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**CHATHRIM FOR
WAGE RATE, RECRUITMENT AGENCIES
AND WORKERMEN'S COMPENSATION**

1994

WAGE RATES

Chapter-I (Wage Rates for different Categories):

1. The Wage Rates, terms and conditions outlined below shall be applicable to all employers for recruiting and engaging unskilled and skilled persons in Bhutan who are outside the Royal Civil Service (RCSC).

WAGE RATE

2. Category	Daily	Consolidated (P.M.)
I	40.00	1,200/-
II	36.00	1,080/-
III	33.00	990/-
IV	30.00	900/-
V (National Work Force on Consolidated Pay)	(A) Nu. 750/- (M) Nu. 650/- (F)	(B) Nu. 600/- (M) Nu. 500/- (F)
VI (Daily Wage Employees)	(A) Nu. 22/- (M) Nu. 20/- (F)	(B) Nu. 15/- (M) Nu. 13/- (F)

3. Wage Rates at categories V & VI above are applicable at the dzongkhags given below ;

A) above - Thimphu, Paro, Ha, Punakha, Wangdiphodrang and Bumthang.

B) above - Chukha, Samchi, Gaylegphug, Chirang, Shemgang, S/Jongkhar, Tashigang, Pemagatshel, Mongar, Lhuntshi, Dagana and Tongsa.

4. Guidelines for category of skilled groups is at Annexure `A'.

ANNEXURE `A'

CATEGORIES

Category - I

Auto Mechanic Gr. I
Gen. Mechanic Gr. I

Gen. Mechanic Gr. II

Lineman Gr. II
Carpenter Gr. II

Lineman Gr. I
Lharib Gr. I
Plant Operator Gr. I
Carpenter Gr. I

Mason Gr. I
Plumber Gr. I
Auto Electrician Gr. I
Plant Operator Gr. I

Category - II
Auto Mechanic Gr. II

Blacksmith
Lajabs (Work Supervisor)

Category - III

Auto Mechanic Gr. III
Gen. Mechanic Gr. III
Lineman Gr. III
Mason Gr. II
Carpenter Gr. III
Plumber Gr. II
Auto Electrician Gr. II
Sawyer Gr. I
Blaster
Wireman Gr. I
Plant Operator Gr. III

Category - IV

Sawyer Gr. II
Wireman Gr. II
Mechine Operator
Sweeper

Category - V

National Work-Force on Con-
solidated pay.

Category - VI

Daily Wage Employees

Chapter - II (General Regulations) :

- 1) All contingency staff/persons engaged on Consolidated Pay or Daily Wage basis should be employed within category (I to VI) depending on their experience and grades of skill.
- 2) The level of wage rate is applicable to all throughout the Kingdom.
- 3) Working duration shall be 9 hours a day with one hour lunch break. The working timing shall be determined by the concerned authorities at the work-site depending on places and seasons.
- 4) The Government approved wage rate is valid until further order may be revised from time to time.
- 5) Persons paid on consolidated and daily wages will not be entitled for daily allowances (DA).
- 6) Carpenters (Zows) and masons (Dozows) of Gr. I taking lead responsibility as Zopons and Dozow Lopons on any construction work shall be paid extra Nu. 5/- per day.
- 7) This provision will not effect the Gungda Woola wage rates and its Chathrim.
- 8) Dzongdag and Gup should certify if possible, skill grades of carpenters, masons, painters, blacksmith etc. Similarly the Technical department and other employers should also issue certificate indicating skill grade while being sent to other employers. This is for the purpose of setting skill level and category.
- 9) The Ministry of Home Affairs shall monitor effectiveness of the structure of wages through the Dzongkhag and concerned employers.

Chapter - III (Facilities & Benefits) :

- 1) The above category work force will be eligible for work compensation as approved by the National Assembly Resolution 33 (58th) session 1979 or they shall have RICB Group Accident Insurance coverage paid by the employers.
- 2) Medical coverage will be given as far as practical free of charge within the country and as applicable to all the citizens.
- 3) Rations on payment shall be made available at the site whenever possible.
- 4) Material for temporary site living accommodation (bamboo mat) may be provided free of cost if deemed appropriate otherwise they will have to make their own arrangements except where specific provisions are made in these rules and regulations.
- 5) Transportation shall be borne by the concerned employer or reimburse the actual bus fare from the hometown to the place of work-site at the time of joining.
- 6) All workers of the consolidated pay category under this rule are entitled for one full day paid leave for every 6 working days. They are entitled to earned leave of 15 days. Any other leave of absence will be without wage or pay.
- 7) When the working hours exceed the specified 8 hours of work per day, employers should ensure overtime payment for the additional hours of work at one and a half times the rates applicable to normal working hours.

