# Remote Working in Hungary: Will We Ever See Our Offices Again?



he COVID-19 pandemic changed employment and the workplace in Hungary in a major way, and these changes could prove permanent. Not only did the pandemic see many small businesses shut down - even the biggest, most essential businesses had to face major changes. This is because the 'workplace' as we know it is gone, replaced partially with the comforts of our own living rooms and bedrooms. With the first shipments of vaccines being distributed at the time of writing this article, the question rises: Is it time for the Hungarian workforce to return to the office? Or, perhaps, the days of the traditional workplace are over.

A large portion of the workforce, not just in Hungary, but all over Europe and the rest of the world, had their employment situation change drastically – often times for the worse. Corporate downsizing, business closures, halted sectors such as tourism or entertainment, work overload, workforce spillover between sectors and numerous other events all took a toll on the "working man".

However, the COVID-19 pandemic also had some positive impacts. One might argue that the workplace regulations that were adopted to protect the health of employees helped optimize workload and working hours as well. Another positive impact is that geographical location became less limiting for jobseekers, as more and more companies and businesses switched to remote working as a result of the pandemic – and many will consider keeping the current system or switching to a hybrid allocation of workplace and remote labor once the pandemic is over.

### WILL WE EVER SEE OUR WORK OFFICES AGAIN?

This study has two main goals. The first will be to investigate the Hungarian workforce situation, and how it might redistribute itself NOT ONLY DID THE PANDEMIC SEE MANY SMALL BUSINESSES SHUT DOWN – EVEN THE BIGGEST, MOST ESSENTIAL BUSINESSES HAD TO FACE MAJOR CHANGES

in the post-pandemic world. To do this, a look at the data collected by the Hungarian Central Statistical Office regarding the state of the workforce before and during the pandemic – such as unemployment, remote jobs and labor migration, – shall be taken. Second, some light needs to be shed onto COVID-19's effect on Hungarian (labor) migration both domestically and internationally, as this is a topic of great interest to Hungarian politics.

In order to attempt answering the question of "Will we ever see our offices again?", one must first address the following issue: who are the affected workers, how many of them could there be, and where will they end up after the COVID-19 pandemic? Can we provide an approximation as to how many Hungarians will never see their prepandemic workplaces again? For now, instead of answering that question, let us see where may we look for the answers. 07

To study the redistribution of workforce during and after the COVID-19 pandemic, one must first talk about the identity and quantity of affected workers. This involves investigating how (in what way) the employment status of workers could have been influenced by the COVID-19 virus, create separate categories, and estimating the amount of people who are affected and belong in one of these categories.

**99** CORPORATE DOWNSIZING. **BUSINESS** CLOSURES, HALTED SECTORS SUCH AS TOURISM OR ENTERTAINMENT, WORK OVERLOAD, WORKFORCE SPILLOVER BETWEEN SECTORS AND NUMEROUS OTHER EVENTS ALL TOOK A TOLL ON THE "WORKING MAN"

The specific groups affected by the pandemic are most likely similar across European countries, as it comes from the nature of the pandemic to impact specific areas of life. The numbers, on the other hand, are specific to each country. So which are the affected groups in Hungary (and possibly in other EU countries)?

#### THE LONG ELECTIVE LEAVE

To say that one's work situation was affected by the COVID-19 pandemic does not exclusively mean *people who lost their job* – for many, it could have acted as a catalyst, or a defining factor in *their own decision* regarding their employment. One can easily make a distinction between people who were forced to leave their workplace and people who did so electively.

There is also a third group, who were forced to leave but decided not to get a new job. One of the factors that could have led to the decision of leaving is a health concern. People were and still are scared of the COVID-19 virus, worried about their own and their family's health. Many decided to step out of the office for one of three reasons. First, to continue their job from home, if possible. Second, to find an occupation that is compatible with remote working. Third, to cease working in general until the situation is safe again, which requires adequate savings or taking on a loan.

