



The Georgian Trade Union Movement

February 2010

Little attention has been paid to the state of trade unions in Georgia. While there have been general overviews of the state of labour rights in Georgia - more often or not in the form of a survey of legislation¹ - there has been little on how labour rights are upheld in practice.

Georgia is committed to guaranteeing a raft of labour rights as a member of the International Labour Organisation (ILO). Perhaps more importantly, having ratified and effectively implemented the basic [ILO] conventions on labour rights² is a main precondition to Georgia benefitting from the GSP+ preferential trade scheme with the EU. The two most relevant to this report are the ILO conventions on Freedom of Association and the Protection of the Right to Organize and the Right to Organize and Collective Bargaining.³ Among other things, signatories are expected to guarantee the right to form or become a member of a trade union without being discriminated against by employers or governments.

This report will begin by assessing the strength of unions themselves before asking the main question of why unions are not strong enough to properly uphold the rights of Georgian employees. Are unions weak as a result of internal weaknesses in their organisations? Is it because of the legacy of the old toothless Soviet-era unions? Or is it because of the unfavourable political environment they operate in? While not aiming to be comprehensive, it is intended that this report, in providing the answers to these questions, will go some way to build an image of where Georgian trade unionism stands today.

Where Georgian Unions Stand

The Statistics

There are two common quantitative measures used to measure union strength. The first, union density, or the proportion of unionised labour, can be rather misleading. While it might, at first sight, appear natural to assume that unions uniting a larger proportion of the workforce would tend to enjoy higher levels of strength and influence, this is not at all the case. In fact, the reality can be

¹ Such as the reports released by ILO-CEACR

² Georgia has ratified the 8 core conventions as well as 8 additional ILO conventions.

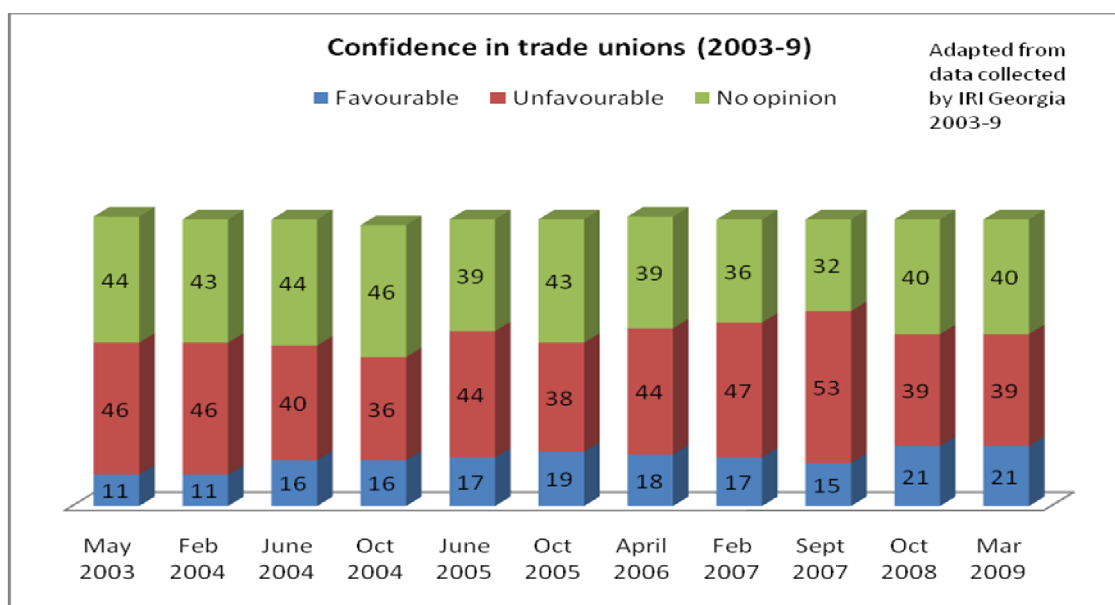
³ The full texts are on the ILO's website www.ilo.org



quite the opposite. For example, in France, where unions have a reasonably high level of influence, union membership is a mere 9% of the workforce⁴ while the figure in Azerbaijan – not a country known for its strong unions – is 63%.⁵ The situation is similar in other former republics of the Soviet Union where unions have inherited many members from the old compulsory membership Soviet trade unions but do not possess much real influence. The same is the case in Georgia where the Georgian Trade Union Confederation (GTUC) can claim 261,735 members⁶ out of a total officially employed workforce of 625,400.⁷

