

Build Bhutan Project as an employment response to COVID-19 pandemic

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By

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List of Acronyms

RGoB	Royal Government of Bhutan.
MoLHR	Ministry of Labour and Human Resource
BBP	Build Bhutan Project
ECP	Economic Contingency Plan
OJT	On-the-Job Training
RBL	Recognition of Prior Learning
FWs	Foreign Workers
BWs	Bhutanese Workers
ILO	International Labour Organization
WHO	World Health Organizations
TTI	Technical Training Institute
PPE	Personal Protective Equipment
PIU	Project Implementation Unit

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Abstract

Build Bhutan Project was initiated under Economic Contingency Plan (ECP) as a response to the COVID-19 pandemic. The Project was launched in July 2020 and is into ten months of its implementation. The current study attempted to understand benefits of the project directly by conducting a study with blended methodology in Bhutan during the period of April to June 2021.

The findings conclude that as of April 2021, a total of 623 are engaged directly in the construction sectors and reported about shortage of skilled workforce. To address the shortage of skilled workforce in the construction sector, 591 candidates were trained in various construction trades and till date were placed on On-the-Job Training (OJT) with various construction firms. Additionally, another 173 candidates appeared for the recognition of prior learning (RPL) assessment.

A total of 36 specialized firms are established as of April 2021 employing about 251 (which is 40.3%) excluding those on OJT, thus employing the majority of Bhutanese workers as compared to other employers such as construction firms and private individuals.

The assessment found that both the employer and employees expressing that the BBP has been a good initiative, and the program should be continued in future. And, most employers expressed their satisfaction with the performance of BBP participants engaged in different sector and were willing to employ more participants. However, given the opportunity, the preference to employ Foreign Workers (FWs) seems to be very high. Although, there are only slight differences in the average wage rate paid per day to FWs and Bhutanese Workers (BW), employers expressed that it was easier to manage FWs compared to BWs as they were more competent and skilled.

Although, majority of the employees engaged through BBP were happy to work in the construction sector, few expressed dissatisfaction regarding working conditions. The reasons were low wages, non-payment of wages on time, weekly rest period, and poor safety and health practices at the workplaces.

Chapter 1

Introduction

Struggle to dispose of COVID-19 i.e., the ongoing global pandemic caused by Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV2), is becoming harder with time for people from all sectors of life. Almost all countries have been undergoing economic recession due to this and Bhutan is no exception from the world. However, Bhutan has tried to overcome the situation by collective support from everyone. This has been helping communities prosper even during the deadliest COVID-19 pandemic. First, the King of Bhutan has helped ease the economic burdens and joblessness of the people by providing relief funds to meet one's bills and food supplies. And second, lots of training programs are initiated and organized to engage the youths and unemployed citizens. Among them, entrepreneurship is one. Entrepreneurship is the process of starting a business by taking financial risks in the hopes of getting a profit. Some organizations in Bhutan have been encouraging and supporting aspiring entrepreneurs to create jobs for themselves and others during the pandemic.

For instance, a Non-Governmental Organization called the Loden Foundation has been rendering interest and collateral-free loans to aspiring entrepreneurs. International organizations like the UNDP have been partnering with the Loden Foundation and helping entrepreneurs monetarily to tackle the pandemic. Recently, the Loden Foundation partnered with many International Organizations, and called for fall business proposal submissions. Through rigorous application, short-listing, and interviews many aspiring entrepreneurs were selected for the loan to start their businesses. Next, the Tourism Council of Bhutan has been employing laid-off tourist guides to maintain old trails and tourist areas in the country. This is to make sure that they can sustain their livelihood and prepare for the arrival of tourists when things get back to normal. To engage the guides fruitfully, additional guide training is provided like trekking and bird watching are provided.

Further, the government and the Ministry of Labor and Human Resources (MoLHR) in fulfilling its mandate to providing gainful employment for the people who have been laid off, lost jobs, have decreased income, and unemployed, etc. along with the relief fund, are advised to get registered with the Labor Ministry that has plans to employ them. The Ministry would then give them jobs to earn a decent income and support their families. These prospective jobs are mainly the ones that were previously undertaken by migrant workers especially Indians and

Bangladeshis. As these expatriates have been urging on going home and the government has helped them go, they have left a void in the job opportunities especially in construction sites and power plants. To take advantage of the situation, the government has started with a project called the Build Bhutan Project (BBP) that has helped hundreds of youths get employed and ease the economic burden where the ex-pats used to work.

The Build Bhutan Project (BBP) with a budget outlay of Nu. 726 million under the Economic Contingency Plan (ECP) was launched on July 1, 2020. The project was designed as a response to the COVID-19 global pandemic and to offset workforce shortages in the construction sector created by the restriction on the import of foreign workers. It is also an initiative to redeploy a large segment of the Bhutanese population affected by the pandemic who can potentially enter the construction sector (registered unemployed, laid-off employees, employees on unpaid leave, and overseas returnees).

COVID-19 has affected not only the employment sector of a country but also other income-generating businesses and related developmental works. Usually, Bhutan used to hire laborer from India especially for the construction sector but due to the seal of international borders to prevent the pandemic, the country is facing shortages of labor. Therefore, BBP aims to curve such issues in the country by creating employment opportunities for both skilled and unskilled unemployed and laid off citizens.

Now, the BBP is into its almost one year of implementation and no such information was available on the outcome and short-term impact. Keeping the above rationale, it is critical to review the project holistically including the targets and understanding the perception of the participants and employers. The assessment cum review will throw light on the project to bring the desired changes in the implementation modality by understanding labour market situation and finding critical gaps in the sector. The assessment cum review is also expected to bring in factors which will facilitate the long-term sustainability of the project as well as the construction sector.

Objectives

The objectives of the assessment cum review was to:

1. Take stock of the progress of the project based on the work plan, and
2. Understand the perception of the employers and employees towards challenges faced by them in rolling out the project.

Chapter 2

Literature review

The COVID-19 pandemic is having a tragic effect on working hours and earnings, globally where two billion people work in the informal sector worldwide (mostly in emerging and developing economies) and are particularly at risk, ILO (1). According to the study of the International Labour Organization, 1.25 billion workers are employed in the areas identified as being at high risk of “extreme and devastating” increases in layoffs and declines in wages and working hours. Many were in low-paid and low-skilled jobs, where a sudden loss of income is destructive. In the construction sector, professionals have a right to remove themselves from risk when they have great reason to accept that there is an inevitable and legitimate threat to their wellbeing or livelihood, and the necessity to inform their administrators immediately, ILO (2).

Globally, the South Asian region is one of the swiftest growing, having an average GDP growth of around 7% in 2018; however, because of the COVID-19 pandemic, it is supposed to contract by 7.7% in 2020, The World Bank (3). India is the largest receiver of international remittance, not only in the region but globally, with US\$ 83 billion in 2019. Remittance is also an important source of domestic income in other South Asian countries where the remittance-GDP ratio was 8.2% in Sri Lanka, 7.9% in Pakistan, 5.8% in Bangladesh, and 4.6% in Afghanistan in 2019, World Bank and KONOMAD (4). India is one of the worst affected countries in South-Asia by COVID-19 needs such remittance for individual’s livelihood and it plays a vital role for the government to support its citizen. In Pakistan, about 12 million workers were likely to face layoffs due to lockdown and the country’s slow-moving economic recovery, PIDE (5). It is also expected that if the COVID-19 situation restricts the GDP growth rate between 0 and 1.5%, it is likely to increase the percentage of the deprived population (of income poverty) from 25% to around 55%, PIDE (6). Additionally, the unemployment level of nations also contributes directly towards increasing the risk of poverty and inequality and indirectly towards social security, Fryer & Fagan, 2003; Pohlen, 2019; Saunders, 2002, (7)

The ongoing COVID-19 pandemic is surging like wildfire. Currently, 215 countries and territories have been affected. The COVID-19 pandemic is being monitored and updated live by world meters, COVID-19 CORONAVIRUS (8). Each country’s preparedness and response

to the pandemic say a lot about how well the pandemic is handled. For instance, Bhutan, a small landlocked country sharing borders with India and China, later from where the virus emerged has handled it better than most countries. Bhutan has been administering the highest vigilance to trace, test, and treat patients efficiently.

One year into the pandemic, a newspaper article by Tshedup mentions that “Bhutan’s pandemic fight is exemplary, WHO, (9). Sharing borders with India is a small landlocked country, Bhutan with a population of 774,183, currently has 1854 COVID-19 cases in the nation of which 1501 have already recovered and has one death that is also due to different chronic other diseases. The one-death status of COVID-19 cases in Bhutan perfectly justifies the country’s philosophical indicator Gross National Happiness. Dr. Rui Paulo de Jesus, the World Health Organization, WHO (10) representative to Bhutan said that the collective effort of both the government and the community is behind the success of Bhutan’s COVID-19 pandemic handling.

The pandemic has posed challenges to governing and governance across the world. For smaller and developing countries, the challenges are manifold, often putting the policymakers in a dilemma over making wise decisions. For instance, even powerful nations like the USA under the Trump Administration have failed to render good governance, Cotham & Goodnight (11). They downplayed the virus and did not follow the science. This has caused a huge disaster, with the USA making it the worst affected country in the world by the pandemic. However, a small country like Bhutan’s rapid mobilization was strongly informed by science as both Prime Minister Lotay Tshering and Health Minister Dechen Wangmo were public health officials before entering politics, Wangmo & Parikh (12). These politicians under the supreme guidance of the King have been leading the frontline workers and the community towards the fight. Bhonsale, in an article posted on Observer Research Foundation, mentioned that the effective governance of Bhutan under the leadership of the King has successfully managed to implement quarantining rules, rigorous testing, contact tracing, and check the number of COVID-19 infections.

As reflected in an International Labor Organization (13), report on the effect of the COVID-19 emergency, youth were as of now powerless inside the workforce earlier to the emergency; the later appearance of huge work misfortunes and developing precarity of work is having especially worrying impacts on youthful individuals over the globe. The COVID-19 economic

crisis with vast increases in unemployment (and competition between workers) and the possible growth of digitalization may result in a major displacement of young workers from the labor market for some time, International Labor Organization (14). In turn, people with unstable work experience chronic stress and uncertainty, putting them at risk for mental health, physical, and relational problems, Blustein (15). These risk factors may further worsen the effects of the COVID-19 crisis while simultaneously exposing inequities that existed before the crises.

