




**REPORT
ELEVENTH FIVE YEAR PLAN
(2013-2018)**

DEPARTMENT OF LABOUR



Prepared by
Phuntsho Dendup Labour
Protection Division
Department of Labour



དབལ་ལྷན་འབྲུག་གཞུང་། ལས་གཞི་ལྷན་ཁག། ལས་མི་ལས་ཁུངས།
Royal Government of Bhutan
Ministry of Labour and Human Resources
DEPARTMENT OF LABOUR

Foreword

It is my great pleasure to share the 11th Five Year Plan Achievement Report of the Department of Labour and the Regional Offices. Though the Department of Labour was established in the 9th FYP (i.e December 2003), it has made a tremendous effort in achieving its Mandates and Targets set. This is the first time, the Department of Labour with the Regional Offices under took to print the information of 11th FYP.

The objectives set for the Department of Labour in the 11FYP were to improve working condition, strengthen safety culture at workplace, strengthen labour dispute prevention & settlement mechanism, enhance social protection for Private & Corporate Sectors, and to strengthen foreign workers administration system.

The Department and Regional Offices had made a significant achievement in the 11FYP fulfilling all the targets set. We hope that this Report will be useful to understand the roles and responsibilities of the Department of Labour & Regional Offices of the Ministry of Labour and Human Resources, Thimphu as per the Mandates given.

I would like to express my sincere thanks to all the dedicated and hardworking Officials and Staffs of Regional Offices and Department of Labour for their tremendous efforts in achieving all the Targets set in the 11FYP.

I would also like to acknowledge Mr. Phuntsho Dendup, Labour Officer, for initiating and bringing out this Report.

Sonam Wangdi
Director

TABLE OF CONTENTS

Foreword	i
List of tables	v
List of figures	vii
Executive Summary	ix
Chapter one: LABOUR Protection	1
1.1 Labour Inspection	2
1.1.1 Routine Inspection	3
1.1.2 Follow-up Inspection	3
1.1.3 Special Inspection	4
1.2 Improvement Notices	4
1.3 Penalty Memo	5
1.3.1 Penalty Memo Amount	6
1.3.2 Compliance percent on the IN issued	7
1.4 Internal Service Rules endorsed	7
1.5 Provident Fund Participation	8
1.6 Awareness and Training program	9
Chapter two: OCCUPATIONAL HEALTH AND SAFETY	11
2.1 Occupational Health and Safety Assessment	12
2.2 Workplace accident	13
2.2.1 Workplace accident by sector	14
2.2.2 Types of Accident	15
2.2.3 Cause of workplace accident	16

Chapter three: LABOUR RELATION	17
3.1 Labour Dispute Received	18
3.2 Dispute resolved	19
3.3 Dispute Resolved Rate	21
3.4 Nature of Dispute	22
Chapter Four: Foreign Workers	25
4.1 Foreign Workers Employed by Dzongkhag	26
4.2 Foreign Workers Employed in Hydro Projects	27
4.3 Foreign Workers by Major Occupation	28
4.4 Foreign Workers by Gender	29
Chapter Five: Achievements	31

LIST OF TABLES

Table 1: Number of inspection visit to enterprises by region and fiscal year	2
Table 2: Number of routine inspection visit by region and fiscal year	3
Table 3: Number of follow-up inspection visit by region and fiscal year	3
Table 4: Number of special inspection visit by region and fiscal year	4
Table 5: Number of improvement notices issued by region and fiscal year	4
Table 6: Number of penalty memos issued by region and fiscal year	5
Table 7: Penatly amount imposed in nultrum by region and fiscal year	6
Table 8: Number of Internal Service Rules reviewed and endorsed	7
Table 9: Number of employees with provident fund scheme by financial institute and enterprise	8
Table 10: Number of employees with provident fund scheme by sector and financial institute	8
Table 11: Number of participants who attended awareness and training programs	9
Table 12: Number and percent of enterprises adopting good safety and health practices	12
Table 13: Number and percent of workplace accident by region and fiscal year	13
Table 14: Number of workplace accident by sector and fiscal year	14
Table 15: Type of workplace accident by sector and fiscal year	15
Table 16: Major cause of workplace accident by sector and fiscal year	16
Table 17: Number of labour disputes received by region and fiscal year	18
Table 18: Number of disputes resolved by region and fiscal year	20
Table 19: Comparative statement on the percent or rate of dispute resolved by fiscal year	21
Table 20: Nature of dispute received by region	22
Table 21: Number of disputes by fiscal year and nature for Thimphu Region	22

Table 22: Number of disputes by FY and Nature for Phuntsholing Region.	23
Table 23: Number of disputes by FY and Nature for Gelephu Region.	23
Table 24: Number of disputes by FY and nature for Samdrup jongkhar Region	24
Table 25: Number of disputes by FY and nature for Tashigang Region	24
Table 26: Number of Foreign Workers by Fiscal year and Dzongkhag	26
Table 27: Number of Foreign Workers by Fiscal year and Major Occupations	28
Table 28: Number of Foreign Workers by Gender and Dzongkhag	28

LIST OF FIGURES

Figure 1: Number of inspection visit to enterprises by fiscal year (FY)	2
Figure 2: Numbers of penalty memos issued	5
Figure 3: Penalty amount imposed in Ngultrum by region and fiscal year	6
Figure 4: Percent of enterprises gaining complinace on the improvement notice issued	7
Figure 5: Number of participants who attended Awarness and training programs	9
Figure 6: Percent of enterprises adopting good safety and health practices	12
Figure 7: Number of workpalce accident	13
Figure 8: Workplace accident by sector(2013-2018)	14
Figure 9: Type of workplace accident by sector (2013-2018)	15
Figure 10: Total labour disputes received by region	18
Figure 11: Number of labour disputes received by fiscal year	19
Figure 12: Total number of disputes resolved by region	19
Figure 13: Total number of disputes resolved by fiscal year	20
Figure 14: Comparative statement on percent or rate of dispute resolved by fiscal year	21
Figure 15: Number of Foreign Workers by Hydro Power and Non Hydro sector	27

EXECUTIVE SUMMARY

1. Backdrop

Bhutan has experienced rapid economic development. Within few decades, there is a huge industrial development in service, trade and manufacturing sector. Despite the late start in industrialization, there are about 4,939 registered establishments across the country as of November 2017 employing 29,173 workers against a total Labour force of 354,652. Among the types of establishments in accordance to their scale (determined by their employee size) 68.7% are cottage establishment employing between 1 to 4 people, while 24.4% are small scale establishments. Only 5.5% of the establishments are medium scale and 1.3 % large scale. At the same time, Bhutan is experiencing a boom in the construction sector which has led to employment of large number of foreign workers.

