

**PROCEEDINGS AND RESOLUTIONS ADOPTED DURING THE 66TH SESSION OF THE  
NATIONAL ASSEMBLY HELD FROM 23RD FEBRUARY TO 26TH FEBRUARY,  
1988**

1. APPOINTMENT OF THE NEW SPEAKER OF THE NATIONAL ASSEMBLY

During the current session of the National Assembly, His Majesty the King was pleased to command the appointment of Lyonpo Sangye Penjor as the new Speaker of the National Assembly with effect from the 6th day of the first month of Earth Dragon Year corresponding to 23rd February, 1988. His Majesty expressed satisfaction for the unfailing service rendered by Lyonpo T. Jagar as the Speaker for the last 11 years.

His Majesty the King, was pleased to state that although the Speaker of the National Assembly could be appointed from among any of the representatives of the Government, Monk Body and the Public, so far no Speaker had been appointed from among the representatives of the public. Therefore, His Majesty suggested that the post of Deputy Speaker be created and a candidate selected from among the public representatives so that he could study and gain experience in the functional role of the National Assembly and the policies of the Royal Government. His Majesty expressed his hope that this process of training and acquiring experience would enable the more capable public representatives to become suitable candidates for the important post of the Speaker of the National Assembly.

Accordingly, Mr. Jigme Thinley of Nyabi village, a Public Representative of Kurteo, was selected by the majority of the Assembly Members for the post of Deputy Speaker.

His Majesty the King approved the choice of the Assembly members, and was pleased to award Blue Scarf to Mr. Jigme Thinley conferring on him the title of Deputy Speaker in grade 2 of the Royal Civil Service cadre with entitlements of a Royal Advisory Councillor.

2. FOOD CORPORATION OF BHUTAN (FCB) BRANCH SHOP AT PHUNTSHOLING

The Chimi of Phuntsholing Dungkhag requested that the existing FCB branch shops in Phuntsholing town be shifted to rural areas so that the shops could benefit the rural communities more than the urban population it was currently serving.

In response, the Director General of the Department of Agriculture and FCB informed the National Assembly that when FCB was initially set up in 1974, it used to import 250 metric tonnes of rice per month. This figure had now increased to 1,150 metric tonnes per month. Such a large volume of imports was adversely affecting the increase in food grains production within the country. Therefore, it was the policy of the Agriculture Department to gradually reduce the existing number of 61 FCB shops rather than open new outlets.

The Department of Agriculture was making all efforts to reduce the import of food grains and to encourage higher food grains production within the country to attain self-sufficiency in food. As regards the request of the Chimi, it was pointed out that Chukha Dzongkhag alone had nine FCB shops, therefore, the rural communities should not face any inconveniences in procuring essential commodities from the existing FCB shops.

The Director General said that the main reason for establishing FCB shops in towns was to cater to the requirements of the urban population who are mostly government servants and business men who do not engage in agricultural activities. The rural communities on the other hand could grow their own food. He added that the cost of imported rice and foodstuffs are much lower than the food grains grown in our own country, thereby resulting in heavy imports which could hamper the government's policy of attaining self-sufficiency in food. He requested the National Assembly to give careful thought to the future stability of the country rather than consider only the present conveniences.

Following a long deliberation on the issue, many Chimis proposed a gradual reduction in the number of the existing 61 FCB shops. Others suggested that foodstuffs required by rural communities be made available in the existing FCB shops.

In this regard, the Deputy Minister of Trade, Industry and Power stated that since the country's policy is to reduce the import of food grains, the Ministry of Trade, Industry & Power could assist the private entrepreneurs to facilitate the sale of grains in the food shortage areas by buying in regions where excess food was being produced. Such arrangements, he said, would greatly contribute towards the attainment of our national aspiration.

On this issue, the Secretary, Planning Commission, stated that during the Royal tour to all Dzongkhags in connection with the formulation of the Sixth Plan, His Majesty the King was pleased to explain the policy of self-reliance to the people. In view of the policy to reduce

import of food grains and the fact that the system of distribution of food grains from surplus to deficit areas had been framed, the National Assembly was requested to support the existing policy and programmes. Further, the rural people could buy what they needed when they come to towns to sell their products. Therefore, he suggested that the present policy should not be changed.

