

#### INVISIBLE HANDS: FORMALIZATION OF DOMESTIC WORK IN GEORGIA





Schweizerische Eidgenossenschaft Confédération suisse Confederazione Svizzera Confederaziun svizra

Swiss Agency for Development and Cooperation SDC With funding from

Austrian Development Cooperation



This policy document was prepared by the Georgian Progressive Forum and the Association of Nannies and Domestic Workers of Georgia in the framework of the UN Women project "Women's Economic Empowerment in the South Caucasus", funded by the Swiss Agency for Development and Cooperation (SDC) and the Austrian Development Cooperation (ADC). The content of this publication does not reflect the official opinion of UN Women, the SDC or the ADC. Responsibility for the information and views expressed herein lies entirely with the authors.

© 2024 UN Women

ISBN 978-9941-8-6808-5

## INVISIBLE HANDS: Formalization of Domestic Work in Georgia

**UN WOMEN** Tbilisi, Georgia, 2024

AUTHORS: Vakhtang Natsvlishvili Ana Diakonidze

COVER PHOTO: Natela Grigalashvili



Schweizerische Eidgenossenschaft Confédération suisse Confederazione Svizzera Confederaziun svizra

Swiss Agency for Development and Cooperation SDC







### **TABLE OF CONTENTS**

ACRONYMS AND ABBREVIATIONS		
ΙΝΤ	RODUCTION	6
ME	THODOLOGY	7
	RT I. mestic work in Georgia	10
	Chapter 1. Specific characteristics of domestic work	11
	Chapter 2. Profile of domestic workers	14
	Chapter 3. Labour conditions of domestic workers	16
	Chapter 4. Informality and social security	20
	Chapter 5. Family relationships	23
	Chapter 6. Employment agencies	25
Do	RT II. mestic Workers Convention: ncepts and principles	27
	Chapter 1. Terms defined by the Convention	28
	Chapter 2. Principles of the Convention	29

 RT III. ernational practices	31
Chapter 1. Formality-informality continuum	32
Chapter 2. Formalization strategy	34
Chapter 3. Formalization approaches	35
Recognition of labour relations	36
Mandate of the labour inspection body	38
Expansion of social security	39
Fiscal incentives	42
Information measures and sanctions	43
 RT IV. sion for Georgia	45
Recognition of labour relations	46
Labour inspection	47
Employer status	48

Social security

Information measures

Taxes

ENDNOTES

REFERENCES

49

50 51

52

55

### **ACRONYMS AND ABBREVIATIONS**

Convention No. 102	ILO Social Security (Minimum Standards) Convention, 1952 (No. 102)
Convention No. 181	ILO Private Employment Agencies Convention, 1997 (No. 181)
Convention No. 189	ILO Domestic Workers Convention, 2011 (No. 189)
EUR	European euro
GEL	Georgian lari
Geostat	National Statistics Office of Georgia
ILO	International Labour Organization
LEPL	Legal Entity of Public Law
NDWG	Association of Nannies and Domestic Workers of Georgia
OECD	Organisation for Economic Co-operation and Development
Recommendation No. 198	ILO Employment Relationship Recommendation, 2006 (No. 198)
Recommendation No. 201	ILO Domestic Workers Recommendation, 2011 (No. 201)
Recommendation No. 204	ILO Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204)
RIA	Regulatory Impact Assessment
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
UNICEF	United Nations Children's Fund

### INTRODUCTION

In 2023, Georgia had 17,000 people employed in domestic work, which is a type of informal employment.<sup>1</sup> According to the International Labour Organization (ILO), informal employment is inherently insecure because informal workers are not recognized or protected by labour and social security laws. Therefore, informal domestic workers do not enjoy certain basic rights and benefits that have been introduced into the Labour Code of Georgia in recent years.<sup>2</sup> In Georgia, local legislation does not recognize domestic work, and as of this publication, the courts have never addressed whether domestic work constitutes a labour relationship under the labour laws. In February 2024, based on the appeal of a nanny employed in a private household, the Labour Inspection Office of Georgia explained that its mandate does not extend to employer households.<sup>3</sup>

The insecurity of domestic workers is also influenced by the highly personal relationships that are typical of domestic work. Domestic work often involves direct or indirect care work, which, compared to other types of labour, fosters an emotional relationship between the worker and the care recipient, as well as between the worker and the employer. For this reason, domestic workers find it difficult to even claim their labour rights in front of their employers. During the present research study, many workers stated that they feel like family members during work. This policy document examines the rights of domestic workers in Georgia and aims to present a vision for formalizing domestic work to relevant State institutions and stakeholders. The first part of the policy document analyses the specific characteristics of domestic work, the labour and social legislation of Georgia, and the role of private employment agencies. It describes the working conditions of domestic workers and discusses why domestic work is a women's rights issue. The section also explores the personal relationships that characterize the paid domestic work sector.

The second part of the policy document highlights the central points of the Domestic Workers Convention (No. 189), adopted by the ILO in 2011, which are the guiding principles in the process of formalizing domestic work. The third part of the document focuses on international practices and examines the approach of various countries in the direction of recognizing domestic work as labour relations, applying labour and social security rights to domestic workers and establishing fiscal measures to foster formalization. Finally, the fourth part of the document revisits the case of Georgia and presents a vision outlining the main approach to the formalization of domestic work in the country.

#### METHODOLOGY

This policy document aims to formulate a vision for the formalization of domestic work in Georgia. For this purpose, this study researched and analysed the following:

- a. The specific characteristics of domestic work and the international practice of its formalization.
- **b.** The Georgian legislation regulating domestic work, and the standards and principles adopted by the ILO in the domestic work sector.
- c. The labour conditions and social security of domestic workers in Georgia.
- d. The attitudes of employees, employers and private employment agencies in Georgia towards the labour conditions of domestic workers.
- e. The attitudes of employees, employers and private employment agencies in Georgia towards the formalization of domestic work.

The study utilized several research methods, including desk research (literature review), normative legal analysis, focus group discussions and in-depth interviews.

The desk research (literature review) reviewed the following sources:

- a. Reports, guidelines, studies and essays on the formalization of domestic work prepared by the ILO and related organizations (e.g. the International Labour Office).
- b. Data and studies collected by the National Statistics Office of Georgia (Geostat) on domestic work; the Regulatory Impact Assessment (RIA) report on the ratification of ILO Convention No. 189, prepared under the guidance of UN Women; and reports and studies on the labour and social security system of Georgia.
- c. Relevant publications and literature on the formalization of domestic work collected within the Google Scholar search engine, using the keywords "formalization of domestic work" (language: English; publication date of literature: after 2011).

Using a normative legal analysis, the study reviewed and examined the following:

- a. The legislation of Georgia on labour and social security, as well as decisions made by the Labour Inspection Office of Georgia in connection to these laws, as needed.
- **b.** Conventions and Recommendations on domestic work adopted by the ILO.

With the help of such methods as focus group discussions and in-depth interviews, the document attempts to analyse the labour conditions of domestic workers and the attitudes of employees, employer households and private employment agencies towards the possible modalities of formalization. In particular, the following issues are addressed:

- Specific characteristics of domestic work: How is domestic work similar to and different from regular types of employment? Under what conditions (working time, rest, overtime work, etc.) do domestic workers work in Georgia? What is the effect of the household environment on labour conditions? What are the roles and functions of employment agencies?
- 2. Visions on formalization: What are the attitudes of employees, employers and private employment agencies towards the benefits of formalization and the obligations associated with it? Are employees ready to pay taxes and contributions, and what benefits would they receive in exchange? How should the tax burden and other financial commitments be distributed between employees, employers and employment agencies? How and through which mechanisms can formalization become attractive to employees and other interested parties?

The following groups were defined as the target audience for the focus group discussions and in-depth interviews:

- a. Nannies who work in both standard full-time (morning to evening) and round-the-clock (live-in) schedules.
- b. Helpers who work in a standard full-time (morning to evening) or live-in schedule and have such responsibilities as cooking, cleaning, maintaining household hygiene and/or providing elderly care in households.
- c. Households employing nannies or helpers.

d. Private employment agencies.

As part of the research study, four focus group discussions were conducted with 20 participants taking part. The process of contacting nannies, helpers and representatives of employer households was facilitated with the help of the Association of Nannies and Domestic Workers of Georgia (NDWG). Participating nannies and helpers ranged in age from 30 to 65 years old. The composition of the focus groups and the selection criteria of the participants are shown in Table 1.

#### TABLE 1

#### Participants and composition of focus groups

Target group	Selection criteria of the focus group participants	Number of focus groups	Number of participants
Nannies and helpers	Nannies and helpers employed under a standard regime <sup>a</sup> in Tbilisi	1	5
	Nannies and helpers employed under a live-in regime <sup>b</sup> in Tbilisi	1	5
	Nannies and helpers employed outside of Tbilisi (in the regions of Georgia), working either a standard or live-in schedule	1	5
Households	Households employing domestic workers in Tbilisi	1	5
	Total	4	20

a Under a standard regime, the study considers individuals who work 40–48 hours a week and, at the same time, do not live at the employer's residence. Employees with this regime usually go to their workplace in the morning and leave in the evening.

*b* These are the workers who live at the residence of the employer, which makes it impossible to determine their working hours accurately. Under this schedule, employees usually leave the employer's residence once a week or once a month for one, two or several days at a time.

Regarding private employment agencies, currently there is no registry listing the private employment agencies that specialize in domestic work in Georgia. Therefore, the study targeted all of the agencies that were named during the focus group discussions with nannies and helpers, specifically three agencies operating in Tbilisi: Baia, Mary Poppins and Babilina. However, in-depth interviews were conducted with only two private employment agencies (Baia and Mary Poppins). Focus groups and interviews were conducted in December 2023 and January 2024. Focus groups with nannies and helpers were held face to face in Tbilisi. Focus groups with households and interviews with private employment agencies were conducted online through the Zoom platform.

Moreover, within the scope of the research study, two validation meetings were held with interested parties.

The first meeting was held with the representatives of the non-governmental organizations working on women's, labour or social policy issues in Georgia. A second meeting was held with the founders of the NDWG, who are domestic workers themselves. The initial findings of the study were presented at the validation meetings. The feedback shared by the participants proved to be important in the development of the final conclusions and recommendations and is reflected in the study report.

The research study had the following limitations:

- Domestic work covers a wide range of activities, including those of nannies, gardeners, gatekeepers, drivers, caretakers, tutors and other workers who perform work in households and/or for households (see Part I, Chapter 1). Focus groups were composed of nannies and helpers. It is likely that other groups, such as drivers or home tutors, might have slightly different needs and attitudes than nannies and helpers.
- This research study does not cover digital platforms that provide domestic work services to households and employ nannies, cleaners, helpers, craftsmen and other workers on an hourly or daily basis, as such workers are considered to be employed in the platform economy (see Part I, Chapter 1).
- As part of the research study, two focus groups were conducted with the participation of nannies and

helpers employed in Tbilisi. Employees from Telavi, Batumi, Rustavi and Gori took part in the regional focus group. Their experience shows that the labour conditions of domestic workers in Tbilisi and the regions, besides remuneration, do not differ significantly. However, one of the limitations of the study is that it does not reflect the perspectives of all regions of Georgia and, especially, the perspectives of domestic workers in non-urban areas.

- Due to the absence of a registry of private employment agencies, we contacted the so-called popular private employment agencies—those mentioned by the nannies and the agencies themselves during the focus group discussions. As mentioned, only two interviews were conducted with the representatives of private employment agencies as part of the research study; thus, the results might not reflect the full perspective of all employment agencies operating in Georgia.
- While examining the practices of foreign countries in the formalization of domestic work, the research team mainly relied on reports and briefs prepared under the guidance of the ILO, focusing on the strategic efforts of various countries to formalize domestic work since the adoption of the Domestic Workers Convention, 2011 (No. 189).

# DOMESTIC WORK IN GEORGIA

The first part of the policy document focuses on Georgia and presents an analysis of the situation regarding labour and the social protection of domestic workers. Specifically, it presents observations on the intersection of domestic work and women's issues, offers a profile of domestic workers, discusses the role of employment agencies and attempts to display the impact of family relationships on labour conditions.

## CHAPTER 1. SPECIFIC CHARACTERISTICS OF DOMESTIC WORK

According to the data, 17,000 people were employed in the domestic work sector in Georgia in 2023.<sup>4</sup> Geostat considers cooks, babysitters, waiters, launderers, gardeners, gatekeepers, drivers, caretakers, tutors, secretaries and other employees hired by households to perform household chores to be domestic workers.<sup>5</sup>

Some consider hiring a helper a luxury. In general, drivers, gardeners and gatekeepers are often employed to increase personal and family comfort and free up time. On the other hand, nannies<sup>6</sup> and a significant portion of helpers,<sup>7</sup> who make up the majority of domestic workers, are more likely to fill the gap resulting from the lack or ineffectiveness of public care services. In such cases, hiring a nanny or helper is seen as a necessity rather than a luxury.<sup>8</sup>

Even if a woman is a civil servant and is entitled to paid parental leave, she may face challenges when she has to return to work after six months and the State cannot provide the necessary infant care. Similarly, parents of school-age children may struggle when their working hours coincide with the time of day when their child finishes school. Additionally, families with elderly, sick or disabled members might find it difficult to access proper care services from the State. Domestic work in Georgia is more of a solution for those who have to take care of their children, parents, relatives and friends, as they can entrust their care obligations to domestic workers in exchange for payment.<sup>9</sup>

Moreover, domestic work is a women's rights issue—not just because the vast majority of domestic workers are women but also because domestic workers perform work that women usually do anyway without remuneration. An extensive research study of time use in Georgia shows that women spend about five times more time than men on family and domestic responsibilities—cooking and food management, cleaning and maintaining household hygiene, and children and adult care.<sup>10</sup> Even in the case of full-time employed women, their time spent on unpaid care work is three times higher than that of full-time employed men.<sup>11</sup> Research shows that on average, women spend almost one fifth (17.8 per cent) of their time on domestic care work during their lifetime.<sup>12</sup>

Domestic work should be understood within this broader context. It primarily serves as a direct way for women to address the challenges of time pressure and time poverty<sup>13</sup> resulting from the absence of public care services and cultural norms. Hiring a nanny or helper is therefore essential for a woman to keep a job or to enter the labour market. The focus group discussions conducted as part of the research study found that female family members predominantly take on the role of the household employer (that is, the employer of domestic workers). They are responsible for searching for, selecting and hiring nannies and helpers, negotiating terms of work and payment, and overseeing workers' labour. A domestic worker's work and rest time in a family is usually directly related to his/her employer's schedule.

