

Households, Work and Flexibility.
Literature Review: Hungary
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In this paper we try to characterise the peculiarities of non-standard work forms in Hungary and their role in household strategies by reviewing the literature on the subject¹. We have consciously adopted a very broad definition of non-standard, atypical employment as meaning any working arrangements different from full-time, permanent, wage and salary employment. Our aim is to show that this part of the labour market is very heterogeneous in itself and is also different from atypical or flexible forms of employment found in western Europe countries in the last decade. Atypical work in Hungary has its roots in pre-second world war peasant society and in the socialist "second economy", although significantly new elements have been added to it during the transition to a market economy. In addition, new forms of flexible working arrangements have also appeared recently, such as telework and home work.

The outline of the paper is the following. In the first section we briefly describe the dual economy under state socialism. In the socialist era, economic activity could be divided between the primary, state-sector, and the secondary private sector. „Typical” employment was characteristic of the former while the locus of atypical work was the secondary private-sector economy. In sections 1.2 and 1.3 we will describe the types of worker and family strategies that had developed under these conditions. Section 2 deals with atypical work after the transition from socialism. Next, we review how the changing institutional context has modified worker strategies, then finally we discuss the importance of different types of non-standard work in Hungary.

1. Atypical and flexible work forms under socialism

1.1 The "dual" economy

By the middle 1960s, as a consequence of political attacks against private forms of production during the previous decades, the socialist large-scale enterprises and co-operatives became the only organisations offering full time employment. The socialist economy has been described by János Kornai (1980) as an “economy of shortage”, characterised by chronic excess demand on both the commodity and the labour market. Socialist companies offered secure labour inside the enterprise in order to cope with uncertainties resulting from delayed performance of suppliers, changing plan objectives and regulations. Unemployment was non-existent. Paradoxically it is also in the late 1960s that the so-called "second economy" appeared. Legal barriers to workplace changes were removed just before the 1968 economic reforms and the reform brought about a certain liberalisation of the system of economic control. State paternalism decreased in scope, and the freedom of economic actors - including also labour market actors - increased (Gábor 1991). This reform helped to expand the role of the second economy. The second economy could be best defined as being a sector of the economy where the "individual.....employs himself (or herself) through their own wits and labour power...and sells only their own products and services" (Juhász quoted by Kertesi and Sziráczi 1984). The main fields of activity in the second economy were small-scale agricultural production, private construction activity, small-scale industry, retail trading and repair activities. This second economy was different from the first, socialist sector, because unlike the latter, it was

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not directed by hard budget constraints and financial incentives. On the other hand the second economy was different from "hidden" or "informal" sector activities which are typical of market economies in the sense that they were not brought about by attempts to escape state regulation or tax burdens, but rather by shortages in the supply of commodities on the one hand and by the need for extra income in households, on the other. This coexistence of a socialist sector and the second economy was characteristic of the type of state-socialism that was found in Hungary during that period.

1.2 Worker motivation and work behaviour in the dual economy

Kertesi and Sziráczi (1984, 1985) note that workers' choices were most often led by income maximisation motives, which they characterised as an ethos of "instrumental individualism". This means that workers are mostly interested in the material rewards of work and instead of co-operating in the defence of their interests, they tried to profit on an individual level from their more or less favourable bargaining position. Kertesi and Sziráczi offer a typology of worker behaviour in the context of the dual economy. One typical strategy for workers to achieve high pay was to accumulate firm-specific skills and attaining a central role in the functioning of the organisation. Elite workers occupied fairly strong positions in the wage-performance bargain, since their expertise was necessary to meet plan objectives². The majority of workers, however, did not make it into elite positions; they were stuck in the middle or lower levels of the enterprise hierarchy. As a result, they often followed the "dual job strategy" which meant that they combined their work at their main place of employment, which provided stable, low but gradually increasing levels of pay, with risky but highly rewarded participation in the second economy. That is why full time, typical employment was appealing not only because it provided career opportunities on the internal labour market, but also because it offered possibilities for participation in the second economy: access to flexible working hours, skills, materials, clients and social networks (Kalleberg and Stark 1993). A third way for workers to raise their wages was to profit from the competition for labour among enterprises on the labour market. Hence, a typical strategy for workers on the lower levels of the hierarchy within firms, who did not possess neither firm-specific skills nor earning possibilities outside the firm, was to change jobs frequently. This was known as "fluctuation". These -often young - workers had two possibilities for increasing their wages. Either they started to accumulate firm-specific capital and tried to profit from promotion possibilities on the internal labour market, or they moved to an employer who offered somewhat higher wages. In the long run, their interests would have been better served by the first option, but often they needed higher pay on the short term (to buy a flat or establish a family) so many of them opted for changing jobs. For those who were for some reason not mobile enough to profit from higher wages offered elsewhere, the only possibility for achieving higher pay in the short run was through self-exploitation by frequently working overtime³.