Thus, with rapid economic and industrial development taking place, labour protection and relation has emerged as one of the important components of socio-economic development in Bhutan. Paramount pressure is felt for the need to create decent working environment which can be achieved through improving labour relation and minimizing labour dispute, protecting workers from exploitation, ensuring fair wage, job security, and promote safer and healthier workplace.

Hence, the Department of Labour is assigned with the huge responsibility to ensure social justice, social welfare and strengthen the national economy through effective enforcement of Labour and Employment Act, 2007 and its regulations on working condition and occupational health and safety. The Department of Labour ensures social justice by establishing conducive working conditions in the world of work. Similarly, the department helps the employees to improve their social welfare by ensuring they are provided with adequate safety measures, wages, appropriate working hours and health facilities. The labour legislation also protect the profitability and sustainability of the business entity through creating harmonious and safe and healthy workplace thus, increasing the efficiency of workers and productivity of the industries.

2. Labour Protection

Workplace inspection is a key feature of labour legislation in securing compliance from the employers and protecting and ensuring social justice and welfare for workers and profitability of the business. Workplace inspection plays a vital role in identifying any kind of workplace abuse. Thus, labour inspection is the key area of our labour administration system. The aims of labour inspection are:

- Enforcement of legal provisions relating to conditions of work and the protection of workers while engaged in their work;
- Provision of technical information and advice to employers and workers concerning the most effective means of complying with the legal provisions; and
- Identification of defects or abuses not specifically covered by available legal provisions.

In the 11th FYP, a total of 10038 inspections were carried out. A total of 8060 routine inspections, 1301 follow-up inspections and 677 special inspections were conducted. A total of 1408 improvement notices were issued to those enterprises, who have failed to comply with the labour standards and 210 penalty memos were issued for those enterprises not complying with the notices issued. A total of Nu. 2,148,194/- were collected as penalty issued to the enterprises. Further, 629 Internal Service rules were reviewed and endorsed.

3. Occupational Health and Safety

Occupational Safety and Health deals with all aspect of health and safety in the workplace and has a strong focus on primary prevention of hazards. Research has shown that safety and well-being at the workplace equals good business and profitability. Hence, its goal is to prevent accidents and harm to people from work-related activities.

The Department of Labour ensures a safe and healthy workplace through implementation of OHS standard and providing technical support. These programs are carried out with an objective to prevent, promote and protect workers from exposure

to risk at work and to harness Sustainable Development Goal (SDG) target 8.8 of safe and secure working environment for all workers by 2030. Similarly, the employers have primary responsibility for OHS of workers as they have authority to organize their business and conduct risk assessment.

Safety auditing process was adopted in 2015 to validate the safety standard in the enterprises. It was found that the number of enterprises adhering to good safety and health practices increased from just 37.0% to 58.33% at the end of the 11th FYP. It was also observed that there is a rise in the number of accidents reported to the Department from just 43 cases in 2013-2014 to 90 cases in 2017-2018. Many of workplace accident go unreported though it is mandatory for the enterprises to report such incidences to the Department of Labour. The increase in the number could be due to employers being more aware as well as strengthening of the law enforcement system.

Construction sector contributes to 60% of workplace accident followed by 34% in manufacturing industry. Majority of workplace accident in the construction sector resulted in fatality as compared to other sectors. The major cause of workplace accident is stuck by object (20.4%) and pull in by machine (15.8%) compared to other causes.

4. Labour Relation

Labour relation forms the backbone of modern industrial society. A positive labour relation at workplace will have positive work experience, where they will work better, harder, happier, and in a more devoted approach. Ultimately, the enterprises will benefit from better labour relation at workplace. The Department ensures better labour relation at workplace through development and implementation of sound labour relation policies, and training and education on alternative dispute resolution process.

Over the decade, the Department has seen an increase in the number of labour disputes reported to the Department. However, this does not indicate a weak labour relation at the workplace. Since, the labour administration system in the country is at an infant stage, it is an indication that more and more workers are aware of their rights at their workplace.

A total of 1162 labour disputes were reported or received by the Department. Thimphu received the maximum number of cases which is about 74% followed by Phuntsholing region with 15%. Over the years, there is an increase in labour disputes from just 106 cases in the fiscal year 2013 – 2014 to 497 in the fiscal year 2017-2018.

The Department had resolved 804 labour disputes in the 11FYP period. Thimphu office had resolved 541 cases followed by Phuntsholing region (153 cases). Considering the rate of disputes resolved, it was found that 100% disputes were resolved in the fiscal year 2016-2017 and a minimum rate was observed in the fiscal year 2017-2018 with just 34.6%.

5. Foreign Workers

With rapid socio-economic development of the country, the need for management, both technical as well as manual labour has increased and this was met by employing large numbers of foreign workers particularly from India. However, with more Bhutanese acquiring higher qualifications, skills and training, today nearly all-managerial and administrative jobs are held by Bhutanese. Similarly, Bhutanese have also filled large numbers of technical positions. Nonetheless, due to the accelerating rate of development activities throughout the kingdom and the emergence of large Hydro Electric Projects, fast growth of urban towns, and East-West highway construction the number of foreign workers, both skilled and un-skilled has increased substantially.

Approximately about 50,000 foreign workers are employed in the country annually. Of the total foreign workers employed approximately about 19,000 of them are deployed in Hydro Electric Projects such as Punatsangchu Hydro Electric Project I & II, Mangduechu, Nikachu Hydro Electric Projects. Occupation wise, Large numbers of Foreign Workers are employed in the Craft and related trade.

CHAPTER ONE: LABOUR PROTECTION



1.1 Labour Inspection

A total of 10038 enterprises were visited in the 11th FYP with the highest inspection visit in the year 2015 -2016 compared to other Fiscal Year (FY) as shown in the Figure 1. Region wise, Phuntsholing region has covered 3637 enterprises followed by Thimphu (2226) in the 11th FYP. The details are illustrated in Table 1.