"The 3rd of March was approaching, and I told her [the child's mother] that I was looking forward to having a day off, but she told me she could not give me one. She responded that she did not have enough free time during working days and was hoping to do things during the holiday. I wondered, how did she even think the rest time that I myself had was enough for me to do all the things I wanted?"

> Focus Group 2, nanny, aged 54, Tbilisi

"We agreed that if I plan a holiday—let's say, in June or July—she [the nanny] also plans accordingly. I would not say that we are always on the same page, but we try to be as much as we can."

> Focus Group 4, household representative, aged 32, Tbilisi

On the other hand, women engaged in domestic work also have their own domestic care obligations along with their paid work, and those who return home usually continue to work in an unpaid second shift. Statistically, half of the domestic workers have to look after a child at home, while one third look after a pensioner, one fifth care for a chronically ill person, and a small part look after a disabled person (see Table 3). Domestic workers typically do not hire help to ease their time pressures and lack of time.

The focus groups showed the significant commonalities between formal and informal labour. The work and leisure time and working conditions of the informally employed woman in the household often mirror the work and leisure time and working conditions of the formally employed member of the employing household, usually a woman. Formally employed women who, in turn, informally employ nannies and helpers cannot enjoy stable and normal working hours at work themselves. Because of this, they have to return home late. This is directly reflected in the working time of informal domestic worker women.

"I do not work on weekends, nor during Easter and New Year's [holidays]. I do not rest on other holidays, because she [the child's mother] works as well."

> Focus Group 2, nanny, aged 60, Tbilisi

"There is no municipal transport in our area after 6pm. At times, she [the child's mother] comes home late from work. Sometimes, she comes home at 5:50pm and has to immediately drive me to the bus stop."

> Focus Group 3, nanny, aged 55, Gori

"They should take the child home at 6pm, but she [the child's mother] works at the court, and sometimes there are late court cases when she has to stay longer [than 6pm]. For example, that's what happened today."

> Focus Group 3, nanny, aged 54, Rustavi

The change in wages also shows that there might be a certain relationship between the increase in the average salary in the formal sector and the cost of nanny services (see Table 2).<sup>14</sup> It is also important to highlight that the salary of domestic workers differs significantly between Tbilisi and other regions. The experience of the nannies who took part in the research study shows that while the average salary of a nanny in Tbilisi varies from 1,000 to 1,500 Georgian lari (GEL) (depending on the district), the salary in the regions stays within the range of GEL 500 to GEL 600, with the exception of Batumi, where the salary of a nanny is equal to that of a nanny in Tbilisi.

TABLE 2

#### Annual increase in the average salary and costs of nanny services in Georgia, 2019–2023

Year	Increase in average salary	Increase in nanny service costs
2019	6%	6%
2020	5%	10%
2021	9%	4%
2022	18%	10%
2023	11%	14%
Five-year average	10%	9%

Source: Author's calculation, based on Geostat's Labour Force Survey and Consumer Price Index (Inflation).

#### <u>CHAPTER 2.</u> PROFILE OF DOMESTIC WORKERS

The Regulatory Impact Assessment (RIA) of ILO Convention No. 189 (Domestic Workers Convention), prepared in 2021 under the guidance of the UN Women project "Women's Economic Empowerment in the South Caucasus" (WEESC), offers a profile of domestic workers (see Table 3).

#### TABLE 3

#### Profile of domestic workers in Georgia, 2017–2019

		2017	2018	2019
Total number of domestic workers			19,430	17,994
Share of domestic workers in the total workforce			1.1%	1.1%
Cave	Male	2%	1%	1%
Sex	Female	98%	99%	99%
Cattlement hung	Urban	72%	70%	68%
Settlement type	Rural	28%	30%	32%
	(20-35]	13%	15%	12%
Age group	(35-50]	44%	45%	43%
	(50-70]	42%	40%	44%
Nationality	Georgian	93%	94%	92%
Nationality	Other	7%	6%	8%
	Married (registered or unregistered)	70%	65%	68%
Marital status	Unmarried	6%	7%	9%
	Divorced or widowed	24%	28%	23%
	Illiterate, primary or basic general education	1%	4%	5%
Education	General education	29%	42%	41%
Education	Vocational education	41%	32%	34%
	Higher education (e.g. advanced degrees)	29%	22%	20%
Has a child in the family	Yes	57%	52%	50%
Has a person with disabilities in the family	Yes	5%	8%	6%
Has a person with chronic illness in the family	Yes	17%	19%	20%
Has a pensioner or retiree in the family	Yes	36%	41%	37%
Receives a subsistence allowance Yes		7%	8%	6%

*Source: Pignatti et al. 2021, pp. 23–24.* 

**Note:** The information in this table is derived from the Labour Force Survey conducted by Geostat. It is important to note that the data on domestic workers are based on a relatively small sample size; therefore, they should be regarded as approximate estimations rather than exact figures.

In this profile, domestic workers' level of education is especially significant. In contrast to global statistics showing that non-immigrant domestic workers usually have a very low level of education,<sup>15</sup> in Georgia, according to the 2019 data, 75 per cent of domestic workers have a general or vocational level of education, and every fifth domestic worker has at least a bachelor's degree (Table 3). It is also worth noting that about 77 per cent of domestic workers workers work in urban areas. This should be related to the fact that middle-income families, who can afford hiring domestic workers, often live in cities—most often in Tbilisi.<sup>16</sup>

To a certain extent, the internal migration of domestic workers in Georgia is caused because of this phenomenon. Focus groups showed that women from other cities and regions of Georgia often work as 24-hour (live-in) nannies and helpers in Tbilisi. Moreover, it is significant that the online survey conducted as part of the RIA of ILO Convention No. 189 shows that the participants' primary reasons for choosing domestic work as their main job are financial obligations (64 per cent) and the lack of other opportunities (37 per cent).<sup>17</sup>

## CHAPTER 3. LABOUR CONDITIONS OF DOMESTIC WORKERS

The Labour Code of Georgia does not recognize the concept of 'domestic work'. There is no consensus in the legal community on whether domestic work meets the criteria of labour relations set by the Labour Code of Georgia. According to the Labour Code of Georgia, "labour relations comprise the performance of work by an employee for an employer under organized labour conditions in exchange for remuneration".<sup>18</sup> One group of legal experts argues that domestic work does not fulfil the criteria of so-called organized labour conditions, as it does not involve an employee as an organized subject but instead involves a household. An opposing group of experts, however, takes into account the fact that domestic work implies the control and supervision of an employer over the execution of an employee's work, therefore fitting the framework of labour relations set by the Labour Code of Georgia.<sup>19</sup> In February 2024, the Labour Inspection Office of Georgia, based on the appeal of a nanny employed by a family, clarified that its mandate does not apply to employer households.<sup>20</sup> However, it has not discussed whether domestic work is a form of labour relation provided for by the Labour Code of Georgia. So far, the courts of Georgia have not yet clarified whether domestic work is a labour relation according to the Labour Code of Georgia.

Despite this, the definitions in the decisions<sup>21</sup> of the Supreme Court of Georgia on labour relations are essentially based on the approach of the ILO. According to the ILO, a relation is a labour relation not based on how the parties themselves perceive and call it but based on the objective situation, the facts and how the relationship is carried out.<sup>22</sup> The ILO Employment Relationship Recommendation, 2006 (No. 198), establishes multiple criteria for labour relations, of which subordination and supervision are of decisive importance—that is, the extent to which the work is performed at subordinate positions, under the directive and control of the employer.<sup>23</sup>

Focus groups conducted with nannies and helpers unequivocally show that, even when the parties in a domestic work relationship do not refer to their relationship as a labour relationship, domestic work usually still involves subordination and supervision from the employer household, usually a woman/mother. The nannies who took part in the focus groups claim that the agreement on the work process is made at the start of the employment. According to the agreement, the labour relationship implies constant supervision by the employer. Nannies receive detailed instructions from the employer, such as the time and duration of the child's sleep and walks as well as the details on their diet, hygiene, entertainment and educational activities. At the same time, some domestic workers who have formal work experience-for example, at schools, kindergartens or medical facilities-claim that their paid domestic work is subject to the same supervisory and disciplinary practices as in other standard workplaces.

Despite this, domestic workers receive few or none of the benefits defined by the Labour Code of Georgia (see Table 4). The Geostat Labour Force Survey shows that in 2019, only 4 per cent of surveyed domestic workers had an actual written contract; and even then, it was still unclear what conditions were set by the contract and what type of contract it was (labour or service). Therefore, the mere existence of a contract cannot automatically be considered as a guarantee of better labour conditions for a domestic worker. According to a report prepared by UN Women, 82 per cent of domestic workers claim that they work more than 40 hours a week, compared to 55 per cent of all other workers.<sup>24</sup> Moreover, 60 per cent of domestic workers have to work during evening hours.<sup>25</sup> The focus group discussions conducted under the present study corroborate that domestic workers work more than 40 hours a week. Legally, the Labour Code of Georgia stipulates the provision of overtime pay in such scenarios. However, the domestic workers who took part in the focus groups almost never receive this benefit. The problem is even more severe for domestic workers who, at the same time, live with their employers' families; in such cases, working and non-working time are not differentiated at all. Nannies and helpers emphasize the lack of job description as a serious problem, leading to their increased workload.

"Often, when I do this or do that, suddenly the employer will also ask me to do something else, because she just 'wants' me to do it. ... The whole point of an agreement is to follow the rules, to prevent the possibility of 'I want you to do this'. When we have an agreement, I know exactly what my duties and obligations are, and it can no longer be about 'personal wishes', as we have already agreed on exactly what I have to do—we have a certain framework and cannot go beyond that."

> Focus Group 1, helper, aged 44, Tbilisi

"I usually follow them when they go to the village. However, if I don't, I never get paid and have to find another short-term job. Of course, I need money when they leave for two months [during the summer]."

> Focus Group 1, nanny, aged 62, Tbilisi

"For example, they might ask me to clean the pantry as well. At a glance, it is just a pantry, but stuff accumulates there throughout the entire year. Therefore, cleaning and tidying it up is a very work-intensive task. Every day, I write down my schedule, but now I suddenly have to clean the pantry in addition to my work. Usually, the verbal agreement made with the employer is so basic that it is hard to even argue. And it is like that everywhere."

> Focus Group 2, helper, aged 54, Tbilisi

During focus group discussions, domestic workers stated that one of the biggest problems for them is the lack of days off. Most verbal agreements provide for one (usually Sunday) or two (usually Saturday and Sunday) days off during the week. However, the question of official days off is vague and unclear. When employers are parents and are employed themselves in the private sector, their nannies rarely have the opportunity to take time off on public holidays. Likewise, the issue of annual paid leave is also extremely problematic. Nannies almost never have the freedom to choose the timing of their holiday. For most of them, their annual leave coincides with the same time period when families themselves go on holiday and temporarily do not have to work. At such times, some nannies get paid, some do not, and others are forced to go on unpaid leave.

"As for me, I am always in search of a summer job. During the summer, they go on holiday, and I am left without a job. I usually search for small jobs, in cafés or places like that."

> Focus Group 2, nanny, aged 60, Tbilisi

The research participants claim that they have never heard of an employer household compensating their nanny for missed days due to illness. It is important to emphasize that domestic workers have different expectations when it comes to rest and leave. Helpers usually work on a daily basis, and they rarely get annual and sick leave compensation. They are paid on a daily basis; and, unlike nannies, the verbal agreement with their employers only concerns the remuneration and workload.

#### TABLE 4Labour conditions of domestic workers, 2017–2019

Domestic work	Job characteristics	Share of domestic workers		
Domestic work		2017	2018	2019
Workload	Full-time	91%	95%	98%
	Part-time	9%	5%	2%
Permanency of the job	Constant	49%	49%	61%
	Temporary, seasonal, irregular	51%	51%	39%
Type of contract	Written contract	7%	2%	4%
	Verbal agreement	93%	98%	96%
Working hours per week	Less than 40 hours	16%	12%	16%
	More than 40 hours	75%	83%	82%
Evening work (7–11pm)	Regularly	33%	37%	34%
	Sometimes	19%	22%	26%
	Never	47%	41%	40%
Night work (11pm–6am)	Regularly	6%	11%	3%
	Sometimes	13%	11%	21%
	Never	80%	78%	76%
Work on Saturdays	Regularly	60%	67%	65%
	Sometimes	15%	17%	15%
	Never	24%	16%	20%
Work on Sundays	Regularly	28%	24%	17%
	Sometimes	18%	15%	16%
	Never	54%	61%	66%
Net income	Under GEL 200	13%	9%	7%
	GEL 201 to GEL 600	36%	34%	35%
	GEL 601 to GEL 1,000	18%	14%	19%
	Over GEL 1,001	12%	12%	17%
	Refused to answer	22%	31%	22%

Source: Pignatti et al. 2021, p. 28.

**Note:** The information in the table is derived from the Labour Force Survey conducted by Geostat. It is worth noting that the data regarding domestic workers are based on a relatively small sample size; therefore, they should be regarded as approximate estimations and not exact.

The increasing use of surveillance and filming techniques in the workplace is particularly painful for domestic workers. Nannies who took part in the research study say that because of surveillance, their entire workday is full of tension and stress. Sometimes, surveillance and filming equipment is installed in those spaces where domestic workers have to change clothes. In certain cases, the information about the existence of such surveillance equipment is initially unknown to the workers, and they learn that their activities were under covert surveillance only as a result of various incidents.

"I was always too shy to eat [at work]. There was a camera, which was even moving from time to time. That was driving me mad. As a result, I could not eat at all. It was very tough."

