

2024

LABOUR FORCE SURVEY QUARTERLY REPORT

FOURTH QUARTER



NATIONAL STATISTICS BUREAU
ROYAL GOVERNMENT OF BHUTAN

2024

**LABOUR FORCE SURVEY
QUARTERLY REPORT**

FOURTH QUARTER

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This report stands as a testament to the collective effort and collaboration of all parties involved, and we express our sincere appreciation to each and every contributor.



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Chapter 1

INTRODUCTION

The Labour Force Survey plays an important role in generating the key indicators of the labour market in the country. Information derived from the LFS would not only help in monitoring and evaluating the economic situation of the country, but it would also help in the formulation of policies and plans that are related to employment creation, poverty reduction, and related programmes.

The fourth quarter Labour Force Survey for 2024 was conducted in the month of November and it aims to provide estimates of labor force-related indicators at both the national and dzongkhag/thromde levels. However, due to the small sample size, indicators for the youth population

(ages 15-24) cannot be estimated at the domain level. The statistics are based on the labour force framework and standards set by the International Labour Organization (ILO), ensuring international comparability.

This report is organized into three sections: Economically Active and Inactive Population; Employment; and Unemployment. Each section provides valuable insights into the dynamics of the labor market, which can inform effective policy interventions. For the fourth quarter, the sample size was 2,940 households, with 2,889 households participating in the survey. The overall response rate is 98.3%.

1.1 KEY HIGHLIGHTS

Key Indicator (Numbers)	Bhutan	Sex		Area	
		Male	Female	Urban	Rural
Working Age Population	596,970	312,843	284,128	228,922	368,049
Labour Force Population	386,751	231,587	155,164	139,725	247,026
Inactive Population	210,219	81,256	128,964	89,197	121,023
Employed Population	374,705	226,326	148,379	131,990	242,715
Unemployed Population	12,046	5,261	6,785	7,735	4,311
Youth Unemployed Population	6,598	2,808	3,790	3,856	2,742
Key Indicator (Percent)					
Labour Force Participation Rate	64.8	74.0	54.6	61.0	67.1
Inactivity Rate	35.2	26.0	45.4	39.0	32.9
Employment Rate	96.9	97.7	95.6	94.5	98.3
Unemployment Rate	3.11	2.27	4.37	5.54	1.75
Youth Unemployment Rate	17.7	14.5	21.2	19.8	15.5

Key Indicator (Numbers)	Q1	Q2	Q3	Q4
Labour Force				
Sex				
Male	229,024	226,821	238,065	231,587
Female	154,736	142,100	153,047	155,164
Area				
Urban	131,737	130,710	131,008	139,725
Rural	252,023	238,211	260,104	247,026
Total	383,760	368,921	391,113	386,751
Inactive Population				
Sex				
Male	85,562	85,831	76,521	81,256
Female	131,090	142,174	132,779	128,964
Area				
Urban	92,262	99,655	90,717	89,197
Rural	124,390	128,350	118,582	121,023
Total	216,652	228,005	209,299	210,219
Employed Population				
Sex				
Male	219,922	219,765	232,463	226,326
Female	148,126	135,650	146,560	148,379
Area				
Urban	123,091	123,225	124,385	131,990
Rural	244,957	232,191	254,637	242,715
Total	368,048	355,416	379,022	374,705
Unemployed Population				
Sex				
Male	9,102	7,056	5,603	5,261
Female	6,610	6,449	6,488	6,785
Area				
Urban	8,646	7,485	6,623	7,735
Rural	7,066	6,020	5,467	4,311
Total	15,712	13,505	12,090	12,046
Youth Unemployed Population				
Sex				
Male	5,382	4,187	2,645	2,808
Female	3,549	3,716	4,240	3,790
Area				
Urban	4,538	4,470	3,635	3,856
Rural	4,394	3,433	3,250	2,742
Total	8,932	7,903	6,885	6,598

Key Indicator (Percent)	Q1	Q2	Q3	Q4
Labour Force Participation Rate				
Sex				
Male	72.8	72.5	75.7	74.0
Female	54.1	50.0	53.5	54.6
Area				
Urban	58.8	56.7	59.1	61.0
Rural	67.0	65.0	68.7	67.1
Total	63.9	61.8	65.1	64.8
Inactivity Rate				
Sex				
Male	27.2	27.5	24.3	26.0
Female	45.9	50.0	46.5	45.4
Area				
Urban	41.2	43.3	40.9	39.0
Rural	33.0	35.0	31.3	32.9
Total	36.1	38.2	34.9	35.2
Employment Rate				
Sex				
Male	96.0	96.9	97.6	97.7
Female	95.7	95.5	95.8	95.6
Area				
Urban	93.4	94.3	94.9	94.5
Rural	97.2	97.5	97.9	98.3
Total	95.9	96.3	96.9	96.9
Unemployment Rate				
Sex				
Male	4.0	3.1	2.4	2.3
Female	4.3	4.5	4.2	4.4
Area				
Urban	6.6	5.7	5.1	5.5
Rural	2.8	2.5	2.1	1.8
Total	4.1	3.7	3.09	3.11
Youth Unemployment Rate				
Sex				
Male	25.7	18.9	11.9	14.5
Female	19.7	19.6	21.8	21.2
Area				
Urban	31.5	21.7	20.1	19.8
Rural	17.9	16.7	13.8	15.5
Total	22.9	19.2	16.5	17.7

Sector	Q1			Q2			Q3			Q4		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Agriculture	34.2	52.0	41.3	34.7	51.8	41.2	37.2	55.06	44.08	32.9	50.7	39.9
Industry	21.0	11.1	17.0	19.5	10.5	16.0	19.4	9.34	15.5	20.7	11.0	16.9
Service	44.9	36.9	41.7	45.9	37.7	42.8	43.5	35.59	40.42	46.4	38.3	43.2
All Sectors	100.0	100.0	100.0	100.0	100.0	100	100.0	100	100	100.0	100.0	100.0

Chapter 2

LABOUR FORCE AND INACTIVE POPULATION

As per the ILO labour force framework (Figure 2.1), all persons 15 years and above are considered as the working-age population. The working age population is divided into two major groups: economically active and economically inactive. The economically active population which is also referred as the 'labour force', is

further composed of employed and unemployed persons.

