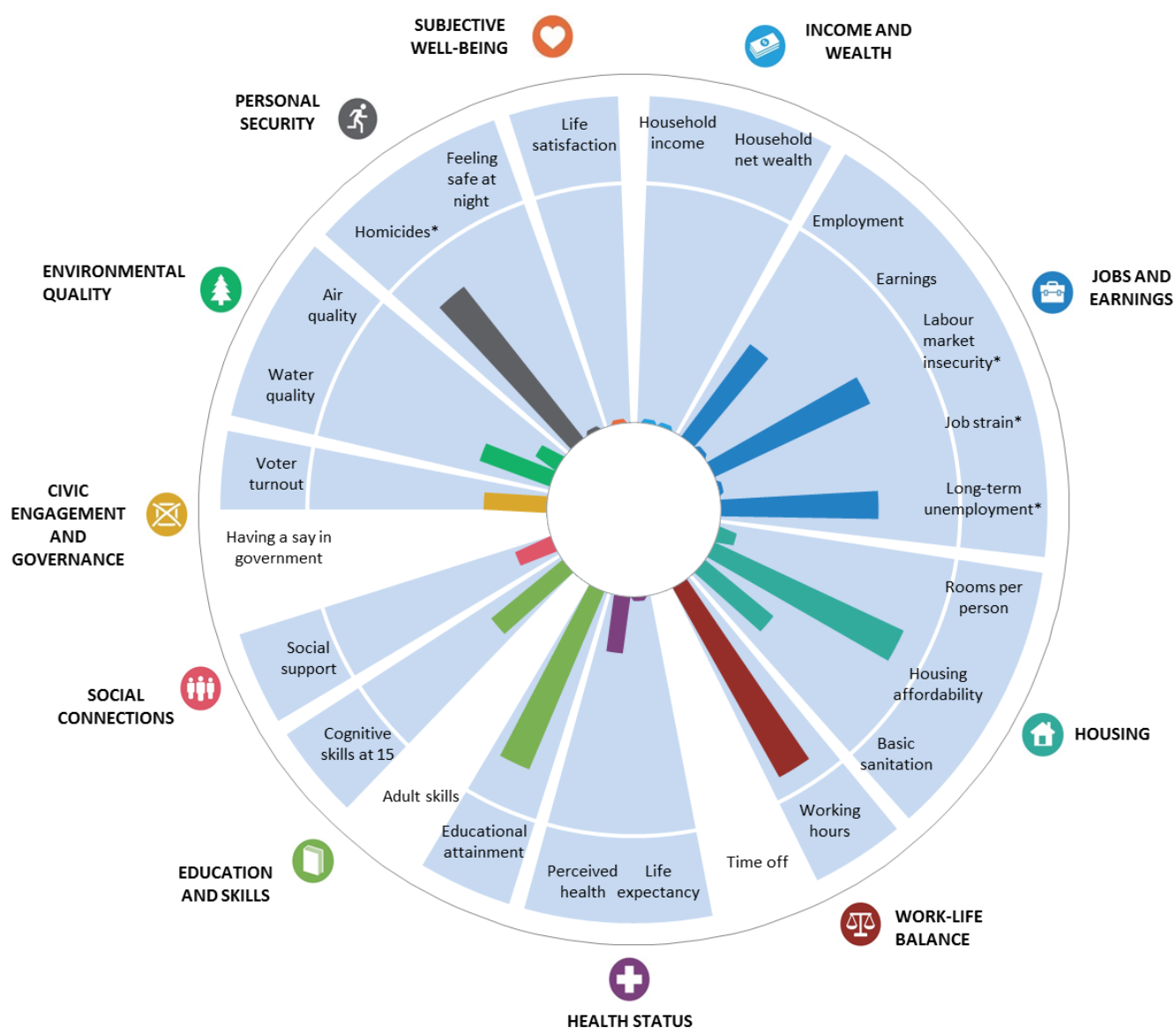


How's Life in Hungary?

