

Country report Hungary

Prague, 28/11/2023

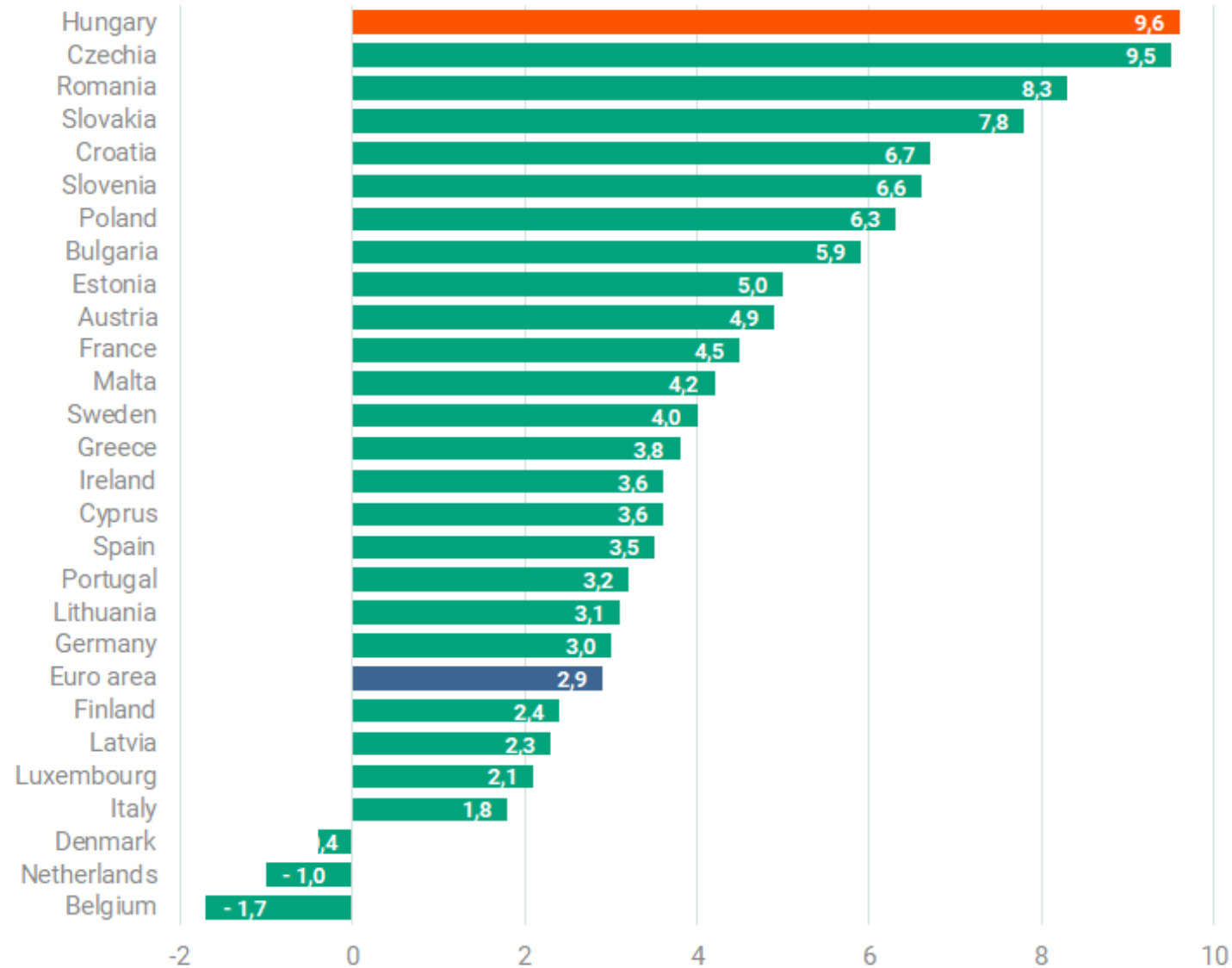
Macroeconomical data

(%)	2020	2021	2022	2023
GDP	-5	7,1	4,9	-0,6 (estimated)
Inflation	3,3	5,1	14,5	18,4 (estimated)
Public debt (/GDP)	70,3	76,8	73,9	71 (recent data)
Deficit	8,1	8,6	6,2	5,2 (estimated)
Unemployment	4	4,1	3,6	3,9 (September)
Avarage wages (real)	9,7 (6,2)	8,7 (3,4)	17,5 (1,4)	14,1 (-1) (estimated)

