

HUNGARY

LABOUR MARKET INTEGRATION OF UKRAINIAN REFUGEES

2023 ANNUAL REPORT



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KEY FINDINGS IN 2023

DEMOGRAPHICS

 **618** Ukrainian respondents
(working-age stayers)

 **84%**  **16%**

LABOUR MARKET PARTICIPATION

63%  active population

37%  inactive population

EMPLOYMENT STATUS

 **62%** employed

 **38%** unemployed

DURATION OF STAY

 **> 2 years**  80% employed

1.5 - 2 years 78% employed

< 30 days 59% employed

LANGUAGE



64% employed among those with Hungarian knowledge

62% employed among those without Hungarian knowledge

WOMEN WITH CHILDREN



52% of women with at least one infant are employed

57% of women with at least one child are employed

58% of women in single-headed households are employed

More than one answer possible

JOB MATCHING

 **41%** satisfied with job matching

 **67%** satisfied with job matching

TOP ASPIRATIONS

 **36%** professional roles


 **15%** services and sales

 **13%** managerial roles


More than one answer possible


TOP 5 NEEDS

 Financial support (49%)

 Long-term housing (47%)

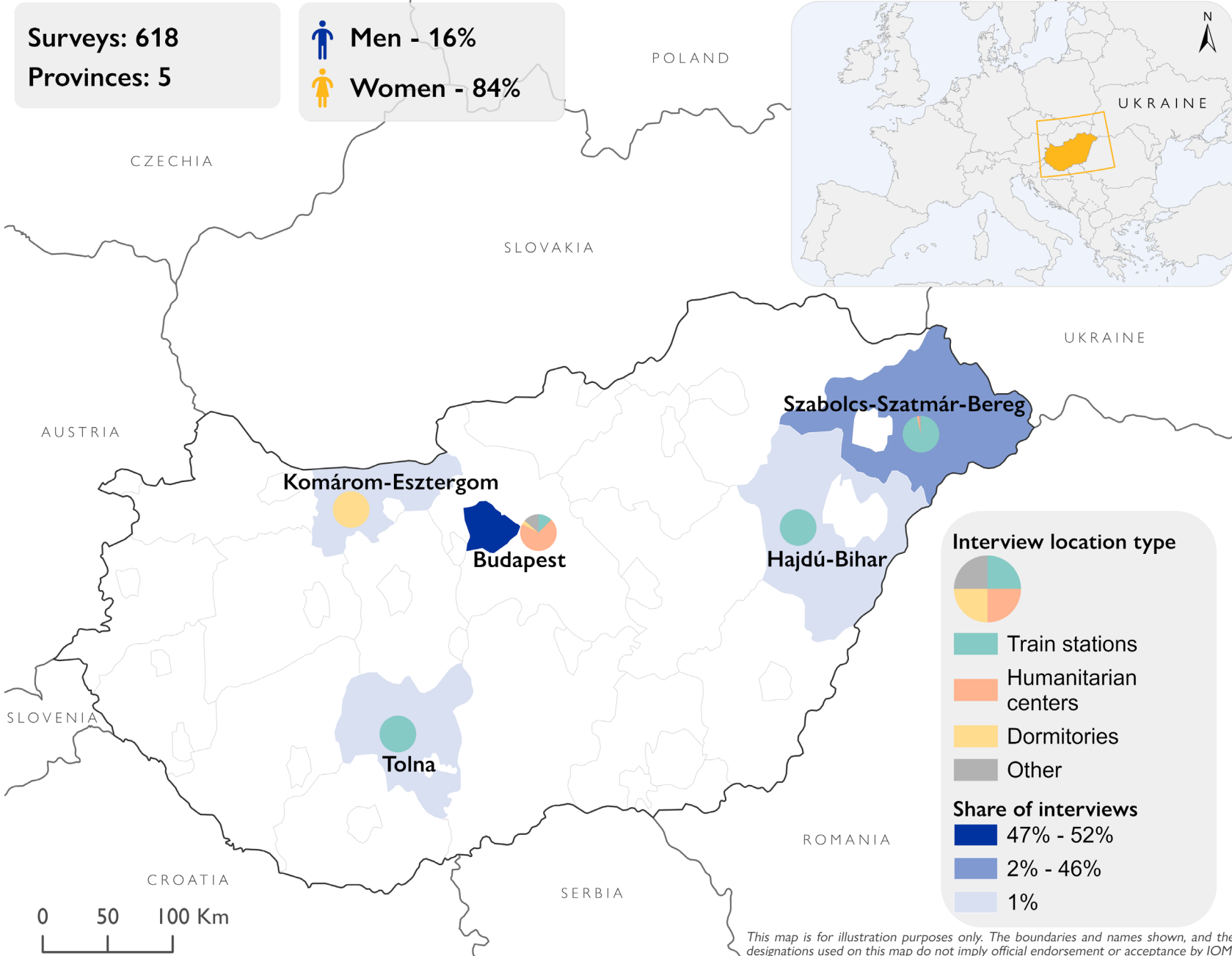
 Food assistance (39%)

 Language courses (28%)

 Employment support (26%)

More than one answer possible

Overview: number of surveys and locations of data collection in Hungary in 2023



This map is for illustration purposes only. The boundaries and names shown, and the designations used on this map do not imply official endorsement or acceptance by IOM.