Relative to other OECD countries, Hungary has a mixed performance across the different well-being dimensions. It has one of the lowest levels of **household net adjusted disposable income** in the OECD, as well as one of the lowest levels of **average earnings**. Hungary also suffers from one of the highest levels of job strain in the OECD, while the **long-term unemployment** rate, **labour market insecurity** and the **employment** rate are all close to the OECD average. Only around 3% of Hungarian employees regularly **work very long hours**, compared to an OECD average of 13%. **Housing affordability** is also a comparative strength: Hungarian households spend a smaller share of their disposable income on housing costs than in more than two-thirds of OECD countries. **Educational attainment** is relatively high in Hungary: 83% of the adult working-age population have completed at least an upper secondary education, compared to 75% in the OECD on average. However, both health status and **feelings of safety** are areas of comparative weakness.

Hungary's average level of current well-being: Comparative strengths and weaknesses














Note: This chart shows Hungary's relative strengths and weaknesses in well-being when compared with other OECD countries. For both positive and negative indicators (such as homicides, marked with an "**"), longer bars always indicate better outcomes (i.e. higher well-being), whereas shorter bars always indicate worse outcomes (i.e. lower well-being). If data are missing for any given indicator, the relevant segment of the circle is shaded in white.

Additional information, including the data used in this country note, can be found at:


www.oecd.org/statistics/Better-Life-Initiative-2017-country-notes-data.xlsx


Change in Hungary's average well-being over the past 10 years


Dimension	Description	Change
 Income and wealth	Having fallen between 2006 and 2010, the average household net adjusted disposable income in Hungary has now recovered to its 2005 level.	↔
 Jobs and earnings	Since hitting a low in 2009-2010, the employment rate has picked up and is now almost 10 points higher than a decade ago. Earnings fell from 2008 to 2014, improving only slightly since 2015 – and they are now a par with previous 2005 levels. Labour market insecurity peaked at 11% in 2012, and despite falling since then, it remains one point higher than in 2007. Long-term unemployment made a comparatively swift recovery from the crisis, and (at around 2%) it is now below its 2005 level. Job strain has also improved in the past 10 years, with the share of employees affected falling from 57% in 2005 to 52% in 2015.	↗ ↔ ↘ ↗ ↗
 Housing conditions	The average number of rooms per person has improved marginally over the past decade, and so has housing affordability. The percentage of people living in dwellings without basic sanitary facilities has fallen by 2 points since 2005, but remains twice the OECD average level.	↗ ↗ ↗
 Work-life balance	At 3%, the share of employees regularly working 50 hours or more per week is slightly less than 2 points lower today than it was 10 years ago. The rate fell considerably between 2005 and 2012, but then picked up again until 2015.	↗
 Health status	Despite a slight fall between 2014 and 2015, life expectancy at birth has increased by half a year overall since 2012 (the earliest year for which comparable data are available). The proportion of Hungarians reporting that their health is “good” or “very good” has gone up from 45% to 56% over the decade.	↗ ↗
 Education and skills	Between 2005 and 2016, there has been a sustained improvement in the share of working-age adults who have attained at least an upper secondary education: at 83.4% in 2015, it was 7 points higher than in 2005.	↗
 Social connections	Over the last 10 years, Hungary recorded the largest decline in social support in the OECD, with the share of people feeling that they have someone to count on falling from 93% to 84%.	↘
 Civic engagement	Voter turnout has progressively declined over the past decade. In the 2014 parliamentary elections, the percentage of votes cast among the population registered to vote stood at 62%, 6 points lower than in 2006, and 3 points lower than in 2010.	↘
 Environmental quality	Satisfaction with local water quality has remained relatively stable since 2005-2007, and is still below the OECD average. Annual exposure to PM _{2.5} air pollution has meanwhile remained stably high over the decade, at a level approximately one-third higher than the OECD average.	↔ ↔
 Personal security	The proportion of deaths due to assault has fallen considerably compared to 10 years ago. However, the percentage of the population declaring that they feel safe when walking alone at night has also declined, and (at 51%) is currently the second lowest in the OECD.	↗ ↘
 Subjective well-being	Life satisfaction has improved slightly over the past decade, but it remains well below the OECD average.	↗


Note: For each indicator in every dimension: ↗ refers to an improvement; ↔ indicates little or no change; and ↘ signals deterioration. This is based on a comparison of the starting year (2005 in most cases) and the latest available year (usually 2015 or 2016). The order of the arrows shown in column three corresponds to that of the indicators mentioned in column two.