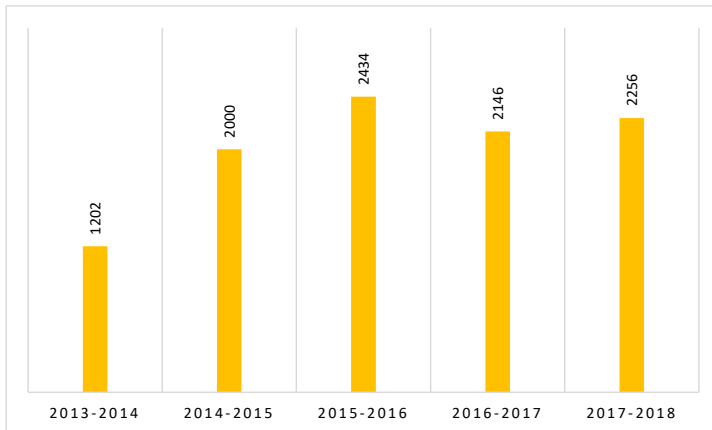


Figure 1: Number of inspection visit to enterprises by fiscal year (FY)

Table 1: Number of inspection visit to enterprises by region and fiscal year

Region	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Gelephu	140	243	340	341	381	1445
Phuntsholing	395	716	1203	635	688	3637
Samdrup Jongkhar	241	257	393	342	412	1645
Tashigang	157	331	146	296	155	1085
Thimphu	269	453	352	532	620	2226
Grand Total	1202	2000	2434	2146	2256	10038

1.1.1 Routine Inspection

A total of 8060 routine inspections were carried out in the 11th FYP with the Phuntsholing region covering 3309 enterprises followed by Thimphu region with 1311 inspections as shown in Table 2.

Table 2: Number of routine inspection visit by region and fiscal year

Region	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Gelephu	120	209	260	332	326	1247
Phuntsholing	310	675	1046	610	668	3309
Samdrup Jongkhar	220	257	311	305	329	1422
Tashigang	97	161	115	258	140	771
Thimphu	63	188	272	250	538	1311
Grand Total	810	1490	2004	1755	2001	8060

1.1.2 Follow-up Inspection

In the 11th FYP, a total of 1301 follow-up inspections were carried out. Head office Thimphu has made 359 follow-up inspections as shown in the Table 3.

Table 3: Number of follow-up inspection visit by region and fiscal year

Region	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Gelephu	20	33	80	9	0	142
Phuntsholing	55	38	157	22	10	282
Samdrup Jongkhar	21	0	81	36	78	216
Tashigang	60	161	31	37	13	302
Thimphu	84	115	62	65	33	359
Grand Total	240	347	411	169	134	1301

1.1.3 Special Inspection

In the 11th FYP a total of 677 special inspections were conducted and the highest number was conducted by Head office, Thimphu as shown in Table 4.

Table 4: Number of special inspection visit by region and fiscal year

Region	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Gelephu	0	1	0	0	55	56
Phuntsholing	30	3	0	3	10	46
Samdrup Jongkhar	0	0	1	1	5	7
Tashigang	0	9	0	1	2	12
Thimphu	122	150	18	217	49	556
Grand Total	152	163	19	222	121	677

1.2 Improvement Notices

Improvement Notices (IN) are issued during inspection visit to the enterprises, if the officers find any contraventions and need ratifications. A total of 1408 improvement notices were issued during the 11th FYP. The highest number of IN issued was in the fiscal year 2015-2016 compared to rest of the FY. The details are provided in Table 5.

Table 5: Number of improvement notices issued by region and fiscal year

Region	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Gelephu	21	31	65	22	20	159
Phuntsholing	93	111	157	76	10	447
Samdrup Jongkhar	15	70	82	24	83	274
Tashigang	55	74	31	37	21	218
Thimphu	32	84	83	66	45	310
Grand Total	216	370	418	225	179	1408

1.3 Penalty Memo

During the 11th FYP a total of 210 penalty memos (PM) were issued to those enterprises failing to comply with the improvement notice issued or violation of provision of labour legislations. The highest PM issued was in the FY 2014-2015 as shown in Figure 2 and Table 6. It was also observed that over the year the PM issued has declined.

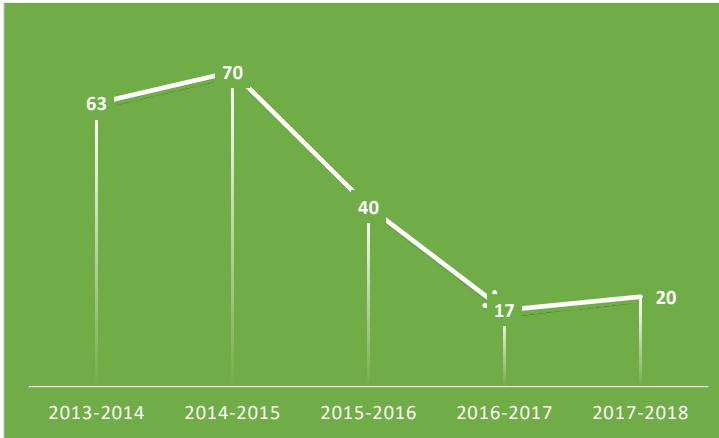


Figure 2: Number of penalty memos issued

Table 6: Number of penalty memos issued by region and fiscal year

Region	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Gelephu	0	6	2	1	0	9
Phuntsholing	13	19	0	6	6	44
Samdrup Jongkhar	17	19	32	0	2	70
Tashigang	3	6	1	0	0	10
Thimphu	30	20	5	10	12	77
Grand Total	63	70	40	17	20	210

1.3.1 Penalty Memo Amount

The Figure 3 and Table 7 shows the amount of money collected as penalty memo issued to various enterprises. In the 11th FYP, a penalty amount of Nu.2, 148,194/- collected from the enterprises.

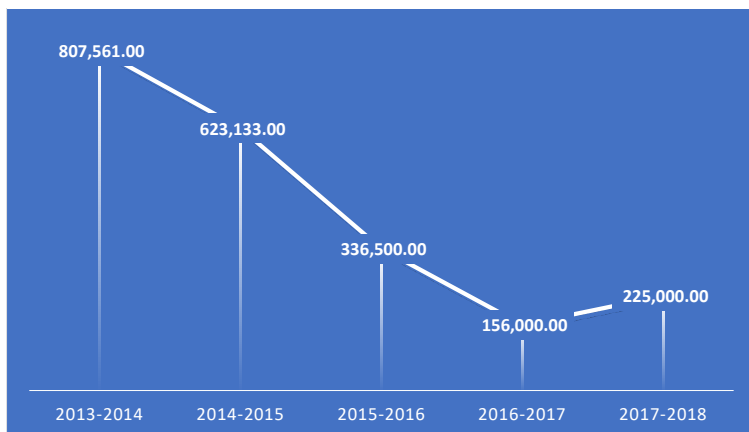


Figure 3: Penalty amount imposed in Ngultrum by region and fiscal year

Table 7: Penalty amount imposed in ngultrum by region and fiscal year

Region	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Gelephu	-	56,500.0	22,500.0	10,500.0	-	89,500.0
Phuntsholing	522,500.00	217,500.0	-	33,000.0	67,500.0	318,000.0
Samdrup Jongkhar	119,061.00	144,633.0	253,750.0	-	22,500.0	420,883.0
Tashigang	19,000.00	26,750.0	4,000.00	-	-	30,750.0
Thimphu	147,000.0	177,750.0	56,250.00	112,500.0	135,000.0	481,500.0
Grand Total	807,561.0	623,133.0	336,500.0	156,000.0	225,000.0	1,340,633.