Inflation

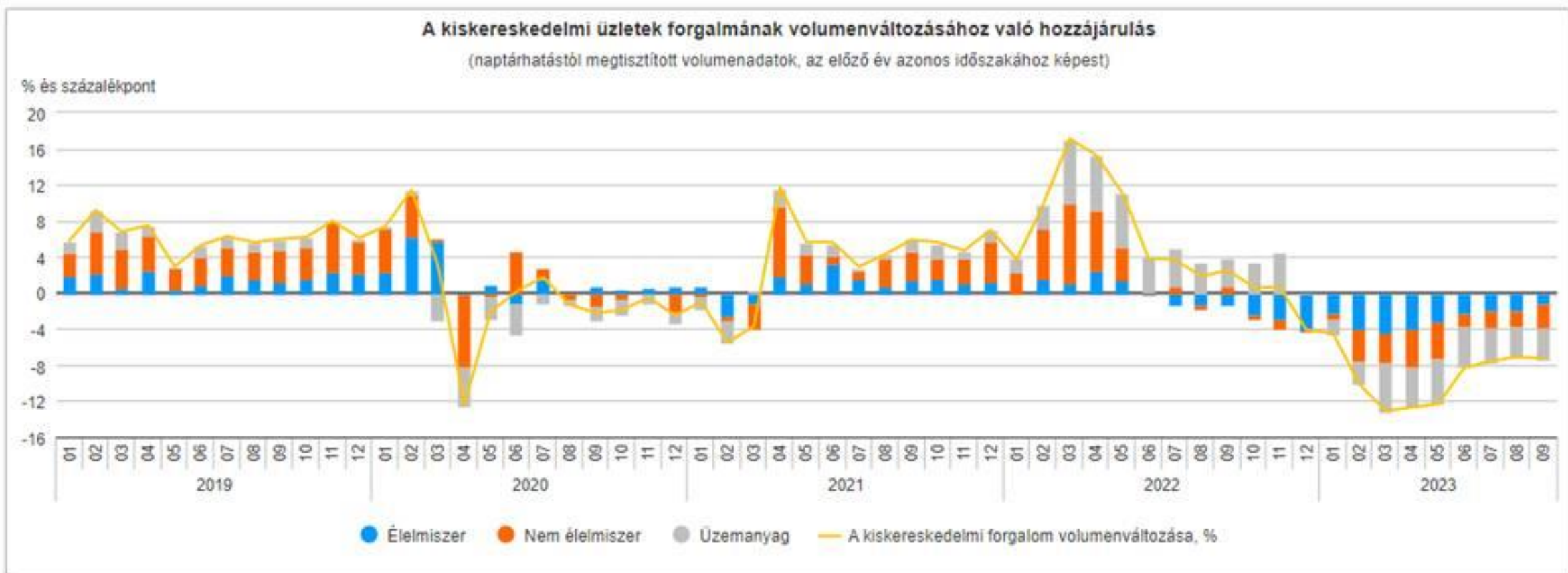
- Core inflation was 15,3% in 2022, estimated 16,4 in 2023
 - 25,4 in February 2023
- Food prices went up by 50% compared to last year:
- A price cap was put in effect at the start of 2022 on essential products (list was extended in october): e.g. milk, chickenmeat, egg, gas and diesel
 - Seems to worsen the inflation
- Reasons of inflation:
 - Supply side problems
 - High energy prices
 - Weak and volatile Hungarian forint
 - Abolition of price caps

Inflation in October, 2023



Forrás: Eurostat, Portfolio

Consequence of inflation – decrease in demand and purchases



Wages – 2023, August

	HUF	EUR
Gross average wage	559.000	1472
Gross minimum wage 2023	232000 (+16% compared to 2022)	611
Gross guaranteed minimum wage 2023	296400 (+14)	780

