



Background information

While economic growth and especially foreign direct investment in the Lao People’s Democratic Republic (Lao PDR) has been increasing, poverty reduction has been slower than in other ASEAN Member States. GDP growth has averaged seven per cent over the past decade, largely based on exploitation of natural resources (water, minerals and forests) rather than a more diversified economy or a transition out of agricultural and subsistence employment. Consequently, labour migration remains an important livelihood option for the Lao workforce, including increasing numbers of Lao women. It is estimated that there are 1.3 million Lao nationals living abroad, of whom 54 per cent are women (UNDESA, 2017).

Patterns of migration in Lao PDR are complex, including both inbound and outbound flows of migrant workers. Thailand is the largest destination country for Lao migrants, primarily driven by wage differentials – the current monthly minimum wage in Lao is LAK900,000 (around US\$110) and the Thai minimum more than double this amount. Lao migrant workers in Thailand are predominantly employed in domestic work, construction, manufacturing, agriculture and entertainment work, mainly in neighbouring border provinces and larger cities. Financial remittances from migrant workers are a significant source of income within Lao PDR. An estimated US\$116 million in remittances was received in 2016 (World Bank, 2018).

Although a major sector of employment in Thailand, the migration of Lao women abroad for domestic work occurs entirely outside of formal channels. Confusion remains over the legality of Lao women migrating for domestic work due to ambiguities in the Labour Law and associated decrees that restrict movement of Lao workers into jobs that are considered unskilled, offer few learning opportunities or are contrary to cultural traditions. Many migrants could potentially be affected by this provision as the majority of Lao migrant workers are employed in unskilled or low-skilled positions.

A new Memorandum of Understanding between Thailand and Lao PDR was signed in 2016, broadening a previous agreement on labour migration to include cooperation on social security and skills development. Only a small number of Lao migrant workers migrated under the previous MOU because of the high fees, slow process and administrative complexity involved. Even though the maximum costs payable for recruitment have been established in law, it has been reported that recruitment agencies often charge higher amounts.

Lao PDR at a glance

 Population: 6.8 million

 Labour Force: 3.6 million

Migrants in Thailand

111,171 MOU migrants
(Women=58,105 / Men=53,066)

87,292 registered migrants
completing nationality verification
(Women=43,058 / Men=44,234)

Source: Office of Foreign Workers
Administration, Department of Employment,
Ministry of Labour, Thailand (May 2018)

1,187,803 migrants registered at
one-stop service centres
(777,217 Myanmar, 350,840
Cambodian, and 59,746 Lao
PDR)

Source: Office of Foreign Workers
Administration, Department of Employment,
Ministry of Labour, Thailand (May 2018)

In addition, the lack of clarity about the legality of regular recruitment and placement for domestic workers is thought to be a key limiting factor for women migrants to make use of the MOU process.

There are around 16 recruitment agencies in Lao PDR, with several of these wholly or partially state-owned. While some regulations on the operation of these agencies exist, it is accepted that the legislative framework requires further amendment and specificity to effectively manage this sector. Further subordinate legislation to support the application of the 2014 Labour Law remains under development.

Main programme activities: October – December 2018

From September to October, support was provided to the Lao Federation of Trade Unions (LFTU) on migration and migrant **workers' rights awareness raising activities to garment factory workers** in Vientiane. More than 20 garment factories were reached with a total of 1400 workers (W1120: M280)¹.

In November, in collaboration with the Ministry of Labour and Social Welfare (MOLSW) and LFTU, **financial management trainings** were organized for Migrant Worker Resource Centre (MRC) staff in Xayabouly, Luang Phrabang, Savannakhet, and Champasack. The aim of the training is to strengthen MRC staff and partners capacity on ILO financial management and reporting systems (W4: M12).

On 4 to 5 and 10 to 12 December, the **Programme Advisory Committee (PAC) members visited the MRCs in Xayabouly, Luang Phrabang, Savannakhet, and Champasack** to receive updates and provide guidance on MRC activities.

On 10 to 14 December, meetings were held with several partner organizations including the Department of Labour Management, UN agencies, and civil society, to discuss the **road-map for the establishment of the Migrant Labour Protection Fund**.

On 13 December, tripartite stakeholders, UN agencies and civil society participated in a **Migration Network Meeting** organized by the Department of Skill Development and Employment, MOLSW, in Vientiane. Amongst others, TRIANGLE in ASEAN shared its annual achievements and challenges. It was decided that the network meetings will take place each quarter (W17: M18).

From 14 to 16 December, MRC staff from Xayabouly, Luang Phrabang, Savannakhet, and Champasack hosted a booth at the annual job fair organized by MOLSW in Vientiane. One of the main activities in this event was the **celebration of the annual International Migrants Day**. The programme supported the MRC staff at this event as well as MOLSW with outreach and promotional material. More than 500 people attended the event.

¹ Estimated figures, exact number will follow.

Upcoming activities and key dates (January – March 2019)

Date	Event	Location	Attendees	Purpose
6 February	Consultation workshop on roadmap for the establishment of the migrant worker protection fund.	Vientiane	Government officials, local stakeholders, development agencies	Development of recommendations for the establishment of the migrant worker protection fund.
7 February	PAC meeting	Vientiane	PAC members	To report progress of implementation in 2018, and to discuss and endorse the 2019 Lao PDR work plan.
February	Safe migration outreach activities at vocational training centres and schools (conducted by MRC staff)	Xayabouly and Champasack	Potential migrant workers	To raise the awareness on safe migration among potential migrant workers.
March	Network Meeting on Migration	Vientiane	Tripartite stakeholders and other partners, UN agencies and CSOs	To share information on labour migration in Lao PDR to programme partners, civil society and other stakeholder organizations.

Media coverage

Date	Title	Media source/ Publication
16 October	UN Migration Agency, Lao Immigration Department, Cooperate to Tackle Human Trafficking and Smuggling	reliefWeb
14 November	Lao Woman's Ordeal Highlights Growing Trafficking Problem as Workers Seek Better Jobs in Thailand	Radio Free Asia

The **TRIANGLE in ASEAN** programme extends the cooperation between the **International Labour Organization (ILO)**, the **Australian Department of Foreign Affairs and Trade** and **Global Affairs Canada** on protecting migrant workers and enhancing development opportunities. **TRIANGLE in ASEAN** aims to ensure that the benefits of labour migration are equally realised by men and women migrant workers; employers and governments. In shifting emphasis towards leveraging the development potential of migration, **TRIANGLE in ASEAN** aims to shape labour migration opportunities to support inclusive and sustainable growth in the ASEAN Economic Community. **TRIANGLE in ASEAN** engages institutionally with **ASEAN** and focuses on delivering in six countries (**Cambodia, Lao People's Democratic Republic, Malaysia, Myanmar, Thailand and Viet Nam**).