

**„On the good track – Developing and adopting good examples for labour market integration and the enhancement of equal opportunities”**

**The employment profile of the North Great Plain Region**

**The labour market environment**

The North Great Plain region is the second biggest region, 15% of the total population lives in here.

**Population**

Counties	Population 2010	Population 2011	2010=100
Hajdú-Bihar	541298	539000	99.6
Jász-Nagykun-Szolnok	390775	387000	99.0
Szabolcs-Szatmár-Bereg	560429	556000	99.2
<b>North Great Plain region</b>	<b>1492502</b>	<b>1482000</b>	<b>99.3</b>

Source: KSH Statdat 6.1.1.

Szabolcs-Szatmár-Bereg County is the biggest of the region; it comprises 38% of the region's population. This rate is 36% in Hajdú-Bihar County and 26% in Jász-Nagykun-Szolnok County.

From 2008, among the seven regions, the North Great Plain region has been standing on the sixth place concerning the amount of the gross national product per capita, leaving behind the North Hungarian region only. We can also state that the per-capita value of the gross national product in the North Great Plain region is not only low compared to the national average value (62% in 2008) but also falls behind compared to the national value (64%) found in 2000.

The region comprises areas of different developmental state. The different economic potential of the region's counties is shown by the fact that among the 19 counties of Hungary Hajdú-Bihar County stood on the 12<sup>th</sup> place, Jász-Nagykun-Szolnok County on the 14<sup>th</sup> place in 2009 while Szabolcs-Szatmár-Bereg County occupied the last place in the last decade. From the 389 settlements of the region, 157 are in a disadvantaged situation and in 264 communities there is a high rate of unemployment.

Thus, we can state that the economic situation of the region is unfavorable, being so not only on a national but also on a regional level. This causes an inland migration in the most disadvantaged county. In Szabolcs-Szatmár-Bereg County the inland migrational difference almost reached 10‰ in 2008 which is double of the regional value and more than three times higher than the value measured in Hajdú-Bihar County. In 2009-2010, the rate of inland migration decreased in Szabolcs-Szatmár-Bereg County, although it still stays high – reaching 8‰.

**Research and development**

“In Szabolcs-Szatmár-Bereg County, research and development, technical counseling as well as financial and investment counseling are among the least used services which clearly shows the structural weaknesses of the county.” (Magyar Tudományos Akadémia Regionális Kutatások Központja, Alföldi Tudományos Intézet, 2001)

### The characteristics of the labour market

Between 2000 and 2010, the employment rate was lower than the national rate in the region, with 45 pp on average. In 2000, the employment rate of the North Great Plain region was 43.6% and it was not higher than 44% in 2010. Szabolcs-Szatmár-Bereg County was in the worst situation : in 2009, the employment rate of this county was just a little bit higher than 40%.

#### Employment rate, %

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Hajdú-Bihar	45.7	46.5	46.2	47.5	47.4	46.1	47.4	46.1	45.6	43.2	44.6
Jász-Nagykun-Szolnok	46.4	45.9	45.3	48.3	46.2	45.8	47.4	48.4	49.2	46.4	46.5
Szabolcs-Szatmár-Bereg	39.7	40.9	40.8	42.7	41.9	42.5	42.9	42.4	40.9	40.6	41.9
<b>North Gr. Plain</b>	<b>43.6</b>	<b>44.2</b>	<b>43.9</b>	<b>45.9</b>	<b>45.0</b>	<b>44.7</b>	<b>45.8</b>	<b>45.3</b>	<b>44.8</b>	<b>43.1</b>	<b>44.1</b>
National total	<b>49.6</b>	<b>49.8</b>	<b>49.9</b>	<b>50.6</b>	<b>50.5</b>	<b>50.5</b>	<b>50.9</b>	<b>50.9</b>	<b>50.3</b>	<b>49.2</b>	<b>49.2</b>

The regional unemployment rate rose from 9.2% in 2000 to 14.5% in 2010, which is significantly above the national average rate. In 2010, in Szabolcs-Szatmár-Bereg County unemployment reached the 18.4%.

