# The Lao People's Democratic Republic

A special correspondent

'My brother told me that to serve the Party well you must have a mind empty of thoughts and ideas, and be able to totally surrender.'

Friend of the author

'Laos is being transformed from being a land locked country to a land linked country.'

Chareune Inthavy, Minister of Industry and Handicrafts, 2003

#### Introduction

The 2003 edition of the Asian Labour Law Review contains an excellently researched summation of the situation and mechanisms of labour administration in the Lao People's Democratic Republic (Lao PDR). Any changes that have occurred in the ensuing four years are those of emphasis and are not substantive, despite marked changes in the economy and an escalation in the number of hazardous industries.

'Lao' (used by this author as Lao people themselves use it) continues to be a nation dominated by agricultural workers who lack technical capacity or comprehensive education. Despite a growth rate of around seven per cent, industry only accounts for 23 per cent of the economy and employs four per cent of the workforce. The major exports are: wood, electricity, hand-woven textiles, garments, resources from mining and plantations, and handcrafts. Over 60 per cent of consumer products are imported. <sup>1</sup>

In terms of influences on labour participation four issues stand out as being particular to Lao:

- The at times coerced relocation of thousands of rural villagers to make way for land use projects (dams, extractive industries, and plantations). The consequent loss of arable land, which results in trafficking, urban drift, and employment in hazardous industries. <sup>2</sup>
- The growth in the export market for the traditional crafts and in particular of silk weaving, leading to craft 'factories'. This is linked to the burgeoning interest in green or organic products.
- An escalation in labour migration, in particular to Thailand where the National Statistics Center counted around 200,000 souls, 55 per cent of whom are women, seek work largely as unskilled workers.<sup>3</sup>
- The phasing out of textile and clothing quotas in 2002.

The situation for labour is limited not only by the lack of effective trade union rights, but by the government's suspicion of civil society, in particular locally formed non-governmental organizations (NGOs). They have allowed the establishment of various associations, such as the Community Development and Environment Association, which considers the needs of rural

informal workers, and the Lao Disabled Peoples' Organization, which assists injured workers; but they maintain control by subsuming the organizations under the Prime Minister's Office. While international NGOs do exist, they have to observe Lao sensitivities. There are optimistic indications that a new law will be introduced in 2009 making it easier for local civil society groups to be established and function.

This opening up comes in the wake of ASEAN's Vientiane Action Plan of 2004 and the 2007 UNDP conference in Vientiane, to which 100 senior government officials were invited. South and Southeast Asian speakers representing government and NGOs highlighted the invaluable role of NGOs in assisting the government implement their programmes. This conference, plus membership in the Association of Southeast Asian Nations (ASEAN) since 1997, seems to have yielded slow-growing fruit.

#### **International Picture**

The International Labour Organization (ILO) has a small but active office, whose work largely focuses on social security and has sponsored some occupational safety and health (OSH) activities. At the time of writing, only two international NGOs (the Australian trade union-backed Australian People for Health, Education and Development Abroad, APHEDA, and Oxfam) have labour-focused programmes (separate from migration and trafficking, which are heavily supported by international research and operational budgets).

Until the time of writing, no core labour standards have been ratified. Laos has ratified the ILO Conventions C138 (Minimum Age) and C182 (Worst Forms of Child Labour) and since 2000 has been pondering the possibility of ratifying Core Conventions such as C87 (Freedom of Association and Protection of the Right To Organize), C98 (Right to Organize and Collective Bargaining), C100 (Equal Remuneration), C111 (Discrimination in Employment and Occupation) and even C105 (Abolition of Forced Labour). In response to a surge in trafficking in women and children, and commensurate critical international attention, Lao became signatory to ILO Convention C129 on Forced Labour and the UN Convention on the Rights of the Child. It is also signatory to the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

In 2006, Laos hosted a regional meeting of ASEAN marked by the Vientiane Action Plan and agreed to participate through ASEAN in the Global Hazard Substances regulatory and control system, becoming a signatory to the International Chemical Classifications systems for industrial, agricultural transport and consumer chemicals in addition to the ASEAN-wide hazard communications system. Laos was in line to provide Secretariat services to ASEAN Occupational Safety and Health Network, or ASEAN-OSHNet, after Indonesia, but declined, presumably in the absence of sufficient technical expertise. Consequently Malaysia took on the responsibility. 6

The Deputy Director General of Skills Development and Employment in the Ministry of Labour and Social Welfare (MLSW) participated in the March 2008 International Association of Labour Inspection (IALI) Conference in Adelaide. In his speech, Mr. Singthilath recognized the urgent need to develop OSH interventions at both enterprise and national levels. The IALI is in a good position to extend mentoring and training for this purpose.

Laos suffers an acute shortage of skilled technical and professionally trained personnel; the laws are internally inconsistent and not supported by contemporary regulations. The global disenchantment with labour as a focal point of development means that newly emerging

economies such as Laos cannot get assistance to develop competent and effective national and provincial labour administrations.

### Occupational Safety and Health

Informal sources indicate safety and health problems emanating from the proliferation of hazardous industries such as sawmilling, lead-acid and nickel-cadmium battery making, hazardous heavy and base metal mining, chemical and plastics manufacture and asbestos tile making - but reports of illness and fatalities are largely anecdotal. Official data seem to be non-existent or incomplete.

The National Institute for Labour Protection (NILP) in Vietnam has provided training and educational support and with the Thai-based Occupational Safety, Health and Environment Institute (OSHEI) conducted extensive training in OSH in 2005-6.

In her presentation to a Tokyo meeting in 2006, Ms. Viengxaylack Souksavath of the MLSW affirmed that incident reporting is non-existent. Her comments were consistent with information by Jukka Takkala of the ILO in his 1999 summary on global occupational health and reporting safety reporting, in which he names Burma, Nepal, North Korea and Laos as countries that do not submit accident data or accurate representational data. Laos' occupation accident rate is consequently extrapolated from that of Malaysia. <sup>8</sup>

So while the situation is noted and has remained unchanged for several years, it begs the question of what to do next. The need to establish the nature and extent of major sectors producing death, injury and illness is vital so as to plan services and interventions, and should be a priority for any donor assistance, should they surmise that labour welfare is worth improving.

