

NEPAL'S POLICY FRAMEWORK FOR EMPLOYMENT AND LABOUR

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Background

- ▣ **One of the world's least developed countries in South Asia**
- ▣ **Population close to 28 million (ADB, 2009)**
- ▣ **National poverty line 25.0 %**
- ▣ **High dominance of unskilled labour**
- ▣ **More than 200.000 poor in bonded labour**
- ▣ **1.9 million temporary and permanent migrant workers to other countries**

Sources : Official Nepal statistics, World Bank, Statistical profiles of LDCs

Present employment situation

Employment rate (Nepal Labour force survey)

Employment rate (15 year and above in %)	2008
Total active Population	82 %
Employed Population	1,17,79, 000 (81.7 %)
Underemployment	6.7 %
Unemployment	2.0 %
Involving in insufficient income- work	8.1 %
People who are working in different area not related to their skill	13.2
Underutilized population from active population	30 %
Employment on Agriculture Sector	73.9
Employment of non agriculture sector	26.1

Present scenario – migrant Labour

- ▣ **Migrant labour and remittances are an important mainstay of Nepal's economy**
- ▣ **Currently, the rate of international migrant labour is increasing**
- ▣ **Around 3 million (Documented & undocumented) Nepalese migrants working in foreign countries.**
- ▣ **The estimated remittances seems to be higher an average of 44 billion NRs/yr (Graner and Seddon, 2004).**

Labour law/policy

- ▣ **Nepal Labour Act 1992**

- lays down the legal framework and the basis for the rules, regulations and guidance

- ▣ **Labour Regulation, 1993**

- complements the Labour Act

- ▣ **National Labour Policy 1999**

- to deal with the government policies and programmes on different labour issues

- complementary action to the effectiveness of foreign employment act -2042

Present scenario - employment

- ▣ **Poverty, unemployment, political instability social security and resource degradation etc are prevailing**
- ▣ **Unlikely to achieve its targets for employment and environmental sustainability**

Policy framework to create employment opportunities

- ▣ Labour & Employment policy -2062
- ▣ Three year plan 2010/11-2012/13
- ▣ Karnali Employment Program.
- ▣ Labour based local infrastructure programs.
- ▣ Employment Guarantee (assurance) act -draft

Policy Framework

- ▣ **Nepalese Foreign Employment Act-2042**
 - made to provide for the matters relating to foreign employment e.g. counseling, complain and compensation

Labour and Employment Policy 2062

- to face the existing challenges by exploring and tapping the new opportunities and potentials of the labour and employment sectors,
 - to promote production-oriented employment by eliminating forced labour practices,
 - to make the just, healthy and cordial labour-related development
- ▣ **Institutional Arrangement**
 - vital for the promotion of foreign labour migration

Labour market - Chalanges

- ▣ 400 thousand young people are entering in employment market per year.
- ▣ Two third of those are getting opportunity in foreign employment.
- ▣ Remaining are also unable to get employment opportunity inside the countries.
- ▣ Employment generation is a great challenge for our economy.

Strategy, policy and approach

- ▣ The concept of decent work will be gradually translated into practice
- ▣ The social security network will be expanded in a graduated manner
- ▣ Quality vocational training and skill development training will be made more effective
- ▣ Special target programmes that support employment will be conducted for all groups
- ▣ The master plan on child labour will be effectively implemented
- ▣ Activities that contribute to capacity building regarding employment promotion and labour administration will be carried out

Proposed approach to green jobs

- ▣ Awareness raising of impact and linkages on climate change and environment to employment and social policy
- ▣ Assessment of green jobs in Nepal
- ▣ Capacity building for relevant government ministries and stakeholders on green job promotion and just transition
- ▣ Identification of sectors for green jobs promotion, in particular with addressing unemployment
- ▣ Identification of Quality vocational training and skill development training in green jobs
- ▣ Coordination amongst key stakeholders for the promotion of green jobs in Nepal
- ▣ Strengthen of task force for green jobs with relevant stakeholders

Thank you