Chapter - IV (Responsibilities of Employer & Employee) :

- 1) Business and Industrial organizations shall be responsible for recruiting their own required work-force. The concerned department may assist and facilitate recruitment of national work-force as far as possible.
- 2) Employers may pay to new recruits on consolidated pay an advance equivalent to one month's pay at the time of initial appointment. It shall be recovered from their pay or wage on reasonable installment basis.
- 3) Training or orientation courses as incentives may be arranged for deserving employees by the employers and institute facilities for promotion to motivate and to promote labour productivity.
- 4) All employees should take adequate measures for safe working conditions and to avoid work hazards or even threat to life itself. The employer should ensure that all preventive measures are adopted.
- 5) Workers and employers should have contractual agreement in writing.

Chapter - V (Rules & Regulations for Recruiting Agencies) :

1. There shall be a labour Recruiting Agency or Agencies licenced or authorised by the Royal Government from time to time. They shall be guided by the rules and regulations as follows;
 - a) Initially there will be four Recruiting Agencies and more, if required operated by the government as well as in private sector.
 - b) All Agencies shall hold licence or authorisation from the government. Licence shall be issued as per existing rules of the Trade Ministry.
 - c) N.W.F. may be recruited from any parts of the country.
 - d) No one shall be recruited against their will not by coercion or other unfair means.
 - e) All recruiting agents shall hold an Identity Card and copies forwarded to the Home Ministry who will advise the Dzongkhags properly.
 - f) The agents shall not indulge into any activities detrimental to public interest, Law & Order and government policies.
 - g) The recruiting agencies may publish or publicise materials relevant to the conduct of their labour recruiting business.
 - h) The cost of transportation of each national worker through most decreed route will be paid as at para-5 of Chapter III.
 - i) The Agency may also claim a recruiting fee..... from the employer for each National Work Force recruited by it.
 - j) They shall recruit persons between the ages of 17 to 56.
 - k) A quarterly report of the persons recruited by the agency shall be submitted to the Home Ministry.
 - l) All agencies and employers shall adhere to the wage rate and terms and conditions promulgated by the government from time to time.
 - m) Any dispute between the Agency and Employer shall be referred to the concerned head of the Department or Ministry.
 - n) The dispute, if unresolved may be referred to the Home Ministry whose decision shall be final and binding.
 - o) Home Ministry shall monitor the performances of the recruiting agencies.

Chapter - VI :

- a) The above provisions will be effective from..... 1988.
- b) This will supersede all previous circulars with effect from the date of issue of the above regulations.

BOND BETWEEN EMPLOYER AND EMPLOYEE

Name..... Name of Father..... Age

Date of Birth House No. Thram No.....

Village Dungkhag Dzongkhag

We are pleased to appoint you for one year with the salary of Nu./- on the following terms and conditions with effect from

1. For every satisfactory year of service, you will be paid Nu. 450/- which is equal to one Gungdawoola contribution;
2. You are entitled to 15 days paid leave plus Sundays and overtime payment as per rules;
3. You will be eligible for medical treatment and educational facilities as per rules;
4. Employer shall supply materials required for temporary hutments at the work site;
5. While reporting to the work site, you will be given the following incentives by the employers;
 - (i) advance equivalent to one month's pay, recoverable in 12 installments.
 - (ii) Daily allowance as per approved Daily Wage Rate.
 - (iii) Nu. 15/- each for accompanying dependent.
 - (iv) Free transport from Dzongkhag to work site or reimbursement of actual bus fare.
6. You may nominate a person to receive workmen's compensation or insurance benefits provided under the rules;
7. This bond is further renewable upon mutual agreement.
8. As an employee of Departments/ Co; you shall abide by rule and regulations of the Department/Co ; which shall be in conformity with wage regulations of the RGOB and conduct yourself at all time as per code of conduct and ethics.

9. Violation of any part of this bond by either party shall be liable to a Bah of Nu. 1,000/-.

10. I / We having acquainted with the Wage Regulations freely and willingly accept to be employed as (title) by on behalf of (Agency).

As a token of acceptance of above appointment, I append my signature in the presence of as witness.

Signature of the Employer

Signature of the Employee

Name

Name

Date

Date

Witness:

Witness:

PROCEDURE FOR RECRUITMENT OF NON-NATIONAL WORKFORCE

1. Applications

- (a) Applications are submitted by labour recruiting agency or by the concerned employer in Bhutan or by the Department / Ministry / Commission to the Registration Division.
- (b) Giving types of required workforce as in annexure "A".
- (c) On approval of the requirement, the recruiters/ agencies/ employers have to give particulars of the persons as in annexure "B".
- (d) After approval the employer shall deposit Nu. 500/- per person in cash or a bank guarantee as security deposit which is refundable with interest in the case of cash deposits upon surrendering of the ID. Cards and repatriation certificate. Such deposit will not be required in the case of government organisation.

2. Eligibility of non-national workforce.

- (a) Be of the age 20 to 50. Only single persons or bachelor are permitted.
- (b) Be physically and mentally fit and free from communicable diseases as specified in the prescribed form and supported by medical fitness certificate issued by a doctor of a hospital in Bhutan.
- (c) Having skills or experience in the field of work for which labour is required.
- (d) Possess valid identity documents or certificate of nationality.