1.3.2 Compliance percent on the IN issued

Considering the percent of compliance on the IN issued, a gradual increase is observed as shown in the Figure 4.

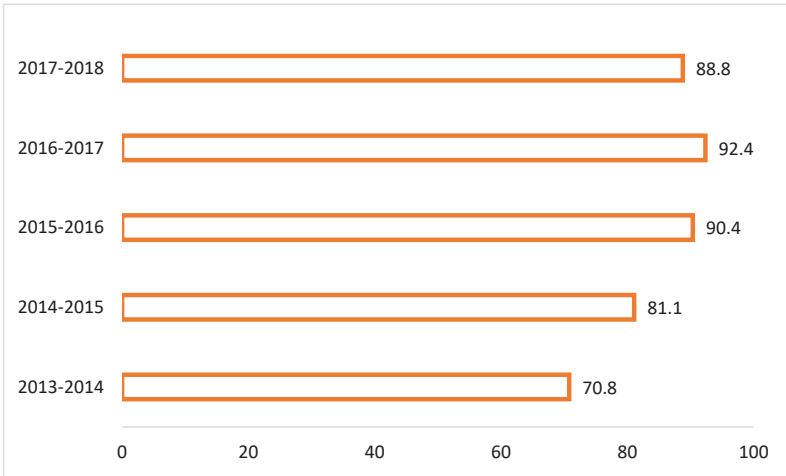


Figure 4: percent of enterprises gaining compliance on the improvement notice issued

1.4 Internal Service Rules endorsed

In the 11th FYP a total of 631 Internal Services Rules (ISR) were reviewed and endorsed as shown in Table 8.

Table 8: Number of Internal Service Rules reviewed and endorsed

Region	2013-2014		2014-2015		2015-2016		2016-2017		2017-2018		Total n
	n	%	n	%	n	%	n	%	n	%	
Total	54	100	98	100	109	100.0	94	100	276	100	631
Thimphu	32	59.26	33	33.7	43	39.4	48	51.1	148	53.6	304
Phuntsholing	10	18.52	33	33.7	22	20.2	20	21.2	44	15.9	127
Gelephu	3	5.56	10	10.2	11	10.1	8	8.5	54	19.6	86
Samdrup jongkhar	4	7.41	12	12.2	22	20.2	12	12.8	15	5.4	65
Tashigang	5	9.26	10	10.2	11	10.1	6	6.4	15	5.4	47

1.5 Provident Fund Participation

At the end of 11th FYP a total of 57,505 workers have participated in the PF scheme in three financial institutions. The details are shown in Table 9.

Table 9: Number of employees with provident fund scheme by financial

Year	RICBL		BIL		NPPF		Grand Total	
	No of Ents.	Employees	No of Ents.	Employees	No of Ents.	Employees	No of Ents.	Employees
2013	1,198	15,998	71	2,159	833	11207	2,102	29,364
2014	240	2,815	14	182	62	646	316	3,643
2015	308	7,777	54	650	52	541	414	8,968
2016	344	5,279	48	973	91	776	483	7,028
2017	112	2,708	26	379	189	1,467	327	4,554
2018	257	2,380	125	753	2	815	384	3,948
Grand Total	2,459	36,957	338	5,096	1,229	15,452	4,026	57,505

Note: BIL: Bhutan Insurance Limited, NPPF: National Pension and Provident Fund, RICBL: Royal Insurance Corporation Ltd

Table 10: Number of employees with provident fund scheme by sector and financial institute

Sector by Economic Activity	BIL	NPPF	RICBL	Grand Total
Agriculture, Livestock, Forestry and Fishing	10	425	409	844
Construction	356	2673	10981	14010
Education and Health	295		2302	2597
Electricity & water supply	0	4133	1511	5644
Finance, Insurance and Real Estate	215	1877	445	2537
Hotels & Restaurant	1073	0	4685	5758
Manufacturing	587	1667	6023	8277
Mining & Quarry	101	69	596	766
Public Admin	2	1983	706	2691
Service	1045	2401	7459	10905
Wholesale & Retail trade	1412	224	1840	3476
Grand Total	5096	15452	36957	57505

1.6 Awareness and Training program

The Department conducted awareness and training programs on labour legislation and occupational health and safety to 9705 participants from private, corporate, NGOs, and public sectors. The details are illustrated in Figure 5 and Table 11.

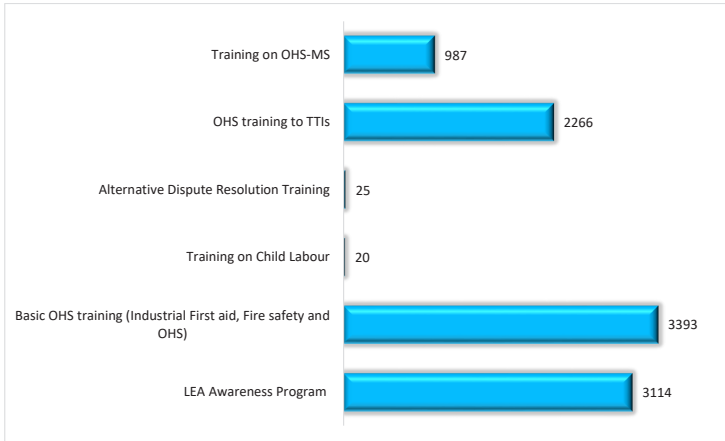


Figure 5: Number of participants who attended Awareness and training programs

Table 11: Number of participants who attended awareness and training programs

Program	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
LEA Awareness Program	0	37	55	0	3022	3114
Basic OHS training (Industrial First aid, Fire safety and OHS)	450	337	540	600	1366	3293
Training on Child Labour	0	20	0	0	0	20
Alternative Dispute Resolution Training	0	0	25	0	0	25
OHS training to TTIs	534	448	661	623		2266
Training on OHS-MS	0	0	0	79	908	987
Grand Total	984	842	1281	1302	5296	9705

CHAPTER TWO: OCCUPATIONAL HEALTH AND SAFETY



2.1 Occupational Health and Safety Assessment

Occupational Health and Safety Assessment was initiated from 2015 with the objective to create safety and healthy workplace through annual safety auditing. Initially, a total of 27 enterprises were assessed for good safety practices and gradually increased to 84 at the end of 11th FYP. Similarly, the number of enterprises adopting good safety and health practices increased from just 37.0% to 58.33% at the end of the 11th FYP. The details are provided in Figure 6 and Table 12.

