

CHAPTER 5: CONTRACT APPOINTMENT

5.1 Policy

5.1.1 Recruit and retain personnel with the requisite qualifications, experience and skills for the following:

5.1.1.1 Time bound projects and programmes.

5.1.1.2 Meeting short-term HR requirements in the Civil Service.

5.1.1.3 Long-term positions, where there is an acute shortage of human resources.

5.1.2 Recruitment of expatriates to be considered only when Bhutanese citizens with requisite qualification, experience and skills are not available.

5.1.3 Allow flexibility for careful human resource planning whereby the best could join the civil service every year.

5.2 Category

Contract service shall be categorised as:

5.2.1 Regular contract

Recruitment of employees under this category shall be against the approved staff strength based on the following conditions:

5.2.1.1 There is a critical need of the specific qualification, skills and experience.

5.2.1.2 There is shortage of human resource in the market.

5.2.1.3 The appointment at the Professional & Management Category shall be at one position level lower to the entry position. However, appointment at Supervisory & Support Category and the Operational Category would be at the same position level.

5.2.1.4 The employee shall be eligible for contract allowance at the rates approved by the Government.

5.2.1.5 Pay and benefits are as provided in *Annexure 1*.

5.2.2 Consolidated contract

Recruitment of employees under this category shall be against the approved staff strength based on the following conditions:

5.2.2.1 There is a need of the specific qualification, skills and experience.

5.2.2.2 There is enough pool of human resource available in the market.

5.2.2.3 The appointment at the Professional & Management Category shall be at one position level lower to the entry position. However, appointment at Supervisory & Support Category and the Operational Category would be at the same position level.

5.2.2.4 The employee shall not be eligible for contract allowance.

5.2.2.5 Pay and benefits are as provided in *Annexure 1*.

5.2.3 Special contract

Recruitment of employees under this category shall be against the approved staff strength for highly specialized knowledge and skills with special pay package based on the following conditions:

5.2.3.1 There is a critical need and urgency of the specific qualification, skills and experience.

5.2.3.2 There is acute shortage of highly skilled human resource available in the market.

5.2.3.3 The appointment may not follow the existing pay structure. Thus, a monthly lump sum salary shall be paid as approved by the RCSC.

5.2.3.4 The employee shall not be eligible for contract allowance.

5.2.3.5 A new contract agreement shall be developed and executed based on individual contract case between the employing agency and the employee. The agency concerned shall develop a separate contract agreement with specific terms and conditions, which shall be submitted along with the employee requisition for RCSC's approval.

5.2.4 Exclusion

The contract service of Substitute Teachers appointed as replacement for teachers on maternity leave shall not be covered under this chapter. The Substitute Teachers shall be governed by RCSC's notification no. RCSC/LS-63/2016/2611 dated 1st March 2016 and the guidelines issued as per RCSC letter No. RCSC/HRMD/7/2016 dated 7th July 2016.

5.3 Authority

5.3.1 All contract appointments in the civil service shall require approval of the RCSC. However, exceptions to this section may be made for:

5.3.1.1 Specialised fields for time bound assignments by the HR Committee with approval of the Minister concerned for a maximum period of one year or until completion of the assignment whichever is earlier; and

5.3.1.2 Specialised fields by the Constitutional Offices against approved staff strength.

5.3.2 Agencies may appoint on contract in place of civil servants on study leave without pay, EOL and **maternity leave for teaching profession.**

5.4. Recruitment Procedure

5.4.1 Agency shall process recruitment only against a post approved by the RCSC.

5.4.2 Agency shall obtain prior approval of RCSC for recruitment.

5.4.3 The recruitment on contract shall be based on merit through a fair, open and competitive selection process.

5.4.4 Ex-civil/ public servant who has been terminated or compulsorily retired from service or superannuated shall not be eligible for appointment on contract.

5.4.5 A candidate shall submit duly filled Civil Service Employment Application Form as provided at *Annexure 4/1* of the BCSR 2012.

5.4.6 A candidate appointed under this rule shall execute a contract agreement with the employing Agency in the prescribed form given as ***Annexure 2.***

5.4.7 The authority concerned shall issue work permit to an expatriate selected for appointment in the civil service only upon confirmation of the appointment, through an office order to be issued to this effect.

5.4.8 Agency shall submit to the RCSC relevant documents, including details of contract appointments for issuance of EID No.

5.4.9 Only upon the allotment of EID No., shall the appointment on contract be considered endorsed by the RCSC.

5.5. Orientation

5.5.1 Every expatriate appointed shall be oriented by the Agency on the culture, traditions, Government policies and the Code of Conduct and Ethics and properly inducted into the position.

5.5.2 A Bhutanese citizen selected for contract appointment shall be briefed by the employer concerned and properly inducted into the position.

