

#09

UNION VIEW

ITUC International Trade Union Confederation
May 2008



→ Zviad Nikolaisvili



Georgia: labour code tears fundamental rights to shreds

The highly deregulatory labour code adopted by Georgia in 2006 has undermined fundamental workers rights. This “the market is king” policy has done nothing to create decent jobs and instead has led to rising poverty among Georgian workers, two thirds of whom are still in the informal economy. The Georgian unions are fighting back. The ITUC reports.

The havoc wreaked by a neo-liberal code

The highly deregulatory, pro-business labour code that has been in force for two years has led to the disappearance of several trade unions. Despite pressure from the ILO, the European Union and the ITUC, the government is standing its ground.



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We've lost about 20,000 members altogether across Georgia as a result of the harassment and dismissals made possible by this labour code



Irakli Petriashvili,
président of GTUC

→ Zviad Nikolaishvili



Read the full interview with Irakli Petriashvili: "The new Labour Code only helps the oligarchs" at: <http://www.ituc-csi.org/spip.php?article2126&lang=en>

In May 2006, the Georgian parliament adopted a new labour code that was particularly unfavourable to workers. Described by the government as one of the most "pro-business" pieces of legislation in the world, the code allows employers, for example, to dismiss a worker for no reason, provided that they give him severance pay equivalent to one month's salary. Aimed at attracting investors, the code leaves the door open to all kinds of abuse. "A woman worker who protests against sexual harassment by her boss can be dismissed on the spot...as can a trade unionist," explains Irakli Petriashvili, president of the GTUC trade union confederation.

Many trade union activists have lost their jobs since the code came into force. Attempts to seek legal redress have had little success. "The labour code conflicts with other legal measures which stipulate that an elected trade union official cannot be dismissed without the agreement of the union," explains Gocha Aleksandria, vice-president of the GTUC. "In practice, however, when we go to court to challenge the dismissal of a trade unionist, the judges always base their verdict on the labour code. They behave this way for fear of clashing with the interests of the government, which favours the employers. Georgia's legal system isn't independent."

The new labour code also enables employers to sign a collective agreement with a minimum of two workers, but does not include provisions on how the negotiations should be carried out. There is nothing therefore to prevent an employer from ignoring the trade union delegation and choosing two workers close to him/her to lead the negotiations. "The code allows for an employment contract to be established on the basis of a verbal agreement between the employer and the employee, without stipulating a time limit within which this verbal agreement must be turned into a written contract. This inevitably allows the employer to cheat in all sorts of ways, particularly on the payment of taxes on workers' salaries: it is in the employers' interests to declare a much lower salary than they are really paying," continues Gocha Aleksandria.

Even the employers' association was opposed

When the labour code was still just a bill, the GTUC succeeded in convincing the employers' association that the reforms could harm not only workers' interests but also the long term economic interests of enterprise. As Irakli Petriashvili recalls: "We tried to warn the government, and submitted a list of 60 comments, but they only took 12 of them into account. We have managed to limit some of the

damage: the bill foresaw a 48-hour working week and barely 15 days leave per year. The code now in force foresees a 41-hour week and 24 days paid annual leave."

In opting for an all-out liberalisation of the market and labour relations, the Georgian government has put the neoliberal ideal into practice, making the marketplace the only regulator. The legislation violates several international labour standards, however, particularly those on freedom of association and on the right to organise and collective bargaining. The GTUC reported this situation to the ILO. As a result, the ILO Committee of Experts on the Application of Conventions and Recommendations stressed in its last report that "given the absence of a provision explicitly prohibiting all dismissals for membership of a trade union or participation in trade union activities, (...) the legislation does not provide sufficient protection against such dismissals." The Committee of Experts asks the Georgian government to amend its legislation in order to guarantee that there can be no dismissals for trade union reasons.

Georgia could lose its European GSP+ trade benefits

The labour code also violates the European Social Charter on such fundamental points as the number of hours of overtime allowed and dismissal procedures. The Charter was ratified by Georgia in 2005, the same year in which Georgia promised to respect the international ILO conventions in order to benefit from the GSP+ trade agreement (1). However, a report by the European Commission about the application of the European Neighbourhood Policy in 2007 has given a very clear warning to the Georgian government that the labour code would have to be revised if Georgia wanted to continue to enjoy the trade benefits granted under the GSP+.

