Hungarian family policy guarantees generous and long childcare leave. Leave is paid in all cases, irrespective of whether the mother worked before childbirth or not. Mothers who were previously employed receive 70% of their income for two years (with an upper limit) but they are not allowed to work for pay during this period. Mothers who were not employed receive a small flat-rate allowance for three years and they are allowed to have a paid work after the first birthday of the child.

Several studies have shown that childbearing propensity is higher in those European countries where female labour force participation is high and mothers with small children can make a flexible choice about whether they want to work and for how many hours besides childrearing. The low number of crèches and the social norm that mothers should take care of their children until they reach two or three years of age do not favour employment after childbirth in Hungary.

As part of the international Generations and Gender Project, the Turning Points of the Life Course survey enables us to analyse the economic activity of mothers before and after their children are born. Data analysis reveals that the labour market participation of women before the birth of the first child is quite high as almost three out of four women work. However, women leave the labour market for a relatively long time period after childbirth. For example only about 22% of mothers enter the labour market before the second birthday of the child. Given that the period of child-care fee “GYED” ends when the child becomes two years old, this ratio somewhat increases later. Conversely, four years after childbirth about 30–40% of mothers are still inactive, depending on parity.

Cumulative frequency of mother’s return to labour market after childbirth in Hungary according to the child’s birth rank and with relation to paid leave after childbirth

- 6 months: end of maternity leave
- 24 months: end of parental leave “GYED”: allowance paid to mothers who worked before childbirth. The amount is based on their previous income (with a fixed upper limit)
- 36 months: end of parental leave GYES: flat-rate allowance paid to all mothers (those who got GYED for 2 years can get GYES during the third year)