It can be estimated that some percentage Laos' high number of traffic fatalities and injuries are occupationally related. 9

The law does not address occupational health, and as far as this writer can ascertain, no dedicated occupational health services are available outside large international private companies.

Despite being signatory to the ASEAN conventions, there is no specialist body in Laos that has ostensible or overarching reporting and investigation responsibilities. Ms. Souksavath admits that the 121 national inspectors are mainly concerned with management and other matters than with inspections, despite having access to all workplaces under the 1994 Labour Act. <sup>10</sup>

They are however much more successful with training having trained all 18 provincial MOLSW staff using the ILO model training for 'Higher Productivity' and a 'Better Place to Work'. Ms. Souksavath reports that they are having some success with enterprise-level training using the ILO's WISE methodologies.

Laos does not have any occupational hygiene laboratories, testing facilities, nor independent loci for advanced skills training. Some private companies, particularly those which are overseasmanaged, such as mines and chemical companies, have their own in-house expertise and send trainees overseas. In light of the huge amount of very dangerous chemicals transported by road for use in gold mining (cyanide, concentrated sulphuric acid and hydrogen peroxide, as well as flocculation chemicals, etc.) emergency response teams and regulation would seem to be vital. None exist.

Donor attention seems drawn by the nascent garment industry, which since the phase out of textile and clothing quotas, is diminishing in importance. This ongoing focus draws attention away from the very real hazards in the other sectors. Large-scale infrastructure, extractive and processing industries, particularly aluminium, carry the very real risk of cancer and silicosis, as well as traffic and traumatic death and injury. The potential risk of radio-nucleides being released during aluminium extraction and processing threatened both workers and communities, given the current low levels of technical enforcement. Laos' basic medical services, which are rightly focused on public health, makes it unlikely that medical monitoring needed for the management and mitigation of pneumoconiosis and other occupational diseases will be put into operation.

Mr. Singthilath, in his speech mentioned earlier, has acknowledged that Lao had experienced both industrial disasters and recently the proliferation of bone, lung and skin cancers—which he attributed to agricultural exposures.

Private investment in hydropower, in particular, presents cause for concern as it is unlikely that deaths and injuries will be reported. Only a minority of the projects thus far have enjoyed the oversight of the large donor institutions whose purview has at least managed to preserve a modicum of control.

The major exception to the dismal safety and health picture is that of air safety. Laos has been diligent in adhering to air safety regulations and training. A recent meeting on this subject was held in Laos in December 2007. The meeting was sponsored by the Cooperative Development of Operational Safety and Airworthiness Program (COSCAP), SE Asia chapter and was attended by ASEAN representatives as well as French and US Federal Aviation, European Air Safety Association; Boeing, Airbus and other airlines companies also sent representatives. <sup>11</sup> It accepted that places like Lao have difficulty in staying up to date and according with international standards of safety.

#### Women and Work: The Focus for Asian Labour Law Review

This *Asian Labour Law Review* is focused on women and the informal sector and the transition from formal labour to precarious, unregulated informal employment. But the author, mindful of the pattern of employment in Laos, considers gender to be a less important predictor of equity/ inequity than the rural-urban divide and ethnicity.

Urban-based lowland Lao women enjoy a remarkable degree of self-determination and equality, which is shared to a great degree by rural lowland Lao. However, ethnic minority women do not share this independence or enjoy the same educational opportunities. They shoulder the majority of agricultural and family responsibilities.

Being until now a predominantly pre-industrial agrarian society, Laos is undergoing a process of 'formalization' as land is lost to development. Women in particular are becoming wage slaves in industrial employment. Stories told by rural Lao underscore the importance of dignified self-sufficiency, which is being undermined by destructive industries.

In this context the environment, encapsulating forest and riverine systems, is a form of social protection for most rural Lao. In times of hardship and transition they have relied on the forest and rivers for food and as sources of income and medicines. Environmental destruction that is happening apace threatens to mire a huge number in absolute poverty. Other than seeking work in the formal sector, some choose to migrate or enter the expanding sex industry.<sup>13</sup>

Women who enjoyed high status in Lao for their agricultural and handcraft skills are being adversely affected by development. It can be argued that industrialization, which encourages atomization of community structures, withdrawal from traditional roles in which women made a significant contribution, into a socio-economic and employment system based on consumerism, is one of the major factors in women's reduced status. On the other hand, having a disposable income, freedom from village constraints and early marriage also empowers women.

Informalization is driven by low wages and poor conditions in the formal sector - such as women seeking sex work as an alternative to factory employment. Young women seek work in occupations such as housekeeping, particularly in foreigners' houses. as they earn up to four times more than in a formal industrial setting and have access to safe water and some degree of comfort.<sup>15</sup>

### **Economic Indicators of Equity**

To underline that growing inequity in Lao, between 1992 and 1998 the Gini coefficient rose from the comparatively equitable level of 0.286 to an inequitable 0.357. Recent studies have indicated that the trend is deepening, rising to 0.370 in 2001 according to both UNDP and World Bank. <sup>16</sup> More importantly Viphonxay et al. (undated) found that the Gini coefficient rose to an alarmingly inequitable 0.426 in Vientiane and 0.394 nationally, as compared with a rural rate of 0.331. <sup>17</sup>

It is estimated that up to ninety per cent of employed women work in agriculture. In 2005, manufacturing produced 32.5 per cent of national GDP and industry an additional 21 per cent. Industry grew by 16 per cent in 2005. But the garment industry lost ground, dropping from a growth rate of 22 per cent in 2004 to only 10 per cent in 2007. Many garment companies have closed, citing poorly trained workers, the tendency to return to the village at harvest and planting times, and the cost of transport as reasons for lack of competitiveness.

### A Brief History and Factors Affecting Contemporary Lao

Laos survived years of colonization, foreign occupation, civil war and political instability. In 1975, the Communist Pathet Lao with assistance from Vietnam consolidated their control, arrested the majority of the royal family, who subsequently perished, and established the Lao People's Democratic Republic in December of that year. Since then Lao has been a totalitarian one-party state.