#### Rate of unemployment

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Hajdú-Bihar	7,1	6,4	6,6	6,0	5,7	8,4	9,2	7,9	8,9	11,3	13,2
Jász-Nagykun-Szolnok	9,4	7,3	7,8	5,6	6,2	8,3	9,6	9,4	8,5	11,4	10,9
Szabolcs-Szatmár-Bereg	11,2	9,6	9,1	8,4	9,5	10,3	13,6	14,7	17,5	19,1	18,4
<b>North Gr. Plain</b>	<b>9,2</b>	<b>7,8</b>	<b>7,8</b>	<b>6,8</b>	<b>7,2</b>	<b>9,1</b>	<b>10,9</b>	<b>10,8</b>	<b>12,0</b>	<b>14,2</b>	<b>14,5</b>
<b>National total</b>	<b>6,4</b>	<b>5,7</b>	<b>5,8</b>	<b>5,9</b>	<b>6,1</b>	<b>7,2</b>	<b>7,5</b>	<b>7,4</b>	<b>7,8</b>	<b>10</b>	<b>11,2</b>

### Wages in the region according to “On the good track” and BérBarométer survey

#### Monthly gross wage of employees, Ft

	2000	2001	2002	2003	2004
<b>N.Gr.Plain</b>	<b>70 024</b>	<b>82 954</b>	<b>98 495</b>	<b>113 405</b>	<b>117 750</b>
<b>National</b>	<b>87 566</b>	<b>103 280</b>	<b>122 266</b>	<b>138 003</b>	<b>145 187</b>
	2005	2006	2007	2008	2009*
<b>N.Gr.Plain</b>	<b>131 254</b>	<b>137 432</b>	<b>146 706</b>	157411	154980
<b>National</b>	<b>159 461</b>	<b>167 962</b>	<b>180 568</b>	<b>193 261</b>	<b>199 837</b>

Source: KSH Stadat (6.2.1.11)

\*KSH Statinfo, generated data, <http://statinfo.ksh.hu/Statinfo/haViewer.jsp>

The difference between gross wages of employees in the region and the national average wage grew in the last few years. In 2010, the monthly average gross wage of the 826 respondents asked during “On the good track” survey was 119735 Ft. This falls behind the Bérbarométer data (2007/2008) by 5%. This difference can also be due to the fact that the “On

the good track” sample contained more physical workers whose wages are usually lower which decreases the sample’s average.

#### Gross wage, BérBarométer sample / gross wage “On the good track” sample

	BérBarométer average	On the good track, average	On the good track / BérBarométer =100	Bérbarométer, national=100	On the good track, national=100
<b>National</b>	<b>154 003</b>	<b>123675</b>	80	100	100
Hajdú-Bihar	116 936,4	114 556,3	98	76	93
Jász-Nagykun-Szolnok	133 696,8	123 125,9	92	87	100
Szabolcs-Szatmár-Bereg	128 262,9	131 168,9	102	83	106
North Gr. Plain	126 248,3	119 735,5	95	82	97

Szabolcs-Szatmár-Bereg County is the only county where there was no relapse in the amount of gross wage. The wage situation of the region is somewhat more advantageous than the national situation of average wages, although it is true that the regional average according to “On the good track” survey was below the national average by 3 pp. According to “On the good track” survey the average gross wage reached the national average in Jász-Nagykun-Szolnok County and Szabolcs-Szatmár-Bereg County while on the course of BérBarométer survey it was below it. We have to note that in “On the good track” sample respondents with higher educational degrees are overrepresented in both of the above counties.

#### Wage gap in the North Great Plain Region

In order to explore the labor market situation from the point of view of equal opportunities, the updating of data of the 2007/2008 Bérbarométer database has been realized. The database of BérBarométer comprises data of 1301 persons (645 men and 656 women). “On the good track” sample comprised 846 persons (345 men and 501 women).

#### North Great Plain region , BérBarométer database, 2006/2007

	Gross monthly average wage, Ft	Net monthly average wage, Ft
Men	140144	98388
Women	111122	83545
Total	125554	91115
Wage gap	20.7%	15%

On the course of “On the good track” project, telephone interviews were made with 3500 persons. According to the data obtained this way, based on the answers of 826 persons (333 men and 493 women) the average monthly gross wage was 119735 Ft while the average monthly net wage – based on the answers of 846 persons (345 men and 501 women) – was 87839 Ft in the region.

#### North Great Plain region

	Gross monthly average wage,	Net monthly average wage,
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	Ft	Ft
Men	128715	94130
Women	113670	83507
Total	119735	87839
Wage gap	11.6%	11.2%

#### **Gross wage by gender, Ft/month**

	Bérbarométer, 2006/2007	„On the good track”
	2007	2010 Sept
Women	110938	109153
Men	127293	121423
Both sexes	119291	114556
Wage gap,%	13%	10.1%

#### **Net wage by gender, Ft/month**

	Bérbarométer, 2006/2007	„On the good track”
	2007	2010 Sept
Women	82129	80672
Men	100130	91154
Both sexes	91991	85343
Wage gap,%	18%	11,5%

We can state that the gap between both the gross and net wages of men and women became smaller.

