

LaYog NeySheyd**A CRITICAL ANALYSIS REPORT**

This issue of the LaYog NeySheyd (Employment Brief) aims to critically analyze employment related data, identify trends, relationships, and patterns, and draw insights from the 12th Five Year Plan (July 2018 to June 2023) information presented in the DoEE_Reporting Dashboard (attached in the annexure). The LaYog NeySheyd will be issued biannually.

KEY FACTS AND FIGURES

- The number of **registered job seekers** has been gradually increasing over the years, with a significant jump observed between 2021-22 and 2022-23 FYs (Fiscal Years).
- There is a notable difference in the number of male and female job seekers, with more females **registering for jobs** in most years in the 12 FYP (Five Year Plan).
- The number of registered job seekers has been gradually increasing, leading to more placements in available vacancies. The significant jump observed between 2021-22 and 2022-23 FYs indicates a potential growth in job opportunities or an improvement in the efficiency of the job placement process.
- The data shows variations in **job seekers referred** by Employment Service Centers (ESC) over the years, but overall, the number of referrals has been increasing.
- The majority of **referrals** are females, reflecting possible efforts to enhance female employability.
- The trend in total **job placements** follows a similar pattern to the registered job seekers, showing a steady increase over the years (this includes the placements made by the programs such as youth engagement and livelihood program, build Bhutan project, through the services of employment service centers, and overseas employment program).
- The male-female ratio in **job placements** is relatively balanced, indicating that both genders have comparable opportunities in job placements.
- The data shows a positive trend in placements against vacancies over the years.
- This trend indicates a favourable scenario for job seekers, as it suggests that there are increasing job opportunities, and employers are actively filling vacancies with suitable candidates from the registered pool.
- The majority of **job seekers** possess University Graduate and Certificate/TTI/IZC qualifications, indicating a high supply side of these individuals in the job market.
- The majority of **job placements** made overseas in particular are in countries like Kuwait, UAE, India, and Qatar, reflecting a popular destination country among Bhutanese job seekers.

8 August 2023

- The number of **placements** in other countries remains relatively low, highlighting potential opportunities for diversifying job markets.
- A significant number of **job placements are facilitated** by the Ministry of Labour and Human Resources and Wangchuk Overseas Employment Agent.
- Efforts in **Promotion & Preparation** Programs: The EPD Training Participants and EPD Jobs show an increasing trend, indicating the success of entrepreneurship development programs in fostering startups and creating job opportunities.
- The EPD Infrastructure and EPD BIC Incubatees, on the other hand, have seen limited growth.

STATISTICAL OBSERVATION

The provided data represents the values of two important labour market indicators, Labour Market Tightness and Application Ratio, for the 12 FYP.

	2018-19	2019-20	2020-21	2021-22	2022-23	12 FYP
Labour Market Tightness	1.9	3.0	4.2	0.8	0.6	1.2
Application Ratio	0.5	0.3	0.2	1.2	1.7	0.8

Labour Market Tightness refers to the relationship between the number of job vacancies and the number of unemployed job seekers.

How to Interpret: A high tightness ratio indicates a labour shortage where vacancies exceed the available workforce, while a low ratio indicates a surplus of labour.

The **Application Ratio** measures the competitiveness of the job market by comparing the number of job seekers to the number of job vacancies.

How to Interpret: A high application ratio suggests higher competition for a limited number of jobs, while a low ratio implies a lower level of competition.

The trends in Labour Market Tightness and Application Ratio provide valuable insights into the dynamics of the job market over the given period.

The labour market started with a balanced tightness ratio in 2018-19 FY, indicating a relatively stable relationship between vacancies and job seekers.

From 2019-20 to 2020-21 FYs, due to pandemic, the tightness ratio increased significantly, suggesting a tightening labour market and increasing demand for workers. However, 2021-22 and 2022-23 FYs, the tightness ratio dropped substantially, indicating an oversupply of labour and reduced labour demand as many were displaced, unemployed and the businesses were closed or non-operational on the other hand.

The application ratio showed a similar pattern but in the opposite direction. The ratio decreased from 2018-19 to 2020-21 FYs, indicating lower competition for jobs. Then, in the last two years, the ratio increased sharply, suggesting higher competition for a limited number of jobs this can be also attributed to closure of many businesses and Australian exodus.

FINDINGS AND RECOMMENDATIONS

The critical analysis of the data highlights several key trends. The gradual increase in registered job seekers and placements indicates a positive outlook for the job market. Additionally, the focus on promoting entrepreneurship is yielding positive results in terms of creating startups and job opportunities.

- Improve jobseeker services, focus on emerging opportunities, and enhance collaboration among different stakeholders to ensure the effective functioning of the employment ecosystem.
- The current services has minimal effort to preparation of job seekers aspects or does not include specific details about the preparation of job seekers through training, internship, guidance, and school to work transition programs for them to navigate smoothly in the job market.
- Thus, considering that the Department's core values which include "**Prepare, Promote, and Place**," it can be inferred that efforts are to be strengthened in these areas to enhance the employability of job seekers.

