
LABOR MARKET DYNAMICS IN GEORGIA: WHICH FACTORS DETERMINE EMPLOYMENT?

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Employment is one of the central socio-economic factors that determines a country's development trajectory and the living standards of its population. Georgia's labor market has changed significantly over the past decade, influenced both by the transformation of the country's economic structure and by processes of globalization. Although data from the National Statistics Office of Georgia indicate that the unemployment rate has been gradually declining (in the second quarter it fell by 0.4% compared to the percentage recorded in the first quarter of 2025),¹ many challenges still persist in the labor market.

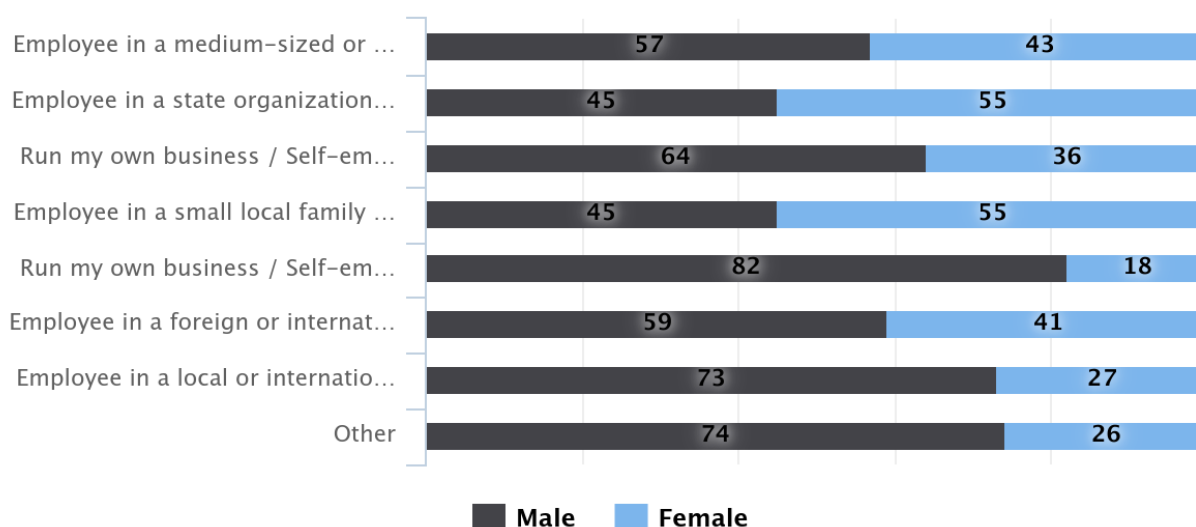
One notable factor shaping an individual's positioning in the job market is closely linked to their demographic characteristics. The term biographical availability refers to the idea that various demographic factors may either limit a person's ability to participate in certain activities or, conversely, facilitate it. Accordingly, differences in gender, age, income, level of educational attainment, and other factors have a significant impact on a person's employment status and their integration into the labor market.

¹ <https://www.geostat.ge/ka/modules/categories/683/dasakmeba-umushevropa>

The results of CRRC's 2024 Caucasus Barometer survey² indicate a statistically significant association between gender and the type of employment/position held at work. A chi-square (χ^2) test shows that men and women are represented differently across employment types and positions. According to the data, men are more frequently employed in the private sector, particularly in business and managerial roles. Men also occupy high-ranking positions more often than women, which points to an unequal distribution of economic opportunities.

RESPSEX: Gender of the respondent by WORKTYP: Status and type of primary workplace (%)

WORKTYP: The question was asked to the respondents who were employed
Without 'Don't know' and 'Refusal'



Caucasus Barometer 2024 Georgia
Retrieved from <http://caucasusbarometer.org/>

In contrast, women show higher representation than men in the public sector and in smaller local contexts. For example, among respondents who run their own business/are self-employed and have hired employees, 82% are men and 18% are

² <https://caucasusbarometer.org/ge/cb2024ge/codebook/>

women; among those who run their own business/are self-employed but do not have hired employees, 64% are men and 36% are women. Likewise, among those working in local or international non-governmental organizations, 73% are men and 27% are women. By comparison, among those employed in the public sector, 45% are men and 55% are women.