The impact of the new labour code varies greatly depending on the level of social dialogue usually observed in each enterprise. While the managers of some enterprises with a tradition of social dialogue take advantage of the new code to combat the influence of the trade unions, others are still reasonable. One such example is Energy Invest, a chemical factory in Rustavi (a town about 40km from Tbilissi) where 2,600 of the 2,800 workers are affiliated to the union. "We have maintained a good level of social dialogue, and we've negotiated pay rises, even after the new labour code came into force," says Guliko Manchkhvili, the union president. "The difference is that some of the things we automatically had a right to in the past (for example, the renegotiation of the collective agreement), we now have to ask for since the new code was introduced. But when the employer is open to social dialogue, that isn't really a problem."

Anti-union harassment in a Heidelberg subsidiary

In other enterprises, however, the employer has taken advantage of the new labour code to launch an outright attack on the trade union movement or to prevent it developing. A cement works belonging to the German group Heidelberg, also in Rustavi, RustavCement, refused to take part in any social dialogue. The GTUC implemented a training scheme training to reinvigorate the trade union movement in the region. "About one third of workers at RustavCement wanted to join a newly created union," explained Gocha Aleksandria. "When we introduced the union and its demands to the employer, he got angry and refused to take part in any social dialogue, threatening to create his own union in the factory".

From then on, management at the cement workers did everything it could to discourage workers from affiliating to



Malkhaz lost two jobs because of his trade union activities

Forty-four year old Malkhaz Akhalaia lives with his wife and three children. He is a typical example of the anti-union practices adopted by many Georgian employers since the introduction of the new labour code. "I worked as an electrician at RustavCement for ten years. As soon as I was elected to the trade union committee, the director tried to find an excuse to sack me. Rumours were spread about me. Colleagues were ordered to isolate me socially in the company. The same colleagues still talked to me as usual outside the cement works, and they told me they wanted the director to leave. I put up with it for two months, but as soon as I found another job I left.

There was no union at my new workplace, Geosteel, an Indian-owned factory. When my new colleagues found out that I had trade union experience, they asked me if I could help them set up a union. Out of a total of 50 workers, 20 decided to join, and they elected me president. The union was founded on 25 January 2008. On 4 February, I told a company lawyer that I wanted to meet the director to inform him officially of the existence of the union...and on 6 February, I was dismissed, barely four months after being hired.

It was the second job I had lost in the space of four months because of my trade union activities. We are living on my wife's earnings at the moment, but that will not be viable in medium term. I have to find another job. I still support trade unionism because it is in my nature to want to help others, but my wife doesn't support my commitment to this at all any more."

Since that interview, which took place on 5 March 2008, trade union solidarity has enabled Malkhaz to find a job, fortunately in an enterprise open to social dialogue.



The World Bank is encouraging neo-liberal reforms in the world, and Georgian workers have indirectly become the victims of this



Gocha Aleksandria, vice-president of the GTUC



→ Zviad Nikolaiashvili



the new trade union, as Dimitri Grigalashvili, vice-president of the building workers' union explains: "The director made it clear he had the right to do what he liked following the adoption of the new labour code. Given the tradition of passing jobs down from father to son in an enterprise, workers are even more hesitant if they fear for their post. The director of RustavCement insulted our members and asked the supervisor to harass them, for example by taking a photograph of them if they used their mobile phones or if they took a siesta during the lunch break. He used every trick in the book to threaten them with dismissal." One of the union delegates, Malkhaz Akhalaia, resigned as a result of all the pressure (see box on page 3).

In face of this repression, the GTUC asked the ITUC to help it by calling on the support of the Heidelberg workers' union in Germany. That union promptly contacted the group's top management, which recommended that RustavCement put an end to its anti-union practices. "Since then, the director no longer harasses our members directly, but he still tells his supervisors to persuade the workers not to join the union," explains Gocha Daushvili, president of the GTUC's Rustavi office. This pressure, combined with frequent references to dismissals in other enterprises, has been enough to keep the union at bay.

20,000 members lost

The slow death of the dockworkers' union in the port of Poti on the Black Sea is an even more blatant example of the trend towards anti-trade unionism since the adoption of the new labour code (see article which follows). "We've lost about 20,000 members altogether across Georgia as a result of

the harassment and dismissals made possible by this labour code," estimates Irakli Petriashvili. "In a metal working factory in the town of Zestaponi, for example, we were in dispute with the management for several years after it created a yellow union. Half the workers' joined this union, the rest stayed with us. Shortly after the new labour code came into force, the employer told the workers it would be very easy for him to dismiss them.... Seven months later, the GTUC-affiliated union in the enterprise had died out. We lost 5,000 members, frightened that they could lose their jobs."