The second, union coverage – or the number of people covered by union negotiated collective agreements – is a better measure. In countries with strong unions, the level of union coverage is usually significantly higher than union density, meaning that a good proportion of non-members benefit from agreements negotiated by unions. For example, in 1990, 80% of Spanish workers were covered by collective agreements despite the fact that only 11% of workers were actually members of unions.⁸

In Georgia unions appear to lack widespread public trust. According to regular surveys by the International Republican Institute (IRI), levels of confidence in trade unions are consistently low, although there is a slight positive trend over time. In the most recent survey, trade unions (with just 21% approval) are the second least trusted institution of the 16 included in the survey, beating only the mafia. The church, by contrast, enjoys 91% trust and parliament 41%. The 2009 figures are a relative improvement. According to the June 2005 survey, Georgians were more likely to consult their local Al Capones for help than their trade union and came bottom of the survey.⁹



⁴ ILO World Labour Report 1997-8, union density as proportion of wage earning population.

⁵ *Ibid.*

⁶ GTUC analytical department statistic

⁷ According to the Department of Statistics, another 1.08 million people in Georgia were “self employed” in 2007 and are not included in this total. This means in most instances unofficial work such as taxi driving.

⁸ S. Milner, G.Nombela, Centre for Economic Performance Discussion Paper no.258: Trade Union Strength, Organisation and Impact in Spain, p1

⁹ For the full figures consult the IRI’s website (www.iri.org.ge)



Trade Unions for Lunch - the Post-Soviet Legacy

The statistics are clear. Unions are weak and distrusted. A look into the recent history of Georgian unions helps to explain this state of affairs.

“There was a time that even I didn’t know what a trade union was; did you have to eat it or drink it?”¹⁰

This frank admission by GTUC chairman Irakli Petriashvili is a revealing insight into what is perhaps the biggest problem is that Georgian unions face. The legacy of decades of Soviet rule has led to a situation in which many union members are not familiar with what a modern “Western style” trade union actually does. The main reason for this is that the aims and functions taken on by Soviet trade unions differ vastly from those of unions in developed countries.

Indeed, the *raison d’être* of trade unions in the two systems differs widely. While Western trade unions are formed by workers to protect their own interests through campaigning and collective bargaining with employers, Soviet trade unions functioned as “instruments of the workers’ state”. Leninist ideology dictated that since the Soviet state represented the interests of the “victorious” proletariat as a whole, the traditional function of trade unions - protecting workers’ interest against employers and the state - was defunct. As a result, trade unions had little independence and acted primarily as enforcers of central standards and targets as well as providers of certain state benefits, such as free package holidays to various *sanatoria* and beach resorts. They also played a role in the distribution of housing and the solving of minor disputes. By contrast, in the western model, the provision of such services is largely fulfilled by either the state or the private sector. Even where unions do provide certain services to members, the main function of modern western trade union is the representation of members’ interests within the framework of a social partnership including both employers and government representatives, not the distribution of benefits.

In the Georgian case, perhaps one illustration of the intact Soviet-era mentality towards trade unions is the case where one elderly lady rung in to a TV show to express her anger at the GTUC chairman for discussing issues like the Labour Code, when she had not been on holiday for over a decade!

This public attitude has been perpetuated by the fact that Georgian unions did not change their ways until long after the fall of the Soviet Union.

For the duration of the 1990s and early 2000s, the unions had a corrupt, incompetent leadership which led President Saakashvili to go as far as calling the GTUC¹¹ “a mafia organisation”.¹² Indeed, until recently, Georgian unions were engaged neither in serious protection of members’ interests nor the provision of Soviet style benefits but instead largely served the private – mainly economic – interests of the union leadership. This entailed control over union property inherited from the Soviet era. Some of this property served as a lucrative source of rental income for the union leadership, a lot of which was allegedly embezzled by individuals in a position to do so. Although there was limited awareness during this period of the unions’ role in representing members, on the whole, Georgian unions gained prominence only when disputes emerged about ownership of this

¹⁰ Author interview

¹¹ The GTUC was previously called the Georgian Trade Unions’ Amalgamation (GTUA). I have stuck to the acronym GTUC throughout to avoid confusion.