2.1 Working age population

Table 2.1 presents the total working age population for the fourth quarter of the year

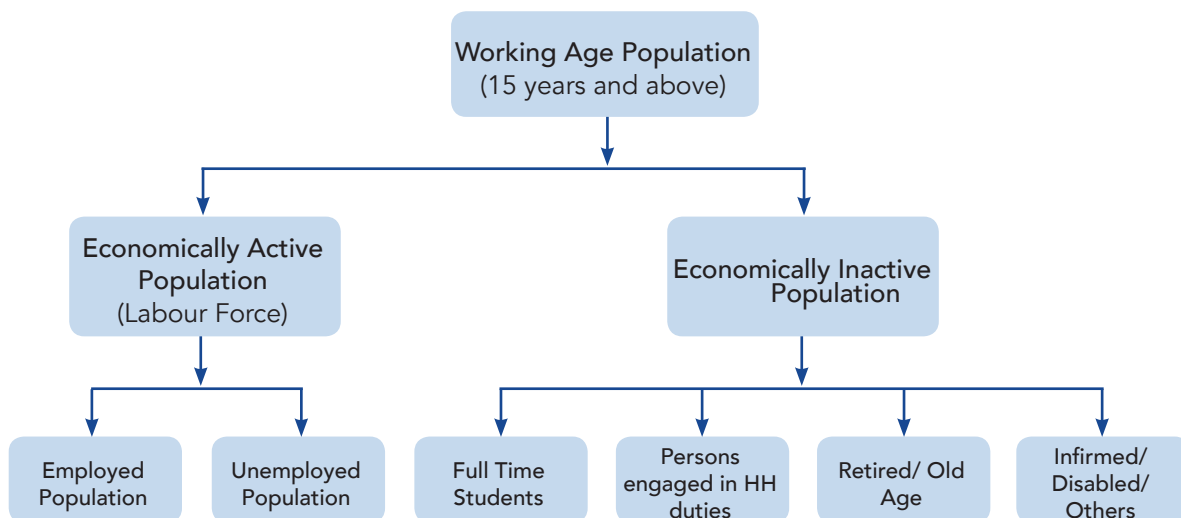


Figure 2.1 The Basic Building Blocks of the Labour Force

Table 2.1 Working-Age Population By Area And Sex, Fourth Quarter, 2024

Sex	Urban		Rural		Both Areas	
	Number	Percent	Number	Percent	Number	Percent
Male	116,257	50.8	196,586	53.4	312,843	52.4
Female	112,665	49.2	171,463	46.6	284,128	47.6
Both Sex	228,922	100.0	368,049	100.0	596,970	100.0

Table 2.2 Distribution of Economically Active Persons by Area and Sex, Fourth Quarter, 2024

Sex	Urban		Rural		Both Areas	
	Number	Percent	Number	Percent	Number	Percent
Male	88,232	63.2	143,355	58.0	231,587	59.9
Female	51,493	36.9	103,671	42.0	155,164	40.1
Both Sex	139,725	100.0	247,026	100.0	386,751	100.0

by sex and area. Of the total working age population (596,970 persons) in the fourth quarter, 2024, 52.4% are males and 47.6% are females, indicating more males than females in the working age population. Majority of them are residing in rural (61.6%) than in urban (38.4%) areas. In terms of distribution by sex and area, it shows a similar pattern as that of the previous quarter.

2.2 Labour Force (Economically Active) Population

All the persons aged 15 years and above who are either employed or unemployed during the reference period are considered as economically active population.

Table 2.2 presents the distribution of economically active persons by sex and area. A total of 386,751 persons aged 15 years and older

were economically active, out of which 59.9% are males and 40.1% are females. It is more concentrated in rural areas (63.9%) compared to urban areas (36.1%). This also explains that a greater proportion of male in both areas are employed and available for the production of goods and services during the reference period.

2.3 Economically Inactive Population

All persons who neither worked nor were seeking/available for work during the reference period are termed as the economically inactive population. It includes all those persons who are not a part of labour force or fall outside the labour force.

Among the inactive population, 38.7% are males and 61.4% are females. More than half of the inactive population are residing in rural areas, while 42.4% are in urban areas (Table 2.3).

Table 2.3 Distribution of Economically Inactive Population by Area and Sex, Fourth Quarter, 2024

Sex	Urban		Rural		Both Areas	
	Number	Percent	Number	Percent	Number	Percent
Male	28,025	31.4	53,231	44.0	81,256	38.7
Female	61,172	68.6	67,792	56.0	128,964	61.4
Both Sex	89,197	100.0	121,023	100.0	210,219	100.0

Table 2.4 Labour Force Participation Rate by Sex and Dzongkhag/Thromde, Fourth Quarter, 2024

Dzongkhag/Thromde	Labour Force Population	Sex (%)		
		Male	Female	Both Sex
Bumthang	9,271	71.3	60.9	66.3
Chhukha	13,956	72.6	47.5	59.7
Phuentshogling Thromde	19,862	78.1	45.4	63.1
Dagana	15,032	77.8	74.5	76.3
Haa	8,254	81.0	72.5	77.2
Lhuentse	6,860	73.9	64.7	69.4
Monggar	16,712	67.4	59.6	63.3
Paro	25,095	70.6	50.5	60.7
Pema Gatshel	10,808	73.0	45.5	59.4
Punakha	15,607	65.5	61.6	63.6
Samdrup Jongkhar	14,637	72.3	68.2	70.4
Samdrup Jongkhar Thromde	3,897	82.2	56.9	70.5
Samtse	32,170	77.3	55.3	66.3
Sarpang	20,837	74.5	66.3	70.7
Gelegphu Thromde	7,027	78.1	54.1	66.0
Thimphu	12,399	74.2	31.9	55.4
Thimphu Thromde	64,608	77.0	41.2	59.3
Trashigang	21,464	71.7	63.8	67.8
Trashigang Thromde	8,013	74.8	60.8	67.9
Trongsa	13,945	73.8	71.4	72.9
Tsirang	14,278	79.5	72.2	76.0
Wangdue Phodrang	24,301	68.9	59.5	65.2
Zhemgang	7,717	71.6	51.9	62.2
Bhutan	386,751	74.0	54.6	64.8

2.4 Labour Force Participation Rate (LFPR)

The labour force participation rate (LFPR in the diagram below) provides information about the size of the supply of labour currently available for work compared to the whole working-age population.

The overall LFPR for the fourth quarter stands at 64.8%. It is higher among the males (74.0%)

compared to the female (54.6%). By area, the LFPR is higher in the rural areas (67.1%) than in urban areas (61.0%).