> Focus Group 1, nanny, aged 43, Tbilisi

"I experienced this situation with one family. On the first day, I asked for a place where I could change my clothes. They showed me a room, and I found out that there was a hidden camera inside. Later, they had to admit to it themselves. They said it was not installed to watch me but 'just in case something happened'."

> Focus Group 1, nanny, aged 54, Tbilisi

# CHAPTER 4. INFORMALITY AND SOCIAL SECURITY

Informality—or more precisely, informal work—is defined as a labour relationship that legally or factually lies beyond the labour legislation, is not subject to the payment of income tax and is not a basis for the worker to receive social security or other employment benefits.<sup>26</sup> Informal employment has its advantages—for example, financial savings through tax evasion. However, there is a consensus in the literature that informality is a vulnerable position for the workers, whose work is invisible to the law and public policy, who have no employment status and no legal access to labour dispute settlement mechanisms, and who are outside the reach of social protection systems.<sup>27</sup> Table 5 shows the vulnerability of informality in relation to formal employment in Georgia.

#### TABLE 5Informal and formal employment in Georgia

Rights and benefits	Formality	Informality		
Labour rights				
Employment status	Yes	No		
Forty-hour work week	Yes	No		
Paid overtime work	Yes	No		
Uninterrupted 24-hour weekly rest period	Yes	No		
One-hour rest break after six hours of work	Yes	No		
Twelve-hour uninterrupted rest time between working days	Yes	No		
Days off on official holidays	Yes	No		
Annual paid leave	Yes	No		
Guarantees of labour safety	Yes	No		
Protection against unjust and arbitrary dismissal	Yes	No		
Protection against discrimination and sexual harassment	Yes	Yes/No <sup>a</sup>		
The right to appeal to the Labour Inspection Office	Yes	No <sup>b</sup>		

Rights and benefits	Formality	Informality		
Social protection rights				
Maternity leave	Yes <sup>c</sup>	No		
GEL 2,000 compensation from the State during maternity leave	Yes <sup>c</sup>	Yes/No <sup>d</sup>		
Severance pay	Yes	No		
Access to the funded pension scheme	Yes	No		
Access to the Universal Healthcare Programme	Yes <sup>e</sup>	Yes		

*Source:* Pignatti et al. 2021, pp. 19 – 20.

- *a* In a decision made in February 2024, the Labour Inspection Office of Georgia stated that the inspection mandate does not extend to employer households, which means that the Labour Inspection Office cannot investigate cases regarding domestic workers based on the investigation of discrimination and sexual harassment. However, according to the law, investigation into possible cases of discrimination and sexual harassment can also be initiated by the Public Defender's Office of Georgia. Although it has not yet addressed a case of harassment of a domestic worker, it is still possible for the Public Defender's Office to test the mechanism.
- *b* The Law of Georgia on the Labour Inspection Service allows a labour inspector to enter any building, including residential spaces, if there are reasonable grounds to suspect forced labour or labour exploitation. The Labour Inspection Office of Georgia confirmed the authority to intervene in such cases involving domestic workers based on a complaint filed by citizen named S. F. on 15 February 2024.
- *c* Only those employees who have an employment contract are eligible for GEL 2,000 in State compensation during maternity leave. In other words, individuals who work under a service contract are not entitled to these benefits. See Gvinianidze 2023.
- *d* In the study, domestic workers reported that they have not known of any cases where a domestic worker received assistance during maternity leave. The NDWG has also confirmed that they have never heard of such a case. However, according to the law, in order to receive maternity remuneration, among other requirements, a worker should have an employment contract, and the employer may be either a legal entity or an individual (natural person). This implies that it is possible for a domestic worker who has a written employment agreement with a household representative and is permitted by the employer to take maternity leave, to receive maternity compensation upon the submission of relevant documentation to the State. See Order No. 01-133/ of 29 December 2020 of the Minister of Internally Displaced Persons from the Occupied Territories, Health, Labour and Social Affairs of Georgia.
- *e* It is worth noting that the Universal Healthcare Programme of Georgia, despite its name, is no longer universal since 2017 and does not apply to high-income employees (with an annual income of more than GEL 40,000) and is applied in a limited manner to middle-income workers (with a monthly income of more than GEL 1,000, but less than GEL 40,000 annually). See Ordinance No. 36 of the Government of Georgia of 21 February 2013 on certain measures to be taken for transitioning to universal health care. See also Absandze 2018.

Table 5 demonstrates the extent to which informal workers are unprotected in Georgia, compared to formal workers. However, although the rights listed in the table exist, in practice, these benefits are often neglected for formal workers as well. Studies show that regulations on work, breaks and rest times are violated in Georgia even in formal employment.<sup>28</sup> The Labour Inspection Office of Georgia was abolished in 2006 and was only restored to its full mandate of labour supervision in 2021. In practice, the Labour Inspection Office is still unable to fully supervise labour conditions even in formal sectors of employment.<sup>29</sup> In addition, Georgia does not have certain critical pillars of the labour and social security system, such as minimum wage and unemployment or accident insurance. These pillars would create substantial differences

between the working conditions of formal and informal workers and would attract informal employees to formality.

In Georgia, domestic workers may actually lose certain social benefits if they formalize their employment. For example, the Universal Healthcare Programme of Georgia offers different funding models for high-income, middle-income and low-income citizens. This has created a situation where domestic workers feel discouraged from formalizing their employment, as those with unknown incomes receive better health insurance packages. Consequently, domestic workers are hesitant to disclose their income in order to maintain better access to healthcare-related benefits.<sup>30</sup> As for domestic workers' access to the funded pension system, some of the nannies and helpers participating in the focus groups are already of retirement age but do not participate in the scheme.<sup>31</sup> Participants of a relatively younger age do not wish to participate in the funded pension system either. In their opinion, the accumulated pension is not going to be substantial enough to justify the monthly contributions.

The issue of whether formalizing employment is attractive or unattractive also came up during the focus group discussions with nannies and helpers. The main concern voiced by nannies and helpers about formalization is the obligation to pay income tax. Georgia has a proportional tax system in which all employees, regardless of their salary, pay a 20 per cent income tax.<sup>32</sup> While there are exceptions to this rule in the Tax Code, domestic workers are not among those exceptions. This means that most domestic workers are required to pay taxes if they formalize their employment, which makes them less inclined to do so. Some nannies and helpers mentioned that they would be willing to pay taxes if they were paid a higher salary. Some suggested that the tax rate should be linked to the salary amount.

"Twenty per cent income tax is too high. It feels like theft. The legal protection of labour rights is good, but paying 20 per cent is too much."

> Focus Group 1, nanny, aged 43, Tbilisi

"It depends on the amount of salary. For GEL 600, 20 per cent is too much. It should be proportional to the amount of salary."

> Focus Group 2, nanny, aged 54, Tbilisi

Another issue impacting the attractiveness of formalization concerns the targeted social assistance system. According to the rules, families living below the poverty line are entitled to receive a subsistence allowance and other non-financial benefits. According to existing estimations, in the 2017–2019 period, 6–8 per cent of domestic workers received targeted social assistance (see Table 3). The current legislation on social assistance states that if a person receiving social assistance finds formal employment, they will not lose their status as a socially vulnerable person and that they can continue to receive assistance for four years after starting their formal employment.<sup>33</sup> In such cases, the employment status of a worker should be confirmed by the Revenue Service of Georgia, which sends information about the income received by the worker during the previous four months to the Social Service Agency of Georgia. This means that after formalizing their employment, domestic workers retain the right to receive social assistance but, at the same time, are obliged to pay income tax—20 per cent of their salary.

When we asked nannies and helpers about their views on various social security mechanisms, we often had to explain what each mechanism was and how it worked. Once they learned about the different social security options, the most popular one among the workers was found to be unemployment insurance. This preference was largely influenced by their experiences during the pandemic when they were left jobless and could not access one-time financial assistance from the State.<sup>34</sup> The focus group discussions also revealed that temporary unemployment insurance is favoured by domestic workers, as they often experience sudden job loss and struggle to make ends meet before finding a new job.

### CHAPTER 5. FAMILY RELATIONSHIPS

Domestic work is a form of informal work that involves direct or indirect care work in households.<sup>35</sup> The vulnerability of domestic workers stems not only from the informal nature of the work but also from the personal relationships typical in this type of employment. Working in an employer's place of residence creates strong bonds between the domestic worker, the person they are caring for and the employer. While this may seem positive, it can lead to violations of labour rights and interests. In Georgia, domestic work is characterized by personal and close relationships between employees and employers, often leading to situations where working without payment for additional hours or performing tasks outside of their duties is considered normal. Domestic workers who participated in this research study often claim that they feel treated like a member of their employer's family. In such an environment, demands to increase wages or improve labour conditions create embarrassment: If one is a family member, then one should behave like a family member; for example, one should not count the number of hours worked, nor ask for overtime pay or annual leave. We can also observe a phenomenon of reservedness: Nannies and helpers claim that even if they are not satisfied with many things concerning their work, they are still embarrassed to complain in front of their employers.

"Sometimes, they pick up the child at 6pm—sometimes, even later than that. This does not affect my remuneration, of course. We have a special type of relationship; we are very close to each other. We respect each other, and so on."

> Focus Group 3, nanny, aged 51, Sighnaghi

"I have been mistreated so many times, but I always preferred to stay quiet."

Focus Group 2, nanny, aged 54, Tbilisi

"There have been many instances where I wanted to express my dissatisfaction and discuss improvements with the family. For example, I am not satisfied with my current salary, which is only GEL 40 per 24 hours. But the old man is such a quiet person, ... his daughter is a decent and conscientious girl as well. It is difficult for me to broach the topic of my salary with her. This situation truly upsets me. ... If my salary were GEL 50, it would make things easier, ... but [discussing] it is quite embarrassing."

> Focus Group 2, helper, aged 49, Tbilisi

"How should I put it? It is embarrassing to talk about [the labour conditions]. Because of this, we are being exploited."

> Focus Group 3, nanny, aged 60, Gori

Thus, other informal workers, even if they lack legal status, have the opportunity to improve their working conditions through bilateral negotiations with their employers. However, such an opportunity is practically non-existent for domestic workers. On the other hand, nannies and helpers tend not to use the option of legal recourse against their employers. A quantitative study conducted under the guidance of UN Women shows that domestic workers who faced some kind of awkward situation (28 per cent) or had a conflict (17 per cent) with their employers prefer solving the problem informally or leaving the workplace, while more than 16 per cent of domestic workers fear that they will lose their jobs if they dispute the issue.<sup>36</sup> The majority of the nannies and helpers who took part in the present study indicate that complaining about labour conditions will damage the

relationship with their employers' families. Moreover, some of the domestic workers often find a job with the help of a recommendation from a common acquaintance of the potential employer, which places additional pressure to demand the improvement of labour conditions.

"I did not even know that I could get [annual leave]. ... I was not working under a contract. I did not know much about my work terms either, and I was not even interested, as I was [working] there with the help of my personal connections."

> Focus Group 2, helper, aqed 43, Tbilisi

### CHAPTER 6. EMPLOYMENT AGENCIES

In recent years, private employment agencies have emerged in Georgia to assist women in getting employed as domestic workers. The lack of a registry of such agencies makes it difficult to determine their number. In Georgia, these agencies are not subjected to any special or additional regulations. Their primary role is to help women secure jobs as domestic workers.

Only a small number of the nannies involved in the study had prior experience dealing with employment agencies. Most of them expressed dissatisfaction with the services provided by such agencies. They felt that the agencies primarily acted as intermediaries and showed little regard for protecting the labour rights of domestic workers. None of the nannies hired through the agencies had a written contract with either the agency or the employer household. This was confirmed by the agency representatives as well. Additionally, the nannies and helpers were required to pay the agency a one-time employment fee, typically equivalent to half of their first month's salary. This practice goes against the ILO Private Employment Agencies Convention, 1997 (No. 181). <sup>37</sup>

One of the study participants described the typical process as follows: The agency signs a three-month temporary service agreement with the family, based on which the two parties agree that the family will hire the nanny, and the agency is obliged to replace the nanny if the family is dissatisfied. Under this service, the agency typically receives a one-time payment from the household, as well as 50 per cent of the salary from the nanny or helper at the end of the first month of their employment. However, it is important to note that the service agreement signed between the employment agency and the family does not include the working conditions of a domestic worker or the rights and obligations of an employee and an employer. Representatives of the agencies claim that ensuring the rights of nannies and helpers is important to them and that they always provide nannies, helpers and employers with information about their rights and obligations.

"Our nannies always know that they are entitled to two weeks of paid leave, that extra hours must be compensated, etc."

> Interview 1, employment agency representative

The focus group discussions revealed that nannies and helpers become informed about their labour rights through verbal and informal means. Instead of relying on the Labour Code of Georgia, agencies tend to guide nannies and helpers based on existing established experience. The information that employment agencies typically provide to nannies and helpers is as follows:

- The duties of the nanny are limited to child-related tasks and do not include other household chores.
- The nanny or helper should be compensated for any additional hours worked.
- The nanny or helper is entitled to two weeks of leave per year, instead of the 24 working days established by the Labour Code of Georgia. This leave must be agreed upon with the employer household and can be divided into one-week periods at different times of the year.
- The nanny is entitled to rest on Saturdays and Sundays unless stated otherwise in the agreement with the household.

• If the nanny goes with the family to their holiday home, she should receive 1.5 times her regular wage.

Nannies and helpers claim that after being hired, the agency stops communicating with them unless they (the employees) reach out for some reason.

"I have had no further contact with the agency since our one-time employment deal. They have already received their bonuses, which amounted to 50 per cent of my [first month's] salary, and we have not communicated since."

> Focus Group 1, nanny, aged 54, Tbilisi

"Personally, I did not want to get employed through the agency because whenever I sought their help, it took them one month to respond to me."

> Focus Group 2, nanny, aged 61, Tbilisi

The employment agencies present a completely different perspective. Agencies involved in the study claim to have periodic communication with the nannies and the households that employ them, showing interest in how the collaboration is progressing. However, it was revealed during the interviews that such communication is informal and unstructured.

"After three months, we make periodic check-in calls and ask [workers] to contact us if they encounter any issues."