² Hungarian firms were characterised by selective wage bargaining in which informal groups, formed by workers with the most firm-specific skills and the best relations were in the best positions (Stark 1986, Kalleberg and Stark 1993). Time spent at the enterprise, age and skills did influence the possibility of individuals to become members of informal groups with stronger bargaining capabilities but not on the basis of formalised mechanisms, as in Western firms. This is a crucial difference between Western-type internal labour markets and those in socialist companies.

³ These strategies are well described in the functioning of a textile manufacturing plant by Köllő (1982).

In the 1980s, small private businesses started to flourish as well. Within only two years, between 1981 and 1983, the number of people working in the legal private sector had grown by 20% (Galasi and Sziráczki 1985). A series of liberalisation measures helped this process in the beginning of the 1980s: first, the liberalisation of licensing, second the leasing of retail and catering units to private individuals and thirdly the creation of new economic units. The most popular form of these new economic units was called VGMK (Vállalati Gazdasági Munkaközösség), which stands for “enterprise business work partnerships”. These units were based on a contract between the enterprise and a group of its workers stating that they would produce certain quality and quantity of goods or services after their official working hours using the enterprise’s equipment. The participants in these kinds of agreements were at the same time both employees and subcontractors of the same enterprise. This form of co-operation was beneficial to the enterprise as well as the employee. The latter was very well remunerated for these extra hours, while the enterprise was able to counter wage-legislation and provide sufficient financial incentives to retain their elite workers in the enterprise. In fact some authors (e.g. Timár 1988) do not even consider this as part of the second economy, since it is nothing other than a way of avoiding wage legislation in order to pay higher wages for overtime work. Overtime work increased steadily during the 1970s and 1980s. For example, in 1967 an employee worked on average 37 hours overtime annually, while in 1985 this amounted to 128 hours annual average (counting also hours worked in VGMK). Moreover the distribution of overtime hours was rather unequal among workers. Skilled male workers, especially in the metallurgy and energy industries and manual workers (mainly in mining) were over-represented.

1.3 Family strategies in the dual economy

Kertesi and Sziráczki (1984) also characterise some family features in the small farming activity in Hungarian second economy. They assert that technological innovation in small farms was more likely if the household head (the male wage-earner) had technical skills and if other household members are willing to supply the extra labour needed. The role of women seems rather important in this latter aspect. Hungary was characterised by high levels of female employment at that time and households with two wage earners were typical. This was a result of historical events such as the forced industrialisation and collectivisation of the 1950s, but also because of low wages of the 1960s. However, the authors suggest that a large number of working women were latecomers on the labour market, in the sense that they joined the workforce only during the third wave of industrialisation in the 1960s. They were mainly employed in sectors as trade, catering or agricultural co-operatives and were the first to leave the labour market and to move back to the second economy when this became possible. They became family workers in small farms, which often brought about a change in the role of these farms from self-provisioning to market-oriented, entrepreneurial type activity. In this way, "male and female wage-earner behaviour has a particular asymmetrical connection: the male wage-earner regards his income from the enterprise as the family’s existential basis and income maximisation is based on the development of the small farm. On the other hand, however, the female wage-earner regards work in the small farm as her basic activity and the more or less regular employment in the socialist sector is only an additional source of income" (Kertesi and Szirácki 1984). Pulay (1989) also argues for the case of emerging "one and two half breadwinner" families consisting of the husband having a full-time job along with extra work and the wife having income approximately equal to the husbands extra work income

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(though from full-time employment in most cases). Below is a table from Pulay (1989) showing the active population with extra work.

