

ACADEMIC PAPER

REGULATORY IMPACT ASSESSMENT

C156 – WORKERS WITH FAMILY

RESPONSIBILITIES CONVENTION



JULY 2021
UN WOMEN

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TBILISI, GEORGIA
JULY 2021

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United Nations Entity for Gender Equality
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FOREWORD

The ISET Policy Institute (ISET-PI)—in collaboration with UN Women, in the scope of the project “Women’s Economic Empowerment in the South Caucasus” (WEESC) funded by the Swiss Agency for Development and Cooperation (SDC) and the Austrian Development Cooperation (ADC)—has implemented Regulatory Impact Assessments (RIA) in two parts to study the prospects and organize a policy dialogue towards the possible ratification of the International Labour Organization (ILO) Workers with Family Responsibilities Convention, 1981 (No. 156). The aim of the RIA exercise in two parts, presented in this volume, is to provide technical assistance to the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia (MoIDPOTLHSA) and other respective national institutions involved in the process of ratifying the Convention.

According to Convention No. 156, the definition of “worker with family responsibilities” is twofold, concerning:

1. Responsibilities towards one or more dependent children
2. Responsibilities towards other members of the immediate family¹

Georgia has not yet ratified the Convention, and its legislation does not contain the definition of worker with family responsibilities. However, the term is partially applied, both for employees of the private and of the public sector. Having family responsibilities is an important factor influencing the labour market outcomes of individuals of working

age. ILO Convention No. 156 highlights the fact that family responsibilities can constitute an important constraint for workers, as such duties usually conflict with labour market responsibilities, potentially leading to worse labour market outcomes (e.g. discrimination at hiring, lower pay, higher risk of inactivity, etc.). Family responsibilities—including unpaid care work² — are also one of the reasons behind gender gaps in the labour market, as family responsibilities fall disproportionately to the female members of working-age families.³ Moreover, according to a 2018 UN Women report,⁴ significantly fewer women of working age are participating in the labour market than men (79 per cent of men versus 53 per cent of women). The disparities are even more pronounced when looking at the labour market participation rate of males and females of reproductive age (85 per cent of men and 58 per cent of women). The major aims of the Convention include creating equality of opportunities as well as of results, avoiding conflicts between job and family responsibilities, and avoiding discrimination in the workplace. ILO Convention No. 156 and its associated Recommendation, 1981 (No. 165), also stress that States should take into account the needs of workers with family responsibilities when engaging in community planning and should develop and/or promote community services, public or private, such as childcare and family services and facilities.⁵

The RIA process started in November 2019, when the preparatory work began, and continued until July 2021. Over this time, important amendments were introduced to the Labour Code of Georgia under the reforms of 29 September 2020 in order to harmonize national legislation with EU gender equality directives and ILO Conventions No. 100 and No. 111. These amendments led to improvements in the

1 ILO. C156 - Workers with Family Responsibilities Convention, 1981 (No. 156), art. 1, paras. 1–2.

2 For the purposes of this report, under “unpaid care work”, we consider only the following care activities: childcare, elderly care and care for other family members.

3 In Georgia, women are usually responsible for unpaid household activities such as cooking and cleaning. In addition, women remain predominantly responsible for childcare and elderly care. Women of working age report

that they spend approximately 17 hours a week on care activities, while men spend less than 4 hours (source: authors’ own calculations based on the 2018 UN Women survey data).

4 UN Women. 2018. Women’s Economic Inactivity and Engagement in the Informal Sector in Georgia: Causes and Consequences. Tbilisi.

5 ILO. C156, art. 5.

regulation of childcare responsibilities. Nevertheless, the challenges related to community planning and the provision of community services and to the working conditions of workers with other family responsibilities, such as care or support for children (over the age of 5), elderly and/or other immediate family members with chronic diseases, disability or other illness, have been left out of the discussion. Thus, there remains a need for amendments—to the Labour Code of Georgia as well as to the Law of Georgia on Public Service⁶—and, more broadly, for changes in public policies to support workers with family responsibilities, harmonize with the provisions of ILO Convention No. 156 and Recommendation No. 165, and consequently improve the working conditions of workers who have other family responsibilities.

ISET-PI began by reviewing Convention No. 156 in detail. The RIA team, supported by its legal expert, conducted a legal gap analysis of Georgian legislation against the Convention and associated EU Directives. In addition, the RIA team conducted a review of the relevant international and national literature. During the analysis, several legislative gaps were identified. Based on this analysis, the RIA team identified potential policy actions that would be needed to prepare Georgia for the ratification of the Convention. The review was updated over time to take into consideration the impact of the changes to the Georgian legislation that took place during the implementation of the project.

The potential policy actions identified by the RIA team during the preliminary analysis included the following:

1. Creating a definition for workers with family responsibilities
2. Introducing family-related leave, taking a non-discriminatory approach

6 Article 2 of the Law on Public Service determines the status of a public servant, the conditions for the recruitment of qualified public officers and performance of service by them and matters of public service administration. It also

3. Integrating the needs of workers with family responsibilities through community planning and vocational education
4. Introducing the guaranteed right to return to work following family leave and protection from dismissal

The RIA team, together with the UN Women employee, presented a short summary of the preparatory work and of the potential policy options as RIA topics to the tripartite working group in February 2020. The members of the tripartite working group discussed all four topics and decided initially to choose the third topic—integrating the needs of workers with family responsibilities through community planning and vocational education—as the preferred one for the RIA exercise, suggesting an emphasis on community planning and the provision of community services. The analysis of this aspect is incorporated in Part I of the volume.

In September 2020, during discussions following the introduction of amendments to the Labour Code of Georgia, representatives of the MoIDPOTLHSA expressed interest in an assessment of the potential impacts associated with the introduction of additional provisions related to the flexibility of work arrangements. To accommodate this request, ISET-PI developed Part II of this volume. Part II presents the RIA of potential options to address the problems associated with flexible work arrangements that still exist in the Georgian context.

The analyses contained in this volume were performed on the basis of the practices and procedures in place at the moment of their realization.

regulates official legal relations between public servants in state bodies (institutions), in bodies (institutions) of the autonomous republics and municipalities and in legal entities under public law.

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PART I

ACRONYMS AND ABBREVIATIONS

EMC	Human Rights Education and Monitoring Center
GDP	Gross Domestic Product
GEL	Georgian Lari
Geostat	National Statistics Office of Georgia
GoG	Government of Georgia
HH	Household
ILO	International Labour Organization
ISSET-PI	ISSET Policy Institute
LEPL	Legal Entity of Public Law
LFP	Labour-Force Participation
LFS	Labour Force Survey
MoE	Ministry of Education, Science, Culture and Sport of Georgia
MoIDPOTLHSA	Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia
MRDI	Ministry of Regional Development and Infrastructure of Georgia
NGO	Non-Governmental Organization
NPV	Net Present Value
R165	ILO Workers with Family Responsibilities Recommendation, 1981 (No. 165)
RIA	Regulatory Impact Assessment
SNA	System of National Accounts
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund

EXECUTIVE SUMMARY

The image features a solid blue background in the upper half and a solid green background in the lower half. A white horizontal line is positioned across the middle, underlining the text. A large, semi-transparent white shape, resembling a stylized arrow or a large number '1', is centered vertically and horizontally, extending from the top to the bottom of the page.

The aim of this Regulatory Impact Assessment (RIA) is to provide technical assistance to the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia (MoIDPOTLHSA) and other respective national institutions in the process of ratifying the International Labour Organization (ILO) Workers with Family Responsibilities Convention, 1981 (No. 156).

According to Convention No. 156, the definition of “worker with family responsibilities” is twofold, concerning (1) responsibilities towards one or more dependent children and (2) responsibilities towards other members of the immediate family.⁷ Georgia has not yet ratified the Convention, and its legislation does not contain the definition of worker with family responsibilities. However, the term is partially applied, both for employees of the private and of the public sector.

Having family responsibilities is an important factor influencing the labour-market outcomes of individuals of working age. ILO Convention No. 156 highlights the fact that family responsibilities can constitute an important constraint for workers, as such duties usually conflict with labour-market responsibilities, potentially leading to worse labour-market outcomes (e.g. discrimination at hiring, lower pay, higher risk of inactivity, etc.). Family responsibilities – including unpaid care work⁸ – are also one of the reasons behind gender gaps in the labour market, as family responsibilities fall disproportionately to the female members of working-age families.⁹ Moreover, according to a 2018 UN Women report, significantly fewer women of

working age are participating in the labour market than men (79 per cent of men versus 53 per cent of women). The disparities are even more pronounced when looking at the labour-market participation rate of males and females of reproductive age (85 per cent of men and 58 per cent of women) (UN Women, 2018). The major aims of the Convention include creating equality of opportunities as well as of results and avoiding conflicts between job and family responsibilities, as well as avoiding discrimination in the workplace. ILO Convention No. 156 and its associated Recommendation, 1981 (No. 165), also stress that States should take into account the needs of workers with family responsibilities when engaging in community planning and should develop and/or promote community services, public or private, such as childcare and family services and facilities.¹⁰ In this context, the development of community services and care facilities is envisioned as one of the solutions for eliminating discrimination and inequalities associated with workers’ family responsibilities. This is the focus of this RIA, as demanded by the tripartite working group (employers’ association, trade unions and government).¹¹

Because many parties were expected to be affected by the potential policy changes in the sector, during the given RIA exercise, the team approached a large number of stakeholders, whose opinions were carefully taken into consideration during development of the report (Table 1).

A summary of the positions of the various stakeholders is presented in Annex 2.

7 ILO, C156 - *Workers with Family Responsibilities Convention, 1981 (No. 156)*, Art. 1, paras. 1–2.

8 For the purposes of this report, under “unpaid care work”, we consider only the following care activities: childcare, elderly care and care for other family members.

9 In Georgia, women are usually responsible for unpaid household activities such as cooking and cleaning. In addition, women remain predominantly responsible for

childcare and elderly care. Women of working age report that they spend approximately 17 hours a week on care activities, while men spend less than four hours (source: authors’ own calculations based on the 2018 UN Women survey data).

10 ILO, C156, Art. 5.

11 See Annex 1 for more details.

Table 1:
Stakeholder influence-interest matrix

	LOW INFLUENCE	HIGH INFLUENCE
LOW INTEREST	<ul style="list-style-type: none"> Labour-market experts Human rights NGOs/foundations 	<ul style="list-style-type: none"> Ministry of Finance
HIGH INTEREST	<ul style="list-style-type: none"> UN Women UNFPA UNDP ILO Gender experts Gender Equality Council of the Parliament Private employment agencies Human Rights Education and Monitoring Center (EMC) Care centres (for the disabled and elderly) Kindergartens Special schools for disabled children Workers with family responsibilities 	<ul style="list-style-type: none"> MoDPOTLHSA Labour Inspectorate Parliament of Georgia: Committee for Health and Labour Issues Trade unions Employers' association Public Defender's Office Municipalities

The RIA team has also reviewed a substantial amount of relevant literature (national as well as international) and analysed the data available. This has led to the confirmation that today, in Georgia, there is an insufficient provision of and limited access to good-quality community services for workers with family responsibilities.

Among the major causes of the problem are the following:

1. Existing challenges in the childcare and preschool education system, including:
 - Infrastructural conditions of the preschool education institutions
 - Availability and accessibility of the preschool education institutions
 - Working hours of the public kindergartens
 - Non-existence of publicly provided nurseries for children up to the age of 2
 - Only approximately one fourth of the maternity leave period being required for remuneration to a mother of a child by the State (the paid portion is even lower for fathers while the remuneration, all in all, is inadequately low)
2. Problems in the system of care of the elderly and persons with disabilities:
 - The existing services of elderly care do not respond to the needs of the workers with family responsibilities.
 - The public day-care centres are insufficient when taking into account the number of elderly people.
 - Care centres do not address the needs of persons with disabilities.
3. Gender wage gap, social norms and gender stereotypes:
 - Insofar as women earn less than men, when the need arises for some wage earner in the household to devote part of his/her time to take care of family members – especially in the absence of a proper external support system – women are the first candidates to step in.
 - In Georgia, household tasks and domestic responsibilities (unpaid work) remain the primary domain of women – for instance,

86 per cent of washing and cleaning, 74 per cent of cooking and 49 per cent of childcare activities are performed solely by women (UNDP and UNFPA 2020).

- o Georgian society is characterized by well-established – i.e. traditional – gender roles (the unequal distribution of housework is considered normal even by women), which play an important role in maintaining the current division of care work and other family responsibilities.

4. Private provision of services for workers with family responsibilities currently being an option only for a minority of households, those with higher incomes

The analysis performed also suggests that, in the absence of a new (evidence-based) policy approach to the issue, the challenges faced by most workers with family responsibilities will be increasing over time, with potentially substantial negative social and economic consequences.

Therefore, on the basis of the mandate received by the tripartite working group, the results of the consultation process and of the problem definition exercise, the RIA team identified **ensuring the provision of a sufficient quality and quantity of affordable childcare and family services, and facilities, to support current and potential workers with family responsibilities** as the general objective of the policy actions to be assessed in the context of this RIA.

Following the definition of the general objective, three main specific objectives were identified:

- Enabling the provision of affordable childcare and family services and facilities to address the needs of workers with family responsibilities
- Ensuring the sufficient availability of childcare and family services and facilities to address the needs of workers with family responsibilities
- Developing awareness within society about the available childcare and family services and facilities

Based on our analysis, the first crucial step and key prerequisite to addressing the problem properly and achieving the above-mentioned objectives is to gather the data necessary to develop a nationwide strategy – which is currently missing – to ensure the provision of a sufficient quality and quantity of affordable childcare and family services and facilities. This is meant to allow the quantification of the optimal number and composition of community services for workers with family responsibilities, particularly with references to the increasing non-care-related family responsibilities.

Consequently, the RIA team identified and compared the two following policy options (alternative to the status quo):

- Policy Option 1 – Centralized development of the strategy and implementation plan of the childcare and family services
- Policy Option 2 – Development of municipal strategies and implementation plan of the childcare and family services with national guidelines

The results of the multi-criteria analysis that was performed are summarized in Table 2.

Table 2:
Comparison of options using multi-criteria analysis¹²

EVALUATION CRITERIA	Option 1 – Centralized strategies and action plans	Option 2 – Municipal strategies and action plans
Incremental costs for the Government	GEL 491,406	GEL 4,469,056
Effectiveness 1 – Affordability of care services	1	2
Effectiveness 2 – Sufficient availability	1	2
Effectiveness 3 – Increased awareness	1	1
Feasibility/ease of complying	-2	-3
Minimization of potential risks	1	1
Maximization of potential benefits	2	2

The multi-criteria analysis shows that both options potentially lead to improvements compared to the status quo scenario. This is due to the fact that the Government’s current approach towards the development of the care sector is sporadic and primarily concerned with childcare services, while the increasing challenges faced by workers with family responsibilities require a better informed, more structured and more comprehensive approach. The creation of a comprehensive strategy for the development of care services and facilities oriented towards satisfying the needs of workers with family responsibilities could remove the barriers faced by workers with domestic responsibilities, by creating a better match between service provision and actual demand. Benefits appear to be greater for Option 2, mostly due to the more tailored approach towards the needs of local communities. However, the bottom-

up approach suggested in Option 2 also results in greater difficulty in the implementation itself and in substantially higher implementation costs.

To keep track of the performance of the reform and its impacts and to modify the reform in case of any deviation of the outcomes from the desired path, it is important to evaluate how well it responds to the policy objectives set in Section III. The indicators suggested to evaluate the performance of the system are divided into three main categories: the provision of affordable care services and facilities; the availability of care services and facilities; and the awareness of society about the available care services and facilities. A detailed description of the monitoring and evaluation plan is presented in Section VII of the report.

12 In a multi-criteria analysis, points are given to different policy options. The points range from -5 to 5. A negative score represents a decrease in efficiency compared to the status quo, while a positive score represents an increase in efficiency.

The background is split horizontally into a blue top half and a green bottom half. Two overlapping semi-circles are centered horizontally, with the top one in the blue area and the bottom one in the green area. The text 'PROBLEM DEFINITION' is centered in the blue area, underlined.

PROBLEM DEFINITION

A. POLICY CONTEXT

Legal framework

The scope of the ILO Workers with Family Responsibilities Convention, 1981 (No. 156), is broad. In Article 3, the Convention states that, “with a view to creating effective equality of opportunity and treatment for men and women workers, each Member shall make it an aim of national policy to enable persons with family responsibilities who are engaged or wish to engage in employment to exercise their right to do so without being subject to discrimination and, to the extent possible, without conflict between their employment and family responsibilities”.

The Convention also suggests several areas in which countries could act to create effective equality of opportunity and treatment for men and women workers:

- Through the definition/establishment of workers’ rights¹³
- Through the assessment and satisfaction of workers’ needs in terms and conditions of employment and in social security¹⁴
- By considering the needs of workers with family responsibilities in community planning¹⁵
- By developing and promoting community services, public or private, such as childcare and family services and facilities¹⁶
- By promoting information and education to engender broader public understanding of the principle of equality of opportunity and treatment for men and women workers and of the problems of workers with family responsibilities, as well as a climate of opinion conducive to overcoming these problems¹⁷
- By taking other actions to enable workers with family responsibilities to become and remain integrated into the labour force, as well as to re-

enter the labour force after an absence due to those responsibilities¹⁸

Convention No. 156 defines the notion of workers with family responsibilities and, therefore, establishes the scope for the enshrined standards. According to the Convention, the definition of “worker with family responsibilities” is twofold, concerning (1) responsibilities towards one or more dependent children and (2) responsibilities towards other members of the immediate family.¹⁹ According to the Convention, it is the responsibility of the ratifying country to set the exact definitions for a dependent child and member(s) of the immediate family. However, it is not totally in the margin of the State’s appreciation (i.e. the definitions must still comply with the standards of the Convention).²⁰ Introducing these definitions into the legislation is not the only way to address the rights of workers with family responsibilities. Their rights could also be guaranteed in the legislation without these definitions. However, the introduction of the definitions could potentially constitute the basis for some special entitlements and treatments.

Georgia has not yet ratified Convention No. 156, and its legislation does not contain the definition of worker with family responsibilities. However, there is a partial recognition of such responsibilities, and there are related provisions in the legislation, applicable both to employees of the private and of the public sector. The Labour Code, for example, contains a provision for taking an additional leave of absence for childcare, which is not limited to parents and covers any worker.²¹ For public sector employees, in line with the provisions of the Labour Code, the regulations are mostly focused on childcare responsibilities (for example, maternity and childcare leaves of absence and additional breaks for nursing moth-

13 ILO, C156, Art. 4.
14 Ibid.
15 Ibid., Art. 5.
16 Ibid.
17 Ibid., Art. 6.
18 Ibid., Art. 7.

19 Ibid., Art. 1, paras. 1–2.
20 Ibid., Art. 1, para. 3.
21 Georgia, *Organic Law of Georgia – Labour Code of Georgia*, Arts. 27–30; Art. 19; Art. 37, para. 3(c).
22 Georgia, *Law of Georgia on Public Service*, Art. 61, paras. 5–6.

ers).²² There are no other obligations in the Georgian legislation, either for the public or the private sector, to allow a leave of absence for care responsibilities towards other dependants, such as older people and persons with disabilities.

A full assessment of the potential impacts of the full implementation of Convention No. 156 is beyond the scope of this Regulatory Impact Assessment (RIA) exercise. Instead, in accordance with the decision taken by the tripartite working group (employers' association, trade unions and government),²³ this RIA will explore the problems related to the provision of family services, as well as discuss and compare the most relevant options identified to address such problems.

As mentioned above, Convention No. 156 stresses that States should take into account the needs of workers with family responsibilities when engaging in community planning and should develop and/or promote community services, public or private, such as childcare and family services and facilities.²⁴ Those obligations are subject to progressive realization. For the Georgian context, it would mean coping with the problem of affordability and accessibility of community service facilities. The Government would need to strengthen its policy towards ensuring proper community services, such as childcare (supporting the existing programmes or creating services for some regions) and family services (affordable and accessible day-care centres for the elderly and persons with disabilities).

In relation to community infrastructure, Georgia has already ratified a different convention, the UN Convention on the Rights of Persons with Disabilities. This obliges the State to implement several standards, including "reasonable accommodation". According to this standard, necessary and appropriate modification and adjustments should be taken if they would not impose a disproportionate or undue burden (on the employer). According to the interpretation of the Committee of the Rights of Persons with Disabilities,

reasonable accommodation should be available for the family member(s) of the person with disabilities. Unfortunately, this right does not exist in the Georgian Labour Code.

Early childhood care and education in Georgia

In Georgia, early childhood care policy is addressed and exercised at the central level as well as the local self-government level. The following core legal acts cover this issue: the Constitution of Georgia, Organic Law of Georgia Local Self-Government Code and the Law of Georgia on Early and Preschool Education (as well as other regulations and subordinate laws that are also in force). The Law on Early and Preschool Education sets the institutional framework for public and private childcare facilities.

The **Government of Georgia** (GoG) enacts subordinate laws, organizes and coordinates the process, ensures that existing programmes are accessible and establishes the rules for the authorization of institutions. Furthermore, the GoG approves state standards for early and preschool education and approves the professional standards of the caregiver-teachers. Lastly, it also approves technical regulations and facilitates the infrastructural development of the institutions.²⁵

The **Ministry of Education, Science, Culture and Sport of Georgia** (MoE) drafts the regulations that the GoG approves, develops training modules for the professional development of caregiver-teachers, helps municipalities to train them and promotes the process of informing the public about inclusive preschool education and other related issues.²⁶

The **Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia** (MoIDPOTLHSA) drafts technical regulations for the GoG's approval and participates in child protection proceedings, following child protection referral procedures.²⁷

23 See Annex 1 for more details.

24 ILO, C156, Art. 5.

25 Georgia, *Law of Georgia on Early and Preschool Education*, Art. 7.

26 Ibid., Art. 8.

27 Ibid., Art. 9.

Municipalities have a wide range of powers, they create early childcare and education institutions and ensure their functioning. It is the responsibility of municipalities to ensure the provision of preschool education services. The system aims to be equally accessible and inclusive and to ensure the protection and respect of the rights of the child and his/her parents/legal representatives in the process. Municipalities also develop monitoring, evaluation and reporting systems, as well as ensure the compliance of preschool education services with authorization standards.²⁸ For this purpose, most municipalities have kindergarten unions, organizations that supervise the kindergartens within the municipality.

B. PROBLEM DEFINITION

Having family responsibilities is an important factor influencing the labour-market outcomes of individuals of working age. Labour-force participation, employment and wages can be substantially influenced by workers' need to combine family responsibilities with work. Family responsibilities are frequently associated with a wide variety of unpaid care work, which has many different definitions internationally (Folbre, 2007) – from providing care services for dependants, to cooking, housekeeping and promoting self-care. In this RIA, we concentrate on the work associated with caring for dependent children and other immediate family members that could potentially constrain female and male workers in their jobs. These types of family responsibilities and care work are identified as an important constraint for workers in ILO Convention No. 156. Family responsibilities are often a reason behind inequalities between female and male workers – and even discrimination against them. The major aims of the Convention include creating equality of opportunity and avoiding conflicts between job and family responsibilities, as

Lastly, the **LEPL National Food Agency** has its role in the supervision and quality monitoring of food standards in the kindergartens within their competence.²⁹

Family services in Georgia

The MoIDPOTLHSA is the main actor that executes the state policy towards elderly people and persons with disabilities. According to its statute, the Ministry drafts and approves standards of various specialized institutions (day centres, community organizations, etc.).³⁰ Furthermore, municipalities try to respond to the needs of those groups. However, due to their budget constraints, the municipalities have a limited ability to provide social support to these groups.

well as avoiding discrimination in the workplace. ILO Convention No. 156 and its associated Recommendation, 1981 (No. 165), envisage the development of community services and care facilities as one of the solutions for eliminating discrimination and inequalities associated with workers' family responsibilities.

Within the scope of our work, we will be assessing whether the insufficient provision of and limited access to community services for workers with family responsibilities does indeed constitute a problem and, if so, what are the causes of such a problem and which actions the public could undertake to organize and promote the provision of different community services in Georgia. We will start by exploring the consequences of family responsibilities and of the insufficient provision of community services on workers with family responsibilities and on society. This is done keeping in mind the gender dimension, in order to identify different impacts across genders. Afterwards, we will discuss the main factors that could potentially be causing the insufficient provision

28 Ibid., Art. 10, para. 1.

29 Ibid., Arts. 11–12.

30 See: Order of MoIDPOTLHSA №01-54 “On Approval of Minimum Standards for Services for Persons with Disabilities and the Elderly in Specialized Day Care Institutions”

(2014). Resolution of the Government of Georgia “On the Approval of the Statute of the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia”, Art. 3(r).

of community services to workers with family responsibilities.³¹

Why are family responsibilities an important factor for workers?³²

At the micro level, the division of family responsibilities between men and women is perceived as one of the most acute gender issues in the existing literature. In most countries (both developed and developing), gender roles are divided in the following way (albeit with a certain cultural specificity): men are oriented towards market activities, while women are usually providing most of the unpaid housework (Kirova, 2007). These family responsibilities include housework (such as cleaning, cooking, etc.), childcare, elderly care and the care of disabled persons. In a recent report, the United Nations Development Programme (UNDP) and United Nations Population Fund (UNFPA) identified that in Georgia, women are usually responsible for unpaid household activities such as cooking and cleaning (94 per cent of interviewed women) (UNDP and UNFPA, 2020). According to a UN Women study, women on average spend 45 hours a week on homemaking activities (which includes care activities, as well as cleaning, cooking, etc.), while men spend only 15 hours on these activities (UN Women, 2018). In addition, women remain dominantly responsible for child and elderly care. According to the data from the survey conducted by UN Women in 2018, women usually spend more time on care activities (for children and immediate relatives)

than men. Women (of working age) report that they spend approximately 17 hours a week on care activities, while men (of working age) spend less than 4 hours.³³ The time spent on care activities differs for employed and unemployed women.³⁴ However, even though most respondents acknowledge that household tasks are not distributed equally among family members, they still report satisfaction with the existing task allocation. Notably, however, only 37 per cent of the interviewed women report that they have never found it difficult to concentrate at work due to their household responsibilities (UNDP and UNFPA, 2020).

The existing literature reveals that employees with family responsibilities usually face a role conflict (such as a family-to-work³⁵ or work-to-family³⁶ conflict), which arises due to the fact that participation in one role makes it more challenging to meet the demands of the other role (Zuba and Schneider, 2013). Unpaid family work activities create the so-called “double burden” for those who have to perform them (mostly women), which negatively affects their well-being, productivity and their labour-market outcomes (Campaña et al., 2017). Family responsibilities tend to disproportionately impact women’s paid labour-market activity on a range of dimensions, such as the occupations they choose (or are hired for) and the number of hours they spend at work, with consequent effects on their earnings and career trajectories (Blau and Winkler, 2017).

31 The problems faced by workers with family responsibilities could be also addressed from a regulatory perspective, i.e. through initiated changes in the current Labour Code of Georgia. This includes changes related to the maximum working hours, mandatory weekly rest time, maternity rights and strengthening the rights of the Labour Inspectorate. However, as explained above, the tripartite working group asked the RIA team to ignore this aspect on this stage and focus on the provision of family services.

32 For the purposes of this report, when we refer to the UN Women survey data, we call “unemployed” a person who reported that she/he did not work but had been looking for a job during the preceding four weeks. We call “economically inactive” a person who did not work and had not been looking for a job during the preceding four weeks but is available to start work within the next 14 days. Even though the UN Women survey refers to such respondents

as “not working” persons, in this RIA, we refer to the international definitions of unemployment and economic inactivity (i.e. the ILO and Eurostat (see <https://ec.europa.eu/eurostat/web/lfs/methodology/main-concepts>)).

33 Working age is defined based on the Geostat definition: women aged 15-60 and men aged 15-65.

34 According to the authors’ calculations based on the 2018 UN Women survey data, employed women spend almost 14 hours a week on care activities (13 hours on childcare and less than one hour on caring for other family members), while unemployed women spend more than 20 hours on care activities (19 hours on childcare and more than one hour on caring for other family members).

35 A family-to-work conflict depends mainly on family stressors and affects work outcomes.

36 A work-to-family conflict is determined mainly by work stressors and affects family outcomes.

Empirical labour-market studies show that, all else equal (i.e. when attained education level, work experience and other related skills are equal), employers prefer to hire workers without family responsibilities. Women face even stronger barriers because employers assume they will prioritize their family responsibilities and that that will inevitably interfere with their work (Young and Wallace, 2009). Employers typically expect women with family responsibilities to devote significantly more time to their household activities and to be less productive at work than workers without family responsibilities. In 2007, a laboratory and field experiment were conducted in the United States and involved modifying résumés to include an indicator of parental status. In the lab experiment, researchers found that mothers were perceived more negatively than non-mothers, as measured by indicators of perceived competence and commitment. In the field experiment, the researchers again used fictitious résumés (which varied by indicators of parental status), sending them to potential employers. They found that mothers received fewer call-backs than non-mothers (Correll et al., 2007).

Workers' family responsibilities have an impact on wages as well. Usually workers with family responsibilities (i.e. married women or women with children) earn less than workers without such duties. The gap is especially acute when looking at employed mothers and comparing their results with those of non-mothers. In the existing literature, this gap (with mothers earning less than non-mothers) is called the "motherhood penalty".³⁷ Studies show that the motherhood penalty can be partially explained by foregone work experience due to childbirth interruptions, changing the workplace following employment re-entrance, and part-time work hours (Budig et al., 2016). Studies have also found that the largest wage penalties are borne by women in medium-skill jobs or those at the lower end of the wage distribution, rather than by high-skilled women or those at the top of the wage distribution. One possible explanation is that high-skilled mothers

may have greater workplace flexibility, which serves to attenuate negative wage impacts associated with motherhood (Budig et al., 2016). Another reason for the wage gap is that a large share of women, especially mothers, work part-time. Part-time work comes at a cost in terms of lower wages and benefits, as well as fewer opportunities for promotion. However, women prefer to work part-time because this allows them to devote more time to their family responsibilities (Budig et al., 2016).

Notably, even though more women than men tend to work less than 40 hours a week (see below for more details), more women in Georgia prefer to work full-time than part-time. According to the Labour Force Survey (LFS) by the National Statistics Office of Georgia (Geostat), 29 per cent of women are willing to work only full-time, while 24 per cent prefer to work full-time but also agree to get a part-time job (the same indicators are 31 per cent and 23 per cent for male workers respectively).³⁸ Only 3 per cent of female workers have strong preferences towards having a part-time job.

Individuals with more work experience are expected to be more skilled and productive and, as a result, receive higher financial returns in the workplace. The literature reports that, on average, men accumulate more work experience than women. The reason behind the gap is that performing family responsibilities takes away time that would be spent at work; therefore, women lose out on putting in the long hours required for advancement to managerial jobs. This often results in consequences like a lack of promotions (Linge, 2015). Human capital theorists argue that these disparities, in part, result from women's overriding family obligations, which restrict them from gaining experience in the labour force (Campaña et al., 2017). The existing data on the Georgian labour market also confirms that men devote more time to paid work activities than women. Usually, women report that they spend fewer hours at work during the week than men. According to the Geostat LFS in 2019, 72 per cent of female workers and 76 per

37 The motherhood penalty can be defined as the amount each additional child lowers women's earnings.

38 Authors' own calculations based on Geostat LFS data in 2019.

cent of males reported spending more than 40 hours at work during the week. On the other hand, more females (19 per cent) than males (14 per cent) reported spending less than 40 hours at work per week.

Furthermore, women themselves perceive the work-family conflict as the most important barrier to career advancement. Looking after their children and their ageing parents is perceived as their burden because they have to devote most of their time and energy to these responsibilities (Napasri and Yukongdi, 2015). In addition, women report that sometimes they have to refuse career promotions because, in the case of advancement, they would still have to perform their family care responsibilities, and it would be impossible to deal with the increased work-to-family time conflict (Linge, 2015). In the Georgian context, family responsibilities can be perceived not only as a barrier to career advancement but also as one of the obstacles to getting involved in paid labour-market activities. According to the Geostat LFS data from 2019, 51 per cent of the unemployed females (among those who report being unable to start working immediately) state that they are looking after their infants. For 7 per cent of those females, the most challenging factor preventing them from finding a job is taking care of their sick or disabled relatives (notably, the same indicators are only 1 per cent and 4 per cent for males respectively).

While women's involvement in unpaid care work (i.e. childcare, elderly care and care for disabled persons) is likely to significantly reduce their labour-market participation,³⁹ the provision of supporting services (such as kindergartens and care centres) to workers can have a positive impact on women's decision to participate in the labour market.⁴⁰ In most European

countries, governments are directly involved in the provision of such services. However, differences still exist across continental Europe.⁴¹ (Boca D. 2015). For example, in Sweden, with its fully state-provided kindergarten services, women's employment rate is significantly higher than in some southern European countries (Greece, Italy and Spain), where a mixed system is used combining private and public provision of childcare (Boca, 2015). Studies show that a 1 per cent change in public childcare coverage increases the probability of women's employment by 1.3 percentage points (Brilli et al., 2014). Furthermore, care costs also influence women's decision to participate in the labour market. The cost of those services is a critical factor in parents' decision to purchase these services. Consequently, the higher the cost of childcare for families, the lower the probability that women will decide to participate in the labour market. In addition to the availability and affordability of services, the convenient location of care centres is a critical issue. A potentially convenient location would be the place of employment of one of the parents. Furthermore, the quality of the care centres is also an important factor, and low-quality care might explain the low level of responsiveness towards using childcare and the low labour supply with regard to increases in the availability of childcare services (Boca, 2015).

Despite the existing problems in the provision of public childcare in Georgia (discussed in greater detail below), the unavailability and unaffordability of childcare services is not perceived as a major cause of female unemployment by the majority of Georgian citizens. For example, in answering a recent UN Women survey (2018), only 1.6 per cent of unemployed women indicated the unavailability

39 In Italy, for example, caring for a child aged 0-3 reduces women's employment probability by 6.4 per cent, while a child aged 6-12 reduces the probability by 2.2 per cent (Patimo and Mussida, 2017).

40 In Georgia, according to the LFS data, in 2019 the labour-market participation rate of males and females was significantly different – 73 per cent of men and 55 per cent of women. Moreover, 63 per cent of males were employed, while the same indicator for females was only 49 per cent (see Figures 5–11 for more details on the baseline analysis).

41 Western and eastern Germany exhibit striking differences: policies to increase childcare availability for children aged 0-2 are quite recent in western Germany, while eastern Germany's longstanding tradition of childcare investment means that the service is already more widespread. In the United Kingdom, access to public childcare has traditionally been limited and targeted to households in need. In France, generous subsidies are available to offset the costs of childcare centres as well as care by child minders, and they are distributed according to a uniform, nationwide standard (Boca, 2015).

of good-quality childcare services as a reason for unemployment. The low number of women who list childcare-related services as a main reason for their unemployment can be explained by the fact that other factors, such as the unavailability of relevant jobs (22.53 per cent) and low remuneration (22.17 per cent), are perceived to be the most critical issues.

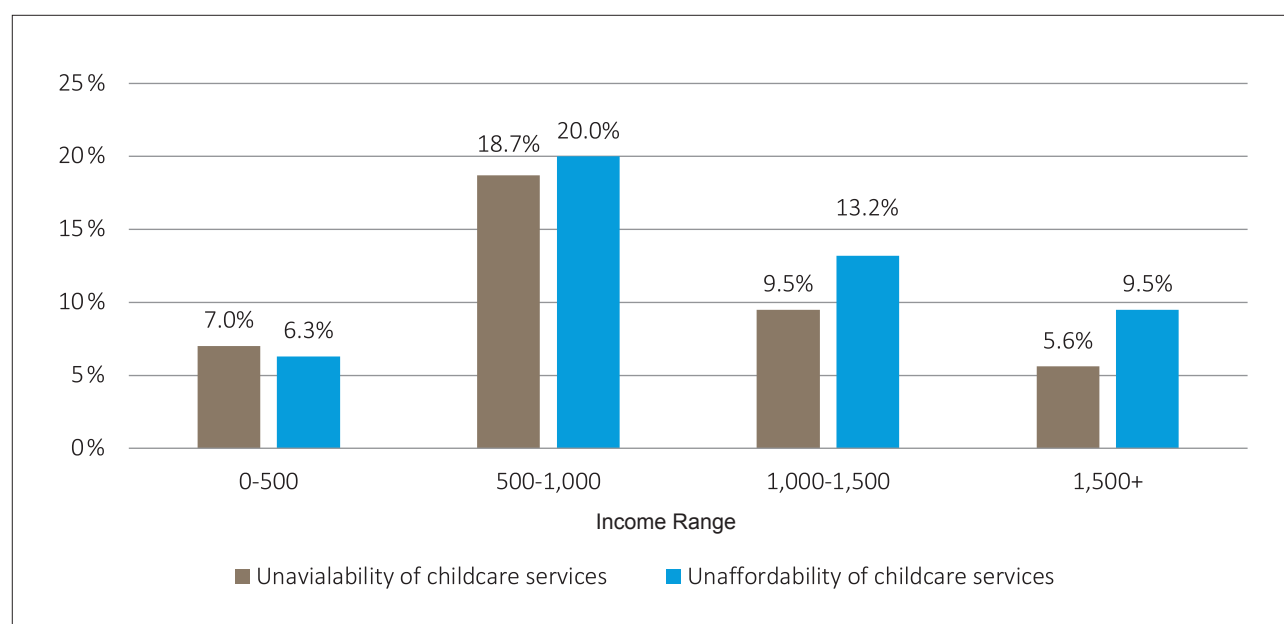
Notably, unavailability and unaffordability seem to constitute more severe problems for the most vulnerable group of women, those from households with lower incomes. About one third of unemployed women citing the unavailability (24 per cent on unemployed women) and unaffordability (5 per cent of unemployed women) of childcare services as reasons for unemployment belong to the poorest households (those with an average monthly household income of less than GEL 500).

According to the 2018 UN Women survey data, women coming from lower-income families tend to state the unavailability and unaffordability of

childcare services as a reason for not working more frequently, compared to those females living in households with higher incomes (Figure 1). Remarkably, there is a difference between those women who live in the capital, in rural areas and in urban areas of the country. According to the 2018 UN Women survey data, the unavailability and unaffordability of good-quality childcare services is the most crucial factor for why some females living in urban areas (other than Tbilisi) do not work (Figure 2).

Finally, even though the majority of women do not state the lack of childcare services as a problem, 3 per cent of unemployed females report that they do not work because they prefer to stay at home with their children than to work, while 9 per cent say that they do not work because of existing family responsibilities. These numbers reveal that performing their household tasks does affect women's participation in the labour market.

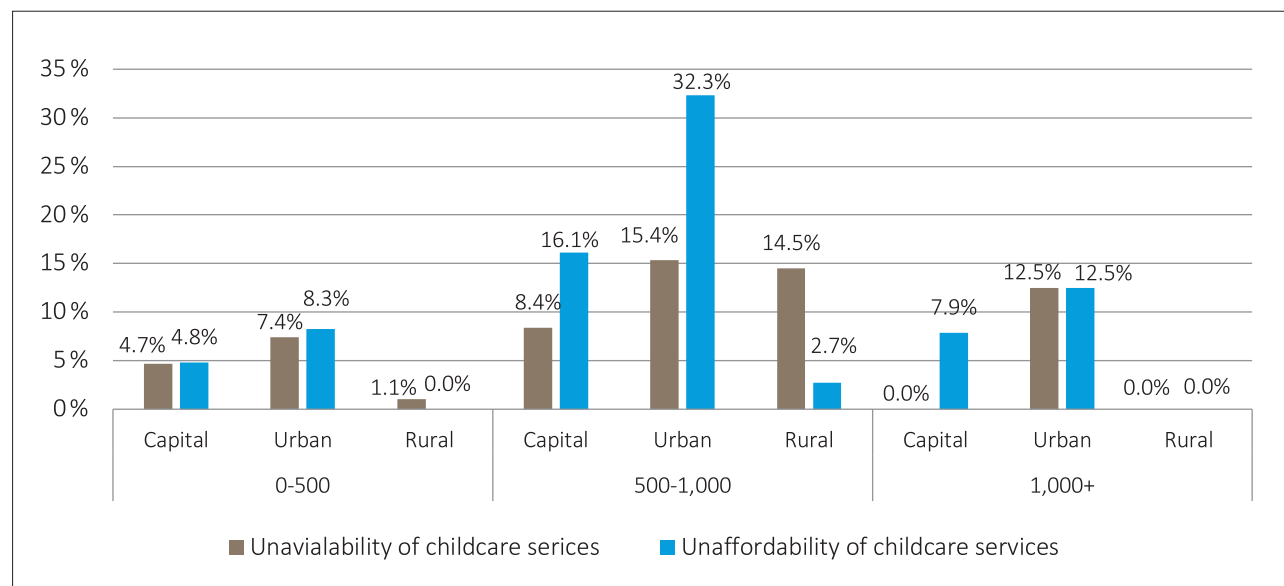
Figure 1: “Unable to Find Good Enough Childcare” and “Unable to Afford Childcare” as a reason for not working for females by income range (GEL), 2018



Source: Authors' own calculations based on UN Women survey data (2018).

Figure 2:

“Unable to Find Good Enough Childcare” and “Unable to Afford Childcare” as a reason for not working for females, by income range (GEL) and locale, 2018⁴²



Source: Authors' own calculations based on UN Women survey data (2018).

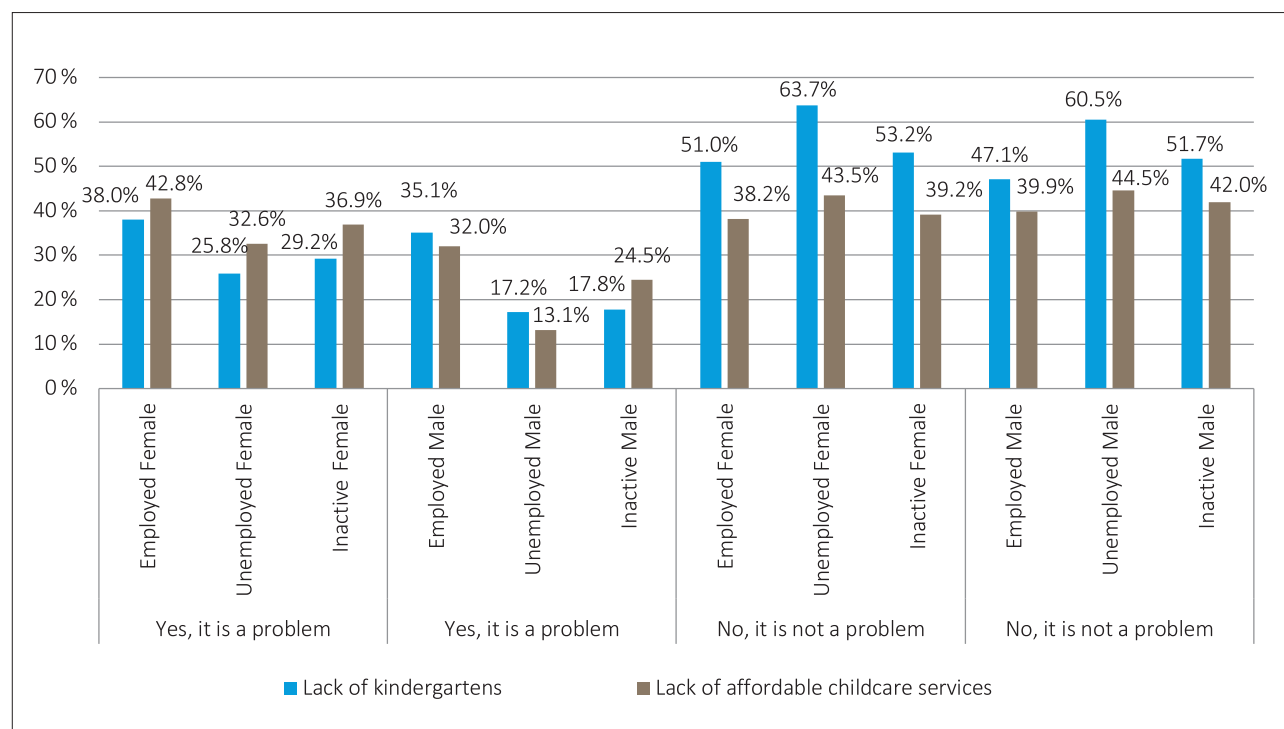
In addition, according to the same survey, 30 per cent of the Georgian population think that the lack of availability of kindergartens is a challenging factor for female employment, and 33 per cent think that the unaffordability of childcare is a challenge. However, disparities in the perception exist between the

genders, with more women than men reporting the above-mentioned factors as a problem. Perceptions also differ between the employed, the unemployed and the inactive, with a larger share of the employed perceiving this as a problem, compared to others (Figure 3).

42 “Urban area” includes urban areas excluding the capital city.

Figure 3:

Lack of kindergartens and affordable childcare services perceived as a challenge, by gender and employment status



Source: Authors' own calculations based on UN Women survey data (2018).

The lack of kindergartens and affordable childcare services does not seem to be a major reason for leaving a job in Georgia, with only 0.6 per cent and 1.8 per cent of Georgian women reporting these two factors as a main reason for leaving a job, respectively (according to the 2018 UN Women survey).

Most of the existing literature discusses the family responsibilities of women, focusing on their role as mothers. However, there is relatively little evidence about the role of the responsibilities for caring for the elderly, elderly-care policies and the female participation in the paid work (Cipollone et al., 2014). One of the possible explanations is that care responsibilities for the elderly usually occur at a later phase of their work career than childcare. Second, elderly care is less predictable in timing, duration and intensity. Taking care of elderly relatives or those with illness and/or disabilities does not seem to be the main cause of female inactivity in Georgia

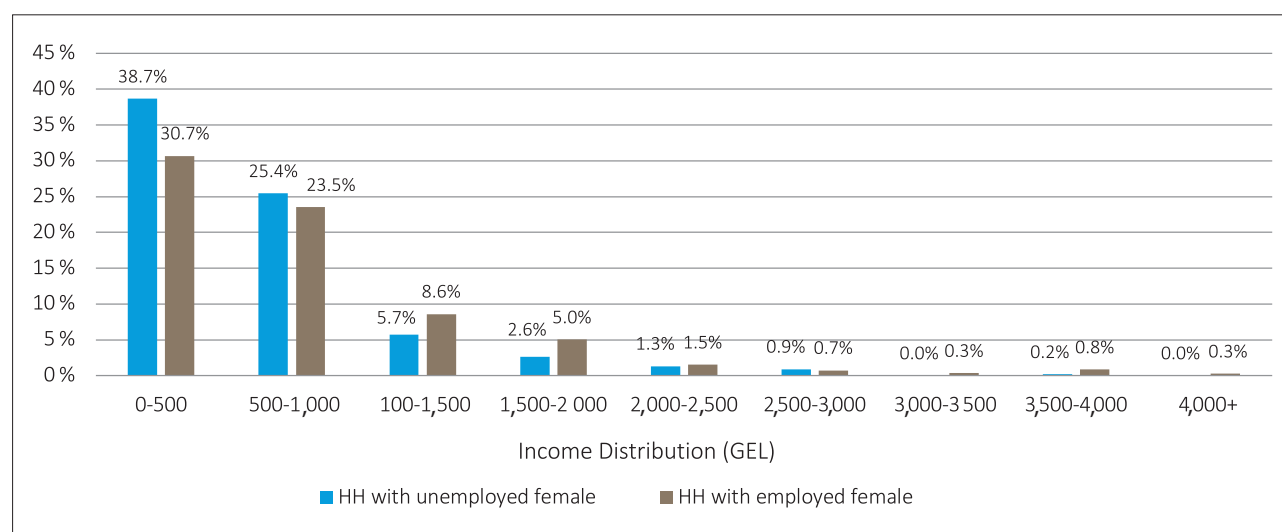
either (only accounting for 0.55 per cent and 0.32 per cent of inactive women respectively, according to the 2018 UN Women survey data).

In addition to their potentially deleterious effects on labour-market outcomes, work-to-family conflicts can also negatively affect the well-being of workers with family responsibilities. The psychophysical stress faced by women because of their multiple burden has been linked to adverse effects on the physical and mental health of female workers (Patimo and Mussida, 2017). Women usually report that they suffer from a "guilt complex" of not spending enough time with their children, as well as being forced to leave their children at day-care centres (which do not always provide high-quality care) or with other caretakers (including grandparents and nurses) (Buddhapriya, 2009). In addition, family responsibilities could also negatively influence job satisfaction, as women sometime have to take a

job just because the position provides specific (and desirable) social benefits, including insurance for dependants, flexible working hours or a convenient location (either close to home or a day-care centre). In such cases, women report that they have low job satisfaction (which includes the tasks they are performing, their position, their salary, etc.); however,

they are getting other benefits that are essential to fulfil their family responsibilities (Adams and Artz, 2014). The importance of getting an additional income should also not be underestimated. If a woman is unemployed, there is a higher probability that her household has a lower income relative to the households in which women are employed (Figure 4).

Figure 4:
Income of households with employed and unemployed female members in Georgia, 2018



Source: Authors' own calculations based on UN Women survey data (2018).

Why is helping workers with family responsibilities an important step for society?

Looking at the macro picture, from society's standpoint, workers' family responsibilities impact the overall economy in two main dimensions: (1) on care services as a sector of the economy and (2) through an indirect impact on labour markets. In the current conditions, unpaid care work associated with the family responsibilities of workers is not reflected in the major measurements of the economy. Specifically, the system of national accounts (SNA) does not count unpaid care work at the household level among the annual economic activities. This is because this work is not remunerated and does not produce a service sold on the market and, thus, is not measured. The formalization of the part of the family responsibilities related to care services – either provided to the individual household (through domestic workers) or as childcare and family services

and facilities – will bring a large part of the sector among the measurable services that are included in the SNA (Folbre, 2007). In this sense, the development of the care service sector could positively influence GDP growth, becoming also a source of new jobs. As for the indirect labour-market aspect, the impact of family responsibilities is primarily reflected in the female labour-market outcomes. Specifically, as of 2019, labour-force participation (LFP) for women in Georgia stands at 55 per cent, compared to 73 per cent LFP for men. As demonstrated earlier, family responsibilities represent one of the factors leading to lower LFP, especially for women. This represents a substantial forgone opportunity to increase GDP per capita and government revenues. Furthermore, lower LFP is also associated with the loss of productivity, as workers who do not participate in the labour market normally lose their skills after a certain period. An IMF paper discusses a wide range of impacts of lower female labour-force participation on the macro economy (IMF, 2013).