The GTUC works tirelessly to persuade the government of Georgia to end its neoliberal policy, but it is confronted with several lobbies for taking the opposite direction, including the international financial institutions. Gocha Aleksandria explains: "In its report 'Doing Business' which compares how easy it is to do business in 178 countries, the World Bank ranks Georgia in fourth place in the 'Employing workers' category. By ranking countries on the basis of such criteria, the World Bank is encouraging neoliberal reforms in the world, and Georgian workers have indirectly become the victims of this through the adoption of this labour code."

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Fierce anti-unionism in the Poti port

The town of Poti on the Black Sea is notable for the extreme anti-union attitude of its port's management. In just over a year, the number of workers affiliated to the union has shrunk from 1,200 (out of a workforce of 1,300) to just 20. The new labour code has left its mark.

"The first unjustified dismissals took place in July 2006, just after the new labour code came into force," recalls Eduard Korkia, president of the Poti dockworkers' union. "Union delegates were not directly targeted, but from then on some of the workers began to worry they would lose their jobs, and would no longer openly support the union. They waited to see the outcome of our dispute with management before getting more involved. Management hasn't stopped attacking us ever since. In December 2006, for example, it refused to continue the check-off system for trade union dues, which led to a sharp fall in the number of paying members."

Encouraged by the neoliberal legislation, the port's management stepped up its attacks on all forms of social dialogue. Vakhtang Tirkia, the vice-president of the Poti port workers' union: "The director, Lasha Akhaladze, unilaterally ended the collective agreement on 1 January 2007, even though an article in the agreement stipulated that it would remain in force 'by default' until the next agreement had been negotiated. From then on, he didn't reply to any of our letters, whether they were about union demands, a proposal for a

meeting, or a request to allow some of the workers to attend a seminar organised by the ITUC in Poti in August 2007."

According to trade union witnesses, the Poti port authorities have used their security guards to threaten the workers that they will lose their jobs if they support the union. This hounding of the unions is probably linked to the plans to turn Poti into a free trade zone from May 2008. At the end of 2007, the trade union leaders tried to revive their movement. "On 15 October 2007, as the privatisation of the port was moving ahead with candidate submissions, we held a meeting of about 60 workers during the lunch break. The purpose of the meeting was to talk to them about our demands (a pay rise before the arrival of the new investor, guarantees about job security...) and to show the employer that we still had the support of rank and file workers," explains Eduard Korkia.

The union sent management a letter explaining its demands and asking for a reply within ten days. But, continues Vakhtang Tirkia: "Instead of getting a reply, five trade union officers were dismissed on 25 October. We didn't know that our 15 October meeting had been discretely filmed by persons with close ties to management. Management did not



Vakhtang Tirkia, Mamuka Shengelia and Eduard Korkia did all they could to keep the union of port workers in Poti going, despite a fierce anti-union campaign by the authorities. → S.G

dare dismiss everyone who attended the meeting, but with the help of the video recording it identified the most active trade unionists in order to get rid of them."

Sign or get the sack

The dismissals made a lot of workers uneasy. Management tried to reassure them by asking each of them to sign a letter which, supposedly, called for the workers' reinstatement. "In reality, most of the workers couldn't read the letter," says Mamuka Shengelia, a member of the port workers' union executive committee. "Representatives of the employer asked them to sign a white sheet attached to the letter, putting pressure on them to sign quickly, without reading the details. Although there was a paragraph at the end of the letter calling for the reinstatement of the five dismissed workers, the preceding paragraphs were anti-union. The letter said, for example, that as management did everything in the workers' interests, there was no need for a union. 800 workers signed the letter. Some of those who refused were shown their notice of dismissal, as management clearly wanted to make them understand that they risked being sacked. Eleven workers who refused to sign were finally dismissed, on 1 December, with no official explanation."

In face of these repeated attacks, two union leaders from the

port decided to go on hunger strike, triggered by the management's decision to deny access to the trade union office located in one of the port's buildings. Eduard Korkia was one of them: "We began our hunger strike in front of the building. We were asking for a meeting with the port director, for the reinstatement of the five dismissed trade unionists, for a reply to our letter setting out our demands and to regain access to our union premises. After five days on hunger strike, and with the help of the president of the GTUC, who came to Poti to meet some of the port managers, we gained partial satisfaction of these demands. Management promised to reinstate the five dismissed trade unionists provided they did not have a criminal record. So far, however, none of them have been reinstated. Only two of the eleven workers who lost their jobs in the second wave of dismissals have been reinstated."

The trade unionists of the Poti port hope that privatisation will result in an employer who is less opposed to social dialogue. At the beginning of April they lost a court case they had taken against the current management to demand the reinstatement of the dismissed trade unionists. They continue to receive the support of the ITUC, which has repeatedly urged the government to intervene to ensure the reinstatement of the workers unfairly dismissed from Poti.