The King, Government, and the citizens have been cooperating and supporting each other in the common fight against the virus. Even as an under-resourced nation, Bhutan's traditional communal values have fortified its community care, concern, and response. Following an evidence-based approach of testing, effective quarantines, and border control, Bhutan has been able to avoid overloading its limited healthcare system, Wangmo & Perikh (16). Almost all the countries in the world including the wealthiest like the USA are undergoing a recession. Bhutan too is critically affected yet; the leaders have shown great efforts to lessen the burden. The King has contributed and continues to contribute to the ease of the economic and social burden of the people caused due to the pandemic. Dr. Rui (17) also stated, "Today under His Majesty's guidance, Bhutan's response to COVID-19 is second to none and serves as a testimony of how compassionate and visionary leaders can make a difference in the world", Tshedup, (18). A National Preparedness and Response Plan and the emergency committee had already been put together in late February. Meanwhile, regular updates, announcements, and press briefings were made to keep citizens informed on the status of the infections. Sonam and Tej (19) explain that Bhutan's success in battling COVID-19 is because of the swiftness and the precautionary measures reinforced by extraordinary leaders.

Chapter 3

Materials and methods

The overall objective of the study is to understand the perceptions of the employers and employees engaged in the project, review the target, and recommend changes to the implementation modality of the project. The assessment primarily focused on the engagement component of the BBP and does not cover the skilling component of the program holistically. The Department of Technical Education is expected to conduct a thorough assessment for the skilling component of the BBP. In conducting the assessment, the progress of the BBP is reviewed against the targets proposed in the project document as well as in line with the Annual Performance Agreement of the Ministry.

A mixed method of primary and secondary data was collected and used. The rationale for applying secondary data is because this research topic is new and it is an ongoing situation, so the little data which is available on the internet had to be used. The journals were used from Google Scholar and other databases but mostly newspaper articles and website documents were used. Next primary data was collected by qualitative data collection. Interviews were conducted to learn about Bhutanese people's perceptions of the ongoing COVID-19 pandemic management of Bhutan. Both qualitative and quantitative data were used as the cases of COVID-19 had to be expressed in numbers and sourced online. Qualitative data were collected through observations, textual analysis, and face-to-face and online interviews.

To meet this study's objectives, the assessment employed a mixed-method approach. A structured questionnaire of quantitative and qualitative questions was designed and used to gather primary data to understand the perceptions of the employees and employers. The structured questionnaire (online form) was distributed to all the BBP participants both for the direct engagement participants and employers.

The questionnaire was distributed to 623 participants using online platform by sharing the link to the questionnaire. A total of 223 candidates responded to the question which is 35% of the total participants directly engaged. The results and discussions were based on 223 responses. Similarly, 70 employers who have registered and availed the services of the BBP were requested to respond to the survey questionnaire. Of the 70 employers, 35 responded to the

survey questionnaire which is a 50% representative of total employer. The questionnaire was distributed only to participants and employer participating with in BBP as the review is intended to understand the perceptions of the employer and employees and also to take stock of the progress of a specific project. It is understood that had the questionnaire been distributed to employers and employees not part of the project, the result of the review would have been different. The survey responses were then analyzed using the basic statistical tool and findings are translated into graphs for better comprehension. The Administrative data for progress report of the project was extracted for the BBP online portal.

Chapter 4

Results and Discussions

The BBP was initiated as response to COVID-19 pandemic when the sealing of Bhutan's international border created substantial workforce shortages in the country and in particular the construction sector. In achieving the objectives of the project and also to create a pool of domestic workforce, the BBP laid four key target indicators to be achieved during the two year term of the project. The specific indicators are:

- a) candidates placed in TTI/s for skilling,
- b) candidates assessed through RPL assessment,
- c) candidates engaged through BBP and
- d) specialized firms established with the support of the project.

The secondary review findings from the online portal of BBP revealed that as of April 2021, the target for candidates directly engaged through BBP with a construction firm and formation of specialized firms stands at 124.6% and 144% respectively against the target indicated in the Annual Performance Agreement. However, about the skilling, the achievement was 59.1% as of April 2021 and similarly, for RPL assessment it was 34.6%. The number of candidates assessed through RPL was expected to increase by the end of May 2021 as the assessment for the first batch skilling program will be conducted in May 2021.

Table 1: Target and output of BBP, April 2021

Target Indicators	Target 2019-20 (in numbers)	Achievement (in numbers)	Percent
Candidates Placed in TTI's for skilling through BBP	1000	591	59.1
BBP candidates assessed and certified through RPL	500	173	34.6
Candidates engaged under BBP with Construction Firms	500	623	124.6
Specialized Firms Formed	25	36	144.0

Findings: Employers Perspective on BBP

A. Profile of the employers

A total of 35 employers participated in the BBP Assessment survey of which the majority (82.9%) were from Specialized firms. Figure 1 depicts the distribution of types and conclude that maximum number of employers executed repair and maintenance work followed by building construction. However, in terms of employment, construction firms employed about 10% of Bhutanese workers of which 47.8% are engaged through BBP. About 50.7% of Foreign Workers were employed by construction firms. Considering the types of employers, specialized firms employed 88.8% of Bhutanese workers through BBP as compared to 9.4% by construction firms and 1.8% by private individuals (Table 2).

Table 2: Percentage distribution of Employers

Employer	Number	Percent
Construction firm	4	11.4
Private House/Resort/Hotel Construction	2	5.7
Specialized Firm	29	82.9
Grand Total	35	100.0

Figure 1: Distribution of respondent by types of Construction (in number)

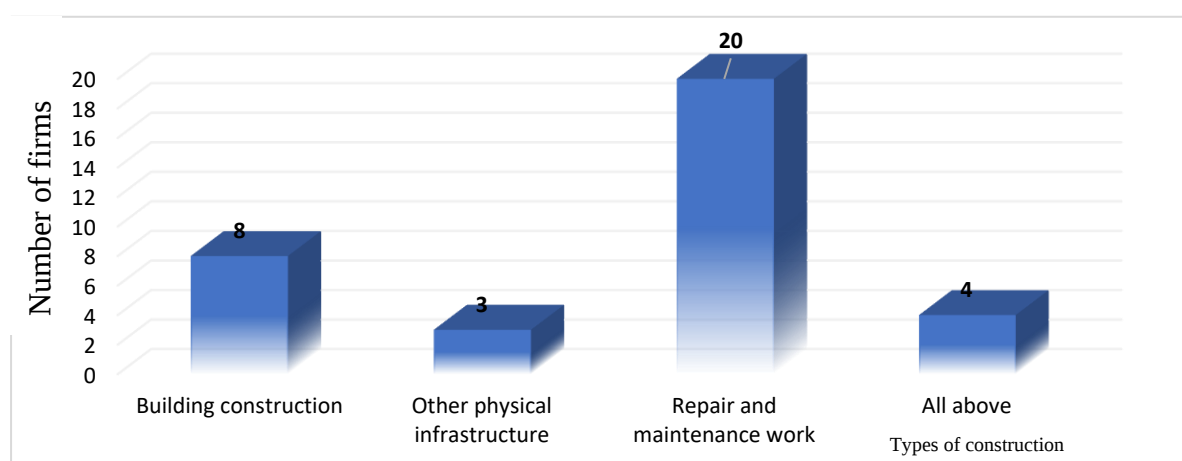


Table 3 envisages the total percentage of Bhutanese workers employed by the employers under BBP. It was seen that maximum were engaged by specialized firm and negative trend has been reported in the data i.e., Bhutanese workers were engaged more compared to foreign workers.

The trend was same for the BBP but private construction sector engagement seems to be less. This indicates that private sector engagement needs to be regulated with government's norms more.

Table 2: Total number of Bhutanese workers employed by Employers.

Employer	BWs	FWs	BBP
Construction firm	67	32	32
Private House/Resort/Hotel Construction	18	9	6
Specialized Firm	573	22	302
Grand Total	658	63	340

BWs - Bhutanese Workers, FWs – Foreign Workers, BBP – Build Bhutan Project

BBP engagement

The study attempted to understand the BBP engagement and summary was given in Figure 2. It shows that an overwhelming 54% of the employers had rated that the performance of the workers engaged through BBP as satisfactory and a vast majority, 77.1% of the employer indicated that they are punctual at work (Figure 3) and employer want to hire more of Bhutanese worker (Figure 4).

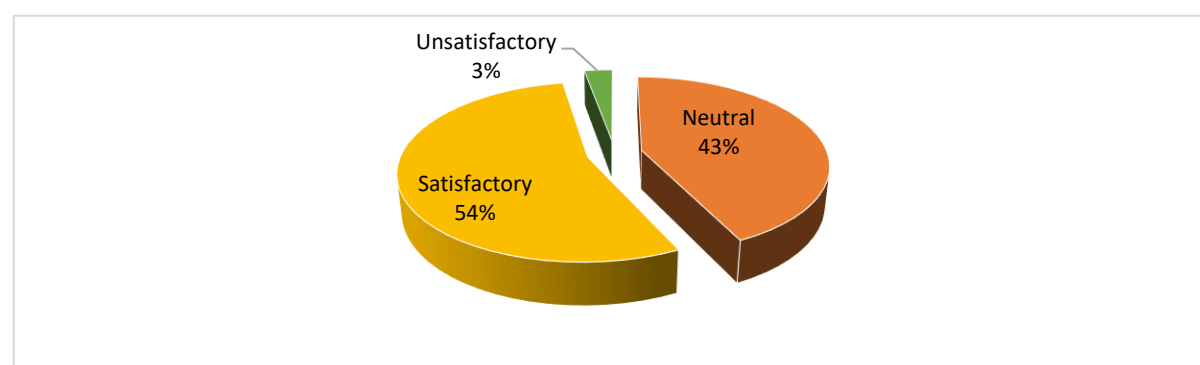


Figure 2: Rating the performance of BBP participants by the employers.