5.6. General Terms

A contract employee shall:

5.6.1 Initially be appointed for a maximum period of three years;

5.6.2 Be appointed for a contract term aligned to coincide with the end of the academic session in case of Teaching Profession;

- 5.6.3 Abide by the Civil Service Code of Conduct and Ethics;
- 5.6.4 Abide by the terms and conditions specified in the Contract;
- 5.6.5 Be liable to be posted or transferred to any Agency or any part of the country;
- 5.6.6 Have completed the required 'cooling-off period' of **one** year, if he has participated in politics;
- 5.6.7 Not be placed on probation;
- 5.6.8 Be eligible for short-term in-country training; and
- 5.6.9 Be subject to Performance Appraisal by the Agency.

5.7. Terms and conditions for employment of ex-politicians

- 5.7.1 For the purpose of employment in the civil service, 'politicians' shall be those persons having actively involved in party politics, either as members or party workers, as well as candidates participating in any form of elections under the electoral laws of Bhutan.
- 5.7.2 Ex-politicians may be hired for civil service consultancy services for a specific term.
- 5.7.3 Employment of ex-politicians shall be generally on contract service.
- 5.7.4 Ex-politicians may be hired on contract services in the civil service on fulfilling the following terms and conditions:
 - 5.7.4.1 A minimum 'Cooling Off Period' of **one** year from the day of discontinuation of all party and other political activities;
 - 5.7.4.2 The applied post is approved in the Agency's staff strength which could not be filled through open-competition by in-service candidates;
 - 5.7.4.3 The post is not a managerial post; and
 - 5.7.4.4 The recruitment is done through open competition.

5.8. Remuneration and Benefits

5.8.1 Remuneration

5.8.1.1 The Agency shall during the employment period, pay to the contract employee, pay and allowances as specified in *Part-II of Annexure 2* which shall be payable monthly in arrears on the last working day of every calendar month.

5.8.1.2 The civil service promotion rules shall not apply to the contract employees. However, the RCSC may consider revision of the terms and conditions for payment of a higher salary when the contract is renewed after a minimum period of five years of active service based on performance.

- 5.8.1.3 Annual increment shall be given to regular contract employees following pay scale structure. The employees under consolidated contract and special contract shall not be eligible for annual increment.
- 5.8.1.4 As and when the civil service pay is revised, remuneration of contract employees may also be revised accordingly, where admissible, per the prevailing financial rules.

5.8.2 Leave

A contract employee shall be eligible for the following categories of leave:

- 5.8.2.1 Casual leave: As per BCSR 2012
- 5.8.2.2 Bereavement leave: As per BCSR 2012
- 5.8.2.3 Maternity leave:

The employee shall be eligible for maternity leave of six months if the employee has served minimum of 12 months of service. However, if the employee has not completed 12 months of service before applying for the leave, s/he shall be eligible for three months of maternity leave. Pay and other service conditions during the maternity leave shall be governed by the notification no. RCSC/LS-63/2016/2611 dated 1st March 2016.

- 5.8.2.4 Paternity leave:

The employee shall be eligible for paternity leave of 10 working days from the date of delivery. Pay and other service conditions during the paternity leave shall be governed by the notification no. RCSC/LS-63/2016/2611 dated 1st March 2016.

- 5.8.2.5 Earned leave:

- i. The employee shall earn leave at the rate of 2.5 (two and half days) for every completed month of service. This leave shall be accumulated to a maximum of 30 days annually, which the employee is permitted to encash.
- ii. In case the employee does not render a minimum of one year's service, he/she shall not be eligible to encash any credited number of earned days.
- iii. The employee under teaching profession entitled to annual vacation shall not be eligible to earned leave. Instead, the following paid annual vacation is entitled:

Paid annual vacation for teaching profession: In an academic year, the employee in the teaching profession shall be entitled to:

- a. Full paid annual vacation for rendering a minimum of 10 months of service.
- b. No paid vacation for rendering less than 10 months of service.

5.8.2.6 Medical leave:

- i. The employee, who has been certified as incapable of performing duties due to illness or injury, shall be granted Medical Leave up to a month on production of a medical certificate from a certified medical doctor in Bhutan. The employee on medical leave shall be entitled to gross pay.
- ii. If the medical leave exceeds one month, the employer shall end the contract without notice whereby the employee shall be paid gratuity and repatriation benefits.

5.8.2.7 Extraordinary leave: The employee shall not be eligible for EOL.

5.8.2.8 Study leave: The employee shall not be eligible for study leave.

5.8.3 Leave Travel Concession

The employee shall only be eligible for LTC after rendering a minimum of one year of service. LTC shall be paid once in a financial year with a maximum ceiling as per existing financial rules.

5.8.4 Difficult Area Allowance

The employee posted to a place beyond one dholam from the motorable road shall be eligible for difficult area allowance as per the existing financial rules.

5.8.5 Professional Allowance

The employee shall be eligible for professional allowance as permissible under the existing financial rules.

5.8.6 Uniform Allowance

The employee appointed as nurses shall be eligible for uniform allowance as per the existing financial rules.

5.8.7 Radiation Allowance

The employee appointed as radiology technician shall be eligible for radiation allowance as per the existing financial rules.

