

## Social Dialogue mapping

### Description scheme for country overviews

## HUNGARY

### Sources:

- 1/ Eurofound Working Life Profiles <https://www.eurofound.europa.eu/country/hungary#actors-and-institutions>
- 2/ OSH WIKI [https://oshwiki.eu/wiki/OSH\\_system\\_at\\_national\\_level\\_-\\_Hungary](https://oshwiki.eu/wiki/OSH_system_at_national_level_-_Hungary)
- 3/ ESENER-3 <https://visualisation.osha.europa.eu/esener#!/en/survey/overview/2019>

### Introduction on Social Dialogue in MS (1)

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Representativeness of social partners at national level is not explicitly incorporated in Hungarian legislation. Nevertheless, the law on the main national civil dialogue body, the National Economic and Social Council (Nemzeti Gazdasági és Társadalmi Tanács, NGTT) stipulates detailed criteria for the social partners' participation in the NGTT. This is widely considered to function as a sort of representativeness criteria at national level.

NGTT was established by Act XCIII of 2011. The members of NGTT include six trade union confederations and nine employers' organisations. Other members are listed in the relevant tables below, representing the national chambers, the foreign chambers which operate in Hungary, science experts and historic churches.

In the main tripartite social dialogue body, the Permanent Consultative Forum of the Private Sector and the Government (*Versenyszféra és a Kormány Állandó Konzultációs Fóruma*, VKF), no representativeness criteria is applied. VKF is based on an agreement, which does not refer to representativeness, but provides the list of social partners involved, based on the parties' mutual recognition. Three trade union confederations (LIGA, MOSZ, MSZOSZ) and three employer organisations (ÁFEOSZ, MGYSZ, VOSZ) participate in VKF, all of them are members of NGTT as well.

### Trade Unions (1)

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- **About trade union representation**

According to the Labour Code (Act I of 2012), every worker has the right to join a trade union in order to promote his/her economic and social interests, or not join a union (Art. 231). The detailed rules how this right can be exercised is stipulated by Act CLXXV of 2011 on the right of association, the status of general public benefit, and on the functioning and support of civil organisation; Act CLXXXI of 2011 on the registration of civil organisations and the related administrative procedure; and by the new Civil Code (Act V of 2013). Public sector employees also have the right to organise, but their right of collective bargaining is limited (for public employees) or is absent (for civil servants in public administration).

The new Labour Code (Act I of 2012) amended the rules on collective labour law, including modifying the right to collective bargaining at company and higher level.

According to the new Labour Code, works councils also have the right to negotiate and agree on the regulation of working conditions (except wages, or wage-related issues), if the employer has not yet concluded a collective agreement, or if there is no trade union eligible to conclude a collective agreement at the given employer (Art. 268 Sec 1). An agreement concluded in this way is called a plant agreement. A plant agreement with this wider content is, however, not considered to be a collective agreement and is beyond the scope of mandatory reporting, even though parties may negotiate as for collective bargaining over the normative content (for instance, parties can agree on a longer working time reference period or more annual overtime). Since there is no obligation to report on plant agreements to the Ministry, no information is available on the number and content of this type of agreement in effect.

### • Main trade union confederations and federations

There are six trade union confederations at national level, all affiliated to ETUC.

Formerly all of them acted on the worker side of the National Interest Reconciliation Council (*Országos Érdekegyeztető Tanács, OÉT*). Since 2011, all are members of the multipartite civil dialogue forum, the NGTT, while only LIGA, MOSZ and MSZOSZ participate in the VKF, the tripartite national body for the private sector.

Regarding membership, MSZOSZ was still the largest national organisation in 2012 (when the latest comparative data are available), when it had 186,000 members (125,000 active).

The effect of the new Labour Code, the decline of social dialogue in general, the unfavourable political climate and a long-standing need for integration has begun a merger process among some national trade union confederations since 2013. The Alliance of Autonomous Trade Unions (*Autonóm Szakszervezeti Szövetség, ASZSZ*), Forum for the Co-operations of Trade Unions (*Szakszervezetek Együttműködési Fóruma, SZEFE*) and National Confederation of Hungarian Trade Unions (*Magyar Szakszervezetek Országos Szövetsége*) announced their integration on 1 May 2013. The plan was to create a new confederation – and this was accomplished – but the process took longer than planned and in the meantime the Forum for the Co-operations of Trade Unions stepped back. At present, the new confederation is operating as the Hungarian Trade Union Confederation (*Magyar Szakszervezeti Szövetség, MASZSZ*).