LABOUR MARKET PARTICIPATION

DTM collected data on the Needs, Intentions, and Integration Challenges of Ukrainian refugees in Hungary from January to December 2023, interviewing a total of 1,398 individuals over the year. This report delves into the employment profiles and prospects of the adult respondents, placing particular emphasis on individuals who either have the intention or have already settled in the country (n=706). These individuals, deemed as 'stayers' for the purpose of this study, are those actively investing human and social resources to fully engage in the life of the host community. Among this group,

GENDER AND AGE

Among the working-age stayers (n=618), women constitute 84 per cent, while men account for the remaining 16 per cent. Among women, the majority are distributed across the 30-39 age group (33%) and the 40-49 age group (25%). Similarly, among men, the largest proportion falls within the 30-39 age group, comprising 32 per cent.

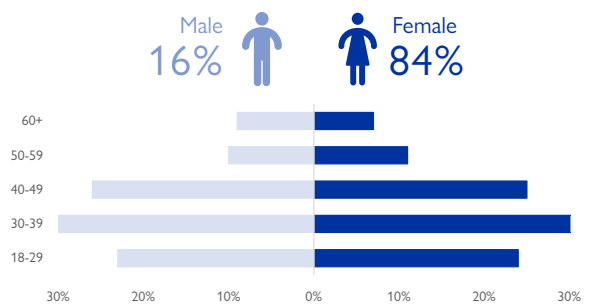
TRENDS AFTER DISPLACEMENT

Labour market participation exhibits a slight increase among working-age stayers in Hungary compared to their participation in Ukraine before displacement. At the time of the interview, 63 per cent of respondents are engaged in the labour force,² with 74 per cent of men and 61 per cent of

the report narrows its focus to the subset of 618 respondents who fall within the working age range (18-64 years old), providing insights into their participation in the labour market and detailing their experiences, needs, and intentions related to employment in Hungary throughout the duration of their displacement.

The majority of surveys were conducted in Budapest (52%) and Szabolcs-Szatmár-Bereg county (46%), with the remaining two per cent collected in three other regions in Hungary.¹

Figure 1. Respondents by age and gender (%) n=618



women. Meanwhile, 37 per cent of working-age stayers remain inactive. Among active respondents, the highest proportion is observed within the 30-39 age group (38%), whereas the highest percentage of inactive individuals is found in the 18-29 (31%) and the 30-39 (25%) age groups.

Figure 2. Active and inactive population by gender (%) n=557

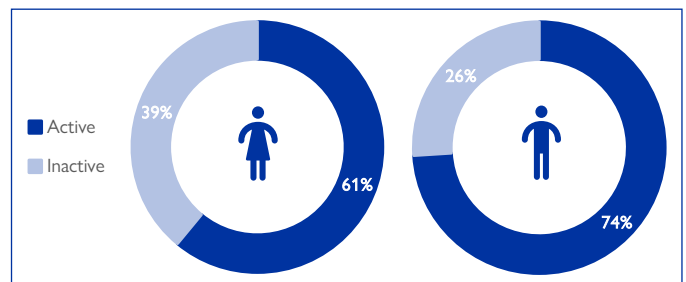
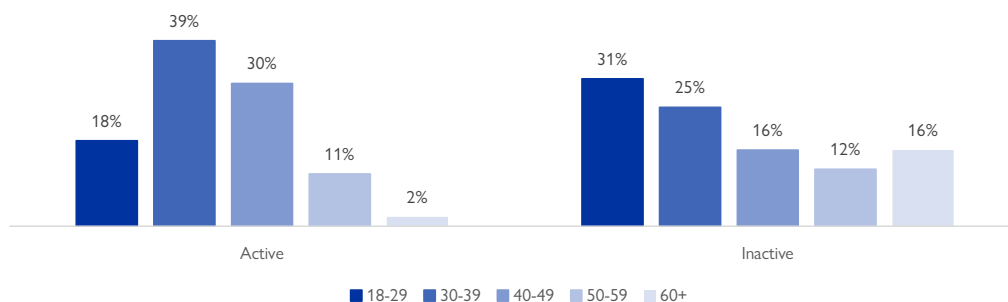


Figure 3. Active and inactive population by age (%) n=557

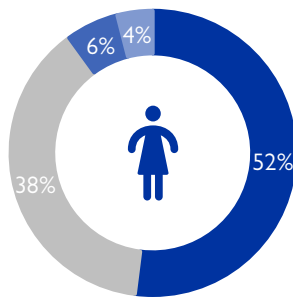


¹ The remaining two per cent of surveys were collected in Komárom-Esztergom county (1.5%), and the towns of Szekszárd in Tolna county (0.5%) and Debrecen in Hajdú-Bihar county (0.5%).

² Active population is the sum of employed and unemployed at working-age (18-64 years-old). Inactive population is the sum of retirees, students, people on parental leave, and unemployed people who are not looking for a job, at working age. Employment and unemployment rates are calculated only on the active labour force, excluding those who are inactive.

Within the active population (n=351), 62 per cent is in employment,³ comprising 51 per cent in regular employment, 6 per cent as daily workers and 5 per cent self-employed people. The remaining 38 per cent report to be unemployed. Women are more likely to be employed (52%) than men (47%), while the percentage of self-employed people is higher among men (9%) than women (4%).