Major causes of the problem

Childcare and preschool education system

We start by mentioning the assessments of the Public Defender of Georgia on the existing challenges characterizing the preschool education system. The Public Defender sees progress in this regard when compared to previous years (e.g. nutrition spaces are arranged; the nutrition process takes into account the health condition and special needs of the children; drinking and agricultural water is provided on site (in most cases)). However, challenges still remain:

- The infrastructural condition of the buildings of preschool education institutions are insufficient:
 - Many buildings are not accessible for children with disabilities.⁴³
 - The issue of arranging outdoor play areas in kindergartens is problematic (e.g. improper fencing; spaces not compliant with the number of children; unmet safety requirements; lack of necessary inventory).
 - Buildings' proportions in terms of available space with respect to children's age, number and specifics of educational activities are problematic.
- Preschools are not sufficiently equipped with textbooks and toys.
- Kindergartens do not have a unified approach to the frequency of controlling drinking water safety and laboratory testing.
- The qualifications of preschool staff are not always adequate. Most importantly, employees are not properly informed about cases of violence, how to respond appropriately to them and how to avoid them.
- It is necessary to develop the Georgian sector of the kindergartens in Akhalkalaki Municipality (as demanded also by the local population).
- There are no kindergartens in some villages.⁴⁴

Therefore, the Public Defender recommended to the Government of Georgia to increase the number of kindergartens, as well as recommended to the municipalities to accumulate proper funding for addressing infrastructural and staff problems in preschool education institutions.

The Government of Georgia has nationalized the Sustainable Development Goals (SDGs); this includes Goal 4, "Quality Education", which aims to ensure inclusive and equitable quality education and promote lifelong learning for all. According to the National SDG Document for Georgia, under this goal, one of the most crucial issues is to ensure the affordability and accessibility of early education and preschool education for children so that they are well prepared for primary education (by 2030). The national indicator to measure the progress towards achieving this goal is the proportional number of children under the age of 5 (by sex) who are on the right track of their physical and psychological development, as well as the number of children involved in preschool education (one year before primary education).

It is also important to outline a hidden but substantial gap in the provision of childcare. According to the Tbilisi Kindergarten Management Agency, children can go to nurseries only from the age of 2 (and after the age of 3, they can attend kindergarten). Moreover, according to the Labour Code of Georgia, the duration of maternity and childcare leave is 730 calendar days. Therefore, it would appear that there is no gap between maternity and childcare leave, on the one hand, and kindergarten entitlement, on the other hand. However, this situation is problematic as only one fourth of this leave is remunerated, and even in that period, the benefits paid are quite low for women who are not public servants.⁴⁵ At the same time, no public childcare service is provided

43 Technical regulation on National Access Standards came into force in 2021 and after this all constructions are carried out in accordance with the legislation

44 Public Defender of Georgia, Protection of Human Rights and Freedoms in Georgia: Report on the Situation in

2019. Available at <https://www.ombudsman.ge/res/docs/2020040215365449134.pdf>

45 According to the Georgian legislation, maternity leave remuneration paid by the Social Service Agency should not exceed GEL 1,000.

for the gap period (for children under the age of 2). Consequently, there is a long period of time during which women cease receiving maternity leave benefits to support themselves and their children, even though childcare services are not available.

Moreover, the working hours of public kindergartens coincide with typical working hours. For those parents working at a full-time job, taking children to and from kindergarten is a problematic issue.⁴⁶ According to the 2018 UN Women study, women often refer to the schedule of childcare facilities as a problematic issue. As public kindergartens are open until 6 p.m., parents cannot leave their children anywhere if their working hours are longer (UN Women, 2018).

Care for the elderly and persons with disabilities

According to the Public Defender of Georgia, the state policy does not respond to the challenges of older people either.

Every year, Georgia adopts a social rehabilitation programme. The current programme includes the provision of community services for the elderly.⁴⁷ There are also limited programmes provided sporadically around the country to support the elderly. For instance, the central government manages two public homes for the elderly in Tbilisi and in Kutaisi, while the municipality and local Orthodox Church administer another care facility in Batumi. Some private sector providers (primarily civil society organizations) provide elderly-care services. However, the majority of them are oriented towards addressing the pressing social needs of specific individuals (UN Human Rights Council, 2018), and these facilities could not be considered in the scope of supporting workers with family responsibilities and helping them cope with their challenges. Overall, the most crucial issue seems to be the absence of a comprehensive long-term strategy for the care of the elderly.⁴⁸

In its 2018 report, the **Human Rights Council** also analyses the critical issues associated with elderly care in Georgia (UN Human Rights Council, 2018). It lists several challenges that exist in both the formal and the informal caregiving system. In the formal caregiving sector, notwithstanding the official standards, the enforcement mechanism is weak. There are problems of violence, the quality of care remains challenging, and no sufficient medical personnel is available. As for the informal part, caregivers are normally not sufficiently prepared to meet the needs of elderly people.

As for the adult day-care centres for the elderly, the Human Rights Council assesses the situation in 2018 as follows:

- The public day-care centres are insufficient when taking into account the number of elderly people.
- Municipalities do not have the financial and technical capacity, nor the human resources, to strengthen their work towards this issue.

In practice, the limited care services for the elderly are provided sporadically and primarily to address the issues of poverty. As for the elderly people living with their family members, there are no public services available, and other household members are supposed to take care of them. Consequently, workers with care responsibilities towards the elderly have few chances to receive any support to meet their obligations.

Lastly, the Public Defender's assessment shows that the number of day-care centres for persons with disabilities is also insufficient.⁴⁹ Despite the relatively broad geographical coverage, the resources available are not adequate for addressing the needs of persons with disabilities.⁵⁰

46 The working hours of the public kindergartens are from 9 a.m. to 6 p.m., which coincides with the working hours of a standard, full-time job.

47 The elderly group includes women over the age of 60 and men over the age of 65.

48 Public Defender of Georgia, "International Day of Older

Persons", 1 October 2019. Available at <https://www.ombudsman.ge/eng/akhali-ambebi/khandazmulta-saertashoriso-dghe>.

49 There are two age groups that are treated separately: those aged 6-18 and those over the age of 18.

50 Public Defender of Georgia, *Rights of Persons with Disabilities in Georgia* (2016), p. 20.

Gender wage gap, social norms and gender stereotypes

The unequal distribution of family responsibilities can also be explained by the presence of a gender wage gap, discriminatory social norms (in the workplace as well as in the household) and gender stereotypes.

The gender wage gap is an obvious candidate for explaining the unequal distribution of family responsibilities. Insofar as women earn less than men, when the need arises for some wage earner in the household to devote part of his/her time to take care of family members – especially in the absence of a proper external support system – women are the first candidates to step in, as the loss of labour income for the household is going to be lower. There is extensive literature supporting the role of discrimination in explaining part of the gender wage gap. For example, Berniell and Sánchez-Páramo (2012) found that half or two thirds of these inequalities remain unexplained even considering sociodemographic and economic factors (such as education and wealth). Therefore, they attributed this residual part to discrimination (similar conclusions are drawn by Tichenor (1999), Booth and Van Ours (2005), Boye (2008), and Evertsson and Neramo (2007)). Inequalities in care responsibilities, however, persist for wealthier and more educated women. According to Rizavi and Sofer (2010), women tend to devote more than 60 per cent of their time to housework and care, regardless of their income, employment status and education level. Hence, women's high engagement in unpaid family work can partly be explained by social institutions, including formal and informal laws, social norms and practices, traditional gender norms and beliefs, and behaviours that are deemed acceptable or unacceptable in a society (West and Fenstermaker, 1995; Jütting et al., 2008). Akerlof and Kranton (2000) explain the unequal distribution of family responsibilities with the importance of gender identity. As a result of all of these factors, in most societies, paid formal employment is considered a masculine task, while unpaid family work is mostly seen as women's domain.

Georgia is not an exception in this regard. UNDP and UNFPA (2020) found that household tasks and domestic responsibilities remain the primary domain of women. For example, 86 per cent of washing and cleaning, 74 per cent of cooking and 49 per cent of childcare activities are performed solely by women. The gender wage gap for working women remains substantial. The adjusted wage gap in hourly earnings is around 25 per cent (it is 24.8 per cent when adjusted for all characteristics of workers, while it is 25.7 per cent when adjusted for all characteristics with the Heckman correction) based on an analysis of the 2017 LFS (UN Women, 2020). Moreover, Georgian society is characterized by well-established – i.e. traditional – gender roles (the unequal distribution of housework is considered normal even by women), which play an important role in maintaining the current distribution of family responsibilities. Despite female family members doing most of the household tasks, 67 per cent of women and 63 per cent of men were satisfied with the existing allocations of duties in 2019, and these numbers were even higher seven years ago. Furthermore, part of the population still believes that men should not participate in domestic work, as it is the direct responsibility of women. In a survey conducted in 2020 by UNDP and UNFPA, 21 per cent of women and 14 per cent of men disagreed with the idea that men should be equally involved as women in housework (UNDP and UNFPA, 2020). According to the 2018 UN Women survey, 65 per cent of males and 77 per cent of females agreed that taking care of the home and family makes women as satisfied as having a paid job.

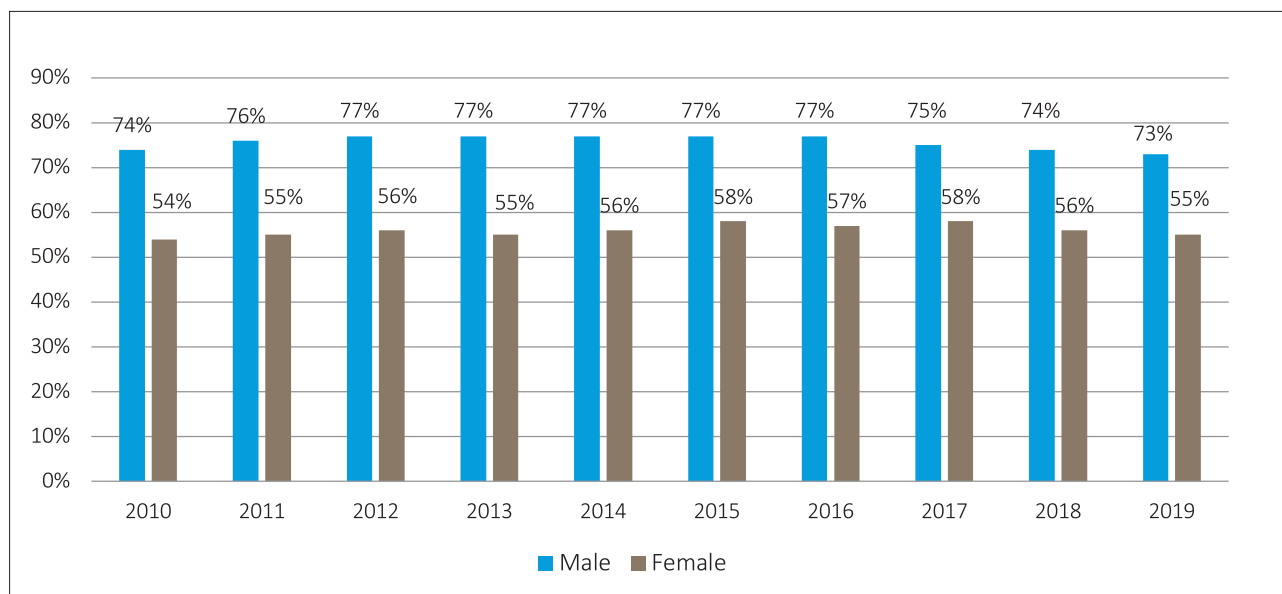
In addition, more than two thirds of men and slightly more than half of women agree that everyday childcare activities are women's responsibilities. Furthermore, 38 per cent of men and 35 per cent of women believe that employed mothers cannot provide the same level of care to their children as mothers who do not work, and 70 per cent of men and women think that, for a child of preschool age, it is better to have a mother that does not work.

C. DATA ANALYSIS OF THE PROBLEM: EXISTING TRENDS

The baseline scenario described in this section shows the major tendencies characterizing participation in the Georgian labour market by gender, as well as snapshots suggesting the impact that family responsibilities might have on the labour-market choices of men and women in the Georgian context.⁵¹

Over the past decade, labour-force participation has been relatively stable for both genders. Specifically, labour-force participation varied, 54-58 per cent for females and 74-77 per cent for males (Figure 5). The difference between male and female LFP represents one of the major gender gaps in the labour market.

Figure 5:
Male and female labour-force participation



Source: Geostat.

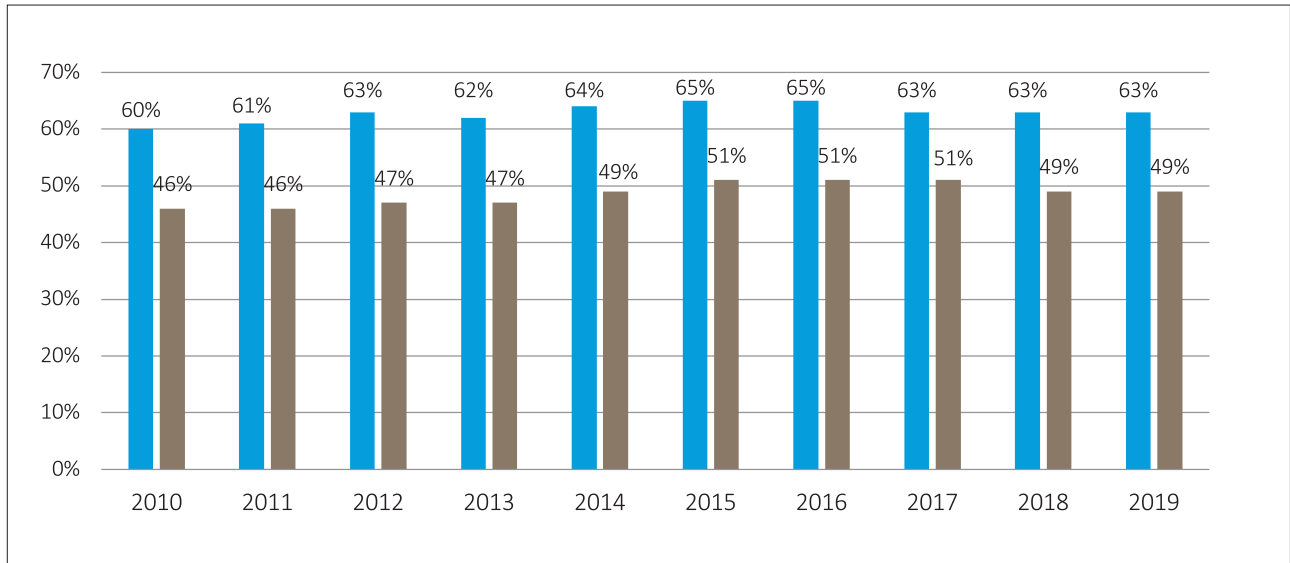
Similarly to LFP, employment levels have also been relatively stable both for male and female workers. The difference in employment levels is also noteworthy, underlining another important

gap in the labour market. Over the past decade, the employment rates for males were in the 60-65 per cent interval, while those for females were between 46 per cent and 51 per cent (Figure 6).

51 The first part of the RIA was conducted in 2019, thus an old methodology for estimating employment and unemployment in the country was applied. However, it should be designated that in 2020, Geostat changed the methodology. In the new methodology, which was re-evaluated

according to the ILO resolution concerning statistics of work employment and labour underutilization, those self-employed in the agriculture sector who consume more than half of their produced goods for their own purposes are no longer assigned the status of "employed".

Figure 6:
Male and female employment rate

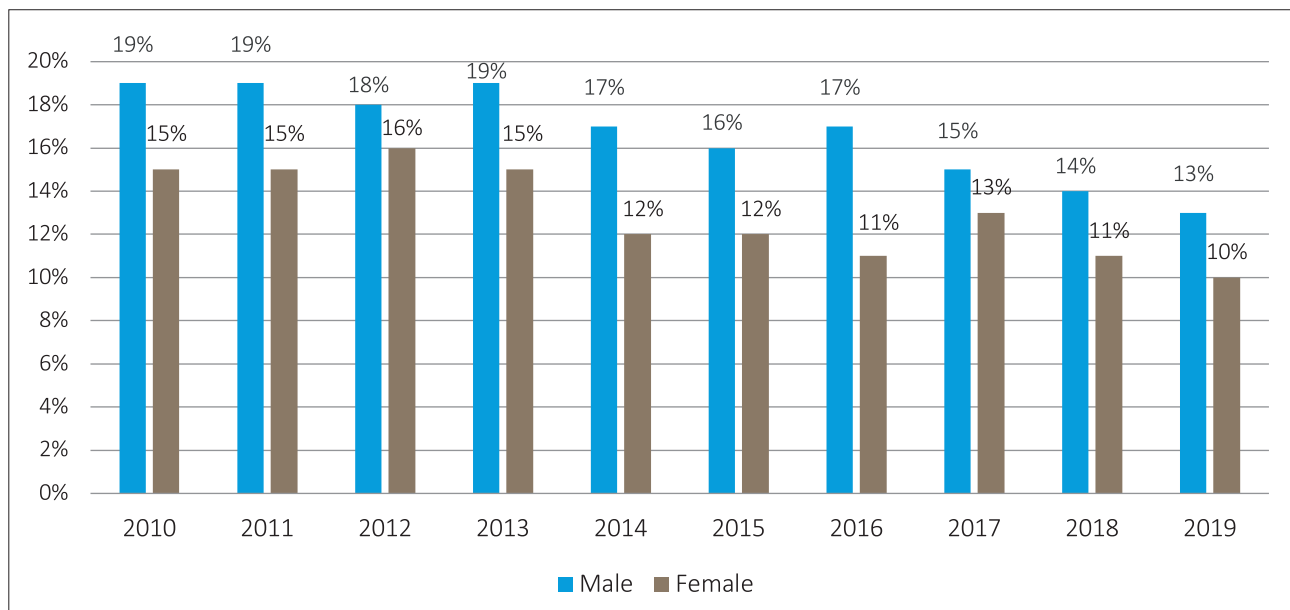


Source: Geostat.

Unemployment rates for females, instead, have been lower than those for males over the past 10 years. The long-term trend is decreasing for both genders,

with the female unemployment rate declining from 15 per cent to 10 per cent and that for males falling from 19 per cent to 13 per cent (Figure 7).

Figure 7:
Male and female unemployment rate

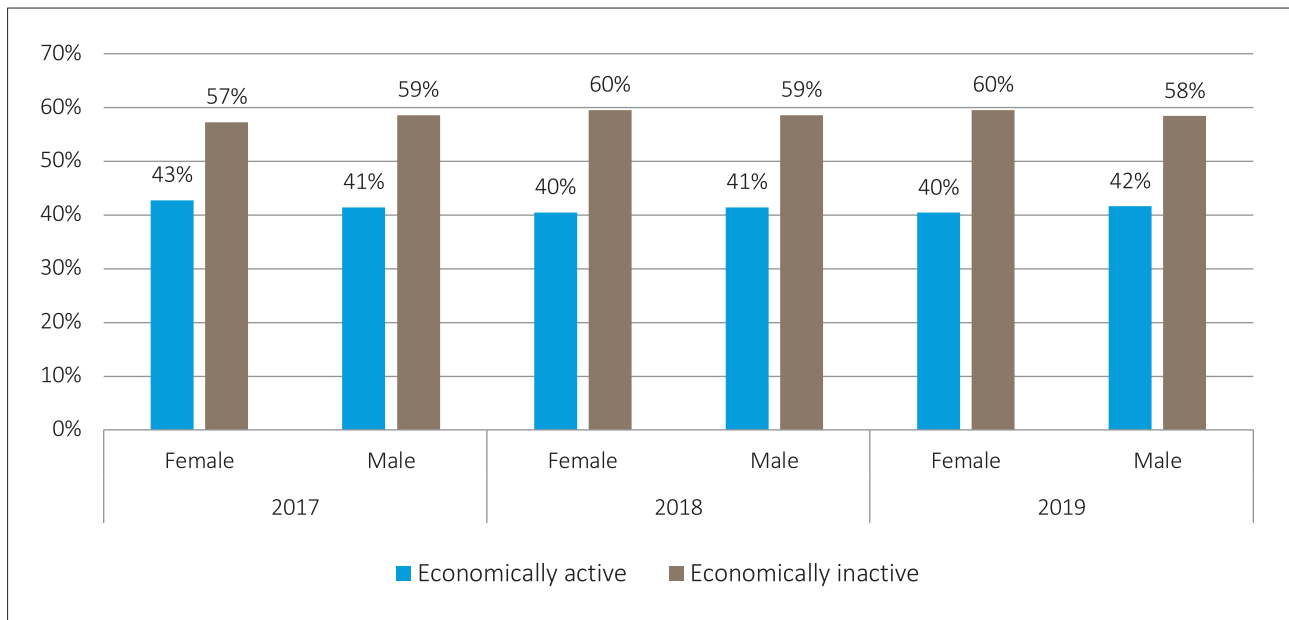


Source: Geostat.

Analysing the LFS data from Geostat over the past three years, family responsibilities – such as having the elderly or disabled persons within the household (HH) – seems to have an impact on the labour-market

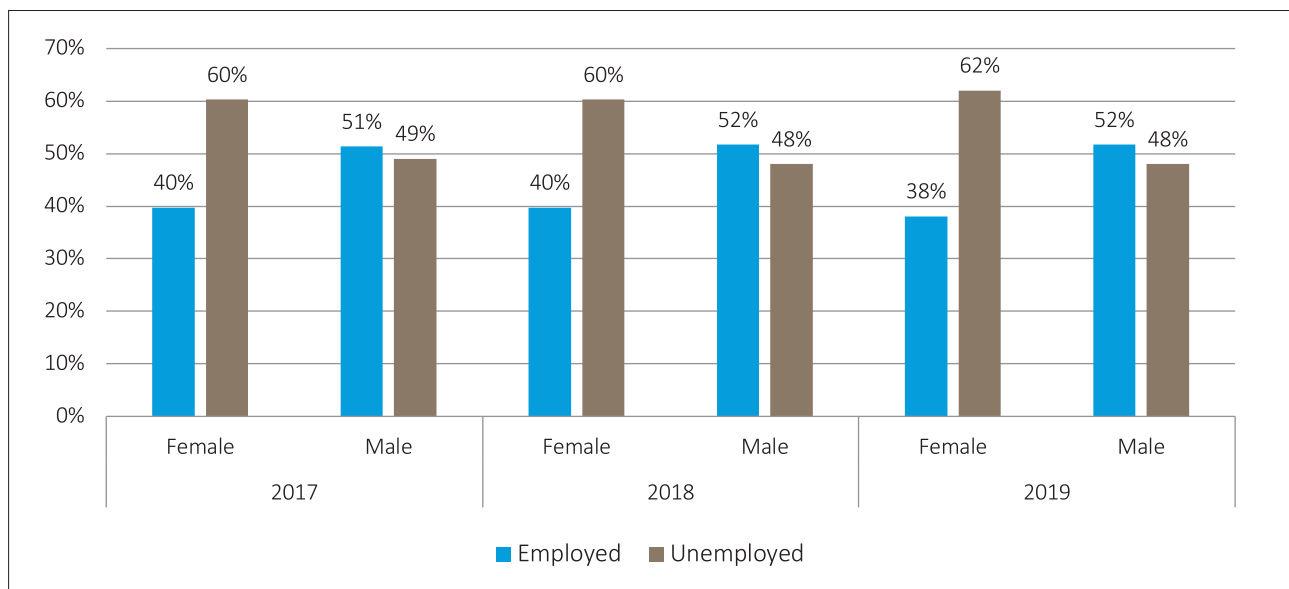
outcomes of female and male workers. In particular, if there is a disabled or elderly person within the HH, females are less likely than males to be economically active or employed (Figures 8–11).

Figure 8:
Economic activity if there is an elderly person in the family, by gender



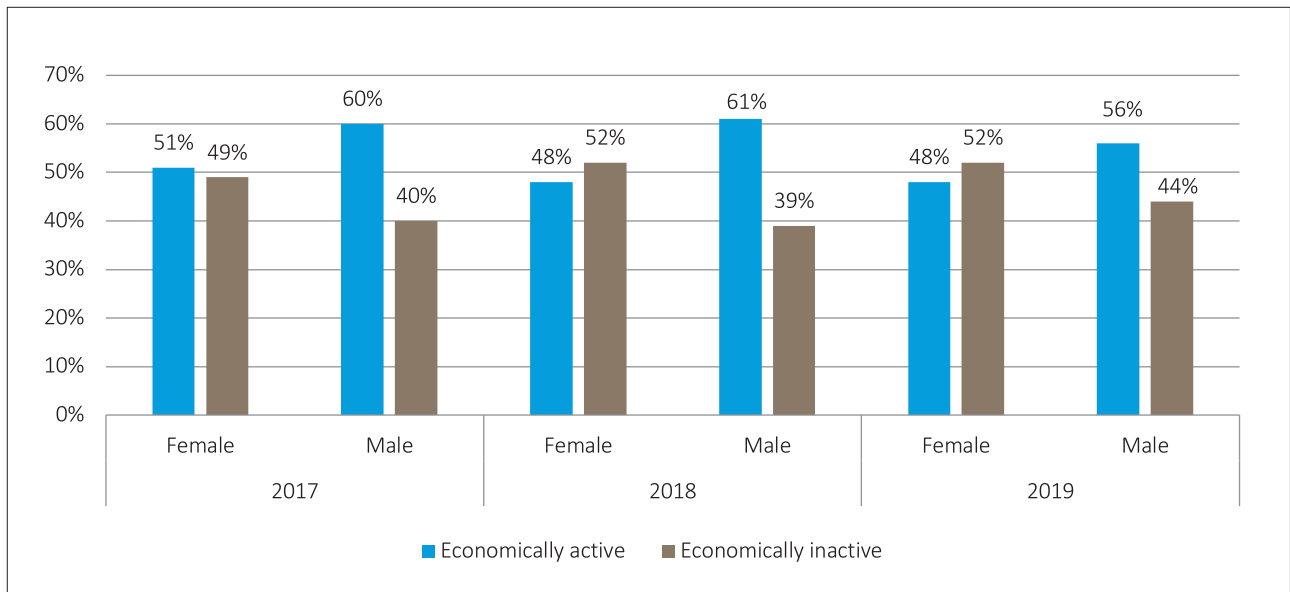
Source: Authors' own calculations based on Geostat LFS data.

Figure 9:
Employment status if there is an elderly person in the family, by gender



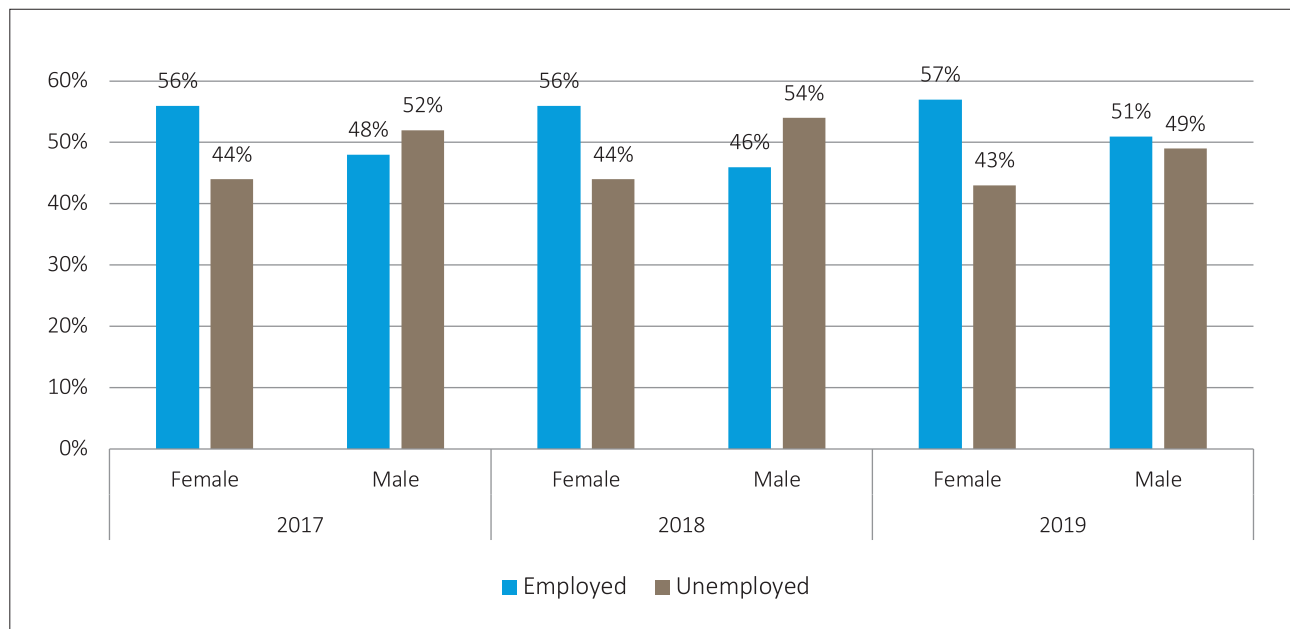
Source: Authors' own calculations based on Geostat LFS data.

Figure 10:
Economic activity if there is a disabled person in the family, by gender



Source: Authors' own calculations based on Geostat LFS data.

Figure 11:
Employment status if there is a disabled person in the family, by gender



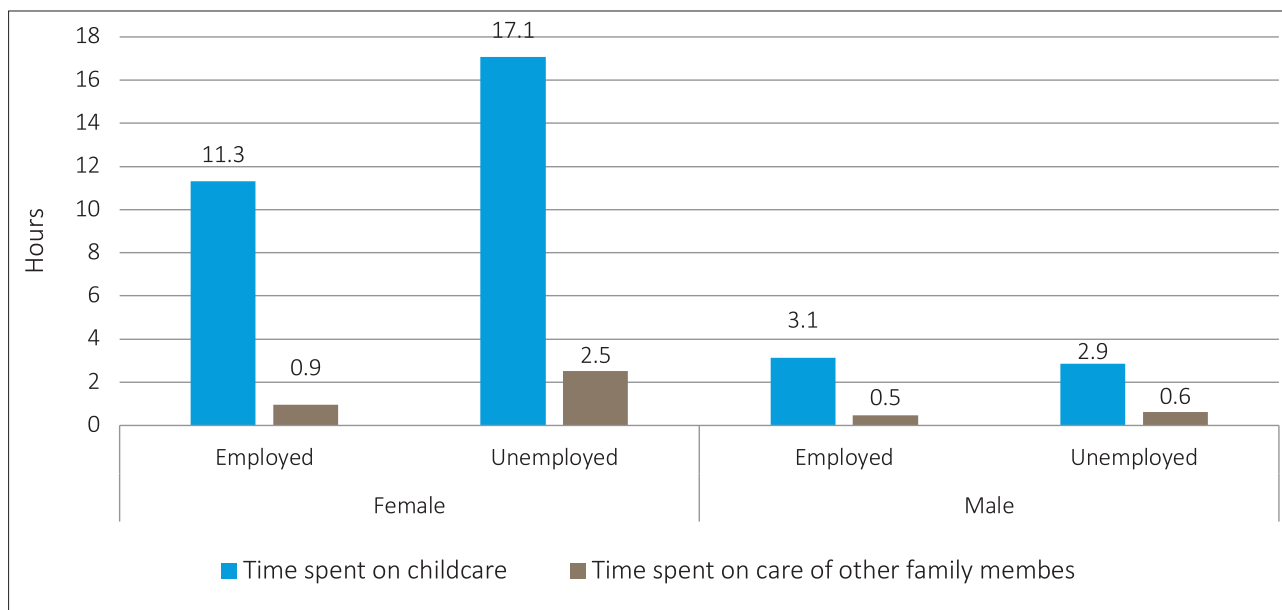
Source: Authors' own calculations based on Geostat LFS data.

The existing data show also that women tend to spend significantly more time on caregiving activities than men (regardless of whether women are employed or not). Caring for children appears to

be more time consuming than taking care of elderly or other relatives. In comparison to childcare, the time spent on elderly care per week is negligible (Figure 12).

Figure 12:

Average hours per week spent on childcare and the care of other family members, by gender and employment status, 2018⁵²



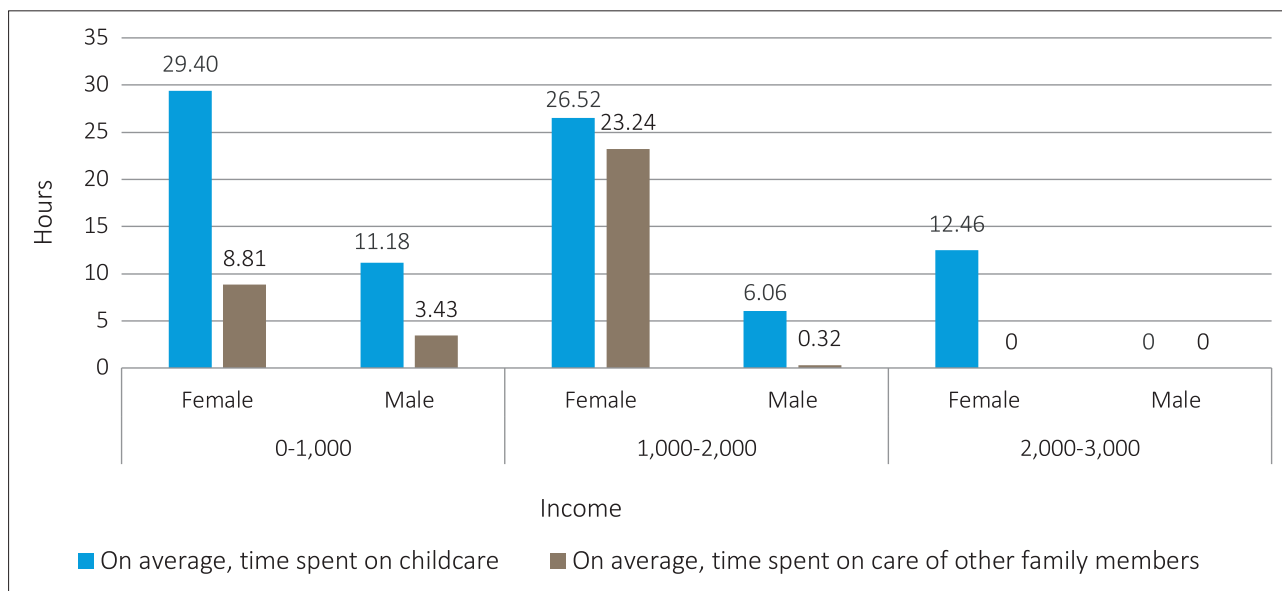
Source: Authors' own calculations based on UN Women survey data (2018).

It should be noted that as the income of households increases, the time spent on care activities (by both males and females) reduces substantially. Notably, the respondents with an average monthly income

greater than GEL 3,000 either refused to answer the question or stated that it was not applicable to them (Figure 13).

Figure 13:

Average hours per week spent on care activities, by gender and income group, 2018



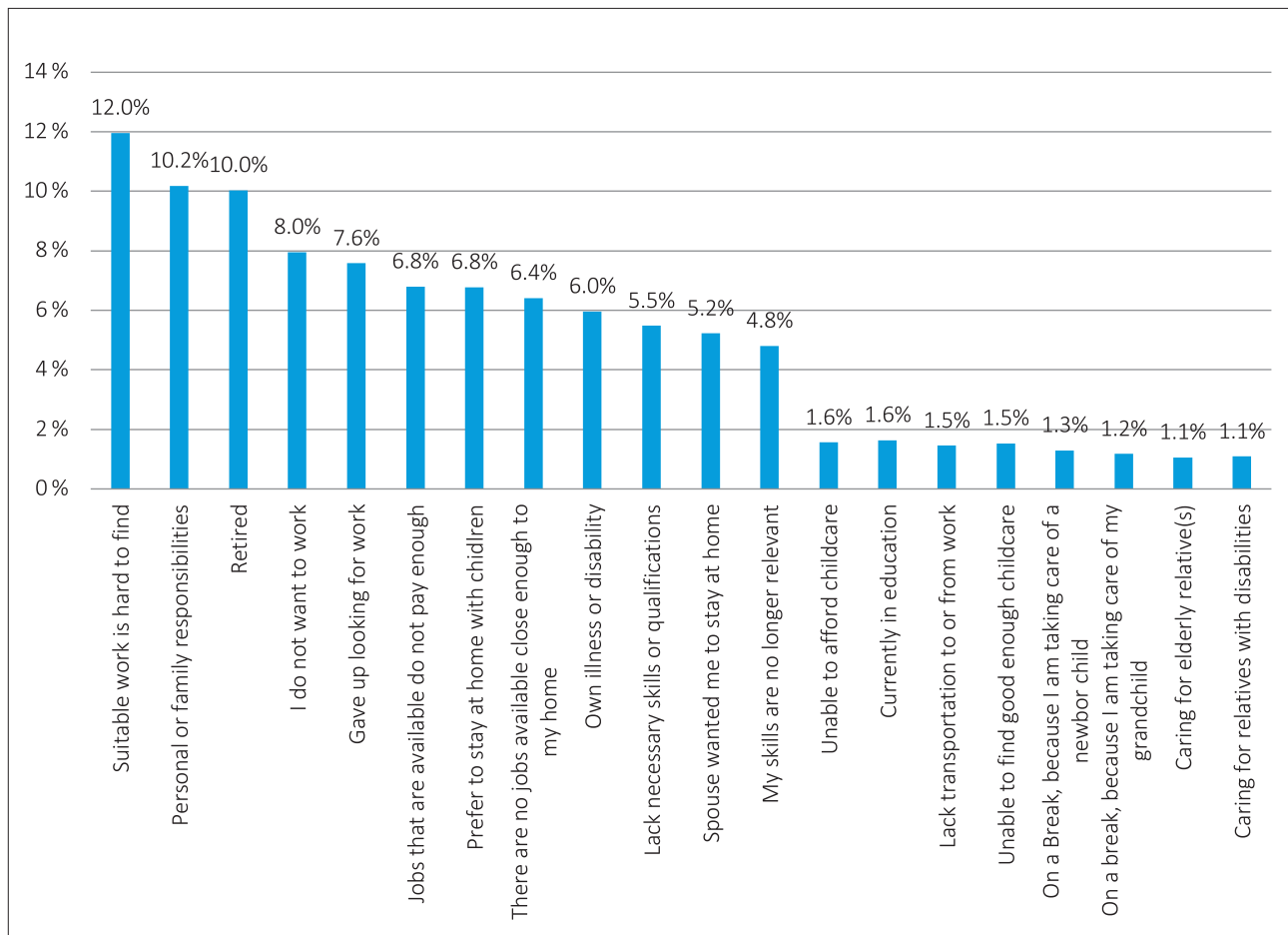
Source: Authors' own calculations based on UN Women survey data (2018).

52 The UN Women survey data includes reported unemployment and economic inactivity and does not coincide the methodology of Geostat LFS data.

Family responsibilities, care activities and related factors (such as the availability of childcare, etc.) appear to affect the decision on employment for both genders, with 9 per cent of unemployed females and 10 per cent of inactive females reporting that

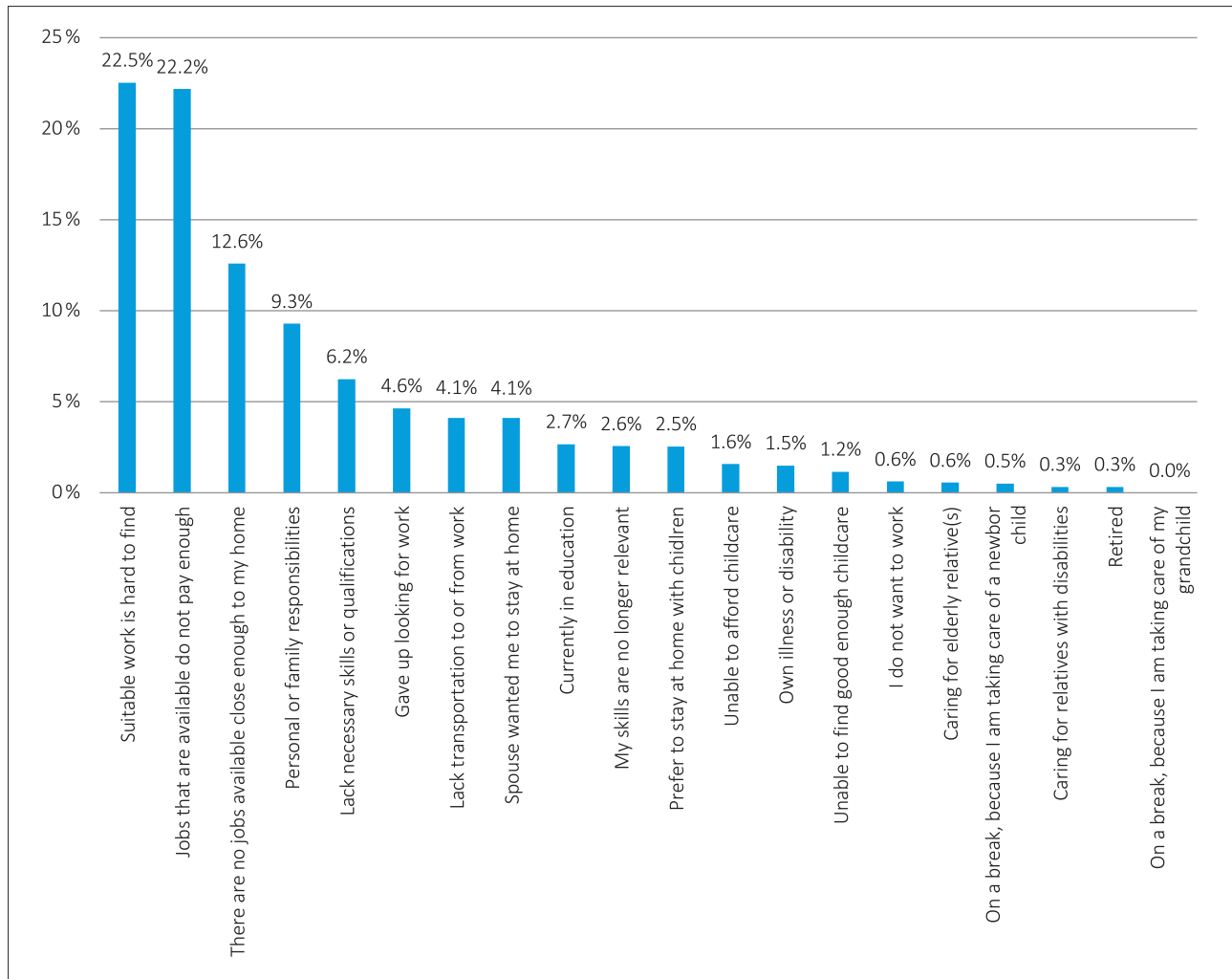
they cannot work because of family responsibilities. Other factors related to family responsibilities also affect women’s decision not to participate in the labour market (Figure 14 and Figure 15).

Figure 14:
Reasons for non-employment for economically inactive females, 2018



Source: Authors’ own calculations based on UN Women survey data (2018)

Figure 15:
Reasons for unemployment for unemployed females, 2018



Source: Authors' own calculations based on UN Women survey data (2018).

Looking at the gender and age distribution of citizens who are not working (both the non-employed and the unemployed) reveals that issues related to care activities and family responsibilities are more problematic for younger-age women than for elderly women or men at any age (Table 3). Notably,

women at younger ages tend to state unaffordability and unviability of childcare services as an important issue. At older ages, the issue becomes less problematic, probably because women aged 35+ tend to have more adult-age children, who require less time for caregiving.

Table 3:

Reasons for not working related to family responsibilities, by age and gender, 2018

	Aged 18–35		Aged 36–50		Aged 51–70		Aged 71+	
	Female	Male	Female	Male	Female	Male	Female	Male
Unable to find good enough childcare	2.7%	0.9%	1.0%	0.0%	1.0%	0.0%	0.6%	0.0%
Unable to afford childcare	3.4%	0.5%	0.7%	0.0%	1.0%	0.0%	0.5%	0.0%
Caring for elderly relative(s)	0.3%	0.0%	1.1%	1.0%	1.8%	0.9%	0.6%	0.1%
Caring for relatives with disabilities or illness	0.7%	0.0%	0.9%	0.9%	1.4%	0.0%	0.7%	0.7%
Prefer to stay at home with children	8.6%	0.5%	8.1%	0.4%	3.8%	1.6%	2.7%	0.0%
Personal or family responsibilities	12.6%	6.2%	11.9%	8.2%	8.8%	8.4%	5.1%	5.2%
There are no jobs available close enough to my home	7.8%	11.4%	9.6%	10.3%	7.9%	9.5%	3.5%	7.1%

Source: Authors' own calculations based on UN Women survey data (2018).

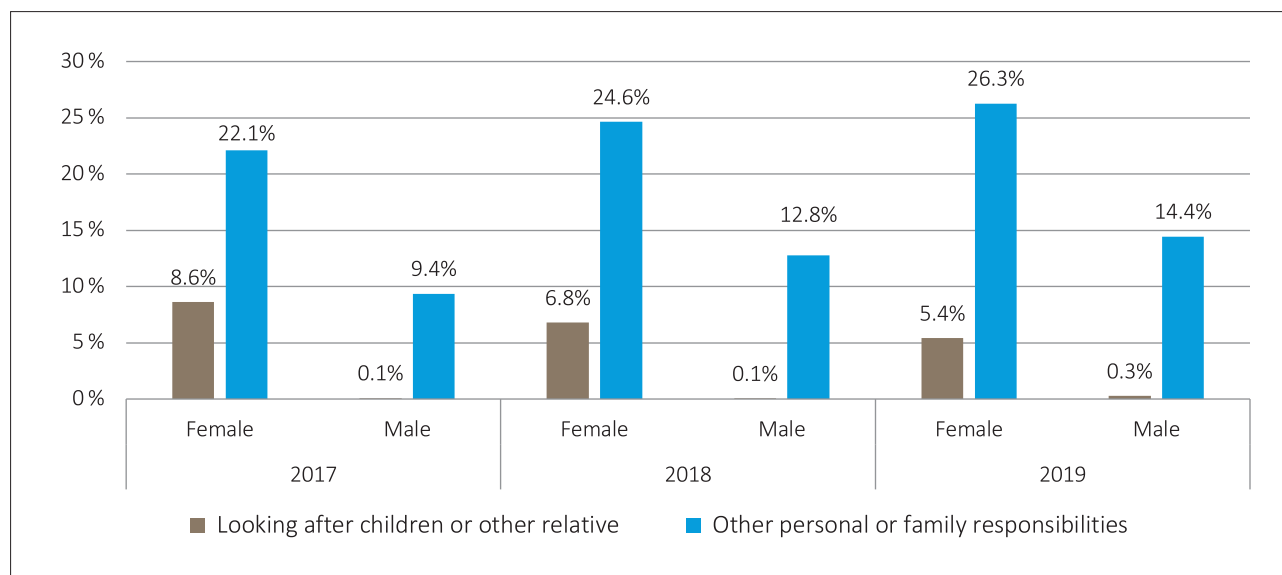
According to the LFS data, over the past three years (2017-2019), family responsibilities did significantly affect labour-market choices. Overall, about 31 per cent of women and 12 per cent of men reported leaving their job due to family responsibilities in any single year. What is even more important is that the observed trend is on the rise, especially for men, for which the share went from less than 10 per cent to 14 per cent over the period (while the shares for women went from slightly below 30 per cent to slightly below 31 per cent, respectively).

Care responsibilities have been one of the dominant reasons why females leave their job, while the same is not true for males (more than 5 per cent of women report this as the main cause, versus less than 1 per cent of males (see Table 3)). The situation is slightly more balanced in the case of other personal or family responsibilities, with 25 per cent

of women reporting to have left their job because of this reason, versus about 12 per cent of men. Interestingly, care responsibilities seem to have been declining in importance over time, possibly as a result of government efforts to provide free childcare services, while the impact of other family responsibilities seems to have increased. This effect is particularly strong for men, for which the share of individuals who report having left their job due to other family responsibilities has increased by almost half over the three years under observations (from 9.36 per cent to 14.43 per cent). Over the same period, the share of women reporting to have left their job due to other family responsibilities has also gone up, from 22.13 per cent to 26.26 per cent. This result implies that family responsibilities continue to remain a constraining factor challenging women's (and, increasingly, men's) participation in the labour market (Figure 16).

Figure 16:

Share of the population that leaves a job due to childcare, caring for a relative or other family responsibilities



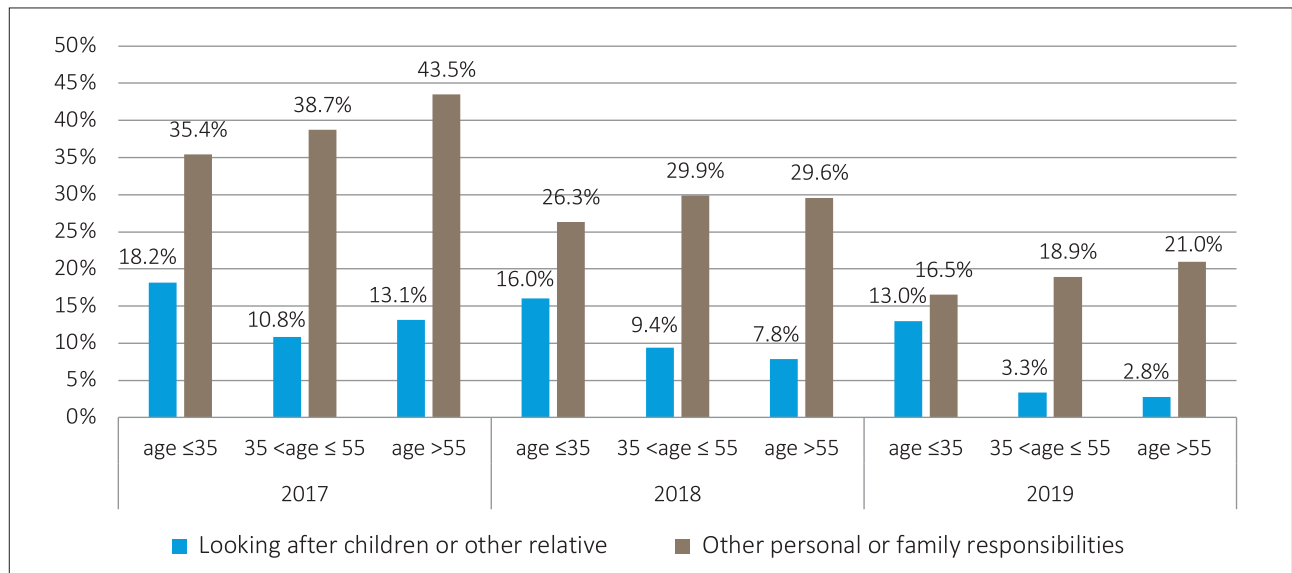
Source: Authors' own calculations based on Geostat LFS data.

