from 1.9 in 2007 to 1.17 in 2014. (Note: In 2007 the purchase price of a square metre of a flat equalled 1.93 months' salary.) In the past two years, pay rises have not been able to keep up with and adapt to the rise in prices, making the ratio grow to 1.44 – which is still lower than before the crisis. (FHB Lakásárindex Fókusz) (FHB Property price index focus)

Our overview of the housing conditions should not neglect the affordable maintenance of the property, since it is critical for families to make sure that their income covers the housing costs (such as overhead charges, rents, loan instalments). And the latter has shown considerable improvement since 2010. Hungarian households spent

21.3% of their income on housing costs in 2016 against the 25.2% in 2010. Households struggling with the burden of housing costs also showed a diminishing rate, shrinking from 40% in 2010 to 28%.² Families with income levels under the poverty line (54%) were faced with the worst situation, to be followed by people in rented dwellings (36.6%) and single-parent families (29%) in order. The rate of liabilities in overhead charges also dropped, just like the number of consumers whose public utility services had been cut off. Utility price cuts contributed to reducing housing maintenance costs, yet had a negative impact on the central normative housing maintenance subsidy. The shrinking number of households overwhelmed with mortgages was also observed as a positive trend. (Habitat 2016) Housing standards may again prove to be crucial in childbearing. They influence living standards and the state of health of families and children alike. The quality in the Hungarian housing stock has been getting better lately. Nevertheless, the housing standards and the overwhelming majority of low-status households still need improvement. There is definite need for better energy-efficiency, which may be accomplished through the appropriate upgrading of the properties. (Habitat 2016)

Family policy-related measures focusing on home-building

The Home-building Programme, launched under the New Széchenyi Plan in 2011, is a decisive strategic document of the housing policy of recent years. The programme had a deliberate focus on demography and the national economy, instead of society. It intended to encourage childbearing and parenthood, and wished to stimulate economic growth. The related measures concentrated on the reviving of the housing and building industry, on the management of certain insecure legal situations and on the facilitation of home ownership for families with children.³

² *Financial burden of the total housing cost – EU-SILC survey*
http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc_mdedo4&lang=en

³ *Government Decision 1331/2011 (X. 12.) on the measures necessary for the launch of the Housing Programme*
<http://www.kozlonyok.hu/nkonline/MKPDF/hiteles/mk11117.pdf>

Yet, in parallel with the measures implemented as part of the programme, one cannot disregard the credit crunch that developed in Hungary with the economic crisis in 2008. Several families were struck by housing insecurity. In the summer of 2011 as many as 287 thousand families had foreign currency mortgage loans, and according to MNB estimates more than 90 thousand properties were subject to a loan outstanding of over 90 days by 2010 (MNB 2011). It goes without saying then that the government measure was targeted at helping them. The Home Protection Action Plan in support of families with foreign currency loans provided some certainty to families in the most diverse situations. Such were the eviction moratorium, the foreclosure quota system, the establishment of the Hungarian Asset Management Inc., the exchange rate cap, the final payment of debts, interest subsidies for moving into a smaller dwelling, social family-house building in Ócsa, debt brake regulations, the conversion into Hungarian forint, the measure to hold banks accountable, or the reimbursement of incorrectly charged currency spreads and interest costs. The ratio of families overwhelmed with housing costs dropped from 17.4 (in 2010) to 11.2%, which means that there was a significant decrease in the number of those who had difficulties paying for their housing.⁴ Based on the survey carried out in 2008, wherein three-fifths of the respondents pinpointed housing insecurity as a reason for delayed parenthood, the progress made in the field might have highly contributed to the recent improvement in the fertility rate.

The introduction of the family housing allowance (CSOK)

Non-reimbursable housing construction subsidies were available between 1994 and 2009. The social policy support (or "szocpol") could be taken advantage of at dif-

ferent rates pursuant to the number of children. It was criticized by a number of experts, though, highlighting the lack of social targets or the chances of abuse. In several cases new-build dwellings were of poor quality, and abuses were not scarce either. Besides, the system aggravated the regional concentration of poverty. The related experiences challenged the efficacy of ownership-oriented housing subsidies (Hegedűs, 2011). The subsidy was revoked by the Bajnai government in 2009, and from that time on there was no other support available that could encourage the buying or construction of new flats.

In recognition of the importance of housing plans, the implementation of which is critical even in connection with family-planning and childbearing, in 2012 as an initial step to revive the home ownership system, housing promotion (LET) was introduced. The non-reimbursable benefit's conditions, however, differed from that of "szocpol".⁵ Practically it was a non-reimbursable subsidy for families with at least two children or for families that were planning to have two children. The grant, which was subject to the number of children, could be requested for new properties with high energy efficiency (at least type B) within a range of HUF 800 thousand to HUF 2.5 million. As a prerequisite, one of the spouses/partners had to have a social insurance period of a minimum of 180 days, making the subsidy mostly address those at work. The related demand, however, was much lower than expected. In a period of three and a half years only a total of 2,192 contracts were signed, which called for the subsidy's reconsideration and the extension of its eligibility conditions.

As of 01 July 2015 housing promotion was replaced by family housing allowance (CSOK), which was available for buying a second-hand property or any extension and enlargement, even if the couple had only one child

⁴ Eurostat Housing cost overburden rate by tenure status – EU-SILC survey
<http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

⁵ Government Decision 256/2011 (XII. 6.) on the housing construction allowance
<http://www.kozlonyok.hu/nkonline/MKPDF/hiteles/MK11145.pdf>

as opposed to the former requirement of two children. What is more, the allowance could be requested by couples without children, provided that both partners were married and under the age of 40, and they undertook to have one child within the next four years, or two in eight years. If they chose to buy a new-build flat, then they had to agree to have three children in a time interval of ten years.⁶ Another advantageous benefit of the allowance was its availability for smaller properties. For example, in the case of one child, the subsidy could be claimed for flats with a floorspace of 40 m² as opposed to the former requirement of 60 m². The end of 2015 saw the Government make decisions on comprehensive changes, which resulted in a number of extensions in 2016 as far as the construction is concerned.⁷ The amount of CSOK was raised. There was a rise in each item, but the most remarkable one could be observed in the case of families with three or more children, who were now entitled to a State aid of HUF 10 million, provided that the allowance would be used for the buying or construction of new build properties. The limitation on property purchase prices was also streamlined – now it could not exceed HUF 35 million in any category. Comfort criteria became simpler, the earlier restrictions on property ownership got lighter. Regarding the pre-assumption to have children, now only one member (of the couple) is required to be under 40 years of age. However, if the couple decides to request the disbursement of family housing allowance to an amount of HUF 10 million, the requirements are two-fold. It is not only that the property they choose to purchase or construct shall be newly built, but one of its members must have an uninterrupted insurance period of 2 years. As a supplement, they may also take out a loan, with interest rate subsidies for large families.

Figure 5/26 – THE SCALE AND SCOPE OF HOUSING PROMOTION (LÉT)

	SIZE OF THE FLAT	AMOUNT OF THE GRANT*
2 children	60-75 m ²	HUF 800,000
	75-90 m ²	HUF 1,000,000
	above 90 m ²	HUF 1,300,000
3 children	70-85 m ²	HUF 1,200,000
	85-100 m ²	HUF 1,500,000
	above 100 m ²	HUF 2,000,000
4 or more children	80-95 m ²	HUF 1,600,000
	95-110 m ²	HUF 2,000,000
	above 110 m ²	HUF 2,500,000

- * The sum of the grant shall be established by multiplying it
- a) by 1.1 in the case of dwellings with energetic standard A (energy efficient),
 - b) by 1.2 in the case of dwellings with energetic standard A+ (highly energy efficient),
 - c) by 1.3 in the case of dwellings with low energy consumption.

⁶ About the amendment of certain government decrees in connection with family housing allowances, 18 December 2014, www.kozlonyok.hu/nkonline/MKPDF/hiteles/MK14179.pdf

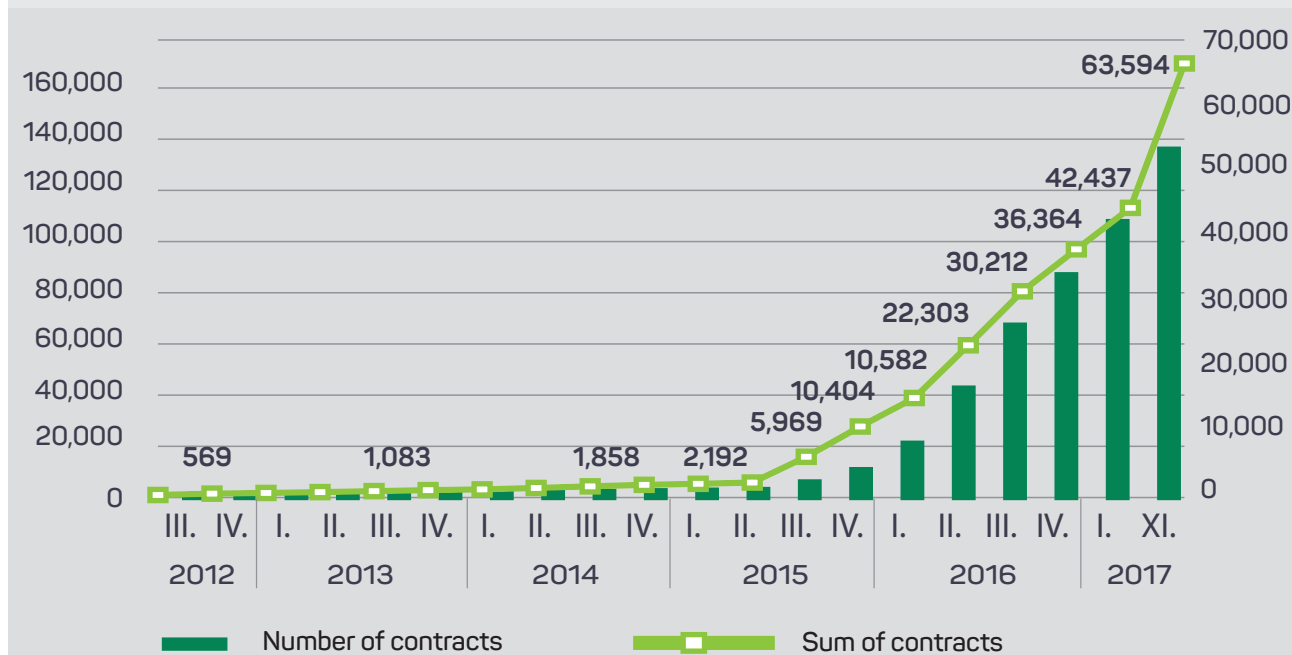
⁷ Government Decree 16/2016 (II. 10.) on housing-purpose subsidies for the construction and purchase of new homes, Government Decree 17/2016 (II. 10.) on the family housing allowance for the purchase or enlargement of second-hand properties

Figure 5/27 – THE MAJOR CONDITIONS OF FAMILY HOUSING ALLOWANCE (CSOK)

NUMBER OF DEPENDANT CHILDREN	BUILDING/PURCHASE OF A NEW HOME		PURCHASE/ENLARGEMENT OF A SECOND-HAND PROPERTY	
	MINIMUM USEFUL FLOORSPACE OF THE DWELLING (FLAT/FAMILY HOUSE)	THE AMOUNT OF THE SUBSIDY	MINIMUM USEFUL FLOORSPACE OF THE DWELLING	THE AMOUNT OF THE SUBSIDY
1	40/70 m ²	HUF 800,000	40 m ²	HUF 600,000
2	50/80 m ²	HUF 2,600,000	50 m ²	HUF 1,430,000
3 4+	60/90 m ²	HUF 10,000,000	60 m ²	HUF 2,200,000
			70 m ²	HUF 2,750,000

Source: NGM

Figure 5/28 – HOUSING SUBSIDY CLAIMS BETWEEN 2012 AND 2017

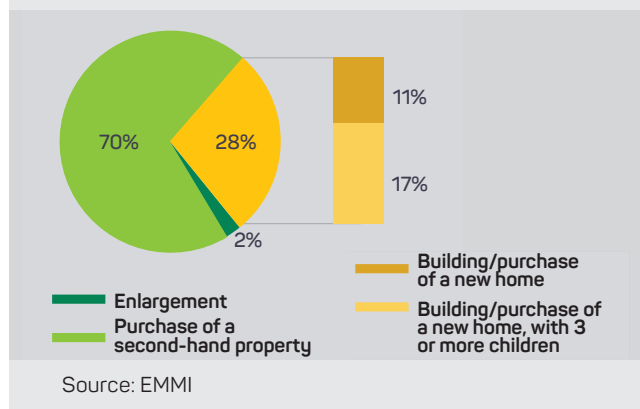


Source: EMMI

In 2016 as many as 26 thousand families took advantage of the allowance under the new conditions, to a total amount of around HUF 76 billion. This averaged HUF 2.9 million per family, which was an almost three-fold growth as compared to 2015. Between January and November 2017 the subsidy was taken up by 27 thousand families. Its overall sum of HUF 90 billion meant a financial support of HUF 3.3 million for every family. Basically, since its launch in July 2015, in the past two and a half years, about 64 thousand families requested CSOK to an amount of HUF 177 billion altogether.

More than one-fourth of the claimants (28%) required the subsidy for the purchase of a new-build property, while two-thirds (70%) planned to buy a second-hand one. The remaining 2% submitted applications for enlargement. Based on the number of children, one-fifth of the claimants (18%, i.e. 11 thousand families) made use of the subsidy after one single child. Almost half of them (48%, i.e. 31 thousand households) had two children, whereas 22 thousand families (34%) were raising three or more children at the time of their application. Accordingly, CSOK contributed to the housing of around 64 thousand families during a period of two and a half years. This means that about 140 thousand children (on average 2.2 children per household) could enjoy its benefits, which overall estimates a total of 260 thousand people (including parents).

Figure 5/29 – THE NUMBER OF CSOK SUBMISSIONS ACCEPTED BETWEEN 01 JULY 2015 AND 30 NOVEMBER 2017



Families with one single child were disbursed 3% (HUF 5 billion) of the total sum, while those with two children received 25% thereof, to an amount of HUF 44 billion. Large families claimed for HUF 129 billion altogether, which constituted 73% of the full amount. In 32% families took out the subsidy for planned children, while 68% of them submitted their claim after the actual number of their children. The assessment of the programme effects, however, requires further examination. Effects may be felt in two areas, necessitating the mapping of demographic and economic impacts alike.

As for demographic influences, CSOK (just like other family policy-related measures) may be beneficial for the children of couples with a stable income. And it is particularly favourable for those who had planned but delayed having more children. These entities may advance their related decisions in order to be able to take advantage of the subsidy, or in some cases, they may as well decide to have a third child, which they had not planned before. (Korfa 2016) The present volume of claims supports the assumption that the subsidy is mainly (68%) taken up after existing children. Yet, to a smaller extent, the intention to have another child also has some effect. In 2016 the claimants applying for CSOK planned to have approximately 11-12 thousand children altogether, intending to give birth to 1.4 children on average. The highest intention level to have another child (33%) could be perceived with claimants who already had (not more than) two children and needed the subsidy for a new property. On the other hand, claimant families with three children (24%) showed the lowest willingness to have another child.

The comprehensive economic impact of the measure is worth a study as well. It could already be seen in the short period subsequent to the measure's start-up phase that the favourable tendencies observed on the property market in the past two years may also be attributed to the introduction of CSOK. Building permits in 2016 outnumbered the previous year's figure by more than

150%. The number of newly built flats also grew by one-third (31%), and the increase was typical of property transactions too (9% plus). As compared to the previous year, 26% more RRE (residential property) loans were disbursed in 2016, peaking at HUF 456 billion, which implies an increase of HUF 94 billion. And neither was the situation different with loan agreements: 10 thousand (+13%) were signed, totalling a number of 85 thousand contracts. In Q1-3 2017, as many as 28,411 building

permits and simplified notifications were issued, which is 33% more than in the same period in 2016. It is noteworthy that only in Budapest the growth was more than two-fold. Still in the same period 7,981 new flats were built, which is 52% more than in the previous year. Almost half (49%) of the new turn-key properties were family houses, while another 42% of them constituted flats in multi-dwelling apartment buildings.

Figure 5/30 – MAJOR INDICATORS IN THE HOUSING INDUSTRY, 2010-2016

	NUMBER OF HOUSING MARKET TRANSACTIONS	NUMBER OF ISSUED BUILDING PERMITS	NUMBER OF FLATS BUILT
2010	90,271	17,353	20,823
2011	87,730	12,488	12,655
2012	85,957	10,600	10,560
2013	88,713	7,536	7,293
2014	113,789	9,633	8,358
2015	134,101	12,515	7,612
2016	146,302	31,559	9,994

Source: KSH (CSO) http://www.ksh.hu/thm/2/indi2_7_3.html

Loans for families with interest rate subsidies

As a supplement to CSOK, which equals HUF 10 million for the purchase of a new flat after 3 children, the loan for large families with interest rate subsidies was available again from 2016. The loan, the interest rate of which stands at a reduced and fixed 3%, is accessible for solvent claimants. The upper threshold for the loan is HUF 10 million, with a duration of 25 years. Between January 2016 and November 2017 it was 9 thousand families that took advantage of the support to a total amount of HUF 78 billion, averaging HUF 8.9 million per claimant. Thus, the majority (81%) of the families who had

three or more children and submitted their application for CSOK to an amount of HUF 10 million, received a financial support of HUF 18 million on average, which is non-reimbursable and takes the form of a loan with interest rate subsidies. Loans with interest rate subsidies may be disbursed together with CSOK, meaning that their later effects cannot be assessed independently.

VAT rebates and VAT reduction

As of 01 January 2016 VAT rebates are available, up to HUF 5 million, for the construction of a new property from own resources or through the cooperation of several

companies, and for the purchase of a building plot based on the construction costs. VAT rebates were claimed by 8 thousand families, to an amount of HUF 37 billion, until the end of November 2017, which was the equivalent of HUF 4.5 million per family. Still from the beginning of 2016, the VAT rate for newly built flats decreased from 27% to 5%, provided that they were constructed by a general contractor or a new properties was purchased. This means that the VAT rate, which used to be the highest across the EU, now has shrunk to some of the lowest. Although these measures fail to concentrate on a specific target group (e.g. childbearing is not a prerequisite), their impact will be most probably felt in the expansion of the new-build housing market.

Construction procedures and rules were also streamlined in 2016. Accordingly, residential buildings with a total useful floorspace of a maximum 300 square metres only require the submission of a simplified notification to start the construction work, basically avoiding the authorization procedure by the building authority. As a main rule, these buildings do not require compliance with the Local Building Regulations (HÉSZ). In response to the measure, the construction-related administrative costs are expected to start decreasing, which, however, might entail the weaker enforcement of a number of warranties with technical, building and urban-planning requirements.

Overall, a new, more efficient housing support scheme has been built on the ruins of the system destroyed by the former government. During the period 2010-2016, it made housing conditions better for almost 64 thousand families, providing them with a total of HUF 292 billion in a time-lapse of two and a half years, in the meantime reviving the property market. Yet, the relevant regulations might need reconsideration in the future in order to make them more effective.

5.1.5. MEASURES TO ALLEVIATE THE DIFFICULTIES OF LARGE AND SINGLE-PARENT FAMILIES, ALONG WITH TACKLING THEIR SIGNIFICANT EXPOSURE TO POVERTY RISK

Poverty risk among vulnerable families

Childbearing and parenthood, unfortunately, are still factors that might increase the poverty risk for certain families.

As a matter of fact, large and single-parent families are more exposed to it. While the number of dependants per hundred families is (naturally) increasing, there is a growing number of inactive wage-earners, which might be owing to the burden of childcare responsibilities. At the same time, there are fewer and fewer people employed, even though this should not in the least be logical. Assumptions may be made that childbearing may considerably raise the risk of poverty, especially in the case of single-parent families. In 2010, concerning household types, single-parent families and those with 3 or more children were faced with the gravest situation – their risk of poverty was 2.28 or 2.26 times higher than the national average. To make things worse, this rate became more miserable between 2003 and 2010, when in the case of single parents it grew from 15.6% to 28.1%. For large families, the figures changed from 23.3% to 27.8%. All in all, families with children had a gloomy period. The income poverty rate shot to 16.6% from the earlier 13.8%, meanwhile a smaller-scale decrease could be observed in the case of childless families (with a drop from 8.8% to 7.0%). Yet, in a society committed to supporting childbearing and parenthood, there is no place for concerns and worries about families thrown into poverty. To this end, the current Government has made a number of measures to significantly reduce the poverty rate, especially within the group of particularly vulnerable families.

Measures to improve the situation of large families

As per the latest Microcensus data for 2016, currently the number of families with three or more children stands at 211 thousand, which means that 12.3% of the 1.716 million families that have children are large families. (Out of this, households with children under 15 come to 95 thousand, and this equals 10.8% of the 882 thousand families in this category.) At present there are around 700 thousand children living in large families, with 300 thousand children being under the age of 15. Actually, there has been no substantial change in the number of children who are under 15 and live in a large family, and in the proportion they represent in the total number of children of this age. Their ratio of 22% has practically stagnated relative to 2011.

In 2016 large family households came to 7 thousand less (3.3% minus) than in 2011. Pursuant to census data, the

number of families with three children fell by 2 thousand (-1.6%), while this figure was 5 thousand (-9.6%) for families raising four or more children. Nonetheless, given the fact that the pace of the decline was similar in all the households that had children, the proportion large family households were represented in remained the same as in 2011.

Yet, it should not be ignored that, during the period 2010-2016, it was the number of third or fourth-born children that showed the highest level of growth (5.8%), being almost double the average (3.0%). What is more, it even exceeded the growth rate measured in the number of first-born and second-born children, which reached 2.1% and 2.6% respectively. The ratio of those exposed to poverty risk or social exclusion is higher among two-parent families with three or more children (36.1% in 2016), than in the case of families with one child



(25%), two children (19.6%) or in general in the case of families with children (28.1%) or families without children (23.1%)⁸. Compared to the ratio of 50% recorded in 2010, this is a major improvement, even if the most dynamic decrease took place in the case of large families.

Among large families, the ratio of relative income poverty⁹ was 14.2% in 2016, i.e. every seventh family of this kind lived under 60% of the median income. Nonetheless, this figure also showed significant improvement from the 35.4% in 2010.

Figure 5/31 – CHANGES IN LIVE-BIRTHS COMPARED TO THE PREVIOUS YEAR, IN THE ORDER OF LIVE-BIRTHS (2011-2016)

YEAR	1 CHILD	2 CHILDREN	3 CHILDREN	4+ CHILDREN	TOTAL
2011	-1,945	-629	383	-336	-2,286
2012	820	670	636	-95	2,220
2013	-477	-977	-187	94	-1,580
2014	1,160	887	646	61	2,821
2015	368	199	-71	128	180
2016	979	625	118	-349	1,373
2011-2016	906	775	1,525	-527	2,728
AVERAGE/YEAR	151	129	254	-88	455

Source: Hungarian Central Statistical Office, Demographic Yearbook, 2015

In 2016, the ratio of relative income poverty was 16.2% for households with one child, 12.2% for households with two children, and for families with children in general, it was 14.1%. The latter figure was lower than the 14.8% measured in the case of couples without children, and represented a drop by 4.7 percentage points compared to 2010. It has to be pointed out that, between

2010 and 2016, the ratio of people affected by income poverty reduced most among families with three or more children, while during the period of 2005-2010, it was just the opposite – there was a rise in the poverty rate in their case¹⁰. The family households' disadvantaged situation with respect to their income was gradually improving due to family-friendly taxation. While

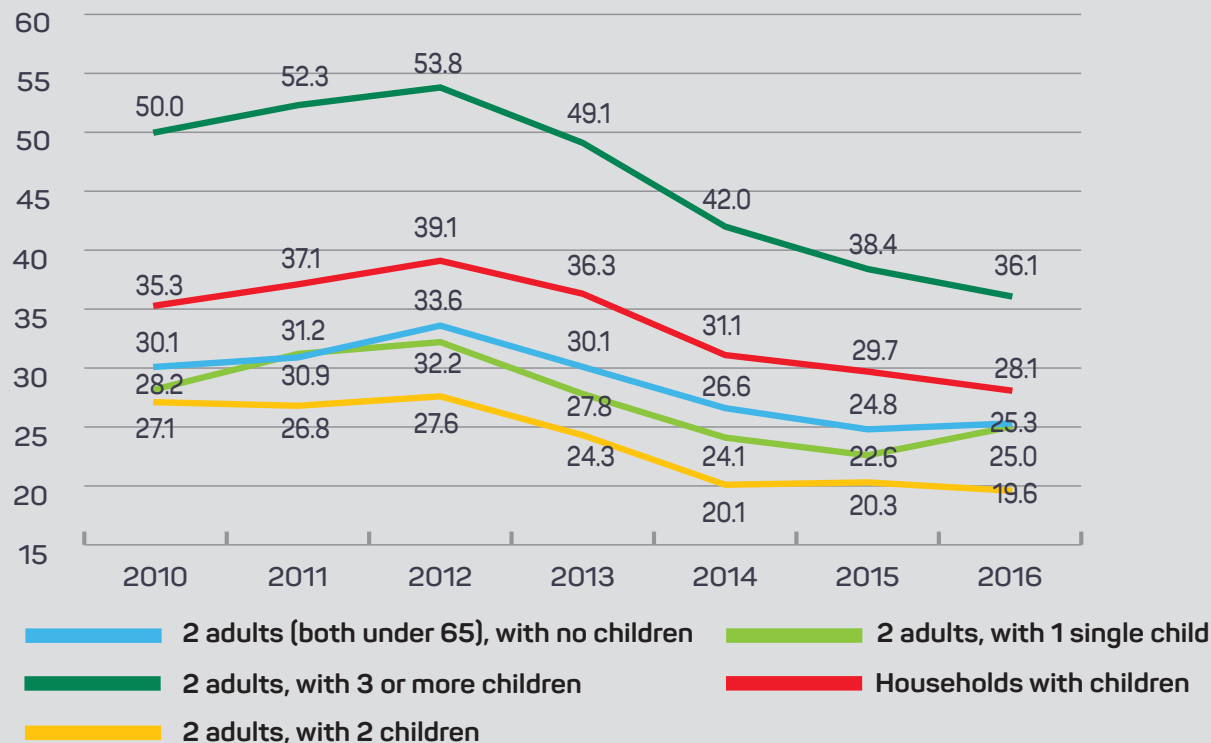
⁸ Source: *Standards of living in households, 2015 KSH, Budapest 2016.*

<http://www.ksh.hu/docs/hun/xftp/idoszaki/hazteletszin/hazteletszin15.pdf>

⁹ The category of the relative income poor consists of people living in a household where the household's income does not reach 60% of the median equivalent income (i.e. the relative poverty threshold). Source: *Relative income poverty and social exclusion (Laeken Indicators), 2012 KSH, Budapest 2016.* <http://www.ksh.hu/docs/hun/xftp/idoszaki/laekindikator/laekindikator12.pdf>

¹⁰ Source: *Indicators for the international comparison of social exclusion, 2010 KSH, Budapest 2013.* <http://www.ksh.hu/docs/hun/xftp/idoszaki/laekindikator/laekindikator10.pdf>

Figure 5/32 – THE RATIO OF THOSE EXPOSED TO POVERTY OR SOCIAL EXCLUSION PER HOUSEHOLD TYPE, BASED ON THE NUMBER OF CHILDREN, 2010-2016 (%)



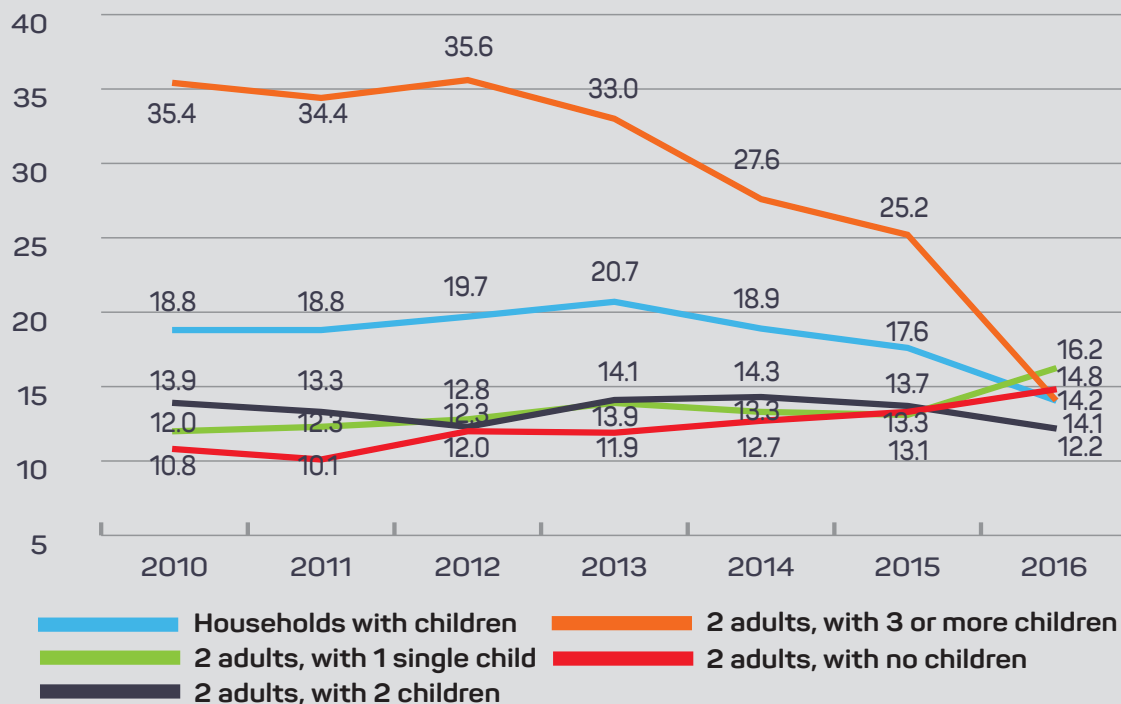
Source: KSH (CSO)

their net income per person was only 60% of that of people without children in 2010, this ratio increased to 64% by 2016, reaching HUF 939 thousand. This may be attributed to the fact that in a period of six years, their income increased by 28.6%, i.e. one and a half times more than the income of those without children. And this equals an increase of HUF 209 thousand per family member. The highest increase, 41% was achieved in the per capita income of large families, while the income of people with two children rose by 30% only. The income of people with one child showed a growth of 27%.

raising three or more children. Accordingly, the family support scheme helps and supports parents in large families with several elements. Generally speaking, measures that have been made to enhance childbearing also endorse large families. Yet, it is important to check the points where they are particularly in favour of the latter's interests. This is because, parents raising three or more children are privileged both in terms of already existing and newly introduced government measures that are still under preparation. The next section will discuss these "privileges" – one by one.

From 2010 onwards the Government has taken it as a priority to provide assistance to families that have or are

Figure 5/33 – THE RELATIVE INCOME POOR AND THEIR RATIO PER HOUSEHOLD TYPE, BASED ON THE NUMBER OF CHILDREN (2010-2016) (%)



Source: KSH (CSO)

LARGE FAMILY-ORIENTED COMPONENTS

The reduction of the debts accumulated by families with mortgage loans. Families that have two or more children, or those that are planning to have a third child, may reduce their mortgage loans by HUF 1 million, starting from 2018. As a result, the credit debts accrued by a total of almost 250 thousand families (with two or more children) may be reduced, on average, by one-fifth per child.

Family benefit

The family tax allowance, launched in 2011, makes it possible to reduce the tax payable by HUF 10 thousand after one child and by HUF 15 thousand after two infants, on a monthly basis. From 2018 onwards, this amount is

HUF 17,500 for families with two children, and HUF 33 thousand after three or more children. This means that large families get proportionally higher subsidies, since the related benefit is almost twice as much as that in the case of families raising two children, and two and a half times exceeds the amount that families with one single child may claim. The monthly net income for a family with two children may be raised by an additional HUF 64 thousand after the third infant is born, and all this due to the family benefit. In 2015 it was as many as 1 million families (mostly raising minors) that could take advantage of the allowance to an amount of HUF 240 billion altogether. From this, HUF 107.5 billion was disbursed to families with three or more children. In this sense, they were granted 45% of the total amount, which is three times more than their headcount ratio. As mentioned earlier, the benefit also contributed to the 120 thousand large

families' exemption from personal income tax payment, which makes up around 85% of the 142 thousand families that have three or more children. It should again be emphasized that the introduction of the family benefit led to some increase in the income of large families. During the period 2010-2016, it was their category where income levels showed the highest growth rate among families raising children: in net terms it rose by two-thirds, while in real terms it grew one and a half times higher.

Family allowance

The extra support provided to large families is again mirrored in the amount of family allowances. In the case of three or more children, a two-parent family may be granted HUF 16 thousand per child (in the case of single parents HUF 17 thousand), which is almost two-thirds higher than the amount disbursed to families with one single child, and one-fifth higher than the sum that families raising two children receive after one child. Around 160 thousand large families may enjoy the benefits of the family allowance.

Child-raising support

Parents in large families may also be granted another subsidy, which in its amount equals the childcare allowance available to parents until the child's third birthday. The child-raising support (GYET), as opposed to GYES, may be granted to beneficiaries after the termination of the former for an additional 5 years, until the child has reached the age of 8. The financial support, the monthly amount of which is HUF 28,500, is provided to around 33 thousand families.

Catering services for children

Parents in large families again may benefit from special allowances in institutional catering services – in

day-nurseries, kindergartens and schools alike. Irrespective of their income, their children may get catering services in crèches and kindergartens free of charge, while in schools they would have to pay only half the applicable fee. From September 2015 on the Government has enabled children attending day-nurseries or kindergartens to get free hot meals, in replacement of their previous provision for a 50% charge. Accordingly, around half of the 1 million children attending either crèche, kindergarten or school, namely 467 thousand children may eat in the canteen for free, while the ratio of such beneficiaries was one-third this volume in 2010. The Government has been allocating a steadily increasing number of resources to institutional catering services, and it did so in 2018 as well. Related expenditures have grown to two and a half times the amount in 2010, whereas the figures of 2017 will be exceeded by 8% this year.

Institutional reimbursement fees

There are several subsidies provided to large families in the day-nursery. They are not obliged to pay a childcare fee (in institutions where it has been actually introduced), and as of 2017 infants of families with three or four children may be in a privileged situation during the nursery admissions process. The civic government pays special attention to the maintenance of these allowances.

Textbook provision

Textbooks are free of charge for children in large families. The benefit of this move is not in the least deprived of its value even if, from September 2017 on, primary school pupils and pupils in the first year in secondary school (that is, 85% of all school-goers) are provided their course-books at no cost. In this context, though, the allowance is specifically targeted at those pupils in the three senior years in secondary school, who come from families with three or more children.



Public utility charges

Apart from the considerable reduction in the families' energy and public utility charges, which is attributable to the recent years' utility price cuts, families with three or more children may also be granted special discounts in the gas charge as of 2011, since in their case the consumption level is, many times, higher. Within the framework of this, they are entitled to 150% of the annual gas consumption limit, which is an underlying factor in the establishment of the preferential residential tariff. What is more, starting from the birth of the fourth child, the accountable preferential energy consumption limit is raised by 25-25% for them after each newborn infant.

Erzsébet Programme

Relaxation and recreation are vital for each age-group – physically, mentally and spiritually. Their costs, however, are less affordable for some, especially in large and single-parent families. And in this category there is a particularly high number of children who are deprived of appropriate holiday opportunities due to family budget constraints. They are helped by the Erzsébet Programme, under which single-parent and large families may submit their claim for discount-price recreation

opportunities, provided that the income per capita in the family does not exceed the actual minimum wage. With the depositing of some minimum own resources, families are eligible for the allowance under the following conditions: until the child's third birthday related services are free of charge, between 3-14 years of age an amount of HUF 2,500 shall be deducted, whereas for children above 14 this sum equals HUF 5 thousand.

Housing

Families with three or more children are granted special assistance in the housing scheme as well, with particular focus on those building or purchasing a new flat. In the latter case beneficiaries are entitled to a non-reimbursable subsidy of HUF 10 million (family housing allowance, CSOK), which is almost 17 times the amount families can receive after one single child, and four times the sum after two children. Besides this, beneficiaries may take out a loan of HUF 10 million, for a duration period of 25 years, with a maximum interest rate of 3%. Through CSOK, within the past two and a half years since its introduction, 22 thousand large family households got financial support for their housing plans in an amount of HUF 129 billion altogether. This means that large families, making up more than

one-third of the 64 thousand claimants, were granted nearly three-quarters (73%) of the HUF 170 billion allocated for the cause. In addition, the launch of housing-oriented loans with interest rate subsidies, from 2016 onwards, enabled families that have or are planning to have three or more children to be granted an interest rate subsidy for not more than HUF 10 million. The latter financial support is provided to the beneficiaries for a duration period of 25 years, with a maximum interest of 3% payable under the loan, provided that the loan is taken out for building or buying a new flat. Between 01 January 2016 and 31 November 2017 it was 9 thousand families that took advantage of the support in a total amount of HUF 78 billion, averaging HUF 8.9 million per claimant.

Overall, around HUF 207 billion has been granted to large families in the form of housing subsidies, which means that a family with three or more children, on average, received HUF 9.5 million as reimbursable or non-reimbursable financial support. The majority of large families building or purchasing a new property was granted an average of HUF 18 million in the form of non-reimbursable subsidy or loan with interest rate subsidies.

Student Loan

The Student Loan subsidy, announced in the summer of 2017, also provides special assistance to large families. As of 01 January 2018 every mother who is expecting a child and has accumulated some student loan debt may suspend the repayment thereof, from the first three months of her pregnancy. At the birth of the second child, half of the remaining debt shall be written off, whereas in the case of a third child or even more children, this will be applicable to the total amount. The measure may be applicable to 18 thousand parents who are raising children and still have student loan debt. And again it is large families or couples planning to have a third child (or even more children) that benefit the most, since their debt gets 100% written off.

All in all, it may be established that, as a result of the measures introduced and expanded after 2010, the lagging behind observed in the financial status of families with three or more children has remarkably shrunk as compared to other family types. In fact, the number of large families exposed to poverty or social exclusion has got considerably smaller.

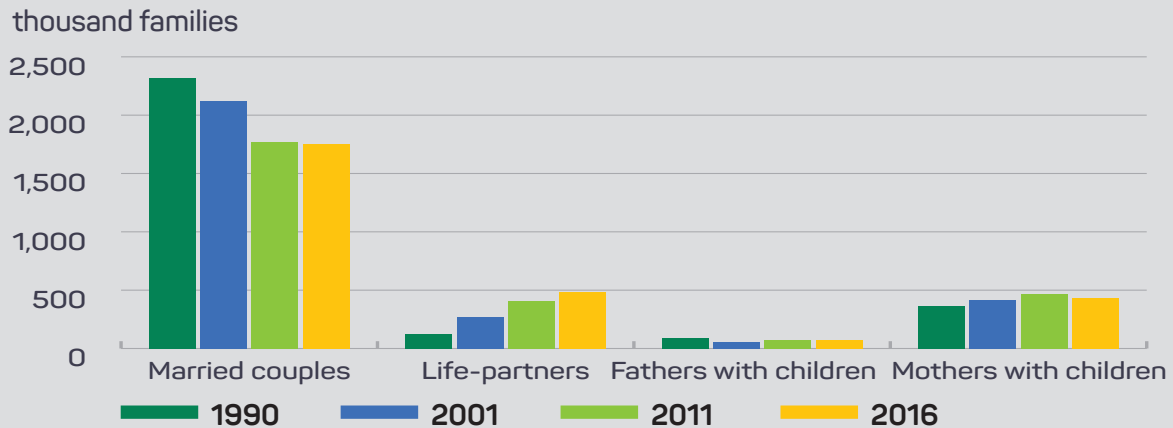
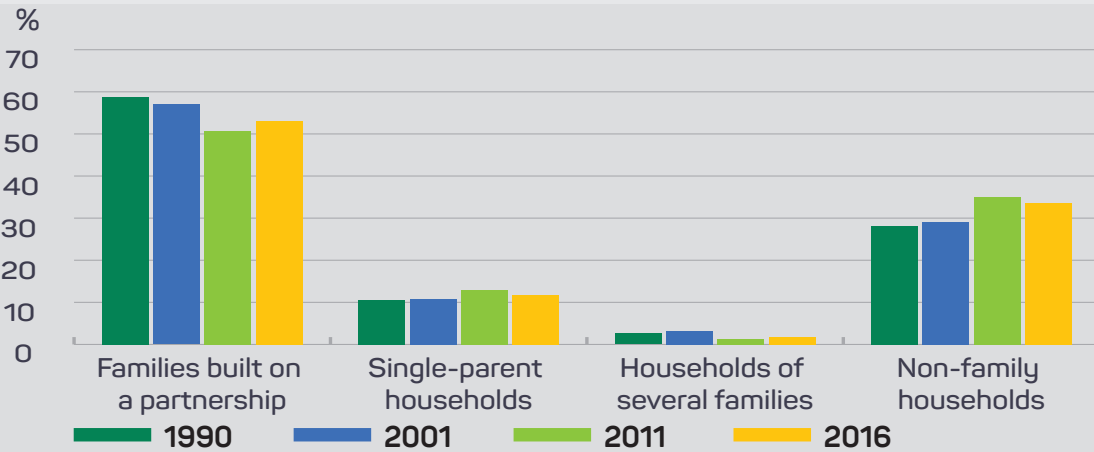
MEASURES TO IMPROVE THE SITUATION OF SINGLE-PARENT FAMILIES

Single-parent families may be formed in two ways. They may come into existence through the dissolution of the nuclear family (e.g. divorce, death of a spouse, or separation and moving away in the case of partnerships) or through birth out of wedlock. Family ties may be terminated through divorce, the passing away of a spouse, or separation and moving away in the case of partnerships.

