



Description of the Labor Market Structure in the Cities of Samegrelo region
– Zugdidi, Senaki, Poti and Khobi.

The study was conducted by the Civil Society Institute within the frames of the project “Supporting Small Business Development and Employment”, funded by Oxfam Great Britain in Georgia.

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CHAPTER 1

STUDY DESCRIPTION AND METHODOLOGY

The study was purposed to evaluate the existing condition of the labour force in 4 target cities of Samegrelo Region, according to the following indicators:

1. Demographic Setting
2. Profession
3. Level of Awareness of Profession's Market Demand
4. Qualification
5. Qualification Self-Evaluation
6. Need for Raising Qualification
7. Opportunity of Raising Qualification
8. Employment
9. Field of Family Members' Employment
10. Employment Opportunities in City, Region, Country
11. Employment Terms (Including Family Members)
12. Employment Fields Changes (Reasons)
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21. Expenses
22. Family Budget Planning
23. Business Environment Evaluation in the Region (Legal, Socio-Economic, Political Parameters)
24. Channels of Communication

The study was held in October-December 2005. For the methodology of the research, structured questionnaires were used, consisting of 108 questions. For elaborating the methodology has been used the first basic research-report of Small and Medium Business-Sector Survey, held by International Finance Corporation, funded by Canadian International Development Agency¹ (“Business Environment in Georgia, in terms of Small and Medium Business Support”), which has been modified in correspondence with the objectives of this research. Also the research “Oxfam Georgia - Micro-Credit Project Impact Assessment” conducted by the “Social Research Institute”. Discerning from the objectives of the research, the questionnaire included the questions about the respondents, as well as about the members of their families, especially in the description part, where the questions about the employment fields, professions and incomes were asked.

The area of the research included 4 cities of Samegrelo region: Poti, Khobi, Senaki, Zugdidi

Random Sampling has been used. The target city has been divided into five regions and the logs have been selected according to the level of the population density.

Cities	General Sum	Selection Scales
Poti	49614	209
Zugdidi	50569	174
Khobi	28938	43
Senaki	6577	119
Total:	135698	545

The data has been processed in Statistical Soft – SPSS – 10.0, Student’s T-Criteria for Group Comparison has been used for determining the group differences.

¹ www.ifc.org/pep

Chapter 2

Key Findings

1. The total index of respondent family members is 2327, and the average index of the respondent families is 4. The minimal quantity of the family members participating in the study is 1, and the maximal quantity is 14.
2. 46.8% of the respondent families (1098) have the able-bodied members, and the 54.2% (1229) - work incapable members, including the retirement pensioners and minors. Nearly equal quantity of able-bodied members belongs to the **unemployed** (37.1%) and **permanently employed paid** (38.2%) portions. Less are the occasionally employed members – 15.8%, and much more less is the amount of regularly employed members – 8.7%.
3. As the outcomes of the research have shown, total percentage index of unemployed within the respondents is 36.9%
4. The structure of the questioned families according to their education is the following: 1.8% have primary education, non-complete secondary education (8-9 grades) – 5.29%, secondary education – 20.50%, non-complete secondary professional education – 1,70%, secondary professional education 4,68%, non-complete secondary technical education – 2.89%, secondary technical education – 16.68%, non-complete higher education 6.40%, higher education – 40.06%.
5. Majority of the employed respondents work in **trade** (35.7%) and **educational** fields (20.8%).
6. Temporarily employed respondents usually are dissatisfied with their payment (41.9%) and the working position (43.4%), but are fully content with the work-place location (51.2%) and the treatment of the employers (50.4%).
7. 15.8% of non retirement age able-bodied members of respondent families are performing periodic work. Respondents and members of their families usually receive information on temporary employments from friends and relatives – 66.7%, and in a very rare case from the State Agency of Social Aid and Employment (Labor Exchange) – 2.3%.

- 8.** According to the research outcomes 49.6 % of respondents, employed on periodic jobs, have not signed the contract agreement with the employer.
- 9.** The temporary work together with the major regular one, is performed by 39 respondents, out of total 545, which is 7.2%.
- 10.** The major reasons of changing the work by respondents are: low payment – 44.3%, bad working conditions – 16.5%, work liquidation – 12.7%, reduction – 10.1%, family conditions – 11.4%, and the conflict with the management and fellow workers - 3.8% and 1.3%.
- 11.** In case of having a choice, 55.2% of respondents have given the privilege to the governmental sector, 36.9% to the private sector, and 5.5% to the civil society sector, 2.4% could not make a choice.
- 12.** 22.2% of respondents have secondary profession, and 77.8% have no secondary profession. 52.9% of respondents, having the secondary profession, are employed according to their secondary profession.
- 13.** Respondents have been acquiring the secondary profession mainly since 1995. Also the reasons for receiving the secondary professions have been studied. As the study has shown, acquiring the secondary profession has been the matter of new interests for 41.7%, for 30.6% it was the case of work-place deficit for the first profession, and for 26.4% - the opportunity to find high-paid work with the new profession.
- 14.** 65.7% of respondents consider that the qualification level, which is being received while acquiring profession, is not enough to satisfy the current requirements.
- 15.** 67.3% of respondents consider the improvement of teaching quality to be needed in educational institutions, 49.5% consider the existence of periodic qualification raising courses to be needed, which will help employees to satisfy the present-day requirements. Only 4.2% of respondents consider periodic testings to be needed to check and assess employee qualification and their suitability to the work requirements. The majority of respondents 87% consider that the qualification raising courses should be free of charge and 11.7% consider that the courses should be paid.

- 16.** 18.3% of respondents have passed free training for the professions, according to which they are employed. The research has shown, that 67% of respondents have passed free training with the initiative of the organization of employment, 23% have passed with their own initiative, and 7% with the initiative of training organizers.
- 17.** 55% of respondents have no information on the State Agency of Social Aid and Employment. 13.90% are aware of the title, but have no information on their functions, 8.3% - have enough information but have never addressed them, and think that will never address, as they never have had any such need; 15.40% - are informed but have never addressed them, though think that they will address in case of necessity 15.40%.
- 18.** 93.6%- of respondents, having the information on the State Agency of Social Aid and Employment have received the information from friends.
- 19.** On the question whether which agency you would address in case of need – private or state, 57.2% has given the privilege to the state agency of employment, and 38.2% to private, 4.6% couldn't make a choice.
- 20.** 48.6% consider that there are very bad conditions in the region for the business development, 43.3% consider them to be normal, and 3.3% have mentioned that there are good conditions in the region for business development.
- 21.** Respondents believe the small and medium businesses in the region to have a significant support from President administration. 29.7% of the respondents consider that the small and the medium business in the region receive significant support from the President Administration.
- 22.** 45% of respondents are aware of such mechanisms for fundraising, such as the micro-financing is, 34.5% - are unaware, and 20.9% have very poor information on such opportunities of funding. 86.9% (107) of respondents, that have addressed the micro-financing institutions, have received the funding.
- 23.** The average income of respondent families is posted in the sum of **150-300 GEL**, and the average value of respondents' personal incomes is posted between **51-150 GEL**.

24. As the outcomes show, families are usually spending the most of the money on food. The average value of the respondents' monthly expenses is **175.35** GEL. The maximum expense on food per month was identified as **1000** GEL, and the minimum – **10** GEL. The respondent families are making the least expenses on improvement of the living conditions and the education, correspondingly **12.14** GEL and **13.28** GEL. 26% of respondents are making the savings. 18.7% consider that he/she may spend the savings on a business start-up, and 16.8% and 15.5% consider that the saved money could be spent on vacation and education.

25. Five groups have been identified while estimating their own incomes:

I Group – 60.9% of respondents consider that he/she is having an average income, income distribution in this group is the following: 2.4% - up to 50 GEL, 20.5% - 51-150 GEL, 31.3% - 151-300 GEL, 9% - 501-1000 GEL, 2.1% above 1000 GEL.

II Group – 25.5% consider they are having a very heavy economic condition. Incomes in this group are distributed thus: 15.1% up to 50 GEL, 47.5% - 51-150 GEL, 26.6% - 150-300 GEL, 6.5% - 301-500 GEL and 0.7% above 1000 GEL.

III Group - 8.6 consider their economic condition to be ultimately desperate, - 23.4% - up to 50 GEL, 44.7% - 51-150 GEL, 27.7% - 151-300.

IV Group – 8.6% consider they have more than middle income, 15.8% - 301-500 GEL. 73.7% 501-1000 GEL, 5.3% above 1000 GEL.

V Group – 0.4% consider they are having high incomes. 2 respondents were allocated in this group, having the income above – 1000 GEL.

26. One of the tasks of the research was to study whether the employees were signing the contract agreements with the employers or not. The research outcomes have shown that 40.2% of employed respondents have signed the contract, and 47.4% have not, 12.4% refused to answer. 34.4% of employed respondents have a contract person.

The major task of the study was to determine the reason-result relations and differences between employed and unemployed population. As the study has shown, both the employed and unemployed parts of the population are homogeneous in terms of income

classification and professions, i.e. there are no distributions in families' total incomes, in professional portraits of respondents and in their attitudes towards the problem of employment and in estimation of region's business environment. Correlation has been counted between the quantity of the family members and the total income of the family. A very weak positive relation has been discovered between these two values, i.e. the quantity of family members negatively affects the family income. It is worth mentioning that the relation between quantity of family members and the family expenses has not been approved.

A very weak positive relation has been approved between the quantity of regularly employed members and the family incomes.

Pearson Correlation = 0.445, Correlation is significant at the .01 level (2-tailed)**

Also a weak positive relation exists between the number of family members employed in the private sector and family incomes, i.e. as many members are employed in private sector, as much is the possibility of higher income.

Pearson Correlation = 0,256 Correlation is significant at the .01 level (2-tailed).**

A little bit lower value has the correlation coefficient between the family members employed in the governmental sector and the incomes.

Correlation = 0,114 Correlation is significant at the .01 level (2-tailed).²**

But the difference between these two groups has not been approved statistically.

12.8% of respondents have never worked and their working experience is worth of 0. It is worth mentioning that the absence of working experience is more characteristic of youth of 18-35 age, than of the people that are above 35. The difference between the age groups is important (Sig. (2-tailed)<0.005), i.e. could be said that there are more unemployed people under 35 age, than unemployed people that are above 35. If comparing two, N(1) and N(2) diagrams, the difference of respondents distribution in age groups³ will be clearly seen.

² Spearman's rho Correlation Coefficient=0,17**, Correlation is significant at the .01 level (2-tailed)

³ Age Group Definition: 1. 18-25 years, 2. 26-30 years, 3.31-35 years, 4. 36-40 years, 5. 41-45 years, 6. 46-55 years.

Allocation of Respondents, which have no work experience, in the Age groups

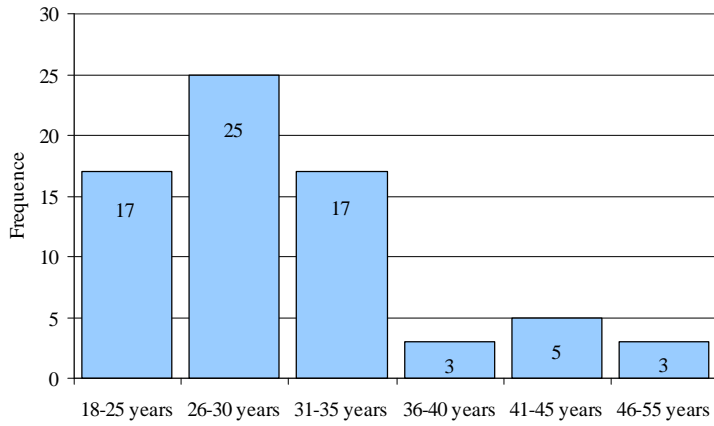


Diagram 1

Allocation of respondents, who have the working experience, in the age groups

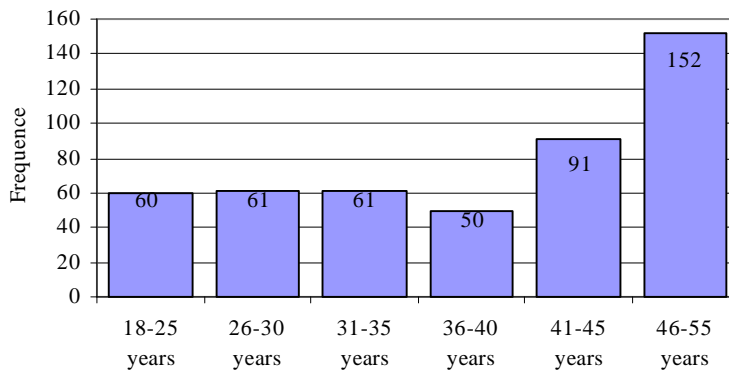


Diagram 2

The average working experience of respondents is 15.8 years. During the study the longest experience has been identified as 40 years – a teacher, and the smallest 1 year – an economist.

82.2% of employed respondents have not changed their work-place, 9.4% have changed once. 5.1% have changed their work-place twice, and 1.8% three times. According to the outcomes, it can be said that the lack of work ensures the employees stay on their work-places. The major reason, for what the respondents have changed their work is a low

payment – 58.2%. Though it should be mentioned, that among those, who have never changed their work are dissatisfied with their salaries.

Also it should be mentioned, that the age of unemployed people is less than those of who are employed. Particularly, in the 26-35 age group percentage of unemployed people is 42.1%, when in the 36-55 age group, the percentage of unemployed people is only 34.5%. The difference is statistically important (Sig. (2-tailed)<0.005). It is worth mentioning that the difference according to the age groups in employment field does not exist, i.e. people of different ages are equally distributed in the employment fields existed in the region.

The study was interested to define if there is any difference in terms of the employment between the people educated in private educational institutions, and the people who have received their profession at the state educational institutions. As the results have shown, 59.3% of respondents, educated in private educational institutions are not employed, and 40.7% are employed, while the allocation among the state educational institutions educated people is the following: employed 66.8%, unemployed 33.2%. Employed – the difference is statistically important (Sig. (2-tailed)<0.005). A weak, positive relation has been discovered between the education acquirement place and employment. Spearman's rho =0,215**⁴. i.e. according to the received data, the employment is feebly determined by the place⁵ of education.

As the outcomes of the research have shown, the most applied system of information exchange on vacancies in the region is through friends and relatives, 66.7% of respondents receive information on vacancies for periodic employment. Thus are superficially informed 42.4% of respondents on the job vacancies. 2.3% of respondents have mentioned, that they were informed about the temporary employment through the State Agency of Social Aid and Employment. Nearly the same situation is seen in the recruitment processes on the job vacancies: assignment-based 13.6%, competition based

⁴ Correlation is significant at the 0.01 level (2-tailed)

⁵ State or Private

– 13.2%, personal friendship with the employer – 20.9%, based on friends' recommendations 28.1%. It is worth mentioning that within the respondents, been recruited basing on the competition principle, 61.4% are employed in the governmental sector, and 34.1% in the private sector. Wherefrom 31.8% serve in the educational system, 18.2% in the public service, 13.6% in the trade system and 9.1% in the healthcare system.

According to the opinion of 67.3% of respondents the existing qualification level in the region more or less satisfies the requirements, 14.1% consider it to be completely satisfactory, and 17.1% consider it to be unsatisfactory. The difference in evaluation of qualification level between those of having passed the qualification raising courses/training and those of having not passed has not been approved. According to the outcomes, 19.3% have passed both free and paid qualification raising courses. It should be mentioned that only 23% have passed those training with own initiative. 67% have passed with the initiative of the organization of service. It is worth mentioning that the relation in terms of passing the qualification raising courses has not been approved between the groups of different cities, in all four target cities nearly the equal quantity of respondents have passed the qualification courses. In spite of the fact that only 17% of respondents consider that the existing level of qualification doesn't satisfy the requirements, 49.5% of respondents consider that the periodic qualification raising courses should exist, which would help the employee to satisfy the modern requirements. It should be mentioned that the great majority (45.2%) of those, who consider that the short-term qualification raising courses should exist, rather than of the overall quantity respondents (33%) think that these are the employers who should care for the raise of qualification of their employees. The difference is statistically important⁶. 29% of respondents consider that the State of Agency of Social Aid and Employment should care about the raise of qualification. 87% of respondents think the qualification raising courses should be free, and 11.7% think them to be paid. Regarding the ways of acquiring new professions in region, 69.8% thinks that new profession acquirement courses should be started.

⁶ Sig. (2-tailed)<0.005

The study was purposed to determine the criteria of selecting professions. 76.2% of respondents have chosen their professions according to their skills, 13.2% according to the wish of family members, and 7.7% considering the profitability of professions. 22.2% of respondents have secondary professions. The criterions while selecting secondary professions for 41.7% of respondents were the new interests, for 30.6% the deficit in the field of employment according to the primary profession, and the profitability of new profession for 24.4%. 13.6% of respondents work according to their secondary profession, which is 52.9% part of the respondents having secondary professions. It should be mentioned that the geographic coverage of private educational institutions differs from that of state educational institutions. If private educational institutions cover 5 geographic areas, state educational institutions cover 40 geographic points, which include not only Georgia. 7.1% of respondents have received their education abroad (Russia, Latvia, Germany). It should be mentioned that 40.6% of respondents have university education.

The study was aimed to identify which professions do have bigger demand in regions to the mind of the respondents. Respondents think that the biggest demand in the region is on the teachers of foreign languages – 60.6%. The second place was given to the profession of physician – 51.4%, appreciated profession is of the Jurist according to the respondents mind – 41.5% and economist 34.9%, also cosmetician – 40.2% and house-builder – 40.7%. In the process of the study, the trend has been identified, which reflects the difference in labor prices on the regional and country level, respondents think that the salaries are nearly 1.5 times lower than the country level salaries⁷. It must be mentioned, that the existing profession demand on the labor market, and its structure presented in the study, are described basing only on the opinions of the respondents. The actual demand can be determined through learning the structures of existing work-places in the region and through questioning the employers.

⁷ See Chapter 5

37.2% of the respondents who used to work according to the primary profession and are not occupied with the same profession any more (29.9% of respondents) name the liquidation of the field in the region as the major reason for that, the requirements of which his profession used to satisfy. As the analysis of the outcomes showed 15% of these respondents were engineers according to their primary education, 10.3% agronomists, 10.3% technologists and 13.8% accountants.

In spite of the fact that only 24.2% of respondents consider that the acquirement of new professions is inaccessible in the region, while researching the problems of unemployment, 43.9% agreed with the phrase that the primary reason of the unemployment in the region is the inaccessibility of raising the qualification, 33.8% considers that the primary reason for the unemployment is the meager qualification of vacancy seekers. 58% think that the primary reason for that is the inaccessibility of information on new vacancies. 52.3% agreed with the suggestion that the effective communication tools between the employers and work-seekers do not exist.

CHAPTER 3

DEMOGRAPHIC SETTING

348 (63.9%) females and 197 (36.1%) males participated in the research. Their age was allocated thus: I group – 77 respondents of 18-25 age, II group – 86 respondents of 26-30 age, III group – 78 respondents of 31-35 age, IV group 53 respondents of 36-40 age, and 96 respondents of 41-45 age, V group – 155 respondents of 46-55 age.