Table 2.4 presents the labor force participation rate (LFPR) by dzongkhag/thromde for the fourth quarter, 2024. Among the dzongkhags, Haa (77.2%) dzongkhag has the highest LFPR, while Thimphu (55.4%) dzongkhag has the lowest. The LFPR for males is higher than that of females in all dzongkhags, with Haa (81.0%) dzongkhag



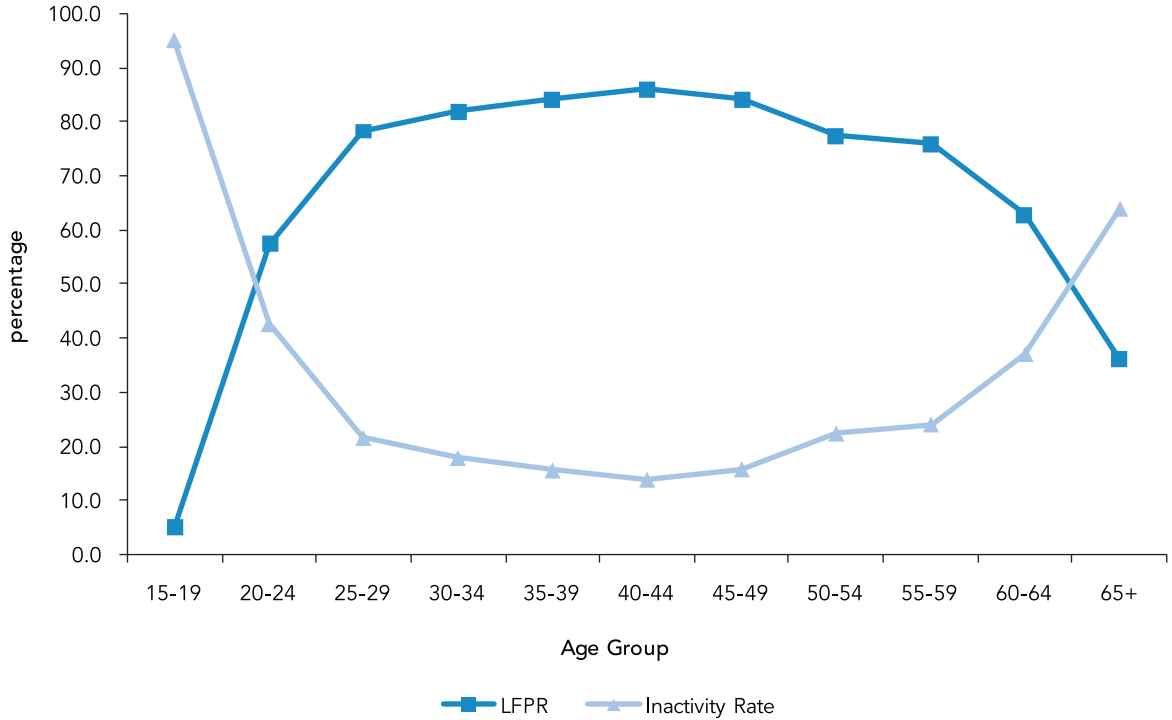


Figure 2.2 Labour Force Participation Rate and Economically Inactivity Rate by Age group, Fourth Quarter, 2024

having the highest. Among the females, the highest LFPR is observed in Dagana (74.5%) dzongkhag for the current quarter.

By thromde, Samdrup Jongkhar (70.5%) has the highest labor force participation rate while, Thimphu (59.3%) Thromde has the lowest.

The figure 2.2 presents the labor force participation rates (LFPR) and economically inactivity rates across different age groups. It is observed that the lowest (4.9%) LFPR is found among the youngest age group (15-19 years) where the highest inactivity rate (95.1%) is observed.

As individuals enter the workforce, the labour force participation rate increases sharply reaching 57.3% for those aged 20-24 and peaking at 86.0% for the ages 40-44 years. The inactivity rate during the prime working age (30-54) is relatively low, ranging from a low of 14.0% to 22.5%.

Beyond the age of 55 years, the LFPR declines gradually, and plummets to 36.0% for those 65 years and older, while inactivity rises, reaching the high of 64.0% for the same age group. Overall, the total LFPR and inactivity rate stands at 64.8%, and 35.2% respectively reflecting the typical pattern of labour force engagement peaking in midlife and declining toward retirement age.



Chapter 3

EMPLOYMENT

All those household members who are 15 years and above and are engaged in any activity to produce goods or provide services for pay, profit or family gain during the reference period. It comprises employed persons “at work” and “not at work”. Employed persons “not at work” are those persons who still maintained a job attachment during their absences, including those such as sick leave due to their illness or injury and periods of maternity or paternity leave during the reference period.

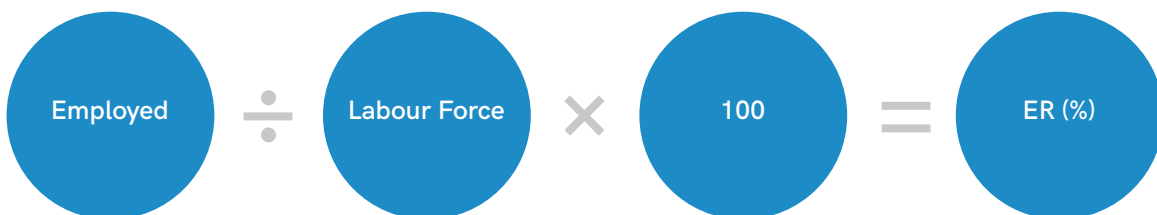
The term “for pay or profit” refers to work done as part of a transaction in exchange for remuneration in cash or in kind. The remuneration may be paid directly to the person performing the work or indirectly to a household or family member.

3.1 Employment Rate

The proportion of the employed population to the total labour force.

Three criteria define employment (including self-employment)

- 1. Age:** To be in the age range chosen to define the active population, usually 15 and older.
- 2. Duration of the activity:** All persons who have worked at least one hour during a specified brief period (in general, one week) including all those who have a job, but are on leave for various reasons.
- 3. Nature of the activity:** Must be an activity of production of goods and services according to the national accounting system. (*International Conference of Labour Statisticians, 1982*)