The country, a nominally Marxist-Leninist state, is ruled by the Lao People's Revolutionary Party (LPRP). The head of state is the president, elected by parliament for a five year term. The prime minister is head of government and appointed by the president with parliamentary approval. The nine-member politburo of the LPRP, drawn from its central committees, is the key decision making body. A National Assembly meets twice a year and is responsible for scrutinizing, but not opposing, proposed legislation. The assembly is elected by the people from a list of candidates approved by the party. In short, there is little that is democratic about the Lao People's Democratic Republic.

Instead, they rely on what is called 'Democratic Centralism', by which decisions are made by consensus at the upper echelons and then this decision is passed down to operational levels of society. At a recent meeting on agriculture the Minister was horrified at the idea that

farmers should be involved in decision-making. 'What do they know?' he asked some dispirited consultants.

Stuart-Fox hypothesizes that Theravada Buddhism has a lot to do with political stasis in Laos and surrounding nations. The belief being that those in power must have gained lots of merit in previous lives, and now have the wealth to keep doing so, so have the 'right' to stay in power.

In the mid-1980s, after years of Marxist central economic planning and dependence on state ownership, the economy nearly collapsed and inflation soared; the National Assembly adopted a constitution which formalized the establishment of a market-oriented economy, called the New Economic Mechanism (NEM).

In theory NEM guaranteed all Lao citizens the ability to own property, if they have resources that is, and protection for foreign and direct investment. Wealthy Lao, of which an increasing number exist, now have greater freedom to travel and choice of employment. Tourism and overseas investment, particularly from neighbouring countries, is encouraging the growth of a fledging private sector.

Despite all this, the population – more than any other in Asia – continues living a subsistence life, 31 per cent of them living below the poverty line, hunting, foraging and growing food. A significant number of villages have no road access or health service.

The continuing government control of the media limits the extent of critique or reportage on controversial topics, such as labour and ongoing environmental destruction. Concerned individuals will rarely speak out as they risk individual and collective family punishment. But, below the surface, there is tension between the political and power elite who control the patronage and the Lao patriots who care about the direction the country is taking. <sup>20</sup>

The government projects itself as benevolent, and aligns itself closely to both China and Vietnam. These countries share Laos' hard-line stances on labour, despite pretensions to a proletariat revolutionary past. There is evidence that broad-scale corruption allows contractors and employers to get away with both environmental and social destruction - including workers health and safety and rights. This is apparent particularly in the logging and hydropower industries. Reports by individual Lao indicate high injury rates in illegal<sup>21</sup> and legal logging and construction. Most of the information is conveyed by word of mouth or posted on the Lao language bulletin associated with LaoFAB.

Both Vietnam and China are making increasingly 'imperialist' demands on Lao. Many Chinese and Vietnamese workers have entered Lao working on road and building construction and plantation tasks. What effect that has on labour rights has yet to be seen.

## Working Where?

Eighty per cent of Lao workers are still classified as self-employed in rural activities such as farming, weaving and petty trade<sup>22</sup> and many have multiple jobs, that is they do all of these activities.

Women hold dual responsibilities for farm (including aquaculture and small livestock management), household and financial management, in addition to petty trading. Women will, for instance, weave, fish and then sell the fish and/or textiles at a market or in a small roadside

stall. An un-attributed study found that Lao women were more successful at small and medium enterprises than were men. Despite this, women are 30 per cent more likely to be illiterate and innumerate than men, particularly among ethnic minorities. But women have a substantial and enlarging role in rice cultivation, despite mechanization that favours men.

Women hold primary responsibility for marketing of agricultural produce, including butchering and selling meat. Despite this, and reminiscent of Waring's findings, women's contribution to agriculture and as family labour is not counted as work in the national accounts of Lao. <sup>24</sup>

Despite few gender differences being present in the broader society, it is when women enter the capitalist economy of formal work that they experience disparities. In the formal sector, despite laws to the contrary, they sometimes receive a lower wage than men, due it is said to their lower level of education. Onphanhdala found that on the whole minimally educated women tend to attract lower wages than their male counterparts.<sup>25</sup> The exception is the weaving industry, reviewed below, in which women's wages exceed those of men.

Overall the trend in Laos and in particular for women, is towards formalization. However, that trend as we shall see does not necessarily optimize income.

### Textile and Garment Quota

In the previous decade the garment industry played a significant role in Lao's economy, being the major foreign exchange earner and non agricultural employer. Started in 1990, it steadily expanded in extent until by 1998 garments accounted for 30-40 per cent of merchandise exports.

Now it has been superseded by the electricity and mining industries. The garment industry was however susceptible to shocks. First the Asian economic crisis, then the phasing out of quotas granted by the Generalized System of Preferences (GSP).

The Garment Factory Survey of 2006 conducted by the National Statistics Center for the study cited in this section<sup>26</sup> covered 44 companies, almost half of which were foreign-owned. Thirty per cent were Lao-owned, the rest being joint ventures. However foreign-owned companies employed more workers and generated disproportionately more income.

At the time of the study the garment sector employed 28,000 workers, 80 per cent of whom were women with the majority of from the northern provinces.

The major markets were European Union, Asia, Canada and the US.

Competitiveness is determined by labour costs, productivity and lead times. While Laos at US\$0.125 per hour, has the lowest labour costs of Asia's Least Developed Countries (LDCs) the authors concede that low wages cannot be translated into competitive advantage without productivity factors. Productivity in Laos is low when compared to say China. A Lao worker will produce 1,350 pieces in comparison to 7,500 in China. The writers agree with the circular argument that low wages act as a disincentive for hard work and to attract skilled workers. Coupled with poor education and skill levels, and the inability or unwillingness of companies to provide vocational or technical training, the picture is one of stasis.

Turnover rates are between 40-60 per cent per year. 'Temporary' turnover results from a high

proportion of seasonal workers and the absence of work contracts. What is typified as 'permanent' staff turnover is attributed to low wages, tedious and repetitive work, and the perception that the garment industry is a waystop to something better.