The sweatshops of the Caucasus

Excessive working hours, poverty wages, primitive working conditions: big international clothing companies are taking advantage of the low cost of production in this country relatively close to their markets. The Georgian trade unions are squaring up to the employers.



→ S.G.

When Irakli Petriashvili, president of the GTUC trade union confederation, arrives in Batumi, a harbour town on the Black Sea, at seven in the evening, he has no time to rest: 60 women workers from three clothing factories in the region are waiting for him in the trade union offices of Batumitex, the biggest of the factories. He shakes everyone's hand, drinks a glass of water and the discussion begins. *"I work from 9:00 a.m. to 10:00 p.m., on my feet, lifting an iron that weighs 3 kilos, for a salary of 260 lari per month. That is not enough for work that is affecting my health. In the summer the heat is unbearable in the ironing rooms,"* begins a young woman employed by Batumitex, which produces clothes, notably, for the prestigious Marks & Spencer label. *"In our factory the employer locks the doors at the end of the day to stop us leaving if we haven't worked quickly enough,"* continues a worker from the Turkish-owned Georgia-Karsa factory. *"He locks the toilets so that we can only go to them during two designated five-minute periods per day. Can you imagine what the queues are like? If you are not at the front of the queue you have to wait for the second 'toilet break' before you can go."*

For nearly an hour, the GTUC president listens to the work-

ers' complaints and sets out the trade union strategies that could help them. Then it is time to visit the Batumitex workshops. It is 9.30 pm, but the "quality control," "ironing" and "packing" departments are all working flat out because there is an important order that has to be got out that evening. While Irakli Petriashvili talks to the employer, who appears nervous but is open to social dialogue (nearly all the factory's 1,040 workers are union members), we walk around among the workers. Once there is a little distance between us and the employer, tongues are loosened and the women start complaining about the overtime they have to work. *"We often have to work the equivalent of two shifts in one day,"* explains one of the women, who is about 50 years old. *"Last week I was only able to go home at 6:00 p.m. once. The other days it was systematically 9:00 or 10:00 p.m. I can't make dinner for my children when I go home that late. We get paid an extra 50% for overtime, but I don't want the money any more, I want a normal life."*

Up to 20 hours a day in the factory

Chito Antadze, president of the Batumitex workers' union, confirms what the women say: *"Many of the workers are*



We want to fight to improve our situation, but it is vital that Marks & Spencer continues to place its orders here. We cannot afford to lose the only work there is



worn out. Our union signed an agreement with management stating that all workers must have at least two weekends a month off, but management doesn't respect the agreement. Production quotas are set and some of the workers have to work up to 20 hours a day to meet them. If they don't meet their quota, management tries to not pay them overtime, but our union is keeping a close watch on it."

Work reached this punishing pace following the closure of a factory in Bursa, Turkey. "Orders for that factory were transferred to ours, and the time allocated for the workers at each stage of the production process was cut in two," explains Manoni Japaridze, vice-president of the Batumitex workers' union. "It is doubtless more profitable for the employer to pay his daytime workers for extra hours overtime per day, even at 1.5 times the normal rate, than to hire a second team to work an evening shift. In fact there is no guarantee that there will constantly be enough orders to justify employing a second team full time. The hardest times for the workers are when the models change and they have to learn quickly how to make a new garment."

"I'd leave if I could find another job"

According to the union, Batumitex only gets 1 lari (0.43 euros) for a dress that will be sold for more than 40 euros in Western Europe. Such low prices could explain why the average salary is only 160 laris (70 euros) for a 42-hour week

(excluding overtime). "The employer doesn't give us the choice to refuse overtime. There are always orders to finish for very tight deadlines," says an employee in the Batumitex 'ironing' department. "If there were other jobs, I would hand in my resignation straight away, especially as our salaries have fallen way behind the cost of living, but there is nothing else in Batumi. We want to fight to improve our situation, but it is vital that Marks & Spencer continues to place its orders here. We cannot afford to lose the only work there is."

In addition to its negotiations for better working hours and wages, the Batumitex workers' union is urging management to allow at least some of the workers in the quality control and ironing departments to sit down while they work, even if they have to take it in turns. Irakli Petriashvili manages to extract a verbal promise from the employer on this. In the meantime, the women workers explain that they have never seen an auditor sent by the buyers who could check on their working conditions. They want to tell us more, but the employer is clearly tired of hearing them complain, and orders them to get back to work immediately.