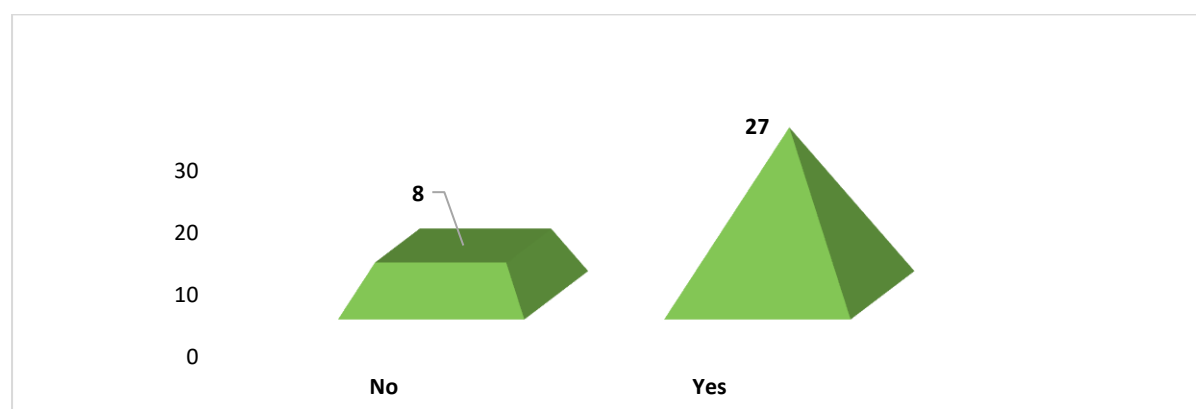


Figure 3: Distribution of employers opinion whether BBP participants are punctual at work?

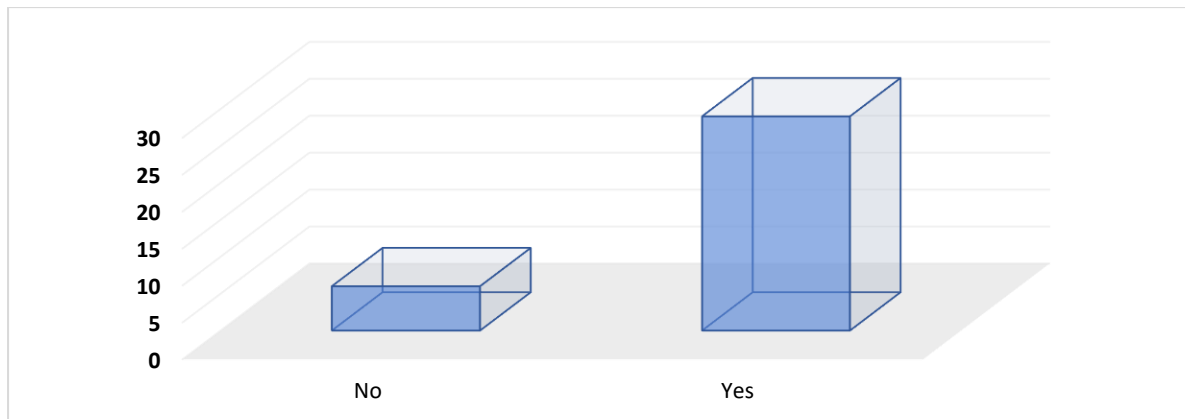


Figure 4: Distribution of employers opinion whether do they wish to employ more Bhutanese workers?

Labor cost and management

Labor and cost management is an important component to be the success of project. Efforts has been given to access the same in this study. It envisaged that although 82.9% of the employer indicated that they wish to employ a greater number of Bhutanese, the preference between FW and BW do not show a significant difference. 54% of the employers indicated a preference for BWs, while 46% indicated a preference for FW (Figure 5). Further it is found that 74.3% of the employers indicated that it was cheaper to employ FWs compared to the localities. Furthermore, an equivalent (74.3%) of surveyed employers indicated FWs are more competent and easier to manage.

However, the assessment of wages paid to the FWs and BWs for both skilled and unskilled were compared to understand the difference. Nonetheless, the majority of the employer (94.3%) indicated that BWs are costly, difficult to manage (71.4%), incompetent, and were not available (65.7%) in the due time.

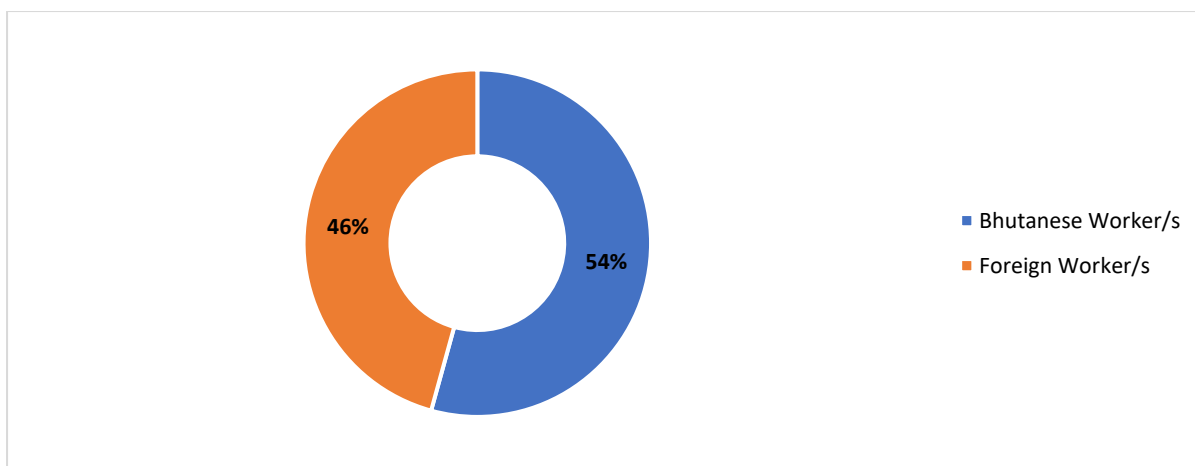


Figure 2: Would you prefer Bhutanese or Foreign workers

Table 3: Percentage distribution of employers opinion on the reasons for employing Foreign Workers.

Particulars	Reason	Number	Percent
Wage/Cost	Cheaper	26	74.3
	Costly	9	25.7
HR management	Difficult to manage	9	25.7
	Easy to manage	26	74.3
Level of competency	Competent	26	74.3
	In competent	9	25.7
Availability	Available	18	51.4
	Not available	17	48.6
Modality	Subcontract/contract out	14	40.0
	Manage on daily wages	21	60.0

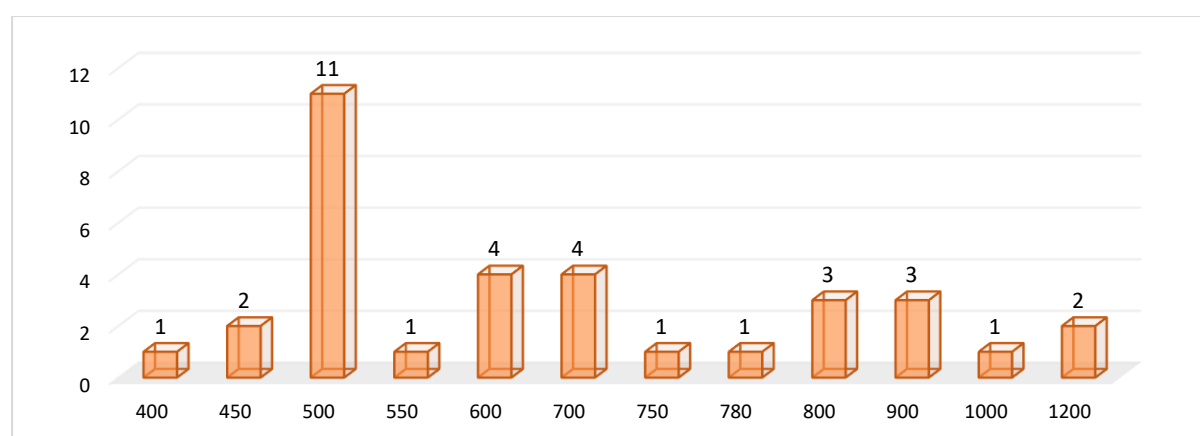


Figure 3: Approximately how much do you pay for skilled Foreign Workers per day?

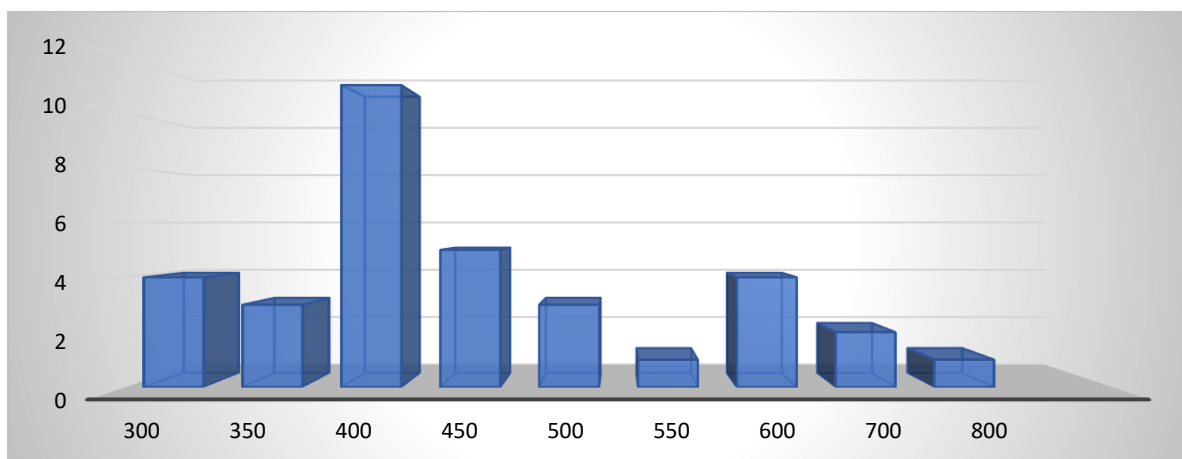


Figure 4: Approximately how much do you pay for unskilled (helper) Foreign Workers per day

Table 4: What is your view on Bhutanese workers.

