

## **Nepal: National Labour Policy of Nepal Government**

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His Majesty's Government of Nepal has issued a National Labour Policy in 1999. This document primarily deals with general labour policies and has no policy and practice of treating migrant workers (MWs) specifically. However, the following provisions are indirectly concerned with MWs as well:

1. One of the objectives of the labour policy is to make special attempts for institutional development of the regime of foreign employment of Nepalese, and secure its continuity.
2. For the expansion of foreign employment and increment of the reliability of its business, a high level advisory committee shall be constituted with the participation of ministry of labour, home, finance and National Planning Commission and foreign employment entrepreneurs organisations.
3. For the development of foreign employment, if necessary a foreign employment institution shall be established with the participation of the private sector also.

### **Plan of action for the implementation the policies stated above are:**

- Programmes must be developed to eliminate gender discrimination in employment, and to address these problems women must be provided with access to technical and skill programmes.

### ***Ratification of International Conventions***

- Priority shall be given to ratify the important conventions, ILO conventions in particular

### ***Social Security***

- Special programmes shall be conducted for security of migrant workers.

## **New Developments with regard to Foreign Labour Migration**

### **1. Revision on Foreign Employment Act**

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A National Consultation on Draft Bill on Foreign Employment Act was held on 31 March 2004 in Kathmandu. Several MWs made friendly recommendation, which have been incorporated in the document. The document is currently being finalised.

## **2. Sticker Stamping Provision in the passport of MWs**

The Government of Nepal has started the sticker provision in the passport of MWs from 13 April 2004 (i.e. 1 *Baisakh* of Nepalese New Year). When all the procedures and documentation are completed, the Department of Foreign Employment stamps a sticker. The sticker acts as a proof and the concerned country provides visa, following the sticker stamping. This step is taken to ensure that the person who had applied for the vacant position can only have the chance to go abroad. In the past the recruiting agencies would often change the name list after the visa approval in bulk. The government hopes that such malpractices could be substantially reduced after the introduction of sticker stamping method.

## **3. Pre-departure orientation Session**

The Pre-departure orientation session has been made compulsory from February 13 2004. The government has strictly ordered the recruiting agencies to give an orientation to the MWs before departure. As a result such Pre-Departure Orientation Institutions have flourished and totals to 45 in Kathmandu.

## **4. Scheme for loan facility**

The Government of Nepal started a scheme to provide loan facility to *Dalit* (artisan or low caste), *Janajati* (ethnic community people) and those affected by the conflict situation to work as MWs from mid-April 2004. The Bank of Kathmandu, Nepal provides loan at 8% interest rate. The loan amounts to a maximum of Rs. 1,00,000 (Euro 1,111). The outgoing migrant has to bear the 20 percent of the total amount required and 80 percent is to be provided by the Bank of Kathmandu. The Department of Foreign Employment Promotion has deposited Rs. 10,000,000 (Euro 111,111) in the Bank of Kathmandu as insurance for the banks to provide loan to the persons meeting the criteria fixed by the government. The Bank receives the salary from the employer company and deducts its interest and pays the remaining amount to the family of the MWs here in Nepal.

## **5. Reservations in foreign employment quotas**

The government has also fixed a quota on foreign labour migrants. According to this policy, the recruiting agencies should allocate 10% of the total positions available to women, *dalits* (low caste), *Janajatis* (ethnic community) and to those affected by the political conflict. This is being strictly followed nowadays.

## **6. Website Launch**

An interactive website was launched on 13 April 2004 for the Gulf countries. The Embassy based at Riyadh maintains this website. The URL for the site is [www.rneksa.org](http://www.rneksa.org).

### **7. Bilateral Agreements**

Nepal-Malaysia labor accord is in the process of being signed by the two respective governments. Similarly, bilateral agreements with other Gulf countries are also being considered by the Nepalese Government.

### **8. Provision of Labour attaché**

Government of Nepal has also adopted a policy of providing labour attaché to a country where more than 5,000 Nepali work. But till now there are only two labour attachés employed for this purpose.

### **9. System of Lottery introduced for the selection of foreign labour migrants:**

Government has recently introduced a system of selecting foreign labour migrants who meet all the criteria for employment based on a lottery. When South Korean government put in a demand of 450 individuals as trainees in their light industries, there were about 15,000 applicants. Taking the advantage of this high competition the recruitment agency that was responsible for sending labourers charged high rates. It demanded higher under-table money from the labourers. The official charge was only Rs. 90,000 for an individual, but the Lumbini Overseas, which had to send the labourers, started taking up to Rs. 500,000 from the labourers for recruitment. To correct this situation, the government introduced a lottery system and the successful candidates would only need to pay the minimum amount required. The Recruitment Agency had gone to the Supreme Court to challenge the decision of the government. But the Supreme Court has ruled in favour of the government.

### **10. New Data-Base System**

Government has introduced a new system of developing a data-base of MWS. Until the last year it only had maintained a record of how many got work permit from the Labour Department for different countries. From this year it has started maintaining data base on gender and institutional (through recruitment agents) / individual (arranging work permit on individual basis) basis. It has a plan to introduce recording the biographical data of the labourers who go to foreign countries for the work. If this is implemented, the new data base will be suitable for analysis from various perspectives.