



Research



EMPLOYMENT TRACKER

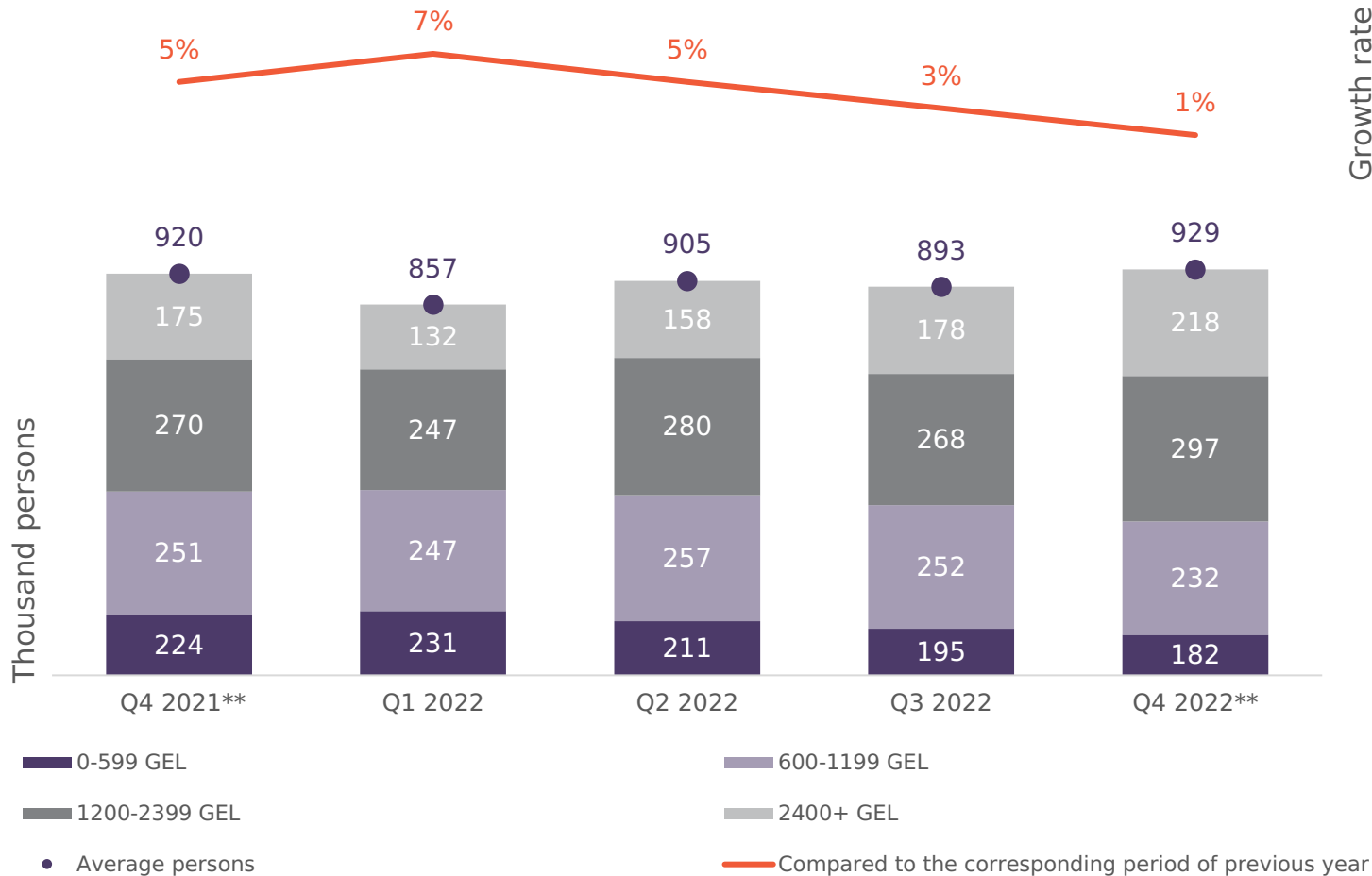


March 2023

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AVERAGE NUMBER OF PERSONS RECEIVING SALARY



Growth rate

- In February 2023, the number of persons receiving a monthly salary increased by 4.9% compared to the corresponding period of 2022 and by 11.6% compared to the corresponding period of 2021.
- In February 2023, the share of persons receiving a monthly salary up to 599 GEL amounted to 19.2%, which was 5.3 percentage points less than the corresponding period of 2022, and 9.0 percentage points lower than the corresponding period of 2021.
- In February 2023, the share of persons receiving a monthly salary of 2,400 GEL and more amounted to 20.0%, which was 7.9 percentage points more compared to the corresponding period of 2022, and 7.1 percentage points higher than the corresponding period of 2021.
- In February 2023, the number of persons receiving a monthly salary of 9,600 GEL and more, increased by 32.6% compared to 2022 and 44.2% compared to 2021. The share of persons receiving a monthly salary of 9 600 GEL and more amounted to 3.0% in February 2023.