¹² Radio Free Europe/Radio Liberty (RFERL) 16/09/04



property.¹³ The inheritance of this substantial capital resource from the GTUC's Soviet predecessor should have been a boon to the fledgling organisation but instead led to a diversion of all the GTUC's resources to retaining the ownership of myriad sanatoria, hotels and administrative buildings.

This preoccupation with property is a phenomenon common with other CIS unions. After the fall of Communism, union leaderships found themselves suddenly threatened with irrelevance after years of serving and benefiting from the Soviet system. Their reaction to this new reality was often to "privatise" union interests to themselves under the smokescreen of defending workers' interests. According to a prominent study into the state of unions in Russia, the first priority of the trade union apparatus in the risky political environment of the Yeltsin era was to "retain intact the power, privileges and property of the trade unions".¹⁴ This would also serve as a valid summation of the function of the GTUC for the first fifteen years of existence as an independent body. Unlike in Russia however, Georgian unions did not fulfill either traditional Soviet or modern "Western" functions in any way effectively.

The Post 2005 Internal Reforms

This unenviable history goes some way to explaining why unions have been seen untrustworthy and why they have not, until relatively recently, played a significant role in Georgian labour politics.

However, the GTUC underwent a major change of leadership in 2005. The former GTUC chairman, Irakli Tughushi, who had presided over an inefficient and declining union movement since Perestroika, was replaced by Irakli Petriashvili and a team of leaders who vowed to end the property-centric orientation of the union and to implement sweeping reforms.

Considering the situation inherited from the previous leadership, this was definitely no small task. According to Petriashvili, the outgoing union leadership in 2005 left no funds in the GTUC's coffers for the new team to spend. In fact, the GTUC account had a total balance of just 1,625 Georgian Lari (about \$933 at February 2010 exchange rates). To make matters worse, the former leadership had also signed away almost all remaining union property¹⁵ in what was probably an 11th hour attempt to secure government support.¹⁶ The new leadership had also been bequeathed an organisational structure that had not been reformed since Soviet times. The upshot of this was that many of the sectional "unions" with voting power in the GTUC were in fact phantom organisations with no membership owing to the demise of the sector in question. Examples of such phantom unions include the Geologists Union, the Agricultural Vehicle Factory Workers Union and, comically, the Cotton Production Industry Union (there has been no significant production of either tractors or cotton in Georgia since Soviet times).

The new executive dealt with these problems with an administrative overhaul that saw the end of the nonexistent phantom unions and the GTUC was rationalised down to the 26 member unions that actually existed. The GTUC has since then become far more representative of the true shape of the Georgian workforce. One of the most innovative solutions was the creation of the Union of Self Employed and Commercial Workers in 2007 which is an attempt to unionise the vast majority of

¹³ The governments of both Shevardnadze and Saakashvili claimed that this property properly belonged to the state leading to an on and off legal and political battle between the government and the GTUC.

¹⁴ S. Ashwin, S. Clarke (2002) *Russian Trade Unions and Industrial Relations in Transition*, p 34

¹⁵ Akhali 7 Dghe newspaper 18/05/07

¹⁶ For example the Nabeghlavi resort in Guria was sold for GEL 11,000 (See above article)



Georgian workers who work informally. This includes taxi drivers and handymen but also small business owners and market stall holders. Marx may not have approved; but in a country where over a million¹⁷ (of a total population of less than 5 million) people are categorised as "self employed" in this way, it is an original idea that could really lend the GTUC clout. This new union only has 2,500 members, a tiny proportion of the total but as Lia Gigauri, deputy chair of the Self Employed and Commercial Workers' Union, told TI Georgia "this is no easy task; we are embarking upon something unprecedented in world unionism but why shouldn't these people who work long hours every day be protected?"¹⁸

Other more traditional reforms were also carried out. In an effort to increase transparency and internal democracy, representatives of foreign unions and NGO's were called in to observe internal elections that had previously been the cause of controversy (largely due to the distorting effect of the votes of non-existing unions). The previously anarchic GTUC budget was rationalised on a programmatic basis (with foreign help) and subjected to independent audits, as were the budgets of some of the larger sectoral unions such as ESFTUG.