The factory visit ends at 10:15 p.m. Dozens of women are still at work, after more than 13 hours in the factory. Tomorrow is March 8, International Women's Day, which the GTUC will be celebrating with a march through the street of Batumi....

Winning the battle for social dialogue

The help of the GTUC confederation's leaders is often welcomed when it comes to creating unions in factories far from the capital, Tbilissi. It is easier for these leaders, more accustomed to modern trade union strategies, to collaborate at the international level when employers repress union organising. The direct support of the grass roots unions by the national confederation has had positive results, notably last March in Batumi, the capital of the Autonomous Republic of Adjara. Five workers from the Georgia Karsa clothing factory wanted to form a union and 50 other workers were ready to join, but the employer insisted that there was no need for a union in his company. He took an even harder line when the great majority of his workers organised a demonstration on 10 March at the factory gates to demand, amongst other things, union recognition. The employer continued to refuse to talk to the delegates chosen by the workers, but he did agree to meet with GTUC leaders. Little by little, dialogue was established.

"It took the intervention of the president of the Chamber of Commerce of the Autonomous Republic of Adjara however for the employer to agree to enter into real social dialogue with the elected trade union delegates in his factory," explains Gocha Aleksandria, vice-president of the GTUC, who took part in the negotiations at Georgia Karsa. "We often have to spend a lot of time convincing employers that the existence of a trade union does not mean that they will be facing a constant series of wildcat strikes. Once we had persuaded the Georgia Karsa boss, he agreed to dialogue with his trade union delegation. Several of the workers' demands were met, including the right to finish work at the normal time."

In a country that has such strongly neoconservative legislation as Georgia, trade union recognition does not always mean that the union delegates' troubles are over, however. They can be dismissed at any time, without justification. In the case of Georgia Karsa, two union delegates were dismissed and only one of them has won reinstatement. In another clothing factory in the region, BTM, in Khelvachauri, nine trade unionists were dismissed last March despite the official recognition of their union. Gocha Aleksandria reported: "The union at BTM asked for help from the deputy mayor of Khelvachauri, Mr Levan Abashize, with solving the dispute and reinstating these trade unionists. He replied that the nine workers deserved to be sacked because they should respect their employer and not get involved in trade union activities."

Hunger strike, the last resort

Yellow unions, harassment, dismissals... Georgian workers often have to face a gamut of anti-union tactics to achieve social dialogue. Some go as far as a hunger strike to make themselves heard.

The buyout of Telasi (the electricity supply company for the Tbilissi region) at the end of the nineties by the American multinational AES nearly sounded the death knell for its union. "A few months after the buyout, Telasi's new management announced it was going to dismiss 630 workers," explains Malkhaz Ghoniashvili, president of the Telasi workers' union. "A new trade union delegation was elected, and it managed to save the jobs of 240 of them. From then on, management was constantly on the workers' backs, using even the most minor pretexts, such as being five minutes late, to justify a dismissal. Management also pressured the 1,300 union members (out of a workforce of 2,000) to leave the union. We held firm and in a counter-attack we presented management with a list of ten demands. When they were refused by the director, the then president of the Telasi union, Irakli Petriashvili (now president of the GTUC) went on hunger strike with several other members of the union delegation. After six days without food, fierce negotiations led to acceptance of nine of the ten demands, and they were incorporated into the collective agreement."

Improvements

Encouraged by this success, another 700 workers joined the union. Today, out of a total of 2,202 workers in Telasi, only 103 are not union members. This high level of membership allows the union delegation to continue to defend its members' interests effectively, even after the new labour code that undermines workers' rights came into force (see page 2). But as Malkhaz Ghoniashvili says: "Management did everything they could to stop this increase in union membership. Shortly after nearly all our demands were accepted, AES spent a huge amount of money on union busters who tried to encourage the creation of a yellow union, without success. Telasi was then bought by a Russian group which has more respect for social dialogue, partly because its management knows that we have proved our strength in the past. It takes time to negotiate new demands, but there is dialogue. Despite the new labour code, we have been able to make a lot of improvements, notably pay rises, the number of days annual leave and the duration of maternity leave."

The Telasi hunger strike inspired other unions facing serious difficulties, such as the union at the Poti port (see page 4). In February 2008, it was the president and vice-president of the Tbilissi metro workers' union who made the headlines



The leaders of the Metro Workers' Union in Tbilisi used a hunger strike to get a wage rise without inconveniencing any travellers. → Zviad Nikolaishvili

by going on hunger strike to support their demands. Besik Kharatishvili, the union president, explains what led them to take such radical action: "We had been in discussions with management for five days about a pay rise and extending the duration of employment contracts, but we were getting nowhere. We preferred to go on hunger strike rather than organise a general strike on the metro that would have held the whole population of Tbilissi in ransom and would have tarnished the image of the trade unions. We went to a metro station to begin our action, and the press were there immediately to cover the story. Three hours after we began our hunger strike, several of our key demands were met: the salaries of the lowest paid workers were increased by 15% to 17%, and those of the highest paid workers by 2% to 3%, which reduced the pay differential between white and blue collar workers in the metro. We also won an increase in the length of the employment contract from one to two years,

and another pay rise for those carrying out the hardest tasks."