Similar to the results from the UN Women survey, the analysis of the LFS also reveals that, unsurprisingly, childcare remains a more challenging factor for younger females than for those who are older. Interestingly, the decline in the importance of care responsibilities seems to have been disproportionately affecting more women above 55 years of age, followed by those between

35 and 55. As for other family responsibilities, the severity of their effect seem to slightly increase with age. Notably, childcare has almost never been a challenging factor for male employment (less than 1 per cent), while the share of males who state other family responsibilities as a reason for not working has never exceeded 17 per cent during the past three years (Figure 17 and Figure 18).

Figure 17:

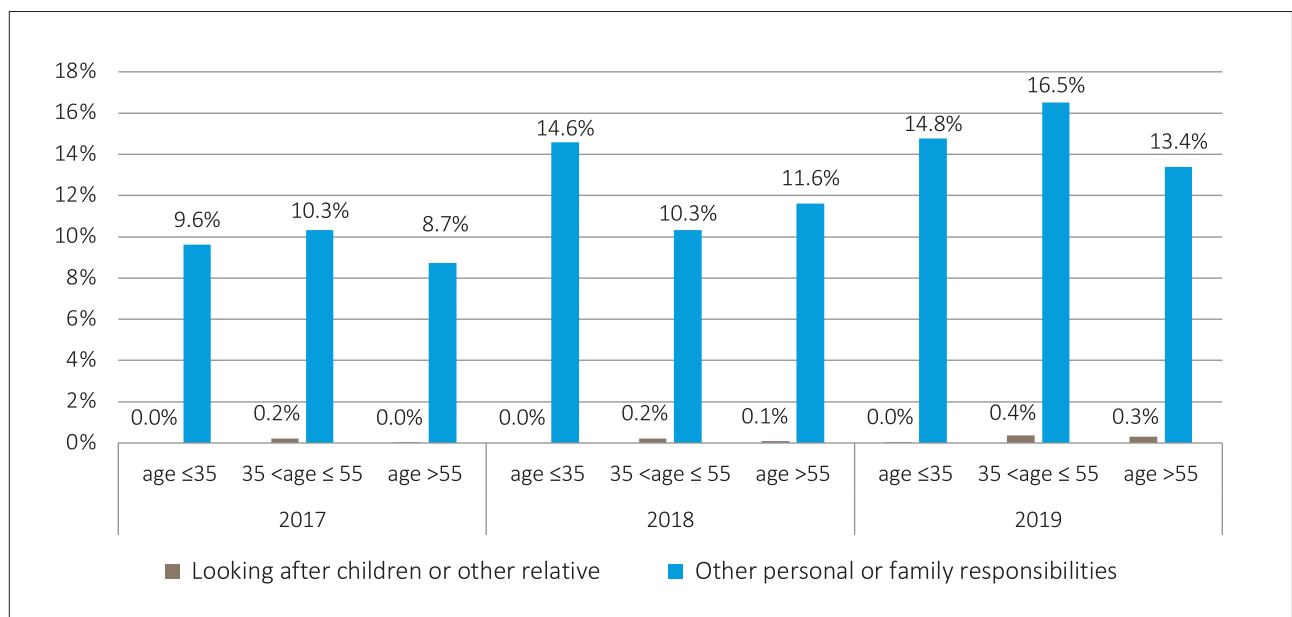
Females leaving a job due to caregiving or other family responsibilities, by age group



Source: Authors' own calculations based on Geostat LFS data.

Figure 18:

Males leaving a job due to caregiving or other family responsibilities, by age group

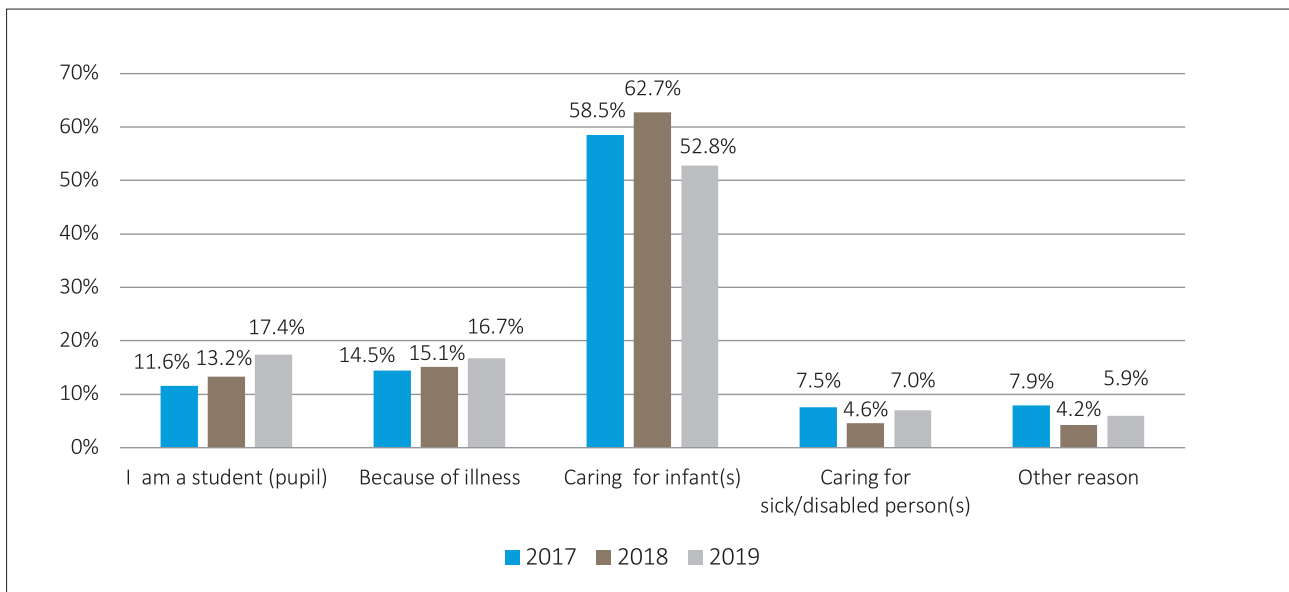


Source: Authors' own calculations based on Geostat LFS data.

In line with what we were postulating while discussing childcare availability in Georgia, caring for infants seems to remain the main reason preventing women from starting a job immediately. Over the period 2017-2019, the percentage of women reporting that they are looking for a job but are not ready to start work immediately because

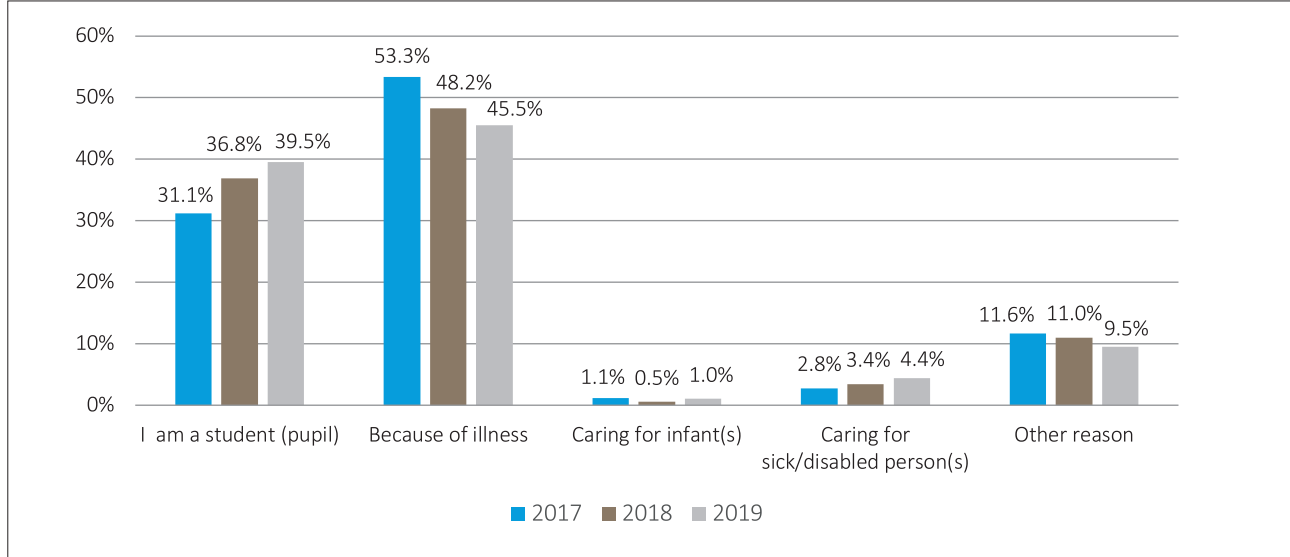
they are caring for infants never declined below 50 per cent (Figure 19). Similar to any of the other above-mentioned factors, a substantially higher number of women than men report that they are not ready to participate in the labour market due to caring for infants or other immediate relatives (Figure 20).

Figure 19:
Reasons why women cannot start working immediately



Source: Authors' own calculations based on Geostat LFS data.

Figure 20:
Reasons why men cannot start working immediately

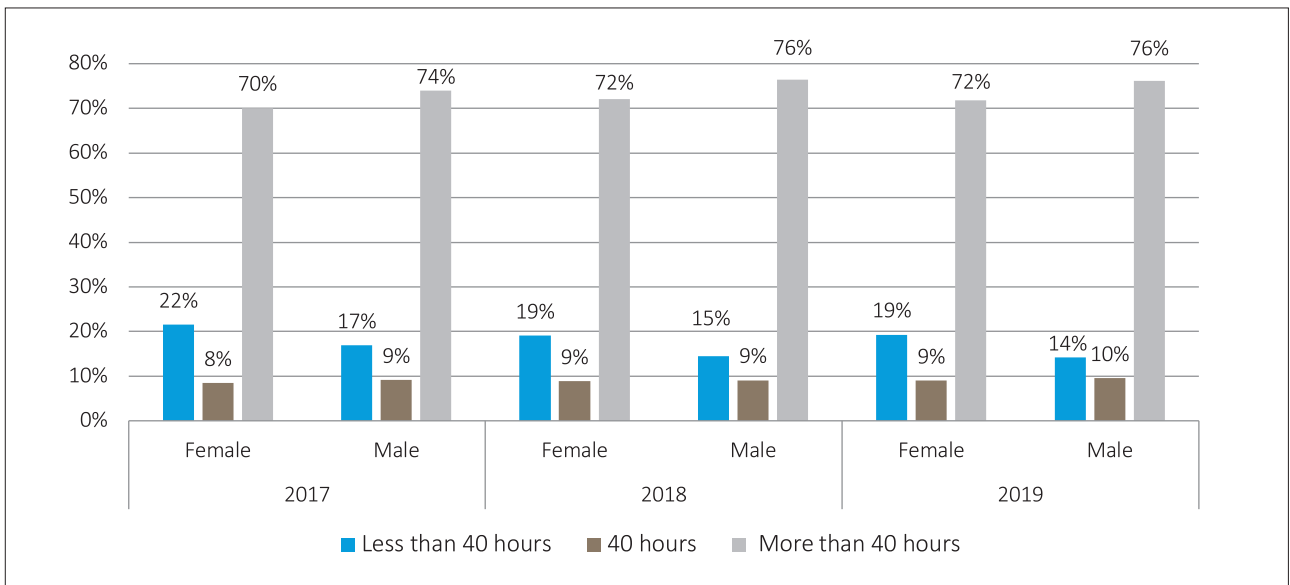


Source: Authors' own calculations based on Geostat LFS data.

The higher burden of family responsibilities (particularly care activities) on women than on men is consistent with the fact that women spend

relatively less time on paid work activities than men. The difference between males and females has remained relatively stable over the years (Figure 21).

Figure 21:
Time spent on paid work activities during the week, by gender

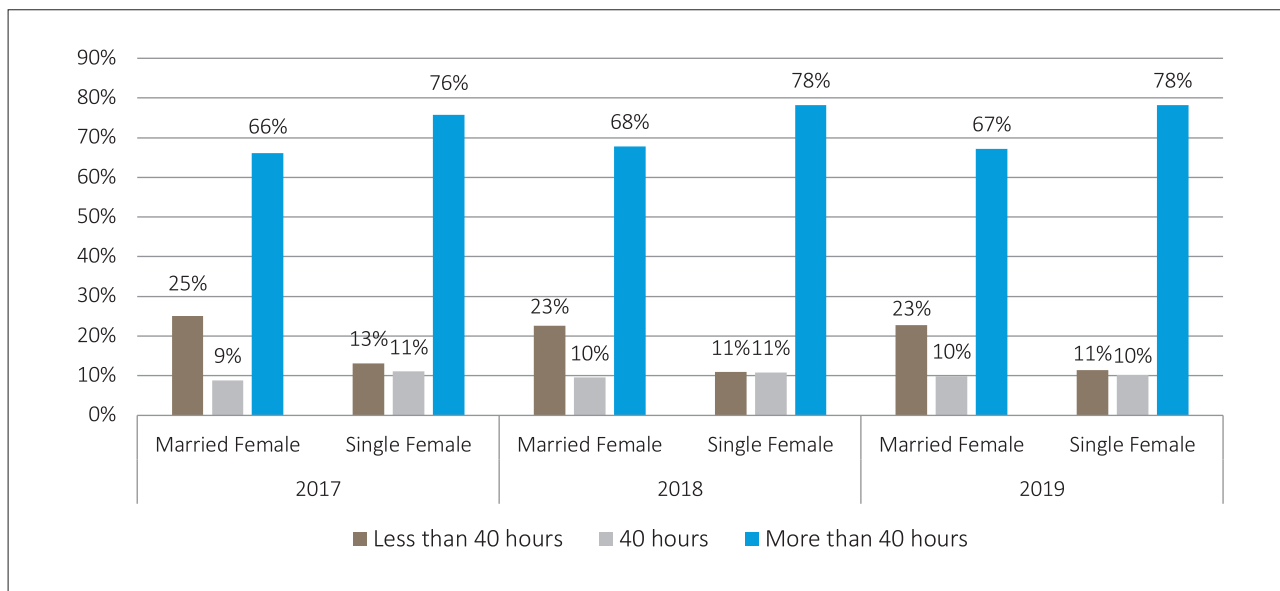


Source: Authors' own calculations based on Geostat LFS data.

In addition, time spent on paid work activities significantly differs between married and single individuals, as being married can be associated with having more family responsibilities than one would

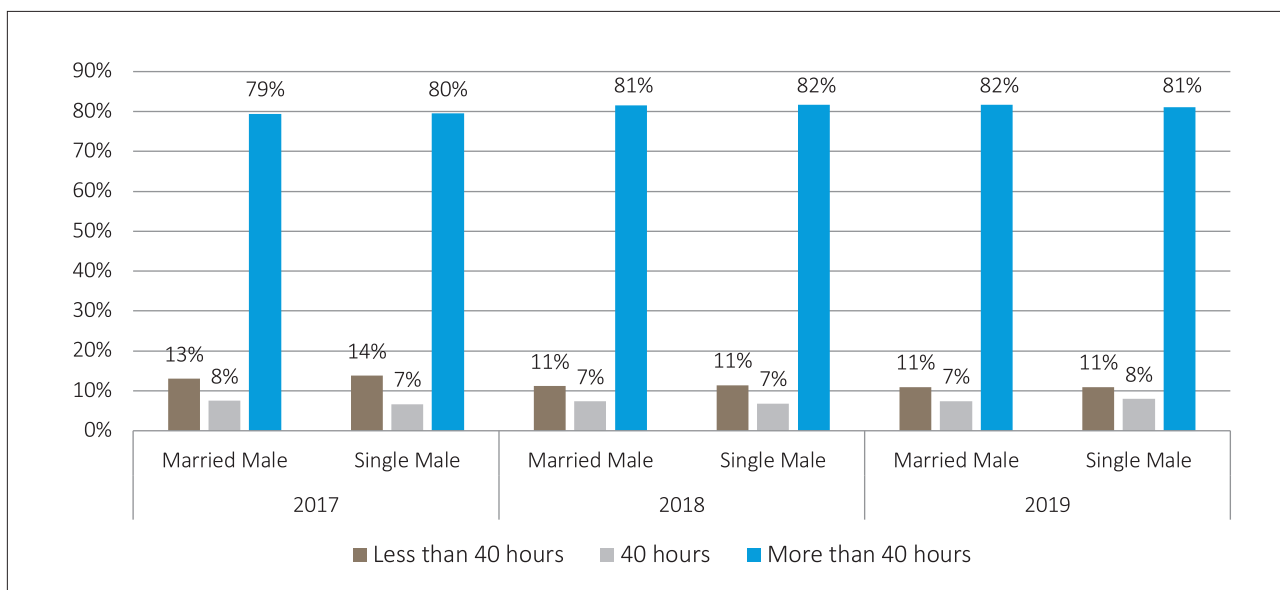
as a single person. However, the difference is more noticeable with female workers than with males (Figure 22 and Figure 23).

Figure 22:
Time spent by females on paid work activities during the week, by marital status



Source: Authors' own calculations based on Geostat LFS data.

Figure 23:
Time spent by males on paid work activities during the week, by marital status



Source: Authors' own calculations based on Geostat LFS data.

D. ELABORATION OF THE BASELINE SCENARIO

As the presented data show, family responsibilities play an important role (and potentially an increasing one) in constraining the labour-market choices of the individuals who shoulder them. Women remain the most affected, especially when responsibilities are related to the care of children and other family members, but this issue is becoming increasingly relevant for men as well.

Despite the improvements in childcare availability and affordability over recent years, caring for children (particularly infants) has remained a substantial hurdle that women (mostly those below 35 years of age) must overcome in order to enter the labour market. More than 50 per cent of women looking for a job who are unable to start work immediately claim this is because they have to take care of an infant. This reveals that these women might be facing a serious problem of unavailability and/or unaffordability of dedicated childcare facilities and services.

Furthermore, the fact that women from higher-income households spend significantly less time on care activities than those from lower-income ones suggests that somehow the public provision of free services is still insufficient and/or qualitatively inadequate. As soon as they can afford to pay for acceptable-quality private services (this can include hiring a nanny to take care of the infants, enrolling in a private kindergarten or a nursing home), it seems like women prefer to obtain these services and spend less time on these activities. This finding has been confirmed by a parallel analysis conducted by ISET-PI on the ILO Domestic Workers Convention, 2011 (No. 189). Domestic workers sometimes substitute state care services (especially early childhood childcare and elderly care), potentially

absorbing some of the state functions and reducing pressure on the state budget. However, only families with higher incomes can afford such services on a regular basis. A recent World Bank study revealed that, when it comes to elderly care, Georgian families prefer flexible, home-based care options along with on-call care and day-care centres to residential elderly-care institutions. “These more flexible formats are viewed positively by Georgians, as they are seen to be more compatible with the norms that emphasize the well-being of the elderly” (The World Bank, 2019). Finally, even though the number of women reporting that they refused paid work (either left a job or were not ready to participate in the labour market) due to their care obligations has been decreasing over the years, their number is still substantially high. Thus, the provision of affordable care services to those women remains a priority.

Overall, the trend analysed suggests that, in the absence of a new (evidence-based) policy approach to the issue, the challenges for workers with family responsibilities will be increasing over time, with potentially substantial negative social and economic consequences.

Unfortunately, it is currently difficult to quantify the optimal amount and composition of community services for workers with family responsibilities, particularly with references to the increasing non-care-related family responsibilities, due to the lack of detailed information in the available data. Given the large and increasing impact of such responsibilities on the labour-market choices and outcomes of individuals, acquiring and analysing more detailed information becomes, therefore, a clear priority for the future – and the first step towards addressing this key issue properly.



POLICY OBJECTIVES

Considering the policy context, the identified problem, its causes and its consequences, we

have identified the following general, specific and operational objectives.

A. GENERAL OBJECTIVE

Ensuring the provision of a sufficient quality and quantity of affordable childcare and family services,

and facilities, to support current and potential workers with family responsibilities.

B. SPECIFIC AND OPERATIONAL OBJECTIVES

1. Enabling the provision of affordable childcare and family services and facilities to address the needs of workers with family responsibilities
2. Ensuring the sufficient availability of childcare and family services and facilities to address the needs of workers with family responsibilities
3. Developing awareness within society about the available childcare and family services and facilities

Table 4:
Summary of objectives

OBJECTIVE	INDICATOR	RESPONSIBILITY	TIMING
Specific Objective 1 - Enabling the provision of affordable childcare and family services and facilities to address the needs of workers with family responsibilities			
1.1 Provision of affordable childcare and family services	<ol style="list-style-type: none"> a. Service cost as a share of median household income (percentage) b. Service cost as a share of women's median wage (percentage) c. Share of women naming unaffordability of childcare and/or family services as a reason for not participating in the labour market d. Take-up rate of childcare and family services 	<ul style="list-style-type: none"> • Municipalities • Kindergarten Unions • Ministry of Education, Science Culture and Sports • MoIDPOTLHSA 	XX years

Specific Objective 2 – Ensuring the sufficient availability of childcare and family services and facilities to address the needs of workers with family responsibilities

2.1 Availability of childcare and family services	<p>a. Amount of time needed to reach childcare and family services</p> <p>b. Number of beneficiaries per caretaker</p> <p>c. Number of service providers complying with standards within the territorial district of the municipality</p> <p>d. Number of care and family services by type within the territorial district of the municipality.</p> <p>e. Share of women naming unavailability of childcare and/or family services as a reason for not participating in the labour market</p> <p>f. Take-up rate of childcare and family services</p>	<ul style="list-style-type: none"> • Municipalities • Kindergarten unions • MoE • MRDI • MoIDPOTLHSA 	XX years
2.2 Availability of needed infrastructure and facilities for childcare and family services	<p>a. Share of facilities complying with the required standards, by type</p>	<ul style="list-style-type: none"> • Municipalities • Kindergarten unions • MoE • MRDI • MoIDPOTLHSA 	XX years
2.3 Availability of qualified caretakers with different backgrounds (such as caretakers for children, for the elderly, for people with disabilities, etc.)	<p>a. Share of caretakers with relevant qualifications</p> <p>b. Number of trainings and certification programmes for different types of caretakers</p>	<ul style="list-style-type: none"> • MoE • MoIDPOTLHSA 	XX years

Specific Objective 3 – Developing awareness within society about the available childcare and family services and facilities

3.1 Growing awareness of society about the available childcare and family services and facilities	<p>a. Take-up rate of childcare and family services</p> <p>b. Level of awareness of workers with family responsibilities about the available childcare and family services and facilities (assessed with the survey)</p>	<ul style="list-style-type: none"> • MoIDPOTLHSA 	XX years
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ELABORATION OF
OPTIONS ALTERNATIVE
TO THE BASELINE
SCENARIO

The analysis of the policy context, of the problem and of its causes and consequences shows that family responsibilities do have a substantial impact on labour-market choices and outcomes. They also show that actions to support individuals with family responsibilities should tackle a large number of issues, including the affordability and availability of services and facilities in a variety of sectors – from childcare and preschool education to care for people with special needs and the elderly. Our analysis has also revealed the need for further research, data gathering and analysis to identify and classify all remaining issues (currently clustered in the category “other personal or family responsibilities”) faced by

individuals with family responsibilities, as well as the constraints limiting the provision of affordable family services and facilities.

Addressing a problem requires informed and effective planning and decision-making. The alternatives presented below are designed towards facilitating planning and decision-making by collecting missing information and making it available to policymakers, and they are also in line with ILO Recommendation No. 165 on workers with family responsibilities. We suggest several actions for the development of childcare and family services and facilities.⁵³

A. POLICY OPTION 0: STATUS QUO SCENARIO

In the status quo scenario, the Government continues its current tendencies of developing childcare and family services and facilities at the community level. In this scenario, the local governments provide childcare services through the preschool education system. Furthermore, the Government provides care services for the elderly and persons with disabilities within the current targeted social assistance scheme. Thus, these services are primarily social assistance services for vulnerable individuals, not family care services for households. In the status quo, neither the Government nor the private sector creates any substantial policy changes in the development of care services and facilities.

The status quo scenario is associated with the following opportunity:

- The lack of regulation could potentially constitute fruitful grounds for the development of private care services for children, the elderly

and persons with disabilities. This, however, could happen only amid substantial changes in the current social stereotypes, as well as income growth and the respective increase in demand for such services. As these changes require time, it is unlikely that major changes will be observed in the short and medium term (up to five years).

The status quo scenario is associated with the following risks:

- Most workers with family responsibilities will not have access to affordable care services needed to balance work and family responsibilities, be they:
 - Care responsibilities towards the elderly;
 - Care responsibilities towards persons with disabilities;
 - Care responsibilities towards infants (a women-specific issue) during the period

53 For example, according to ILO Recommendation No. 165, public and private sector organizations, in particular employers’ and workers’ organizations, should cooperate to collect information on the needs of workers with family responsibilities engaged in or seeking employment. The information should be gathered through systemic surveys conducted in local communities to identify needs and preferences for childcare and family services and

facilities. Based on the revealed needs and preferences, public and private organizations concerned should encourage plans for the systemic development of those services. The public and private organizations concerned should themselves organize and facilitate the development of childcare and family services and facilities that are affordable for workers.

- between the end of paid childcare leave and the child's eligibility for kindergarten (at 2 years old).
- Workers with family responsibilities would be facing increasing trade-offs between professional goals and family responsibilities.
- Workers with family responsibilities would face a greater risk of discrimination in the workplace (e.g. less hiring opportunities, greater wage gaps, lower job security) due to their family responsibilities, as the burden on them increases.

B. POLICY OPTION 1: CENTRALIZED DEVELOPMENT OF THE STRATEGY AND IMPLEMENTATION PLAN OF THE CHILDCARE AND FAMILY SERVICES

In this policy option, in accordance with Recommendation No. 165 on workers with family responsibilities, the Government of Georgia organizes regionally representative surveys (as well as at the rural/urban level) to collect and identify needs for childcare and family services and facilities, as well as expands the collection of administrative data to support the development of the strategy.⁵⁴ Under this policy option, the survey and data-collection exercise will be conducted by Geostat. After the data collection is finished, the Government will develop the five-year national strategy and the implementation plan for the development of childcare and family services and facilities in the country. One of the major aims of developing the strategy will be to develop an adequate and affordable network of care services and facilities throughout Georgia to address the challenges of workers with family responsibilities. The strategy should consider the local needs of different communities around the country. The specific policy tools, instruments and interventions

needed to develop the care services and facilities around the country will be developed within the strategy. Furthermore, the implementation plan of the strategy will identify the timeline, the budget and the scope of activities defined within the strategy. Considering the cross-cutting nature of the issues, the process can be organized either within the Administration of the Government or within the MoIDPOTLHSA, in cooperation with the municipalities.⁵⁵ Monitoring and evaluation will be performed at the central level, with the support of local authorities.

The policy option is associated with the following opportunities:

- The Government will take a more comprehensive look at the development of care services, taking into account the specific needs of workers with family responsibilities at the municipal level and designing a national strategy to address the demand for support services, allow-

54 Information about both data that are currently collected and those that are going to be collected in the near future suggests the need for a specific data-collection effort to collect relevant information. For example, while most municipalities are collecting some data on children's participation in care services, the information collected is not sufficient to assess the real extent of the needs in this and in other areas, nor is it sufficient to monitor the path towards satisfying the needs of the workers with family responsibilities or to accurately evaluate the impact of the actions to be undertaken. For the purpose of the development and updating of the strategy, the efforts to collect data should be reorganized to ensure the regular and timely collection of relevant information about the provision and take-up of these service, as well as of other

support services for workers with family responsibilities. Even parallel data-collection efforts from other actors fall short of the needs. For example, while UN Women is organizing a time-use survey, which could theoretically be used to gather some information about the needs for childcare and other family services, the survey does not cover all topics of interests and is representative just at the rural/urban level. Therefore, it would be unsuitable for a detailed mapping of the needs of workers with domestic responsibilities, at least at the regional level.

55 It is important to take into consideration the scale of the competence of local self-government in order the central government not to roughly intervene into the competence of local governments.

ing for the pooling of resources and the provision of joint solutions for multiple communities (municipalities).

- The development of care services could potentially create a whole new sector of the economy with new employment opportunities, faster than just waiting for the demand to arise spontaneously and for the market to respond.
- The development of the sector will also support improvements in the quality of service delivery in a currently small and largely informal sector of the economy.
- The development of affordable care services could potentially remove some of the key constraints for the workers with family responsibilities to actively participate in the labour market. This, in turn, could have a positive impact on labour-force participation and overall productivity (at both the micro and macro level).
- The development of affordable and accessible care services could potentially help decrease discrimination in the labour market, primarily for women.

The policy option is associated with the following risks:

- The central government might not be able to take into account the specific needs for the variety of local communities, thus providing a relatively limited (and less efficient) range of solutions, potentially leading to a mismatch between the resources allocated, the solution proposed and the needs to be satisfied.
- The development of the strategy and implementation plan at the central level could potentially discriminate against smaller communities with particular needs in terms of services and facilities.
- As kindergartens are managed at the municipal level, some of the points of the strategy could be difficult to implement, and tensions might arise between the actions of the executive body (local government) and the strategic decisions taken at the national level.

C. POLICY OPTION 2: DEVELOPMENT OF MUNICIPAL STRATEGIES AND IMPLEMENTATION PLAN OF THE CHILDCARE AND FAMILY SERVICES WITH NATIONAL GUIDELINES

In this policy option, in accordance with Recommendation No. 165 on workers with family responsibilities, the local municipalities are required to conduct representative surveys at the municipal level⁵⁶ (they might be designed at the local or at the central level) to collect and identify needs for childcare and family services and facilities. In this policy option, the survey and data-collection exercise will be outsourced to the private sector (possibly with a coordination/supervisory role assigned to Geostat experts). After the data collection is finished, the local municipalities will share the information with the central government. Afterwards, local municipalities and the central

government will coordinate\guide the development of the five-year local and national strategies and the development and implementation of action plans for the development of childcare and family services and facilities in the country. One of the major aims of developing the municipal strategies will be to solve the challenges of workers with family responsibilities in parallel to the development of care services and facilities within the municipalities. The specific policy tools, instruments and interventions needed to develop the care services and facilities within each municipality will be developed within the strategy. The national strategy will unify the results of the local strategies and identify specific local

56 We have included an estimate of such costs in the analysis of the quantitative impact of the option in Chapter 5

needs for additional resources. Furthermore, the implementation plans of the strategy will identify the timeline, the budget and the scope of activities defined within each strategy. The development of local strategies will be managed within the local municipalities, while, considering the cross-cutting nature of the national strategy, the process can be organized either within the Administration of the Government or within the MoIDPOTLHSA. Monitoring and evaluation will be performed locally, and the data will be shared with the central government.

The policy option is associated with the following opportunities:

- The data-gathering exercise could have an indirect benefit through the country's ability to characterize the labour markets at the municipal level, which is not currently possible.
- The local municipalities will manage to better identify local needs for care services. For example, as kindergartens are managed at the municipal level, and childcare is one of the major needs for the workers with family responsibilities in that municipality, the municipal-led strategies might have the potential to create a better vision for the development of the sector than centrally developed strategies.
- The policy tools, instruments and interventions will be better tailored to the needs of the workers with family responsibilities living in the municipality.
- The development of care services could potentially create a whole new sector of the economy within the municipalities and create new job opportunities, faster than just waiting for the demand to arise spontaneously and for the market to respond.
- The development of the sector will also support improvements in the quality of service delivery in a currently small and largely informal sector of the economy.

- The development of affordable care services could potentially remove some of the key constraints for the workers with family responsibilities to actively participate in the labour market. This in turn could have a positive impact on local labour-force participation and productivity (at both the micro and macro level).
- The development of affordable and accessible care services could potentially decrease discrimination in the labour market, primarily for women.

The policy option is associated with the following risks:

- The development of the strategy on the municipal level could create problems with the coordination of actions among the municipalities, as well as with the central government, and this could in turn lead to efficiency losses. To mitigate this risk, the national strategy should fill these gaps and suggest amendments where needed, in order to pool resources together.
- The local municipalities might lack resources for properly addressing specific needs. Thus, either local strategies might become too limited, or they might have problems related to funding. To mitigate this risk, the central government should be ready to step in and provide additional funding, when required.
- Local strategies might be "captured" by strong local interests, leading to a dispersion in benefits and/or to uneven access to the newly provided services (with the most vulnerable groups among the population being most penalized), as well as to a reduction in efficiency. To mitigate this risk, the central authorities should create direct channels through which citizens may be able to raise concerns and criticisms and suggest improvements to the locally designed strategy.

ANALYSIS OF IMPACTS

The image features a solid blue upper half and a solid green lower half. A large, semi-transparent, light blue 'E' shape is positioned in the upper half, and a large, semi-transparent, light green 'E' shape is positioned in the lower half. The text 'ANALYSIS OF IMPACTS' is written in white, uppercase letters, underlined, and centered horizontally across the blue section.

A. IDENTIFICATION OF POSSIBLE IMPACTS

The implementation of the policy options described above will have an influence on society, affecting labour-market outcomes of female workers, the development of the care economy, and gender equality in the country, as well as the well-being of individuals needing care. Moreover, we can expect changes associated with the administrative burden of state agencies and public finances. In this section, we assess qualitatively the main expected impacts of the alternatives, representing the possible implications of the chosen policy options in each of the aforementioned areas.

Policy Option 1: Centralized development of the strategy and implementation plan of the childcare and family services

Administrative

The initiative of the GoG to develop a centralized strategy and implementation plan will change the administrative burden of the state agencies compared to the status quo scenario.

Firstly, for Geostat to conduct a regionally representative survey, it will require developing an appropriate questionnaire and sampling strategy, piloting the survey, finalizing the questionnaire, conducting interviews and processing data accordingly. This will require additional administrative resources, either hiring new employees or expanding the workload of existing staff members. Considering that Geostat employees are already well trained in conducting surveys, there will not be the need for extensive additional trainings. However, given the peculiarity of the problem, some specific staff training regarding the distinct issues addressed in the survey will be required. Experts might also have to be involved for the optimal realization of the questionnaire.

Once the survey is finalized and the data are cleaned, the incorporation of the needs of the local population into the centralized strategy will require an in-depth analysis of the data to ensure that the main challenges and constraints are identified and that appropriate problem-solving mechanisms are included in the strategy and implementation plan. The development of the strategy and action plan will require either an expansion of duties of the existing

administrative staff in the responsible government bodies, or the hiring of external consultants.

Moreover, increased administrative resources will be needed for process monitoring in the later stages, in order to ensure that actions are implemented in accordance with the predefined timeline and scope. Considering the multidimensionality of the problem, the strategy development might require close cooperation and coordination of the representatives from various administrative bodies, including the Administration of the Government, the MoDPOTLHSA, the MRDI and/or the Ministry of Finance. Furthermore, the realization of solutions within the local municipalities will require the involvement of responsible staff members from the local governments to ensure the best possible incorporation of suggested actions.

Care economy

The introduction of the strategy and action plan to support the development of community services at the national level could potentially accelerate the development of the care economy in the country. This might support the development, growth and institutionalization of informal care services, such as childcare, early childhood education, disability and long-term care, and elderly care. In this scope, it must be considered that, in addition to addressing the lack of infrastructure and respective facilities, the strategy and action plan could potentially identify and address other constraints to the provision of high-quality and affordable care services. A clear and structured vision about the path towards the development of the sector could create better conditions for the growth of the caregiving profession, which is likely to create new working opportunities (especially) for women. This will also positively influence the realization of workers with family responsibilities, which could have spillover effects on the labour markets (see below for more details).

Labour market

In addition to the direct job-creation effect in the care economy, the development of the strategy and action plan of the childcare and family services at the national level will have another very strong impact on the labour market. The provision of high-

quality, affordable and strategically situated care services can be expected to provide to workers with family responsibilities the opportunity to transfer part of their responsibilities to such care centres. Consequently, compared to the status quo, this option is expected to reduce the unpaid workload on individuals performing family-related duties and therefore supports their increased involvement in paid work activities, allowing them to switch from part-time to full-time jobs and/or to enter the labour force altogether. As a result, this increases their labour-force participation and reduces the participation gap between workers with family responsibilities and other workers. The availability of support services will also contribute to a reduction in the discriminatory behaviour that some employers seem to adopt towards workers with family responsibilities, insofar as they are perceived as less reliable and/or committed to satisfy the needs of the company in which they work. These impacts are particularly relevant for women. Considering that their increased involvement in the labour market also allows women to acquire more skills and experience, resulting in higher wages, another expected impact of the reform is a reduction in the gender wage gap.

Finally, the development of a formal job market for care work can be expected to positively influence the job market opportunities of women who are currently unemployed or in vulnerable employment – such as those working as domestic workers – who will have more chances to move to enter a formal employment relationship.

Gender equality

Thanks to the positive effects on the care economy and – more broadly – the labour market, the successful implementation of the development strategy envisioned in Policy Option 1 can be expected to have a positive impact on gender equality through a reduction in participation and wage gaps, as well as in discriminatory behaviours. Over the long run, these changes can be expected to translate into more progressive social norms and weaker gender stereotypes, as well as a generalized increase in gender equality.

Social

The implementation of Policy Option 1 is expected to have multiple positive effects on the well-being of society, particularly of the most vulnerable groups. As already mentioned, the increased access to affordable and reliable services will reduce the burden of workers with family responsibilities, resulting in higher labour-force participation, less discrimination and smaller wage gaps. This can be expected to contribute to poverty reduction and to the reduction in the number of vulnerable households and individuals, with potentially long-term (positive) effects also on public finances (see below). In addition to the improved labour-market outcomes, and to the potential reduction in poverty and vulnerability, the development of care services and facilities is also likely to contribute directly to the increase in the well-being of those households and individuals that before could not satisfy their need for support either because it was inaccessible due to the high cost or because such services were not available. In this regard, it would be advisable for the strategy and action plan to explore the expected impacts on all socially vulnerable groups, in addition to the expected impacts on workers with family responsibilities. Furthermore, a better-developed care system implies higher-quality service provision compared to the status quo. This implies even larger benefits to the beneficiaries,⁵⁷ as well as better development opportunities for caretakers and increased human capital in the country.

Lastly, the development of care services that should be facilitated by the strategy and action plan have the potential to positively influence the social standing of families through the creation of new (and higher-quality) job opportunities, as previously described. This improvement could be particularly relevant for those care workers whose households are socially vulnerable.

Public finances

The implementation of Policy Option 1 can be expected to have a negative impact on the public budget compared to the status quo, especially in the short term.

57 This includes, for example, children from poor households having access to better quality care. See <https://unesdoc.unesco.org/ark:/48223/pf0000137407>.

Conducting a survey that is representative at the municipal level will require setting aside additional resources for conducting such activity.

The development of the strategy and of the related action plan, as well as the monitoring of the implementation of the process, is also going to require additional resources.

Although it is not in the scope of this RIA, the implementation of the strategy and action plan is also likely to lead to a substantial increase in the Government's social expenditures over the short term as remedial measures are put in place. Part of the costs might already be recovered in the short term, thanks to increases in labour-force participation and economic activity (Ilkkaracan, 2015) Moreover, over the long run, the positive effects on the economy and on the socially vulnerable groups within the population, coupled with the efficiency gains brought by the adoption of a better-structured approach to the provision of care services, might reverse the impact through a reduction in social expenditures and an increase in fiscal revenues.

Risks

The development of a centralized strategy and action plan includes risks as well. Firstly, since most of the activities will be performed at the central level, the Government might not be able to capture all of the specific issues that are relevant at the municipal level. In addition, the implementation of the actions under the direction of the central authorities, with a limited scope for tailoring the measures to local characteristics, might lead to less-efficient policy outcomes. Moreover, due to the fact that some community services (i.e. kindergartens) are under the direct responsibility of local municipalities, there is the risk of confusion of powers, potentially leading to imperfect coordination between the central and local government bodies, giving rise to new sources of inefficiency. To minimize this risk, it will be important to consider and discuss the powers of local governments prior to the enactment of the option.

Finally, there is the risk that, due to limited financial resources and the low level of priority attributed to the issue under analysis, policymakers might decide not to take certain actions that would be efficient to take even when the successful implementation of

the strategy would require them. This is especially relevant in case there is a lack of financial resources for the implementation of the action plan.

Policy Option 2: Development of municipal strategies and implementation plan of the childcare and family services with national guidelines

Administrative

The implementation of Policy Option 2 will also cause changes in the administrative burden of the state and local agencies.

Compared to Policy Option 1, under this option the administrative burden on the existing Geostat staff members for conducting the municipally representative survey will be much lower because in this scenario, the survey will be conducted by externally hired workers and specialists. Also, in this case, however, the questionnaire will have to be developed and tested with the help of field experts; moreover, to ensure the quality and comparability of results, a certain degree of coordination (a function possibly assigned to Geostat) would still be advisable. The savings in Geostat's time and resources will be more than offset by the increase in the workload of externally hired workers and specialists and of municipal workers.

Choosing the appropriate candidates, making sure they are trained properly, and monitoring their work will increase the workload of the employees in local municipalities.

Like with Option 1, the collected data and analysis of survey findings should be reviewed on both the local and the central level. However, in this case, the process might be more time-consuming and require a higher involvement from the central-government staff members because communication should happen with each municipality separately, and the central government will have to ensure the coordination of the implementation efforts.

To monitor the implementation process, administrative resources will be needed from the local municipalities as well as from the central government bodies. This might even require providing specific trainings and assistance to the individuals\units in charge of the monitoring.

To develop the unified national strategy, similar to Policy Option 1, the coordination of the various administrative bodies will be required.

Care economy

The impact of Policy Option 2 on the development of the care economy will be similar to the impact under Option 1. However, the decentralized creation of the local strategies and action plans could potentially lead to better identification of the needs of local workers with family responsibilities. In this case, the positive impact of the development of care services might be more conspicuous.

Labour market

Policy Option 2 will have a similar impact on the labour-market outcomes as Policy Option 1. However, proposed interventions will be better tailored to the needs on the local populations; thus, women's labour-market participation rates might increase more within the municipalities than they would under Option 1. Having tailored municipal strategies can provide greater ownership for results and better implementation at the municipal level.

Gender equality

Development of the municipal strategies and implementation plans can be expected to affect gender equality at least as much as the development of centralized strategies, thanks to the tailoring of the municipal strategies to the local needs and peculiarities, within the broader framework of the national strategy.

Social

The implementation of Policy Option 2 is expected to have impacts on society qualitatively similar to those of Policy Option 1, with a greater potential to satisfy local needs and to stimulate the adoption of better-targeted policy alternatives, addressing more precisely the municipality-specific causes of vulnerability. Greater positive impacts can also be expected on the well-being of the most vulnerable individuals and households.

Public finances

The implementation of Policy Option 2 will also be associated with additional expenditures, including payments for designing and administering the baseline survey and the follow-up surveys. However, unlike Option 1, the cost will be shared between the central government and the local municipalities,

which will manage the process locally. Furthermore, higher costs are expected compared to Option 1 in terms of data analysis and reporting on the survey results, due to the fact that the data-collection exercise will be performed in a decentralized manner around the country.

The cost of developing the strategy and action plan will be higher than in the case of Policy Option 1. Under this scenario, local self-governments will face higher expenditures to remunerate those who work on the strategy than in the first scenario. This will not be offset by a reduction in costs incurred at the central level, as some degree of centralized planning and coordination will remain. Expenditures associated with this option should also include the local government and central government salary costs of the staff members who are responsible for monitoring and evaluating the action implementation process. Also in this case, the implementation of the plan (outside the scope of this analysis) will require even additional resources, which we expect to be partially offset in the short term by desirable socioeconomic changes (and the associated increase in public revenues).

Risk

The development of the municipal strategies increases the risk of poor coordination among the municipalities and with the central government.

Moreover, considering that the budget of local municipalities is relatively limited, the risk of neglecting efficient actions or engaging insufficient financial resources will be more severe than under Policy Option 1. This risk is further compounded by the higher risk of the local strategy being captured by influential local interest groups,⁵⁸ which might reduce its positive impact on the most vulnerable segments of the population.

Consequently, it is important that the central government ensures the provision of needed resources (especially financial) to form proper strategies and monitor their quality, effectiveness and inclusiveness.

Compared to Policy Option 1, the risk that local needs will not be fully reflected in the national strategy is significantly mitigated under this scenario (as long as "capture" by influential local interest groups are avoided).

Table 5:
Summary of the impact of selected options

Impact	Type (direct/indirect)	Group(s) affected and/or other relevant indicators affected	Expected direction (positive/negative)	Expected alternatives influenced
Administrative				
Increased workload of Geostat staff to conduct survey	Direct	Geostat GoG	Negative	Option 1 Option 2
Increased administrative burden on existing staff	Direct	Local municipalities GoG	Negative	Option 1 Option 2
Need for monitoring the implementation plan	Direct	GoG Local municipalities	Negative	Option 2
Need for monitoring the implementation plan	Direct	GoG	Negative	Option 1
Care economy				
Accelerated development of care economy	Direct	Workers with family responsibilities Caretakers Caregivers	Positive	Option 1 Option 2
Provision of better-quality care services	Direct	Workers with family responsibilities Caretakers Caregivers Other sectors	Positive	Option 1 Option 2
New working opportunities for caregiver workers	Direct	Workers with family responsibilities Caretakers Caregivers Other sectors	Positive	Option 1 Option 2
Increased labour-market participation of women	Direct	Workers with family responsibilities Caretakers Other sectors	Positive	Option 1 Option 2
Labour market				
Increased employment opportunities for women with family responsibilities and caregivers	Direct	Workers with family responsibilities Caretakers Caregivers Employers	Positive	Option 1 Option 2

58 For example, more influential subgroups within the community (like influential households, and/or large companies hiring many workers with family responsibilities),

pushing for actions that match their specific needs, rather than those of the broader community.

Increase in paid working hours of women	Direct	Workers with family responsibilities Caretakers Employers	Positive	Option 1 Option 2
Decreased participation gap between workers with and without family responsibilities	Direct	Workers with family responsibilities Other workers Employers	Positive	Option 1 Option 2
Decreased discrimination against workers with family responsibilities in the labour market	Direct	Workers with family responsibilities Employers	Positive	Option 1 Option 2
Decreased gender wage gap	Direct	Employees	Positive	Option 1 Option 2
Increased availability of formal employment relationships	Direct	Unemployed women Domestic workers in informal employment relationships Workers with family responsibilities Caretakers	Positive	Option 1 Option 2
Gender equality				
Increased gender equality	Direct	Workers with family responsibilities Caretakers Employers	Positive	Option 1 Option 2
Decreased gender stereotypes	Direct	Workers with family responsibilities Other employees Employers	Positive	Option 1 Option 2
Social				
Poverty reduction of vulnerable groups	Direct	Caregiver workers	Positive	Option 1 Option 2
Improved labour-market outcomes	Direct	Workers with family responsibilities Caregiver workers Employers	Positive	Option 1 Option 2
Increased well-being of individuals who need care services to reduce their family responsibilities	Direct	Workers with family responsibilities Caregiver workers	Positive	Option 1 Option 2
Human capital development	Direct	Employers Employees GoG Local municipalities	Positive	Option 1 Option 2
Increased social standing of caregiver workers	Direct	Caregiver workers Employers	Positive	Option 1 Option 2

Increased equality in access to care	Direct	Households with care needs	Positive	Option 1 Option 2
Increase in well-being of individuals in need of care	Indirect	Persons with care needs	Positive	Option 1 Option 2
Public finances				
Cost of conducting survey	Direct	Geostat GoG	Negative	Option 1
Cost of conducting survey	Direct	Local municipalities	Negative	Option 2
Cost of developing the strategy and action plan	Direct	GoG Local municipalities	Negative	Option 1 Option 2
Cost of monitoring the implementation process	Direct	GoG Local municipalities	Negative	Option 1 Option 2
Potential efficiency gains in government spending on development of care services	Indirect	GoG Local municipalities	Positive	Option 1 Option 2
Risks				
Lower incorporation of local needs in the strategy	Direct	GoG Local municipalities Workers with family responsibilities Caregivers Caretakers Employers	Negative	Option 1
Miscommunication between GoG and local municipalities	Direct	GoG Local municipalities Workers with family responsibilities Caregivers Caretakers Employers	Negative	Option 1
Miscommunication among local municipalities	Direct	GoG Local municipalities Workers with family responsibilities Caregivers Caretakers Employers	Negative	Option 2
Insufficient available funds	Direct	Local municipalities Workers with family responsibilities Caregivers Caretakers Employers	Negative	Option 1 Option 2

B. QUANTITATIVE ASSESSMENT OF THE COSTS OF THE POLICY OPTIONS

The RIA team analysed the costs of the two policy options considering the estimated budgets of the two major activities envisaged in each of the options. The first activity is data gathering, using the survey conducted either at the central level (regionally representative) or at the municipal level. For the data-gathering exercise, we assumed that the Government would mobilize new resources, whether the data is gathered by Geostat or is outsourced to the private sector. The second activity is the development of the strategy for developing care services and facilities in the country to address the issues of the workers with family responsibilities. For this activity to be conducted, we assessed the possible budget for the comprehensive strategy.