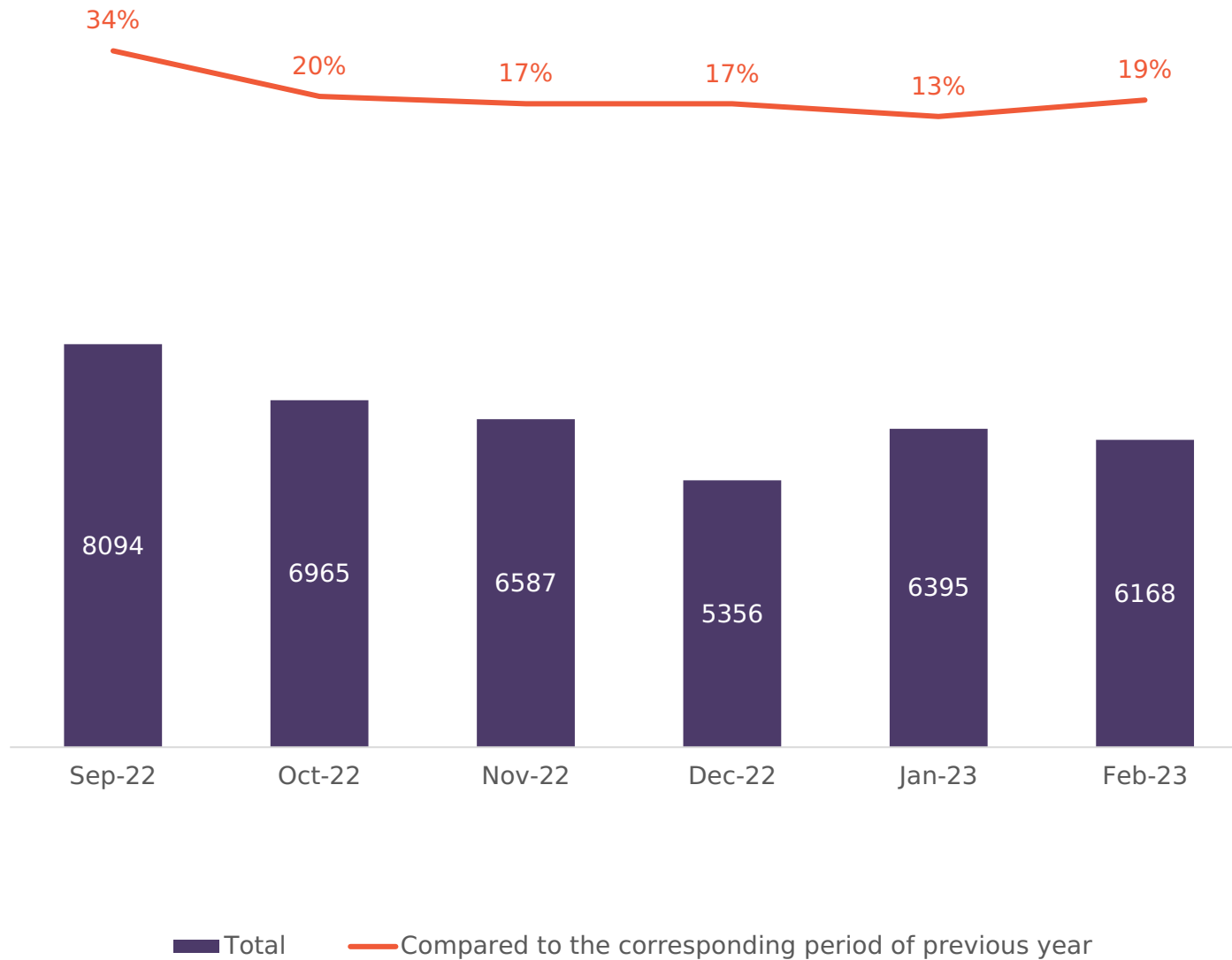
Source: Revenue Service*

* The data provided by Revenue Service is not final and might slightly increase. (Last viewed on 20.03.2023). The data represents gross salaries.

** The decrease of the share of 0-599 GEL and 600-1199 GEL categories in the Q4 of 2021 and Q4 of 2022 was largely due to a notable number of people receiving the 13th salary in December.



TOTAL VACANCIES PUBLISHED ON **Jobs.ge**



Growth rate

From September 2022 to February 2023, the total number of vacancies published on jobs.ge amounted to 39,565, which was 20.4% higher compared to the corresponding period of 2021-2022.

From September 2022 to February 2023, the average MoM growth rate for the total number of vacancies published on jobs.ge amounted to -1.5%.