Based on census data and the Microcensus findings, families in Hungary came to HUF 2,743 thousand in 2016. 66% of the families (i.e. 4 million 21 thousand households) consisted of parents living in a relationship or raising their children alone, while another one-third of the households mostly comprised single people. As many as 2 million 240 thousand families (82%) were built on a partnership. Most couples (78%) were married, yet partnerships were getting more and more popular, with their number exceeding 483 thousand.

Single-parent families also rated rather high, standing at 18%, even though their number and proportion were both diminishing. In 2016, it was 503 thousand families where children were living together with their single parents, while this number was as high as 537 thousand in 2011. As regards their ratio in family households, it fell from 20% in 2011 to 18% in 2016, and neither was a reverse trend observed in connection with families with children – there the proportion dropped to 29% from the previous 30%. While there was no change in the number of fathers raising their children alone, the number of women in a similar situation decreased by 7.3% smaller.

Figures 5/34-35 – THE NUMBER AND RATIO OF FAMILIES BASED ON THE NUMBER OF PARENTS AND THE COHABITATION FORMS, 1990-2016



Source: KSH (CSO)

In the category of single-parent families, 269,611 single parents received family allowance, as the data for 01 November 2016 suggest. These parents were raising a total of 404,150 children at the time – to be more exact, two-thirds of them had one child, a quarter of them had two, and almost one-tenth three or more children.

Figure 5/36 – THE DISTRIBUTION OF SINGLE-PARENT FAMILIES BASED ON THE NUMBER OF CHILDREN, 2016

Number of children	Number of families	Distribution, %
1 child	178,526	66.2%
2 children	66,416	24.6%
3 children	17,699	6.6%
Parent of 4 or more children	6,970	2.6%
Total	269,611	100.0%

Source: ONYF

In 2016, as many as 220 thousand children under the age of 15 were growing up in a single-parent family, which was 16% (+41,000) higher than in 2011. Nonetheless, their ratio in the category (children under 15) fell from 18% to 16%. Considering the time trend, there is a rising trend for children to live together with their mother. 85.5% of the children in single-parent families were living together with their mother in 1990, while this rate changed to 89.7% and 91.7% by 2001 and 2011 respectively. Fathers raising their children alone constitute only a relatively small proportion of single-parent families: in Hungary their number reached 15-20% in

the 1990s against the 9-17% in European countries. Their group, however, deserves special attention for two reasons. On the one hand, with the approximation of the maternal and paternal roles, their share is expected to rise in the category of single-parent families. On the other hand, the situation of fathers raising their children alone differs from that of women in a similar role. They generally have higher qualifications and a better financial status. Moreover, it is mostly the elder children, and especially boys, who get to live with the father.

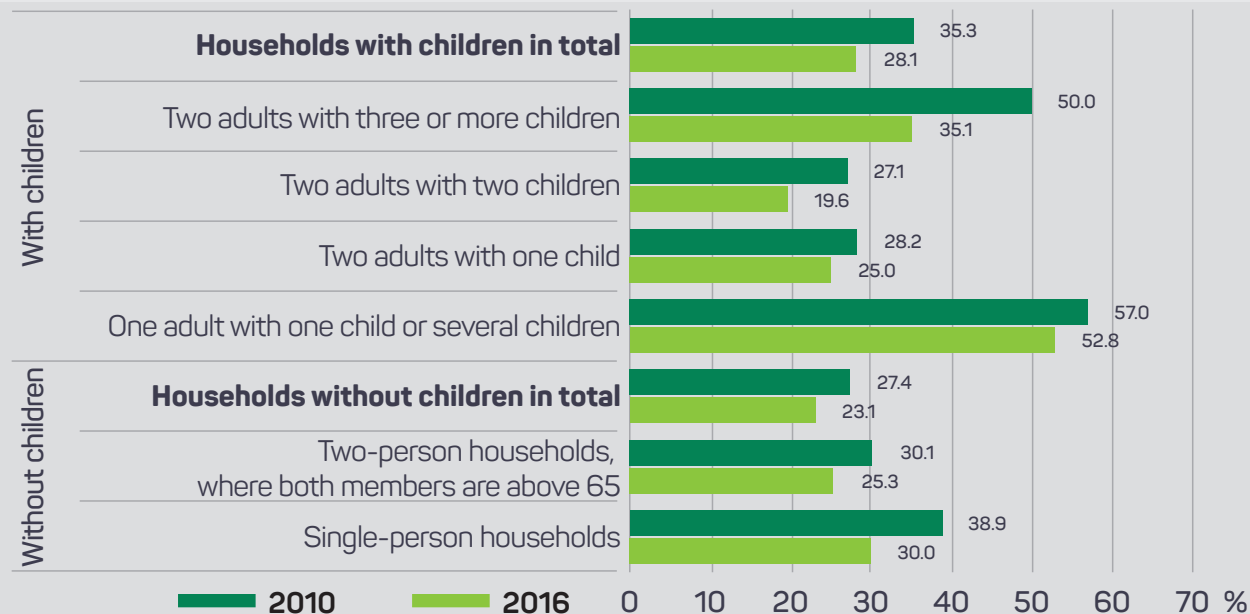
Societal features of single-parent families – the risk of poverty

In OECD countries the number and ratio of single-parent families is steadily increasing. There are more and more children growing up in such structures for a shorter or longer time. Yet, these families have an extremely high risk of poverty, which adversely affects the children's future well-being.

Households with children still have a higher risk of poverty and social exclusion. The rate of those concerned stood at 28.1% in 2016, while this figure was 25.3% in the case of families without children, which still implied a somewhat positive trend compared to the rates of 35.3% and 30.1% in 2010. It is still single-parent families that are hit by the highest poverty risk. Its rate of 52.8%, however, showed some decline in 2016 against the 57.4% measured in 2010, which is very positive.

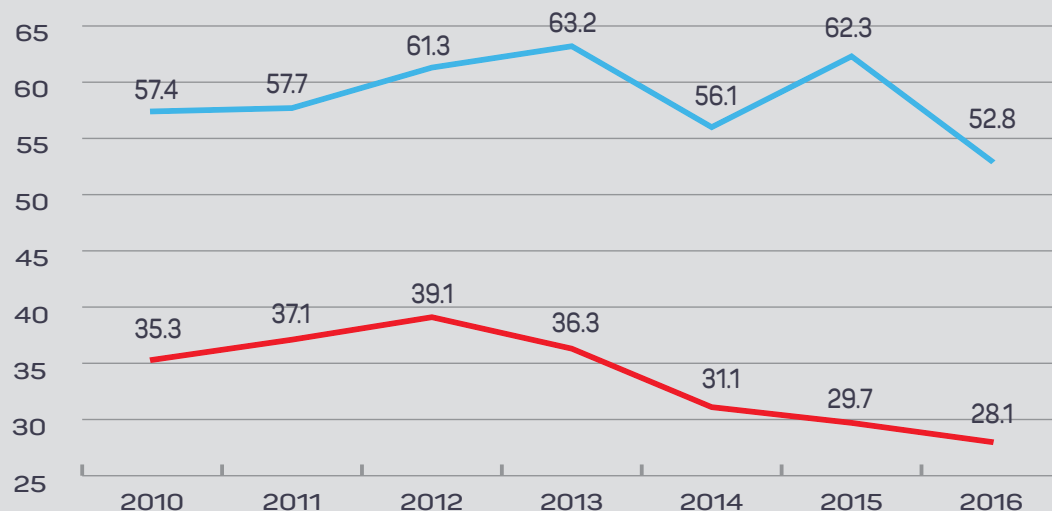


Figure 5/37 – THE RATE OF THOSE EXPOSED TO POVERTY OR SOCIAL EXCLUSION, PER HOUSEHOLD TYPE – 2010-2016 (%)



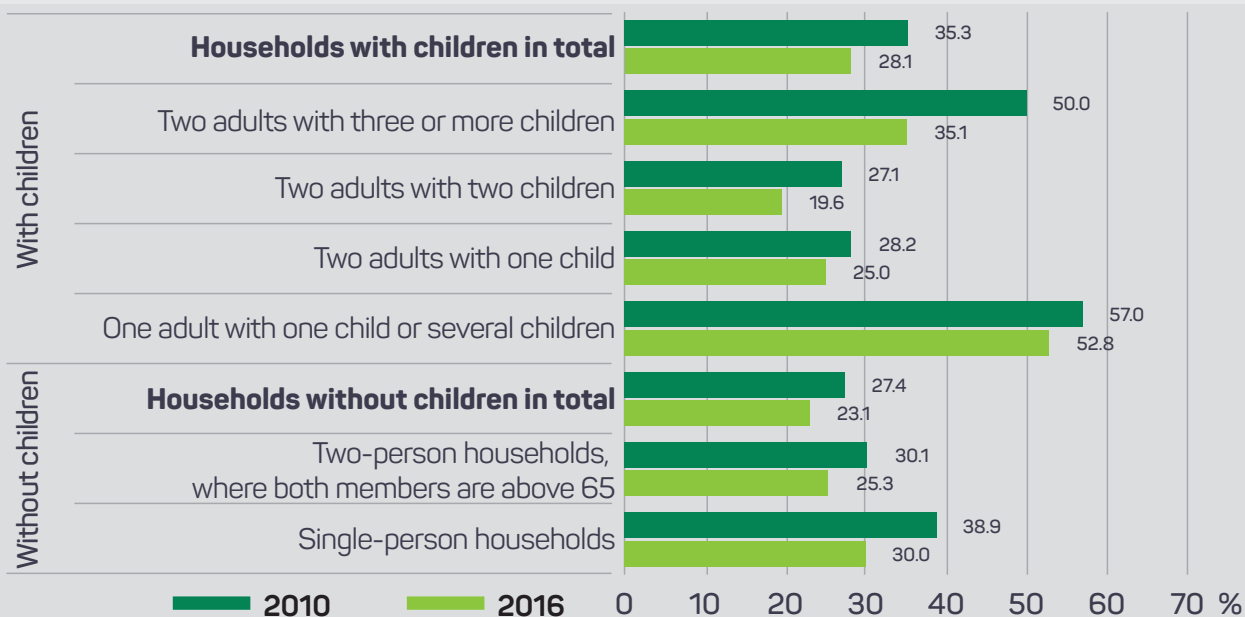
Source: KSH (CSO)

Figure 5/38 – CHANGES IN THE RATE OF THOSE EXPOSED TO POVERTY OR SOCIAL EXCLUSION, PER HOUSEHOLD TYPE – 2010-2016 (%)



Source: KSH (CSO)

Figure 5/39 – THE ANNUAL NET INCOME PER CAPITA IN HOUSEHOLDS WITH OR WITHOUT CHILDREN (THOUSAND HUF)



Source: KSH (CSO)

Although most social groups experienced some improvement in their situation in 2016, or at least a kind of stagnation was observed in their status compared to 2010, still 31.2% of single-parent families lived below the poverty line, which is twice the cumulated ratio of families with children (14.1%). And the figure did not get any better in comparison with 2010 either. 2.3% of all family households live in multiple poverty (i.e. their income falls below the poverty line, and are exposed to financial deprivation and low work-intensity), whereas this figure is 6.5% in the case of single-parent families.

As for single parents, though, it is positive that the number of economically active people is on the rise. In 2011 it was 62% of them who belonged to this category, which was boosted to 84% by 2016. At the same time, in families with children where the underlying structure of the ties was built on a relationship, 81% of the family-heads were economically active, while this figure reached only 66% in the case of life-partners or spouses.

Measures in support of single-parent families

On an international level single-parent household-targeted policies may be divided into two categories.

1. The first type comprises policies that enhance the coordination of work and privacy (e.g. maternal and parental leave, day-time childcare or early childhood development), and intend to prevent the impoverishment of the affected families by means of employment, especially through jobs for women.
2. Family benefits fall into the second type (e.g. cash benefits, tax allowances), which reduce childrearing costs, effectively mitigate child poverty, yet in parallel with this, demotivate female employment.

As for the impacts of the grants it may be concluded that paid parental leave is more efficient in minimizing the exposure to poverty in single-parent families than

in their two-parent counterparts. They perform better in matching career with childcare duties. And this also holds for family benefits: they are more effective in reducing poverty among single-parent families than in two-parent ones.

The Hungarian family support scheme, even today, intends to alleviate the disadvantages that single parents have to face with a number of its components.

- The family allowance has got, on a monthly basis, HUF 1,500 thousand for single parents raising one child, HUF 3 thousand more after two or three children, while this increment was HUF 4 thousand and HUF 5 thousand in the case of four or five children respectively.
- What is more, the per capita income level, which is an underlying factor in the entitlement to regular child protection benefits, has become more favourable, standing 10 percentage points above the 135% equivalent of the monthly minimum of the old-age pension. The regular child protection benefits (RGYK) shall take the form of free day-nursery care services, free meals in the crèche, kindergarten and primary school, a 50% price-reduction for catering services in secondary schools, free textbooks from the second year in secondary schools and Erzsébet vouchers, which are disbursed twice every year to an amount of HUF 6 thousand per child (or HUF 6.5 thousand in the case of children from disadvantaged backgrounds or suffering from multiple disadvantages).
- As far as child-nursing sick pay is concerned, single parents are entitled to it for a period similar to the interval established for both parents in two-parent families (i.e. for the entire duration of the illness until the child's first birthday, for 84 days per year between the age of 1-6, and 28 days between 6-12 years of age).
- Parents raising their children alone are eligible for family maintenance from the other parent living

separately, the sum of which shall be established by the Court. The affected parent is immediately entitled to the awarded amount as soon as the decision becomes final. In many cases its establishment is based on a common agreement, but it is mostly subject to a judicial order. The awarded amount generally falls between 15 and 25% of the paying parent's income after one child, and grows to 30-40% after two children or even 50% after three or more children. The State may also advance the sum and later oblige the affected person to pay it back.

- The family housing allowance (CSOK) has been available to single parents as of 2015, who could not request any such kind of allowance beforehand.

Besides this, the Government has recently made decisions on a number of other measures that will provide further assistance to single-parent families.

- From 2017 on, children raised by single parents are in a privileged situation in the nursery admissions process. Apparently, such preferential treatment makes it easier for the parents to find a job, since during this time their children can get proper care in these institutions. This is particularly important because all the household burdens are borne by these parents as sole breadwinners in the family. Based on KSH data, the children who were raised by single parents and attended day-nurseries came to 3,714 in 2015.
- It is again a great leap forward that, from 2018 onwards, in the case of these families, the monthly income limit per capita for RGYK is 41,325 HUF, which equals 145% of the minimum amount of the old-age pension.

All in all, it may be concluded that the supportive measures in favour of single parents failed to live up to the expectations, since neither those exposed to poverty and social exclusion, nor the income poor could claim a shrinking number. Their ratio was still outstandingly high.

It is promising, though, that the pro-family and pro-child politics contributed to some improvement in the financial status of families raising children. Their exposure to poverty was diminishing. The proportion of families hit by relative income poverty dropped from 18.8% to 14.1% between 2010 and 2016, and even the number of those exposed to poverty and social exclusion moderated to 28.1% from the former 35.3%. The relative position of families with children also partially got improved as well, compared to households without children. Their poverty rate in 2010 was twice as high as that of families without children, yet this difference was not more than 13% in 2016.

5.1.6. MEASURES SINCE 2010 TO IMPROVE PEOPLE'S HEALTH

As seen in Chapter III, even though there had been positive tendencies in the mortality rate and life expectancy before 2010, they still did not prove to be sufficient: our lagging behind relative to the EU-28 did everything but diminish. As a matter of fact, it even grew in a number of cases. This rather appalling situation made it necessary to put some complex measures in place after 2010 in order to catch up with the European average. Besides this, good health is a prerequisite for family-planning, childbearing and the families' prosperity.

Several measures have been made in recent years with a view to improving these indicators, which are as follows.

The control of cardiovascular and circulatory diseases

There has been a steep decline in the number of deaths due to circulatory diseases in Hungary in the past 20 years. Our lagging behind in connection with cardiovascular medical interventions is moderate. In fact, as regards the treatment of acute heart attacks, Hungary has reached the level of the developed countries. Despite the higher level of acute cardiologic treatments, though, the death rate for 100 thousand inhabitants still exceeds the EU average.

- As far as heart attack treatment is concerned, immediate invasive treatment is guaranteed to everyone in need. The 19 invasive centres provide a country-wide coverage round the clock. Each ambulance car is equipped with a transtelephonic ECG transmitter, with which the ambulance nurse can send the related diagnosis to the centre or to a cardiologist on the radio. In this way, an immediate decision may be made on the patient's prompt treatment and the destination of transportation. The time-interval until the intervention can be drastically reduced by directly transporting the patient from the place where he/she got sick to the site where the catheter-based intervention will be carried out. With the national coverage of modern invasive treatments, the heart failure-related mortality rate shrank to the level of international standards, and the death toll of heart attacks fell to half the number in the past ten years, to 7.5 thousand cases per year.
- The National Stroke Programme was launched in 1992, with the intention of decreasing the prevalence of strokes and of reducing the stroke-related mortality rate. As an integrated professional programme it contributed to the setting up of stroke departments, the development of instruments and tools, as well as technical events. Its achievements have been numerous. The programme continued to operate in the past few years. As a matter of fact, the drastic drop in stroke and aneurysm cases and better survival prospects can be all credited to its work in the past 10 years.

The control of smoking

Smoking is the leading cause of death in Hungary, linked to health-damaging behaviour. Almost one-third of premature deaths (under 65) are caused by smoking. One-third thereof may be attributed to lung cancer, while one-fourth of it takes the form of cardiovascular diseases. Cracking down on smoking is one of the most efficient public health interventions wherein the prevention of habituation and the support of cessation both play a role.

Measures taken

- Tobacco products have been subject to several tax increases in the past few years.
- As of 01 January 2012, smoking has been banned in enclosed public premises and public spaces.
- In October 2012 the Methodological Centre for Smoking Cessation Support was set up within the National Korányi Institute for Tuberculosis and Pulmonology.
- The majority of tobacco products¹¹ may only be marketed in a packaging with a combination of photos, illustrations and health protection warnings as of 01 January 2013.
- Tobacco products may only be sold in special controlled shops, so-called national tobacco shops as of 01 July 2013.
- Since December 2013, 18 pulmonary centres have held group consulting sessions for smoking cessation in 86 pulmonary centres – again with EU support. Pulmonary centres are obliged to manage the relevant processes related to the promotion of the individual cessation of tobacco use (to the debit of the central budget), and they also pursue local professional and public communication activities.
- The control of smoking, along with the prevention of habituation and the promotion of cessation comprise selected tasks in the comprehensive health improvement programme for schools. The Focal Point for Tobacco Control developed smoking prevention programmes for kindergartens and schools (Kindergarten Programme for Smoking Prevention by the Focal Point for Tobacco Control, "Uncool cig" school programme). A special project

provided the framework for the establishment of the Health Communication Centre, whose major task is to pursue public healthcare-related communication activities and to organize campaigns in the field.

Partly due to the above measures, the ratio of adults who smoke on a daily basis in Hungary dropped from the annual 30.2% to 26.5% from 2000 to 2012 respectively. Yet, this still exceeded the OECD average, which stood at 20.7% in 2012. According to the 2014 data of the European Public Health Survey (EPHS), 26% of the adult population smokes, versus their ratio of 31% in 2009¹². The rate of smokers slightly decreased in the case of both genders. It moderated from 31.6 to 31.5% in the case of men, while regarding daily smoking women the figure fell from 21.5 to 20.8%.

- The Hungarian findings of the International Youth Smoking Survey for the years 2012, 2013 and 2016 point out that, between 2012 and 2016, the rate of non-smokers grew by 10% among youngsters aged 12–13. In the meantime, the ratio of occasional smokers was reduced by 9%, while the proportion of daily smokers shrank from 8% to 6%.
- Based on the findings of the European public health survey in 2014, further major improvements could be seen in the exposure to passive smoking, as compared to the figures in 2009. The average concentration of indoor air pollution (mainly attributable to tobacco smoke) dropped by 90% in entertainment venues and catering facilities. In 2009 69.9% of the respondents surveyed away from their homes said that they were not at all exposed to tobacco smoke, while this rate was as high as 80.3% in 2014. 68.9% of the respondents interviewed at their workplace gave a similar answer in 2009, which changed to 85.7% by 2014.

¹¹ *exc. tobacco products for sneezing, „snuff“*

¹² <http://www.ksh.hu/docs/hun/xftp/stattukor/elef14.pdf>

The improvement of basic healthcare services

- Model programme for the management of basic public healthcare services

In the Northern Great Plain and in the northern part of Hungary, 4 medical practice communities have been created with the involvement of 24 basic healthcare practices. The programme is aimed at the development of a community-oriented basic healthcare model focusing on prevention and care for those suffering from a chronic illness. The model, which involves the local communities, especially the Roma population, is to be tested with several sectors. Between November 2013 and March 2016, as many as 22,652 people had their state of health assessed under the programme, which is 70% of the adult target population (32,470 people).

- The development of a network of health visitors
Health visitors (or district nurses) are highly qualified experts in public health-care and prevention. Apart from caring for the health of women, mothers, infants, children young people and families, they are also involved in public healthcare, epidemiology and health promotion.

The programme, which is aimed at the optimal biological, psychological and social development of children between 0–7 years of age, has a long-term effect. Its underlying motivation is to leave its mark through the improvement of public healthcare services for children. Among others, it is aimed at the monitoring of the children's development, the promotion of the exploitation of their skills and knowledge, as well as the mapping of the risk factors in the way of development, along with the screening and selection of children who show deviating development patterns.

Breastfeeding provides protection against several illnesses, both for the children (e.g. infectious respiratory and digestive diseases, allergy, obesity, diabetes etc.) and the mother (e.g. breast cancer, ovarian cancer etc.).

And this protection, which in most cases is in proportion with the breastfeeding time, is also crucial for the mother and the child's mental health. At present, there are 17 "Baby-friendly hospitals" in Hungary, which provide the pillars to successful breastfeeding along with the 118 "Baby-friendly locations". In order to widely disseminate the related knowledge, in 2015 the National Breastfeeding Committee held training courses in 10 locations with the participation of 493 medical experts. The training titled "Theoretical and practical issues of breastfeeding" was also taken to the beneficiary and developing districts and to Baby-friendly hospitals, to be attended by 215 and 123 professionals respectively.

- The assessment of oral health conditions
The comprehensive examination, which was started in May 2013 for a year, set it as a core objective to gather reliable information about the connections between the disease indicators and the concrete elements of health protection (e.g. the correlation between dental or oral illnesses and different habits). The programme was carried out with the involvement of 1,800 at the age of 6 and 12.

Prevention capacity development in the health-care system – The creation of health promotion offices

61 health promotion offices (hereinafter HPO) were formed and commenced their activity in Hungary in 2013 and 2014, with a view to supporting the prevention capacity development in the health-care system. 2017 saw the emergence of additional health promotion offices, which enabled the introduction of mental health promotion activities in the already existing offices. Out of the 61 HPOs, 21 offices are run by outpatient, 24 by inpatient healthcare service providers, while 16 are operated by the local government. The fundamental objective of the setting up of such offices is to contribute to the decreasing number of cardiovascular and tumorous diseases, to reduce premature and avoidable mortality and to promote healthy lifestyle. They intend to im-

prove the attitudes and habits that have an impact on health preservation, and are committed to raising health-awareness among the public. 170 thousand patients' health status has been examined in the 61 HPOs since September 2013, including 46 thousand people in the 20 most disadvantaged HPOs. During the project, the HPOs implemented 2,800 community programmes in the field of health education and health promotion, with the attendance of a total of 178 thousand participants. The physical exercise programmes had an outreach to 87 thousand people.

Discouraging excess alcohol consumption

Alcohol consumption in Hungary has been high for decades now, even on a global scale. The consumption figures in the 80s (over 13 litres of clean alcohol/person/year) fell somewhat in the 90s and stabilized at around 11-12 litres after 2000. Yet, this was only a temporary fall in the number before figures started to rise again. As far as alcohol consumption is concerned, Hungary ranks fifth in the European Union, with a total consumption of 14.15 litres per person.

Measures taken

- A professional methodological document was prepared by the National Institute of Health Promotion (NEFI) under the title "Mini protocol on alcohol for health promotion offices". Scene-specific model programmes and were developed for the prevention of alcohol consumption. These programmes, which have been designed for schools, the community and the workplace, are intended to promote the local implementation of health promotion programmes with the purpose of preventing alcohol consumption in the individual scenes.



Promoting physical activity among the public

Scientific research has proved that a physically active lifestyle can help preserve health, prevent diseases and mitigate their risk in the category of non-infectious chronic diseases.¹³ According to WHO reports, the lack of physical activity is the fourth leading risk factor in global mortality. Regular physical activity suppresses the occurrence of depression and anxiety symptoms and is an effective tool in preventing the development of mood disorders.¹⁴

Measures taken

- As a result of the gradual introduction of everyday physical education, today regular exercise has become part of each pupil's daily routine, making it a necessary element of their lives.
- The rules and regulations for the 'Comprehensive Health Improvement in Schools (TIE)' programme have been finalized, under which in 2015 it was time to implement various county-level recreational programmes for the community, along with other complex programmes for physical exercise and

¹³ Kruk, J. (2007), *Physical activity in the prevention of the most frequent chronic diseases: an analysis of the recent evidence. Asian Pacific Journal of Cancer Prevention*, Vol. 8. No. 3, pp. 325-338

¹⁴ https://dea.lib.unideb.hu/dea/bitstream/handle/2437/132063/Petrika_Erzsebet_Ertekezes-t.pdf?sequence=5

health improvement. This, however, could not have been realized in the 288 public education institutions, with the involvement of 1,061 supportive professionals and 31 thousand pupils (including 9 thousand pupils with disadvantaged backgrounds), if it hadn't been for the targeted financial support of HUF 3.59 billion.

- The Hungarian Student Sport Association launched its programme T.E.S.I.¹⁵ in May 2013, which also provided a framework for the development of the Single National Fitness Test for Students aimed at assessing children's physical fitness level.
- An inter-sectoral HEPA task force has been in operation since 2015 in cooperation with the State Secretariat for Sport under the Ministry of Human Capacities. With the involvement of the competent sectors and experts, it intends to coordinate the national and international tasks related to physical activities for health protection.¹⁶
- The importance of regular physical exercise has been emphasized on quite many forums.

Nutrition and health-related measures to reduce the burden of chronic non-infectious diseases

- EMMI Decree 71/2013 (XI. 20.) of the Minister of Human Capacities on the highest permissible amount of trans fatty acids in food products, the conditions and official control of the distribution of food products containing trans fatty acids, and the rules relating to monitoring the population's intake of trans fatty acids came into force in February 2014. The decree triggered a positive change in the trans fatty acid content of marketed food products. The ratio of non-compliant foodstuff drastically
- dropped, from 22% to 4%, enabling a healthy choice of food and the prevention of cardiovascular and circulatory diseases.
- EMMI Decree 37/2014 (IV. 30.) on the nutritional regulations of public catering has been effective as of 01 January 2015, and is applicable from 01 September 2015. Owing to the regulation, the menu in public catering services has become more varied and healthier. It contains more milk and dairy products, vegetables and fruits, with lower salt, sugar and fat content. Based on the findings of the authority inspections subsequent to the legislation's coming into force, and pursuant to the observations and comments made by public catering entities (namely the organizations incorporating public catering service providers, the heads of institutions, heads of local governments, technical organizations, and parents), in 2016 some modifications were made to facilitate the application and gradual introduction of certain provisions in the regulation. Nearly two million people are affected by public catering, half of which are children. Therefore, making such services healthier is expected to lead to a considerable decrease in the mortality rates that derive from cardiovascular and circulatory diseases or malignant tumours. And in the meantime, it might bring about a growth in life expectancy rates and in the number of years spent in good health.
- Act CIII of 2011 on public health product tax (NETA) came into force in September 2011, with the aim of cutting back on the consumption of foodstuffs that are, from a public health point of view, non-useful. The legislation also intends to promote healthy diet and nutrition and to expand the choice of healthy food products. The related income shall be allocated for the improvement of the financing of public health oriented programmes,

¹⁵ "Establishing the new strategy for physical education and a new system for assessing the physical condition, as well as the encouragement of voluntary participation in the organisation of complex physical activity programmes in schools"

¹⁶ Health enhancing physical activity.

and to the launch of health improvement related school programmes fostering physical exercise and healthy nutrition, along with several practical elements, just like the introduction of epidemics-related school and public programmes. The relevant impact assessment in the subject matter has confirmed that NETA has met its public health related goals and ambitions: the supply and turnover of products that contain components with a proven harmful effect has decreased.

The prevention of drug consumption

According to research findings¹⁷ every tenth person in the age-group 18-64 (i.e. 9.9% of them) has taken some kind of illegal drug in his or her life. This was even worse in the case of young adults aged 18-34, where one in every five persons had tried drugs, pushing their ratio up to 17.7%.

Measures taken

- Under the Human Resources Development Operational Programme, the Ministry of Human Capacities has announced that it will grant more than 10 billion HUF to the following objectives, in order to provide access to quality public services:
 - better infrastructural conditions in children and youth psychology, as well as in the addiction and mental health care system;
 - expanded network of carer professionals in psychiatry and addictology;
 - better access to and higher standards in specialist healthcare services under the structured improvement of psychiatric services (e.g. infrastructural upgrading of psychiatric inpatient wards, purchase of tools and equipment) and
 - higher standards of and better access to psychiatric services, thus strengthening the national mental health care system, and improving the mental health of society.

Intervention alternatives to control non-infectious diseases

- Government decision nr. 1534/2016 (X. 13.) on the measures necessary for the development and implementation of the "National Public Healthcare Strategy 2017-2026" was published on 13 October 2016.
- The components of the programme package, proposed in 2017-2018 as part of the National Public Healthcare Strategy, were specified in Government Decision nr. 1234/2017 (IV. 28.), which are as follows.
 - "Screening examinations in place" programme (until the end of 2017, 10 Hungarian screening units equipped with self-operational mammography equipment, and the procurement and installation of 10 screening and health improvement units);
 - Supplementary programme for the national coverage of organized and targeted colorectal screenings in public healthcare services;
 - Complex programme for the prevention of cardiovascular and circulatory disorders.
 - Communication campaign in support of the above public healthcare measures.

Screening examinations

In the group of EU Member States, Hungary has the highest mortality rate per 100 thousand inhabitants caused by tumour diseases. The high ratio of tumour diseases and mortality concludes that most tumour patients are diagnosed and treated in an advanced state when the chances of efficient cure and medication are limited. Based on the present state of medicine, a considerable proportion of mortality due to tumour diseases could be avoided.

¹⁷ Paksi et al. 2015.

Measures taken

The past few years in Hungary have seen the steady development of an organized and targeted screening programme in the public healthcare system, which involved an ever higher outreach to the vulnerable population, based on their age. In this context, mammography screenings are available to women aged 45-65 every two years, and women are offered a cervical cancer screening examination (cytology) every third year after the production of a negative screening test at the age of 25-65. The programme's long-term objective is to minimize and stop the currently rising occurrence of cancer cases.

- The expansion of organized and targeted colorectal screening examinations to the entire population
Across the European Union, Hungary has the highest mortality rate due to colorectal tumours. More than 5 thousand people die of colorectal cancer, and an additional 10 thousand more are diagnosed with the disease in Hungary on a yearly basis. In 2015 organized and targeted colorectal screening examinations were introduced as a pilot programme in a few counties. Yet, the experiences led to the tests' nation-wide expansion in 2017, which was one of the most important achievements of the national healthcare improvement programme so far. Screening examinations are organized through general practitioners. 51.6% of the practising GPs have registered, on a voluntary basis, to carry out screening examinations. Those inhabitants who have registered with GPs not joining the programme (namely 1.2 million women and men) would be provided equal access to the screening examinations by directly addressing them.
- Making the HPV vaccination available
In order to further strengthening the national vaccination system, as of September 2014 the Government introduced the free provision of HPV vaccinations, which have been developed to prevent cervical cancer caused by infections through the human papilloma virus. HPV vaccination can be administered free-of-charge to girls

above the age of 12, in the 7th grade of primary school, through vaccination campaigns. From among the parents of 46 thousand eligible children, nearly 35 thousand asked for the vaccination in the first year after the launch of the national programme, meaning that the majority (77%) of the target group intended to seize the opportunity of free-of-charge vaccination, and another 5.6% of the eligible children had already been given the vaccination beforehand. The Hungarian figures, as far as HPV vaccination is concerned, were outstanding. Similarly favourable ratios were only observed in Portugal and the United Kingdom among the EU Member States.

- The engagement of health visitors in organized cervical cancer screening
The number of women dying of cervical cancer has been increasing by more than 400 every year in Hungary, which is three times higher than the EU average. Only 50-60% of the women aged 25-65 who are entitled to an annual cervical cancer screening test actually have themselves tested, although that the desired number would be over 70% according to international recommendations.

With the aim of decreasing mortality due to cervical cancer and in order to increase attendance in public health-oriented cervical screening programmes, in 2015 health visitors also got involved (as new agents) in the organization and arrangement of these screening examinations. The objective is to achieve a higher rate of completed screenings, through taking part in well-developed, free-of-charge, invitation-based and organized cervical screening programmes.

It was especially health visitors working in settlements with less than 5 thousand inhabitants that got entitled to carry out cervical cancer screening tests. So far 1,381 health visitors have acquired the necessary competencies out of the 4,883 position holders. As a result of the relevant training courses, over 55% of health visitors are expected to be competent in such activities. In fact, the ratio is over 60% in more than half of the counties.

The inter-disciplinary improvement of early childhood intervention

The early stages in a child's life shall be granted special attention, since this is a remarkably decisive period in each area of development as regards the child's personality, with particular focus on developmental risks. Deviations that are expected to dramatically worsen the child's or later the adult's quality of life may be perceived at an early stage. Yet, appropriate development, therapy and targeted socialization might contribute to their elimination before they could have the chance of developing into serious problems.

Early childhood intervention is the combination of all the services that are built around children and families in need of special support. They comprise screening, the identification and notification of the problem, diagnosis, as well as various therapeutic and complex special development and counselling activities. As a complement to them, parental support services and guaranteed benefits are also provided to families, with prevention as a key element. The intervention is aimed at the early identification and professional treatment of disorders, and is designed to provide assistance to the families concerned.

In 2011 there were around 8 thousand children, under the age of 6, who received early childhood development therapy for their development disorder. Technical literature and international comparative data, however, claim that the number of Hungarian children, between 0-5 years of age, who would have needed early childhood development or therapeutic treatment, was many times this figure in Hungary. And this makes it clear that the probably tens of thousands of affected children did not get their problems identified. Screening and diagnosis failed to reach the desired volume among them. Neither was there a sequential order between the various child-specific disciplines. The fields of healthcare, public education, family and social policy far from complementing each other, ending up in a scattered system. The tie that would have linked the institutions, which were subject to different management concepts, was lacking a

regulated "children's pathway" to follow. The shortage of proper regulation was particularly obvious in the transmission routes between healthcare and public education institutions. The system's accessibility largely varied by region. For example, in the case of GP and health visitor services, it was the disadvantaged settlements that failed to reduce the number of permanently vacant districts/services, even though these are the places where prevention is of key importance. Nor were the parents properly informed about screenings and examinations in connection with early intervention. Being unaware of the necessary steps, they did not know who to turn to if they had the suspicion that the child was suffering from a developmental disorder. They were short of the relevant information as regards the competent institutions or professionals, the diagnostic alternatives, the related services and the differences between the various therapies and developmental processes. They simply could not find the best solution for their children.

The former discipline-specific advancements in early childhood development could not induce a comprehensive, systemic change. Needless to say, this recognition led to a new concept of development, which concentrated on inter-disciplinarity in lieu of isolated development. It focused on the child and the family's interests, with the intention of enhancing the efficacy of the early childhood intervention system through a coordinated and integrated approach in its improvement. All this may contribute to the creation of more opportunities for children, to the alleviation of regional and social inequalities and the avoidance of development problems. It may foster families' proper information in the field. It may strengthen the related competencies and support the development of patient and children pathways. Overall, as a result of the organized screenings, examinations, developments and therapies, a much smaller number of children will be in a disadvantaged situation when starting their studies or career.

The core objective of the project, with a budget of HUF 5.7 billion, is to create a common children pathway between 01 February 2017 and 31 January 2021. By relying

on the inter-disciplinary improvement of early childhood intervention, it wishes to make sure that the cooperation of the professionals in the various disciplines is successfully managed, with the necessary protocols and regulatory background available. Professionals shall be trained for the adoption of a single-approach children's pathway through a series of targeted training courses. In order to recognize the delayed development of children at an early stage, to screen it and provide the most precise diagnosis throughout the project, organic screening, measurement and testing procedures and service provision protocols shall be introduced. The IT systems underlying the inter-disciplinary model shall be interlinked, so that the children's development can be monitored and become accessible to the competent professionals. The successful accomplishment of the above, however, is impossible without a partnership with families, including targeted communication, the dispatch of information materials and the delivery of parental training courses. In areas where services are scarce, there is an urgent need for the improved accessibility of children and family oriented services.

It is these components that are essential for making early childhood intervention more efficient and effective.

5.1.7. THE SITUATION OF HUNGARIAN EXPATRIATES

On 01 January 2017 the population of Hungary was 9 million 799 thousand. Adding to this the 4.8 million Hungarians living in the Carpathian Basin, in Europe and in diasporas outside the EU, the total number of Hungarians climbed as high as 14.6 million. Nearly two-thirds (67%) of them were living in the motherland, 15% (2.2 million) in territories previously belonging to historical Hungary. Another 18% (on average, 2.6 million Hungarians) were residing in the European Union (either for job or study-related purposes), while others

were living in dispersion around the world, as former or multiple-generation emigrants.

Such data, however, are typically based on non-conclusive invalid surveys, since, for example in regard to Hungarians living in the Carpathian Basin, the census data, based on the country of residence, most often contain information suitable for the identification of the people's national-ethnic belonging. Concerning the number of Hungarians finding a job in the EU, or regarding those living in a diaspora, though, it is more difficult to gain a realistic and reliable picture from the census data or from other (e.g. social insurance related) statistics of the affected countries. A 2016 publication of KSH¹⁸ also highlighted that, even though country-leavers are subject to notification, they still often fail to meet these requirements. Yet, the so-called mirror statistics of the EU Member States theoretically demonstrate the number of Hungarians that migrated to the target countries. It is still a problem, however, that there are different definitions used in the subject matter in the EU Member States. And then there is the difficulty of measuring emigration from EU Member States and immigration (return) to Hungary. Overall it may be stated that the national statistics only seemingly cover the data recorded by EU Member States.