The assessment was conducted for a five-year period. Over these years, we assumed that the data-gathering exercise will start in the first period and will require one year. Furthermore, the development of the strategy will require another year. Each of the activities will be repeated three years after the first round has been conducted.

The first activity consists of several cost categories: (1) analytical work needed to develop the questionnaire, (2) survey planning, (3) interviewer training costs, (4) surveying, (5) database creation and (6) an organizational overhead. The expected unit costs and the level of effort is summarized in Table 6.

Table 6:
Summary of the survey costs

Cost category	Unit cost (GEL)	Level of effort (number of days)	Total cost (GEL)
Questionnaire creation	300	20	6,000
Sample planning	400	10	4,000
Training cost	300	5	1,500
Database creation	300	10	3,000
Total fixed costs	-	-	14,500
Survey (interview, data entry and transportation) per filled questionnaire	20	-	-
Overhead (share of total cost)	15%		

The second activity for the development of the comprehensive strategy is budgeted according to the team composition and expected workload for different team members. ISET-PI used its own experience to develop this budget and cross-checked the figures with representatives from the Administration of the Government, the private sector and experts in the development of sectoral

strategies. Table 7 summarizes expected unit costs and the level of effort needed to develop the comprehensive strategy. In our cost assessment, we assume that the municipal-level (bottom-up – Option 2) and the national-level (top-down – Option 1) strategies will require a similar level of effort and thus will cost the same.

Table 7:
Summary of the strategy costs

Strategy cost per municipality	Unit cost (GEL)	Level of effort (number of days)	Total cost (GEL)
Team leader	700	10	7,000
Sector expert 1 (from kindergartens)	500	10	5,000
Sector expert 2 (disabled)	500	10	5,000
Sector expert 3 (elderly)	500	10	5,000
Researcher 1	250	15	3,750
Researcher 2	250	15	3,750
Researcher 3	250	15	3,750
Focus groups and site visits			3,000
Total cost of strategy (including overhead of 15 per cent)			41,688

Furthermore, as the assessment was conducted for a five-year period, the social discount rate was selected to be the interest rate on a 10-year government bond in April 2020 (the latest auction available) – 10.2 per cent, corresponding to a 6.56 per cent real discount rate. Based on this assessment, we calculated the net present value

for the Government. For the centralized strategy and action plan based on the described option, we assumed a regionally representative survey, while for the municipal strategy, the survey will be municipally representative. Table 8 reports these figure.

Table 8:
Summary of the net present value of costs for the options for five years (GEL)

Cost type	Option 1 – Centralized strategies and action plans	Option 2 – Municipal strategies and action plans
NPV of survey costs	424,359	4,402,009
NPV of strategy costs	67,047	67,047
Total NPV of costs	491,406	4,469,056



COMPARING THE OPTIONS

The extent of the effectiveness of the policy options is measured in relation to the general objective of the Government's intervention:

Ensuring the provision of a sufficient quality and quantity of affordable childcare and family services, and facilities, to support current and potential workers with family responsibilities.

While comparing the alternatives to identify the preferred option, the RIA team considered a number of criteria in addition to the cost of each alternative. These criteria are as follows:

- **Effectiveness:** the capability to produce the desired results. In our case, this includes the capability to:
 - Enable the provision of affordable childcare and family services and facilities to address the needs of workers with family responsibilities
 - Ensure the sufficient availability of childcare and family services and facilities to address the needs of workers with family responsibilities
 - Develop awareness within society about the available childcare and family services and facilities
- **Feasibility:** the easiness of realization of each option

A. SUMMARY OF OPTIONS

To create a summary of the results, points are assigned to the different policy options through a multi-criteria analysis. The points range from -5 to 5.

- **Minimization of the risks** associated with all of the offered policy options:
 - Inability of workers with family responsibilities to afford the care services to balance their work-life responsibilities
 - Inability of the strategy and action plan(s) to take into account the variety of needs of workers with family responsibilities
 - Smaller communities being discriminated against by not receiving sufficient services and facilities
 - Issues of coordination and counterproductive decisions between agencies managing different types of services and facilities
 - Lack of resources for the implementation of the action plan(s)
- **Maximization of potential benefits:**
 - Ability to create fruitful grounds for the development of private care services
 - Addressing the demand for care services from workers with family responsibilities
 - Development of the care sector
 - Increased employment due to the development of the care sector
 - Improved quality in the delivery of care services
 - Removal of constraints for workers with family responsibilities
 - Decreased discrimination

A negative score represents a decrease in efficiency compared to the status quo, while a positive score represents an increase in efficiency.

Table 9:
Comparison of options using multi-criteria analysis

EVALUATION CRITERIA	Option 1 – Centralized strategies and action plans	Option 2 – Municipal strategies and action plans
Incremental costs for the Government	GEL 491,406	GEL 4,469,056
Effectiveness 1 – Affordability of care services	1	2
Effectiveness 2 – Sufficient availability	1	2
Effectiveness 3 – Increased awareness	1	1
Feasibility/ease of complying	-2	-3
Minimization of potential risks	1	1
Maximization of potential benefits	2	2

B. PREFERRED OPTION

Our multi-criteria analysis shows that both options potentially lead to improvements compared to the status quo scenario. This is due to the fact that currently, the Government’s approach towards the development of the care sector is sporadic and primarily concerned with childcare services, while the increasing challenges faced by workers with family responsibilities require a better informed, more structured and more comprehensive approach. The creation of a comprehensive strategy for the development of care services and facilities oriented

towards satisfying the needs of workers with family responsibilities could remove the barriers faced by workers with family responsibilities, by creating a better match between service provision and actual demand. Benefits appear to be greater for Option 2, mostly due to the more tailored approach towards the needs of local communities. However, the bottom-up approach suggested in Option 2 also results in greater difficulty in the implementation itself and in substantially higher implementation costs⁵⁹.

59 While selecting the final option it should also be considered that – as highlighted by relevant stakeholders - before transferring a certain function / authority to the local self-government, this is usually held at the central level in the first stage, to be transferred to municipalities through delegation by deed as appropriate, and only after that is it

a matter of debate whether to transfer it to the local self-government as its own authority. Debating and identifying the proper procedural steps to be taken for the implementation of the chosen option is, however, beyond the scope of this RIA.



MONITORING AND EVALUATION PLAN

To keep track of the performance of the reform and its impacts and to modify the reform in case of any irregularities, it is important to evaluate how well it responds to the policy objectives set in Section III. The indicators suggested to evaluate

the performance of the system are divided into three main categories: the provision of affordable care services and facilities; the availability of care services and facilities; and the awareness of society about the available care services and facilities.

Table 10:
Indicators of progress towards meeting the objectives

INDICATOR	FREQUENCY OF EVALUATION	RESPONSIBILITY FOR MONITORING
Provision of affordable care services and facilities		
Service cost as a share of median household income (percentage)	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA
Service cost as a share of women's median wage (percentage)	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA
Share of women naming unaffordability of childcare and/or family services as a reason for not participating in the labour market	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA
Take-up rate of childcare and family services	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA
Availability of care services and facilities		
Amount of time needed to reach childcare and family services	Quarterly	<ul style="list-style-type: none"> Local municipalities
Number of beneficiaries per caretaker	Quarterly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA
Number of service providers complying with standards within the municipality and territorial district	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA MRDI
Number of care and family services by type within the municipality and territorial district	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA
Share of women naming unavailability of childcare and/or family services as a reason for not participating in the labour market	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA
Take-up rate of childcare and family services	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA
Share of facilities complying with the required standards, by type	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA MRDI60
Share of caretakers with relevant qualifications	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA MoE
Number of trainings and certification programmes for different types of caretakers	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA MoE
Awareness of society about the available care services and facilities		
Take-up rate of childcare and family services	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA
Level of awareness of workers with family responsibilities about the available childcare and family services and facilities	Yearly	<ul style="list-style-type: none"> Local municipalities MoIDPOTLHSA

60 Only if the infrastructural part is implied and also in the cases that is carried out directly through the Ministry.

The graphic features a solid blue top half and a solid green bottom half. In the center, there are two overlapping circles: a larger light blue circle on top and a smaller dark blue circle on the bottom. The text 'PUBLIC CONSULTATION' is written in white, uppercase letters across the top half, underlined. The text 'PROCESS' is written in white, uppercase letters across the bottom half, also underlined.

PUBLIC CONSULTATION PROCESS

A. ORGANIZATION AND TIMING

The RIA of the ILO Workers with Family Responsibilities Convention, 2011 (No. 156), was implemented between November 2019 and July 2020.

In November 2019, the ISET Policy Institute (ISET-PI) project team started initial preparatory work to conduct the RIA process. Specifically, ISET-PI reviewed ILO Convention No. 156 in detail, and the team identified potential policy topics on which to conduct the RIA.

Between November 2019 and January 2020, the RIA team started checking the available data and performing a review of the relevant literature.

ISET-PI presented possible RIA topics to the tripartite working group (employers' association, trade unions and government) in February.

The RIA process was slowed down by the COVID-19 crisis in March and April. In May, the RIA team resumed working on the topic at regular speed.

The RIA team included ISET-PI researchers and was supervised by ISET Associate Professor Norberto Pignatti and supported by the external legal consultant, Nino Kashakashvili. The team included researchers with experience in labour economics, public policy, regulation, gender economics, cost-benefit analysis and RIA. Tasks were divided in accordance with the competencies of the researchers.

The decision-making approach adopted by the team was collegial and was coordinated by the team leader.

B. CONSULTATION AND EXPERTISE

Data collection took place throughout the project implementation period. The consultations with various stakeholders mainly took place during June and July 2020.

The first step was identifying the main stakeholders and categorizing them in an influence-interest matrix format. Table 11 presents this matrix.

Table 11:
Stakeholder influence-interest matrix

	LOW INFLUENCE	HIGH INFLUENCE
LOW INTEREST	<ul style="list-style-type: none"> Labour-market experts Human rights NGOs/foundations 	<ul style="list-style-type: none"> Ministry of Finance
HIGH INTEREST	<ul style="list-style-type: none"> UN Women UNFPA UNDP ILO Gender experts Gender Equality Council of the Parliament Private employment agencies EMC Care centres (for the disabled and elderly) Kindergartens Special schools for disabled children Workers with family responsibilities 	<ul style="list-style-type: none"> MoIDPOTLHSA Labour Inspectorate Parliament of Georgia: Committee for Health and Labour Issues Trade unions Employers' association Public Defender's Office Municipalities

During the period from 19 June to 31 July 2020, the RIA team conducted 11 in-depth interviews with sector stakeholders to identify problems and possible policy alternatives. Due to the worldwide

outbreak of COVID-19, all of the consultations were conducted remotely. Table 12 summarizes the list of interviewees. A detailed summary of the stakeholder interviews is provided in Annex 2.

Table 12:
List of interviewed stakeholders

STAKEHOLDER	ORGANIZATION	POSITION	INTERVIEW DATE
Lela Gvishiani	Human Rights Education and Monitoring Center (EMC)	Legal Expert	19 June 2020
Emilia Gabriadze	Tkibuli Municipality	Head of Kindergarten Union	22 June 2020
Keti Shubashvili	Public Defender's Office of Georgia	Head of Anti-discrimination Department	23 June 2020
Mehjabeen Alarakhia	UN Women	Programme Specialist – Women's Economic Empowerment	24 June 2020
Raisa Liparteliani	Trade Union	Vice President	8 July 2020
Kinan Bahnassi	International Labour Organization	Chief Technical Advisor	8 July 2020
Marika Dumbadze	Georgian Young Lawyers' Association	Lawyer	9 July 2020
Levan Abashidze	Labour Inspectorate	Head of the Monitoring Division at the Labour Conditions Inspectorate Department	10 July 2020
Lejo Sibbel	International Labour Organization	Law Specialist	21 July 2020
Irma Gelashvili	MoIDPOTLHSA	Chief Specialist at Labour Relations and Social Partnership Division of Labour and Employment Department	21 July 2020
Zakaria Shvelidze	-	Legal Expert	31 July 2020

As a result of the consultations and information-gathering, the following data and information were collected.

Table 13:
Data and information collected

DATA AND INFORMATION	METHODS USED/SOURCE
International experience on the working conditions of workers with family responsibilities	Desk research
Economic activity of workers with family responsibilities	Desk research, particularly an analysis of the LFS database (2017-2019)
Reasons for unemployment and economic inactivity by gender	Desk research, particularly an analysis of the UN Women survey data (2018)
Labour-market outcomes for male and female workers	Desk research, particularly an analysis of the UN Women survey data (2018) and the LFS database (2017-2019)
Cost of conducting the survey and developing the strategy	Desk research

ANNEXES

ANNEX 1.

THE PROCESS OF SELECTING THE RIA TOPIC

In November 2019, the ISET-PI project team started initial preparatory work to conduct the RIA process. Specifically, ISET-PI reviewed ILO Convention No. 156 in detail. The project team, supported by its legal expert, conducted a legal gap analysis of Georgian legislation against the Convention and conducted a review of the relevant international and national literature. During the analysis, several legislative gaps were identified, including the absence of a definition for “worker with family responsibilities” in the Georgian legislation, the absence of the definition of the principle of equal pay for equal work,⁶¹ no legal provision for private sector employees to the additional childcare leave of absence, no guarantee that employees will be able to return to work after maternity leave, shortcomings in the provision of community services, etc. Based on this analysis, the RIA team identified potential policy actions that would be needed to prepare Georgia for the ratification of the Convention. These potential policy actions included the following:

1. Creating a definition for workers with family responsibilities
2. Introducing family-related leave, taking a non-discriminatory approach

3. Integrating the needs of workers with family responsibilities through community planning and vocational education
4. Introducing the guaranteed right to return to work following family leave and protection from dismissal

The ISET-PI team, together with the UN Women representative, presented a short summary of the preparatory work and of the potential policy options as RIA topics to the tripartite working group in February 2020. During the presentation, special emphasis was placed on how the process of harmonizing the Georgian legislative and policy environment to the ILO Convention could benefit from the upcoming RIA. The members of the tripartite working group discussed all four topics and decided to choose the third topic – integrating the needs of workers with family responsibilities through community planning and vocational education – as the preferred one for the RIA exercise, suggesting an emphasis on community planning and the provision of community services.

61 The Law on Public Service stipulates that the remuneration system for public servants be based on the values of transparency and fairness and on the principle of equal pay for equal work. However, the principle is not clearly defined. Moreover, the guarantee does not exist for private sector employees.

ANNEX 2.

SUMMARY OF STAKEHOLDER CONSULTATIONS

Lela Gvishiani, Legal Expert, Human Rights Education and Monitoring Center (EMC), In-depth Interview (19 June 2020)

- According to the stakeholder, there are cases of employees being discriminated against at their job due to their family responsibilities (including childcare, elderly care and caring for a person with disabilities). In most of the cases, the form of discrimination is either being fired or not being given an opportunity for career advancement.
 - There are cases of discriminated employees appealing to the courts. However, the process is bureaucratic and time-consuming. In Georgia, we do not have a labour court (which would be specialized on the issues related to employer-employee relations). For this reason, the court process might take up to three years to get a result. In addition, in Georgia some labour contracts are signed for an open-ended period of time, while others are for a limited time (e.g. three months, one year, etc.). Due to the long-term court procedures, the outcome of the court decision might differ – there are several cases in which the employee won the court process, but since the contract had already expired, it was impossible to recover the employee’s job, and she/he could only get monetary compensation. If the contract is for an open-ended time period and the employee wins the court process, then she/he is reinstated at her/his job and also is awarded the full remuneration that she/he was supposed to receive from the day of hiring to the reinstatement date.
 - Affordability of the courts is also an issue. For the court of first instance the fee is GEL 100, for the court of the second instance is GEL 150, and for the court of third instance it is GEL 300. The employee is not obliged to pay the fee only if she/he appeals to the courts because her/his employer does not pay any salary or if she/he is socially vulnerable or a disabled person.
- Furthermore, the cost of hiring a lawyer is also high. There are programmes to support employees in appealing to the courts. For example, for socially vulnerable persons, legal assistance (through a lawyer) is provided by the Government free of charge, and some NGOs can also provide free legal consultations but with very limited resources.
- Proving that the real reason for firing an employee was her family responsibilities is very challenging because usually all of the evidence (such as accounts of arriving to work, etc.) is held by the employee.
 - The stakeholder thinks that there are some major gaps in the Georgian legislation that should be solved to prevent workers from experiencing discrimination due to family responsibilities. Specifically, the Labour Code should stipulate that time-limited contracts can be signed only for a probationary period (no more than three month); otherwise, contracts should be open-ended. Employers should also be obliged to have written contracts, and remuneration should not be given in cash (as cashless remuneration would give employees more prevention mechanisms). In addition, remuneration of overtime work is not well defined in the legislation; it only says that remuneration of the overtime work should be higher than the standard rate, and there are cases in which employers increased remuneration by only 10 Georgian Tetri.
 - Enforcement of the existing legislation is also an issue. For example, there are cases in which the contract is renewed in each month, also sometimes employers offer less vacation days to the worker than defined under the Labour Code, which is a violation of the law. However, if an employee does not ask the courts to solve the issue, the Labour Inspectorate is not interested in the matter. However, the low involvement of the Labour Inspectorate is due to the existing

legislation. Currently, the Labour Inspectorate is only obliged to check the safety standards of a workplace; they do not check for occurrences of discrimination, unpaid overtime work or other violations of the law.

- The social care system needs significant improvements in the country, including the provision of kindergartens, care centres and other services. Employers have limited liability when it comes to this area. In Georgia, there are very few companies that can provide some support services to its employees. However, there are successful international cases of central governments subsidizing the private sector, and with their joint effort, they provide support services to the employees.

Emilia Gabriadze, Head of Kindergarten Union, Tkibuli Municipality, In-depth Interview (22 June 2020)

- The Law on Early and Preschool Education, legislated in 2016, created new responsibilities and requirements for kindergartens. The regulations and standards are set from the perspective of many institutions (Including MoE and MoDPOTLHSA); however, all of this has to be executed with the resources of the municipality.
- Municipal resources are frequently insufficient. In Tkibuli, they are trying to renovate some of the kindergartens, but resources are not sufficient for proper renovation. The lack of the needed number of toys and other resources is another issue that is due to the lack of financial resources. They are trying to make all of the infrastructure ready for authorization. However, authorization rules are not yet finalized.
- The qualifications of preschool teachers are an issue; the union has a hard time finding people with the needed abilities to take care of young children (i.e. being active all day long). There is a model for increasing the qualifications of teachers set by the central government; however, it has not yet been implemented. Union members are looking forward to this training, but it will have to be done with their own financial resources (which they tried to

mobilize in 2020).

- The very low pay of the caretakers (teachers) is a big issue. A person working six to seven hours non-stop each day earns on average GEL 240 to GEL 260 per month.
- The union has the right to provide additional services with their charter. However, there has not been a demand for services like keeping children for extended hours, etc.
- Union members work from 8:30 a.m. to 6:30 p.m., thus giving nine hours of service for children. In addition, they provide summer kindergarten services for free. For the summer kindergartens, the academic year finishes at the end of July instead of at the end of June. In the past (2016), before kindergartens became fully free, the monthly fee was GEL 10.
- As for picking up the children from kindergarten, they have specific rules for and lists of the people who are eligible. Most frequently, mothers and grandmothers pick up the children from kindergarten and then fathers. However, the local context of Tkibuli Municipality has to be considered, i.e. many women are migrant workers abroad.

Keti Shubashvili, Head of Anti-Discrimination Department, Public Defender's Office of Georgia, In-depth Interview (23 June 2020)

- The stakeholder thinks that one of the main challenges for workers with family responsibilities is that family responsibilities are not defined by the legislation. In addition, domestic work is not counted as employment, and workers are left outside the benefits that they can receive for formal employment (i.e. women cannot accumulate a pension fund when they have family responsibilities, nor can they participate in the labour market due to these responsibilities).
- Job vacancies can also discriminate against women with family responsibilities. For managerial (and more high-level) positions, employers require men more often than women, and if they allow women, they request that she

not be married. This behaviour is explained by employers' stereotypical attitude that women are responsible for domestic work and therefore will not be productive at work.

- The provision of public services is also a problem. In particular, public kindergartens are only open until 6 p.m., which coincides with parents' working hours.
- The Public Defender's Office has cases of pregnant women being outright fired from work. However, there are also cases in which the maternity leave period coincided with the period when the labour agreement expired; thus, employers use this to fire pregnant workers or workers with newborns.
- They had a few cases in which a fired woman was reinstated to her job or was awarded compensation. However, this is not a common case.
- The mandate of the Labour Inspectorate covers all types of economic activities. As of 1 September 2019, its mandate was strengthened, and they can check any conditions of a labour contract, including working hours, overtime work, etc. However, the problem is that employees are sometimes trying to avoid communication with the Labour Inspectorate.

Mehjabeen Alarakhia, Programme Specialist – Women's Economic Empowerment, UN Women, In-depth Interview (24 June 2020)

- The stakeholder thinks that the major challenge is that due to family responsibilities, women face a high time burden; they do not have enough time to be involved in paid work. If women are left with some time after performing all of their family responsibilities, this time is so small that it is not financially reasonable to participate in the labour market.
- According to the stakeholder, the main problems related to the provision of kindergartens are the following: the distance to the kindergartens (from home or the workplace), the availability of public transport (to/from kindergartens), and the working hours of kindergartens not aligning

with the working hours of employed parents.

- Regarding the care of disabled persons, the Government issues monetary allowances for such persons. In order to get the monetary support, a person should submit medical documentation that she/he is eligible to get the assistance. The problem is that sometimes people do not know how to obtain the necessary medical documentation. In addition, the stigmatized approach towards persons with disabilities is also a problem. Families do not want to declare that their family member is a person with disabilities. According to the stakeholder, recent research shows that the effect of such stigma is greater on girls than on boys. Moreover, sometimes families want to isolate their children with disabilities from the rest of society.
- In terms of elderly care, in Georgia, families usually live in multigenerational households. On the one hand, it can be argued that grandparents can help the working parents by taking care of their children. However, with the ageing of the elderly, it becomes more of a burden (especially for women) to take care of the elderly. Considering the fact that Georgia has an ageing population, it is expected that the burden of the ageing population on women will be increasing in the future.
- Care economics is an important aspect to be considered. Research shows that women leaving the labour force at reproductive age will return after that period in their lives. If the same amount of investment is implemented in the care economy as in infrastructure projects, it would create twice as many job positions in the care economy (especially for women) than it would in infrastructural projects. In the care economy, the provision of care services can be done on an individual basis or by establishing care centres. In many countries, a hybrid model is widely used – individual care is provided at home, but the system is managed by the Government.
- In terms of providing kindergartens and similar types of care centres, a hybrid model can be used – standards are set by the central government

across the country, but employers are provided by the local municipalities.

- The private sector can also be a provider of care centres, just as it is a service provider in the health-care system.
- Employers should acknowledge the family responsibilities of their employees in different ways: by reducing and/or having flexible working hours, by allowing them to work from home (if workers are efficient at home and it is necessary due to their family responsibilities) and by providing specific workplace arrangements, such as day-care rooms.
- The role of international organizations in lobbying for the adoption of Convention No. 156 is to show the Government that there are direct linkages between supporting women with family responsibilities and economic growth and development.

Raisa Liparteliani, Vice President, Trade Union, In-depth Interview (8 July 2020)

- Twelve cases have been filed by the trade union in the courts that consist of complaints of women who have been fired during their pregnancy or maternity leave period.
- Cases of discrimination have been discovered not only during the employment period but also before the contract period. The women who were dismissed because of their pregnancy have also appealed to the trade unions for help.
- The stakeholder claims that there are special questions related to family responsibilities, marriage plans, etc., during job interviews and that these questions are targeted only at female applicants. If female applicants have family responsibilities, they are less likely to be hired.
- Cases of discrimination in terms of career advancement have also been uncovered. The stakeholder states that only 21 per cent female representation in managerial positions proves this fact. Moreover, 67 per cent of public workers are male.
- Discrimination in terms of wages has also been uncovered in the public sector, as female and

male directors of museums have different salaries for the same responsibilities.

- The stakeholder states that the trade union had a case in which a company had short-term contracts for all workers, and after the expiration date, they fired the ones who had family responsibilities.
- Detection of discrimination is challenging. Nevertheless, some employers reveal their motives naively. It does not mean that employees are always able to win their case in court, though.
- The details of discriminatory incidents are not revealed differently for people with different qualifications.
- Workers with family responsibilities are not supported by their employers (e.g. lack of flexible hours, lack of an adaptive environment, lack of child day-care facilities at work, lack of paid leave due to family responsibilities).
- The majority of businesses in Georgia do not have a long-term vision to consider the well-being of their workers.
- There are a number of norms that need to be changed in the current legislation, in order to give opportunities for more flexible working hours, take family responsibilities into account when talking about night shifts, etc.
- Due to the COVID-19 pandemic, it has been revealed that there is the possibility for remote working and that workers with family responsibilities can be given such an opportunity if/when needed.
- Workers' family responsibilities should be considered when companies make decisions about business trips.
- The stakeholder thinks that the State should take on the responsibility of investing in the care economy. Two years ago, International Trade Union Confederation conducted a study based on examples of eight countries; the study revealed the positive implications of investments in the care economy on gender equality.
- Nowadays, the Labour Inspectorate does not have any mandate to avoid discrimination in

the workplace, as they mostly concentrate on workplace safety issues.

Kinan Bahnassi, Chief Technical Advisor, International Labour Organization, In-depth Interview (8 July 2020)

- Ratification of the ILO conventions in Georgia will not be possible without corresponding legislative changes.
- The majority of women work as low-skilled workers. There is a clear vertical segregation – men tend to work more often in higher-level positions than women. If we look at the horizontal level, there are also some disparities among wages for the men and women (working in positions at the same level). Although we cannot state that this is an example of discrimination against women, it does arise due to the labour-market dynamics and perceptions. One of the possible explanations is that men usually choose more scientific professions, such as engineering, construction, etc., while women choose social work, teaching, etc., which are usually lower-paying jobs. Considering these characteristics of the labour market, we cannot clearly state whether or not family responsibilities negatively affect the labour-market outcomes of women (such as employment, wages, promotions, etc.).
- The care sector is a completely hidden sector, and there is very limited research available on this topic. This refers to personal caretakers (such as nurses) as well as more institutionalized service providers such as kindergartens.
- According to the stakeholder, it is important to understand the importance of the care economy, and it should be defined under the legal framework as well. In addition, it is essential to improve the education skills of the workers in care services. It would be important to introduce intermediaries as well, who would connect job seekers and care-service providers to one another.

Marika Dumbadze, Lawyer, Georgian Young Lawyers' Association, In-depth Interview (9 July 2020)

- According to the stakeholder, there has been a case in which a worker with family responsibilities was fired because she required a flexible schedule to take care of a dependent person.
- In the Georgian legislation, the rights of vulnerable groups of people (i.e. people with disabilities, the elderly, etc.) are more or less protected. For example, the law stipulates that a person with disabilities should not work overtime. But there is no specific provision regarding the rights of workers who have to take care of a person with disabilities. This can be interpreted as a discriminatory approach towards the workers with family responsibilities, because workers who have varying family conditions (some have family responsibilities, others do not) are treated equally.
- When referring to the parents of the children, the law stipulates that a parent can take paid leave to care for an ill child under the age of 7. However, such a provision does not apply to any circumstance in which a worker needs to take care of an elderly person, a person with disabilities, etc. In this regard, the amendment of the legal framework is essential. For example, workers should be allowed to obtain a legal notice from a hospital verifying that she/he has to take care of the dependent person and be given paid leave.
- If a discriminated worker with family responsibilities decides to appeal to the courts, affordability becomes an issue:
 1. Making a complaint to the courts requires specific knowledge and competence, which usually workers do not have.
 2. Hiring a lawyer is costly. There are a number of organizations that provide free legal consultations and assistance, but they are mostly oriented to support the most vulnerable groups of people.
 3. There are a number of fees must be paid during the process. For example, if a worker was fired, if the official reason for the firing was a disciplinary issue, and if the worker believes that she/he was fired based on

discrimination, then the worker has to pay the following fees: (1) the fee associated with negating the employers' decisions (the first fee is for the decision about the disciplinary issue, and the second fee is for the firing itself), which is GEL 100 per decision (there are some cases where, when reversing several decisions, the courts require only a one-time payment of GEL 100, while in other cases, they charge separate payments for each decision); and (2) if a person is asking for compensation, then she/he is required to pay 3 per cent of the awarded compensation (paying a fee of at least GEL 100 but no more than GEL 3,000). There are also additional costs such as hiring a lawyer, providing the required documentation, etc.

4. People usually do not know that they can request to have the fees postponed or waived. However, this is a complicated process, and the request is not always satisfied.
5. When attending court for the first instance it is not mandatory to have a lawyer. A person may defend herself/himself, but the issue is how well a worker can defend herself/himself without the assistance of a lawyer.

- It is difficult to prove that a person was fired based on discriminatory issues. According to the Law of Georgia on the Elimination of All Forms of Discrimination, an employee is obliged to provide a reasonable justification that she/he was fired due to discrimination. This justification can take the form of a message (which includes discriminatory notices), witness testimony, etc.
- Sometimes people prefer to appeal to the Public Defender's Office rather than the courts because the latter's appeal process is too complicated for them. However, the results of the decision of these two institutions are different. The Public Defender can only provide recommendations based on the decision, while the courts have enforcement mechanisms as well.
- It is essential to widen the mandate of the Labour Inspectorate. Inspectors should check

on the conditions of a workplace across multiple dimensions (including detecting discriminatory practices) on a regular basis.

Levan Abashidze, Head of the Monitoring Division at the Labour Conditions Inspectorate Department, Labour Inspectorate, In-depth Interview (10 July 2020)

- The Labour Inspectorate did not have any appeals related to workers' discrimination due to their family responsibilities.
- The Labour Inspectorate does not have any rights to sanction the employer even in the event of discrimination resulting from workers' family responsibilities. In such a case, the mandate of the Labour Inspectorate is limited to providing recommendations.
- At this stage, as there is no specific definition in the legal framework, the responsibilities and mandate of the Labour Inspectorate is also limited.

Lejo Sibbel, Law Specialist, International Labour Organization, In-depth Interview (21 July 2020)

- There are problems related to workers with family responsibilities in two main areas. First, the current legislation does not make any particular arrangements for workers with family responsibilities. Any specific provisions are related only to maternity leave from the perspective of taking care of children, while the responsibilities of caring for other family members are not covered under the legislation. Another issue is cultural characteristics – it is perceived that any family-related work should be performed by women.
- The existing legal gaps in the current legislation are as follows:
 - Definition of different types of workers (including workers with family responsibilities)
 - Regulation of part-time work, including giving employees the option to work part-time to be able to perform their family responsibilities

- Calculation of working hours based on weekly average working hours, rather than on a daily basis (employers should recognize that a part-time worker does not necessarily mean a low-productive worker)
- The cost of care services is also an issue. If parents want to get high-quality childcare services, then they need to pay a higher share of their salaries, which is difficult to balance.

Irma Gelashvili, Chief Specialist at Labour Relations and Social Partnership Division of Labour and Employment Department, MoIDPOTLHSA, In-depth Interview (21 July 2020)

- Workers have the right to take leave for taking care of family members. Based on Decree No. 281 of the Minister of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia, upon the provision of a statement from a hospital about the illness of a relative or dependant, a person is entitled to three to seven days of leave. However, defining dependent person is hard.
- The stakeholder thinks that the employer has a role in the provision of needed care services for workers with family responsibilities but that some incentives should be provided for the employers to take on these obligations.

- The stakeholder thinks that the greatest role for the development of care services is with the municipalities and the Ministry of Regional Development and Infrastructure of Georgia, as it is the main entity in the central government working with municipalities.

Zakaria Shvelidze, Legal Expert, In-depth Interview (31 July 2020)

- The stakeholder states that there is a definition for family status in the Labour Code. The Labour Code prohibits discrimination against people due to their family status. Consequently, this statement protects them from discrimination on the basis of any family responsibility.
- The right to take unpaid leave for childcare exists under Article 30 of the current Labour Code.
- The stakeholder cannot say that there are particular changes in this regard in the current draft of the Labour Code. The business sector very much opposes any kind of changes in this area.
- There are not any rights specifically for workers with family responsibilities, but there are rights for people who are guardians or legal representatives of disabled children. They can take a day off from work during the month.

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PART II

ACRONYMS AND ABBREVIATIONS

C156	ILO Workers with Family Responsibilities Convention, 1981 (No. 156)
CSR	Corporate Social Responsibility
EMC	Human Rights Education and Monitoring Centre
EU	European Union
GDP	Gross Domestic Product
GEL	Georgian Lari
Geostat	National Statistics Office of Georgia
GoG	Government of Georgia
ILO	International Labour Organization
ISET-PI	ISET – Policy Institute
LFS	Labour Force Survey
LGBT	Lesbian, gay, bisexual, and transgender
MoIDPOTLHSA	Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia
NGO	Non-governmental Organization
NNLE	Non-entrepreneurial Non-commercial Legal Entity
NPV	Net Present Value
PISA	Programme for International Student Assessment
R165	ILO Workers with Family Responsibilities Recommendation, 1981 (No. 165)
RIA	Regulatory Impact Assessment
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women

The background features a solid blue upper half and a solid green lower half. A large, semi-transparent number '1' is centered vertically, spanning both colors. The number is composed of a light blue top half and a light green bottom half. The text 'EXECUTIVE SUMMARY' is written in white, uppercase letters across the middle of the page, underlined.

EXECUTIVE SUMMARY

The aim of this Regulatory Impact Assessment (RIA) is to provide technical assistance to the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia (MoIDPOTLHSA) and other respective national institutions in the process of ratifying the International Labour Organization (ILO) Workers with Family Responsibilities Convention, 1981 (No. 156).

As we already discussed in Part I of our RIA of ILO Convention No. 156, family responsibilities are often a reason behind inequalities between female and male workers – and even discrimination against them. Therefore, among the major aims of ILO Convention No. 156, we have creating equality of opportunities for workers with family responsibilities, avoiding conflicts between job and family responsibilities, and avoiding discrimination in the workplace. For all of these purposes, supporting workers with

family responsibilities in ways that allow their participation in the labour force and ensure a proper work-life balance is of critical importance. In accordance with the decision of the tripartite working group (employers' association, trade unions and government),¹ this second part discusses the problems with flexible work arrangements and compares the most relevant options identified to address them.

Because many parties were expected to be affected by the potential policy changes in the sector, during the given RIA exercise, the team approached several stakeholders, whose opinions were carefully taken into consideration during development of the report (Table 1).

A summary of the positions of the various stakeholders is presented in Annex 3.

Table 1:
Stakeholder influence-interest matrix

INFLUENCE/INTEREST	LOW INFLUENCE	HIGH INFLUENCE
LOW INTEREST	Labour market experts Human rights NGOs/foundations	Ministry of Finance
HIGH INTEREST	UN Women ILO Gender experts Gender Equality Council of the Parliament Private employment agencies Human Rights Education and Monitoring Centre (EMC) Workers with family responsibilities	MoIDPOTLHSA Ministry of Economy and Sustainable Development of Georgia Labour Inspectorate Parliament of Georgia: Committee for Health and Labour Issues Trade Unions Business Associations Employers' Association Public Defender's Office

1 For more details, see Annex 1.

The RIA team has also reviewed a substantial amount of relevant literature (national and international) and analysed the available data. This has confirmed that today, in Georgia, there is insufficient legislative provision for workers with family responsibilities to ensure flexible work arrangements and additional leave days for care.

Among the major causes of the problem are the following:

1. Lack of legal provisions regulating negotiations of work time arrangements for workers with family responsibilities in Georgian legislation
2. Employers' reluctance to provide flexible work arrangements
3. Lack of bargaining power among vulnerable groups

Therefore, on the basis of the mandate received by the tripartite working group, the results of the consultation process and of the problem definition exercise, the RIA team identified *ensuring the right of workers with family responsibilities to work time arrangements compatible with decent work and increased quality of life, to support current and potential workers with family responsibilities* as the general objective of the policy actions to be assessed in the context of this RIA.

Following the definition of the general objective, two main specific objectives were identified:

- Extending the right to flexible work arrangements already granted to some categories of workers (e.g. to parents of young children) to all workers with family responsibilities
- Developing awareness within society (with a focus on employers and employees) about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare

Consequently, the RIA team identified and compared the following policy option (alternative to the status quo):

- Policy Option 1: Closure of the legislative gaps relative to workers with family responsibilities, accompanied by active efforts to increase the awareness within society (with a focus on employers and employees) about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare

The results of the multi-criteria analysis that was performed are summarized in Table 2.

Table 2:
Comparison of options using multi-criteria analysis

EVALUATION CRITERIA	Option 1: Closure of the legislative gaps and awareness-raising
Expected efficiency impact (NPV)	Positive
Incremental costs for the public budget	GEL 37,878
Incremental costs for businesses	N/A
Effectiveness 1 – Extending the right to flexible work arrangements to all workers with family responsibilities	4
Effectiveness 2 – Developing awareness within society about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare	4
Feasibility/ease of complying	-2
Minimization of potential risks	0
Maximization of potential benefits	3

Following our multi-criteria analysis, the introduction of the reform:

- Is expected to increase (to an uncertain extent) the burden on the public budget and on businesses.
- Has a high level of expected effectiveness in achieving its specific objectives (closing the gaps and increasing awareness about the rights of workers with family responsibilities).
- Will require some adjustments, both at the business and at the public sector level, in order to ensure compliance.
- Will not imply significant risks.
- Is expected to generate significant additional economic benefits (including monetary, although cannot be monetized at the moment) and non-economic benefits, both for households, businesses and the country.

Overall, our analysis suggests that **the reform should be preferred to the status quo**, if the focus is on the need to abide by the international obligations of the country and ensure the protection of the rights of workers with family responsibilities. Other arguments in favour of the proposed reform are the expected potential positive economic impacts on the economy (through increased labour force participation, employment and GDP). Given this,

the debate should concentrate (following additional assessments once the now-missing information becomes available) on identifying the operational and technical implementing solutions that can allow a minimization of the negative impacts on the public budget and on businesses.

To keep track of the performance of the reform along its implementation, assess its impacts and modify the interventions in case of deviations from the planned path, it is important to set up a proper monitoring and evaluation plan. The monitoring and evaluation plan should allow for an assessment of how well the actions and the associated outcomes match the policy objectives. The indicators that have been suggested to evaluate the performance of the system are divided into two main categories:

- Extending the right to flexible work arrangements already granted to some categories of workers (e.g. to parents of young children) to all workers with family responsibilities.
- Developing awareness within society (with a focus on employers and employees) about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare.

The background is split horizontally into a blue top half and a green bottom half. Two overlapping semi-circles are centered horizontally. The top semi-circle is light blue and overlaps the blue background. The bottom semi-circle is light green and overlaps the green background. The text 'PROBLEM DEFINITION' is centered horizontally and underlined in white.

PROBLEM DEFINITION

A. POLICY CONTEXT

Legal framework

The International Labour Organization (ILO) Workers with Family Responsibilities Convention, 1981 (No. 156), covers a wide variety of topics relevant for workers with family responsibilities. A comprehensive assessment of the potential impacts of the full implementation of the Convention is beyond the scope of this Regulatory Impact Assessment (RIA) exercise (RIA C156, Part II). A prior RIA exercise (RIA C156, Part I) has already investigated the problems related to the provision of family services, their causes, implications and the potential policy options to address the issue, **supporting equality of opportunity and treatment for men and women workers in Georgia**. In accordance with the decision of the tripartite working group (employers' association, trade unions and government),² this second part discusses **the problems with flexible work arrangements** and analyses the most relevant option identified to address them. Flexible work arrangements usually include provisions for flexible working hours, regulations on night work and overtime, and fair conditions for carers to take a leave of absence to deal with their family responsibilities.

Important amendments have been introduced in the Labour Code of Georgia under the reform of 29 September 2020, to harmonize national legislation with EU gender equality directives and ILO Conventions Nos. 100 and 111. These amendments led to improvements in the regulation of childcare responsibilities. Nevertheless, the challenges related to the working conditions of workers with other family responsibilities, such as care or support for children over the age of 4, the elderly and/or other immediate family members with chronic diseases, disabilities or other illnesses, have been left out of the discussion.

Thus, there remains a need for amendments, in the Labour Code of Georgia as well as in the Law of Georgia on Public Service,³ to harmonize with the following provisions of ILO Convention No. 156 and ILO Recommendation No. 165 and, consequently, to improve the working conditions of workers with other family responsibilities:

Leave entitlements

Emergency and carers' leave

ILO Recommendation No. 165 explicitly stipulates the importance of the **possibility of obtaining a leave of absence in case of the illness of a dependant**, whether in relation to a child or to another member of the worker's immediate family who needs that worker's care and support.⁴ These provisions include both emergency and carers' leave, while **the Labour Code of Georgia does not mention these possibilities specifically and does not address the cases in which a dependent family member or a child might become more vulnerable and needing the worker's support**. The Labour Code of Georgia leaves the possibility of exercising additional parental leave to those workers with dependent children younger than 5 years old. As stated in Article 40, an employee may, upon his/her request, be granted, in whole or in parts, but not less than 2 weeks a year, **additional unpaid parental leave of 12 weeks** until the child turns 5 years of age (additional parental leave may be granted to any employee who takes care of the child).⁵ In addition, **the worker who is a legal guardian or a supporter of the person with disability, in addition to existing rest days, enjoys another paid rest day once a month**, or the worker has the right to arrange different working hours in agreement with the employer.⁶ As for those workers from the private sector with family responsibilities in relation to other members of their immediate family,

2 For more details, see Annex 1.

3 The Law on Public Service determines the status of a civil servant, the conditions for the recruitment of qualified civil officers and their performance of service, and matters of the public service administration. It also regulates official legal relations between civil servants in state bodies (institutions), in bodies (institutions) of the

autonomous republics and municipalities and in legal entities under public law (Art. 2).

4 ILO, R165 - Workers with Family Responsibilities Recommendation, 1981 (No. 165), Para. 23.

5 Art. 40, paras. 1-2.

6 Art. 24, para. 10.

there exists **only two options to obtain leave for the above-mentioned circumstances and only under the general provisions on leave** – they might be obliged to use 24 days of paid leave if possible or 15 days of unpaid leave. According to Article 33 of the Labour Code, “when taking unpaid leave, an employee shall notify the employer thereof **2 weeks prior to taking the leave**, unless such notification is impossible due to urgent medical necessity or family circumstances”. Regarding civil servants, **the Law on Public Service provides civil servants just with one year of unpaid leave and three months of paid leave for professional development, while the leave period for supporters/guardians of a person with disability is similar to the Labour Code of Georgia**⁷ (Table 3).

In addition to the provisions in the Labour Code and the Law on Public Service, there exists a special decree (No. 281/N) issued by the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs in 2007 that makes few exceptions for short emergency days. The latest consolidated version can be considered as a list of procedures for emergency leave in the event of a possible illness for family members or a child. In particular, Article 7 of the decree provides a list of situations in which, after obtaining a document from a medical facility attesting temporary incapacities (due to the illness of a child or a family member), gives the employer/public servant the possibility of taking a few days for an emergency (3, 5 or, in rare cases, 20 days) in case the family member is younger than 15 years old. The number of days that can be requested for emergency reasons in relation to a family member older than 15 ranges instead between 3 and 7 days. All in all, even though the decree does not include the concept of carers’ leave, which is a specific form of leave where there is no need for the dependant to have a disease, to be ill or to be hospitalized, it gives workers an opportunity to take several emergency leave days.

Further, there is another decree (No. 87/N) issued by the same Ministry in 2009 that regulates the

rules on assistance due to a temporary incapacity to work. Article 4 of this decree indicates that financial assistance should be provided in case of the illness of a family member. Article 4, paragraph 6, indicates “if the incapacity for work commences during the [paid (unpaid)] leave (vacation), this assistance should be paid for the whole period of incapacity. In such case, leave days will be shifted by the number of days indicated to the mentioned document obtained from the medical facility.” This provision, however, contrasts with the provision of Article 7, paragraph 4, in the first decree, which states that “the document from the medical facility cannot be obtained during the period of paid or unpaid leave.” The abstract from the decree can be interpreted as if the worker uses his/her paid or unpaid leave and, during this leave period, his/her family member or a child gets ill or something urgent happens connected to the worker’s health; in such cases, there is no need to obtain that medical document because the employer can use leave days for emergency care. In any case, despite the existing contradiction between these provisions, these possibilities can be interpreted as a paid emergency leave, which indicates that workers in both the private and public sector under the current legislation still have an opportunity to take remunerated leave days in extreme emergency health-related situations.

A review of the international literature shows that there are cases in the developed world of provisions for carers’ leave for other family responsibilities, such as long-term care for people with disabilities and chronic diseases and the elderly (Hein, 2005). In some cases, provisions exist in national legislation, while in other cases, they are provided by enterprises or through collective bargaining agreements. Accordingly, even in the absence of official legislation, employers may try to accommodate those with problems that need a carers’ absence (Hein, 2005).

To harmonize the Labour Code and the Law on Public Service with ILO conventions, it is important to include provisions requiring that employers (whether a public institution or a private company)

7 Art. 60, para. 4.

recognize the need to improve the conditions of the workers with family responsibilities – both by measures responding to their special needs and by measures designed to improve the general conditions of workers by introducing specific policies to regulate such carers' leave. Such policies would give additional leave days for long-term care – for example, for chronic patients, people with serious terminal diseases, the elderly and/or those who do not have any urgent need for care, such as those who are temporarily sick or disabled due to car accidents, infections, viruses or other illnesses, who are not hospitalized but require regular attention.

Work time arrangements

According to Recommendation No. 165, **the terms and conditions under which part-time work, temporary work and remote work are performed should be adequately regulated and supervised.** The idea is to protect these categories of workers, many of whom have family responsibilities.⁸ The Recommendation further states that the terms and conditions of employment, including social security coverage, of part-time workers and temporary workers should be, to the extent possible, equivalent to those of full-time and permanent workers, respectively. In appropriate cases, their entitlement may be calculated on a pro rata basis.⁹ The Recommendation states that workers should be given the option to obtain or return to full-time employment when a vacancy exists and when the circumstances that determined their assignment to part-time employment no longer exist.¹⁰ Attention to part-time work is important, as part-time workers usually earn less than full-timers. This is not necessarily only because they work fewer hours. In some instances, they are also paid lower hourly rates. In addition, part-timers are more likely to be excluded from bonuses, holiday and sickness pay, training allowances and other benefits (Hein, 2005). At the national level, legislation demanding equality

in all fields in which part-timers could be differentially treated is crucial for the fair treatment of part-time workers (who appear to be predominantly women). It is noteworthy that the Labour Code of Georgia separately addresses the rights of part-time workers and prohibits a less favourable treatment than that offered to comparable full-time employees solely because they work part-time, unless the different treatment is justified on objective grounds.¹¹ The Labour Code also prohibits the termination of employment due to an employee's refusal to transfer from full-time to part-time work, or from part-time to full-time work, unless the employer has the right to terminate the employment agreement with the employee, subject to the relevant preconditions.¹²

Apart of these general obligations, the Labour Code also obliges the employer¹³ to do the following:

- Give consideration to requests by employees to transfer from full-time to part-time work that becomes available in the establishment
- Give consideration to requests by employees to transfer from part-time to full-time work or to increase working time where the opportunity arises
- Provide timely information on the availability of part-time and full-time positions in order to facilitate transfers from full-time to part-time work or vice versa
- Give consideration to measures to facilitate access to part-time work at all levels of the organization (including leading and managerial positions) and, where appropriate, to facilitate access by part-time workers to career advancement, vocational training and occupational mobility

The terms and conditions of employment also cover working time and night work. According to ILO Recommendation No. 165, **particular attention should be given to general measures for improving**

8 ILO, R165, Para. 21 (1).

9 Ibid., Para. 21 (2).

10 Ibid., Para. 21 (3).

11 Art. 16, para. 2.

12 Ibid., para. 3.

13 Ibid., para. 4.

working conditions and the quality of working life, including measures aimed at the progressive reduction of daily hours of work and the reduction of overtime, as well as more flexible arrangements concerning working schedules, rest periods and holidays.¹⁴ Under this obligation, the Labour Code of Georgia differentiates between workers based on the type or subject of family responsibility. On the one hand, it specifically addresses the workers who have dependent children, who are breastfeeding, as well as those who have a child under 1 year of age, and those who are recognized as legal guardians or a supporter¹⁵ of a person with disabilities. By specifically focusing on these types of family responsibilities, it automatically excludes other types of family responsibilities stipulated in Convention No. 156, including the other members of a worker's immediate family who need his/her care or support. According to Article 24 of the Labour Code of Georgia, employees who are breastfeeding infants under the age of 12 months may request an additional break of at least one hour per day. A break for breastfeeding shall be included in working time and shall be paid.¹⁶ Article 27 of the Labour Code further prohibits overtime work from being performed by pregnant women, women who have recently given birth or are breastfeeding, persons with disabilities, minors, legal representatives or supporters of persons with disabilities, or persons who have children under the age of 3 years, without their consent.¹⁷ In terms of night work, the Labour Code of Georgia prohibits night work of minors, pregnant women and women who have recently given birth or are breastfeeding, and persons who have children under the age of 3, in absence of their consent.¹⁸ These provisions coincide with ILO Convention No. 156 and Recommendation No. 165, which states that “whenever practicable and appropriate, the special needs of workers, including those arising from family responsibilities, should be taken into account in shift-work arrangements and

assignments to night work”.¹⁹ However, once again, other types of family responsibilities in relation to other members of a worker's immediate family are excluded – for example, elderly parents and sick family members.