3. Approving Authority (Ministry of Home Affairs).

- a) There is a committee composed of officials of:
 - Ministry of Home Affairs.
 - Royal Civil Service Commission.
 - Ministry of Trade, Industry and Power.
 - Division of Registration.
- b) Registration Division serves the committee for processing the applications in the light of the criteria of eligibility stated at para 2 above and presents the applications to the committee for consideration.
- c) All non-national worker will be issued I.D. card for a contract period of maximum one year.

4. Penalties & Fines.

- a) Should any agency or employer violate regulations of the Registration Division by employing illegal workers, they will be fined Nu. 1000/- per person whether such workers are employed in rural or urban areas and the illegal workers will be repatriated.
- b) Based on the degree of violation committed, the offender shall be liable to:
 - 1) Shall be issued with a notice of warning in writing in the first instance.
 - 2) Loss of labour recruitment recruitment permission for one year in the second instance.
 - 3) Termination of contract licence for a period of two years in the third instance.

- c) If the Ministry fails to resolve a dispute and the agency/ employers failed to abide by the committee decisions and that of the Home Ministry, a charge-sheet is forwarded to the Thrimkhang for legal proceedings.
- d) If an agency or employer failed to repatriate non-national workers at the exit points (Phuntsholing/ Samtse/ Samdrup Jongkha/ Gaylegphug and other check post), the security deposit of Nu. 500/- is not refunded and becomes the government revenue as a penalty including interest accrued thereof.

5. Priorities to be considered by the Committee.

- a) Royal Government projects/ Government of India aided projects/ internationally aided projects.
- b) Industry/ construction sectors.
- c) Non-national workers are permitted only when Bhutanese nationals are not available.

6. Regulations for Entry Permits

- a) The sanctioned strength of non-national workers has to be presented to the Immigration Office at the entry points at Samtse, Phuntsholing, Gaylegphug, Samdrup Jongkha and Thimphu.
- b) Form – B(1) is submitted to the Immigration Office at entry points for obtaining non-national ID Cards.
- c) The Immigration Office issues non-national ID cards for the approved duration ensuring criteria mentioned at para 2 above.
- d) The recruiters/ employers then are free to take their non-national workers to the specified work site.

7. Repatriation/ Exit of Non-national Workers

- a) On completion of contract work, the local recruiting agency/ employers concerned are required to repatriate the non-national workers.
- b) They will then request the Registration Division for releasing security deposit or the bank-guarantee and surrender ID cards along with repatriation certificate.
- c) Registration Division will then issue exit permits and cancel ID cards of the repatriated non-national workers, and refund security deposit along with interest accrued thereon.

8. Ceiling and Restrictions.

- a) The Division of Registration and the Home Ministry ensures that no more than 30,000 non-nationals are recruited at any one time.
- b) Permit to recruit non-nationals will not be approved if the category of workforce requested is locally available.
- c) Only skilled persons and technicians not available within Bhutan will be approved by the committee.

WORKMEN'S COMPENSATION

The "Workmen's Compensation" provision was approved by the National Assembly vides resolution No.33 of the 50th session (1979). It will be superseded by the following:-

- 1) **Partial Disablement:** - Whereby a person has lost any of his limbs, eyes, has become partially deaf or sustained permanent debilitating physical injury while at work but can still earn a living will be entitled to receive Nu. 2,000/= to Nu. 10,000/= as compensation according to degree of injury suffered to be certified by a qualified medical officer of the Dzongkhag.
- 2) **Total Disablement or Death:-** When a person is totally disabled or dies due to accident at work site, he/ she or family will be entitled to:
 - i) Nu. 25,000/- as compensation.
- 3) In the event of accident, compensation can be claimed according to the above provisions 1 or 2, or as per insurance coverage arranged by the employer, which ever is higher.
- 4) **Medical Examination:** The workman, who has given notice of an accident, shall get himself examined by authorized medical officer free of charge. After careful examination of the injured workman, the authorized medical officer would certify whether the workman has become temporarily/ partially/ or totally disabled. Complete description of the temporary, partial, total disablement would be given by him in the prescribed Form "B" [Appendix II]
- 5) (1) All compensations shall be claimed on the prescribed form "A" [Appendix I]. Along with the application form duly completed.

6) Definition under the Workmen's Compensation:

- a) **“Family”** means and shall include Workmen's wife/ husband and unmarried children (including step children) who are wholly dependent upon him/ her.
- b) **“Employer”** includes Royal Government of Bhutan or any body of persons whether incorporated or not and any managing agent of an employer and the legal representative of a deceased employer, and when the services of a workman are temporarily lent or let on hire to another person by the person with whom the workman has entered into contract of service or apprenticeship, means such other person while the workman is working for him.
- c) **“Workman”** means any eligible person employed on muster roll or work contract basis or working under an employer as defined above or its equivalent in the Chathrim for wage regulation”.