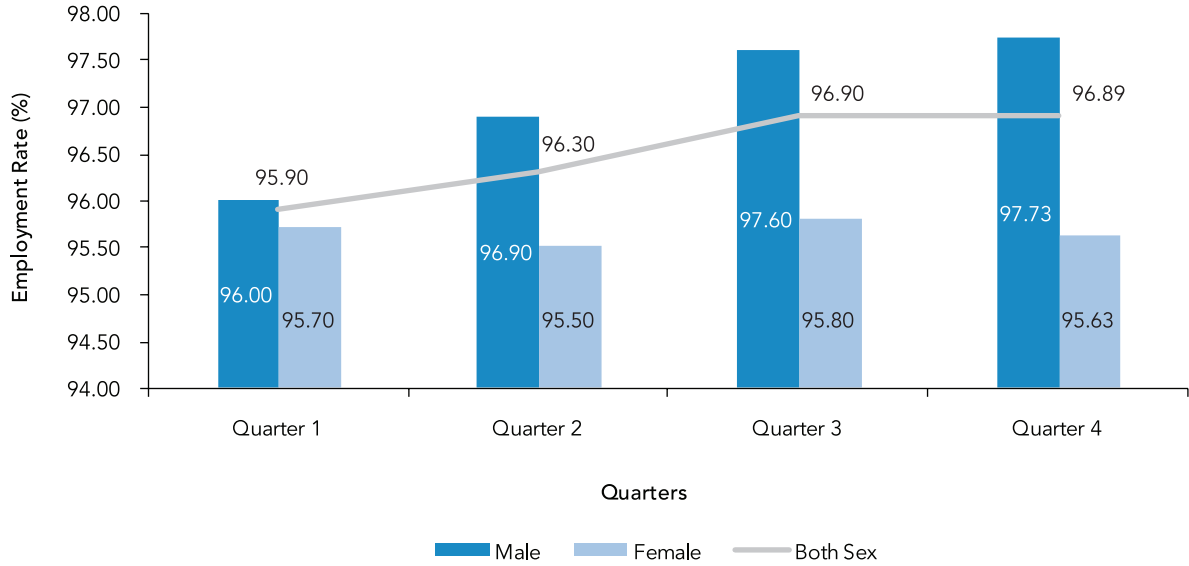


Figure 3.1 Employment Rate by Sex (Quarter 1 to Quarter 4) 2024

The overall employment rate in Bhutan for the fourth quarter 2024 is 96.89% (CI: 96.13, 97.63). It is higher among the males (97.7%) than their female (95.6%) counterparts. Compared to the previous quarter, the rate has decreased by 0.01 percentage points. However, since the confidence intervals (CI: 96.20, 97.49) for the employment rates of the two quarters overlap, the differences between the two quarters are not statistically significant. The average employment rate for the four quarters is estimated at 96.5%.

Further, it is observed that the employment rate is higher in rural areas (98.3%) than in urban areas (94.5%). Among the dzongkhags, Lhuentse and Trashigang has the highest employment rate (99.5%), followed by Trongsa (99.1%) and Tsirang (99.0%). On the contrary, the lowest

employment rate is observed in Paro (93.8%), followed by Haa (95.2%) dzongkhags. There is also a significant disparity in employment rates between rural and urban areas, as well as across dzongkhags.

Among the thromdes, Phuentshogling (96.1%) has the highest employment rate, while Gelegphu (91.3%) has the lowest. This indicates a noticeable variation in employment levels between the thromdes (Table 3.1).

The distribution of employed persons across different age groups has maintained the pattern that was observed in the previous quarters. For the productive age group (15-64 years), the employment rate is estimated at 96.7%, with 97.6% for males at and 95.4% for females (Table 3.2).

Table 3.1 Proportion of Employed Persons by Dzongkhag/Thromde and Sex, Fourth Quarter, 2024

Dzongkhag/Thromde	Total	Sex (%)		
		Male	Female	Total
Lhuentse	6,825	99.1	100.0	99.5
Trashigang	21,365	99.2	100.0	99.5
Trongsa	13,822	98.6	100.0	99.1
Tsirang	14,133	100.0	97.8	99.0
Trashi Yangtse	7,924	100.0	97.5	98.9
Dagana	14,834	99.3	98.0	98.7
Chhukha	13,740	99.1	97.6	98.4
Samtse	31,550	98.0	98.1	98.1
Sarpang	20,440	100.0	95.6	98.1
Thimphu	12,159	98.9	95.7	98.1
Monggar	16,374	97.6	98.4	98.0
Samdrup Jongkhar	14,335	97.7	98.2	97.9
Zhemgang	7,548	98.1	97.3	97.8
Punakha	15,244	97.7	97.7	97.7
Wangdue Phodrang	23,663	97.1	97.9	97.4
Bumthang	8,995	96.1	98.2	97.0
Pema Gatsel	10,479	100.0	91.9	97.0
Phuentshogling Thromde	19,079	97.1	94.0	96.1
Haa	7,855	100.0	88.4	95.2
Thimphu Thromde	60,783	97.4	87.8	94.1
Paro	23,537	92.7	95.4	93.8
Samdrup Jongkhar Thromde	3,604	95.9	86.6	92.5
Gelegphu Thromde	6,419	90.6	92.4	91.3
Total	374,705	97.7	95.6	96.9

In contrast, the youth population (15-24 years) has the lowest employment rate at 82.3%. The males (85.5%) have a significantly higher rate than that of the females (78.8%).

The employment rate for females aged 65 years and above is 100% and this suggests that all females in this age group who are available for work are employed during the survey reference period. However, for males in this age group, the employment rate is 99.2%.

In terms of the proportion employed persons by sector, the service (43.2%) sector has the highest

Table 3.2 Proportion of Employed Persons by Age Group and Sex, Fourth Quarter, 2024

Age Group	Total	Sex (%)		
		Male	Female	Total
15-64	355,534	97.6	95.4	96.7
18-64	354,879	97.7	95.4	96.8
15-19	2,684	70.7	74.7	72.3
20-24	27,899	87.4	79.2	83.4
25-29	47,943	98.7	91.6	95.8
30-34	67,984	98.2	96.8	97.7
35-39	58,945	98.3	98.8	98.5
40-44	47,666	98.5	99.6	99.0
45-49	37,156	99.7	99.2	99.5
50-54	27,948	99.7	100.0	99.8
55-59	21,699	99.8	100.0	99.9
60-64	15,610	100.0	100.0	100.0
65 and above	19,171	99.2	100.0	99.5
Total	374,705	97.7	95.6	96.9

share, while the industry (16.9%) has the lowest. Notably, there has been decrease in the share of employed persons in the agriculture sector in the fourth quarter compared to the previous quarter (Table 3.3).

Throughout all four quarters of the survey, it is observed that a higher proportion of females are engaged in the agriculture sector, while a larger proportion of males are employed in the service sector. This pattern highlights the gender-specific trends in employment across different sectors (Table 3.3).

In the fourth quarter, it is observed that more than one-third of employed persons are classified as paid employees. Among the employed persons in urban areas, majority of them are paid employees, while in the rural areas only 24.8% of them are in the category.