Hungary's resources and risks for future well-being: Illustrative indicators

 Natural capital		
Indicator	Tier	Change
Greenhouse gas emissions from domestic production	1	↗ 2005-2015
CO ₂ emissions from domestic consumption	1	↗ 2001-2011
Exposure to PM _{2.5} air pollution	3	↗ 2005-2013
Forest area	2	↔ 2005-2014
Renewable freshwater resources	1	.. Long-term annual avg
Freshwater abstractions	2	.. 2012
Threatened birds	1	.. Latest available
Threatened mammals	3	.. Latest available
Threatened plants	1	.. Latest available

 Human capital		
Indicator	Tier	Change
Young adult educational attainment	2	↘ 2014-2016
Educational expectancy	3	.. 2015
Cognitive skills at age 15	3	.. 2015
Long-term unemployment	2	↗ 2005-2016
Life expectancy at birth	3	↗ 2012-2015
Smoking prevalence	3	↔ 2009-2014
Obesity prevalence	3	↘ 2009-2014
No data available on adult skills.		

 Economic capital		
Indicator	Tier	Change
Produced fixed assets	3	↗ 2005-2014
Gross fixed capital formation	3	↘ 2005-2016
Financial net worth of total economy	3	↔ 2005-2016
Intellectual property assets	3	↗ 2005-2014
Investment in R&D	2	↗ 2005-2015
Household debt	1	↔ 2005-2015
Household net wealth	3	.. 2014
Financial net worth of government	3	↘ 2005-2016
Banking sector leverage	1	↔ 2005-2015

 Social capital		
Indicator	Tier	Change
Trust in others	3	.. 2013
Trust in the police	2	.. 2013
Trust in the national government	3	↔ 2005-2016
Voter turnout	3	↘ 2006-2014
Government stakeholder engagement	3	.. 2014
No data available on volunteering through organisations.		

1	Top-performing OECD tier, latest available year
2	Middle-performing OECD tier, latest available year
3	Bottom-performing OECD tier, latest available year

↗	Improving over time
↘	Worsening over time
↔	No change
..	No data available

HOW LARGE ARE WELL-BEING INEQUALITIES IN HUNGARY?

What is inequality and how is it measured? Measuring inequality means trying to describe **how unevenly distributed** outcomes are in society. *How's Life? 2017* adopts several different approaches:

- Measures of “**vertical**” inequalities address how unequally outcomes are spread across all people in society – for example, by looking at the size of the gap between people at the bottom of the distribution and people at the top.
- Measures of “**horizontal**” inequalities focus on the gap between population groups defined by specific characteristics (such as men and women, young and old, people with higher and lower levels of education).
- Measures of “**deprivation**” report the share of people who live below a certain level of well-being (such as those who face income poverty or live in an overcrowded household).

Compared to other OECD countries, **vertical inequalities** in Hungary tend to be large. The widest disparities are found in areas such as earnings, the cognitive skills of 15-year-old students, life satisfaction, and feelings of having a say in government. By contrast, the incidence of very long working hours is more evenly distributed than on average in the OECD.

The **gender gap** in Hungary tends to be large, with Hungarian women often faring worse than men in terms of well-being outcomes, compared to the OECD average. For example, Hungarian women are almost 20% less likely than men to be employed, and 10% less likely to report a “good” or “very good” health. They also experience greater than average disadvantages in terms of educational attainment and feelings of safety. However, the low pay gap is smaller than for several other OECD countries.

The performance of **young adults** with respect to the **middle-aged** is mixed. For example, gaps in income and jobs (which favour older workers in all OECD countries) are larger than on average. However, in net wealth and earnings, young Hungarians experience lower disadvantages than on average in the OECD.

People with a **tertiary education** tend fare better than those without across a wide range of well-being outcomes. Compared to other OECD countries, these **education-related gaps** are often large in Hungary. For instance, those with **secondary** education are, on average, almost 40% less wealthy, over 60% more likely to be unemployed, and 10% less satisfied with their lives than those who attained tertiary education.