In February 2023, compared to January 2023, the total number of vacancies published on jobs.ge decreased by 3.5%.

Source: Jobs.ge



VACANCIES PUBLISHED ON **Jobs.ge** BY CATEGORIES

Logistics/Transport/Distribution

Sales/Procurement

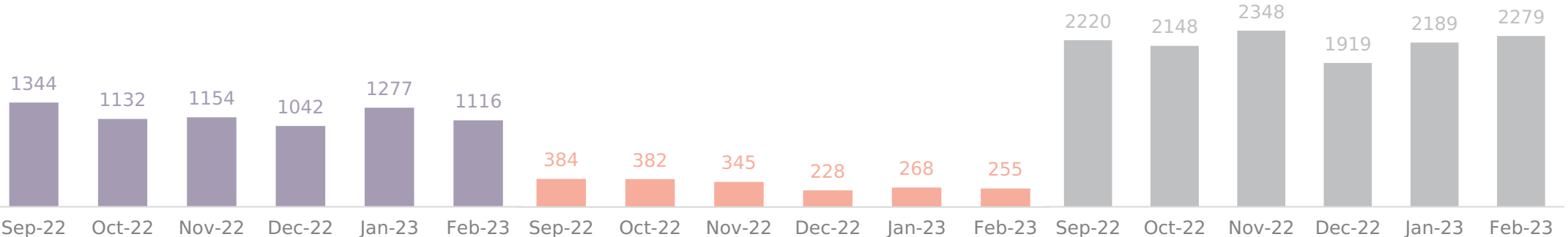
Administration/Management



Finance, Statistics

IT/Programming

Other



Source: Jobs.ge

From September 2022 to February 2023, a total of 7,065 vacancies were published in the field of finance, statistics, which was 40.6% higher than the corresponding period of 2021-2022 and 192.5% higher compared to the corresponding period of 2020-2021.

From September 2022 to February 2023, a total of 11,152 vacancies were published in sales/procurement, which was 24.6% higher compared to the corresponding period of 2021-2022 and 178.7% higher compared to the corresponding period of 2020-2021.