Of the total, approximately 35% of employed persons are classified as "Own account workers", while 25.3% of them are "family worker" employed either in agriculture or non-agriculture. Among the employed persons working as

Table 3.3 Proportion of Employed Persons by Sector, Sex and Area, Fourth Quarter, 2024

Sector	Quarter 1				Quarter 2				Quarter 3				Quarter 4			
	Total	Area			Total	Area			Total	Area			Total	Area		
		Urban	Rural	Both Areas		Urban	Rural	Both Areas		Urban	Rural	Both Areas		Urban	Rural	Both Areas
Agriculture	152,151	4.2	60.0	41.3	146,403	4.4	60.7	41.2	167,056	3.2	64.1	44.1	149,663	2.2	60.5	39.9
Industry	62,603	21.2	14.9	17.0	57,015	20.7	13.6	16.0	58,752	20.1	13.3	15.5	63,228	20.8	14.7	16.9
Service	153,294	74.6	25.1	41.7	151,998	75.0	25.7	42.8	153,215	76.7	22.7	40.4	161,814	77.0	24.8	43.2
Total	368,048	100.0	100.0	100.0	355,416	100.0	100.0	100.0	379,023	100.0	100.0	100.0	374,705	100.0	100.0	100.0

Sector	Quarter 1				Quarter 2				Quarter 3				Quarter 4			
	Total	Sex			Total	Sex			Total	Sex			Total	Sex		
		Male	Female	Both Sex		Male	Female	Both Sex		Male	Female	Both Sex		Male	Female	Both Sex
Agriculture	152,151	34.2	52.0	41.3	146,403	34.7	51.8	41.2	167,056	37.2	55.1	44.1	149,663	32.9	50.7	39.9
Industry	62,603	21.0	11.1	17.0	57,015	19.5	10.5	16.0	58,752	19.4	9.3	15.5	63,228	20.7	11.0	16.9
Service	153,294	44.9	36.9	41.7	151,998	45.9	37.7	42.8	153,215	43.5	35.6	40.4	161,814	46.4	38.3	43.2
Total	368,048	100.0	100.0	100.0	355,416	100.0	100.0	100.0	379,023	100.0	100.0	100.0	374,705	100.0	100.0	100.0

Table 3.4 Distribution of Employed Persons by Nature of Employment, Sex and Area, Fourth Quarter, 2024

Nature of Employment	Total		Area (%)		Sex (%)	
	Numbers	Percent	Urban	Rural	Male	Female
Regular paid employee	121,937	32.5	59.7	17.8	37.8	24.5
Casual paid employee	25,484	6.8	6.4	7.0	10.4	1.3
Own-account worker(Non-agriculture)	62,895	16.8	25.6	12.0	16.4	17.4
Own-account worker(Agriculture)	67,548	18.0	0.9	27.4	17.4	19.0
Family worker(Non-agriculture)	13,893	3.7	6.0	2.5	2.5	5.6
Family worker(Agriculture)	81,008	21.6	0.7	33.0	15.0	31.7
Employer	1,608	0.4	0.8	0.2	0.6	0.3
Apprenticeship/Internship	331	0.1	0.1	0.1	0.0	0.2
Total	374,705	100.0	100.0	100.0	100.0	100.0

Table 3.5 Percentage Distribution of Employed Persons by Major Occupation and Sex, Fourth Quarter, 2024

Major Occupation Group	Total		Area (%)		Sex (%)	
	Number	Percent	Urban	Rural	Male	Female
Managers	42,328	11.3	18.4	7.4	11.0	11.7
Professionals	32,734	8.7	17.0	4.2	9.0	8.3
Technicians and Associate Professionals	20,150	5.4	8.6	3.6	6.9	3.0
Clerical Support Workers	10,766	2.9	5.8	1.3	1.9	4.4
Personal Services Workers	34,104	9.1	15.7	5.5	8.6	9.9
Skilled Agricultural, Forestry and Fishery Workers	149,136	39.8	1.7	60.5	32.5	50.9
Craft and Related Trades Workers	36,397	9.7	12.8	8.0	11.0	7.8
Plant and Machine Operators and Assemblers	27,283	7.3	12.2	4.6	11.8	0.4
Elementary Occupations	19,250	5.1	6.0	4.6	6.2	3.5
Armed Forces	2,558	0.7	1.7	0.1	1.1	0.0
Total	374,705	100.0	100.0	100.0	100.0	100.0

Table 3.6 Proportions of Employed Persons by Level of Education, Area and Sex, Fourth Quarter, 2024

Level of education	Total		Area (%)		Sex (%)	
	Numbers	Percent	Urban	Rural	Male	Female
None	127,785	34.1	15.7	44.1	30.1	40.2
Primary	44,544	11.9	7.9	14.1	14.0	8.7
Lower Secondary	23,850	6.4	6.6	6.3	7.1	5.2
Middle Secondary	50,973	13.6	18.6	10.9	14.7	12.0
Higher Secondary	51,510	13.8	24.5	7.9	13.7	13.8
Certificate/Diploma	9,261	2.5	5.2	1.0	2.6	2.4
Bachelors Degree	28,191	7.5	13.9	4.1	8.1	6.6
Master's Degree and Above	8,426	2.3	4.7	0.9	3.1	1.0
Monastic Education	9,453	2.5	1.4	3.2	4.2	0.0
Non-Formal Education	20,710	5.5	1.6	7.7	2.5	10.1
Total	374,705	100.0	100.0	100.0	100.0	100.0

Table 3.7 Percentage Distribution Employed persons by Type of Enterprise and Sex, Fourth Quarter, 2024

Organization	Total		Area (%)		Sex (%)	
	Numbers	Percent	Urban	Rural	Male	Female
Government agency	54,354	14.5	23.8	9.5	16.2	11.9
Armed forces (RBP, RBG & RBA)	8,141	2.2	5.2	0.5	3.4	0.4
Agriculture farming	149,050	39.8	1.6	60.6	32.5	50.8
Public/Government Company	18,388	4.9	7.9	3.3	6.2	3.0
Private Limited Company	11,981	3.2	6.0	1.7	4.2	1.6
Private Business	130,273	34.8	54.0	24.3	36.7	31.8
Household(s) as a domestic worker	680	0.2	0.5	0.0	0.2	0.2
Non-governmental organizations/CSO	1,838	0.5	1.1	0.2	0.6	0.3
Total	374,705	100.0	100.0	100.0	100.0	100.0

“wage employees”, 48.2% are males and 25.8% are females. Additionally, a higher proportion of employed females (31.7%) worked as unpaid family workers in the agriculture sector compared to 15.0% of the employed males (table 3.4).