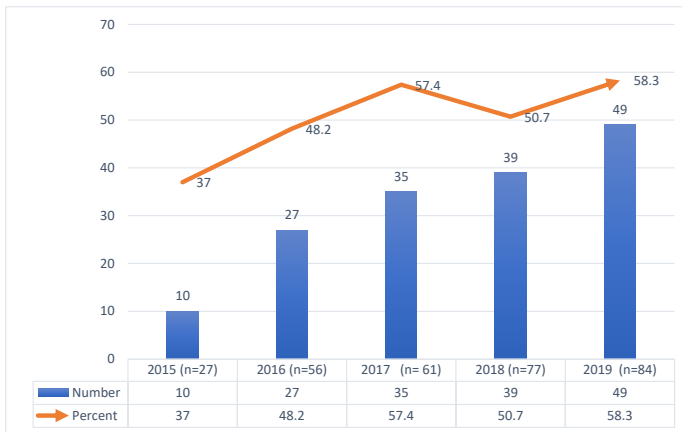


Figure 6: Percent of enterprises adopting good safety and health practices

Table 12: Number and percent of enterprises adopting good safety and health practices

Region	2015 (n=27)		2016 (n=56)		2017 (n=61)		2018 (n=77)		2019 (n=84)	
	n	%	n	%	n	%	n	%	n	%
Phuntsholing	5	20.8	11	40.7	20	57.1	20	51.3	25	51.0
Thimphu	3	30.0	8	26.6	8	22.9	6	15.4	12	24.5
Gelephu	1	10.0	7	25.9	5	14.3	8	20.5	7	14.3
Samdrup Jongkhar	1	10.0	1	3.7	1	2.9	2	5.1	3	6.1
Trashigang	0	0.0	0	0.0	1	2.9	3	7.7	2	4.08
Total	10	37.0	27	48.2	35	57.4	39	50.7	49	58.3

2.2 Workplace accident

It was observed that there is a rise in number of accidents reported to the department from just 43 cases in 2013-2014 to 90 cases in 2017-2018.

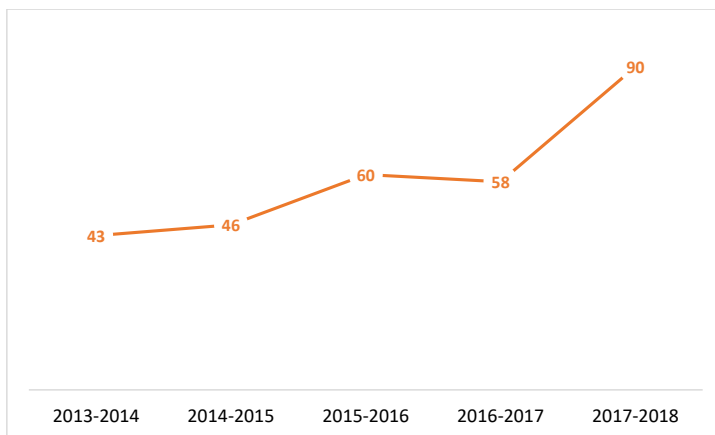


Figure 7: Total number of workplace accident

Table 13: Total number and percent of workplace accident by region and fiscal year

Region	2013-2014		2014-2015		2015-2016		2016-2017		2017-2018	
	n	%	n	%	n	%	n	%	n	%
Total	43	100.0	46	100.0	60	100.0	58	100.0	90	100.0
Gelephu	3	7.0	5	10.9	11	18.3	9	15.5	10	11.1
Phuntsholing	4	9.3	6	13.0	12	20.0	33	56.9	37	41.1
Samdrup Jongkhar	0	0.0	0	0.0	7	11.7	9	15.5	19	21.1
Tashigang	0	0.0	5	10.9	1	1.7	2	3.4	11	12.2
Thimphu	36	83.7	30	65.2	29	48.3	5	8.6	13	14.4

2.2.1 Workplace accident by sector

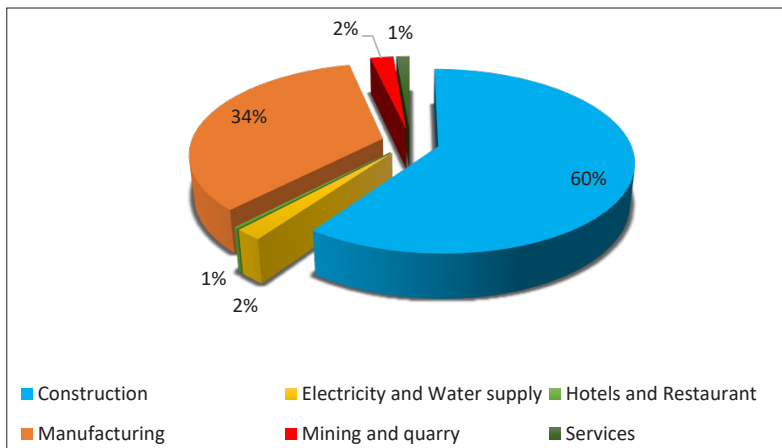


Figure 8: Workplace accident by sector(2013-2018)

Table 14: Number of workplace accident by sector and fiscal year

Sector by Activity	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Construction	35	29	36	35	47
Electricity and Water supply	2	0	0	0	4
Hotels and Restaurant	0	0	0	0	1
Manufacturing	6	16	20	26	36
Mining and quarry	0	1	3	3	0
Services	0	0	1	1	2
Grand Total	43	46	60	65	90

2.2.2 Total number of accident by type

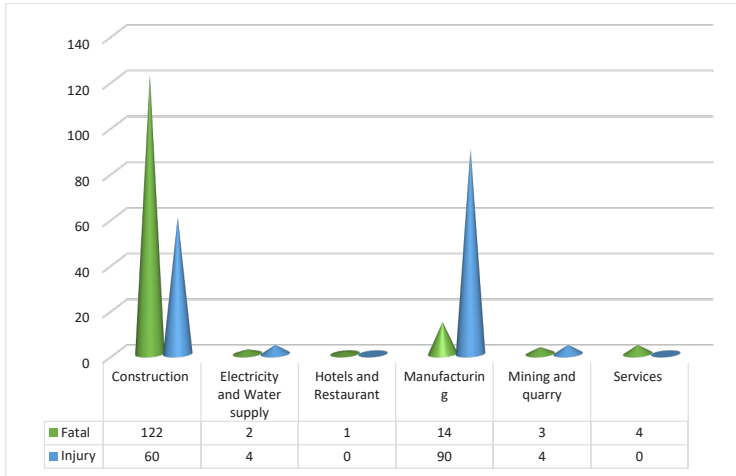


Figure 9: Type of workplace accident by sector (2013-2018)