5.8.8 Training

The employee shall be eligible for relevant in-country short term training only.

HR Committee shall ensure that only relevant employee is nominated for the training. HR Committee shall rationalise on the frequency of the employee's training and ensure that the nominated employee have completed at least six months since the last short-term training.

DSA and related expenses shall be payable as per existing financial rules.

5.8.9 Medical Facility

A contract employee and the family members shall be provided medical treatment by the Government as per the prevailing medical treatment rules.

5.8.10 Housing

The employee shall be eligible for house rent allowance, where admissible, as per the prevailing financial rules. However, if Government accommodation is provided, house rent shall be deducted as per the prevailing rules.

5.8.11 Government Employee Group Insurance Scheme

The employee under shall be governed by existing rules and regulations of the Government Employee Group Insurance Scheme.

5.8.12 Compensation

In the event of death, injury, or illness attributable to the performance of service under the terms of the contract, the employee shall be entitled only to compensation payable under Government Employee Group Insurance Scheme admissible for the grade of his post.

5.8.13 Deduction

Personal Income Tax and other statutory deductions shall be deducted according to the prevailing rules.

5.8.14 Terminal Benefit

5.8.14.1 Gratuity

- i. One month's last basic pay shall be paid as gratuity for every completed year of satisfactory contract service.**
- ii. In the event the employee initiates and terminates the contract before the expiry of the contract term, one month's notice shall be given to the employer to avail the gratuity.**
- iii. In the event of the employee's death while in service, the gratuity shall be payable to the nominee(s) of the employee.**

5.8.15 Repatriation Benefit

5.8.15.1 The following repatriation benefits shall be payable to the employee only once in the whole contract term, which shall include any renewal/extensions:

- i. Transfer grant according to the prevailing rules.**
- ii. Travel Allowance of an amount equal to the last basic pay that the employee is entitled to at the time of repatriation.**
- iii. Transport charge of personal effects as per the prevailing rules.**

5.8.15.2 Repatriation benefit shall, however, be not permissible on the following conditions:

- i. When the employee's contract is terminated by the employer on ground of non-performance or misconduct or breach of contract terms and conditions, or**
- ii. When the employee initiates and terminates the contract before expiry of the contract term.**

5.8.16 Mode of Payment

Remuneration, allowances and all other entitlements under this rule shall be payable only in Ngultrums except those working in Embassies, Missions, Consulate Offices and other RGoB establishments abroad.

5.9. Extension and Renewal

- 5.9.1 The contract shall be extended/renewed with the consent of both the employer and employee for terms not exceeding two years at a time, with three months notice period to the approving authority (*contract extension form given as **Annexure 3***).
- 5.9.2 In the case of teaching personnel, the extension shall be granted to coincide with the end of the academic session.
- 5.9.3 Contract renewal and extension shall be granted only to those having a clean service history which shall not contain any record of indiscipline, adverse report, misdemeanour, financial dishonesty, or any act that is considered as violation of the Civil Service Code of Conduct & Ethics, Administrative Discipline Rules and Regulations.
- 5.9.4 Performance shall be the main criterion for contract extension and renewal.
- 5.9.5 Approval for all extensions and renewal shall be sought from the RCSC.
- 5.9.6 A candidate on contract shall retire as per the retirement age applicable to regular civil servants; and
- 5.9.7 No extension/renewal shall be permitted beyond the age of superannuation.

5.10. Termination of Contract

- 5.10.1 No contract employee shall be indispensable to the Government and hence shall be liable to be removed from service at any time when the Government finds his services not required.
- 5.10.2 A minimum of one month's notice shall be issued by the party intending to terminate the contract before expiry of the term. However, in the case of lecturers/teachers, three months notice shall be required. In the event of failure to serve the notice in advance of the required period, the defaulting party shall pay to the other the basic pay for the prescribed notice period.

5.11 International Volunteers

- 5.11.1 The RCSC shall determine the requirement, approve and coordinate recruitment of International Volunteers in the Civil Service.
- 5.11.2 International Volunteers are not civil servants and they shall be governed by the terms and conditions of the Memorandum of Understanding signed between the RCSC/authorised Agency and the respective Volunteer Agencies.

5.12. Other Appointments

- 5.12.1 Agency shall be the authority responsible for recruitment, selection, appointment and extension of:
 - 5.12.1.1 Temporary employees including field attachment of university graduates for approved, specific and time bound activities up to a maximum of six months. However, such recruitments shall be subject to availability of approved budget and HR Committee's approval;
 - 5.12.1.2 Contract employees for projects under external donor funding as per the project document signed with the donor agency; and
 - 5.12.1.3 Local recruits working in Embassies/Missions/ Consulate Offices as per the approved positions under the Terms and Conditions approved by the Ministry of Foreign Affairs.

5.13. Accountability

- 5.13.1 An appointment on contract in the civil service which does not conform to this rule shall be treated as unauthorised and hence it shall be revoked by the RCSC.
- 5.13.2 The authority responsible for the violation shall be accountable and liable for administrative actions.