Table 1. Active population with extra work according to type of work and sex, 1984

	Men		Women	
		%		%
Active population	2 745 700	100,00	2 172 900	100,00
Active population with extra work	425 950	15,51	200 000	9,20
Working in				
-Workshop associations	72 350	2,64	19 800	0,91
-Working groups in cooperatives	4 850	0,18	2 500	0,12
-Economic associations	10 700	0,39	2 050	0,09
-Other working groups	4 150	0,15	1 300	0,06
With a secondary or subsidiary job	54 700	1,99	23 950	1,10
Self-employed	30 050	1,09	4 350	0,20
Household plots in agriculture	234 050	8,52	138 600	6,38
Other source of extra income	14 300	0,52	6 650	0,31

Source: Pulay (1989)

The second economy was growing throughout the 1970s. It produced almost one fifth of GNP and two fifths of agricultural production by this time, encompassing a major proportion of the production of basic comestibles such as milk, eggs and potatoes. Despite it's important economic role however, the second economy remained mainly an additional income source for workers in the socialist sector: the number of those choosing this sector as a main job did not increase significantly. The second economy rarely became entrepreneurial in nature and there was little significant investment in it. It did contribute however, to a strange behavioural pattern of Hungarian employees who became simultaneously self-preserving (in the socialist sector) and self-exploiting (in the second economy). Under socialism, work in the second economy, overtime work at the main place of employment, and having a second job were the main forms of non-standard work.

2. The effects of transition

2.1. Changing institutional contexts and worker strategies

In Kornai's terminology, the first step in the transition to capitalism consisted in the hardening of budget constraints for enterprises (Kornai 1993). State funds going to enterprises diminished from 12,3% of the GDP in 1987 to 2,3% in 1991. In the same time the number of bankruptcy cases has grown by more than an order of ten between 1986 and 1992. The "shortage economy" soon disappeared and both the commodity and the labour market were characterised instead by excess supply. In the first years of transition, there was a decline in economic activity and firms were restructured, which brought about a drastic fall in employment. Reductions in employment exceeded even the rate of fall in GDP in the same period. The decrease in employment manifested itself partly in the increasing number of unemployed, but mostly in the increase in the percentage of the inactive population, which was the highest among all the transition countries. These changes also modified the

institutional context of worker behaviour and resulted in changes in the typical strategies of workers.

It was clearly not possible any more to profit from competition between companies for scarce labour⁴. In fact Spéder (1997) states that the rapid and drastic fall in employment, along with high inflation, decreasing real incomes and widening income differentials left many households in financial crisis. Among other ways of coping with financial difficulties (such as using up savings, holding back consumption, lowering aspiration or relying on the social safety net) he considers two strategies related to work: becoming self-employed as a small entrepreneur, agricultural self-provisioning and taking on additional income earning activities, perhaps in the informal-sector.

The drastic fall in employment happened because large parts of the internal labour markets of socialist companies were dismantled and were replaced by occupational labour markets (Gábor 1997). Privatisation played a leading role in this process, which resulted in an increase in the number of small enterprises and a decrease in the number of large ones. Internal labour markets are not likely to form in small enterprises, due to their size. This means that there has not only been a great loss in the number of jobs in the formal sector during the transition, but within the remaining jobs, a much higher percentage are now within small companies, that is in companies with less than 20 employees. Employment in small enterprises is more likely to be flexible and less secure. For example, it is common among small enterprises to hire employees (partly or entirely) not with labour contracts, but as subcontractors, in order to economise on labour costs, for example through not paying the employer's social security contributions and because such workers can be more easily laid off. Many workers were thus forced to become self-employed or take out a small enterprise license in order to continue the same work that they did before as employees.