Minimum wages – from 2023, december

	HUF	EUR
Gross minimum wage 2023-2024	266800 (+15%)	702
Gross guaranteed minimum wage 2023-2024	326000 (+10%)	858

- The Hungarian Trade Union Confederation didn't sign the agreement – the 10% raise is not enough compared to the inflation

Draft amendments to the law

- Transformation of mandatory occupational health and safety education

It wouldn't be the responsibility of the employers to give mandatory lectures, but it would be the employees' task to learn about OHS regulations

- Partial abolition of the mandatory health fitness test of employees

To reduce the bureaucratic burdens of the employers

The minister lists the sectors and job positions where it remains obligatory

All trade union confederations protested against

- Prohibition of the deduction of membership fees in the public sector for the employer (the state)

To reduce the bureaucratic burdens of the employers

Big majority of members are paying their fees via the employer

Huge risk of membership loss

Draft amendments to the law

On 3rd country national

- Jobs must be offered first to locals
- 3 types based on the length of stay:
 - *Short (3 months), medium (2+2 years), long (undermined)*
- The model is based on intermediaries (temporary agency companies) and favored employers (big investors, ,strategic partners', big exporters)

Trade unions Battery conference, Budapest— iAll Europe and Global

55 trade unionists from 19 countries discussed just and green transition, the whole supply chain from mining to battery production, organizing the new sector's employees



Vasas



- Wage negotiations

For this year: Demands for compensations for real wage loss

For 2024: Huge differences between our demands and employers' will

- Automotive industry

Labor shortage: 3rd country nationals

Slowdown of the sector

Boom in battery production – raises many questions (if this is the only solution, environmental and OHS issues)

BDSZ



- Employees affected by the green transition mainly work at MVM Mátra Energy LTD
- Government decision: new natural gas blocks (1650 MW), it is expected that by the end of 2027 energy production based on lignite will be ceased
- Other form of usage of lignite is under consideration (clean coal, agricultural, chemical usage)
- BDSZ' aim: annuity for miners close to retirement age (training, retraining, new, sustainable workplaces, vision for employees)

Projects in 2023

BTUC4 Recovery

Switching to Local - finished

LIFE IP, GINOP, START

KEHOP Plusz

Conference on just transition with EVDSZ



Critical raw materials

A sectoral dialogue committee discussion on the possible production of critical raw materials in Hungary

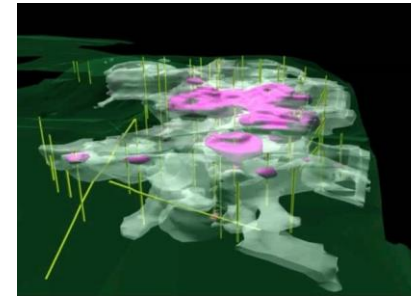


The national mineral raw materials strategy is still not finished

Unsuitable legal regulation

2012-2014: Basic research carried out in international cooperation to exploit the domestic economic development potential of critical raw materials – CriticEI – 500 M TAMOP