Particulars	Reason	n	%
Wage	Cheaper	2	5.7
	Costly	33	94.3
HR management	Difficult to manage	25	71.4
	Easy to manage	10	28.6
Level of Competency	Competent	12	34.3
	In competent	23	65.7
Availability	Available	8	22.9
	Not available	27	77.1

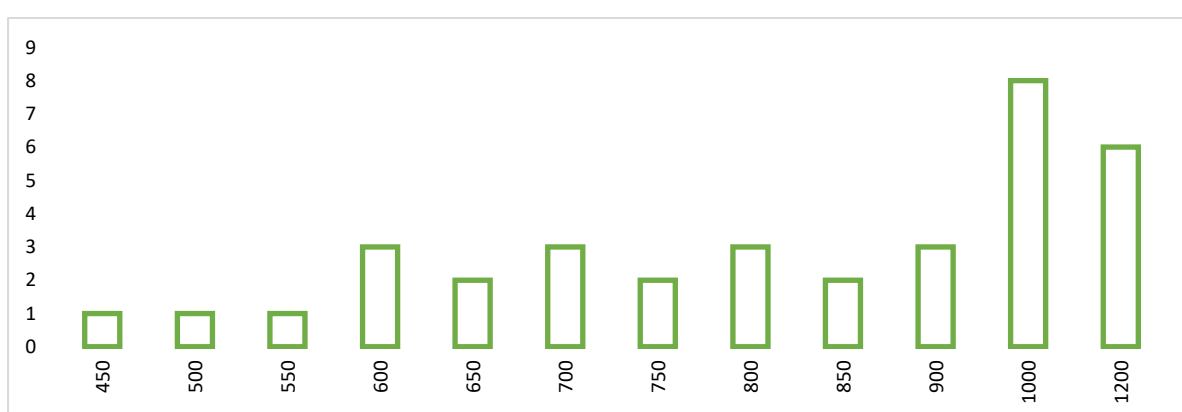


Figure 5: Approximately how much do you pay for skilled Bhutanese workers per day?

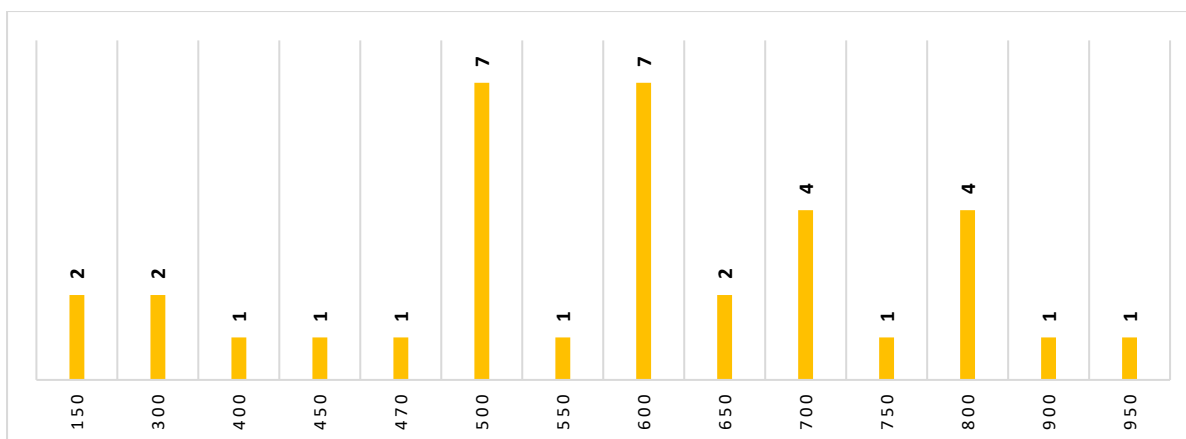


Figure 6: Approximately how much do you pay for an unskilled (helper) Bhutanese per day?

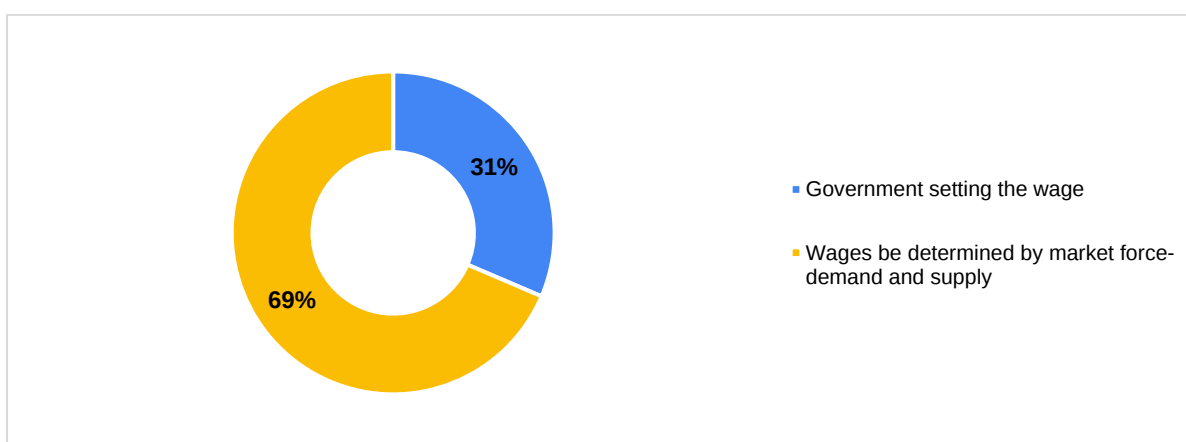


Figure 7: Which one is appropriate to you regarding wage determination (or fixation) in the construction sector?

On-the-job training

About 49% of the participating employers indicated that they have skilling participants on OJT and 78.3% of them could engage them in their respective trade or occupation. Regarding learning interest at the site, 82.6% of the employer indicated that those on OJT were keen to learn, while 39.1% had indicated that they don't have sufficient theoretical concept of the trade. An overwhelming 91.3% of the employer indicated that all the employees engaged are required to perform multitasking including those on OJT.

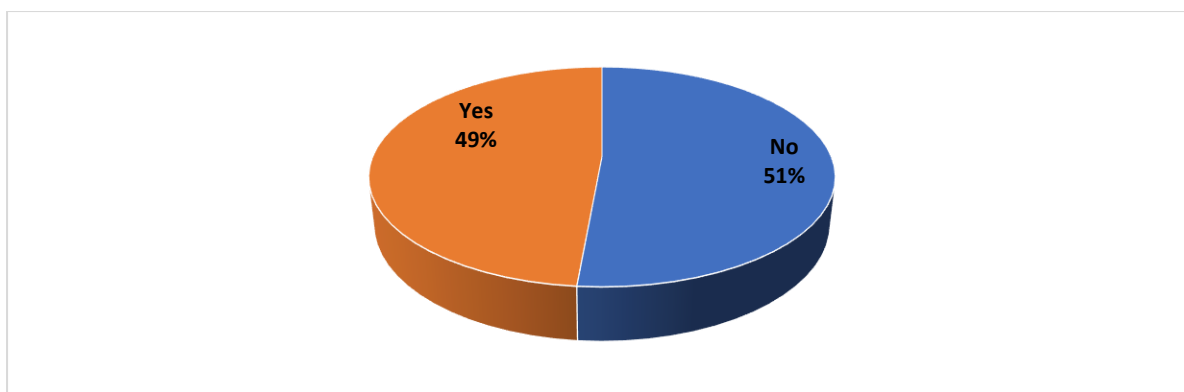


Figure 8: Do you have any BBP skilling participants on OJ.

Table 5: OJT

OJT	No	Yes	Total
Are you able to engage them in their respective trade/occupation?	5	18	23
Are they keen to learn?	4	19	23
Do you think they have enough theoretical concepts of the trade?	14	9	23
Are they required to do another task besides their skilling trade?	2	21	23

Skilling opportunities

The majority of the employers who participated are of the opinion that they would like to provide skilling opportunities to Bhutanese Workers. The majority of the employers indicated that BBP is a good initiative and should be continued.

Table 6: Skilling

Skilling component	No	Yes	Total
Would you provide skilling opportunities to Bhutanese workers	2	33	35
Do you think BBP is a good initiative and should be continued?	3	32	35
Have you ever availed of the services of BBP Master Trainers?	33	2	35
If yes, do you think it is beneficial?	0	2	2

Findings: Employee/ Participants Perceptive on BBP

A total of 223 BBP engagements had participated in the assessment survey out of 623 engaged through the project.

Demographic

About 75.8% of the participants are Jobseekers before participating in the BBP program followed by 17.0% who are laid off (Table 9).

Table8: Employment Status Before joining BBP.

Status	Number	Percent
Jobseeker	169	75.8
Kidu (Royal monetary support) recipient	6	2.7
Laid off	38	17.0
Oversea returnee	10	4.5
Total	223	100.0

Of 223 who participated in the survey 34 of them were engaged for 9 months as of April 2021 and 30 for one month.

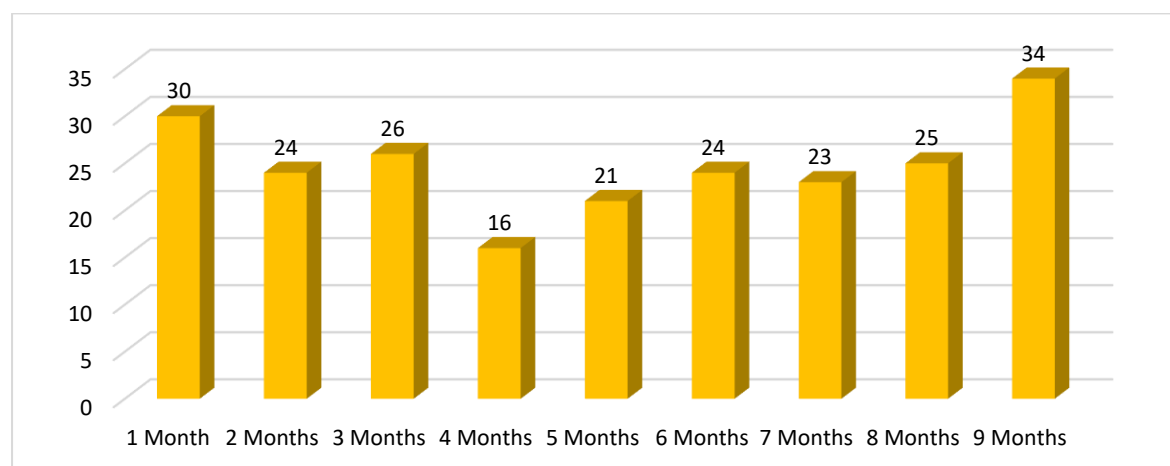


Figure 9: Numbers of Months in the Construction sector engaged by BBP.