Even when considering those who lost their job, many decided not to look for new work. A record high one in five of unemployed and inactive Hungarians are between ages 15-24<sup>1</sup>. A number of young people who have parental support decided to either enter the labor market late, or – if they already had a job – decided to do something

<sup>&</sup>lt;sup>1</sup> Hungarian Central Statistical Office (2021) *Quick Reference – Unemployment, 2020 December.* Available [online]: <u>https://www.ksh.hu/docs/hun/xftp/gyor/mun/ mun2012.html</u>

other than work for the past year. Some did so out of fear that they might infect their older relatives living with them, and others simply because they could. The scarcity of workplaces employing this age group was also a big reason why so many of Hungary's unemployed are young people.

Healthcare workers are another well-defined group of people who left their job, and are crucial to mention. The interview with Adrianna Soós, the president of the Independent Healthcare Union, was all over the news in late August 2020, when she reported that until then in 2020, approximately 6,500 healthcare workers quit their jobs, which is a shocking number in a country where only 120,000 people work in the profession. In addition, over 10,000 social workers decided to call it a day<sup>2</sup>. At the time of writing, in February 2021, an additional 5% of all healthcare workers refused to sign their renewed employment contracts for the next year. As the COVID-19 pandemic is seen as something temporary, a small bump on the road of our working years, many Hungarians are playing the waiting game and are choosing to wait for things to blow over before finding a new job.

Some data that demonstrates this unwillingness to work during the COVID-19 pandemic is available at the Hungarian Central Statistical Office. Their reports indicate that by the end of 2020, the inactive population (people who do not have a job and are not looking for one), increased by 50,000 people compared with the same time a year earlier<sup>3</sup>. Consequently, even though the unemployment situation in Hungary slightly improved after the summer 2020 deep dive, the employment rate was still equally alarming at the end of the year. Note that a summer employment deep dive is also cyclical, as during these months the shortterm tourism and catering jobs kept the numbers high.

Finally, as we are talking about not seeing our workplaces again, let us take a look at remote working. While there is no official prediction yet as to how many home office workers got too accommodated to the new lifestyle to let it go, the Hungarian Central Statistical Office has been measuring remote work since 2001. Up until February 2020, before the first lockdown, less than 3% of employed Hungarians (45,000 people) worked remotely [See: Figure 1], and this number includes those doing occasional work from home. Then, in March 2020 the number increased to 153,000 and in May 2020 to over 300,000.

TO SAY THAT ONE'S WORK SITUATION WAS AFFECTED BY THE COVID-19 PANDEMIC DOES NOT EXCLUSIVELY MEAN PEOPLE WHO LOST THEIR JOB

<sup>&</sup>lt;sup>2</sup> Danó, A. (2020) "Besokallt orvosok: tömeges leszerelés csata előtt – Interview with Adrianna Soós" [in]:: Népszava Online. Available online]: <u>https://nepszava.</u> hu/3089118\_besokallt-orvosok-tomeges-leszerelescsata-elott

<sup>&</sup>lt;sup>3</sup> Hungarian Central Statistical Office (2020) *Quick Reference – Unemployment, 2020 Aug-Oct.* Available [online]: <u>https://www.ksh.hu/docs/hun/xftp/gyor/mun/ mun2010.html</u>

Figure 1: Remote workforce in the first wave of COVID-19 in Hungary [black: regular remote work; gray: occasional remote work, %]



Source: KSH (2020) Portfolio.hu

In the Hungarian capital, Budapest, remote working peaked at over 21% of all work hours during spring. By the end of the year, the number of remote workers went down to 180,000. Hence, what used to be 3% of the working population is now set at 7%. Between February and May 2020, the number of people working exclusively remotely increased 14 times<sup>4</sup>.

In Hungary, it seemed that the seriousness of the COVID-19 virus was dictated solely by the Hungarian government. When measures and restrictions were strict, most people took the COVID-19 virus seriously. However, during the summer of 2020, when measures and restrictions were more relaxed, for many it seemed like the COVID-19 virus was not even around. This summer of freedom is also visible in the remote workforce data, as the rate of home office workers decreased to around 5% during those months [See: Figure 1]. A new, hybrid style of working is born and it will affect how work hours are spent even

A RECORD HIGH ONE IN FIVE OF UN-EMPLOYED AND IN-ACTIVE HUNGARI-ANS ARE BETWEEN AGES 15-24

<sup>&</sup>lt;sup>4</sup> Hungarian Central Statistical Office (2021) 9.17.3. Monthly development of remote work for employees aged 15–74 for 2019-2020. Available [online]: <u>http://</u> www.ksh.hu/docs/hun/xstadat/xstadat\_evkozi/e\_tavmunk9\_17\_03.html

after the COVID-19 pandemic. Just a one percent increase in the remote workforce in Hungary, counting those who work both at the workplace and at home, would mean between 10,000 and 20,000 people, which, in a country of nine million, is a considerable change.

