

## Challenges and way forward for children's services in Hungary

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Parental Childcare and Employment Policy: "Collision or Complementarity?"

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In Hungary, the system to support parents with young children includes leaves for insured and uninsured parents, paid at different levels; financial support in the form of family allowance and tax credit; and childcare services. These services include nurseries, called "*bölcsőde*" in Hungarian, for children under the age of three; kindergartens, called "*óvoda*" for those between the ages of 3 and 6; and family day care for children between 20 months and 14 years of age.

The different elements of the leaves available for parents to care for their child cover the period up to the child's third birthday. Parents who did not have a specific number of days spent in employment - therefore, are not insured - receive a flat sum. Those who are insured, - that is, had the required number of days - are paid at 70% of their previous earnings, up to a ceiling, until their child becomes two years old. Then, they receive the flat sum until the child become three years old. There is also a third element, for which those parents are eligible who have three or more children and the youngest child is between three and eight years of age. The payment for this is the same flat sum. Fathers can have five days of fully paid leave during the first two months after the birth of the child.

Nurseries and kindergartens are both public centers, providing full time care and education. Families pay only the cost of meals, but those in need have free or reduced priced meals. The ratio of the age group in nurseries is only about 11%, whereas the ratio in kindergartens is 85%. So, during the period covered by leaves, the majority of children are at home with a parent - mostly the mother. However, this cannot be taken for granted as a parental choice, since there are no nurseries in many parts of the country, and there are areas where there are no job opportunities either.

Parental childcare is supported by other ways as well. Many nurseries offer services, which are available for all parents living in the area. The most common ones are:

***Creche-service***: occasional care for children whose mother needs some time during the day or week for some reasons, such as distance working, study, every day chores, etc.

***Mother-toddler group***: where parents and children can spend some time together, play, and meet others on the premises of the nursery.

***Organized events for parents***: events usually tied to mother-toddler group meetings, experts are invited to talk about topics the parents are interested in, or ask for.

***Toy library***: where parents can take out a choice of toys, books and equipment.

***Take-away meals***: usually the kitchen of the nursery cooks pre-ordered meals for take away by parents living in the neighborhood.

***Home childcare***: Families can request a careworker to go to the child's home for a period of time when the parents need help in looking after the child.

***Advisory service for parents***: Regular parent group meetings, where topics of their choice or problems are discussed. In addition, any parent can seek personal advice in matters concerning his/her child.

Family day care also exists in Hungary. It is the form of childcare when someone cares for other people's children in her own home. The legislation and criteria for licensing family day care homes were developed in the early 1990's, with the idea of substituting nurseries and kindergartens in those settlements where centers cannot be maintained. Today, family day care means licensed homes, with maximum 5 children per adult. However, in 2007, there were only 205 family day care providers in the whole country. Why? The main problem is the difficulties of financing, since most families do not have enough income to cover the full cost of care, and there is limited public financing. Out of the 205 providers, 51 were public, and 154 were private or non-profit.

In the course of developing the family day care model during the 1990's, some concerns were addressed, which are still problematic today:

- What level of quality can be ensured in these homes?
- What kinds of support family day care providers could receive to get started and to operate?
- How it is possible to ensure a good balance between center-based care and family day care when the latter is cheaper for local authorities?

The debated issues covered setting standards, training and support, and the importance of finding the right balance between providing center-based and family-based childcare. The model was intended to be widely available so the requirements had to be suitable for "average homes" and ensuring the safety, and healthy development of children at the same time.

Good quality requires training. But what kind of training was to be requested? Professional training? If yes, was it to be that of a nursery worker who cares for children under the age of three, or that of a kindergarten teacher, or that of an elementary school teacher?

But perhaps the toughest issue was to make sure everyone understands the aim and functions of family day care, and how these differ from traditional center-based services.

Today, we have legislation that regulates the minimum criteria and licensing for family day care. These include the definition of fit person, the requirement for prospective providers to attend a 60 hours training course, and the criteria for the environment and the working with children.

So, our system looks almost ideal. The legislation might be, but problems with implementation arose, and we have to face many challenges. First of all, here is the question of **need- or supply-driven services**. Financing limitations allow only supply-driven services. As a result, there are not enough places for children younger than three years of age, although it is a legal duty for local authorities to ensure a place and to assess needs locally. Diversification is also a big challenge both in terms of NGO involvement and forms of childcare offered. The reasons are manifold, related to financing, and the attitude of the population. The majority of the services are still provided directly by local authorities, in spite of the legislation creating room and opportunity for other organizations to become involved. Only about 5% of the existing nursery and kindergarten places for children are maintained by the non-governmental sector. Earmarked funding covers about 30-40% of the full cost of a nursery or kindergarten place, parental payment comes to about 10% and someone has to supply the rest. It is easy to see that only local authorities can do it. On a national level, payments related to leaves, cost less than to set up and maintain nurseries.

At the same time, the dominant attitude of the population – according to several surveys – is that the best place for the young child is at home with the mother. Leaves seem more popular

than childcare services. Are they really? We do not know the answer, because the responses to surveys are biased by the fact that most families do not really have a choice. Because:

There are no other options than leaves in many places

A strong traditional belief exists that it is best for children under 3, to be at home with the mother

The take up of leaves comes with payment, whereas parents have to pay – however little it is - for nurseries and kindergartens

There are difficulties returning to work after the leave period, and

Generally, the knowledge about leaves is better than about children's services

The framework of Hungary's strategy is given by the EU Barcelona targets, the "Legyen Jobb a Gyermeknek" (Let It Be Better For Children) National Strategy and Action Plan, and the New Hungary Development Plan (2007-2013). These set the goals of supporting parents' labor market participation and developing services for children - including developing and better organizing childcare - as the main means of reducing poverty.

Currently, the way forward is defined in terms of integrating nursery and kindergarten services (The issue arose within the scope of the discussion about shortening the leave periods and increasing the number of available places for children under 3); promoting family day care (with more funding from local authorities or with higher parental payments), making space available for nursery groups in kindergartens; and changing the legislation to admit two year-olds into kindergartens.

These options might be a solution to greater access, but the question still remains, who will work with the young children? Presently, there is an aging workforce and no one knows who will replace them. The job is not prestigious and it is low paid. Young people are not likely to find it a good career option.