The sections below are to summarize the most important data sets in connection with immigration and those major data sources from which the currently available data may be retrieved.

¹⁸ *Demographic situation, 2015 Hungarian Central Statistical Office, Budapest 2016.* <http://www.ksh.hu/docs/hun/xftp/idoszaki/pdf/nepesedesi15.pdf>



5.1.71. THE NUMBER OF HUNGARIANS TEMPORARILY OR PERMANENTLY MOVING ABROAD

In retrospect, the strengthening trend of emigration, which has been present for the past decades, dates back to 2007. People moving away on a mass scale for employment and wage-earning purposes can somehow be traced back to Hungary's accession to the European Union and the country's joining the Schengen Convention. There was a significant upheaval in the number after 2010, which may be partly rooted in stricter registration procedures, and, as of 2011, in the gradual removal of those labour market regulations that enforced restrictions against Hungarian job-seekers in Western European countries.¹⁹ The official emigration rate, which was of an order of 2-3 thousand per year until 2007, grew to 5 thousand both in 2008 and 2009. In 2010 it peaked at 7 thousand, in 2011 at 12 thousand, while in 2012 it reached 13 thousand. In 2013, however, the rate stood at 22 thousand, and in 2014 it was as high as 31 thousand. In 2015 as many as 33 thousand people emigrated from Hungary, while the trend was broken in 2016 – in that year the figure was 3,5 thousand fewer than the previous year's data, moderating to 29 thousand. It should be noted that, in parallel with this, there was a rise in the number of Hungarian citizens immigrating or returning to the motherland. Their number increased from 2 thousand in 2007 to 33 thousand in 2015. As a matter of fact, in 2012 and 2016 they outnumbered those leaving the country.

The remarkable return rate is apparent not only based on national statistical resources since international mirror statistics also confirm it. Nonetheless, in many cases the failed notification of emigration delays the calculation of the rate's actual figure until the next census. Those who return must be distinguished from those immigrant Hungarian citizens who were born abroad.

The latter include people who were granted Hungarian citizenship based on their foreign place of residence, and who, as members of Hungarian minorities beyond the borders or as members of other foreign diasporas, only later managed to have a Hungarian place of residence.

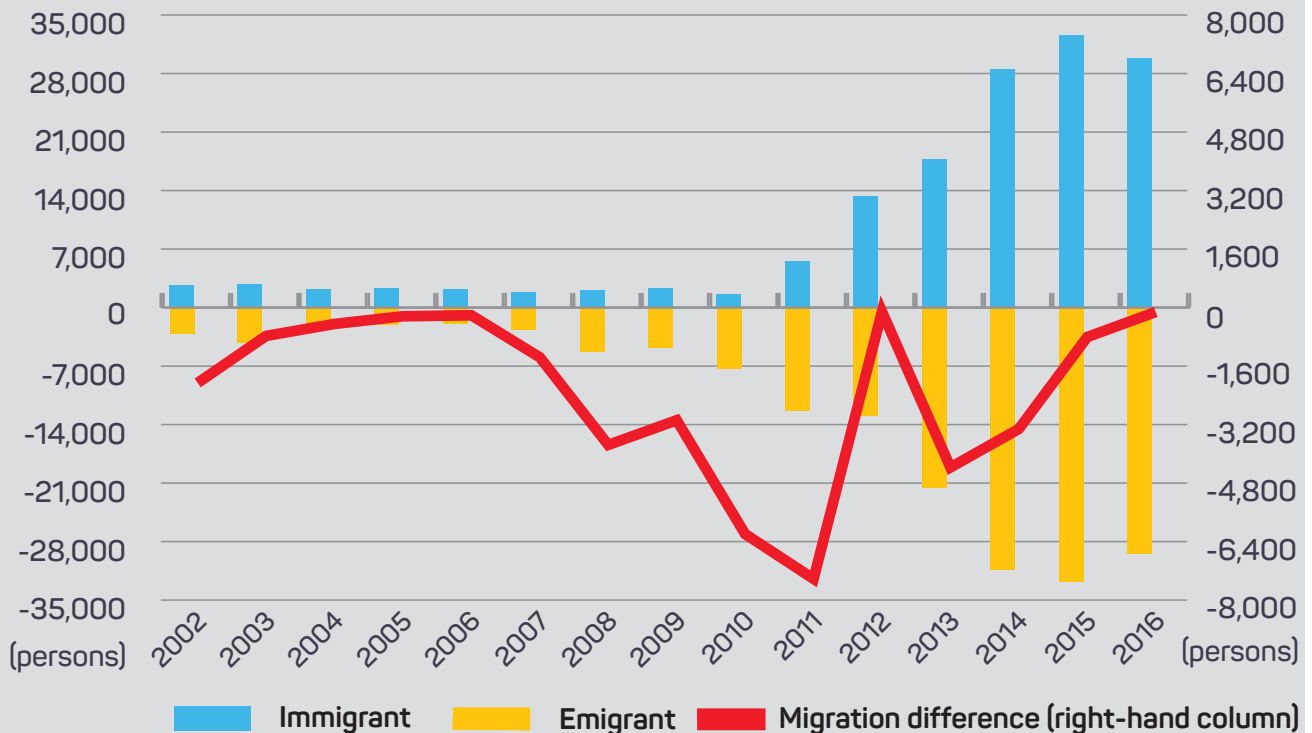
Between 2002 and 2016 as many as 174 thousand Hungarian citizens who moved abroad. 146 thousand of them returned, which means that the country-leavers outnumbered those who returned by almost one-fifth (19.2%), equalling 28 thousand people in the space of 15 years. (It should be noted, though, that it is increasingly harder to take account of the number of immigrant Hungarian citizens. This has been particularly so since 2011 when the option of preferential naturalization became effective.

Their counting is hindered by the fact that they do not have a Hungarian place of residence, and consequently the majority of them moved abroad from a country other than Hungary. Still, they had a proportion of 56% in the combined number of immigrants and returners between 2002 and 2016. Thus, taking into account only the actual returners with a Hungarian place of residence, their number peaked at 63 thousand, meaning that slightly more than one-third (36%) of those who had moved to a foreign country decided to return to the motherland.)

It should again be stressed that the above data concerning Hungarians moving abroad only cover those who have officially notified the Hungarian authorities of their leaving or return to the country. Consequently, the data are not in the least conclusive. And this calls for the use of other – national and foreign – statistics, so that a more precise estimate can be made of the number of Hungarian citizens who either had left the country or were permanently living abroad.

¹⁹ Data source (KSH): Emigration and return data for Hungarian citizens can be derived from several sources. The emigration rate is fundamentally traced through national data sources and foreign mirror statistics. It is mainly OEP records, mirror statistics and questionnaire-based surveys that are used for the assessment of emigration among Hungarian citizens.

Figure 5/40 – SUMMARY DATA ON THE INTERNATIONAL MIGRATION OF HUNGARIAN CITIZENS BETWEEN 2002 AND 2016



Source: KSH (CSO)

According to the personal data records and the register of residential addresses maintained by the Ministry of Interior, during the ten-year period of 2007-2016 a total of 62 thousand Hungarian citizens were born in the territory of Hungary, averaging an annual number of 6.2 thousand children. Slightly fewer than half of them (48%), namely 30 thousand children (and their parents) had a Hungarian place of residence, whereas the remaining 52% (32 thousand people) had a permanent address in a foreign country. Hungary recorded a total of 927 thousand live-births during this time, implying the worldwide registration of the birth of almost one million (989 thousand) Hungarian citizens, including the 62 thousand infants born beyond our country's borders. On average, nearly 100 thousand children were born on a yearly basis, 94% of whom were given birth to

in Hungary, and 6% abroad. Within this, it is basically the afore-mentioned 30 thousand people who may be considered as some "loss" incurred by the motherland, and still their figure may not be necessarily be regarded as an ultimate deficit, since the same number of people have a Hungarian place of residence. As a matter of fact, the majority (85%) of them, namely 25 thousand people born in an EEC country may be regarded as Hungarian, whose parents had most probably moved to another EU Member State in pursuit of a job, taking advantage of the free movement of workers, as an *acquis* of the European Union. And again, from among them, around 1,500 were born in an area that had been previously inhabited by Hungarians (mostly in Romania). In fact, the number of children born to citizens from Hungary (including those who were born outside the EU) could

be around 28-29 thousand in this ten-year interval. In addition, within this, 23-24 thousand were living within the borders of the European Union, which means that by living at a reasonable physical distance, they could at any time take advantage of the opportunity to move freely and to settle in the EU, even making it possible for them to return to their motherland.

Of course, the official statistics only cover those foreign live-births that have been notified (and registered). The exact number of non-notified cases is not known, since in more than half of the cases actual registration only takes place years after the baby was born. On top of all this, the statistics maintained by the Ministry of Interior may only be considered inclusive from 2013 on. There are a great many distorting factors (intention of notification and the date thereof, the integrity of statistical data), which further restricts the comparability of the annual figures. Quite understandably, nothing more than the country-specific breakdown of births has been attempted herein.

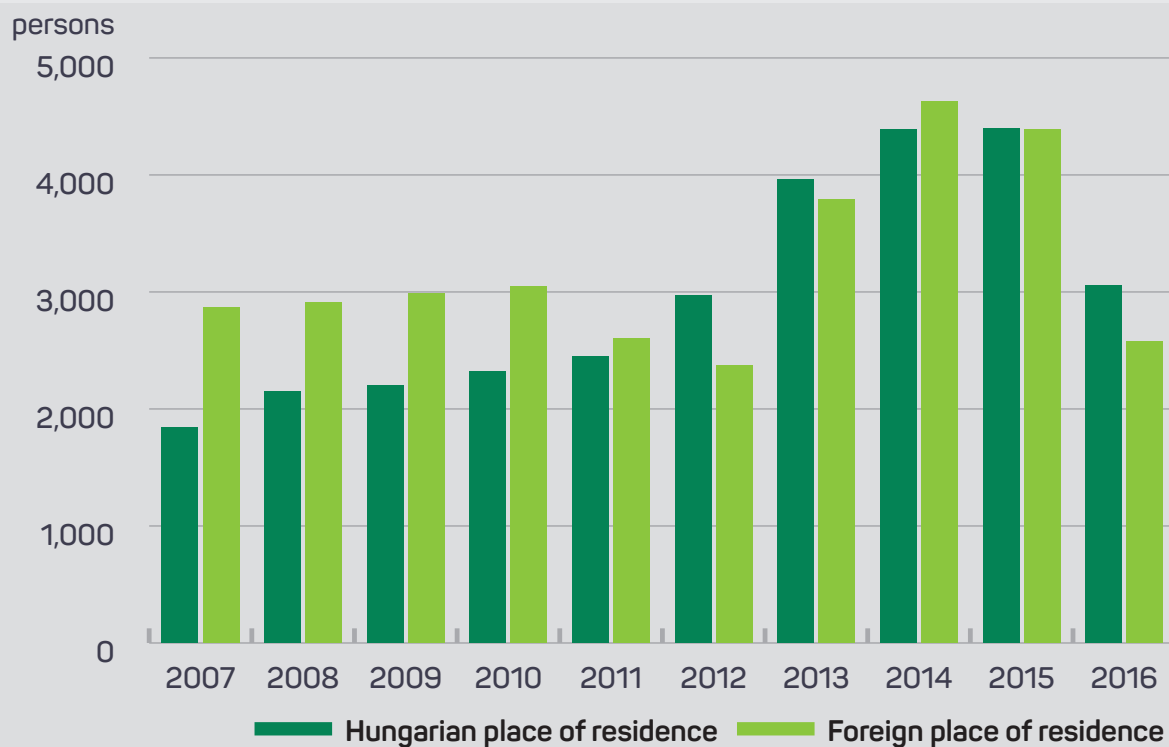
As far as the regional distribution of the 62 thousand live-births between 2007 and 2016 is concerned, their majority (88%, i.e. 55 thousand) took place in Europe – to be more exact, 86% (i.e. 47 thousand) in the European Union and the EEC region, and 14% (i.e. 8 thousand live-births) could be attributed to other European countries. Nearly 6% of the children (cca. 3,000 infants) were born in North America (namely the United States and Canada), while 4% (around 2,500) in Asia. South America and Australia both had a share of 1-1%, while Africa was accountable for 0.5% of such births.

41% of the 55 thousand Hungarian citizens born in Europe, namely 22 thousand children were born in a country belonging to historical Hungary, the majority of whom failed to have a Hungarian place of residence. The remaining 33 thousand infants (61%) were given birth to in other countries. Around two-thirds (64%) of the infants born in an area inhabited by Hungarians, more precisely 14 thousand children were born in Romania.

One-fifth of them (21%, that is 5 thousand infants) were given birth to in Serbia, 12% (almost 3 thousand) in the Ukraine, and the remaining less than thousand children (3%) in Slovakia and Croatia. The distribution of births, however, shall also take into consideration that certain countries (for instance, Slovakia) do not acknowledge the institution of dual citizenship, which is critical since the afore-mentioned statistics may only take into account children who have been registered as Hungarian citizens.

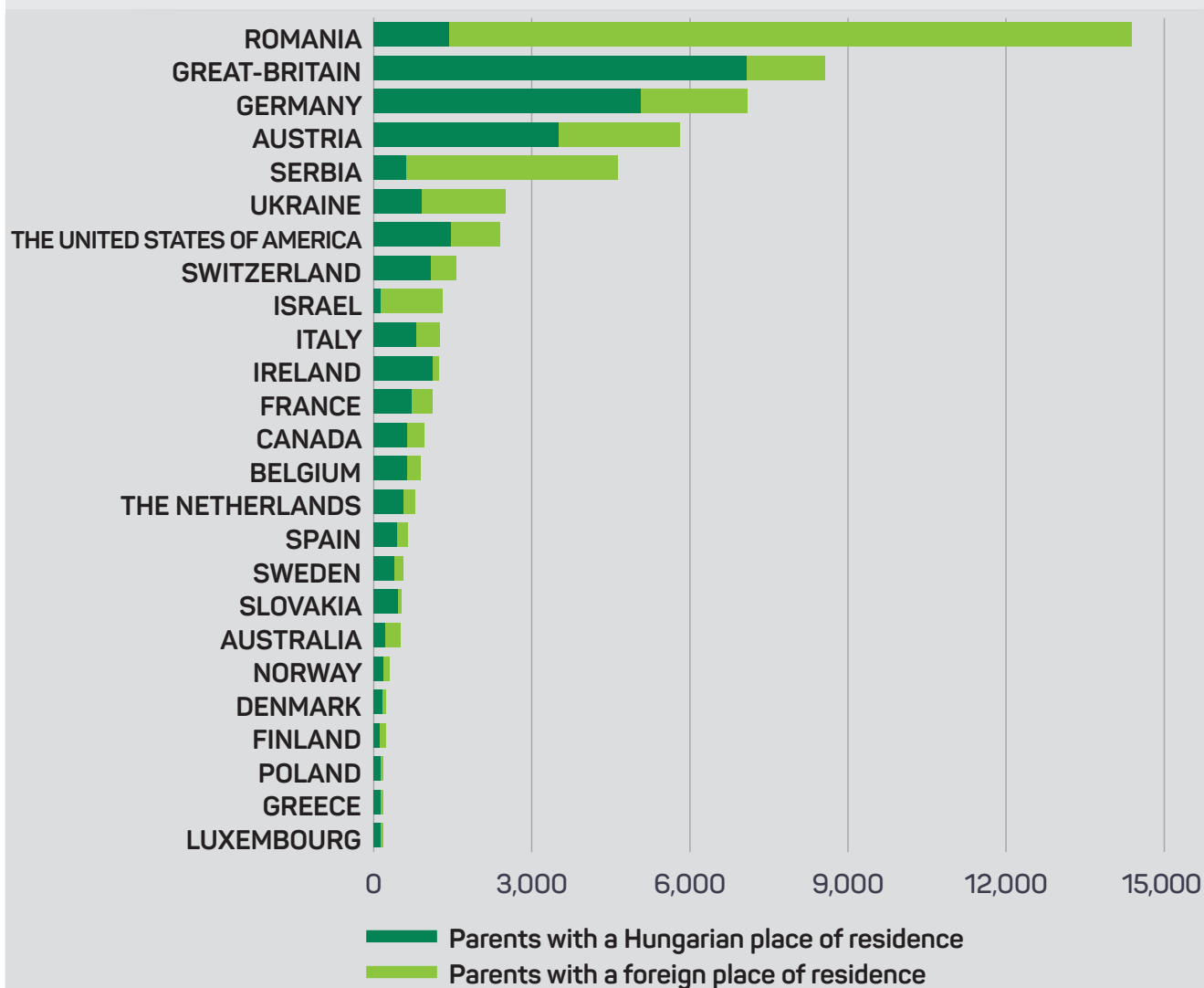
Most of the 47 thousand infants who had Hungarian citizenship and were born in the EEC region (namely 14 thousand children, with a share of 31% of their total) were given birth to in Romania, to be followed by England (9 thousand infants, 18%), Germany (7 thousand children, 15%), Austria (6 thousand, 12%) and Switzerland (1.5 thousand children, 3%). These five countries were accountable for 88% of the births, equalling around 38 thousand Hungarian infants. Overall, around one-third (31%) of these live-births took place (partially) in areas inhabited by Hungarians (including the countries that now own the territories of historical Hungary), while 30% and 21% thereof were registered in German and English speaking countries respectively. The remaining 18% could be attributed to countries where another language is spoken. The period 2007-2016 brought about a remarkable change in the country-specific distribution. While ten years earlier more than half (54%) of the infants born abroad were given birth to in a Hungarian speaking country, another 17% in a German, 12% in an English speaking country, and 17% in a country where another language is spoken, in 2016 as many as 52% were born in German and 21% in English speaking countries. It was only a mere 13% of the infants who were born in an area inhabited by Hungarians.

Figure 5/41 – THE ATTACHMENT OF HUNGARIAN EXPATRIATES TO THE MOTHERLAND, BASED ON THEIR CHILDREN'S REGISTRATION OF BIRTH (PEOPLE)



Source: Ministry of Interior

Figure 5/42 – THE DISTRIBUTION OF PARENTS WITH CHILDREN BORN ABROAD, BASED ON PLACE OF RESIDENCE, 2016 (PEOPLE)



Source: Ministry of Interior

A. The decennial censuses serve to provide exact information about Hungarian citizens leaving (and, if applicable, returning to) the homeland. As per the census data from 2011, on 01 October 2011 it was 143 thousand people who were permanently living abroad (for more than a year), while another 70 thousand were temporarily staying in a foreign country (for a period shorter than a year), which could add up to a total of 213 thousand.²⁰ Besides this, an additional 190,204 people were counted in Hungary who had previously lived abroad for a year but later came back. The assessment of the returning Hungarian citizens, however, does not give a precise description of when and where these people migrated. And neither does it provide information about the major foreign target destinations. What is known to us, though, is when these Hungarians returned and which country they had moved back from. It should not be ignored for a single moment that such data refer to the minimum number of Hungarians living abroad, and they date back to a period six years ago. So they are more than likely to show a smaller number than the actual figures in comparison with other survey results.

Until the end of World War II, it was the number of returners from neighbouring countries that was dominant from the motherland's perspective. During the period 1945-1980, as a result of our socialist governance, immigrants came in large numbers from Russia, Iran, Mongolia, Egypt, Germany (PDR) and Austria. From 1981 until the change in the political system, Germany, Russia, Algeria, Austria, Iraq and Libya were the key countries where Hungarians moved back from. From 1990 onwards, due to the political change, the structure of the most important migration destinations for returning Hungarians

was reorganized again. Now, besides Austria and Germany, the US and Canada also appeared on the list, with the latter being especially important with respect to returners who emigrated in 1956. Great Britain was included in 2004, which may prove to be the source country of those returners who had emigrated after 1990. Owing to the presumably rising number of emigrants, which may be rooted in Hungary's joining the European Union and in the opening up of the labour markets, although delayed in time, there was still a significant increase in the volume of returns. And the trend might also have been subject to the economic crisis and the diminishing job opportunities in Western Europe. Similar to the censuses, the microcensus of 2016 might also have been another major milestone in broadening our knowledge about migration to Hungary and about moving abroad. The supplementary records, in relation to the microcensus, are again intended to give a more precise estimate of the number of country-leavers.

B. The Ministry of Interior had the records of 703 thousand Hungarian citizens living in a foreign country (in Europe) in 2016. From among them, 267 thousand were residing in an area inhabited by Hungarians in the Carpathian Basin, which leads to the conclusion that they mostly had naturalized Hungarian citizenship. Apart from them, the number of those Hungarian citizens who mainly moved to another European country could total 436 thousand.

²⁰ *The 213,418 people refer to those who have filled in the census questionnaire on personal and housing data, or in connection with whom these data sheets had been completed. "People permanently staying abroad for not less than a year are not included in census data. Their number shows in the population count of that country where they are living at the time of the census. Nonetheless, the need for more precise international migration data has substantiated the attempt to at least estimate the order of this population group via the census process. Accordingly, the housing questionnaire was complemented with a new thematic item referring to the number of those people who resided under the registered address, yet at the time of the census were permanently staying abroad." (Source: http://www.ksh.hu/docs/hun/xftp/idoszaki/nepsz2011/nepsz_22_2011.pdf page 17)*

**FIGURE 5/43 – THE NUMBER OF HUNGARIAN CITIZENS IN CERTAIN EUROPEAN COUNTRIES
(AND IN TURKEY), 2002-2016**

	2002	2003	2004	2005	2006	2007
Austria	13,069	13,684	14,151	15,133	16,284	17,428
Belgium	1,629	1,564	-	-	-	-
Bulgaria	-	-	-	-	-	-
Czech Republic	410	426	451	479	512	535
Denmark	445	447	463	527	624	724
the United Kingdom	-	6,599	6,021	5,157	-	-
Estonia	-	-	-	-	-	-
Finland	708	687	678	634	687	724
France	-	2,961	-	2,954	-	-
Greece	-	-	-	-	-	-
the Netherlands	1,719	1,832	1,886	2,029	2,271	2,386
Croatia	-	-	-	-	-	-
Ireland	-	-	-	-	-	5,052
Poland	403	-	-	-	-	453
Latvia	10	9	18	18	18	22
Lithuania	-	-	-	-	-	-
Luxembourg	-	-	-	-	-	597
Germany	55,978	55,953	54,714	47,808	49,472	56,075
Italy	-	2,920	3,446	3,734	4,051	4,389
Portugal	136	161	-	-	-	251
Romania	269	-	269	269	264	262
Sweden	2,727	2,463	2,303	2,309	2,349	2,560
Slovakia	-	-	1,539	1,526	1,760	2,106
Slovenia	64	61	65	50	109	98
Iceland	49	54	53	46	48	-
Liechtenstein	-	-	-	-	-	-
Norway	308	341	336	360	395	484
Switzerland	3,640	3,809	3,847	3,849	3,833	3,972
Turkey	-	-	-	-	-	-
TOTAL	81,564	93,971	90,240	86,882	82,677	98,118

**FIGURE 5/43 – THE NUMBER OF HUNGARIAN CITIZENS IN CERTAIN EUROPEAN COUNTRIES
(AND IN TURKEY), 2002-2016**

2008	2009	2010	2011	2012	2013	2014	2015	2016
19,018	20,910	23,342	25,627	29,832	37,004	46,264	54,939	63,341
2 917	3,312	3,772	4,451	4,913	5,486	5,996	6,359	6,389
141	139	139	138	132	142	148	153	144
587	653	652	711	839	999	1,522	2,304	3,140
1,019	1,357	1,586	1,867	2,174	2,785	3,311	3,846	4,343
-	-	-	-	-	-	74,544	86,519	83,713
-	-	-	-	-	43	45	154	173
900	1,117	1,198	1,315	1,536	1,622	1,784	1,879	1,968
-	-	-	-	-	-	-	-	6,818
-	-	-	-	-	-	-	-	775
2,921	4,044	5,294	6,546	7,775	9,245	10,280	11,223	12,256
-	-	-	-	-	-	-	-	556
6,261	7,890	8,462	8,292	8,094	7,899	7,765	7,768	8,164
457	-	-	-	-	-	-	-	678
-	-	-	-	17	21	21	25	28
-	-	-	-	-	-	18	23	38
688	-	-	-	-	-	-	-	1,548
60,221	63,801	65,443	73,433	88,492	113,980	132,284	150,712	171,154
5,467	5,225	5,524	5,741	6,085	6,840	7,483	7,708	8,034
386	333	352	428	435	414	424	482	480
261	268	-	-	286	1,610	1,632	2,841	4,040
3,104	3,862	4,525	4,886	5,093	5,547	5,911	6,297	6,704
2,702	8,014	8,743	9,396	9,255	9,920	8,134	8,629	9,185
127	162	156	201	171	229	279	355	413
87	-	119	130	139	139	155	200	242
-	16	19	28	28	33	37	43	43
651	832	1,020	1,356	1,724	2,168	2,653	3,144	3,500
4,400	5,150	5,839	6,556	8,066	9,914	11,596	14,882	17,525
108	111	-	203	273	315	414	459	462
112,423	127,196	136,145	150,652	175,359	216,355	322,700	370,944	415,854

Source: Eurostat, Hungarian Central Statistical Office, Demography Yearbook, 2015

C. The Eurostat data, which derive from national statistical bodies and thus, are fully or partially incomplete in the case of several countries, claim that the number of Hungarian citizens residing in certain European countries on 01 January was continuously rising between 2000 and 2016. Not even the lack of data, concerning a few countries, could detract from the accuracy of the statement. During this period the number of Hungarian citizens staying in a European country basically shot from 74 thousand to 416 thousand, which means that it grew by five and a half times higher. (The data are in line with the information reported by the Ministry of Interior.) Within this, the increase between 2002 and 2010, from 82 thousand to 136 thousand, signalled a 66% rise, while the one between 2010 and 2016 confirmed a three-fold growth. Taking into consideration the research finding that around 20% of Hungarian citizens tend to move outside the EU, it may be concluded in the form of a professional estimate that an additional 114 thousand Hungarian citizens (altogether 520,000) were residing or intended to reside in a foreign country for at least one year on 01 January 2016.

A particularly dynamic growth could be perceived in the number of Hungarian citizens as regards their classical target destinations. Between 2002 and 2016, this was manifest in a 13-fold, 3-fold and 5-fold increase in the case of the United Kingdom, Germany and Austria respectively. Over three-quarters of those Hungarians who are registered as citizens residing in a foreign country currently live in these countries, totalling a number of 318 thousand. It should be stressed here, though, that employment and residence in an EU Member State is not classified as "emigration". It simply means that young people take advantage of their right to move freely and cross borders to test themselves in the different fields of the single market.

D. The SEEMIG project between 2012 and 2014, under the management of the Population Science Research Institute of the Central Statistical Office, had a key role in the estimate of the number of those Hungarian citizens who had moved abroad²¹. The project relied on a combination of three data sources and two methods to assess the number of Hungarian citizens living in a foreign country. Accordingly, at the beginning of 2013, the number of Hungarians who left the country after 1989 or at least one year before the assessment (between 1990 and 2011) was estimated to be around 350 thousand.

The composition-based examination of emigrant Hungarian citizens, as per the three major countries of destination (namely Germany, Great Britain and Austria), again constituted a key element of the SEEMIG project.²²

The Hungarian population attracted by these three target countries largely varies. The rate of Hungarian men moving to Germany is outstandingly high, reaching a two-third level. The high number of skilled Hungarian workmen (37%) may be partly accountable for this figure, which is countered by an under-average rate of people with higher education qualifications (23%). The average age of migrant Hungarians living in Germany is 39 years, which practically equals the average of the entire emigrant population. As for Austria, the results also tell about male dominance, even though mirror statistics claim that female immigrants outnumber their male counterparts. The discrepancy might be explained by the higher rate of legal female employment, where women do not take the trouble to officially register. Similarly to Germany, Austria is an extraordinarily attrac-

²¹ SEEMIG: *Managing Migration and its Effects in South-East Europe*, www.seemig.eu and http://www.ksh.hu/docs/szolgalatasok/sajtoszoba/seemig_sajto_reszletes.pdf

Within the framework of the South East Europe transnational cooperation, SEEMIG was a strategic project co-funded by the European Union and Hungary. It coordinated eighteen partner institutions in eight countries, and studied the long-term migration tendencies and demographic trends in South-east Europe, along with the region's human resources in connection with the labour market, and the national and regional economies.

²² http://www.ksh.hu/docs/szolgalatasok/sajtoszoba/seemig_sajto_reszletes.pdf

tive country for skilled workers: 41% of Hungarians living in Austria have had vocational education. The average age of Hungarians living in this western neighbouring country was around the average – both at the time of registration and at the time of leaving the motherland.

As regards the people moving to the afore-mentioned three selected countries, and even concerning the "common" Hungarian emigrants, those who wish to settle in Great Britain comprise a special group with an unusual demographic structure. Hungarians moving there are particularly young: their average age at the time of registration was 33 years, and they were not older than 29 when they left for England. Most of them were single or unmarried. Unlike the situation in the case of Germany and Austria, here skilled workers numbered less (15%), yet those with secondary or higher education rated much higher, standing at 43% and 36% respectively. Basically men and women in this group were represented in the same proportion.

- E. In the research titled "Landmarks in our lives", the estimates made by the Hungarian Demographic Research Institute, under the Central Statistical Office (KSH NKI), coincide with the SEEMING findings. According to the former, at the beginning of 2013, around 7.4% of Hungarian citizens who were aged 18-49 and had a Hungarian place of residence, were permanently residing abroad, which led to a total of about 335 thousand people.
- F. Pursuant to UN data, the number of those who were born in Hungary and were living abroad was 386 thousand in 2015, irrespective of when they left the country. 43% of them, namely 165 thousand people were living in Europe – that is, 51 thousand in Germany, 18 thousand in Russia, 14 thousand in Austria, 13 thousand in France, 12 thousand in the United Kingdom, and, inter alia, 11 thousand were living in Switzerland and Sweden. Again

165 thousand (43%) chose North America as their destination – more precisely, 110 thousand moved to the United States, and 55 thousand to Canada. Another 29 thousand (8%) were residing in Oceania (almost all of them in Australia), 16 thousand (4%) in Asia, and 11 thousand (3%) in Central and South America.

- G. In its document titled 'Hungarian Diaspora Policy – strategic directions', the Research Institute for National Policy has a record of 359 thousand Hungarian citizens residing in Europe, apart from those people in the Carpathian Basin who have been granted naturalized Hungarian citizenship. The majority (42%, i.e. 151 thousand people) are living in Germany, while 86 thousand (24%) are residing in the United Kingdom and another 55 thousand (15%) in Austria.
- H. World Bank findings suggest that, in 2013, Hungarians working abroad numbered 570,188.

It is apparent that some data source results show deviations – to a smaller or larger extent, which underlines the necessity to provide a more comprehensive and more clear-cut description of the processes.

The following section is to sum up the basic social features of Hungarians who are leaving the motherland for another country, either for a shorter or a longer time.

- It is mainly young people who move abroad: 44% of them are under the age of 30, and 77% of them are not yet 40 years old. These ratios significantly differ from the age-distribution of the domestic population.
- Most of them (54%) are men, almost two-thirds of them (63%) being bachelors.
- Germany is still the most attractive destination for them, followed by the United Kingdom and Austria.
- The concentration of Hungarians working abroad is above average in terms of school qualifications and degrees.

- The majority of Hungarians who have moved to a foreign country obtain employment there (84%).
- 25% of Hungarians residing abroad tend to regularly send money to their relatives back at home.

5.1.7.2. HUNGARIANS IN THE CARPATHIAN BASIN

The number and proportion of Hungarian expatriates has remarkably decreased in the past two decades. According to census data, in 2011 it was a total of 10.4 million who deemed themselves Hungarian in the Carpathian Basin,

which suggests a 16% decline within ten years. In respect to the Hungarian population of the neighbouring countries alone, it can also be established based on the latest KSH data, that they came to 2,089,518 in 2011²³, which is 16% less than in 2001. The total fertility rate of Hungarians in the Carpathian Basin (calculated based on the number of newborn infants with Hungarian citizenship) was around 1.23 between 1996 and 2000. This is to further confirm that the fertility level among Hungarians beyond our country's borders is substantially lower than the average observed in the neighbouring countries' population, not to mention the Hungarian figure.

Figure 5/44 – HUNGARIANS IN THE CARPATHIAN BASIN, 2011

	POPULATION, IN TOTAL	THOSE WHO DEEMED THEMSELVES HUNGARIAN	PEOPLE OF HUNGARIAN NATIONALITY, ADJUSTED*
Hungary	9,937,628	8,314,029	9,741,112
Romania	6,789,250	1,216,666	1,290,568
Slovakia	5,397,036	458,467	493,437
Serbia	1,931,809	251,136	264,241
Ukraine	1,249,000	141,000	141,000
Slovenia	118,988	4,000	4,000
Austria	286,215	10,000	10,000
Croatia	305,032	14,048	14,048
Neighbouring countries, in total	16,077,330	2,095,317	2,211,778
Carpathian Basin, in total	26,014,958	10,409,346	11,952,890

* The adjustment process proportionally distributes the number of those making a declaration about their nationality (in the case of Romania, people taken over from the register are also included), by taking into consideration the ratio of those who made a declaration about their ethnicity in the given region (in the case of Hungary, more than one identity is permitted). Based on this it may be established that the adjusted ratio of those of Hungarian nationality was around 46.2% in 2001, while this figure changed to 45.9% in 2011. People of Hungarian nationality counted 12.8 million in 1991, while in 2001 the adjusted figure stood at 12.4 million and in 2011 it peaked at 11.95 million.

²³ The rate modified with non-respondents stands at 2,211,778 people. Source: Kapitány, Demographic portrait, 2015

The modification of²⁴ the Citizenship Act in 2011 yielded a multi-fold growth in the number of new Hungarian citizens compared to the previous years' data. While the Hungarian public administration accepted an annual average of 7 thousand citizenship claims in the first decade of the 21st century, in the first two years subsequent to the introduction of simplified naturalization this figure exceeded 20 or 18 thousand among people with a Hungarian place of residence. Later, however, there was a rapid decline: in 2015 this was not more than 4 thousand, which was the poorest value since 1993, compared to the lowest figure recorded in 2002. During the five years under analysis, a total of 60,904 people were granted Hungarian citizenship, had a Hungarian place of residence.

In 2012 the foreigners who had a Hungarian place of residence and gained Hungarian citizenship were 11% fewer than a year earlier, and the number of naturalized citizens has been decreasing ever since. In 2013, for example, 50% fewer citizenships were granted than a year earlier. Compared with the foreign population in Hungary, in 2012 it was 13% of the foreign citizens with a Hungarian place of residence that obtained Hungarian citizenship. In the successive years it was not only the number of naturalized citizens that was facing a downturn trend. Even their ratio against foreigners showed a remarkable decline – in 2015 it did not even reach 3%.

Starting from 2011 until today, almost one million people living beyond the borders gained citizenship through the procedure of preferential naturalization. Citizenship claims reached the volume of one million as early as July 2017. 79 to 169 thousand people were granted citizenship on a yearly basis, which could be best demonstrated with a bell-shaped curve peaking in 2013. The number of cases in 2012 and 2014 was slightly below the figure in 2013, yet failed to reach even half the volume at the beginning and end of the period.

The key countries from where citizenship claims have been regularly received since 2011 (and in the majority of cases also granted) are as follows.

Figure 5/45 – THE NUMBER OF NATURALIZED HUNGARIAN CITIZENS, BASED ON THE MAJOR COUNTRIES OF ORIGIN – 2017

Country	NUMBER OF NATURALIZED CITIZENS (PEOPLE)
Romania	519,556
Serbia	167,114
Ukraine	164,612
Slovakia	3,203
Israel	2,778
USA	1,966
Croatia	2,120
Germany	2,013
Canada	1,403
Australia	864
Sweden	631
Slovenia	568
Total	866,828

Source: Prime Minister's Office, State Secretariat for National Policy

95% of the new Hungarian citizens requested naturalization as Romanian, Serbian, Ukrainian or Slovak citizens between 2011 and 2015. From among the countries of citizenship Romania is outstanding, since three-quarters of naturalized citizens come from there. The other two major countries of origin are the Ukraine and Serbia, which accounted for 10% and 7% of the naturalized citizens respectively. Another 5% of those with naturalized citizenship originate from "other" countries. As far as countries outside the EU are concerned, not more than 1,500 new Hungarian citizens came from there. Regarding the continents, most of them arrived from Asia. Their number exceeded 800, with one-fourth coming from Vietnam, and another 13% originating from Syria.

²⁴ Act LV of 1993 on Citizenship

It is worthy of note that, besides naturalization, a total of 65 thousand Hungarians were granted Hungarian citizenship under the "common procedure" during the period 2011-2016.

5.1.7.3. HUNGARIANS IN DIASPORAS²⁵

It is not always possible to clearly distinguish people who are residing abroad, mainly in the EU, for employment purposes from those who have earlier left the country or were born in a foreign country as multi-generation emigrants. There may be overlaps between the two groups, yet generally it may be stated that employment objectives are more dominant when it comes to the reasons of emigration among Hungarians residing in Europe. Those who have been permanently staying on the continent, even for generations, have come from overseas.

According to the data in the diaspora strategy of the State Secretariat for National Policy (which operates under the Prime Minister's Office), on average there are 2.6 million Hungarians living scattered around the world. To be more exact,

- in Europe 536 thousand people;
- in North America 1.667–1.728 million people;
- in South America 124 thousand people;
- in Israel 200 thousand people;
- in Australia 19–71 million people;
- and in Africa 4 thousand people.

The largest Hungarian diaspora community, with 1.411 million members, lives in the United States of America, as the American census data of 2015 put it. There is again a significant Hungarian colony in Canada – coming to 317 thousand according to the Canadian census in 2011. There is no precise data concerning the number of Hungarians emigrating to South America: it is estimated to be around 125 thousand. The Hungarian diaspora in Israel has approximately 200 thousand members, while in the Republic of South Africa the number of Hungarians is

reported to be around 4 thousand. Nor is the Hungarian community in Australia negligible, counting 70 thousand according to the Australian census in 2011. Pursuant to the above, it may be concluded that there are 2.126 million Hungarians living in diasporas outside of Europe.

5.1.7.4. "NAVEL CORD" PROGRAMME

Between 2010 and 2016 we were faced with the demanding challenge of renewing the then struggling national policy. We needed to revive and lend importance to the strategy that had been pushed to the peripheries. We needed to rebuild the staggering institutional structure of our national policy. We needed to restore the relations that had been so much weakened by lack of trust.

Since 2010 the future of Hungarians beyond the country's borders has been a focal point in government policies. The Hungarian Government feels responsible for the Hungarian communities beyond the borders, and strives to strengthen the Hungarian-Hungarian ties – or if you like, the Hungarian-Hungarian navel cord in all walks of life.

A decisive step in this process should be sought in the introduction of preferential naturalization for Hungarians beyond the borders in 2010, or in ensuring them the right to vote in Hungary. The institutional system was restructured, within the government it is the deputy prime minister who is in charge of the national policy. The related budgetary expenses more than doubled between 2010 and 2017, rising from HUF 13.5 billion to HUF 28.6 billion. Several support programmes and tenders were launched (e.g. programme for kindergarten building and development in the Carpathian Basin, project for property investment, activities, objectives and programmes of organizations beyond the country's borders, programmes titled "Support for the Hungarian youth communities abroad" and "Hungarian-style in the motherland", tender invitation "For the Hungarian cul-

²⁵ *Hungarian diaspora policy, Strategic directions 2015, Prime Minister's Office, State Secretariat for National Policy – The data in the chapter are included in the table titled 'The data-based estimated total number of Hungarians around the world' on page 28.*

ture and education”, programmes under the title “2016, the year of young Hungarian entrepreneurs abroad”, “Year of Hungarian vocational training abroad” or “Year of Hungarian family businesses abroad”, along with the Kőrösi Csorna Sándor Programme, the Petőfi Sándor Programme, or the Szász Pál scholarship programme).