The majority of the construction project or BBP partnering companies are located in Thimphu followed by Trashigang.

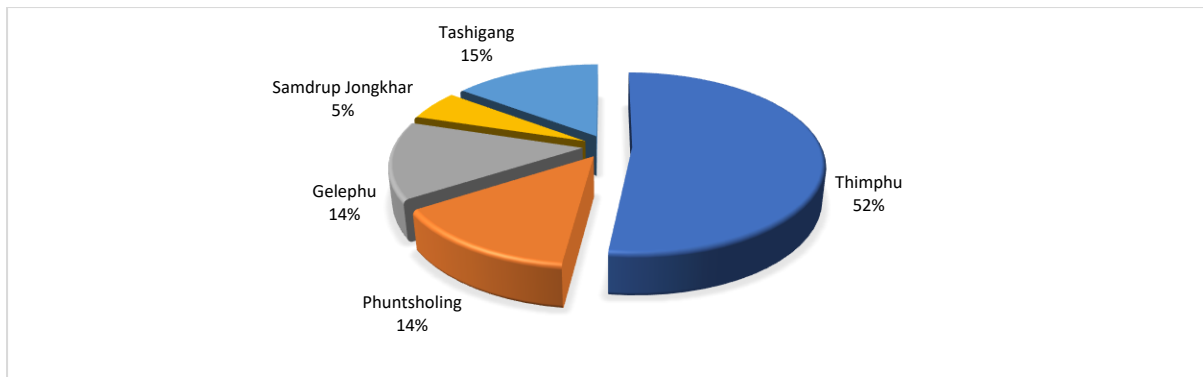


Figure 10:Current project site by region

About 67% of the employees engaged indicated that they were happy to work in the construction sector.

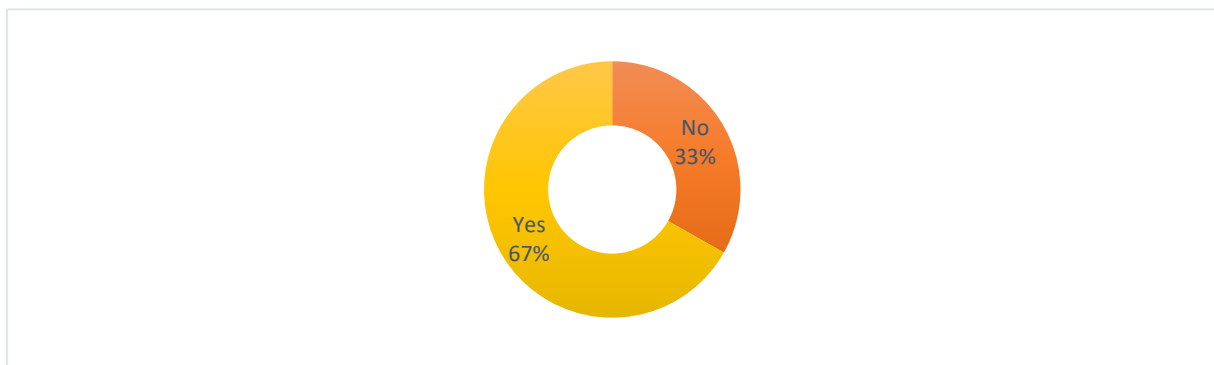


Figure 11:Happy to work in the construction sector.

Of the 33% who indicated that they are not happy to work in the construction sector, 74% indicated that wage is too low, 19% poor working conditions and 7% indicated the existence of social stigma (Figure 14 and 15).

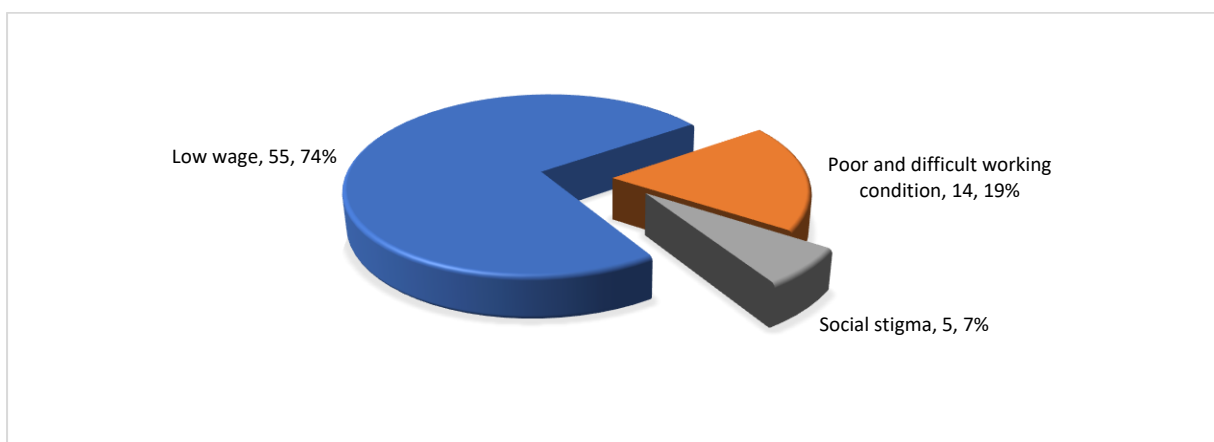


Figure 12:Reason for Not happy to work in the construction sector.

Of the total engaged through BBP, 69% of participants joined BBP through their interest. While 17% indicated BBP as temporary engagement, 14% joined as there were other alternatives (Figure 16).

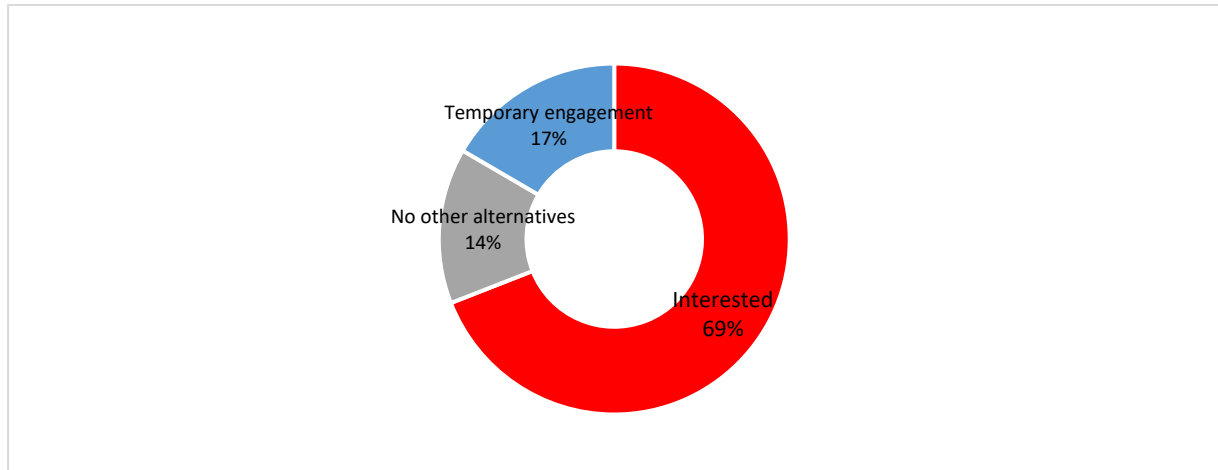


Figure 13:Reason for joining BBP.

Wages and working conditions.

With regard to wages, the majority of participants (192 from 223 participants) indicated that they received wages on time (Figure 17). Further, 90% indicated that they were paid the wage as agreed based on their level of skills as indicated in the project document.

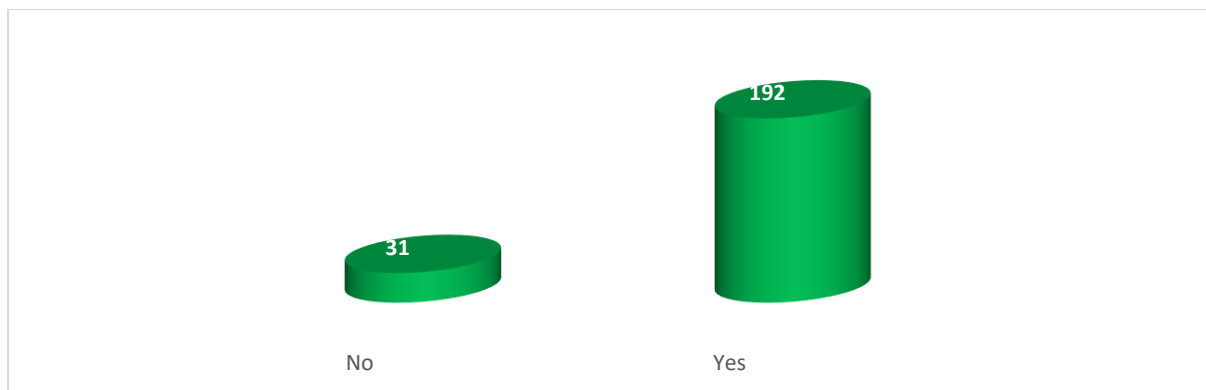


Figure 14:Receive wage on time or not.

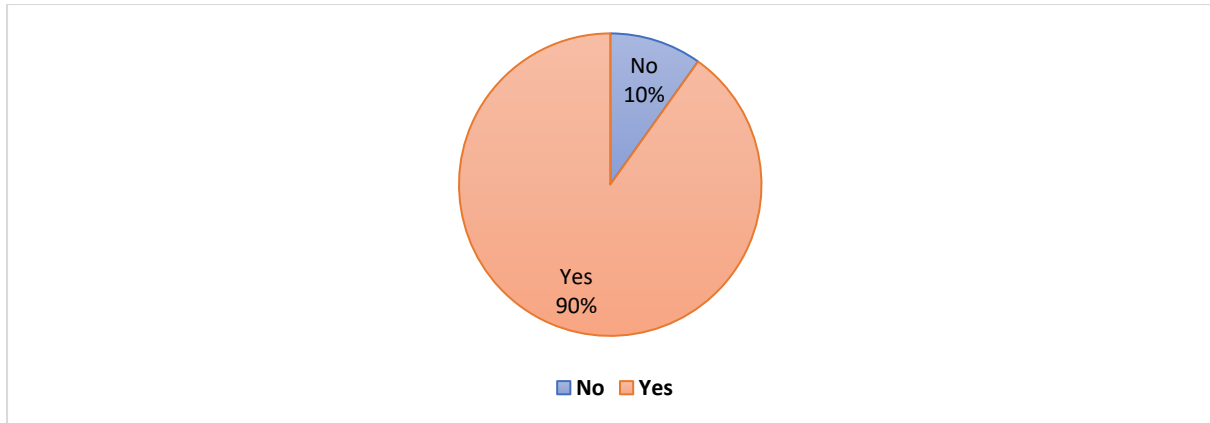


Figure 15:received the agreed wage/salary based on the level of skills.