Since food grains sold by the FCB are much cheaper, it not only hindered the sale of the local food products but was also changing the traditional practice of cultivating food grains such as wheat, barley, etc. to cash crops. In view of all these facts, it was the view of the National Assembly that the number of FCB shops should be reduced gradually in accordance with the Government policy, without causing inconvenience to the people.

The National Assembly resolved that no new FCB shops will be established henceforth. For the benefit of the general public, the private entrepreneurs shall be encouraged to buy food grains from the surplus production areas for sale in the food shortage areas with the assistance of the Ministry of Trade, Industry and Power.

### 3. LAND AS SECURITY FOR BANK AND RICB LOANS

The Chimi of Phuntsholing Dungkhang proposed that farmland be accepted as security for Bank and RICB loans for the public to help set-up small industries and other commercial activities.

In reply, the Deputy Minister of Finance stated that since Bank and RICB are commercial institutions handling government funds and public money, it was imperative to have proper recovery of all loans. Thus, it was not possible to grant loans to anybody who applied for it. However, loans were being made available to buy agriculture machineries and trucks. A system of granting loans for various commercial purposes using assets and products as security had already been started. The Bank had already started giving loans of Nu.20,000/- to 30,000/- to small scale business people of Pemagatshel and Chirang Dzongkhags. Similarly, in southern Bhutan when people were in dire need of money during cash crop harvesting season, interest-free loans amounting to Nu.8,00,000/- were distributed to the public of Gaylegphug and Samchi Dzongkhags last year. This year too, it is planned to be continued. Likewise, over Nu.7,00,000/- was disbursed as interest-free loans to the public of Chukha and Samchi Dzongkhags to buy mules for transportation of cash crops.

The Deputy Minister, stated that according to the law, no one is allowed to mortgage their 'phazhi' (inherited farmland/house) as security for loans. He expressed the view that it was better not to change the existing law. He also informed the Assembly that Bhutan Development Finance Corporation (BDFC) was established in February, 1988, with the assistance of the Asian Development Bank, to provide financial assistance for the development of agriculture and small business. The BDFC will be providing loans on interests lower than that of other financial institutions in the country.

Therefore, as prescribed in the law, the Assembly decided not to allow the mortgage of 'phazhi' to obtain loans from Bank and RICB, since loans for commercial activities and industrial development can be obtained through various institutions created by the government.

#### 4. DRUK AIR

The Chimi of Mewang, Gyene and Dagala, expressed the satisfaction of the public to see the country's airline (Druk Air) operating between Paro, Calcutta and Dhaka. He stated that the public were particularly happy to note that His Majesty the King's last visit to Nepal was by Druk Air. He added that if Druk Air could operate flights to other countries it would project the country's identity as well as boost trade and commerce.

In response, the Minister for Social Services and the Ministry of Communications and Tourism informed the National Assembly that till now Druk Air, with only two small aircrafts has been operating flights between Paro, Calcutta and Dhaka. In addition to the existing aircraft, the government has already bought a bigger aircraft of British-make, the BAE-146, which was expected to be delivered soon. Once this new and bigger aircraft was delivered, it would operate flights to other countries. This would not only ful-fill the wishes and aspirations of the public but was also expected to be of great service to the public and the government.

#### 5. NORTHERN BORDER TALKS

The Chimi of Mewang, Gyene and Dagala sought clarifications on the present status regarding border talks with the People's Republic of China, which were started a few years ago.

On this issue, the Minister for Foreign Affairs informed the Assembly that the first round of border talks was held in Beijing, the Capital of the Peoples' Republic of China in 1984, followed by the second round which took place in Thimphu in 1985. The third round of talks was held in Beijing in 1986 and the fourth was convened in Thimphu last year. The fifth round of border talks was scheduled to be held in Beijing in May, this year.

So far, the main agenda of the talks centred around the Guiding Principles which were very important, as these would constitute the basis for conducting boundary demarcations later on.

The Minister also informed the Assembly that the Government of the Peoples' Republic of China had proposed five Guiding Principles while the Royal Government proposed four, which the Chinese Government has already agreed. Although there were differing opinions on a few issues, most of them were resolved during the last round of border talks held in Thimphu and the remaining points are expected to be resolved in the forthcoming boundary talks scheduled in Beijing, this year.