> Interview 1, employment agency representative

"We do it periodically. We make calls to the families and the nannies—once every two to three months, or as [often as] we can manage."

> Interview 2, employment agency representative

Employment agency representatives claim that nannies often express concerns related to extra responsibilities imposed by the family and violations of established conditions. However, the agencies do not think that they have the obligation to intervene. This stance is linked to the fact that agencies do not see themselves as employers but rather as mediators. As a result, agencies think that they have no obligations to nannies once they connect them with a family.

"Nannies often express concerns about being assigned additional work and feeling like slaves. ... In such cases, what can we do? We usually offer them a new job."

> Interview 1, employment agency representative

"We act more as mediators. Yes, we communicate with families and try to do as much as we can, but our influence is limited."

> Interview 2, employment agency representative

# DOMESTIC WORKERS CONVENTION: CONCEPTS AND PRINCIPLES

The second part of this document discusses the Domestic Workers Convention, 2011 (No. 189), adopted by the ILO, and analyses the concepts of domestic work and domestic workers, as well as the regulatory principles of the sector.

### CHAPTER 1. TERMS DEFINED BY THE CONVENTION

Adopted in 2011, Convention No. 189 defines domestic work as "work performed in or for a household or households", while a domestic worker is defined as a "person engaged in domestic work within an employment relationship". The Convention also specifies that "a person who performs domestic work only occasionally or sporadically and not on an occupational basis is not a domestic worker".<sup>38</sup> The following implications arise from this brief definition by the Convention:

- Domestic work is often equated with activities that are carried out directly in the family space. However, the Convention also defines domestic work as work that may not be confined to the family space, such as providing services to meet household needs<sup>39</sup>—for example, the services of a driver.
- Domestic work typically involves direct care, such as looking after children, the elderly and the sick, as well as indirect care, such as cleaning, cooking, gardening, driving and ensuring home safety. The Convention does not offer a complete list of activities, intentionally leaving open the question of what types of activities can constitute domestic work within the context of different cultural norms in various countries.<sup>40</sup>
- According to the Convention's definition, a domestic worker is not only someone employed full-time in one household but also includes those who work part-time in one or more households.<sup>41</sup> An example of this is a private tutor providing educational services to several families at once, as well as a nanny who may work part-time for multiple families.
- The Convention does not clarify who the employer is or who has the status of an employer. During the

review process of the Convention, the ILO agreed that in the case of domestic work, the employer may not only be a household where the work is performed but also a third party such as an employment agency or a digital platform. These entities may offer care services to households and employ workers for this purpose.<sup>42</sup>

The concept of domestic work as a form of labour was historically overlooked. The ILO adopted its first resolutions on domestic work in 1948 and 1965, focusing on the special type of exploitation<sup>43</sup> faced by domestic workers and their lack of labour rights and social protections. The heritage of such historical realities as feudalism, colonialism and patriarchal and racial oppression<sup>44</sup> has made it challenging to classify domestic work as paid labour. The complexities of domestic work, regardless of the gender, citizenship or migrant status of the worker, further complicate this issue. For example:

- The working space of a domestic worker is primarily a private household residence, and the employer is a private family, as opposed to a traditional employer, which is typically an organization.<sup>45</sup>
- Domestic workers carry out their duties in close proximity to household members. This leads to fostering personal and informal relationships, as well as emotional and meaningful connections between domestic workers and their employers.<sup>46</sup>
- Domestic workers' labour is atypical due to two major circumstances. Firstly, a domestic worker is often treated like a member of the family.<sup>47</sup> Secondly, their work is generally more subordinate and subject to greater discipline by households compared to traditional paid employment.<sup>48</sup>

## CHAPTER 2. PRINCIPLES OF THE CONVENTION

The ILO discussed the nature of domestic work in the process of reviewing the Domestic Workers Convention (No. 189) and its accompanying Recommendation (No. 201), 2011. In the 'Law and Practice Report' published in 2010, the ILO analysed domestic work in the context of two different approaches: "work like any other" and "work like no other".<sup>49</sup> The first approach equated domestic work with other forms of paid employment, regardless of the specific job characteristics of domestic work. This aimed to achieve full legal equality for domestic workers compared to other employees. The second approach highlighted the distinct nature of domestic work, recognizing it as a unique form of employment and, as such, emphasizing the need for specific regulations and dedicated enforcement mechanisms for these regulations. In the end, the ILO concluded that none of the individual approaches would effectively regulate domestic work. It was acknowledged that domestic work is, at the same time, the same and a distinct type of labour compared to other types of work.<sup>50</sup> From a practical standpoint, this meant acknowledging domestic work as paid employment and as a labour relationship while simultaneously recognizing that specific regulations may be necessary due to the diverse contexts, needs and characteristics of domestic work. The ILO's comprehensive approach is clearly reflected in the Convention, which ensures that domestic workers have the same rights as other workers while also providing them with special rights, such as the right to decent living conditions.

Convention No. 189 has been ratified by 36 States since its adoption in 2011. The basic principles<sup>51</sup> of the Convention and its accompanying Recommendation No. 201 are as follows:

• States are obliged to take the necessary measures to ensure that domestic workers, like other workers, enjoy decent labour conditions (Article 6).

- States are obliged to take into account the specific characteristics of domestic work and ensure that domestic workers do not enjoy less favourable conditions for social protection than other workers in general (Article 14).
- States shall take measures towards ensuring equal treatment between domestic workers and workers generally in relation to normal hours of work, overtime compensation, periods of daily and weekly rest and paid annual leave. In addition, the time during which the domestic worker is at the disposal of the household (irrespective of whether he/she performs his/her labour duties at a particular moment) shall be considered as working time (Article 10).
- Domestic workers have the right to be informed of the terms and conditions of their employment in an appropriate, verifiable and easily understandable manner, including information on the job description and work type; payments, remuneration and the method of its calculation; the length of the probationary or trial period; and the terms and conditions relating to the termination of employment. The existence of a written contract is preferrable (Article 7).
- Domestic workers have the right to enjoy minimum wage coverage. Payments should be paid in monetary form at least once a month. Non-monetary compensation is allowed as long as it constitutes only a small portion of the total remuneration and the worker consents to receiving it in this form. The fair and reasonable monetary value of non-monetary compensation should be calculated fairly. Nonmonetary compensation should be for the benefit of the employee. Items necessary for the domestic worker's work (such as uniforms, protective equipment, hygiene products, etc.) cannot be considered as compensation (Articles 11–12).

- A minimum age for domestic workers should be regulated by national laws to ensure that employment does not deprive children of compulsory education (Article 4).
- Domestic workers, if they reside in the household, should have decent living conditions that respect their privacy, and they should not be obliged to remain in the household during periods of daily and weekly rest or annual leave (Articles 6 and 9).
- States should determine the conditions governing the operation of private employment agencies and should ensure that adequate mechanisms exist for the investigation of complaints against them. States should take measures to ensure that fees charged by private employment agencies are not deducted from the remuneration of domestic workers (Article 15).
- States should establish effective and accessible complaints mechanisms for the protection of domestic workers that are not less favourable than those available to workers generally. They should ensure the effectiveness of labour inspection for domestic workers, with due regard for the special characteristics of domestic work (Articles 16–17).
- States should collect detailed statistics on domestic workers, including gender and age, and must record and publish the data on accidents and diseases connected to domestic work (Recommendation No. 201).

# INTERNATIONAL PRACTICES

The third part of the policy document provides an overview and analysis of the international practices of formalizing domestic work and examines the approaches of different countries, touching on the issues of recognizing domestic work as labour relations, applying labour inspection mandates to domestic workers and establishing fiscal incentives to foster formalization.

### CHAPTER 1. FORMALITY-INFORMALITY CONTINUUM

ILO Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy, adopted in 2015, applies to various distinct sectors of informal employment.<sup>52</sup> According to the ILO, domestic work is one among the vulnerable types of informal employment.<sup>53</sup> The Recommendation is based on the assumption that the informal work economy has a negative impact on the budgetary incomes of the State, as well as on informal employees who do not have access to decent working conditions and social security.<sup>54</sup>

According to the ILO, a person is considered informally employed if his/her employment relationship, in legislation or practice, meets at least one of the following criteria: (1) is not regulated by the national labour code; (2) is not covered by social security schemes; (3) is not subject to income taxation; and (4) does not have access to employment-related social benefits (e.g. the right to receive compensation in the event of job loss).<sup>55</sup> Informal employment spans various sectors and activities; however, domestic workers are the most likely to work informally.<sup>56</sup>

As we can see, the informality of domestic work has different forms. Firstly, domestic work is informal if the provisions and guarantees provided for by the labour and social security legislation do not apply to domestic workers. According to the second form of informality, domestic work is considered informal even when labour and social security legislation applies to domestic workers, but in practice, they do not have access to the benefits provided for by the law. In other words, if, for example, domestic workers are not actually involved in social security schemes, it is an indication of the informality of their activities. According to the third form of informality, informality is also present when domestic workers are insufficiently protected by labour and social security laws, which puts them in an unfavourable position compared to other workers.<sup>57</sup>

Informality and formality, and transitioning from the former to the latter, can be characterized as a continuum. In the domestic work sector, one pole of this continuum is the absence of a guarantee of employment status, as well as the absence of minimum labour protections and social security benefits. The second pole is complete formality, indicating the requirement of having a labour contract and the effective protection of labour rights, as well as full access to social security programmes. It also includes the obligation to enrol in these programmes and make monthly contributions. Between these two poles, there are different degrees and types of formality and informality. For example, we can consider the activities of a person between these two poles who, based on a service contract, provides care services to a household and pays the relevant taxes and whose work is formalized in economic terms; nonetheless, this person does not have access to the rights and benefits that he/she would have under an employment contract. Table 6 shows that domestic work can be informal when looking at one indicator and one dimension but formal under another indicator and dimension. The continuum of informality and formality also shows that labour and social security laws may legally apply to domestic workers but still be unable to protect them in practice.

Due to various forms and causes of informality, ILO Recommendation No. 204 calls on States to thoroughly research and assess the reasons, characteristics and forms of informality. This should be followed by an assessment of the local context and coordination of State institutions, upon which a unified and consistent formalization strategy is built. This strategy should place emphasis on domestic workers, who are a particularly vulnerable group among informal workers, and create mechanisms to make formalization more attractive to them.<sup>58</sup>

#### TABLE 6

#### Dimensions and indicators of the formality-informality of domestic work

Dimension	Indicator	Informality	Formality
Legal framework for labour rights	Legal recognition of domestic work as a form of employment, accompanied by benefits connected to employment status	Absent, or partially recognized as a form of paid employment	Recognized legally and affected by labour regulatory legislation
Legal framework for social security rights	Legal recognition of the application of social security legislation to domestic workers	Not recognized legally, and social security legislation does not apply	Legally recognized and covered by social security legislation
Declaration and registration	(i) Registration of domestic workers in social security schemes	(i) Domestic workers cannot register	(i) Domestic workers register
	(ii) Payment of contributions by domestic workers to social security schemes	(ii) No participation by domestic workers; not paying contributions	(ii) Domestic workers participate and pay social contribution
Practice of formal employment	(i) Domestic workers have an employment agreement governed by employment conditions, such as job descriptions, wages and working time	(i) No contract	(i) Verbal agreement or written contract
	(ii) Domestic workers have a verifiable salary history	(ii) No verifiable salary history	(ii) Verifiable salary history

*Source:* ILO 2016a, p. 13.

## CHAPTER 2. FORMALIZATION STRATEGY

ILO Recommendation No. 204 offers three approaches to formalizing informal employment: (1) fostering the transition of workers from the informal to the formal economy by creating and encouraging mechanisms such as registering employment contracts and participating in social security schemes; (2) promoting the creation, maintenance and sustainability of decent jobs in the formal economy; and (3) avoiding the informalization of formal workplaces.<sup>59</sup>

The ILO considers formalization a complex process that involves the State's efforts to prevent the informalization of employment on the one hand and to move towards formalizing informal employment on the other hand. At the centre of this logic is the assumption that formalization should be appealing to workers; that is, the loss of formal employment status should result in the loss of specific labour and social benefits. It is worth noting that the literature on informality highlights not only its drawbacks but also its benefits. For instance, informality can serve as a means for workers to avoid taxes and save money. Unless formal employment offers social protection in exchange for paying taxes and adhering to regulations, it will be difficult for workers to resist working in the informal economy.<sup>60</sup>

When discussing the formalization of domestic work, one of the first things to consider is amending the existing labour legislation to grant domestic workers the status of 'employees', which would come with labour rights and

guarantees. However, based on past experiences, it is also important to note that mere legal mechanisms may not be sufficient to achieve formalization.<sup>61</sup> The success of the formalization strategy largely depends on whether the transition from the informal to the formal sector is considered favourable and beneficial by both employees and employers and how attractive formal employment status is. In other words, moving from informal to formal employment should be beneficial to both the worker and the employer, and the benefits of formalization should outweigh the expenses involved for both parties.<sup>62</sup> At the same time, the success of the formalization strategy, along with the reform of labour, social and tax laws, relies heavily on the shift in social values, norms and perceptions within society. Domestic work involves personal relationships that naturally make it difficult for laws and regulations to be enforced. Thus, implementing effective and flexible mechanisms to enforce legislation, strengthening domestic workers' organizations, and changing social perceptions through public campaigns can have a significant impact.63

ILO Recommendation No. 204, in its fundamental principles, emphasizes the need for a consistent formalization strategy that finds a balance between incentives and compliance measures to encourage the transition from the informal to the formal economy.<sup>64</sup> Below, we will examine how various foreign countries approach the issue of informal employment and the measures they take to encourage formalization.