Important changes have occurred also in work outside the formal sector. With the fall of socialism, the system-specific distinction between first and second economy can no longer be applied, and more neutral denominations such as „formal-informal” (Sik 1994), „organised-unorganised” economy (Vajda 1996) are used instead. These mean practically the same, namely that activities, transactions in the informal economy are not subject to state regulations, they are invisible from the point of view of tax or labour authorities and also in statistical records to a certain extent⁵. A major difference between informal economy and socialist second economy in Hungary is that while part-time involvement dominated in the socialist era, informal economy is characterised by full-time employment under capitalism (Sik 1994). Two factors lead to this change: first some people have lost employment in the formal sector and continued doing their part-time (often casual) work in the informal sector, secondly activities (sometimes illegal activities) in the informal economy offered high remuneration, but this required full-time involvement.

⁴ Because of increasing unemployment, fluctuation, that is frequent job changes are no longer a strategy for achieving higher pay. Excess supply on the labour market, especially concerning occupations for which fluctuation was a fruitful alternative before, constrains the possibility of job changes.

⁵ This of course does not mean that transactions in the informal economy are all illegal, although some of them are.

In the following sections we will discuss the importance of various types of atypical employment in post-transition Hungary⁶. We will begin with self-employment and informal work, which were two important ways of surviving during transformational recession as described above. There then follows a discussion of other issues respecting non-standard work, such as flexibility of working time, temporary employment and new types of flexible work arrangements made available by technological progress.

2.2 Self-employment

Self-employment is probably the least problematical form of atypical employment to measure. Entrepreneurs in person and members of enterprises with no legal person are annually registered in the Labour Force Survey. There is still a considerable number missing however, since those self-employed in agriculture who don't have an entrepreneurial licence are not recorded. The definition of self-employment used in the Labour Force Survey is somewhat different from that used by the ILO, since it does not include members of co-operatives and casual workers who are better described as having an employee-type relationship. Moreover the size and the legal status of the enterprise is not taken into account, but this should not cause any major problems, since the typical form for a self-employed enterprise is the small (Laky et al. 1997). The number of self-employed has increased rapidly in the beginning of the 1990s, but unfortunately the Labour Force Survey has been initiated only in 1992. Since then, the proportion of workers for whom self-employment was recorded as the main job varies between 17% and 19% out of all employed men, showing a slight increase in the middle of the decade, while decreasing from around 13% to 11% for women (Scharle 2000). This means that overall it has stabilised at about 15% of the labour force. The percentage of self-employed in agriculture is surprisingly low in the Labour Force Survey. Their number in 1992 was 69,500 and 15% less (59,000) in 1996 (Laky et al. 1997). This is even more surprising if we consider that tax exemptions do not encourage this activity to be hidden. A great portion of small entrepreneurs work without employees, but some of them are helped by family members, who regularly participate in the activity of the enterprise. This is considered as a legal form of employment and is subject to usual social security contributions, which is probably why entrepreneurs are reluctant to declare their helping family members to the authorities. Their number also seems to be underestimated by the Labour Force Survey, which recorded 49,300 helping family members in 1992 (with some seasonal variation) and a figure, which effectively oscillates around 40,000 since then.

A considerable number of self-employed are just continuing their second economy activities. Vajda (2000) reports a survey result according to which 20% of small entrepreneurs asserted that they are continuing in the same private activity as before 1990. It can be misleading however to see self-employment solely as an escape route for the newly unemployed. Diverging opinions can be found regarding the question of whether the rapid increase in the number of self-employed reflects the effect of suddenly widening entrepreneurial possibilities

⁶ There are severe problems in the measurement of the extent of atypical employment in Hungary. There are two main factors at the origin of this problem: one is that legislation and consequently statistical measurement is still mainly suitable for the "typical" job. Definitions were not adapted to fit these new types of employment. The second difficulty stems from the fact that many activities which take the form of atypical work arrangements do not appear in statistical figures, simply because they are part of the "informal" or "un-organized" part of the economy. Casual work is a paradigmatic case for this kind of problem.