The good news is that where these reforms were fully implemented, they have certainly increased the level of transparency and accountability to members and outside observers compared to the previous mess. For example, TI Georgia was able to obtain full budgets for ESFTUG and the GTUC without hindrance, something that would have been much more difficult before the reforms.

However, the level of progress has been rather uneven. While the larger unions with good international links (and hence access to foreign experts' assistance) have seen a tangible strengthening of union capacity, other smaller unions have been less successful and are left with comparatively meager resources due to their smaller membership base. While ESFTUG possesses a budget of 2.4 million Lari, the Self Employed and Commercial Workers Union has to make do with 13,000 Lari. While this is not a problem in itself (some unions will always be wealthier than others) it has led to a situation where a few "elite" unions such as ESFTUG, Telasi, Dockers and Seafarers and the transport unions exert most of the influence within the GTUC.

This division is also reflected in the fact that while some unions struggle to gain any influence at all, others have been more successful. For example, ESFTUG have managed to secure perks almost unheard of in other sectors, such as permanent contracts and free health insurance for its members.

The reforms have, however, failed to eradicate some of the core weaknesses that blight the unions. Public trust, while rising, is still perilously low. Grass roots participation is also very limited. GTUC rallies rarely attract more a few hundred participants, most of whom are directly involved in union organizational activities. In the regions, many of the old cadres remain and the old way of doing things lives on with them. The unions have, by and large, and despite the genuine efforts of the leadership, failed to engage the grass roots to an extent to which they identify strongly with their union.

And although the leadership has dedicated itself to becoming a modern trade union movement, this is sometimes not matched by the rhetoric of the leadership itself. Stuck between the need to send out a populist message to boost the unions' popularity and the weight of its own responsibility as a party to a (nascent) social dialogue, the union leadership sometimes appears to have a split personality. Talk about dialogue, cooperation and modernisation is coupled with blunt statements

¹⁷ Official statistics available on www.statistics.ge

¹⁸ Author interview



from union leaders lambasting the government. This, although fully within their rights, does not always promote a healthy dialogue. Loud threats such as that announced by Irakli Petriashvili at the GTUC's last year's May 1st rally that the unions should organise a general strike, did not add to the credibility of the unions.

Overall, however, the reforms have achieved a lot considering the disastrous situation the new leadership inherited in 2005.

Weak Unions in Georgia: Should the Government Carry the Can?

As has been shown above, union weakness in Georgia is partly a product of the internal historical, cultural and structural problems of the GTUC itself. However, this is not the whole picture. Union leaders interviewed by TI Georgia, while acknowledging most of the above, were clear on who they held responsible for the weakness of Georgian unions.

GTUC chairman Irakli Petriashvili, clearly places the blame on the “neoliberal government that is unacceptable to me and to the trade unions”.¹⁹ Petriashvili talks of an ideological distaste for unions within the government which “ignores” trade unions and sees them as “enemies of economic development”. Another union leader alleges that a prominent minister had said in a private conversation with him that trade unions were a “necessary evil” and that he would “abolish all trade unions in the world”²⁰ if it were possible to do so.

The government denies the truth of these accusations as “not close to reality”.²¹ Officials argue that the “large number” of unionised state employees is testament to the tolerant attitude of the government to union membership. However, the fact that – as the government states – 40 employees at the Justice Ministry are union members, does not constitute evidence that the government is particularly favourably disposed towards unions.

Social Dialogue

Whether the government ignores unions or not, what is certain is that, until very recently, there has been a lack of a model of social dialogue between the unions, the government and employers' representatives that is satisfactory to all sides. Irakli Petriashvili has assessed the quality of social dialogue as “non-existent”.²² However, dialogue has increased over the past year. Contacts between the three sides²³ have taken place at least once a month on an ad-hoc basis since the signing of a tripartite agreement in December 2008. At the sectoral level, this dialogue is more limited and informal.²⁴

¹⁹ Author interview

²⁰ Anonymous interview

²¹ Government response to draft TI Georgia report

²² Author interview

²³ Attended by the minister for Labour, Health and Social Affairs and the chairs of the GTUC and GEA.