According to Besik Kharatishvili and the vice-president of the metro workers' union, George Khitalishvili, the support of all their members played a decisive role in winning such a rapid victory. "There is no doubt that the reason we did not have to stop eating for a long period to win these improvements is that the employer realised that we had the support of all the workers, who were prepared to take over from us to keep our hunger strike going." The metro workers were all the more ready to support their trade union leaders because they have helped save a lot of jobs over the last two years. "When we were elected in March 2006, the union was in a bad way. One thousand workers had been dismissed in January and February. In the months following our election, we managed by going to court to get 300 of

them reinstated. We also succeeded in raising the average salary of metro workers from 280 to 437 liras (from 120 to 190 euros)."

Physical after effects

The positive outcome of the hunger strikes by the Telasi and metro workers' unions should not be a reason for them to become a regular means of pressure, however, because there are serious health risks. "A hunger strike is only a last resort, when there is really no other way of making yourself heard. The hunger strike I went on at Telasi helped persuade the employer to change his mind, but it affected my health and I still suffer from problems today. I have stomach ulcers that require medical treatment," warns Irakli Petriashvili.

Promising first results from organising the informal economy

About two thirds of Georgia's working population are self-employed. The GTUC has no choice: it must try to organise them if it wants to be representative of the country's workforce.

In Georgia as in many countries, very few of the country's self-employed workers are unionised. It is difficult for traditional unions to reach out to the hundreds of thousands of people working on their own, and even more difficult to involve them in collective action. The creation in December 2007 of a "Union of Self-employed and Commercial Workers" shows, however, that the GTUC is ready to rise to the challenge. The new union is currently concentrating on traders in the big, permanent market places, who are easier to reach than more isolated traders. The aim, however, is to extend this, to reach as many self-employed workers as possible. The first results are encouraging: in three months, no less than 2,500 workers joined the union in the capital Tbilisi alone.

Zaza Agladze, president of the Union of Self-employed and Commercial Workers, explains why the informal economy has grown so much in Georgia: "It is a development that dates from the independence of Georgia. In the days of the USSR, the different stages of production, for example of a car, often took place in different republics. Many of these factories lost their links with each other when the USSR was dismantled, and ended up closing. Thousands of people lost their jobs, and many of them had to create their own jobs to survive. This trend grew during and after the civil war in Georgia at the beginning of the nineties. However, the government does not provide social security for the unemployed. In 2007 there were 1.4 million self-employed people in Georgia, including 100,000 in the public markets alone."

Trade unionism for beginners

From its creation the union began to distribute leaflets in the markets to encourage the market traders to join. "You have to talk to every worker, to convince them of the need to join, to explain what collective action is, from the beginning, which takes a lot of time and energy," says Zaza Agladze. "As soon as we recruit five people at the work place, we try to designate a leader who will take responsibility, in particular, for recruiting more members. As soon as there are 100

people, a committee is elected. If there are problems, there is a direct line that any member can call where one of the union's employees will take note of what is happening and will contact us if it is urgent." The union is not asking its members to pay dues yet; it is waiting to get its first tangible results before taking this step.

One of the union's primary aims is to help these workers obtain a proper status. "The taxes paid by self-employed workers make up 25% of the government's budget, but they receive virtually no social security in return," explains Zaza Agladze. "We would like for example to get better pensions for them: a supplement to the basic pension is calculated according to the number of years someone has been employed...but these years are not taken into account if the person has worked in the informal economy, even if they've been working hard for 10 or 15 years in order to survive and have been paying tax all that time."

"They dare not protest individually"

Manana Gakharia, a union delegate from the Lilo market, the biggest in the Tbilisi region with 5,000 workers, wants to raise awareness of these injustices. "The market workers have taken the risk of borrowing money to start up their activities, they pay income tax just as if they were employees, but they don't get the same benefits. They dare not protest individually because they could lose their pitch on the market. But together, united under the union banner, it is possible to take their grievances to the highest authorities. We have also entered into dialogue with the market managers, who suspected us of being political party activists at first, but who later understood what we were doing. We haven't had any spectacular results yet because the union has only been in existence a few weeks, but if the number of members continues to grow as it has been, we will be able to make progress."