Lead times are determined largely by inefficiencies in transport modalities (too many transfers at borders), high costs (the cost of transporting goods to ports in Vietnam and Thailand are higher than the international transport due to massive informal levies) and distance from markets, and lack of supporting industries.

The report identifies working environment and compliance issues as also counting against Laos having a successful garment industry. They cite consumer concern about health and safety and worker's rights and admit that, as the Association of Lao Garment Industries stated in 2006, the major problems facing the garment industry in Laos include compliance to international standards on safety and health working conditions and quality control. While a few producers have complied, the majority have not. In a similar vein most do not have ISO 9001 or SA8000 accreditation.

Despite this, owners recognize that international campaigns against child labour and absence of labour rights can adversely affect business.

Consequently, a relatively high proportion of Lao FDI and JV respondents to the survey indicated that they wanted to improve and upgrade factory facilities and conditions. Most customers tend to visit factories before placing orders, so owners are increasingly recognizing the importance of compliance with international standards. But more transfer of technology and skills is required from international experts, as few resources exist so far in Laos itself.

While the majority of companies FDI and JV report, for various reasons, only slight adverse effect from the GSP phase, they are more worried at the removal of safeguards that have protected garment industries from China's onslaught. The gloves come off in December 2008. <sup>27</sup>

#### Trade Unions and the Lao Women's Union

The sole Lao trade union, the Lao Federation of Trade Unions (LFTU) is an extension of the government and is powerful enough to draft its own legislation. Ms. Pathoumthong told the 2001 International Training Center (Turin) course in OSH and the environment that the 'LFTU is one of the political organizations of Lao PDR.' The International Confederation of Free Trade Unions (ICFTU) now the ITUC, International Trade Union Confederation drew attention to the Lao Constitution, which states that the purpose of the LFTU is 'to unite and mobilize all people for taking part in the tasks of national defence and construction.'

Article 3 of the 1994 Labour law stipulates that 'workers and employers shall have the right to organize and belong to any mass and social organization that has been formed lawfully.' No other lawful associations or unions exist; ergo, there is no freedom of association.

At the time of writing, a draft new Lao Labour Act is being circulated, but it is available only in Lao. Summary notes from translation appear below, as does an outline of the new Trade Union Act, which was recently approved by the National Assembly and launched in late December 2007.

The senior trade union officials interviewed after the APHEDA/ILO-sponsored OSH

training revealed they had little if any experience of industrial work. Most of the 77,000 rank and file members come from the government technical services, civil servants and the ranks of the army and police, who, are as will be noted below are, exempt from the Labour Act and whose role it is to defend the nation (see box below). The LFTU is represented at provincial level as well as having a central coordinating body - a model that replicates all government bureaucracies.

While all workplaces are supposed to have an LFTU Unit, workers are not involved in electing their representatives.

As Phil Robertson Jr. wrote in the 2003 Asian Labour Law Review:

There are not many other countries in Asia where one finds a trade union body with a constitutionally mandated role ... and top union officers with the equivalent of Ministerial rank in the government. Why then does what appears to be a great deal of power and policy dialogue by the LFTU result in such poor and sporadic labour enforcement? What is the role of the LPDR Ministry of Labour and Social Welfare (MLSW) and is that where the problem lies? Does the LFTU adequately represent workers in trouble, seeking redress for violations of their rights under the labour code, or is it a tool for state power to keep workers quiescent?

An Oxfam report on the situation of workers in the nascent garment industry indicated that the LFTU and the MLSW are still confused about their roles and responsibilities with regard to labour protection. Souksavath of the MLSW (mentioned above) reported that while the LFTU has inspectors, employers give them no credence.

As part of their national campaign the LFTU go on air each evening between 7.30 and 8 pm to encourage membership and advise about workers' rights. I did not meet anyone who had listened to and who could comment on the usefulness of the programs.

The excerpt below is indicative of nexus between the LFTU and the government and in particular references to national defence.

#### Party leader congratulates trade union

Vice President Mr. Bounnhang Vorachit on Friday joined the 52nd founding anniversary celebrations of the Lao Federation of Trade Unions (LFTU) with hundred of officials from various government bodies. He conveyed his 'strong sense of love' and warm greetings from the Party ...

In the revolutionary tasks of national defence and construction, the Party has always considered mass organizations as strategic tools, including the LFTU, the Lao People's Revolutionary Youth Union and the Lao Women's Union.

He pointed out that one of the main duties of the union was imbuing workers with a sense of loyalty to the Party and the nation, and strengthening their unity and patriotism, as well as encouraging a strong sense of proletarian internationalism.

The Lao proletariat have sacrificed their lives and used their energy in contributing to the tremendous victories of the Party, army and people as a whole during the long fight to liberate the nation, as well as during the process of national defence and development, Mr. Bounnhang said. The task of the union in the new era is to campaign to educate the proletariat to be good citizens and to protect the rights and benefits of their fellow citizens.

Since its establishment, the union has improved in line with the Party's ideology, and its activities have been in line with the Party's guidelines.

'On behalf of the Party Politburo, may I wholeheartedly congratulate the union's and proletariat's achievements throughout the past 52 years,' Mr. Bounnhang said.

.. the President of the union, Mr. Vongphet Xaykeuyachongtoua, reviewed (LFTU) activities when foreign imperialists invaded Laos, particularly in the 19th century when Lao workers suffered severely, working 14-15 hours at a time for the foreign occupiers. Mr. Vongphet outlined the growth process of the union in each area and its contribution to national defence and development. The approval of the Union Law by the National Assembly in December last year has facilitated the union's role in representing workers' rights and benefits in playing their part in national defence and development.

To mark and congratulate the achievements of the union, Mr. Bounnhang presented it with a first class Issara Order.

By Souksakhone Vaenkeo

Source: Vientiane Times, 4 February 2008

In late 2007, the Vientiane Times reported that at the third Plenary Meeting of the Executive Committee of the LFTU, the number and seriousness of workers' complaints were noted to be increasing in Laos. <sup>31</sup> Last year, 315 complaints were lodged with the LFTU. Of those, 123 had been resolved at the time of writing. Most complaints were in relation to unpaid or underpaid wages. As a result, the union had been instrumental in arranging for employers to pay some 775 million kip (US\$81.58) in outstanding wages.