### THE LOST HUNGARIAN JOBS

Unsurprisingly, some sectors were struck particularly hard during the COVID-19 pandemic. Therefore, being without work for most people was not a matter of choice. Let us look at a few examples. Small and nonessential business owners and their

**99** AS THE COVID-19 PANDEMIC IS SEEN AS SOMETHING TEM-PORARY, A SMALL BUMP ON THE ROAD OF OUR WORK-ING YEARS, MANY HUNGARIANS ARF PLAYING THE WAIT-ING GAME AND ARE CHOOSING TO WAIT FOR THINGS TO BLOW OVFR **BEFORE FINDING** A NEW JOB

employees lost big on account of COV-ID-19. Official, up-to-date statistical data regarding businesses is not available yet, but Bisnode may come in handy. Bisnode is a private Hungarian corporation focusing on big data and smart data analysis. They report that in 2020 the number of newly founded businesses came to a halt. This is a surprising change, considering that the number of small businesses increased by over 30% between 2013 and 2019. Bisnode also states that liquidations (termination of a company without a legal successor) are up by 17% by the end of 2020 - this means that 17% more businesses shut down compared to 2019. Most business sectors in Hungary also ended the year 2020 with less companies than at the end of 2019<sup>5</sup>.

Another group that was hit hard in Hungary during the COVID-19 pandemic, just like everywhere in the world, was the catering and tourism industry. Most of this activity was legally restricted, so there is little to be surprised about. Normally, one way to measure the contribution of tourism to the economy is by looking at nights spent in housing and other facilities accommodating tourists. This number decreased by over 92% during 2020, and that is including the summer vacation<sup>6</sup>. Domestic tourism in summer months, however, was still significant, especially around lake Balaton. Still, an industry depending on short-term travel was set to experience problems, considering that crossing the Hungarian border, in most cases, came with mandatory quarantine.

<sup>&</sup>lt;sup>5</sup> Bisnode Report (2021) Stagnált a cégek száma 2020-ban. Available [online]: <u>https://www.bisnode.</u> <u>hu/tudastar/gondolatok/stagnalt-a-cegek-szama-2020-ban/</u>

<sup>&</sup>lt;sup>6</sup> Hungarian Central Statistical Office (2021) 4.5.16. Guest Nights in Commercial Accommodation by Type of Accommodation for 2016-2020. Available [online]: http://www.ksh.hu/docs/hun/xstadat/xstadat\_evkozi/e\_oga004a.html

### BETWEEN FEBRUARY AND MAY 2020, THE NUMBER OF PEOPLE WORKING EXCLUSIVELY REMOTELY INCREASED 14 TIMES

An important issue caused by the COVID-19 pandemic is related to student work. As stated earlier, the number of young (under 25 years of age) unemployed people made up one fifth of all unemployment in 2020, which is also due to work opportunities being scarce. A significant share of student work consists of catering, hostess work, or takes place in pubs and bars, cinemas, and other similar job places, all of which were nearly non-existent during the lockdown.

Most student work in Hungary is done through various student work agencies. One of the largest companies that employs students is Cinema City, the Polish-Hungarian cinema chain. Normally, if a student were to visit the website of one of the big student work agencies, they would be greeted with pages upon pages of (mediocre, but available) job opportunities. But since the first wave of COVID-19, there have been cases where a student would go online and see a total of eight available positions to go pick and choose from.

Once the lockdown started, the aforementioned student jobs such as catering or hostess work were no longer available. This is an even bigger problem, considering that unlike a regular daytime job, student work agencies are not responsible for the fate of the suddenly unemployed students. They just stop sending out work schedules – no goodbyes and no severance payments.