## CHAPTER 3. FORMALIZATION APPROACHES

After the adoption of ILO Convention No. 189 and Recommendation No. 201, several countries implemented legislative and institutional reforms to protect the labour rights and social security of domestic workers. These reforms aimed to transition domestic workers from informal to formal employment. Some countries, such as Argentina, the Philippines and Spain, pursued comprehensive reforms to ensure equality between domestic work and other forms of paid employment. Other countries introduced new protective measures and amended existing labour and social security regulations for domestic workers. Table 7 outlines the experiences of various countries. Despite diverging approaches and experiences, the changes to labour and social security legislation reflect the principles of Convention No. 189, according to which domestic work, regardless of its specific nature, is considered a form of employment and should be subject to government regulation and protection similar to other forms of employment.<sup>65</sup>

The remainder of this chapter outlines the key issues regarding the formalization of domestic work, such as the recognition of domestic work as labour relations, the application of the mandate of the Labour Inspection Office to domestic work, the protection of domestic workers under social security schemes and the pursuit of fiscal and information measures that foster formalization.

#### TABLE 7

#### Fostering the formalization of domestic work: Examples of labour and social security reforms worldwide

**ARGENTINA (2013).** Argentina expanded its law on domestic employment, granting domestic workers the same guarantees and benefits as other employees. As a result, domestic workers, like other employees, are entitled to a 48-hour work week, regulations on leisure, overtime, annual, illness and parental leave, and working age as provided by the national law. In addition, the law establishes guarantees, such as the right to breaks, and personal room for the workers who live at the workplace.

**BRAZIL (2013).** Under the constitutional amendments in Brazil, the rights of domestic workers have been equalized to the rights of other workers. Before 2013, a domestic worker could use unemployment and workplace accident insurance only if the employer voluntarily paid the relevant contribution to the unemployment fund. According to the 2013 constitutional amendments, employers of domestic workers must register with the unemployment fund and pay relevant contributions.

**Morocco (2019).** Morocco's labour and social safety legislation specifically addresses domestic work and provides domestic workers with the same legal guarantees as private sector employees. Domestic workers participate in a social security scheme in which the major part of the contribution is paid by employers. By participating in the social security schemes, domestic workers receive sick and parental leave as well as access to public health care and pensions.

**PHILIPPINES (2013).** An act on domestic work in the Philippines provides for the comprehensive equalization of domestic workers with other forms of employment, establishing minimum wage guarantees and regulations on working time, rest and leave, and mechanisms for resolving labour disputes and fast response to harassment against domestic workers. In addition, it spreads social security, public health, housing and insurance schemes to the domestic work sector.

**SOUTH AFRICA (2020).** According to the decision of the Constitutional Court of South Africa, excluding domestic workers from the Occupational Injuries and Diseases Act was declared unconstitutional. After the decision, a record emerged in the legislation, which envisages the mandatory registration of domestic workers in the social security scheme and legal equalization with other workers.

**SPAIN** (2011). Spain's Royal Decree establishes requirements for the minimum wage for domestic work, a 40-hour work week, Sunday and annual holidays, and maternity leave, and it equates domestic workers with other employees. The Decree also provides for special regulations on the remuneration of the time during which the domestic worker does not carry out the work but is at the disposal of the employer (i.e. standby time). In addition, general social security schemes apply to domestic workers.

**SWITZERLAND (2011) AND THE UNITED STATES (2013).** Both countries have amended their minimum wage regulatory acts and applied them to the domestic work sector.

Source: ILO 2016a, 2021, 2022.

#### **Recognition of labour relations**

Recognizing domestic work as labour relations is a key step in the process of formalization, as a result of which employees and employers receive legal recognition of their rights and obligations.

ILO Recommendation No. 204 clearly and unequivocally indicates that, among other measures, formalization entails the recognition of informal employment as formal employment and the extension of the provisions provided for by the labour legislation.<sup>66</sup> In this regard, the international practice of formalizing domestic work distinguishes between the direct and indirect models of employment.<sup>67</sup> The direct model implies a simple legal configuration in which a household or any member of the household has the status of an employer, and therefore, the rights and duties provided for by the national labour laws and by Convention No. 189 are applied to the them. The indirect model integrates tripartite relations and is relatively complex: In such a model, a public or private employment agency has an agreement with the domestic worker, as well as a service agreement signed with the household, for whom the work is performed. In this model, the rights and obligations of the employer belong to the agency. However, there are cases in the indirect model where, because of the tripartite structure of the relationship, it is unclear which party should be considered the employer. In some countries, both direct and indirect models of domestic work are in action. Table 8 reviews countries with the indirect model.

#### TABLE 8 Examples of indirect employment models worldwide

**BELGIUM**. Agencies registered in Belgium have labour agreements with domestic workers and service agreements with households for whom or in which the work is done. A service agreement determines the job description and time, the duties of the employee, the obligations of the household and other conditions. After providing the service or on a monthly basis, the employment agency provides the household with an invoice, based on which the household will issue remuneration. The responsibility for ensuring compliance with the minimum guarantees established by local legislation for domestic workers is the responsibility of the agency. In addition, the employment agency is obliged to have a lifetime employment agreement with a domestic worker if the employee works in the agency for more than three months. Unlike in France, the only valid model in Belgium is the indirect one.

**FRANCE.** Households in France have the opportunity to purchase services from an appropriately licensed private company, which in turn offers employment to workers in households. In this model, a service contract is signed between a household and an employment agency, which determines the terms and conditions of service. The employment agency, on the other hand, selects and concludes a labour agreement with a domestic worker and is considered an employer itself. The relationship between a domestic worker and a company is regulated by national labour laws and collective agreements.

**REPUBLIC OF KOREA.** Under a special act adopted in 2021, the Republic of Korea exclusively regulates the domestic work sector. According to the law, domestic workers are considered those who have an employment contract with domestic work service-provider companies that offer services to households on the basis of a service agreement, whether they provide home hygiene, cooking or caring services for families. According to the legislation of the Republic of Korea, the employer is not the household that enjoys the services of a domestic worker but rather the service provider company that holds a necessary certificate. An employment agreement between a domestic worker and a certified organization determines, among other details, the type of work, the start and end times of employment, the conditions for obtaining compensation in the event of violations to occupational safety and safety in general, the working hours, work breaks and rest periods, and the remuneration and its calculation and payment.

Sources: ILO 2015a, 2016a, 2022.

The adoption of ILO Convention No. 189 has led to the legal recognition of domestic work in many countries.<sup>68</sup> The recognition of domestic work as a labour relationship has been achieved through changes in general labour laws and codes in one group of countries, by adopting a special law in a second group of countries, and by combining the two approaches in a third group of countries. In some countries, such as Sweden, the definition of domestic work and the social protection guarantees for domestic workers emerged through collective bargaining

processes. In other countries, such as Austria, Belgium, France and Italy, the recognition of domestic work as a paid employment type resulted from collective negotiations as well as the adoption of special laws.<sup>69</sup> In certain jurisdictions, such as South Africa, reforms were initiated through a court decision.<sup>70</sup>

Table 9 reviews in detail the Philippines' Domestic Workers Act of 2013, considered one of the best examples of effective regulation of the field.<sup>71</sup>

### TABLE 9 Domestic workers' protection in the Philippines

Issue	Regulation
Definition of domestic work	Domestic work, by definition, is work that is carried out in or for a household or households. The law lists cooks, gardeners, launderers and caregivers as examples, but it does not provide a full list.
Labour contract	The Department of Labour and Employment of the Philippines is responsible for creating a standard contract for domestic workers. The same department has an obligation to ensure that it is widely distributed. The contract should include such details as the duties and responsibilities of the worker, the duration of employment, wages, working hours, rest days and the conditions for contract termination. Employ- ers have the right to ask for identity documents, as well as health and police clear- ance certificates, before finalizing the contract. The law also outlines the grounds for terminating the contract. If an agreement is terminated ahead of time in violation of the law, the worker shall receive the amount of wages already earned plus the equivalent of 15 days of paid work as compensation. In the event of violation of the rights and obligations provided for by law, the possibility of imposing fines on an employer shall be taken into account.

Remuneration	Employers are prohibited from paying wages through any other means besides cash. Domestic workers must be paid in cash, and at the end of every twelfth month of employment, they should receive a bonus equivalent to one month's salary (com- monly referred to as the thirteenth salary). During remuneration, the employer must provide the worker with a salary slip and keep the original copy for at least three years. The law also sets the minimum wage for domestic workers, varying based on the location. The highest rates are in the capital, followed by urban settlements and municipalities.
Work and rest hours	Domestic workers must receive a minimum of eight hours of rest over the course of each day and at least 24 consecutive hours of rest per week. After 12 months of employment, the domestic worker is entitled to five paid days of leave. The employer is responsible for providing the employee with adequate daily nutrition and personal space.
Confidentiality	The law protects the privacy of the household and requires the employee to main- tain confidentiality regarding the family and its members, except in cases of criminal investigations involving family members.
Social security	Employers must register domestic workers who have been employed in their house- hold for more than three months in the mandatory social security schemes. This will provide the workers with access to benefits such as unemployment support, sickness benefits, parental leave and retirement benefits. When domestic workers are formal- ized, they are entitled to receive medical insurance and low-interest housing loans from the State, similar to other formal employees. The social security contribution system for low- and high-income family employees is different. If an employee's monthly salary is more than 5,000 pesos, both the employer and the employee must contribute a specified amount. If the employee's monthly salary is less than 5,000 pesos, the employer is responsible for paying the full social contribution amount on behalf of the employee. Failure to register an employee in the social security schemes will result in a fine in accordance with the established legal procedure.
Employment agencies	Private employment agencies in the Philippines are required to obtain a licence from the State, under the specific procedures and conditions outlined in the national La- bour Code. The indirect employment model is not implemented in the Philippines. Private employment agencies are considered intermediaries between employers and employees, and they have certain responsibilities. These include keeping copies of contracts and ensuring that the employment agreements they facilitate comply with legal requirements. In addition to their intermediary role, these agencies pro- vide training to employees about their rights and responsibilities before they start working. If necessary, they also assist employees in protecting their rights, which may include helping them to file complaints against their employers.

*Source:* Author's analysis of Congress of the Philippines 2013.

### Mandate of the labour inspection body

The recognition of domestic work as labour relations usually involves giving the labour inspectorate the authority to oversee the sector. The labour inspection body is responsible for ensuring that labour laws are followed and that labour practices comply with regulations. One crucial power of the labour inspectorate is the ability to conduct workplace inspections without giving prior notice to the employer. These inspections are essential for investigating and ensuring compliance with labour laws. During these inspections, the labour inspector can examine the workplace and equipment, request information and documentation, take photos and videos, make recordings, and interview both employers and employees. When it comes to domestic work, the employee's workspace is also the employer's living space. This creates a challenge for labour inspectors because they cannot enter the living space without the consent of the employer due to the household members' right to privacy.<sup>72</sup> According to the ILO, labour inspections usually require the consent of the employer or a court permit to inspect private housing.<sup>73</sup> However, the ILO acknowledges that national laws on labour inspection often do not adequately protect domestic workers.<sup>74</sup> To address this issue, Convention No. 189 specifies that there should be rules and conditions for conducting labour inspections in private residences while respecting the right to privacy.<sup>75</sup> Table 10 provides an overview of different countries' approaches to protecting domestic workers through labour inspection mechanisms.

### TABLE 10

### Examples of different approaches to labour inspection and domestic work worldwide

**CHILE.** The Labour Code of Chile provides for the possibility of the Labour Directorate to ask employer households for information on the conditions of domestic work in their families. In the event that household representatives refuse to allow a representative of the Labour Directorate into their residential space, the household representatives are obliged to appear at the Labour Inspection Office. Otherwise, the legislation provides for the possibility of a fine.

**IRELAND.** The National Employment Rights Authority sends mass letters to employers of domestic workers, during which it asks households for permission to visit their home. The agency may summon households who refuse such permission to an alternative space for an interview and request documentation related to domestic work in their family.

**SOUTH AFRICA.** Labour inspectors in South Africa do not have the authority to check the workplace of domestic workers without prior household consent or court permission. If necessary, the labour inspector may appeal in writing to a specialized labour court and explain the reasons that pose a need for inspection of the living space. On the other hand, the labour inspection department in South Africa, if it receives a complaint from a domestic worker, may, instead of entering the residence, summon the employer to the labour inspection body or other neutral space. At the same time, if there is a reasonable suspicion that there is child or forced labour occurring at the residential area, the police department can issue a permit to enter the residence.

**URUGUAY.** The Labour and Social Security Inspection Office in Uruguay, which operates under the Ministry of Labour and Social Security, is authorized to visit households where domestic workers are employed, as determined by the inspectorate. During these visits, representatives of the inspectorate have the right to survey domestic workers at the door of the home and request documentation from employers to confirm compliance with labour laws. The inspectorate can also provide information about the rights and obligations of domestic workers during these visits. However, an inspector cannot enter the household living space without court consent.

*Sources:* ILO 2015b, 2016a, 2022.

### **Expansion of social security**

The extension of social security benefits to domestic workers is a key tool in encouraging their shift from the informal to the formal economy.<sup>76</sup> The ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), sets out minimum social security standards,<sup>77</sup> including nine layers of social security as outlined in Table 11. Recognizing the diversity across national contexts, the ILO allows States to initially implement three of the nine layers and gradually work towards meeting the minimum requirements of the Convention.

### TABLE 11Nine layers of social security

Medical care benefit, including, among others, access to preventive and general medical services and essential medicine.Sickness benefit, which means financial assistance in the event of a worker's incapacity to work due to illness.Unemployment benefit, which implies financial assistance to a worker during temporary unemployment.Old-age benefit, which implies financial assistance to those who have reached retirement age.Employment injury benefit, which includes access to medical services and financial assistance.Family benefit, meaning financial and non-financial assistance, including access to food, clothing and housing.Maternity benefit, which includes, among others, paid maternity leave and access to prenatal and postnatal medical care.Invalidity benefit, which involves financial assistance during prolonged or permanent disability.Survivors' benefit, which implies financial assistance to the family after the death of the breadwinner.

Source: ILO 1952.

The funding sources for social security systems differ between States and their social security programmes, and there are various funding models<sup>78</sup> involving both universal and special taxation. Apart from taxes, there is also a funding model involving insurance contributions where employees make regular payments to special funds. Employers and the State also typically contribute to these insurance funds. The extent of State involvement varies by country, with some providing constant support and others intervening only during economic crises.<sup>79</sup> Social security schemes also differ in terms of whether worker participation is mandatory or voluntary.