National trade union confederations are not directly involved in collective bargaining in the traditional understanding of the term, in a bipartite manner. They are, however, involved in tripartite negotiations on the minimum wage and wage recommendation in the framework of VKF, as indicated in the table below.

In 2014, two confederations – the Autonomous Trade Union Confederation (*Autonóm Szakszervezetek Szövetsége*) and National Confederation of Hungarian Trade Unions (*Magyar Szakszervezetek Országos Szövetsége*) – announced their intention to merge by establishing the Hungarian Trade Union Confederation (*Magyar Szakszervezeti Szövetség, MASZSZ*), creating in effect the country's biggest confederation. Based on their announcement, the new organisation would have approximately 115,000 members (active employees) and intends to represent unity and solidarity in the trade union movement.

Long name	Abbreviation	Members	Year	Involved in collective bargaining (*)
Hungarian Trade Union Confederation ( <i>Magyar Szakszervezeti Szövetség</i> )	MASZSZ	115,000	2016	Yes (if tripartite consultation on the minimum wage and negotiation on wage increases in the framework of VKF is considered as collective bargaining).

Long name	Abbreviation	Members	Year	Involved in collective bargaining (*)
Forum for the Co-operation of Trade Unions ( <i>Szakszervezetek Együttműködési Fóruma</i> )	SZEF	92,000	2016	No
Confederation of Unions of Professionals ( <i>Értelmiségi Szakszervezeti Tömörülés</i> )	ÉSZT	52,300	2016	No
National Confederation of Workers' Councils ( <i>Munkástanácsok Országos Szövetsége</i> )	MOSZ	50,000	2016	Yes (if tripartite consultation on the minimum wage and negotiation on wage increases in the framework of VKF is considered as collective bargaining)
Democratic League of Independent Trade Unions ( <i>Független Szakszervezetek Demokratikus Ligája</i> )	LIGA	112,000	2016	Yes (if tripartite consultation on the minimum wage and negotiation on wage increases in the framework of VKF is considered as collective bargaining)

## Employers' organisations (1)

- **About Employers' organisations**

Affiliation to employer organisations is voluntary.

At national level, nine employer organisations play a role – they were also the members of the employer side of the former OÉT. Due to historical reasons, some of them are actually sectoral

organisations, which are active both at national and sectoral level.

The elimination of OÉT created a serious challenge for employer organisations, since for many of them the main function of the body was to take part in national social dialogue and it had the expertise, staff and infrastructure to do this. Furthermore, being a member of OÉT was an additional reason for members when deciding to affiliate to the given employer organisation. Similarly to trade union confederations, only three national employer confederations (please see below) are members of VKF, while all nine organisations participate in NGTT.

Since 1 January 2012, companies and entrepreneurs have to register at the relevant economic chamber to comply with Act CXXI of 1999 (as modified by Act CLVI of 2011). This mandatory registration costs 5000 HUF (around €16) annual registration fee, but does not provide the same rights and obligations as those of full members of chambers. Employer organisations were hostile to the mandatory registration, since it does not give companies any benefit and could simply be considered as a tax. It weakens companies' willingness to join employer organisations, which are based on the freedom of association.

### • Main Employers' organisations

The two most significant employer organisations are MGYOSZ and VOSZ in the private sector. Together with ÁFEOSZ, they are members of VKF. These three employer organisations have managed to keep their role in national level consultation and negotiation, while the others tend to boost their activity in sectoral social dialogue or are forced to look for different ways of adaptation to the changed structure of social dialogue.

