

## **MINIMUM WAGE SHOULD BE SET BY LAW**

As it is known, the Georgian Trade Unions Confederation and the Ombudsman's office recommended the Government of Georgia to set the minimum wage by law.

In Georgia, it is 20 GEL (8.5 USD) in the private sector, and 135 GEL (57.4 USD) in the public sector. In addition, both wages are set by the President's decree.

Trade unions and the Ombudsman's office consider that when setting the minimum wage recommendations of the National Tripartite Committee should be taken into account, and subsequently adjusted in accordance with economic processes taking place in the country.

Lack of the normal minimum wage allows employers to enjoy complete freedom in wage setting. Ultimately, notorious 20 GEL represent a 'zero' and you can add as much as pleases to the zero that is widely used by employers to exploit workers.

'The state does not provide labour market with any mechanism for setting the minimum wage on the basis of humanitarian, social and economic considerations. The only thing that the Government does, it sets the living wage that is published annually by the National Statistics Office of Georgia, however, all this is just information and nothing else'. To date, the living wage in Georgia is 156.6 GEL (66.5 USD.) that is much higher than the minimum wage in both private and public sector.

According to trade union representatives, about 140,000 workers, or nearly 20% of all those employed, are getting paid less than the living wage. "This means that many workers in the country are poor or destitute.

This shows, in the first place, social injustice, and secondly, inhumane approach, and, thirdly, economically incorrect wage public policy in Georgia.

The Georgian Ombudsman's report 2015 focused on the minimum wage. This issue was called one of the main problems related to the shortcomings in the labour law.

Trade unions and the Ombudsman's office considered that the minimum wage should be regulated by law, not by regulations.

If the minimum wage in Georgia is set by the law, there should be control over its implementation. For this, an effective inspection mechanism should be put in place.

The Georgian Labour Inspectorate does not really exist, and if there is, it is only on paper. This agency was established in process of visa liberalisation in order to identify possible cases of trafficking, forced labour and labour exploitation at enterprises or organisations.

However, no one understands what labour exploitation is, so specific interpretation of the concept does not appear anywhere. 'According to Georgian trade unions, it occurs when a person is forced to work for a pay that is lower than the statutory minimum wage. The Government avoids settling the said question. If the law sets the specific minimum wage, the Labour Inspectorate will have to identify the facts of exploitation and respond appropriately to complaints of workers.

That is why trade unions and the Ombudsman's office consider that the minimum wage should be set by law. Remuneration shall not be less than the minimum wage, and at the same time, the law must include an agency responsible for calculation and revision of the minimum wage, and relevant procedures.