These were just a few examples for COV-ID-19's areas of impact. Now, let us move on to the national level. As said before, the number of inactives rose by 50,000 in 2020 compared to 2019. But this only includes people who are not looking for work. To be categorized as unemployed in Hungarian statistics you have to be actively looking for work. The number of unemployed people rose by 39,000 after the first wave, and was somewhat better, but still 31,000 higher by the end of 2020, compared to the same time in 2019. It was not only the employment that decreased, but also the number of jobseekers increased by an additional 10,000, bringing the total difference to over 40,000<sup>7</sup>.

An even higher number was measured by the National Employment Service (NFSZ), which stated that the number of registered jobseekers peaked at 67,000 higher than previously<sup>8</sup>. This does not inform us of the magnitude itself, so to put all of this data in perspective there are roughly 220,000 unemployed people in Hungary, which tells us that the lowest increase, 31,000 means employment decreased by 14% by the end of 2020 (!). This is the current state of the Hungarian workforce.

<sup>&</sup>lt;sup>7</sup> Hungarian Central Statistical Office (2020) Quick Reference – Unemployment, 2020 Aug-Oct. Available [online]: <u>https://www.ksh.hu/docs/hun/xftp/gyor/mun/</u> mun2010.html

<sup>&</sup>lt;sup>8</sup> NFSZ – National Employment Service (2020) A Munkaerópiaci helyzet alakulása a nemzeti foglalkoztatási szolgálat legfrissebb adatai alapján, 2020 December. Available [online]: <u>https://nfsz.munka.hu/</u> <u>nfsz/document/1/3/6/0/doc\_url/nfsz\_stat\_merop\_he-</u> <u>lyzet\_2020\_12.pdf</u> [in Hungarian]

One could say that this is, indeed, a very special and memorable year. However, from August to December 2020, one could already observe movement in the right direction, and with the several million Euro monetary aid from the European Union, the effects described above may be counteracted in a swift manner. Losing a job still remains easier than finding one, so the road ahead is long.

### LABOR MIGRATION AND REMOTE WORK

*Migration* is a very special word for the Hungarian political sphere. The last seven years of political discourse were filled to the brim with talk of immigrants, due to the ruthless conditioning of government media in Hungary. For a while, every time you opened an online news portal, the first thing you saw was an article or a video about immigrants. One could say they were everywhere but actually in the country, seeing as most refugees were making their way towards Western Europe.

To be sure, for a country with so few immigrants (apart from the ones that were already living in Hungary) Hungarians care a lot about the topic. Not just because of the refugees coming their way, but because of the increasing number of Hungarians leaving the country for Austria, Germany, England and other countries. Despite being among the most anti-immigrant countries politically, Hungary has many emigrants of its own, leaving to work, live and study abroad.

Labor migration means to relocate in pursuit of a new occupation. The COVID-19 pandemic compelled countries to completely rearrange and relocate their workers in the matter of months. This hard shift in the idea of the workplace has the potential to open up new interpretations of work, work hours, or the workplace itself. The

# IN HUNGARY, IT SEEMED THAT THE SERIOUSNESS OF THE COVID-19 VIRUS WAS DICTATED SOLELY BY THE HUNGARIAN GOVERNMENT

economy and companies were required to test a new method of operation that never would have happened without the pressure of the COVID-19 virus.

From this period of pressure testing, a new meaning of work could be formed down the line. For some people, remote working may have brought balance between work hours and personal life. For other people, the new setting may have brought the exact opposite: a tip in the fine balance between working and other activities. Most people, such as manual workers, did not even experience the luxury of home office. But in some cases, the transition to remote work brought upon a combination of work and personal life that crossed over 1,000 kilometers. I personally went from working at a Hungarian office and living in Hungary, to writing about Hungary for a Polish publication while living in the Czech Republic, attending university in both Hungary and Prague, and still having an office job in Budapest. At least two of these things would be impossible in pre-pandemic times. There are upsides of being in lockdown when the

opportunity to work are from everywhere. However, when half of the country cannot go anywhere, especially if they cannot cross the border and, therefore, are restricted to Hungary, it unveils a slight problem. Some places are a bit more popular than others. Hungary's lake Balaton nearly became the setting of a modern day civil war, after virtually everyone with a weekend home decided to spend the lockdown there. Shops there were constantly out of stock, the streets were busy, and it became suboptimal for quarantining, which made locals very angry.