Table 15: Type of workplace accident by sector and fiscal year

Sector by Activity	2013-2014		2014-2015		2015-2016		2016-2017		2017-2018	
	Fatal	Injury	Fatal	Injury	Fatal	Injury	Fatal	Injury	Fatal	Injury
Construction	31	4	17	12	21	15	26	9	27	20
Electricity and Water supply	2	0	0	0	0	0	0	0	0	4
Hotels and Restaurant	0	0	0	0	0	0	0	0	1	0
Manufacturing	3	3	6	10	1	19	1	25	3	33
Mining and quarry	0	0	1	0	1	2	1	2	0	0
Services	0	0	0	0	1	0	1	0	2	0
Grand Total	36	7	24	22	24	36	29	36	33	57

2.2.3 Cause of workplace accident

Table 16: Major cause of workplace accident by sector and fiscal year

Cause	2013 -2014		2014-2015		2015-2016		2016-2017		2017-2018		Grand Total	
	n	%	n	%	n	%	n	%	n	%	n	%
Electric shock	3	7.0	3	6.5	2	3.3	8	12.3	4	4.4	20	6.6
Excavation and Tunneling (cave-in)	0	0.0	0	0.0	0	0.0	0	0.0	13	14.4	13	4.3
Failure in safety management	0	0.0	0	0.0	0	0.0	0	0.0	11	12.2	11	3.6
Fall from height	9	20.9	7	15.2	5	8.3	9	13.8	18	20.0	48	15.8
Pull in by machine	0	0.0	0	0.0	0	0.0	0	0.0	11	12.2	11	3.6
Stuck by object	7	16.3	13	28.3	20	33.3	11	16.9	11	12.2	62	20.4
Vehicle accident	0	0.0	0	0.0	0	0.0	0	0.0	9	10.0	9	3.0
Others	24	55.8	23	50.0	33	55.0	37	56.9	13	14.4	130	42.8
Grand Total	43	100	46	100	60	100	65	100	90	100	304	100

CHAPTER THREE: LABOUR RELATION



3.1 Labour Dispute Received

A total of 1162 disputes were received by the department in the 11FYP, out of which Thimphu office received the maximum number (860) as shown in Figure 10 and Table 16. Considering the fiscal year, 2017-2018 experienced the highest number of disputes.

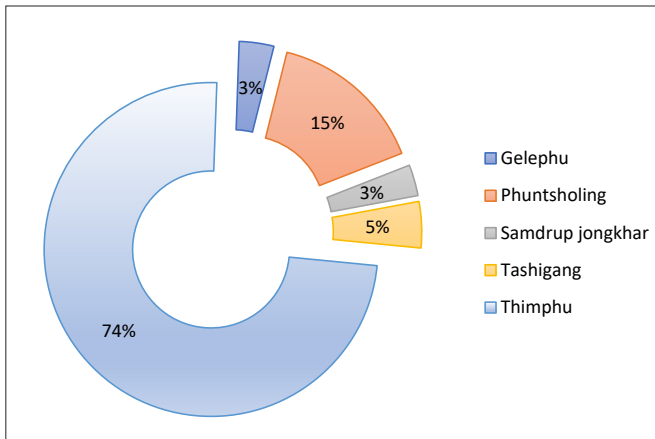


Figure 10: Total labour disputes received by region

Table 17: Number of labour disputes received by region and fiscal year

Region	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Gelephu	6	7	7	6	13	39
Phuntsholing	41	47	35	30	23	176
Samdrup Jongkhar	4	9	3	6	13	35
Tashigang	3	2	14	16	17	52
Thimphu	52	80	131	166	431	860
Grand Total	106	145	190	224	497	1162

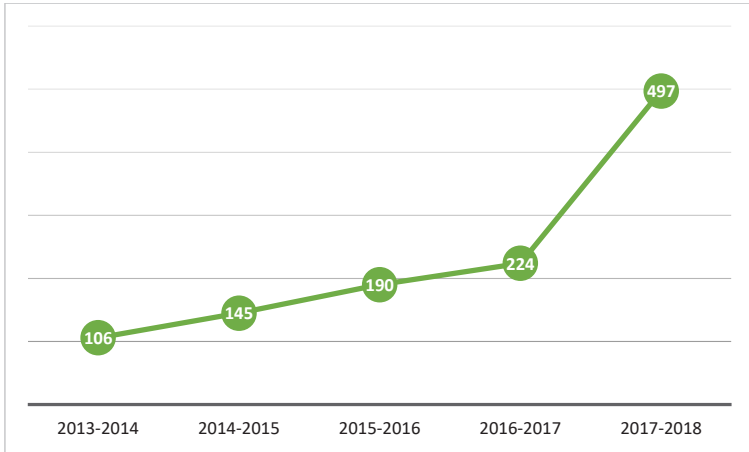


Figure 11: Number of labour disputes received by fiscal year

3.2 Dispute resolved

A total of 804 disputes were resolved out of 1162 cases received by the Department and the Thimphu office has resolved 541 cases in the 11FYP as illustrated in Figure 12 & 13 and Table 17. The highest dispute resolved was in the fiscal year 2016-2017. The rest of the cases could be either in the process of review or withdrawn.

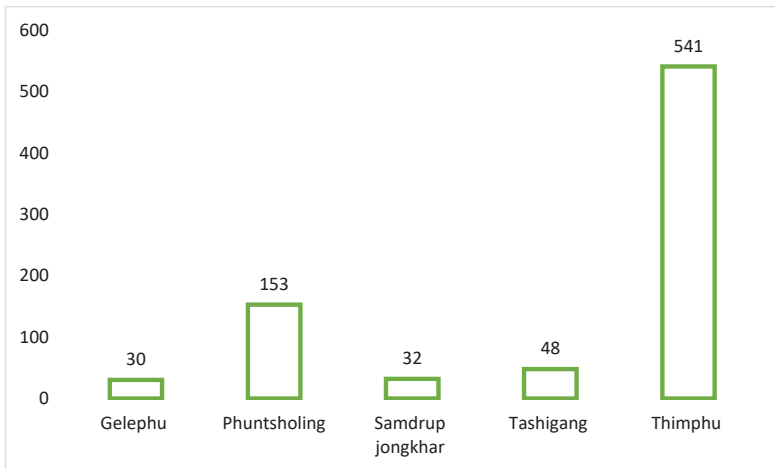


Figure 12: Total number of disputes resolved by region

Table 18: Number of disputes resolved by region and fiscal year

Region	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Gelephu	3	7	7	6	7	30
Phuntsholing	30	44	31	30	18	153
Samdrup Jongkhar	4	9	3	6	10	32
Tashigang	3	2	14	16	13	48
Thimphu	45	76	130	166	124	541
Grand Total	85	138	185	224	172	804