In terms of regulations for civil servants' overtime work, the law makes **exceptions for civil servants** who are pregnant, have recently given birth or are breastfeeding, as well as those who are a person with disability or the legal guardian or supporter of a person with disability, or a person who has a child under 3 years of age. In those cases, civil servants can perform overtime work only with the written consent of the servant himself/herself.²⁰ Generally, the law also gives the civil servant the possibility of taking part-time work, but it can be used only temporarily and only in limited, legitimate circumstances – specifically, when the servant has a health condition, during pregnancy and when a servant is raising a child under the age of 1.²¹

In addition, the procedure for working part-time, during night hours, on days off and holidays and under working conditions dangerous to health is determined by an ordinance of the Government of Georgia (No. 201). Article 5 of the ordinance stipulates that the duration of working hours of a part-time employee shall not be less than four hours per day.²² Moreover, as mentioned, civil servants can use part-time work only for a limited period:²³

- Before the improvement of the health condition, which is accordingly confirmed by a medical institution
- Before the child reaches 1 year of age
- Before giving birth to a child, in the case of a female official
- Before the employee takes leave due to pregnancy, childbirth and childcare

14 ILO, R165, Para. 18 (a), (b).

15 “Supporter” should be understood in legal terms. A supporter is a person who is recognized as such by the relevant public authority or by the national court.

16 Art. 24, para. 6.

17 Art. 27, para. 6.

18 Art. 28, para. 3.

19 ILO, R165, Para. 19.

20 Art. 61, para. 1 prima.

21 Ibid., para. 4.

22 Art. 5, para. 2.

23 Art. 7.

The ordinance also regulates the night work of civil servants, as it is not specifically addressed by the law itself. According to the ordinance, a civil servant can be transferred to night work based on the decision of the head of the institution and/or based on the request of the servant himself/herself. In either case, the servant cannot be transferred to night work without his/her written consent.²⁴ As there are no specific regulations on time arrangements for servants with family responsibilities, it can be concluded that civil servants with family responsibilities under the aforementioned provisions can refuse to work at night. However, under those systems where workers' rights are not effectively protected and ensured, the general provisions might create the risk that servants' right to free choice is not guaranteed in practice. It is also unclear what happens in case the worker develops family responsibilities incompatible with night work after having agreed to said work. Accordingly, even though the ordinance highlights the right to refuse night work and part-time servants' right to maintain their rights, the **guarantees and duties defined by the Law of Georgia on Public Service are not in full compliance of internationally agreed-upon standards and with ILO conventions** (Table 3).

As indicated in the ILO guidelines and global reviews on work-family balances in the workplace, it is **important to include all types of family responsibilities**. "It is up to each country to define which persons would be covered by these terms, given that the notions of 'family' and 'family obligations' can take many forms in different societies and contexts. But [Convention No. 156] clearly includes dependent sick or elderly as well as children. Domestic work in the household would be considered as part of family responsibilities" (Hein, 2005). Furthermore, "it is important for managements to have a more comprehensive view of the 'family', extending beyond childcare responsibilities of women, to include any person dependent upon any staff member (male or female) for care and support, such as an elder

dependant or a disabled partner" (Hein, 2005). This is especially important in Georgia, with its traditional tight family relationships where elderly parents in most cases are sharing their households with workers concerned under the Convention. Another solution to the conflicts between work and family responsibilities is family-friendly work time arrangements, which can cover "the re-design of working hours to match school hours or care services, addressing the problems of asocial working hours or shifts swapping, providing flexibility in working times and location (telework). Finally, a very important element is the attention to promoting equality of working conditions and career prospects among part-time and full-time workers" (Magri, 2011).

Accordingly, the following recommendations should be implemented:

- In order to harmonize the Georgian Labour Code with ILO Convention No. 156 and with the supplementary Recommendation No. 165, it is important to ensure that all types of family responsibilities are covered (childcare, elderly care, care for sick family members and care for other dependent members of the immediate family). In addition, the State should ensure that these provisions are not specific to women because having legislation that assumes that only women have care responsibilities can reinforce women's disadvantage in the labour market (Hein, 2005).
- The Labour Code of Georgia should address the needs and priorities of the workers with family responsibilities in relation to other members of the immediate family, including elderly parents, family members who are sick and others. These workers should be considered while regulating the part-time work, overtime and night-time work. The Labour Code should request that employers create family-friendly policies in the workplace by, inter alia, introducing flexible time arrangements for workers with family responsibilities.

24 Ordinance of the Government of Georgia No. 201 (2017), Art. 11 (1), (2), available at <https://matsne.gov.ge/ka/document/view/3646097?publication=1>.

- The Law of Georgia on Public Service should address the needs and priorities of the servants with family responsibilities in relation to other members of the immediate family, including elderly parents, family members who are sick and others. These servants should be considered while regulating the part-time work, overtime and night-time work.
- The Law on Public Service, or its by-laws, should recognize the need to improve the conditions of the servants with family responsibilities both by measures responding to their special needs and by measures designed to improve the general conditions of servants, by introducing specific policies to regulate additional days for long-term care and flexible time arrangements.

Table 3: Workers' rights/guarantees related to flexible work arrangements based on Georgian legislation and its consistency with ILO Convention No. 156

ILO C156 and R165	Labour Code of Georgia		Law of Georgia on Public Service	
Leave Entitlement Provisions	Status	Explanation	Status	Explanation
<p><u>Annual leave</u></p> <p>Under the ILO standards, it should be no less than 3 weeks.</p>	Yes	24 paid days and 15 unpaid days. (Art. 31, paras. 1–2)	Yes	24 paid days, 1 unpaid year and 3 paid months for a professional development programme. (Art. 62, paras. 1, 5; Art. 63, para. 2)
<p><u>Emergency leave</u></p> <p>The ILO does not set the exact standard on emergency leave for workers with family responsibilities. However, EU Directive 2019/1158 states that member States shall take the necessary measures to ensure that each worker has the right to time off from work on grounds of force majeure for urgent family reasons in the case of illness or accident making the immediate attendance of the worker indispensable. Member States may limit the right of each worker to time off from work on grounds of force majeure to a certain amount of time each year or by case, or both (Art. 7).</p>	Yes	No specific provisions, although Decrees Nos. 281/N and 87/N provide possibilities for workers in such a need.	Yes	No specific provisions, although Decrees Nos. 281/N and 87/N provide possibilities for workers in such a need.

<p><u>Carers' leave</u></p> <p>ILO R165 states that it should be possible for a worker with family responsibilities to obtain a leave of absence in the case of the illness of another member of the worker's immediate family who needs that worker's care or support. The duration and conditions of the leave of absence should be determined in each country (Para. 23).</p> <p>However, carers' leave is specifically addressed by EU Directive 2019/1158, stating that member States shall take the necessary measures to ensure that each worker has the right to carers' leave of five working days per year. Member States may allocate carers' leave on the basis of a reference period other than a year, per person in need of care or support, or per case (Art. 6).</p>	<p>Partially</p>	<p>An employee may, upon his/her request, be granted, in whole or in parts, but not less than 2 weeks a year, additional unpaid parental leave of 12 weeks until the child turns 5 years old (additional parental leave may be granted to any employee who actually takes care of the child). (Art. 40, paras. 1-2)</p> <p>Moreover, the worker who is the legal guardian or supporter of a person with disability, in addition to the rest days, enjoys another paid rest day once a month, or the worker has the right to arrange different working time/hours in agreement with the employer. (Art. 24, para. 10)</p> <p>However, there is no leave for other family responsibilities.</p>	<p>Partially</p>	<p>The servant can use general provisions defined by Article 62 on annual paid or unpaid leave.</p> <p>The law only provides additional rest days for those servants who are legal representatives or supporters of a person with disability. The servant can use one paid rest day per month or, after consultation with a relevant institution, can arrange working hours that are different from the hours set by the by-laws of the institution.</p>
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Work Time Arrangement Provisions	Status	Explanation	Status	Explanation
<p><u>Limitations on night work</u></p> <p>Under ILO R165, whenever practicable and appropriate, the special needs of workers, including those arising from family responsibilities, should be taken into account in shift-work arrangements and assignments to night work (Para. 19).</p>	Partially	<p>Only for limited family responsibilities: minors, pregnant women and women who have recently given birth or are breastfeeding, and in the case of persons with disabilities or persons who have children under the age of 3, night work is prohibited without their consent. (Art. 28, para. 3)</p>	Partially	<p>Ordinance No. 201 regulates the night work of the servant, as it is not specifically addressed in the Law on Public Service itself. According to the ordinance, the civil servant can be transferred to night work based on the decision of the head of the institution and/or based on the request of the servant himself/herself. In either case, the servant cannot be transferred to night work without his/her written consent. As there are no specific regulations on time arrangements for servants with family responsibilities, it can be concluded that servants with family responsibilities under the aforementioned provisions can refuse to work at night. However, under those systems where workers' rights are not effectively protected and ensured, the general provisions might create a risk that servants' rights to free choice are not guaranteed in practice. It is also unclear what happens in case the worker develops family responsibilities incompatible with night work after having agreed to said work.</p>

<p><u>Part-time work</u></p> <p>The terms and conditions on which these types of employment are performed should be adequately regulated and supervised. The terms and conditions of employment, including social security coverage, of part-time workers and temporary workers should be, to the extent possible, equivalent to those of full-time and permanent workers, respectively. In appropriate cases, their entitlement may be calculated on a pro rata basis. (R165, Para. 21 (1), (2))</p>	<p>Yes</p>	<p>The Labour Code does not limit workers' opportunity to work part-time – every worker can request part-time work. Moreover, the Labour Code prohibits the less favourable treatment of part-time workers than comparable full-time employees solely because they work part-time, unless different treatment is justified on objective grounds (Art. 16).</p>	<p>Partially</p>	<p>With limited time and conditions.</p> <p>The law gives civil servants the opportunity to take part-time work, but it can only be used temporarily and only in limited, legitimate circumstances: when the servant has a health condition, during pregnancy and when a servant is raising a child under the age of 1. (Art. 61, para. 4).</p> <p>As indicated in the Government's Ordinance No. 201, civil servants can use part-time work only for limited a period:</p> <ul style="list-style-type: none"> a) Before the improvement of the health condition, which is accordingly confirmed by a medical institution b) Before the child reaches 1 year of age c) Before giving birth to a child, in the case of a female official d) Before the employee takes leave due to pregnancy, childbirth and childcare. <p>It automatically excludes other types of family responsibilities stipulated in ILO Convention No. 156, including other members of their immediate family who need their care or support (for example, elderly parents and sick family members of the worker).</p>
<p><u>Right to return to full-time work and vice versa</u></p> <p>Workers should be given the option to obtain or return to full-time employment when a vacancy exists and when the circumstances that determined their assignment to part-time employment no longer exist. (R165, para. 21 (3))</p>	<p>Yes</p>		<p>Yes</p>	

<p><u>Regulation of overtime work</u></p> <p>According to ILO Recommendation No. 165, particular attention should be given to general measures for improving working conditions and the quality of working life, including measures aiming at the progressive reduction of daily hours of work and the reduction of overtime, and more flexible arrangements with respect to working schedules, rest periods and holidays (Para. 18).</p>	<p>Partially</p>	<p>Article 27 prohibits overtime work performed by employed pregnant women, women who have recently given birth or are breastfeeding, persons with disabilities, minors, legal representatives or supporters of persons with disabilities, or persons who have children under the age of 3 years, without their consent. (Art. 27, para. 6)</p> <p>It automatically excludes other types of family responsibilities stipulated in ILO Convention No. 156, including other members of their immediate family who need their care or support (for example, elderly parents and sick family members of the worker).</p>	<p>Partially</p>	<p>The law makes an exception for the civil servant who is pregnant, has recently given birth and is breastfeeding, as well as the servant who is a person with a disability or the legal guardian or supporter of a person with disability, or a person who has a child under 3 years of age. In those cases, the civil servant can perform overtime work only with the written consent of the servant himself/herself. (Art. 61, para. 1 prima)</p>
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B. PROBLEM DEFINITION

As we already discussed in Part I of our RIA of ILO Convention No. 156, family responsibilities are often a reason behind inequalities between female and male workers – and even discrimination against them. Therefore, among the **major aims of ILO Convention No. 156**, we have creating equality of opportunities for workers with family responsibilities, avoiding conflicts between job and family responsibilities, and avoiding discrimination in the workplace. For all of these purposes, supporting workers with family responsibilities in ways that allow their participation in the labour force and ensure a proper work-life balance is of critical importance.

While we focused on the development of community services and care facilities in Part I as one of the possible solutions for eliminating discrimination and inequalities associated with workers' family responsibilities, as announced during the discussion of the policy context, the following will be assessed within the scope of Part II:

- Whether the workers with family responsibilities indeed face challenges when negotiating work time arrangements (flexible hours, regulated night shifts and overtime work, and leaves of absence) that could improve working conditions and their quality of life
- What, if so, are the causes of such problems, and which actions the public and the private sector could undertake to organize and promote more balanced work-life arrangements for workers with family responsibilities

The work of Part II is motivated by the recommendations provided by Convention No. 156 concerning the establishment of provisions for flexible working hours, regulations on night work and overtime, and fair conditions in which carers can take a leave of absence to deal with their family responsibilities.

According to the ILO, this aspect of the Convention is important to enhance the reconciliation of work and family life and, at the same time, to provide workers

with family responsibilities with decent working conditions.

The ILO underlines the following five dimensions of decent work time, stating that such arrangements should:

- Promote health and safety
- Be “family-friendly”
- Promote gender equality
- Advance the productivity of enterprises
- Facilitate worker choice and influence over their hours of work

It is noteworthy that these five dimensions of decent work time apply to all branches of economic activity and all categories of workers – full-time, part-time, temporary, salaried or self-employed.

In-depth interviews with the representatives of the trade unions, the Labour Inspection Service, the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia (MoIDPOTLHSA), business and employers' associations in Georgia revealed that the issues associated with the negotiation of work time arrangements for workers with family responsibilities are not widely discussed. The information on these issues is scarce since they are not regulated, and the awareness among businesses and employers is still low. Even though the magnitude of the problem is not quantified, all of these groups agree that these issues need more attention. Nevertheless, opinions are divided on how the issues concerning workers with family responsibilities should be addressed. Businesses, while envisioning a key role for the Government (in the provision of community services), express a preference for minimal regulatory changes, while other stakeholders see the need for preliminary efforts to increase awareness among companies and employees, followed by a regulatory change. Moreover, other stakeholders reckon the responsibilities should be equally shared between employers and the Government.

Why is it important to deal with the problem of flexible work arrangements?

In Part I of our RIA of ILO Convention No. 156, we already discussed in detail why family responsibilities are an important factor, affecting both workers' lives and society.

At the individual level, the presence of family responsibilities, if not dealt with properly, can:

- Entrench gender roles
- Generate family-to-work or work-to-family conflicts, imposing a double burden on workers with family responsibilities (with negative effects on health, well-being and productivity)
- Lead to wage inequality, discrimination and/or segregation and poverty

From society's standpoint, addressing the needs of workers' family responsibilities is expected to positively impact the overall economy in two main dimensions:

- A direct positive effect on GDP growth and employment, associated with the development of care services as a sector of the economy
- An indirect positive effect on GDP growth and employment through increased female labour force participation and workers' productivity

In this section, we will be focusing on the importance of flexible work arrangements and how the lack of flexibility contributes to undesirable outcomes at the individual and at the collective level.

Gender inequality, discrimination and stereotypes

The lack of flexible work arrangements contributes to the problem of gender inequality by making it harder

to combine paid work with family responsibilities like caring for children or sick family members or engaging in housework. Flexible work arrangements – especially if supported by the provision of support services – may support a more even distribution of family responsibilities among partners, reducing the pressure on women to either engage in part-time work or to leave the labour market altogether if family responsibilities exist (although the extent to which this happens depends critically on the context) (Chung and van der Lippe, 2020). As we can see in Part I of our analysis and in the following sections, in Georgia, family responsibilities are disproportionately borne by female workers, and the traditional perception about the role of women is still widespread.²⁵ Such a distribution of gender roles prevents women from taking those job opportunities that require a greater time commitment, in addition to potentially reducing their chances of promotion and making it harder to advance towards or work in professional and managerial positions (Budig, Misra and Boeckmann, 2016). Thus, the combination of limited flexibility in work arrangements and rigid gender roles worsens the problem of the gender wage gap in two ways: by increasing the prevalence of overtime work and by raising the wage returns from overtime relative to typical full-time or part-time work (Cha and Weeden, 2014).

General well-being: Family conflicts, forgone additional family incomes and poverty

Overtime work, night work, inflexible working hours and the inaccessibility to a leave of absence if needed can lead to work-family time conflicts, marriage break-ups,²⁶ child/elderly care difficulties and variable earnings, which in turn cause a decrease in job and life satisfaction (Golden, 2015).

There are several channels through which this can happen. For example, opening hours for schools and

25 According to a recently published UNFPA study (available at <https://georgia.unfpa.org/sites/default/files/pub-pdf/unfpa-research-eng.pdf>), both male and female respondents acknowledge that domestic work is not equally shared. However, only 16 per cent of women and 12 per cent of men are dissatisfied or completely dissatisfied with the existing allocation of duties. Moreover, when asked whether men should be equally involved as women in housework, 21 per cent of women and 14 per cent of

men disagreed.

26 Such time arrangements can disturb work and family balance as domestic partners may rarely get the opportunity to see each other. There is some evidence that couples where one partner works during the day and the other at night are more likely to divorce than those where neither partner works at night. See <https://www.jstor.org/stable/2898034>.

kindergartens might be inconvenient for parents and other family members. As already discussed in Part I, the working hours of the Georgian public kindergartens are from 9 a.m. to 6 p.m., which coincides with the working hours of the standard full-time job. Furthermore, school holidays and workers' vacations typically do not coincide with each other. Thus, parents usually need to sacrifice work or care time, which creates problems either at work – absenteeism/late arrival – or in the family – child/elderly care difficulties (Redford, Huo and McQuiggan, 2019).²⁷ This might lead to increasing tensions within the family and in the workplace, potentially leading to break-ups, job loss, etc. This problem is magnified by the high prevalence of overtime, night and evening work shift in Georgia.

When some family members forgo employment or opportunities for promotion, they also miss out on additional household incomes. This translates into increased family vulnerability and diminished pensions for carers. The most vulnerable groups are female carers, since persistent dependence on other male family members during their working age increases their probability of poverty in the case of divorce, break-ups, the death of a breadwinner and ageing. A lower level of household income can also lead to a higher probability of divorce (Trail and Karney 2012), in a vicious cycle hitting the most vulnerable disproportionately. Moreover, work-life conflicts also affect the quality of life of dependants, the elderly and children. For example, it might hamper children's human capital development and affect their labour market outcomes. In addition, some people with chronic or temporary illness might be unable to re-enter the labour market due to families' inability to afford proper treatment (Beatty and Joffe, 2006). All of these issues might prevent some poor families from escaping from poverty for longer periods.

27 According to the study conducted by the National Center for Education Statistics (Redford, Huo and McQuiggan, 2019), which is part of the United States Department of Education's Institute of Education Sciences, the main reason why parents are not involved in children's kindergar-

Health and productivity

Family-unfriendly working conditions, like long working hours, can also harm workers' **physical and mental health** in the form of stress and burnout (Hein, 2005). Adverse implications of overtime work on physical health include fatigue, hypertension, sleep problems, burnout and, in some dramatic cases, even coronary heart disease (Spurgeon, 2003; Virtanen et al., 2010). In addition, the research on the effects of long hours of work on mental health shows that working overtime regularly reduces satisfaction from work and increases risks of mental health problems such as stress and depression (Spurgeon, 2003).

Due to chronic work-life imbalance, some workers worry about failures in their roles as carers and constantly feel guilt towards their family members. This can accentuate the negative effects of working long hours, which can trigger such issues as continuous stress and depression. This is especially true for male workers, since typically they have problems with arranging time for their families. For example, in the United Kingdom, 8 out of 10 fathers complained about hectic work schedules in the workplace as it made it difficult for them to allocate some time for fulfilling household tasks and for their children (Daycare Trust, 2003).

The problem of organizing family schedules to fit with working hours can be reflected in the chronic tiredness of carers, translating into **job dissatisfaction, low productivity, lower economic output and high health expenditures**. A work environment where there is little concern for the worker as a human being can provoke a sense of insecurity among workers (Dench et al., 2000).

Inflexible working time may also have negative effects on the health of sick family members. For example,

ten activities is the lack of time off work; they do not have much time to spend with their children or participate in kindergarten activities because they work. The second most common barrier to parents' involvement in these activities is schedule inconvenience.

according to Heymann (2001), 41 per cent of parents in the United States reported that, because of inflexible work arrangements, they were unable to take care of their sick children properly, which sometimes caused the children's health condition to worsen. Further, parents' work productivity might also be adversely affected by the stress due to their children's deteriorating health conditions. This might also be true in relation to sick dependent people, the disabled, the elderly and persons with chronic diseases. People from low-income families represent the most susceptible group, since they are more prone to working overtime and have limited time for care responsibilities. Consequently, they are the most exposed to physical and mental health problems. The imbalance between work and family life becomes even more severe when those families have members with serious health problems, like cardiovascular diseases, diabetes or disability²⁸ (Baron et al., 2013). Interestingly, as we will see in greater detail looking at labour market trends, in Georgia, workers with higher incomes are more exposed to working overtime, which indicates that high incomes are usually a result of long working hours in Georgia. Therefore, due to the rigid work time arrangements, the level of household income in Georgia might be a worse predictor of the probability of workers with family responsibilities of developing physical and mental health problems.

Reduced economic growth: Lower productivity, lower accumulation of human capital, higher risk of poverty

The incompatibility between work and family life decreases the general employment level and labour force participation in the country. This effect is most visible among female workers, who are mainly responsible for care activities. This phenomenon is apparent when observing Georgian labour market statistics, as documented in Part I of our RIA and in the sections below. Another negative effect associated with limited flexibility in work arrangements is a reduction in workers' productivity (Metel, Ünal

and Bilen, 2013), linked to increased absenteeism (Ugoani, 2015), late arrivals at work and increased turnover (Saruan, Yusoff and Fauzi, 2019), due to direct or indirect effects of family responsibilities (e.g. deteriorated health, family emergencies, etc.) This, in turn, reduces companies' profitability and hampers economic growth.

Furthermore, work-family conflicts hinder children's development, affect their educational outcomes and decrease their chances of future employment in highly paid professions. The problem of inflexible work arrangements also prevents carers from receiving promotions or accumulating new skills due to care stereotypes. It also reduces the general fertility rate, since having children might be associated with lower household incomes. Drastic decreases in fertility adversely affecting the replacement rate can potentially aggravate the problem of ageing, which can become a substantial burden for future generations (Gaskins et al., 2015). Thus, the failure to reconcile work and family responsibilities can hamper human capital accumulation and have long-term negative impacts on the development perspectives of the country as well. Indeed, in Georgia, in parallel with the increasing prominence of overtime, the fertility rate has been decreasing, while the ageing of the population has become a key issue.

Finally, the work-life conflict can lead to greater poverty, both for carers and for their households, even extending across generations. Carers, mostly women, who are penalized in the labour market, will have lower savings and social protection. As it was shown, women are more prone to being out of the labour force due to caring responsibilities in Georgia, which hinders their chances to accumulate sufficient savings for their retirement and exposes them to a greater risk of poverty in older age. This can increase the risk of poverty for affected households. The effect might be even more damaging in case work-life imbalances lead to break-ups, leaving the most vulnerable workers without their partner's support.

28 Low-income populations have a lower life expectancy and greater rates of chronic diseases, including diabetes, hypertension and obstructive lung diseases, compared

to those with higher incomes. Moreover, in low-income occupations, there are higher numbers of injuries and illnesses.

A (quantitative) snapshot of the situation

In Georgia, there are no data focusing specifically on the issue of workers with family responsibilities. However, the potential scale of the problem can be assessed by analysing the Labour Force Survey (LFS),²⁹ provided by the National Statistics Office of Georgia (Geostat). The LFS was initiated in 2017 with the main aim of producing labour force indicators representative of the Georgian population of individuals aged 15 and older. The sample size of the survey was about 6,000 households in the period 2017-2018 and has been 6,400 households since 2019. Since 2017, Geostat has used the rotation scheme 2-(2)-2, which means that the sampled household is interviewed for two consecutive quarters, then excluded from the sample for two quarters, and then interviewed again for the same two quarters of the next year. In 2020, Geostat introduced a new methodology³⁰ for estimating employment and unemployment in the country. In the new methodology, which was re-evaluated according to the ILO resolution concerning statistics of work employment and labour underutilization,³¹ those self-employed in the agriculture sector who consume more than half of their produced goods for their own purposes are no longer assigned the status of “employed”. This radically alters the labour market picture, increasing dramatically the number of inactive individuals, and makes it impossible to compare 2020 data with those of the previous three years and the first part of the RIA. For our analysis, we have decided to analyse the LFS data over the 2017-2019 period. This means that we will be adopting the broadest definition of activity in the labour market, which considers active everyone who is either hired or self-employed (including those producing mostly for self-consumption). After examining labour market participation, we will be exploring the relationship between family responsibilities, work arrangements and carers’ leave. In this case, we will restrict our

analysis to a subsample of employed individuals including only hired workers (excluding the self-employed), as they are the only ones directly affected by a legislative change protecting workers with family responsibilities.³²

Labour market participation and family responsibilities

The data analysis revealed that the share of the inactive population, among individuals over the age of 15, was 37.1 per cent in 2019 (31.7 per cent were unwilling to work, while the remaining 5.4 per cent were not actively looking for a job but were willing to work).

Of the women who were unwilling to work, 6.2 per cent named caring for children or other dependent persons as a reason for it, whereas the same indicator was 0.3 per cent for men.

Of those who were **not actively looking for a job but were willing to work, 30.5 per cent of female and 1.6 per cent of male workers named caring for children and other dependants as a reason for not searching for a job** during the preceding four weeks in the same time frame.

Another interesting insight from the analysis concerns the role that care responsibilities played in workers’ decision to give up their previous work, either leaving the labour force or becoming unemployed. **In 2019, 5.4 per cent of women and 0.3 per cent of men in our sample declared having given up work to perform care activities.**

Working arrangements and family responsibilities

To assess the situation of workers with potential family care responsibilities, relative to individuals without such responsibilities, we divided our sample of hired workers into two groups according to two

29 See <https://www.geostat.ge/en/modules/categories/130/labour-force-survey-databases>

30 See <https://www.geostat.ge/media/35715/Indicators-of-Economic-Activity---Methodl-change-2020.pdf>.

31 See <https://www.ilo.org/global/statistics-and-databases/>

[standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/WCMS_230304/lang--en/index.htm](https://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/WCMS_230304/lang--en/index.htm).

32 Interestingly, approximately 50 per cent of workers were self-employed between 2017 and 2019 in Georgia.

different definitions, a narrow one and a broad one.

According to the **narrow definition**, workers with family responsibilities are hired workers living in households with a person who is disabled, elderly (over the age of 79), chronically ill and/or a child aged 0-14.³³ **According to the narrow definition of family responsibilities, the majority (62 per cent) of hired workers in 2019 belonged to the group with family responsibilities.** Some of these individuals with family responsibilities are already covered by the legislation, such as those hired workers who have (as the only vulnerable individuals in the household) children under the age of 3.³⁴

Among workers with family responsibilities identified according to the narrow definition, **the share of workers already covered by the legislation was 10.4 per cent in 2019, leaving 51.6 per cent of workers with family responsibilities uncovered by the legislation.**

According to the **broad definition**, workers with family responsibilities are all hired workers living in a household with a member or more. This definition allows us to capture the maximum possible coverage of a legislative change empowering workers with family responsibilities. In the broadest interpretation, such change might allow workers asking to access the new benefits whenever a member of the household is in need. This includes all family members. In this case, only single parents with only children under the age of 3 in the household are to be considered fully covered.³⁵

Referring to the broad definition, **more than 95 per cent of hired workers would appear in the group of workers with family responsibilities** (96.4 per cent in 2019). Among them, single parents with a child(ren) under the age of 3 in the family – whom we consider the only category of worker already fully covered – amounted to 0.11 per cent in 2019.³⁶ Essentially, under the broad definition, **almost all workers do have some potential family responsibility and yet are not fully covered by the current legislation.**

After identifying workers with family responsibilities, we decided to observe the difference between their working arrangements and leave patterns, compared to those without family responsibilities. Moreover, **given the expected higher burden associated with the presence of vulnerable household members, we decided to focus on workers with family responsibilities identified in line with the narrower definition.**

Looking at **actual working hours, hired workers with family responsibilities appear not much less likely – sometimes more – to work long hours (more than 40 hours a week) in Georgia.** The share of individuals working long hours is higher among men (65.5 per cent and 62.2 per cent of male workers with and without family responsibilities, respectively, in 2019) than among women (45.6 per cent and 42.5 per cent of female workers with and without family responsibilities, respectively, in 2019).

33 For the purpose of the LFS, all individuals aged 15 and above are considered in working age.

34 We consider fully covered the parents of children aged 0-2 because this category is the only one explicitly granted specific rights by the provisions in the Labour Code in the case of carers' leave, night work and overtime. The situation is slightly more complicated for guardians for people with disability; they are protected against overtime work and have access to additional paid days over the year, but night work is not regulated for them. The situation gets even trickier for public servants, who do have the same benefits for such rights as parental leave as it is defined for workers under the Labour Code of Georgia. However, part-time work and night work

are not clearly regulated for public servants. Finally, due to the presence of unclear provisions for public servants, and due to the extremely limited share of public servants among the hired employees, not to mention the impossibility of precisely identifying the public servants in the sample, we opted for this definition of full coverage.

35 The caveat about public servants mentioned in the previous footnote also applies here.

36 It is noteworthy that here as well, some part of those workers with family responsibilities are partially covered by the Labour Code of Georgia or the Law of Georgia on Public Service, namely those people who live alone with disabled individuals.

Non-typical work arrangements, such as night, evening, shift and weekend work, are surprisingly as prevalent or even more prevalent in Georgia among hired workers with family responsibilities than for those who do not have any responsibilities. In 2019, 80.6 per cent of men with family responsibilities worked under such arrangements, compared to 76.2 per cent of those without such responsibilities. The respective shares for women are 54.5 per cent and 53.4 per cent. This suggests the possibility that hired workers with family responsibilities might need to work double shifts compared to other workers: both in their family and at work.

Part-time work is not a widespread form of employment in Georgia, and it is more prevalent among hired female workers, especially those with family responsibilities (5.3 per cent in 2019, compared to 4.4 per cent for women without such responsibilities). **Moreover, among men, those with family responsibilities appear slightly more likely to work part-time** (2.7 per cent) than those without such responsibilities (2.2 per cent). Furthermore, an hourly remuneration rate of part-time work in Georgia is not significantly lower than those of full-time workers; thus, higher incomes in the country are usually associated with long working hours.

Notably, **a substantially higher share of female part-time workers (8.3 per cent in 2019) named caring as a reason for part-time work, compared to male workers (0.9 per cent in 2019).**

Working from home was a quite rare phenomenon in the Georgian context before the pandemic; thus, according to 2019-year data the share of hired individuals with family responsibilities declaring to work from home is quite low (2.6 per cent and 4.6 per cent for male and female workers, respectively), as is the share of those without family responsibilities (2.5 per cent and 4.6 per cent for male and female workers, accordingly). **The share appears slightly higher for men with family responsibilities than for those without such responsibilities.**

Working with a flexible timetable is rare among

both female and male workers, although both men and women with family responsibilities seem to have a slightly higher probability of benefiting from flexible arrangements. Interestingly, **males are more likely to have a flexible timetable than women** (4.5 per cent and 4.2 per cent of men with and without family responsibilities, respectively, versus 2 per cent and 1.2 per cent of women).

Finally, **if we look at the motivation of individuals who worked less than 40 hours a week, family responsibilities seem to have played a limited role.** Only 0.6 per cent of women report having worked fewer hours in 2019 due to family reasons, while the same indicator is 0.7 per cent for men.

The LFS has revealed that those who potentially have more care and family responsibilities do not seem to enjoy any substantial advantage in terms of working arrangements. They have a similar likelihood to work under non-typical work arrangements, for long hours and with inflexible schedules. This might explain why a non-negligible fraction of women, who traditionally are expected to carry the greatest burden as far as care responsibilities are concerned, report care responsibilities as a reason for not being interested in looking for a job. **All of this evidence suggests the existence of a problem concerning the lack of provisions to encourage flexible work arrangements and additional care days for workers with family responsibilities and indicates why addressing it might be relevant both for the individuals involved and for society.**

After the aforementioned discussion, the main reasons for the prevalence of inflexible work arrangements for workers with family responsibilities in the Georgian labour market will be analysed.

Major causes of the problem

On the rare occasions in which family caregivers are acknowledged, challenges can still arise from, for example, inadequate or weak policy responses; fragmented and uncoordinated cross-sector initiatives; poor integration and inconsistent treatment of family caregivers as active partners in health and social care; oversight of, or inaccurate assumptions about, marginalized family caregivers' experiences

(e.g. lesbian, gay, bisexual and transgender (LGBT) caregivers); and limited attention to removing barriers and optimizing supports within caregiving contexts, such as in different ethnic and racial cultures (Moen and DePasquale, 2017).

Lack of legal provisions regulating negotiations of work time arrangements for workers with family responsibilities in Georgian legislation

As was already mentioned in Part I, the discussion around a broad definition of family responsibilities, which include caring for elderly, disabled and chronically ill family members, is more limited than the analysis of childcare policies in the existing international literature. Nonetheless, current demographic changes leading to population ageing³⁷ and increased risks of chronic, cardiovascular, oncological,³⁸ infectious and viral diseases among different age groups, along with the high incidence of traffic injuries among the world population,³⁹ creates the necessity in every country to broaden the definition of family responsibilities for workers. Commonly, the labour legislation of countries does not explicitly cover rights for workers with care responsibilities for an elderly and ill person. Thus, those workers automatically are excluded from any legal protection and are exposed to the risks of work-life imbalance, unless corporate entities voluntarily provide a family-friendly working environment to their employees. International literature shows that the legal coverage might be even more important for low-skilled workers with family responsibilities, who usually cannot otherwise access such corporate benefits since they are either employed by small and medium-sized firms with restricted financial resources or are treated differently, as they can be easily replaced in the labour market. However, as implicit discrimination can be an accompanying risk factor of such regulatory changes if not properly enforced (Hein, 2005), it is advisable that attempts to increase the protections for workers with family

responsibilities via regulation are carefully designed and monitored. Despite the different positions of employers' and employees' associations in Georgia, the in-depth interviews with the representatives of the trade unions and business/employers' associations revealed an agreement about the threat posed by ineffective and rigid regulatory changes. They consider that such changes could indeed lead to the implicit discrimination of those workers.

Article 4 of the Labour Code of Georgia prohibits discrimination in labour relations based on, inter alia, gender, marital status and other grounds with the purpose or effect of denying or breaching equal opportunities or treatment in employment and occupation. Despite the wide list of protected grounds, **“family responsibilities” are not explicitly mentioned.** However, under Article 8 of the Labour Code, Georgia acknowledges that some workers have needs that require special protection and support. Accordingly, **the law stipulates that the special measures taken to meet the needs of persons who are normally recognized as requiring special protection or support, based on their age, gender, disability, family responsibility and social or cultural status, shall not be deemed discrimination.**

In most cases, including family responsibilities under the anti-discrimination provisions of labour legislations on “marital status” or “family conditions” should suffice; however, if it is interpreted narrowly, family responsibilities would be excluded from the protected grounds, as “marital status” is more associated with those family responsibilities that only cover childcare and other related responsibilities. Recommendation No. 165 states that within the framework of a national policy to promote equality of opportunity and treatment for men and women workers, measures should be adopted and applied with a view to preventing direct or indirect discrimination **on the basis of marital status or family responsibilities.**⁴⁰

37 According to the UN World Population Prospects data, in the world, the share of people above the age of 65 has been continuously increasing over the past 80 years. In 1960, elderly persons comprised 4.98 per cent of the total population; in 1980, 5.89 per cent; in 2000, 6.87 per cent; and in 2020, 9.33 per cent.

38 See <https://www.cancer.gov/about-cancer/understanding/statistics>.

39 See <https://www.who.int/news-room/fact-sheets/detail/road-traffic-injuries>.

40 ILO, R165, Para. 7.

Under Article 5, the Labour Code sets the scope of the prohibition of the discrimination and covers not only actual labour relations but also pre-contractual relations (including when publishing a job vacancy and at the selection stage), as well as during the employment term.

According to the Labour Code, the prohibition of discrimination shall apply, inter alia, to:

- a. Selection criteria and employment conditions in pre-contractual relations, as well as access to career advancement, at all levels of the professional hierarchy and in any sector or branch of activity
- b. Access to all types of vocational guidance, advanced training, vocational training and retraining (including practical work experience) at all levels of the professional hierarchy
- c. Labour conditions, remuneration conditions, and conditions for the termination of labour relations
- d. Membership of, and involvement in, an employees' association, an employers' association or any organization whose members carry out a particular profession, including the benefits provided for or by such organizations
- e. Conditions of occupational social protection, including social security and health-care considerations

The above-mentioned provisions create an important basis for the equal opportunity of men and women in the workplace, and – if effectively implemented – they can be seen as important tools for the protection of women's rights in labour relations. **However, for more clarity, it would be advisable to include “family responsibilities” explicitly under the grounds of discrimination in the Labour Code of Georgia.**

Employers' reluctance to provide flexible work arrangements

It is quite common for companies to be **unaware of the potential benefits** associated with a more family-friendly stance, benefits which derive from lower replacement, absenteeism and turnover

costs. A competitive environment and short-term planning lead some enterprises (even medium-sized and large) to develop **distorted perceptions** about the desirability to oblige personnel to work faster and for longer hours, or refer to downsizing, as the only ways to cut costs and increase productivity. Furthermore, small firms, which account for a large proportion of the workforce in many developing countries, may be particularly reluctant to offer voluntary benefits to workers due to budgetary constraints, while other firms, when such benefits are offered voluntarily, can decide to cut them in difficult financial times (Kodz et al., 2003).

As mentioned above, consultations with representatives of business and employers' associations revealed that the awareness level among the companies around this topic is indeed low in Georgia. They claimed that perceptions about work time flexibility in Georgian companies differ from those in other countries, which can be explained by the specific business culture and business values in Georgia. However, **business and employers' association's representatives** emphasized that there are some employers/companies already trying to support their workers. According to our interviews, this is true across the board, regardless of the size of the company. For example, some big corporations have quite family-friendly policies as part of their corporate social responsibilities, since they care more about their reputation than small and medium-sized companies. On the other hand, small and medium-sized companies are typically run by families; thus, flexibility is usually an integral part of the corporate culture. According to the business representative, even among non-family-based companies, due to the peculiarity of Georgian society, some employers have more understanding towards care-related problems than in other parts of the world. The representatives of employers' associations, however, express concerns that more freedom and less control might lead some workers to reduce their productivity, delaying their tasks and reducing the quality of their work. Our business and employers' representatives also suggested that in several cases – during the COVID-19 pandemic – work-from-home and flexible work arrangements were found to be

disruptive factors for some businesses, with workers complaining that, due to the inability to separate work from their family space, they had a hard time fulfilling their work tasks. The **representative of the trade unions** disagreed with this characterization of the Georgian labour market and suggested that the understanding of the issue on employers' side is quite limited, as is their willingness to accommodate the needs of workers with family responsibilities by granting them more flexibility. This position seems to find some support in the LFS data, since the share of flexible work arrangements seems quite limited.

A corporate culture that rewards long hours, recognized as a prime indicator of commitment and productivity, also hinders the ability of employees to meet conflicting work and life responsibilities (Bailyn 1993). Moreover, there exists perceptions in some companies worldwide that workers with family responsibilities are not serious about their jobs and careers because of care responsibilities. Thus, the norm of the "ideal" worker is created and advantages employees who work long hours and put job and career concerns over any desire for family involvement (Kossek, Lewis and Hammer, 2010). This kind of corporate culture discourages workers, even in the presence of an existing legal protection mechanism, from enjoying their work and entitlements associated with family responsibilities, putting them in unequal and unfair conditions as far as career opportunities are concerned. Even though the interviews with the representatives of the Georgian businesses did not explicitly reveal that companies currently share any "ideal worker profile", they reveal that companies – being primarily concerned with maximizing their profits – fear that long leave hours and/or frequent leave can indeed affect their workers' productivity and lead to lower company profits. For this reason, they suggested that, if a new regulation introduced to protect the rights of workers with family responsibilities proved to be rigid and not sufficiently balanced, the companies might start to consider that hiring workers with more

family responsibilities is more problematic and less desirable.

The problems of reconciling work and family responsibilities can also be the result of the peculiar structure of some work processes. For example, the most innovative employers in the information technology sector nowadays tend to offer their workers the option to choose their timetable and workplace. Another example is the rising incidence of night work in some parts of the world, triggered by round-the-clock economies⁴¹ and their acceptance of "night-time" as part of their working days, with industry, services and recreational sectors also – potentially – requiring 24-hour work (Politakis, 2008). In Georgia, night, evening, weekend and shift work are quite prevalent, as was already mentioned above. However, the incidence of home-based and flexible work is quite limited.⁴²

Lack of bargaining power among vulnerable groups
Usually, the following groups fall under the definition of vulnerable workers:

- Single parents
- Members of minorities
- Migrants
- Low-income workers
- Informal and domestic workers
- Families with members who have serious health issues or diseases

Typically, single parenting means being the sole breadwinner for the family. Consequently, such workers do not have much choice if they face a work-life conflict, as work might be a critical source of income for them and their children. Normally, single female-headed households are more vulnerable than male-headed households; however, even in households with two parents, the tradition of sole male breadwinning puts substantial pressure on men, since in this case they cannot take risks on their career development path as it might endanger the income stability for the household (Correl et al., 2007).

41 These are societies in which economic activities take place 24 hours per day, without interruptions.

42 We will be discussing this in greater detail below.

Another form of vulnerability can be observed in those workers who have family members with serious, chronic or oncological diseases and require substantial care and medical assistance. Such workers, especially if they are low-skilled, usually do not have much choice but to work overtime to earn more income for health-care coverage of their immediate family member. Even middle-income workers, benefiting from employer health insurance benefits, might have less freedom to change their workplace due to the fear of losing these benefits. For example, a study conducted by Adams in 2014 showed that there is a negative relationship between health insurance and job satisfaction in the United States. This is because workers with care responsibilities are in suboptimal labour market situations to provide health insurance for their family relative to other workers (Adams and Artz, 2014). In the Georgian labour market, the share of individuals working overtime among those who have a chronically ill family member (47.8 per cent for female and 65 per cent for male hired workers in 2019⁴³) is a bit higher than the share of those who come from other groups (43.6 per cent for females and 64.1 per cent for males⁴⁴). Unsurprisingly, here as well, the incidence of overtime work is higher for men than for women. A flexible working timetable is also more common in these groups (2.9 per cent of women and 7.8 per cent of men, compared to 1.4 per cent of women and 3.8 per cent of men for other workers⁴⁵). Moreover, in the case of flexibility, the incidence is higher for men than for women. Despite the small share of individuals experiencing more flexibility with their working time, the large incidence of overtime work among workers with family members who require substantial care and medical assistance seems to indicate that most of them probably still suffer from work-life imbalances.

The literature also shows that labour market reforms such as flexible work arrangements and generous family benefits improve the working opportunities and conditions more for high-skilled rather than low-

skilled workers, keeping work-life balance problems unsolved for such vulnerable groups as low income, informal and domestic workers (Cipollone et al., 2014). In addition, migrant workers who usually work in illegal work arrangements have limited access to social protection packages and any family benefits (Dyer, McDowell and Batnitzky, 2011). Even though the information about the conditions of migrant workers and different types of informal workers is limited, it can be shown that the conditions of groups in which informality is prevalent, like domestic workers, are indeed worse than those of other workers, and they are more likely to face the problem of reconciling work and family responsibilities. For example, a recent RIA about the ratification of the ILO Domestic Workers Convention, 2011 (No. 189), conducted by ISET-PI (Pignatti et al., 2021), revealed that the incidence of overtime work among domestic workers is much higher than for other types of workers. Moreover, since those workers are usually middle-aged women with children and other dependants, it is likely that they indeed have problems with work-family balance. Looking at minorities, the data do not show any significant differences in terms of prevalence in overtime, non-typical work arrangements, flexible schedules and working from home with respect to ethnic Georgians, although in most of the cases, the gap between men and women looks narrower. Interestingly, overtime is more common in high-income groups of hired workers with family responsibilities rather than among those with lower incomes. For example, in 2019, 51.8 per cent of female and 71.2 per cent of male workers with higher-than-average earnings worked overtime during a working week, compared to 44.5 per cent of female and 64 per cent of male workers in lower-income groups with family responsibilities. Non-typical work arrangements are similarly likely for workers with family responsibilities belonging to different income groups, with men showing a higher prevalence than women (and low-income women showing a slightly lower prevalence than higher-income women – 53.1 per cent versus 56.8 per cent).

43 Source: authors' calculations based on the LFS data.

44 Ibid.

45 Ibid.

Even though the existence of inflexible work arrangements seems quite similar across groups, marginalized groups can suffer more since they have less bargaining power in the market and have limited access to high-quality care services and

social protection. Thus, regulating the sector might not suffice to ensure the protection of their well-being, unless the new regulation carefully considers their specific needs, constraints and opportunities, together with adequate protection mechanisms.

C. DATA ANALYSIS OF THE PROBLEM: EXISTING TRENDS

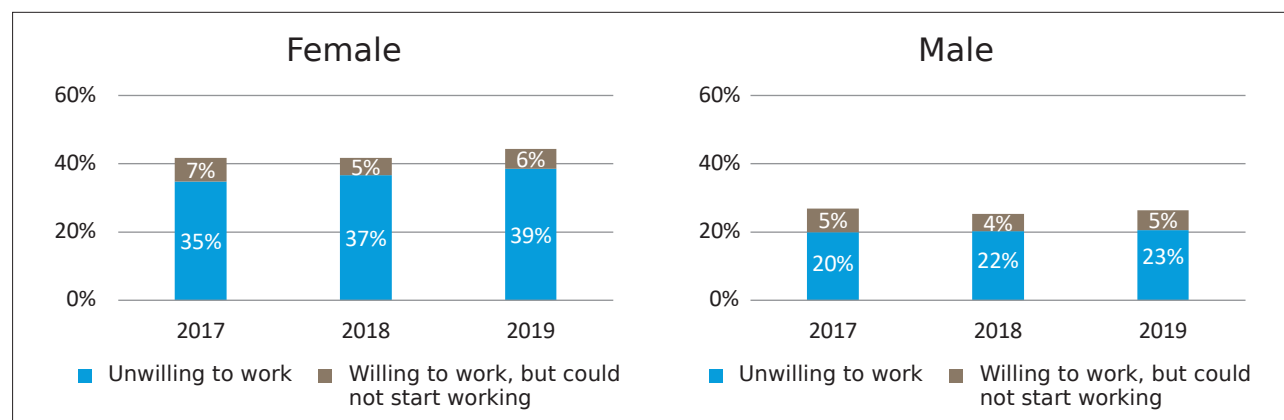
In this section, we will be reviewing the trends characterizing the Georgian labour market in recent years, continuing our analysis of the LFS data. We have already discussed the differences in labour force participation and employment across genders in Part I of this RIA, over the period 2010-2019, for which the information was available (we did not include 2020 statistics as they were obtained utilizing a different methodology). In the following section, instead, we will analyse the data that are unique and relevant to the current topic of regulating flexible work arrangements for workers with family responsibilities. Moreover, due to the data limitations

mentioned in Section B, we will be discussing only the trends over the years from 2017 to 2019.

Descriptive analysis of labour market outcomes for workers with and without family responsibilities

Over the 2017-2019 period, the share of the inactive population increased both among males and females, driven by an increase in the share of individuals unwilling to work, while the share of individuals theoretically willing to work but unable to do so remained stable (Figure 1).

Figure 1: Shares of working-age individuals (aged 15+) who are unwilling to work and who are willing but cannot work,* by gender



Source: Authors' own calculations based on Geostat LFS data.

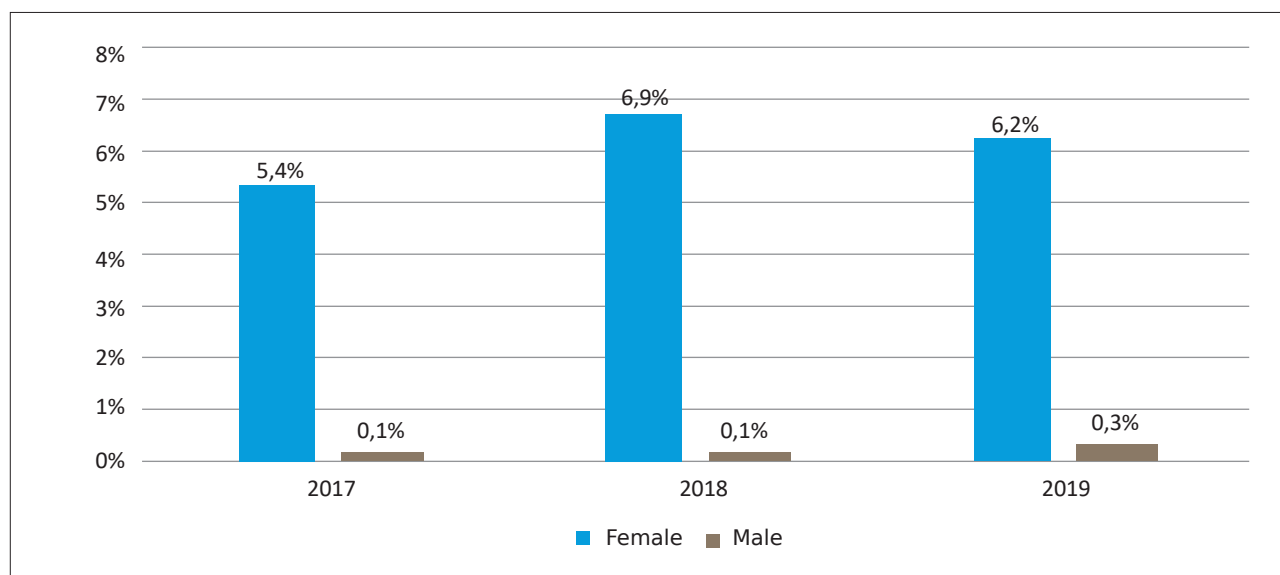
* The sum of those categories gives the share of the inactive population in the corresponding years.