In addition, the study also found out that there is no wage diffidence between the workers engaged through BBP and workers engaged without the support of the BBP.

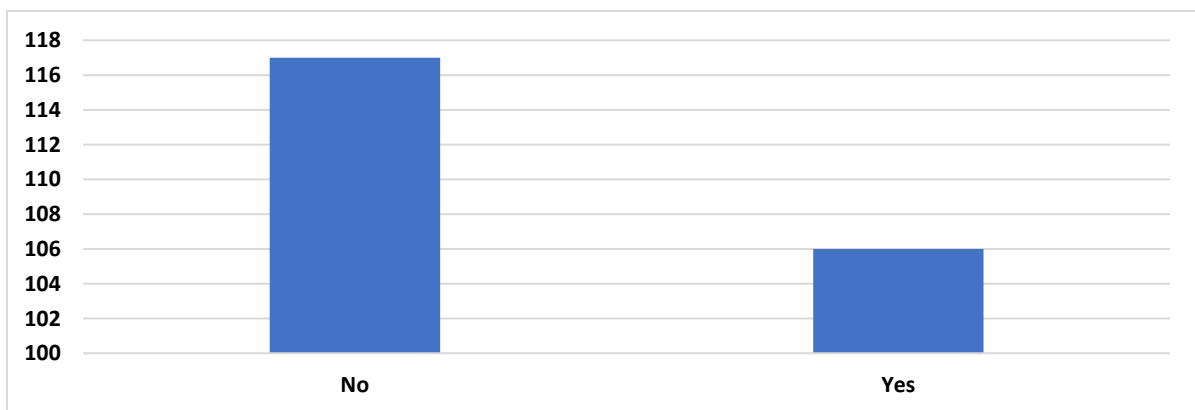


Figure 16:Wage difference between you and those engaged directly by the company/employer at the same level of skills.

About 71% of them perform overtime and 75% indicated that they were paid for the Over Time (OT) work.

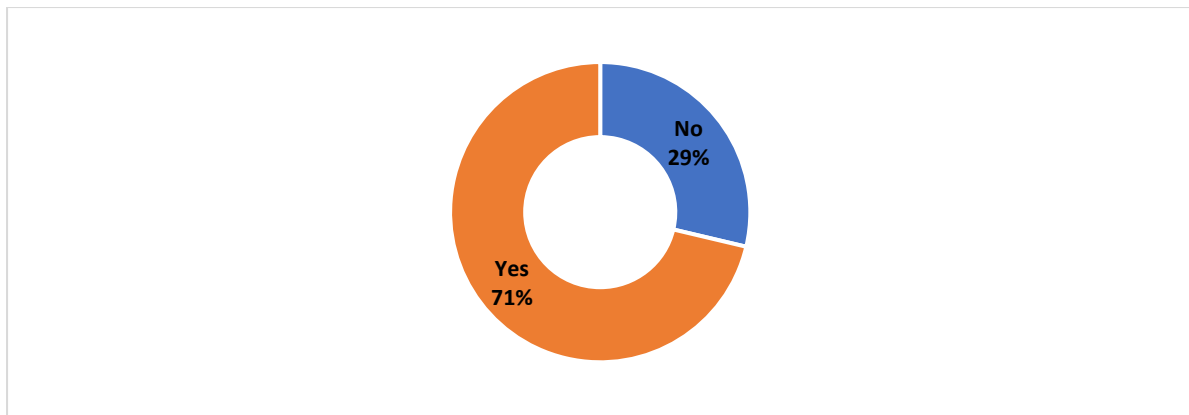


Figure 17:Performed Overtime

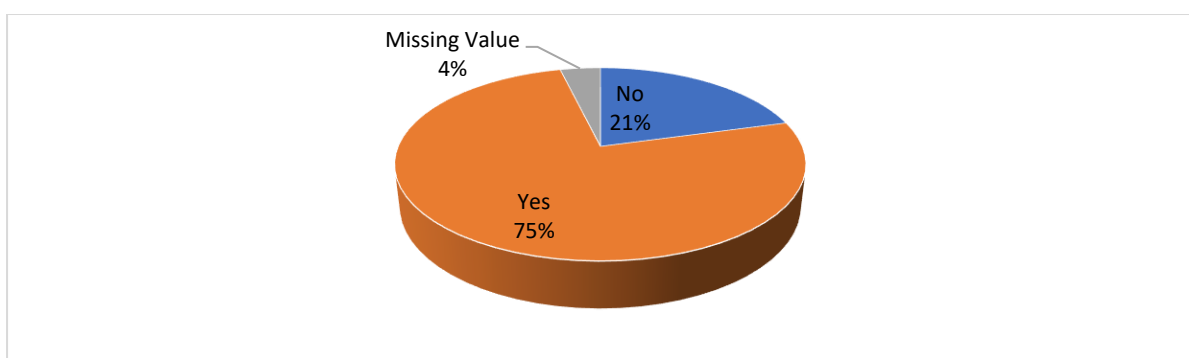


Figure 18:Received OT payment

Regarding the weekly rest period, 92.8% of participants indicated that they are provided a weekly rest period as agreed by the employer and required by the Law.

Accommodation

76% of participants indicated that they are provided with accommodation at the worksite and 54.6% indicated the accommodation provided is decent. Additionally, 54.6% of the respondents indicated that there is a separate toilet for males and females.

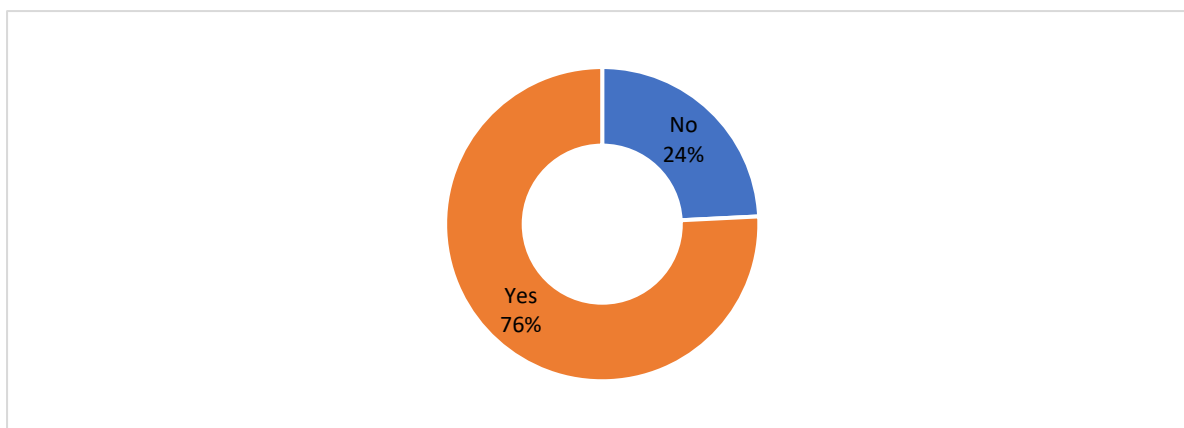


Figure 22: Employer provide accommodation at the site.

Table 9: Employer provides accommodation at the site.

Region	No	Yes	Grand Total
Gelephu	4	27	31
Phuntsholing	2	29	31
Samdrup Jongkhar	2	10	12
Tashigang	0	33	33
Thimphu	21	95	116
Grand Total	29	194	223

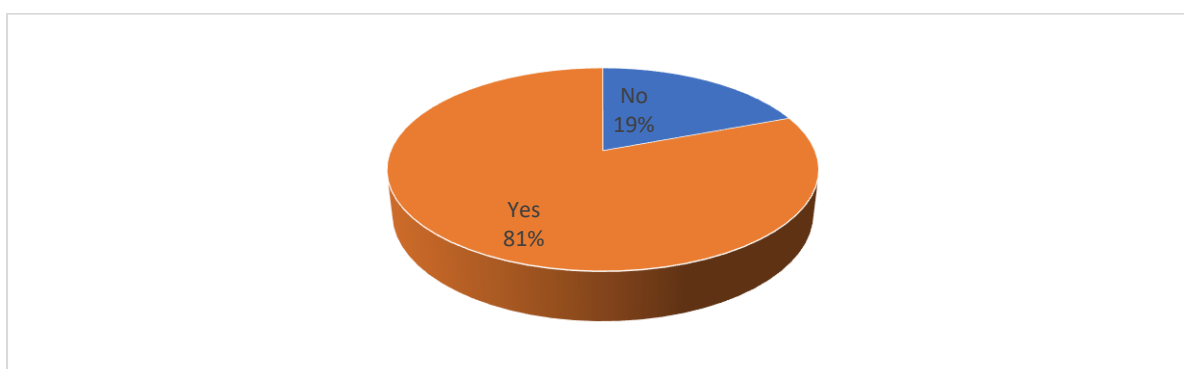


Figure23: accommodation decent

Safety and Health

37.7% of participants shared experiences of workplace accidents and 39 of them were referred to the hospital while 26 of them were provided with first aid treatment.