The *Times* also noted the LFTU is facilitating getting low-cost loans in order to allow workers to take up small business or agricultural activities. It could be said that the LFTU might better expend its efforts enabling workers to get higher wages so as to obviate the needs for loans.

The *Times* went on to say that the Savannakhet provincial office of the LFTU had collected about US\$900 to assist families of those who had died or been injured at work. Xayaboury, which has a large number of sawmills and logging operations, has also collected around US\$600. How that money was collected, how it was allocated and if it was a substitute for or in addition to workers' compensation was not stated, although they did say that the LFTU was ensuring that all companies establish funds at the union branches 'to assist workers who fall ill or are injured.'

It is thought by Lao observers that the LFTU is gradually clarifying their role within the structural and political constraints. It is not clear however if that represents any fair arbitrage. Regulatory breaches are, according to reports, more common in Lao owned companies.<sup>32</sup>

### **New Labour Act**

The tenor of the new act, passed in February 2008, is very heavily weighted towards law and order and is little changed from the former Act. 'Control and discipline', 'force' and 'obey' are frequently occurring words. Its focus on a centrist style of control that pre-dates Robens.<sup>33</sup> Though there is reference to safety committees, the new act allows workers little self-determination, unlike the Robens Act, which clearly specifies rights as well as responsibilities.

The new Labour Act also reiterates the need 'to be in accordance with Law in the Lao PDR' and further 'workers and employers have to strictly follow the rules.'

The Article 49 on safety stipulates a six-day, 48-hour working week, except for those working with sources of radiation (including UV) and infectious diseases, chemicals and bomb disposal, underground workers, and those labouring in overly hot or cold conditions or with vibration. These workers are restricted to six-hour work days, which it is wrongly assumed should reduce the risk.

While the law makes no mention of an increase in minimum wages, it does insist that employers have no right to underpay workers. It maintains the government's central role in wage-fixing and does not allow any right of appeal or for worker leverage on determining wage increases.

The new Act maintains the principles of exclusion from risk, not overall risk management. In a move reminiscent of 1950s' safety law, pregnant women are excluded from heavy lifting, long periods of standing and other risky work as defined in the article about working hours. There is no acknowledgement of reproductive hazards for males or that the objective should be to achieve safety and health for all, not merely the pregnant.

Women are however awarded 90 days' maternity leave, 42 of which have to be taken after delivery. A worker is then is allowed one hour per day to feed the child on return to work, as well as the right to take paid time off to enable her children to be vaccinated.

The minimum age at which children can enter the workforce is 14 years, but at that age they should not work a full day and are precluded from mining, manufacture of explosive or chemical products, working with corpses, noisy environments, locations where alcohol and gambling are present, or other dangerous work as above. This prescriptive litany is a theme running through the Act. It does not entertain any notion of risk assessment or prevention.. Training or workers participation is not a feature of the new Act.

*Pasar Lao* is known as an imprecise language, particularly as it relates to legal, technical or scientific ideas and allows room for misinterpretation. <sup>34</sup>

Comments given by Lao NGO workers on the draft labour law indicate that there are few differences from the previous Act. The minimum wage for so-called unskilled workers (excluding overtime and bonuses) has not been increased and still stands at 290,000 kip per month, less than US\$30. This makes Lao workers some of the poorest paid in Asia. Even so, many employers, a number of whom are Lao, prefer to still misunderstand the Act and pay below that rate. The *Vientiane Times* on 24 August 2007 reported wages as low as US\$8 per month in some factories.<sup>35</sup>

When this wage was originally mandated, inflation was running at 13 per cent. While inflation has been reduced and remains steady at just over 6 per cent, this signifies the need for a significant cost of living adjustment over the past 13 years. <sup>36</sup> However, this minimum wage extends to all workers, including civil servants and other members of the State apparatus.

On the whole, wage structures in the private sector outpace those in all branches of the civil service and wage hierarchies are relatively flat. <sup>37</sup> Police, public servants, and the military and other 'mass organizations' (one presumes the LFTU and LWU are included) are specifically excluded from the Act.

### Trade Union Act of 2007/8

Late in December 2007, Mr. Khamla Lolonsey, the vice-president of the LFTU, presented the new Trade Union Act to the National Assembly for approval.

In his speech Mr. Lolonsey, reported by the *Vientiane Times*, said that the new Act would give the LFTU greater rights to form labour units in workplaces employing in excess of ten workers. He said that such a move was needed to assist employers and employees to negotiate in situations of conflict. He reflected that the majority of Lao workplaces had not formed trade union units. Workers had, he said, called the National Assembly instead, complaining of unfair practices and requesting more rigorous inspections. Most complaints concerned non-payment of overtime and wages. He encouraged MLSW officials to also talk with workers, instead of merely consulting with managers. The new trade union law, he said, would give the union the right to inspect factories.

In summary, the new Act brings no substantive labour reforms. It will allow the LFTU to register workers in a wide range of workplaces, including the hotel and restaurant industry where exploitation is reported to be rife. It also allows the LFTU to inspect workplaces where there have been complaints from the workers, and to mediate and refer to what they call 'higher authorities.' That the LFTU prefers to mediate rather than initiate a judicial process reveals more about the LFTU's principle role, which is to enforce Party adherence and obedience.

#### Lao Women's Union

The Lao Women's Union provides an enabling environment for the promotion of gender equality in the Lao PDR. The LWU, the Lao Constitution, and the National Commission for the Advancement of Lao Women provide the pillars of gender representation and institutional advocacy. While regarded as a mass organization the LWU bears the hallmarks of a public service office, with a Byzantine number of varied subdivisions and departments.

Article 35 of the 1991 Lao Constitution ensures women's economic and contractual equity. The law enables women to own land, have family and economic rights, make contracts and take out loans in their own right. Lao women's equal rights to employment and to receive an equal salary as well as social insurance are enshrined in other regulations. Lao women also have the legislated right to participate in the National Assembly as well as in policy and law making. Articles 17 and 34 of the Constitution guarantee maternal rights, while Article 25 guarantees access to education, research and training.