Of the total of 374,705 employed persons, the majority (50.9%) are classified as “skilled agricultural, forestry, and fishery workers”. While approximately 11.7% are employed as “managers”, and about 8.3% works in “professional” occupational groups.

Table 3.5 presents the percentage distribution of employed persons by major occupation, area,

and sex. It is observed that the distribution of employed persons across different occupations varies significantly between males and females. This disparity highlights the distinct occupational roles that each sex occupies within the labor market.

As presented in Table 3.6, about one-third of employed persons do not possess any formal education. Approximately 13.8% have completed higher secondary education, while 13.6% have middle secondary education and 11.9% have primary education. Additionally, 9.8% of employed persons reported having a bachelors degree or higher.

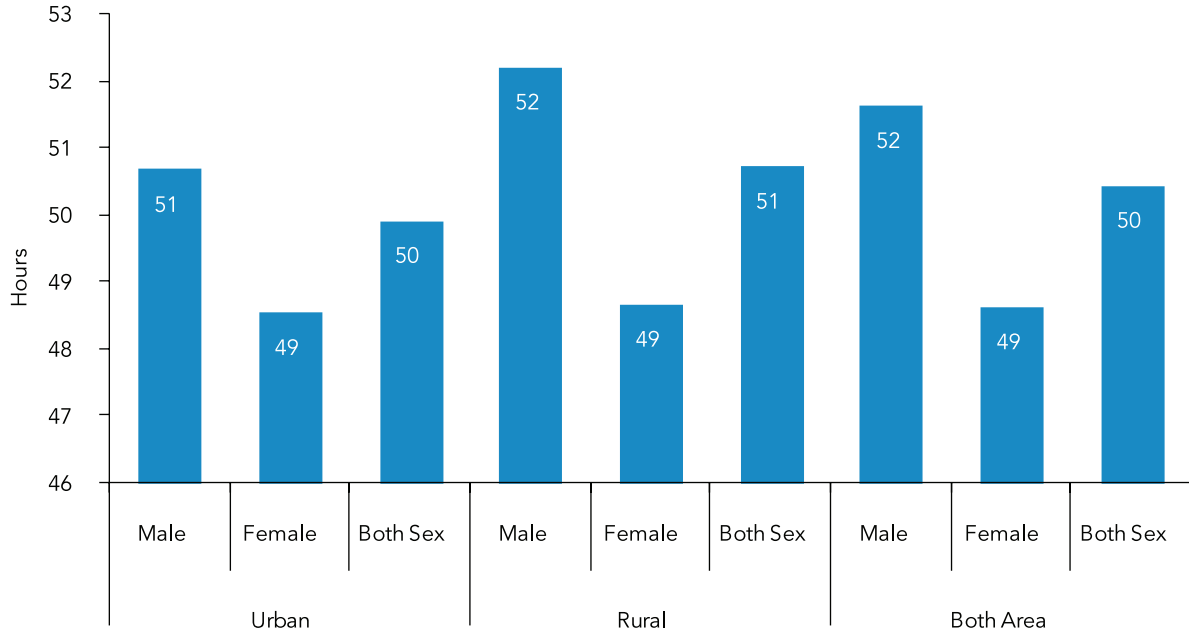


Figure 3.2 Mean Hours Worked in a Week by Area and Sex, Fourth Quarter, 2024

Table 3.8 Mean and Median Monthly Income of Employed Persons by Area and Sex, Fourth Quarter, 2024

Statistics	Urban			Rural			Both Areas		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Mean	35,029	26,966	32,332	21,492	15,433	19,492	27,350	20,480	25,070
Median	30,000	20,000	26,000	19,000	10,000	15,000	22,000	15,000	20,000

In Table 3.7, it is observed that approximately 39.8% of employed persons in the fourth quarter are engaged in agricultural farming, while 34.8% are working in private businesses. About 14.5% are employed in government agencies, and 4.9% work for public or government companies. This distribution illustrates the sectors in which the employed population is actively engaged.

Figure 3.2 presents the mean hours worked per week by employed persons in their primary and secondary jobs, categorized by area and sex. The overall mean is estimated at 50 hours per week. It is observed that male employed persons work more hours, averaging 52 hours, compared to

female employed persons, who average 49 hours. Additionally, when comparing by area of residence, those in rural areas work more hours on average (51 hours) than their urban counterparts (50 hours).

The monthly income data for employed persons is collected from those classified as paid employees, own account workers, and employers. The mean monthly income for this group is estimated at Nu. 25,070. It is noted that the mean monthly income is higher among male employed persons compared to their female counterparts. A similar disparity in income is also observed between males and females across different areas of residence (Table 3.8).

3.2 Employment-to-Population Ratio

The employment-to-population ratio (shown as EPR in this diagram) is a basic yardstick for understanding the overall demand for labour in an economy. It provides information on the ability of an economy to generate employment.

Employment-to-population ratio represents the percentage of employed persons relative to the working age population.

When the employment-to-population ratio rises

over time, it typically indicates an increasing demand for workers within the economy. Conversely, a low percentage suggests that a significant portion of the working-age population is either unemployed or not participating in the labor force.

The overall employment-to-population ratio in the fourth quarter stands at 62.8%. It is 72.3% for males and 52.2% for females. By area of residence, the employment-to-population ratio is 57.7% in urban areas and 65.9% in rural areas.

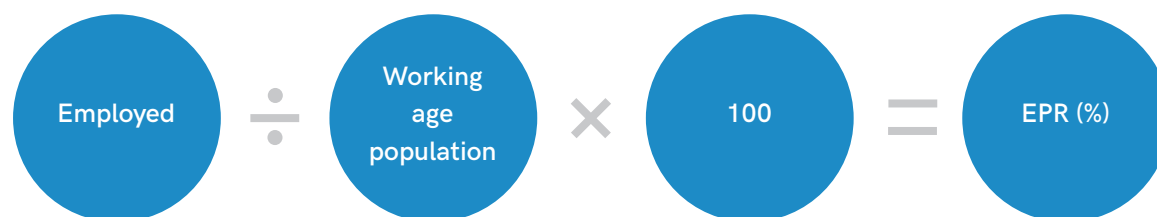


Table 3.9 Employment-to-Population Ratio by Area and Sex, Fourth Quarter, 2024

Area	Employed Person			Working Age Population			Employment to Population Ratio (%)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Urban	85,086	46,904	131,990	116,257	112,665	228,922	73.2	41.6	57.7
Rural	141,240	101,475	242,715	196,586	171,463	368,049	71.8	59.2	65.9
Bhutan	226,326	148,379	374,705	312,843	284,128	596,970	72.3	52.2	62.8

Chapter 4

UNEMPLOYMENT



The three criteria used to define unemployment

Without work: A person of working age who did not work at all during the reference period (not even for one hour), nor was temporarily absent from work.