Figure 4. Employment status within active population, female (%) n=287



■ Employed ■ Unemployed ■ Daily worker ■ Self-employed

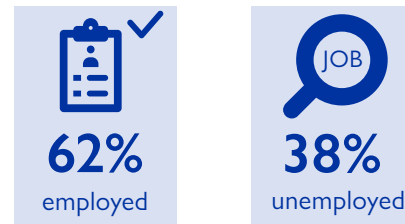
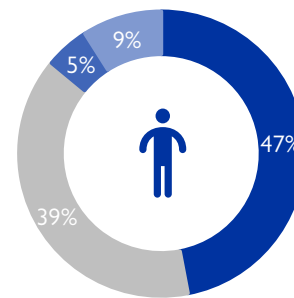


Figure 5. Employment status within active population, male (%) n=64



■ Employed ■ Unemployed ■ Daily worker ■ Self-employed

TRENDS BEFORE DISPLACEMENT

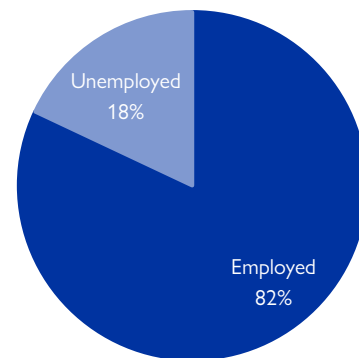
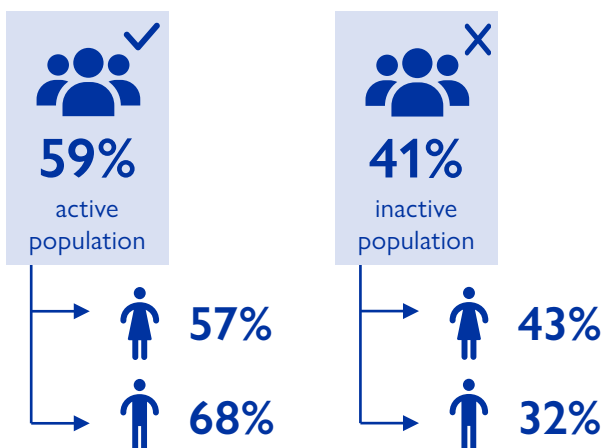
More than half (59%) of respondents within the working-age bracket (n=603) were previously actively involved in the labour market before leaving Ukraine, a slightly lower rate compared to the respondents' current labor market participation rates in Hungary (63%). The remaining 41 per cent were not part of the labour force.

Among respondents who were previously part of the labour force (n=355), 82 per cent were employed, while 18 per cent were unemployed before leaving Ukraine. This represents a significant decline in the rate of employment, dropping from 82 per cent to 62 per cent after displacement. Among the

active respondents, 72 per cent held regular employment, seven per cent were self-employed, and four per cent were involved in daily work. Meanwhile, 18 per cent were unemployed and sought employment prior to displacement.

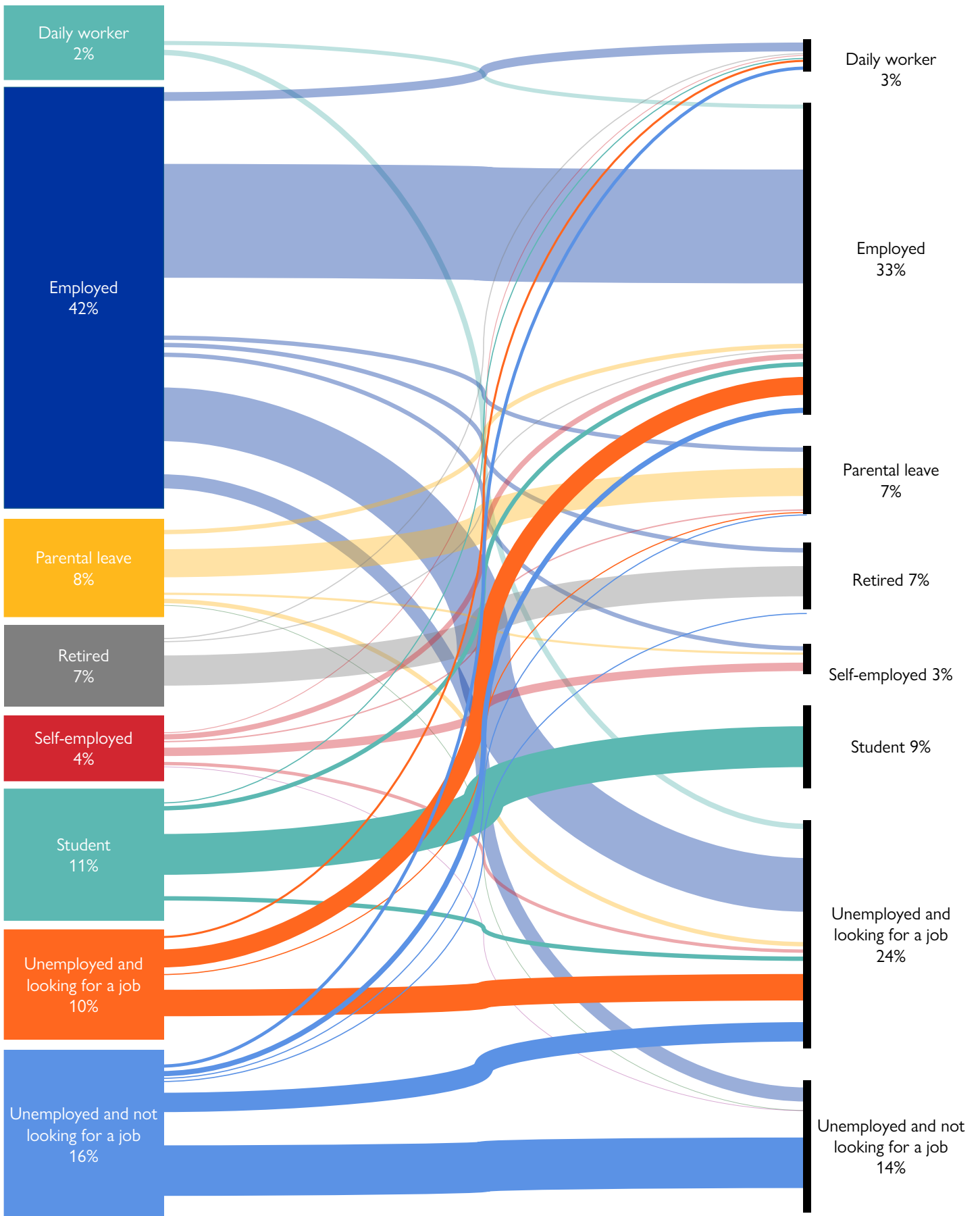
Before displacement, within the active population, the probability of being employed was comparable for both genders (82% for both women and men). However, a greater proportion of women were involved in regular employment (75%) compared to men (58%). Additionally, a higher percentage of men reported being self-employed (12%) or engaged as daily workers (11%) compared to their female counterparts.