In addition to the border talks, bilateral and international issues were also discussed. The Bhutanese delegation had met with the Chinese Premier and the Foreign Minister whenever they visited China. Likewise, His Majesty the King also granted audience to their delegation every time they visited Thimphu.

Normally, the talks on border settlement between any two countries take a long time. The government was taking up the matter with full dedication and endeavouring to protect the nation's interest.

## 6. FOREIGN ASSISTANCE

The Chimi of Mewang, Gyene and Dagala requested information on assistance so far received from friendly countries and the benefits derived from such assistance.

In response to this query, the Secretary, Planning Commission said that the country has completed 26 years of planned development, since the First Five Year Plan, which began in 1961. The VIth Five Year Plan programmes had just been launched.

As the country's revenue was not enough to meet the expenditure incurred on various development programmes, it had to seek assistance from friendly countries, UN agencies,

and International Financial Institutions. Substantial amount of assistance were acquired, and significant achievements have been made in the field of education, health, road construction, Animal Husbandry and Agriculture, etc. which can be seen particularly in rural areas. Detailed reports on the overall development in the country and assistance received, if required, can be obtained from Planning Office.

Further, although the VIth Plan estimates and projection was much larger than the previous plans, it was entirely in the hands of the Government and people to accomplish the goals set in the plan. Despite the difficulties in obtaining external assistance, in accordance with the Government's policy, the welfare of the public was always kept in the forefront.

The Secretary, Planning Commission briefed the Assembly that of the total planned budget outlay of Nu.950 crores, discussions for Nu.403 crores under Indian bilateral assistance were underway. An amount of Nu. 260 crores was expected from the United Nations assistance, other bilateral assistance and from International Financial Institutions. Nu.280 crores was expected from internal revenue during the VIth Plan period, an amount of Nu.50 crores would be borrowed as loan from the two existing financial institutions in the country. It was hoped that the total required for the plan would be mobilized and significant progress made in the development of the country.

During the current plan period, efforts would be concentrated on rural development programmes such as integrated rural housing with smokeless stoves, drinking water supply and other sanitary facilities as explained to the public by His Majesty the King during the Dzongkhag tours.

In response to the query about the type of assistance being received in the area of equipment and machinery, the Planning Secretary said, normally the assistance was received in cash, equipment, machineries and expertise according to needs and requirements.

#### 7. RETENTION OF DUNGNA DUNGKHAG

The Chimi of Dung, Metab and Geleb expressed the people's gratitude for merging the Dungna Dungkhag to Chukha Dzongkhag in 1986 making it more convenient for the public. He requested that for the convenience of the public, Dungna be retained as a Dungkhag.

The Deputy Home Minister responded that earlier the four blocks of Dung, Metab, Geleb and Nakjha were under Paro Dzongkhag. In view of the inconvenience to the public due to long distance between the four gewogs and the Dzongkhag Headquarters, from 1986 onwards, the three gewogs of Dung, Metab and Geleb were merged with Chukha Dzongkhag, while Nakjha gewog was retained under Paro Dzongkhag thereby abolishing the Dungna Dungkhag as per the decision of the cabinet.

The Deputy Home Minister pointed out that there were just over four hundred households in the three gewogs. Other Dzongkhags' requests for establishing Dungkhag, where there are more than a thousand households had not been entertained due to lack of funds for such programmes during the VIth Five Year Plan period. As stated by the public of Dung, Metab and Geleb that they had already derived considerable convenience by being merged with Chukha Dzongkhag, he proposed that they abide by the present decision not to have a Dungkhag. Minor problems of the public could be looked after through the offices of their respective Gups and Chimis.

In view of the abolition of Dungna Dungkhag in 1986 and the subsequent merger of Dung, Metab and Geleb gewogs under Chukha Dzongkhag and retention of Nakjha gewog under Paro, the National Assembly resolved that the present arrangement shall continue for the time being without any changes. It was also decided that in the event there are any major problems, the Ministry of Home Affairs shall study the matter and resolve them suitably.

#### 8. CASH CROP LAND TRANSACTION

Referring to the Land Act which prohibits the sale of farmland measuring five acres or less, the Chimi of Phuntsholing Dungkhag requested that promulgating a similar law for cash crop land also be considered. He stated that otherwise there can be people without a decimal of land in the Land Records (Sa Thram) which may create inconvenience for registration as citizens if the population census is to be taken only on household basis.