#### DOMESTIC AND INTERNATIONAL MIGRATION OF LABOR

For the past few years, Hungarian families, often young couples, have been increasingly moving from the capital to the nearby towns and villages. From traditionally having a positive flow of people, Budapest, the capital, observed a negative tendency a few years ago. A similar development was observed in the 1990s. The last three years of negative balance for Budapest seem to resemble that period of Hungarian history,

A NEW, HYBRID STYLE OF WORKING IS BORN AND IT WILL AFFECT HOW WORK HOURS ARE SPENT EVEN AFTER THE COVID-19 PANDEMIC which saw a negative migration balance of 17,000 by 2000<sup>9</sup>.

Similar to Budapest, other major Hungarian cities have experienced a negative balance in the recent years too, while population of villages and small towns increased. This trend is not necessarily a bad thing. However, it is a reflection of people's preferences in terms of place of living and these preferences might be strengthened with the possible increase in remote work. If the relocation between cities and countryside increases, and if it were to reach the early 2000s levels, politicians will take note of such a shift, which might be followed by yet another change in how the voting dictricts are divided geographically.

To sum up, Hungarian domestic migration trends are in correlation with the migration changes caused by the COVID-19 virus. Consequently, Hungary could see a noticeable redistribution of population between urban and rural areas in the years to come. There are a number of sources praising the unlimited opportunities of remote work, a door to a new life, since one can work anywhere and live elsewhere. However, the unlimited opportunities are exceedingly limited when it comes to international work for Hungarians.

First, remote working only applies to intellectual work, which is only 40% of the Hungarian workforce<sup>10</sup>, while most Hungarians emigrate to do physical labor. Second, to even consider remote working as an international career, the language barrier still exists. This rules out more than half of the

<sup>&</sup>lt;sup>9</sup> Hungarian Central Statistical Office (2020) *1.6. Domestic migration (1990-).* Available [online] <u>https://www. ksh.hu/docs/hun/xstadat/xstadat\_eves/i\_wnv001.html</u>

<sup>&</sup>lt;sup>10</sup> Hungarian Central Statistical Office (2020) *2.1.8.2.* Number of Employees by Main Occupational Group, by Sex - FEOR'08 (2011–). Available [online] <u>https://www. ksh.hu/docs/hun/xstadat/xstadat\_eves/i\_qlf035b.html</u>

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# HUNGARY COULD SEE A NOTICEABLE REDISTRIBUTION OF POPULATION BETWEEN URBAN AND RURAL AREAS IN THE YEARS TO COME

Hungarian population, since when it comes to speaking foreign languages Hungarians only surpass the Great Britain and Romania in the EU<sup>11</sup>. Since this data is from 2018, and Britain is no longer part of the EU, Hungary now assumes second place on that list, with 57% of people speaking only Hungarian. Finally, to be able to live anywhere and live off remote work, your salary must have adequate purchasing power in the country of your residence. To sum up, western salaries open doors in CEE, but not the other way around. And one must remember that this is true only for multilingual intellectual workers, which is a relatively small group in the Hungarian working population.

Finally, what is the attitude of Hungarians about emigration? First, the government aims to convince more and more Hungarians living abroad to come home. There was even a program funded by the government starting in 2015 called Youth, Come Home! Furthermore, the government is engaged in a continuous campaign for Hungarians to come back, aimed primarily at young people, as 28% of emigrants are under 30, whereas 64% of them are under 40<sup>12</sup>. Yearly emigration of Hungarians is between 20,000 and 25,000. Based on government reports, Hungary is close to turning the migration balance of Hungarian-born citizens positive.

COVID-19 might have helped achieve this goal. One of the ultimate aims of current Hungarian government policy is to turn the natural depopulation around, as the Hungarian population is decreasing by 4-5% each year. However, in 2017, there were 364,000 Hungarians that stated they are thinking about moving abroad to work. 85,000 of those people were in the process of relocating and 71,000 of them had already found work abroad<sup>13</sup>. What happened to these people, we do not know, because since this question was polled, the UK left the European Union, making the second most popular emigration destination that much more complicated. Also, COVID-19 struck. Combined with the fact that many Hungarians had to come home in 2020, either because their workplace/ school closed, or out of fear for travel restrictions and Brexit, one can expect next year's migration balance to be very different from what could have been seen in previous years. If it is true that the migration of Hungarian-born citizens is already turning positive, this will just add fuel to the fire.