Respondents' allocation according to the sex and age is given in the diagrams N (3), N (4),

Respondents' Allocation According to Sex

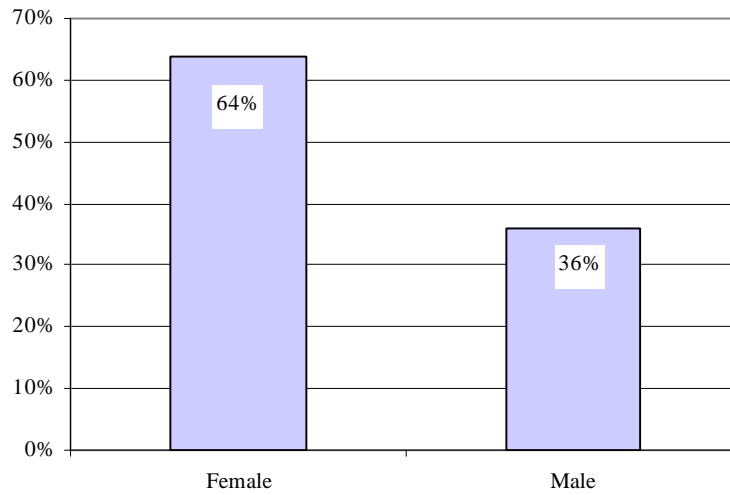


Diagram 3

Respondents' Allocation in Age Groups

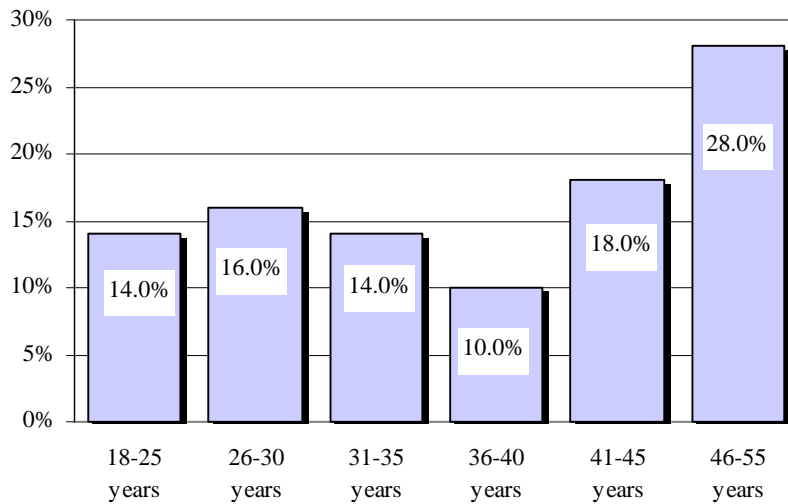


Diagram 4

Majority of the respondents are married (317) and unmarried (165). The allocation of the respondents according to their social status is given in table N1

Social Group	Respondent Quantity	%
Refused to Answer	8	1,5
Married	317	58,2
Unmarried	165	30,3
Divorced	17	3,1
Widow	24	4,4
Single	14	2,6
Total	545	100

Table N1

One of the objectives of the study has been to learn the qualitative index of respondent families. The Research has shown that the total sum of respondent family members is 2327, i.e. the average index of the respondent families is 4. The minimal quantity of the family members participating in the study is 1, and the maximal quantity is 14.

CHAPTER 4

EMPLOYMENT

The majority of employed respondents and their family members (employed) are employed in private (31.7%) and state (25.1%) sectors. A very significant portion is unemployed (19.2%). The majority of female respondents are housekeepers (11.3%). The least part of respondents are employed in international organizations (0.6%) and civil sector (0.6%). The allocation in these groups is given in the diagrams N(5) and N(6).

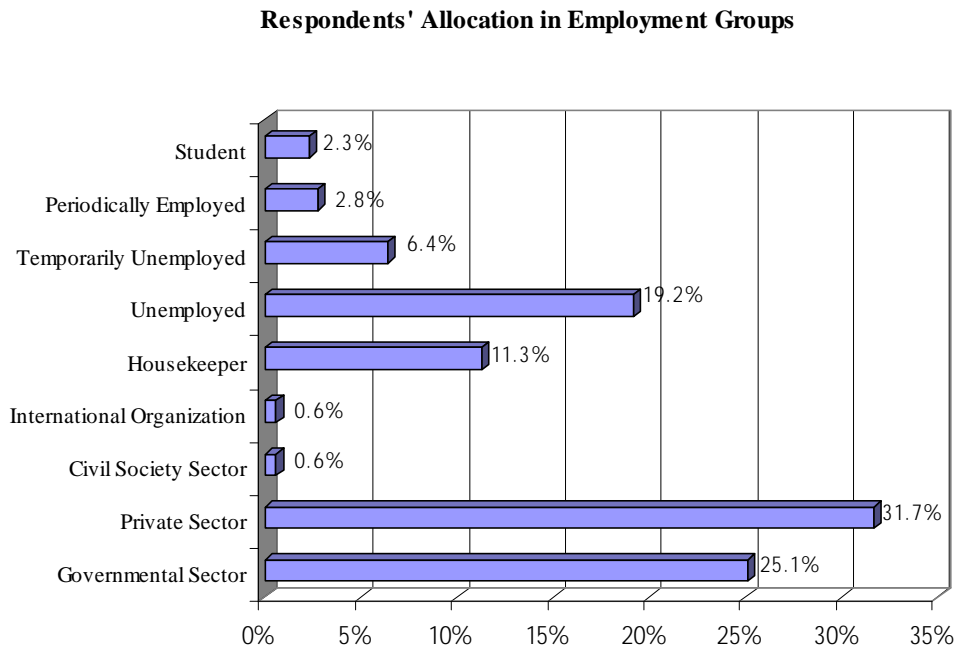


Diagram 5

As the outcomes have shown the total percentage indicator of unemployed respondents is 36.9%⁸.

Including the respondent family members, the following picture has been drawn:

46.8% of the respondent families (1098) are having the able-bodied members, and the 54.2% (1229) - work incapable members, including the retirement pensioners and minors.

⁸ Percentage Indicator is counted by summing the percentage indicator of the unemployed, housekeepers and the temporarily unemployed

Nearly equal quantity of able-bodied members belongs to the **unemployed** (37.1%) and **permanently employed paid** (38.2%) portions. Less is the number of occasionally employed members – 15.8%, and much more less is the amount of regularly employed members – 8.7%.

Respondents' and Their Family Members' % Allocation in Employment Groups

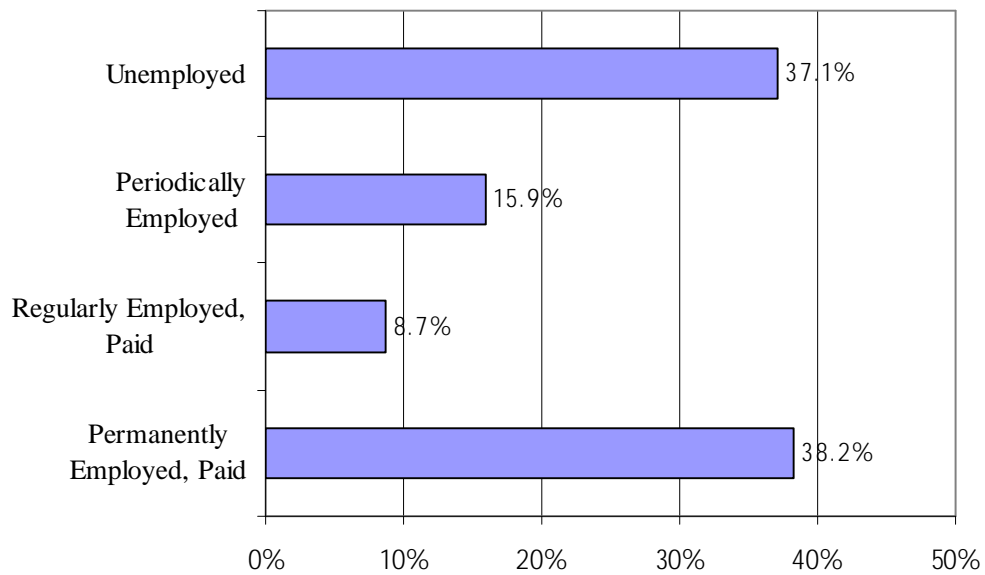


Diagram 6

The structure of the questioned families according to their education is the following: primary education have 1.8%, non-complete secondary education (8-9 grades) – 5.29%, secondary education – 20.50%, non-complete secondary professional education – 1,70%, secondary professional education 4,68%, non-complete secondary technical education – 2.89%, secondary technical education – 16.68%, non-complete higher education 6.40%, higher education – 40.06% (see the diagram N7).

Education Structure of the Respondents' Families

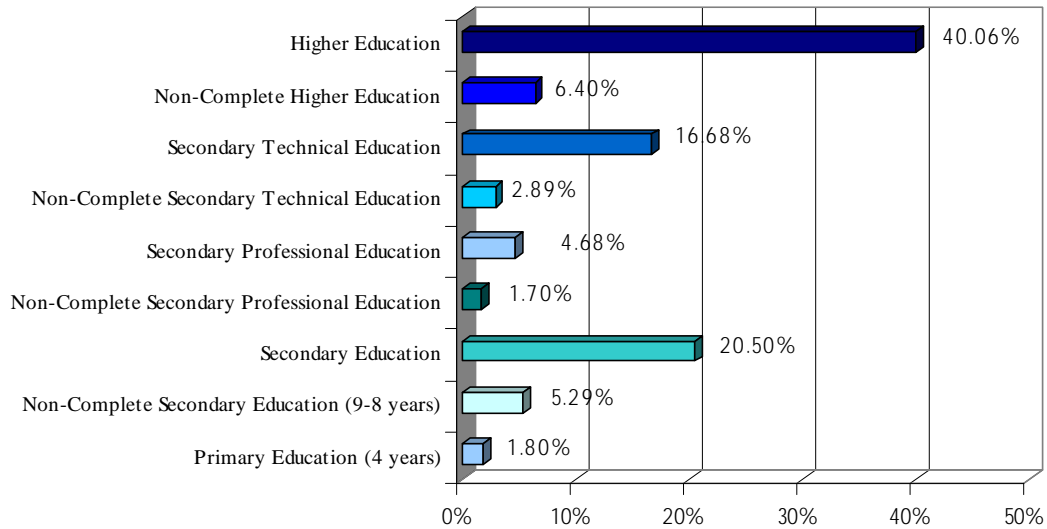


Diagram 7

Besides the employment, the objective of the research was to study the fields of employment as of the respondents themselves, as well as of their family members. In Table N(2) are given the percentage and the quantitative allocation of respondents according to the fields of their employment⁹.

⁹ Employment fields have named 308 respondents. After excluding the total quantity of the unemployed and student quantity from the total quantity, decline has been identified with 92 respondents.

Employment Field	%	Quantity
Agriculture	1,60%	5
Public Administration	8,40%	26
Building	1,30%	4
Transport	6,20%	19
Production	3,60%	11
Trade	35,70%	110
Middleman Business	0,30%	1
Service	3,20%	10
Communications	2,60%	8
Education	20,80%	64
HealthCare	8,40%	26
Social Security	1,30%	4
Communal/Personal Service	1,30%	4
Housekeeping	1%	3
Real Estate	0,30%	1
Consulting Service	0,60%	2
Defence/Social Order Protection	2,30%	7
Non-Identified	1%	3
Total:	100%	308

Table N2

The majority of respondents are employed in Trade (35.7%) and Education (20.8%) fields. In the tables N(8) and N (9) are described the most frequently named fields of employment of respondents and their family members (5 top rated fields)

Respondents' % Allocation According to the Employment Fields

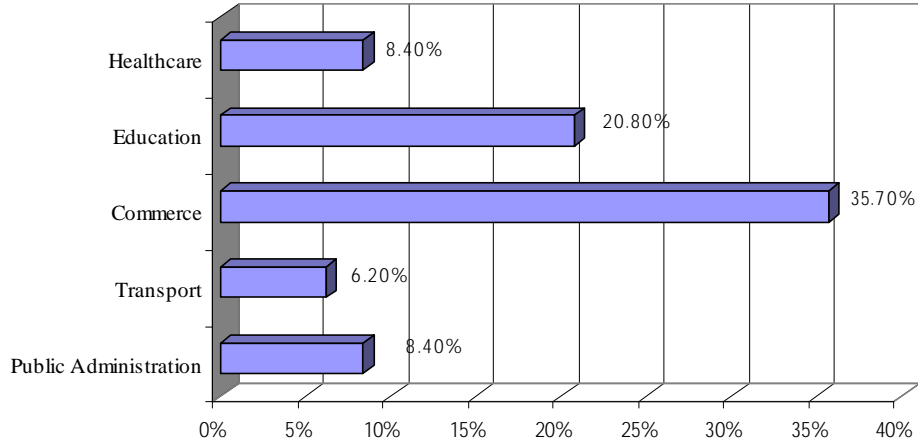


Diagram 8

Respondents' % Allocation According to the Employment Fields

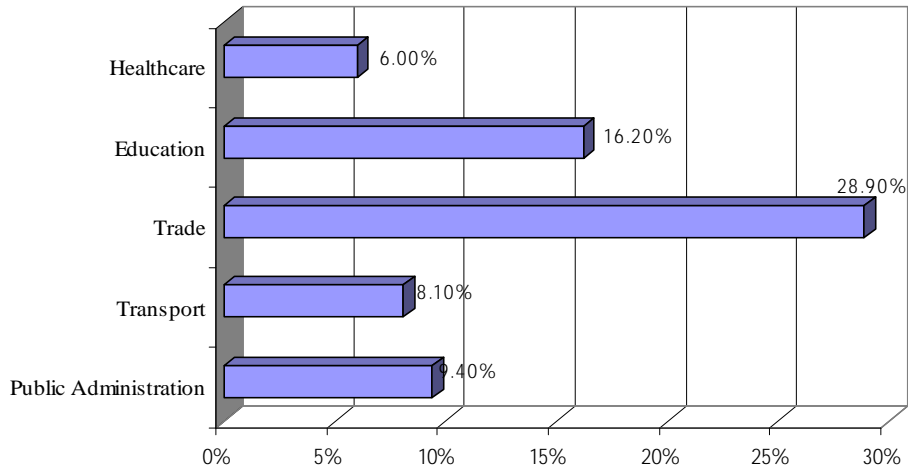


Diagram 9

One of the tasks of the research was to study the professional image of the periodically employed portion of respondents and their family members, i.e. how frequently are presented the temporary employment and what kind of temporary work have the people of different professions to perform.

Within the non-retirement age members of the respondent families, periodically are employed 176 (15.6%). Their professions are allocated thus: see the Table N (3)

N	Profession	Quantity	%
1	Manicure-Pedicure	10	7,50%
2	Business Consultant	4	3,00%
3	Philologist	2	1,50%
4	Tailor	1	0,80%
5	Physician	4	3,00%
6	Foreign Language Specialist	1	0,80%
7	Worker, Artisan	29	21,80%
8	Communications Servant	1	0,80%
9	Vendor	28	21,10%
10	Guard	4	3,00%
11	Engineer	2	1,50%
12	Teacher	3	2,30%
13	Driver	12	9,00%
14	Machine Operator	1	0,80%
15	Supplier	1	0,80%
16	Secretary-Typist	2	1,50%
17	Formatter	1	0,80%
18	Economist	5	3,80%
19	Pharmacist	1	0,80%
20	House-BUILDER	8	6,00%
21	Cooker	2	1,50%
22	Sportsman	1	0,80%
23	Operator	1	0,80%
24	Massage Specialist	1	0,80%
25	Fisher – Sailor	4	3,00%
26	Electrician	1	0,80%
27	Planter	1	0,80%
28	Accountant	1	0,80%
29	Musician, Singer	1	0,80%

Table N3

The most frequent profiles of periodically employed respondents' employment is given in the diagram N(10). The most popular profile is of the worker, artisan and trade worker-vendor. As it is seen from the allocation of the employment fields, self-identification as 'Employed' is more frequently done by the temporarily employed in trade system, then by the temporarily employed of communal or personal service. According to Table N2, 35.7% are employed in trade system, and 1.3% is employed in communal/personal service, when in frames of periodical employment, these two fields are having the same index.

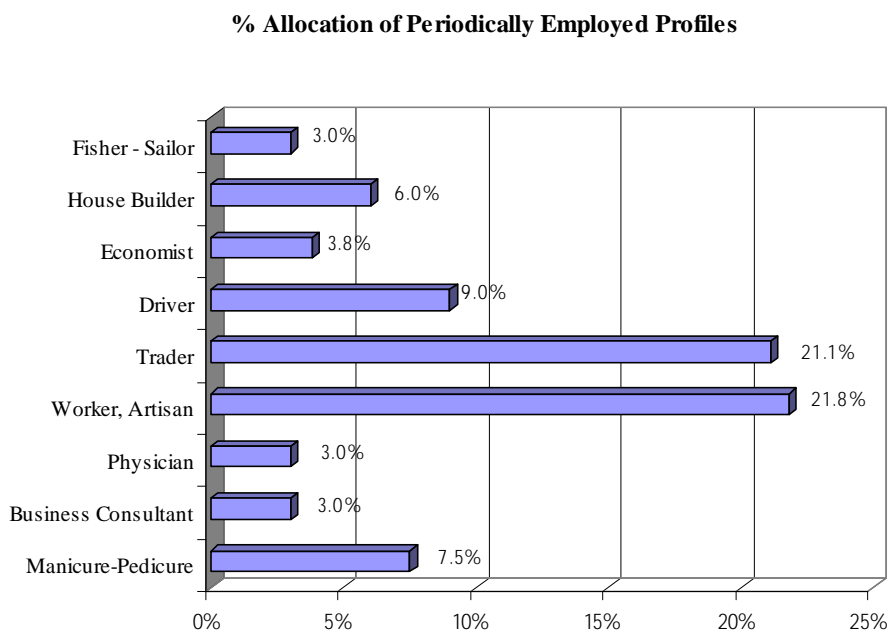


Diagram 10

The study has shown that the term of temporary employment varies from seasonal work to every second day employment. The percentage data of the study outcomes are given in the diagram N (11).

% Allocation of Employment Periodicity

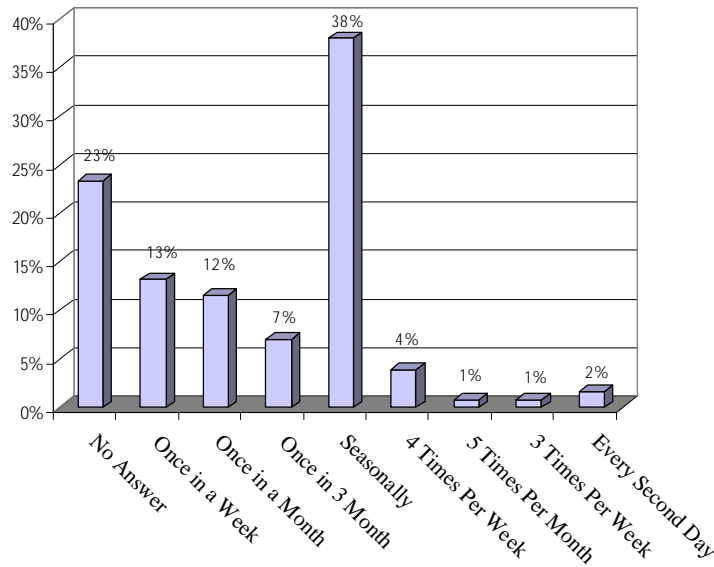


Diagram 11

While conducting the research, together with describing the periodical employments, jobs have been evaluated by the employed and their family members. Periodical employment was being assessed according to following parameters: salary, working conditions, workday duration, working position, workplace location, and employer’s attitude. Evaluation has been performed basing on 3 points scale – -1 to 1, where -1 means “doesn’t satisfy” and 1 “fully satisfies”. In the diagram N12 is given the percentage allocation of attitudes towards job characteristics.