At the same time, the uncertainty around the assessment of the number of Hungarians living abroad may still evoke bad feelings – a feeling of hiatus, just like the maintenance and strengthening of our Hungarian expatriates’ relations with the motherland. Population policy shall not only concentrate on Hungarian inhabitants, but should think in terms of the entire Hungarian community. It should map the benefits and services that could support Hungarian families in their childbearing plans, no matter if they are moving or are already living abroad. It should make sure that, through a more exact number of these people, the competent authorities and law-enforcement agencies could become more aware of the current situation.

This was the underlying motivation of the Government when, in 2017, it announced that the maternity grant and the Baby Bond were not only available to those born in Hungary. As of 01 January 2018, they could be taken advantage of after every child who holds Hungarian citizenship, even if he or she lives abroad.

On the one hand, the measure enables Hungarian citizens to claim a maternity grant after those children who were born in a foreign country, provided that they had been registered in Hungary. As a matter of fact, currently the maternity grant is only provided to Hungarian citizens living in the territory of Hungary. Yet, in our understanding, support should be given even to those families that have children in a foreign country, no matter if they are Hungarian citizens beyond the borders, or are temporarily or permanently residing abroad.

The amount of the maternity grant, per child, equals 225% of the lowest amount of the old-age pension at the time of the birth of the child (HUF 64,125), or 300% in

the case of twins (HUF 85.5 thousand). The establishment of the maternity grant is subject to a claim, which may be submitted not more than six months after the delivery.

At present, Act I of 2010 on registration stipulates that every Hungarian citizen is obliged to initiate the domestic registration of the child if he or she was born abroad. This, however, many times fails to be implemented in practice. A change thereto could definitely foster the aptitude of Hungarian parents living abroad to notify the Hungarian authorities of their child’s birth, and an alternative for this could be the creation of some financial interest in the subject matter. We aim to ensure that the eligible mothers may make their claim for the support in the simplest way and in the shortest time possible. The measure has an annual expenditure of approximately HUF 641 million, possibly providing a subsidy to nearly 10 thousand children and their families on a yearly basis.

The second element of the notified set of measures focuses on the children of Hungarian citizens living abroad.

The Baby Bond (officially the so-called “life initiative support”), launched on 01 December 2013, is basically a Start savings account opened with the Hungarian State Treasury for a newborn infant, where the accumulated money is invested in government securities for a duration of 19 years. The savings accrued there, together with the interest (3%), may be taken out by the child after reaching the age of 18, with the intention of spending it on statutory objectives, such as studies, housing, career or childbearing. The collection account shall be automatically opened with the baby’s birth, to which an initial sum of HUF 42.5 thousand shall be disbursed as central budgetary support. Later the parents may decide to supplement it with their own payments, which will be made to a deposit Start account with the State Treasury. The savings there will be further supported by the central budget with an annual maximum amount of HUF 6 thousand, besides the interest.

According to government decision, as of 01 January 2018 the Baby Bond shall also be available to children born to parents with Hungarian citizenship, where the father and the mother may be living in an area beyond the country's borders inhabited by Hungarians, or may be temporarily employed in another country with a permanent place of residence there.

Our motivation does not differ in the case of this measure either, and we are addressing the same audience as with the maternity grant. Basically, we wish to assure those Hungarian mothers and families whose children are born in another country that the Hungarian State and the nation are ready to support them even beyond the borders. This could keep alive and strengthen the tie – the common fate and identity, which functions as an attachment to the motherland and to the Hungarian nation when it comes to Hungarians residing or working abroad for either a longer time or even for generations. The budget for the measure shall amount to an annual sum of HUF 600 million, for 10 thousand live-births per year outside Hungary.

It is a key message of both measures that the Government is committed to supporting the Hungarian communities to consolidate them as a nation, regardless of their geographical location. Secondly, instead of attracting them within the borders of the motherland, it wants to help them live and prosper where they were born and where they most feel at home.

5.1.8. MEASURES FOR THE PROMOTION OF THE FAMILY-FRIENDLY APPROACH

In addition to the financial benefits and allowances, family-planning and childbearing cannot do without a proper, supportive social environment, coupled with some public opinion in favour of these values. In other words, the creation of a family-friendly approach is indispensable. Prior to 2010, the then government was reluctant to enable a similar philosophy. As a matter of fact, its dominant ideology was based on an indi-

vidualist approach that placed personal interests above the community. Traditional values, such as family and marriage, failed to be respected, or were at least challenged. Therefore, at the time of the change in the political system, with the purpose of implementing the long awaited family-friendly provisions, we set it as a core objective to put more emphasis on the notion that starting a family and the reproduction of life are an asset – whatever area of life it concerns. People should be made aware that the afore-mentioned measures, the positive and supportive environment may be sustainable even in the long run: they could provide families with a predictable future.

Declaring 2018 the Year of Families

A family-friendly environment is one of the most important factors of parenthood. It is basically about the feeling and conviction that the community, the country and the government all support and encourage this responsible life-time commitment – the decision to have children. In order to consolidate its significance and to enhance awareness-raising about it, in May 2017 the Government made the decision to declare 2018 the Year of Families, so that the next 365 days would be more focused on this view.

With this, it will be time to conduct complex communication campaigns and organize programmes, in representation of family values. Relevant initiatives shall be made. With a focused outreach to families, no communication interface shall be left out from the array of tools available. The fundamental aim is to promote the measures that the Government has so far made in support of responsible childbearing and childrearing. In addition, it shall be emphasized that population problems are proposed to be primarily managed from internal resources, through the strengthening of families. Family-friendly programmes are planned to be held, along with international events in the Year of Families.

The related programmes, measures and events, thus, are intended to reaffirm the family-friendly set of values, and to make them widely accepted. And this covers the essence of the family and pronatalist approach, just like the work-life balance, the strengthening of inter-generation collaborations and the consolidation of an elderly-friendly approach.

"Kopp Mária Institute for Demography and Families" (KINCS)

In order to elevating the justifiability of the population policy measures targeted at the support of families, and in order to have a better understanding of the demographic situation of Hungarians beyond the borders, another government decision was made at the beginning of summer 2017 to found a family research institute, bearing the name of family researcher Mária Kopp, who died in 2012.

The research institute, which is destined to live up to the spirit and legacy of its denominator, will differ from other social science institutions in the field, as far as its profile and function in political decision-making is concerned. Its mission is to provide assistance in the understanding and interpretation of demographic trends and analyses, and to ensure an expert database of internationally acknowledged Hungarian and foreign professionals. Pursuant to its public tasks, the latter shall, as a core activity, facilitate the implementation of the Government's population and family policy related management and technical duties. The institute would, among others, keep liaison with foreign states, especially with the Visegrád partner countries in population policy related issues.

Family Cabinet

Even though the measures since 2010 have led to a remarkable progress in demographic trends, the inclina-

tion still persisted to establish a new government body. Family policy measures taken for better health are not sufficient on their own. They need to be aligned in a comprehensive and well-structured programme for the sake of a sustainable demographic twist.

This, however, needs the governmental decision-making mechanism to more emphatically consider the demographic perspectives when it comes to the discussion of any proposal.

Accordingly, the competent government members should not only review these materials in forums already existing with the bodies responsible for decision preparation. They shall, upon occurrence or request, if not regularly revise such documents, whose contents may directly modify the demographic situation. They shall do it through a dedicated body, which operates as a government cabinet with consultative and opinion-forming competences. Subsequently, they shall make their standpoint in the subject matter. This they shall establish from a special perspective that the population policy related strategic goals require them to follow. They may also make recommendations or additions, if needed. To this end, the Government has decided to form a 'Family Cabinet' in the second half of 2017, a body responsible for the stopping and reversing of population decline and ageing. As a technical preparatory forum of the government's decision-making processes, its members are leaders of the portfolios involved in the field. For the purpose of a successful demographic twist, it helps the Government with its family and population policy measures by providing it with strategies for the entire population or for certain groups thereof. It reviews and evaluates the proposals that have been put forward to government decision-making forums for discussion. Throughout this it shall follow a demographic perspective, and, if necessary, will make recommendations for further action to enhance fertility and to improve the population situation.

The body held its first meeting on 08 November 2017.

A great body of studies has emerged in international and Hungarian technical literature, dealing with the causal link between family support related expenditures and fertility. By substantiating the assumption, they claim that the higher level of budgetary resources spent on family support contributes to the realization of childbearing plans, and thus may have a positive impact on fertility. Relevant research on Hungary in the field²⁶ point at a relatively strong correlation between the rise in such expenses and the improving attitude to parenthood. An expense increment of 1% may, in the short run, result in a growing total fertility rate (TFR), showing an average increase of +0.2%, which may even reach 0.27 in the long run. (This effect, however, differs in intensity when it comes to having one or more children. The relation is weaker in the case of first-born babies than with second or later children.) This means that the augmentation of family support related resources by an average of 4 to 5 units would be sufficient to counter a unit-based growth of the TFR. And this correlation further justifies the earlier recognition that the volume of resources allocated to family support should be significantly increased as compared to their level in 2010.

This ambition of ours has been successfully achieved inasmuch as the budgetary sum allocated to family support more than doubled between 2010 and 2018. In the application of the adopted budgetary act, it was raised from HUF 960 billion to HUF 1,929 billion, meaning the realignment of around HUF 1,000 billion. The former amount, which had been partly 'produced' by the Hungarian economy and partly taken out of the country as some extra profit by multinational companies, shall now, as an income retrieved by the Government, be invested in families. While the nominal value of the gross domestic product (GDP) underwent a 50% increase dur-

ing the past eight years, the improvement in the level of family support related resources was double this rate. In proportion of GDP, the rate of expenditure rose from 3.5% in 2010 to 4.8% in 2018, which implies a growth of 37% in real terms, inevitably surpassing the 21% increase of the real GDP during the time. (Considering that economic growth processes are not independent of government performance, the rate achieved would be even higher, peaking at 7.1%, if the sum allocated to this year's family support related expenses is projected to the GDP value of 2010.)

As part of the total expenditure, family support related cash benefits, directly linked to childbearing (e.g. family allowance, family tax allowance, GYES, GYED, maternity grant etc.), recorded a 157% growth during the eight years, rising from HUF 611 billion to HUF 957 billion. The sum of the other subsidies (in-kind allowance etc.), which have an indirect yet indispensable connection to childbearing or childrearing, grew more significantly, to two and a half, or rather three times the original amount. This means that the volume of such support – among others, crèche and kindergarten services, institutional catering services, textbook provision or female retirement before the eligibility time for old-age pension – was increased from 350 billion to 972 billion HUF. The larger-scale improvement of direct subsidies is also reflected in their share of all the benefits. Basically, in 2010 it was boosted from an annual 36% to 50%.

Concerning the aggregate budgetary expenditure, the major items of cost were as follows:

1. The largest proportion (33%) of expenses was taken up by **family cash benefits**, the total sum of which grew by 7.2% during these eight years. The increment

²⁶ Gábos, András: *The impact of the Hungarian family support scheme on fertility*. PhD Dissertation, Budapest 2005; Gábos András, Gál Róbert Iván, Kezdi Gábor: *The effects of child-related benefits and pensions on fertility by birth-order: A test on Hungarian data*. *Population Studies*, Vol. 63(3), pp. 215-232, 2009

of HUF 43 billion was based on their increase from HUF 598 billion to HUF 641 billion. Within this, in the case of typically lower subsidies that are not connected to employment or wage-earning activities (family allowance, maternity grant, GYES, GYET etc.), there was a 12% decrease to an amount of HUF 57 billion. The deficit mainly showed in the category of family allowance, with a reduction of HUF 51 billion. The underlying reason for the drop could be explained by the falling number of dependants in households, which was partly attributable to the former government's measure to raise the eligibility age-limit. On the other hand, the generations attaining the age of majority and thus getting out of the system, outnumbered newborn generations who were just to get registered as entrants thereto. In the meantime, grants that are subject to an employment contract with a definite insurance period (CSED, GYED etc.) had the relevant resources increased by almost three-quarters (74%), which was manifest in HUF 101 billion more invested in the cause. Undoubtedly, this is a clear expression of the government's family policy and its underlying philosophy, according to which parents dedicated to making every effort to responsibly raise and nurture their children, shall be provided with special support and assistance in their endeavours. Accordingly, the distribution of guaranteed and work-based cash benefits changed from the former 77-23% ratio to 63-37% between 2010 and 2018, wherein the latter gained much more emphasis, quantitatively recording an increment of over HUF 400 billion.

2. **Family-supporting services** (kindergarten, crèche, child welfare and health visitor services, free meals, textbook provision, recreational opportunities for children etc.) constitute around one-fifth (22%) of the subsidies, which will receive HUF 424 billion this year, a sum two and a half times more (+HUF 241 billion) than in 2010 (HUF 183 billion). To be more exact, daytime care in the crèche system will be appropriated almost three times more than earlier. And neither will the amount granted to kindergarten



education, and to preferential catering services for children or health visitor services remain the same: it shall signal a change of 200% and 150% respectively. Two-thirds more money will be spent on textbook provision, while child welfare services shall in total be granted one-fourth more fund.

3. **Family tax and contribution allowances** make up another one-fifth (18%) of the referred financial support. Such are the family tax allowance, the job protection action plan, or inheritance exempt from tax payment etc.), whose amount underwent an eleven-fold growth during the eight years, rising from HUF 32 billion to HUF 356 billion. All this again underlines the shift of direct subsidies to work-based benefits, since as regards the total of the family cash benefits and income-based tax allowances, the latter's share therein grew from 24% to 58% between 2010 and 2018.

4. The commitments in connection with pensions for women, based on pensionable years, also have a relevant share (13%) in the family support budget. **"Women 40"** or **"Grandparental pension"** were introduced in 2011, so unlike in 2010 when no such subsidy existed, in 2018 as many as 260 billion HUF will be spent on them.
5. **Housing subsidies** (such as CSOK, housing-purpose interest rate subsidies, building society subsidies, the expenditure of the Hungarian National Asset Management Inc.) account for around 13% of all appropriations. The possession of an own, decent home is critical when it comes to childbearing plans and their realization, therefore the fund allocated to such causes will be raised by two-thirds, equalling an increment of HUF 97 billion. Compared to its initial sum of HUF 147 billion at the time of the change of the government, in 2018 it will stand at HUF 244 billion.
6. Finally, there is the budgetary support for **civil organizations pursuing family-friendly activities** (e.g. associations, foundations). The fund, which is available to them either by tendering or in other ways showed a ten-fold increase during the eight years: as opposed to its original sum of HUF 446 million, now it has reached HUF 4.7 billion.

Figure 5/46 – CHANGES IN BUDGETARY COMMITMENTS (BILLION HUF OR %)

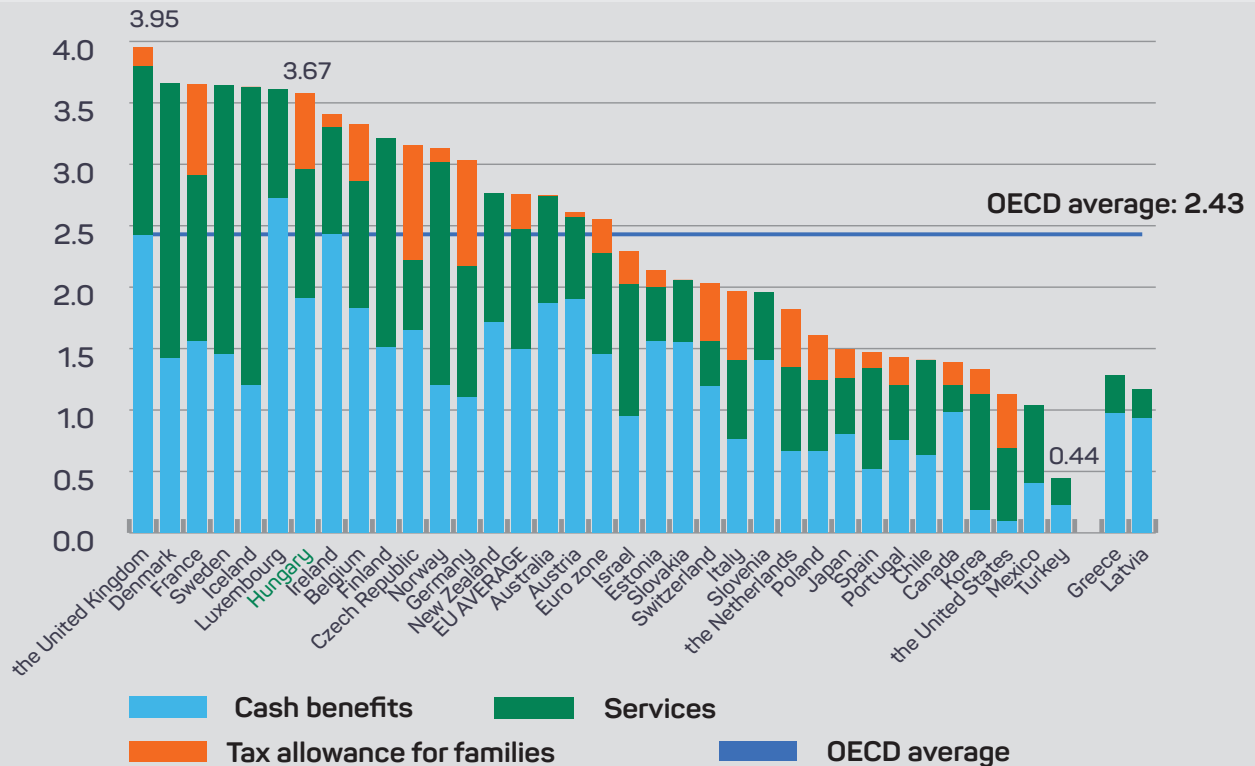
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Family supporting services	182.9	183.7	180.2	250.7	304.6	334.7	349.2	373.8	423.6
Cash benefits	598.0	581.7	578.6	569.9	572.0	580.1	594.6	609.2	641.2
Tax and contribution allowances	31.5	200.2	205.2	217.0	268.5	281.0	284.9	316.3	355.6
Housing subsidies	147.4	129.1	126.0	155.5	164.6	140.4	174.2	240.3	244.1
"Women 40"	0.0	26.3	105.1	135.8	164.0	182.7	205.3	233.9	260.0
Special subsidies	0.4	0.5	0.3	0.3	0.3	0.7	3.4	1.0	4.7
TOTAL	960.2	1,121.4	1,195.5	1,329.2	1,474.0	1,519.6	1,611.6	1,774.5	1,929.1
GDP ratio, %	3.5	4.0	4.2	4.4	4.5	4.5	4.6	4.7	4.8

Source: Budgetary and discharge acts (2010-2017)

Figure 5/47 – CHANGES BETWEEN 2010 AND 2018 (BILLION HUF OR %)

TITLE	2010	2018	DIFFERENCE, BN HUF	DIFFERENCE, %
Family supporting services	182.9	423.6	+240.7	+131.6
Cash benefits	598.0	641.2	+43.1	+7.2
Tax and contribution allowance	31.5	355.6	+324.1	+1,028.7
Housing subsidies	147.4	244.1	+96.7	+65.6
"Women 40"	0.0	260.0	+260.0	-
Special subsidies	0.4	4.7	+4.3	+957.7
TOTAL	960.2	1,929.1	+968.9	+100.9
GDP ratio, %	3.5	4.8	+1.3	+34.8

Figure 5/48 – FAMILY SUPPORT RELATED EXPENDITURE IN PROPORTION OF THE GDP (%)
IN OECD COUNTRIES, 2013



Source: OECD

Figure 5/49 – FAMILY SUPPORT RELATED APPROPRIATIONS IN THE PROPORTION OF THE GDP, %

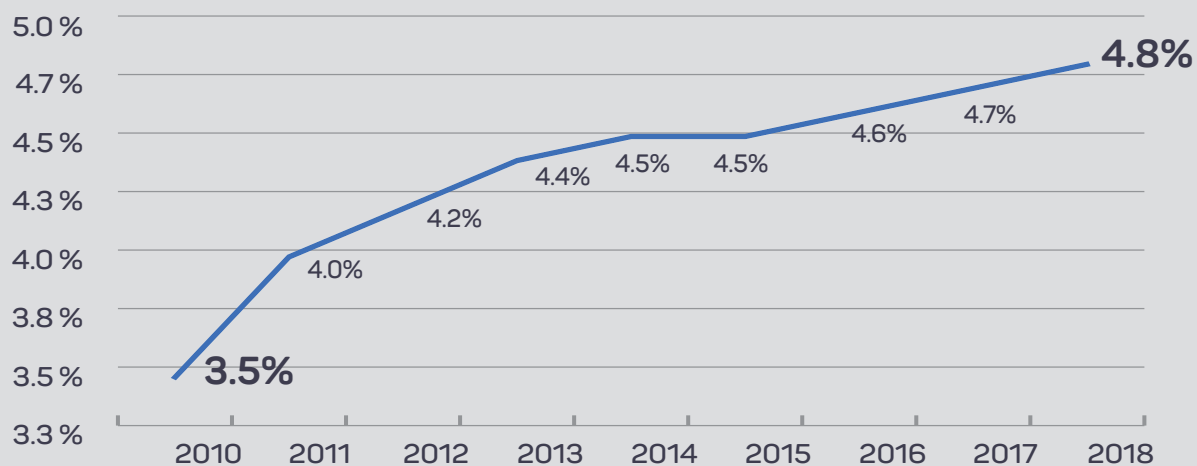


Figure 5/50 – CHANGES IN THE TOTAL AMOUNT OF FAMILY-RELATED BUDGETARY COMMITMENTS (BN HUF)

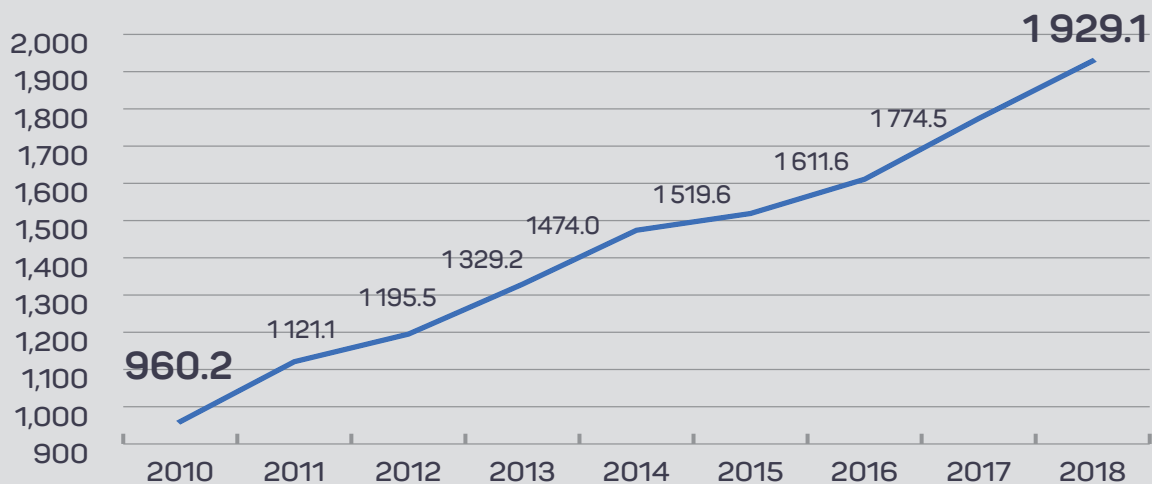
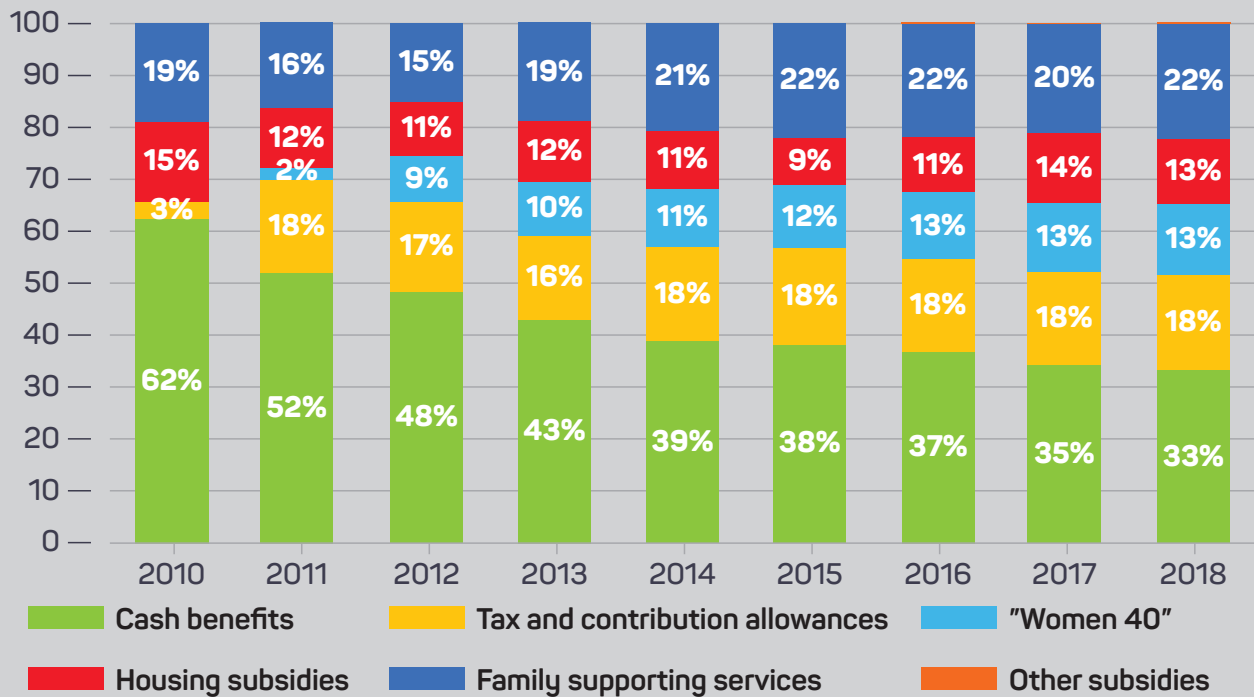


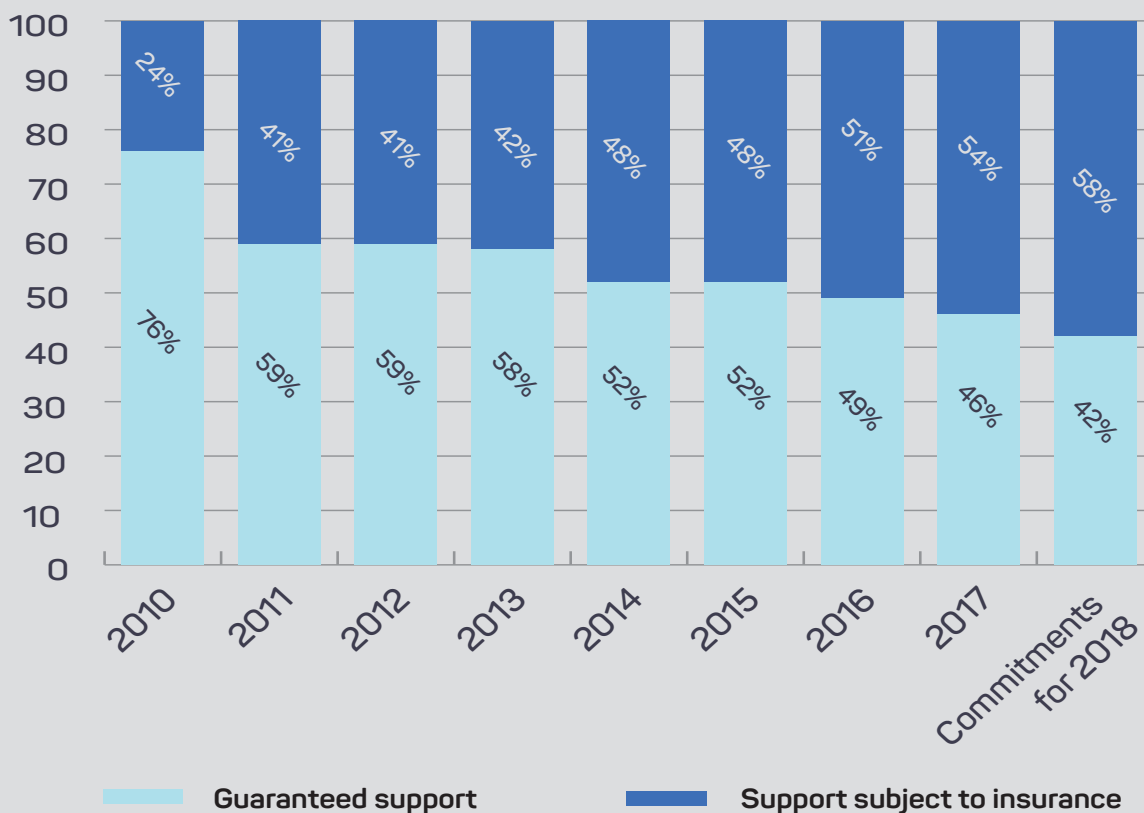
Figure 5/51 – THE ANNUAL FUNCTION-BASED CHANGES IN THE DISTRIBUTION OF COMMITMENTS



Upon reviewing the type-based ratio of the various subsidies, it may be stated that during this period of eight years changes in the appropriations for family supporting services or housing subsidies were not remarkable, showing an average growth of 20% and 12% respectively, while that of special subsidies was minimal. At the same time, it was just the opposite with cash benefits. Their ratio shrank to half the original (from 62% to 33%). Tax and contribution allowances, nonetheless, moved from the marginal 3% to 18%, which means that even though the aggregate proportion of financial subsidies and allowances diminished (from 65% to 51%), their internal distribution rather shifted to work-based subsidies. It was time to introduce preferential female retirement, which again indirectly contributes to family support. The new allowance basically shot from zero to 13% as far as its ratio in commitments is concerned.

Overall it may be concluded that, within this 8-year interval, the additional resources granted to family support were of an order of HUF 1,000 billion. The major part, around one-third of them (HUF 324 billion) was allocated for the introduction and promotion of various tax allowances (typically, in 95% to family allowance). One-fourth was spent on family-friendly services – mainly on the improvement of kindergarten services (HUF 150 billion), catering services for children (cca. HUF 50 billion) and crèche services (to an amount of HUF 30 billion). The additional expenditure of HUF 260 billion incurred through the adoption of "Women 40" constituted another one-fourth, while 10% of the additional resources was appropriated to higher housing benefits. The remaining part derived from the increase of financial and other grants.

Figure 5/52 – THE DISTRIBUTION OF WORK-BASED AND GUARANTEED SUBSIDIES IN THE CATEGORY OF FAMILY CASH BENEFITS, 2010-2018

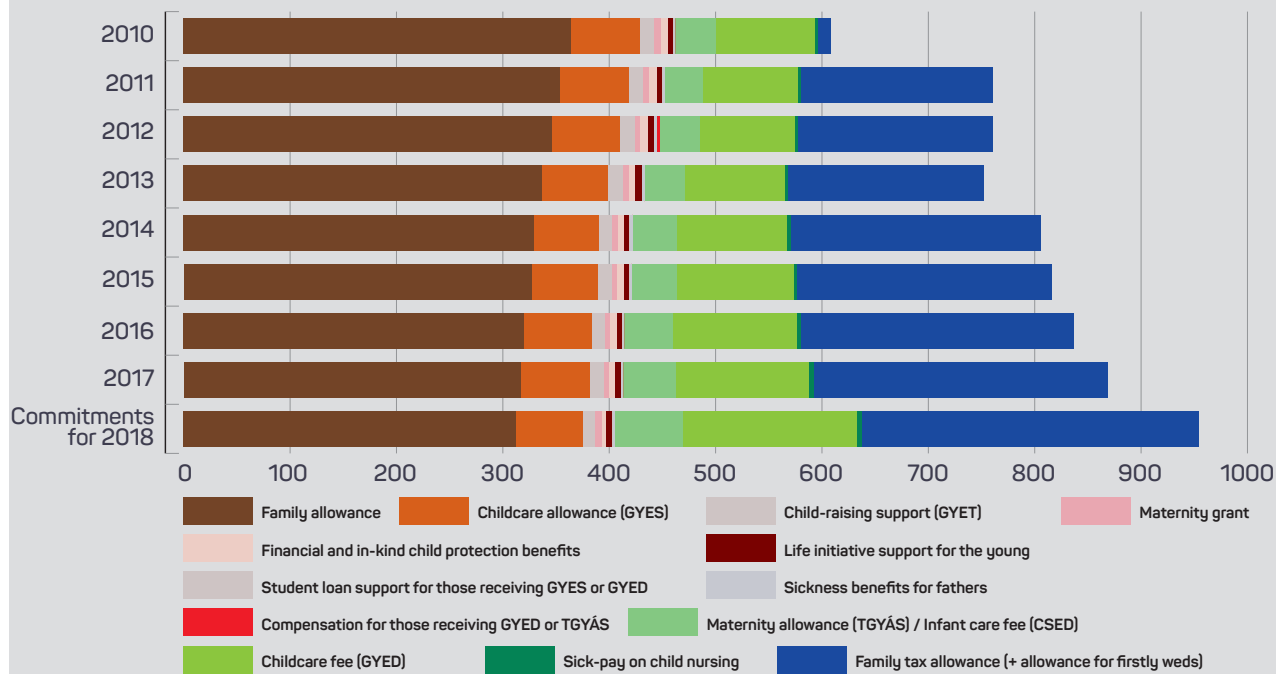


As the above also suggest, there has been an apparent shift towards the support of responsible childbearing. Besides higher work-based allowances, a part of the leveraged resources in services typically affected subsidies that are targeted at working parents (e.g. crèche services). In addition, housing subsidies and the introduction of "Women 40" were fundamentally destined to acknowledge extra work performance as an eligibility factor for the benefits. In the context of this endeavour, within the category of family cash benefits, work-based subsidies and tax allowances underwent remarkable improvement – in 2018 they rated 58% against the earlier 24% in 2010, in comparison with guaranteed benefits.

And neither was the strengthening of vulnerable and disadvantaged families neglected. The provision of free catering services to children and free textbooks were mainly in favour of this group, just like the extended scope of resources and better eligibility conditions in the category of children's holiday camp services.

All in all, our objective announced in 2010 has been accomplished. It was, inter alia, aimed at making further efforts towards the consolidation of the financial status of families that have or are raising children. Budgetary resources appropriated to the cause have more than doubled since the change in the political system, which has

Figure 5/53 – APPROPRIATIONS FOR FAMILY CASH BENEFITS BETWEEN 2010 AND 2018 (bn HUF)



been unprecedented even in terms of the preceding era. Breaking down the total expenditure to the 1.1 million families bringing up children, it can be established that in contrast with 2010 when families with children were granted HUF 784 thousand (in the form of allowances and services) on average, in 2018 this sum will rise to HUF 1,754 million. In this sense, the family-friendly provisions will enable each and every family that has or raises children to get, on average, HUF 1 million more than in 2010.

And this may serve as a firm basis for young people to again take the courage to cultivate their dreams of a family with as many children as they wish to have.

CHAPTER VI

THE POPULATION SITUATION IN HUNGARY AFTER 2010 – ACHIEVEMENTS



In the previous chapter an overview was made of the major government measures from 2010 to this day, focusing on the fostered support of families planning and bringing up children. Now it is time to assess how efficient these steps were and to what extent they affected the Hungarian demographic indicators. The question to answer, thus, is whether there was a breakthrough, or any positive change in the national population situation.

6.1. MAJOR INDICATORS DEFINING THE POPULATION SIZE AFTER 2010

On 01 January 2017 the population of Hungary was 9 million 798 thousand, which was 216 thousand fewer (-2.2%) than the number recorded on 01 January 2010. This means that population decline was still an ongoing process, resulting in an annual average shrinkage of 30 thousand compared to 2010.

Between 2011 and 2016 the number of live-births and deaths was 543 thousand and 770 thousand respectively, implying a natural population decline of 226 thousand. This, however, was moderated by the positive balance of international migration. The 66 thousand people plus derived from the former balance led to an actual population decline of 161 thousand only. Between 2010 and 2016 changes were favourable for all natural people movement indices. Attitudes to

childbearing improved, there was a rise in the number of births and marriages, and some decrease in that of divorces. Fewer people passed away. Infant mortality had never been that low, and the number of abortions was also shrinking. Consequently, the scale of natural decline, which still seemed to be considerable, significantly dropped as compared to its level in 2010. It showed a rate of 15%. The pace of actual population decline, however, has been accelerated lately, even though the metrics in the afore-mentioned fields are definitely positive. Somehow, this can be attributed to the decreased surplus in the migration balance, indicating a shrinkage of over 75% between 2010 and 2016. Consequently, by the end of the period under analysis, the actual population decline was 9% higher compared to its level in 2010.