Of those who were not willing to work, females were persistently more likely than men to cite care responsibilities (of a child and/or other relatives) as a reason for their unwillingness to work, although the

share of men reluctant to work due to caring for a child or other relative marginally increased over time (Figure 2).

Figure 2:

Share of individuals who are unwilling to work due to care responsibilities, by gender



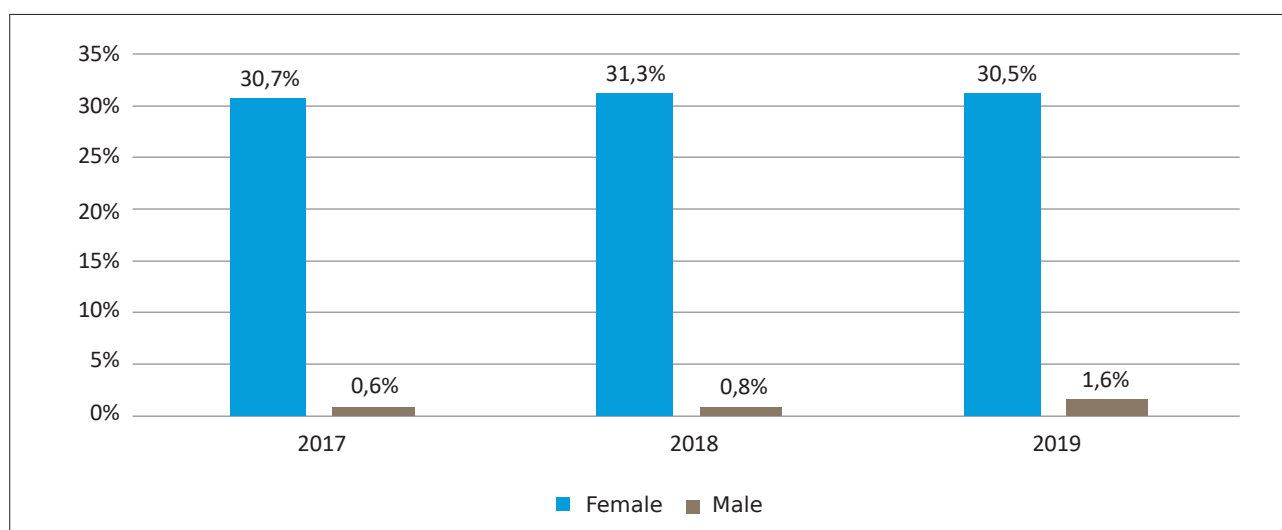
Source: Authors' own calculations based on Geostat LFS data.

The difference across genders is even more pronounced if we look at individuals who would have been willing to work but did not work due to care responsibilities. In all years, almost one third of women declaring to be willing but not able to start working reported care responsibilities as the

main reason, against only 0.6 to 1.6 per cent among men. Notably, despite remaining substantially lower, the share of males not working due to family responsibilities followed an increasing trend, more than doubling over the period (Figure 3).

Figure 3:

Share of individuals who were willing to work but could not due to family responsibilities, by gender

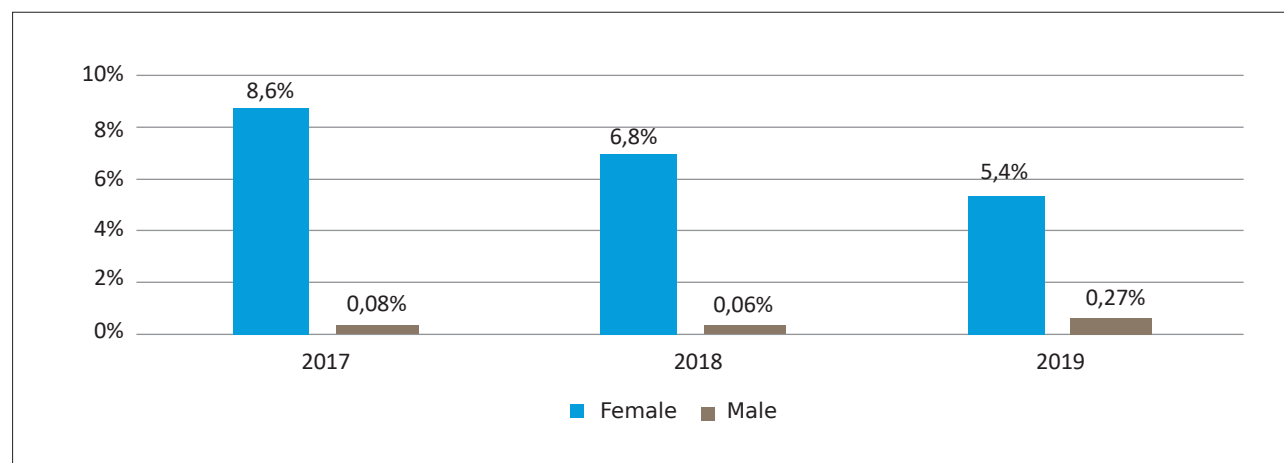


Source: Authors' own calculations based on Geostat LFS data.

A non-negligible – although declining (from 8.6 to 5.4 per cent) – share of female workers (considering both inactive and unemployed individuals) declared having given up a job due to care responsibilities.

The fraction of men reporting the same, albeit much smaller – ranging from 0.08 to 0.27 per cent – showed a slightly increasing trend between 2017 and 2019 (Figure 4).

Figure 4:
Share of individuals (aged 15+) who gave up working due to care responsibilities, by gender



Source: Authors' own calculations based on Geostat LFS data.

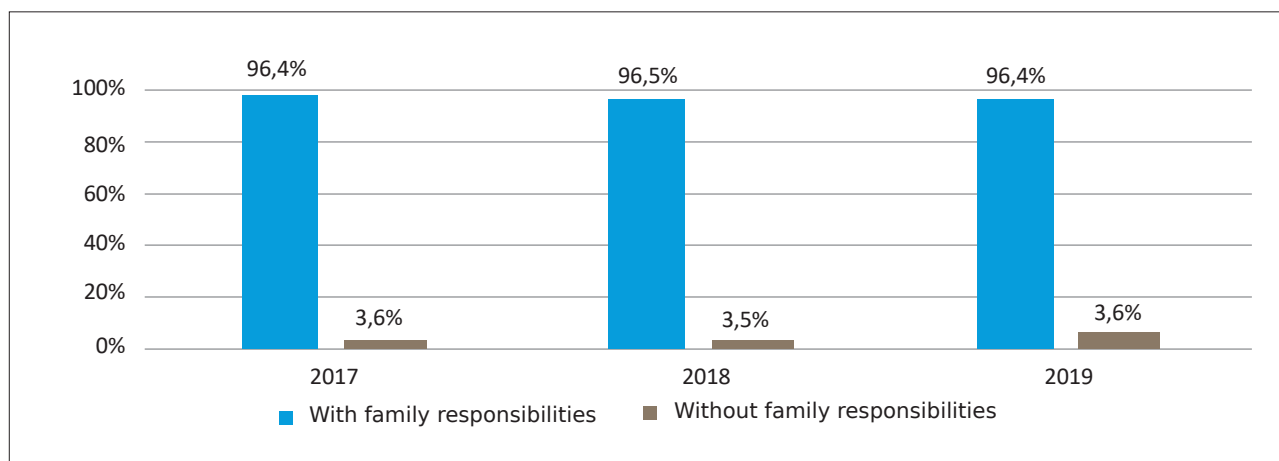
The study of the potential conflict between work and family responsibilities, however, goes beyond the analysis of unemployment and inactivity patterns, to include the analysis of workers with family responsibilities who are employed. Therefore, it is also interesting to observe whether there is a difference in working conditions such as overtime work, non-typical work (night, evening, weekend and shift work), flexible work arrangements, part-time work and remote work between workers with and without family responsibilities. This can give an approximate picture of whether there is currently a different approach towards workers with any kind of family responsibility – and how difficult the conditions are in which they work.

Share of workers potentially impacted by legislative changes

In our analysis, we refer to the two operational definitions of workers with family responsibilities, a broad and a narrow one, introduced in Section B. The **broad definition** of workers with family responsibilities includes all hired workers who live in multi-person households. The **narrow definition** of workers with family responsibilities instead includes all of the hired workers who live in a household with one or more of the following: a child or children aged 0-14, a disabled person/child, an elderly person aged 79+ or a chronically ill patient.

The figures below show that under the broader definition, more than 96 per cent of hired workers have some family responsibilities (Figure 5), while the narrow definition provides a much more conservative approach and gives a more equal distribution of workers among the groups with and without family responsibilities (Figure 7).

Figure 5:
Share of hired workers with and without family responsibilities – broad definition

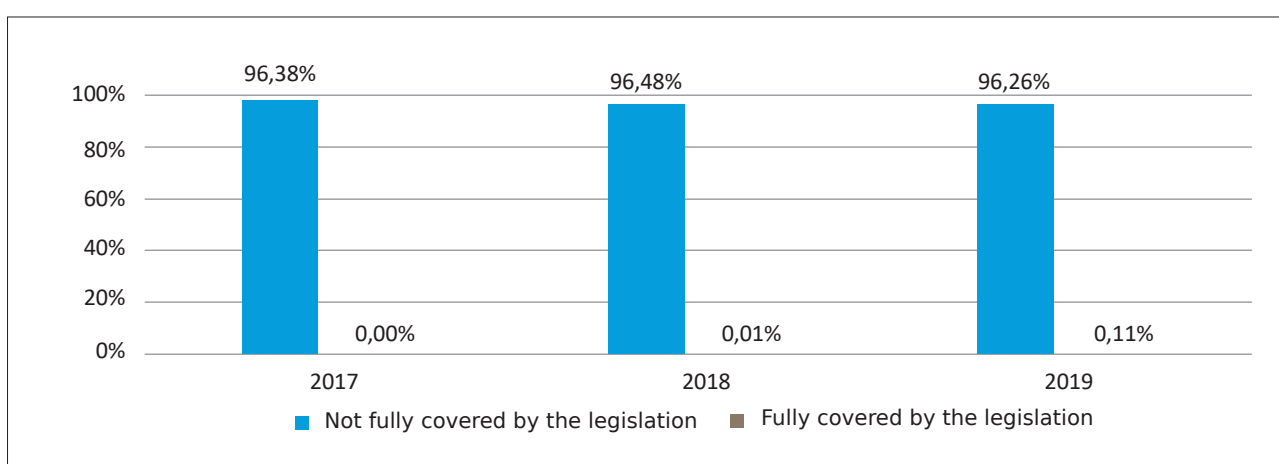


Source: Authors' own calculations based on Geostat LFS data.

To highlight the expected increase in legal coverage of workers with potential family responsibility associated with a legislative change aimed at closing the gaps highlighted in the legal analysis section (with respect to the status quo), we further split the workers with family responsibilities into two groups: one including workers living only with children aged

0-2 years (already covered by the current legislation) and other group all remaining workers. Under this definition, which includes other adults in the household as potential recipients of care work, the vast majority of workers with family responsibilities are not fully protected by the current legislation (Figure 6).

Figure 6:
Share of workers with family responsibilities who are and are not fully covered under the current legislation – broad definition

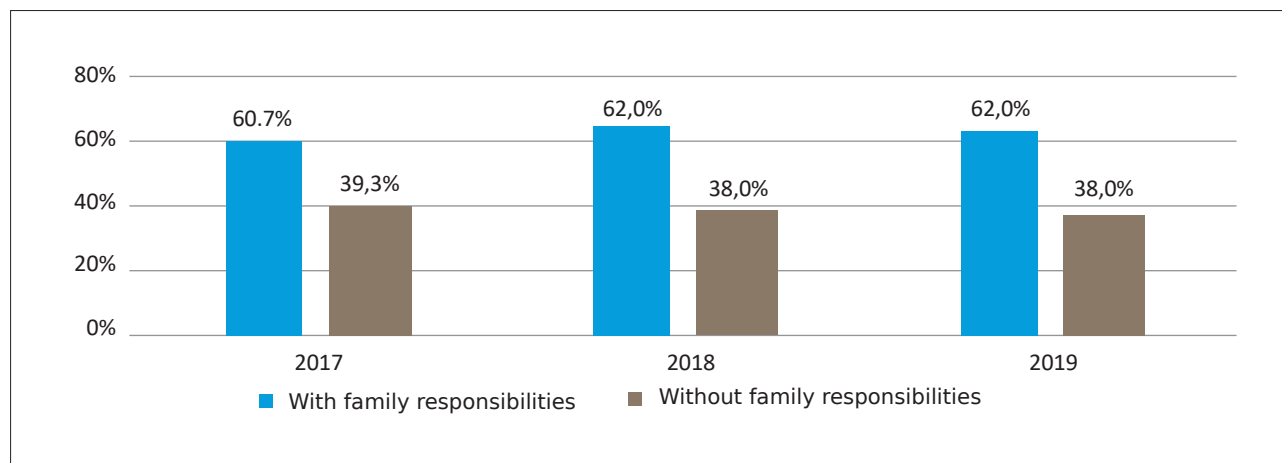


Source: Authors' own calculations based on Geostat LFS data.

In Figure 7 below, we perform a similar analysis, instead adopting the narrow definition. In this case, only between 60.7 and 62 per cent of hired workers are considered as having family responsibilities, and

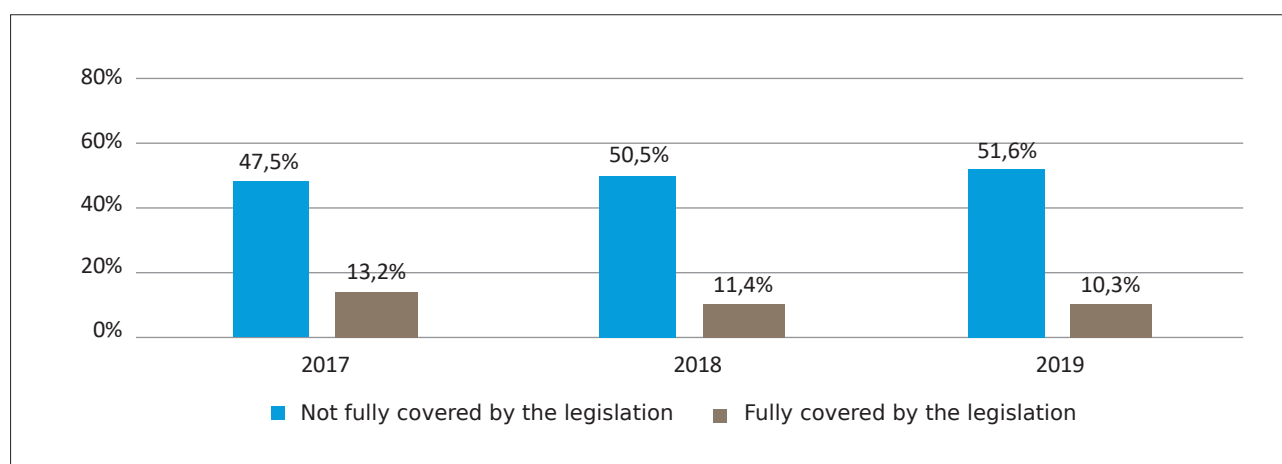
only between one third and one quarter of these workers' family responsibilities can be considered as being fully covered by the current legislation (Figure 8).

Figure 7:
Share of hired workers with and without family responsibilities – narrow definition



Source: Authors' own calculations based on Geostat LFS data.

Figure 8:
Share of workers with family responsibilities who are and are not fully covered* under the current legislation



Source: Authors' own calculations based on Geostat LFS data.

* This includes the workers who have children aged 0-2. In this case, spouses or partners are excluded from the definition of family responsibilities, unless they belong to vulnerable categories.

Since the narrow definition gives a more conservative approach to defining family responsibilities and corresponds to the workers with the highest likelihood of facing a trade-off between work and family responsibilities (living in a household with one or more vulnerable individuals), we have based our analysis on the narrow definition. **We can interpret this share of individuals with family responsibilities as a lower bound for the share of people potentially benefiting from an expansion of rights for workers with family responsibilities.**

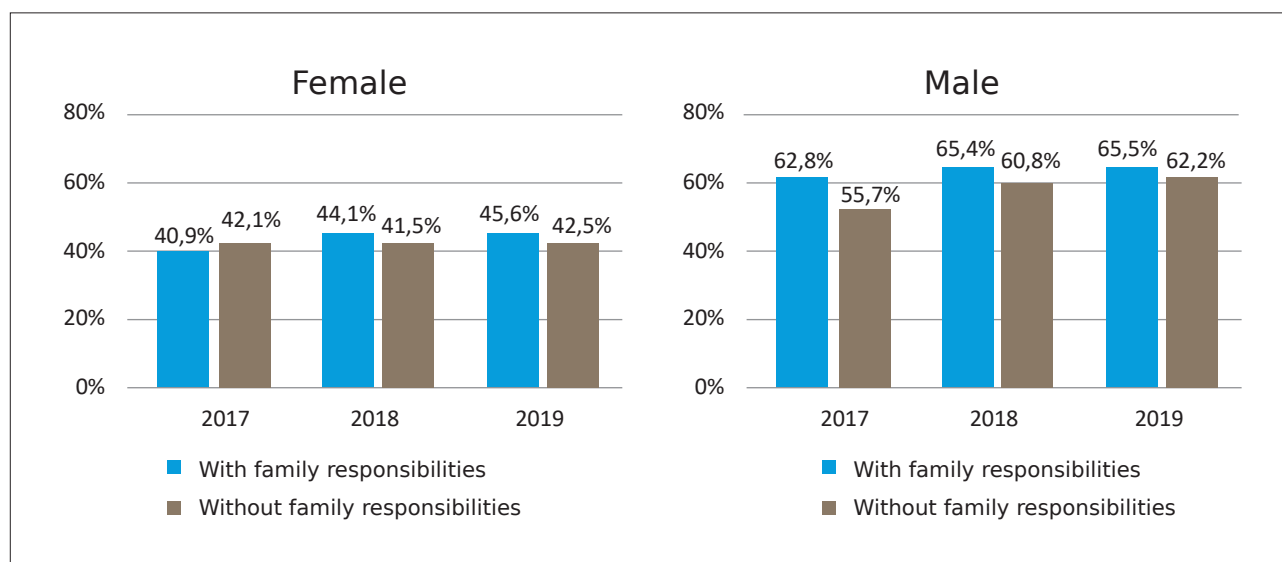
Working conditions for workers with family responsibilities

Working **more than 40 hours a week is quite common** in the Georgian labour market. Despite the lack of information about whether overtime is paid or unpaid, the high incidence of overtime indicates that most workers suffer from an imbalance

between their work life and their personal life. Clearly, overtime might be even more damaging for those employees who have dependants at home or, in other words, have family responsibilities.

As it can be seen in Figure 9, between 2017 and 2019, working overtime was more predominant among workers with family responsibilities than among the rest of workers. While the difference between the two groups of employees is not substantial and might not be statistically significant, it clearly indicates that workers with family responsibilities did not enjoy any better working conditions than those without any responsibilities during this period. This is true for both female and male workers. Unsurprisingly, working overtime is more widespread among male workers than among females. Notably, the trend is slightly increasing for both female and male workers with family responsibilities.

Figure 9:
Incidence of overtime work, by gender and family status



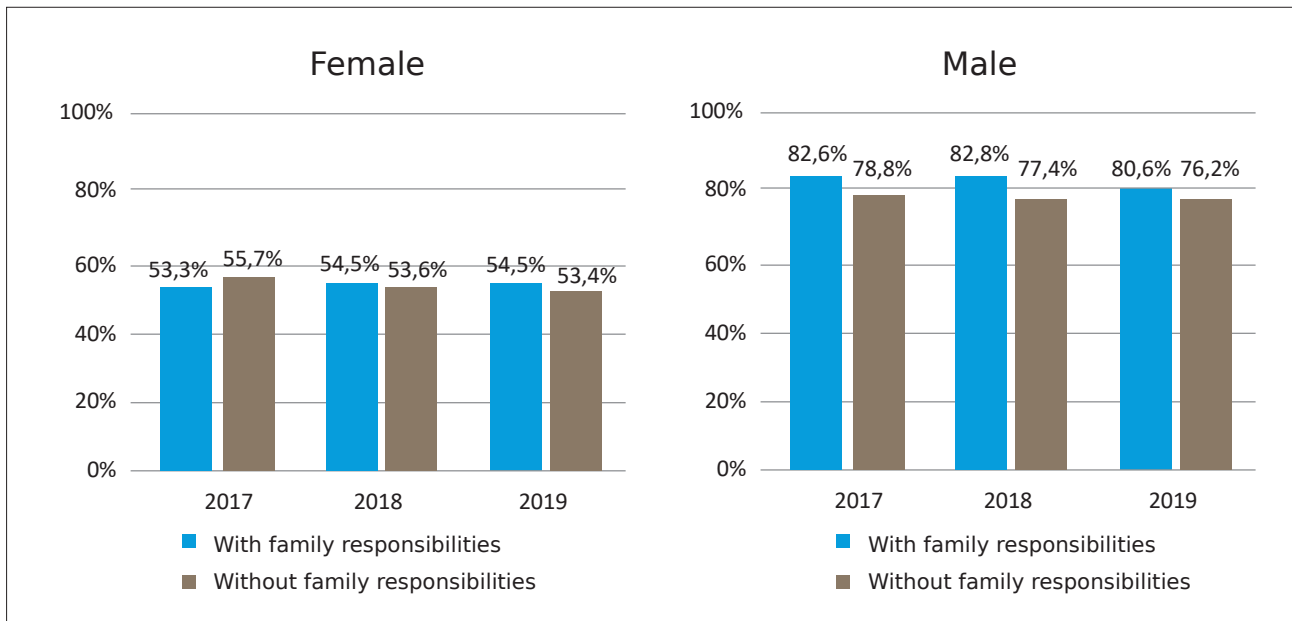
Source: Authors' own calculations based on Geostat LFS data.

Next, we analyse the difference between the prevalence of non-typical work arrangements, such as night and evening shifts and weekend work, among employees with and without family responsibilities. The data clearly show that, also in this case, workers with some form of family responsibility faced quite similar conditions compared to other workers

over the 2017-2019 period. For females with family responsibilities, the situation slightly deteriorated over time, while for males, it did slightly improve. The prevalence of non-typical work arrangements was more common among male workers than among females (Figure 10).

Figure 10:

Share of workers with non-typical work arrangements, by gender and family status



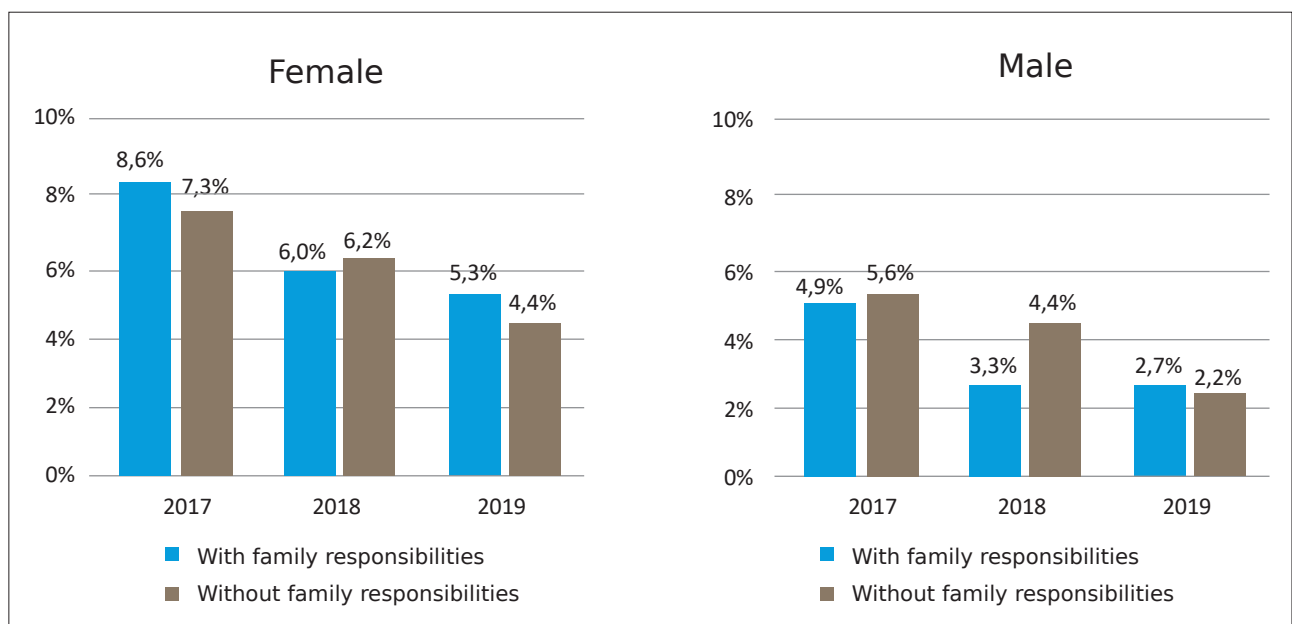
Source: Authors' own calculations based on Geostat LFS data.

Part-time work is not a predominant form of work in Georgia, neither for females nor for males. Nevertheless, it is more common among female workers than among male workers. Over the 2017-2019 period, the shares of female and male workers (both with and without family

responsibilities) working part-time decreased, with male workers with family responsibilities on average slightly less likely to work part-time, while female workers with family responsibilities were on average more likely to work part-time than their counterparts (Figure 11).

Figure 11:

Share of workers employed part-time, by gender and family status

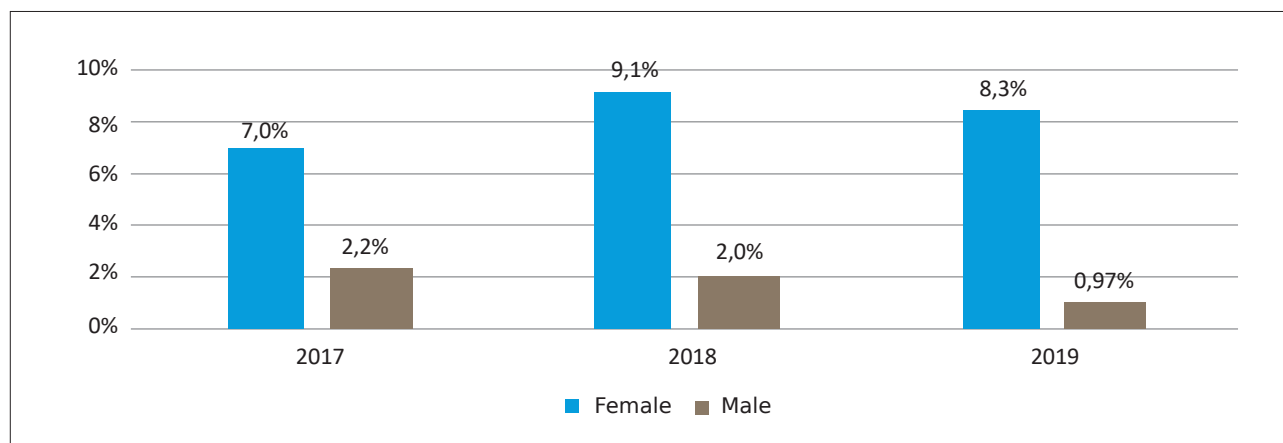


Source: Authors' own calculations based on Geostat LFS data.

Even though both female and male workers have several reasons for working part-time, a moderately higher share of women than men indicated housekeeping and care responsibilities as a reason for choosing part-time work over the given

observation period. Notably, the share of women reporting housekeeping and care responsibilities as a reason for choosing part-time work kept fluctuating (with a slight increasing trend), while it declined for males (Figure 12).

Figure 12:
Share of workers who name housekeeping and care as a reason for working part-time, by gender

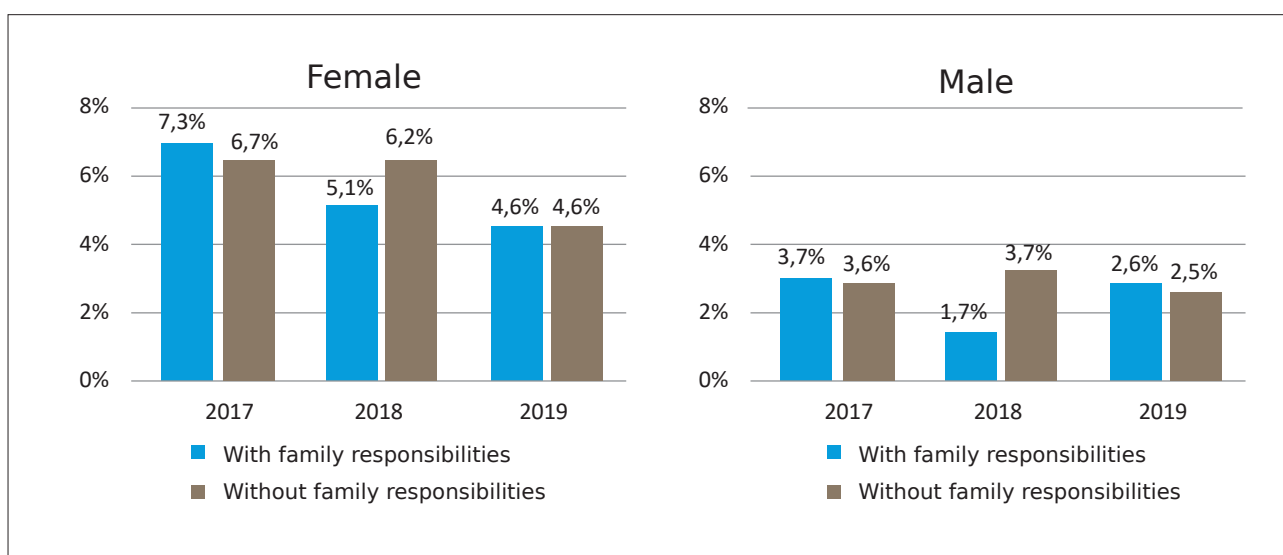


Source: Authors' own calculations based on Geostat LFS data.

Working from home was rare before the pandemic; however, it was more prevalent among females rather than male workers. The share of women working from home was characterized with a steadily declining trend over the period, while for men, it also declined but with some fluctuation.

Notably, the prevalence of working from home was quite similar among workers with and without family responsibilities – with the exception of 2018, in which workers with family responsibilities had a visible drop in the prevalence of home-based work relative to those without any such responsibilities (Figure 13).

Figure 13:
Share of workers who work from home, by gender and family status

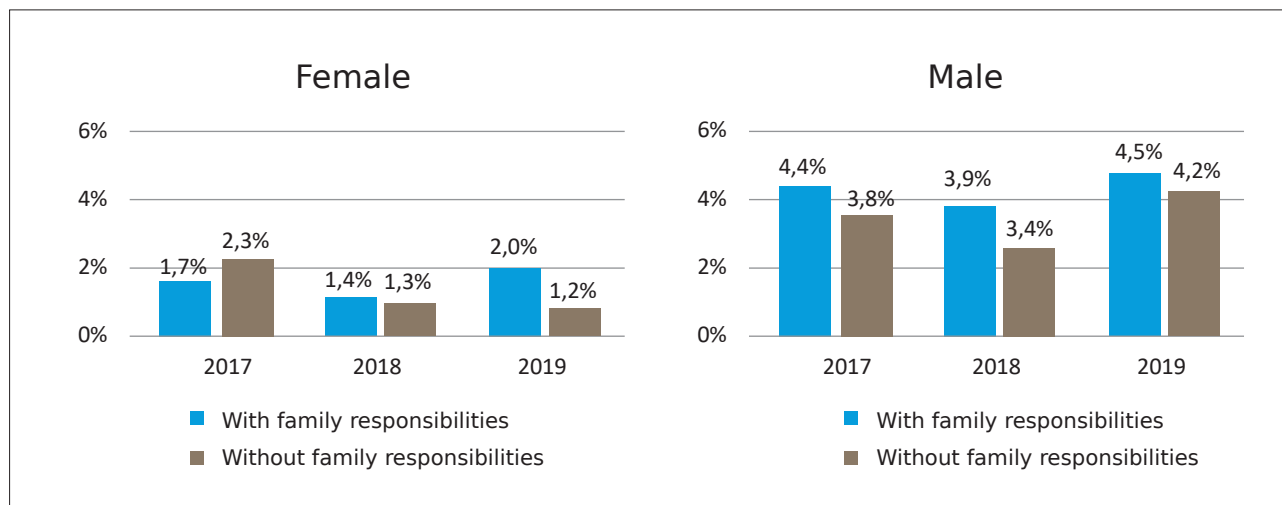


Source: Authors' own calculations based on Geostat LFS data.

Flexible working hours were an extremely rare occurrence in Georgia over the 2017-2019 period, particularly for women (with the share ranging between 1.2 and 2.3 per cent). Among women, it is difficult to identify any significant difference between the shares of women with and without

family responsibilities. The share of men enjoying flexible working hours over the same period was approximately twice that of women, with men with family responsibilities consistently reporting a slightly higher incidence of flexible work arrangements than those without (Figure 14).

Figure 14:
Share of workers with flexible working hours, by gender and family status

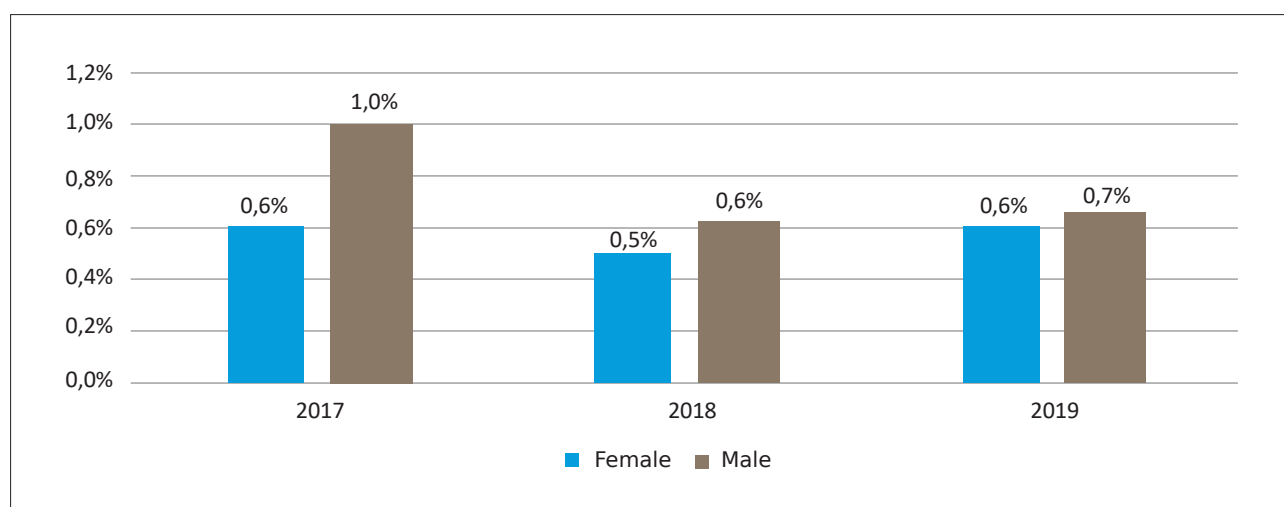


Source: Authors' own calculations based on Geostat LFS data.

Finally, among the workers reporting to work less than 40 hours per week, only a negligible share took leave due to family issues. The shares ranged between 0.5 and 0.6 per cent for female workers

and between 0.5 and 1.0 per cent for male workers. For females, the share remained in the same range, while for males, it kept decreasing over the observed period (Figure 15).

Figure 15:
Share of workers who took leave because of family responsibilities, by gender



Source: Authors' own calculations based on Geostat LFS data.

Even though the aforementioned analysis does not allow us to state unequivocally whether limited opportunities for more flexible work arrangements, such as remote work, part-time work and flexible working hours, really prevent workers in Georgia from balancing their work and family life, it is apparent that there exists some rigidity in the market. This potential negative effect on the possibility of balancing work and family life is exacerbated by the high incidence of long working hours and overtime work for both men and women, including working during weekends and taking night, evening and shift work.⁴⁶

As documented by our stakeholder consultations, the pandemic period changed, in part, the perception about flexible schedules and work-from-home scenarios among employers. It even changed the conditions for some workers, with the exception of those working in industries where their presence at work is inevitable. Nonetheless, many of the doubts about the effectiveness and desirability of remote work and flexible work arrangements within the Georgian labour market, both for employers and for employees, still remain. Anecdotal evidence suggests that in some realities, these work arrangements have contributed to reconciling work and family life, while in others, they have led to an increased burden for those workers who encountered difficulties with disentangling work and family life. As for employers, the concern remains that, while in some instances increased flexibility might have increased workers' productivity, in the longer term, such arrangements might negatively impact workers' motivation to work productively, in the absence of close supervision.

While a deeper evaluation of the pandemic's effects on the working conditions of employees might be interesting to assess the potential effectiveness and efficiency of policies aimed at increasing flexibility and the possibility of working from home, it is outside the scope of this work; thus, it will not be investigated further.

Behind aggregated trends

Finally, as for the **working conditions of vulnerable groups such as minorities, workers with a chronically ill family member, those with lower-than-average incomes⁴⁷ and single parents,⁴⁸** the data do not show any significant differences in terms of prevalence in overtime, non-typical work arrangements, flexible schedules and working from home in most of the cases. However, there were some interesting insights worth discussing in the main text (for additional details, see the graphs in Annex 2).

For instance, **working overtime** was revealed to be more common among high-income groups with family responsibilities, which confirms that in Georgia, high earnings are typically associated with long working hours for both female and male workers. Nevertheless, the trend kept increasing for workers with both lower and higher-than-average salaries (Figure 16). This finding is consistent with the idea that workers with family responsibilities with high incomes can hire domestic workers, maids and helpers at home, or they can take their dependants to institutions providing special care, which makes their family responsibilities less binding.

46 Interestingly, more full-time employees are paid less than GEL 2 per hour than part-time workers. As the hourly wage is calculated by dividing the monthly salary by the (declared) number of hours worked, this can be explained by the prevalence of unpaid overtime in Georgia.

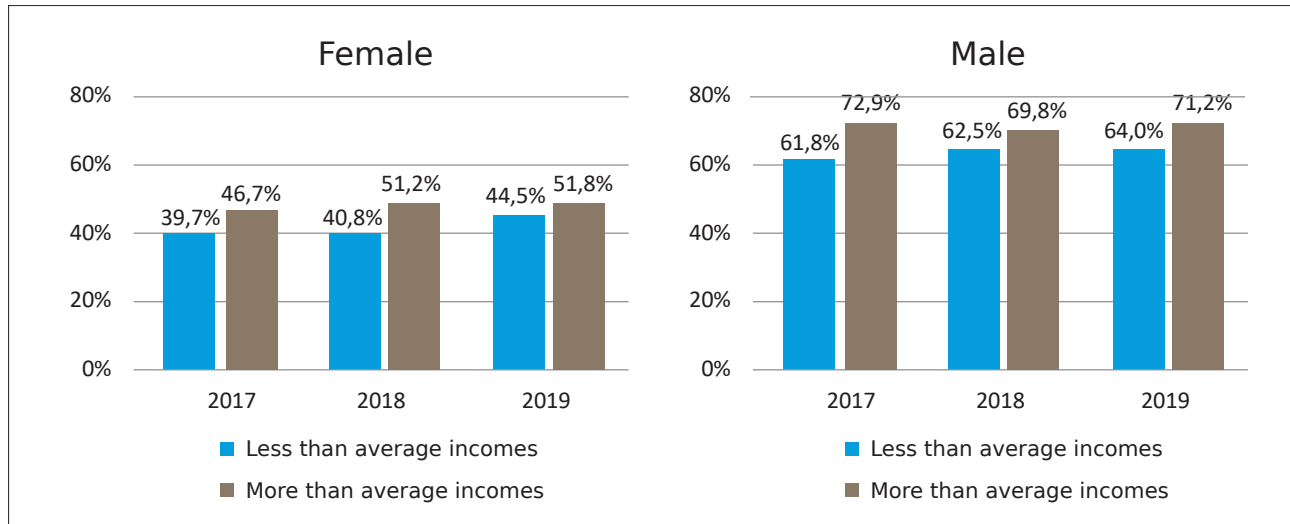
47 Since the LFS data do not give us the exact salary values for each individual (instead, what is reported is within an income range) and the average income in Georgia was GEL 1,129.50 in 2019, we attributed hired workers who

had salaries under the GEL 1,001 to GEL 1,500 income bracket to the lower-than-average income group, while the remaining workers were allocated to the higher-than-average income group.

48 This group is underrepresented in the survey, and conclusions drawn from such a restricted sample might be biased. However, overtime work in this group is also prevalent, although with a slightly lower share than in other groups.

Figure 16:

Incidence of overtime work among lower-than-average and higher-than-average salary groups with family responsibilities, by gender



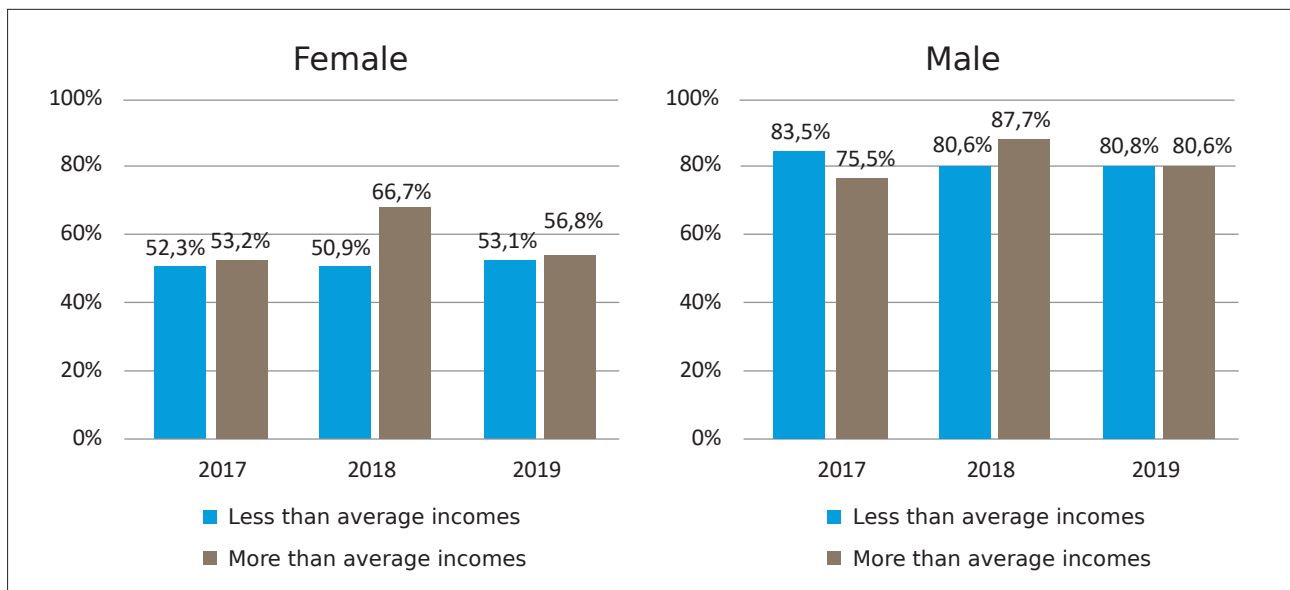
Source: Authors' own calculations based on Geostat LFS data.

The **share of workers with family responsibilities who work in non-typical work arrangements**, such as weekend, night, evening and shift work, is notably higher for males than for females in both income groups. Notably, having non-typical work arrangements is more common among female workers with higher-than-average rather than

lower-than-average salaries, whereas the shares are quite similar among male workers from both groups (Figure 17). This might indicate the existence of a premium for female workers accepting non-typical work arrangements. Men do not show the same tendency.

Figure 17:

Share of workers with family responsibilities who have non-typical work arrangements, by income group and gender



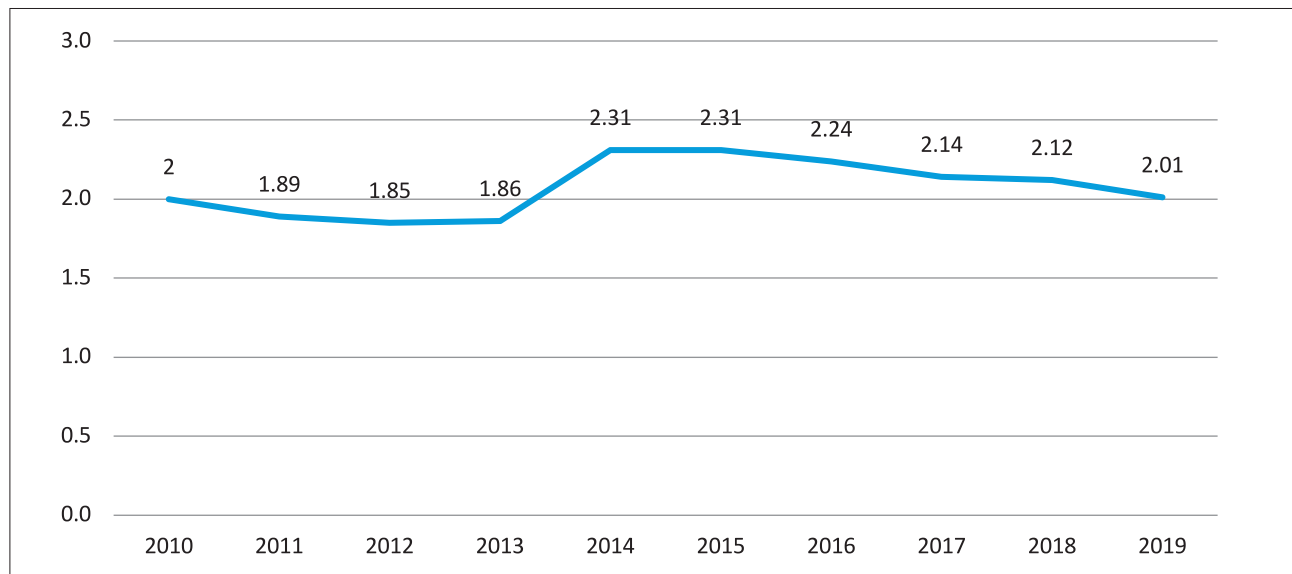
Source: Authors' own calculations based on Geostat LFS data.

Other relevant trends

As we have discussed in previous sections, overtime, a culture of long working hours and non-typical work arrangements result in a decline in the fertility rate, which contributes to aggravating the problem of ageing faced by most societies. The fertility rate in

Georgia, which has been below the replacement rate for some time, saw a sharp increase between 2013 and 2014 but kept decreasing over the following five years, including 2019, reverting to 2010 values (Figure 18).

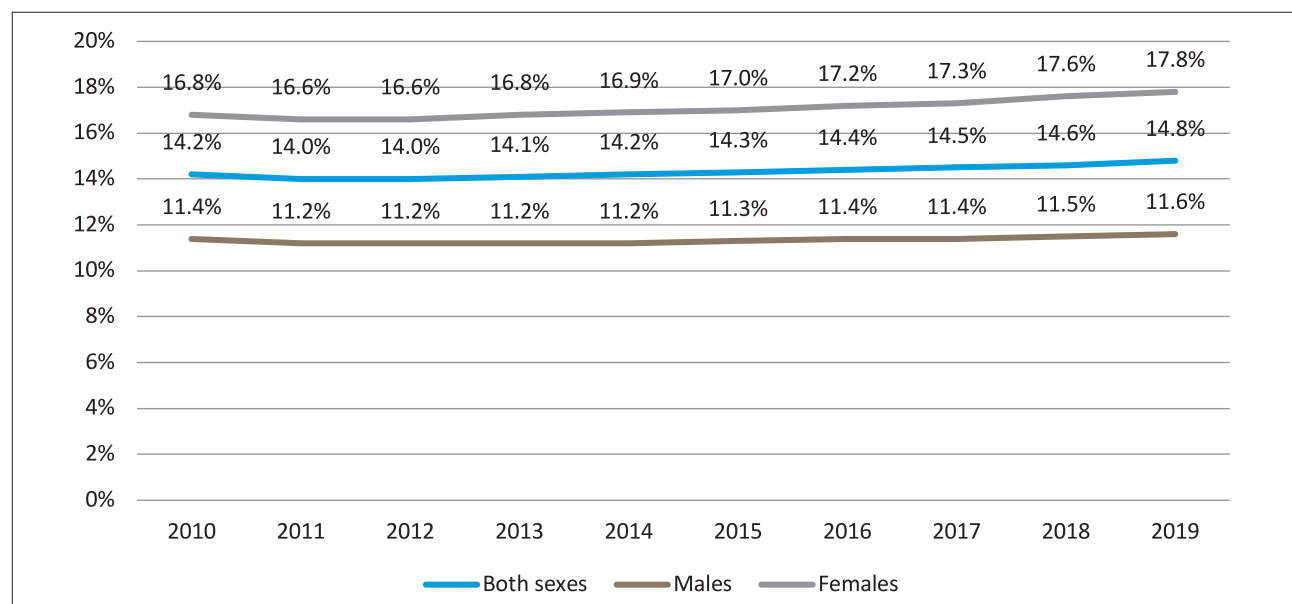
Figure 18:
Total fertility rate – the average number of live births per woman aged 15-49



Source: Geostat.

Over the same period, the share of the population aged 65 and older has been slightly, but steadily, increasing for both males and females (Figure 19).

