**CHAPTER 4: HUMAN RESOURCES**

# **INTRODUCTION**

The economy of Bhutan is characterized by the predominance of people engaged in self-employment, particularly those working on their own land. There is also a good deal of small cottage industry often undertaken in the home. The number of person working for wages is relatively small. Statistics on human resources are designed to measure the involvement of people in economic activities. Economic activities refer to the production of economic goods and services and include the people who are self-employed (e.g. farmers operating their own land) as well as persons who work for wages (i.e. employees). Broadly, a statistical system for human resources should cover topics such as size and characteristics of the labor force, employment, wage rate and conditions of work. Labor statistics usually presented in this chapter are from sample surveys and the national Labor force Survey conducted annually since 1998. The central Statistical organization, Planning Commission conducted the two consecutive Labor Force Surveys in 1998 and 2000. The Department of Employment and Labor conducted the third round of Labor Force Survey in 2001 since its creation in 2000.

Although Share of primary sector in GDP is gradually decreasing, agriculture still is the predominant sector providing employment to around 75% of the labor force. Labor force is marred by high dependency ratio of around 70%. Younger age dependency ratio of 61.4%, besides having a momentary burden yet promises of an expanding work force for the future on the other hand. The old dependency ratio of 9%, is an indication of growing number of old age people that'll have a bearing on the socio economic condition in the future. The private sector is emerging as the important sector generating employment opportunities for increasing labor market. An unemployment rate in 1999 was estimated to round 1.4%. It was also observed that 68% of all the unemployed were those in age between 15 and 29.