Figure 6. Employment status within active population before displacement (%) n=355



³ The scope of the present report does not extend to the work arrangements and conditions of Ukrainian refugees in Hungary.

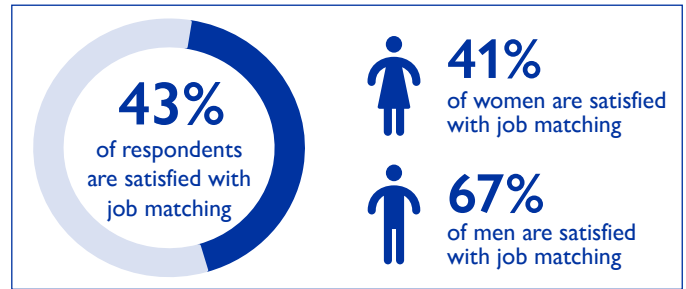
Figure 7. Status before and after displacement (%) n=553



ACTIVE POPULATION

JOB MATCHING

Overall, less than half of the respondents (43%) indicate that their current job in Hungary corresponds to their educational background and professional experience. Notably, men exhibited higher satisfaction with job alignment (67%) compared to female respondents (41%). Among those whose academic and professional background did not align with their current employment, disparities were evident, with a significant proportion having tertiary education (74%), a smaller percentage with upper secondary education (19%), and respondents with post-secondary education accounting for seven per cent.



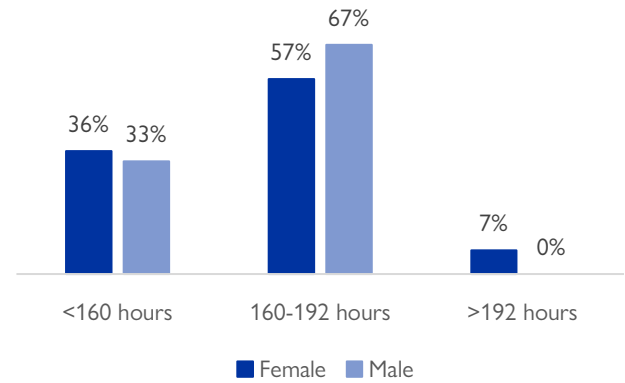
HOURS WORKED IN A MONTH

Respondents who disclosed the number of hours they work on a monthly basis (n=59) predominantly indicate working between 160-192 hours (57% of women, 67% of men, and 57% overall). A smaller subset of respondents (36%) report working fewer than 160 hours per month, with women more likely to fall into this category (36%) compared to men (33%). Conversely, the study found that women are more prone to working overtime, above 192 hours per month (7%), unlike men, none of whom report working above 192 hours in a month.

Figure 8. Hours worked in a month (%) n=59



Figure 9. Hours worked in a month by gender (%) n=59



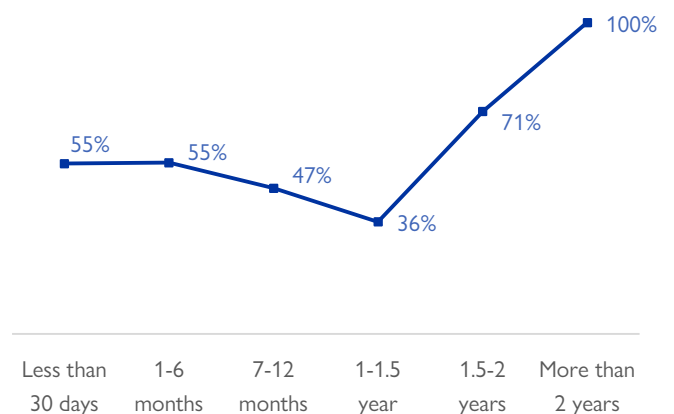
Among women working more than 192 hours per month, it was discovered that 50 per cent were in single-headed households, while the other 50 per cent were in households with children. This suggests that the higher working hours among women may be attributed to factors such as limited alternative job options with less demanding schedules or workplace expectations necessitating longer working hours, and the responsibility of being the sole head of their households, leaving them with no other means to cover essential expenses.

Figure 10. Covering daily expenses with income vs duration of displacement (%) n=182

EXPENSES COVERED BY INCOME

Among survey participants (n=182), 49 per cent cover their daily expenses in Hungary through income generated from employment. Among the active population (n=116), this proportion increases to 67 per cent.

It is noteworthy that there is a downward trend between the duration of displacement and the percentage of individuals relying on income to cover their expenses until the first year spent in displacement. Among those who have spent less than a month in the country, over half (55%) of respondents cover their expenses with income. However, this percentage declines to 36 per cent among those who have stayed between one to one and a half year in the country. Following this, it reaches 71 per cent among those who have spent one and a half to two years in Hungary.