Hungary suffers from a comparatively high share of well-being **deprivations**, with 12 out of 18 deprivation indicators ranked in the bottom (most deprived) third of OECD countries. This includes all available indicators of subjective well-being, personal safety, environmental quality, civic engagement and social connections. By contrast, a comparatively low share of Hungarians work very long hours.

Well-being inequalities in Hungary

	Vertical inequality	Horizontal inequality by			Deprivation
		Gender	Age	Education	
		Women relative to men	Young relative to middle-aged	Secondary relative to tertiary	
Household income	●		●		●
Household net wealth	●		●	●	●
Earnings	●	●	●	●	
Low pay		●			●
Employment		●	●	●	
Unemployment		●	●	●	●
Housing affordability					●
Rooms per person					●
Life expectancy	●				
Perceived health		●	●	●	●
Working hours	●	●	●	●	●
Time off		●	●		
Educational attainment		●	●		●
Cognitive skills at 15	●	●		●	●
Adult skills	○	○	○	○	○
Time spent socialising		●	●		
Social support		●	●	●	●
Voter turnout		○	○	○	●
Having a say in government	●	○	○	○	○
Air quality					●
Water quality		●	●	●	●
Homicides		●			●
Feeling safe at night		●	●	●	●
Life satisfaction	●	●	●	●	●
Negative affect balance					●

Legend:

- top third of OECD countries
- middle third of OECD countries
- bottom third of OECD countries
- data gaps
- no measures

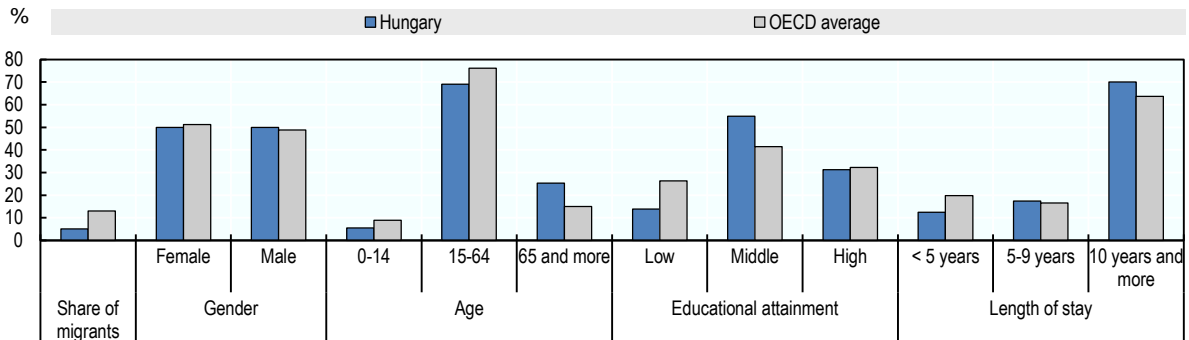
HOW'S LIFE FOR MIGRANTS IN HUNGARY?

Migrants (defined as people living in a different country from the one in which they were born) represent an important share of the population in most OECD countries. Capturing information about their well-being is critical for gaining a fuller picture of how life is going, and whether it is going equally well for all members of society.

Who are the migrants in Hungary and OECD?

Less than one in twenty people living in Hungary (5%) were born elsewhere, far below the OECD average (13%), and 50% of them are women (51% for the OECD average). Migrants in Hungary are less likely to be of working age than in the OECD on average (69% of them are aged 15 to 64, as compared to 76% across the OECD), and are more likely to have a middle educational attainment than a low or a high level. 70% of migrants arrived in Hungary ten years ago or more.