Long name	Abbreviation	Members	Year	Involved in collective bargaining (*)
Federation of Hungarian Employers and Industrialists (Munkaadók és Gyáriparosok Országos Szövetsége)  MGYOSZ is the Hungarian member of BusinessEurope. Its members are mainly sectoral federations (more than 50), but it affiliates companies directly as well (mainly multinationals, large employers).	MGYOSZ	6,000	2013	Yes (if tripartite consultation on the minimum wage and negotiation on wage increases in the framework of VKF is considered as collective bargaining)
Hungarian Federation of Consumer Co-operative Societies and Trade Associations (Általános Fogyasztási Szövetkezetek és Kereskedelmi Társaságok Országos Szövetsége)  Members are largely retail cooperatives, but it has members from the catering and the tourism sector as well.	ÁFEOSZ	5,300	2013	Yes (if tripartite consultation on the minimum wage and negotiation on wage increases in the framework of VKF is considered as collective bargaining)

National Association of Entrepreneurs and Employers ( Vállalkozók és Munkáltatók Országos Szövetsége) VOSZ also has large enterprises amongst its members, but it mainly affiliates SMEs, as direct members.	VOSZ	53,000	2013	Yes (if tripartite consultation on the minimum wage and negotiation on wage increases in the framework of VKF is considered as collective bargaining)
Association of Agriculture Employers ( Agrár Munkaadói Szövetség) Members come from agriculture, they are both single producers and companies.	AMSZ	1,500	2013	No
National Federation of Traders and Caterers (Kereskedők és Vendéglátók Országos Érdekképviselői Szövetsége ) KISOSZ organises Hungarian-owned self-employed and family entrepreneurs – thus its members are micro, small and medium-sized companies.	KISOSZ	40,000	2013	No
Hungarian Industrial Association (Magyar Iparszövetség)	OKISZ	1,950	2013	No

Long name	Abbreviation	Members	Year	Involved in collective bargaining (*)
Members are Hungarian-owned SMEs.				
Hungarian Association of Craftsmen's Corporation (Ipartestületek Országos Szövetsége) Members are small craft and artisan businesses.	IPOSZ	279	2013	No
National Federation of Agricultural Co-operators and Producers ( Mezőgazdasági Szövetkezők és Termelők Országos Szövetsége ) The largest employer organisation in the agricultural sector, the only one which affiliates agricultural enterprises and subsectoral organisations. With the cessation of OÉT, it is active in the agricultural sectoral social dialogue committee.	MOSZ	62	2013	No
National Association of Strategic and Public Utility Companies ( Stratégiai és Közszolgáltató Társaságok Országos Szövetsége ) STARTOSZ affiliates state-owned – mainly public utility – companies.	STRATOSZ	34	2013	No

## Social Dialogue on OSH (2)

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### • General Remarks on Social Dialogue on OSH

Several legal regulations have been modified with the acceptance of the Fundamental Law, which also affects the framework of the [social dialogue](#) concerning OSH. National, sectoral and enterprise level OSH cooperation institutions that have significant traditions continued their transformation in 2014-15.

### • National level

Two panels can be identified on the national level of reconciliation concerning OSH. The National Economy and Social Council (*Nemzeti Gazdasági és Társadalmi Tanács*) deals with long-term effects, it has many participants but the government side is not involved. The OSH Committee (*Munkavédelmi Bizottság*) that has a classical tripartite composition deals with practical aspects concerning occupational safety and health.

1. Act 93/2011 on the National Economic and Social Council (Nemzeti Gazdasági és Társadalmi Tanács) [17] transformed the earlier, continuously operating, most comprehensive national tripartite reconciliatory forum (National Reconciliatory Council – Országos Érdekegyeztető Tanács) of macro level consultations and negotiations between national trade unions on one part, federations of employers on another and the Government on the third. The new Council has five participants: (i) association of employers and employees, and confederations, (ii) national economic chambers, (iii) civilian organisations working in the field of national politics, (iv) the churches, and (v) representatives of sciences. The Council is a consultation, proposal-making and counselling panel, independent from the Parliament and the Government. It was created to discuss topics concerning the development of economy and society, and national strategies that span through government cycles, and to elaborate and realise harmonised and balanced economic development and social models in connection to it.
2. Based on the Act on OSH the national reconciliation concerning safe and healthy working activities is done by the **OSH Committee** (*Munkavédelmi Bizottság*). It is made up of representatives delegated by the Government and the associations of employers and employees and operates according to its own regulations. The Committee (that operates as a negotiation group) evaluates the basic rules of OSH (legal regulation concepts, drafts), reports and programmes, helps the effective settlement of OSH issues and the performance of the regulations with proposals, it is also their task to inform the public. It participates in the creation, evaluation and supervision of annual executive plans and schedules serving the national policy of OSH and its execution; makes decisions in issues concerning the definition of knowledge regarding safe lifestyle in the field of education and regarding the rules of safe and healthy working activities in the field of vocational training; helps the operation of the OSH information system, if required. Its goals are to discover, reconcile the interests, efforts of the employees, the employers and the government, create agreements, prevent and settle national conflicts, exchange information, analyse suggestions, alternatives.