Figure 6/1 – MAJOR PEOPLE MOVEMENT EVENTS

People movement event	1990	2010	2015	2016	2016 (2015=100.0)
Live-births	125,679	90,335	91,690	93,063	101.5
Deaths	145,660	130,456	131,697	127,053	96.5
Infant mortality	1,863	481	383	368	96.1
Marriages	66,405	35,520	46,137	51,805	112.3
Divorces	24,888	23,873	20,315	19,552	96.2
Abortions	90,394	40,449	31,176	30,439	97.6
Natural decline	-19,981	-40,121	-40,007	-33,990	85.0
Actual decline	-1,670	-28,602	-25,086	-31,200	124.4

Source: KSH (CSO)

Figure 6/2 – POPULATION CHANGE AND ITS DEFINING FACTORS, 2010-2016

	2010	2011	2012	2013	2014
Population size, thousand people (01 January)	10,014	9,986	9,932	9,909	9,877
1. Number of live-births, persons	90,335	88,049	90,269	88,689	91,510
2. Number of deaths, persons	130,456	128,795	129,440	126,778	126,308
Natural population change, persons (1-2)	-40,121	-40,746	-39,171	-38,089	-34,798
3. Migration balance, persons	11,519	12,755	16,044	6,656	13,004
Actual population change, persons (1-2+-3)	-28,602	-27,991	-23,127	-31,433	-21,794

	2015	2016	Change (2010-2016, persons/thousand people)	Change (2010-2016, %)
Population size, thousand people (01 January)	9,856	9,830	-184	-1.8%
1. Number of live-births, persons	91,690	93,063	+2,728	+3.0%
2. Number of deaths, persons	131,697	127,053	-3,403	-2.6%
Natural population change, persons (1-2)	-40,007	-33,990	+6,131	+15.3%
3. Migration balance, persons	14,921	2,790	-8,729	-75.8%
Actual population change, persons (1-2+/-3)	-25,086	-31,200	-2,598	-9.1%

Source: KSH (CSO)

Figure 6/3 – POPULATION CHANGE PER THOUSAND INHABITANTS, 2010-2016

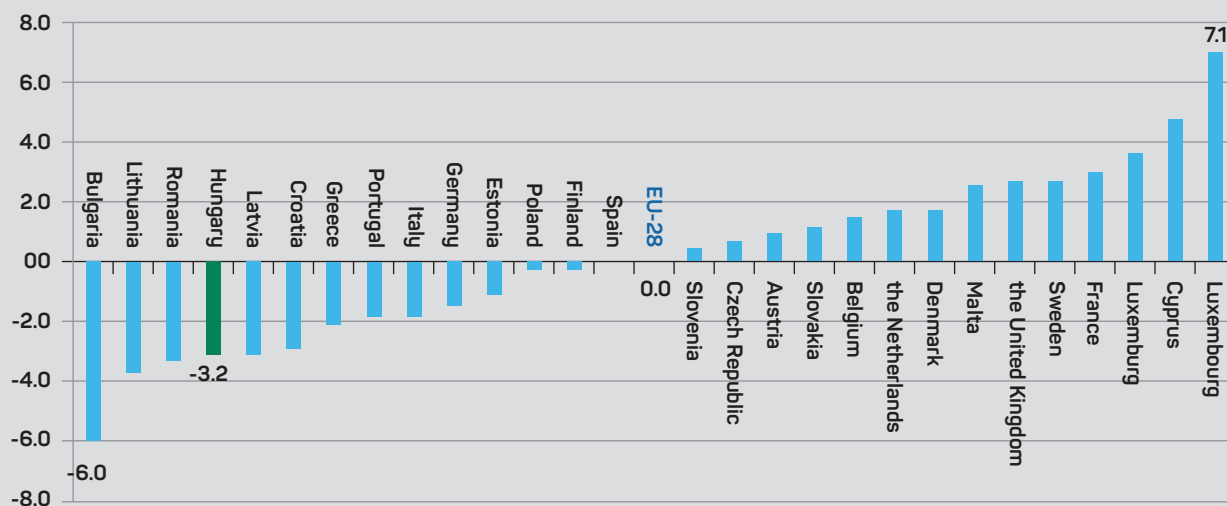
	2010	2011	2012	2013	2014	2015	2016
Natural population change (per thousand inhabitants)	-4.0	-4.1	-3.9	-3.8	-3.3	-4.0	-3.2
Actual population change (per thousand inhabitants)	-2.9	-2.8	-2.3	-3.2	-2.2	-2.5	-3.4

Source: Eurostat

Regarding the indicators suitable for international comparison, the rate of natural population change per thousand inhabitants moderated from -4.0 to -3.2 during the period 2010-2016. Most countries, namely 21 experienced some deterioration, seeing the number of deaths exceed that of births. Notwithstanding, in two cases the index remained as

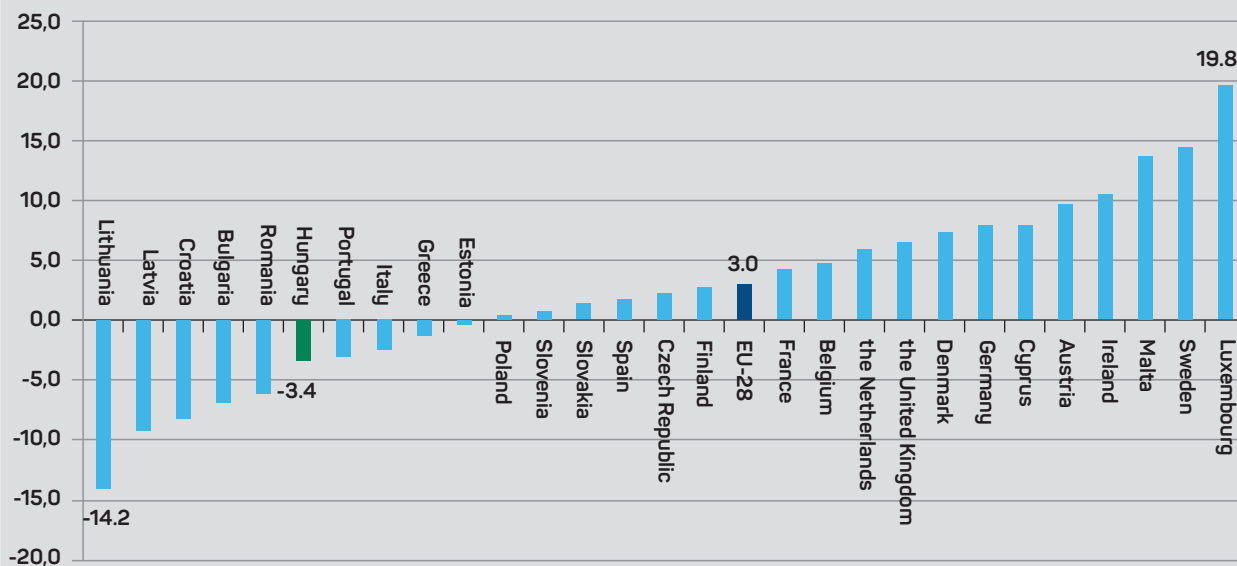
it was. Hungary ranked among those five countries from the 28 EU Member States where figures showed some progress. Accordingly, it got three places higher in the ranking list of Member States, taking the 23th place against its former 26th position. Yet, the earlier trend of natural population growth ceased to exist across the European Union.

Figure 6/4 – NATURAL POPULATION CHANGE IN EU-28 MEMBER STATES IN 2016 (PER THOUSAND INHABITANTS)



Source: Eurostat

Figure 6/5 – SCALE OF NATURAL POPULATION CHANGE IN THE 28 EU MEMBER STATES, 2016 (PER THOUSAND INHABITANTS)



Source: Eurostat

As far as total population change weighted with migration is concerned, by 2016 its index grew from -2.9 to -3.4 due to a worsening migration balance. The indicator typically improved in Western host countries (such as Germany, Austria, Scandinavia, the Netherlands), as a result of their considerable volume of migration. In contrast, Central and Eastern Europe experienced a rather

reverse trend. Our relative position remained the same – Hungary was still listed 23rd among EU Member States. Yet, the above happenings across Europe led to the underlying modification of the actual population change index, making it increase from 2.5 to 3.0. In this sense, it may be stipulated that migration might be accountable for population growth.

6.2. ATTITUDES TO CHILDBEARING AFTER 2010

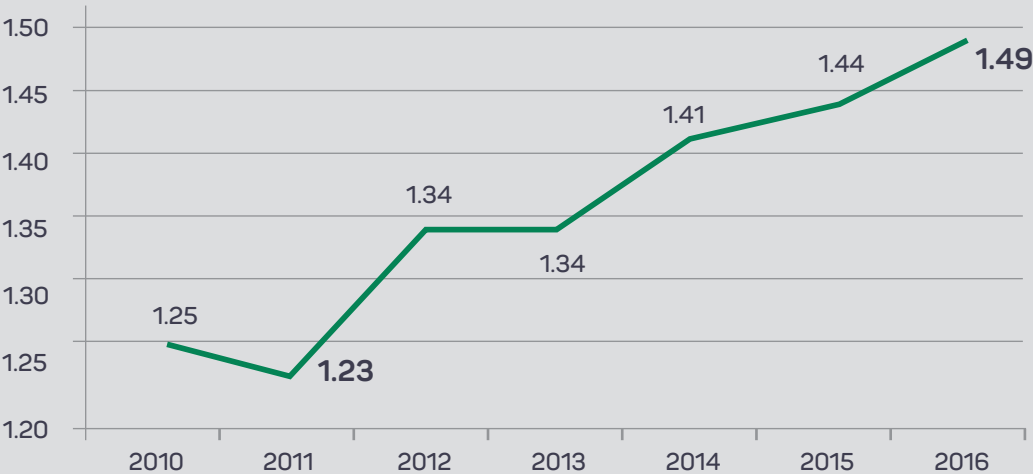
6.2.1. CHANGES IN THE FERTILITY LEVEL

Hungarian attitudes to childbearing had sunk to a dramatically low level by 2011. The total fertility rate was almost 1.2, and its falling below the critical value of 1.3 made it the least favourable among the 28 EU Member States.

Subsequent to 2011, however, both components started to dynamically improve, which was obviously partly attributable to the family-friendly government measures. The total

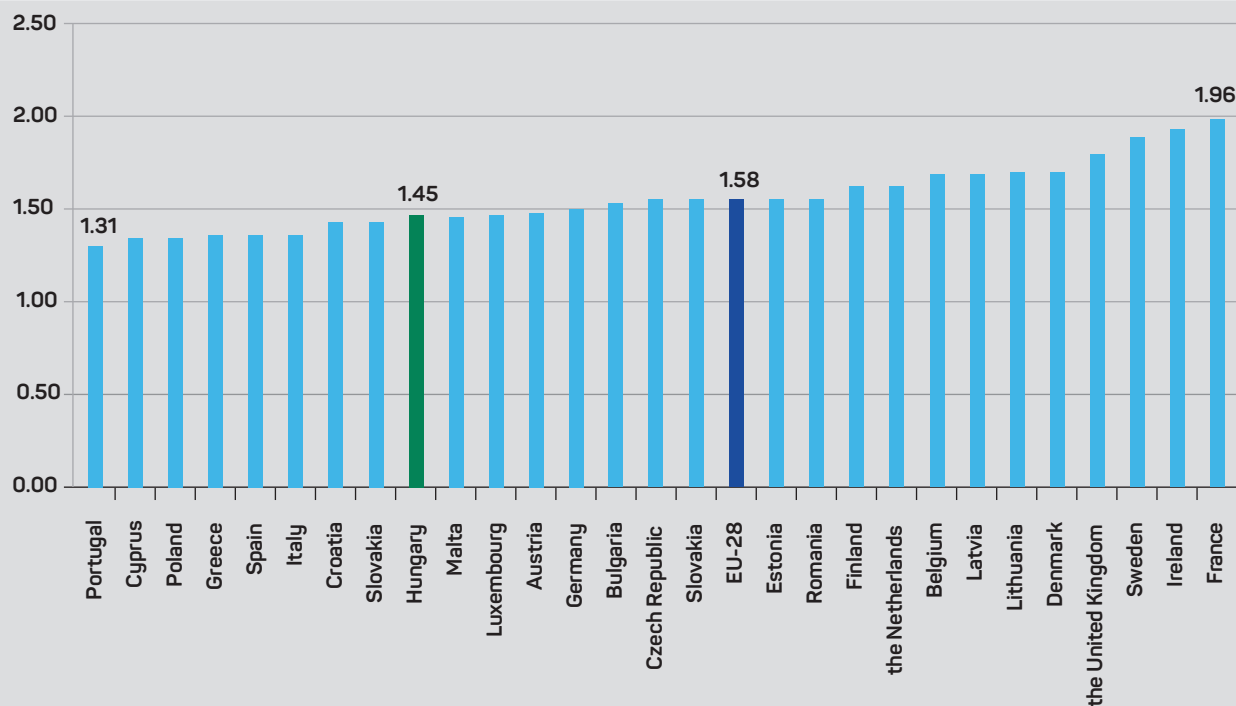
fertility rate, which expresses the attitudes to childbearing, increased from the initial figure of 1.23 to 1.34 in 2012, which was earlier typical of the 2000s. Then after reaching the level of 1.4 in 2014, in 2016 it approximated 1.5 (1.49, that is), which had been unprecedented since 1996. Relative to 2010 this meant a growth of 19.2%, which clearly justifies the targeted, focused nature and the efficiency of our recent Hungarian family policy. In 2011 the fertility rate averaged 1.59 across the European Union. A few years later, around 2015, the TFR showed a similar value (1.58),

Figure 6/6 – TOTAL FERTILITY RATE IN HUNGARY, 2010-2016



Source: KSH (CSO)

Figure 6/7 – TOTAL FERTILITY RATE IN THE EUROPEAN UNION, 2015



Source: Eurostat

with minimum fluctuations in the meantime. An above average level of enthusiasm for childbearing was recorded in France and Ireland. Baltic countries from the former Eastern block seemed to catch up, including Latvia that used to have one of the worst indicators in this respect. The fertility rate further stagnated at a particularly low level in the southern states (such as Portugal, Spain, Italy, Greece, Cyprus), though. In most of the former socialist countries changes were rather advantageous. Interrupted by some deflection, by 2015 the attitudes to childbearing in Bulgaria, the Czech Republic, Romania and Slovenia slightly improved or basically stagnated compared to the level 4 years earlier. The worst performing country in the region was Poland with an indicator of 1.32. The Hungarian index of 1.45 was enough for the 20th place. Although four years earlier the country ended the ranking list, now it was 'neck and neck' with Malta, having jumped eight places ahead. Although that fertility statistics by Eurostat for 2016 are not yet available, it can still be assumed that we are likely to

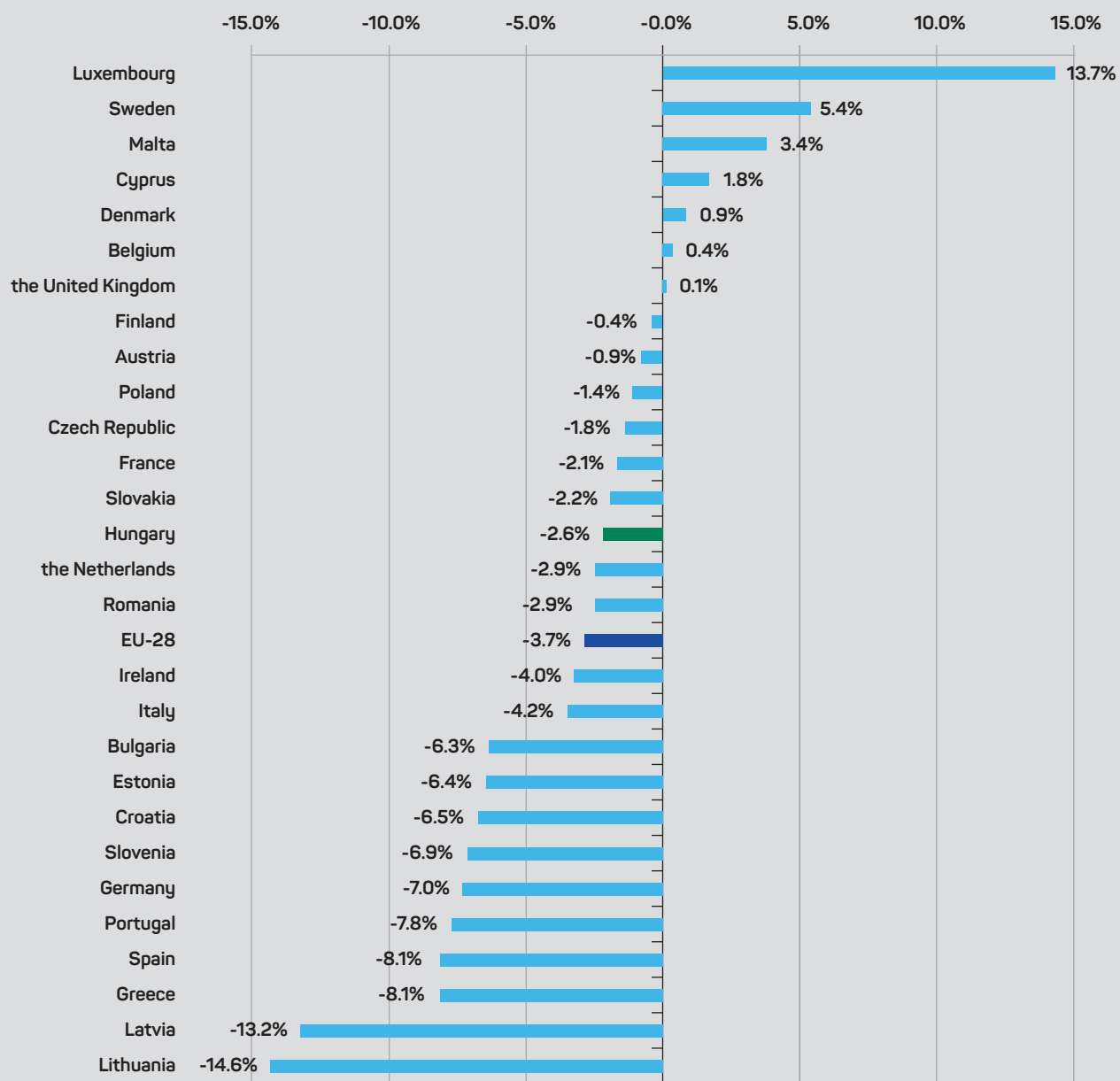
come closer to the level of Member States with high fertility rates. At least this is what the potential further improvement of the Hungarian indicator suggests.

6.2.2. NUMBER OF LIVE-BIRTHS AFTER 2010

The number of live-births in Hungary was 93,063 in 2016, which was 3.1% higher than in 2010 (90,335) and 5.7% better than in 2011 (88,049). The birth rate showed a 1.5% increase against its level in 2015.

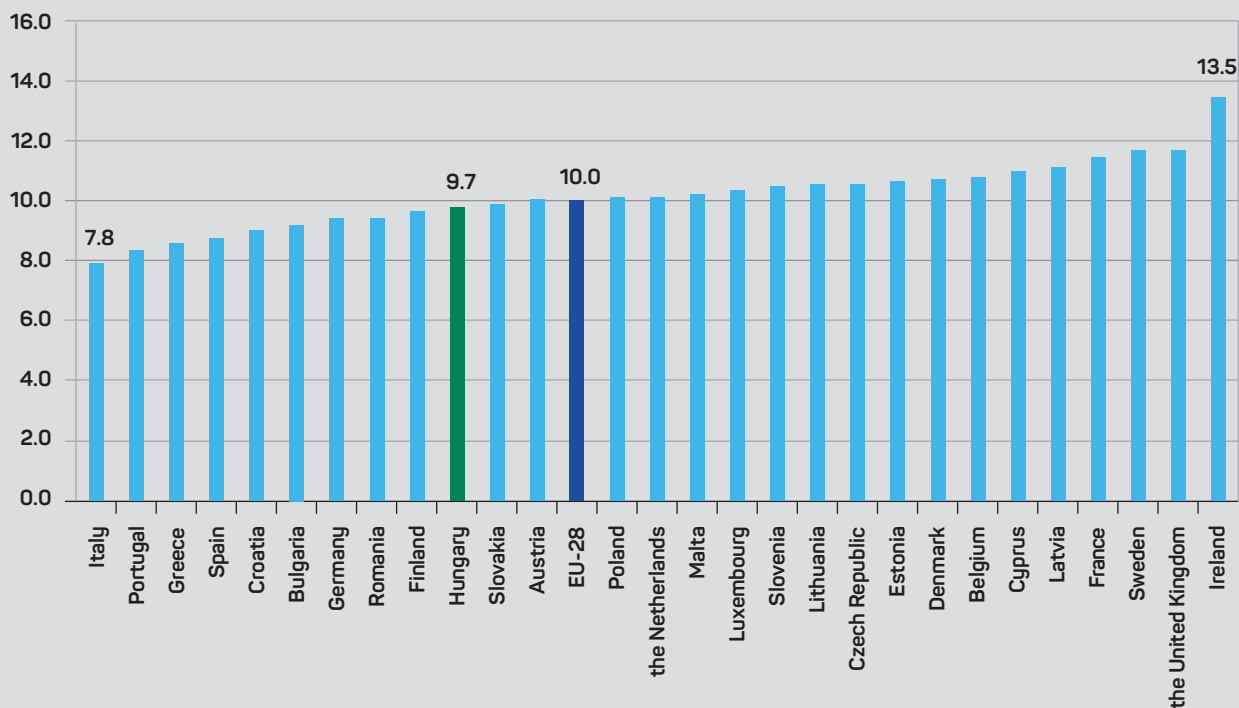
The importance of such improvements is reaffirmed by the fact that they were accomplished in a period (2010-2016) when the number of women of childbearing age dropped by 2.6%. This fall of 54 thousand caused their number to shrink from 2.091 million to 2.037 million. Yet, even though the group of fertile women was smaller, they still managed to give birth to more children owing to a one-fifth higher level in their attitudes to childbearing. (During

Figure 6/8 – THE NUMBER OF WOMEN OF CHILDBEARING AGE IN THE EUROPEAN UNION, 2010-2016



Source: Eurostat

Figure 6/9 – THE RATIO OF LIVE-BIRTH RATES PER THOUSAND INHABITANTS IN THE EUROPEAN UNION, 2016



Source: Eurostat

the period 2010-2016 the number of women of childbearing age decreased by 3.7% across the EU. Nevertheless, the Hungarian rate of decline in this respect did not reach the EU average. While in 7 Member States the number of affected women showed some growth, in the majority of the countries shrinking numbers were predominant.)

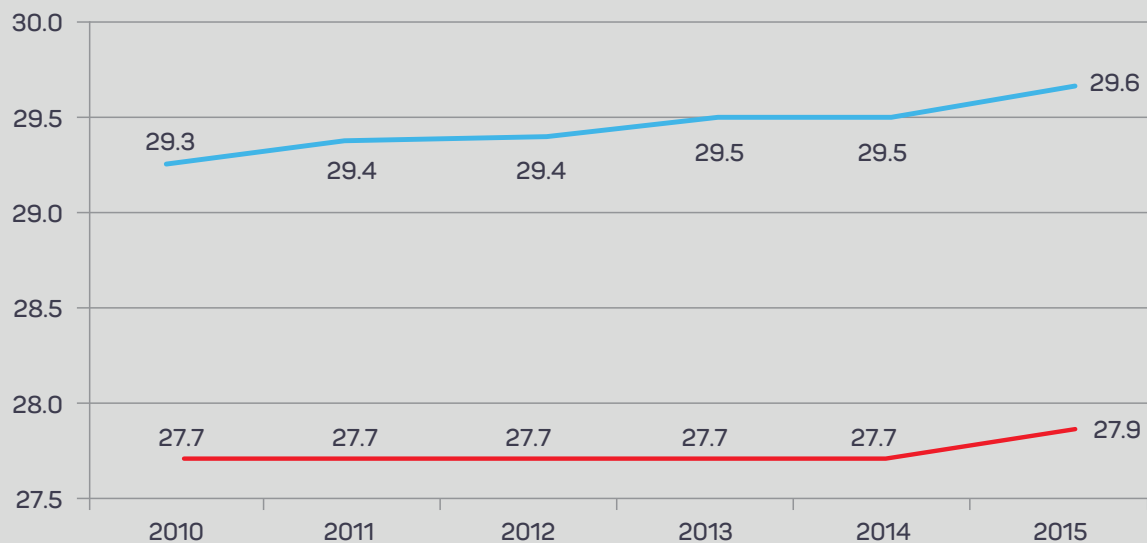
On a European average, the Hungarian birth number per thousand inhabitants – rising from 9.0 in 2010 to 9.7 in 2016 – shows considerable improvement. Now, as opposed to our 27th position after Germany in 2010, in 2016 Hungary ranked 19th, which meant only a slight lagging behind compared to the EU average of 10.0. There were only six other Member States, along with us, that could actually record growth during the period. In comparison with our regional neighbours (e.g. the Czech Republic, Poland, Slovakia), though, the gap is somewhat larger than suggested.

6.2.3. CHANGES IN THE AVERAGE CHILDBEARING AGE OF WOMEN AFTER 2010

As mentioned earlier in Chapter VI, the gradual postponement of childbearing to later years has become a trend applicable both to other EU Member States and Hungary. Within a time interval of eight years, average age at birth grew by 1.5 years, peaking at around 30 in 2010. Later, between 2010 and 2015 the dynamic 'growth' was replaced by a moderate increase of 0.3 years (to 29.6) as far as the average age of Hungarian women at birth is concerned. This definitely implies that there is fundamental stabilization going on in the matter of delayed parenthood, which may be considered advantageous in connection with the future number of children.¹

¹ Demographic Portrait, 2015

Figure 6/10 – CHANGES IN AVERAGE FEMALE CHILDBEARING AGE IN HUNGARY, 2010-2015 (years)

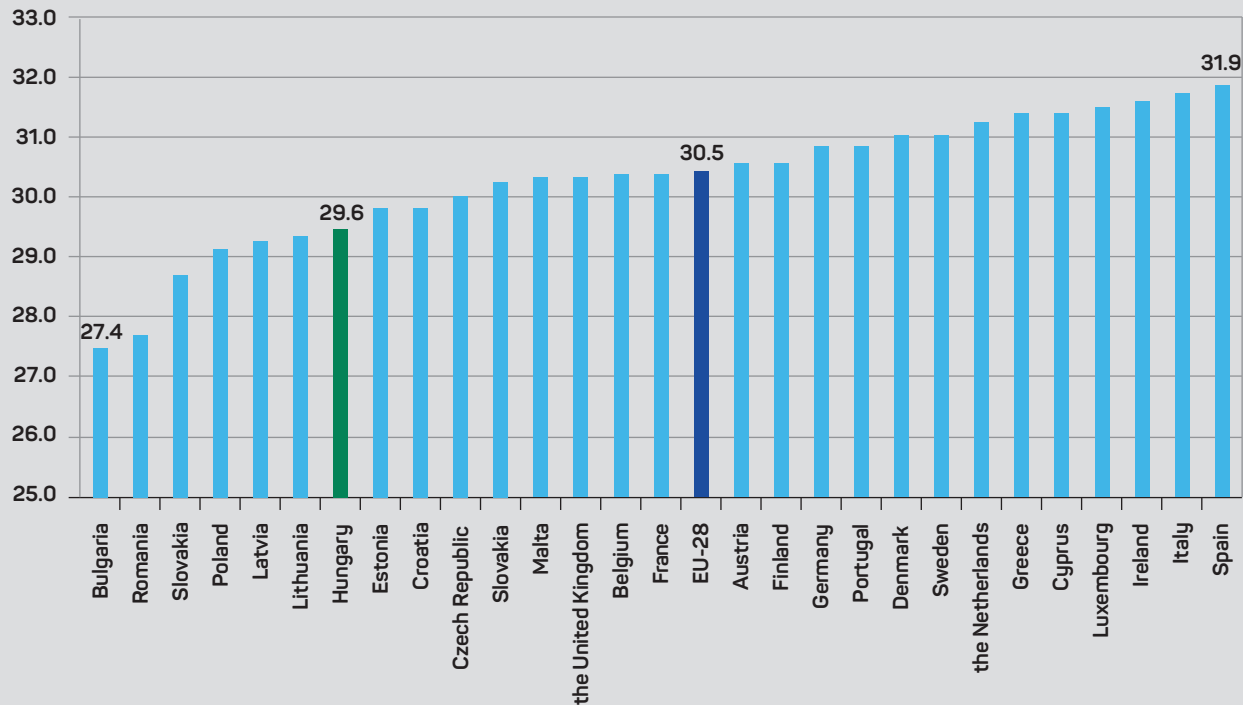


Source: Eurostat

■ Mother's average age at birth

■ Mother's average age at the birth of the first baby

Figure 6/11 – AVERAGE FEMALE CHILDBEARING AGE IN EU MEMBER STATES, 2015 (years)



Source: Eurostat

In contrast, average childbearing age showed a more significant increase at the time across the European Union. It rose by 0.6 percentage points, to 30.5 years. This moderate rise was prevalent in all countries. Former socialist countries tended to draw near the EU average, yet they still failed to reach it, with the exception of Slovenia. The Slovenian average childbearing age was already over 30 years in 2009. Besides that, it was only the Czech Republic that could register such figures in 2015. Still in 2015 Bulgaria recorded the lowest age at birth (27.4 years), while Spain had the highest value – almost 32 years. As early as 2010 Hungary belonged to the top third of EU Member States in this respect, ranking 9th. What is more, by 2015 our position was further improved to 7th place.

In parallel with this, the average mother's age at the birth of the first child also grew in the EU, rising to 28.9 years in 2015. In this field former socialist countries generally showed a better picture than other Member States – women tended to give birth to their first baby earlier than their western counterparts. In Hungary this figure climbed to 27.7 years old in 2010, just to see it further increase to 27.9 in 2015 – only one year less than the EU-28 average.

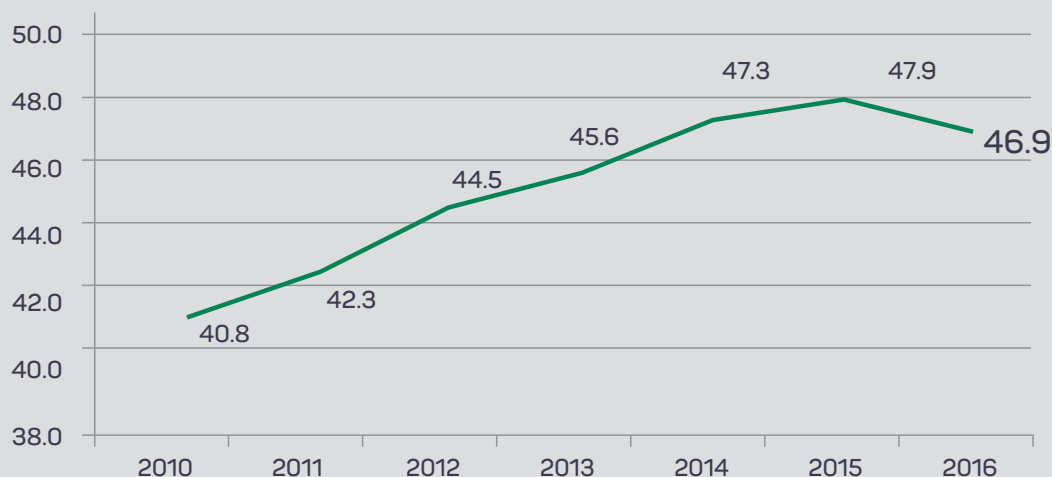
This change, however, is minimal relative to the previous period. In 2010 Hungary was listed 10th among the 25 Member States that provided related data. And this position was further improved to 8th place in 2015.

All in all, it may be stated that there was a slow-down in the rise of the average childbearing age after 2010 – even compared to EU Member States. While Hungarian mothers tend to give birth to their babies earlier than the EU average, across the European Union, unfortunately, delayed parenthood is still a dynamic and dominant phenomenon.

6.2.4. RATE OF BIRTHS OUT OF WEDLOCK BETWEEN 2010 AND 2016

During the period 2010-2015 the rate of children born out of wedlock grew from 40.8% to 47.9% in Hungary, in line with earlier trends. The rate of first-born children out of wedlock first exceeded that of children born to married couples in 2012. Yet, the trend has halted by 2016, or – better still – has even been reversed, since the rate of live-births out of wedlock fell to 46.9%. This could be partially explained by the significant rise in

Figure 6/12 – THE PROPORTION OF LIVE-BIRTHS OUT OF WEDLOCK IN HUNGARY, 2010-2016 (%)



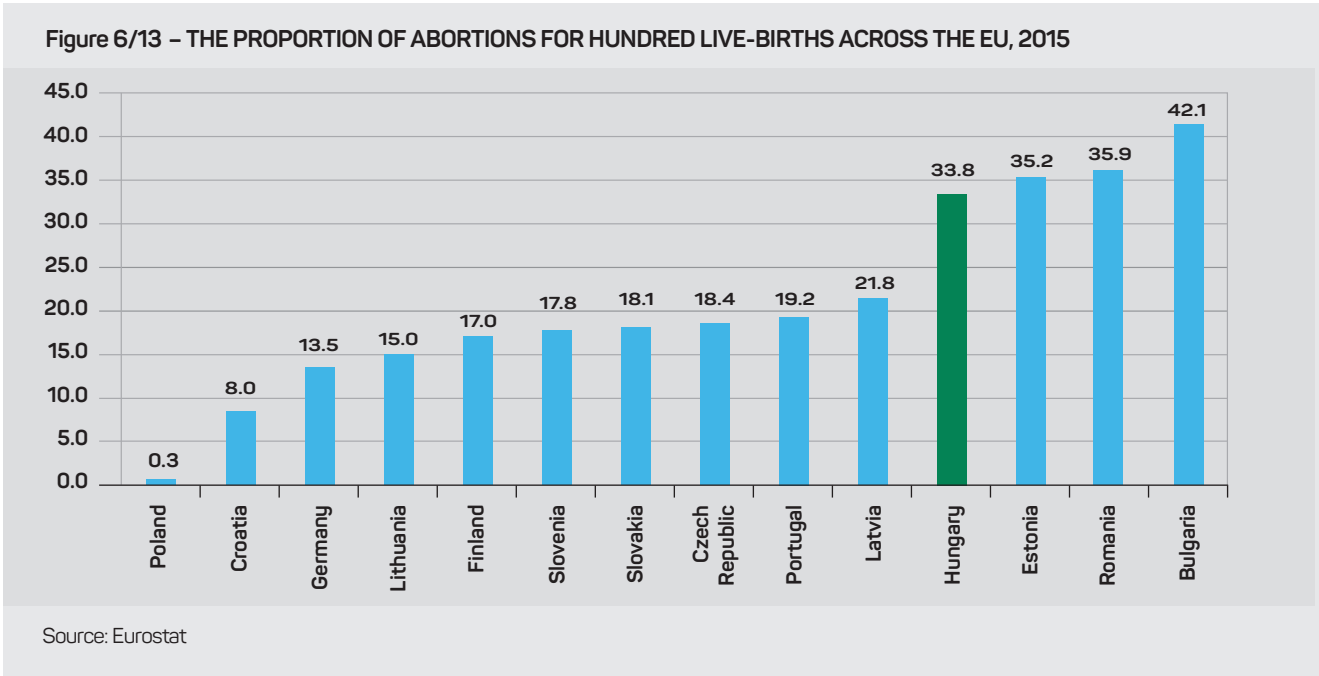
Source: KSH (CSO)

the number of marriages in recent years. 43,868 of the 91,690 babies born in 2015 were brought into this world by unmarried mothers, while in 2016 this figure was 43,647 against 93,063, which concurrently means that the underlying reason for the live-birth increment in 2016 should be sought in the childbearing surplus among married couples. For, despite the 0.5% drop in the number of children out of wedlock, the number of children born to married couples showed an increase of 3.3% compared to the previous year.

Women giving birth to their children out of wedlock are typically younger than their married counterparts. In the case of women under 20, the rate of childbearing out of wedlock grew from 35% in 1990 to 90% in 2015. This, however, was 75% compared to the former 9% in the age-group 25-29, and 47% compared to 8% for women aged 25-29. Above 30 it was 36% of the mothers who decided to have a baby as opposed to their previous proportion of 15%.

The rate of births out of wedlock increased further even after 2010 – although the extent of the progress differed

in each EU Member State. The EU average grew from 38.1% in 2010 to 42.0% in 2014, according to the latest consolidated data. As far as children born out of wedlock are concerned, among the EU Member States, France, Bulgaria, Slovenia, Estonia and Sweden registered an above 50% rate as early as 2014, such figures being approached by Denmark and Portugal in 2015. In this context, in one-fourth of the Member States there were more children born to single parents or to parents living in a partnership than otherwise. Greece, Cyprus, Croatia, Poland and Malta had the lowest share of childbirths out of wedlock. In these countries, except for Malta, the proportion of childbirths out of wedlock still failed to reach 25%, even in 2015. Regarding former socialist countries, the Czech Republic underwent a process similar to Hungary between 2010 and 2015. Meanwhile, childbirths out of wedlock in Croatia, Latvia, Lithuania, Poland, Romania and Slovakia constituted a smaller proportion than in Hungary. During the period 2010-2015, our country improved its position among EU Member States, being listed 16th as compared to its earlier 18th place.



6.2.5. THE NUMBER OF ABORTIONS AFTER 2010

The number of abortions kept on dynamically decreasing in Hungary between 2010 and 2016. During this period the number of such operations was reduced by 24.7% – their figure dropped by 10 thousand, from 40,449 to 30,439. At the same time, the total number of obstetric events, namely pregnancies, fell by 4.6% – from 147 thousand to 141 thousand.

This is also to justify that a pro-life approach is gradually gaining ground. More and more pregnant mothers decide to keep their baby, making abortion slowly lose its leading position and, as a tool to regulate birth, and is slowly being pushed to the background. Between 2010

and 2015² there was a substantial drop in the number of abortions against live-births, as far the European Union is concerned. Pursuant to the data at hand, it was only Bulgaria, Finland and Poland that could record a smaller-scale growth in this rate. In contrast, other countries welcomed a somewhat decreasing trend. In terms of proportion, the highest-scale improvement was registered in Latvia (-41%), Romania and Hungary (-25%), alongside Estonia (-21%). With the Hungarian figure's moderation from 44.8 to 33.8, the country achieved a better position in the ranking list of the 13 states under analysis. Instead of being the second worst performing country, now we were listed 11th, which suggested a rather promising trend, even though the number of artificial abortions was still painfully high.

6.3. FAMILY-PLANNING ATTITUDE AFTER THE CHANGE OF THE GOVERNMENT

6.3.1. THE NUMBER OF MARRIAGES AND DIVORCES IN HUNGARY AFTER 2010

The Hungarian family-friendly provisions after the change of the government, and particularly the measures in support of the family, such as the introduction of the allowance for firstly weds, resulted in a positive shift in the attitudes to family-planning. As compared to its lowest in 2010 there has been remarkable progress in the field during the past six years. Such a high number of marriages had not been contracted since 1996 as in 2016. The annually 51,805 weddings surpassed the previous year's level by 12.3%, meaning 5,668 more ceremonies. Relative to the level in 2010, the figure was nearly one and a half times (+45.8%) higher. Although the number of marriages decreased by 23% during the period 2002-2010, in 2016 their figure showed a positive trend in all age-groups – both in the case of men and women. Within this, growth was even above the average among women

aged 30-39 and men aged 35-39. It might be attributed to the favourable effect of the benefits for first-married couples that there was an above average rise in the number of marriages where both spouses made their wedding vows for the first time. Such couples were around 77% accountable for the surplus relative to the previous year. As compared to 2010, the rate of first marriages still grew by 51%, unlike the proportion of later marriages with a mere 34%.

Even though the trends were encouraging, the number of married couples was prone to continuous decline. On 01 January 2017 42.1% of the population above 15 years of age (3.7 million) lived a married life as opposed to their rate of 45.7% (3.9 million) in 2010, according to micro-census data from 2016. Despite the growing enthusiasm for marriage and the shrinking number of divorces, the underlying reason behind the trend was that even today marriages coming to an end outnumber those newly contracted by almost 12 thousand (23%).

² The Eurostat database fails to cover the data for each EU Member State. For the period 2010-2015 comparable data were available for only half of the Member States.

In just under one-third of marriages (in 2016 in 31% of them) divorce put an end to the relationship. In the major two-thirds of marriages, though, it was the death of the

spouse(s) that terminated the bond. And this trend will prevail until the generation of mortality age outnumbers those of marrying age. It is noteworthy, though, that the married couples' ratio apparently has been decreasing at a slower pace in recent years than prior to 2010.

Figure 6/14 – CHANGES IN THE RATIO OF PARTNERSHIP - BASED FAMILIES BETWEEN 2001 AND 2016

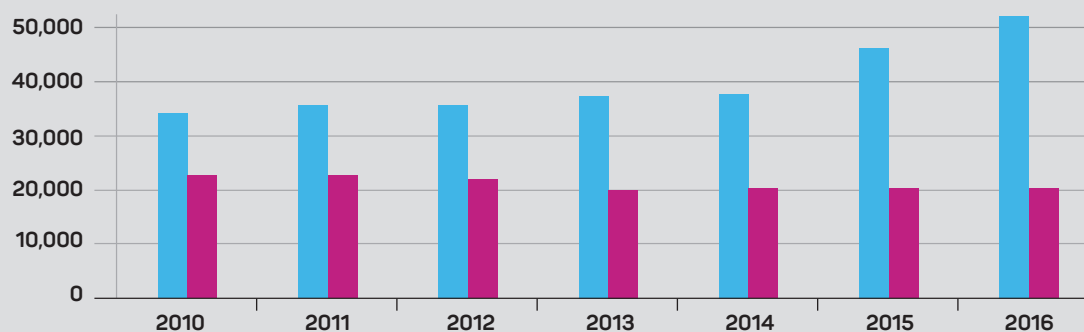
	Total number of people living in a family	People living in a partnership-based family	
		number	proportion
2001	2,396,793	271,641	11.3%
2011	2,176,766	404,799	18.6%
2016	2,240,392	483,487	21.5%

Source: Eurostat

Alongside the shrinking proportion of married couples, partnerships have been getting more dominant, yet to a lesser extent than prior to 2010. In 2016 78% of the 2.24 million relationships, more precisely 1.76 million took the form of marriage, while another 22% of them, namely 480 thousand were built on partnerships, signalling a smaller-scale shift in favour of the latter, which rated 19% in 2011. As compared to 2011, the number of partnerships rose by almost 19%, coming to nearly 80 thou-

Figures 6/15-16 – THE NUMBER OF MARRIAGES AND DIVORCES IN HUNGARY BETWEEN 2010 AND 2016

Year	MARRIAGES		DIVORCES		
	total	per thousand inhabitants	total	per thousand inhabitants	per hundred marriages
2010	35,520	3.6	23,873	2.4	67.2
2011	35,812	3.6	23,335	2.3	65.2
2012	36,161	3.6	21,830	2.2	60.4
2013	36,986	3.7	20,209	2.0	54.6
2014	38,780	3.9	19,576	2.0	50.5
2015	46,137	4.7	20,315	2.1	44.0
2016	51,805	5.3	19,552	2.0	37.8



Source: Eurostat

■ Marriages ■ Divorces



sand. This, however, remained far below the one-and-a-half time growth between 2001 and 2011, which equalled around 130 thousand more unions. Concerning women of childbearing age (15-49 year olds), the number of married women decreased in each age-group, while that of unmarried women grew in the past few decades. Married women at the age of 20-29 constituted a major minority – around 5% of women aged 20-24 led a married life, whereas this figure was 20% for the age-group 25-29 in 2016. The most radical changes could be observed in the

case of women in their twenties. Based on census data from 2011, 15.5% of women of childbearing age lived in a partnership, which grew to 19% by 2016. This proportion is double the value recorded in 2001 (9.5%).