These findings align with UN Women's study *Employment and Gender in Georgia*, which reports that women dominate in the education, healthcare, and social protection sectors, while entrepreneurship, for instance, is considered a more masculine field.³ At the same time, the percentage distribution of men and women employed in small local family businesses is the same.

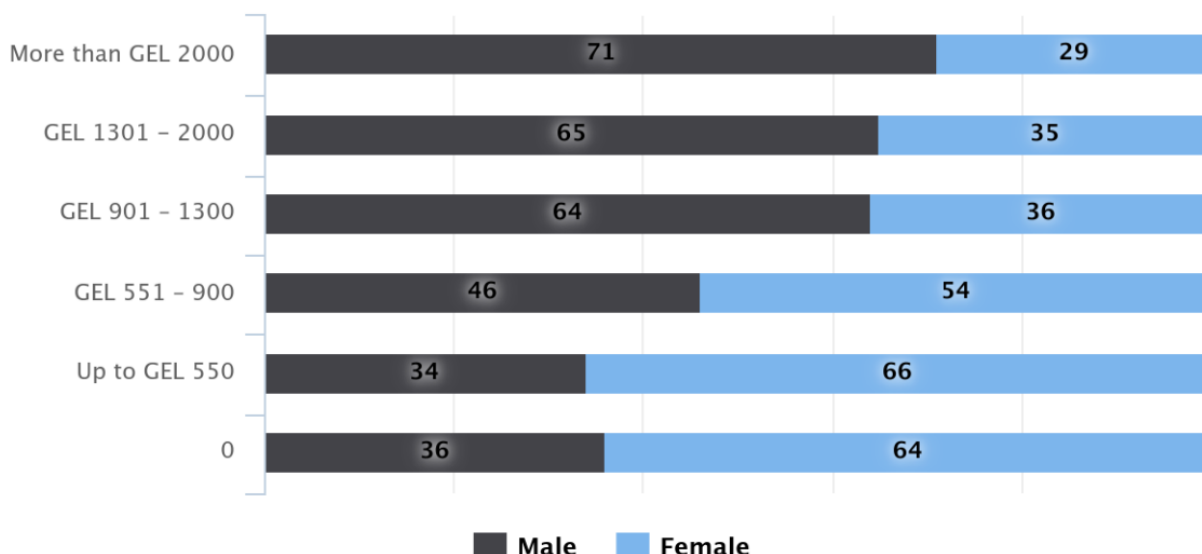
Overall, the chi-square test confirms that the relationship between gender and type of work is statistically significant. This result suggests that the distribution of job types is not random; rather, it clearly reflects gender-based differences linked to both economic and socio-cultural factors.

A statistically significant relationship is also observed between gender and the distribution of monthly personal income. As the chart shows, income distribution differs sharply between men and women. A binary logistic regression analysis likewise confirmed that gender is statistically significantly associated with income: men are more likely to have higher incomes than women. This trend once again highlights the imbalance that exists in the labor market.

³ *[Employment and gender in Georgia english.pdf](#)*

RESPSEX: Gender of the respondent by PERSINC_1: Personal income last month (%)

Without 'Don't know' and 'Refusal'



Caucasus Barometer 2024 Georgia
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Among respondents whose monthly income exceeds 2,000 GEL, 71% are men, while women make up only 29%. Similarly, in the 1,301–2,000 GEL income range, roughly two-thirds of respondents are men, whereas women account for only about one-third in the same category. As income levels increase, the share of men rises more sharply, while the share of women declines among higher-income groups.