or is pushed up by shrinking employment opportunities. Laky (1995) and Gábor (1997) seem to be asserting that a high proportion of newly self-employed are choosing this way of working against their will. Scharle (2000), based on econometric analysis of the Labour Force Survey, concludes that threat of unemployment was probably not a general cause of people becoming self-employed, it only seems to influence individual decisions in some particular groups of the labour force – namely, among women and entrepreneurs in agriculture. She also contends that small family enterprises are mainly profit-oriented (thus not just subsistence enterprises) but are more frequent in labour-intensive sectors that do not require high capital investment such as agriculture, commerce and catering. Family members are employed because they provide reliable, sometimes cheaper labour.

2.3 Work in the informal sector

Time budget surveys are probably the only means by which we can gather some information about the work of people in the informal sector⁷. Vajda (2000) considers four types of such kinds of activities: expenditure-minimising non-routine work around the household (dwelling construction and maintenance, agricultural work, repair); work in exchange for other households; income supplementary work; and volunteer work on the behalf of organisations. Comparing time budget surveys of 1986 and 1993, Vajda asserts that contrary to expectations, it seems that parallel to the decrease in time used for work in the formal sector, time used for work in the informal sector also decreased. This can be the consequence of the reason cited above, that some people were continuing their second economy activity in the formalised sector as self-employed with licence. The ratio of working time in the informal sector to that in the formal sector remained constant at around one third. Small agricultural production still played the leading role in working time used in the informal sector, but its extent was decreasing together with construction and maintenance activities. Spéder (1997) provides a more nuanced picture of agricultural production, stating that while production for self-provisioning increased, production for market purposes decreased between 1992 and 1994. The only type of informal work that increased was repair work. It seems that time-use decreased the most for those activities where the formal counterpart was also in crisis. This suggests that as former second economy activities were integrated into first economy activities, so the crisis in the latter also caused the former to lose ground. Participants in informal work are mainly older (with a high percentage of pensioners), low skilled males living in villages and other marginalized groups in the formal labour market. Some changes occurred in the composition of the labour force in the informal sector: namely there emerged a growing percentage of women and more skilled people.

A study based upon in-depth interviews with the unemployed, suggested that work in the informal sector is one way of maintaining minimal living conditions (Simonyi 1995). Small-scale agricultural production, child-caring, baby-sitting, repair activities, sewing and cleaning are the kinds of activities that are widespread. Casual work in the construction industry, catering, commerce is also possible in many instances, but people in this situation can rarely manage without extensive help from the family. Those who have some resources and stable family help can end up as self-employed. For others, relying on Social Assistance or doing casual work possibly in the informal (illegal) sector remain as alternatives.

⁷ These data however are not suitable for discussing illegal or black employment.

2.4 Flexibility of work time

Part-time employment is far less significant in Hungary than in most countries of the EU (Laky et al. 1997, Frey 2000, Labour Research Institute 2000). This also has some historical roots: in the socialist economy part-time work was only possible for working pensioners, and when at the beginning of the 1990s this group lost its position on the labour market, so did part-time employment. In 1995 the Labour Force Survey reports only a 1,8% of employees who regularly work less than 34 hours a week. The percentage of part-time workers is the highest in jobs requiring a university diploma and in the poorest qualified jobs. Part-timers are also more frequent among women between 25 and 44 years of age (Laky et al. 1997). This percentage has somewhat increased since then. In 1997 and 1998 the percentage of those employees who regularly worked less than 30 hours was around 4,5%. Not all of them are part-time workers however: an estimated 45% of them are effectively workers whose total employment time fell into this category (Frey 2000). Presumably, these are casual workers. Another 10% of the employed had very variable working times, but these might also be casual workers rather than part-timers (Labour Research Institute 2000). Part-time employment is not popular in Hungary mainly because social security contributions and taxes are so high that it does not pay for firms to hire part-timers. Also, the lower pay associated with part-time work might simply not be enough for job-seekers to leave unemployment benefits or to make it worth working once travel costs have been deducted (Labour Research Institute 2000).