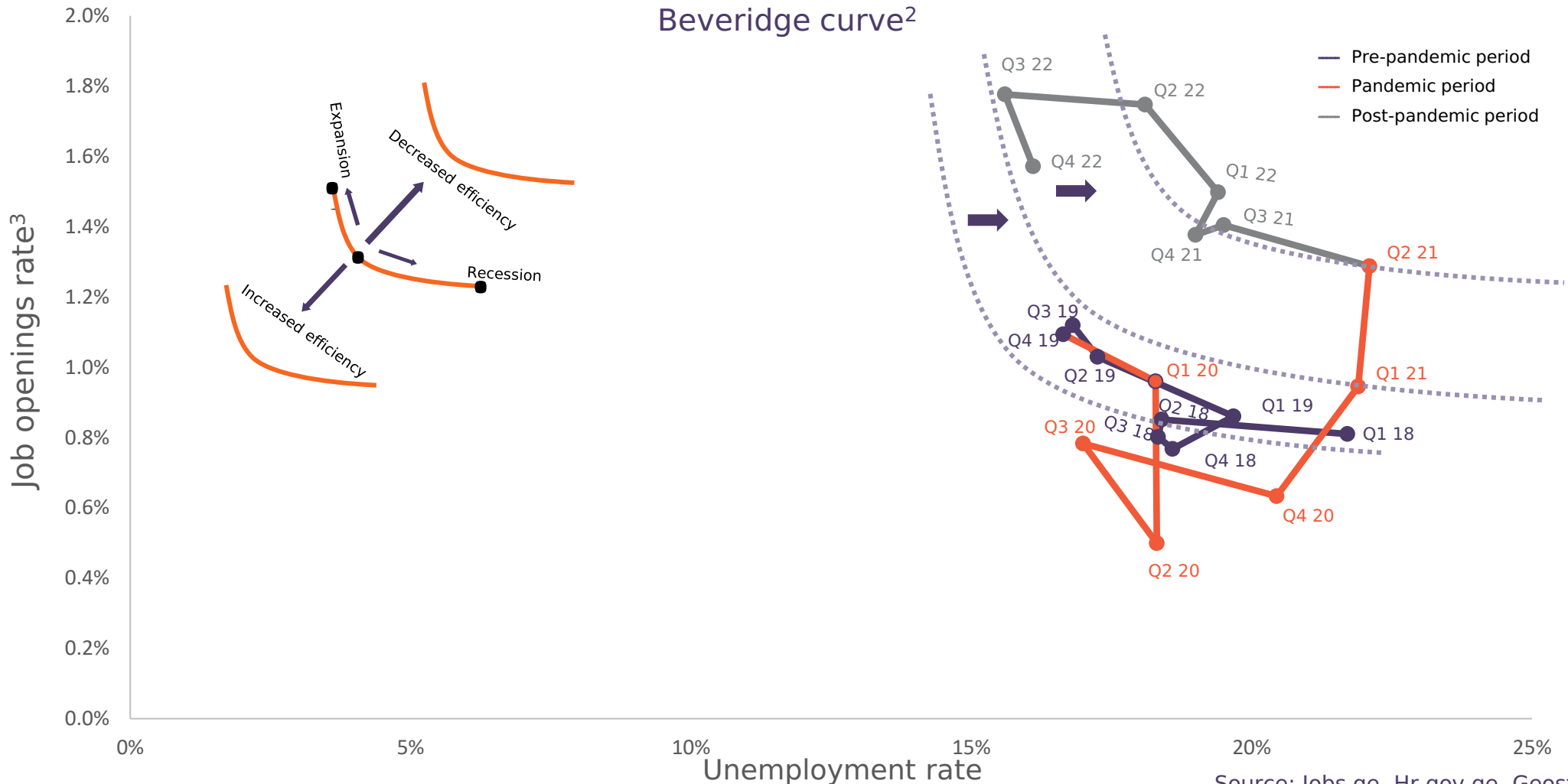
From September 2022 to February 2023, a total of 8,975 vacancies were published under administration/management, which was 24.8% higher compared to the corresponding period of 2021-2022, and 179.7% higher compared to the corresponding period of 2020-2021.



LABOR MARKET ANALYSIS

BEVERIDGE CURVE

Beveridge curve²



2. PMC Research Center has developed the Beveridge Curve with the support of the National Bank of Georgia.

Source: Jobs.ge, Hr.gov.ge, Geostat

The Beveridge curve captures the relationship between the unemployment rate (X-Axis) and the job openings rate (Y-Axis). The Beveridge curve provides important information about the functioning of the labor market and the sustainability of the economy. In particular: A. The inward shift of the Beveridge curve (towards the origin) indicates an increase in the efficiency of the labor market; B. The outward shift of the Beveridge curve (away from the origin) indicates a decrease in the efficiency of the labor market; C. The vertical shift to the left indicates that the economy goes into an expansionary phase, and the vertical shift to the right indicates that the economy goes into recession.