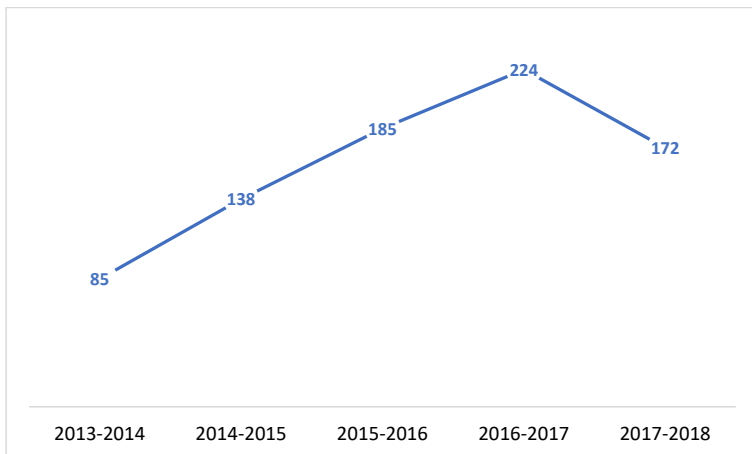


Figure 13: Total number of disputes resolved by fiscal year

3.3 Dispute Resolved Rate

The rate of disputes resolved by the Department of Labour was the highest in the fiscal year 2016-2017 as compared to rest of the fiscal year. The lowest resolved rate was observed in the fiscal year 2017-2018 with just 34.6% as shown in Figure 14 and Table 19.

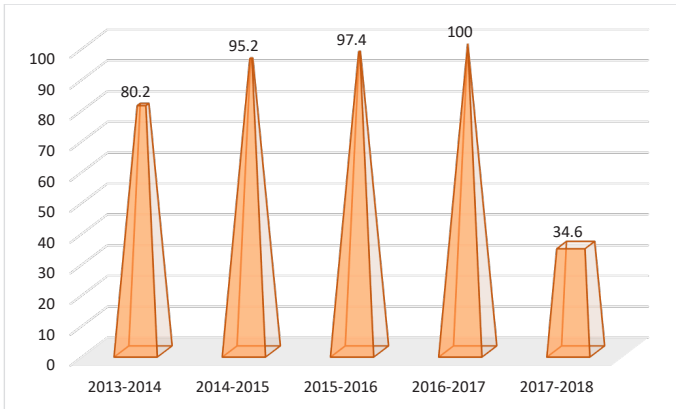


Figure 14: Comparative statement on percent or rate of dispute resolved by fiscal year

Table 19: Comparative statement on the percent or rate of dispute resolved by fiscal year

Indicator	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Dispute received	106	145	190	224	497	1162
Dispute resolved by DoL	85	138	185	224	172	804
% of cases resolved or success indicator	80.2	95.2	97.4	100	34.6	69.2

3.4 Nature of Dispute

The number of disputes with regards to non-payment of wages was found to be highest (484) followed by non-compliance with the notice period for termination and non-payment of benefits as shown in Table 20 & 21.

Table 20: Nature of dispute received by region

Nature of Dispute	T/Phu	P/ling	Gelephu	Samdrup Jongkhar	T/gang	Total
Discrimination	3	0	0	0	0	3
Non-acceptance of Resignation	11	3	0	1	0	15
Nonpayment of wages	315	73	34	21	41	484
Nonpayment of benefits	81	41	0	0	0	122
Notice period for termination of contract	270	29	5	5	8	317
Sexual harassment	1	3	0	0	0	4
Unlawful deduction	3	0	0	2	0	5
Others	176	27	0	6	5	214
Grand Total	860	176	39	35	54	1162

Table 21: Number of disputes by fiscal year and nature for Thimphu Region

Nature of Dispute	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Discrimination	0	0	0	0	3	3
Non-acceptance of Resignation	0	3	3	5	0	11
Non-payment of wages	28	43	60	68	116	315
Non-payment of benefits	9	12	21	18	21	81
Notice period for termination of contract	9	14	19	49	179	270
Sexual harassment	0	1	0	0	0	1
Unlawful deduction	0	0	0	0	0	3
Others	5	7	28	24	112	176
Grand Total	51	80	131	164	431	860

Table 22: Number of disputes by FY and Nature for Phuntsholing Region.

Nature of Dispute	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Discrimination	0	0	0	0	0	0
Non-acceptance of Resignation	0	3	0	0	0	3
Non-payment of wages	17	26	19	3	8	73
Non-payment of benefits	8	10	4	13	6	41
Notice period for termination of contract	12	5	7	0	5	29
Sexual harassment	0	2	0	1	0	3
Unlawful deduction	0	0	0	0	0	0
Others	4	3	3	13	4	27
Grand Total	41	49	33	30	23	176

Table 23: Number of disputes by FY and Nature for Gelephu Region.

Nature of Dispute	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Discrimination	0	0	0	0	0	0
Non-acceptance of Resignation	0	0	0	0	0	0
Non-payment of wages	6	5	7	6	10	34
Non-payment of benefits	0	0	0	0	0	0
Notice period for termination of contract	0	2	0	0	3	5
Sexual harassment	0	0	0	0	0	0
Unlawful deduction	0	0	0	0	0	0
Others	0	0	0	0	0	0
Grand Total	6	7	7	6	13	39

Table 24: Number of disputes by FY and nature for Samdrup jongkhar Region

Nature of Dispute	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Discrimination	0	0	0	0	0	0
Non-acceptance of Resignation	0	1	0	0	0	1
Non-payment of wages	0	4	3	3	11	21
Non-payment of benefits	0	0	0	0	0	0
Notice period for termination of contract	0	3	0	1	1	5
Sexual harassment	0	0	0	0	0	0
Unlawful deduction	0	0	0	0	2	2
Others	3	0	0	2	1	6
Grand Total	3	8	3	6	15	35

Table 25: Number of disputes by FY and nature for Tashigang Region

Nature of Dispute	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Total
Discrimination	0	0	0	0	0	0
Non-acceptance of Resignation	0	0	0	0	0	0
Non-payment of wages	2	2	10	13	14	41
Non-payment of benefits	0	0	0	0	0	0
Notice period for termination of contract	0	0	2	3	3	8
Sexual harassment	0	0	0	0	0	0
Unlawful deduction	0	0	0	0	0	0
Others	1	0	2	0	0	3
Grand Total	3	2	14	18	17	54

CHAPTER FOUR: FOREIGN WORKERS



4.1 Foreign Workers Employed by Dzongkhag

It was observed that approximately about 50,000 foreign workers are employed in the country annually. Hydro Electric Power Projects employs approximately about 19000 foreign workers annually.

