REMUNERATION OF PERSONS EMPLOYED IN PUBLIC INSTITUTIONS ON THE BASIS OF ADMINISTRATIVE AND LABOR CONTRACTS

To examine the practice of employment through labor and administrative contracts in the public sector, IDFI requested relevant public information from more than 100 public institutions (ministries, their subordinate legal entities of public law, and various independent public agencies). Specifically, the following information was requested within the scope of the study: registries of persons employed based on labor and administrative contracts in 2018-2019 (indicating salary and the subject of the contract) and biographical data of the persons employed in the position of advisor to the director and copies of their contract.



KEY FINDINGS:

- In 2019, GEL 242.2 million was spent on the remuneration of contract employees, which is approximately **GEL 25 million more than in 2018,** and GEL 100 million more than in 2015.
- In the first 6 months of 2020, up to GEL 125.9 million was spent on the remuneration of contract employees, which is **20.4 million (19%) more than in the first 6 months of the previous year.**
- Most of the persons employed in ministries on the basis of administrative contracts are advisers to the Minister and their salary ranges from GEL 2,800 to GEL 6,000.
- In some cases, an employment contract is awarded for positions, which warrant an administrative contract under the legislation of Georgia.
- In 2019, the number of labor contracts has **increased by 18%** in the 31 LEPLs studies. From 4,629 contracts signed in 2018, this number has already reached 5,452 in 2019.
- The subjects of the contracts and the names of the positions in the contract registries, kept by public institutions, are often **vague** and do not provide detailed information on the job description of the employees.

- Salaries of employees contracted for vaguely defined positions may vary significantly. For example, the salary of a consultant or an expert in different agencies ranges from GEL 1,000 to GEL 4,000.
- The National Center for Assessment and Examinations provides significantly higher salaries for contract employees compared to other agencies. For standard positions such as a worker/cleaner/gardener, the National Center provides GEL 1,200, while in other agencies the average salary for these positions is GEL 400.
- As a result of the analysis of the work experience (CVs) of advisors, it can be argued that in certain cases this position is likely to be used to appoint **Security Liaison Officers.**
- 56 agencies out of 104 did not comply or only partially complied with the FOI request.

Expenditures on remuneration of contract emplyees according to the state budget execution reports (Thousand GEL)



RECOMMENDATIONS:



Based on the circumstances discussed in the study, IDFI calls on the Georgian authorities to:

- Review the existing contract employment practices to minimize the risks of nepotism, bias, and corruption.
- **Provide detailed job descriptions** for various vaguely defined positions (Advisors, Consultants, Experts).
- **Develop a unified standard** that ensures fair regulation of the remuneration of labor contract employees.