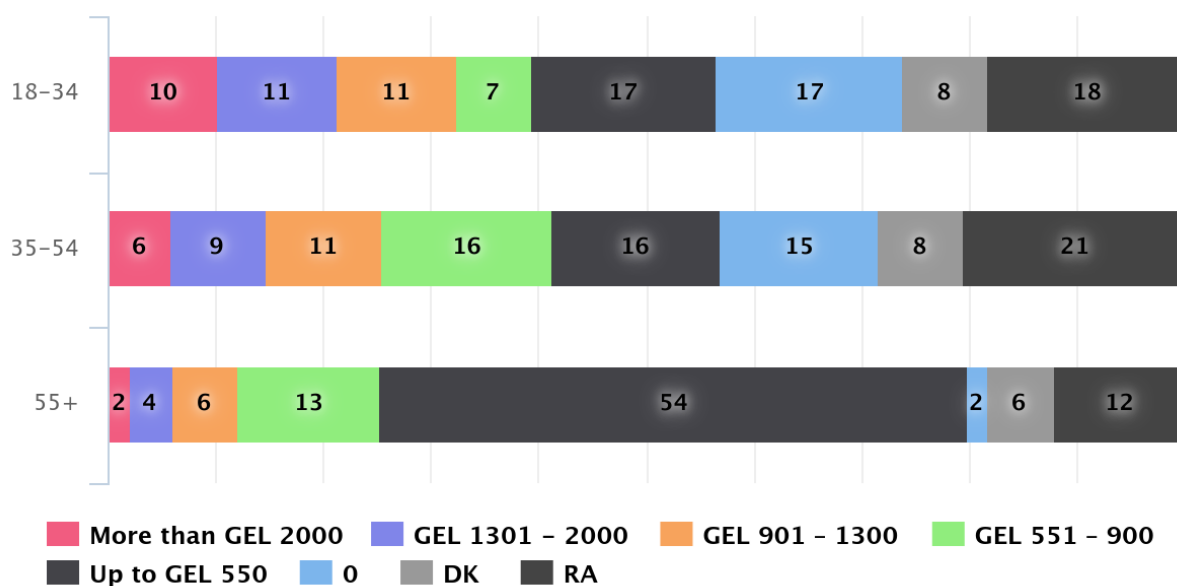
By contrast, the pattern is reversed in the lower-income brackets. Among those earning up to 550 GEL per month, or between 551 and 900 GEL, women constitute the majority - around 64-66% - while men represent only 34-36%. This distribution points to a clear gender stratification in earnings, suggesting that many women are concentrated in lower-paid positions and/or that women receive lower compensation than men for comparable work.

A statistically significant relationship is also observed between age and employment status. Employment rates differ substantially across age groups. According to the data, the highest level of employment is found among those aged 35–54: 66% report that they are currently employed, while only 32% state that they are not working. This age group can be considered the most economically active.

By contrast, employment among respondents aged 18–34 is relatively lower: 53% consider themselves employed, while 47% do not. The lowest employment rate is recorded in the 55 and older category, where only 28% are employed and 72% are not employed. Notably, a large share of the non-employed in this age group are pensioners.

Based on the data presented above, it can be argued that the 35–54 age group constitutes the core of the labor force. However, it should be noted that within this age category, the wage distribution is lower than in the 18–34 age group.

PERSINC_1: Personal income last month
by AGEGROUP: Age of the respondent (%)



More than 2,000 GEL in monthly income is reported by 52% of respondents in the 18–34 age group, compared to 35% in the 35–54 category. At the same time, an income of 551–900 GEL is most commonly observed in the 35–54 (44%) and 55+ (37%) age groups. It is also noteworthy that the number of respondents who report no personal income is distributed almost equally between the 18–34 and 35–54 age categories.