It is promising, though, that there was no decrease in the number of people living in a partnership between 2011 and 2016, which is rather favourable in consideration of the 10% decline during the period 2001-2011. What is more, it rather entered an upstream spiral, as a result of

Figure 6/17 – CRUDE MARRIAGE RATE IN THE EUROPEAN UNION, 2010-2015

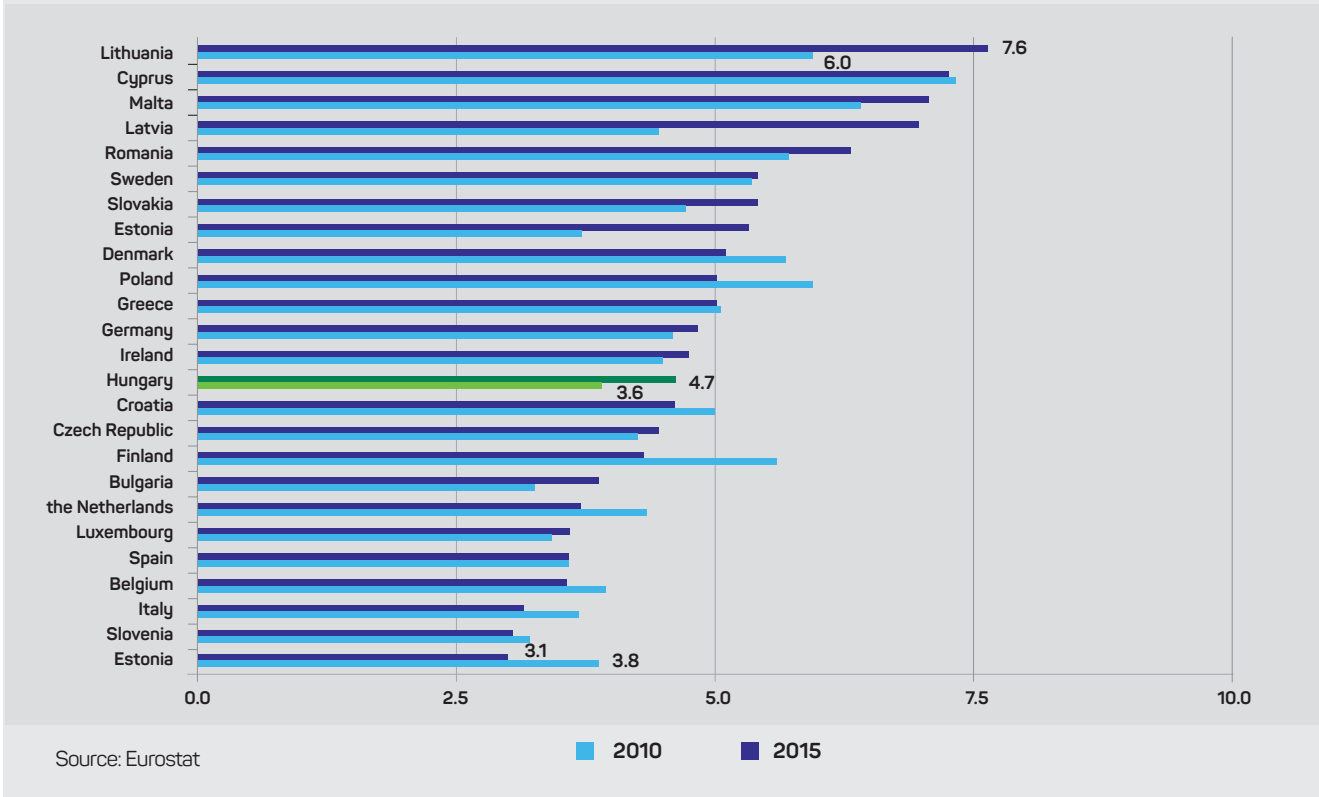
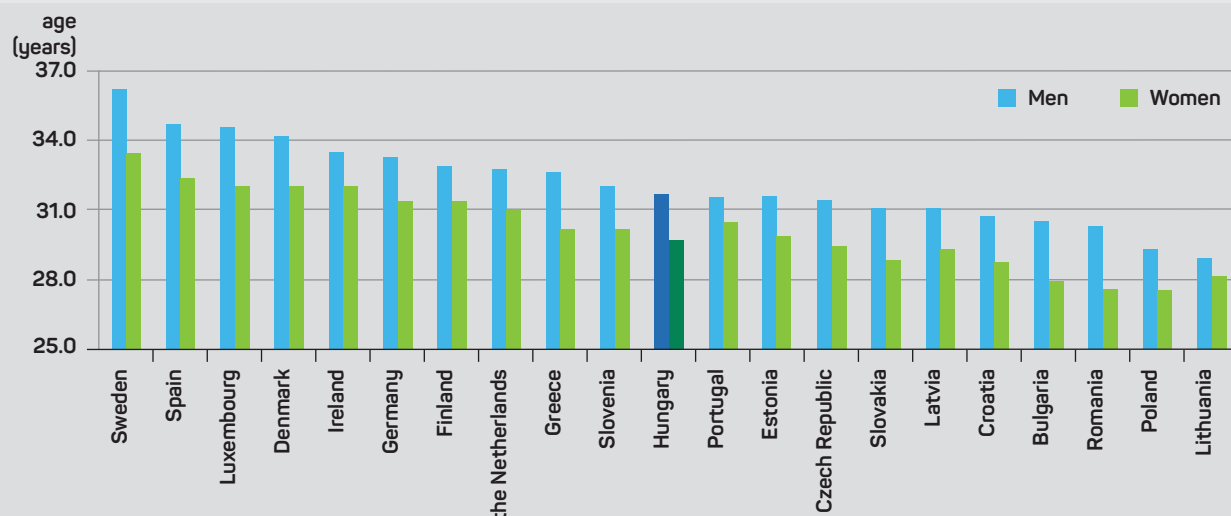


Figure 6/18 – CHANGES IN THE AVERAGE MARRYING AGE IN HUNGARY, PER GENDER, 2010-2015

	Average age of women at first marriage (years)	Average age of men at first marriage (years)
2010	28.3	31.2
2015	29.2	32.0

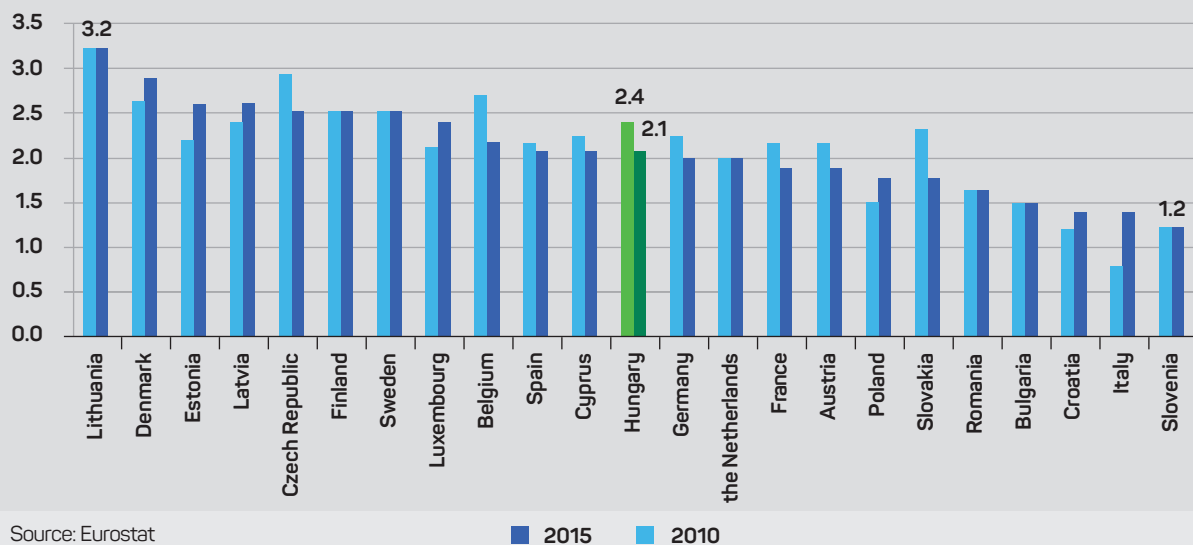
Source: Eurostat

Figure 6/19 – AVERAGE AGE AT THE FIRST MARRIAGE IN EU MEMBER STATES, 2015



Source: Eurostat

Figure 6/20 – DIVORCE RATE PER THOUSAND INHABITANTS IN EU MEMBER STATES, 2015



Source: Eurostat

which as many as 2.240 million partnerships were registered as compared to the 2.177 million five years earlier. This implies a growth of around 3%, which is, however, mostly attributable to the higher number of partnerships.

The number of divorces between 2010 and 2016 was significantly fewer than in the previous period. It was mod-

erated by 18.1% (from 23,873 to 19,552), which means that it failed to follow the dynamically growing trend of marriages, except for its temporary rise in 2015. And all of this may lead to the conclusion that the stability of existing marriages is back. The total divorce rate (that is the number of divorces per hundred marriages) fell considerably – from 67.2 in 2010 to 37.8 in 2016, which

substantiates the recognition that the earlier growing trend has taken a positive turn in recent years.

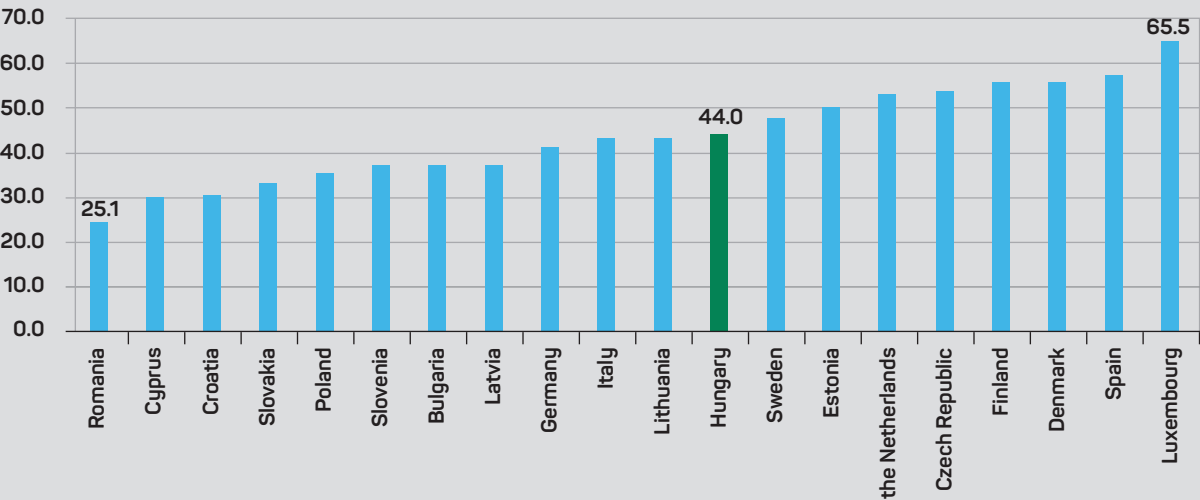
The institution of marriage further decreased in significance across the European Union after 2010. In 2014 the number of marriages contracted was only 2.145 million compared to its figure of 2.228 million four years earlier, which accounted for a decrease of 3.7%. Crude marriage rates (that is the number of weddings per thousand inhabitants) diminished in ‘old’ Western European Member States mostly. In two Member States they showed no change, whereas in the other half of the respondent Member States, particularly in Central and Eastern European countries and in those later joining the European Union, the figures indicated some growth between 2010 and 2015. The highest values were recorded in Lithuania, Cyprus and Malta, while Portugal, Slovenia and Italy were affected by the lowest rates. The Hungarian crude marriage rate grew from 3.6 per mil in 2010 to 4.7 in 2015, which was enough for the 14th place in the ranking list of Member States as opposed to our former 21st position in 2010.

The average marrying age further increased in all the EU Member States that provided information therea-

bout. This trend was valid both in the case of men and women between 2010 and 2015. Women married the latest in Sweden (33.6 years of age), meanwhile the youngest brides were registered in Poland (26.9 years) in 2015. As for men, again the Swedes married the latest at 36.2 years of age, letting Lithuanian men top the list with 28.9. Spain ‘lined up’ with the welfare states in Northern Europe, where a high marrying age was a predominant feature. In former socialist countries, however, people still tended to get married earlier than in other parts of Europe. As for Hungarian women this figure grew from 31.2 to 32.0 years, while average marrying age among men rose from 28.3 to 29.2 by 2015. Accordingly, concerning women Hungary jumped two places higher (from 10th to 8th position), while in the case of men it managed to keep its 10th place from 2010.

The number of divorces became quantitatively higher across the EU after 2010. Yet, changes were not this simple in the case of crude divorce rates (i.e. the number of divorces per thousand inhabitants). In nine respondent Member States it decreased, in seven cases it showed some growth, while in another seven cases it remained as it was. The proportionally highest number of divorces

Figure 6/21 – DIVORCE RATE PER HUNDRED MARRIAGES IN EU MEMBER STATES, 2015



Source: Eurostat

was recorded in Baltic and Scandinavian countries. Central and Eastern European countries, just like Italy, were affected by the lowest figures. The Hungarian indicator improved from 2.4 in 2010 to 2.1 in 2015, which put us to the bottom half of the mid-range in the ranking list of Member States. Our position improved – now we took the 14th place after ranking 17th five years earlier.

As far as the total divorce rate (i.e. the number of divorces per hundred marriages) is concerned, nine out of the twenty Member States under analysis experienced some decline, while the remaining eleven reported some improvement. The Hungarian index of 44.0 was enough for the 9th place in 2015, while in 2010 we were the worst performing country among Member States.

6.4. STATE OF HEALTH, MORTALITY

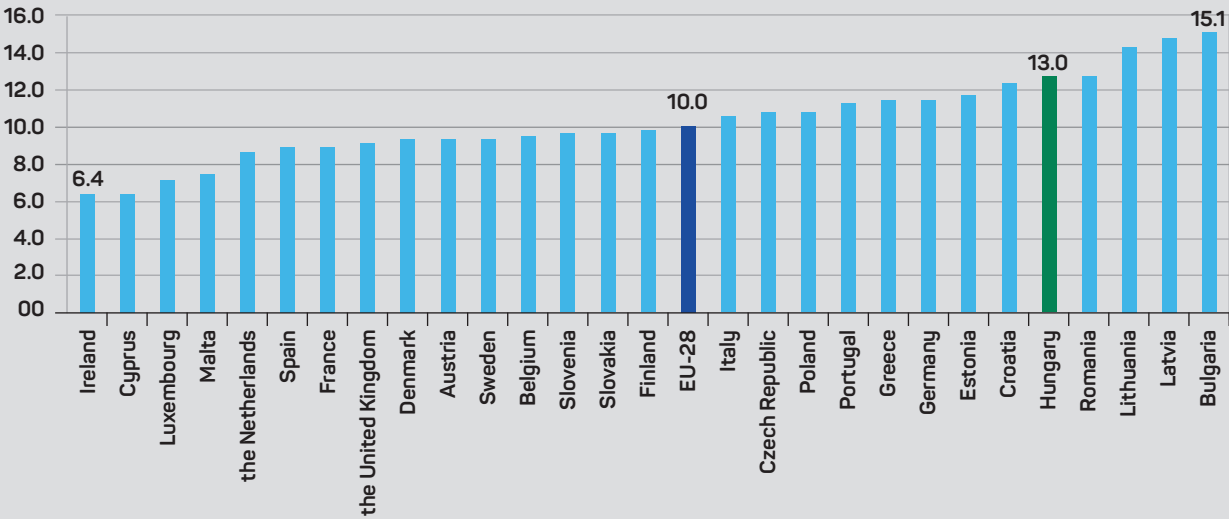
6.4.1. MORTALITY AFTER 2010

The Hungarian mortality rate between 2010 and 2016 showed a more favourable picture than in the previous period – it shrank by 2.6%, from 130,456 to 127,053.

The number of deaths per thousand people, however, was on the rise again in the European Union. After the figure of 9.7 per mil in 2010, in 2016 it reached 10 per mil. The most advantageous indices were registered in Ireland, Cyprus and Luxembourg – being 6.4 and 6.8 respectively. In contrast, in Hungary the mortality rate

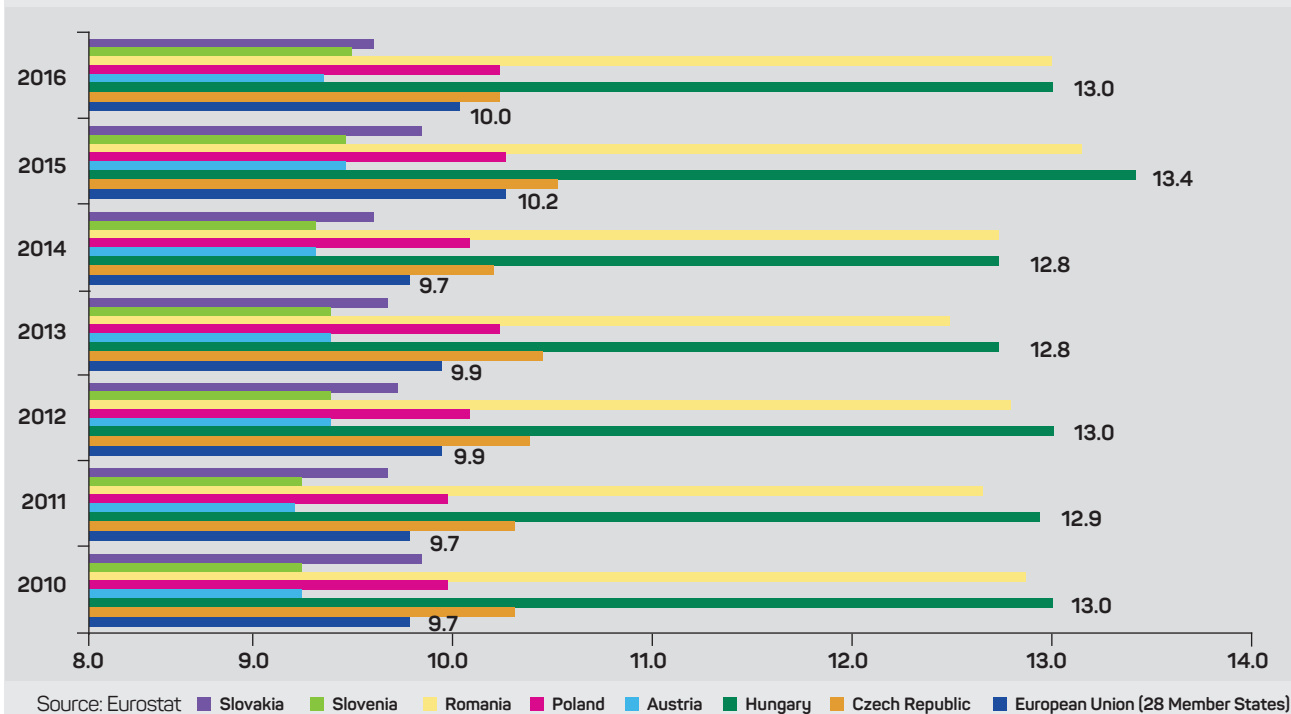
continue to remain at a level (13.0) that substantially exceeded the EU average. Owing to its quasi stagnation at the level observed in 2010, our position only slightly improved in the ranking list. Being one of the worst performing countries in 2010 meant 25th place in 2010, from where progress was minimal – six years later Hungary ranked 24th. Only Bulgaria, Latvia, Lithuania and Romania produced worse results. As a matter of fact, despite the nominal improvement in the number of deaths, there has been basically no real approximation to the EU-28 average. The gap has remained unchanged since 2011.

Figure 6/22 – DEATH RATE PER THOUSAND PEOPLE IN HUNGARY AND ACROSS THE EUROPEAN UNION, 2016



Source: Eurostat

Figure 6/23 – CHANGES IN THE DEATH RATE PER THOUSAND PEOPLE IN HUNGARY AND IN THE NEIGHBOURING COUNTRIES BETWEEN 2010 AND 2016



6.4.1.1. PREMATURE MORTALITY

The premature mortality rate (under the age of 65) was continuously decreasing even after 2010. In 2015, as far as the number of premature deaths per thousand people is concerned, the indicator shrank even further – to 3.3 in the case of men, and to 1.5 in the case of women³. Notwithstanding, our lagging behind compared to the EU-28 average was still significant.

In 2015 every fourth death in Hungary took place before the age of 65. Every sixth death among women and every third such event among men was of this type. The graph indicating the gender-based distribution clearly shows that, regarding premature mortality, the Hungarian female mortality rate was similar to the average male mortality rate in the EU-28 (see Figures 6/24 and 6/25).

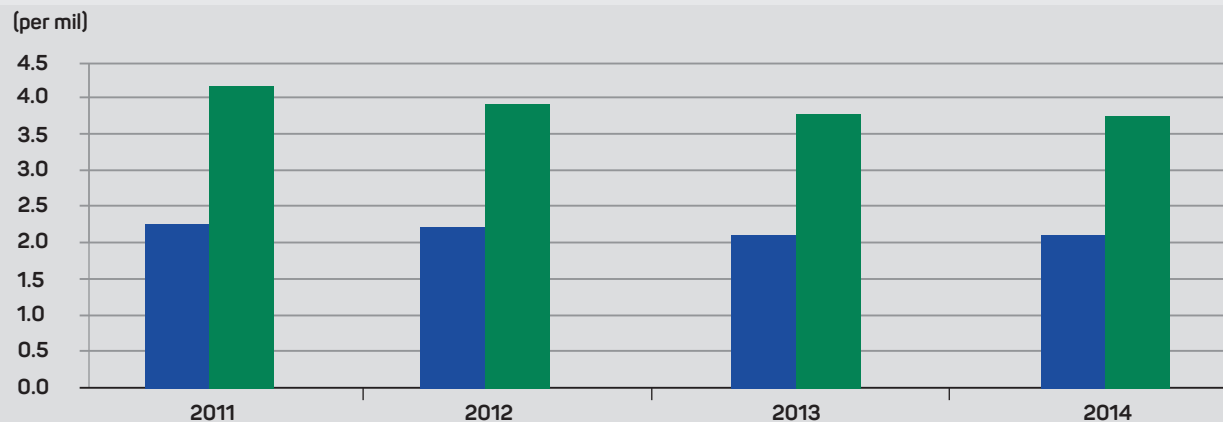
6.4.1.2. CHANGES IN THE STRUCTURE OF CAUSES OF DEATH⁴

Between 2010 and 2015 cardiovascular and circulatory diseases constituted the primary causes of death. In 2015 they were accountable for as many as 65,500 people's passing away. Although the category showed continuous improvement until 2014, this trend was broken in 2015, when the number of people dying of a circulatory problem was almost as high as in 2010. Regarding malignant tumours, the period since 2013 has been mostly dominated by stagnation, leading to 33,000 deaths. The number of deaths caused by digestive diseases further decreased between 2010 and 2012, to later stabilize at a yearly mortality rate of 6,400. While respiratory diseases were accountable for a steadily and rapidly increasing number of deaths – came to 6,300 in 2010 and 8,500 in

³ Source: Demographic Yearbook, 2015 CSO

⁴ The method for the establishment of the death causes was modified in 2005, therefore the latter cannot be compared with the former data http://www.ksh.hu/docs/hun/xftp/idoszaki/thk/thkio_egeszseg.pdf

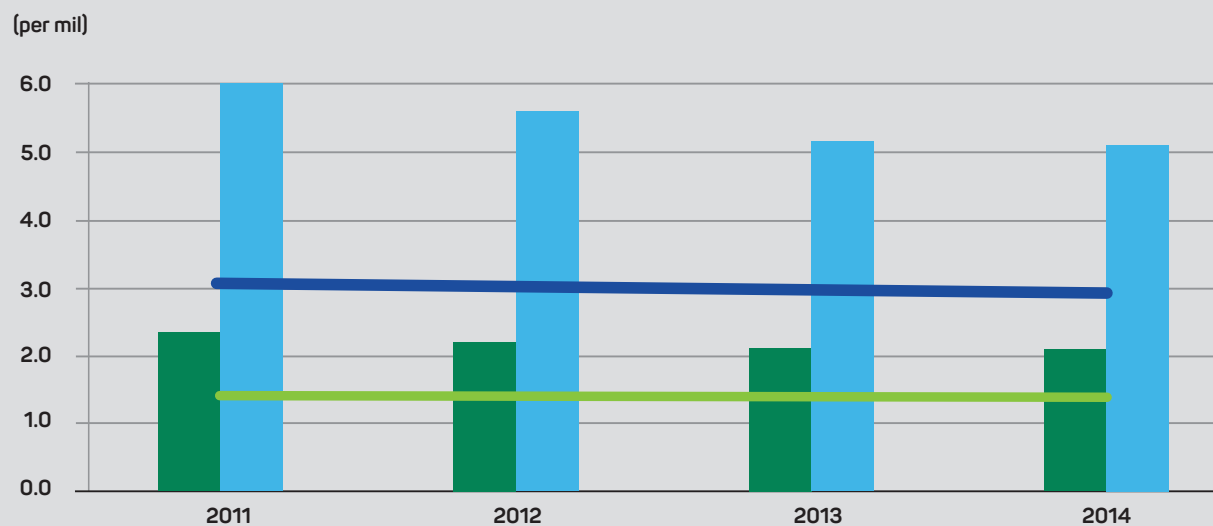
Figure 6/24 – PREMATURE MORTALITY PER THOUSAND PEOPLE IN THE EUROPEAN UNION AND HUNGARY



Source: Eurostat

■ European Union (28 countries) ■ Hungary

Figure 6/25 – PREMATURE MORTALITY PER THOUSAND PEOPLE IN THE EUROPEAN UNION AND HUNGARY, BASED ON GENDER



Source: Eurostat

■ Hungary - women ■ Hungary - men
■ European Union (28 countries) - women ■ European Union (28 countries) - men

Figure 6/26 – MORTALITY BASED ON LEAD DEATH CAUSES, 2016

2016	Total	Out of this							
		malignant tumours	acute myocardial infarction	other ischaemic heart disease	cerebrovascular disease	bronchitis, emphysema and asthma	liver disease	motor vehicle accidents	deliberate self-harm
Men	62,658	18,020	3,365	11,089	4,713	3,028	2,284	529	1,317
Women	64,395	14,967	2,379	14,451	5,988	2,462	893	163	446
Total	127,053	32,987	5,744	25,540	10,701	5,490	3,177	692	1,763

Source: KSH (CSO)

2015, while the number of people dying violent deaths further declined in the period under analysis.

Cardiovascular and circulatory diseases, along with malignant tumours were the primary causes of death even in the European Union. At the same time, the standardized mortality rates for cancer, ischaemic heart diseases and road traffic accidents showed a declining trend between 2004 and 2013. During the latter period the standardized mortality rate for cancer was reduced by 11.0% for men and 5.9% for women in the EU-28 Member States.

There was again a larger-scale drop in mortality due to ischaemic heart diseases – the death rate became 30.6% lower in the case of men, while it was 33.4% fewer for women. The decline in the mortality rate due to road traffic accidents was even sharper, at 45.3% for men and 47.0% for women.

Malignant tumours were reported to be a major cause of death in 2013 in all EU Member States, resulting in an average of 265 related deaths per 100 thousand inhabitants in the EU-28. Hungary, Croatia, Slovakia, Slovenia, Denmark and Latvia were hit by the highest number of deaths due to cancer. In 2013 it was at least 300 people who died of this disease per 100 thousand inhabitants. The standardized mortality rate derived from lung cancer showed by far the highest value in

Hungary, as far as EU Member States are concerned. In 2013 its figure was 89 deaths per 100 thousand inhabitants. The unfavourable picture was also true for colon cancer. The highest standardized mortality rate was registered in Hungary, with 56 deaths per 100 thousand inhabitants. Meanwhile in Slovakia and Croatia it reached the level of 50 deaths per 100 thousand inhabitants.⁵

6.4.2. LIFE EXPECTANCY AFTER 2010

6.4.2.1 AVERAGE LIFE EXPECTANCY AT BIRTH

Both the average life expectancy and the average healthy life expectancy rate fall far below the EU average in Hungary. A high number of men pass away even before the age of 65. Above the endangered age, those who have reached the age of 65 can expect at least an additional 6.4 years in health – both in the case of men and women. Healthy life expectancy averages 8.5 years at this age in EU-28 Member States, though. In comparison with European countries, the Hungarian rate until 50 fails to reach the EU average, but above 50 it exceeds that for both genders.

Average healthy life expectancy is continuously increasing both in terms of its duration and its ratio against the total life expectancy rate – in the case of men and women alike. A 65-year-old Hungarian man can expect to

⁵ http://ec.europa.eu/eurostat/statistics-explained/index.php/Causes_of_death_statistics/hu



live a shorter life than a woman at this age. At the same time, life stages with moderate or serious limitations are also shorter in the former's case. Women aged 65 tend to spend a longer period in their later years under the constraint of limitations, which takes up approximately two-thirds of the rest of their lives. More precisely, 7.5

years are taken to be spent with the burden of moderate limitations, while another 4.3 years are determined by serious limitations for them.⁶

Between 2010 and 2015 the life-prospects of newborn infants improved from 79.9 to 80.6 years in EU-28 Mem-

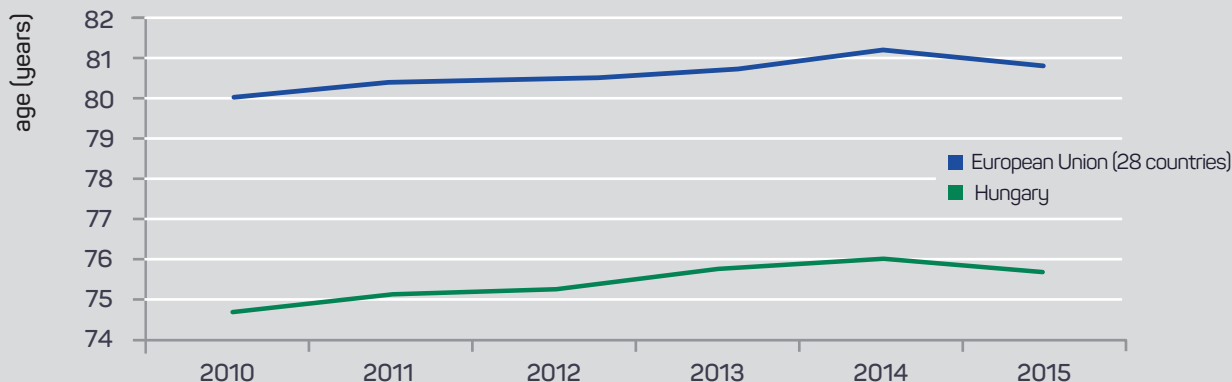
Figure 6/27 – AVERAGE LIFE EXPECTANCY AT BIRTH BY GENDER, 2010-2015

	2010	2015	Change (years)
<i>Men</i>			
European Union (28 countries)	76.9	77.9	+1.0
Hungary	70.7	72.3	+1.6
<i>Women</i>			
European Union (28 countries)	82.8	83.3	+0.5
Hungary	78.6	79.0	+0.4
<i>Difference between men and women (years)</i>			
European Union (28 countries)	+5.9	+5.4	-0.5
Hungary	+7.9	+6.7	-1.2

Source: KSH (CSO)

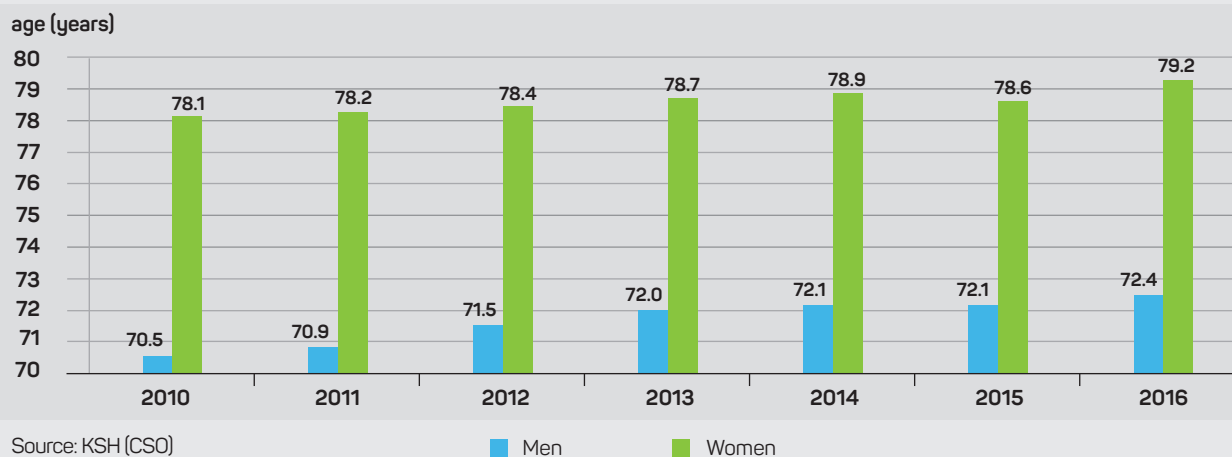
⁶ Statistical Review, 2015/27 Healthy life expectancy, 27 April 2015

Figure 6/28 – CHANGES IN AVERAGE LIFE EXPECTANCY AT BIRTH IN HUNGARY AND ACROSS THE EUROPEAN UNION, 2010-2015



Source: Eurostat

Figure 6/29 – AVERAGE LIFE EXPECTANCY AT BIRTH IN HUNGARY, 2010-2016



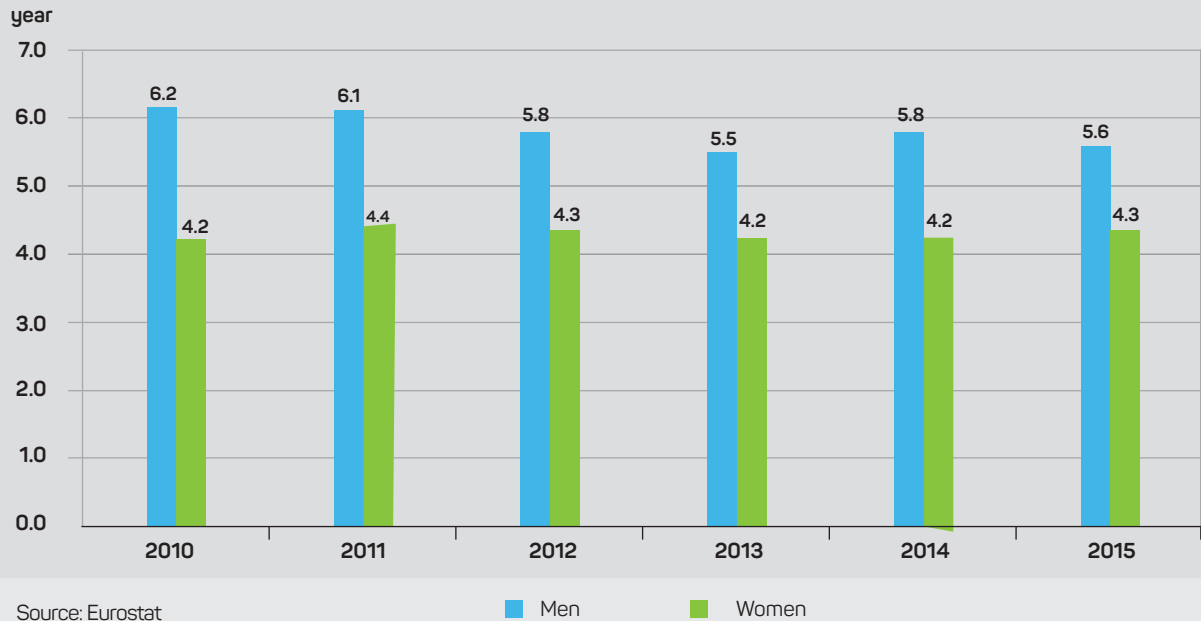
Source: KSH (CSO)

ber States. In 2015 Lithuania and Bulgaria recorded the lowest level – 74.6 and 74.7 respectively. In contrast, the rate peaked at 83.0 in Spain, and reached 82.7 in Italy and 82.4 in France. In a time-lapse of five years average life expectancy at birth rose by one year – from 74.7 to 75.7 years in Hungary. Notwithstanding this, our rather unfavourable ranking (24th place) in 2010 remained unchanged in the list of Member States in 2015. Accordingly, even though the gap between Hungary and the EU is

constantly shrinking, it is still considerable. In 2015, for example, this difference was 4.9 years.

As per a gender-based breakdown, in 2010 the difference amounted to 6.2 years in the case of men in Hungary, which dropped to 5.6 years by 2015. For women, on the other hand, the perceived difference in the average life expectancy at birth, in relation to the EU-28 average, grew from 4.2 to 4.3 years.

**Figure 6/30 – AVERAGE LIFE EXPECTANCY AT BIRTH AND ITS GENDER-BASED DIFFERENCES
IN HUNGARY AND ACROSS THE EUROPEAN UNION (2010-2015)**



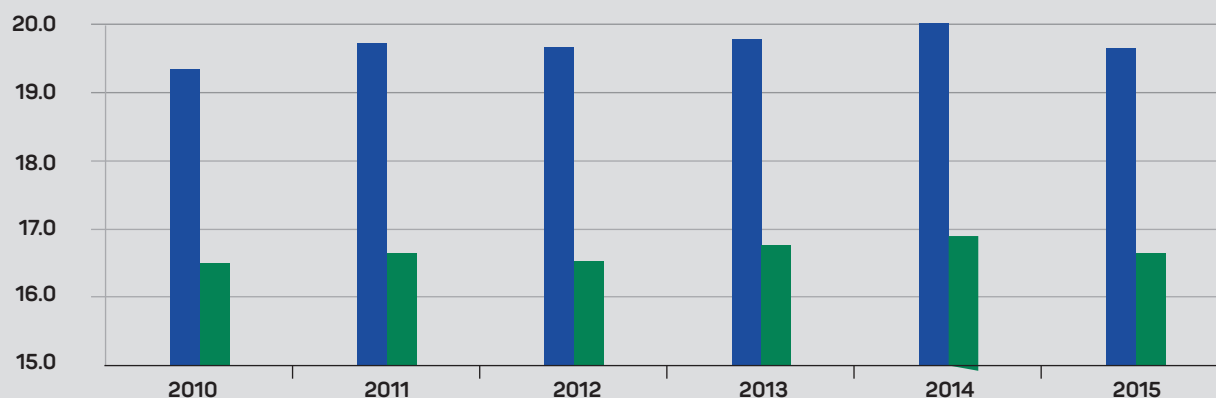
6.4.2.2. AVERAGE LIFE EXPECTANCY AT 65 AFTER 2010

Life expectancy at 65 was 19.4 years in 2010 across the European Union. Between 2010 and 2015 it grew by an average of 0.3 year, causing it to amount to 19.7 years in 2015.

Regarding Member States, Estonia and Denmark registered a 1-year improvement. In these two countries life expectancy at 65 grew by 1.2 and 1 year respectively. In contrast, it showed a decline of 0.1 year in Cyprus, while the indicators for Austria and Germany remained unchanged as compared to their level in 2010. As far as EU Member States are concerned, in 2015 life expectancy at 65 was the highest in France (21.6 years) and in two Mediterranean countries, namely Spain (21.1 years) and Italy (20.6 years). The poorest values were recorded in Bulgaria (16.0 years), Romania (16.6 years) and Hungary (16.9 years).

The Hungarian rate somewhat grew between 2010 and 2014, yet overall, the decline afterwards made its value stagnate. We became one of the worst performing countries in this respect, only ranking 26th in 2015, which meant a position one place lower than in 2010. Life expectancy showed a mere growth of 0.1 year between 2010 and 2015, which was slightly more than 3 years (more precisely, 3.1 years) minus the EU average. Even countries with the poorest figures experienced a scale of improvement larger than in Hungary. Until 2014 most Member States were dominated by a positive trend. Yet, in several countries life-prospects for those above 65 started to deteriorate – and this happened only within the space of a year, from 2014 to 2015. The figures showed some decline in each EU-28 Member State, with the exception of Finland and Estonia. Their decrease averaged 0.3 year, just like in Hungary.

