

### Overview

Lao PDR has a system of one-party rule since 1975. The Ruling Lao people's Revolutionary Party is led by the president, General Khamtay Siphandone. Since 1998, The National Assembly meets twice a year and is elected for a period of five years.

Agriculture remains the major sector of the economy, contributing 52% of GDP and employing over 80% of the labour force. Under the New Economic Mechanism (NEM) a centrally planned economy has been transformed into a market-oriented system. Lao PDR reached a new turning point when the country joined ASEAN in mid-1997.

### ILO Constituents

**Government** - The Ministry of Labour and Social Welfare (MOLSW) was created in 1993. The Labour Law was promulgated in 1990 and amended in 1994. The Department of Labour (DOL) is the focal point of the labour administration system and liaises with the ILO and other international organizations on labour-related issues.

**Employers** - The Lao National Chamber of Commerce and Industry (LNCCI) was in 1989. Established within the aegis of the Ministry of Commerce, it deals with economic and business matter. The LNCCI represents some 107 employers covering about 80,000 employees.

**Workers** - The Lao Federation of Trade Union (LFTU), established in 1966, is the only national workers' organization. In the year 2000 LFTU has given priority to workers education to prepare all levels of the organization to respond effectively to the process of change to a fully-fledge market economy.

### Technical cooperation

The following activities are on-going in Lao;

- Capacity Building for Labour Law Implementation
- Development of Social Security (Phase II 2002-2005)
- Child Labour
- Shifting Cultivation Stabilization Pilot Project. Shifting Cultivation has been a major form of agriculture production in the northern part of Lao PDR. The Government and ADB designed the project to address the problems by introducing diversified sedentary agriculture systems as alternatives to shifting cultivation and by improving socio-economic status of beneficiaries through integrated area development. The ILO has introduced the Labour-based technology/approached to the project implementation through ASIST-AP.

### International labour standards and tripartism

Lao PDR became a member of the ILO in January 1964. In the first year of membership, the national government ratified 4 ILO Conventions namely Convention No. 4 on Night Work (Women), 1919, No. 6 on Night Work of Young Persons (Industry), 1919, No. 13 on White Lead painting, 1921 and No. 29 on Forced Labour, 1930. It should be noted that in year 2004 Lao PDR will reach the 40th anniversary of its membership to the ILO.