Share of migrants in the total population and selected characteristics

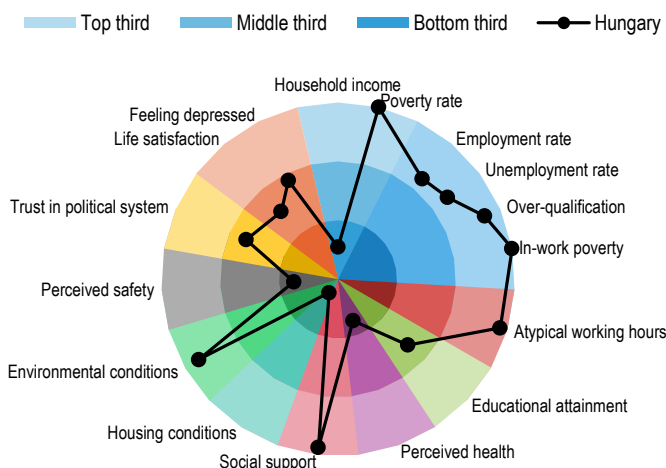


How is migrants' well-being in Hungary?

When compared with the migrant populations of other OECD countries, migrants living in Hungary have a relatively good situation for 8 out of 16 selected well-being indicators. Moreover, migrants settled in Hungary rank in the middle third of OECD-country migrants for educational attainment, trust in the political system, life satisfaction and feeling depressed. They are in the bottom third for household income, perceived health, perceived safety, and housing conditions.

In contrast with many other OECD countries where migrants tend to experience lower well-being outcomes than the native-born, migrants in Hungary are more likely to have similar well-being outcomes as the native-born population: in Hungary, this is the case for 4 out of 10 selected well-being indicators. However, migrants in Hungary have a lower level than the native-born for household income, housing conditions and feeling depressed, while they have a better situation for atypical working hours, trust in the political system and life satisfaction than the native-born.

Comparing well-being outcomes for migrants in Hungary with the migrant populations of other OECD countries



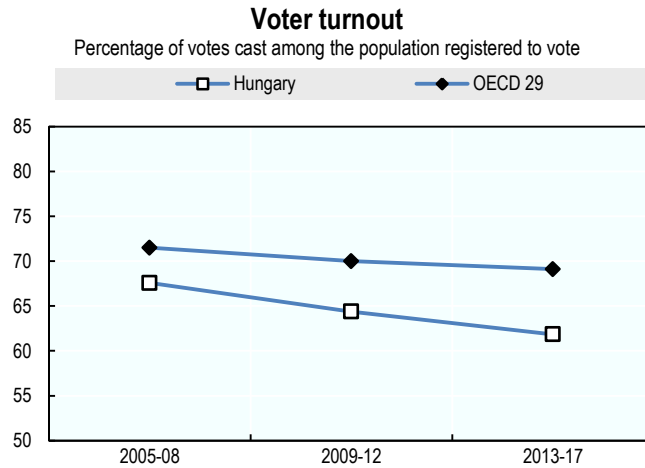
Comparison of migrants' and native-born well-being in Hungary

	Migrants have a worse situation	Same situation	Migrants have a better situation
Household income	▲		
Atypical working hours			▲
Perceived health		▲	
Social support		▲	
Housing conditions	▲		
Environmental conditions		▲	
Perceived safety		▲	
Trust in political system			▲
Life satisfaction			▲
Feeling depressed	▲		

GOVERNANCE AND WELL-BEING IN HUNGARY

Public institutions play an important role in well-being, both by guaranteeing that people’s fundamental rights are protected, and by ensuring the provision of goods and services necessary for people to thrive and prosper. How people experience and engage with public institutions also matters: people’s political voice, agency and representation are outcomes of value in their own right.

On average, 33% of the population in OECD member countries feel that they have a say in what their government does. In recent years, voter turnout in Hungary has decreased, with almost 62% of the population voting in 2014 compared to nearly 68% in 2006. When asked about whether or not corruption is widespread across government, 81% of Hungarians answered "yes", which is higher than the OECD average of 56%. Since around 2006, the share of people in the OECD who report that they have confidence in their national government has fallen from 42% to 38%.



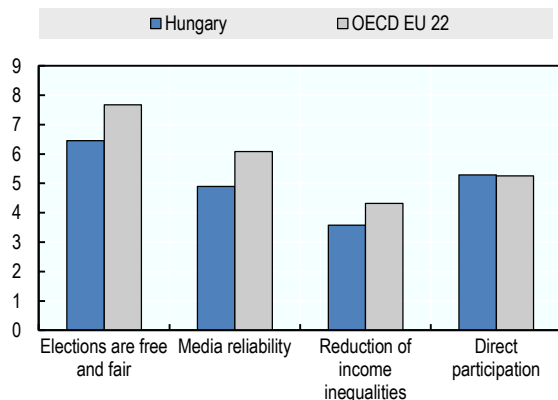
Note: Data refers to parliamentary elections. If more than one election took place over the time period indicated, the simple average voter turnout from all elections is shown. The OECD average sums elections that occurred over the time periods shown in 29 OECD countries.