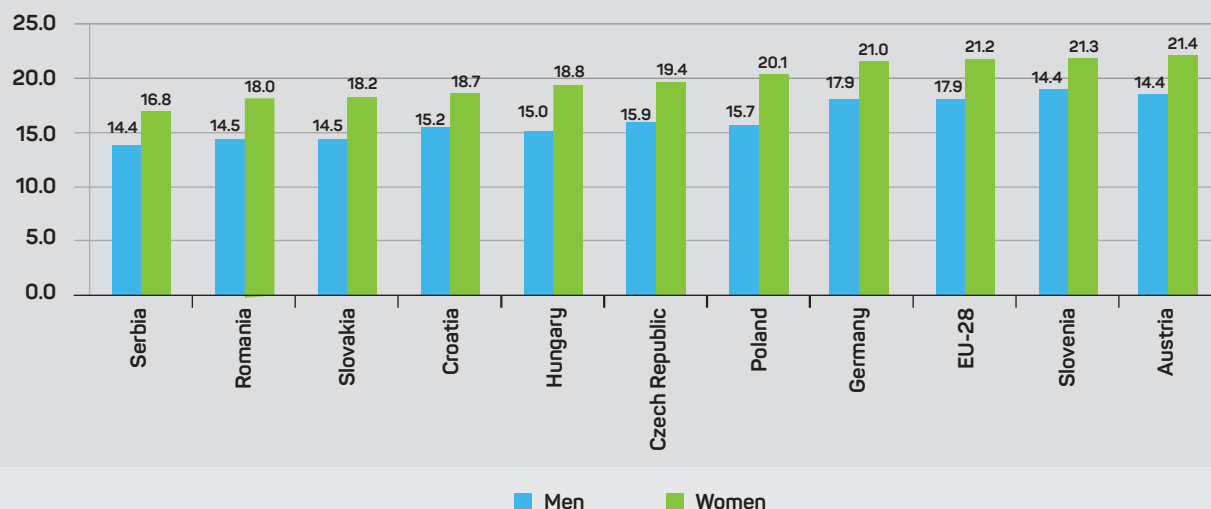
Figure 6/31 – AVERAGE LIFE EXPECTANCY AT 65 BETWEEN 2010 AND 2015 (years)



Source: Eurostat

■ European Union (28 countries) ■ Hungary

FIGURE 6/32 – AVERAGE LIFE EXPECTANCY AT 65 IN HUNGARY AND IN SOME SELECTED COUNTRIES, PER GENDER – 2015 (years)



■ Men ■ Women

Average female life expectancy at 65 increased by an average of 0.2 year across the European Union, while during the period under analysis, it showed a rise of 0.4 years in the case of men. Based on the EU average, men tended to live only 3.3 years less than women, as compared to the difference of 3.5 years in 2010. Similar to the European average, male life expectancy rose by 0.4 year in Hungary, while for women it remained

unchanged. Women tended to live 3.7 years longer than their male counterparts in 2015, which implies a shrinking difference as compared to the 4.1 years in 2010. Our lagging behind relative to the EU average diminished to 3.4 years from its earlier value of 3.7 among men. Notwithstanding this, concerning women it grew from 2.8 to 3.0 years during the period 2010-2015.



6.4.2.3. HEALTHY LIFE EXPECTANCY AT 65

Healthy life expectancy at 65 varies widely among EU Member States. In 2015 average female life expectancy at 65 scored the highest in Sweden (16.8 years) and Malta (14.0 years), whereas the lowest figures were registered in Slovakia (3.8) and Latvia (4.0).

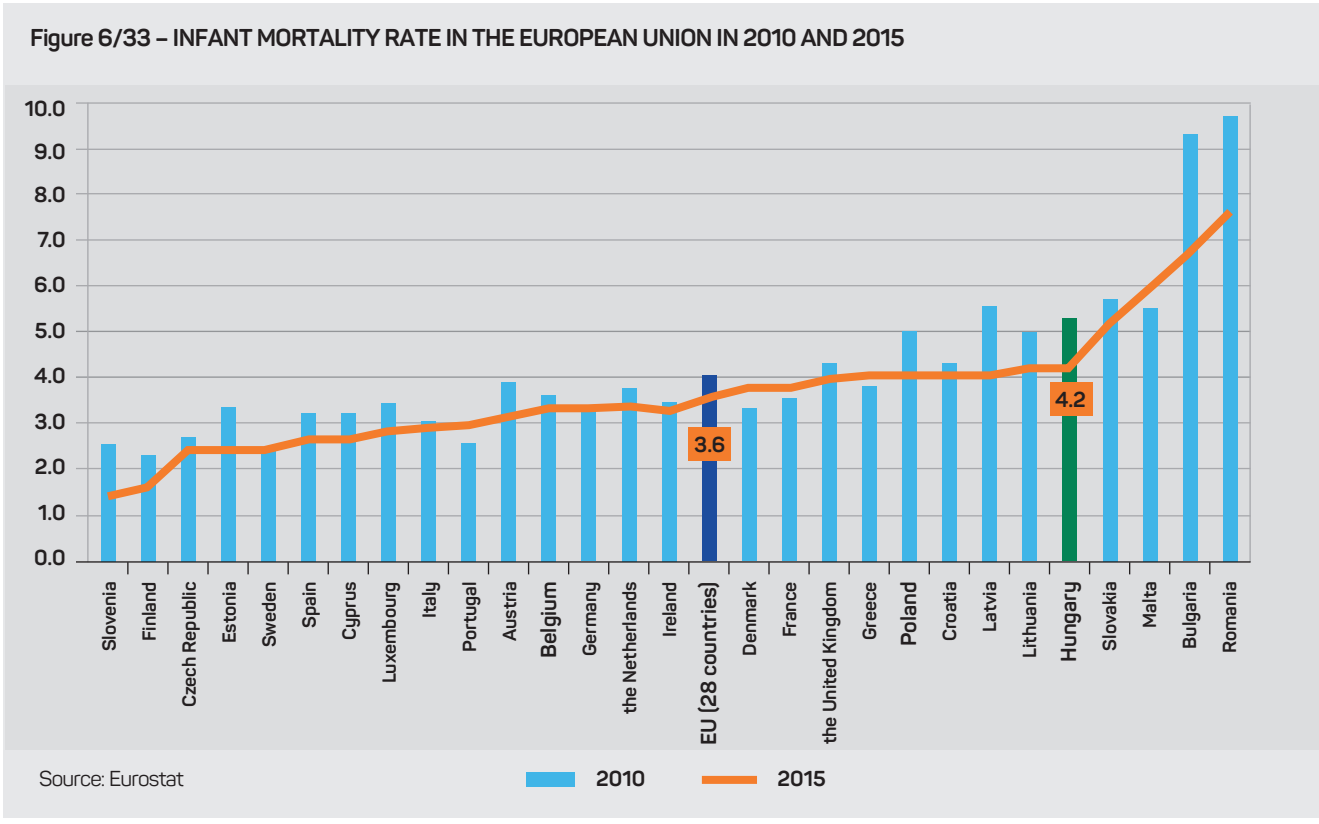
Hungarian women at 65 could, on average, hope to enjoy health for an additional 5.9 years in 2010. This, however, was far below the EU average, which rose to 9.4 years by 2015. Accordingly, Hungary was listed 21st, being one of the worst performing countries in this respect.

Male life expectancy at 65 averaged 9.4 years across the EU, which was only exceeded by Sweden (15.7), Malta (13.4), alongside Ireland and Germany (11.4 years). In Hungary, however, the figure in 2015 amounted to 5.9 years for both men and women, making the coun-

try produce the 23rd worst result among EU Member States.

Healthy female life expectancy at 65 showed the most dynamic growth in Germany – during the period 2010-2015 it rose by 5.2 years, as opposed to the EU average of 0.7 year. There was no change in the Hungarian rate of improvement from 2010 onwards, yet, in 2012 figures were as high as 6.4 years. As for men, the growth (+0.6 year) was basically consistent with the EU average. Healthy male life expectancy at 65 increased by 4.5 years in Germany, meanwhile in Hungary this improvement was on a much smaller-scale between 2010 and 2015, resulting in an increment of 0.5 year.

Thus, Hungary's performance, in terms of healthy life expectancy at 65, showed better results in the case of the male population only, which in 2015 still lagged behind at 3.5 years compared to the EU average.



6.4.3. INFANT MORTALITY

Infant mortality further decreased between 2010 and 2016. The 368 death events represented a 15% decline compared to 2010, and thus were accountable for every a historically low record in Hungary. The indicator for thousand live-births fell to 4.2 from its earlier figure of 5.3. Gender-based deviations, however, prevailed. The decline persisted in the case of girls both in 2014 and 2015. Nevertheless, the trend tremendously slowed down with boys – basically grounding to a halt. And, of course, there were significant regional differences.⁷

Upon comparing the Hungarian figures with the 28 EU Member States, it may be stated that the gap relative to

the EU average is getting smaller. (In 2010 infant mortality per 1000 newborn babies had a rate of 4 in EU-28 Member States, whereas it peaked at 5.3 in Hungary. The figures in 2015 changed to 3.6 and 4.2 respectively.) The difference shrank from its earlier value of 1.3 to 0.6 in Hungary, even though some increase was already perceptible in the figures in 2010 and 2013. Nonetheless, our position (23rd place) from 2010 deteriorated in spite of the nominal improvement in the numbers. Although the ranking decline was minimal, in 2015 Hungary was listed 24th among the Member States.

All in all, the Hungarian population's state of health still fails to reach the EU-28 average in a number of health indicators, despite the positive trend.

6.5. INTERNATIONAL MIGRATION AFTER 2010

International migration still has an important, yet ever smaller role in the alleviation of natural population decline. Since deaths kept on outnumbering birth rates, natural shrinkage was inevitable averaging a yearly figure of 38 thousand between 2010 and 2016. This was, however, somehow countered by the migration surplus, equalling an annual average of 11 thousand, as a consequence of which the country's population actually reduced by no more than 27 thousand on a yearly average.

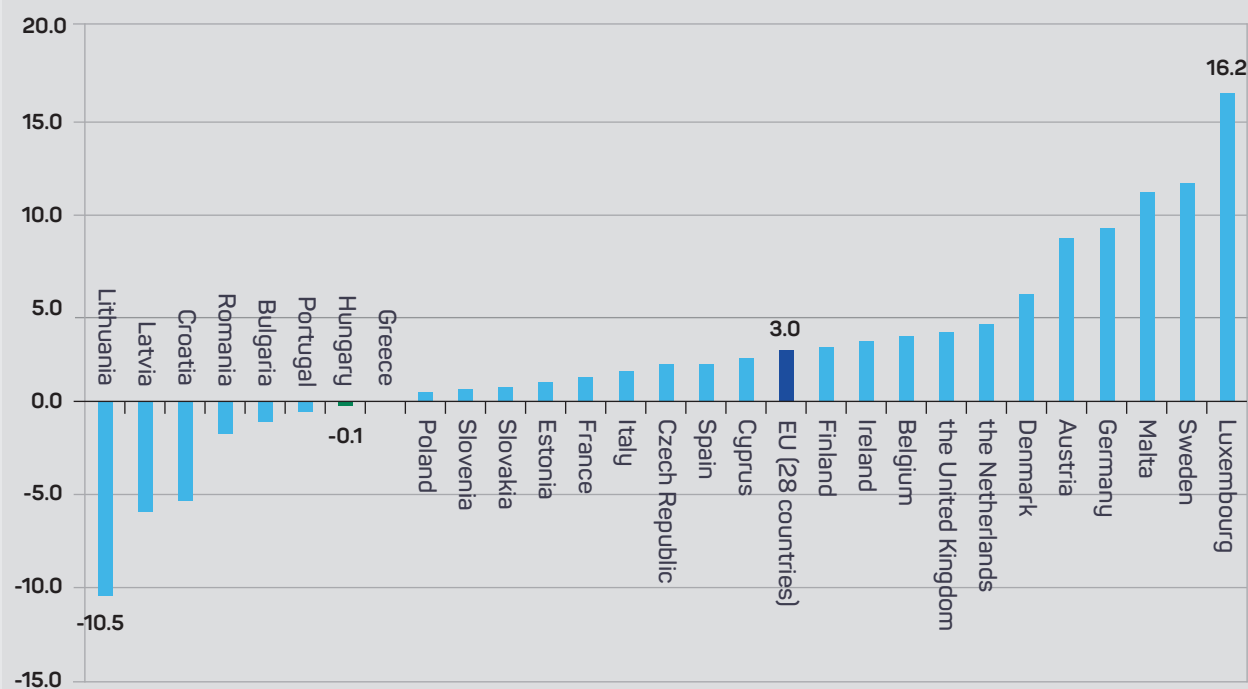
At the same time, the favourable changes in the live-birth and death indicators in 2016 led to a remarkable slowdown in natural decline. It was 15% less than in 2010 or in the preceding year, showing a figure of 34 thousand. On the other hand, the increment of 2,790 people originating from international migration was far (over 80%) below the previous year's data, and 76% lower than in 2010. Resultingly, the actual population decline (31,200 people) was reportedly almost a quarter (24%) higher

than in 2015, and it exceeded the figures observed in 2010 by 9%.

The Hungarian net migration rate, suitable for international comparison, dropped from 1.2 in 2010 to -0.1 in 2016, as Eurostat puts it. This means that, pursuant to the immigration-emigration difference per thousand inhabitants, the data confirmed some net emigration, defying the earlier years' tendencies. (Eurostat uses a method that is somewhat different from that of KSH, therefore it reported a negative 'saldo' of 1,187 persons as opposed to the positive balance of 2,790 persons indicated by the Hungarian Statistical Office.) Nevertheless, its value is still far lower than the EU average of 3.0. Concerning the European Union, the highest rates of immigration surplus were registered in Luxembourg (+16.2), Sweden (+11.9) and Malta (+11.2), all reaching a two-digit number in 2016. The most intense emigration flow, however, was experienced in Lithuania (-10.5), Latvia (-6.2) and Croatia (-5.4).

⁷ *Health Report, 2016. National Institute for Health Improvement, Budapest, January 2017, p. 19*
Health Report, 2016. National Institute for Health Improvement, Budapest, January 2017, p. 6

Figure 6/34 – MIGRATION BALANCE PER THOUSAND PEOPLE IN THE EUROPEAN UNION, 2016



Source: Eurostat

According to KSH statistics, the international migration balance was constantly positive between 2010 and 2016, whereas the immigration surplus of an annual average of 17,000 from between 2003 and 2010 shrank to almost two-thirds, to 11,000.

In 2016 around 54,000 immigrants arrived in Hungary, which was double the number observed in 2010. Two-thirds of them, namely 36,000 people had some Hungarian connection, and wanted to either settle or return to the country. The remaining one-third, on the other hand, was made up by foreigners with no Hungarian connection at all. Again, two-thirds of those who wished to find their fortune abroad, more precisely 29,000 out of 40,000 had Hungarian connections, while one-third of them, around 10,000 emigrants were short of it. Even though some statistical adjustments made KSH report a migration surplus of only 3,000 for 2016, instead of the difference of 14,000, it is still promising that the number of Hungarian citi-

zens leaving the country fell by 10%. And neither was the growth rate different in terms of Hungarians returning from abroad during the period 2015-2016, which resulted in a more than 25% decrease (5 thousand fewer people) as far as the migration deficit of Hungarians returning from abroad is concerned.

Regarding the major components of international migration, the period under analysis saw the number of those moving to Hungary exceed the figure of those leaving. It was altogether 267 thousand people who arrived in the country in the course of 6 years, which is equivalent to an annual average of 45 thousand, almost two-thirds (65%) more than the average of 27 thousand between 2002 and 2010. Almost two-thirds (64%) of those arriving in the country (altogether 170 thousand people) had some Hungarian connection (as opposed to the 49% recorded earlier), which could be understood as a yearly average of 28 thousand. Out of them, 58 thousand (22%, equalling a yearly

Figure 6/35 – INTERNATIONAL MIGRATION BETWEEN 2010 AND 2016

	2010	2011	2012	2013	2014	2015	2016
1 Returning Hungarian citizens, persons	1,575	2,443	4,194	9,354	11,356	14,810	16,215
2 Immigrant Hungarian citizens, persons	60	3,061	9,168	8,364	17,221	17,747	13,600
3 Immigrant foreign citizens from the Carpathian Basin, persons*	10,571	9,304	6,928	6,378	6,314	6,705	6,357
4 Immigrant foreign citizens from other countries, persons	13,313	13,210	13,412	14,872	19,690	19,082	17,446
5 Immigration altogether, persons (1+2+3+4)	<u>25,519</u>	28,018	33,702	38,968	54,581	58,344	<u>53,618</u>
6 Emigrant Hungarian citizens, persons	7,318	12,413	12,964	21,580	31,385	32,852	29,425
7 Emigrant foreign citizens, persons	6,047	2,687	9,916	13,111	10,828	10,373	10,464
8 Emigration altogether, persons (6+7)	<u>13,365</u>	15,100	22,880	34,691	42,213	43,225	<u>39,889</u>
9 Statistical correction**	-635	-163	5,222	2,379	636	-898	-10,939
10 Migration balance, persons (5-8+/-9)	<u>11,519</u>	12,755	16,044	6,656	13,004	14,921	<u>2,790</u>

*Romania, Slovakia, Ukraine, Serbia, Croatia.

**The difference between the migration balance and the combination of immigration and emigration, taken into account when further counting the population (balance of lines 5 and 8) ("flow" data).

figure of 10 thousand) were Hungarian citizens who were returning to the country but had no domestic place of residence. 69 thousand (26%) were Hungarian citizens who were immigrating from a foreign country and failed to have a Hungarian place of residence, constituting a yearly average of 12 thousand people. Another 42 thousand (16%, a yearly figure of 7 thousand), who were settling from countries inhabited by Hungarians in the Carpathian Basin (such as Romania, Slovakia, Ukraine, Serbia, Croatia), were non-Hungarian citizens, mostly of Hungarian nationality. The average number of immigrants with Hungarian connections was almost two-thirds (71%) higher during the pe-

riod 2011-2016 than between 2003 and 2010 (16 thousand people). Within this, the yearly average of Hungarians returning to their homeland showed an outstanding, twenty-one-fold growth, and even the volume of those Hungarian citizens who failed to have a domestic place of residence got seven times higher. At the same time, the number of those flowing in from regions inhabited by Hungarians shrank to half of its original value.

The dramatic changes in the number of immigrants who have Hungarian nationality, yet might fail to hold Hungarian citizenship is likely to correlate with the pref-

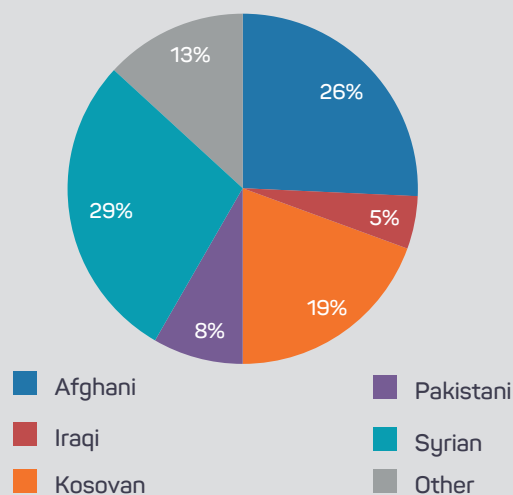
erential naturalization process launched in 2011. Since a many Hungarians beyond the borders had been granted citizenship by the time, they were already Hungarian citizens when they arrived in the country. This is further supported by the fact that, although there was a seven-fold growth perceivable in the annual average number of Hungarian citizens settling without a domestic place of residence, the number of those immigrants who arrived from countries that acknowledge the institution of dual citizenship decreased by nearly 60%. It is noteworthy that, as for Slovakia which is against the latter institution, the average number of people arriving from there rather grew – by one-third – rather than decreased.

The remaining one-third of immigrants, more precisely 98 thousand people, were foreign citizens who came from outside the Carpathian Basin and had no Hungarian connections. Their annual number averaged 16 thousand, which equalled a 12% rise. 42% of them, that is 41 thousand people, originated from Europe, 40% (i.e. 39 thousand) came from Asia – wherein one-third was from China. 11% of these foreign citizens, namely 11 thousand arrived from America (mainly from the United States), and another 5% (5 thousand people) from Africa. As compared to the previous 8-year period, between 2011 and 2016 the average annual number of immigrants arriving from Europe without any Hungarian connection dropped by one-third, while the volume of those coming from Africa, America and Asia increased by 100%, 70% and 22% respectively.

One should not forget about the drastic growth in the number of asylum-seekers between 2014 and 2016. During the period 2002-2010 a total of 21 thousand (on a yearly average 3 thousand) asylum-seekers claimed refugee status in Hungary, and 3 thousand (14%) of them were granted a status of a kind – either refugee, recipient or the one for people enjoying subsidiary protection. Regarding their distribution, 43% (i.e. 9 thousand) came from Asia, 40% (namely 8,500) from Europe, 9% (another 1.8 thousand) from Africa, and the remaining 7% (more precisely 1.5 thousand) arrived from other regions. Between 2011

and 2016, however, the number of asylum-seekers was already 17 times higher than their average number in the previous period. It reached a total of 272 thousand within 6 years, which meant an annual average of 45 thousand asylum-seekers, yet out of them it was only 3 thousand (1%) who were actually granted such status. 92% of this number, that is 249 thousand people claimed refugee status in the second half of the affected period, between 2014 and 2016. And still in this short time interval, the year of 2015 was outstanding regarding the volumes – 177 thousand claims were submitted, which made up almost two-thirds of their total number during the period 2011-2016. In response to the legal border closure and physical fence construction commenced in 2015, in 2016 the record data of the previous year fell to one-sixth, as far as the number of immigrants claiming refugee status is concerned. Nearly three-quarters (72%) of the immigrants, namely 197 thousand people came from Asia between 2011 and 2016 – 78 thousand from Syria, 70 thousand from Afghanistan and 13 thousand from Iraq. Another 54 thousand (20%) arrived from Europe, mainly from Kosovo, and 4% (i.e.

**Figure 6/36 –
THE DISTRIBUTION OF ASYLUM
-SEEKERS ARRIVING IN HUNGARY,
BASED ON CITIZENSHIP – 2011-2016**



Source: KSH (CSO)

11 thousand) originated from Africa, just as was the case with other regions.

Overall, the significant, two-third growth in the average number of settlers/immigrants is mostly attributable to the over twenty-fold increase in the number of returning Hungarians, while the period saw a much smaller-scale improvement in the annual average figure of non-resident Hungarians and other foreigners – showing 16% and 12% respectively. Concerning those leaving the country, their number reached a total of 198 thousand (an annual average of 33 thousand) between 2011 and 2016. 71% of them, more precisely 141 thousand people were Hungarian citizens, while the remaining 29% (namely 57 thousand) were classified as foreign citizens. This means that the annual average number of the former and latter type during the period was 23 thousand compared to 10,000 respectively.

It is the outflow of people with Hungarian connections that, in around two thirds, determines the international migration processes. Between 2011 and 2016 it was as many as 141 thousand Hungarian citizens (i.e. an annual average of 23 thousand) who left the country as opposed to the 170 thousand immigrant Hungarians (in other words, an annual average of 28 thousand) who

decided to cross the borders inwards. From among the latter, 128 thousand were Hungarian citizens, accountable for an average of 21 thousand Hungarian citizens immigrating on a yearly basis. The figures during the period 2003-2010, however, changed to 29 thousand emigrants compared to 132 thousand immigrant Hungarians – meaning 4 thousand compared to 17 thousand people on a yearly average. In this sense, the surplus has shrunk to less than one-third – from the former 100 thousand to 30 thousand. In the case of foreigners without Hungarian connections, though, this ratio was 57 thousand emigrants countered by a figure of 98 thousand immigrants, which could otherwise be interpreted as a yearly figure of 10 thousand compared to 16 thousand respectively. The balance of 30 thousand (i.e. annually 4 thousand) emigrants and 82 thousand (that is, on a yearly basis 10 thousand) immigrants dominated in the period 2003-2010, the positive difference of which, however, has decreased from the initial 50 thousand to 40 thousand. It may be concluded, thus, that the decline in the migration surplus (down by 80 thousand), could in 90% of cases be explained by the various processes related to people with Hungarian connections.

SUMMARY

The family-friendly provisions, the paradigm shift and the change of values, along with the set of measures in support of families with children, largely contributed to the progress made in population trends, and enabled us to ensure that a number of international trends - which had demonstrated signs of deterioration prior to 2010 - take a new, more favourable direction.

There was marked improvement in the attitudes to childbearing. As for population indicators, the fertility rate rose by almost one-fifth, resulting in 3% more babies being born than at the time of the change of the government. In addition, Hungary's position in the list of Member States improved significantly in the case of both indices, though they still failed to reach the EU average. The change in the average female childbearing age and the number of live-births out of wedlock are also promising. It is another positive trend that the rate of abortions has been meaningfully reduced - in comparison with EU figures and nominally as well, recording a fall of 25%.

Even though the shrinking number of deaths was countered by growing life expectancy, the scale thereof still proved to be insufficient for the country to approximate the EU average. Therefore in relative terms, our lagging behind has not yet been made up for compared to earlier figures. All this had been facilitated by the apparently slower rate observed in the natural shrinkage of the population size, in the category of which Hungary now managed to rank higher among EU Member States. The migration processes, however, somewhat accelerated the actual population decline - in absolute and relative terms alike.

Even people's enthusiasm to start a family was kept high, since almost 1.5 times more couples took their wedding vows during these six years. In parallel with this, the decrease in the number of relationships was halted, and basically turned into a significant increase. The falling numbers of divorces was by no means negligible, which is an important benchmark as far as growing stability in marriages is concerned. Hungary continued to climb in the ranking list of EU Member States in respect to marriage and divorce rates.

What is more, the rebuilding of the cancelled housing support scheme paid off too. Home purchase and construction plans of families with children found their motivation, inasmuch as parents were inspired to cope with the challenges of family-work balance by relying on the restructured crèche system. Lavish benefits led to substantially better financial as well as income status among families raising three or more children. Even single-parent families, constituting a vulnerable group of families with children, received more attention.

And last but not least, the damaged relationships with Hungarian compatriots beyond the country's borders have been improved. Following the political era until 2010, the foundations of preferential naturalization were eventually laid, those entitled have been granted the right to vote, and the volume of national political grants has been significantly increased. Now our attempts are also being directed at focusing on this group in our population policy. We are doing our utmost to help them realise their plans to have children and to strengthen their relations with the motherland.

CHAPTER VII

TASKS AHEAD, POTENTIAL ORIENTATION AFTER 2018



Having a retrospective look at the past eight years, an overview has been made of the road we have taken from the time our government took office in 2010. Theoretical–political considerations have been explained, along with the decisions and measures to foster a better demographic situation. Their achievements have not been ignored either, which somehow lends us the inclination to dedicate a few words to future challenges and tasks ahead. Finally, it is time to discuss the objectives the Hungarian government has set in its family and population policy after 2018, and to identify the fields where progress is still needed in light of the results up to this day.

NEW FAMILY-FRIENDLY MEASURES TO IMPROVE THE ATTITUDE TO PARENTHOOD AND TO ENHANCE POPULATION GROWTH

Public thinking about having children has undergone a remarkable improvement in the past seven years, which is mirrored in the 20% increase in the fertility rate, partly being attributable to the current family-friendly policy. The long-term sustainability and reproduction of the population, however, is impossible without a fertility rate reaching 2.1, which again strengthens us in our conviction that we must continue on the path we have tread so far in order to enable a demographic equilibrium in a few decades' time. We must intensify our efforts in making Hungary a family-friendly country indeed, where every sphere of life is imbued with the notion that "living in a family is fun". It is essential that Hungarian families are assured that it is this family-friendly policy that can guarantee a stable, safe, secure and predictable future for them – both in terms of employment, livelihood, family-planning and childbearing. We must confirm that the family support scheme will further maintain the current achievements. Our acquis related to the benefits and services provided to parents shall be preserved after 2018 as well, following the measures introduced so far. Yet, to more efficiently support families' parenthood decisions, to more precisely assess their needs and to pull down all the barriers in the way of childbearing plans, even the period after 2018 requires us to thoroughly consider all the major areas of intervention where the most crucial changes are expected, alongside the tools and means that are indispensable for them. Thus our aim is to strengthen families in their belief that their childbearing and childrearing endeavours

are further acknowledged by the Government. What is more, their appreciation for the top-on performance provided to the community shall receive greater emphasis in the future.

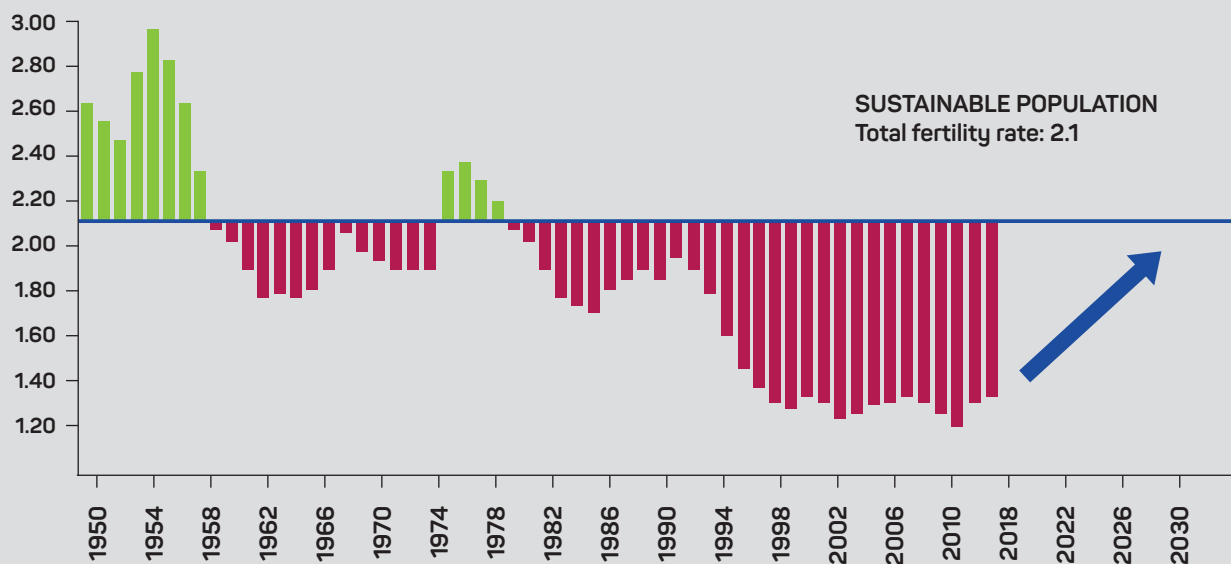
Getting down to work pursuant to these principles, we have every reason to hope that parenthood and childbearing will become more popular among Hungarian families within a reasonable period of time. We trust that, by 2030, our current and future family-friendly measures will result in a fertility rate of 2.1, which is vital for the population's reproduction. There is no doubt that if these conditions are met, the Hungarian demographic changes will inevitably produce an equilibrium by the second half of the century.

We wish to make it plausible that there is another solution for today's demographic situation that ignores the mobilisation of external resources – the Hungarian Christian government is dedicated to rely on the population's family-planning objectives instead of improving the migration balance as a remedy. Our goal is to provide every possible resource for the cause so that childbearing plans may come true.

SUBSTANTIAL IMPROVEMENT IN THE POPULATION'S STATE OF HEALTH AND MORTALITY

Recent years have shown that, even though death rates diminished in Hungary, the figure was still high relative to other EU Member States. We ranked one of the last in the field of actual mortality and mortality above 65. Neither was the situation more favourable in connection with

Figure 7/1 – DEVELOPMENT TRACK OF A SUSTAINABLE POPULATION UNTIL 2030



deaths that could have been prevented through appropriate public healthcare intervention or with in-time healthcare services. Our considerable lagging behind characteristic of the last 6 years has not yet been fully eliminated.

Closely linked to the above, even female and male life expectancy proved to be much lower than the EU average, falling 4-6 years minus the rate at birth, and 3-4 years lower for life expectancy at the age of 65. And, unfortunately, Hungarians may also expect to enjoy 3-4 years less in health above 65.

Despite the public healthcare prevention and screening programmes, the measures against smoking and an unhealthy diet, the various institution development projects and purchases, along with the considerable pay-rises for healthcare employees will definitely leave their mark in the long run, we still cannot rest on our laurels. Further efforts are needed from 2018 on to substantially tighten the gap in the health and mortality indicators that so much divide us from the more developed European countries.

BETTER PREGNANCY AND DELIVERY CIRCUMSTANCES

Previous pregnancy and childbearing expectations, the negative or positive memories of delivery may be crucial in a woman's vision of future children in the family. Therefore the healthcare system should put ever more focus on a pro-life approach. And this shall show not only in cures and medication, but before all, in the maternity wards. Every move shall strengthen this attitude when it comes to a life conceived or born, just like in connection with the mothers awaiting the pleasures of parenthood. Good pregnancy and delivery experiences, along with the extra help received after giving birth may contribute to the number of desired children. In many cases a positive experience may start the idea of having children that had not been planned before, while negative circumstances are reported to have an adverse effect. The development of "family-friendly maternity wards" in Hungarian hospitals is proposed to involve the use of methods and tools that assure a pleasant child-

bearing experience. It incorporates the creation of a cosy environment for delivery, with an ever more supportive approach on the horizon.

It is vital for us that babies and families are born in a way that is the most ideal for those concerned.

BETTER PROMOTION OF WORK AND FAMILY LIFE BALANCE

The capacity-building of day-nurseries by creating 50,000 more places, and the set of measures in support of the employment of parents with young children (such as GYED Extra or the Job Protection Action Plan) not only created an environment with the freedom of choice, but also enabled parents with young children to re-enter the labour market – under conditions tailored to their needs, or to stay at home with the children, if they preferred so. Notwithstanding this, the relatively low rate of working women, with children under 3, urges further steps. Given the fact that it is still only one in every five mothers who goes back to work, we will strive to reach the 33% coverage set in the Barcelona objectives in connection with crèche capacities. Accordingly, attempts shall be made to raise the level from the current 50 thousand places to 90,000 in the long run. This could make it possible for parents with children under the age of 3 to return to work, should they wish to. A situation shall be created similar to that of mothers whose children attend kindergarten, where the institutional system already provides for a country-wide coverage. The promotion of atypical employment forms, such as teleworking, flexitime or part-time jobs, with a broader outreach, is also included in the list of tasks. This calls for better employer engagement though, since mostly it is the childcare duties and their limitations in crèche and kindergarten service hours, together with some other reasons, that discourage mothers from taking a full-time job. They need widely available alternative solutions that facilitate the coordinated fulfilment of family duties matched with flexible work opportunities. And unfortunately, compared to the Western European figures, our

lagging behind is significant in this field, since the employment rate of women with children under 6 still falls 15% below the EU average, standing at 62.8% against the EU level of 74.1%. Women taking a part-time job in parallel with raising children under the age of 6 constitute a much lower ratio, 10.2% as opposed to the EU average, which was almost four times higher, standing at 39.1% in 2016. More precisely, the registered rates were 83.3%, 68.9%, 64.4%, 56.1% and 43.1% in the Netherlands, Austria, Germany, the United Kingdom and Belgium respectively. Our ranking in connection with home teleworking is not too favourable either. Again mothers with children under 6 were represented in a mere 7.0% on the labour market, while the rate was two-fold, 16% for the EU average. It peaked at 41.6% for the Netherlands, 36.5% for Denmark, 34.7% for Luxembourg, 33.9% for Sweden, while showing 26.4 and 24.1% in the case of Finland and the United Kingdom.

In order to provide family-friendly, firm and flexible employment conditions for these mothers, which might also improve the general attitude to parenthood, there is clear need for progress even after 2018. Special attention shall be paid to the financial motivation and awareness-raising of employers, as well as to the modification of the labour standards with the aim of fostering the application of atypical employment forms. The public sector and public institutions shall be the leaders in the development and naturalization of such practice. A so-called "family-friendly public sphere" is needed, which ensures the conditions for the optimal coordination of family and office life, since there is nothing else that could offer such a matching of the trio. The three ambitions, namely family, livelihood and career may thus be coordinated on a level that will lay the ideal foundations for parenthood and childbearing, with the largest outreach possible.

ENHANCED SUPPORT FOR YOUNG PEOPLE IN FAMILY PLANNING

Once it comes to the support of family-planning and parenthood objectives, special attention shall be paid to

young people aged 25-35, since biologically they comprise the most fertile age-group. Yet, it is again this group, and especially university students or fresh graduates, who face several difficulties in family-planning, such as housing, starting a career, lower salaries or student loan debt. A number of government measures have been made since 2010 in order to mitigate these constraints. From among them "GYED for graduates" was of key importance, whereas this year saw the lengthening of the allowance's duration until the child's second birthday. And neither will the next year be exempt from supportive measures: the partial or full remittance of student loan debts in the case of mothers with two or even more children is anticipated. The new Housing Programme (CSOK), launched in 2015, may be attributed a crucial role in the implementation of the families' housing plans, just like in the future opportunity to reduce lending debts after three or more children from next year on. The list of endeavours, however, may not be inclusive at this point. The average childbearing age has been further increasing, although at a slower pace. Among young women, it exceeds 30, even approximating 28 years of age at the birth of the first child. Therefore, it is essential that government measures cherish the cause: they shall not only foster parenthood in this age-group, but provide the necessary financial subsidies thereto. The ownership of a home is essential for young couples when starting a family. Nonetheless, without a sufficient salary or adequate financial resources, such goals may be achieved only later. This may not set up obstacles to young people's independence and family-planning, though. Action is needed in the area, covering the temporary period of a few years before a dwelling for personal occupation may be constructed or purchased. Concerning the current housing constructions, such as CSOK, our support shall not only be addressed at parents with children, but at those who are planning to have children in the future – since it is their segment that would need larger, more spacious dwellings for the proper accommodation of the extended family.

And then there is the challenge of the real world, the many constraints and setbacks, mostly of a financial na-

ture, that young people will definitely face. No doubt, they should not be left alone for a single moment: their compensation for these stress factors is a task to accomplish. They need to be backed in their efforts to obtain the necessary qualifications and to acquire the relevant skills and knowledge for further education or employment, without being hampered by financial problems. As an initial step, from 2018 on, the first intermediate-level language exam will be available to them free of charge, and a larger fund shall be disbursed for the driving licence costs incurred during the traffic course and the related exam. Access conditions to the student loan shall be improved too.

These measures, or a combination thereof, will surely leave their mark in encouraging young people to start their own lives and realize their partnership and family plans by relying on a wider range of choices.

SUPPORT FOR LARGE FAMILIES

The past years have seen the family support scheme dedicate special emphasis to families having or raising three or more children, with the aim to making "living in a large family" more attractive. The outstandingly high amount of family allowances, the housing-related subsidy under CSOK (even at the sum of HUF 10+10 million), the free institutional catering services for children, and the latest mitigation of lending debts are all meant to acknowledge the top-on performance and sacrifice families have made in the matter of responsible childrearing. Accompanying results did not take long to show either. Families' income significantly rose, in absolute and relative terms alike, which was coupled with diminishing financial risks and subsistence constraints. The time has come when having more than two children is no longer associated with a plunge into poverty. And this is affirmed in the provision of appropriate government support.

At the same time, there is a desperate need for a higher number of large families where parents pledge to assure the children's later prosperity. We propose to make this lifestyle more attractive, and intend to highly appreciate the

socially beneficial work of the parents. Accordingly, more attention shall be paid to those families where the number of children makes it impossible for either parent to take a full-time job, causing them to choose a lifestyle conform to the traditional family model where it is mostly the mother who stays at home to take care of the children on a full-time basis. The underlying endeavour is to grant responsible childrearing families the chance of a fair choice. The family support scheme is proposed to ensure fair and proper livelihood to these families even if re-employment at short notice is not feasible due to their special life situation.