The market workers are also asking the new trade union



The sellers dare not protest individually because they could lose their pitch on the market.



Manana Gakharia, a union delegate from the biggest market in the Tbilisi region



→ Zviad Nikolaishvili



to combat certain abusive practices. Zaza Agladze: "The slightest administrative error can be punished by heavy fines, to the extent that there is talk of "official corruption." For example, a trader who does not give a till receipt to a client is fined 500 laris (220 Euros) for the first offence, and 1,000 for the second, which is in many cases the equivalent of several months' earnings. Yet some of the traders have little formal education, and they can barely use this ticket system that they have never known. There has to be more flexibility. And also, this system has not been perfected: a

trader has to pay tax on the basis of the amount shown on the ticket, but if a client later returns the merchandise, for example because it is faulty, the trader has no means of getting the tax back. Those selling second-hand goods are also dogged by administrative obstacles: they have to stock their merchandise for a month before they can sell it, to give the administration time to check up on a whole range of things. They can lose a lot of money in this time because prices fluctuate daily as does the dollar exchange rate. A lot of our members also complain that they have to pay for their pitch in the market, even when they are on holiday."



Zaza Agladze, President of the Union of Self-Employed Workers and Traders, spends a lot of energy convincing workers in the informal economy to join his organisation. → Zviad Nikolaishvili

Trader, taxi driver and dog trainer

Thirty-eight year old Armen, father of three, rents a pitch for his small clothing business in the Lilo market, on the outskirts of Tbilissi. He has just joined the Union of Self-employed and Commercial Workers. His experience illustrates the precariousness and poverty faced by hundreds of thousands of self-employed workers in Georgia: "When I finished my university studies in electronics, there were no jobs in Georgia. It was during the civil war and the situation was very unstable. I have worked on this market for eight years with my mother and sometimes my brother and sister. I regularly travel to Turkey to buy the clothes I sell on this market. By the time I have paid for my travel, customs duty and the 235 laris (103 euros) rent for my pitch, I'm left with a profit of about 250 to 300 laris a month. The market is only open three days a week from 7:00 a.m. to 3:00 p.m., so I spend the rest of the time doing other small jobs to help me feed my family, such as being a taxi driver or a dog trainer. I have to do this because we don't get any education allowance for our children, and my mother's pension is only 65 laris a month (28 euros) even though she has worked for 50 years."

ILO and unions working together to protect migrant workers

Hundreds of thousands of Georgians have fled poverty to try their luck abroad. This poorly regulated migration often leads to exploitation. In a project run jointly by the ILO, the Georgian trade unions are getting involved in ensuring better protection for the migrants.

On the one hand there are the statistics that are pleasing to the government, such as economic growth of about 12% in 2007. On the other is the reality of daily life for the people of Georgia: two thirds of the working population in the informal economy; unemployment at 13.6% and a minimum pension of barely 70 laris (30 euros). Then there is the constantly rising cost of living, with salaries lagging far behind. "In the last ten years electricity prices have risen by 500%. In 2007 alone, the price of gas has climbed by 50%, and water by 100%. We buy our energy from Russia, which no doubt raises its prices for clients all over the world, but Moscow also applies some price rises to Georgia specifically, for political reasons," says Nodar Qoqiashvili, an analyst from the GTUC trade union confederation. Serious tensions with Russia have also resulted in an economic embargo by Moscow on Georgian exports.

This difficult economic situation has forced hundreds of thousands of Georgians to leave their country in the last few years. Statistics on the number of migrants are vague, with estimates ranging from 300,000 to 1 million Georgians living abroad, out of a total population of 4,3 million. The ILO is currently working with the Georgian government on improving the way it estimates migration, but a recent survey gives another indication of the migratory trend. "Last year, a study selected 300 Georgian households in Tbilissi at random. 80% of them had one person in their family or one person they know living abroad," says Zsolt Dudas, chief technical adviser at the ILO office in Tbilissi.

Russia is the principal destination for Georgian migrants, followed by countries or regions such as Turkey, Greece, the Baltic States, Western Europe or the Persian Gulf. Most of the migrants are low skilled workers (domestic work, construction, agriculture...). In the absence of reliable statistics on the number of migrants, it is impossible to know how many of them are being exploited, even trafficked, in their countries of destination. The difficulties in migrating legally and the lack of information on their countries of destination increases the vulnerability of many Georgians abroad. "Illegal migration is not trafficking in itself, but one is often the cause of the other," explains Zsolt Dudas. "For example, Georgian domestic workers have the right to remain for a certain number of months in one country or another. Their dependence often begins after this period, when the employer says to them "you can't stay in any longer, but I will give you authorisation; however, I have a favour to ask you." It opens the door to increasing exploitation, including sexual exploitation."