Another popular form of flexible working time is overtime work. According to the Labour Force Survey data, 21% of employees reported working regularly more than 40 hours a week. The main reason for this is overtime work (Frey 2000). Employees can also extend working hours by having a second job. The percentage of those having a second job is surprisingly low: in 1999 only 1,8% of the employees had a second job. Work time flexibility also results from the tendency of companies to extend activity over nights and weekends, in order to ensure the efficient utilisation of machinery, for example. According to the Labour Force Survey results, 17% of employees work regularly during the evening, and 9% during the night. Some 16% of employees go to work on Saturdays and 9% has to work also regularly on Sunday. This work is mainly concentrated in mining, the food industry, transportation, commerce, health care and social services. One fifth of all employees work in double shifts. In 1998, 7% of employees report working flexible hours and 6% said that they were free to determine their working hours (Frey 2000).

2.5 Temporary employment

Temporary employment can also be discussed under the heading of the flexibility of working time, but it is obviously a rather different type of flexibility than that discussed so far. In Hungary, employment based on fixed term contracts is most popular in sectors which have seasonal fluctuations in work tasks, such as agriculture, tourism, the food industry, the production of preserves and the retail trade (Labour Research Institute 2000). According to the Labour Force Survey, in 1999 the yearly percentage of employees on fixed-term contracts was 6%, and the 90% of these had a contract that was less than one year. A large number of these workers said that they had no other choice than to accept a fixed-term contract. Since the labour-hoarding practices of socialist enterprises could not be continued after transition, the fluctuations in orders created some demand for temporary workers. An efficient solution in

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order to decrease the time needed for searching and hiring temporary workers is to hire manpower from specialised agencies (Laky et al. 1997). As multinationals entered the scene, the need for temporary qualified workers also increased. In fact, workers from a variety of occupations are available as temporary workers from the circa 500 companies which specialise in hiring out labour, ranging from unskilled workers to managerial assistants. This is profitable for the hiring enterprise because it is freed from all the administrative and financial consequences of employing new workers, so we might expect some increase in this kind of employment (as there has been in the rest of Europe).

Marginalized members of the Hungarian workforce, such as low-skilled young and close-to-retirement age workers, often have access only to casual work. Casual work is needed during the high seasons of the agricultural and construction industries, but also repairs work, child-care for households, or occasional work in family enterprises are offered in this way. In the latter case, activity is nearly never registered, since households, small entrepreneurs and casual workers can perfectly well manage these kinds of transactions among themselves, avoiding the costly interference of authorities. Since such activity is most frequently unrecorded, the figures found in the Labour Force Survey can be assumed to significantly underestimate this type of employment. Annual averages of the survey estimates show an increasing number of casual workers during the 1990s. In 1992, only 8563 casual workers were recorded, while in 1998, 28524 were found. This is a substantial growth of nearly 300%, but clearly the true number of casual workers should be much higher in Hungary. In most of large towns there are well-known markets for casual workers as research among local government officers has demonstrated (Sik 2000). One such a market, located in one of the most important public transport centres of Budapest is described in Sik (1999). Studies among people who are seasonally employed in an area of tourism around the lake Balaton, found that people with a "new work habitus" (that is, taking risks, considering higher pay and qualified work being more important than secure employment) have a much higher chance of escaping from this situation to start small business or find full-time jobs (Farkas and Nemes 1997).

2.6 New technologies and new types of flexibility

Technological progress, automation and the relocation of mass production to developing countries have changed and - according to some theorists (see Rimmler 1999) - will continue to change the meaning of work in developed societies. It is claimed that these processes will enable a larger part of the workforce to do much more creative work, requiring complex cognitive skills. In this way, it is argued, work will again resemble that of a craftsman who is not simply carrying out routine tasks but follows the entire production process through. Creativity requires flexible work arrangements and individual contracts that will bring about locational and organisational decentralisation and flexible working time as well as increased independence and more personal responsibility for workers. Creative work could be greatly enhanced by global communication networks, such as the internet.