In this connection, the High Court Representative explained that as per Land Act, the maximum land holding allowed per person was 25 acres including wet and dry land such as 'Chhushing, Kamshing, Rishing, Pangshing, Tseri' and vegetable garden. Further, a person owning land measuring five acres or less cannot sell it. Whether cash crop land should be specified under the aforesaid land ceiling was upto the discretion of the National Assembly.

Appreciating the concern raised by the Phuntsholing Chimi about the traditional inheritance and livelihood, the Deputy Home Minister said that since the Land Act was explicit on such issue, no problem is foreseen if the law was followed correctly. Regarding identification of citizenship, there was no reason for worry if the person was included in the 1958 population census in accordance with Citizenship Act, (1985) which was passed by the National Assembly.

During the deliberation on whether to modify the Land Act or not, His Majesty the King was pleased to state that it was essential to give serious thought as to whether there was really a necessity to amend the Land Act to control the sale of one's cash crop land. Moreover, unless there was a substantive reason for changes, the credibility of the overall laws of the country would be adversely affected if the National Assembly keeps on amending the law passed by itself for minor or negligible reasons.

His Majesty said that there were only about 2% of the population who owned cash crop gardens. In the event a law to control the cash crop land transaction was formulated, it may cause more harm than contribute to the welfare of the people. Therefore, instead of debating on the issue of not allowing the sale of cash crop land measuring five acres or less, it would be better if more concern should be expressed about setting a maximum ceiling for cash crop lands that can be owned by an individual. No such provisions were covered in the Land Act, and as such there could be people owning cash crop lands beyond reasonable limits, causing disparity among the public and problems to the country.

On this matter, the National Assembly resolved that no modification to the existing Land Act shall be made.

## 9. GUNGDANG WOOLA SYSTEM

The Chimi of Chubu and Lingbu blocks under Punakha Dzongkhag, while expressing satisfaction with the system of labour contribution by citizens under Gungdang Woola System, requested if Gups, Chimis, Chipons and Monastic care-takers could be exempted from Woola in view of their duties. Further he proposed that the contribution of Gungdang Woola by households with only a single male or female and those without land could be reduced.



In response, the Deputy Home Minister said that earlier during the Chunikang Woola System, the wages were fixed at Nu.6/- and Nu.7/- per day for female and male respectively and the people had to contribute labour for one month in a year under Soom Dom, Dugdom, and Chunikang system. Under this system, only the weaker section of the community had to contribute labour as the well-off and influential people could excuse themselves from performing Chunikang Woola on various reasons. Because of this unfair system, the Gungdang Woola, a system of labour contribution according to the household was introduced since the 9th month of 'Fire Hare' Year, i.e. 1987. Under this system, a household is required to contribute labour for only 15 days in a year and the wages have also been increased to Nu.13/- and Nu.15/- per day for female and male respectively. Should any major problems or inconveniences arise, it will be accordingly rectified after the system has been tried for two years.

The Deputy Minister further said that this was not only approved by the National Assembly during its 65th session but the Home Ministry had also issued a circular on the subject for general information to all concerned. Hence, after two years of introduction of Gungdang Woola, if any major problem or inconvenience relating to the system should arise, the matter should be first discussed at the Dzongkhag level after which it should be reported to the Home Ministry. The Home Ministry, after thorough investigations, will then report to the National Assembly for its decision.

The National Assembly resolved that as the Gungdang Woola was initially started from the 1st day of the 9th month of the 'Fire Hare' Year on trial for two years, no new amendments/changes shall be made to the present Woola system framed by the Home Ministry. However, if the regulation was not found practicable, it shall be forwarded to Home Ministry for suitable modification through the Dzongkhag Yargye Tshogchung.

#### 10. IMMIGRATION AND CENSUS

The Deputy Minister of Home Affairs reported to the National Assembly that the Department of Immigration and Census had become concerned about the increasing dependance on external manpower for implementing development and other activities. He stated that according to an assessment in September 1987 there was over one lakh non-nationals in the country and most of them were engaged in development works constituting about 80% of the work force.