²⁴ Contact between ESFTUG and the Ministry of Education appears to be a partial exception to this rule. Manana Ghurchumelidze told TI Georgia that she had regular and positive contact with the Ministry of Education, mostly of an informal nature.



A large part of the problem with the Georgian social dialogue is the overwhelming strength of the government vis-à-vis both the unions and the employers.²⁵ The tripartite model of social dialogue envisages a situation where the government mediates between employers and trade unions, facilitating outcomes that are acceptable to both sides and are beneficial to the state as a whole.

In Georgia, however, it has overwhelmingly been the government that drives the agenda when it comes to labour policy, even when both the employers and the unions disagree. The best example of this was the adoption of the 2006 Labour Code, which was done without even consulting the trade unions.²⁶ Remarkably, the Georgian Employers' Association (GEA) was also opposed to the Labour Code and were, like the unions, not properly consulted. As Elguja Meladze, chairman of the GEA told TI Georgia:

"We may represent the employers but we too are concerned with workers' rights...we are not opposed to regulation that does not contradict free enterprise, for example safety regulations, which we think are vital and is a subject on which we agree wholeheartedly with the unions...we think there should have been more focus on these issues in the Labour Code."^{27,28}

Zsolt Dudas of the ILO's office in Tbilisi characterised the dialogue taking place between the social partners as being at a "very early stage of development" but also "a great improvement over the situation even a year ago".²⁹

The ILO has played an important role in promoting social dialogue. The three sides agreed on a Work Plan with ILO mediation which identifies broad issues and projects and it was with ILO mediation that a joint statement was signed by the social partners where the sides "expressed their commitment to further deepen mutual cooperation and consultations with the ILO, with the aim of ensuring decent employment opportunities in Georgia and protection of interests and rights of all social partners".³⁰ The signing of this statement allowed Georgia to continue benefiting from the GSP+ preferential trade scheme with the EU until 2011. However, TI Georgia has heard from some union leaders off the record that they feel the decision to sign the declaration may have been made too easily.

²⁵ Although in a televised interview with Georgian Rustavi2 TV (Bizneskurieri 16/07/09) Sandro Kvitashvili, the minister for labour, health and social affairs, described his role as that of a mediator between the employers and the unions.

²⁶ The EU's official 2008 ENP Progress report also confirms that unions were not properly consulted.

²⁷ Author interview

²⁸ This enthusiasm for regulation from the employers may, at first glance, appear surprising. Why would companies support mandatory and costly safety regulations? This may be explained by the fact that the companies represented by the GEA are those who, as established firms, would benefit from the barriers to entry that such regulations would entail. In a deregulated environment, any shadowy firm can undercut firms that apply safety standards by simply ignoring the right of employees to work in a safe environment. Statutory health and safety regulations prevent this from happening and bar market entry for firms without the financial resources to invest in proper protective equipment and safety training. Indeed, there are many cases in the OECD countries where firms actively lobby for such regulation as a means of protection against unfair competition.

²⁹ Author interview

³⁰ Office of the State Minister for Euro-Atlantic Integration, "Georgia's Progress Report on Implementation of the ENP Action Plan 2008"



The Labour Code

The external problems unions face are not limited to those related to social dialogue. The labour legislation itself has certainly made things difficult for the Georgian unions. The Georgian Labour Code passed in 2006 has been assessed by unions and international experts alike as being highly discriminatory against both employees and the unions that represent them.³¹

GTUC chair Irakli Petriashvili goes as far as to claim that “going on strike is practically illegal in Georgia”. While the right to strike is recognized in article 49 of the Labour Code, article 51 lists a series of limits on that right. For example, employees are not allowed to go on strike to protest being laid off by their employer if they have been informed of their dismissal³² which in Georgia is a major cause for industrial disputes.³³

The code also stipulates a long period of notice during which “amicable settlement procedures” must be followed. This has meant, in some cases, that employers fire workers threatening to strike in order to render the strike illegal. One extreme example is that of Khelvachauri sewing factory where workers submitted an announcement that they were forming a union at the end of one working day only to find the next morning that they had been dismissed overnight.³⁴ When the local mayor was asked to mediate, his reply was that the workers “deserved to be sacked because they should respect their employer and not get involved in trade union activities”.³⁵ As Petriashvili told TI Georgia “I can go on strike to protest Muhammad Ali’s draft into the army....or why Merkel did not express support for Georgian membership of NATO...but not for [higher] wages.”³⁶ The sanctions for “illegal” strikes can be severe. According to section 358 of the Criminal Code, individuals involved in illegal industrial action can be imprisoned for up to two years.