The Lao Women's Union provides the operational apparatus for women's representation, having an organizational structure that extends from central to village level. The LWU enables women from ethnic minorities to have a voice in the social and environmental impact assessments of large projects. The Union has ensured that women retain land titles despite moves to encroach on that right and recently launched a magazine (SaoLao) in addition to regular radio broadcasts to reach urbanized women at all levels. It broadcasts news of importance to women, including issues of workplace rights, sexual harassment and health.

### Specific Issues

# Weaving 38

He: Oh my dear heart
How ardent is my wish to have you weave on the landing on my stairs
How I wish to have you weave at the foot of the loom
having you weave an ikat sinh, and feed silk worms in my house

She: Oh my dear young man
Going with you I dare not
Because I don't know how to weave ikat fabrics for you to sell
I cannot weave horse blankets for you to sit on
As you ride on your trade expeditions. 39

Development tends to sideline traditional culture-bound activities such as weaving, relegating it to the rubric of quaint handicrafts. Increasingly, however, Lao weaving is becoming part of the global market as demands for artistic textile-weaving widens and demand for organic products increases. It is not known how many women weave, but as one woman told me, at least 150 households within a kilometre radius of her land on the outskirts of Vientiane produced silk for sale.

Weaving is a part of Lao living culture. The silk tubular skirt known as a sinh is still widely worn, as are the shoulder scarves known as pha bia worn by women and men for rituals. In addition, silk appeals to the burgeoning tourist market.

The weavers discussed in this part of the chapter are those whose goods are produced for four large Vientiane-based textile companies who design and market the products overseas. The owners and managers are, by and large, all women. Previously the production and trade of textiles were staples of household income providing for both household needs and a small surplus. The end of the Soviet era and the arrival of the NEM, along with lifting of trade barriers with the USA, for instance, have allowed the expansion and development of this enterprise. One cooperative that the author is familiar with, but not included in the study, employs women and men from 200 villages.

It is estimated that each piece of hand-woven silk can provide nominal employment for up to 17 people. 40 Most of the produce is exported, netting fair returns to villagers that have few other cash-making options for village improvements.

Weaving presents the intersection between informal outsourced piecework and formal 'institution'-based formality. Weaving allows flexibility of labour that fits well with both women's traditional cultural norms and family responsibilities. It allows them to make money within their own social milieu. It is common to see a cluster of women assembled around a household weaver, assisting and chatting as she makes for a specific buyer or company. Women weave at home for individual sale or barter, or as part of home-based supply chains producing for marketing companies or in weaving 'factories', which have dormitories with kitchens and bathrooms. This latter arrangement particularly suits young women migrating from the 'weaving provinces'.

Feminist analysis of global commodity chains often refers to 'women victimization' and 'marginalization'. However, the other side of this is the empowerment of women who enjoy economic independence and discretion by being employed. Indeed, among the ethnic groups in Lao, a competent woman gains respect if she is able to bring in money.

An increasing number of Lao weaving companies are seeing the marketing and ethical importance of achieving fair trade and organic product status. While Fair Trade, like Corporate Social Responsibility, is somewhat hard to define, the author believes that in Lao the certification is not regarded as a cynical marketing tool but a genuine ethics-driven desire.

In these respects, Laos seems to fall *out* of the stereotypical patterns drawn by labour analysts. While some supply chains<sup>41</sup> are buyer - or producer-driven, Laos does not seem to fall into either of these. Doolittle et al. (in progress) observe that the exploitive power of corporations seems absent. Indeed buyers tend to seek out the Lao companies, while the Lao producers use a variety of methods (exhibits, tourism, art collections, diplomatic contacts) to bring the goods to the eyes of international markets. The scale is self-limiting, being restricted by the availability of fibres and skilled weavers, and production standards.

While men also weave, it is largely a women's occupation. The ability to weave underpins women's status as finance providers and managers, which persists into modern day Laos. Consequently, workers interviewed by Doolittle and her colleagues report a high degree of pride and contentment with the working environment. On a 20 point scale (20 being the optimal) the mean was 16.

The trend seems to be away from off-site/home-based piecework, and Doolittle et al. postulate that this could be a sign of the proletarianization process – women moving from villages to become employees.  $^{42}$ 

A large majority (86 per cent) of the workers were women, with an average age of 28 years. The slight majority that were married lived with spouses and most came from northern provinces, this is at variance with factory work that prefer to employ young unmarried women.

Most of the women were already competent weavers after tutelage from female relatives, but agreed they had learned and increased their skills as a result of working for the companies. The average period of employment was more than four years, but some had been working for more than 20 years as weavers and earned an average of about 634,000 kip (about US\$62) per month (compared to the minimum factory wage of 290,000 kip) for a seven to eight hour day, five-day week (again in comparison with longer hours and a greater number of days for factory workers). Men who predominate in the dye shops and the few male weavers reportedly earn around 17 per cent less than women.

If significant orders come in, workers may be asked to work overtime, at which point they are either paid by the length, piece or hour. Companies provide health care and loans for the employees. This is in contrast to factory work which often ignores health and financial responsibilities.

### Health and Safety

Women report back-ache, neck and arm pain from prolonged poor working postures and headaches. Those using chemical dyes report skin rashes and respiratory problems from dust, chemical residues and sizing.

A program conducted in Thailand indicates that helping women achieve a participative caretaking approach to health and safety is effective, as it develops both leadership and changes cultures of dependency.<sup>43</sup> Culture-induced fatalism led the weavers to blame non-work factors for pain and illness.

This model could well be adopted by Lao women and the entrepreneurs who employ weavers, as cultural factors are parallel.

In summary, the Lao weaving industry provides an island half way between the informal and formal sectors, which allows women some flexibility, humane conditions and relatively good wages. Enterprise owners know about the labour laws, but the conditions and pay are more determined by personal ethics and care for the craft than by legal stipulations. The introduction of fair trade to Laos should enable women weavers to maintain their superiority over industrial workers, as fair trade is more typically applied to the handcraft industry.