Seeking work: The person is actively seeking for work in past four weeks.

Currently available for work: The person is available for employment in the next two weeks.

Youth Unemployment: Those unemployed persons aged 15-24 years.

Unemployment-to-Population Ratio: The proportion of unemployed persons relative to the total working-age population.

Unemployment Rate: The proportion of unemployed persons to the total labor force (known as the economically active population).

Youth Unemployment Rate: The percentage of unemployed persons in the age group 15-24 years relative to the labor force in the same age group

4.1 Unemployment Rate

The unemployment rate (UR in this diagram) reflects the ability of an economy to generate employment for those persons who want to work but are not doing so, even though they are available for employment and actively seeking

work. It is an important indicator of labour market performance, and a key measure of labour underutilization

For the fourth quarter, 2024, the overall unemployment rate is estimated at 3.11% (CI:

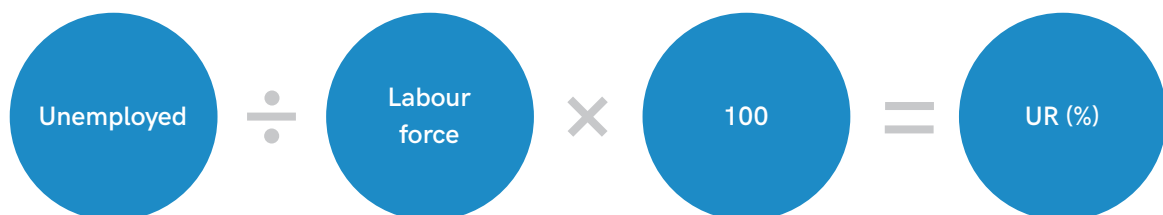


Table 4.1 Unemployment Rate by Sex and Dzongkhag/Thromde, Fourth Quarter, 2024

Dzongkhag/Thromde	Total	Unemployment Rate		
		Male	Female	Both sex
Bumthang	277	3.95	1.79	2.98
Chhukha	217	0.95	2.43	1.55
Phuentshogling Thromde	783	2.91	6.04	3.94
Dagana	198	0.74	1.98	1.32
Haa	398	0.00	11.57	4.83
Lhuentse	35	0.92	0.00	0.50
Monggar	338	2.42	1.62	2.02
Paro	1,559	7.32	4.61	6.21
Pema Gatshel	329	0.00	8.06	3.04
Punakha	363	2.34	2.30	2.32
Samdrup Jongkhar	302	2.26	1.83	2.06
Samdrup Jongkhar Thromde	294	4.09	13.38	7.54
Samtse	620	1.96	1.88	1.93
Sarpang	397	0.00	4.39	1.91
Gelegphu Thromde	608	9.40	7.60	8.65
Thimphu	240	1.13	4.28	1.94
Thimphu Thromde	3,826	2.62	12.22	5.92
Trashigang	99	0.85	0.00	0.46
Trashy Yangtse	89	0.00	2.52	1.12
Trongsa	123	1.38	0.00	0.89
Tsirang	145	0.00	2.22	1.02
Wangdue Phodrang	638	2.90	2.14	2.63
Zhemgang	168	1.86	2.68	2.18
Total	12,046	2.27	4.37	3.11

2.45, 3.96). It is higher among females (4.37%) than their male (2.27%) counterparts. Compared to the previous quarter, the unemployment rate has increased by 0.02 percentage-points from 3.09% (CI: 2.51, 3.80) to 3.11%. However, since the confidence intervals for the unemployment rates overlap, the difference between the two is not statistically significant. The unemployment rate is higher in urban (5.54%) than in rural (1.75%) areas.

The average unemployment rate for four quarters is 3.5%. It is 2.9% for males and 4.4% for females.

Of the total 12,046 unemployed persons in the fourth quarter, 43.7% are males and 56.3% are

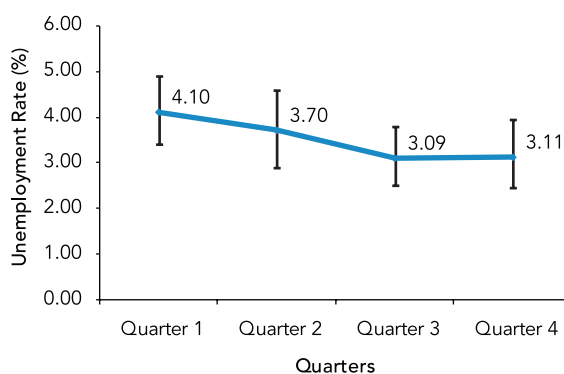


Figure 4.1 Trends in Unemployment Rate, 2024

Table 4.2 Unemployment Rate by Level of Education and Sex, Fourth Quarter, 2024

Level of education	Total	Sex (%)		Both Sex
		Male	Female	
None	314	0.31	0.17	0.25
Primary	315	0.81	0.45	0.70
Lower Secondary	148	0.91	0.00	0.62
Middle Secondary	3,189	3.79	9.58	5.89
Higher Secondary	3,835	4.70	10.12	6.93
Certificate/Diploma	183	3.08	0.00	1.94
Bachelors Degree	3,415	6.55	17.82	10.81
Masters Degree and Above	104	0.30	5.33	1.22
Monastic Education & NFE	543	2.03	1.50	1.77
Total	12,046	2.27	4.37	3.11

females. About two third (64.2%) of them are residing in urban areas and 35.8% are residing in rural areas.

Paro dzongkhag has the highest unemployment rate at 6.21%, while Trashigang and Lhuentse dzongkhag has the lowest unemployment rate with 0.46% and 0.50% respectively. Among the four thromdes, Gelegphu (8.65%) has the highest unemployment rate, while Phuentshogling (3.94%) observed the least.