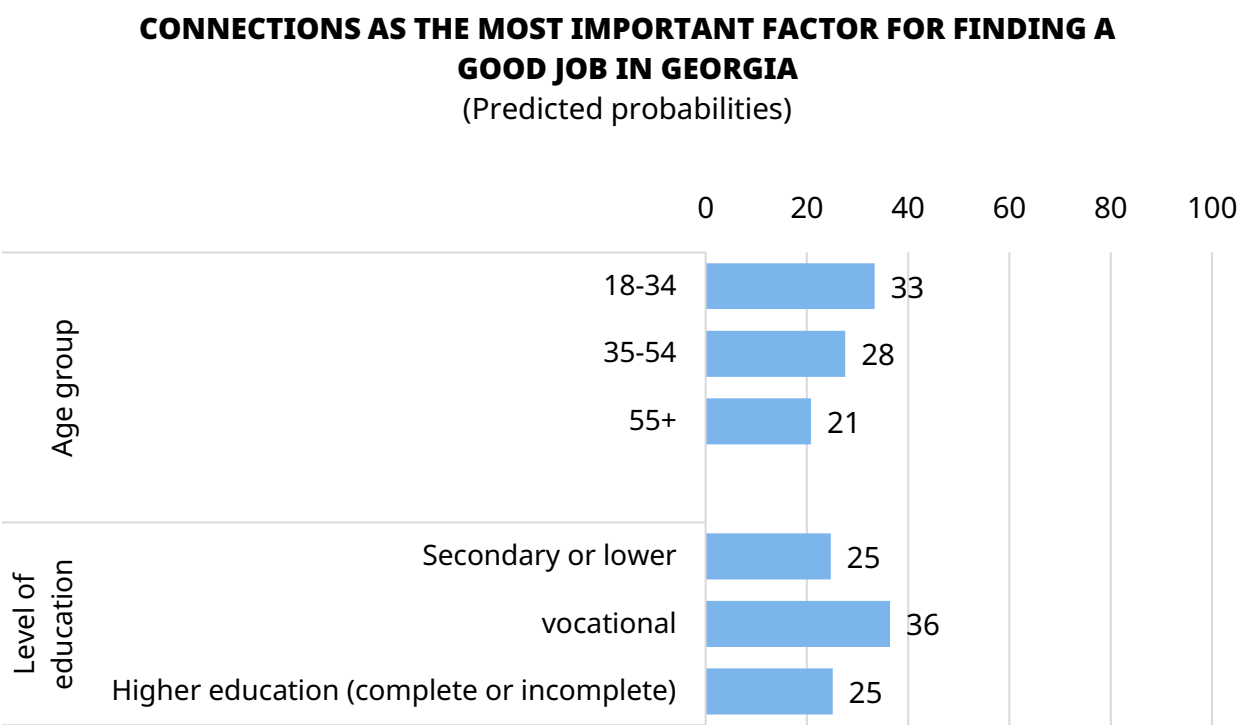
A statistically significant relationship is also evident between age and the duration of unemployment. In this regard, it is particularly important that among respondents who state that they have never been employed, 44% fall within the 18–34 age group. Although this figure is relatively high, it should be noted that it has decreased compared to the 2021 Caucasus Barometer data (in the 2021 survey, the figure was 51%).⁴

According to the 2024 Caucasus Barometer, 22% of respondents identify themselves as active job seekers (an “active job seeker” is defined as someone who tried to find work during the last four weeks). With respect to how job seekers search for employment, the number of people who use LinkedIn is very small. Specifically, only 2% of internet users in Georgia reported using LinkedIn, while 95% said they do not—despite the fact that LinkedIn is a globally recognized employment platform through which people connect with colleagues and potential employers, search for vacancies, showcase their professional skills, and become part of both local and global labor markets.

According to CRRC’s research findings, the five most important factors for obtaining a job in Georgia are as follows: education (27%), personal connections (27%),

⁴ <https://caucasusbarometer.org/ge/cb2021ge/AGEGROUP-by-HAVEJOB/>

professionalism and work experience (15%), hard work (9%), and luck (6%). Formal education is still perceived as one of the main instruments for career advancement; however, it is also notable that education does not show a clear advantage over personal connections. Logistic regression results indicate that perceptions of the importance of “connections” in employment are mainly shaped by age and education.



The impact of age is clearly negative: younger respondents are significantly more likely to view “connections” as a determining factor in employment than the 55+ age group. With regard to education, respondents with a technical/vocational education statistically report “connections” as an important condition more often. Compared to them, groups with a secondary and higher education are 11 percentage points less likely to name “connections” as a factor.

Overall, it can be said that labor market positioning in Georgia is strongly influenced by an individual's gender and age. Gender differences are clearly reflected both in job type and in income: men dominate in the private sector and in higher-paid positions, while women are more represented in the public sector and in lower-paid positions. The highest employment rate is observed in the 35–54 age category, which reflects the main profile of the country's core labor force.

The differences among the results presented in the text were tested using the chi-square test for independent groups. In addition, binary logistic regression was used to assess associations and to identify the factors influencing outcomes. The results are statistically significant at a 95% confidence level ($p < 0.05$).

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