One form of work where employee and employer communication is mainly executed via Internet is called telework. In 1997 a public company "Telework" was founded with the participation of the Hungarian Development Bank and the Labour Ministry to promote telework and to help establish contact between potential employers and employees. The target

groups were the handicapped and single mothers. This has not been a complete success story. Although potential teleworkers did appear, and their numbers were only around 15, 000 in 1998, employers were not particularly attracted by the possibility of employing teleworkers. In 1999 the company went bankrupt and was acquired by MATAV the national telephone company which continued the activity with more or less unchanged objectives. Potential teleworkers were mostly inactive members of the labour market (students, pensioners) and those seeking additional income sources or a second job (Labour Research Institute 2000). According to certain estimates some 25, 000 persons are now working in this way.

3. Conclusion

Based on statistical data, the total percentage of atypical work in Hungarian workforce is around 20%, a level that is much lower than recorded in EU countries. We have seen however, that there are problems of statistical measurement, especially in dealing with small-scale agricultural production and casual workers. During the last decade, some researchers were arguing for employment policies to give higher priority to part-time employment in order to avoid massive loss of jobs. A report by Frey and Gere (1994) is based upon a survey carried out in 1993 in which they asked full-time employees if they were willing to accept a part-time job if this meant a proportional reduction in their salary: 20% of female employees and 7,6% of male employees answered yes. Among men, those who responded positively were employees in the youngest and the oldest age groups, while among women those between 25 and 39 with children were the most interested. In addition, they estimate that in the case of partial compensation for income losses, another significant portion of the labour force (10,3%) would be willing to accept part-time work. The authors conclude that there was indeed sufficient demand for employment policies based on the diffusion of part-time work in the middle of the 1990s⁸. Also Timár (1998) argued for an employment policy to reduce Hungary's disadvantage in part-time employment, blaming family policies, which encourage women to stay out of the workforce full time when they have small children. Since employees' overtime work is a substitute for new recruitment, this has also been subject of policy debates, and in 1992 the regulation of overtime work maximised the total hours one can work overtime in a year. Subsequently, regulations became less severe. Employment policy however, has never really considered part-time work as a viable way of creating employment. As we stated above, atypical forms of employment concern possibly much more persons than is reflected in statistics. In this case, policy makers' concern is for creation of "typical" jobs. Other reasons for atypical employment not having a larger share is that Hungarians still have a rather instrumental way of thinking about work. Hungarians are not wealthy enough to be concerned with having more leisure or more creative work. The following table shows answers by employees to questions about the importance of work attributes. High pay and job security are the most important for employees while autonomy and flexible work hours are of lesser and even decreasing importance. However, we can assume that despite low levels of voluntary part-time work supply, demand for flexible working arrangements will increase because enterprises are facing global competition and wage differences between EU and Hungarian companies will presumably decrease with accession to the European Union. As a consequence, employers are expected to adopt all measures possible to make economies in labour costs.

⁸ A replication of the study two years later among women showed a smaller percentage interested in part-time employment (10% altogether) (Frey 2000).

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Table 2. Perception and importance of different job attributes in 1989 and 1997.

	True of job		Importance	
	1989	1997	1989	1997
Job security	72,2%	47,4%	95,5%	96,5%
High pay	9,7%	8,4%	92,9%	95,4%
Work useful for society	85,5%	78,9%	89,3%	80,3%
Interesting work	65,9%	63,4%	85,0%	87,0%
Work helps others	77,8%	73,6%	77,8%	74,0%
Autonomy at work	74,8%	70,1%	77,3%	77,7%
Flexible work hours	-	-	70,9%	49,5%
Promotion opportunities	9,1%	13,9%	66,8%	73,1%

Note: N=601(1989), 626(1997) Source: Róbert and Medgyesi (1999). Data from ISSP Work Module. The question about the evaluation of job with respect to flexibility of work hours has been asked differently, and this is why responses are not comparable with responses regarding other job attributes. Responses were coded on a five-point scale. Here only the upper two categories are reported.

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