PREFACE AND MAIN FINDINGS of the *Demographic Portrait of Hungary* 2012: Report on the Conditions of the Hungarian Population.

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#### **PREFACE**

Three years have passed since the researchers of the Demographic Research Institute of the Hungarian Central Statistical Office (HCSO) wrote and published the previous demographic portrait of Hungary, which discussed the demographic processes of the country. The aim of the 2012 issue is similar: to offer basic knowledge and accurate interpretations, supported by data and based on solid scientific analyses, for the benefit of all interested in the subject in a concise and easily understandable way.

The volume is basically characterized by continuity, i.e. it relies on the previous one, preserving its subject matter and structure but introducing considerable novelties. The volume consists of 12 chapters, covering all major fields of demography: fertility, nuptiality, mortality, ageing, and migration. The chapters on these topics concentrate on introducing and interpreting the fundamental processes of the Hungarian society. Others like those dealing with family policy or retirement aim at introducing the current state of the relevant institutional system. And last but not least, population projection is also included, which is probably the most popular and most debated issue of demography.

The structure of the chapters is uniform, as far as the subject and the available data made it possible. All topics are discussed in international comparison as we are convinced that this perspective is indispensable to better understand the Hungarian phenomena. We find it especially important to compare results not only with Western European countries but also with former socialist ones. Although we are interested in current processes (i.e. the previous two or three years), it is often indispensable to refer to earlier developments as well, mostly to the period beginning with 1989–1990. Tendencies of even earlier periods are only mentioned in certain special cases.

<sup>&</sup>lt;sup>1</sup> The whole volume can be downloaded soon from the English website of the Demographic Research Institute: http://www.demografia.hu/english/

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Demography can be considered a 'lucky discipline' of empirical social science as it can rely on a huge number of data and the events it deals with are relatively standardized and can easily be interpreted in international comparison. For our present purposes we used three basic types of data sources, which differ in nature. As regards births, marriages, divorces, and deaths we relied on the vital statistics regularly produced and published by the HCSO. The second important sources were national censuses taken every ten years. Unfortunately, the results of the latest Hungarian census of 2011 are not available yet. Waiting for them would have considerably delayed the publication of the present volume and we could not have fulfilled our promise to publish a similar publication every three years. Our third source is the survey Turning Points of the Life Course by the Demographic Research Institute. This project of data collection and research enables us to make a dynamic analysis by following a certain group of people and taking a survey of the changes in their living conditions and values every three or four years. This project is part of the international Generations and Gender Programme (GGP), which offers a framework for studying the major demographic phenomena in several European countries using the same methodology. Further sources were used as well, e.g. European Social Survey. All references are, naturally, duly indicated.

We hope that this publication will meet the demands of the representatives of several fields and professions. It may prove useful for decision makers in social policy, researchers, university professors, students, the press, and, hopefully, the general public interested in population issues.

### MAIN FINDINGS

# Characteristics of Partnerships

The past two decades can be characterized by a decrease in the number of marriages. Between 1990 and 2011 the number of first marriages decreased by 50 per cent and that of remarriages by 36 per cent. The total first marriage rate for women is 0.39, which means that the majority of women (61%) will never get married if this tendency prevails.

The mean age at first marriage is steadily rising. In 2010 it was 28.7 years for women and 31.4 years for men, which means a rise of 6.7 years with regard to both sexes as compared to the data of 1990.

Public opinion considers trial marriage the most recommended form of partnership for young people and the preference for marriage without previous cohabitation is gradually decreasing. Cohabitation as the final form of partnership is slightly increasing but it still cannot be regarded as overly popular.

Raising children in a family by of married parents is no longer a primary issue in the assessment of various forms of partnerships. While earlier the overwhelming majority of the population deemed the legalization of the parents' relationship necessary and important, today this view is definitely a minority opinion.

#### Divorce

The total divorce rate, which is an estimate of marriages ending in divorce, steadily increased between 1990 and 2007, reaching 0.45, then stagnated until 2010. This means that almost half of the marriages contracted in 2007 and in the following years are likely to break up.

The average duration of dissolved marriages is rising, too. In 2010 couples broke up after having been married for 12.9 years on average, so the duration of dissolved marriages grew by six months in three years. The rate of divorces following long marriages has similarly increased. While in 1990 only 14.6 per cent of all divorces terminated a marriage of 20 years or more, in 2000 this rate was already 21.6 per cent, and in 2010 it reached 27.5 per cent. Between 2007 and 2010 the increase was 3 percentage points.

Public opinion polls indicate that the attitude towards dissolved partnerships has considerably changed in the past 15 years. The requirement that parents should stay together in the best interest of their children has definitely lost its force.