Evaluation of Periodical Work

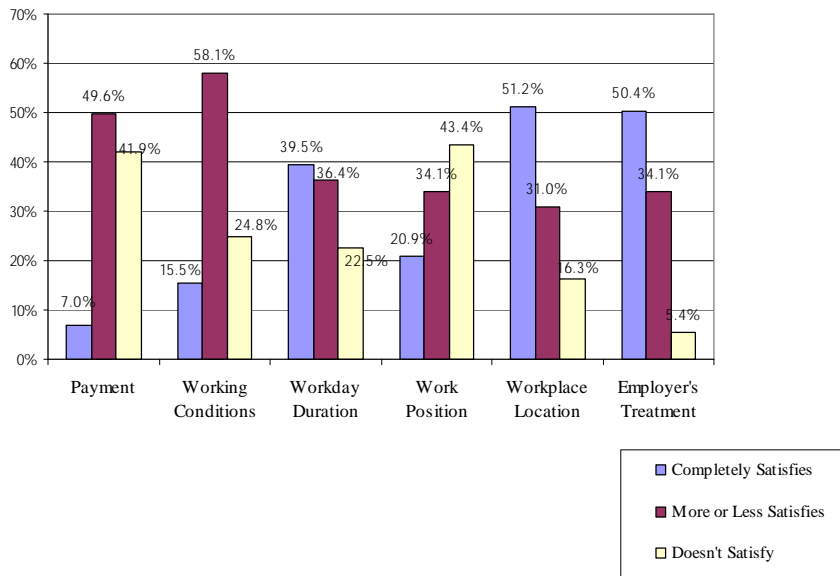


Diagram 12

Temporarily employed respondents are more frequently dissatisfied with their payment (41.9%) and the working position (43.4%), but are fully content with the work-place location (51.2%) and the treatment of the employers (50.4%).

Together with the evaluation of the temporary job, the most of all applied channel of receiving the information on job vacancies have been studied. In most cases, respondents and members of their families usually receive information from their friends and relatives – 66.7%, and in a very rare case from the State Agency of Social Aid and Employment (Labor Exchange) – 2.3%.

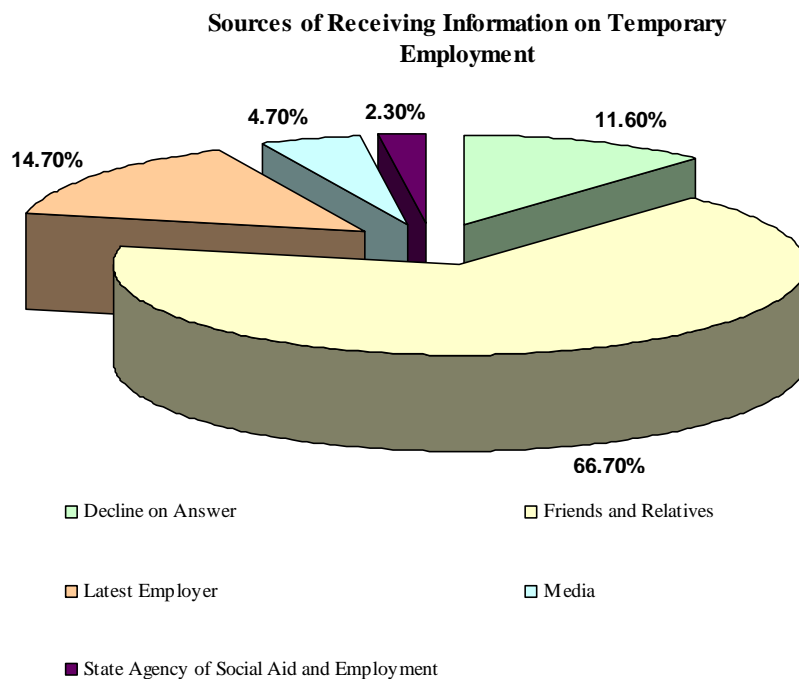


Diagram 23

Discerning from the outcomes of the research, within the periodically employed respondents, 49.6% have not signed the contract agreements with the employer. The allocation of answers on the question whether: do you sign a contract agreement for a temporary employment with the employer, is given in the Table N(4).

Frequency of Signing a Contract-Agreement with the Employer for a Temporary Employment	%
Refuse to Answer	17,04%
In most cases	12,40%
In rare cases	10,85%
Never	49,61%
Always	10,10%

Table N4

The study was aimed to study the general work and temporary work of the respondents and their family members. The outcomes have shown that the temporary work, together with the regular one is performed by 39 respondents, out of total 545, which is 7.2%. From here: Serving at restaurant – 3; Business Consultant -1; Weigher -1; Farm Supervisor – 2; Fisher – 5; Trainer - 2; Guard – 3; Vendor – 8; Builder/Artisan – 3; Switcher – 1; Worker – 5; Teacher – 5.

CHAPTER 5

PROFESSION

Together with the professional picture of the temporarily employed portion, the research outcomes allow us to describe the professional picture of the respondents and their families. It should be mentioned, that 850 answers have been received for 545 respondents own and family members professions. Totally 56 professions were named. In the table N(5) are given every named professions, considering naming frequency and percentage allocation, and In the Diagram N (14) is given the chart of most popular professions¹⁰.

N	Profession	Naming Quantity	% From Naming
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¹⁰ The percentage allocation given in the diagram N (14) is counted via summing the detailed specializations. Profession Engineer includes – Mechanician, Engineer-Technician, Engineer-Builder, House-Builder. Physician includes: Physician, Pharmacist, Dentist.

			Cases
1	Engineer	92	10,8
2	Mechanician	3	0,4
3	Engineer-Economist	9	1,1
4	Engineer-Mechanician	11	1,3
5	Builder	14	1,6
6	Architect	1	0,1
7	Painter	4	0,5
8	Economist	119	14,0
9	Accountant	54	6,4
10	Technologist	37	4,4
11	Melioration Specialist, Agronomist	17	2,0
12	Mechanization Expert	10	1,2
13	El. Technician	13	1,5
14	Motorist	13	1,5
15	Technician	8	0,9
16	Veteran	2	0,2
17	Welder	5	0,6
18	Chimician	5	0,6
19	Biologist	7	0,8
20	Physicist	6	0,7
21	Mathematician	5	0,6
22	Diplomat	2	0,2
23	Philosopher, Political Scientist	3	0,4
24	Fine Arts Specialist	2	0,2
25	Journalist	3	0,4
26	Philologist	25	2,9
27	Jurist	67	7,9
28	Teacher	94	11,1
29	Foreign Language Specialist	12	1,4
30	Historian	10	1,2
31	Musician	3	0,4
32	Actor, Choreographer	6	0,7
33	Librarian	1	0,1
34	Physician	31	3,6
35	Dentist	6	0,7
36	Nurse	52	6,1
37	Pharmacist	13	1,5
38	Fireman	1	0,1
39	Policeman	2	0,2
40	Barber	3	0,4

41	Tailor	7	0,8
42	Driver	37	4,4
43	Baker	1	0,1
44	Worker/Artisan	10	1,2
45	Typist	1	0,1
46	Telegrapher	1	0,1
47	Metalworker	2	0,2
48	Cooker	1	0,1
49	Customs Official	2	0,2
50	Sailor	6	0,7
51	Sportsman	2	0,2
52	Trader	6	0,7
53	Worker	1	0,1
56	Operator	2	0,2

Table N5

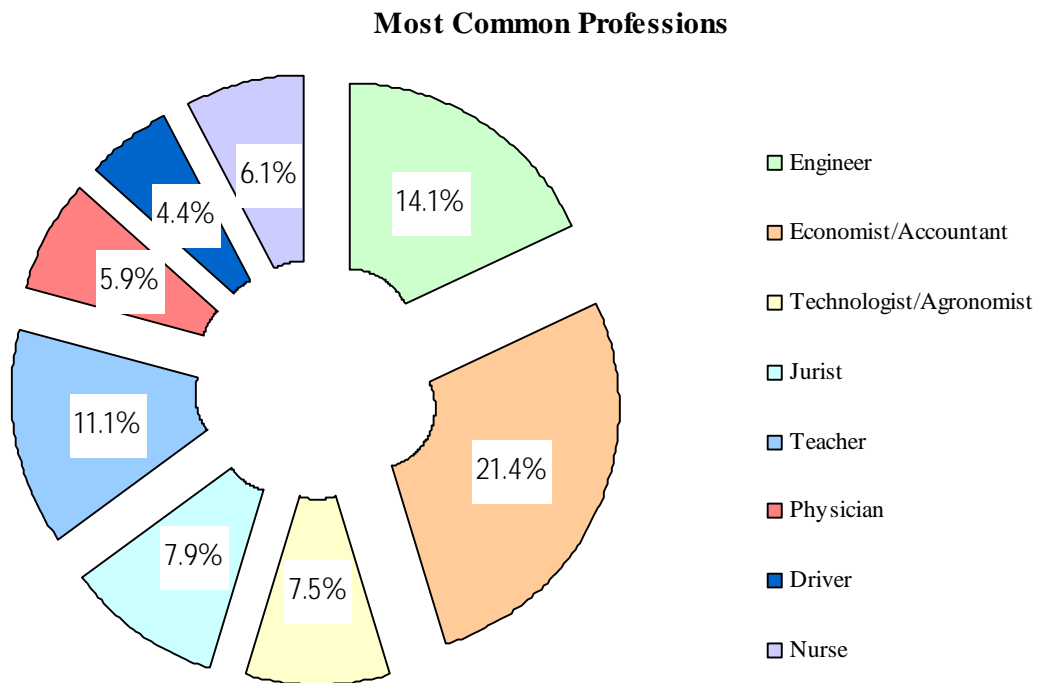


Diagram 34

Besides describing the professions of respondents and their families, the study was aimed to identify respondents' evaluation of the market demands on the professions. Discerning from

received outcomes, the most demanded profession is of the foreign language specialist – 60.6%. 31.2% considers that this profession is enjoying the average demand, only 3.9% consider, that there is no demand on this profession in the region. Second top rated profession to the mind of respondents is of the physician’s – 51.4%, 33.4% consider there is average demand on this profession, and 10.3% consider this profession to have no demand on the market. Also top rated profession to the opinion of the respondents is the Jurist – 41.5%. Respondents consider, that this profession is enjoying a high demand, 47.5% of respondents think this profession has the average demand, and only 6.4% considers it to have no demand in the region. In the table (6) is given the allocation of professions in the regions according to their ratings, given by the respondents.

N	PROFESSION	DEMAND		
		BIG DEMAND (%)	AVERAGE DEMAND (%)	NO DEMAND (%)
1.	Jurist	41.5	47.5	6.4
2.	Economist	34.9	49.7	6.2
3.	Foreign Language Specialist	60.6	31.2	3.9
4.	Engineer	23.1	46.8	25.0
5.	Musician	5.9	44.0	44.6
6.	Teacher	34.5	46.8	13.4
7.	Physician	51.4	33.4	10.3
8.	Actor/Actress	9.4	33.2	52.1
9.	Psychologist	22.9	38.9	32.5
10.	Sociologist	11.9	41.1	41.5
11.	Fine Arts Specialist	9.7	37.2	47.2
12.	Philologist	21.5	54.7	18.7
13.	Painter	8.8	38.2	47.2
14.	Barber	28.4	48.8	16.9
15.	Cosmetician	40.2	41.5	12.5
16.	House-Builder/Artisan	40.7	40.7	13.6
17.	Cook	28.4	44.6	21.7
18.	Electrician	34.7	49.2	10.5
19.	Waiter	22.4	46.8	25.5
20.	Sanitary Technician	29.5	48.1	17.1
21.	Broker	15.6	41.3	37.1
22.	Facing Worker	23.9	56.1	14.5

Table N6

Together with studying the demand, the research included respondents evaluation of every profession according to the work reward, and also their suggestions how much the

professions should be paid. The average has been counted from received outcomes, the allocation of which is given in Table N7.

How much is and how much should be the professions paid monthly, according to the respondents' opinion?

#	Profession	Work Reward		How Much Should Be	Coefficient between Country and Region level rewards.	Coefficient between Region Desired and Existing reward.
		Country Level	Region level			
	Jurist	488	314	755	1,55	2,4
	Economist	421	274	670	1,54	2,4
	Foreign Language Specialist	313	218	445	1,44	2,0
	Engineer	257	174	426	1,48	2,4
	Musician	196	126	272	1,56	2,2
	Teacher	186	136	332	1,37	2,4
	Physician	331	229	568	1,45	2,5
	Actor	223	126	305	1,77	2,4
	Psychologist	230	149	310	1,54	2,1
	Sociologist	219	133	291	1,65	2,2
	Fine Arts Specialist	201	125	250	1,61	2,0
	Philologist	186	126	258	1,48	2,0
	Painter	228	139	284	1,64	2,0
	Barber	208	130	228	1,60	1,8
	Cosmetician	239	151	262	1,58	1,7
	House-Builder/Artisan	308	206	375	1,50	1,8
	Cook	211	133	246	1,59	1,8
	Electrician	237	155	280	1,53	1,8
	Waiter	172	106	198	1,62	1,9
	Sanitary Technician	244	159	273	1,53	1,7
	Broker	201	131	227	1,53	1,7
	Facing Worker	236	162	271	1,46	1,7

Table N7

In the diagram N(15) is given the graphical comparison between profession demands and the desired payments for them. Values are not given in the Diagram, as the comparison of the graphics is of the schema character.

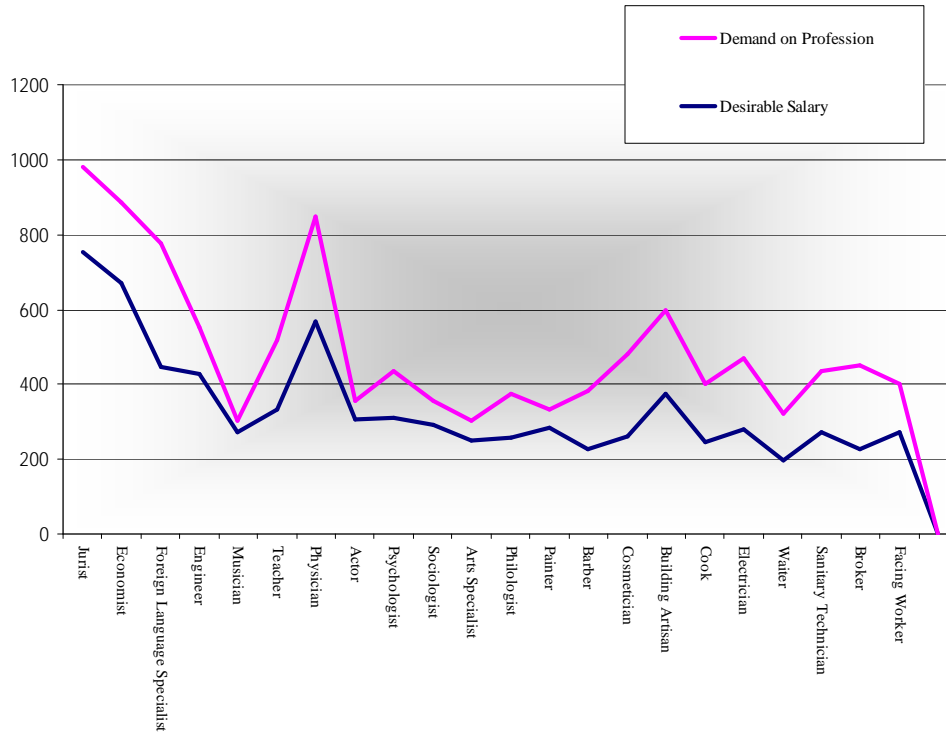


Diagram 45

Discerning from the outcomes of the research, 46.7% of the employed respondents (255 respondents) work or have worked according to the primary profession, 17.8% (97) of respondents have no profession. Respondents' allocation according the employment according to the primary profession of those who have it, is given in the Diagram N (16)

Employment According to the Primary Profession, Among Those, Who Have the Profession

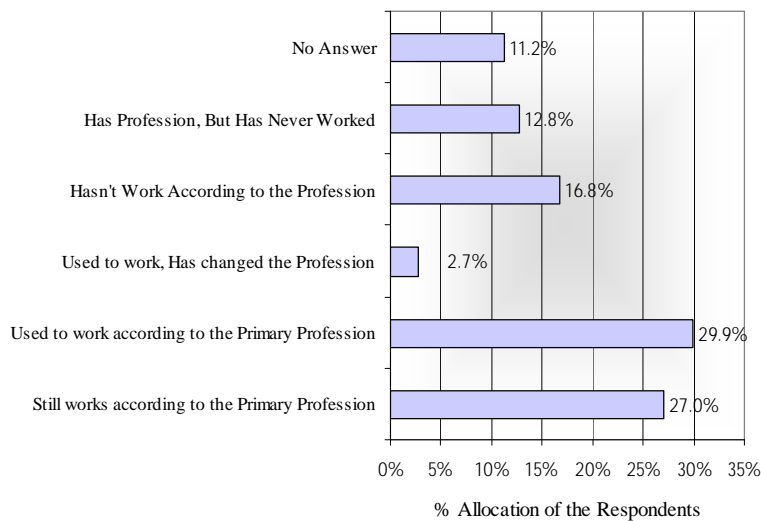


Diagram 56

The study was purposed to identify the reasons of unavailability of employment according to the primary profession or the reasons for quitting the jobs, where the respondents were employed according to the primary profession. As it is seen from the data, among those, who used to work according to the primary profession, reasons for unemployment are allocated thus: Liquidation of the field in the region, the requirements of which my profession has been satisfying – 37.2%, Reduction – 14.6%, Employment specifics have required higher qualification – 0.7% (1 Case), low payment – 9.5%, personal reasons – 27.7%.