The OSH Committee (*Munkavédelmi Bizottság*) does not have its own operative resources; its secretarial tasks are done within the professional control organization of the OSH authority, which is the Ministry for National Economy. As members with full rights, the associations of employees and employers have a constant representation in the employee and employer negotiating group. Besides the delegates of the ministries, the representatives of the mining supervision, the public health

administrative authority, the central health insurance authority and the central OSH authority also participate. Each member delegate a representative, furthermore, from the representatives each social negotiating group elects a rapporteur, they coordinate the work of the negotiating groups.

Presently, every association can delegate a member in the social negotiating group, thus the number of participants depends on the number of associations; in earlier times social partners having representation in the National Reconciliatory Council could participate with constant representation.

### **The social partners include:**

The *Confederation of Hungarian Employers and Industrialists (Munkaadók és Gyáriparosok Országos Szövetsége – MGYOSZ)*<sup>[18]</sup> is a national, economic, employers' association, which is organised through voluntary membership. Its goal is to provide such an advocacy and lobbying activity that helps the realisation of economic and employers' interests and creates representation for the capital operating in Hungary as well. It is a defining participant of the tripartite reconciliation process.

The *National Association of Entrepreneurs and Employers (Vállalkozók és Munkáltatók Országos Szövetsége – VOSZ)*<sup>[19]</sup> represents the interests of the capital operating in Hungary and the entrepreneurs, managers operating it. It cooperates with its social partners: the associations of employers and employees, social and economic organisations and the relevant governing bodies.

The *National Association of Agricultural Associates and Producers (Mezőgazdasági Szövetkezők és Termelők Országos Szövetsége – MOSZ)*<sup>[20]</sup> is an economic, employers' and cooperative association operating in the field of agriculture. It participates in the reconciliatory work concerning social policy, wage and labour issues, income policy and other issues concerning its members on the side of the employers. It is a founding member of the Social Dialogue Committee of the Agricultural Sector (Mezőgazdasági Ágazati Párbeszéd Bizottság).

The *National Confederation of Workers' Councils (Munkástanácsok Országos Szövetsége)*<sup>[21]</sup> is the most significant national trade union association that has a Christian spirituality. It represents employees on national reconciliatory forums, strives for agreements with its social partners on different levels of these forums.

The *Hungarian Trade Union Confederation (Magyar Szakszervezeti Szövetség – MSZSZ)*<sup>[22]</sup> was created in 2013 with the aim of promotion and protection of the employment related interests of the

members in its member trade unions (MSZOSZ, ASZSZ) and the comprehensive representation and advocacy of current, future and former employees' social, economical and cultural interest.

The *Democratic League of Independent Trade Unions (Liga Szakszervezetek)*<sup>[23]</sup> has the main objective to upgrade the life and work conditions, social safety of employees - employed in the competitive sphere and the public services - with the full inventory of the democratic system of institutions provided for the trade unions.

The *Forum for the Co-operation of Trade Unions (Szakszervezetek Együttműködési Fóruma – SZE)*<sup>[24]</sup> is the confederation of trade unions of workers employed in public education, health and social care, the judiciary, public collections, cultural and artistic institutions. It aims to enhance the appeal and public reputation of public service and increase the employment safety of workers therein.

The *Confederation of Unions of Professionals (Értelmiségi Szakszervezetek Tömörülése – ÉSZT)*<sup>[25]</sup> represents the interests of the membership of its member organisations in issues related to the world of employment before state and employers' organisations, and on reconciliatory forums. It cooperates with other civilian organisations of society, especially those operating in the field of



employment.