Figure 4.2 illustrates the unemployment rate and the number of unemployed persons by age

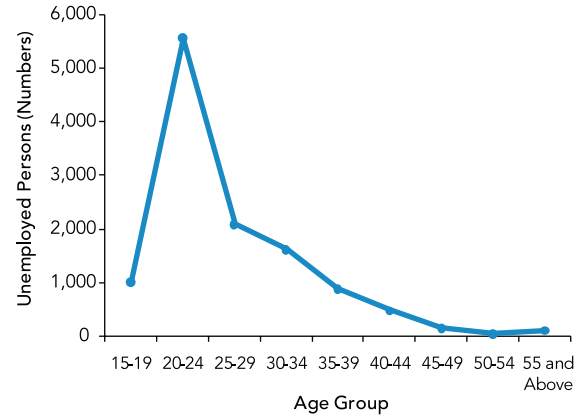
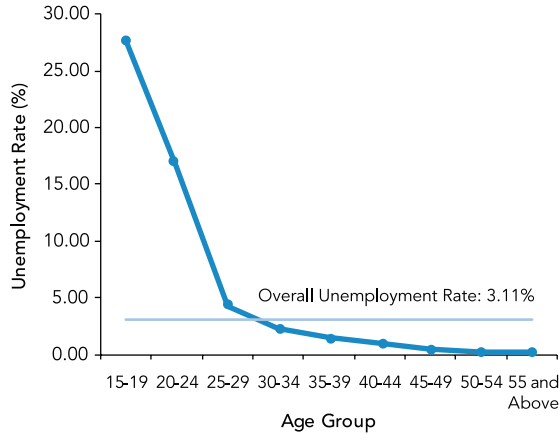


Figure 4.2 Unemployment Rate and Number of Unemployed Persons by Age Group, Fourth Quarter, 2024

group. The unemployment rate is highest among the younger age groups, peaking at 15-19 years. It remains above the overall unemployment rate until the 25-29 years age group, and thereafter unemployment rate declines steadily and flattens starting from the 45 years and above.

In contrast, the number of unemployed persons reaches its peak in the 20-24 years age group and then it plummets from the 25-29 years onward.

Table 4.2 presents the unemployment rate by level of educational attainment. Overall, persons with a Bachelors Degree have the highest unemployment rate (10.81%), while those without any formal education have the lowest (0.25%). When compared by sex, females with a bachelors degree have the highest unemployment rate (17.82%), while it is 6.55% for males with Bachelors Degree.

4.2 Unemployment-to-Population Ratio

The unemployment-to-population ratio differs from the unemployment rate as it accounts for the total working age population rather than those only in the labour force. The ratio helps to provide the unemployment situation from another angle and provides an answer to the

question “What proportion of the working age population are unemployed?”

Of the total (596,970) working-age population, 12,046 persons are unemployed, resulting in an unemployment-to-population ratio of 2.0% (Figure 4.1). The ratio is higher for females (2.4%), compared to males (1.7%). In urban areas, the ratio is 3.4%, more than twice that of rural (1.2%) areas.

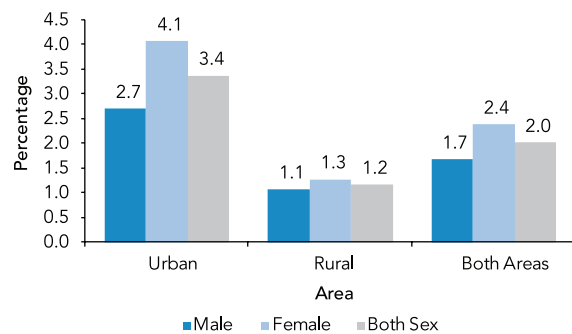


Figure 4.3 Unemployment-to-Population Ratio by Sex and Area, Fourth Quarter, 2024

4.3 Youth Unemployment Rate

Among the total unemployed population, 6,598 persons are youth. The youth unemployment rate is 17.7% (CI: 13.1, 23.6). It has increased by 1.2 percentage-points from the previous quarter



Table 4.3 Youth Unemployment Rate by Sex and Area, Fourth Quarter, 2024

Sex	Total	Urban	Rural	Both Areas
Male	2,808	13.4	15.6	14.5
Female	3,790	25.6	15.3	21.2
Both Sex	6,598	19.8	15.5	17.7

i.e.16.5% (CI: 12.6, 21.3). However, due to the overlap in confidence intervals between the two quarters, this difference is not statistically significant.

The youth unemployment rate is higher for females at 21.2% compared to 14.5% for males. Additionally, youth unemployment is primarily an urban phenomenon, with a rate of 19.8% in urban areas versus 15.5% in rural areas.

Overall share of youth unemployment to total unemployment is 54.8%.

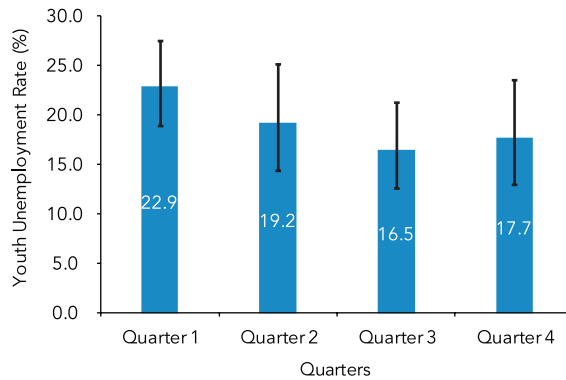


Figure 4.4 Youth Unemployment Rate from Quarter 1 to Quarter 4, 2024

ANNEXURE

INDICATORS: DEFINITION, NUMERATORS AND DENOMINATOR

Sl No	Indicators	Definition	Numerator	Denominator
1	Working-age Population	Persons aged 15 years and above		
2	Economically Active Population (labour force)	Working-age population who were/ are employed or unemployed during the reference period of the survey are referred to as Economically active population or Labour Force.		
3	Economically Inactive Population (out of labour force)	Working-age population who are/ were neither employed nor unemployed during the reference period		
4	Labour Force Participation Rate (LFPR)	LFPR is defined as proportion of economically active persons (labour force) to the working age population	Economically active/ labour force	Working-age population
5	Economically Inactivity Rate	It is defined as proportion of economically inactive persons (out of labour force) to the working-age population	Economically inactive population	Working-age population
6	Employment Rate	It is defined as proportion of employed persons to the economically active population	Employed persons	Economically active population
7	Employment-to- Population Ratio	It is defined as the proportion of employed persons to the working-age population	Employed persons	Working-age population
8	Unemployment Rate	Unemployment rate is defined as the proportion of unemployed persons to the economically active population	Unemployed persons	Economically active Population
9	Unemployment-to- Population Ratio	It is defined as the proportion of unemployed persons to the working-age population	Unemployed persons	Working-age population
10	Youth Unemployment Rate	Youth unemployment rate is defined as the percentage of unemployed persons in the age group 15-24 years to the economically active population in the same age group	Unemployed persons (aged 15-24 years)	Economically active youth population
11	Share of Youth Unemployment	It is expressed as percentage of youth unemployed persons to all unemployed persons	Youth Unemployed persons	Total Unemployed persons



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