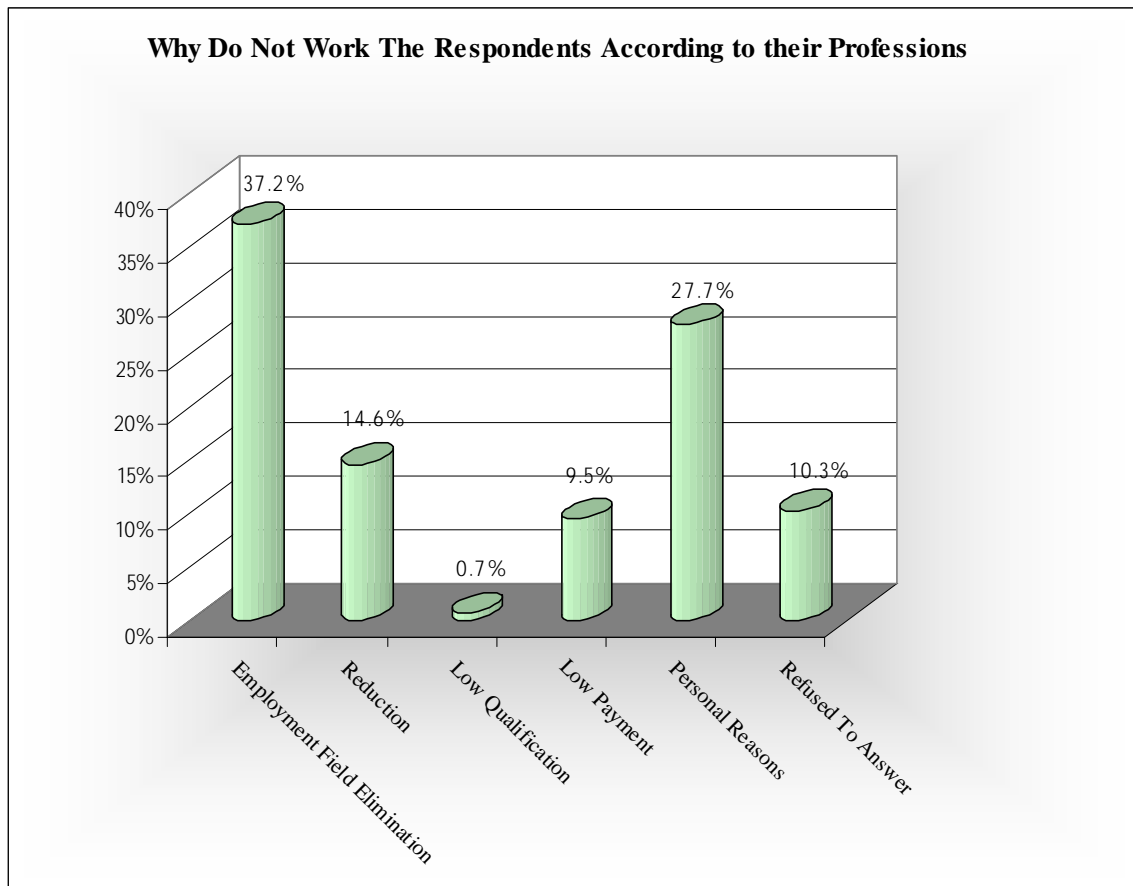


Diagram 67

It should be mentioned, that among those respondents, who used to work according to their primary profession, 79.8% were employed in governmental sector, 3.6% in private sector, and 1.5% were employed in Civil Society sector. In the Diagram N (17) is described the employment of those respondents, who are not working according to their primary profession.

Occupation of those respondents, which do not work according to the primary profession

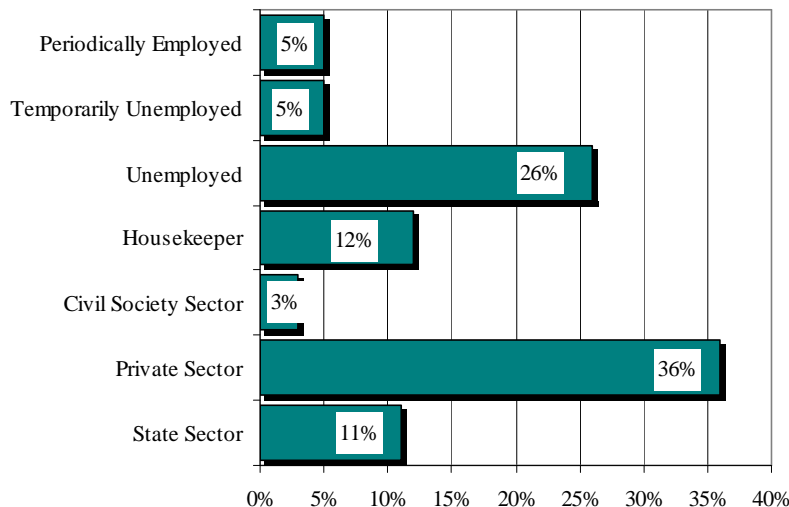


Diagram 78

As it is seen from the diagram, there is a considerable difference from the general unity Diagram N(4), among those who are employed in governmental sector. If percentage index of the employed in governmental sector in general unity is 25%, the same index is only 10.9% in this case.

One of the objectives of the study was to determine whether when and where the respondents have received their professions. As the outcomes of the research have shown, 89.29% of respondents have received their education in state educational institutions. It should be mentioned, that the geographic coverage of private educational institutions differs from that of state educational institutions. If the private educational institutions cover only 5 geographic areas, state educational institutions cover 40 geographic points, but it should be mentioned that the quantity of graduates of state educational institutions exceed 10 times the quantity of private institutions graduates. In the tables are given the quantity and the percentage allocation of graduates of private educational institutions.

Name of the Institution	Quantity	%
No Answer	8	22,2
Technical School	6	16,7
Zugdidi Independent University	5	13,9
Sokhumi, I. Vekua University	2	5,6
Dwelling House	1	2,8
Pushkin Institute	1	2,8
Poti Independent Institute	3	8,3
Sokhumi Humanitarian Institute	2	5,6
Chinese Medicine Academy	1	2,8
University "Iberia"	1	2,8
Georgia Humanitarian Institute	2	5,6
A.Kochokhidze Academy	1	2,8
Caava Institute	1	2,8
Grigol Robakidze University (Alma-Mater)	1	2,8
Senaki Humanitarian-Economic Institute	1	2,8

Table N8

Geographic Coverage of the Private Educational Institutions

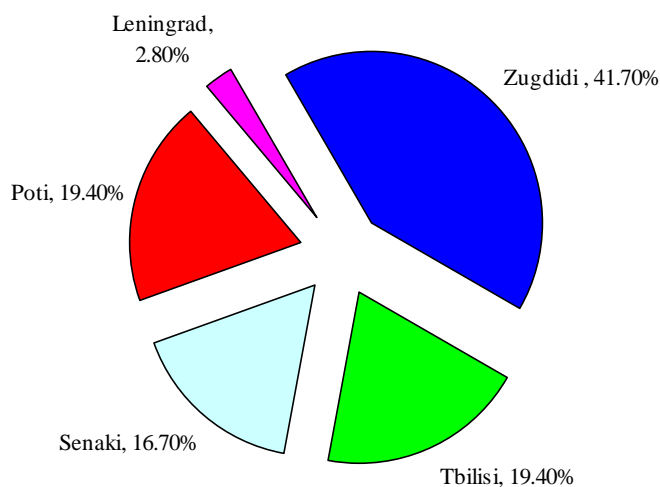


Diagram 89

In the Diagram N (19) is given the allocation of private educational institutions' geographic location. In the diagram N (18) is given the comparison of education reception years between state and private educational institutions. As it is seen from the diagram, the years of receiving education in private institutions start from 1992, when the education sector has been opened the first time.

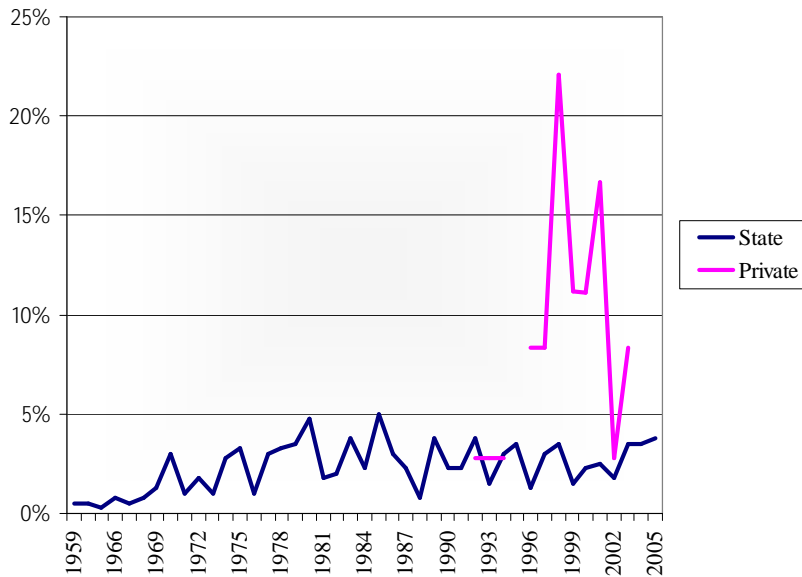


Diagram 20

CHAPTER 6

REASONS FOR CHANGING THE WORK

Discerning from the outcomes of the research, the reasons of changing the work by respondents were: low payment 44.3%, bad working conditions – 16.5%, work liquidation – 12.7%, reduction – 10.1%, family conditions – 11.4%, and the conflict with the management and fellow workers - 3.8% and 1.3%.

Reasons For Changing the Workplace

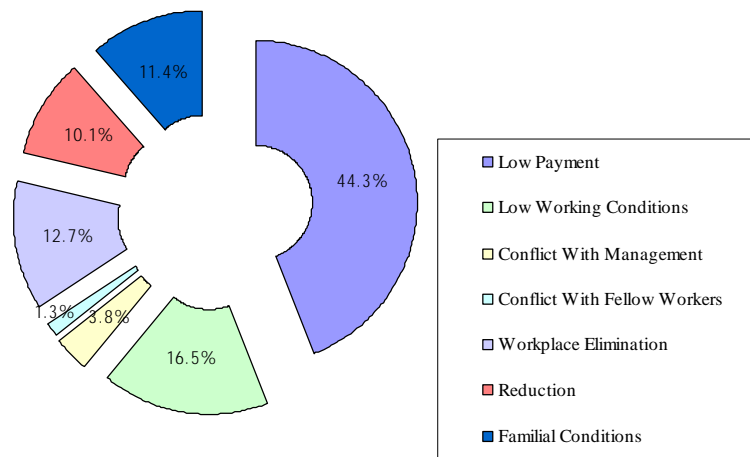


Diagram 21

On the question, whether are you satisfied with the recent work of your family member, the answers were allocated thus:

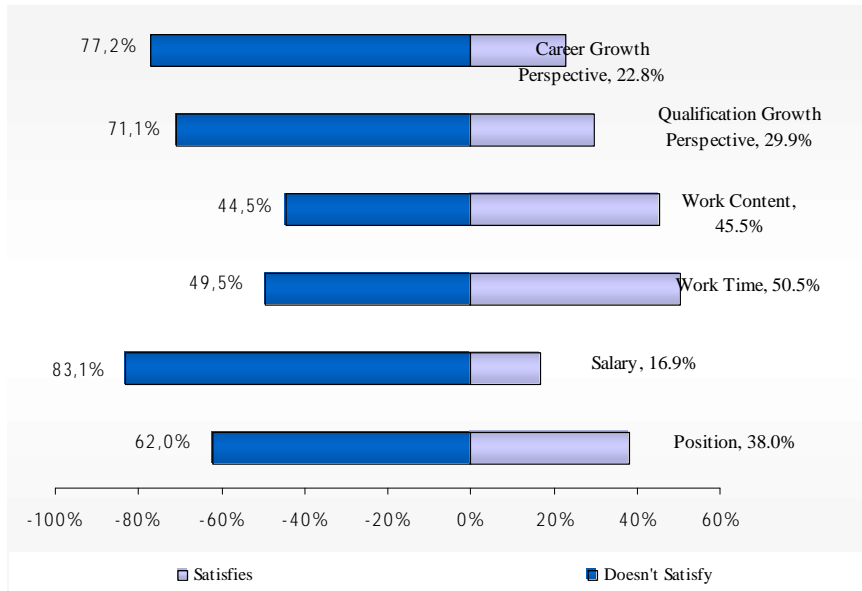


Diagram 92

Together with evaluating the working conditions, the study was purposed to determine whether which field the respondents would choose if they were given the opportunity of a choice. 55.2% have privileged the governmental sector, 36.9% the private sector, and 5.5% the Civil Society sector. 2.4% couldn't make any choice. The diagram N(23).

Chance to make choice in occupation field

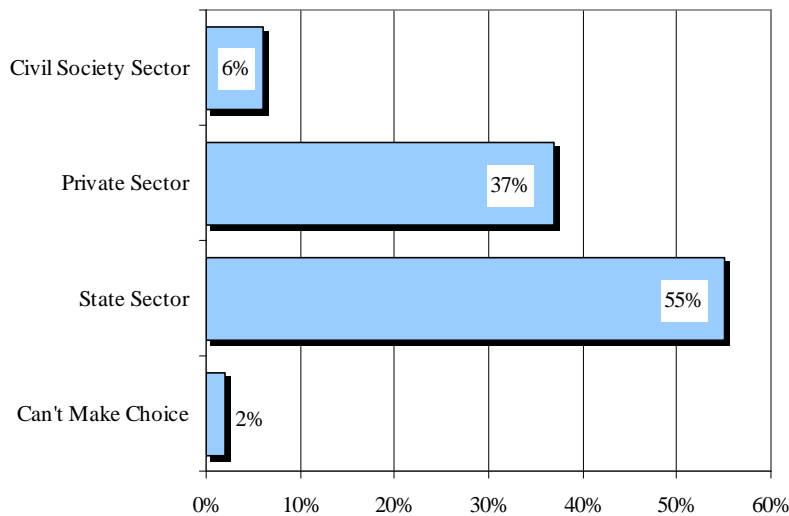


Diagram 103

It should be mentioned, that among those respondents who gave the privilege to the service in the governmental sector, 38.5% explained that with the motivation of high payment, 40.1% with the motivation of the stabile character of the work, for 13.3% - that was the motivation of satisfactory working conditions, and for 7.7%, with the necessity of defending own rights. Among those, who have privileged the private sector, 72.8% were motivated with the high payment, 18.4% with the stabile work-place, 5.5% with satisfactory working conditions, and for 2.9% with the necessity of defending own rights. In case of the choice of the Civil Society sector, the answers were allocated thus: 55.3% high payment, 20% - stabile work, 10% - satisfactory working conditions, and 16.7% - the necessity of defending own rights. See the Diagram N (24).

Motivation for Selecting the Occupation Sector

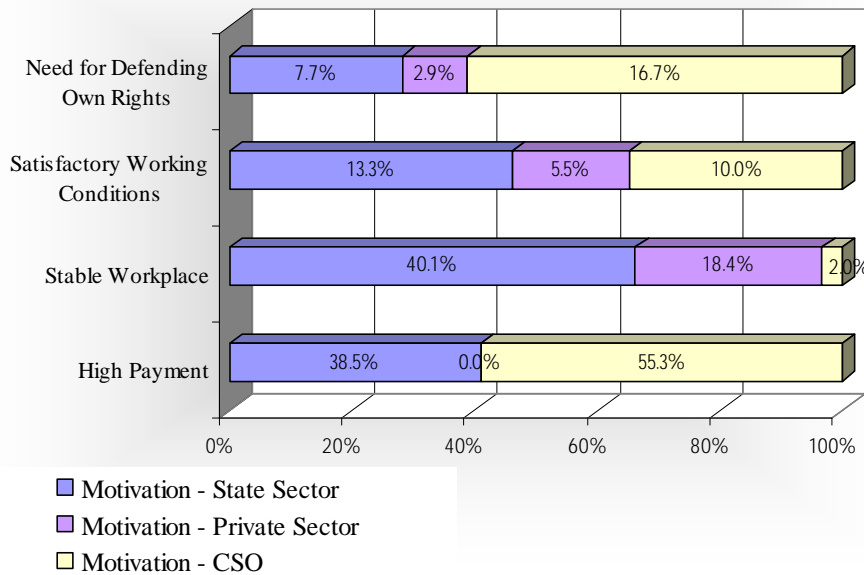


Diagram 114

CHAPTER 7

SECONDARY PROFESSION

One of the research tasks was to determine if the respondents, besides the primary profession, have a secondary profession, according to which they could be employed. 22.2% of respondents have a secondary profession, and 77.8% have no secondary profession. The respondents were also asked if their family members had a secondary profession. As the research has shown, only 12.8% of respondents mentioned that their family members had a secondary profession, 61.1% mentioned, that their family members didn't possess any secondary profession, and 26.1% refused to answer.

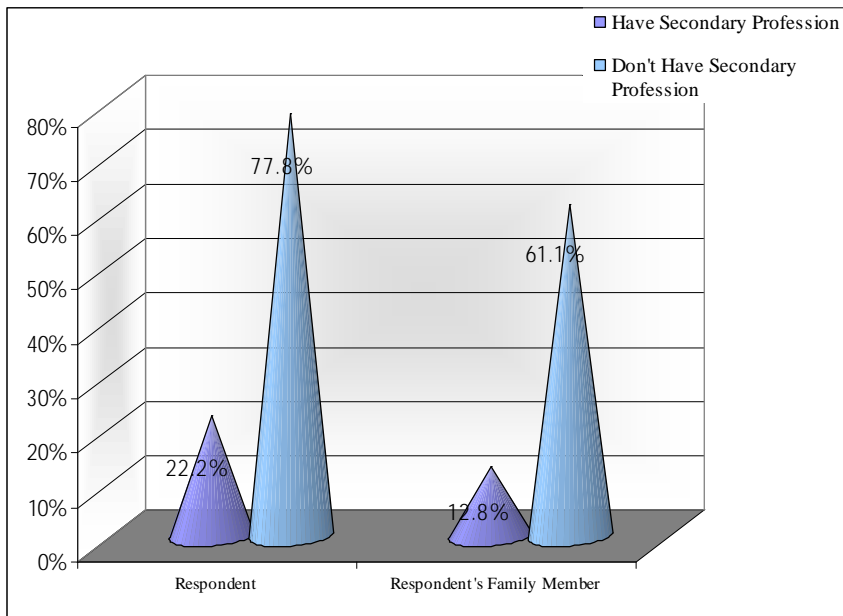


Diagram 125

It should be mentioned, that from the respondent, who have the secondary profession, 52.9% work according to the secondary profession, and the family members of the respondents who are having the secondary profession, are also employed according to the secondary profession. In table N (9) is given the allocation of respondents' primary and secondary professions, i.e. which respondents with the primary profession have the secondary profession, according to which they can work. Also has been studied the time of acquiring the secondary profession. In the diagram N (26) is described whether during which years the respondents acquired the secondary professions.

