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GEORGIA FAIR LABOR PLATFORM

## Pandemic and International Workers' Day

In Georgia, one part of the workers meets May the 1st being jobless and the other part is in dangerous working conditions. The current social and economic crisis is being felt everywhere, from agricultural regions to big cities, from tourist areas to production centers. For those who have lost their jobs or incomes as a result of the pandemic, it is unknown when new employment opportunities will arise, while those who have not stopped working during the pandemic face gross violations of their rights on a daily basis, with an increasing and uncontrolled risks to their safety and health. For workers, for whom the return to a pre-pandemic state cannot be considered a solution, the future is vague and contradictory.

At this stage, it is impossible to accurately determine the economic damage caused by the pandemic, as well as full record of the scale of the lost jobs and income, although existing studies and forecasts confirm that the COVID 19 pandemic is causing a large-scale social and economic crisis. Loss of jobs and income cannot be

fully accounted for because the pandemic has significantly affected not only some of the stable workers employed in the formal economy, but also the informally employed, including **traders, domestic workers and many others**. The informal sector, which remains largely unexplored, is usually highly sensitive to economic fluctuations as it is dependent on domestic demand, and the limited protection mechanisms provided by law for workers do not apply to informal workers at all. Due to the lack of necessary documentation, vague criteria or lack of access to relevant information, some of the informal employees were restricted in accessing anti-crisis assistance in 2020.

The COVID 19 pandemic had different effects on different types of labor, as well as on different groups of workers, some of whom were in a particularly difficult economic situation as a result of the pandemic. Due to unequal redistribution of domestic labor and disproportionate gender representation in the informal sectors, the COVID 19 pandemic “worsened **the situation of women** in Georgia and deepened gender inequality.” [1] **Student-workers** working on a full time or half time basis, many of whom have lost all or part of their income, were affected as well: tuition fees have not changed. As a result, the number of suspended students has exceeded 70,000 by 2020. [2]

Last year turned out to be a year of unemployment for the vast majority of those employed in the service and tourism sectors, for workers in the arts and culture industries. Even conservative estimates suggest that more than 200,000 people lost their jobs.

At the same time, the pandemic had a multifaceted and severe impact on the daily lives and legal status of those workers who continued to work in difficult conditions. **Nurses and doctors** – or all of those employed in the medical field - treated patients infected with the novel virus at extremely low pay and at the cost of their own health. **Garment factories**, which produced a product that was fundamental for fighting the pandemic, facemask, themselves became hotbeds of infection. 116 workers were infected with COVID 19 in one of the garment factories. In the fall of 2020, cases of increasing infections were also reported among subway employees. Among them, COVID-19 was confirmed to the majority of drivers and, unfortunately, deaths were also reported.

Due to the need for social distancing, working conditions have changed significantly

# საქართველოს ახალგაზრდა იურისტთა ასოციაცია GEORGIAN YOUNG LAWYERS' ASSOCIATION



for **social workers** and **teachers**. Without physical visits, the State Agency for Victims of Trafficking, Victim Assistance, and other social workers could no longer make immediate, direct contact with beneficiaries, making it difficult for them to perform their duties. The transition to online teaching mode has fundamentally changed the teaching process not only for students but also **for teachers** who have had to acquire new skills and develop new lifestyles.

Sectors free of economic constraints, such as the mining industry, have seen even more severe labor rights violations and a deteriorating safety in an already dangerous work environment. In the Tkibuli coal mine, where the specifics of the job often do not allow for social distancing, COVID-19 has been confirmed to more than 140 **miners**. During the pandemic, essential, irreplaceable work was performed by **consultants and couriers employed in retail chains**, who at the expense of their own health made it easier for people living in conditions of lockdown and recommendation.

In pandemic situations, cases of unjustified dismissal, unlawfully terminated employment contracts, unpaid leave, or forced employment have become more frequent. A particular challenge was the adequate remuneration of overtime work, the regulation of online work in remote mode, and the prevention of unilateral changes in the substantive terms of employment contracts by employers.

In the pandemic situation, the lack of fundamental tools for the protection of workers was particularly acute. Without effective minimum wage regulation, unequal low-wage structure - when the monthly payment of more than 300,000 employees in Georgia does not exceed GEL 200 - workers find themselves extremely unprepared to deal with pandemic job losses and/or income cuts. Due to the lack of unemployment insurance and benefits in the country, workers were in danger of being left without income as soon as they lost their jobs.

In the conditions of economic crisis, rethinking the employment policy becomes especially relevant. Although active and passive labor market tools are used extensively in many countries to create stable jobs and return workers to the labor market, similar programs are not planned in Georgia to overcome the crisis, and anti-crisis policies, to a large extent, still rely on the privatization of state property and natural resources and sees labor migration as a way to solve problems in the labor market.

According to GYLA study, the loss of jobs and incomes by the population during the pandemic also put them at risk of defaulting on their loan obligations. Banking institutions extended the term of loans to individuals via a 3-month grace period on bank loans, which led to an increase in accrued interest. As a result, they have to pay more each month than they did before the pandemic. As a result, some parts of the unemployed borrowers are subject to enforcement and there are often cases when families are at risk of losing their last residential home.

The pandemic has revealed that the problems faced by workers in the workplace and beyond are common not only to workers in different sectors, but also globally - to workers in different countries. In Tbilisi, the demands of the couriers employed in the delivery service coincide with the protest calls of workers of the same profession in many countries around the world and set an important precedent for the self-organization of a new type of platform workers. At the same time, the actions of traders, which were related to the new needs arising from the pandemic restrictions, are a striking example of the self-organization of the informal sector.

From 1<sup>st</sup> January 2021, several important amendments to the Labor Code came into force. As a result of the reform of the labor legislation, which was adopted by the Parliament of Georgia in the fall of 2020, the mandate of the Labor Inspectorate has been expanded, which means that the Inspectorate can now respond not only to labor safety issues but also to labor rights violations in general; anti-discrimination regulation has tightened, break time and time off has been regulated and so on. The initial draft of the initiated legislative changes contained more in-depth amendments; however, unfortunately, as a result of the non-transparent process and active lobbying of large businesses, a number of important provisions were left out of the legislative changes. Nevertheless, under proper enforcement, amended labor legislation may become a precondition for tangible improvements in workers' daily lives and create opportunities for future change as well.

It should be noted that the Labor Inspectorate was tasked with enforcing the restrictions and regulations imposed due to the pandemic. Consequently, it is still unknown to what extent the Labor Inspectorate, which has already suffered from a lack of resources, will be able to work effectively within the extended mandate. Both the success of labor reform and the institutional sustainability of labor inspection in general will depend to a large extent on the Inspectorate itself being able to

effectively carry out the mandates set out in the new mandate and significantly improve the working conditions of workers.

May 1st is International Workers' Solidarity Day. The multifaceted and pervasive crisis posed by the COVID 19 pandemic is proof that the current political and economic system fails to provide a sustainable, fair and secure daily life for workers and their families. The crisis also confirms the need for fundamental change and a need to fight for it.

#### **Fair Labor Platform member organizations:**

- Center for Social Justice;
- Health and Service Trade Union - "Solidarity Network"
- Open Society Foundation-Georgia;
- Georgian Young Lawyers Association (GYLA);
- Union of Social Workers;
- Tbilisi Metro Independent Trade Union - "Unity 2013";

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[1] COVID-19 has worsened the situation of women in Georgia and deepened gender inequality. UN Women. 17.06.2020

[2] Correspondence of the Ministry of Education, Science, Culture and Sports of Georgia, November 1, 2020.