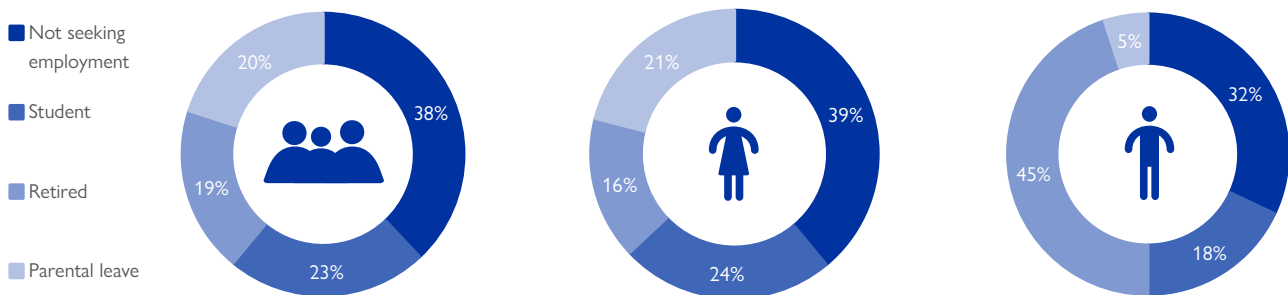


INACTIVE POPULATION

The inactive population (n=206) comprises individuals who are not seeking employment, including individuals who are unemployed and not looking for a job (38%), students (23%), individuals on parental leave (20%), and retirees (19%). Notably, among the inactive respondents, 39 per cent of women and 32 per cent of men indicate not searching for a

job despite being unemployed. A significant 21 per cent of women are on maternity leave, whereas only five per cent of men are on paternity leave. Female respondents are more likely to have student status (24%) compared to men (18%). The proportion of retirees is considerably higher among men (45%) than among women (16%).

Figure 11. Status within inactive population by gender and total (%) n=540



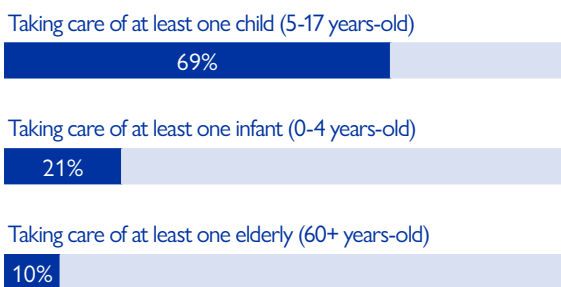
UNEMPLOYED AND NOT LOOKING FOR A JOB

Individuals who are unemployed and not actively seeking a job (n=57) indicate that their absence from the labour market is primarily driven by family responsibilities (51%), such as caring for children, elderly family members, or persons with disabilities. Some identify their medical condition (21%) as a primary obstacle, while others mention the lack of a need for employment (14%), as other members in their households are already

employed and cover necessary expenses. The remaining 14 per cent cite various reasons, including plans to return to Ukraine soon (3%) or choose not to disclose their reasons (11%). Notably, women are more likely to attribute their unemployment to family duties (55%), while men mention medical conditions (50%) more frequently than their female counterparts (19%).



Figure 12. Family duties as reason for not seeking employment (%) n=29 (more than one answer possible)



I am originally from the city of Kharkiv, but prior to relocating to Hungary, I was internally displaced for seven months in the Rivne region in northern Ukraine. In Hungary, I am currently unemployed as I am on maternity leave, dedicating my time to caring for my son.

35-year-old woman, currently residing in Budapest with her son, aged 0-4 years old.



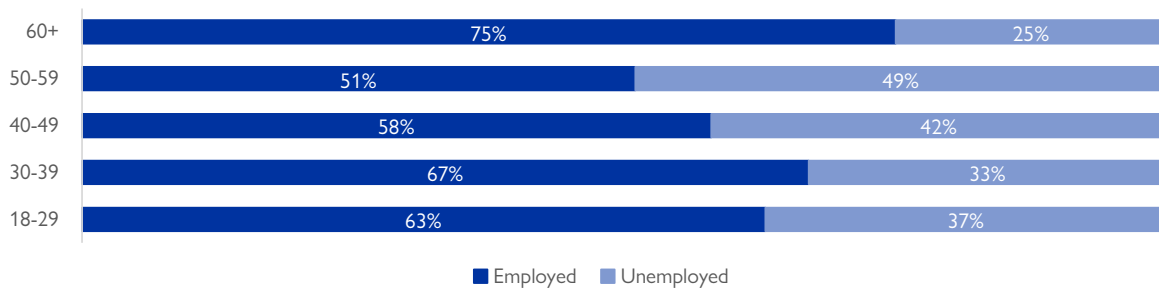
ENABLING FACTORS AND BARRIERS TO EMPLOYMENT

GENDER AND AGE

Certain factors are identified as either more or less favorable for securing employment in Hungary. Both women and men demonstrate a similar likelihood of being employed, with 62 per cent of women and 61 per cent of men. Notably, people aged 60 years-old or above are more frequently in

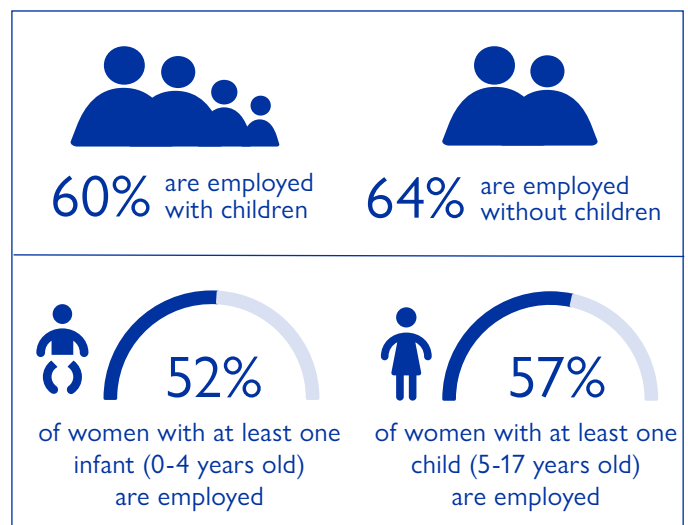
employment (75%), compared to those below 60 years of age. Employment rates vary from 63 per cent in the 18-29 age range to 67 per cent in the 30-39 age group, and 51 per cent in the 50-59 age group. Consequently, the 60+ age group experience the lowest unemployment rates at 25 per cent.