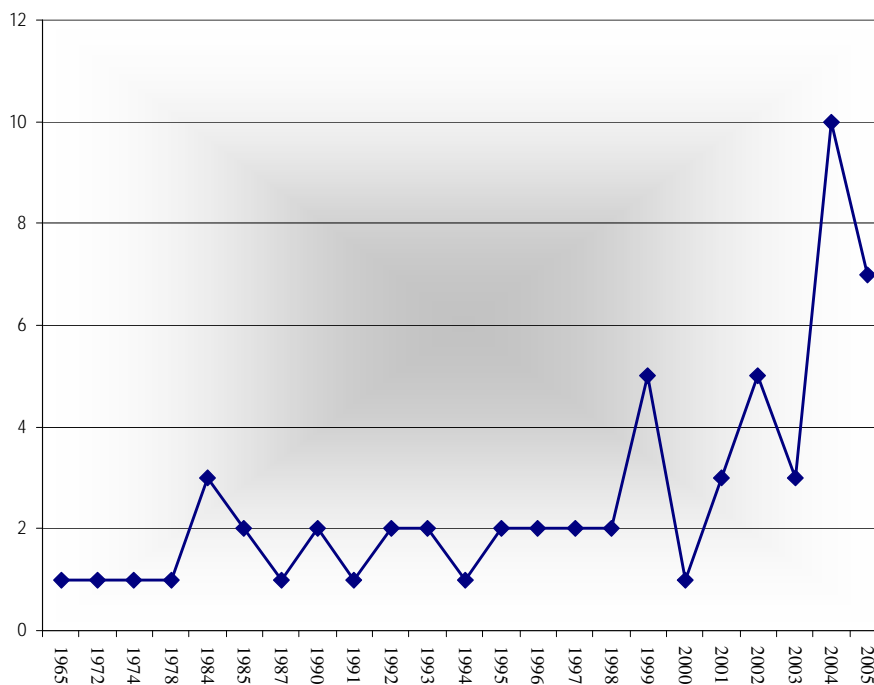


Diagram 136

As it is seen from the outcomes, respondents have acquired the secondary professions mainly since 1995. Also the reasons of acquiring the secondary profession have been researched. As the outcomes have shown, it was the matter of new interests for - 41.7%, for 30.6% - it was the case of work-place deficit for the first profession, and for 26.4% - the opportunity to find high-paid work with the new profession. The diagram N (27)

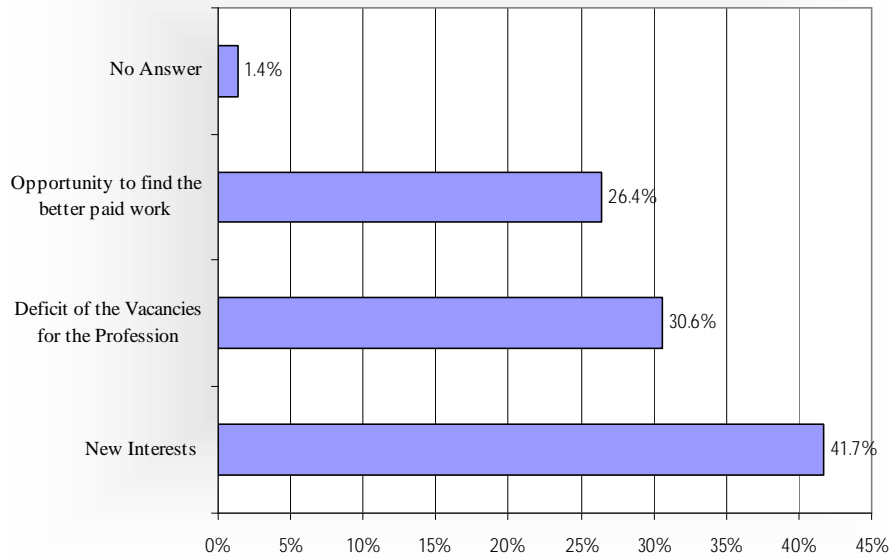


Diagram 147

Secondary Profession	Primary Profession																												
	Nurse	Economist	Engineer	Philologist	Physician	Teacher	Historian	Mechanician	Jurist	Accountant	Technologist	Biologist	Pharmacist (Laboratory Member)	Sailor	Melioration Specialist, Agronomist	Sportsman	Diplomat	Trainer	Driver	Engineer-Economist	El. Technician	Builder	Artisan	Technician	Policeman	Secretary	Fine Arts Specialist	Fireman	
Teacher	2	1		1	1				1			3																	
Computer Specialist		2																											
Secretary-Typist						1								2															
Tailor									1	1																			
Economist								1	2		1										1								
Weigher-Vendor		2																											
Cargo Receiver, Transporter									1																				
Communications Specialist				1																									
Shoemaker											2																		
Fisher, Sailor																			1				1						
Warehouse Manager																			2			1							
Journalist, Photographer		2	1	1																									
Artisan		1	1							1					1														1
Vendor	1		1		1	2			1	3	3	1			3	2												1	
Trainer																	2												
Technician																		2											

The area of secondary profession is being reduced and remains only in frames of Georgia. Places of acquiring the secondary profession are: Poti, Tbilisi, Zugdidi, Senaki, Kutaisi, Sokhumi.

CHAPTER 8

EVALUATION OF OPPORTUNITY OF ACQUIRING THE QUALIFICATION

The study was tasked to determine how the population of four cities of Samegrelo Region (Zugdidi, Senaki, Poti, Khobi) estimate the professional skills of region's work force. To their opinion, how do they satisfy the requirements the existing requirements in the region. As the study has revealed, 14.1% of respondents consider, that the professional skills of region's population completely satisfy the requirements, 67.3% considers that the existing level of qualification more or less satisfies the requirement, and to the mind of 17.1% - doesn't satisfy. In spite of the fact that 67.3% consider, that the professional skills of region's population more or less correspond to the requirements, 65.7% of respondents consider, that the qualification level, which is received by an individual while acquiring the profession, isn't enough to satisfy the modern-day requirements, 33.6% of respondents consider the existing level of qualification to be satisfactory. For the purpose of improving the qualification level of region's work force, 67.3% of respondents consider the improvement of teaching quality to be needed in educational institutions where professions are acquired, 49.5% consider the existence of periodic qualification raising courses to be needed, which will help employees to satisfy the present-day requirements. Only 4.2% of respondents consider periodic testings to be needed to check and assess employee qualification and their suitability to the work requirements. The majority of respondents, 87%, consider that the qualification raising courses should be free of charge and 11.7% consider that the courses should be paid.

It should be mentioned, that among those respondents, who consider that the qualification raise courses should be paid, 72.6% are employed. In the diagram N (28) is given the respondents' allocation according to the answers on the question whether who should care for the raise of qualification of employed workers. As it is seen from the diagram, the majority of respondents consider that the employers and the State Agency for Social Aid and Employment should take care of that, respectively 33% and 29%.

55.6% of respondents consider, that it is more or less possible in the region to acquire a new profession, 24.2% considers that to be impossible, and 19.1% consider it to be fully possible to acquire a new profession in the region, and to the question, whether the opportunities of acquiring the new profession should increase or not, the answers were allocated thus: yes, should increase – 88.3%, no, should not – 11.7%.

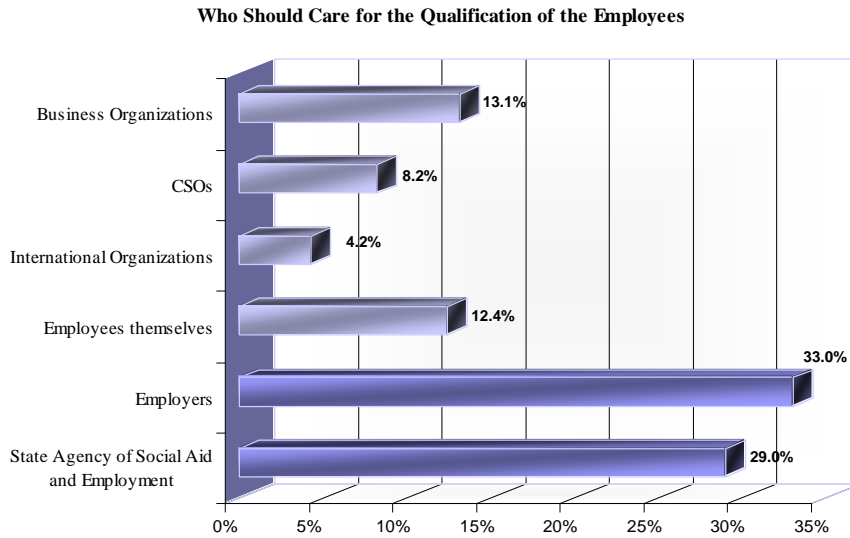


Diagram 158

Respondents' opinions about the ways of acquiring new professions in the region has been allocated thus: new educational institutions should be opened 14.1%, secondary professional schools should be opened (prof. technical school) 7.8%, new secondary special schools should be opened (technical school) 8.5%, short-term profession acquiring courses should be opened – 69.8%.

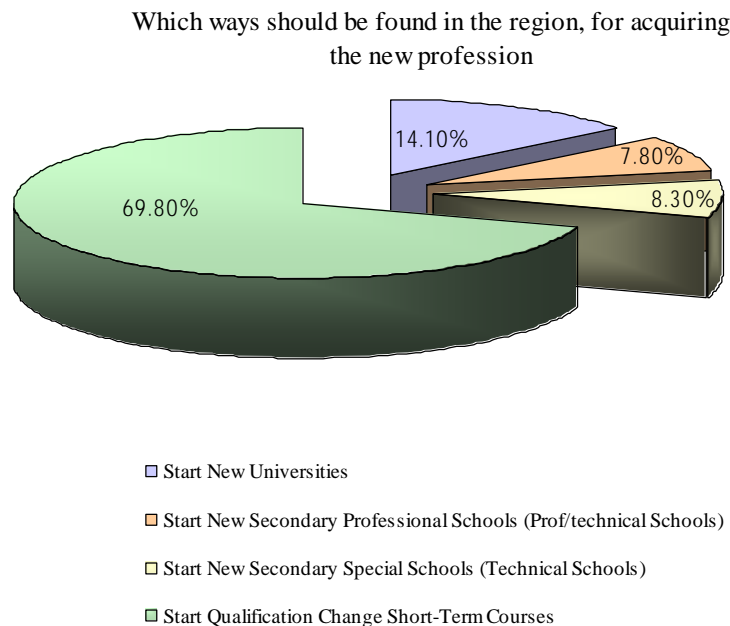


Diagram 169

The study was also purposed to determine whether the respondents had passed any kind of qualification courses or training, of what type of courses they were - paid or free, and whether were this courses connected with the same profession or other profession. The Diagram N (30) shows the allocation of the answers on the question whether the respondents and/or their family members have passed qualification courses.

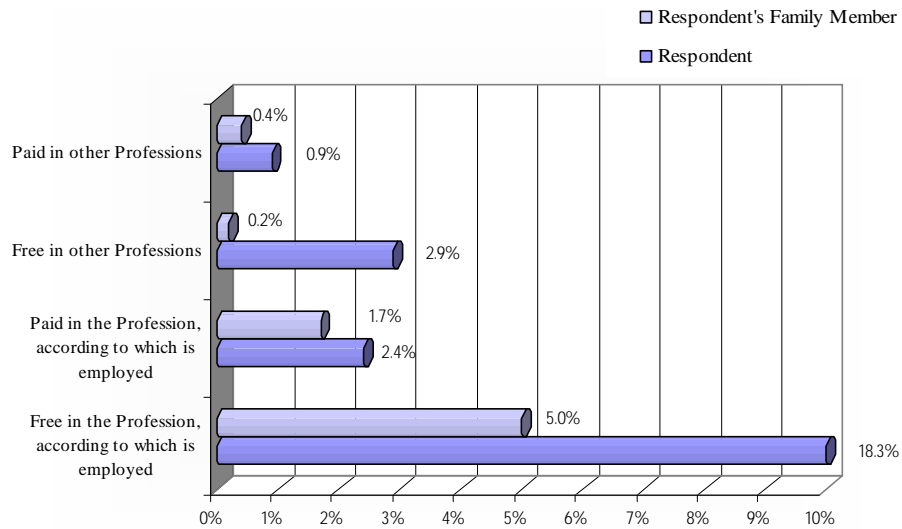


Diagram 30

As it is seen from the Diagram, 18.3% of respondents have passed free training for the profession, according to which they are employed, and the professions of this part of respondents are allocation thus. Table N (10).

Professions	Respondents Quality	Percentage
Nurse	7	7%
Economist	19	19%
Dentist	1	1%
Engineer	3	3%
Philologist	3	3%
Physician	7	7%
Teacher	22	22%
Historian	1	1%
Mechanician	1	1%
Actor	1	1%
Jurist	9	9%
Accountant	4	4%
Technologist	2	2%
Interpreter	2	2%
Biologist	4	4%
Pharmacist	3	3%
Sailor	2	2%
Agronomist	3	3%
Diplomat	2	2%
Tailor	1	1%
Driver	1	1%
El. Technician	1	1%
House Builder	1	1%
Technician	1	1%

Table N 1

Also the place of the qualification receipt has been studied. Table N(11) shows the places of passing the training, for the professions, according to which are the respondents employed.

Places of Passing the Qualification/Training Courses	Quantity	Percentage
Ministry of Internal Affairs	2	2,40%
Zugdidi Perfection Institute	1	1,20%
Kutaisi Perfection Institute	2	1,20%
NGO “Samegrelo Medea”	1	1,20%
Tbilisi Perfection Institute	1	1,20%
German-Georgian House	12	14,50%
Association “Gaenati”	1	1,20%
Chamber of Commerce	1	1,20%
Poti Department of HealthCare	2	2,40%
German Trade House	1	1,20%
“Open Society Georgia”	2	2,40%
Goethe Institute	3	3,60%
Advocates Collegium	2	2,40%
Dulevi Porcelain Factory	3	3,60%
Trust Union	2	2,40%
Tbilisi State University	1	1,20%
USAID	1	1,20%
Ministry of Culture	1	1,20%
“Horizonti”	1	1,20%
Ministry of Communications	4	4,80%
Ministry of Health Care	1	1,20%
Non-Governmental Organization	3	2,40%
“Atinati”	1	1,20%
Ministry of Justice	4	4,80%
Association of Invalid Children and Parents of Invalid Children	1	1,20%
Election Commission	1	1,20%
Tbilisi Center for Public Administrators Qualification Raise	2	2,40%
Computer Courses	1	1,20%
Stock Market	6	7,20%
Mechanicians Courses	1	1,20%
Conflict Resolution Courses	1	1,20%
BAF	2	2,40%
Danish Refugee Council	2	2,40%
“Gorbi”	1	1,20%
Physicians Perfection Institute	3	1,20%
Ministry of Culture and Education	2	2,40%
Afkhazia	1	1,20%
Professional Union	2	2,40%
GTZ	1	1,20%
Total:	82 ¹¹	

Table N 11

¹¹The rest 18 respondents, who have passed the free training, cannot remember the place.

In the table N (12) are given the organizations, where the respondents have passed the paid qualification/training courses.

Tbilisi Perfection Institute	4
German-Georgian House	1
Institute of New Technologies	1
“Atinati”	1
National Bank	1
Election Commission	1
BAF	1
Ministry of Justice	1
Computer Courses	1

Table N 2

The training evaluation by the respondents who have passed the free training in case of 91 % is – very useful. Evaluation of those respondents, who have passed the paid training courses, for 69.2% is very useful, and 30.8% consider it to be more or less useful.

The research has shown, that 67% of respondents have passed the free trainings with the initiative of the organization, where they have been serving, 23% have passed with own initiative, and 7% have passed with the initiative of the training organizer.

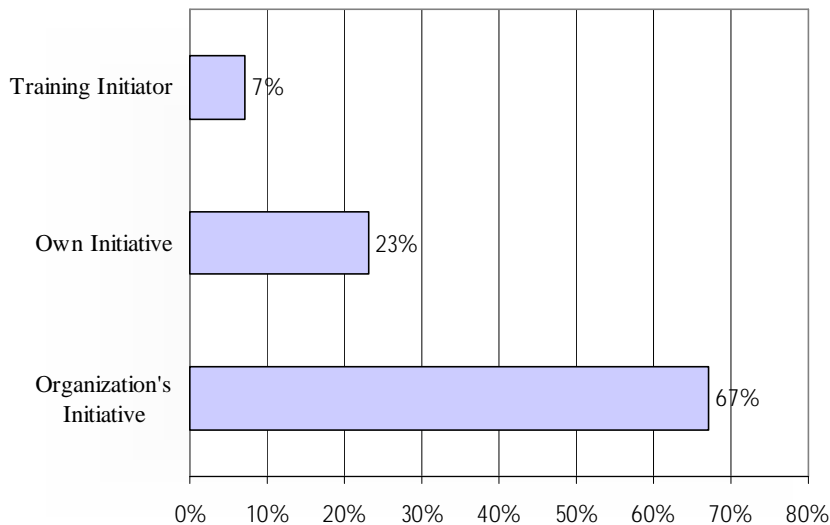


Diagram 31

In the Diagram N (32) is given the allocation of respondents' answers to the question whether where they have acquired the information about the qualification courses from. After passing the qualification courses, 73% of respondents, who have passed the free training courses, have received the relevant certificate; also 84.6% of respondents, who have passed the paid training courses, have received the relevant certificate.

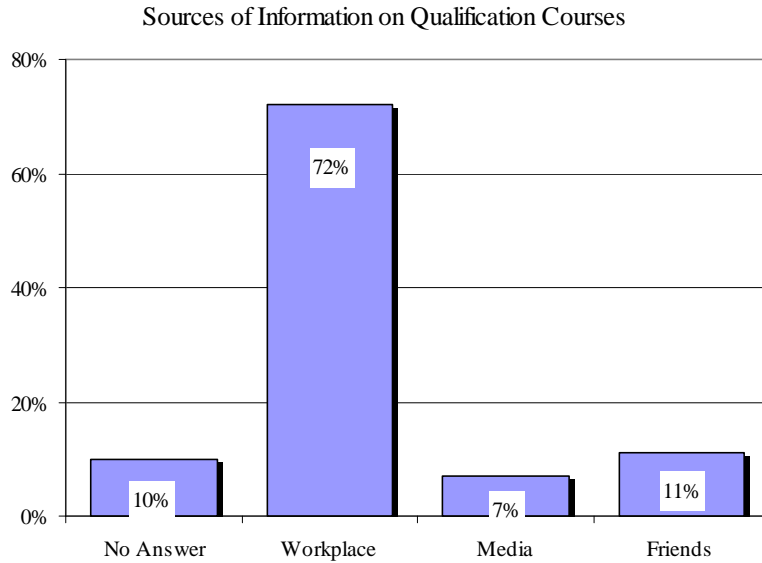


Diagram 172

The allocation of answers to the question, whether how did the information, received from the training, help you, are given in the Diagram N (33)

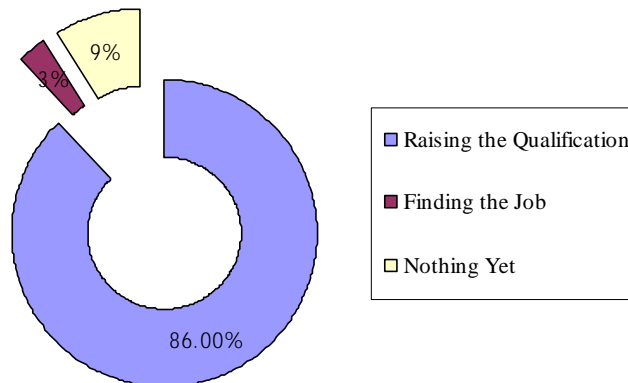


Diagram 183

The respondents also were questioned, whether what time has passed after passing the qualification/training course. As it can be seen from the outcomes, in case of 43% of respondents, 1 year has passed after passing the qualification course, in case of 23% 2-5 years have passed, in case of 10% 3-10 years, and in case of 24%, more then 10 years. The diagram N (34).