Experience shows that expanding social security schemes to domestic workers is a long and complex process. Granting domestic workers with only legal options for registration in social security schemes does not give results, especially when the registration is accompanied by the obligation to make regular financial contributions. Domestic workers are one of the lowest-paid groups globally. For this reason, domestic workers often refuse to pay contributions and prefer to either not engage in and/or leave social security schemes.<sup>80</sup> With this in mind, in the process of developing a formalization strategy, the ILO recommends that some countries create a system of contributions different for domestic workers than other workers or that States make partial or complete subsidies of contributions themselves (e.g. Türkiye), which increases the participation rate of domestic workers in social security schemes.<sup>81</sup> Table 12 shows various legal and institutional solutions to the social security schemes of domestic workers.

On the other hand, even when a domestic worker chooses to participate in a social security scheme, there is a risk that he/she will not be able to make stable contributions due to the frequent salary delays and unstable salary history typical of the domestic work sector. For example, a study in Bangladesh shows that half of the total number of domestic workers are unable to get paid on time, which is a major obstacle to their participation in the social security system.<sup>82</sup> As a response to this challenge, some countries create specific legal provisions that are beneficial to domestic workers. For example, in Greece and Italy, the amount of contribution is calculated according to working hours, which gives the domestic workers flexibility if they have an unstable salary, are only employed part-time or are working in several households at the same time.<sup>83</sup>

Inclusion of the domestic work sector in the social assistance system largely depends on the easing of administrative barriers. This is due to the specificity of domestic work. In the case of traditional employment, a company, an organization or the State stands as the employer, having employees themselves and being responsible for the administration of taxes and contributions. In the case of domestic work, however, both the employee and the employer are often individuals for whom registration in the system and subsequent calculation of contributions and taxes, as well as correct direction to the relevant budget or fund, are significant obstacles. For example, research in Guatemala found that when the procedures were fast and simple, especially the ability to register by phone and without leaving the house, the majority of employer households were willing to comply with the legal obligations and register their employee(s).<sup>84</sup> To simplify the calculation of taxes and contributions, the ILO recommends that States use digital tools but with the added suggestion that, at the same time, appropriate efforts are made to improve the crucial digital skills of domestic workers and household representatives.<sup>85</sup>

### TABLE 12

### **Classification of social security systems for domestic workers**

Participation	Institutional organization	Financial aspects	Registration	Example countries
Mandatory	General scheme	Same contribution for everyone	Only full-time employees, with only one employer	Cabo Verde Ecuador Mauritius Türkiye
Mandatory	General scheme	Different contribution for domestic workers	Only full-time employees, with only one employer	Costa Rica Philippines
Mandatory	General scheme	Different contribution for domestic workers	Both full-time and part-time employees, with one or more employers	Argentina Belgium France Italy Spain Switzerland (Canton of Geneva) Uruguay
Voluntary	General scheme	Same contribution for everyone	Only full-time employees, with only one employer	Malaysia Singapore
Voluntary	Special scheme	Same contribution for everyone	Only full-time employees, with only one employer	El Salvador Honduras Mexico

### *Source:* ILO 2016b, p. 23.

Notes:

- Based on the participation criterion, we find out whether it is mandatory or voluntary for domestic workers to register in the social security system.
- Based on the criterion of the institutional organization, we find out whether domestic workers are involved in the general scheme alongside other workers or whether they are in a scheme created exclusively for domestic workers, if it exists.
- Based on the financial aspects criterion, we find out whether special contribution fees exist for domestic workers or whether they pay the same contribution as other workers.
- Based on the registration criterion, we find out who can register among domestic workers in the social security system: only full-time employees or part-time workers as well; and only those who have one employer or those with multiple employers as well.

### **Fiscal incentives**

The transition from informal to formal employment in the domestic work sector largely depends on the fiscal incentives fostering formalization. In almost all countries, the tendency for domestic work to stay in the informal economy is driven by the costs of formalization. Formalization, followed by labour and social security guarantees, may be of interest to domestic workers, but the obligation to pay mandatory taxes and contributions, which accompanies the formalization of domestic work, serves as a disincentive. This is the case, first of all, for employer households, who have an increased cost when it comes to domestic employment, but also for workers, who often do not have a sufficient salary even without paying taxes and contributions. The solution, as the experience of different countries shows, is related to fiscal incentives.

One of the types of fiscal incentives is the progressive contribution system. This refers to a structure within which the amount of social security contributions is calculated by the hourly, weekly or monthly salary. This means that the higher the salary of a domestic worker, the more shares of the salary have to be paid by the employee, employer or both. Table 13 presents the cases of Ireland and Italy and shows how contributions are distributed between employers and employees according to the amount of salary.

### TABLE 13Examples of progressive contribution systems for domestic workers

		Ireland: Progressive system of contributions based on weekly pay (contribution rates)						
Weekly salary	Worker (percentage)	Employer (percentage)	Total (percentage)					
From EUR 38 to EUR 352	0	8.8	8.8					
From EUR 353 to EUR 398	4	8.8	12.8					
More than EUR 398	4	11.05	15.05					
Italy: Progressive system	of contributions based on	hourly pay						
Hourly salary	Worker (EUR)	Employer (EUR)	Total (EUR)					
Less than EUR 8.10	0.36	1.07	1.43					
From EUR 8.10 to EUR 9.86	0.41	1.21	1.62					
More than EUR 9.86	0.49	1.48	1.97					

Source: ILO 2022, p. 67.

In certain cases, domestic workers are completely exempt from the requirement to pay contributions or are exempt when their wages fall below the minimum wage set by the law. For example, in Argentina, employers are fully responsible for paying the contributions for domestic workers' health insurance, workplace injury insurance and pensions. In Costa Rica, the law exempts both the employee and the employer from making contributions if the worker's salary is below the minimum wage required for participation in the social security system (i.e. the minimum contributory wage).<sup>86</sup>

In some high-income countries, there are situations where employers are free from paying contributions—especially when the employer is elderly and/or in a vulnerable social or economic situation.<sup>87</sup> Some countries allow employers to subtract the social security contributions paid to domestic workers from their own taxable income. Additionally, there are cases in which a household that employs a domestic worker can have its income tax reduced by the law.<sup>88</sup>

One type of fiscal incentive is government subsidies for domestic work, which would cover part of the increased expenses associated with the formalization of employment (i.e. wages, contributions, taxes) through State participation. This in turn should encourage households and workers to formalize their relationship. Government subsidies for domestic work are used both as a response to economic crises and a long-term or permanent approach to formalization. In 2021, during the COVID-19 pandemic, Argentina launched a special programme stimulating economic recovery, employment opportunities and the social inclusion of domestic workers; the programme included government subsidies of 30-50 per cent of the salaries of domestic workers in cases where household incomes and the working hours of workers met the criteria for participation in the programme.<sup>89</sup> Unlike Argentina, the countries of Belgium, France and Guatemala have permanent government subsidy programmes encouraging

the formalization of domestic work with fiscal benefits for both employer households and domestic workers. In 2015, an employer in Belgium could acquire a voucher worth 22 euros (EUR) by paying only EUR 9. This voucher was used to reimburse the labour of a domestic worker. Under this scheme, domestic workers received EUR 22 for their work, with EUR 9 paid by the employer and EUR 13 subsidized by the State. Additionally, the employer received certain tax benefits along with the voucher. In France, the employing household receives a 50 per cent income tax reduction, contingent on meeting specific conditions.<sup>90</sup>

Government subsidies relate to budgetary expenses, but studies show that the public income generated by formalization (via taxes and contributions, as well as indirect public benefits) increases consumption and the social protection of citizens, thus outweighing the costs associated with the government subsidy system. For instance, a 2014 research study in France found that the additional finances accumulated through voucher subsidies exceeded its budgetary expense of EUR 70 million.<sup>91</sup>

### **Information measures and sanctions**

ILO Recommendation No. 204 states that people work in the informal economy not because of their free will but because of the lack of employment opportunities in the formal economy.<sup>92</sup> Despite this, the Recommendation calls on States to develop mechanisms that would discourage employees and employers from rejecting formal employment with the aim of avoiding taxes and bypassing labour and social safety regulations.<sup>93</sup>

Labour inspection has a critical role in detecting informal domestic work. The entry of the labour inspectorate into residential areas is associated with certain challenges, but there are ways to deal with this challenge (see Part III, Chapter 3, subchapter 'Mandate of the labour inspection body'). At the same time, workplace inspection is not the only mechanism through which the labour inspectorate operates. Experience shows that, globally, the provision of legal consultations to employees and employers as well as the planning and implementation of broad public campaigns on labour issues are among the powers of the labour inspectorates and the labour supervisory institutions in general. In the process of formalizing the domestic work sector, phone consultations and campaigns have an important role to the extent that, as previously stated, domestic work is characterized by personal, family relations and is not considered standard employment in the public's opinion.<sup>94</sup> In the United States, for example, the 2010 Domestic Workers' Bill of Rights for the State of New York provides for the state's obligation to plan and implement a communication strategy for spreading information on labour rights, under which it will work with organizations and community groups protecting the interests of domestic workers.<sup>95</sup> In Zambia, under the auspices of the committee of the National Tripartite Social Dialogue, a communication strategy on domestic work was developed in 2012 to spread information about labour rights through standard platforms (i.e. television, radio, the Internet), as well as at cinemas and public gatherings. <sup>96</sup>

In addition to public campaigns, labour supervisory institutions, such as in Ecuador and South Africa, use the practice of so-called 'blitz' information visits to neighbourhoods, through which domestic workers are informed and given printed proclamations about their labour rights. If possible, these campaigns are accompanied by interviews with employers to assess their understanding of the standard conditions for domestic work employment.<sup>97</sup> To bring domestic work into compliance with labour regulations, labour inspectorates and other types of labour supervisory institutions also tend to establish sample employment contracts for domestic workers. Such practices are common in Canada, Chile, the Netherlands, the Philippines, South Africa, Spain and Switzerland. With or without sample employment contracts, some countries, such as Argentina, South Africa and Uruguay, have developed a sample payslip.<sup>98</sup>

Together with the measures taken to spread information, formalization policy also envisages the possibility of sanctions, as indicated in ILO Recommendation No. 204.<sup>99</sup> Usually, labour legislation imposes fines on employer households and employment agencies for hiding domestic employment or for non-compliance with labour regulations. In addition to the fines, there is the possibility of imposing criminal liability on households in cases of forced or child labour, or in the case of violence or exploitation against domestic workers.<sup>100</sup>

# VISION FOR GEORGIA

The following vision of the formalization of domestic work in Georgia, on the one hand, is based on the study of the local circumstances and, on the other hand, takes into account international practices. The vision is based on the principle that formalization should be attractive to the domestic worker. In other words, after formalizing his/her employment, the worker must receive access to those rights and benefits that he/she would not have if remaining engaged in informal employment. According to international practice, the success of formalization depends heavily on how it will be able to convince the domestic worker that formalization will be a useful solution for him/her (see Part III). In order to be attractive, formalization has to respond to the labour and social needs of domestic workers and offer them better protection. It should be taken into account that the Government of Georgia cannot create an exclusive social security system for domestic workers. Therefore, the most ambitious recommendation given in the forthcoming vision—specifically the launch of an unemployment insurance system—applies not only to domestic workers but also to all employees who meet the criteria.

The vision is divided into various topics, including the recognition of labour relationships, labour inspection, employer status, social security, taxes and information measures. Some of the recommendations include changes to existing legislation, and some imply shifts in the State's policies and practices. Moreover, some topics touch on the legal sphere, while others go through fiscal, tax and information issues.

# RECOGNITION OF LABOUR RELATIONS

The question of recognizing domestic work as labour relations lays at the heart of formalization. The Labour Code of Georgia gives a contradictory answer to whether or not domestic work should be considered under the concept of labour relations. Thus, first of all, this issue needs to be resolved.

The study shows that the rights provided for by the Labour Code of Georgia are critical for domestic workers, including job descriptions, work, rest and leave times, and guarantees of compensation in the event of dismissal. Domestic workers will have access to these rights only if they receive the status of an employee as defined the labour legislation.

There are four possible ways to recognize domestic work as labour relations:

- 1. Adoption of a new law on domestic work
- 2. Amendments and additions to the Labour Code of Georgia

- 3. New definition of labour relations by the Labour Inspection Office
- 4. Strategic litigation

The first two ways involve the Parliament of Georgia using its lawmaking mechanisms and is a relatively longterm method to solve the problem. In both cases, it will be necessary for the legislation to clarify what domestic work is and what kind of special rights and obligations the participants in such a relationship have. The ratification of ILO Convention No. 189 by the Parliament of Georgia will be crucial on the path towards the recognition of domestic work; it will serve as a basis for the implementation of relevant amendments to the national legislation.

The third way of solving the problem involves the recognition of domestic work as labour relations by the Labour Inspection Office of Georgia. Within its own administrative practices, the Labour Inspection Office can place domestic work in the same sphere that is under the protection of the Labour Code. The argument that Georgian labour legislation does not mention domestic work is not crucial. Both the Supreme Court of Georgia and the ILO have developed specific criteria<sup>101</sup> that can be used by the Labour Inspection Office to recognize domestic work as labour relations. If this issue becomes controversial in legal terms, the courts will have the final say, prior to which the Labour Inspection Office will have presented its arguments.

The fourth approach to solving the problem involves strategic litigation, which can be initiated by domestic workers themselves or their representative labour unions. Research indicates that in certain cases, court decisions have initiated the formalization of domestic work. In Georgia, this can be pursued by appealing to the common courts. Specifically, a domestic worker can file a lawsuit against his/her employer, arguing the violation of his/her rights as provided for by the Labour Code of Georgia. In this scenario, the common courts will need to determine whether the rights under the Labour Code are applicable to domestic workers. If the common courts rule that they are not applicable, domestic workers and their associations can then appeal to the Constitutional Court to argue the compliance of the labour legislation with the Constitution. Considering the typical duration of court proceedings, it is important to note that strategic litigation is a relatively long-term solution to the problem.