Figure 13. Employment status by age group (%) n=351



HOUSEHOLDS WITH CHILDREN

Respondents in the workforce without childcare responsibilities (n=215) have a higher likelihood of being employed, with a rate of 64 per cent, in contrast to those with children (n=136), among whom 60 per cent are employed. The impact of having children (0-17 years old) on the employment rate is more significant among women than among men. Women with children (n=124) experience a lower employment rate (57%) compared to those without children (n=163), who have an employment rate of 66 per cent. In addition, a notable disparity in employment rates is observed among women caring for infants (0-4 years old) compared to those with children aged 5-17 years old. The employment rate is 52 per cent for women with at least one infant, while it stands at 57 per cent among women with children aged 5-17 years old.



SINGLE-HEADED HOUSEHOLDS

Remarkably, a slightly larger percentage of women (58%) who serve as the sole heads of their households are employed, potentially due to the fact that, in numerous instances, they have limited alternatives.

When examining the hours worked, it becomes apparent that the majority (58%) of women heading single-headed households typically work between 160-192 hours per month, while one-third of them (32%) works less than 160 hours per month. However, 10 per cent report working overtime, above 192 hours in a month, equivalent to more than 48 hours per week.

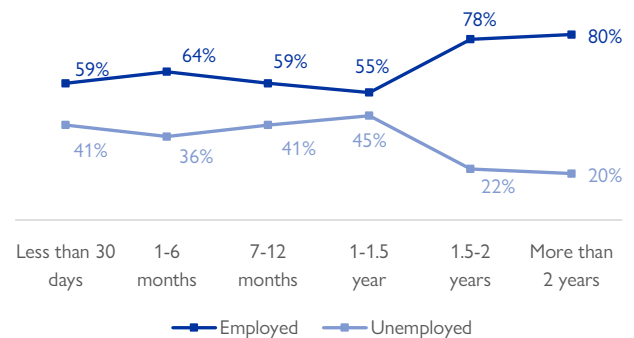


Mother and her five sons from Ukraine in the Budapest Helps! Info and Community Centre © IOM 2023

DURATION OF DISPLACEMENT

The duration of displacement in Hungary is linked to a higher likelihood of employment after spending one or one and a half year in the country. Among active individuals who have spent less than a month in the country, the employment rate is 59 per cent, followed by a rate of 55 per cent among those with a duration between one and one and a half year. Conversely, those who spent one and a half to two years in the country show a higher employment rate (78%), which further increases for individuals who have been displaced for more than two years (80%). As a result, unemployment rates significantly decrease only among those with over one and half a year in displacement (22%) and those who have stayed for more than two years (20%) in Hungary.

Figure 14. Employment rate by length of stay (%) n=350



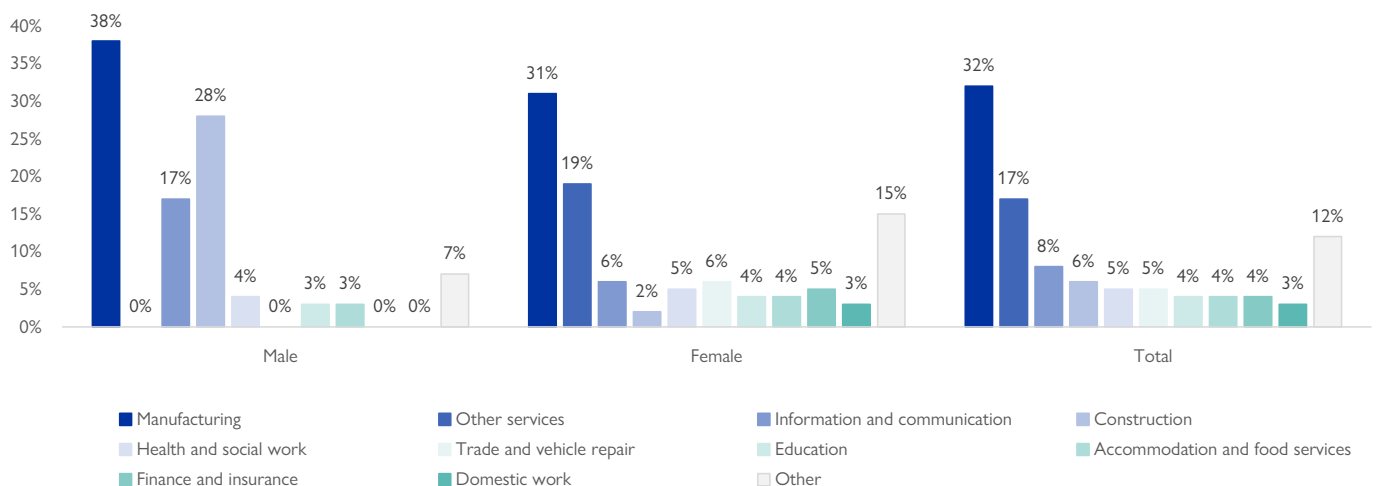
LEVEL OF EDUCATION

The study found that the highest educational attainment is not linked to the reported employment rates among respondents. However, variations emerge when considering the specific occupations and sectors of those currently employed. Individuals with advanced education tend to be more likely to hold managerial roles (e.g., directors or senior officials) or be categorized as professionals (e.g., teachers, doctors, lawyers, accountants, etc.). Notably, half of those with a postgraduate diploma are found to be employed in professional roles, while the remaining 50 per cent holds managerial positions. In addition, among individuals with tertiary education, 24 per cent found themselves in professional positions post-displacement. In contrast, those with secondary education or lower are noted to be working in elementary occupations, such as cleaners, mining or construction workers, street vendors (55%), or as machine and plant operators, including bus or truck drivers, and mining machine operators (21%).