3. The job openings rate is computed by dividing the number of job openings by the sum of employment and job openings and multiplying that quotient by 100.



LABOR MARKET ANALYSIS

BEVERIDGE CURVE

- According to the Beveridge curve, the Georgian economy was undergoing a phase of expansion in the pre-pandemic period (Q1 2018 to Q4 2019), with a decreasing unemployment rate and an increasing job openings rate, i.e., with rising tightness on the labor market.
- According to the Beveridge curve, the Georgian economy went into a recession phase in the pandemic period (Q1 2020 - Q4 2020) with an increasing unemployment rate and decreasing job openings rate.
- The Beveridge curve shifted outwards from its origin as the COVID-19 restrictions were gradually lifted in Q1 2021. In this period, employers' expectations increased, which resulted in a higher job openings rate, though unemployment remained nearly the same. This shift points to a decrease in efficiency in the labor market. It is worth mentioning that the Beveridge curve shifted outwards again in Q2 2021 indicating a further decline in the labor market efficiency.
- In the period of Q3 2021 - Q2 2022, the Georgian economy returned to a phase of expansion while the labor market tightness started to mount with the decreasing unemployment rate and the increasing job openings rate but at a lower efficiency level compared to its pre-pandemic state.
- Going by estimates, the Beveridge curve might have shifted once again in Q3 2022 - this time towards the origin since the unemployment rate decreased sharply and the job openings rate increased slightly, perhaps indicating a move of the labor market efficiency towards its pre-pandemic level but not there yet. However, to draw final conclusions, it is necessary to observe further changes in the labor market.
- According to the Beveridge curve, in Q4 2022, the labor market conditions relatively relaxed, compared to Q3 2022, as the unemployment rate picked up and the job openings rate fell.
- To sum up, the labor market efficiency is still lagging behind its pre-pandemic level, which could be attributed to different factors, including labor force migration, the flow of personnel to adjacent sectors, and increased wage expectations of job-seekers (i.e., the minimum wage that candidates are prepared to work for).



LABOR MARKET INDICATORS

| | 2020 Q2 | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 | 2021 Q4 | 2022 Q1 | 2022 Q2 | 2022 Q3 | 2022 Q4 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Number of people in the labor force (thousands) | 1515.0 | 1528.9 | 1505.7 | 1447.2 | 1559.1 | 1592 | 1536.1 | 1490.7 | 1551.5 | 1609.4 | 1554.7 |
| Number of employed people (thousands) | 1237.6 | 1269.1 | 1197.9 | 1129.7 | 1214.6 | 1281.2 | 1244.2 | 1201.1 | 1269.9 | 1358.6 | 1305.2 |
| Number of hired employed people (thousands) | 839.5 | 845.3 | 805.1 | 782.8 | 831.7 | 861.9 | 841.1 | 817.7 | 867.9 | 913.8 | 884.1 |
| Number of self-employed employed people (thousands) | 397.6 | 423.1 | 391.9 | 345.7 | 381.8 | 418.6 | 402.4 | 382.3 | 401.2 | 444.3 | 420.4 |
| Number of unemployed people (thousands) | 277.4 | 259.8 | 307.8 | 317.5 | 344.6 | 310.8 | 291.9 | 289.6 | 281.6 | 250.7 | 249.5 |
| Labor force participation rate (%) | 50.3 | 50.3 | 50.0 | 48.3 | 51.4 | 52.8 | 51.2 | 49.9 | 51.5 | 53.5 | 52.7 |
| Employment rate (%) | 41.1 | 41.8 | 39.8 | 37.7 | 40.1 | 42.5 | 41.5 | 40.2 | 42.2 | 45.2 | 44.2 |
| Unemployment rate (%) | 18.3 | 17.0 | 20.4 | 21.9 | 22.1 | 19.5 | 19.0 | 19.4 | 18.1 | 15.6 | 16.1 |
| Average nominal monthly salary (GEL) | 1150.1 | 1239.5 | 1314.7 | 1256.2 | 1328.0 | 1368.5 | 1463.8 | 1446.5 | 1541.3 | 1595.0 | 1773.7 |

Source: National Statistics Office of Georgia



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