There are also other practical examples of people being fired for their union activities. Other than the Khelvachauri incident mentioned above, one of the most oft cited is the case of the workers at Poti port who were fired for holding a meeting during their lunch break to demand job security and pay rises.³⁷ After launching a hunger strike, only some of the dismissed workers were reinstated.

The ILO's Committee of Experts on the Application of Conventions and Recommendations (ILO-CEACR) shares many of these concerns in its regular reports, criticizing the Labour Code for “not appearing to constitute sufficient protection from anti-union discrimination”³⁸ for workers starting employment or being dismissed. It told the government to repeal the “arbitrary” periods of limitation on the right to strike, amend the criminal code to disallow “disproportionate” sanctions

³¹ The EU’s regular progress reports on Georgia’s ENP Action Plan consistently criticise the Georgian Labour Code, the ILO and the ITUC have also released reports in which Georgian labour laws have been assessed to be insufficiently protecting workers’ rights. The Georgian Civil Society Institute NGO has conducted monitoring of the practical effects of the Labour Code, with mostly critical conclusions.

³² ILO-CEACR reported in 2007 that the government had promised a discussion on amending Article 51, but this clause has not been changed to date.

³³ The local Civil Society Institute NGO has been monitoring the Georgian Labour Code and its’ 2008 report states that, in the majority of cases, labour disputes emerge only after employees have been informed of their dismissal. The report is available in Georgian at www.civilin.org/pdf/r2.pdf

³⁴ The government has denied any wrongdoing. See appendix.

³⁵ ITUC Union View Georgia (May 2008)

³⁶ Author interview

³⁷ This case is cited by US State Department in its 2008 human rights report on Georgia, as well as by the ITUC in the 2009 Annual Survey of Violations of Trade Union Rights

³⁸ ILO-CEACR Observation, Right to Organise and Collective Bargaining Convention (2007)



on illegal strikers³⁹ and to revise the law to ensure that workers are protected from dismissal because of union membership.⁴⁰

Government officials counter these claims. Khatuna Guruli of the Supreme Court's weekly newsletter Samartali argues that it is ignorance of statutory rights rather than discrimination that is the major problem. For example, only 544 labour disputes were brought to the courts in 2008.⁴¹ Others argue that trade union rights not fully outlined in the Labour Code are guaranteed by the 1997 Law on Trade Unions. The government's chief advisor on economic affairs, Tamar Kovziridze, said that this earlier law "clearly prohibits any type of discrimination, including anti-union dismissals, and protects against violations of these rights".⁴² In practice however, the courts have on occasion rejected lawsuits from employees on the basis of the primacy of the newer Labour Code over the older Law on Trade Unions.⁴³

Yellow Unions

TI Georgia has also heard allegations from union leaders, implicating government officials and state bodies in the use of underhand tactics to either undermine unions or violate workers statutory rights, including the establishment and promotion of "yellow unions". For example, the Ajaran education ministry openly promoted a "trade union" organization called the Education Syndicate, even posting membership application forms on its website.⁴⁴

The Education Syndicate, led by Taras Shavshishvili, has been vocal in its criticism of the main education sector union, ESFTUG, and urging teachers to join it instead. In one article, Shavshishvili calls ESFTUG "a clan based organization run for the benefit of its leadership" and accuses its chairman of using membership funds to buy luxury properties and vehicles for personal use.⁴⁵ ESFTUG claims that teachers are being given financial incentives such as a 50% discount on teacher training certificates to join this rival state-sanctioned union.

The International Trade Union Confederation (ITUC) considers the Education Syndicate to be a yellow union.⁴⁶

Change looming?

Over summer 2009, there appeared to be some signs that some government officials were recognizing the need to bring the Labour Code in line with international standards. Indeed, ILO

³⁹ The government claims that the imprisonment of strikers will occur only if "serious damage" is caused.