Table 26: Number of Foreign Workers by Fiscal year and Dzongkhag

Dzongkhag	Jul-16	Jul-17	Jul-18
Bumthang	711	528	550
Chhukha	2657	4,181	3027
Dagana	954	1,063	909
Gasa	91	392	293
Haa	579	1,120	803
Lhuentse	280	132	118
Mongar	669	883	942
Paro	2742	4,284	4733
Pema Gatshel	673	513	318
Punakha	1531	1,659	1572
Samdrup Jongkhar	1533	1,098	1526
Samtse	1287	1,243	994
Sarpang	3010	3,669	2662
Thimphu	9761	11,807	16093
Trashigang	979	2,183	1857
Trashiyangtse	387	431	370
Trongsa	9047	8,389	7705
Tsirang	773	1,272	590
Wangdue Phodrang	11695	9,857	8320
Zhemgang	580	655	463
Total	49,939	55,359	53,845

4.2 Foreign Workers Employed in Hydro Projects

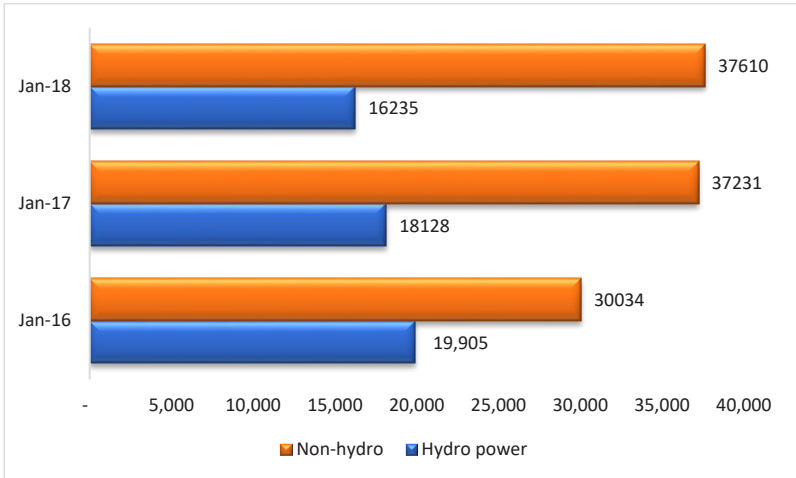


Figure 15: Number of Foreign Workers by Hydro Power and Non Hydro sector

4.3 Foreign Workers by Major Occupation

Table 27: Number of Foreign Workers by Fiscal year and Major Occupations

Major Occupations	Jul-16			Jul-17			Jul-18		
	Hydro	Non-hydro	Total	Hydro	Non-hydro	Total	Hydro	Non-hydro	Total
Clerical support workers	10	1	11	9	602	611	8	500	508
Craft and related trade workers	16,626	26,770	43,396	15,186	30,507	45,693	13,585	32,200	45,785
Elementary Occupation	259	1,842	2,101	72	4,843	4,915	34	3,684	3,718
Managers	116	154	270	105	141	246	99	143	242
Plant and machine operators and assemblers	1,751	231	1,982	1,662	241	1,903	1,526	236	1,762
Professionals	592	792	1,384	612	653	1,265	542	560	1,102
Service and sales workers	56	78	134	46	77	123	39	99	138
Skilled Agricultural, Forestry and Fishery workers	0	58	58	0	63	63	-	58	58
Technicians and Associate Professionals	495	108	603	436	104	540	402	130	532
Total	19,905	30,034	49,939	18,128	37,231	55,359	16,235	37,610	53,845

4.4 Foreign Workers by Gender

Table 28: Number of Foreign Workers by Gender and Dzongkhag

Dzongkhag	Jul-16			Jul-17			Jul-18		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Bumthang	703	8	711	528	0	528	550	-	550
Chhukha	2635	22	2657	3627	554	4,181	2,616	411	3027
Dagana	954	0	954	1063	0	1,063	909	-	909
Gasa	91	0	91	391	1	392	292	1	293
Haa	576	3	579	1065	55	1,120	761	42	803
Lhuentse	280	0	280	132	0	132	118	-	118
Mongar	664	5	669	797	86	883	856	86	942
Paro	2729	13	2742	4011	273	4,284	4,485	248	4733
Pema Gatshel	672	1	673	513	0	513	318	-	318
Punakha	1527	4	1531	1650	9	1,659	1,563	9	1572
Samdrup Jongkhar	1531	2	1533	1055	43	1,098	1,477	49	1526
Samtse	1279	8	1287	1237	6	1,243	989	5	994
Sarpang	3008	2	3010	3660	9	3,669	2,658	4	2662
Thimphu	9683	78	9761	11613	194	11,807	15,901	192	16093
Trashigang	973	6	979	1788	395	2,183	1,474	383	1857
Trashiyangtse	385	2	387	431	0	431	366	4	370
Trongsa	9040	7	9047	8383	6	8,389	7,691	14	7705
Tsirang	772	1	773	1271	1	1,272	587	3	590
Wangdue Phodrang	11687	8	11695	9844	13	9,857	8,312	8	8320
Zhemgang	577	3	580	653	2	655	461	2	463
Total	49,766	173	49,939	53,712	1,647	55,359	52,384	1,461	53,845

CHAPTER FIVE: ACHIEVEMENTS



Following are the achievements outside planned activities of the Department of Labour in the 11th FYP:

1. Developed and submitted National Social Security Policy to GNHC (2013 – 2014)
2. Developed and submitted National Occupational Health and Safety Policy to GNHC and Cabinet for approval (2013 – 2014)
3. Conducted Study on Furniture House in Bhutan (2015 – 2016)
4. Conducted alternative dispute resolution training for the Labour Officers in collaboration with Bhutan National Legal Institute, Samdrup Jongkhar (2015-2016)
5. Reviewed and amended Foreign Workers Recruitment Agent Regulation (2016-2017)
6. Introduced work permit system to DANTAK and IMTRAT workers (2016-2017)
7. Developed and published guideline on Risk Assessment (2017-2018)
8. Developed and published model for Occupational Health and Safety Policy Statement for enterprises (2017-2018)
9. Annually observed World Safety Day on 28th April
10. Reviewed and finalized Guidelines on Assessment and Evaluation on OHS practice at workplace, 2017 (2017-2018).
11. Encouraged and introduced three months or more maternity leave in 180 private enterprises (2017-2018)
12. Encouraged and introduced Crèches in 10 agencies (2017-2018)

Reference

1. The 11th Five Year Plan Document
2. Establishment survey 2017, MoLHR
3. Annual Labour Report 2013-2014
4. Annual Labour Report 2014-2015
5. Annual Labour Report 2015-2016
6. Annual Labour Report 2016-2017
7. Annual Labour Report 2017-2018
8. Labour and Employment Act 20017
9. Regulation on Occupational Health, Safety and Welfare 2012
10. Regulation on Working conditions 2012
11. Regulation on OHS for construction industry 2012
12. Service Charter of Department of Labour