To effectively prepare job seekers for the job market, potential efforts and inclusion of activities and programs could be implemented. These may include:

- **Training Programs:** Implementing various training programs that focus on developing essential job skills, such as technical skills, soft skills, communication, problem-solving, and teamwork. These programs can be tailored to match the demands of specific industries and sectors.
- **Internship Opportunities:** Collaborating with employers to offer internship opportunities to job seekers. Internships provide valuable real-world experience and allow job seekers to apply their skills in practical settings, increasing their chances of securing full-time positions.
- **Career Guidance and Counseling:** Providing personalized career guidance and counseling services to job seekers. This can help them explore different career paths, identify their strengths, and align their career goals with available opportunities. The LMI-CGD has been instrumental in these fronts however, a dedicated counselling service to walk-in job seekers is required.
- **Industry Partnerships:** Establishing partnerships with industries and employers to stay updated on the latest job market trends and demands. This collaboration can help tailor preparation programs to meet the specific needs of the job market.
- **Skill Assessment and Development:** Conducting skill assessments to identify the areas where job seekers may need improvement. Based on these assessments, personalized skill development plans can be created to bridge any skill gaps.
- **Creation of Holistic Entrepreneurship Eco-system:** Entrepreneurship Development Programs play a major role in promoting the culture of

8 August 2023

entrepreneurship through creativity, innovations and startups and the findings also shows increase in startups and job created, the EPD has been instrumental in these fronts. However, an enhanced focus and investment on additional focus on the BIC incubates and infrastructure to boost entrepreneurship is required.

By incorporating these activities and programs, the Department can ensure that job seekers are well-prepared to meet the demands of the job market. Moreover, continuous evaluation and improvement of these initiatives can contribute to higher job placement rates and increased success for both job seekers and employers.

8 August 2023

OVERALL JOBSEEKER REGISTRATION, REFERRAL & PLACEMENT																					
	2018-19			2019-20			2020-21			2021-22			2022-23			2023-24			12 FYP		
SERVICE	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Job Seekers (Registered)	2033	2185	4218	1846	2132	3978	1813	2507	4320	5441	7241	12682	10485	12341	22826	983	1618	2601	22601	28024	50625
Job Seekers (Total Placed)	2933	2596	5529	3459	3361	6820	3139	2213	5352	3614	3767	7381	3831	5061	8892	101	168	269	17077	17166	34243
Job Seekers (Referred by ESC)	693	520	1213	175	113	288	266	252	518	1415	1657	3072	346	567	913	148	63	211	3043	3172	6215
PLACEMENT																					
	2018-19			2019-20			2020-21			2021-22			2022-23			2023-24			12 FYP		
PROGRAMS	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
YELP	0	0	0	179	198	377	394	620	1014	410	683	1093	899	1657	2556	0	0	0	1882	3158	5040
BBP	0	0	0	0	0	0	1071	319	1390	277	85	362	0	0	0	0	0	0	1348	404	1752
ESC	2471	1911	4382	2300	1763	4063	1615	1140	2755	2429	2044	4473	2262	2011	4273	57	51	108	11134	8920	20054
OEP	462	685	1147	980	1400	2380	59	134	193	498	955	1453	670	1393	2063	44	117	161	2713	4684	7397
Total	2933	2596	5529	3459	3361	6820	3139	2213	5352	3614	3767	7381	3831	5061	8892	101	168	269	17077	17166	34243
VACANCY																					
PROGRAMS	2018-19			2019-20			2020-21			2021-22			2022-23			2023-24			12 FYP		
YELP	0			2340			2619			2669			3703			0			11331		
BBP	0			0			8825			1847			0			0			10672		
ESC	3915			6100			6827			2909			4115			305			24171		
OEP	4043			3463			23			2961			7272			714			18476		
Total	7958			11903			18294			10386			15090			1019			64650		
PROMOTION																					
PROGRAMS	2018-19			2019-20			2020-21			2021-22			2022-23			2023-24			12 FYP		
EPD Training Participants	176			324			334			751			2079			0			3664		
EPD Infrastructure	0			3			4			0			0			0			7		

8 August 2023

EPD BIC Incubatees	0	0	0	19	12	0	31
EPD Events	0	3	7	12	10	0	32
EPD Startups	16	24	60	60	37	0	197
EPD Jobs	39	99	116	106	145	0	505
GOWA Program	0	0	0	9	22	0	31
ERS (Employability Responsibility System)	0	9160	12221	22887	36738	0	81006

Definition of Concepts

1. EPD Training Participants: Includes participants of advance entrepreneurship courses (AEC), basic entrepreneurship courses (BEC), training of trainers (ToT) and skills development program (SDP).

2. EPD Infrastructure: Includes the infrastructure such as business incubation centres (BIC) and fab labs (FL).

3. EPD Events: Includes events hosted such as startup hackathon challenge (SHC), students' business seedling program (SBSP), Spring Board plus program (SBPP), Bhutan new venture challenge (BNVC), startup weekend (SW), druk tshongrig gatoen (DTG), startup bootcamp (SB), product launch (PL), digital job challenge (DJC), business idea competition (BIC).