STRONGER ACKNOWLEDGEMENT OF PATERNAL ROLES IN THE FAMILY

The ever more intensifying presence of women on the labour market, globally and in Hungary, has led to a gradual change in female and male role allocation within the family. The past years have seen women devote less time to household chores, initiating a shift towards a fair share of duties in families where both members of the couple go to work.

Consequently, Hungarian public opinion tends to set double requirements towards men, in the form of ensuring the family's subsistence and actively participating in childrearing. Subsequent to their child's birth, fathers take on a heavier load in taking care of the baby. The State family policy, thus, is destined to provide as much help as possible to alleviate the societal preoccupations in connection with male and female duties, thus fostering a more balanced share of roles in childcare and childrearing. Accordingly, fathers are entitled to every family allowance type in Hungary, allowing either parent to stay at home with the child for three successive years and to receive the respective benefit during the time. Family tax allowances may also be divided between the mother and the father. The choice of compensatory leave has been equally available to both parents since 2010. The paternal leave, which may be taken advantage of under ever better conditions as of 2013, also contributes to the longer time fathers may spend with their extended family after the baby's arrival

and to their more active involvement in family life.

Obviously, our family policy shall continue to pay special attention to the underlying objective that paternal roles are not restricted to family subsistence, but reach far beyond. Fathers should be active participants in childrearing and family decisions, making it plausible to more equally divide the chores between the parents, which reportedly has a generic positive influence on family life and future childbearing plans.

FAMILY-FRIENDLY APPROACH

There is an urgent need for the defence of traditional family values – both on a national and international level. International conferences are held in the subject matter. A presence in international programmes is just as crucial, as is the liaison with government, ecclesiastical and civil agents across Europe and around the world. The Hungarian government has, by now, earned the parties' acknowledgement for its pro-family approach. And this attitude of ours shall be pursued in the future too – within the country's borders and beyond. Positive communication and the consolidation of the family-friendly approach are indispensable for letting the trio of family, marriage and parenthood find its way into public discourse. It shall be sounded in the media, on the various communication platforms, just like in government speeches. It shall be reflected in public education, and neither should it constitute an exception when it comes to addressing the youngest generations, since financial means and subsidies will not suffice. The creative power of words and ideas, and supportive public thinking are vital for the building of a Family-friendly Hungary.

FAMILY AND POPULATION POLICY WITH A FOCUS EXPANDED TO HUNGARIANS IN THE CARPATHIAN BASIN AND AROUND THE WORLD

Having totally broken with the political course prior to 2010, which, in the best understanding of the word, was

anything but concerned about the entire Hungarian community and our compatriots abroad, the current national policy treats the problem of closer relations with Hungarians in foreign countries as a priority issue. We believe that our responsibility extends beyond the country's borders. It is not restricted to the 10 million Hungarians in the motherland, but also covers those millions around the world who deem themselves Hungarian. We are committed to giving them a supporting hand in cherishing our culture and mother tongue, and in maintaining their Hungarian identity. We wish to help them prosper abroad, thus leaving them the chance to return home one day, at their own will. It was on the basis of these concepts that we decided to make certain family subsidies available even to Hungarian families living and having children in another country. The subsidies, primarily covering the maternity benefit and the Baby Bond, will be accessible from next year.

Even though it may be a critical step in the range of measures ahead, this will still only be the first move made for Hungarians abroad. The ultimate goal is to broaden and extend the current scope of subsidies, allowances and benefits funded by the motherland, various representations and foreign-based Hungarian companies. A thoughtful consideration of the key aspects, such as the expatriates' needs and requirements, or the strengthening of Hungarian culture and identity, requires thorough pre-assessment in order to extend the scope of these grants, since it is an information-based decision that underlines the development and implementation of the "navel cord" programme, which is designed to enliven and revive the liaison between Hungarians abroad and in the motherland, just like the relations with our compatriots in the country, in order to keep the entire Hungarian community alive. It is essential that our nationals beyond the borders enjoy the benefits of the country's support and care, supporting them in their decision to return and finally settle in Hungary.



In connection with this, however, there is the agony of a long-existing problem to resolve. The assessment of the number of Hungarian citizens or Hungarian nationals permanently living abroad for a shorter or longer time is hampered by serious obstacles. Administrative and statistical burdens stand in the way of the estimate, even if it is only of an approximate nature. Yet, unaware of the exact headcount, it is rather hard, if indeed possible at all, to put together efficient measures and strategies for the target group. It is quite obvious then that the period after 2018 shall be partly devoted to the elimination of such weaknesses, setting related developments, aimed at the precise and reliable establishment of such figures, as a core objective.

If we gain the confidence and trust of the constituents in 2018 again, which we count on and have been working for, the forthcoming years will be determined by our efforts to realise our goal of a strong and growing Hungarian nation.



BIBLIOGRAPHY

- Andorka, R. (2001): *Gyermek, család történelem (Child, family, history: studies on historical demography)*, Századvég.
- Átol, D., Kováts B., Kőszeghy L. (2016): *Éves jelentés a lakhatási szegénységről 2015 (Annual report on housing poverty, 2015)*, Habitat for Humanity
- Azmat, G. - González, L. (2010): *Targeting fertility and female participation through the income tax. Labour Economics*, 17(3), 487–502. <https://doi.org/10.1016/j.labeco.2009.09.006>
- Azmat, G. (2014): *Evaluating the effectiveness of in-work tax credits. Empirical Economics*, 46(2), 397–425. <https://doi.org/10.1007/s00181-012-0678-x>
- Battistin, E., De Nadai, M., & Padula, M. (2014): *Roadblocks on the Road to Grandma's House: Fertility Consequences of Delayed Retirement* (CEPR Discussion Papers No. 9945). C.E.P.R. Discussion Papers. Source: <https://ideas.repec.org/p/cpr/ceprdp/9945.html>
- Bauer B., Pillók P., Ruff T., Szabó A., Szanyi F. E., Székely L. (2017): *A Magyar Ifjúság Kutatás 2016 első eredményei (The first findings of Hungarian Youth Research 2016)*, Új Nemzedék Központ Nonprofit Kft
- Blaskó, Zs. (2011): *Három évig a gyermek mellett – de nem minden áron. A közvélemény a kisgyermekes anyák munkába állásáról (Stay at home for three years – but not at all costs. Social values on maternal employment in Hungary)*, Demográfia 54(1), 23–44.
- Blundell, R., Costa Dias, M., Meghir, C., & Shaw, J. (2013): *Female labour supply, human capital and welfare reform* (Working Paper No. 10.1920/wp.ifs.2013.1310). IFS. Source: <http://www.ifs.org.uk/publications/6703>
- Boca, D. D. (2002): *The effect of child care and part time opportunities on participation and fertility decisions in Italy*. *Journal of Population Economics*, 15(3), 549–573. <https://doi.org/10.1007/s001480100089>
- Boca, D. D., Pasqua, S., & Pronzato, C. (2009): *Motherhood and market work decisions in institutional context: a European perspective*. *Oxford Economic Papers*, 61 (suppl_1). Source: https://ideas.repec.org/a/oup/oxecpp/v61y-2009isuppl_1pi147-i171.html
- Boeckmann, I., Misra, J., & Budig, M. J. (2014): *Cultural and Institutional Factors Shaping Mothers' Employment and Working Hours in Postindustrial Countries*. *Social Forces*, Volume 93, Issue 4, p. 1301-1333. <https://doi.org/10.1093/sf/sou119>
- Bölcsőde és óvodafejlesztések értékelése - ex post értékelő jelentés (Evaluation of nursery and kindergarten developments – ex post evaluation synthesis). Századvég, 2016 <https://www.palyazat.gov.hu/regionlis-fejlesztsek-expost-rtkelsek>
- Buddelmeyer, H., Mourre, G., & Ward-Warmedinger, M. (2008): *Why do Europeans work part-time? A cross-country panel analysis* (Working Paper Series No. 872). European Central Bank. Source: <https://ideas.repec.org/p/ecb/ecbwps/2008872.html>
- Del Boca, D. (2002): *The Effect of Child Care and Part Time Opportunities on Participation and Fertility Decisions in Italy* (IZA Discussion Paper No. 427). Institute for the Study of Labor (IZA). Source: <https://ideas.repec.org/p/iza/izadps/dp427.html>
- Dribe, M.- Stanfors, M. (2009): *Education, Work and Parenthood: Comparing the Experience of Young Men and Women in Sweden*. *Journal of Family and Economic Issues*, 30(1), 32. <https://doi.org/10.1007/s10834-008-9134-7>
- Élet a moratórium után – a nem teljesítő jelzőhitelek mögötti ingatlanfedezetek lehetséges hatásai a lakáspiacra (Life after the moratorium – the possible housing impacts of real estate collateral behind non-performing mortgage loans), MNB háttéranyag (MNB Background paper), Budapest, 2011. május 5. (Budapest, 05 May 2011) http://www.mnb.hu/Root/Dokumentumtar/MNB/Penzugyi_stabilitas/mnbhu_penzugyi_stab_tanulmanyok/elet_a_moratorium_utan.pdf
- Euwals, R., & Hogerbrugge, M. (2006): *Explaining the Growth of Part-time Employment: Factors of Supply and Demand*. *LABOUR*, 20(3), 533–557. <https://doi.org/10.1111/j.1467-9914.2006.00352.x>
- Farkas, P. (2012): *A szeretet civilizációjáért – Társadalompolitika – szociálpolitika – családpolitika és a keresztény társadalometika (For a civilization of love – Social policy – Societal policy – Family policy and Christian social ethics)*, L'Harmattan.
- Farkas, P. (2014): *A szeretet közössége – A családszociológia alapjai (A community of love – The fundamentals of family sociology)*. 2. bőv. Kiadás (2nd extended ed.), L'Harmattan
- Fekete, Gy. (1992): *Véreim, magyar kannibálok! Vádirat a jövő megrablásáról (Compatriots, Hungarian cannibals! Indictment on robbing the future)*, Magvető
- Ferge, Zs. (1986): *Fejezetek a magyar szegénypolitika történetéből (Chapters from the history of Hungarian poverty policy)*, Magvető
- Ferge, Zs. (2017): *Magyar társadalom és szociálpolitika 1990-2015 (Hungarian Social and Societal Policy, 1990-2015)*, Osiris

- Feyrer, J., Sacerdote, B., & Stern, A. D. (2008): *Will the Stork Return to Europe and Japan? Understanding Fertility within Developed Nations*. Journal of Economic Perspectives, 22(3), 3–22. <https://doi.org/10.1257/jep.22.3.3>
- FHB Lakásárindex fókusz – Első lakásukat Vásárlók 2016 (FHB Housing Price Index – Focus: First Home Buyers 2016). <http://www.fhbindex.hu/FHB-Index/FHB-Lakasarindex/Index-ertekek-es-diagram>
- Fiatalok családalapításhoz, házassághoz és gyermekvállaláshoz kapcsolódó attitűdjei a családi minták tükrében (Young people's attitude towards family formation, marriage and childbearing in the mirror of family patterns), Nemzeti Család- és Szociálpolitikai Intézet (National Institute for Family and Social Policy), 2012.
- Francesconi, M., & Klaauw, W. van der. (2007): *The Socioeconomic Consequences of "In-Work" Benefit Reform for British Lone Mothers*. Journal of Human Resources, XLII(1), 1–31. <https://doi.org/10.3368/jhr.XLII.1.1>
- Für, L. (2011): *Magyar sors a Kárpát-medencében (The fate of Hungarians in the Carpathian Basin)*. 2. kötet. (Vol. 2) Kairosz.
- Gábos, A., Gál, R. I., & Kézdi, G. (2009): *The effects of child-related benefits and pensions on fertility by birth order: a test on Hungarian data*. Population Studies, 63(3), 215–231. <https://doi.org/10.1080/00324720903215293>
- Garcia-Moran, E., & Kuehn, Z. (2012): *With Strings Attached: Grandparent-Provided Child care, Fertility, and Female Labor Market Outcomes* (CEPRA working paper No. 1202). USI Università della Svizzera italiana. Source: <https://ideas.repec.org/p/lug/wcepra/1202.html>
- Gauthier, A. H. (2007): *The impact of family policies on fertility in industrialized countries: a review of the literature*. Population Research and Policy Review, 26(3), 323–346. <https://doi.org/10.1007/s11113-007-9033-x>
- Greulich, A., Thevenon, O., & Guergoat-Lariviere, M. (2015): *Securing women's employment: A fertility booster in European countries?* Archive ouverte en Sciences de l'Homme et de la Société. <hal-01298946>.
- Gyémánt, R. – Katona, T. (2014): *Demográfia (Demography)*. Pólay Elemér Alapítvány.
- Hasková, H., Győry, A., & Szikra, D. (2012): *How did we get the 'magic 3'? The timing of parental leave and child care services in the Visegrád-countries*. Budapest Institute, Budapest.
- Hegedűs, J. (2011): *Lakáspolitikai és társadalmi kirekesztődés – az elmúlt 20 év lakáspolitikai tanulságai (Housing policy and social exclusion – housing policy: lessons of the past 20 years)* http://www.hajlektalanokert.hu/dokumentumok/tanulmanyok/kirekesztes_HJ_eloadaso91122.pdf
- Illyés, Gy.: *Pusztulás, Úti jegyzetek (Destruction, Travel notes)*, Nyugat 1933/1781
- Jakab, A. – Urbán, L. (szerk.) (Ed.) (2017): *Hegymenet (Uphill)*, Osiris
- Kapitány B. (2008): *A „gyed-hatás”. Az 1985 és 1996 közötti családtámogatási rendszer termékenységre gyakorolt hatása (The pronatalist effect of the Hungarian “gyed-system” (1985–1996))*. Demográfia, Vol 51/1, 51–78.
- Kapitány, B. (2016): *Lakáshelyzet és gyermekvállalás: fontos, de nem a legfontosabb. A csok termékenységi hatásairól (Housing conditions and childbearing: important but not the most important. About the pronatalist effects of CSOK)*. Korfa 2016/1.
- Kostecký, T. – Vobecká, J. (2009): *Housing Affordability in Czech Regions and Demographic Behaviour – Does Housing Affordability Impact Fertility?*, Sociologické aspekty/Czech Sociological Review, Vol. 45, No. 6: 1191–1213
- Kögel, T. (2004): *Did the association between fertility and female employment within OECD countries really change its sign?* Journal of Population Economics, Vol 17(1), 45–65. <https://doi.org/10.1007/s00148-003-0180-z>
- Köllő, J. (2009): *A pálya szélén. Iskolázatlan munkanélküliek a posztoszocialista gazdaságban (On the sidelines. Uneducated unemployed in the post-socialist economy)*. Osiris, Budapest. Source: https://www.libri.hu/konyv/kollo_janos.a-palya-szelen-2.html
- Kulu, H.- Vikat, A. (2007): *Fertility Differences by Housing Type: the Effect of Housing Conditions or of Selective Moves?* Demographic Research Vol 17 (26): 775–802.
- Lovász, A. - Szabo-Morvai, A. (2013): *Does Childcare Matter for Maternal Labor Supply? Pushing the limits of the Regression Discontinuity Framework* (Budapest Working Papers on the Labour Market No. 1313). Institute of Economics, Centre for Economic and Regional Studies, Hungarian Academy of Sciences. Source: <https://ideas.repec.org/p/has/bworkp/1313.html>

Lovász, A. (2016): *Childcare expansion and mothers' employment in post-socialist countries*. IZA World of Labor. <https://doi.org/10.15185/izawol.319>

Luci-Greulich, A. - Thévenon, O. (2014): *Does Economic Advancement 'Cause' a Re-increase in Fertility? An Empirical Analysis for OECD Countries (1960–2007)*. European Journal of Population, 30(2), 187–221. <https://doi.org/10.1007/s10680-013-9309-2>

Miben élünk? A 2015. évi lakásfelmérés főbb eredményei, KSH, 2016. augusztus (What are we living in? Detailed results of the 2015 housing survey, HCSO, August 2016)

Mulder, C. H.- Billari, F. C. (2006): *Lowest-low fertility and home-ownership regimes* <http://epc2006.princeton.edu/papers/60473>

Muraközy, L.: *Magyarország felemelkedése és hanyatlása (The rise and fall of Hungary)*, Közgazdasági Szemle, 2008/2

Németh, L.: Debreceni Káté, in: *A magyar esszé antológiája I., Sorskérdések (An Anthology of Hungarian essays I, Fateful Questions)*, 2006

Paksi, V., Király, G., Luksander, A. (2014): *A gyermekvállalás időzítésével kapcsolatos lakossági attitűdök egyes bizonytalansági tényezők tükrében. (Domestic attitudes towards the timing of having a first child in the face of uncertainty.)* Szociológiai Szemle Vol 24(3): 84–112.

Pongrácz, T.: *Családpolitikai változások az érintettek szemszögéből (Changes in the family policy from the addressees' perspective)*, Korfa 2009/4, KSH, NKI, 2009

Rice, P. G. (1990): *Relative Labour Costs and the Growth of Part-Time Employment in British Manufacturing Industry*. Economic Journal, 100(403), 1138–1146.

Scharle, Á. - Fazekas, K. (2012): *Nyugdíj, segély, közmunka: A magyar foglalkoztatáspolitikai két évtizede (From Pensions to Public Works. Hungarian Employment Policy from 1990–2010), 1990-2010*. Budapest: Budapest Szakpolitikai Elemző Intézet, MTA KRTK Közgazdaság-tudományi Intézet. Source: <http://mek.oszk.hu/11400/11433>

Surányi, É. - Danis, I. (2010): *Családpolitika más szemmel. Eltérő nézőpontok, változó gyakorlatok (Family policies from divergent perspectives. Different viewpoints, approaches and alternating practices in national and international family policies)*. Gazdasági és Szociális Tanács, Budapest.

Szabo-Morvai, A. - Lovasz, A. (2017): *Childcare and Maternal Labor Supply – a Cross-Country Analysis of Quasi-Experimental Estimates from 7 Countries* (Budapest Working Papers on the Labour Market No. 1703). Institute of Economics, Centre for Economic and Regional Studies, Hungarian Academy of Sciences. Source: <https://ideas.repec.org/p/has/bworkp/1703.html>

Szabó-Morvai, Á. (2014): *Evaluating The Effect of START Plusz Hiring Tax Credit Program on The Employment Probability of Mothers with Kindergarten-Age Child*. Mimeo.

Tárkányi, Á. (1998): *Európai családpolitikák: a magyar családpolitika (European family policies: the history of Hungarian family policy)*. Demográfia 1998/2-3.

Thompson, W. S. (1938): *The Effect of Housing upon Population Growth*. The Milbank Memorial Fund Quarterly 16 (4): 359–368.

Tóth, P. P.: *Népesedési viszonyok (Demographic portrait)*. Megjelenés alatt. (In press)

Valuch, T. (2015): *A jelenkori magyar társadalom (Contemporary Hungarian society)*, Osiris

LIST OF TABLES AND FIGURES

Figure 1/1 – Features of the demographic cycles

Figure 1/2 – Stages of demographic transition

Figure 1/3 – Age-trees for the various demographic stages

Figure 1/4 – The dynamics of demographic cycles and population types

Figure 1/5 – Demographic changes by region, from 1950 until 2100 (thousand people)

Figure 1/6 – Demographic changes by region, from 1950 until 2100 (billion people)

Figure 1/7 – The distribution of the world's population by region, 1950-2100

Figure 1/8 – The world's population by the economic maturity of the regions (million people)

Figure 1/9 – Changes in the age-structure of the world's population by gender, between 2017 and 2100 (hundred million people)

Figure 1/10 – Average life expectancy at birth and its evolution by region, 1950-2100

Figure 1/11 – Fertility rates around the world, 2015

Figure 1/12 – Fertility rates by continent (per female capita)

Figure 1/13 – World population distribution based on fertility rate

Figure 1/14 – The major components of migration

Figure 1/15 – Migration by target area, 1990-2015

Figure 1/16 – Average annual net migration by continent, between 1980 and 2015 (million people)

Figure 1/17 – Net migration value per continent (per million)

Figure 1/18 – The absolute value of migration between 2005 and 2025, based on UN estimates (thousand people)

Figure 1/19 – The number of asylum-seekers around the world, 2015

Figure 1/20 – Expected annual precipitation by 2050

Figure 1/21 – The share of migration in the growth of the EU's population (between 1990 and 2016)

Figure 1/22 – The number of asylum-seekers in the European Union between 1998 and 2016

Figure 1/23 – Illegal border-crossing on the external borders of the EU, 2016

Figure 1/24 – The scale of actual decline/growth in EU Member States, 2016

Figure 1/25 – EU Member States with an actually growing population (2016)

Figure 1/26 – EU Member States with an actually shrinking population (2016)

Figure 1/27 – The distribution of foreigners migrating into the EU by destination, 2015

Figure 1/28 – The relations between population and immigration policy

Figure 1/29 – Marriages and registered stable, non-marital partnerships among persons of the same sex within the European Union, 2017

Figure 1/30 – Proportion of those exposed to poverty risk in the population structure of Germany, 2010-2016

Figure 1/31 – The proportion of inhabitants holding foreign citizenship in EU Member States, 2016

Figure 1/32 – The distribution of immigrants in Europe, based on their country of birth in 2016

Figure 1/33 – The age-distribution of inhabitants with foreign citizenship compared to that of the indigenous population

Figure 1/34 – The distribution of those migrating into the European Union, based on their country of origin

Figure 1/35 – Fertility rate among the major countries of origin, 1975-2100

Figure 1/36 – Differences in the fertility rate among the indigenous and migrant population

Figure 1/37 – The ratio of live-birth deliveries by women from outside the EU, 2015

Figure 1/38 – Changes in the population size of EU Member States, 2016-2080 (%)

Figure 1/39 – Expected population size in EU-28, 2080 (million people)

Figure 2/1 – Hungary around 900 AD

Figure 2/2 – Hungary in the 13th century (including Croatia)

Figure 2/3 – The number of Hungarians living in the territory of contemporary Hungary (1787-2010)

Figure 2/4 – Live-births and deaths per thousand inhabitants

Figure 2/5 – Number of family members per hundred families

Figure 2/6 – Family distribution based on the number of children (percentage)

Figure 2/7 – Total fertility rate (TFR) between 1900 and 2016

Figure 2/8 – The ratio of TFR and abortions relative to each other

Figure 3/1 – Population change and its defining factors, 2002-2010

Figure 3/2 – Expected population change per thousand inhabitants, 2002-2010

Figure 3/3 – Natural population change in the 28 EU Member States, 2010 (per thousand inhabitants)

Figure 3/4 – Total fertility rate in Central and Eastern European countries, 2002-2010

Figure 3/5 – Total fertility rate in European Union Member States, 2010

Figure 3/6 – The number of women of childbearing age in the EU-28, 2002-2010 (%)

Figure 3/7 – The ratio of live-births per thousand inhabitants in the EU-28, 2010

Figure 3/8 – Average number of living, planned and actually born children in OECD member states, 2010

Figure 3/9 – The distribution of those aged 18-49 based on the ideal number of children, and the distribution of women aged 40-44 based on the number of children in the given year

Figure 3/10 – Average female age and fertility at the time of childbearing in Hungary, 2002-2010

Figure 3/11 – Average female and male age in Hungary at the time of delivery

Figure 3/12 – The proportion of live-births out of wedlock in Hungary, 2002-2010

Figure 3/13 – Changes in the proportion of births out of wedlock between 2002 and 2010

Figure 3/14 – The proportion of live-births out of wedlock in the EU, 2010

Figure 3/15 – The proportion of abortions for every hundred live-births across the EU, 2010

Figure 3/16 – Marriages and divorces in Hungary, 2002-2010

Figure 3/17 – Marriages versus divorces in Hungary, 2002-2010

Figure 3/18 – The proportion of marriages and divorces per thousand inhabitants in EU Member States, 2010

Figure 3/19 – Changes in the average marrying age in Hungary, per gender, 2002-2010

Figure 3/20 – Divorce rate per thousand inhabitants in EU Member States, 2010

Figure 3/21 – Changes in the death rate per thousand people in Hungary and in the neighbouring countries between 2002 and 2010

Figure 3/22 – Death rate per thousand people in Hungary and across the European Union, 2010

Figure 3/23 – Mortality based on the leading causes of death in Hungary, 2010

Figure 3/24 – Average life expectancy at birth by gender, 2002-2010

Figure 3/25 – Average life expectancy at 65 during the period 2002-2010 (years)

Figure 3/26 – Average life expectancy at 65 in Hungary and in some selected countries, by gender – 2010 (years)

Figure 3/27 – Infant mortality rate in the European Union in 2002 and 2010

Figure 3/28 – Migration balance per thousand people across the European Union, 2010

Figure 3/29 – International migration between 2002 and 2010

Figure 5/1 – Number of beneficiaries entitled to family benefit, 2011-2016

Figure 5/2 – Funds claimed under family benefit, 2011-2016

Figure 5/3 – Sales figures for treasury bond, 2017

Figure 5/4 – Household home loan debt based on the number of children

Figure 5/5 – The distribution of live-births based on the mother's marital status, 1990-2016

Figure 5/6 – Fertility, employment and family policy in OECD countries (2013)

Figure 5/7 – Changes in the employment rate per gender in certain countries, 2010-2016

Figures 5/8-11 – Changes in certain female and male labour market indicators in Hungary, 2010-2016

Figures 5/12-14 – Female labour market indicators in Hungary, based on the youngest child's age (2010-2016)

Figure 5/15 – Male-female wage gap in Hungary compared to the EU average, based on age-groups (2010-2015)

Figure 5/16 – Female part-time employment in V4 countries compared to the EU average, 2007-2016

Figure 5/17 – The number of children, under the age of 3, enrolled in day-nursery in the V4 countries between 2005 and 2014 (%)

Figure 5/18 – The duration of family subsidies in certain OECD countries, 2016 (weeks)

Figure 5/19 – "Are you against letting mothers with children under 3 get back to work?" (%)

Figure 5/20 – Employment rate among women between 25-49 years of age, with children aged 0-2 (2010-2016) (%)

Figure 5/21 – The cumulated number of GYED Extra beneficiaries between 2014 and 2016

Figure 5/22 – Full and part-time employment among women with children aged 0-6 (2010-2016)

Figure 5/23 – Average number of entities involved in the Job Protection Action Plan and their budgetary cost, 2013-2016

Figure 5/24 – Family daytime-care capacity between 2010 and 2016

Figure 5/25 – Capacity in day-nurseries between 2010 and 2016

Figure 5/26 – The scale and scope of housing promotion (LÉT)

Figure 5/27 – The major conditions of family housing allowance (CSOK)

Figure 5/28 – Housing subsidy claims between 2012 and 2017

Figure 5/29 – The number of CSOK submissions accepted between 01 July 2015 and 30 June 2017

Figure 5/30 – Major indicators in the housing industry, 2010-2016

Figure 5/31 – Changes in live-births compared to the previous year, in the order of live-births, 2010-2016

Figure 5/32 – The ratio of those exposed to poverty or social exclusion per household type, based on the number of children, 2010-2016 (%)

Figure 5/33 – The relative income of the poor and their ratio per household type, based on the number of children, 2010-2016 (%)

Figures 5/34-35 – The number and ratio of families based on the number of parents and cohabitation forms, 1990-2016

Figure 5/36 – The distribution of single-parent families, based on the number of children, 2017

Figure 5/37 – The rate of those exposed to poverty or social exclusion, per household type – 2010-2016 (%)

Figure 5/38 – Changes in the rate of those exposed to poverty or social exclusion, per household type – 2010-2016 (%)

Figure 5/39 – The annual net income per capita in households with or without children (thousand HUF)

Figure 5/40 – Summary data on the international migration of Hungarian citizens between 2002 and 2016

Figure 5/41 – The attachment of Hungarian expatriates to the motherland – based on their children's registration

Figure 5/42 – The distribution of parents giving birth to their children abroad, based on their place of residence, 2016 (persons)

Figure 5/43 – The number of Hungarian citizens in certain European countries (and in Turkey), 2002-2016

Figure 5/44 – Hungarians in the Carpathian Basin, 2011

Figure 5/45 – The number of naturalized Hungarian citizens, based on the major countries of origin – 2017

Figure 5/46 – Changes in budgetary commitments, billion HUF

Figure 5/47 – Changes between 2010 and 2018 (billion HUF or %)

Figure 5/48 – Family support related expenditure in the proportion of the GDP (%) in OECD countries, 2013

Figure 5/49 – Family support related appropriations in proportion to GDP, %

Figure 5/50 – Changes in the total amount of family-related budgetary commitments (bn HUF)

Figure 5/51 – The annual function-based changes in the distribution of commitments

Figure 5/52 – The distribution of work-based and guaranteed subsidies in the category of family cash benefits, 2010-2018

Figure 5/53 – Major people movement events

Figure 6/2 – Population change and its defining factors, 2010-2016

Figure 6/3 – Population change per thousand inhabitants, 2010-2016

Figure 6/4 – Natural population change in EU-28 Member States in 2016 (per thousand inhabitants)

Figure 6/5 – Scale of natural population change in the 28 EU Member States, 2016 (per thousand inhabitants)

Figure 6/6 – Total fertility rate in Hungary, 2010-2016

Figure 6/7 – Total fertility rate in the European Union, 2015

Figure 6/8 – The number of women of childbearing age in the European Union, 2010-2016

Figure 6/9 – The ratio of live-births per thousand inhabitants in the European Union, 2016

Figure 6/10 – Changes in the average female childbearing age in Hungary, 2010-2015 (years)

Figure 6/11 – Average female childbearing age in EU Member States, 2015 (years)

Figure 6/12 – The proportion of live-births out of wedlock in Hungary, 2010-2016 (%)

Figure 6/13 – The proportion of abortions for every hundred live-births across the EU, 2015

Figure 6/14 – Changes in the ratio of partnership-based families between 2001 and 2016

Figures 6/15-16 – The number of marriages and divorces in Hungary between 2010 and 2016

Figure 6/17 – Crude marriage rate in the European Union, 2010-2015

Figure 6/18 – Changes in the average marrying age in Hungary, per gender, 2010-2015

Figure 6/19 – Average age at the first marriage in EU countries, 2015

Figure 6/20 – Divorce rate per thousand inhabitants in EU Member States, 2015

Figure 6/21 – Divorce rate per hundred marriages in EU Member States, 2015

Figure 6/22 – Death rate per thousand people in Hungary and across the European Union, 2016

Figure 6/23 – Changes in the death rate per thousand people in Hungary and in the neighbouring countries between 2010 and 2016

Figure 6/24 – Premature mortality per thousand people in the European Union and in Hungary

Figure 6/25 – Premature mortality per thousand people in the European Union and in Hungary, based on gender

Figure 6/26 – Mortality based on the leading causes of death, 2016

Figure 6/27 – Average life expectancy at birth by gender, 2010-2015

Figure 6/28 – Changes in average life expectancy at birth in Hungary and across the European Union, 2010-2015

Figure 6/29 – Average life expectancy at birth in Hungary, 2010-2016

Figure 6/30 – Average life expectancy at birth and its gender-based differences in Hungary and across the European Union, 2010-2015

Figure 6/31 – Average life expectancy at 65 between 2010 and 2015

Figure 6/32 – Average life expectancy at 65 in Hungary and in some selected countries, per gender – 2015

Figure 6/33 – Infant mortality rate in the European Union in 2010 and 2015

Figure 6/34 – Migration balance per thousand people in the European Union, 2016

Figure 6/35 – International migration between 2010 and 2016

Figure 6/36 – The distribution of asylum-seekers arriving in Hungary, based on citizenship – 2011-2016

Figure 7/1 – Development track of a sustainable population until 2030

CONTENTS

WELCOME

Zoltán Balog

Katalin Novák

INTRODUCTION 8

CHAPTER I

INTERNATIONAL FORECAST 14

1.1.	GLOBAL DEMOGRAPHIC TRENDS	15
1.2.	ANTICIPATED DEMOGRAPHIC TRENDS UNTIL THE END OF THE CENTURY	18
1.2.1.	POPULATION SIZE BY MAIN REGIONS	18
1.2.2.	THE IMPORTANCE OF DEVELOPING COUNTRIES	18
1.2.3.	AGEING POPULATION AROUND THE WORLD	20
1.2.4.	FERTILITY INDICATORS AROUND THE WORLD	23
1.2.5.	THE ROLE OF MIGRATION IN GLOBAL DEMOGRAPHIC TRENDS	24
1.2.5.1.	THE IMPACT OF MIGRATION ON POPULATION SIZE	24
1.3.	CURRENT CHANGES IN THE POPULATION SIZE OF THE EUROPEAN UNION	32
1.3.1.	GENERAL FEATURES	32
1.3.2.	MEMBER STATES WITH A GROWING OR SHRINKING POPULATION	37
1.4.	AN OVERVIEW OF THE EUROPEAN POPULATION AND MIGRATION POLICY	41
1.4.1.	POPULATION POLICY	41
1.4.2.	MIGRATION AND REFUGEE POLICY, IMMIGRATION POLICY	44
1.4.3.	THE MIGRANT POPULATION IN EUROPE	52
1.4.4.	POTENTIAL DEMOGRAPHIC TRENDS IN THE EUROPEAN UNION UNTIL 2080	59

CHAPTER II	
HUNGARIAN DEMOGRAPHY AND ITS HISTORY IN A NUTSHELL	64
 CHAPTER III	
THE DEMOGRAPHIC SITUATION AFTER THE CHANGE OF THE GOVERNMENT IN 2010, BASED ON THE DEMOGRAPHIC TRENDS BETWEEN 2002 AND 2010	76
3.1. MAJOR FACTORS DETERMINING THE POPULATION SIZE OF HUNGARY	77
3.2. ATTITUDES TO CHILDBEARING AMONG HUNGARIAN FAMILIES IN 2010	79
3.2.1. CHANGES IN THE FERTILITY LEVEL	79
3.2.2. NUMBER OF LIVE-BIRTHS	81
3.2.3. THE DIFFERENCE BETWEEN THE DESIRED, PLANNED AND ACTUAL NUMBER OF CHILDREN	82
3.2.4. CHANGES IN THE AVERAGE CHILDBEARING AGE OF WOMEN	85
3.2.5. RATE OF BIRTHS OUT OF WEDLOCK BETWEEN 2002 AND 2010	87
3.2.6. ABORTIONS	89
3.3. STARTING A FAMILY AT THE TIME OF THE CHANGE OF THE GOVERNMENT IN 2010	90
3.3.1. THE NUMBER OF MARRIAGES AND DIVORCES IN HUNGARY BETWEEN 2002 AND 2010	90
3.3.2. THE DESIRED AND ACTUAL INDICATORS OF ENTHUSIASM TO START A FAMILY	94
3.4. STATE OF HEALTH, MORTALITY	95
3.4.1. MORTALITY	95
3.4.2. PREMATURE MORTALITY	97
3.4.2.1. THE STRUCTURE OF CAUSES OF DEATH	97
3.4.3. LIFE EXPECTANCY BETWEEN 2002 AND 2010	97
3.4.3.1. AVERAGE LIFE EXPECTANCY AT BIRTH BETWEEN 2002 AND 2010	97
3.4.3.2. AVERAGE LIFE EXPECTANCY AT 65 DURING THE PERIOD 2002-2010	98
3.4.3.3. HEALTHY LIFE EXPECTANCY AT 65	100
3.4.3.4. INFANT MORTALITY	100
3.5. INTERNATIONAL MIGRATION, HUNGARIAN EXPATRIATES ABROAD	101

CHAPTER IV		
FAMILY-FRIENDLY PROVISIONS IN THE HUNGARIAN GOVERNMENT POLICY, 2010-2018		106
CHAPTER V		
MEASURES FOR TACKLING THE PROBLEMS AND CHALLENGES OF AN EARLIER ERA, 2010-2017/2018		118
5.1	MAJOR PROBLEMS AFFECTING FAMILIES AND GOVERNMENT MEASURES FOR THEIR RESOLUTION AFTER 2010	119
5.1.1.	MEASURES IN SUPPORT OF FAMILY-PLANNING AND CHILDBEARING	120
5.1.2.	MEASURES TO TACKLE THE PROBLEMS OF WORK-LIFE BALANCE	135
5.1.3.	MEASURES SUPPORTING BRINGING UP CHILDREN	155
5.1.4.	MEASURES TO COMBAT HOUSING-RELATED DIFFICULTIES	161
5.1.5.	MEASURES TO ALLEVIATE THE DIFFICULTIES OF LARGE AND SINGLE-PARENT FAMILIES, ALONG WITH TACKLING THEIR SIGNIFICANT EXPOSURE TO POVERTY RISK	169
5.1.6.	MEASURES SINCE 2010 TO IMPROVE PEOPLE'S HEALTH	182
5.1.7.	THE SITUATION OF HUNGARIAN EXPATRIATES	190
5.1.7.1.	THE NUMBER OF HUNGARIANS TEMPORARILY OR PERMANENTLY MOVING ABROAD	192
5.1.7.2.	HUNGARIANS IN THE CARPATHIAN BASIN	202
5.1.7.3.	HUNGARIANS IN DIASPORAS	204
5.1.7.4.	"NAVEL CORD" PROGRAMME	204
5.1.8	MEASURES FOR THE PROMOTION OF THE FAMILY-FRIENDLY APPROACH	206
5.2.	BUDGET RESOURCES FOR FAMILY SUPPORT BETWEEN 2010 AND 2018	208
CHAPTER VI		
THE POPULATION SITUATION IN HUNGARY AFTER 2010 – ACHIEVEMENTS		216
6.1.	MAJOR INDICATORS DEFINING THE POPULATION SIZE AFTER 2010	217
6.2.	ATTITUDES TO CHILDBEARING AFTER 2010	220
6.2.1.	CHANGES IN THE FERTILITY LEVEL	220
6.2.2.	NUMBER OF LIVE-BIRTHS AFTER 2010	221
6.2.3.	CHANGES IN THE AVERAGE CHILDBEARING AGE OF WOMEN AFTER 2010	223

6.2.4.	RATE OF BIRTHS OUT OF WEDLOCK BETWEEN 2010 AND 2016	225
6.2.5.	THE NUMBER OF ABORTIONS AFTER 2010	227
6.3	FAMILY-PLANNING ATTITUDE AFTER THE CHANGE OF THE GOVERNMENT	227
6.3.1	THE NUMBER OF MARRIAGES AND DIVORCES IN HUNGARY AFTER 2010	227
6.4	STATE OF HEALTH, MORTALITY	233
6.4.1.	MORTALITY AFTER 2010	233
6.4.1.1.	PREMATURE MORTALITY	234
6.4.1.2.	CHANGES IN THE STRUCTURE OF CAUSES OF DEATH	234
6.4.2.	LIFE EXPECTANCY AFTER 2010	236
6.4.2.1.	AVERAGE LIFE EXPECTANCY AT BIRTH	236
6.4.2.2.	AVERAGE LIFE EXPECTANCY AT 65 AFTER 2010	239
6.4.2.3.	HEALTHY LIFE EXPECTANCY AT 65	242
6.4.3.	INFANT MORTALITY	243
6.5.	INTERNATIONAL MIGRATION AFTER 2010	243
CHAPTER VII		
TASKS AHEAD, POTENTIAL ORIENTATION AFTER 2018		250
BIBLIOGRAPHY		258
LIST OF FIGURES		261

Managing editor

Katalin Novák

Edited by

Dr. Norbert Görög

Dr. Krisztina Bagi

Dr. András Pari

Péter Farkas

Viktor Horváth

Kata Jakubeczné Nagy

Ildikó Kovácsné Bárány

András Székely

Contributed to editing

The colleagues at the State Secretariat for Family and Youth Affairs under the Ministry of Human Capacities

The colleagues at Családbarát Ország Nonprofit Közhasznú Kft.

HETFFA Research Institute and Center for Analysis

Graphic design

Péter Erdélyi

Published by Családbarát Ország Nonprofit Közhasznú Kft.

Our special thanks go to the Pension Payment Directorate (Országos Nyugdíjbiztosítási Főigazgatóság), the Migration Research Institute (Migrációkutató Intézet), and the Hungarian Central Statistical Office (Központi Statisztikai Hivatal) for their assistance in the editorial processes.

The publication may not be subject to distribution without the authors' and publishers' prior consent.