Figure 19:
Population ageing – the share of the total population of Georgia aged 65 and older

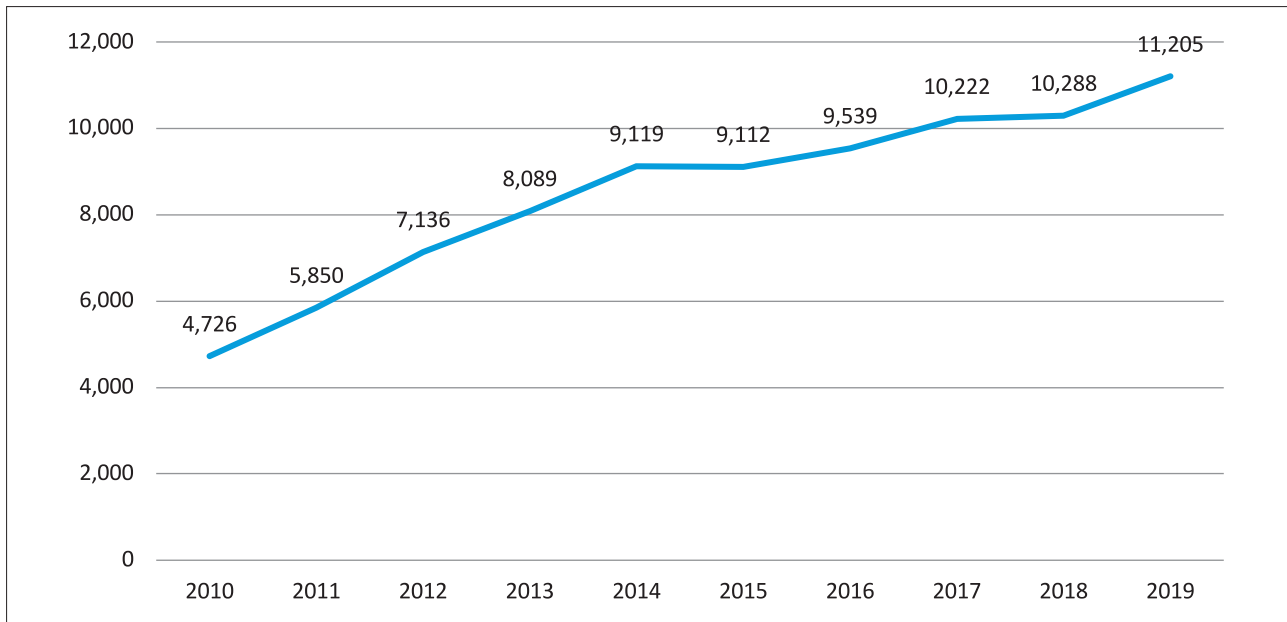


Source: Geostat.

As we said, difficulties in balancing work and family life negatively impact the stability of families. While it is not possible to prove the existence of a causal link between overtime and limited flexibility in working arrangements, we thought it important to check the

evolution of the number of divorce cases in Georgia. Between 2010 and 2019, the **number of divorce cases** steadily increased, thus creating an additional burden on single parents for childcare (Figure 20).

Figure 20:
Number of divorces in Georgia

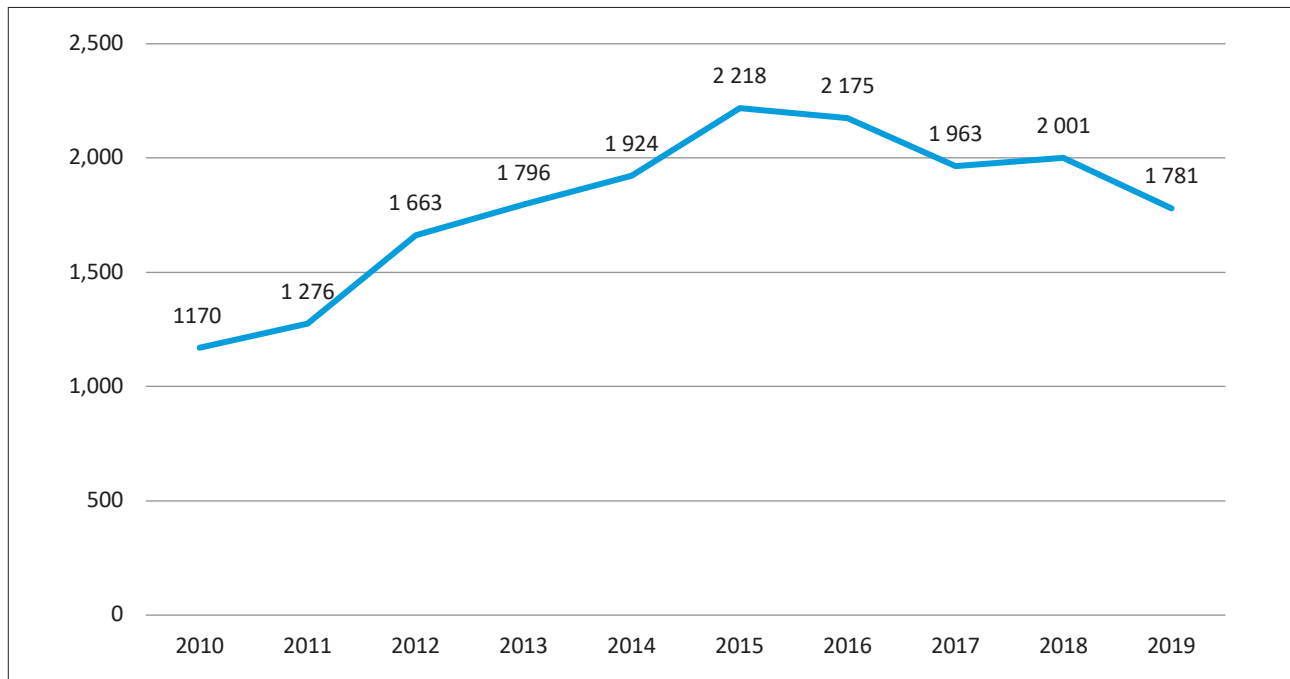


Source: Geostat.

Another trend worth monitoring concerns the evolution of the number of acute and chronic diseases, which provides an indication of the evolution in the need for long-term care for some workers with

such patients at home. The **number of registered acute and chronic diseases** substantially increased over the years between 2010 and 2015, followed by a declining trend afterwards (Figure 21).

Figure 21:
Number of registered cases of acute and chronic diseases (thousands)



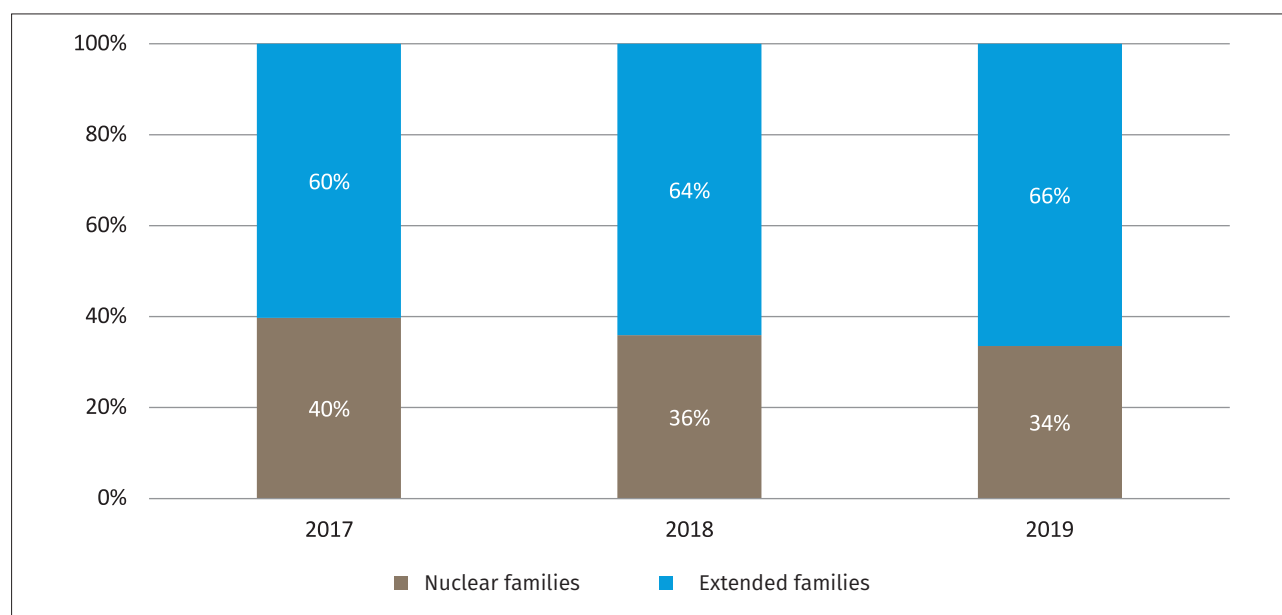
Source: Geostat.

Finally, we are going to observe the evolution in the prevalence of **nuclear (as opposed to extended) families** in society, as this sociological trend might have implications not only for the burden on workers with family responsibilities and the demand for care services, but also for more flexibility in working arrangements. As it can be seen in Figure 22, the share of hired workers coming from extended families was on the rise over the 2017-2019 period.

This has potentially different impacts on workers with family responsibilities, depending on whether we focus on the short or long term. This is what the existing literature about the impact of ageing societies on women suggests. In terms of increased labour force participation, women (who shoulder most care responsibilities) benefit from simple co-

residence with elderly family members, who can help, for example, with childcare or simple housekeeping tasks, as long as they are healthy. However, things change when elder-care needs increase. In this case, the presence of elderly family members in the household negatively affects women (Liu, Dong and Zheng, 2010). Thus, while living with parents and relatives might currently constitute one option to balance work and family life in Georgia, by sharing family responsibilities, the situation might become less sustainable in the future, as today's helpers become dependants as a result of getting older and/or sick. In consideration of this possibility, and of the trends towards an older society, we can expect an increase in the need for increased provision of elderly care services and of labour market flexibility for family workers.

Figure 22:
Share of hired workers coming from nuclear and extended families



Source: Authors' own calculations based on Geostat LFS data.

D. ELABORATION OF THE BASELINE SCENARIO

To summarize, we can claim that flexibility, remote work and taking leave for care duties were quite rare in Georgia before the pandemic. Working from home followed a persistent declining trend between 2017 and 2019 within the group of female workers with family responsibilities, while for males, the trend declined, on average. For both men and women, the incidence of overtime work was higher among workers with family responsibilities. As for flexible work arrangements and care leave opportunities, while general trends are hard to pinpoint, it is worth mentioning that men with family responsibilities appear to be those more likely to be engaged in flexible work arrangements. Interestingly, the prevalence of overtime and non-typical work arrangements increased slightly over time among female hired workers with family responsibilities, while the substantial prevalence of such work arrangements persisted for males, indicating a

deterioration in the situation of individuals with family responsibilities, compared to those without. Thus, if the observed trends remain the same after the pandemic, we can confidently claim that the problem with flexible work arrangements in the Georgian labour market will remain for the foreseeable future, and the burden on workers with family responsibilities are likely to increase.

Of course, the final evolution of the problem might be affected by several socioeconomic changes. Some of these changes could potentially improve the working conditions of workers with family responsibilities, while others could have a negative effect.

For instance, the further economic development of the country and an accompanying rise in the provision of high-quality education to both male and female workers could support a strong increase in corporate

and household incomes. All of these could directly translate into better-quality care services and – possibly – a more family-friendly corporate culture.⁴⁹ Furthermore, the general rise in income levels could alleviate poverty and decrease the vulnerable share of the population. Thus, on the one hand, workers might acquire greater bargaining power and, on the other hand, afford more labour-saving devices and paid help at home⁵⁰ (Cardia and Gomme, 2013). Finally, the diversification of economic sectors and increased demand for flexible work arrangements, such as freelance work and remote work, which are especially relevant in today's pandemic reality, could accelerate the reconciliation of work-family life, although there still might be associated risks with working overtime⁵¹ (Chung and van der Horst, 2020).

Other factors that could potentially exacerbate the scale of the problem if not timely addressed include the increased tendency towards nuclear families (away from extended families), the decreased fertility rate and ageing. The increase in the share of nuclear families can reduce the support that women receive within the household, especially for childcare. This, accompanied by a growing rate in female labour

force participation, might increase the risk of working on “double shifts” for women (Hein, 2005). In addition, the ageing population and the decreased fertility rate might indicate an increased tax burden for workers to subsidize elderly care (as such care transitions away from the household) (de Bruijn and Chitanava, 2017). The rising incidence of divorces and single parenting, as well as the increased number of nuclear families, can also be expected to gradually create a growing need for flexible work arrangements for workers with unshared family responsibilities.

To conclude, both the observed trends – showing a deterioration in the working conditions of workers with family responsibilities prior to the COVID-19 pandemic – and the review of the potential forces at work in the economy and in society, suggest the need to pay particular attention to the challenges faced by workers with family responsibilities. Considering the adverse long-term implications that a deterioration in the working conditions of workers with family responsibilities could have on social welfare and the economy, it is essential to start immediately thinking of possible ways to address the problem.

49 Here, the trends are mixed. Real gross domestic product (GDP) in Georgia has been steadily increasing over the past 10 years (excluding 2020), as has both the Household Incomes index and the Human Development Index (HDI). However, a composite index measuring average achievement in three basic dimensions of human development – a long and healthy life, knowledge and a decent standard of living the country – still shows lagging behind in educational indicators, according to the Programme for International Student Assessment (PISA) in 2018.

50 The introduction of labour-saving devices increased women's work time, especially since 1980, as the prices of durable goods, including labour-saving devices, declined.

51 Data from the Understanding Society from 2010 to 2015 show that when workers have control over their schedule, as a part of high-performance strategies, it leads to an increase in the number of unpaid overtime hours. This is especially true for childless professional men, and women, who are working full-time, as well as for part-time working mothers.

POLICY OBJECTIVES

The image features a solid blue upper half and a solid green lower half. Overlapping these sections are several large, semi-transparent circular shapes in shades of blue and green, creating a layered, abstract effect. The text 'POLICY OBJECTIVES' is centered in the blue section, underlined.

Considering the policy context, the nature and characteristics of the problem, its causes and its

consequences, we have identified the following general, specific and operational objectives below.

A. GENERAL OBJECTIVE

Ensuring the right of workers with family responsibilities to work time arrangements

compatible with decent work and increased quality of life.

B. SPECIFIC AND OPERATIONAL OBJECTIVES

1. Extending the right to flexible work arrangements already granted to some categories of workers (e.g. to parents of young children) to all workers with family responsibilities
2. Developing awareness within society (with a

focus on employers and employees) about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare

Table 4:
Summary of objectives

OBJECTIVE	INDICATOR	RESPONSIBILITY	TIMING
Specific Objective 1 - Extending the right to flexible work arrangements already granted to some categories of workers (e.g. to parents of young children) to all workers with family responsibilities			
1.1 Provision of guarantees for additional paid or unpaid days for carers' leave	<ol style="list-style-type: none"> a. Regulatory change in the Labour Code of Georgia and the Law of Georgia on Public Service to incorporate a limited number of days for paid/unpaid carers' leave b. Share of companies voluntarily (or by government request) changing the corporate rules to provide additional paid/unpaid days for carers' leave c. Take-up rate of paid/unpaid days for carers' leave by hired workers in both the public and private sectors 	<p>GoG</p> <p>Private companies</p> <p>Public institutions</p> <p>Labour Inspection Service</p> <p>MoDPOTLHSA</p>	XX years

<p>1.2 Provision of flexibility to workers to choose their preferred form of working and timetable</p>	<ul style="list-style-type: none"> a. Regulatory change in the legislation requiring that employers ensure flexibility for their workers, considering the specificity of the sector b. Regulatory change regulating night work, overtime and shift work for all types of family responsibilities c. Introduction of an indicator for family-friendly companies, by the responsible ministry d. Share of family-friendly companies e. Share of hired workers having a choice to decide the place of their work, considering the specificity of the sector f. Share of hired workers working from home g. Share of hired workers with flexible working hours h. Share of hired workers working under a task-based rather than a time-based system 	<p style="text-align: center;">GoG</p> <p style="text-align: center;">Private companies</p> <p style="text-align: center;">Public institutions</p> <p style="text-align: center;">Labour Inspection Service</p> <p style="text-align: center;">MoIDPOTLHSA</p>	<p style="text-align: center;">XX years</p>
<p>Specific Objective 2 - Developing awareness within society (with a focus on employers and employees) about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare</p>			
<p>2.1 Increased awareness around the right to flexible work arrangements among employers and employees</p>	<ul style="list-style-type: none"> a. Number of campaigns and social advertisements informing about such a right and its coverage i. Share of companies aware of this right and/or incorporating it into their corporate culture j. Share of hired workers understanding their right to flexible work arrangements 	<p style="text-align: center;">Labour Inspection Service</p> <p style="text-align: center;">MoIDPOTLHSA</p> <p style="text-align: center;">Private companies</p>	<p style="text-align: center;">XX years</p>
<p>2.2 Increased awareness around the benefits of flexible work arrangements among employers and employees</p>	<ul style="list-style-type: none"> a. Number of campaigns and social advertisements informing about the benefits of such policies and their coverage k. Share of companies aware of these benefits, incorporating them into their corporate culture l. Share of hired workers understanding the benefits of flexible work arrangements 	<p style="text-align: center;">Private companies</p> <p style="text-align: center;">MoIDPOTLHSA</p> <p style="text-align: center;">Labour Inspection Service</p>	<p style="text-align: center;">XX years</p>

<p>2.3 Elimination of the perception of ideal workers (working long hours) and decreased discrimination</p>	<ul style="list-style-type: none"> a. Share of unpaid overtime work performed by the total number of hired workers b. Share of companies shifting to a task-based remuneration system c. Share of hired workers with family responsibilities among hired workers d. Average remuneration rate of those hired workers with/without family responsibilities e. Advancement/promotion opportunities for those hired workers with/without family responsibilities f. Hiring rate of workers with/without family responsibilities g. Firing rate among workers with/without family responsibilities 	<p>Private companies</p> <p>MoIDPOTLHSA</p> <p>Labour Inspection Service</p>	<p>XX years</p>
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DEVELOPMENT OF
OPTIONS ALTERNATIVE
TO THE BASELINE
SCENARIO

A. POLICY OPTION 0: STATUS QUO SCENARIO

In the status quo scenario, the Government maintains the current labour market legislation unaltered, both for public servants (regulated by the Law on Public Service) and for all other workers, including all other public employees (regulated by the Labour Code). In this scenario, only family responsibilities towards children younger than 3 years old, as well as responsibilities towards disabled people in the family, will be granted some sort of recognition and protection. Most workers with existing and potential family responsibilities, however, will still face a lack of legislative protection when negotiating working arrangements to improve their work-family balance. In the status quo, awareness about the right to flexible work arrangements and the benefits associated with them remain low among both employees and employers.

The status quo scenario is associated with the following opportunities:

- The lessons learned from the flexible work arrangements in the pandemic reality, the recent regulatory changes in terms of paternal protection, and the expanded role of the Labour Inspectorate could potentially lead to an increase in awareness among businesses and to the spontaneous emergence of more flexible work arrangements, associated with increased productivity and income. This, while theoretically possible, is extremely unlikely – based on the results of our stakeholder consultations and analysis of the current labour market practices – as it could happen only in the presence of substantial changes to the current business culture of long working hours, perceptions about workers' working ethics and motivation, and business organization/operations.
- The lack of regulation could potentially constitute grounds for the development of

private care services for children, the elderly and persons with disabilities. However, as already mentioned in Part I, this could happen only amid substantial changes to the current social stereotypes, as well as income growth and the respective increase in demand for such services. As these changes require time, it is unlikely that major changes will be observed in the short and medium term (up to five years).

The status quo scenario is associated with the following risks:

- Most workers with family responsibilities will not have access to additional care days and will not benefit from a favourable regulation of overtime and night work helping to ensure the balance between work and family responsibilities, be they:
 - Care responsibilities towards the elderly;
 - Care responsibilities towards persons with disabilities;
 - Care responsibilities towards children aged 3 and older;
 - Care responsibilities towards other immediate sick family members.
- Workers with family responsibilities would be facing increasing trade-offs between professional goals and family responsibilities.
- Workers with family responsibilities would be exposed to a high risk of family conflicts, discrimination, reduced health and productivity, and poverty.
- Human capital development of working-age dependants or children would also be hindered due to the lack of care.
- Businesses would face much higher turnover costs of absenteeism and reduced income due to the low productivity of workers as a result of fatigue and stress.

B. POLICY OPTION 1: CLOSURE OF THE LEGISLATIVE GAPS RELATIVE TO WORKERS WITH FAMILY RESPONSIBILITIES, ACCOMPANIED BY ACTIVE EFFORTS TO INCREASE THE AWARENESS WITHIN SOCIETY (WITH A FOCUS ON EMPLOYERS AND EMPLOYEES) ABOUT THE RIGHT TO FLEXIBLE WORK ARRANGEMENTS FOR WORKERS WITH FAMILY RESPONSIBILITIES AND THE BENEFITS OF SUCH ARRANGEMENTS FOR COMPANIES, THE ECONOMY AND SOCIAL WELFARE

Policy Option 1 includes closing the gaps identified by the legal gap analysis and providing workers with family responsibilities all of the benefits omitted from the current regulation and recommended by ILO Convention No. 156, ILO Recommendation No. 165 and EU Directive 2019/1158 on work-life balance for parents and carers. Accordingly, legislative changes should ensure that all types of family responsibilities (childcare, elderly care, care for sick family members and care for other dependent members of the immediate family) are fully and explicitly recognized by the legislation (both the Labour Code and the Law on Public Service). In addition, the State should ensure that these provisions are not specific to women because having legislation that assumes that only women have care responsibilities can reinforce women's disadvantage in the labour market.

Practical actions should include the following:

- Include in the legislation a comprehensive definition of workers with family responsibilities.
- Guarantee explicitly at least five days per year for carers' leave in the Labour Code and the Law on Public Service to all workers with potential family responsibilities who are not eligible according to the current legislation. Note: Those who are already eligible include (1) hired workers regulated by the Labour Code who have children under the age of 5 or who have disabled individuals (child/adult) at home; and (2) public servants regulated by the Law on Public Service who have disabled individuals (child/adult) at

home.

- Extend the regulation of night work to all hired workers with family responsibilities, in addition to hired workers with children under the age of 3, who are already covered by the Labour Code.
- Extend the regulation of part-time work to all public servants with family responsibilities, in addition to those who currently have access to this option (with children under 1 year of age).
- Extend the regulation of overtime work to all hired workers with family responsibilities, in addition to those currently covered, all those who have children younger than 3 years old and those who have a family member with a disability.
- Accompany the aforementioned actions by active awareness-raising campaigns targeting businesses and workers about the right to flexible work arrangements and the benefits associated with such arrangements.

The policy option is associated with the following opportunities:

- Improved working conditions for workers with family responsibilities with access to additional leave for carers and better-regulated overtime and night work.
- Easier reconciliation of work and family life, resulting in reduced stress and better mental/physical health outcomes for workers with family responsibilities.
- Increased labour force participation, especially among women, since, as was already mentioned,

they typically carry the main burden associated with family responsibilities.

- Improved physical and mental health of the dependants, with potential improvement in labour market outcomes for working-age dependants, and future labour market outcomes for children.
- Lower absenteeism and turnover costs and more productive workers for businesses, leading to increased output and income for companies.
- Decreased probability of poverty for workers with family responsibilities and dependants, the elderly, the disabled, chronically ill patients and children.
- Increase in GDP growth and employment through increased female labour force participation and workers' productivity.

The policy option is associated with the following risks:

- Increased probability of implicit discrimination against workers with family responsibilities, as they might be perceived as an "inferior" type of worker, associated with higher costs and/or lower productivity. This risk, however, is going to be substantially minimized by a legislative change like the one suggested, which adopts

a broad definition for family responsibilities, basically covering almost all individuals currently employed (which, by definition, reduces the scope for discrimination).

- Increased informality in the economy, as some businesses might attempt to stay outside the coverage of the Labour Code and hire some (especially low-skilled) workers informally. While it is unlikely that the change in the legislation will have such a large impact on companies to force them into informality, minimizing this risk of partial informalization of labour market arrangements will require strengthening efforts to monitor companies and increasing employees' awareness about their rights.
- Lower labour demand, if the positive effects on productivity and the well-being of workers are more than offset by large-scale opportunistic behaviours adopted by workers (as feared by employers). This (low) risk can be minimized by requiring proper documentation of a family's needs as a prerequisite for enjoying the benefits granted by the legislation, as well as by supporting a change in business practices – to be more oriented towards results than towards ensuring workers' presence in the workplace.

ANALYSIS OF IMPACTS

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A. IDENTIFICATION OF POSSIBLE IMPACTS

The implementation of the policy option described above will have an influence on society, affecting the well-being and labour market outcomes of workers with family responsibilities (particularly female workers), as well as the well-being of individuals needing care, and extending to other areas such as labour market participation, GDP growth, gender equality and poverty. Moreover, changes associated with the administrative and economic burden of private companies, state agencies and public finances are also expected. In this section, the main expected impacts of the alternatives, representing the possible implications of the chosen policy option in each of the directions, are listed and analysed qualitatively.

Policy Option 1: Closure of the legislative gaps relative to workers with family responsibilities, accompanied by active efforts to increase the awareness within society (with a focus on employers and employees) about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare

Administrative (public)

The introduction of the reform will **increase the administrative burden on the public administration body delegated to ensure its correct implementation and enforcement and, possibly, on the courts.** The Labour Inspectorate will have to establish internal procedures to monitor proactively the implementation of the reform – gathering and analysing relevant information – and answer to appeals from workers who feel that their rights have been violated, investigating such cases. The courts might see an increase in the number of workers appealing to them, seeking an enforcement of their rights. The magnitude of the impact is currently uncertain. On one hand, the Labour Inspectorate is still working to adjust procedures and activities to deal with the expansion of its responsibilities associated with the recent Labour Code changes. On the other hand, the approved

changes to the Labour Code have not yet started giving rise to a noticeable increase in cases brought up by workers to the courts, and future impacts are even harder to predict. **The administrative burden will also increase for public administration at large, as it will have to adjust its procedures and practices towards public employees** to abide by the legal changes.

Public finances

Public finances might be affected by the reform through three channels. **The first channel is associated with the increase in the resources needed by the Labour Inspectorate and by the courts** to take on the additional responsibilities associated with it. As highlighted in the discussion of the administrative impact of the reform, the pressure on the Labour Inspectorate and on the courts is expected to increase. However, it is not clear whether this will require a further increase in the transfer of funds from the budget to these bodies. This will be clearer once the adjustments to the recent Labour Code changes – for which the Labour Inspectorate has already received supplementary resources – will be complete. **The second channel is associated with the direct costs of adjustment within the public administration (reflecting the impact of legislative changes on work practices of public employees) and the potential transfer of part of the financial costs imposed on businesses by the reform on the public budget.** As the provisions have not been defined in detail, nor has it been discussed whether and to what extent the resulting costs will be shared between companies and the public budget, the quantification of such costs remains impossible. However, it is possible to estimate the number of potential beneficiaries from the changes associated with the reform. The estimates are discussed in Section V (the quantitative assessment). **The third channel is the potential increase in public revenues associated with a higher level of economic activity and employment and with the lower costs of public health expenditures.** It is plausible to assume that the long-term impact on public finances could be

positive (once GDP and employment changes are taken into consideration). The short-term impact, however, is more likely to be negative, as costs kick in immediately while the benefits take some time to materialize. The magnitude of the short-term costs will crucially depend on the extent of the rights warranted to workers with family responsibilities and to the share of companies' costs that the public budget will have to cover.

Businesses

Businesses will need to **adjust their internal practices and procedures** to abide by the newly introduced regulations. This will probably imply a limited impact on the businesses' administrative costs. The largest negative impact on businesses will probably be associated with the need to **grant an increased number of days of leave** (especially if paid) to workers with family responsibilities and, possibly, the need to slightly increase the size of their staff to compensate for the reduction in the effective number of days worked by the workforce. On the positive side, however, **businesses might benefit from the increased motivation and productivity** of workers with family responsibilities, **as well as from the introduction of more modern and efficient organizational models**. Other possible sources of gains are the reduced number of days of sick leave (as workers' physical and mental health improve) and the lower probability of staff absenteeism and turnover. Overall, businesses are the most likely to experience a net loss from the introduction of the provisions included in the reform option (this is also according to a quantitative study accompanying the discussion of EU Directive 2019/1158 at the European Parliament (Milotay, 2019). The extent of the loss, however, will depend critically on the provisions adopted and on the degree of public support they will receive.

Labour market

The impact of the reform on labour markets is expected to be positive and to take place progressively over time, as the **improved working conditions for workers with family responsibilities will encourage an increase in labour force**

participation and employment (Milotay, 2019), thanks to a greater inflow of workers with family responsibilities into the market. The reform can also be expected to contribute to a **reduction in labour market discrimination and/or segregation of workers with family responsibilities, by expanding the share of workers potentially benefiting from provisions supporting workers with family responsibilities to almost 100 per cent**.

Economic

The main economic impacts associated with the reform are likely to occur over time, with **GDP expanding thanks to the increased labour force participation and employment levels** (Milotay, 2019), stimulating a virtuous cycle of higher levels of economic activity, increased incomes and greater demand for goods and services. **In the short term, the progress might be less visible**, as the labour market reacts slowly while businesses react faster, adjusting their organizational structures, practices and procedures and shouldering the initial costs associated with the reform.

Social

The social impacts of the reform are **expected to be greatly positive**, leading to a significant increase in the well-being of workers with family responsibilities and of their family members. Among the expected positive effects of the reform are fewer conflicts and less violence within households; the improved mental and physical health of workers with family responsibilities and other family members (with long-lasting positive effects on children); less wage inequality; a reduced probability of discrimination and/or segregation; and a smaller share of households and individuals at risk of poverty both in the short term and in the longer term. In terms of discrimination, it is important to highlight that, given the overwhelmingly large share of workers with current or potential family responsibilities (close to 100 per cent, according to our estimates), any discrimination would be much harder to implement compared to the current situation, in which rights are recognized only to a small minority.

Gender equality

The expected impact of the reform on gender equality is also positive, as the reform will grant rights to all workers with family responsibilities, regardless of their gender. This can be expected to encourage men (over time) to contribute more to care and other family-related activities, strengthening the weakly increasing trend showed by the LFS data in male involvement in family activities, especially as more women enter the labour market. This, in

return, can be expected to fuel a virtuous cycle leading to **changes in gender stereotyping and gender norms, strengthening the tendency towards greater labour market participation of Georgian women.** The expected **decline in discrimination and/or segregation** of workers with family responsibilities in the labour market can be expected to benefit women proportionally more than men, thereby contributing to the **reduction in several gender gaps, namely the participation gap, the employment gap and the wage gap.**

Table 5:
Summary of the impact of the selected option

Impact	Type (direct/indirect; Short/medium/long term)	Group(s) affected and/or other relevant indicators affected	Expected direction (positive/negative)	Expected alternatives influenced
Administrative				
Increased administrative burden on the public administration body	Direct Short-term	Labour Inspectorate Other public administration bodies	Negative	Option 1
Increased administrative burden on the courts	Direct Short-term	City and regional courts	Negative	Option 1
Public finances				
Increased costs for resources for the Labour Inspectorate	Direct Short-term	State budget	Negative	Option 1
Increased costs for resources for the courts	Direct Short-term	State budget	Negative	Option 1
Increased reform adjustment costs for public administration	Direct Short-term	State budget	Negative	Option 1
Increased reform enforcement costs for public administration	Direct Short-term	State budget	Negative	Option 1
Decreased public health-care costs	Indirect Medium-term and long-term	State budget	Positive	Option 1

Increased benefits derived from increased GDP and employment rate	Indirect Long-term	State budget	Positive	Option 1
Businesses				
Increased administrative costs for reform adjustments	Direct Short-term	Companies Employers	Negative	Option 1
Increased costs of additionally granted days	Direct Short-term	Companies Employers	Negative	Option 1
Increased benefits due to improved productivity of workers	Indirect Medium-term and long-term	Companies Employers	Positive	Option 1
Decreased costs due to less turnover and absenteeism	Indirect Medium-term and long-term	Companies Employers	Positive	Option 1
Labour market				
Increased labour force participation	Indirect Medium-term and long-term	Workers with family responsibilities Employers	Positive	Option 1
Increased employment	Indirect Medium-term and long-term	Workers with family responsibilities Employers	Positive	Option 1
Economic				
GDP growth – higher level of economic activity	Indirect Long-term	All of society	Positive	Option 1
Social				
Fewer conflicts and less violence within households	Indirect Medium-term and long-term	Workers with family responsibilities	Positive	Option 1
Improved mental and physical health	Indirect Medium-term and long-term	Workers with family responsibilities	Positive	Option 1
Less wage inequality	Indirect Medium-term and long-term	All of society and the economy	Positive	Option 1

Reduced probability of discrimination/segregation	Indirect Medium-term and long-term	Workers with family responsibilities	Positive	Option 1
Smaller share of households and individuals at risk of poverty	Indirect Long-term	Workers with family responsibilities All of society and the economy	Positive	Option 1
Gender equality				
Changes in gender stereotypes and gender norms	Indirect Medium-term and long-term	All of society	Positive	Option 1
Strengthened tendency of more female labour force participation	Indirect Medium-term and long-term	Female workers with family responsibilities	Positive	Option 1
Reduced gender participation gap	Indirect Medium-term and long-term	All of society and the economy	Positive	Option 1
Reduced gender employment gap	Indirect Medium-term and long-term	All of society and the economy	Positive	Option 1
Reduced gender wage gap	Indirect Medium-term and long-term	All of society and the economy	Positive	Option 1

B. QUANTITATIVE ASSESSMENT OF THE IMPACTS OF THE POLICY OPTION

Our quantitative assessment of the impacts of the policy option focuses on two aspects: (1) the quantification of the number of beneficiaries of the reform; and (2) the monetization of the costs associated with awareness campaigns.

Beneficiaries of the reform

As already mentioned, the reform should cover all workers with family responsibilities, closing the existing gaps in the legislation, and provide all

additional benefits that are not currently considered in either the Labour Code of Georgia or the Law on Public Service but that are envisioned either by ILO Convention No. 156, ILO Recommendation No. 165 or EU Directive 2019/1158.

In this exercise, we define as the total number of workers with family responsibilities all of the hired workers who do not live alone, in accordance with the broadest possible definition of workers with family responsibilities.⁵²

52 We are, therefore, assuming that any person living with at least one family member should be potentially eligible for

benefits associated with the status of “worker with family responsibilities”.

For the purpose of our analysis, we are going to divide the hired workers into two groups: (1) hired workers who work in the private sector and those who work in the public sector but under the coverage of the Labour Code of Georgia; and (2) civil servants under the coverage of the Law of Georgia on Public Service. Moreover, within each of these groups, we divide affected individuals into “high-probability” and “low-probability” beneficiaries of the reform. High-probability beneficiaries are workers in whose household there are potentially vulnerable individuals who are more likely to need some care, such as children aged 0-14, the elderly (aged 79+), chronically ill patients, disabled children or disabled adults (according to our narrow definition of workers with family responsibilities). We define this group as high probability because these individuals have a greater likelihood (and need) to exert their “new” rights. Low-probability beneficiaries are, instead, those who do not currently have any vulnerable

individuals in the household but do have other household members not currently classified as vulnerable who might need some kind of care in the future.

Below, we are going to assess the potential increase in coverage associated with the reform, reporting the total coverage following the reform and splitting it into two components: (1) the high-probability group, most likely to exert their new rights; and (2) the low-probability group, unlikely to exert their rights in the near future. For comparison, we also report the percentage of those already covered – namely those workers with family responsibilities who will not be affected by the reform. All shares are calculated based on 2019 LFS data. The outcomes are represented in the tables below. Here, we present the aggregated results. Gender-disaggregated tables are presented in Annex 2.

Table 6:
Hired workers with family responsibilities under the coverage of the Labour Code of Georgia affected by the reform*

	Hired workers in the private sector				Hired workers in the public sector			
	Current coverage	Total coverage following the reform	High-probability groups	Low-probability groups	Current coverage	Total coverage following the reform	High-probability groups	Low-probability groups
Carers' leave days: No specific minimum provision by the ILO, although there is a specific 5-day provision under EU Directive	0.57%	96.73%	61.03%	35.71%	0.75%	93.93%	62.12%	31.81%
Night work: No specific minimum provision	0.15%	97.15%	61.44%	35.71%	0.05%	94.64%	72.55%	22.09%
Regulation of overtime: No specific minimum provision	0.54%	96.76%	61.05%	35.71%	0.7%	93.94%	62.13%	31.81%

Source: Authors' own calculations based on Geostat LFS data.

*Note: Approximately 802,693 hired workers were regulated by the Labour Code of Georgia, out of which 543,172 were employed in the private sector while 259,721 were employed in the public sector in 2019. The regulation of part-time work is not represented in the table since the part-time work of hired workers is already fully regulated by the Labour Code of Georgia and is in compliance with the provisions of ILO Recommendation No. 165.

Among workers whose contractual arrangements were regulated by the Labour Code of Georgia, in 2019, 68 per cent were employed by the private sector, while 32 per cent were working for the public sector. From the analysis of Table 6, we see that the expected impacts of the reform will differ across provisions, as well as across private and public sectors.

As far as the private sector impact is concerned, the share of workers with family responsibilities fully covered by the legislation can be expected to increase from less than half of a percentage point (between 0.15 and 0.57 per cent, depending on the provision) to more than 96 per cent. Among these workers, a bit less than two thirds (depending on the provision) can be classified as high probability (i.e. living with potentially vulnerable family members), while slightly more than one third can be classified as low probability.

Among public sector employees subject to the provisions of the Labour Code, the share of workers with family responsibilities fully covered by the legislation can be expected to increase from less than a percentage point (between 0.05 and 0.75 per cent, depending on the provision) to more than 93 per cent. Among these workers, around two thirds can be classified as high probability (i.e. living with potentially vulnerable family members), while around one third can be classified as low probability.

Among public sector employees, subject to the Law on Public Service (Table 7), the share of workers with family responsibilities fully covered by the legislation can be expected to increase from less than a percentage point (0 per cent to 0.74 per cent, depending on the provision) to more than 93 per cent. Among these workers, almost two thirds can be classified as high probability (i.e. living with potentially vulnerable family members), while almost one third can be classified as low probability.

Table 7: Civil servants with family responsibilities under the coverage of the Law of Georgia on Public Service affected by the reform*

	Civil servants under the Law on Public Service			
	Current coverage	Total coverage following the reform	High-probability groups	Low-probability groups
Carers' leave days: No specific minimum provision by the ILO, although there is a specific 5-day provision under EU Directive 2019/1158	0.7%	93.99%	62.18%	31.81%
Night work: No specific provision	0%	94.68%	62.87%	31.81%
Regulation of overtime: No specific provision	0.74%	93.94%	62.13%	31.81%
Regulation of part-time: No specific provision	0%	94.68%	62.87%	31.81%

Source: Authors' own calculations based on Geostat LFS data and the annual reports of the Civil Service Bureau.

* Note: 40,141 civil servants were regulated by the Law on Public Service in 2019.

While the increase in the shares of workers covered by the proposed legislative changes is extremely large, including a predominant share of individuals likely to take advantage of such legislative changes due to the presence of vulnerable family members in their household, it is important to remember that the proposed legislative changes are not associated

with large monetary or non-monetary compensation at the individual level. Most provisions will only require employers to reorganize their activities to take into account the needs of workers with family responsibilities, without any substantial reduction in their contribution to productive activities (and actually, with a likely improvement in terms of

productivity and a reduction in turnover and days lost due to worsened physical and mental health).

The only provision that could apparently lead to a reduction in the contribution of workers with family responsibilities to productive activities is that regarding carers' leave. Carers' leave is the only provision for which there is a minimum benefit – 5 days of leave – mentioned in EU Directive 2019/1158. The “cost” to society associated with the introduction of such a provision can be assessed preliminarily as up to 2.6 million working days “lost” from high-probability groups (of which up to 932,000 days lost are in the public sector) and up to 1.5 million working days “lost” from low-probability groups (of which up to 477,000 days lost are in the public sector). While these numbers might seem high, it is important to notice that up to 4.1 million working days lost (the highest possible “cost” – of which about 1.41 million days lost are in the public sector) amounts to approximately 2 per cent of the theoretical number of working days in a year for the hired workers in 2019. Moreover, as mentioned above, this very rough estimate does not take into account the many potential benefits arising from the introduction of the provisions supporting workers with family responsibilities, likely to result in higher labour force participation (with associated growth in GDP and employment), higher productivity and motivation on the job, lower turnover, less absenteeism and lower incidence of physical and mental health issues, with an associated increase in profitability and an expected reduction in days lost due to sick-leave and health-care costs for both households and society. It is worth highlighting that these “gains” can be expected to more than offset the expected “losses”. This view is supported by a quantitative analysis of the costs and benefits associated with the introduction

of EU Directive 2019/1158, accompanying the discussion of the Directive in front of the European Parliament. This Directive (also discussed in our RIA exercise) was introducing similar provisions to the ones under analysis, at the EU level (in addition to changes in rules about other related issues, such as parental leave). The analysis, whose results were published by the European Parliament in 2019, predicted a significant positive impact in terms of the net present value (NPV), GDP and employment. According to that study, the group of stakeholders facing the most relevant losses were businesses (Milotay, 2019).⁵³

Costs associated with awareness-raising

Another cost associated with the proposed reform is that incurred to increase awareness in society (particularly among employers and employees) about the new rights of workers with family responsibilities and the expected benefits for workers, companies and society. We are going to assume that awareness campaigns will be funded through the public budget.

The discount rate we selected is the interest rate on five-year government bonds in June 2021 (the latest auction available) – 9.09 per cent, corresponding to a 4.29 per cent real discount rate.⁵⁴ Based on the Georgian market review, done by the RIA team, the following awareness campaign costs were assumed in 2021: GEL 4,130 to design social media advertisements,⁵⁵ GEL 200 to design flyers and GEL 10,000 to print said flyers. Over the estimation period, these costs are indexed to inflation – 4.8 per cent. Thus, the discounted costs for three years are presented in Table 8.

Table 8:
Discounted costs of awareness campaigns

	Year 1	Year 2	Year 3	Total
Present value	13,136	12,619	12,123	37,878

53 Again, it is important to highlight that the Directive was including other provisions – much more costly for companies – such as changes to parental and maternity leave, in

addition to the ones discussed in this report.

54 The inflation rate in April 2021 was 4.8 per cent.

55 Launching social media advertisements on a public channel is usually free.



COMPARING THE OPTIONS

The extent of the **effectiveness and efficiency** of the policy option is measured in relation to the general objective of the Government's intervention: **ensuring the right of workers with family responsibilities to work time arrangements compatible with decent work and increased quality of life.**

The **efficiency implications of a reform are typically measured by looking at the NPV of the costs and benefits associated with it.** In our case, unfortunately, the high level of uncertainty still surrounding the reform has not allowed us to perform a monetization of the net benefits and the calculation of NPV. However, based on the review of the literature and, in particular, of the quantitative assessments of the impacts of EU Directive 2019/1158, which is strictly related to several issues discussed in this report, **the net effect of the reform for society, in terms of NPV, is expected to be positive over the long term.**

In addition to this general statement about the expected efficiency implications of the reform, we are also going to show the monetization of the expected costs for the awareness campaign, which is one component of the reform.

While comparing the policy option to the status quo scenario, we considered several criteria in addition to the expected efficiency implication of the policy

A. SUMMARY OF OPTIONS

To provide a summary of the results, in the multi-criteria analysis, we have assigned points to different policy options. The points range from -5 to 5. A negative score represents a decrease in efficiency

option. These criteria are as follows:

- **Effectiveness:** the capability to produce the desired results. In our case, this includes the capability to:
 - Extend the right to flexible work arrangements already granted to some categories of workers (e.g. to parents of young children) to all workers with family responsibilities
 - Develop awareness within society (with a focus on employers and employees) about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare
- **Feasibility:** the easiness of realization.
- **Minimization of the risks associated with the offered policy option** (discussed in the section describing the option).
- **Maximization of the potential benefits** (discussed in the section describing the option).

Note: As both the baseline scenario and Policy Option 1 have specific potential risks and benefits, the scores assigned will reflect the net (overall) expected impact and its magnitude.

or effectiveness compared to the status quo, while a positive score represents an increase in efficiency or effectiveness. A score of 0 indicates the same level of efficiency or effectiveness as in the baseline scenario.

Table 9:
Comparison of options using multi-criteria analysis

EVALUATION CRITERIA	Option 1: Closure of the legislative gaps and awareness-raising
Expected efficiency impact (NPV)	Positive
Incremental costs for the public budget^a	37,878
Incremental costs for businesses^b	N/A
Effectiveness 1 – Extending the right to flexible work arrangements to all workers with family responsibilities	4
Effectiveness 2 – Developing awareness within society about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare	4
Feasibility/ease of complying	-2
Minimization of potential risks^c	0
Maximization of potential benefits^d	3

^a The monetization of the incremental costs for the public budget could be performed only partially, due to the existing uncertainties associated with the recent reform of the role of the Labour Inspectorate, as well as the planned increase in human and financial resources associated with it. At this stage, it is unclear whether and to what extent such an increase would also cover an extension of the rights of workers with family responsibilities or would require additional resources. A more precise assessment could be performed after the Labour Inspectorate has fully incorporated its new responsibilities among its regular operations and has a clearer vision about how it could enforce this additional regulatory change (at the operational and technical level), as well as what incremental costs (if any) this would generate. A vast degree of uncertainty also characterizes the monetization of potential financial costs associated with the public budget contributing to cover the costs associated with an increase in paid leave, as such discussion has not even started. At the moment, there is also no information about the expected impact of the reform on the workload of the courts.

^b The expected incremental costs for businesses were not monetized, due to the extremely high uncertainty about the additional technical/regulatory requirements put in place to ensure the enforcement of the reform, as well as the potential financial costs associated with an increase in the number of paid leave days (see the challenges listed about monetizing the incremental costs for the public budget).

^c Both keeping the status quo and moving away from it have their own risks. The score reflects our assessment of the relative increase in risks moving away from the status quo. In our assessment, the reduction in risks of family conflicts, trade-offs between work and family activities, and losses of companies associated to high turnover and lower productivity associated with the reform, are likely to at least offset the limited increase in risk of discrimination, informalization and reduction in labour demand.

^d The score attributed to the maximization of potential benefits reflects the assessment that expected benefits from the status quo are limited and have a low likelihood to materialize, while the benefits associated with the reform are more likely and more significant.

B. PREFERRED OPTION

As we pointed out in the previous sections, the current analysis is constrained by the high level of uncertainty still surrounding the ultimate shape of the reform, as well as the operational and technical solutions to be put in place for its realization. Conducting a comprehensive final assessment about which option should be preferred would require closing the existing information gaps (which is not feasible in the near future) and attributing weights to the individual components of the multi-criteria analysis (which is not a technical but a political assessment and should be the result of a negotiation process among the relevant stakeholders).

For this reason, we are going to discuss the preferability of the reform with respect to the status quo looking at one aspect at the time, without attempting to achieve a final (summary) score.

What we can already say, following our multi-criteria analysis, is what follows. The introduction of the reform:

- Is expected to increase (to an uncertain extent) the burden on the public budget and on businesses.
- Has a high level of expected effectiveness in achieving its specific objectives (closing the gaps

and increasing awareness about the rights of workers with family responsibilities).

- Will require some adjustments, both at the business and at the public sector level, in order to ensure compliance.
- Will not imply significant risks.
- Is expected to generate significant additional economic benefits (including monetary, although cannot be monetised at the moment) and non-economic benefits, both for households, businesses and the country.

Overall, our analysis suggests that **the reform should be preferred to the status quo**, if the focus is on the need to abide by the international obligations of the country and ensure the protection of the rights of workers with family responsibilities. Other arguments in favour of the proposed reform are the expected potential positive economic impacts on the economy (through increased labour force participation, employment and GDP). Given this, the debate should concentrate (following additional assessments once the now-missing information becomes available) on identifying the operational and technical implementing solutions that can allow a minimization of the negative impacts on the public budget and on businesses.

MONITORING AND EVALUATION PLAN

To keep track of the performance of the reform along its implementation, assess its impacts and modify the interventions in case of deviations from the planned path, it is important to set up a proper monitoring and evaluation plan. The monitoring and evaluation plan should allow for an assessment of how well the actions and the associated outcomes match the policy objectives set in Section III. The indicators that have been suggested to evaluate the performance of the system are divided into two main categories:

1. Extending the right to flexible work arrangements already granted to some categories of workers (e.g. to parents of young children) to all workers with family responsibilities
2. Developing awareness within society (with a focus on employers and employees) about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare

Table 10:
Indicators of progress towards meeting the objectives

Indicator	Frequency of evaluation	Responsibility for monitoring
1. Extending the right to flexible work arrangements already granted to some categories of workers (e.g. to parents of young children) to all workers with family responsibilities		
Provision of guarantees for additional paid or unpaid days for carers' leave		
Regulatory change in the Labour Code of Georgia and the Law of Georgia on Public Service to incorporate a limited (minimum) number of days for paid/unpaid carers' leave	One time	GoG Labour Inspection Service MoIDPOTLHSA
Share of companies voluntarily (or by government request) changing the corporate rules of actions to provide additional paid/unpaid days for carers' leave	Yearly	Labour Inspection Service Business Association of Georgia Georgian Employers' Association Geostat
Take-up rate of paid/unpaid days for carers' leave by hired workers in both the public and private sectors	Yearly	Geostat
Provision of flexibility to workers to choose their preferred form of working and timetable		
Regulatory change in the legislation requiring that employers ensure flexibility for their workers, considering the specificity of the sector	One time	GoG Labour Inspection Service MoIDPOTLHSA
Regulatory change regulating night work, overtime and shift work for all types of family responsibilities	One time	GoG Labour Inspection Service MoIDPOTLHSA
Introduction of an indicator for family-friendly companies, by the responsible ministry	One time	MoIDPOTLHSA

Share of companies classified as family-friendly	Yearly	Labour Inspection Service Business Association of Georgia Georgian Employers' Association Geostat
Share of hired workers having a choice to decide the place of their work, considering the specificity of the sector	Yearly	Geostat
Share of hired workers working from home	Yearly	Geostat
Share of hired workers with flexible working hours	Yearly	Geostat
Share of hired workers working under a task-based rather than a time-based system	Yearly	Geostat
2. Developing awareness within society (with a focus on employers and employees) about the right to flexible work arrangements for workers with family responsibilities and the benefits of such arrangements for companies, the economy and social welfare		
Increased awareness around the right to flexible work arrangements among employers and employees		
Number of campaigns and social advertisements informing about such a right and its coverage	First three years annually	MoIDPOTLHSA
Share of companies aware of this right and/or incorporating it into their corporate culture	Yearly	Labour Inspection Service Business Association of Georgia Georgian Employers' Association Geostat
Share of hired workers understanding their right to flexible work arrangements	Yearly	Labour Inspection Service Business Association of Georgia Georgian Employers' Association Geostat
Increased awareness around the benefits of flexible work arrangements among employers and employees		
Number of campaigns and social advertisements informing about the benefits of such policies and their coverage	First three years annually	MoIDPOTLHSA
Share of companies aware of these benefits, incorporating them into their corporate culture	Yearly	Labour Inspection Service Business Association of Georgia Georgian Employers' Association Geostat

Share of hired workers understanding the benefits of flexible work arrangements	Yearly	Labour Inspection Service Business Association of Georgia Georgian Employers' Association Geostat
Elimination of the perception of ideal workers (working long hours) and decreased discrimination		
Share of unpaid overtime work performed by the total number of hired workers	Yearly	Geostat
Share of companies shifting to a task-based remuneration system	Yearly	Geostat Labour Inspection Service Business Association of Georgia Georgian Employers' Association
Share of hired workers with family responsibilities among hired workers	Yearly	Geostat Labour Inspection Service Business Association of Georgia Georgian Employers' Association
Average remuneration rate of those hired workers with/without family responsibilities	Yearly	Geostat Labour Inspection Service Business Association of Georgia Georgian Employers' Association
Advancement/promotion opportunities for those hired workers with/without family responsibilities	Yearly	Geostat Labour Inspection Service Business Association of Georgia Georgian Employers' Association
Hiring rate of workers with/without family responsibilities	Yearly	Geostat Labour Inspection Service Business Association of Georgia Georgian Employers' Association
Firing rate among workers with/without family responsibilities	Yearly	Geostat Labour Inspection Service Business Association of Georgia Georgian Employers' Association

The graphic features a solid blue top half and a solid green bottom half. In the center, there are two overlapping circles: a larger light blue circle in the upper half and a larger light green circle in the lower half. The text 'PUBLIC CONSULTATION' is written in white, uppercase, sans-serif font across the top of the light blue circle, and 'PROCESS' is written in the same style across the top of the light green circle. Both lines of text are underlined with a thin white horizontal line.