<sup>&</sup>lt;sup>11</sup> Eurostat (2018) 65% Know at Least One Foreign Language in the EU. Available [online] <u>https://ec.europa.</u> eu/eurostat/web/products-eurostat-news/-/EDN-20180926-1

<sup>&</sup>lt;sup>12</sup> Lakatos, J. (2015) "Külföldön dolgozó magyarok, Magyarországon dolgozó külföldiek" [in:] Statisztikai szemle, No. 93/2, pp. 94-112. Available [online]: <u>https://www.ksh.</u> hu/statszemle\_archive/2015/2015\_02/2015\_02\_093. <u>pdf</u> [in Hungarian]

<sup>&</sup>lt;sup>13</sup> Hungarian Central Statistical Office (2017) *9.5.2.7. Number of 15-74 Year Olds Planning to Work Abroad by Steps Taken to Work Abroad.* Available [online]: <u>htt-</u>ps://www.ksh.hu/docs/hun/xstadat/xstadat\_evkozi/e\_munkforg9\_05\_02\_07.html

### WITH REMOTE WORK BECOMING MORE WIDESPREAD, THERE WILL BE AN INCREASED DEMAND FOR FOREIGN JOBS IN HUNGARY

With remote work becoming more widespread, there will be an increased demand for foreign jobs in Hungary. This would create an interesting situation. For a Hungarian remote worker, it is worth working for a foreign company, as their salaries will increase. At the same time, it will also be beneficial for them to remain a Hungarian resident, not only it is home, but they will be able to afford more with their salaries in the Hungarian market.

Then, the question arises: What exactly does the government want with the Come Home program? They want the sons and daughters of the nation to venture home? This is what the message suggests. If so, what happens when they *do* come home, but they will not be part of the Hungarian work force? Is that still considered a win? Most importantly, COVID-19 may have helped the Hungarian government to turn this migration balance positive, and intellectual workers whose main reason for emigrating was prosperity may be tempted to come or stay home and work remotely, which means the government's efforts were not in vain. However, was the intention really just to invite these young Hungarians back to their motherland? Was this a form of national identity politics, or was it an economic consideration? Perhaps we will soon find out.

### SO, WILL WE EVER SEE THOSE OFFICES AGAIN?

First of all, we probably will not. I will not, for sure. However, the Reader might, especially if he or she belongs to a majority of the Hungarian workforce. For everybody else, this is not so certain. A sample calculation was put together for this article about the affected workers [See: Figure 2].

First, unemployment rose compared to the previous year, with 31,000 more people from the workforce becoming unemployed by the end of 2020. These people were all out of a job and looking for work. Do not let this fool you, though, as significantly more people lost their jobs and, therefore, are out of their old workplace. However, this number does not show that because many had found a new job shortly after and others entered the labor market.

To learn exactly how many people lost their job, let us check the official data for labor market reallocation between activity groups on previously employed people who became unemployed. In 2020, 1.1% of Hungarians aged 15-74 transferred from the employed group to the unemployed group. As there are roughly 3,800,000 people in this category that means 41,000<sup>14</sup>. Then, inactives – these are the people who were not even looking for a new job in 2020. Their number is much higher. Using the same statistical data, 2.1% of 15-74 year olds transferred from employed to inactive.

<sup>&</sup>lt;sup>14</sup> Hungarian Central Statistical Office (2020) Labor Market Developments, 2020. Jan-Jun.. Available [online]: https://www.ksh.hu/docs/hun/xftp/idoszaki/mpf/ mpf202/index.html

Affected Group	Number of People
New Unemployed	41,000
New Inactive	81,000
Owners of terminated companies	6,000
Remote Workers	10,000
Total	137,000

Table 1: People who will not see their pre-pandemic workplace again

Source: Own calculation based on statistical data for Hungary

This is an additional 80,000. So, there are already 121,000, and there are more.