Source: IDEA dataset

Overall, Hungarians’ satisfaction with the way democracy works in their country is below the European OECD average level. People in Hungary tend to be less satisfied than the OECD average with the freedom and fairness of their elections (6.4 on a 0-10 scale) or with policies to reduce inequalities (3.6). Hungarians are, however, as satisfied as the OECD average with the existence of direct participation mechanisms at the local level (5.3). Meanwhile, satisfaction with public services varies according to whether people have used those services in the last year: people with direct recent experience of using health and education services tend to be more satisfied than those without. In Hungary, satisfaction with health and education services is generally below the OECD European average level.

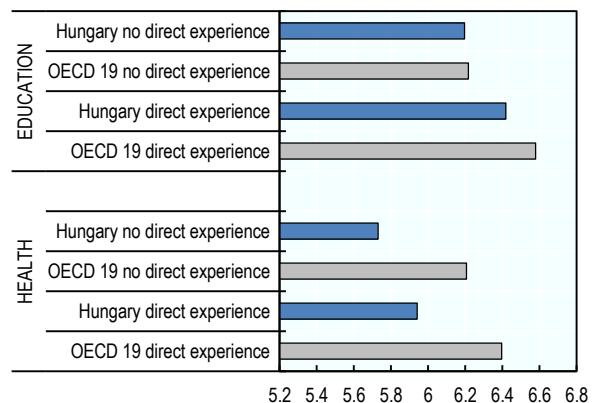
People’s satisfaction with different elements of democracy

Mean score on a 0-10 scale, with higher scores indicating higher satisfaction with elements of democracy, 2012



Satisfaction with public services by direct experience

Mean score on a 0-10 scale, with higher scores indicating higher satisfaction, 2013



Source: OECD calculations based on wave 6 of the European Social Survey (ESS), special rotating module on citizens’ valuations of different elements of democracy.

Source: OECD calculations based on the EU Quality of Government (QoG) for 19 European OECD countries.

BETTER LIFE INDEX

The **Better Life Index** is an interactive web application that allows users to compare well-being across OECD countries and beyond on the basis of the set of well-being indicators used in *How's Life?*. Users chose what weight to give to each of the eleven dimensions shown below and then see how countries perform, based on their own personal priorities in life.

