

Financing adult learning database

Name of the instrument - Local language	Munkahelymegtartó képzés
Name of the instrument - English translation	Training subsidies for job retention
Scheme ID	103
Country	 Hungary
Reporting year	2020
Type of instrument	Grant for companies
Sub-type of instrument	Support for direct costs and wage costs
Type of entry	Single instrument

Short description	Companies with employees whose regular employment cannot be ensured without training can apply for a state-funded grant between 70% and 100% to cover the costs of training these employees. The employer has to contribute to the costs of training and must continue the employment of the employee for at least the same period as the training. Employers may be awarded a grant by the local employment offices for all employment-promoting training that is covered by the Vocational Training Act or is regulated by official regulations. Eligible costs include fees and other costs related to education and training (costs of materials, travel, accommodation, etc.) and wage subsidy. Preferential treatment exists for employees above 45 years, as 100% of the costs are reimbursed to the employer. There is no limitation for re-use.
Short description of the related instruments	Not applicable

Level of operation	National
Name of a part of the country	Not applicable
Name of the region (for regional instruments)	Not applicable
Name of the sector (for sectoral instruments)	Not applicable

Relevance	Key instrument
Legal basis	Act IV of 1991 on the promotion of employment and unemployment benefits. Ministerial Decree 6/1996 (16 July) issued by the Minister of Labour on financial support promoting employment and on tackling employment crisis situations using the Labour Market Fund
Objective(s) and target(s)	To support training for people whose continuing employment cannot be guaranteed without training; avoid workers' dismissal. "Terminate, manage and dissolve labour tensions and mitigate their negative consequences" (Act IV of 1991).
Year of implementation	1991
Operation/management	Training subsidy for job retention is available for a person who is employed and his/her continuing employment cannot be guaranteed without education and training. The application for the subsidy must be submitted by the employer to the local employment branch office (employment department of the local government). The employer must contribute to the costs of training.
Eligible group(s)	Companies with employees whose regular employment cannot be ensured without training (for example where employment is anticipated to end in one year) and the employer reported it to the employee and the employment office (employment department of the local government).
Group(s) with preferential treatment	Employees aged 45+
Education and training eligible	Employers may be awarded a grant by the local employment offices for all employment-promoting training that is covered by the Vocational Training Act or is regulated by official regulations.
Source of financing and collection mechanism	State (National Employment Fund) and company funding
Financing formula and allocation mechanisms	Minimum/maximum amounts that company can receive, number of grants that may be allocated to company at the same time, duration and frequency of preventive training - not defined by law. Training can take place during or outside working hours.
Eligible costs	Fees and other costs related to education and training (costs of materials, travel, accommodation, etc.) and wage subsidy.
Volumes of funding	Not available
Beneficiaries/take up	2016: 2 493 persons 2017: 3 002 persons 2018: 3 214 persons
Organisation responsible for monitoring/evaluation	National Employment Service, Ministry for Innovation and Technology, Ministry of Finance
Monitoring/evaluation	Ministry of Finance (2019) Key figures of beneficiaries of

reports available	active employment policy measures. National Employment Service https://nfsz.munka.hu/nfsz/document/1/3/3/7/doc_url/A_foglalkoztataspol...
Most relevant webpage - in English	http://en.munka.hu/
Most relevant webpage - local language	https://munka.hu/ ; https://nfsz.munka.hu/
Recent changes	<p>There has been no significant change since 2016. The Economy Protection Fund provides cover for the continuation of the programmes related to the protection and restarting of the economy, crucial development and investment projects as well as for measures in connection with the promotion of employment. Parts of the Fund are the Economy Protection Employment Fund, which comes into being from the National Employment Fund.</p> <p>Recent changes in response to COVID-19</p> <p>The Economy Protection Action Plan was issued by the Government in March 2020 to mitigate the negative effects of COVID-19. The budget provides funding for programs, developments, investments, as well as measures related to the promotion of employment through the Economic Protection Fund. An important part of the Economic Protection Fund is the Economic Protection Employment Fund established from the National Employment Fund. (Government Decree 92/2020, 7 April 2020). Until 2020 November some 969 214 Hungarians received labor market or training support, 112 103 registered job seekers benefited from cash benefits. The new job creation program, launched on October 15, focusing on jobseekers under the age of 25 and low-educated workers has helped 1 435 workers find work.</p>
Sources	<p>Ministry of Finance (2019). Key figures of beneficiaries of active employment policy measures. National Employment Service https://nfsz.munka.hu/nfsz/document/1/3/3/7/doc_url/A_foglalkoztataspol...</p> <p>The Hungarian Labour Market 2019. Institute of Economics, Centre for Economic and Regional Studies, Budapest, 2020 https://www.mtakti.hu/wp-content/uploads/2020/07/LMYB2019_oneline.pdf</p> <p>Financing adult learning database https://www.cedefop.europa.eu/en/publications-and-resources/tools/finan...</p> <p>Webpage of the National Employment Service https://nfsz.munka.hu/ Information for Businesses webpage (Help for entrepreneurs in Hungary in managing the effects of the coronavirus pandemic) https://vali.ifka.hu/en</p> <p>Cedefop-Refernet (2019): Vocational education and training in Europe: Hungary. Cedefop ReferNet VET in Europe reports 2018.</p>

https://cumulus.cedefop.europa.eu/files/vetelib/2019/Vocational_Educational_Environment_in_Europe_2019.pdf