

MODEL CONTRACT OF EMPLOYMENT

CONTRACT SUMMARY

EMPLOYER.....

EMPLOYEE.....

The employer and employee, designated as the parties to this contract, agree to the following terms and conditions, as further elaborated in their detailed contract of employment, made in pursuance of the Labour and Employment Act of Bhutan 2007.

Commencement Date

This contract of employment shall commence on

Duration

The contract duration is for a period ofmonths/years.

Probation

The probation period under the contract is months.

Employee's Tasks

The employee's tasks are as outlined in Attachment A of the contract.

Notice period

The contract shall be terminated by either party giving month's notice.

Commencing wage/salary

On commencement, the employee will be paid a monthly wage of per month.

Hours of work

The employee shall work a maximum of hours per day andhours per week, with any additional hours being paid at overtime rates.

Leave

The employee shall be entitled today's paid annual leave,day's paid sick leave, day's casual leave, week's maternity leave orday's paternity leave.

MODEL CONTRACT OF EMPLOYMENT

This agreement is made in accordance with Section 61 of Chapter V of the Labour and Employment Act 2007.

This agreement is made between (Employer) and(ID No.....) (Employee)(the parties to the agreement) onday.....month.....year.

The employer and employee agree to the following terms and conditions.

Position

1. The employee shall be appointed to the position of and agrees to undertake the tasks and responsibilities as indicated in the job description for this position, as presented in Attachment A.
2. The employer shall be able to transfer the employee to any location related to the fulfillment of these tasks and responsibilities, provided the employee is given a minimum of months notice of such transfer.

Duration

3. This agreement shall be for a period ofmonths/years commencing on

Probation

4. The employee shall complete a period of probation of months after which period the employee shall have permanent status.

Pay and Benefits

4. The employee shall be paidNu per month, paid monthly in arrears on the last day of every calendar month as from the date of this agreement. The pay of the employee shall be reviewed at the end of the employee's probation period, with any new amount being agreed in writing between the parties.
5. The employer shall deduct from the employees monthly pay government taxes and other payments required by law, or as agreed between the parties. The total deductions, however, shall not exceed 50% of the employee's monthly pay.

6. The employer shall pay travel expenses to the employee for travel costs incurred in the performance of the employee's tasks and responsibilities, such payment to be by way of advance and settled at the end of the travel/tour in accordance with the employer's procedures.
7. The employer shall pay the employee a daily allowance ofNu when the employee is required to travel in the performance of the employee's tasks and responsibilities.
8. The employer shall pay to the employee the sum ofNu towards the travel costs of the employee at the commencement of the employment as indicated in paragraph 3.
9. The employer shall pay to the employee the sum of Nu plus travel allowances for the employee and his family in the event of the employer transferring the employee to another location during the course of the employment.
10. The employer shall pay to the employee the sum ofNu towards the employees travel expense at the time of repatriation.
11. Pay and allowances and other monetary entitlements under this agreement shall be payable only in Ngultrums.

Hours of Work

12. The employee shall be required to work a maximum of 8 hours per day, 6 days per week and in accordance with other provisions concerning hours of work as set out in the Labour and Employment Act 2007.
13. The employee shall be entitled to overtime payments in accordance with the Labour and Employment Act 2007 or the Internal Service Rules of the enterprise if such rules provide for higher rates than those set out in the law.

Leave and rest periods

14. The employer shall provide the employee rest and meal breaks in accordance with the provisions of the Labour and Employment Act, 2007. Such breaks, however, do not count as part of standard working hours.
15. The employee shall be entitled to days of paid annual leave,days of paid sick leave, days paid casual leave, months paid maternity leave, and days paid paternity leave, to be taken in accordance with the procedures and arrangements provided in the Labour and Employment Act 2007 and its regulations.

Safety and health

- 16. The employer shall provide a working environment that is safe and not harmful to the health of the employee and assumes prime responsibility for all safety and health matters in the place of work. The employee agrees to cooperate with the employer to ensure the working environment is as safe and healthy as is reasonably possible.**
- 17. The employer agrees to provide the employee with all necessary protective clothing and equipment associated with the employee's duties and responsibilities, without cost to the employee.**
- 18. The employer agrees to compensate the employee for any injury or disease attributable to the performance of his or her duties and responsibilities under this agreement, or in the event of death of the employee due to work or work related circumstances, to compensate the employee's dependants and beneficiaries. Such compensation shall be payable according to the provisions of the Labour and Employment Act 2007 and its regulations.**

Provident fund, pensions and gratuities

- 19. On termination the employer shall pay to the employee all payments and entitlements due for provident fund, group insurance, pension rights and gratuity payments, if any, as provided in the Labour and Employment Act, 2007 and its regulations.**

Contract Renewal

- 20. The employer shall notify the employee at least months before the expiration of this agreement whether the services of the employee will be required. In the event of the intended re-engagement of the employee, the terms and conditions of employment, including the duration of the contract, shall be as agreed between the parties.**

Termination of contract

- 20. The parties agree that this contract can be terminated by mutual agreement by either party giving a minimum of months notice, with the parties respective rights and obligations on termination, including those applying to situations of dismissal due to gross misconduct, as provided in the Labour and Employment Act. 2007.**

Loyalty and Confidentiality

- 21. The employee agrees to the best of his or her abilities to protect and promote the property, information and business interests of the employer and not to disclose information to others that could be harmful to those interests.
- 22. The employer agrees to respect the rights of the employee as set out in the Constitution and laws of Bhutan, in this agreement and the Internal Service Rules of the enterprise, and to treat the employee fairly and with respect and dignity.

Documentation provided by the employee

- 23. The employee declares that all information, documentary evidence, including educational qualifications and medical reports, references, employment history and other documents relied upon by the employer in entering into this agreement are to the best of the knowledge of the employee correct, complete and verified, as appropriate. The employee further agrees that non-disclosure or withholding of material information that would otherwise have resulted in the employer not entering to this agreement shall result in this agreement being null and void and may, at the discretion of the employer, lead to prosecution under the Penal Code of Bhutan.

Copy of contract

- 24. The employer agrees to provide the employee with a signed and dated copy of this agreement, with the original signatures of both parties, at the time the agreement is entered into.

(Affix legal stamp)

(Affix legal stamp)

Signed by the employer

Signed by the employee

at.....

at.....

on.....

on.....

ATTACHMENT A

JOB DESCRIPTION

The person in this position will be responsible to and undertake the following tasks and responsibilities.

Tasks and Responsibilities

-
-
-
-
-

Job Requirements

The person in this position is required to have the following capacities.

-
-
-
-

The employee agrees to perform the above tasks and responsibilities to the best of his or her abilities.

Signature of Employee

Date