### Migration and Trafficking

Laos and Thailand share similar cultures and languages but greatly dissimilar economic circumstances, making it attractive to Lao wanting a better life for themselves and their families. The majority of migrants are women from rural areas aged between 17 and 25 years. Lao women work as domestic help, factory labour, hotel maids, in agriculture and restaurants. That is the '3 D' jobs: dirty, difficult and dangerous.

But the wages and opportunity to learn new skills far outweigh those for similar jobs in Laos. Thai managers preferentially seek out Lao workers, who are thought to be more diligent and honest than others (National Statistics Center 2007).

The economic contribution is significant, amounting to around USD100 million per year or five per cent of GDP. Women return having higher expectations of health care and educational services and are more responsive to information, many become leaders in their communities and role models for others. They are likely to marry later, have less children and invest more in education.

Illegal migration comes at a cost. Those who leave without passports are fined when they return and their families can be forced to pay money even before the worker returns if local officials hear of their migration. These fines are often disguised shake downs the amount often exceeding the formal fine.

Those studying migration have recommended that fines be paid into village funds or the worker left unfined, as the contribution directly made to human development exceeds that of foreign direct Investment. Interestingly, remittances have proved to be more effective than overseas aid or investment-driven projects in reducing poverty, as the money tends to go straight to the village avoiding the filtration system of government kleptocracy.

But as civil service salaries remain below subsistence and the temptation to wield power comes without sanction, there is little reason to think this might change quickly. 44

Chamberlain et al. found that development policies that favour relocation and resettlement tend to provoke migration and trafficking. Despite that, Laos is embarking on many such programs, the majority supported by private investment, often without adequate environmental, social or labour safeguards.

Laos also is an intermediate stop for many others migrants seeking better-paid work, particularly those from Yunnan. This may tend to skew wages and conditions in Laos itself.

#### Mechanisms

While there are an increasing number of labour brokers setting up shop in the major centres, many workers still move informally and in some cases illegally as brokers tend to be too expensive (VOA broadcast transcript 23/03/06). Data about migration is imprecise as the borders are so porous and unsupervised. The author sees Lao fishermen traveling back and forth to Thailand in pirogues each day. Many have family in Isarn, the adjacent area in Thailand, in previous times part of Laos.

A taxi driver remarked,' Laos is the factory for Asia. We make the workers that feed the factories in Thailand.'

His girlfriend, a factory worker, was only 16 years of age, as were most of the young women in her dormitory. Like many women from rural areas, she had only rudimentary education. From the northern provinces she now worked making jeans. The company was overseas-owned, but she did not know the name of the label or the company. She was happy to earn 5000 kip per day (US\$0.60) to learn enough skills to enable her to travel to Thailand to seek higher paid factory work. She stands from 8 am to 5 pm ironing jeans. She appeared happy to be working earning money and having a meagre disposable income. Her ideal was to buy a motor bike, fancy clothes, and with enough work experience migrate. She typified both the internal migrant and the prospective out-migrant.

While poverty is a major driver for the mostly poorly educated rural folk who go, the better educated and urban workers influenced by mass media migrate in search of adventure or experience. Young women migrate to avoid farm work, while young men move to avoid education.

Regional festivals and trade fairs, when border controls are more lax, provide ideal opportunities for workers to cross into Thailand, in particular. Few data are available concerning migration to Vietnam or Cambodia. Friends and family provide advice and workers use long-established networks and routes. <sup>47</sup>

Chanthavysouk (UNDP) points out that Lao women benefit more than men from

migration, as while the culture values women who earn money, the women also tend to return with enhanced self-esteem and confidence and their remittances are more likely to be spent on medical treatment, nutrition and household improvement. <sup>48</sup> They remit more than men and are more reliable senders. However, the price is high - HIV infection (rates in returning women are the highest in Laos) and among men, addiction to alcohol and drugs.

Migrants are sometimes conflated with or become trafficked workers.<sup>49</sup> Chamberlain in his study of Lao trafficked and migrant labour for UNICEF concluded:

From the findings of the study it is possible to build a profile of those most at risk of trafficking and target interventions accordingly. The overwhelming majority of trafficking victims surveyed (60 per cent) are girls aged between 12-18 years of age and most victims (35 per cent) end up in forced prostitution. Other forms of employment were domestic labour (32 per cent), factory work (17 per cent), and fishing boats (4 per cent). Those that worked in agricultural labour tended not to be trafficked and exploited, whilst those working in domestic household situations experienced some of the most extreme cases of abuse and mistreatment.

The majority of cross-border trafficking was found to occur into Thailand although some cases were reported of trafficking into Myanmar and China for the purposes of buying and selling brides.

Crossing the border is relatively easy; many victims actually crossed with legal papers, and informal crossings are not uncommon. Most victims come from rural areas, although few of the victims came from extremely remote areas or from situations of severe poverty. The connection between ethnic background and the child trafficking issue needs further study, since the majority of non-Lao trafficking victims come from villages that have been resettled or relocated.' <sup>50</sup>

The Lao government's high profile policies on abolition of opium and promoting hydropower are known be actively contributing to the trafficking of women, girls and, to a lesser extent, boys.

In 2005, the then Thai Minister for Labour gave permission to bodies to employ 10,000 Lao migrant workers, particularly in the construction industry. Thai workers are increasingly reluctant to take on the poorly paid, arduous work typified by construction. Industry groups had lobbied the government to allow more Lao to enter Thailand legally. The minister gave permission only, he said, as a temporary measure, though it is hard to see how this could be effectively rescinded. He was concerned that while many Thai companies had been pushed to officially employ the 1.7 million foreign workers now in the country, only 700,000 had been lawfully registered. 51

A significant problem for the authorities is the large number of homeless and parentless children who enter formal or informal work though migration.<sup>52</sup> An ILO study indicated that some had been gone for as long as three years without any contact with relatives in Laos.<sup>53</sup>

More than one in five of all Lao migrants from the provinces are under the age of 18, with girls accounting for more than two-thirds (67 per cent), making this group the most vulnerable to human traffickers. The survey, based on sampling of some 36,398 people in 5,966 Lao households in the three provinces, reports nearly seven per cent have mobile family members and confirmed that the pace of migration is rapidly accelerating.