### **Some factors forming the employment profile of the North Great Plain region and their changes according to “On the good track” and BérBarométer survey**

#### ***The sample***

The North Great Plain region was represented by 1300 persons on the course of BérBarométer survey and 900 persons during “On the good track” survey. In the sample of “On the good track” Hajdú-Bihar County was overrepresented compared to Szabolcs-Szatmár-Bereg County despite that their number of inhabitants is very similar. This was the case with the Bérbarométer sample, although by a smaller extent.

The rate of women in “On the good track” sample was higher (58.4%) than in the total sample.

The age distribution of Bérbarométer and “On the good track” sample was almost identical on a regional level but county samples were different. In the Szabolcs County sample of “On the good track”, the age group of 18-29 year-olds was underrepresented while the same age group in the BérBarométer sample was overrepresented (20.7%). At the same time, the age group of 50-59 years comprised almost one third of the Szolnok County sample during “On the good track” survey.

Concerning educational level, there are more skilled workers (36%) in “On the good track” sample than in the BérBarométer sample (23%). Both sample are characterized by those finishing secondary education. In “On the good track” survey, the rate of those with a college

degree is considerably high (almost 25%) in the Szabolcs-Szatmár-Bereg sample. The result was similar concerning Szolnok County where the rate of those with a higher degree was 23%.

It is notable that the rate of entrepreneurs is higher in “On the good track” project than in Bérbarométer, which shows the new wave of forced entrepreneurs. In the “On the good track” sample the rate of self employees and entrepreneurs was almost three times higher than in the Bérbarométer sample also in the North Great Plain region: 11% compared to the 4.2% of the BérBarométer sample.

In this region, like in the other regions where survey was made, we found that the rate of employed pensioners decreased to practically zero which means that during the financial crisis pensioner employees were the first to be dismissed.

The sector based distribution of “On the good track” sample shows the clear dominance of commercial services in the region. This is especially remarkable in Szolnok County where industry was predominant according to the results of the Bérbarométer survey.

One third of the “On the good track” sample works at micro-enterprises employing 0-10 persons. This is a significant difference compared to the BérBarométer sample, where the rate of those working at micro-companies was 5% while 30% said that they were employed at bigger companies employing 250 persons or more.

During the crisis, the role of the non-profit sector as employer became stronger: it is represented with 8% in the sample of “On the good track”, while this rate was only 3.5% in the BérBarométer sample.

### ***Dismissals, reorganizations***

During “On the good track” survey 22% of the sample said that there were dismissals at the company during the last 12 months. The highest rate of dismissals (29.3%) was found in Jász-Nagykun-Szolnok County according to “On the good track” survey. This shows that bigger cutback have already been realized before the fall of 2010 and that they were less characteristic to small and middle enterprises than to bigger companies.

The same stands for the frequency of company reorganizations. 22% of “On the good track” sample mentions reorganization in the region while this rate was 70% during the other survey.

### ***Training***

In 2007, the rate of those reporting about company trainings was 70%. This rate drastically decreased in 2010: “On the good track” survey found that in the North Great Plain region 22% of respondent reported of trainings which is lower than the national average (25.3%).

### ***Job seeking***

In the North Great Plain region, 52% of employees reported to have found their jobs with the help of their family or friends in “On the good track” sample. In the Bérbarométer sample this rate was 31%. The role of family and friends was especially important in Szabolcs-Szatmár-Bereg County where 63% of “On the good track” sample reported to have found their job this way. Advertisements were the most wide spread forms of the open labour market: in Jász-

Nagykun-Szolnok County 30% of “On the good track” sample reported that advertisements played a role in founding their jobs.

### ***Working time***

Hungarian employment practice is still characterized by full time employment while certain other forms of employment have already appeared. According to “On the good track” survey, 8% of respondents work other than full time while this rate was 4% in the Bérbarométer sample.

The structure of overtime work changed. The frequency of week-end work significantly increased, it became two and a half times higher, compared to 2007. Sunday work was reported in a high percent (more than 60% of “On the good track sample) especially in Szolnok County.

### ***Requirements about the workplace***

An appropriate wage stands on the first place in both surveys. An indefinite time contract is the second most important requirement, and good colleagues are also important for respondents of “On the good track” survey. Least important were company child care facilities and training at the workplace in both samples.

#### **Requirements about the workplace in the region, values from 1 to 5**

	<b>On the good track</b>	<b>Bérbarométer</b>
<b>Proper salary</b>	4.8	4.8
<b>Indefinite time contract</b>	4.6	4.6
<b>Good colleagues</b>	4.5	4.5
<b>Distance from home</b>	4.3	4.3
<b>Flexible working time</b>	4.1	4.1
<b>Training possibilities</b>	3.8	3.8
<b>Reconciliation of family and work</b>	4.3	4.3