Regarding employment sectors, the largest portion (32%) of employed individuals work in the manufacturing sector, followed by other services, such as washing and cleaning, hair-dressing, and other beauty treatments (17%). Additionally, eight per cent works in information and communication, and six per cent works in activities associated with accommodation and the construction sector (6%).

Upon analyzing employment sectors according to the highest level of education achieved, individuals with a postgraduate diploma show a higher inclination towards working in human health and social work (50%) as well as the construction sector (50%). In contrast, those with tertiary education more frequently secure employment in manufacturing (26%) and other services (18%). Conversely, individuals with secondary education or lower are more commonly employed in the manufacturing sector (27%) and other service activities (36%).

Figure 15. Sectors of employment by gender (%) n=179



HUNGARIAN LANGUAGE PROFICIENCY

Having a certain level of proficiency in the Hungarian language is linked to higher employment levels compared to the average rate of 62 per cent among survey participants. Individuals without any knowledge of the local language (n=306) have an employment rate of 62 per cent and an unemployment rate of 38 per cent. Conversely, those with a certain level of Hungarian knowledge (n=45) have a higher employment rate (64%), and a lower unemployment rate, at 36 per cent. Among the employed individuals with knowledge of the local language, 83 per cent are engaged in regular employment, while 17 per cent are involved in daily work.

Among respondents who speak the local language and disclosed information on class attendance (n=31), 68 per cent is not enrolled in Hungarian language classes. Of the 32 per cent of respondents who take language courses, the majority opts for online classes (13%), private lessons (10%), employer-arranged courses (6%), or classes provided in a school setting (3%). On the contrary, among individuals who are not fluent in the language (n=26), 62 per cent does not partake in language classes.



Figure 16. Employment status by language knowledge (%) n=351

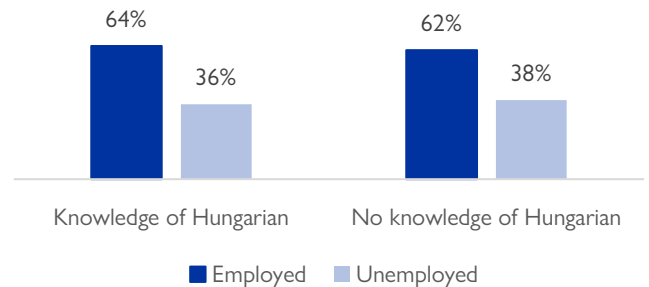
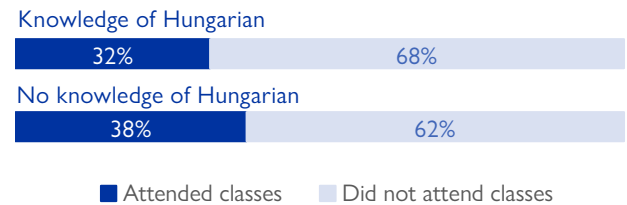


Figure 17. Language class attendance by language knowledge (%) n=57



Among those who do not speak the local language and do not participate in language classes, the most frequently mentioned reasons include uncertainty about where to find language classes (50%), financial constraints (31%), unwillingness to attend (19%), insufficient overall time (13%), time constraints due to childcare responsibilities (6%), or perceived low quality of classes (6%).

Remarkably, individuals who are unemployed, actively seeking employment, and do not speak the local language, do not enroll in language classes. This was primarily due to a lack of awareness about where to find classes (50%), financial limitations (50%), and a lack of willingness to attend classes (25%).



Lack of information



Financial constraints



Not necessary



Insufficient time



Childcare duties



Quality of classes

More than one answer possible

FUTURE PROSPECTS, ASPIRATIONS, AND NEEDS

Among respondents with a desire to secure employment (n=260), 38 per cent of women express their aspirations for a professional role. Another 16 per cent aim for positions in services and sales (e.g., cooks, hairdressers, protective services), while 14 per cent hope to find employment as managers. Conversely, 26 per cent of men aspire to work in professional categories, 17 per cent seek roles as workers in crafts and related trades (e.g., metal or wood workers, repairers, electronic installers), and 11 per cent express a preference for roles as technicians or associate professionals (e.g., sales and purchasing agents, religious associate professionals).



I need to register my diploma. I used to work as a crafts and trades worker in manufacturing, and I hope to find employment in the same sector.



(25-year-old woman originally from Zakarpatska, currently residing in Komárom-Esztergom county).

NEED FOR EMPLOYMENT SUPPORT

The demand for employment support (26%) emerges as one of the top five priority needs⁴ among respondents, with 24 per cent of women (n=520) and 37 per cent of male respondents (n=98) expressing the need for support. The need for employment support fluctuates based on the duration of displacement. Among those in displacement for less than a month (n=245), 20 per cent express the need for employment support, while 36 per cent of those displaced for one

to one and half a year require assistance. Additionally, a lower percentage, 28 per cent of those who had spent one and a half to two years in Hungary are in need of support.