What Time has passed since the Termination of the Qualification Course

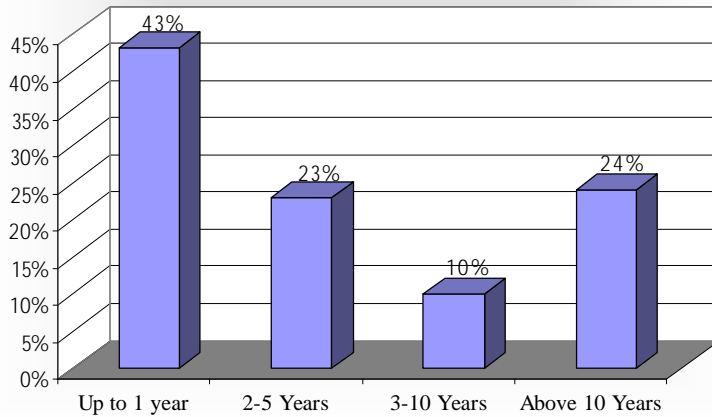


Diagram 194

CHAPTER 9

INFORMATION ON THE STATE AGENCY OF SOCIAL AID AND EMPLOYMENT

One of the objectives of the research was to determine whether the population has the information on the State Agency of Social Aid and Employment or not. As it is seen from the outcomes, 55% of respondents have no information; have heard the name, but are not aware of their functions - 13.90%; are aware, but have never addressed and think that will never address, because of the distrust – 5.90%; are aware, but have never addressed, as have never had any such need 8.30%; are aware, but have never addressed and think that will address in case of need 15.40%. The diagram N(35).

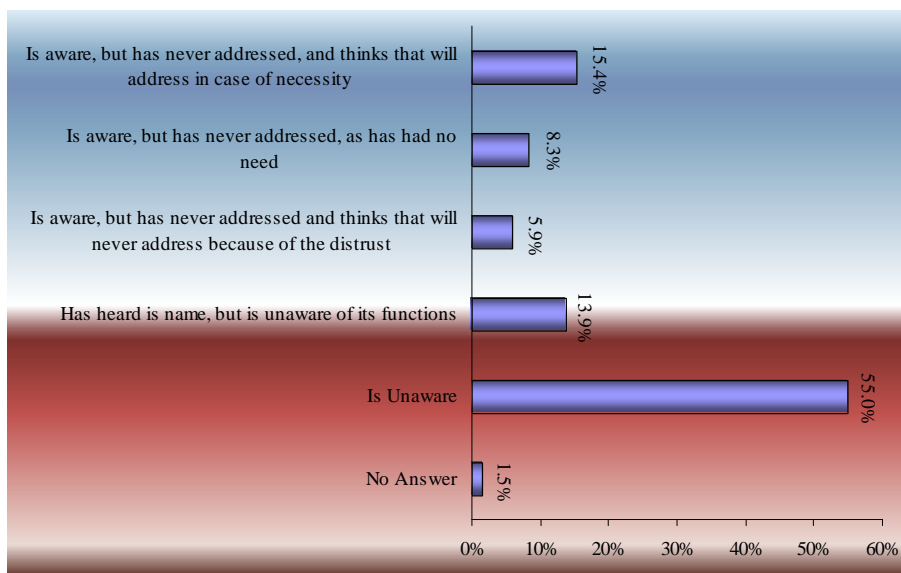


Diagram 205

Among those respondents, who possess any kind of information about the State Agency of Social Aid and Employment, 15.6% (which is the 8.8% of respondents overall quantity) have mentioned, that their friend is registered in State Agency of Social Aid and Employment.

Are you, or is your friend registered in State Agency of Social Aid and Employment

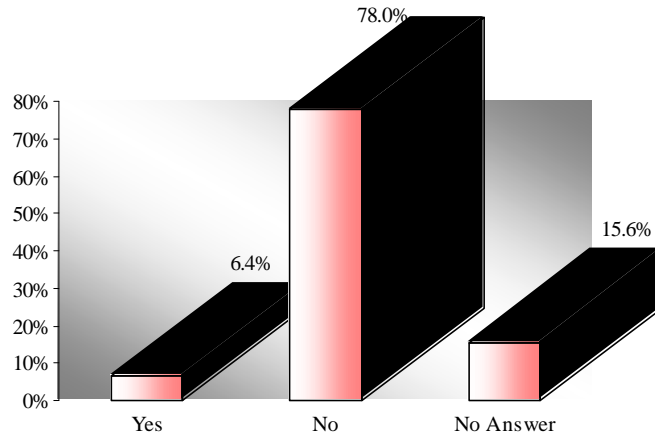


Diagram 216

The allocation of answers on the question, whether where from have you obtained information on the State Agency of Social Aid and Employment, is given in the Diagram N (37)

Sources of information on State Agency of Social Aid and Employment

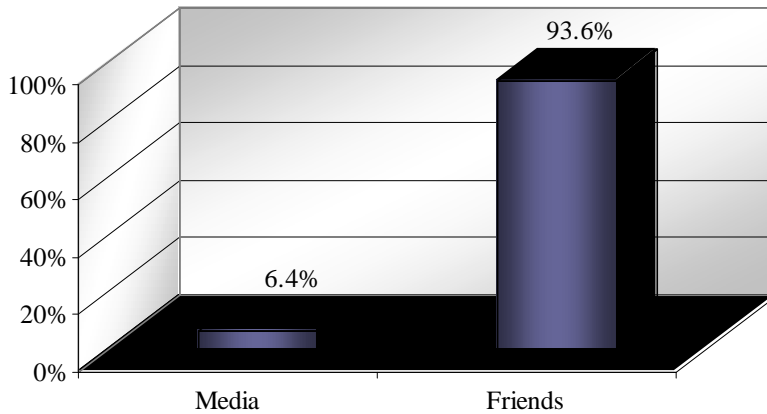


Diagram 227

2.6% of respondents, totally 14 respondents answered, that he/his friend receives the aid for the unemployed, and 4 respondents have mentioned (0.7%) that he/she was employed via the State Agency of Social Aid and Employment. The diagram N (38).

Have you been employed with the help of the State Agency of Social Aid and Employment

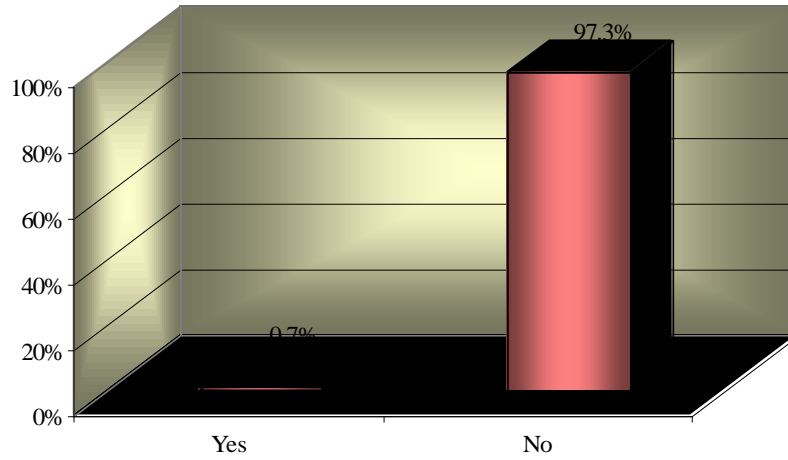


Diagram 23

The study was also purposed to determine whether the respondents were aware of the private agencies for employment in the region. The allocation of answers is given in the diagram N (39).

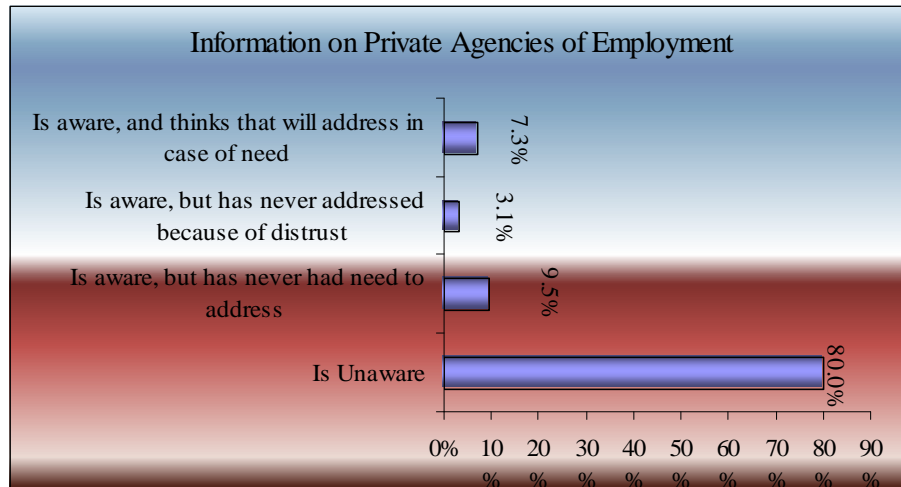


Diagram 249

On the question, whether which agencies would you address – state or private, 57.2% have given the privilege to the State Agency of Social Aid and Employment, 38.2% to private, and 4.6% couldn't make choice. The diagram N (40)

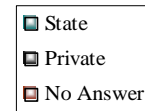
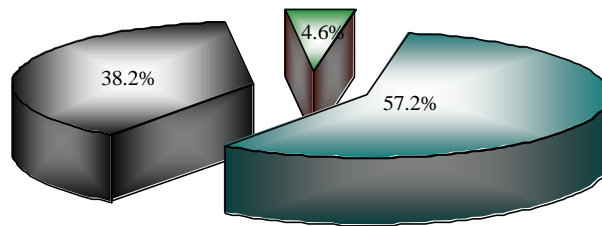


Diagram 40

Chapter 10

Attitudes towards the Reasons of Unemployment

The study was interested to identify existed attitudes in the region towards the reasons, which may hinder a person in finding the job. As it is seen from the outcomes, 85.7% of respondents consider the general reason to be the deficit of work-places in the region. 33.8% considers the primary reason to be the non-satisfactory qualification of work seekers. To the opinion of 58%, the major reason is the inaccessibility of information about the job vacancies. 66.4% thinks it is the low payment, 43.9% - impossibility of raising qualification, 46.6% - impossibility of acquiring new skills/profession, 52.3% - absence of effective communicational mechanisms between the employers and employment seekers, 29.8% - passiveness of the unemployed.

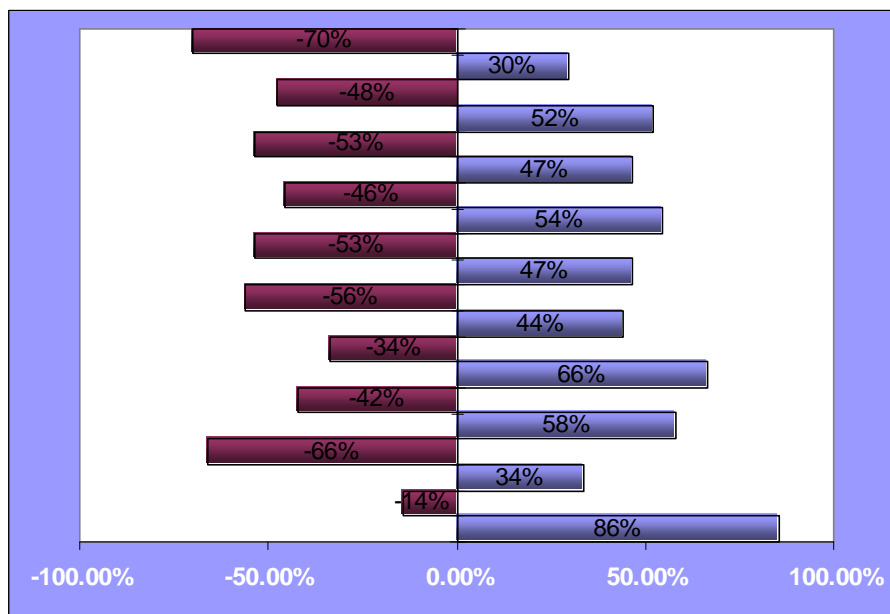


Diagram 41

CHAPTER 11

BUSINESS ENVIRONMENT

The study was purposed to define the respondents' attitude towards the business environment in the region. According to the outcomes, 48.6% consider, that there are bad conditions in the region for the business development, 43.3% consider conditions to be normal, 3.3% have mentioned, that there are good conditions in the region for business development.

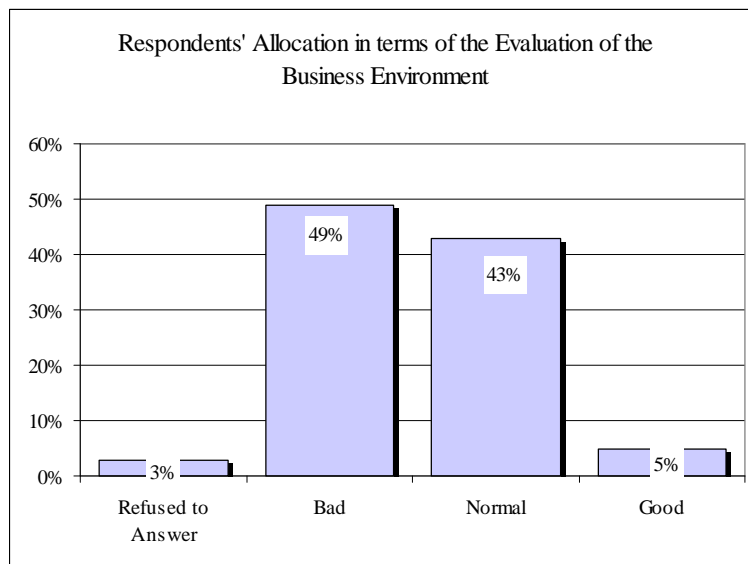


Diagram 252

The study was interested to define the importance of different factors for starting the own business. The allocation of answers on the question can be seen in Table N (3)

N	Factor	Important	More or Less Important	Not Important
1	Money	98%	2%	0%
2	Skills	81.1%	16.9%	0.4%
3	Political Situation	62.6%	33.9%	2%
4	Economic Environment	75%	21.8%	1.5%
5	Developed Infrastructure	75.4%	20.4%	2.8%
6	Legal Environment	70.3%	25.7%	2%
7	Criminal Environment	80.2%	18%	0.4
8	Creative Thinking	78.5%	14.9%	5%

Table N 3

During the research, the respondents were asked to estimate the work of governmental agencies in terms of supporting the development of small and medium business. It has been discovered, that according to the respondents opinion, the small and medium businesses receive the biggest support from the President's Administration. 29.7% of respondents consider that small and medium businesses receive significant support from the President's Administration, the second

most rated agency, supporting the development of small and medium business is the National Bank 18.7%. Nearly equal support is considered to be provided by the Premier Minister's Chancellery 15.8%, the Parliament 15%, the Ministry of Economy 13.6%, the Ministry of Finances 13%, the Ministry of Agriculture 14.3% and the Ministry of Justice. 19.6% of respondents consider that the customs represent very significant impediment for small and medium businesses. Also the significant impediment is the State Tax Department and Financial Police – according to the opinion of 23.1% of respondents. In the Table N (14) is given the allocation of respondents' answers regarding the support of small and medium business organizations from the side of governmental agencies.

Governmental Agency	Significant Impediment	Partial Impediment	Neutral Impediment	Partial Support	Significant Support
President's Administration	4,20%	9,40%	14,30%	37,60%	29,60%
Government	3,10%	9,20%	28,10%	39,30%	15,80%
Parliament	4,00%	6,60%	31,00%	39,60%	15,00%
Ministry of Economy	3,70%	9,40%	31,00%	38,50%	13,60%
Ministry of Finances	4,80%	13,40%	26,10%	38,20%	13,00%
Ministry of Justice	3,70%	12,10%	40,00%	26,80%	12,80%
Ministry of Agriculture	4,20%	8,10%	32,80%	36,30%	14,30%
National Bank of Georgia	4,20%	7,20%	22,40%	42,90%	18,70%
Prosecutor's Office	8,60%	15,00%	39,30%	22,80%	9,20%
Ministry of Internal Affairs	9,90%	14,50%	37,80%	25,00%	8,40%
Customs Agencies	19,60%	32,30%	18,30%	18,50%	6,40%
State Tax Inspection	24,60%	31,00%	16,90%	17,60%	5,50%
State Financial Police	23,10%	28,60%	17,80%	21,70%	4,40%
Court	6,80%	19,80%	39,80%	22,30%	6,60%

Table N 4

It should be mentioned, that the same questions were asked to 99 businessmen in 4 cities of Samegrelo. The table N (15) describes the difference between the population's and businessmen's estimations. According to statistical outcomes, the difference in answers between the population and businessmen is significant. In the Table is given the difference value Sig. (2-tailed)¹². As it is seen from the table, the population and businessmen have different views towards the governmental agencies, the only exception is the Court, where the difference has not been approved.

¹² Sig. (2-tailed)<0.005

Sig. (2-tailed)		Significant Impediment		Partial Impediment		Partial Support		Significant Support	
		Population	Business	Population	Business	Population	Business	Population	Business
<0.005	President's Administration	4,20%	13,10%	9,40%	11,10%	37,60%	30,30%	29,60%	4,00%
<0.005	Government	3,10%	11,10%	9,20%	17,20%	39,30%	27,30%	15,80%	3,00%
<0.005	Parliament	4,00%	15,20%	6,60%	23,20%	39,60%	30,30%	15,00%	4,00%
<0.005	Ministry of Economy	3,70%	6,10%	9,40%	21,20%	38,50%	24,20%	13,60%	3,00%
<0.005	Ministry of Finances	4,80%	17,20%	13,40%	41,40%	38,20%	12,10%	13,00%	4,00%
<0.005	Ministry of Justice	3,70%	3,00%	12,10%	12,10%	26,80%	12,10%	12,80%	1,00%
<0.005	Ministry of Agriculture	4,20%	12,10%	8,10%	21,20%	36,30%	11,10%	14,30%	2,00%
<0.005	National Bank of Georgia	4,20%	5,10%	7,20%	6,10%	42,90%	35,40%	18,70%	1,00%
<0.005	Prosecutor's Office	8,60%	4,00%	15,00%	27,30%	22,80%	0,00%	9,20%	0,00%
<0.005	Ministry of Internal Affairs	9,90%	21,20%	14,50%	35,40%	25,00%	2,00%	8,40%	0,00%
<0.005	Customs Agencies	19,60%	13,10%	32,30%	35,40%	18,50%	3,00%	6,40%	3,00%
<0.005	State Tax Inspection	24,60%	19,20%	31,00%	36,40%	17,60%	4,00%	5,50%	4,00%
<0.005	State Financial Police	23,10%	34,30%	28,60%	51,20%	21,70%	2,00%	4,40%	2,00%
>0.005	Court	6,80%	23,20%	19,80%	18,20%	22,30%	5,10%	6,60%	5,10%

Table N 5

Besides studying the attitudes towards different governmental agencies in terms of supporting the small and medium business development, the study included the study of attitudes towards different factors of business environment. For this purpose, the respondents were asked to express their attitudes towards different phrases. In table N (16) is given the allocation of respondents' answers.

Phrases	Agree	Mostly Agree	Mostly Disagree	Disagree
1. Local governmental agencies accurately accomplish all the legal acts of central government	20.7%	17.4%	30.6%	26.2%
2. Decisions of local government do not impede the business development	19.1%	27.2%	31.4%	18.2%
3. Local government's efforts to ease the business startup for citizens is evident	14.5%	28.1%	33.6%	19.4%
4. The public rent is acceptable in my city for the buildings of communal and state ownership	22.0%	20.7%	25.9%	20.4%
5. Public rent for land is acceptable in my city	27.2%	22.9%	18.7%	19.8%
6. Local governmental agencies provide equal conditions for running the business	15.2%	24%	35.0%	19.8%
7. Infrastructure, created by the local government agencies, supports the business development.	16.1%	31.7%	31.9%	16.5%
8. In my city the business supporting agencies are honestly performing their functions	10.1%	19.1%	36.3%	29.7%
9. In my city, there is a good business environment for investments and business development	13.9%	25.7%	26.2%	29.5%
10. There is much better business environment in my region, than in most regions of Georgia.	13.6%	25.0%	19.4%	35.6%

Table N 16

After bonding the positive and negative answers, it has been discovered that the respondents most often do not agree with the phrase: In my city the business supporting agencies are honestly performing their functions. 66% of respondents disagree with that phrase. The allocation is given in the Diagram N (43).