PUBLIC CONSULTATION PROCESS

Data collection took place throughout the project implementation period. The consultations with various stakeholders mainly took place during June 2021. The consultation findings have been incorporated into this report.

The first step was identifying the main stakeholders and categorizing them in an influence-interest matrix format. Table 11 presents this matrix.

Table 11:
Stakeholder influence-interest matrix

	LOW INFLUENCE	HIGH INFLUENCE
LOW INTEREST	Labour market experts Human rights NGOs/foundations	Ministry of Finance
HIGH INTEREST	UN Women ILO Gender experts Gender Equality Council of the Parliament Private employment agencies Human Rights Education and Monitoring Center (EMC) Workers with family responsibilities	MoIDPOTLHSA Ministry of Economy and Sustainable Development of Georgia Labour Inspectorate Parliament of Georgia: Committee for Health and Labour Issues Trade Unions Business Associations Employers' Association Public Defender's Office

Table 12:
List of interviewed stakeholders

STAKEHOLDER	ORGANIZATION	POSITION	INTERVIEW DATE
Nino Berianidze	Ministry of Economy and Sustainable Development of Georgia	Consultant (Senior Specialist of the first category) at the Economic Policy Department	31 May 2021
Raisa Liparteliani	Georgian Trade Unions Confederation	Vice President	3 June 2021
Levan Abashidze	Labour Inspectorate	Head of the Monitoring Division at the Labour Conditions Inspectorate Department	3 June 2021
Mikheil Kordzakhia	NNLE "Business Georgia"	President	3 June 2021
Ana Devdariani	Georgian Employers' Association	Lawyer	8 June 2021
Maia Esebua and Nikoloz Varnazishvili	Parliament of Georgia	Leading Specialists in the Health and Social Issues Committee	8 June 2021
Irma Gelashvili	MoDPOTLHSA	Chief Specialist at the Labour Relations and Social Partnership Division of the Labour and Employment Department	9 June 2021
Jasmina Papa	ILO	Social Protection Specialist	10 June 2021
Catalin Tacu		Chief Technical Advisor	
Nani Bendeliani	UN Women	Project Analyst	24 June 2021

As a result of the consultations and information-gathering, the following data and information were collected.

Table 13:
Data and information collected

DATA AND INFORMATION	METHODS USED/SOURCE
International experience on the working conditions of workers with family responsibilities	Desk research
Economic activity of workers with family responsibilities Reasons for unemployment and economic inactivity, by gender Labour market outcomes for male and female workers Quantification of affected groups	Desk research, particularly an analysis of the LFS database (2017-2019)
Cost of conducting the reform	Desk and market research

ANNEXES

ANNEX 1. THE PROCESS OF RIA DEVELOPMENT

Since March 2021, following the request of the tripartite working group to expand the impact assessment analysis of possible reforms benefiting workers with family responsibilities beyond the provision of community services (subject of the first part of this RIA exercise), the project team started the initial preparatory work to conduct the second part of the RIA process on ILO Convention No. 156. The ISET Policy Institute team, supported by its legal expert, conducted a legal gap analysis of the Georgian legislation against the Convention and conducted a review of the relevant international and national literature. During the analysis, several additional legislative gaps were identified, including the absence of a definition for “worker with family responsibilities” in the Georgian legislation, as well as the partial coverage of leave needs associated with broader family responsibilities. Based on this analysis, the RIA team identified potential policy actions that would be needed to prepare the country for the ratification of the Convention. These potential policy actions included the following:

1. Creating a definition for workers with family responsibilities
2. Introducing family-related leave, taking a non-discriminative approach

The RIA team presented the possible RIA topics to the tripartite working group (employers’ association, trade unions and government) in April 2021, and it was decided to proceed with an RIA of a reform potentially closing all of the gaps (towards workers with family responsibilities) identified in the labour market legislation.

In April and May, the RIA team started checking the available data and performing a review of the relevant literature.

The main part of the report was developed in June and July 2021.

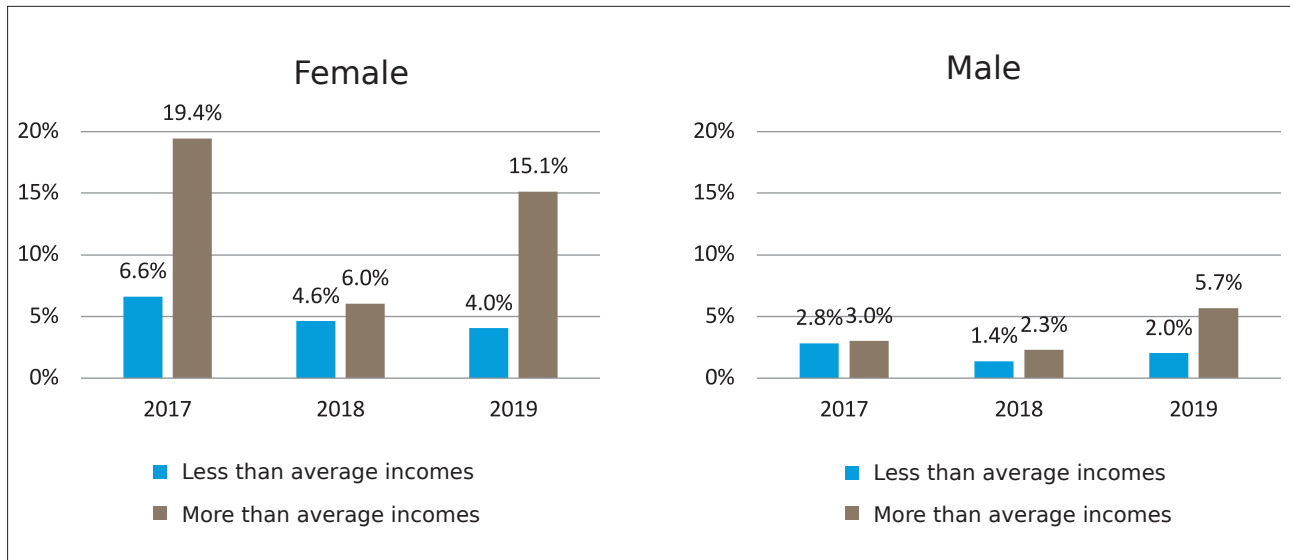
The RIA team included ISET-PI researchers and was led by ISET Associate Policy Professor Norberto Pignatti and supported by external legal consultant Lika Jalagania. The team included researchers with experience in labour economics, public policy, regulation, gender economics, cost-benefit analysis and RIA. Tasks were divided in accordance with the competencies of the researchers. The external consultant assisted the team with her expertise on the Georgian labour legislation, ILO conventions and related standards.

The decision-making approach adopted by the team was collegial and was coordinated by the team leader.

ANNEX 2. TABLES AND FIGURES

Figure A1:

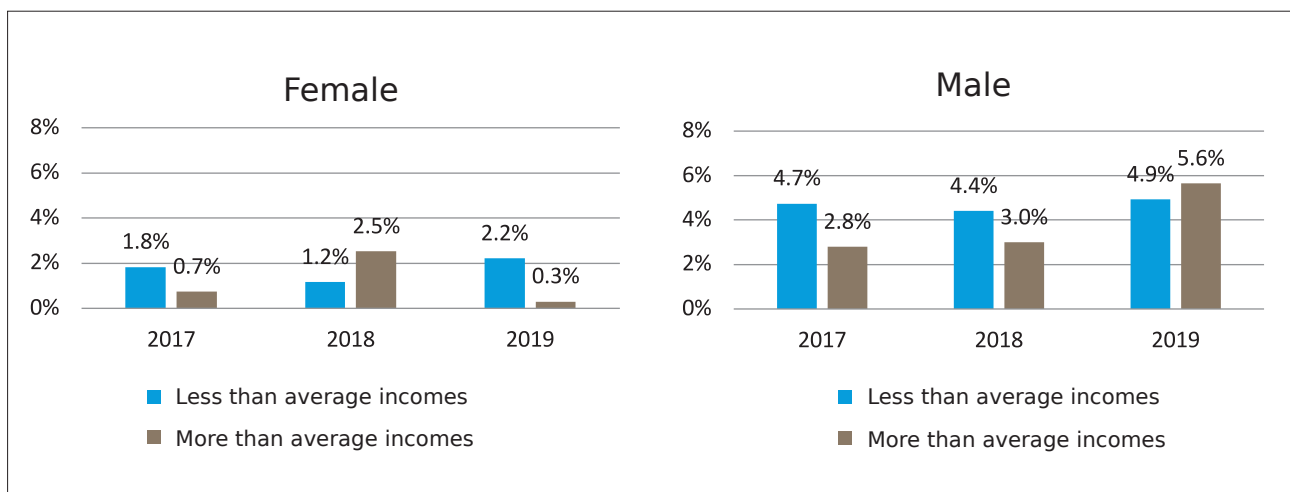
Incidence of working from home among lower-than-average and higher-than-average salary groups with family responsibilities, by gender



Source: Authors' own calculations based on Geostat LFS data.

Figure A2:

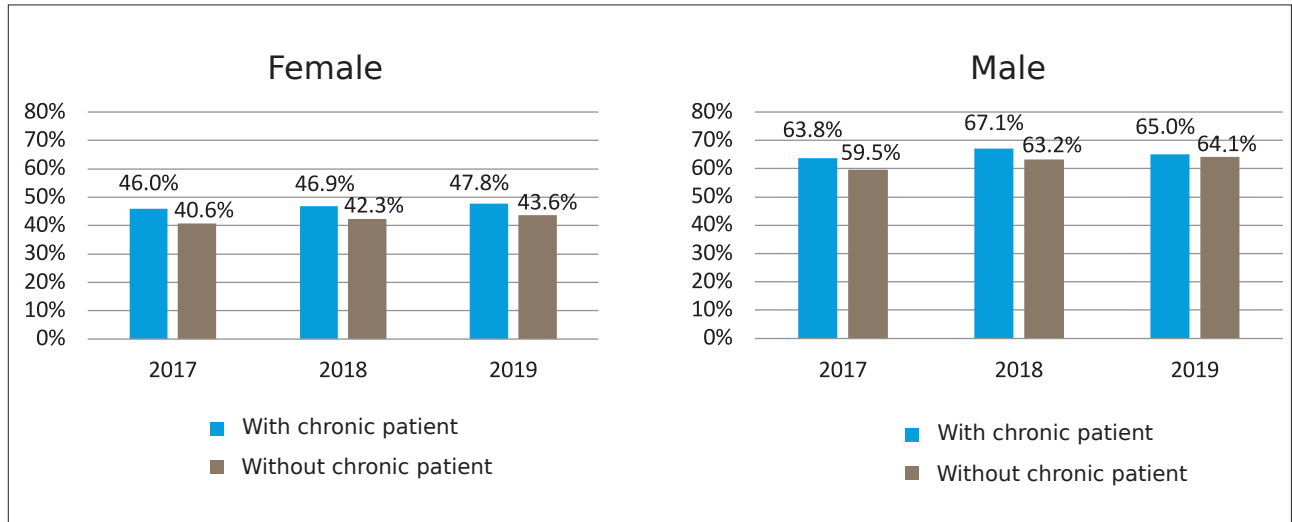
Incidence of flexible working hours among lower-than-average and higher-than-average salary groups with family responsibilities, by gender



Source: Authors' own calculations based on Geostat LFS data.

Figure A3:

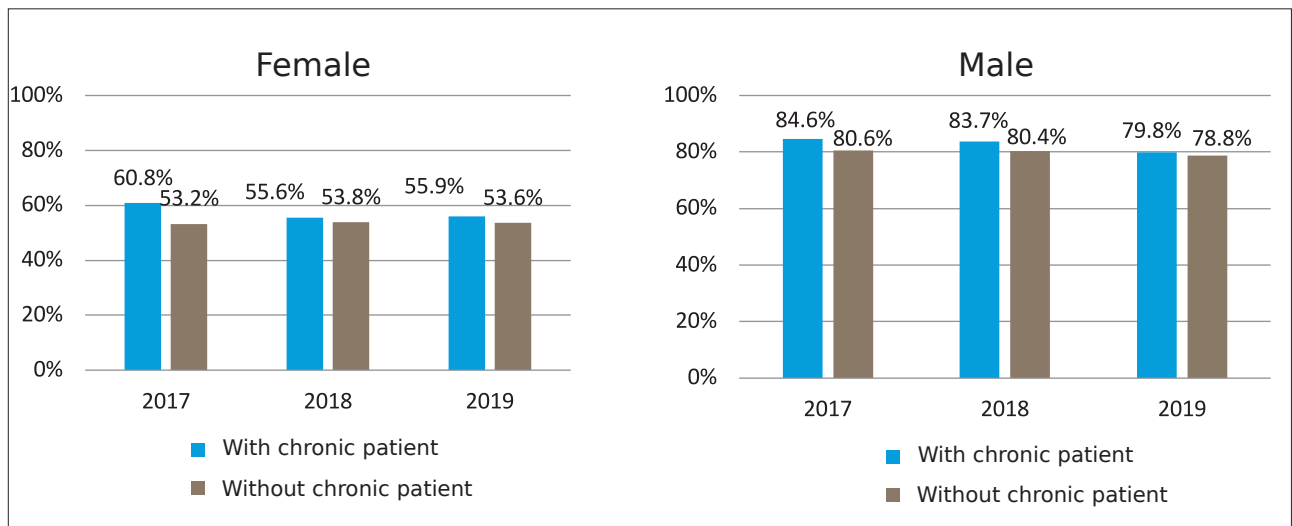
Incidence of overtime work among hired workers with and without a chronically ill family member at home, by gender



Source: Authors' own calculations based on Geostat LFS data.

Figure A4:

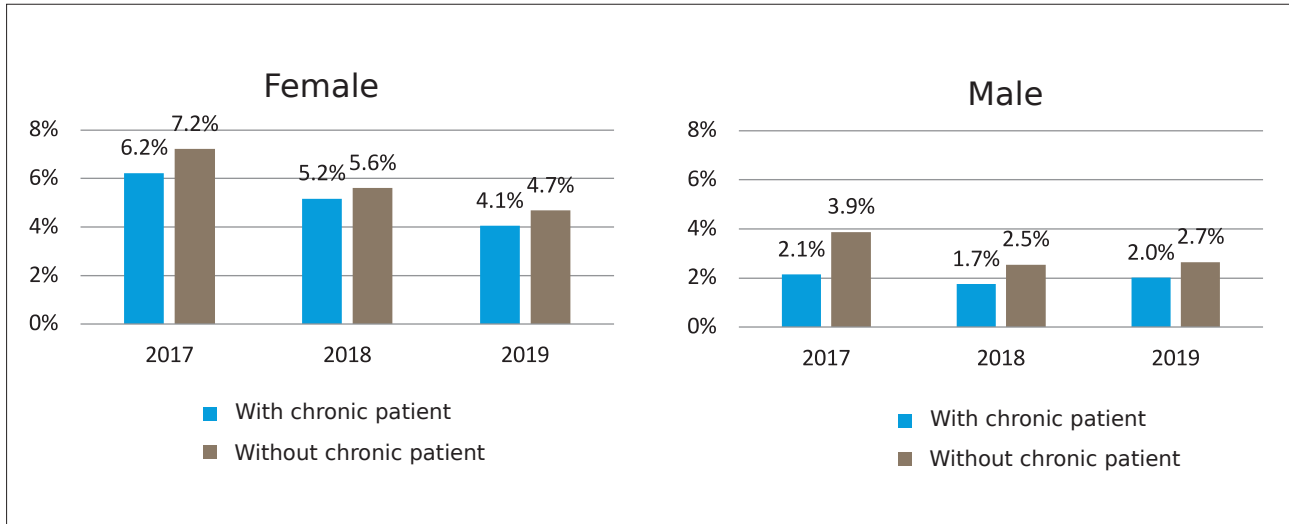
Incidence of non-typical work arrangements among hired workers with and without a chronically ill family member at home, by gender



Source: Authors' own calculations based on Geostat LFS data.

Figure A5:

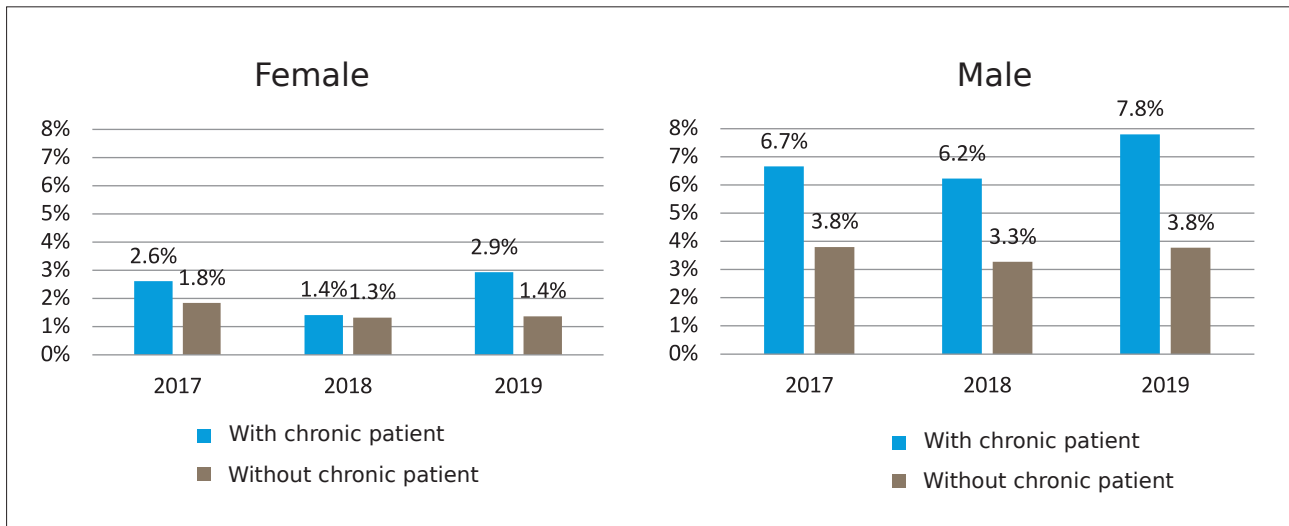
Incidence of working from home among hired workers with and without a chronically ill family member at home, by gender



Source: Authors' own calculations based on Geostat LFS data.

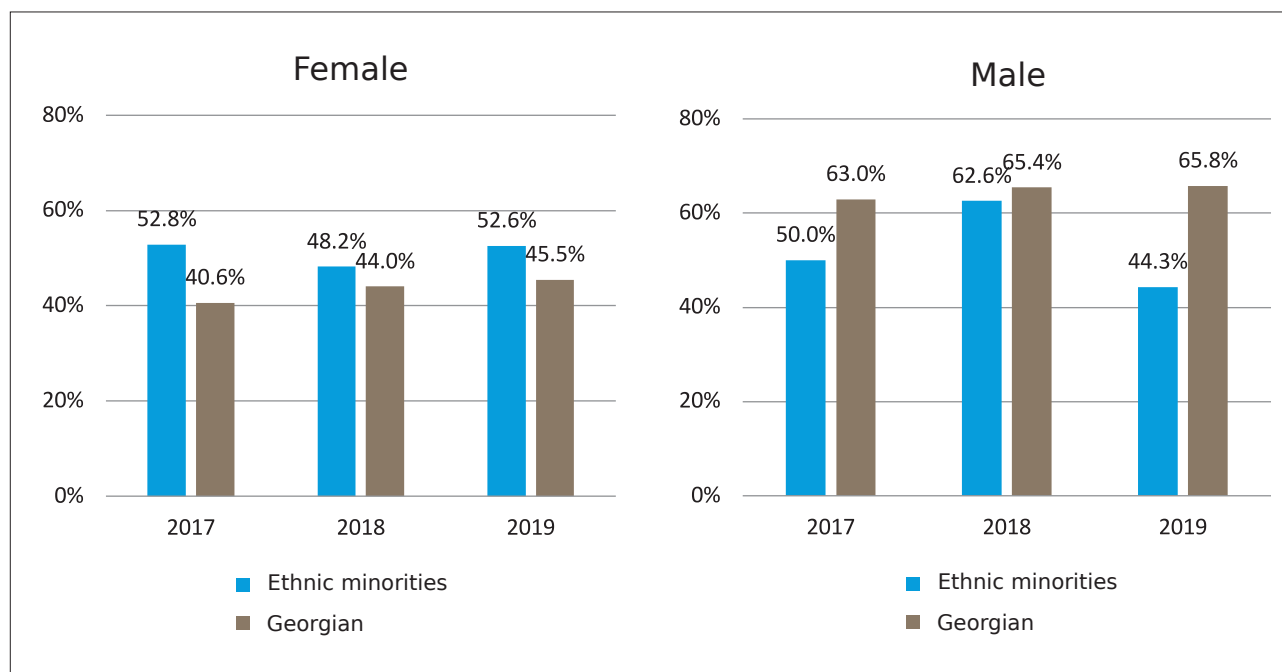
Figure A6:

Incidence of flexible working hours among hired workers with and without a chronically ill family member at home, by gender



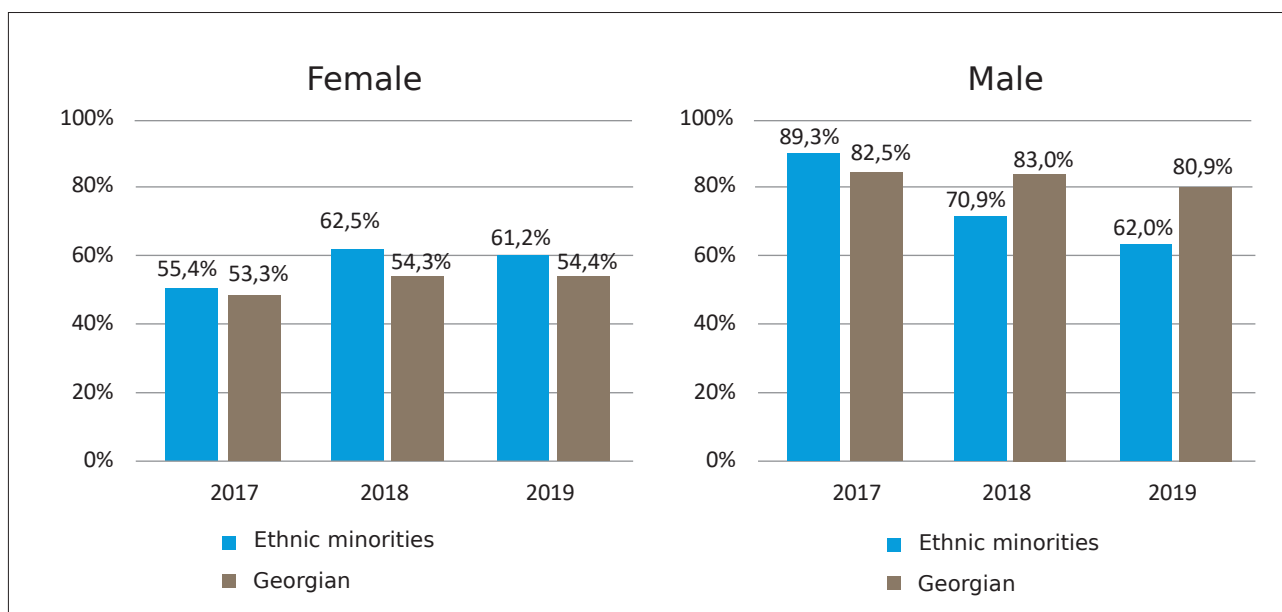
Source: Authors' own calculations based on Geostat LFS data.

Figure A7:
Incidence of overtime hours, by ethnicity and gender



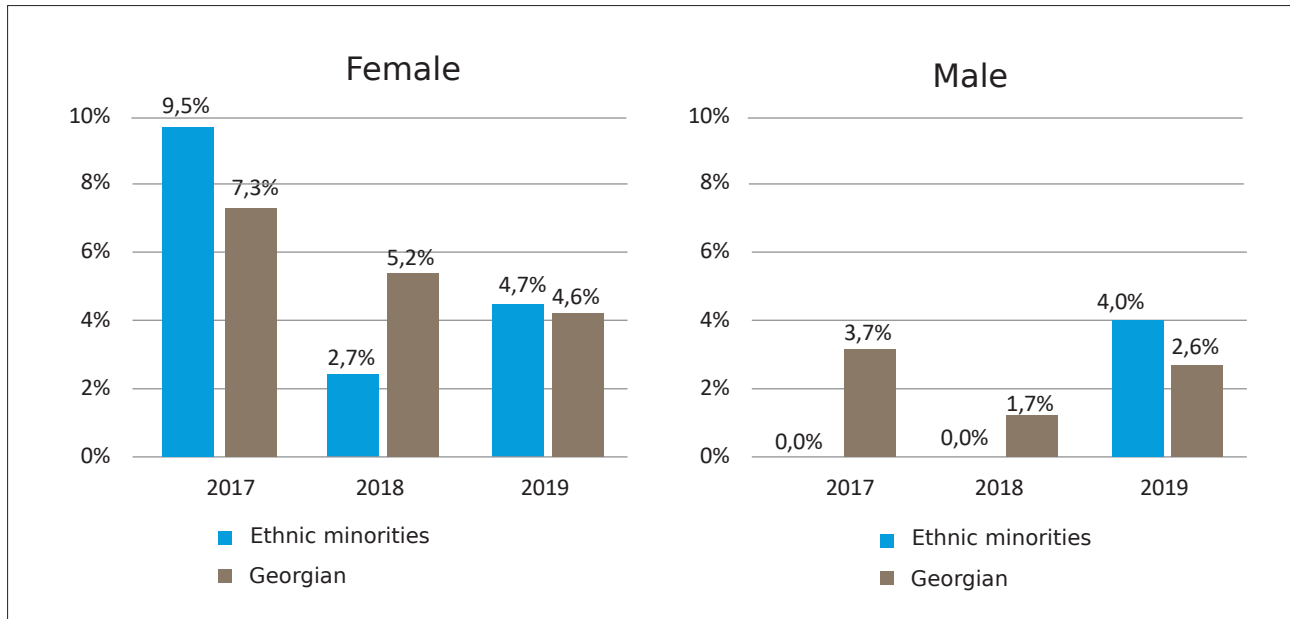
Source: Authors' own calculations based on Geostat LFS data.

Figure A8:
Incidence of non-typical work arrangements, by ethnicity and gender



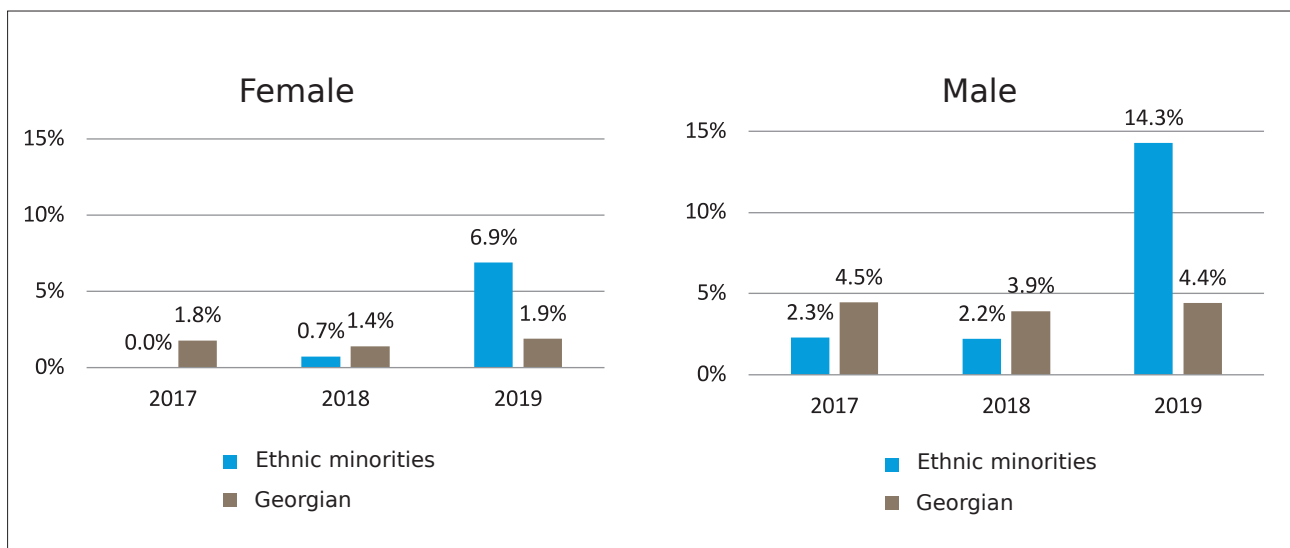
Source: Authors' own calculations based on Geostat LFS data.

Figure A9:
Incidence of working from home, by ethnicity and gender



Source: Authors' own calculations based on Geostat LFS data.

Figure A10:
Incidence of flexible working hours, by ethnicity and gender



Source: Authors' own calculations based on Geostat LFS data.

Table A1:

Female hired workers with family responsibilities under the coverage of the Labour Code of Georgia affected by the reform*

	Hired workers in the private sector				Hired workers in the public sector			
	Current coverage	Total coverage following the reform	High-probability groups	Low-probability groups	Current coverage	Total coverage following the reform	High-probability groups	Low-probability groups
Carers' leave days: No specific minimum provision by the ILO, although there is a specific 5-day provision under EU Directive 2019/1158	0.74%	95.10%	60.10%	35.00%	0.88%	91.81%	60.61%	31.20%
Night work: No specific minimum provision	0.16%	95.68%	60.68%	35%	0.08%	92.60%	66.16%	26.45%
Regulation of overtime: No specific minimum provision	0.71%	95.13%	60.12%	35%	0.9%	91.81%	60.61%	31.20%

Source: Authors' own calculations based on Geostat LFS data.

*Note: Approximately 411,028 female hired workers were regulated by the Labour Code of Georgia, out of which 252,781 were employed in the private sector while 158,247 were employed in the public sector in 2019.

Table A2:

Male hired workers with family responsibilities under the coverage of the Labour Code of Georgia affected by the reform

	Hired workers in the private sector				Hired workers in the public sector			
	Current coverage	Total coverage following the reform	High-probability groups	Low-probability groups	Current coverage	Total coverage following the reform	High-probability groups	Low-probability groups
Carers' leave days: No specific minimum provision by the ILO, although there is a specific 5-day provision under EU Directive 2019/1158	0.42%	98.16%	61.83%	36.32%	0.59%	96.73%	64.11%	32.61%
Night work: No specific minimum provision	0.15%	98.43%	62.11%	36.32%	0%	97.32%	82.53%	14.79%
Regulation of overtime: No specific minimum provision	0.40%	98.18%	61.86%	36.32%	0.60%	96.76%	64.15%	32.61%

Source: Authors' own calculations based on Geostat LFS data.

Note: Approximately 391,665 male hired workers were regulated by the Labour Code of Georgia, out of which 290,391 were employed in the private sector while 101,274 were employed in the public sector in 2019.

Table A3:

Female civil servants with family responsibilities under the coverage of the Law of Georgia on Public Service affected by the reform

	Civil servants under the Law on Public Service			
	Current coverage	Total coverage following the reform	High-probability groups	Low-probability groups
Carers' leave days: No specific minimum provision by the ILO, although there is a specific 5-day provision under EU Directive 2019/1158	0.8%	91.89%	60.69%	31.2%
Night work: No specific provision	0%	92.69%	61.48%	31.20%
Regulation of overtime: No specific provision	0.88%	91.81%	60.61%	31.20%
Regulation of part-time: No specific provision	0%	92.69%	61.48%	31.20%

Source: Authors' own calculations based on Geostat LFS data and the annual reports of the Civil Service Bureau.

Note: 12,243 female civil servants were regulated by the Law on Public Service in 2019.

Table A4:

Male civil servants with family responsibilities under the coverage of the Law of Georgia on Public Service affected by the reform

	Civil servants under the Law on Public Service			
	Current coverage	Total coverage following the reform	High-probability groups	Low-probability groups
Carers' leave days: No specific minimum provision by the ILO, although there is a specific 5-day provision under EU Directive 2019/1158	0.60%	96.76%	64.15%	32.61%
Night work: No specific provision	0%	97.32%	64.71%	32.61%
Regulation of overtime: No specific provision	0.56%	96.76%	64.15%	32.61%
Regulation of part-time: No specific provision	0%	97.32%	64.71%	32.61%

Source: Authors' own calculations based on Geostat LFS data and the annual reports of the Civil Service Bureau.

Note: 27,898 male civil servants were regulated by the Law on Public Service in 2019.

ANNEX 3. SUMMARY OF STAKEHOLDER CONSULTATIONS

Nino Berianidze, Consultant (Senior Specialist of the first category) at the Economic Policy Department, Ministry of Economy and Sustainable Development of Georgia, In-depth Interview (31 May 2021)

- An amendment to the Labour Code reform in 2020, in particular Article 8 (added to the chapter on labour discrimination), took full account of the potential needs of employees with family responsibility and, in some cases, allowed the employer the possibility of taking special protection and support measures that would no longer be considered discrimination. This, among other things, implies a supportive approach towards a person with family responsibility.
- If the regulatory framework is established in such a way that the relevant legal basis for the issue already exists, then the existing system should be maintained; and establishing additional regulatory or non-regulatory mechanisms, which may create additional risks, is not appropriate.
- The Ministry of Economy and Sustainable Development, within its competence, is involved in the review of labour regulatory acts initiated by the MoDPOTLHSA. In addition, the Ministry of Economy and Sustainable Development is a member of the Tripartite Social Partnership Commission and is also represented in the relevant working group of the Commission. Accordingly, the Ministry, by its position, actively participates in the process of discussing legislative or institutional issues related to labour reforms and the formation of relevant decisions.

Raisa Liparteliani, Vice President, Georgian Trade Unions Confederation, In-depth Interview (3 June 2021)

- The number of people in need of care is growing worldwide, and Georgia is no exception; this means that the volume of care work, paid or unpaid, will increase as well. Therefore, more and more physical human resources will be needed to be involved in care work.

- The life expectancy of people is increasing in the world, and elderly people will need help for longer periods of time.
- Women are involved more in care work than men worldwide, and Georgia is no exception.
- Problems like losing a job because of family responsibilities are mostly related to women and hinder not only their career progress but also their employment itself. We can see that statistically, the activity of women in the labour market is always lower than the activity of men.
- The availability of higher education is one of the challenges for Georgia as families invest less in women's education than in men's education.
- Georgia does not have a practice of flexible working schedules.
- Women need flexible working schedules and part-time jobs because of family responsibilities; however, in the Georgian labour market, there are not many of these types of jobs. And as a result, women are excluded from the labour market.
- During the pandemic, women quit their jobs not only because they had elderly people to take care of but also because kindergartens closed. As a result, they had to care for their young children and take care of their children's education as schools were also closed.
- Our legislation does not guarantee that workers can balance their work-family life, even though the ILO Conventions and the European Social Charter oblige us to provide such opportunities.
- Our legislation does not prohibit employers from changing their employees' workplace if the time required to get to the new workplace and going back home is less than three hours. Moreover, employers can change the starting work time by no more than 1.5 hours. So, our legislation not only does not protect employees with family responsibility but also sometimes even prevents them from working.
- One of the best solutions to the problem of balancing work-family life could be more investment in services that help people to, for

example, take elderly people to care centres or take children to kindergarten.

- The most important thing to solve these problems is increasing awareness.
- There should be work done with businesses, employees and society to understand that family responsibility is not necessarily women's burden.
- Increasing awareness can be done by visualization, video clips and meetings, but it should be done consistently, in parallel with regulations.
- If an employer expects that family responsibilities are being equally redistributed between men and women, there will not be any discriminatory practices expected from the employer.
- Allowing employees to work from home will save time – time that is needed to get to work and prepare. Employers will also save administrative and technical resources.
- Employers' incentives, like tax benefits coming from the Government, are a proven practice to prevent discrimination towards their employees.
- Investing in care economics creates new workplaces; there are such examples in Brazil and the United States.
- The execution of this regulation is not only the State's responsibility; employers and employees are the main actors in the implementation of this regulation. However, as employers are rule-makers and the dominant side of the employer-employee relationship, their part of the responsibility is crucially important.
- The Trade Union is demanding ratification of this type of convention.
- The Trade Union is conducting different types of trainings, live consultations and everyday consultations as well as making video clips, animations and posters about this topic.

Levan Abashidze, Head of the Monitoring Division at the Labour Conditions Inspectorate Department, Labour Inspectorate, In-depth Interview (3 June 2021)

- From 1 January 2021, the department of the Labour Inspectorate transformed into a legal entity under public law, which expanded their mandate and structural capabilities as well.

- The number of employees, including the number of labour inspectors, has increased.
- The Labour Inspectorate now has a mandate for a mandatory inspection and is no longer limited to a recommendation, which means that now they can, at their discretion, choose a company and check their labour rights.
- The Labour Inspectorate approved a list of facilities for planned inspections – mostly high-risk sector facilities where there is a practice of violating labour rights, such as supermarket chains and medical institutions – that should be conducted throughout the year.
- Around 50 companies have already been inspected; they were given instructions and a reasonable amount of time to follow those instructions.
- Most likely there have been violations of labour rights related to family responsibility, but these Conventions (Nos. 156 and 123) are not ratified in Georgia, and the new law on labour inspection was adopted only this year. The level of awareness is also very low, and maybe employees even do not know that their rights are being violated. Therefore, there have not been any cases related to family responsibilities just yet.
- The Labour Inspectorate is running awareness-raising campaigns for people to know that the opportunity to conduct labour inspections exist and that the Labour Inspectorate is one of the most important institutions guaranteeing that employees' rights will be protected.
- The Labour Inspectorate is now focusing on the pre-contractual stage, such as job vacancy announcements, to avoid discrimination by employers towards potential employees.
- The Labour Inspectorate is monitoring the equal treatment of employees in the documents regulating labour relations so that the anti-discrimination provisions provided for in the Labour Code are not used in an unscrupulous manner by employers.
- The Labour Inspectorate is working towards increasing awareness and ratifying these Conventions (Nos. 123 and 156).
- Awareness-raising is not only the Government's responsibility; the trade unions and NGOs

also have a very important role; they should disseminate information about this regulation to employees.

- The Labour Inspectorate is the executive administrative body; it can raise similar issues in the Tripartite Social Partnership Commission; however, decision-making is Parliament's authority.

Mikheil Kordzakhia, President, NNLE "Business Georgia", In-depth Interview (3 June 2021)

- In the association, there are 25 companies, mostly limited liability companies, a few individual entrepreneurs and joint stock companies.
- Convention No. 156 is very hard in terms of implementation; however, there are not even political discussions conducted about that.
- Businesses have zero information about Convention No. 156 and Recommendation No. 165.
- Companies recognize the problems related to employees with family responsibilities, and, in most cases, they deal with it with their internal resources.
- The Government's approach and perception of the existing problem related to family responsibilities is wrong and unhealthy.
- Small and medium-sized companies are more likely than large companies to have a culture of caring for their employees, and they are more likely to comply with the regulations in Convention No. 156 even though they are unaware of them.
- In the current state, the central and municipal government will not be able to fulfil the conditions of the Convention.
- In the decision-making process, stakeholders are rarely involved.
- The Government should be responsible for solving the issues related to family responsibility, but they should not do it by fining and punishing employers.
- Increasing awareness and mobilizing resources, including funds, is essential to successfully implement this regulation.
- Before the adoption of a directive, it is essential to understand whether it will work in reality or not.

- If you do not grasp the situation of a particular sector or company, any rigid approaches will be wasted.
- Businesses will most likely be affected by this regulation, and as the Government usually punishes employers for every small violation, it is possible that workers with family responsibilities will be discriminated against; and this will be the Government's fault, irrespective of the situation.
- Any policy change must be based on one thing: the formula for cooperation, namely how you collaborate and what principles you have agreed upon.
- It is important to show the employers that taking care of employees with family responsibilities will benefit them too; this can be done by sharing information on other's practices, showcasing the experiences of different companies.
- The role of business associations in solving the issues related to workers with family responsibility is crucial; unfortunately, they have no information about it.

Ana Devdariani, Lawyer, Georgian Employers' Association, In-depth Interview (8 June 2021)

- In the organization, there are about 1,000 members.
- Employees whose family member is so ill that the employee can no longer do the job must be provided with adequate conditions by the employer to be able to work better. If such conditions cannot be met, the employee can take days off. However, there is one problem here: the law does not regulate the issue of remuneration in such cases, so usually the remuneration is very small.
- An employer can no longer make their employee work overtime if he/she has a newborn child, is pregnant or has adopted a child, but there is no entry in the Labour Code for employees with family responsibilities in this regard.
- It does not matter how fair the regulation is; an employer will always be negatively affected by it, especially in the context of the pandemic.
- Employers already have many responsibilities, such as the obligation to record working hours, and it has become necessary to increase staff.

Therefore, the new regulations will be even more painful for them. However, if we consider the situation from the employees' side, their conditions are unregulated and do not comply with international standards at all.

- There is no regulation in the Labour Code for such cases in which an employee is temporarily released from work due to family needs and then cannot return to work because another employee is already employed in his/her place.
- Giving the possibility of working from home or flexible work schedules is risky for the employer; there have been cases in which employees began to perform their job improperly and worsened their quality of work.
- Due to stereotypes in Georgia, women are less employed in managerial positions than men.
- Increasing awareness is the most critical task to eliminate issues related to family responsibility; even employees do not know their rights – or what to require from employers.
- An inter-party agreement must be reached between the employer and the employee. For example, if a worker is temporarily released from work due to family needs, an employer can promise an employee that he/she will get the job back after he/she returns, but the employee must also guarantee that he/she will return to work and will be as efficient as before.
- There is a clause in the Labour Code about equal pay, which is a good reason for a female employee to demand from her employer the same pay as men receive for the same job.
- The Employers' Association always conducts trainings and consultations to increase awareness about different issues. There were no trainings about family responsibilities as no one approached the organization in this regard. However, if there will be changes to the Labour Code, then the Employers' Association will offer trainings and consultations to its members to increase awareness about these issues.
- The main responsibility regarding these issues lies on the legislature, and then the main actors are the employers as they are the ones who are most affected by the regulation.

Maia Esebua and **Nikoloz Varnazishvili**, Leading Specialists in the Health and Social Issues Committee, Parliament of Georgia, In-depth Interview (8 June 2021)

- Workers with family responsibility maybe cannot request better working conditions as they are afraid to lose their job.
- According to the legislation, a worker who has a sick family member aged 15+ with an acute disease can be given 3-7 days of carers' leave.
- If a worker's family member has a chronic disease and this worker needs several months of carers' leave, he/she might be considered a liability for the employer and could be fired.
- If there will be cases of violations of employees' labour rights, the Health and Social Issues Committee will help these people – but in moderation so as not to further jeopardize their employment.
- For different cases, relevant approaches should be developed to help workers with family responsibility.
- If a worker has a sick family member, this worker could be given up to one month of carers' leave.
- Regulations should be balanced so that the interests of neither the employer nor the employee are harmed, and the rest of the details should be written in the contract.

Irma Gelashvili, Chief Specialist at the Labour Relations and Social Partnership Division of the Labour and Employment Department, MoidPOTLHSA, In-depth Interview (9 June 2021)

- The lack of regulatory norms has led to the formation of the attitude between employer and employee that no one is responsible for anyone.
- There is a risk that after the implementation of the regulation, caring for an employee will put an additional burden on the employer.
- The world population is ageing, the number of people of retirement age is increasing, and the number of working-age people is decreasing.
- The ones who need help the most regarding these issues are women.

- There is a need to introduce regulatory norms for employers so they can understand that they are responsible for their employees' lives.
- Incentivizing the business is a potential solution to the problem.
- Information campaigns and increasing awareness should be done gradually.
- There should be a flexible system that will allow the employee to take a day off in an emergency situation.
- Regulations in the Labour Code should not apply only to pregnant women, and family responsibilities should be added to caring for the elderly and sick family members.
- The responsibility for reimbursing additional days off for carers should lie on the employer.
- The pandemic has taught employers that it is possible for an employee to not physically go to work and still do the job from home. In addition, employers save utility costs at least, and if working from home is profitable for employers, then they should let employees work from home.
- Communication with employers and infrastructure issues are the competence of the MoDPOTLHSA, including social care, home-care services and the development of hygienic-sanitary norms.

Jasmina Papa, Social Protection Specialist, and **Catalin Tacu**, Chief Technical Advisor, ILO, In-depth Interview (10 June 2021)

- Georgia has not sorted out even the basic issues related to maternity benefits from Convention No. 183
- It is a longstanding fact that nothing has been done to address the gender pay gap, which is one of the major issues when it comes to equality among workers.
- Workers with family responsibilities are afraid to even ask for additional carers' leave for fear of being dismissed.
- It is important to invest in the care economy.
- Service providers for care services must be organized by the State, but the cost can be divided between the State and employers.
- Labour relations for care workers must be

provided by the State.

- It is necessary to look at the practices of public and private companies related to the treatment of workers with family responsibilities and whether there is an equality of treatment between women and men.
- Family-friendly services offered by companies should be something that is supplementary to the same provision but not something that compensates for the lack of supervision.
- A number of relatively easy-to-implement measures should be proposed that could show links with Convention No. 183 and show possible steps to consider, regarding Convention No. 183 in the long term, implementing it.
- If the Government invests in the care economy and organizes care services for elderly and disabled persons, it would release some women from care work, allowing them to look for jobs.
- Organizing care services would allow the women who are otherwise caring for family members to enter work relationships with service providers.
- Care services can be organized by large private companies, not enterprises that provide care services for the families of their employees.
- A solidarity fund can be created to cover the costs of giving additional days for carers' or emergency leave to workers with family responsibilities.
- For employers, investment in the community where they work should be seen as part of their corporate social responsibility but is also something that is seen more for public relations.

Nani Bendeliani, Project Analyst, UN Women, In-depth Interview (24 June 2021)

- The social infrastructure is insufficient, so that not all working women have the possibility of leaving their children in kindergarten while working full-time.
- The employment rate of women above the age of 25 is declining, as the worldwide trend shows, and this is because they cannot combine work and family responsibilities.
- The share of family responsibilities lies on women's shoulders while men are left with the responsibility of paid employment, which only

contributes to the strengthening of gender norms and does not really contribute to the elimination of the problem in the long run.

- In areas like the service sector, where women are employed in large numbers, people work an average of 50 hours a week, which puts employees with family responsibilities in a hopeless situation.
- In Georgia, there is not much availability for part-time jobs.
- In this stage now, when the Labour Inspectorate has just been given a mandate, it is virtually impossible for them to be able to fully monitor the rights that are now in the Labour Code, not to mention monitoring additional obligations.
- It is very common for employers to perceive that labour rights stop within the legal framework. This may also be part of the culture, as employers never consider the imposition of extended labour rights standards.
- The awareness-raising process is very slow; there are positive changes in this matter but only in big cities for a specific gender and for a specific age group.
- It is not perceived well enough in Georgia how much costs are associated with this status quo, when the effort of the caregiver is largely unseen.
- The regulation of average working hours should be one of the issues researched.
- It should be analysed how much this regulation will increase alleged informal employment and alleged informal hiring practices.
- It is necessary for the law to set a minimum

standard that is adequate and not to depend on the goodwill of companies.

- It is necessary to have a line of communication with the business.
- The State may oblige the private sector, which employs many women, to have day-care centres.
- In a situation where social norms are such that most of the family responsibility falls on women, the accessibility of a part-time job allows women at a critical age – before their children are old enough to go to school – to stay in the labour market and maintain their job skills.
- We consider social infrastructure and flexibility as alternative scenarios; if both can be implemented together, this would be an ideal option for gender equality and for those with family responsibilities.
- Improving social infrastructure will bring faster change than changing legislation, but it is a much more expensive alternative, and a large portion of the cost will have to be covered by the State.
- It is possible that the quality of care and the benefits (e.g. additional days off and flexible work schedules) that they will have after the implementation of the regulation will have a positive impact on a disabled family member's ability to work.
- The role of the State is crucial in improving social infrastructure; as for the change to the labour regulation, of course the decision must be made by the State, but then cooperation with the private sector will be necessary. Here, the role of the private sector will be more important than the role of the State.

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