Cohabitations are more likely to break up than marriages. Every third cohabitation terminates within five years, while only 10 per cent of all marriages dissolve in the first five years. 28 per cent of couples living in cohabitation still live in consensual union in the fifth year of their partnership but nearly 40 per cent marries their partners in the meantime.

### Fertility

At present, fertility in Hungary is the lowest in Europe and, in fact, in the whole world.

The tendency of having children at an ever higher age has continued in the discussed period. The mean age of mothers at birth reached 30 years in 2011, which is the average age in the European Union.

The key factors contributing to the postponement of childbearing are the longer period of education, the shift in the forms of partnerships, the decreasing popularity of marriage, and the difficulties of making an independent living.

The rate of college or university graduates is rapidly growing among mothers, which is one of the causes why reconciling work and motherhood is more important than ever.

It is highly probable that the rate of parents with two children will decrease and the rate of childlessness will increase, just as the ratio of couples with one or three children.

A significant portion of planned children are not born. Only one third of couples are able to fulfil their childbearing intentions in the short run (within three years). This rate is much lower in Hungary than in Western Europe.

Family Support System - Childraising - Employment

The Hungarian family support system is very generous and prefers children being cared for at home by their mothers until the age of 3. While employed parents get means-tested child-care fee (GYED) for two years after the birth of the child, unemployed and inactive ones get child-care allowance (GYES) for three years, which is a fixed sum and usually much less than the former one.

Besides these two major forms of support, family allowance provided for all families, childrearing support (GYET), and the reorganized family tax relief can be considered as the core of the Hungarian family support system. Hungary spends more on these allowances in proportion to its GDP than the European countries in general.

Mothers usually do not have paid work when they take care of their children aged under 3, which is due to the inflexibility of family policies and the labour market, which rarely make part-time jobs possible.

Trends in Cause-Specific Mortality

Hungary produces a considerable surplus mortality, not merely as compared to the most developed countries of the European Union but also to the other new Member States.

Mortality among men younger than 65 is 2.5 times higher than in the most developed EU states and 1.2 times higher than in the countries joining the EU in 2004 and 2007. The mortality rate of young to middle-aged men is, however, slowly decreasing. The relative mortality disadvantage of men above 65 is more moderate but still considerable: it is 1.5 times higher than the respective data in the most developed countries but just a few per cent higher than the average mortality rate of the countries joining the Union in 2004 and 2007.

High mortality in Hungary mainly follows from the high number of cardiovascular deaths, especially deaths due to ischaemic heart diseases.

Earlier experience shows that economic recession influences mortality primarily among vulnerable social groups. Should the trends influencing the whole population stagnate in the meantime, it may contribute to the deepening of the social discrepancies of mortality.

#### Social Disparities in Health Status

In 2009 there were considerable differences in the health status of various social groups. A person's state of health closely correlates with the level of his or her education and income. The health status of people in the lowest two income quintiles is especially poor.

Between 2001 and 2009 the only group in which health did not deteriorate was middle-aged people with higher education. At the same time, the situation changed for the worse among people aged 25-54 with primary education to an especially great degree.

According to the latest health survey of 2009, people suffered from 2.8 health issues on average. High blood pressure was the most frequent (32.5 per cent), followed by musculoskeletal disorders and psychical problems.

In the case of issues that are more frequent among people of lower social status, the level of education made a major difference regarding high blood pressure, chronic anxiety and diabetes, whereas income differences mattered more in the case of arrhythmia, cardiac infarction and tumours. In the case of other illnesses or issues both factors make their influence felt.

In the field of secondary prevention, taking blood pressure is the only method available for nearly all citizens.

### Ageing

Today, every sixth Hungarian person is aged above 65.

In international comparison, Hungarian society does not belong to the oldest societies of the Continent, whose main reason is the unfavourable mortality rates among the middle-aged and the elderly.

In the past two decades, the life expectancy of old people has considerably improved. Between 1990 and 2010, the life expectancy of men and women at age 65 grew from 12 to 13.8 years and from 15.3 to 17.6 years, respectively. The present level of old age life expectancy is, however, far below the levels in Western and East Central Europe. The processes of the recent years do not show signs of a catch-up.

Being alone is a characteristic of the elderly; however, in Hungary hardly more than 10 per cent of persons above 65 feel often or permanently lonely.

## Pension System and Retirement

At the beginning of 2011 the number of people receiving pension or some pension-type benefits was 2,921,000. The number of pensioners was steadily growing between 1990 and 1999, slowly decreasing and stagnating between 1999 and 2008, and drastically decreasing after 2008.

In 2011 the largest group of pensioners was people above retirement age receiving old-age pension. They numbered 1,462,000. Old-age pensioners below retirement age totalled 238,000. The second largest group was people receiving disability pension, numbering 722,000. 47 per cent of them have not reached retirement age.