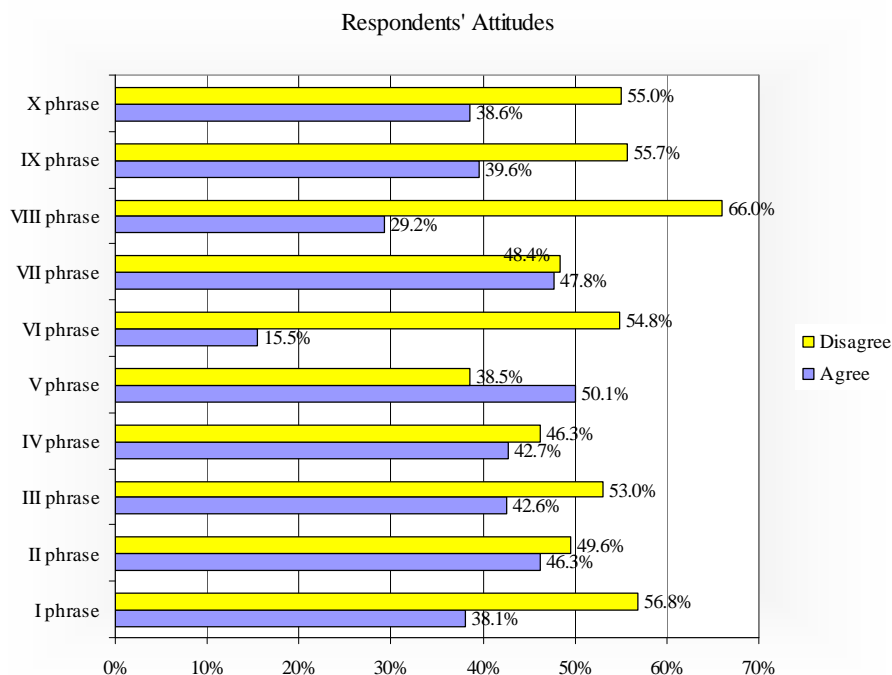


Diagram 263

Phrases	Population	Business	Population	Business
	Agree		Disagree	
1. Local governmental agencies accurately accomplish all the legal acts of central government	38,10%	24,20%	56,80%	75,80%
2. Decisions of local government do not impede the business development	46,30%	20,20%	49,60%	78,70%
3. Local government's efforts to lighten the business startup for citizens is evident	42,60%	12,20%	53,00%	85,90%
4. The public rent is acceptable in my city for the buildings of communal and state ownership	42,70%	49,50%	46,30%	39,40%
5. Public rent for land is acceptable in my city	50,10%	43,50%	38,50%	47,50%
6. Local governmental agencies provide equal conditions for running the business	15,49%	10,10%	54,80%	89,90%
7. Infrastructure, created by the local government agencies, supports the business development.	47,80%	19,20%	48,40%	79,80%
8. In my city the business supporting agencies are honestly performing their functions	29,20%	21,20%	66,00%	70,70%
9. In my city, there is a good business environment for investments and business development	39,60%	11,20%	55,70%	85,90%
10. There is much better business environment in my region, than in most regions of Georgia.	38,60%	5,00%	55,00%	82,80%

Table N 17

In the Table (17) are given the differences, which have been discovered by the research. The difference between the business and population groups is statistically important¹³. As from the table is clearly seen, the great majority of businessmen (82.8%) gives the negative estimation to the business environment, and their majority (89.9%) considers, that the local governmental agencies do not provide the equal conditions for every businessman, where the public opinion on the same issue has been divided equally and 47% agrees the phrase that local governmental agencies provide the equal conditions for running the enterprises. Also the vast majority of businessmen (85.9%) skeptically envisage the investments and development in their cities.

CHAPTER 12

MICRO FUNDING

One of the objectives of the research was to study the respondents' relations and attitudes towards micro funding procedures and generally towards the institution of micro funding. Research wasn't purposed to study the respondents attitudes towards any certain microfinance organization, respectively the question of this direction have not been asked in the study. As the outcomes have revealed, 45% of respondents are aware of such fundraising mechanisms, such as the micro funding is, 34.5% is unaware, and 20.9% have superficial information about such opportunities of funding. The diagram N (44). Among those respondents, who are aware of the opportunities of such funding, 39.6% have used this opportunity for fundraising, and 58.4% have not. Among those respondents who are aware but have never used this opportunity, 60.8% have named the reason to be the absence of ultimate need, 22.4% considered themselves credit-incapable and dithered to use such opportunity, 3.5% considers the micro-funding terms to be unacceptable, 13.3% consider the deposit sizes, required by banks to be unacceptable.

¹³ Sig. (2-tailed)<0.005

Awareness about Micro Financing

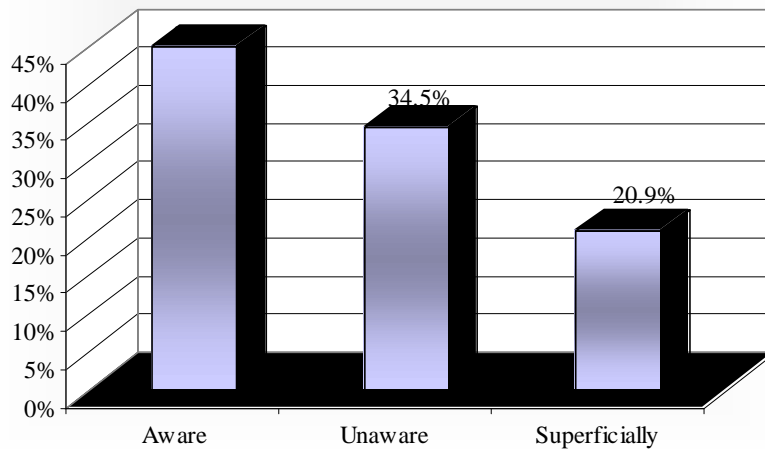


Diagram 274

Among those, who have addressed the micro funding organization for determining the micro credit terms and receipt mechanisms, 77% considers that it was easy to obtain the information, and for 18.2% it has been the impediment.

It should be mentioned, that among the employed respondents, 26.3% have addressed the microfinance institutions, and among those who are unemployed – 12.1%. Difference is statistically important¹⁴, i.e. it could be said, that the microfinance institutions are mostly addressed by employed respondents, rather than by the unemployed. 14% of the unemployed is not sure about self credit-capability, when only 7.9% of the employed respondents have refused to use the credit with the same reason. Statistically, this difference is important too (Sig. (2-tailed)<0.005).

Among those respondents, who have addressed the microfinance institutions, 86.9% (107 respondents) have received the funding, 3.2% (4 respondents) didn't receive the funding, and 9.6% (12 respondents) refused to answer the question. Funding scales among those who have received them, varies between 100 GEL to 10 000 GEL, and the average sum of funding received by respondents equals to 1789.35 GEL. The total value of the micro credits funded to the respondents is 173 566 GEL. Micro credit close-up dates vary from 1 to 18 months, and the percentage fee from 1.5% to 18%. Among those respondents, who have received the funding, 89.7% has had no problems with the credit close up, 6.5% have had problems with closing the credit in terms of cash payment, market conjuncture and state regulations / limitations in their fields of activity.

The study was purposed to define the level of respondents awareness about what is meant under the term – micro funding. According to the outcomes, 62.9% of those respondents, who have answered that under the term micro financing is meant the credit for circulation capital, 17.1% considers that this is the credit for basic facilities, and 1.8% considers that to be the customer's deposit.

¹⁴ Sig. (2-tailed)<0.005

During the research, respondents have been estimating the meanings of the criterion which affect their decision to take a credit. As it is seen from the Table N (18), respondents consider all the criterions to be very important, only the bank location has received 21.5%, as this criteria to be comparatively unimportant. Also the answers of population have been compared with the businessmen answers, and the absence of difference has been discovered between these groups¹⁵.

Criterion	Very Important
1. Credit Size	86.1%
2. Credit Dates	84.2%
3. Percentage Fee Size	79.2%
4. Requirements (absence of requirements) on Deposits	66.0%
5. Credit Accessibility	71.0%
6. Short procedures for Credit Receipt	65.7%
7. Credit Cash Payment Form	70.0%
8. Your capability to pay the credit + apply for new credit	61.1%
9. Bank Location	35.3%

Table N 6

CHAPTER 13

FIELD OF INFORMATION

The study was purposed to identify those information reception channels, which could be used for providing the respondents with the information. As the study has shown, absolute majority of the respondents, 96.9%, name the television as the primary information receipt channel, 65.1% of respondents name the printed media (newspaper) as the primary information receipt channel, 9.1% uses the internet as the information receipt channel and for 16.8% of respondents, one of the channels of receiving the information are the friends and relatives.

¹⁵ Sig. (2-tailed)>0.005

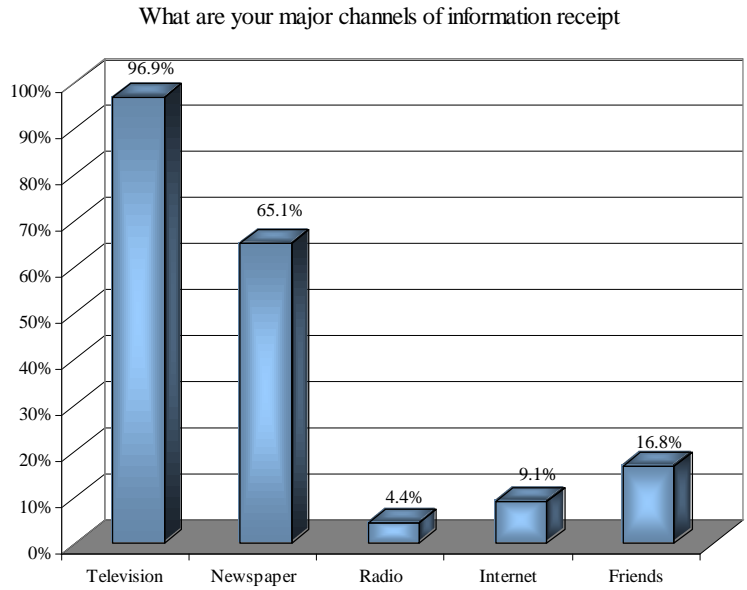


Diagram 28

The diagram N (46) describes the allocation of answers, whether which TV channels are the respondents able to access. As it is seen from the diagram, the best coverage are having TV Imedi and Rustavi 2, and regarding the Georgia Public Broadcasting, 74.1% of respondents have mentioned, that they do not have the access to this television, also a very low coverage are having the local TV channels, such as Odishi and 9th Wave.

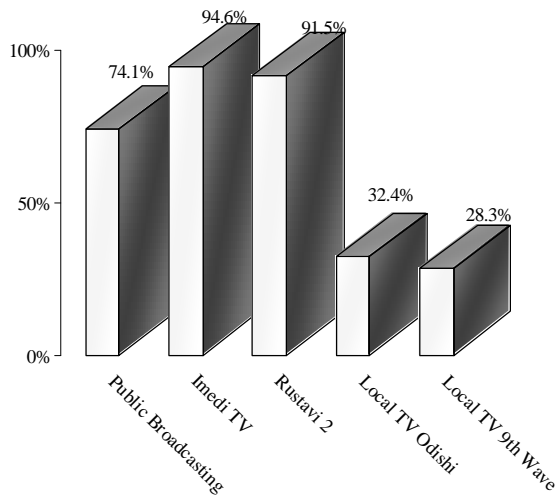


Diagram 296

Respondents were asked whether which TV programs they watch most often and on which TV channel. The diagram N (47) shows the respondents' allocation according to their answers on this question.

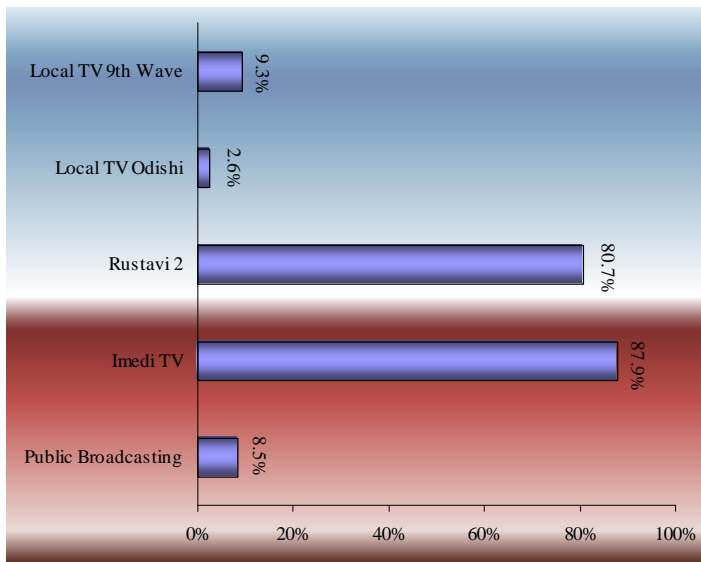


Diagram 307

As it is seen from the diagram, region’s population is usually watching the Imedi TV and Rustavi2 informational TV programs. Public Broadcasting has been named only by 8.5% of respondents. Together with this, the study was interested to determine if which informational TV programs of which TV companies were most trusted by the population. As it is seen from the outcomes of the research, the trust mandate of Imedi TV and Rustavi2 informational programs are much higher respectively, 57.9% and 53.2%. Public Broadcasting informational programs are trusted only by 3.4%.

The study was interested to determine the time, when the able-bodied members of respondent families usually watch the TV Programs. The allocation is given in the Diagram N (48).

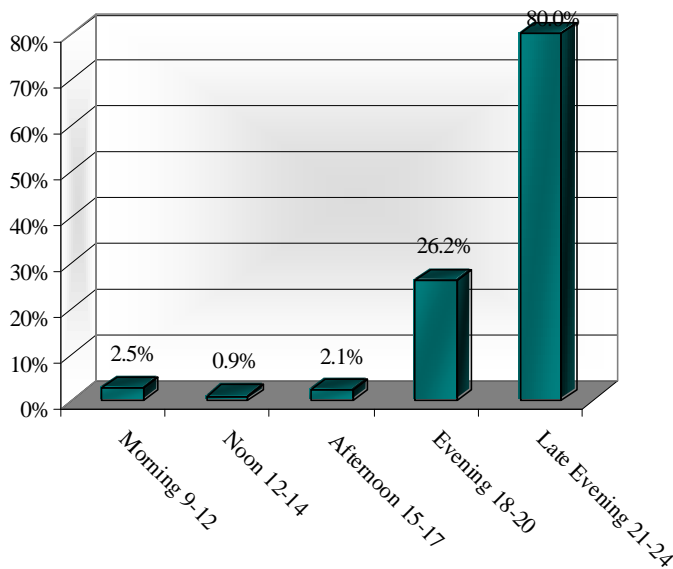


Diagram 318

CHAPTER 14

CIVIL SOCIETY SECTOR EVALUATION

One of the tasks of the research was to determine the level of population's awareness about the civil society sector, existing in the region and country. As the study has revealed, half of region's population, 50.9% have heard about the civil society sector.

Are you aware of the Civil Society Sector

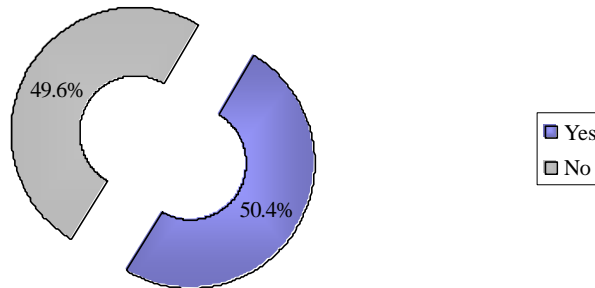


Diagram 329

Among those, who are aware of the civil society sector, 44.7% of respondents name regional or country level civil society organization, about which they have the information.

46.5% of respondents consider, that the activity level of civil society organizations is average, 22.2% considers it to be high, and 15.3% consider it to be low. Among those, who have heard about the civil society sector, 10.2% couldn't estimate the activeness level of the sector. The diagram N(50).

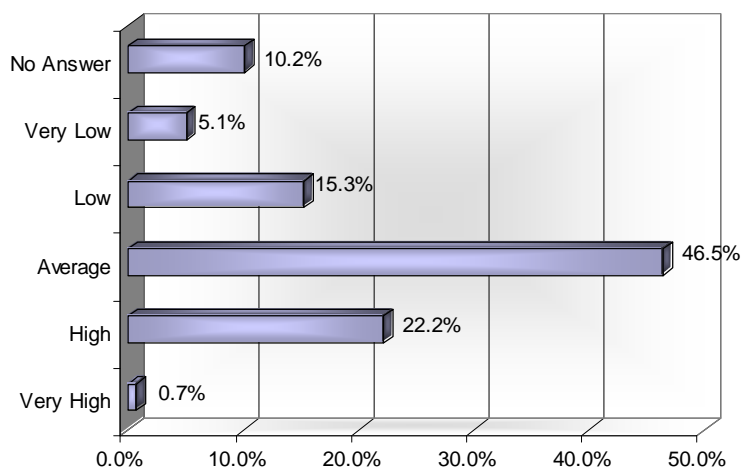


Diagram 50

In the table N (19) are given the civil society organizations, which are mostly recognized by the respondents.

#	Regional	Country Level
a	Students Non-Governmental Organization	Red Cross
b	Association of Invalid Children and Invalid Children Parents	Young Lawyers' Association
g	Red Cross	Invalids League
d	USAID	UN
e	Association of Women's Rights	UNICEF
v	Oxfam	USAID
z	Hambre	Open Society – Georgia
T	UN	Constanta
i	Young Lawyers' Association	Liberty Institute
k	Atinati	Young Economists' Association
l	Imedi	Oxfam
m	Gaenati	Horizonti
n	Open Society – Georgia	Eurasia
o	Organization of Small and Medium Business Support	Afkhazia
p	Civil Society Institute	
J	VTJC	
r	Ordu	
s	Doctor Beyond Borders	
t	Counterpart	
u	Liberty Institute	
f	Young Economists Association	
q	Urban Institute	

Table N 7

Besides defining the public awareness about the civil society organizations, the study was interested to determine whether the population was aware of the community organizations. As the study has shown, only 5.9% of respondents are informed about the community organizations.

CHAPTER 15

INCOMES

The study was purposed to research the income and expense structures in 4 cities of Samegrelo region. With this purpose the respondents were asked as about their own, as well as about their family incomes. As the outcomes of the research have shown, respondents' average income varies between 150-300 GEL. The percentage allocation of respondent family incomes is shown in the Diagram N51.