MBFSZ (2018): Initiative for the utilization of coal



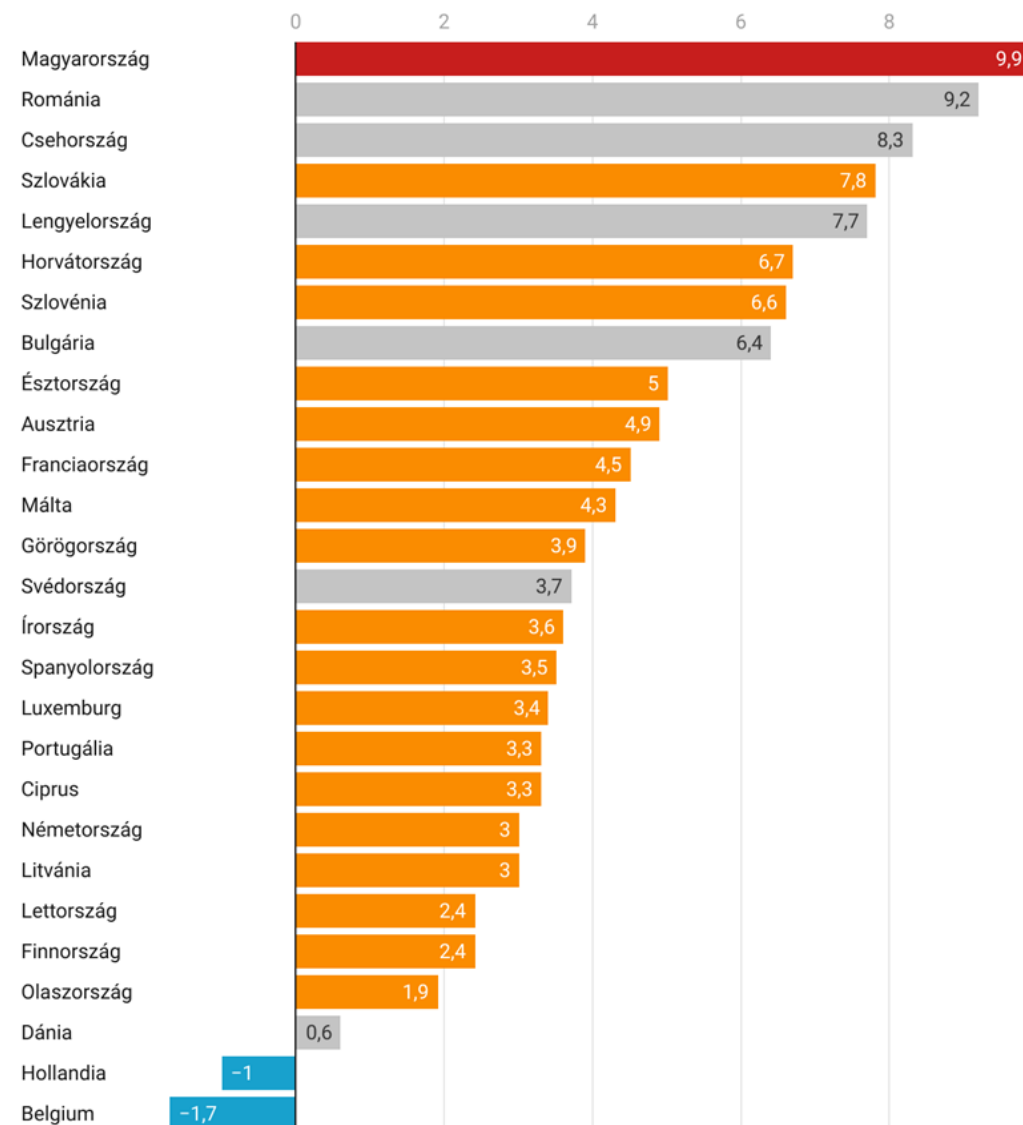
Wage negotiations

It was burdened by the highest inflation rate in the European Union

In one case, the help of industriAll Global and Europe and the IGBCE had to be used (Declaration of Thessaloniki)

In the electricity industry, the sub-sector collective agreement has been extended

Infláció az EU-ban, 2023. október



A szürkével jelölt országokból még csak szeptemberi adat ismert.

Grafikon: hvg.hu • Forrás: Eurostat, KSH • A készítéshez használt program: Datawrapper



Experience in light industry

industriAll Europe has a successful South-Eastern European light industry project, in the framework of cooperation projects with Turkish and Portuguese trade unions

Coordination of experiences of network building and regional presence.

Light industry development opportunities (light industry is dominant in Portugal), difficulties (low wages, Turkish inflation, Covid, tragic earthquake, solidarity).

Light Industry Professional Day

The national meeting of trade union, employee and employer representatives and experts of the textile, clothing, leather and shoe industry was again held at the headquarters of the BDSZ on the topics of sustainability and craftsmanship.

Agendas and speakers were as follows: - Ferenc Rabi, president of BDSZ, Dr. Kokasné Dr. Livia Palicska, president of MKSZ, greetings,

- Handicraft Academy: Folk redenimissima/film screening about the creative process of textile artist Orsolya Springer's sustainability collection. Narrator: Adrienne Körtvély
- Presentation by János Tóth, master of trimmings and buttons,
- Mónika Varga Master Exam in pictures: When a shoe is born,
- Colleague Attila Berényi gave information about the work of the sectoral dialogue committee.



Thank you for the
attention!