In 2010 state expenditure on pensions amounted to nearly 11 per cent of the Hungarian GDP (3,043.8 billion HUF).

The average pension was 86,000 HUF, which was 65 per cent of the average net income for that year. This rate can be considered high in European comparison.

The rate of pensioners living in income poverty is lower than the national average. In 2010, the rate of pensioners who lived below the poverty line was 4 per cent.

## Household and Family Structure

The major change affecting the structure of households was a considerable increase in the number and rate of one-person households. Between 1990 and 2005, their rate grew from 24 to 29 per cent. In 2005, 1,163,000 households fell into this category, which meant that 12 per cent of the population lived alone. Two thirds of them were women. Every second woman above 70 lives alone and their overwhelming majority is widowed. The largest group among men living alone is unmarried men, followed by divorcees and widowers.

The rate of couple-type families decreased from 80 per cent in 1990 to 71 per cent in 2005, while the 5 per cent of cohabiting couples gradually tripled during the period. The rate of lone-parent families increased from 15.6 to 16.8 per cent, with families consisting of mother and child growing from 80 to 87 per cent within the category.

Childlessness is more common in cohabiting than married unions, and the rate of couples with two children is smaller within the former group. Among families with children, married couples have the highest number of children.

In the period between 2003 and 2008, 9 per cent of newborn babies arrived into lone-parent families. Until they turned 15, 27 per cent of children experienced living in a lone-parent family, spending an average of 23 months in such a household. 7 per cent of them already lived in a so-called mosaic family that includes a stepparent and possibly also half- or stepsiblings. However, in the mid-2000s the majority (73 per cent) of 15-year-olds still lived with their biological parents.

### **Internal Migration**

In the first half of the 1990s, internal migration continued to decrease, reaching its nadir in 1994 with 360,000 movements. From the second half of the 1990s internal migration stagnated around 400,000, then it suddenly increase in 2006 and 2007 but the increase did not prove to be lasting. Due to the crisis beginning in 2008, the number of migrations fell back to the level of the mid-1990s.

The intensity of migration greatly differs by age group. Irrespective of the type of migration, probability it is the highest among persons aged 20–29. Those under 19 are more mobile as regards temporary migration, while in the case of permanent migration this applies to those aged 30–39. The intensity of migration tends to decrease considerably among people above 40.

Comparing the lure of various types of settlements, we can find that the capital, Budapest is more attractive than villages and towns. It is primarily the capital and the sub-regions belonging to its commuter belt that profited the most from migration. The majority of highly urbanized regions (cities with county status) are similarly characterized by a positive migration balance.

Data on net migration show that Budapest extremely centralizes the movement of the population. The economic crises directed migration towards this central region, enjoying more favourable conditions in the labour market. At the same time, the role of regional centres seems to be more moderate, just like migration from the East to the West.

## International Migration

Following the accession of Hungary to the European Union in 2004, at first a slight growth could be observed in the number of immigrants, then the rise became dramatic due to the changing legal regulations in 2008. The number of immigrants rose to 35,000 that year.

The distribution of immigrants by sending countries changed as well. The rate of people arriving from the neighbouring countries – especially Romania – has decreased lately. The rate of immigration from Romania was 50-57 per cent in the early 2000s, then it fell below 30 per cent after 2007. However, the rate of people coming from the EU15 and from Asia has increased.

Immigrants still belong to younger age groups but the rate of older age groups has increased since the early 1990s.

Immigration into Hungary can be called modest in European comparison as regards both the number and the rate of immigrants per 1000 inhabitants.

The mirror-statistics of the destination countries indicate that the number of emigrants from Hungary grew after the accession, especially after 2007. The number of Hungarian citizens residing in various European countries in 2011

was about 148,000 (by nearly 60,000 more than in 2001). Two thirds of them lived either in Germany (50 per cent) or Austria (15 per cent).

Structure and Future of the Hungarian Society

The population of Hungary has been shrinking ever since the early 1980s. Between 1981 and 2012 it decreased by nearly 750,000, out of which a loss of about 70,000 took place in the past three years.

Besides the overall process of demographic ageing, the age structure is characterized by the decreasing rate of young people. Between 2009 and 2012 these processes continued, so today nearly one quarter of the population is above 60 and every sixth person is aged 65 or more, whereas the rate of those under 20 is merely one fifth.

The ageing index is steadily rising. The number of persons aged 60 or more has been higher since 2007 than the number of young people under 20. At present, the difference is 12 per cent.

According to the latest population projections, a further decrease and an ever stronger ageing process can be expected. By 2060 the number of the population will decrease by one and a half million, the rate of the old people (60+) will approach 40 per cent, and the number of old people will be more than double than the number of those under 20.