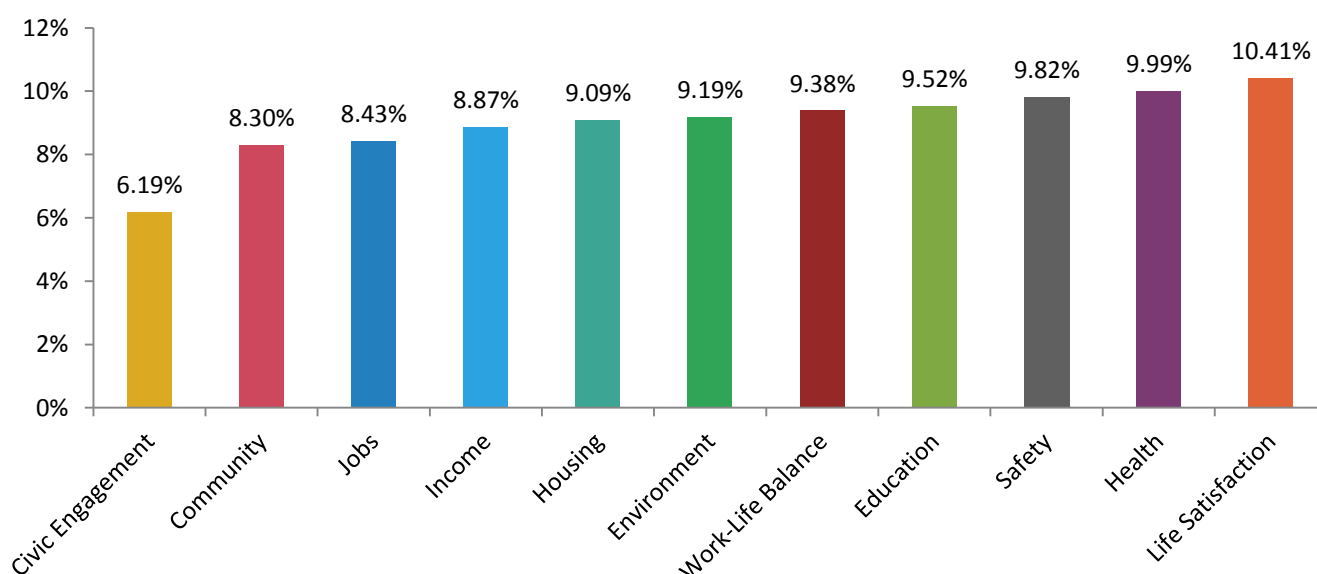


Users can also share their index with other people in their networks, as well as with the OECD. This allows the OECD to gather valuable information on the importance that users attach to various life dimensions, and how these preferences differ across countries and population groups.

WHAT MATTERS MOST TO PEOPLE IN HUNGARY?

Since its launch in May 2011, the Better Life Index has attracted **over ten million visits from just about every country on the planet** and has received over **22 million page views**. To date, over 62,300 people in Hungary have visited the website making Hungary the 34th country overall in traffic to the website. The top cities are Budapest (66% of visits), Debrecen, Szeged, Pecs and Gyor.

The following country findings reflect the ratings voluntarily shared with the OECD by 1,134 website visitors in Hungary. Findings are only indicative and are not representative of the population at large. **For Hungarian users of the Better Life Index, life satisfaction, health and safety are the three most important topics** (shown below).¹ Up to date information, including a breakdown of participants in each country by gender and age can be found here: www.oecdbetterlifeindex.org/responses/#HUN.



¹ User information for Hungary is based on shared indexes submitted between May 2011 and September 2017.

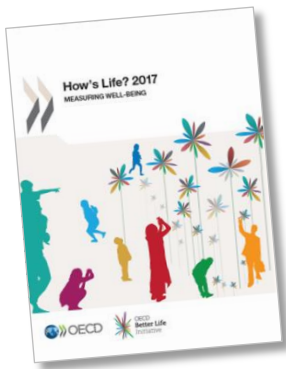
The **OECD Better Life Initiative**, launched in 2011, focuses on the aspects of life that matter the most to people and that shape the quality of their lives. The Initiative comprises a set of regularly updated well-being indicators and an in-depth analysis of specific topics, published in the *How's Life?* report. It also includes an interactive web application, the *Better Life Index*, and a number of *methodological and research projects* to improve the information base available to understand well-being levels, trends and their drivers.

The OECD Better Life Initiative:

- Helps to inform policy making to improve quality of life.
- Connects policies to people's lives.
- Generates support for needed policy measures.
- Improves civic engagement by encouraging the public to create their own *Better Life Index* and share their preferences about what matters most for well-being
- Empowers the public by improving their understanding of policy-making.

This note presents **selected findings for Hungary from the *How's Life? 2017* report** (pages 1-6) and shows what **Hungarian users of the Better Life Index** are telling us about their **well-being priorities** (page 7).

HOW'S LIFE?



How's Life?, published every two years, provides a comprehensive picture of well-being in OECD and selected partner countries by bringing together an internationally comparable set of well-being indicators. It considers eleven dimensions of current well-being including: income and wealth; jobs and earnings; housing; health status; work-life balance; education and skills; social connections; civic engagement and governance; environmental quality; personal security; and subjective well-being. It also looks at four types of resources that help to sustain well-being over time: natural, human, economic and social capital.

The *How's Life? 2017* report presents the latest data on well-being in OECD and partner countries, including how lives have changed since 2005. It includes a special focus on inequalities, the well-being of migrants in OECD countries, and the issue of governance – particularly how people experience and engage with public institutions. To read more, visit: www.oecd.org/howslife.

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