The *Hungarian Industrial Association (Magyar Iparszövetség - OKISZ)*<sup>[26]</sup> is a national social organisation of employers voluntarily formed by its member associations in order to represent and protect social and economic interests of its members. The economic organizations belonging to the scope of interest of the Hungarian Industrial Association are mostly micro-, small and medium size enterprises.

The *Hungarian Association of Craftmen's Corporation (Ipartestületek Országos Szövetsége - IPOSZ)*<sup>[27]</sup> is the largest national employer and professional organisation of Hungarian micro and small- sized enterprises, and crafts, that functions as umbrella organisation of 198 independent craftsmen's corporations. IPOSZ represents the interests of crafts, micro, small and medium-sized enterprises (family businesses) as employers at various forums and provides various services to its members.

The *National Association of Strategic and Public Utility Companies (Stratégiai és Közszolgáltató Társaságok Országos Szövetsége - STRATOSZ)*<sup>[28]</sup> aims the national representation of the economic interests of strategic important public service companies (telecommunication, road and railway traffic, energy, water management, the media, etc.). STRATOSZ wants to play an active and initiative role in the forums of national and international Social Dialogue.

The *Employers' Alliance in Agriculture (Agrár Munkaadói Szövetség)* was launched as the successor of the Agricultural Chamber. It consists of professional associations, private entrepreneurs, business organisations, educational institutions, agricultural research and development bodies, water management associations, regional agricultural producers, farmers.

## • Sectoral level

Presently, the defining place of collective negotiations in Hungary – due to several, mostly historical causes – is at the enterprise level, so the number of sectoral collective agreements is low<sup>[29]</sup>.

The creation of sectoral dialogue committees started in 2001 with PHARE support, and now they operate on the basis of Act 74/2009 on sectoral social dialogue committees and certain issues of the intermediate level social dialogue<sup>[30]</sup>. The sectoral dialogue committee is a body conducting bilateral social dialogue with the participation of sectoral employers' associations and sectoral trade unions in questions having significance for the entire sector concerning labour issues relations and employment. Only one committee can be organized in a sector, subsector, and class. The task of the sectoral social dialogue committees is to facilitate the balanced development of the sector, the realization of sectoral level autonomous social dialogue, the goal of which is to create appropriate working conditions, preserving the peace of labour, and to facilitate the legality of work force market processes. Besides respecting the independence of social partners, the Government ensures the infrastructural conditions of the operation of the sectoral social dialogue committees and the employment of employees helping their activity, and supports the professional programmes of sectoral social dialogue committees.



- **Enterprise level**

The institution of the [OSH representation](#) defined in the Act on OSH <sup>(31)</sup> – besides the option of the employees at their place of work to practice their right to discuss issues directly - guarantees indirect representation as well. Employees have the **right to assign safety and health representatives** (munkavédelmi képviselő), a **health and safety committee** (munkahelyi munkavédelmi bizottság), a parity OSH body for the representation of their interests and for the appropriate practice of their OSH rights and obligations (informing and requesting information, participation, voicing opinions, making suggestions, consulting with experts and the option to prepare notes for the OSH inspection authority).

It is mandatory to hold a safety and health representative election if the number of employed personnel reaches 50; below that number it can be initiated by the trade union or works council operating at the employer. If none is available, the majority of the workers can initiate the election. The safety and health representative is entitled to special rights (introspection, evaluation, right to answer, working time reduction, legal protection, training). It is the task of the safety and health representative to represent employees in issues concerning OSH: cooperation with the employer, supervision of the performance of OSH regulations, initiating the readjustment of deficiencies, participation in the elaboration of a prevention plan and in the inspection of accidents at work and occupational diseases. If the number of safety and health representatives reaches three, they can form a health and safety committee that is entitled to the same rights representatives have.

In the case of employers where the number of employed personnel reaches at least fifty and safety and health representatives operate, the employer forms a parity OSH body (paritásos munkavédelmi testület) on a total payroll level, in which representatives of the employees (through election) and of the employer (delegated) participate in equal number. Among the latter there must be an OSH expert having a post entitling them to make decisions and being in a legal relationship with the employer aiming at organised working activity.

If no OSH representative is elected, the employer is obliged to negotiate with the employees directly.