Next, some business owners also will not see their offices again, even though they were not employed, because the businesses have shut down. Now, while the employees of companies are already included, and presumably, so are the owners of small businesses (less than 10 employees), which is 76% of all businesses<sup>15</sup>, one may assume that out of the 26,000 terminated companies<sup>16</sup> only 24% of them have owners that are not technically employed by their own company. Therefore, there are about 6,000 business owners that now lost possession of their office. Finally, remote work and home office. We have seen that 3% of all work was done remotely in Hungary before the COVID-19 virus, which increased to 17% during spring 2020, ended up at 7% by the end of the year, and in some places (like the capital) peaked it at 21%. If we assume that just 1% of employees will stick to home office, there is a minimum of another 10,000 that

**99** 137,000 OR 3.6% OF THE ACTIVE POPULATION IN HUNGARY WILL NOT SEE THEIR OLD WORKPLACE AGAIN

<sup>&</sup>lt;sup>15</sup> Hungarian Central Statistical Office (2021) *3.2.6.2. Number of Registered Enterprises by Size Class -GFO'142015-2019.* Available [online]: <u>https://www.ksh.</u> <u>hu/docs/hun/xstadat/xstadat\_evkozi/e\_qvd021.html</u>

<sup>&</sup>lt;sup>16</sup> Bisnode report (2021) Stagnált a cégek száma 2020-ban. Available [online]: <u>https://www.bisnode.</u> <u>hu/tudastar/gondolatok/stagnalt-a-cegek-szama-2020-ban/</u> [in Hungarian]

THE CONQUEST OF REMOTE WORK COULD HAVE A GLOBAL IMPACT. HOWEVER, FOR HUNGARIANS, AND NATIONS IN SIMILAR SHOES, THERE ARE MORE LIMITATIONS THAN JUST THE WORK LOCATION

will not see their pre-pandemic workplace again. To sum up, approximately 80,000+41,000+6,000+10,000 = 137,000or 3.6% of the active population in Hungary will not see their old workplace again.

### **FINAL THOUGHTS**

Academics understandably did not hesitate to start researching and analyzing COV-ID-19's effect on society even before it was over. Many of the changes analyzed, also in this article, will not be seen clearly until years after the COVID-19 pandemic is over. Most data needed for such an analysis (such as demographics, financial effects and workforce allocation) will only be available in the future. Yet, from what is already available, it was possible to review the current state of Hungarian workforce. However, this is only a snapshot of the COVID-19 economy, and to process the events of 2020, not only humanity, but also science will need a few years to assess the experience. This does not mean we cannot make any interesting observations.

In Hungary, over one-fifth of all workforce in Budapest, the capital city, transitioned to a remote work routine in a matter of two months. This goes to show how little intellectual work is tied to a physical workplace. With intellectual work making up 40% of all work in Hungary, which is a big portion of Hungarian working hours, this kind of mobility within the workforce resembles wartime economy levels. Once you can work on your laptop or phone, you can physically be anywhere, even though for Hungary there are limits to this application.

The conquest of remote work could have a global impact. However, for Hungarians, and nations in similar shoes, there are more limitations than just the work location. The Hungarian remote worker's salary will not buy them a house by the ocean. For them to unlock the potential of remote work, and, therefore, for remote work to affect the Hungarian economy in the long run, these people first have to find a foreign job, for which the competition could rise tenfold as a result of the COVID-19 pandemic. Noteworthy, remote working can create an even bigger gap between manual and intellectual workers. To talk about remote work as the future of Hungarian work economy means to leave about 60% of Hungarians out of the equation, or the 57% who speak only Hungarian. Therefore, when we ask "Will we see our workplaces ever again?", the quick answer is: yes, we will, because the majority of Hungarians will see the COVID-19 pandemic's end not as the beginning of a new world, but rather as the return to their previous life.

MÁRTON SCHLANGER

99 A BIG INCREASE IN REMOTE WORK. PART-TIME JOBS. **AITERNATIVE** MEANS OF INCOME, THE AVERAGE MAN'S INTRODUCTION TO THE STOCK MARKET, AND SO ON – THESE ARE ALL DEFINING ELEMENTS NOT ONLY OF THE COVID-19 PANDEMIC, BUT OF THE EVOLVING FCONOMY OF THE 21<sup>ST</sup> CENTURY

As for Hungarian migration, the effects of COVID-19 may compliment already existing trends, but these trends are highly dependent on both Hungarian and international events, which could change in a single year. All in all, remote working during the COV-ID-19 pandemic, the possible optimization of workplace, and work hour allocation is a continuous process that is streamlined,





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