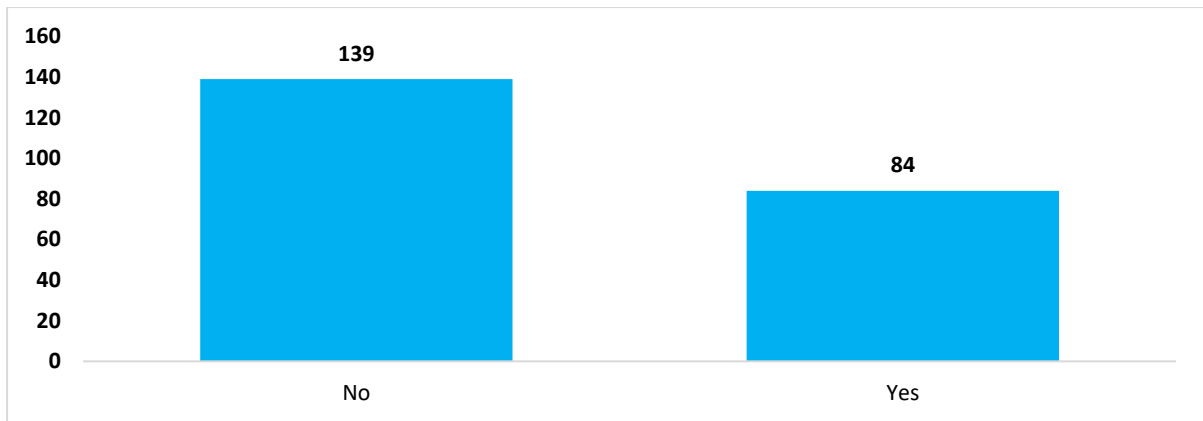


Figure 24: Experienced any workplace incidences such as fall from height, cut, and any mishap.

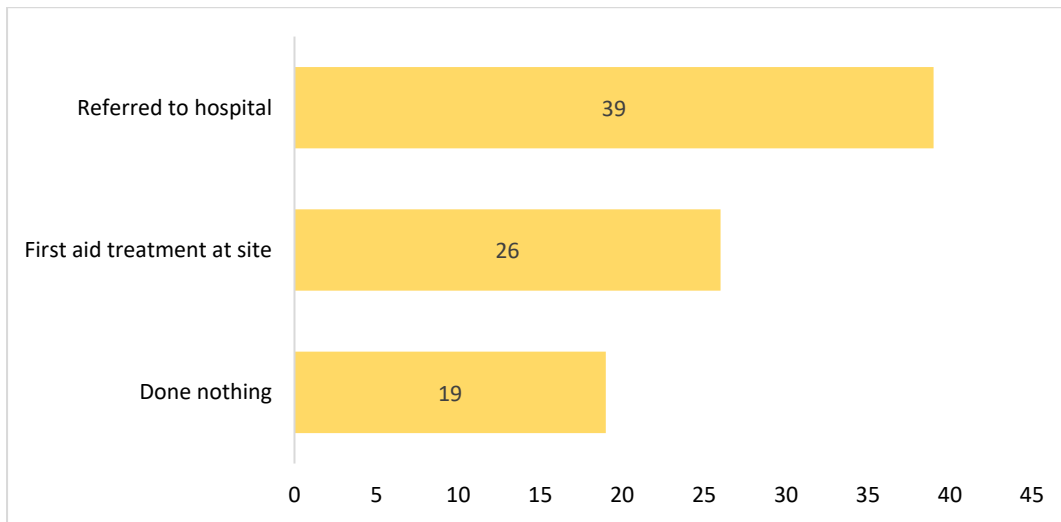


Figure 25: Actions was taken for those experiencing accident.

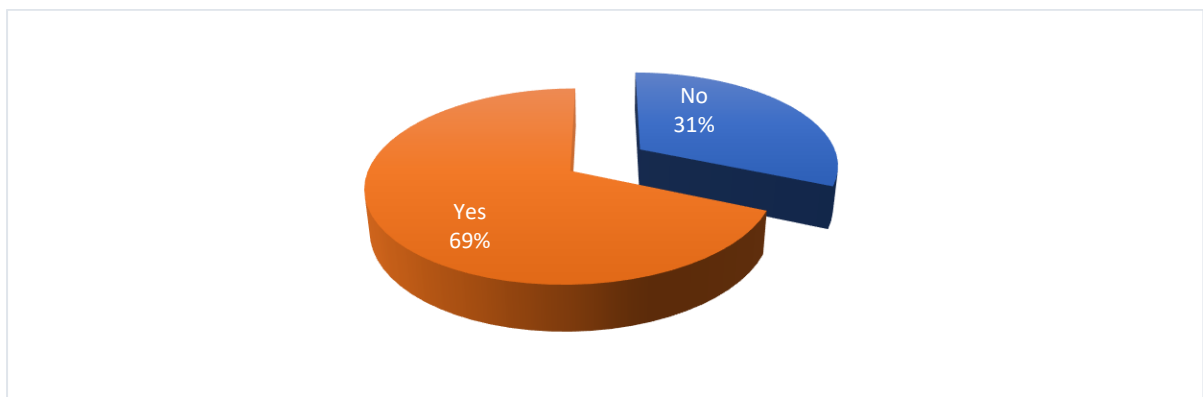


Figure 26: Employer issued required PPE.

Skilling and learning

The study showed that a majority 96% of them can acquire piratical skills. In addition, 93% of the participants felt that BBP is a good initiative and should be continued.

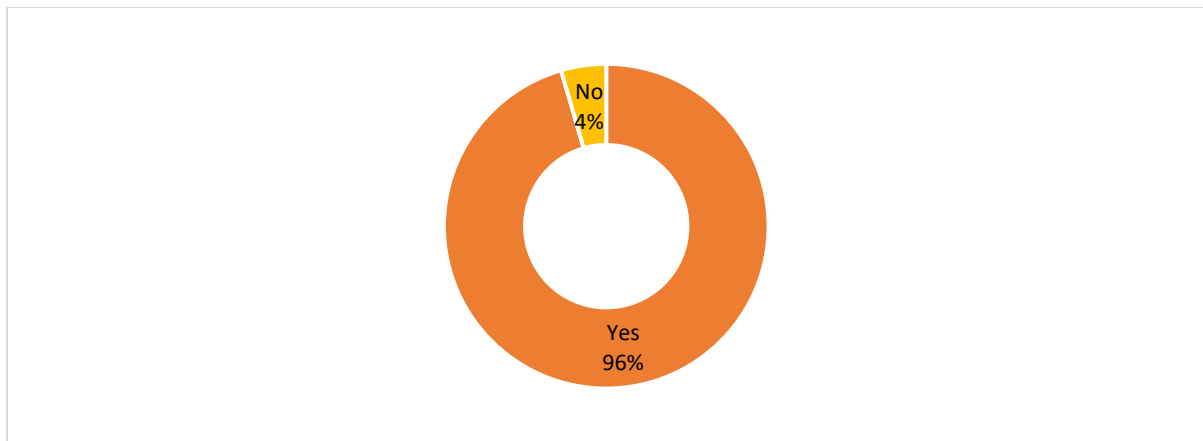


Figure27: Able to acquire any practical skill.

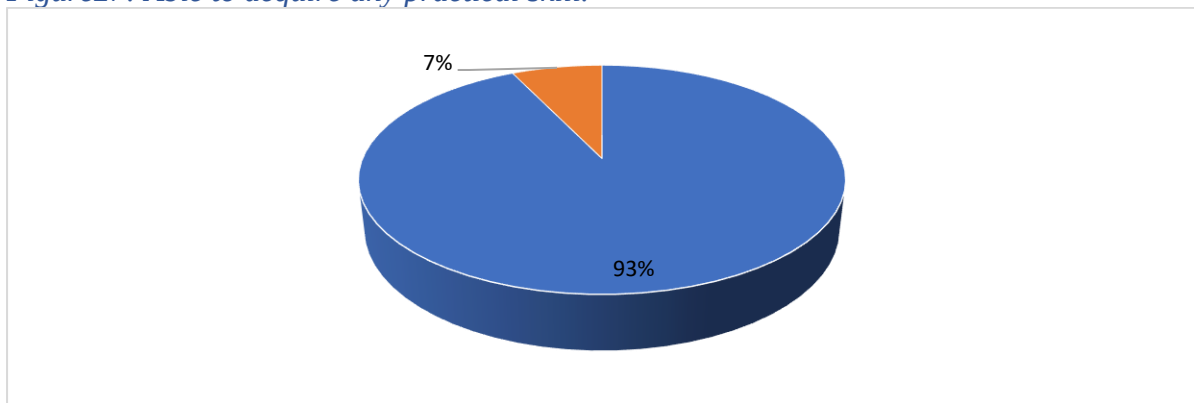


Figure28: BBP is a good initiative and should be continued

Summary of findings:

The overall finding of the review indicate that the project deliverables mostly met. Majority of the employers (54%) have indicated that the performance of the BBP engaged candidates are satisfactory and punctual at work (27 employers out of 35) and wish to employ more Bhutanese and expressed more preference for Bhutanese workers (54%). With no significant differences in wages paid to the foreign and Bhutanese workers, the preference for foreign workers

primarily emerged from the fact that it was easier to manage foreign workers and also for greater competency in terms of skills of the foreign workers. Majority of the Bhutanese employers expressed that it is too costly and difficult to engage Bhutanese workers. Besides, it was also found that Bhutanese are incompetent and not available when needed. Nonetheless, employers indicated that BBP is a great initiative and must be continued.

The profile of the participants of the BBP are found to be the targeted populace as indicated in the project document and majority (67%) of the participants/employees expressed contentment to work in the construction sector. The majority of participants who expressed “unhappy” stated low wages, poor working condition and social stigma as prime reason. As envisaged, 86% of the participants received wages on time and 90 % receive wages as stipulated in the contract and project document. The majority of the workers (76%) were provided with accommodation at the work site as mandated by the project document 81% indicated that it was a decent accommodation and they were provided with separate toilet facilities. The vast majority of the employees also indicated that BBP is good initiative and must be continued.

The cross analysis of the employer and employee perceptions do not indicate and demand bridging gap. Their report indicate positive outcomes of the project. However, the analysis of the review in conjunction to the policies in place requires bridging to ensure greater participation. Therefore, the specific recommendations are outlined in the separate part under the recommendation.

CHAPTER 5

Conclusion

The COVID-19 pandemic has taken lives and affected the livelihoods of millions of people by causing public health concerns and economic recession around the world. Many different countries, irrespective of their economic status have been affected severely. There are also others whose COVID-19 handling can be used as a model and framework as some countries have done very well. One such developing country that has managed to tackle the COVID-19 pandemic with grace is Bhutan. Although, Bhutan is small and a highly touristic country where the chance of the spread of COVID-19 is high, it has managed to deal with it very well. The BBP target achievement for the Skilling and RPL is lagging whereas the target for the formation of specialized firm and candidate engaged directly has overachieved.

