

**Lao People's Democratic Republic  
Peace Independence Democracy Unity Prosperity**

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**Country report on  
Youth unemployment issue in Lao PDR**

## I. Background:

- The Lao PDR is a least developed country with a population of about 5,6 million, of which 1,9 million are young. This has provided the Lao Government with both opportunity and challenges in its national development.

- On the one hand, 1,9 million young people can be of great labor force for economic growth. On the other hand, this can also pose a great challenge for the Government in providing full and effective employment to them. Over the past years, the Lao Government has exerted its effort to create an enabling environment for investment through improvement of legal framework and investment incentives that would create job opportunities for Lao young people.

- To date, this has not yet been a comprehensive study on youth unemployment in the Lao PDR. However, recently there has been an issue of migration that is directly associated with youth seasonal unemployment.

- The statistics has shown that the number of migrant workers moving from rural areas to city, particularly to Vientiane City, has increased rapidly reaching 72.800 people of which 54% migrating from the North, 29% from the central and 17% from the southern part of the Lao PDR.

- Furthermore, the report on migrant workers from the Lao PDR to the neighboring countries has shown that most of these migrant workers are young. The lack of permanent job after harvesting season and the misperception about job opportunity elsewhere have lured many young boys and girls, particularly in the rural and remote area to migrate to urban areas. This still remains an issue to be addressed.

- According to National Census in 2005. There were 37.820 unemployed people which covered 1,4 % of total workforce of 2.776.712 people.

## **II. The social impact of unemployment :**

- The youth unemployment does entail social impact on national development and society as a whole.
- It is a cause of many social evils such as drug addiction, gangster, thieves and other illegal activities. Young people are easily become victims of human trafficking.

### **III. Lao Government policy on labor:**

- Provide youth with vocational training course and find jobs for them.**
- Upgrade labor skill development and working style.**
- Pay attention to labor law implementation inspection.**
- Manage Lao and foreign labor better and better.**

#### **IV. Lao labor law 1994:**

The objective of this law is to regulate employment relationships and, to make the best use of workers abilities, to ensure the national social and economic development and enhance the efficiency and productivity of society and to improve workers Conditions.

Article 2. "principle of mutual interest of employers and workers", stipulates that:

- the Government shall ensure that employers and workers derive mutual benefit from their relationship without discrimination of race , color , sex , religion , political opinion or social status;
- the workers shall respect and observe work rules and comply with all labor regulations;
- the employers shall provide workers with fair wages, safe working conditions and social protection.

In this law " worker " means a person works under the supervision of the employer in exchange for a salary or wage and benefits provided for by law and regulations under the employment contract " Employer " means any individual or corporate body who employs workers and must pay them a salary or wage, advantages and other benefits provided for by law and regulations and under the contract of employment.

## **V. The Role of Lao Youth Union:**

**Lao Youth Union is a mass organization at Central level, under the direct leadership of party and Central Youth executive Committee, its functions are leading, organizing, educating and developing young people to make them become good citizen, it is also responsible for leading young pioneers and juvenile organizations.**

## VI. Lao Youth Union plan on solving unemployment issue:

- Providing unemployed youth with vocational training course. To date, there are 15 vocational training Centers across the Country.
- Sending young workers to work abroad in collaboration with Ministry of Labor and Social welfare.
- Setting up youth funds to help young poor people to be able to create jobs by themselves especially in the field of agriculture.
- Collecting information on the cause of unemployment among young people and cooperating with local administration to help them solve their own problems.
- Cooperating with international organizations and NGOs such as UN Aids , UNDP , UNFPA , Erickjapen , Oxfam , Japan-Lao Friendship Association and others in addressing negative impact of unemployment by organizing workshop or implementing joint project .

***Thank you.***