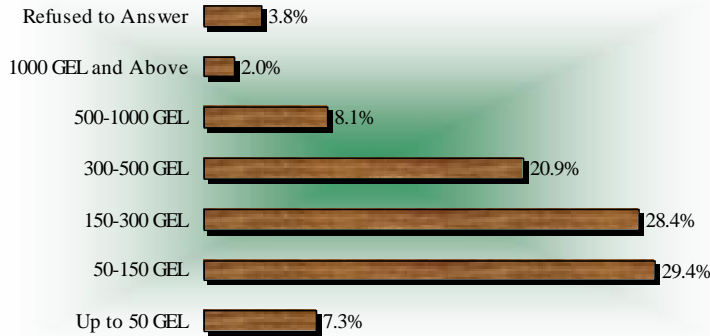


Diagram 51

The average value of respondents' personal income varies between 51-150 GEL, but if we look at the diagrams N (52)¹⁶ and N (53), we discover that the respondents' family incomes are closer to the normal allocation, than of the respondents itself.

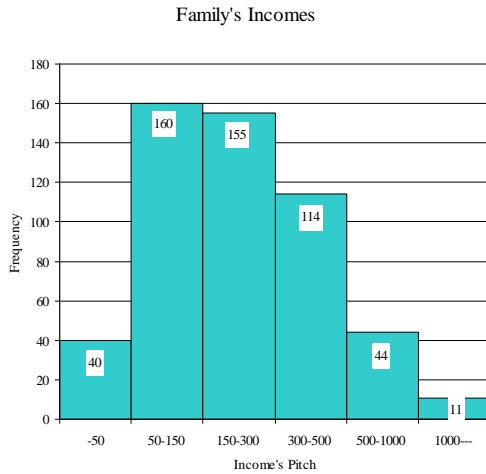


Diagram 332

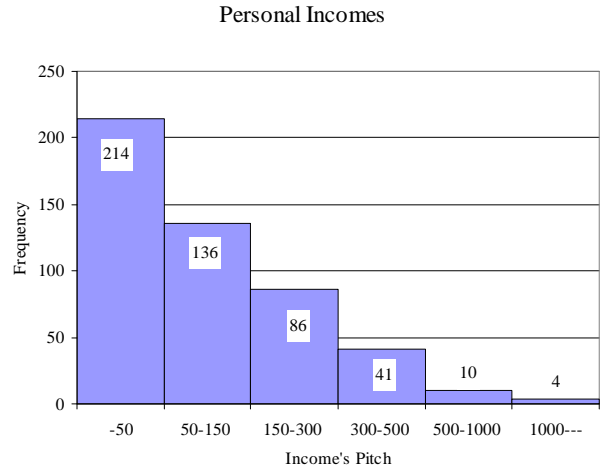


Diagram 343

Definitions of incomes' pitch given in the Diagram:

- 1 – Up to 50 GEL
- 2 – Up to 51-150 GEL
- 3 – Up to 151-300 GEL
- 4 – Up to 301-500 GEL
- 5 – Up to 501-1000 GEL
- 6 – 1000 and above

Also the average monthly expenses of respondents' families have been determined. As it can be seen from the outcomes, averagely the biggest part is spent on food by the families. Average value of respondents' expenses is 175.35 GEL. The maximum expense on food per month was identified as **1000** GEL, and the minimum – **10** GEL. The respondent families are making the least expenses on improvement of the living conditions and the education, correspondingly **12.14** GEL and **13.28** GEL. Also the education expenses of those families have been counted, who are having a student in the family or are the students themselves. It has been discovered that the expenses of such families are 1.5 times higher than of the families, which have no student

¹⁶ st.Dev- Standard Inclination, Mean-Average, N - Received Answers' Quantity

members. But statistically important difference between these groups has not been discovered, i.e. according to the outcomes, it can't be said that generally, students' families usually spent 1.5 times more on education.

The diagram N (54) describes whether the expenses of what size have to make the respondents' families on different needs.

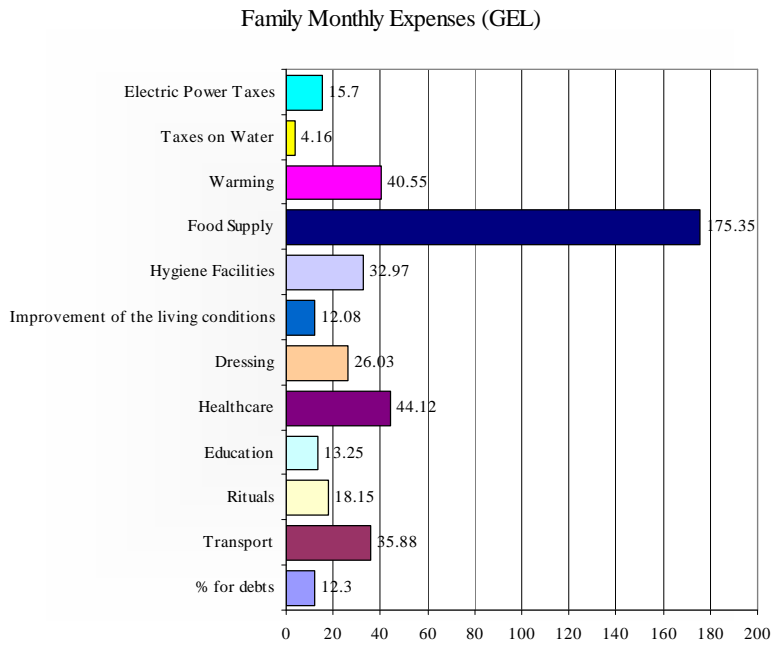


Diagram 354

After comparing respondents' incomes and expenses, it has been discovered that the respondents' part of expenses is higher than the incomes part. In the diagrams N (55) and N (56) are given the allocations of respondents' incomes and expenses. The difference is evident, if 114 respondents (21.7%) have 300-500 GEL in the incomes' part, 29% of respondents (151) spent the money of these scales per month; if 44 respondents (8.3%) have 500-1000 GEL income, 144 respondents - (27%) spent the same money monthly; and if 2% of respondents have the income more than 1000 GEL, 5% of respondents are spending the same money per month. The difference is statistically important¹⁷.

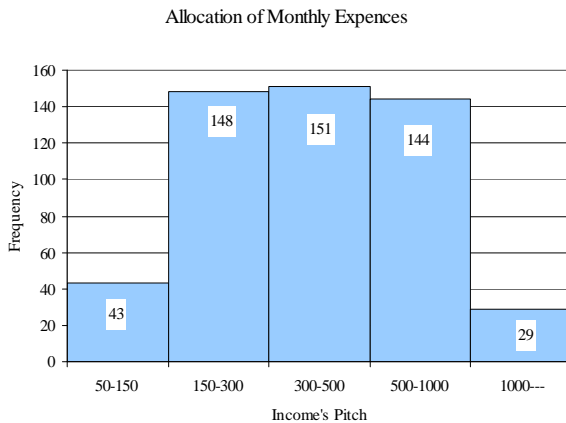


Diagram 365

¹⁷ Sig. (2-tailed) < 0.005

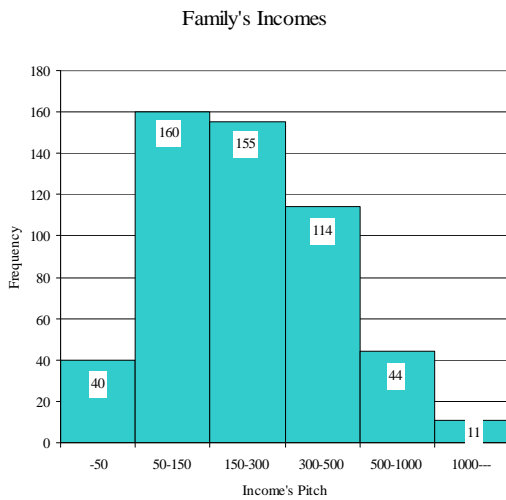


Diagram 376

Also has been studied whether which expenses are mostly saved by the respondents. The outcomes, received in respondents families are given in the Diagram N (57).

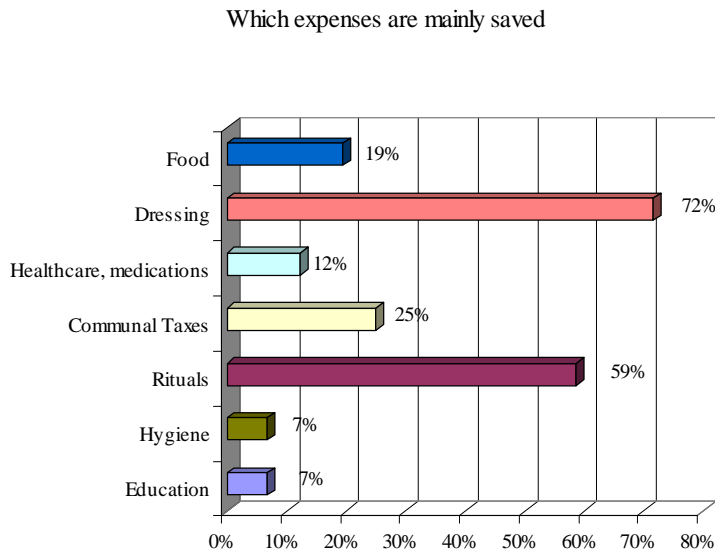


Diagram 387

As it is seen from the diagram, savings are mostly made on dressing and ritual expenses.

As the outcomes have shown, 38% of respondents plan the budget of their own families, 56.7% do not plan, and 5.3% refused to answer. The diagram N(58).

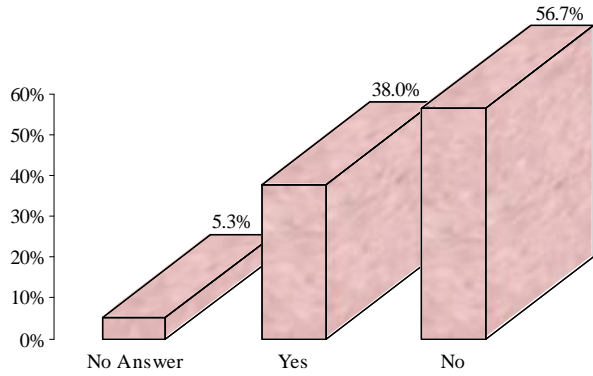


Diagram 398

Those, who plan the budget, consider that the most important expense, which has to be considered while planning the budget, is food, 70.5% consider this expense to be very important, also the healthcare is very important according to the opinion of 37.2% of respondents, and the education according to 39.6% of respondents. More or less important expenses are dressing expenses, according to 49.9% of respondents, and communal taxes for 26.1%. As it is seen from the diagram, 70.8% of respondents do not make the savings, and 26% make the savings.

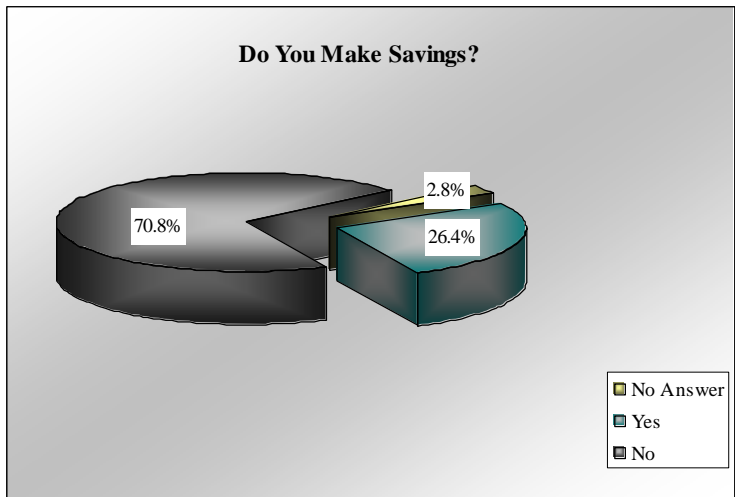


Diagram 59

In the Diagram N (60) is given the allocation of answers from those respondents, who make the savings, on the question whether on what they think they may spend the savings. As it is seen from the diagram 25.2% of respondents think that they may spend the savings on improvement of the living conditions. In the expenses part of the budget of these respondents, 2 times more are spent on this point, than in the budget of other respondents. Difference is statistically important (Sig. (2-tailed)<0.005). 18.7% considers, that the saving may be spent on the business startup, and 16.8% and 15.5%, think that it may be spent on vacation and education.

It should be mentioned, that there is no difference in making the savings between the employed and unemployed respondents (Sig. (2-tailed)>0.005).

Where Might the Saving Be Spent

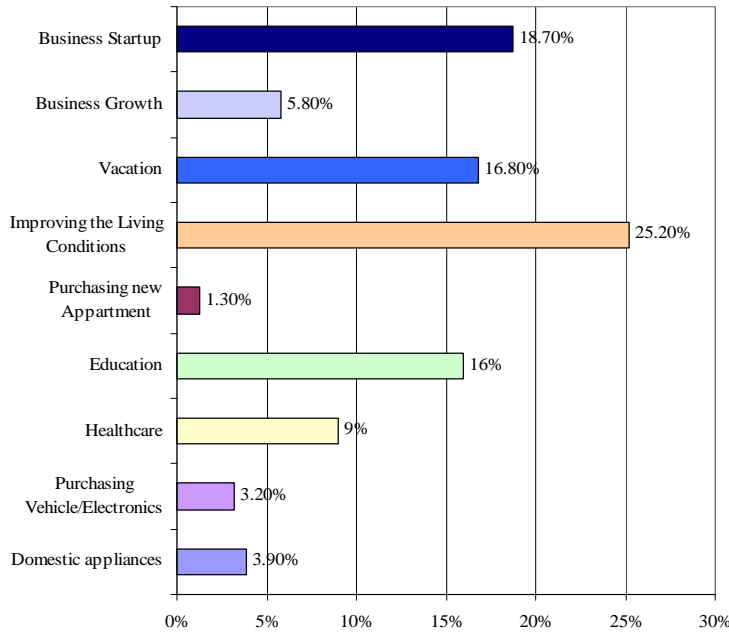


Diagram 60

Only 29.5% of respondents run the housekeeping. In the Diagram N 61 is shown whether what percentage part of total incomes of the families of this group, is filled by selling the harvested agricultural production.

Trade with the agricultural production, produced by the family

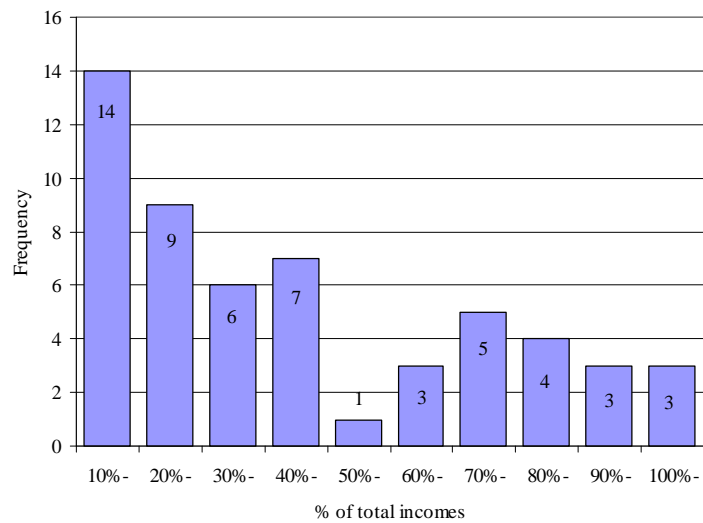


Diagram 61

Five groups have been identified while estimating their own incomes:

I Group – 60.9% of respondents consider that he/she is having an average income, income distribution in this group is the following: 2.4% - up to 50 GEL, 20.5% - 51-150 GEL, 31.3% - 151-300 GEL, 9% - 501-1000 GEL, 2.1% above 1000 GEL.

II Group – 25.5% consider they are living in severe economic conditions. Incomes in this group are distributed thus: 15.1% up to 50 GEL, 47.5% - 51-150 GEL, 26.6% - 150-300 GEL, 6.5% , 6.5% - 301-500 GEL and 0.7% above 1000 GEL.

III Group - 8.6 consider their economic condition to be ultimately desperate, - 23.4% - up to 50 GEL, 44.7% - 51-150 GEL, 27.7% - 151-300.

IV Group – 8.6% consider they have more then average income, 15.8% - 301-500 GEL. 73.7% 501-1000 GEL, 5.3% above 1000 GEL.

V Group – 0.4% consider they are having high incomes. 2 respondents where allocated in this group, having the income above – 1000 GEL.

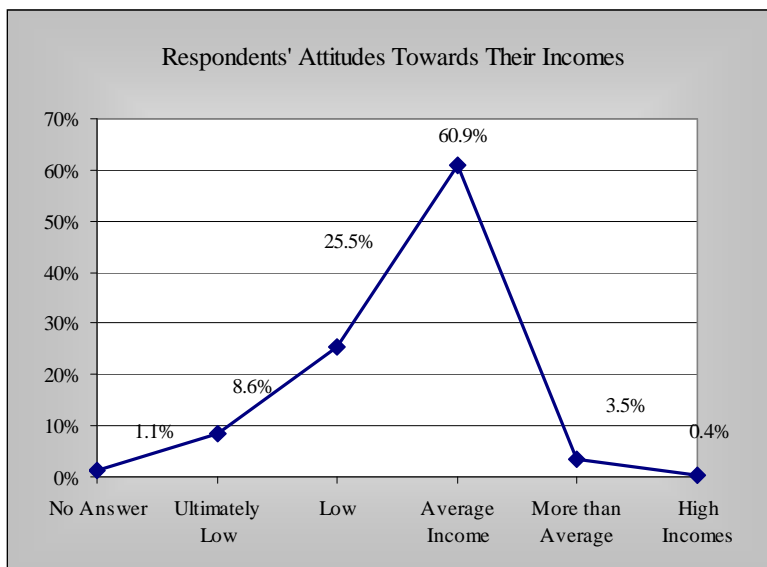


Diagram 402

Chapter 16

Employment Contract Agreements

One of the tasks of the research was to study whether were the employees signing the contract agreements with the employers or not. The outcomes of the research have shown that 40.2% of employed respondents have signed the contract, and 47.4% have not, 12.4% refused to answer. 34.4% of employed respondents have a contract person. The allocation of answers on the question, whether do you know what kind of taxes are paid by the employers from the employees' salaries, is given in the Diagram N (63).

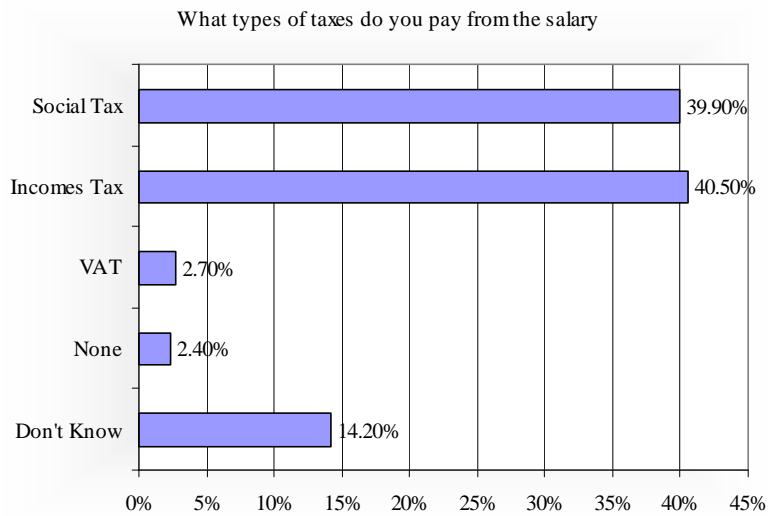


Diagram 413