Among respondents who are uncertain about where to seek assistance (n=245), employment-related information needs are the second most frequently mentioned (40%), surpassed by the need for information on financial support (42%).



24%
in need of
employment support

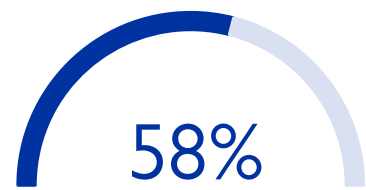


37%
in need of
employment support

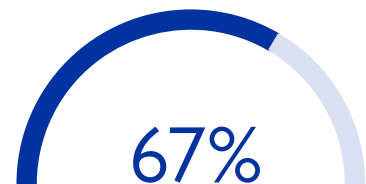
DOING BUSINESS

Over half of women in the workforce who disclosed information on entrepreneurial intentions (n=12) are found to be willing to consider starting a business (58%) while in Hungary, whereas 42 per cent have no entrepreneurial intentions. In contrast, a higher percentage of active male respondents (67%) express openness to the idea of establishing their own business while in displacement, with 33 per cent having no intentions of pursuing entrepreneurship.

Support for initiating a business is not emphasized as an immediate priority among respondents. Only one per cent of women and none of the male respondents identify business support as a current priority. Regarding the duration of their stay, the demand for business support is one per cent among those who had stayed in Hungary for less than a month, and reaches four per cent among those who had spent one to six months in the country. The highest proportion (17%) of those in need of business support is observed among respondents who had already stayed for more than two years in Hungary.



of women are interested in opening their own business



of men are interested in opening their own business

⁴ Other top priority needs included financial support (49%), long-term accommodation (47%), food assistance (39%), and language courses (28%).

METHODOLOGY

IOM's Displacement Tracking Matrix (DTM) is a system to track and monitor displacement and population mobility. It is designed to regularly and systematically capture, process and disseminate information to provide a better understanding of the movements and evolving needs of displaced populations, whether on site or en route.

Since April 2022, IOM Displacement Tracking Matrix has been regularly surveying people who are residing in the eleven countries included in the Regional Refugee Response Plan for Ukraine. The aim of the survey is to improve the understanding of their profiles, displacement patterns, intentions and needs. The survey is deployed in 6 countries neighbouring Ukraine – Belarus, Hungary, Poland, the Republic of Moldova, Romania, and Slovakia, and other 5 countries in Europe, particularly impacted by the arrivals of refugees from Ukraine, including Bulgaria, Czechia, Estonia, Latvia and Lithuania.

Face-to-face surveys were conducted by 9 trained enumerators, with adult refugees from Ukraine (18+ years-old). Surveys were collected at selected locations (information centres, humanitarian aid distribution points, accommodation centres, transit points and IOM premises) in five regions of Hungary. The survey is anonymous and voluntary, administered after obtaining consent from the respondent. Respondents can stop the survey at any time. In Hungary, the questionnaire is available in English, Ukrainian and Russian, and the preferred language is determined by the interviewee. Only fully completed surveys are into account for analysis.

Prior to the start of the survey, all enumerators were trained by IOM on DTM standards, the use of Kobo application, IOM approach to migrants' protection and assistance, the ethics of data collection and the provision of information and referral mechanism in place.

About the Survey

Aim

To improve the understanding of the profiles of Ukrainian refugees residing or transiting through Hungary, including their displacement patterns, intentions and needs.

Location and execution

Face-to-face surveys were conducted by 9 trained enumerators stationed at selected locations in 5 regions of Hungary. Surveys are conducted in English, Ukrainian and Russian with the help of a mobile application.

Target population

The present analysis focuses on the labour market integration and employment prospects of working-age (18-64 years-old) Ukrainian refugees who have already settled or intend to settle in Hungary.

Regional data collection and analysis

The survey is deployed in 11 countries: 6 neighboring countries (Belarus, Hungary, Poland, the Republic of Moldova, Romania, Slovakia), and 5 other countries (Bulgaria, Czechia, Estonia, Latvia and Lithuania) impacted by the arrival of refugees from Ukraine.

LIMITATIONS

The sampling framework was not based on verified figures of refugees from Ukraine entering through all land border points or staying in the various regions where the surveys are conducted, due to the lack of baseline information.

The geographic spread of enumerators deployed captures a wide range of locations. Whilst the overall results cannot be deemed as representative, the internal consistency of data collection in each country and at the regional level suggests that the current sampling framework produces findings of practical value.

While every attempt was made to capture all types of locations, the operational reality of fieldwork was confronted with different levels of accessibility of BCPs and other transit and stay locations, including the different availability of possible target individuals to comfortably spend 10-20 minutes responding to the questionnaire depending on a mix of personal conditions. Other factors more related to the conditions at a specific location and period, such as organizational changes in the entry and transit areas from national authorities, or wheather conditions, also play a role.

DTM

Displacement Tracking Matrix (DTM) is a system to track and monitor displacement and population mobility. The survey form was designed to capture the main displacement patterns of refugees of any nationality fleeing from Ukraine because of the war. It captures the demographic profiles of respondents and of the group they are travelling with, if any; it asks about intentions relative to the intended destinations and prospects in the country of displacement; it gathers information regarding a set of main needs that the respondents expressed as more pressing at the moment of the interview.

Since the onset of the war in Ukraine, several IOM's DTM tools were deployed in countries neighbouring Ukraine and in other countries particularly impacted by the new arrivals of refugees from Ukraine.

For more information, please consult:

<https://dtm.iom.int/responses/ukraine-response>



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