When the process of planned programmes started in 1960, development works such as road construction were carried out by the citizens under the Dugdom system. At that time the country was not only self sufficient in manpower requirements but also had surplus production of food grains and other items many of which upto then used to be regularly exported to Tibet. Non-nationals were engaged only in technical fields and in areas where nationals were not available. However, as the size of Government development activities expanded, the requirement of external manpower also increased. The business sector and private individuals also brought in increasing numbers of non-nationals for various purposes. In their eagerness to utilize this cheap and easily available manpower, they unnecessarily employed non-nationals for many jobs and tasks which could have been easily performed by themselves or by other unemployed Bhutanese nationals. The presence of a large number of expatriate workers had led to a sudden growth in the population creating social and economic problems apart from requiring increasing import of food and placing severe constraints on education and health facilities.

Realising this grave situation, the Department of Immigration and Census had started implementing the existing laws so that the number of non-nationals could be reduced to a required level. In this context the following actions and proposals are being carried out.

First, conducting checks to assess the number of non-nationals workers staying in the country without valid permits. In this regard, several persons have already left on their own accord and the Department of Immigration and Census is sending back only those people whose permits have expired or those who do not hold any forms of permit or document. However, unlike in the past the Department of Immigration and Census will only renew permits for those workers who are genuinely required for the important development works of the country. If there are no such requirements then it is naturally pointless to renew work permits that have expired.

Second, the laws and regulations relating to non-nationals, formulated and passed by the National Assembly should be strictly observed and implemented. If all the Departments, Dzongkhags, Gups, Chimis and general public had observed the rules properly, not only the interest of the nation would have been served, but also task of the Immigration and Census Department would be made simpler.

Third, employment opportunities should be given to the landless and seasonally engaged nationals. They can be engaged in various types of developmental activities while all other works related to Dzongkhags should be accomplished through Gungdang Woola System.

Fourth, to avoid the present problems, and to ensure future stability in the country, the Department of Immigration and Census should be strengthened to perform its duties effectively.

The implementation of the already approved rules and regulations by the Department of Immigration and Census are not directed against the interest of any of the citizens and communities irrespective of where they live in the country. It is to ensure their security and accrue to them better benefits from the development programmes.

During the deliberations, the Assembly members supported measures for stricter control on the entry of non-nationals and their stay within the country.

In view of its past resolutions regarding non-nationals, the National Assembly decided that except for specific works where there are no alternatives but to employ non-nationals, which should be determined after proper scrutiny by the government, the landless and unemployed nationals shall be recruited for the implementation of all other works.

Thus in accordance with the earlier resolutions passed by the National Assembly, it was decided that the number of unrequired non-nationals and illegal residents will be reduced and that priority will now be given to the employment of Bhutanese nationals.

#### 11. IMMUNIZATION OF CHILDREN AND PREGNANT MOTHERS

The Director General of Health Department reported to the National Assembly that in the country most of the deaths occur among children. At the beginning of the First Plan in 1961, the annual death rate of children was about 367 per thousand births, this figure was brought down to 102 by the end of Fifth Plan.

During the Sixth Plan period, the National Health Policy was to bring down the child mortality rate to 80 per thousand births per year. To achieve this goal, immunization facilities, procured from abroad are available in all hospitals, BHUs and other medical subposts in the country for immunizing every child in Bhutan against the six dreadful diseases. The general public must be made aware of such programmes and should be fully motivated to participate in it whole-heartedly so that all new born babies are immunized within one year. In future, all children seeking fresh admission in schools must produce completed immunization documents.

Similarly, as pregnant mothers are susceptible to diseases, they should be immunized with Tetanus toxoid vaccine.

The National Assembly resolved that both the children and pregnant mothers must receive immunizations as reported by the Director General of Health Services within the prescribed age and time schedule and all children seeking fresh admission in schools must produce the completed immunization documents.

These programmes and policies must be well communicated to the public by the concerned Dzongdags and Chimis to facilitate full co-operation and participation of the people in such programmes.

Meanwhile, the Department of Health must ensure adequate staff placement with required facilities and stocks well in time in all the health centres and sub-centres.

Dt. 26th February, 1988

Sd/-  
( Lyonpo Sangye Penjor )  
Speaker  
National Assembly of Bhutan