# LABOUR INSPECTION

As of this publication, the Labour Inspection Office of Georgia has reviewed the complaints of only one domestic worker and believes that its mandate does not apply to the domestic work sector. Following the argument of the Labour Inspection Office, a domestic worker's workplace is a private residential home, which is protected by the constitutional right to personal and family life. This means that the Labour Inspection Office cannot enter the household.

Labour inspectorates in a number of countries have faced a similar challenge. In those countries, just like in Georgia, it is forbidden to enter a residential space without the prior consent of a court or owner.

Labour inspectorates of different States approached this issue in a creative manner and came up with several solutions, which involved interviewing the employer at the door of the residence without entering or summoning the employer to the office of the labour inspectorate.

It is true that the introduction of such approaches by the Labour Inspection Office of Georgia will depend on whether it recognizes domestic work as labour relations. If such a decision is made, the Labour Inspection Office will have the opportunity to do the following:

- Provide free legal assistance services for domestic workers.
- Develop a sample employment agreement for domestic work, and ensure its widespread distribution.
- Consider the complaints of domestic workers, and if necessary, use alternative forms of surveying employers, and enact effective measures provided for by the law on the complaints of domestic workers.

This might not be a full-scale inspection as envisaged by the standards of the ILO. However, before adopting a new law or approving the relevant amendments to the labour legislation, the Georgian Labour Inspection Office can use such approaches.

In the long run, to conduct thorough inspections in the domestic work sector, it is necessary for the Parliament of Georgia to make legislative changes. Specifically, these changes should regulate the procedure and conditions under which the Labour Inspection Office can appeal to the courts and request permission to enter residential spaces.

# **EMPLOYER STATUS**

When formalizing employment arrangements, it is important to determine who holds the status of the employer. International practices reveal two types of labour relations: direct and indirect. In the first scenario, the household itself is the employer, while in the second, a third party such as an agency holds the employer status. This agency has an employment contract with the domestic worker and a service contract with the household using the worker's labour. In some countries, both direct and indirect employment models coexist, and it is up to the worker and employer to choose which one they prefer.

The study indicates that currently, there are no employment agencies in Georgia that operate using an indirect employment model. Generally, agencies are viewed as intermediaries between households and domestic workers.

Most nannies and helpers involved in the study have a positive perception of having contracts with employment agencies. They view it as a means to avoid having to resolve issues with households directly in the event that they are dissatisfied with their working conditions.

The reason for this is that domestic work in Georgia is characterized by extremely personal and emotional connections between a worker and an employer. Because of this, nannies and helpers find it difficult to talk to their employers about their working conditions and demand improvements.

Employment agencies involved in the study approached this issue cautiously and viewed it as a vague idea. However, during the study, the in-depth interviews revealed that agencies needed more information to assess the risks and benefits, such as their obligations and expectations in return.

Research shows that the indirect employment model has its advantages. For example:

- It is much easier for labour supervisory institutions, such as the Labour Inspection Office, to control an employer with an organizational structure than a private household.
- Workers are encouraged to unite and conduct organized union action towards agencies.

However, it is not possible to introduce the indirect employment model without making amendments to the Labour Code of Georgia and/or adopting a new law on domestic work. Thus, the introduction of an indirect employment model is a relatively long-term process.

While these legislative reforms are pending, household members can be granted the status of an employer as per the laws of Georgia, which allow individuals (natural persons) to be employers. When regulating the field of domestic work, the relevant laws should consider both direct and indirect employment models. It is important to note that the indirect employment model requires the adoption of specific legislative regulations, as the operation of employment agencies is a responsibility of the Parliament of Georgia. Additionally, if this model is introduced, it will be crucial to provide intellectual and technical retraining and capacity strengthening to the relevant agencies.

# SOCIAL SECURITY

Unlike the labour sphere, in which the State can offer legislative guarantees to now formally employed (previously informal) workers in Georgia, the State does not offer adequate protection even to formal employees when it comes to social security. Thus, access to existing social security rights for formal employees is not likely to be attractive enough for domestic workers. Nevertheless, all of the factors that open up formalization need to be reformed, namely the following:

- Universal health care: The Universal Healthcare Programme of Georgia provides different funding models for high-income, middle-income and low-income citizens.<sup>102</sup> Domestic workers whose income is unknown to the State receive a better health insurance package than they would have if their income were visible to the State. This means that domestic workers are not interested in disclosing their income in order not to lose access to health-related benefits. Therefore, so that it does not discourage formalization, the Government of Georgia must amend the relevant ordinance and ensure that, if formalizing their employment, domestic workers will retain the benefits they had before formalization, even during the four-year transition period.
- Funded pension scheme: Nannies and helpers are informed on the current pension system of Georgia. However, in their view, participation in the funded pension scheme is not directly related to their social security. Some of the nannies and helpers participating in the focus group discussions are already of retirement age, and the funded pension scheme in Georgia does not apply to them. Those of a relatively younger age do not attach much importance to the system as well, because they believe that the pensions they are going to receive in the future are not going to be enough to justify making monthly contributions today. Therefore, one of the recommendations of the study is that participation in the funded pension system should be voluntary for domestic workers who decide to formalize their work.

Social assistance: According to the current Law of Georgia on Social Assistance, if a person receiving social assistance becomes formally employed, they will not lose their status as a socially vulnerable person and will retain the right to receive assistance for a period of four years.<sup>103</sup> However, they are obliged to pay a 20 per cent income tax on their earned wages. The recommendation of the study is to maintain the rule that allows a person to retain the right to receive assistance for four years after formalizing his/her employment. As for the income tax, it needs significant reforms in the context of domestic workers; the discussion and relevant recommendations are provided in the next subchapter.

After the nannies and helpers were provided with information, they found unemployment insurance to be particularly attractive among the layers of social security. This preference was largely influenced by their experiences during the pandemic when they were left jobless and could not access one-time financial assistance from the State. Focus group discussions also revealed that temporary unemployment insurance is favoured by domestic workers, as they often experience sudden job loss and struggle to make ends meet before finding new employment.

Domestic workers consider unemployment insurance to be the most effective measure to encourage formalization. This issue is of utmost importance to some of the nannies participating in the study, and they have expressed willingness to pay the corresponding monthly contribution. However, there is a difference in attitude between nannies and helpers regarding the amount of contribution for unemployment insurance. The majority agree to pay 1–2 per cent of their salary, although this financial burden may be challenging for some domestic workers. The unemployment insurance system can make formalization attractive and desirable to informal domestic workers. However, the main obstacle is that unemployment insurance does not exist in Georgia at all, including for those who have the status of a worker as defined by the Labour Code. Thus, the unemployment insurance system is a long-term prospect. However, it is possible to highlight the critical issues of the unemployment insurance system that as of today, would foster the formalization of domestic workers:

• Participation in the unemployment insurance system should be mandatory.

- During the transition stage—that is, the first two years of the unemployment insurance system's implementation—domestic workers' participation should be subsidized by the State.
- By the end of the transition stage, both the employer and the worker are obligated to make contributions to the unemployment insurance system. In the case of the worker, the amount of the monthly contribution shall not exceed 2 per cent of his/her monthly salary.
- Making a contribution should be a simple process and should not require special digital skills. As an alternative, the employer can administer the contribution.

### TAXES

Domestic work is characterized by low wages. As a result, even in those countries where the government considers domestic work to be a formal job, domestic workers often choose to work in the informal sector to avoid paying taxes and contributions and to save money for their basic needs. Therefore, it is crucial to consider tax benefits when formalizing domestic work.

In countries with progressive tax systems, this problem is not as acute, as lower wages are taxed at a lower rate or are sometimes even eligible for tax exemptions.

Georgia has a proportional tax system in which wage income is typically taxed at a flat rate of 20 per cent, regardless of whether the employee has a monthly income of GEL 600 or GEL 6,000. Nannies and helpers interviewed in the study expressed concerns about their ability to afford paying a fifth of their income to taxes, given the low salaries in the sector.

The Tax Code of Georgia allows individuals with the status of a micro business to be exempt from income tax if their total joint income during the calendar year does not exceed GEL 30,000.<sup>104</sup> This special mode of taxation would be a good solution for domestic workers; however, there is a stipulation in the tax legislation which states that this special tax regime does not apply to salaries issued based on employment relationships. As a result, including a domestic worker under this tax scheme would effectively remove their worker status and deprive them of their labour rights, which does not align with international practice.

To promote formalization within the existing tax system, the study recommends the following:

- Like micro businesses, a domestic worker whose income does not exceed GEL 30,000 during a calendar year shall be exempt from the obligation to pay income tax for four years after formalizing his/her employment.
- Unlike micro businesses, the tax exemption regime should apply to the income received by domestic workers within the scope of their labour relations. This will ensure that domestic workers do not lose their status as a worker or their related rights in exchange for receiving tax relief.

After a four-year transition period, a special tax regime may be imposed on domestic workers. This tax should not exceed 2 per cent of their salary. Implementing such changes will require amending the Tax Code of Georgia, which is a responsibility of the Parliament of Georgia. Additionally, it is suggested that the tax payment process for domestic workers is simple and does not require special digital skills. As an alternative, employers could administer the tax payments on behalf of their domestic workers.

## **INFORMATION MEASURES**

The success of the formalization strategy relies heavily on ensuring that domestic workers and their employers have access to comprehensive and understandable information about the benefits of formalization and the responsibilities it entails. To achieve this, a coordinated communication plan is necessary, through which employees and employers can promptly receive relevant information through mass media, social networks and other communication channels. If the parties have any additional questions, State agencies should be available to clarify the rights and obligations of domestic workers and their employers through phone, electronic and face-to-face interviews. The survey recommends that the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia and the Labour Inspection Office of Georgia take on the responsibility for conducting the information campaign.

## **ENDNOTES**

#### Introduction

- 1 Geostat 2023. Geostat considers cooks, babysitters, waiters, launderers, gardeners, gatekeepers, drivers, caretakers, tutors, secretaries and other employees who are hired by households for household chores to be domestic workers
- 2 For an analysis of the amendments made to the labour legislation of Georgia since 2013, see Tskitishvili et al. 2022, p. 151.
- Response of the LEPL Labour Inspection Office to the complaint of the citizen named S. P. (15 February 2024).

#### Part I

- 4 Geostat 2023.
- Geostat does not use the concept 5 of domestic work or domestic workers when collecting data. According to the official version of the Statistical Classification of Economic Activities in the European Community (NACE), data on domestic workers are collected under the section 'Activities of households as employers of domestic personnel' (Section T). For a detailed analysis, see the NACE Rev. 2 publication at https://ec.europa.eu/eurostat/web/products-manuals-and-guidelines/-/ ks-ra-07-015.
- 6 Geostat does not mention 'nannies' in the list of domestic workers. Instead, it uses such terms as 'caretakers' and 'babysitters'. For research purposes, babysitters and caretakers are considered as nannies in this study.
- For the purposes of this research study, 'helpers' refer to domestic workers who perform such tasks as cooking, cleaning, maintaining household hygiene and caring for those who need assistance. They may work under a standard full-time (from morning to evening) or live-in (round-the-clock) schedule
- Charkviani 2024. The article 8 states that the NDWG conducted an online survey of 141 nannies, 71 per cent of whom stated that the household employs a nanny due to the household members' busy work schedules.

- Studies conducted in Georgia on public care services show the absence of certain care services, as well as their ineffectiveness and insufficiency. See, e.g., UNICEF 2023; Gvinianidze 2023; Gogberashvili 2023; Consultation and Training Center 2018.
- 10 UN Women 2022, p. 14. According to the study, women spend 17.8 per cent of their time on family and care, which is 4.8 times higher than men.
- 11 Ibid., p. 14.
- 12 Ibid.
- Ibid., p. 16. 13 14
  - It is important to note that several factors can influence the cost of a nanny's services, and a rise in average salary will not always result in an increase in the cost of a nanny's services.
- Bonnet 2022, pp. 13–14. 15
- The research shows that 81 per 16 cent of middle-class households live in the cities, while 47 per cent live in Tbilisi. See Kakulia and Kapanadze 2018, p. 62.
- 17 Pignatti et al. 2021, p. 31. Notably, the authors of the RIA employed a quantitative survey that displayed a certain selective bias towards the younger generation. This bias arose from the fact that the survey was conducted through Facebook (p. 30).
- Parliament of Georgia 2010a, 18 Article 2(1).
- 19 For the attitudes and arguments of legal experts, see Pignatti et al. 2021, pp. 13–14.
- Response of the LEPL Labour 20 Inspection Office to the complaint of the citizen named S. P. (15 February 2024).
- 21 See, e.g., the ruling of the Supreme Court of Georgia of 11 October 2011 on the case Nob-1129-1156-2011.
- 22 ILO 2006a, pp. 24-29.
- ILO 2006c. For a detailed re-23 view and annotation of the Recommendation on the question of the recognition of labour relations, see also ILO 2007, pp. 33-35.
- Pignatti et al. 2021, p. 28. 24
- 25 Ibid.
- OECD and ILO 2019, p. 26. 26 27 ILO 2021. See also ILO 2018.

- 28 Tskitishvili et al. 2022.
- Karapetiani and Tsintsabadze 29 2023.
- For the details of the Universal 30 Healthcare Programme and targeted components, its see Ordinance No. 36 of the Government of Georgia of 21 February 2013 on certain measures to be taken for transitioning to universal health care.
- 31 See Parliament of Georgia 2018.
- Georgian tax legislation includes 32 certain tax exemptions despite having a proportional tax system. For instance, individuals with single parent status earning up to GEL 3,000 per year and those with significant disabilities earning up to GEL 6,000 per year are exempt from paying income tax. Additionally, individuals permanently residing in high mountainous areas are not taxed on income up to GEL 6,000 per year (except for income from government or municipal organizations in the form of salaries). See Parliament of Georgia 2010b, Article 82.
- See Ordinance No. 145 of the 33 Government of Georgia of 28 July 2006 on social assistance, Article 93 (amended by Resolution No. 80 of the Government of Georgia of 17 February 2022).
- Human Rights Education and 34 Monitoring Center 2020, p. 54.
- ILO 2003b, p. 26. 35
- 36 Pignatti et al. 2021, p. 31. Notably, the authors of the RIA employed a quantitative survey that displayed a certain selective bias towards the younger generation. This bias arose from the fact that the survey was conducted through Facebook (p. 30).
- 37 ILO 1997, Article 7(1).

