

Financing adult learning database

Name of the instrument - Local language	Tanulmányi szerződés
Name of the instrument - English translation	Learning contract
Scheme ID	107
Country	 Hungary
Reporting year	2020
Type of instrument	Training leave
Sub-type of instrument	Paid leave - only employer and employee are involved
Type of entry	Single instrument

Short description	<p>The 'training contract' is a specific instrument of Hungarian labour law combining features of a training leave scheme and a payback clause. Employees have no formal right for paid or unpaid training leave in Hungary (with the exemption of participants of primary education). However, there is a tradition backed by the regulation of the labour code that employers and employees voluntarily agree on a training contract where employees may receive support for the direct costs of education and time off work (paid or/and unpaid) in order to acquire an agreed-on qualification, with the employee promising to stay with the employer for a defined period of time after graduation. The employer and the employees enjoy discretion in defining the elements of the training contract, with only a loose framework outlined in the labour code.</p>
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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	Further instrument

Legal basis	Act I. of 2012 on Labour Code
Objective(s) and target(s)	In a learning contract, the employer undertakes to provide support for the duration of studies while the employee undertakes to complete the studies as agreed and to refrain from terminating his employment by way of notice following graduation for a period of time commensurate for the amount of support, not exceeding five years. (Act I of 2012 on the Labor Code, Section 229)
Year of implementation	1992
Year of latest amendment	2012
Operation/management	The Hungarian Labour Code (2012) does not provide detailed regulations on the 'training contract' in terms of eligible education and training, costs to be covered, or duration of the leave, or proportion of paid and unpaid hours off work. These elements can be regulated in a learning contract between employer and employee. Under such agreement, the employer provides financial support for the duration of the learning activity while the employee commits himself/herself to remain with the employer for a defined period of time after completion of the learning activity.
Eligible group(s)	Employees
Group(s) with preferential treatment	Employees who attend primary school (ranging up to lower secondary education /Grade 8) have the right to receive a 'learning contract' and receive paid training leave. The Labour Code of 2012 requires employers to provide training leave for their employees only if they attend primary school. Otherwise, training leave may be granted in a learning contract.
Education and training eligible	Not applicable
Source of financing and collection mechanism	It is funded by employers and employees together.
Financing formula and allocation mechanisms	The Labour Code does not contain regulations on financing the costs of training during the leave. A financing arrangement is a matter of an agreement between employee and employer. With learning contracts, the employer provides financial support for the duration of learning activity while the employee undertakes measures to complete the working programme as agreed and to remain in the employer's employment for a predetermined period of time following completion of training. The training can take place during or outside working hours.
Eligible costs	Course fees and other costs related to education and training (such as costs of learning materials, travel, accommodation, etc.) depending on the agreement made in the learning contract. Only in case of elementary school studies, employees are obliged to cover all costs related to the training

Volumes of funding	Not applicable
Beneficiaries/take up	Not available
Organisation responsible for monitoring/evaluation	Ministry for Innovation and Technology Department of Labour Inspection
Most relevant webpage - in English	http://www.cedefop.europa.eu/files/5528_en.pdf
Most relevant webpage - local language	Not available
Recent changes	<p>There have been no significant changes to the learning contract in recent years. The most important change was in 2012 when new regulations (Act I of 2012 on the Labor Code) came into force regarding the Labor Code. Pre-2012 regulation guaranteed training leave only if training took place within the school system or if further training was mandatory for a specific job or required by the employer. The 2012 regulation does not contain details on the form of learning activity and the content of the contract. The agreement between the employer and the employee has become more flexible. Creating a more flexible regulation.</p> <p>Recent changes in response to COVID-19</p> <p>No changes</p>
Sources	<p>Act I of 2012 on the Labour Code https://net.jogtar.hu/jogszabaly?docid=a1200001.tv https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/89886/103370/F373393512/...</p> <p>Cedefop: Financing Adult Learning Database. Hungary https://www.cedefop.europa.eu/en/publications-and-resources/tools/finan...</p> <p>Cedefop (2012): Training leave. Policies and practice in Europe. www.cedefop.europa.eu/files/5528_en.pdf</p> <p>Cedefop-Refernet (2019): Vocational education and training in Europe: Hungary. Cedefop ReferNet VET in Europe reports 2018. https://cumulus.cedefop.europa.eu/files/vetelib/2019/Vocational_Educati...</p> <p>Alex Ember (2015): Learning contract. https://www.mjsz.uni-miskolc.hu/files/egyeb/mjsz/201502/7_emberalex.pdf</p>