The BBP assessment found that the performance of workers engaged through BBP is satisfactory and 82.9% of them wish to employ more Bhutanese workers. However, given the opportunity employers still prefer to Employ Foreign Workers than Bhutanese workers. The main reason is attributable to the fact that FWs are cheaper, easy to manage, and are competent to carry out the task assigned. The assessment also revealed that there is no significant wage difference between FWs and BWs for both skilled and unskilled workforce considering the current wages paid by the employers. The assessment also found out that the BBP program is a good initiative and should be continued.

Among many issues raised by the employers, common issues pertaining to lack of skilled workforce in the market cost escalation and BDR during the pandemic, lack of understanding of labor laws, tax exemption on construction equipment and machinery, nonpayment of bills on time by the client and high wage, etc. On the contrary, 67% of the participants engaged through BBP are happy to work in the construction sector while 33% indicated not happy to be in the sector. The common issues are poor working conditions, low wages (74%), and the existence of social stigma working in the sector.

The majority of the BBP participants received the wages on time, received the agreed wage and there is no difference in the wage between those engaged through BBP and those directly engaged by the employer. On the forefront of health and safety, 15.7% express it is unsatisfactory and 23.4% expressed the need for improving safety and health at the workplace. It is also evident from the assessment that 37.7% of the participants met with an accident at the workplace.

The assessment found that 19.3% of participants expressing the need for increasing their wages and 4.2% expressing the need to increase the wage top-up from BBP. On the contrary, the employers expressed that the wage is too high adding to the cost of construction. The report also indicated that wage determination should be left to forces of the market (69% of employers and 44.8% of the employees). The assessment also found out the need for frequent monitoring visits by the PIUs for OJT engagement.

Recommendations

- Considering the dominance of foreign workers in the sector and preference for foreign workers, foreign workers policy is critical to regulating the sector.
- Provide an additional set of work dress and Safety shoes for those engaged for more than 3 months in the construction sector and skilling participants after completion of RPL if the participants continue to work in the sector.
- An overwhelming 91.3% of the employer indicated that all the employees engaged are required to perform multitasking including those on OJT. Therefore, to meet the objectives of the project, a concentrated effort must be put in place to ensure that skilling participants on OJT are equipped with practical skills for the assessment. The monitoring is also equally required for those direct engagement to gain compliance to BBP guidelines and terms and conditions under the contract agreements.
- The majority of the employer raised concerns about the lack of a skilled workforce in the sector. Therefore, the BBP must continue to train more workers to meet the demand for a skilled workforce. In so doing, the current in campus training and OJT duration needs to review.

- The current skilling programs are mostly for building construction. considering the requirement for specific skills required, it has become critical to explore the alternative mode of training especially in Road and Hydropower construction where the training opportunities are not available in the Technical Training Institutes currently providing skilling opportunities.
- The majority of employers indicated that wages are high while participants indicate that the wage is low in the sector. The assessment found out that wage determination should be left to the forces of the market. Therefore, to avoid disruptions across the sector, it is most desirable to leave the wage determination to the forces of the market instead of government regulation of the wages in the sector.

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ANNEXURE

Survey Questionnaire

Annexure I: Employer perception

The questions are framed to understand the perceptions of the BBP participating employers about the BBP so as to recommend desired changes to the implementation modality of the project.

A. Profile

1. Name of the enterprise?
2. Types of Employers (Construction firm, Specialized Firm, Private House/Resort/Hotel Construction)
3. Type of Project (Road and bridge construction, Building Construction, Repair and maintenance work, Other physical infrastructure)
4. Location of project (dzongkhag, Gewog, and exact place)
5. Total number of Bhutanese workers employed by you.
6. Total number of foreign workers employed by you.
7. Numbers of workers employed through BBP by you (M/F)

B. BBP engagement

8. How would you rate the performance of BBP participants? (Satisfactory, Neutral Unsatisfactory,)
9. Are the BBP participants punctual at work? (Y/N)
10. Do you wish to employ more Bhutanese workers? (Y/N)

C: Labour Cost and management

11. Would you prefer Bhutanese or Foreign workers? (BW/FW)
12. If you preferer FWs, what could be the reason? (Costly – Cheaper/ Difficult to manage - Easy to manage/ Competent – Incompetent/ Available - Not available)
13. If you employ FWs, what is the working modality? (subcontract/contract out, you manage on daily wages)
14. Approximately how much do you pay for a skilled Foreign Workers per day?
15. Approximately how much do you pay for an unskilled (helper) Foreign Workers per day?
16. Approximately how much do you pay for a skilled Bhutanese workers per day?
17. Approximately how much do you pay for an unskilled (helper) Bhutanese per day?
18. Which one is appropriate to you regarding wage determination (or fixation) in the construction sector? (Government setting the wage, wages be determined by market force-demand and supply)
19. What is your view on Bhutanese workers? (Costly – Cheaper/ Difficult to manage - Easy to manage/ Competent – Incompetent/ Available - Not available)

B: OJT

20. Do you have any BBP skilling participants on OJT? (Y/N) (If “NO” go to 26)
If Yes,
21. How many of them? (number)
22. Are you able to engage them in their respective trade/occupation? (Y/N)
23. Are they keen to learn? (Y/N)
24. Do you think they have enough theoretical concepts of the trade? (Y/N)
25. Are they required to do other task beside their skilling trade? (Y/N)

C: Skilling opportunities

26. Would you provide skilling opportunities to Bhutanese workers? (Y/N)
27. Do you think BBP is a good initiative and should be continued? (Y/N)

28. Have you ever availed services of BBP Master Trainers? (Y/N)

29. If yes, do you think it is beneficial? (Y/N)

Annexure II: Employee's perception

The questions are framed to understand the perceptions of the BBP participating employees about the BBP so as to recommend desired changes to the implementation modality of the project.

A. Demographic

1. Name:
2. CID number
3. Current Project/Site location (Dzongkhag)
4. What was your employment status before joining BBP? (Laid off/Jobseeker/Overseas returnee/Kidu recipient)
5. How long have you been working with the enterprises through BBP (in months)
6. Are you happy to work in the construction industry? (Y/N)
7. If no, what could be the reason? (Low wage/ poor and difficult working condition/ social stigma)
8. Why did you enroll in BBP (temporary engagement/ laid off/overseas returnee/unemployed/self-interest/for income/no alternatives/?)

B. Wages and working condition.

9. Do you receive wage on time? (Y/N)
10. Do you receive agreed salary based on the level of skills (unskilled 12000, NC2:15000, NC3:16500, Diploma: 18000, Degree:20000) (Y/N)?
11. Is there any wage difference between you and those engaged directly by the company/employer at same level of skills? (Y/N)
12. If yes, are you paid (higher / lesser)
13. Have you ever performed over time (Y/N)?
14. If yes, were you paid (Y/N)
15. Do you get a weekly rest period (one day off in a week)? (Y/N)
16. Do you get wage top-up from BBP on time? (Y/N)

17. Which one is appropriate to you regarding wage determination (or fixation) in the construction sector? (Government setting the wage, wages be determined by market force-demand and supply)

C. Accommodation

18. Does the employer provide accommodation at the site (Y/N)

If yes,

19. Is the accommodation decent (Y/N)

20. Do you have a separate toilet for male and female (Y/N)

D. Safety and Health

21. Have you ever experienced any workplace incidences such as fall from height, cut, and any mishap? (Y/N)

22. If yes, what actions were taken? (First aid treatment, referred to hospital, nothing)

23. Besides PPE provided through BBP, did the employer issued other required PPE (Y/N)

E. Skilling and learning

24. Were you able to acquire any practical skills? (Y/N)

25. Do you think BBP is a good initiative and should be continued? (Y/N)

Annexure III: On the Job Training (OJT)

The questions are framed to understand the perceptions of the BBP participating employers about the OJT participants so as to recommend desired changes to the implementation modality of the project. The questions are merged under the employer part as the views sought are that of employers. The questionnaire was not distributed to trainees as it demands separate analysis.

A. Demographic

1. Project/Site location (Dzongkhag)
2. Gender (Male/Female)
3. Age (completed year)
4. Qualification (illiterate/Below X/ XII/ Diploma/ Degree)
5. What is your employment status before joining BBP? (laid off/Jobseeker/Oversea returnee/Kidu recipient)
6. The course was undertaken at the institute.
(Masonry/Carpentry/Welding/Plumbing/Electrical/Excavator Operation/Building Painting)
7. Which institute did you undergo the training at? (TTI Chumey, TTI Samthang, TTI Khuruthang, TTI Rangjung, JWPTI)
8. What is the reason for joining in skilling program? (to gain skill, temporary engagement, no choice)

F. Wages/stipend and working conditions.

9. Do you receive wages on time (Nu, 6000 from employer)? (Y/N)
10. Do you receive a stipend on time (Nu, 6000 from the institute)? (Y/N)
11. Do you get a weekly rest period (one day off in a week)? (Y/N)

G. OJT

12. Are you engaged in work related to your trade? (Y/N)
13. Are you required to perform a task other than your skilling trade at the workplace? (Y/N)
14. Theoretical learning from foundational courses in the institute helps me in performing the task in the field? (Y/N)
15. Do you think that the foundational course duration at the institute is sufficient to gain theoretical knowledge? (Y/N)

16. Do you have a skilled supervisor at your workplace during OJT to guide your learning?
(Y/N)
17. Are you able to gain practical knowledge during OJT? (Y/N)
18. If no, what could be the reason? (Mismatch between job requirement and course undertaken,)
19. Are you confident to take the RPL assessment? (Y/N)
20. According to you, what is the idle duration for OJT (3 months/4 months/5 months/6months)
21. Hand tools provided to me by the BBP helps me to deliver my task? (Y/N)

H. Accommodation

22. Does the employer provide accommodation at the site (Y/N)
23. If yes, is the accommodation decent (Y/N)
24. If yes, do you have a separate toilet for male and female (Y/N)

I. Safety and Health

25. Have you ever experienced any workplace incidences such as fall from height, cut, or any mishap? (Y/N) – **If 'NO' go to 27**
26. If yes, what actions were taken? (First aid treatment, referred to hospital, nothing)
27. Besides PPE provided by the BBP, did an employer issue you any other additional PPE
(Y/N)

J. Perception

28. Do you think BBP is a good initiative and should be continued? (Y/N)
29. Would you recommend joining BBP to anyone? (Y/N)