#### Part II

- 38 ILO 2011a, Article 1.
- ILO 2021, pp. 4-5. See also ILO 39 2018
- 40 ILO 2018.
- 41 ILO 2021, pp. 4-5.
- Fudge and Hobden 2018. See also 42 ILO 2021, pp. 4–5; ILO 2010b.
- 43 ILO 1965, pp. 20–21.

- 44 Ally 2009; Blackett 2019; Lexartza et al. 2016. See also ILO 2016a; Dunn 2011.
- 45 ILO 2016a, p. 16.
- 46 Ibid.
- 47 Blackett 2020, pp. 110-111.
- Blackett 2019, pp. 78–79. See also 48 ILO 2010a, p. 12.
- ILO 2010a, pp. 12-13. For this dis-49 cussion, see Mundlak and Shamir 2011; Albin 2012, p. 231. ILO 2010a, p. 13. 50
- 51 Lexartza et al. 2016, p. 17.

#### Part III

- 52 ILO 2015C.
- Ibid., Paragraph 7(i). 53
- ILO 2021, p. 188. 54
- See ILO 2003a. See also ILO 55 2003b; ILO 2002.
- 56 ILO 2016a, pp. 9-10. Ibid. See also ILO 2015c, Paragraph 57
- 2(a). ILO 2015c, Paragraphs 7 and 11. 58
- 59 Ibid., Paragraph 1. See also ILO 2016a, p. 31.
- Loayza 2018, pp. 1–2; Loayza and 60 Rigolini 2011.
- ILO 2021. 61
- 62 ILO 2016a, p. 31.
- ILO 2010a, p. 11. See also ILO 2022, 63 pp. 80–87; ILO 2016a, pp. 30–31.
- 64 ILO 2015c, Paragraph 7(k). 65 ILO 2010a, pp. 12-13.
- ILO 2015c, Paragraph 26. 66
- 67 See ILO 2016a, pp. 21-22; ILO 2016b, pp. 9–10; ILO 2011b, pp. 8-9.
- ILO 2021, p. xvii. 68
- 69 ILO 2012a, 2012b.
- ILO 2022, pp. 50-51. 70
- Congress of the Philippines 2013. 71
- 72 ILO 2015b, pp. 20-21, 31-34.
- ILO 2006b, p. 85. 73
- Ibid. 74
- 75 ILO 2011a, Article 17(3).
- ILO 2012C. 76
- ILO 1952. See also ILO 2012c. For 77 the ILO's vison on global social security, see ILO 2019.
- 78 For sustainable funding models of social security systems, see ILO 2012d
- 79 Diakonidze 2020.
- 80 ILO 2022, pp. 41-43.
- 81 ILO 2016b, pp. 26-27.
- 82 ILO 2022, pp. 41-43.
- 83 ILO 2016b, pp. 26-27.

- 84 ILO 2022, pp. 40-41.
- 85 Ibid.
- 86 Ibid., pp. 68–69.
- 87 lbid., p. 69.
- 88 Ibid.
- 89 Ibid., p. 71.
- 90 Ibid., pp. 70–73; ILO 2016b, p. 36.
- 91 ILO 2022, p. 71.
- 92 ILO 2015c, Preamble.
- 93 Ibid., Paragraph 7(I).
- 94 ILO 2016a, p. 39.
- 95 Ibid., p. 42.
- 96 Ibid.

 97
 Ibid., pp. 39–40.

 98
 Ibid., pp. 43–44.

 99
 ILO 2015c, Paragraph 7(l).

 100
 ILO 2016a, pp. 40–41.

#### Part IV

101 ILO Recommendation No. 198 and the practice of the Supreme Court of Georgia establish specific criteria for recognizing employment as labour relations. Here, compliance and supervision are crucial, i.e. the extent to which the work is performed based on subordination and under the direction and control of the employer. See Part I, Chapter 3.

- 102 For the details of the Universal Healthcare Programme and its targeted components, see Ordinance No. 36 of the Government of Georgia of 21 February 2013 on certain measures to be taken for transitioning to universal health care.
- 103 See Ordinance No. 145 of the Government of Georgia of 28 July 2006 on social assistance, Article 93 (amended by Resolution No. 80 of the Government of Georgia of 17 February 2022).
- 104 Parliament of Georgia 2010b, Articles 84–86.

### REFERENCES

- Absandze, T. 2018. "Universal health care is not universal." <u>Forbes.ge</u>. 6 February. Accessed 20 May 2024. https://forbes.ge/saqhovelthao-jandatsva-ar-a/.
- Albin, E. 2012. "From 'Domestic Servant' to 'Domestic Worker'." In *Challenging the Legal Boundaries of Work Regulation*. J. Fudge, S. McChrystal and K. Sankaran (Eds.). Oxford: Hart Publishing, pp. 231–250.
- Ally, S. 2009. From Servants to Workers: South African Domestic Workers and the Democratic State. Ithaca, NY: Cornell University Press.
- Blackett, A. 2019. *Everyday Transgressions: Domestic Workers' Transnational Challenge to International Labor Law.* Ithaca, NY: Cornell University Press.
- ———. 2020. "Domestic Workers and Informality: Challenging Invisibility, Regulating Inclusion." In *The Informal Economy Revisited: Examining the Past, Envisioning the Future*. M. Chen and F. Carre (Eds.). London: Routlage.
- Bonnet, F., F. Carre and J. Vanek. 2022. "Domestic Workers in the World: A Statistical Profile." WIEGO Statistical Brief No. 32.
- Charkviani, I. 2024. "In the name of family and love: care work, labour market and state policy in Georgia." Online media platform Mautskebeli (mautskebeli.ge). 22 May. https://www.mautskebeli.ge/?p=9036.
- Congress of the Philippines. 2013. An Act Instituting Policies for the Protection and Welfare of Domestic Workers. Republic Act No. 10361. https://www.officialgazette.gov.ph/2013/01/18/republic-act-no-10361/.
- Consultation and Training Center. 2018. Care System Assessment Report. Tbilisi.
- Diakonidze, A. 2020. "Umushevarta sotsialuri usaprtkhoeba. rogori unda iq'os dasakmebis p'asiuri p'olit'ik'a sakartveloshi (polit'ikis dokument'i) [Social security of unemployment. What should a passive unemployment policy look like in Georgia (policy brief)]." Tbilisi: Human Rights Education and Monitoring Center.
- Dunn, L. 2011. Situational Analysis of Household Workers in Jamaica: Report on a Pilot Study to Promote the Decent Work Agenda. Geneva: International Labour Organization.
- Fudge, J. and C. Hobden. 2018. "Conceptualizing the role of intermediaries in formalizing domestic work." Conditions of Work and Employment Series No. 95. Geneva: International Labour Office.
- Geostat (National Statistics Office of Georgia). 2023. "Labour Force Survey: Distribution of Employed Persons by Economic Activity and Sex." Data set. Accessed 20 May 2023. <u>https://www.geostat.ge/en/modules/</u> categories/683/Employment-Unemployment.
- Gogberashvili, A. 2023. *Elderly Care in Georgia: Caregivers' Perspective*. Heinrich Boell Foundation.
- Gvinianidze, L. 2023. *Maternity and Parental Leave in Georgia: Legislation, Practice and a Vision for Reform.* Tbilisi: Open Society Foundation.
- Human Rights Education and Monitoring Center. 2020. Labor Relations and Social Protection During the Pandemic: Report on Georgia. Tbilisi.
- ILO (International Labour Organization). 1952. *C102 Social Security (Minimum Standards) Convention, 1952 (No. 102).*
- ----. 1965. Official Bulletin (Geneva), July 1965, Supplement I.

- ----. 1997. C181 Private Employment Agencies Convention, 1997 (No. 181).
- ----. 2002. *Decent work and the informal economy.* Report VI. International Labour Conference, 90th Session. Geneva: International Labour Office.

----. 2003a. *Guidelines concerning a statistical definition of informal employment.* Adopted by the Seventeenth International Conference of Labour Statisticians. Geneva.

- ----. 2003b. *Report of the Conference: Seventeenth International Conference of Labour Statisticians.* Geneva: International Labour Office.
- ----. 2006a. *The Employment Relationship.* Report V(1). International Labour Conference, 95th Session. Geneva: International Labour Office.

———. 2006b. General Survey of the reports concerning the Labour Inspection Convention, 1947 (No. 81), and the Protocol of 1995 to the Labour Inspection Convention, 1947, and the Labour Inspection Recommendation, 1947 (No. 81), the Labour Inspection (Mining and Transport) Recommendation, 1947 (No. 82), the Labour Inspection (Agriculture) Convention, 1969 (No. 129), and the Labour Inspection (Agriculture) Recommendation, 1969 (No. 133). Report III(1B). International Labour Conference, 95th Session. Geneva: International Labour Office.

----. 2006c. R198 - Employment Relationship Recommendation, 2006 (No. 198).

- ----. 2007. The Employment Relationship: An annotated guide to ILO Recommendation No. 198. Geneva: International Labour Office.
- ———. 2010a. The Law and Practice Report: Decent work for domestic workers (fourth item on the agenda). Report IV(1). International Labour Conference, 99th Session. Geneva: International Labour Office.

----. 2010b. *Provisional Record 12*. International Labour Conference, 99th Session.

- ----. 2011a. C189 Domestic Workers Convention, 2011 (No. 189).
- ----. 2011b. Decent Work for Domestic Workers: Convention 189 & Recommendation 201 at a glance. Geneva: International Labour Office.
- ———. 2012a. Decent Work for Domestic Workers: The state of labour rights, social protection and trade union initiatives in Europe. Geneva: International Labour Office.
- ----. 2012b. *Effective Protection for Domestic Workers: A guide to designing labour laws*. Geneva: International Labour Office.
- ----. 2012c. R202 Social Protection Floors Recommendation, 2012 (No. 202).
- ----. 2012d. The strategy of the International Labour Organization. Social security for all: building social protection floors and comprehensive social security systems. Geneva: International Labour Office, Social Security Department.
- ----. 2015a. "Improving working conditions for domestic workers: Organizing, coordinated action and bargaining." Labor Relations and Collective Bargaining, Issue Brief No. 2. Geneva: International Labour Office.
- ----. 2015b. Labour inspection and other compliance mechanisms in the domestic work sector: Introductory guide. Geneva: International Labour Office.
- ----. 2015c. R204 Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204).
- ----. 2016a. Formalizing Domestic Work. Geneva: International Labour Office.
- ----. 2016b. "Social protection for domestic workers: Key policy trends and statistics." Social Protection Policy Papers, Paper 16. Geneva: International Labour Office.

----. 2018. Care Work and Care Jobs for the Future of Decent Work. Geneva: International Labour Office.

- ———. 2019. General Survey concerning the Social Protection Floors Recommendation, 2012 (No. 202). Report of the Committee of Experts on the Application of Conventions and Recommendations. International Labour Conference, 108th Session. Geneva: International Labour Office.
- ----. 2021. Making decent work a reality for domestic workers: Progress and prospects ten years after the adoption of the Domestic Workers Convention, 2011 (No. 189). Geneva: International Labour Office.
- ----. 2022. Making the right to social security a reality for domestic workers: A global review of policy trends, statistics and extension strategies. Geneva: International Labour Office.
- Kakulia, M. and N. Kapanadze. 2018. *The Middle Class in Georgia: Quantitative Assessment, Dynamics and Profile Economic-Statistical Study*. Georgian Foundation for Strategic and International Studies (Rondeli Foundation). Tbilisi: Friedrich-Ebert-Stiftung.
- Karapetiani, G. and A. Tsintsabadze. 2023. Credibility and efficiency of the labor inspection process. Tbilisi: Open Society Foundation. <u>https://csf.ge/wp-content/uploads/2023/11/Shromis-inspeqtirebis-sandooba\_</u> GEO\_ForWEB\_01.pdf.
- Lexartza, L., M. J. Chaves and A. Carcedo. 2016. *Policies to formalize paid domestic work in Latin America and the Caribbean.* Lima: ILO, Regional Office for Latin America and the Caribbean.
- Loayza, N. 2018. "Informality: why is it so widespread and how can it be reduced?" World Bank Research and Policy Briefs.
- Loayza, N. and J. Rigolini. 2011. "Informal Employment: Safety Net or Growth Engine?" *World Development* 39 (9), pp. 1503–1515.
- Mundlak, G. and H. Shamir. 2011. "Bringing Together or Drifting Apart? Targeting Care Work as 'Work Like No Other'." *Canadian Journal of Women and the Law* 23 (1), pp. 289–308.
- OECD (Organisation for Economic Co-operation and Development) and ILO (International Labour Organization). 2019. *Tackling Vulnerability in the Informal Economy.* Development Centre Studies. Paris: OECD Publishing.

Parliament of Georgia. 2010a. Organic Law of Georgia - Labour Code of Georgia.

---. 2010b. Tax Code of Georgia.

- ----. 2018. Law of Georgia on Funded Pensions.
- Pignatti, N., M. Chitanava, M. Lobjanidze and M. Tsulukidze. 2021. *Regulatory Impact Assessment of ILO C189 Domestic Workers Convention.* Tbilisi: UN Women.
- Tskitishvili, D., V. Natsvlishvili, S. Qajaia and Z. Shvelidze. 2022. *Decent Work Agenda: Needs Assessment and Roadmap.* Tbilisi: Ministry of Foreign Affairs of Denmark, Friedrich Ebert Foundation, Georgian Progressive Forum. https://library.fes.de/pdf-files/bueros/georgien/19912.pdf.
- UN Women (United Nations Entity for Gender Equality and the Empowerment of Women). 2022. *Time Use Survey in Georgia: 2020–2021.* Tbilisi: UN Women.

UNICEF (United Nations Children's Fund). 2023. Child Wellbeing in Georgia.



UN Women Georgia Country Office 87 Paliashvili Street Tbilisi 0179, Georgia Tel: (+995 32) 222 06 04 (+995 32) 2 22 08 07

> www.unwomen.org georgia.unwomen.org