Involving the unions to cover the whole country

The ILO and the GTUC are now beginning a cooperation project to limit the exploitation of migrants as far as possible. "We are going to organise training jointly this summer for potential migrants. Manuals on the countries of destination will be produced, with very simple, direct information explaining what a standard employment contract is, what the potential problems are, the procedures, the different ways

of obtaining more information, etc. The ILO and other international agencies are also offering training for the Georgian unions because trafficking is a new issue for them. One of the advantages of working with the trade unions is that the training filters down to the grass roots, that participants train their own members. We plan to involve them in studies on the migratory phenomenon, partly because unions are present throughout the country," says Zsolt Dudas. In time, this training could also be of benefit to future migrants to Georgia, notably in the building industry, which is now booming but which in the future could be short of labour, as its workers are leaving for countries that pay better wages.

Regulating private employment agencies

The ILO also wants to involve the Georgian trade unions in monitoring the employment agencies that recruit migrant workers and help them go abroad. "At the moment they are not subject to any form of self-regulation, and they don't have to account to anyone," says Zsolt Dudas. "If these agencies were regulated, there would be less risk of them getting involved in trafficking. They are the ones who decide how much money they will ask from the workers. They are sometimes excessive, demanding up to 50% of the next month's salary. The ILO believes these costs should be regulated, reasonable, and paid by the employer. As there is no longer any labour inspection in Georgia, one part of the task of regulating private employment agencies could be done by the unions".

On the trade union side, the GTUC is enthusiastic about all these projects. It also hopes to develop better cooperation with the unions in the country of destination. "Someone employed by the Greek trade union GSEE is already the contact point for Georgian migrants. That person will also carry out a survey of these migrants, their working conditions, the principal sectors they work in, etc. We are collaborating with the Turkish trade union Hak-Is on something similar, and we hope to develop these partnerships with trade unions from other countries of destination," says Gocha Aleksandria, vice-president of the GTUC.



→ Zviad Nikolaishvili



One of the advantages of working with the trade unions is that the training filters down to the grass roots, that participants train their own members



Zsolt Dudas, chief technical adviser at the ILO office in Tbilissi

Trade union unity under attack in schools

A yellow union created by headmasters has aroused the wrath of teachers.



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One of Georgia's biggest trade union federations, the Educators & Scientists Free Trade Union of Georgia (ESFTUG), has been in turmoil since the beginning of the year, following the creation of a yellow union that receives help from the authorities. "The union was created by the headmasters, who claim to be defending teachers' interests," explains Maia Liparteliani, the ESFTUG's lawyer. "A lot of headmasters have asked our members to leave and join the new union. The leaders of this yellow union are lining their own pockets, in several ways. They organise training seminars, for example which teachers are strongly encouraged to take part in. The seminars are supposedly paid for out of the school budget. In the end it is the participants who pay because these costs are not foreseen in the school budget. Members of the yellow union get a 50% reduction on the cost of the training. The union is supported by some regional authorities, such as in the autonomous republic of Adjara where the Public Education Ministry publishes the union's membership application form on its website." Education International (EI) has written to Georgia's Ministry of Education protesting at the authorities' interference in the internal affairs of the union.

This split orchestrated by some headmasters is even more regrettable given that the 110,000 members of ESFTUG are in dire need of the support of their union. As Maia Lipar-

teliani explains: "The average salary for teachers is about 100-120 laris a month (43-52 euros), and their pension is only 35 laris (15 euros). To make ends meet, some teachers have to give private lessons. A lot of retired teachers continue to work to get both their salary and the pensions... but even that isn't enough to live decently. The president has promised a pay rise, however." The union fears that the combination of low pay and difficult working conditions (overcrowded classes...), will lead to a shortage of teachers within the next few years.

Over the last few months the union has also been battling against the imposition of short term contracts on teachers. "As a result of the new general education code adopted in 2005, employment contracts are now signed directly by the teacher and their headmaster," says Maia Liparteliani. "Since 2007, a lot of headmasters have put pressure on teachers to sign one-year contracts. We've been campaigning intensely against these contracts and have encouraged our members to refuse to sign them. There are risks for the teachers who refuse to sign because the new labour code enables employers to dismiss staff very easily. Some headmasters did go that far, but our pressure has worked because the authorities have backed down and the teachers no longer have to sign these fixed term contracts."