⁴⁰ ILO-CEACR Direct Request, Right to Organise and Collective Bargaining Convention (2007)

⁴¹ Samartali "Labour is free" (02/03/09)

⁴² Investor.ge (http://www.investor.ge/issues/2008_6/03.htm)

⁴³ Examples include Paata Dobordjiginidze vs. Tbilisi Metropolitan Railway and Dockers' and Seafarers Union of Georgia vs. Corporation JSC Poti Sea Port. The government also has its explanation for these rulings. [See appendix.](#)

⁴⁴ This has since been removed. The government denies that the posting constitutes active promotion, arguing that news items relating to ESFTUG were also posted. This argument is rather weak, as there is a clear difference between publishing news and actively encouraging teachers to join through a link to an application form.

⁴⁵ Alia newspaper "The leader of teachers who earn 200 Lari should not be earning 3000 Lari and driving a \$30000 jeep" (19/03/09). Manana Ghurchumelidze denies these allegations arguing that the "luxury vehicle" referred to by Shavshishvili is in fact a jeep belonging to ESFTUG, not Ghurchumelidze herself. Despite having files seized (and later returned) from the union's offices by financial police for inspection, no criminal charges have been brought to date.

⁴⁶ ITUC Union View Georgia (May 2008)



mediated talks in Geneva between the social partners over the summer resulted in a commitment to amend the Labour Code. The minister for Labour, Health and Social Affairs, Sandro Kvitashvili, even went as far as to appear on Georgia's main business news programme with the heads of the GTUC and GEA to hail the new agreement, stressing at the same time that it was a "work in progress".

According to Raisa Liparteliani of the GTUC's legal department, the three social partners agreed to a range of amendments to the Labour Code. The proposed changes included, among other measures, the improvement of overtime pay, the introduction of a notice period before employee dismissal, clearer legislative protection against discrimination, the banning of verbal employment contracts and the setup of a governmental commission to oversee social dialogue.

This tentative agreement, which was hailed by Irakli Petriashvili as "a step forward," never saw the light of day. Despite positive noises coming from the Ministry of Labour Health and Social Affairs, it appears that other forces within the Georgian government have overruled Minister Kvitashvili on this matter. The government has recently told TI Georgia that it has no intention of amending the Labour Code.

Sources within the unions see this government u-turn as being a result of the increased influence of the neoliberal wing of the ruling party since the dismissal of Economy Minister Lasha Zhvania in autumn 2009.

It is also highly likely that the interests of businesses outside the GEA also played a part in the failure of these changes to come to fruition. The American Chamber of Commerce in Georgia (AmCham) sent out a press release stating its opposition to the proposed amendments, calling them "left wing" and arguing that they would constitute restrictions on free business.⁴⁷

In short, at the time of writing, it appears that the government has no intention of amending the Labour Code to bring it in line with international standards.

Conclusion

Several things have been ascertained in this report. Firstly, it is clear that the government is not fulfilling its ILO (and therefore GSP+) obligations to a satisfactory level at present. Georgian labour legislation is inadequate for protecting the rights of trade union members and the government itself is far from keen to pressure employers into respecting them. On the other hand, it is also clear that despite much improvement over the dark days of the 1990s, Georgian unions themselves are not quite yet up to the task of defending workers' statutory rights.

None of this is particularly surprising. Both government policy and trade union effectiveness are products of past legacies and current pressures on both. The existence of all powerful unions does not make a country attractive to investors. So for a small and for a relatively impoverished country like Georgia, there is a case to say that the need to attract investment should trump labour issues as a government priority in the short term. Obviously, this doesn't mean that they should be ignored completely. For something to aspire to Georgia ought to look not to France or Spain but places like the Czech Republic or the Baltic states which, like Georgia, have "liberal" labour laws and relatively weaker powers for unions but uphold the basic rights defined according to ILO conventions.

⁴⁷ AmCham press release 22/10/09



Georgia's Labour Code needs to be amended to comply with ILO standards and underhand tactics, like the establishment of pro-government "yellow unions", needs to stop. Additionally, employees must feel that exercising the right to join a union will not endanger their jobs. This means that employers that discriminate against union members must be punished, something that is not happening consistently enough yet.

There needs to be the political will from all sides, something that has been rather lacking until recently. This includes the government, trade unions, and employers, but also the international community which needs to provide unions, employers and the government with more assistance on this issue than they currently receive.

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