### Que Bono?

The Bangkok Post (July 2006) reported that migration had bred a sub-business, that of unregistered money-transfer run by Thai brokers for Lao migrant labour. The clients are migrant labour, both legal and illegal. Some brokers can earn as much as 50,000 to 60,000 baht (US\$1,600 to 2,100) per month for the service, the source said.

At the beginning, the brokers charged 10 to 20 per cent commission for the service. Now it has fallen to just three to five per cent due to higher competition among brokers.

It appears migrant workers prefer the unregistered service, largely because of the lower charges. If a client's family is badly in need of money, Thai brokers give them an advance with monthly interest being charged. However, illegal workers can be defrauded by the more unscrupulous.

#### **Future Trends**

There is no evidence that the Lao Government intends to lessen its stranglehold on power. Some observers have commented that the government is getting more nervous and controlling, a feeling confirmed by many long-term international workers and local Lao. In the case of labour, without significant impetus at the donor level, little will change and the new labour law will cement that non-change in place for possibly another ten years.

Lao had been closed country for many years and is now really only beginning to become part of the regional and international community. Its powerful ties to Vietnam and China, as well as old patronage from Russia, tend to hinder progress in the direction of rights-based activities and while a large number of students are encouraged to study in those countries, progress will be slower. However many more are opting to travel and seek education opportunities in Australia, the US Europe and Canada. The problem being that Lao education standards are generally low. So with few exceptions only the children of the elite can achieve a standard sufficient to comply with scholarship requirements. Of those who go to study few opt for technical subjects like occupational hygiene and occupational medicine, safety engineering or other labour related disciplines. Consciousness of the importance of those issues is still low.

Membership of ASEAN, the International Labour Inspectors Association, and industry groups such as the Association of Lao Garment Industries, will all prove to add bricks to a growing structure of change, gradual as it will have to be to succeed.

Some small scale activities including a survey of health and safety issues amongst informal and home workers is also occurring at the time of writing. The education program that follows will have some content on labour law, although the informal sector per se is not addressed in the regulations. The concern is that some very hazardous industries, in particular mining and processing of metals, are being rapidly introduced sponsored by nations who have low compliance levels. There is generalized concern that Lao people are being sacrificed for profits.

Already wood processing, with its attendant risk of cancer, is widespread. Rubber plantations are replacing protected forests driven by a rapidly escalating demand for tires in China. If Laos decides to value-add and not simply export the latex, another potential source of occupational cancers will flourish. In the absence of any reporting system, freedom of the press and a system for

monitoring occupational health (as opposed to safety) there is a great risk that Lao workers will suffer the consequences of rapid development.

A creative industries policy that not only regulates handcrafts, but values this sector as part of Lao's development strategy could employ more people in less destructive ways. However, without donor policy support and direction this is unlikely to happen. In fact, overwhelming pressures from neighbouring private investors is actively reducing the land available for growing both silk and food.

Any significant change depends on the outcome of the tension between progressive reformist patriots and the patronage driven power elite who have cemented themselves into a personally prosperous future.

#### **ENDNOTES**

- 1. Inthavy. C. (2003) Untitled Powerpoint presentation given at the meeting 'Integrated Frameworks and WTO Accession: Challenges and Opportunities for Poverty Reduction', Phnom Penh, Cambodia, 1-3 May.
- 2. LaoFAB is a Laos-based subscriber bulletin board.
- 3. Press release, 22 May 2007.
- 4. The Lao government does not speak of NGOs. Advocacy and human rights are not terms that the government encourages. Associations are the only legal expression of civil society. Some elements of the Lao government consider people's participation and consultation an anathema to the democratic centralism model of governance. This is likely to change with membership in ASEAN.
- 5. For more about CDEA, see http://www.homenetseasia.org/laos/2006attainingsocialsecurity.htm.
- 6. 'National Institute of Occupational Safety and Health (NIOSH), Malaysia (2007), Powerpoint presentation. http://www.oit.org/public/english/protection/safework/cis/about/mtg2007/p\_mys\_niosh.pdf [accessed 29 September 2008].
- 7. Souksavath, V. (2006) JISHA/ASEAN-OSHNET 'Safety and Health Education for OSH Practitioners' Powerpoint presentation, 25 September-12 October 2006. See www.jniosh.go.jp/icpro/jicosh-old/japanese/training/special\_speeches/2006/oct10/pdf/msViengxaylacksouksavath.pdf.
- 8. Takala, J. (1999) *Global estimates of fatal occupational accidents*. ILO. Special Supplement. Geneva, 6-15, 1998. See www.ilo.int/public/english/protection/safework/accidis/globesti.pdf.
- 9. Road traffic in the Lao PDR is increasing at an alarmingly rapid rate. Over a 12-month period, from 2005 to 2006, the number of vehicles rose by 32% (motorcycles +34%, pickups +38%, trucks +12%). Motorcycles account for the vast majority (80%) of the 568,290 registered vehicles in the country, reflecting rising living standards and a three-fold decline in prices since 2000 the introduction of cheaper Chinese models has made motorcycles much more affordable. Increasing numbers of vehicles on the road has led to a rapid rise in the number of road traffic accidents. In 2006, 492 people died (a 19% increase compared to 2005) and 7,825 were injured in 4,620 road traffic accidents recorded by the police. However many accidents go unrecorded and the true number of casualties is undoubtedly much higher: a survey conducted by Handicap International Belgium (HIB) in April 2006 at one of Vientiane's four large hospitals recorded 542 road traffic accident victims seeking emergency treatment in a one month period. Of these victims, 84% were riding a motorcycle and 53% were between 15 and 25 years old. Source Handicap International. http://www.directoryofngos.org/project.cfm?id=144.
- 10. 'National Institute of Occupational Safety and Health (NIOSH) Malaysia (2007).
- 11. 'Laos Hosts Aviation Safety Meeting' Vientiane Times, 13 December 2007.
- 12. The author edited a series of stories written by farmers displaced by the first hydro power dam built in Lao.
- 13. Doussantousse S. et al. (2005) *Lao Women Attracted by Sex Work in Malaysia*. International Conference. Transborder Issues in the Greater Mekong Sub-Region. Ubon Ratchathani, Thailand. 30 June-2 July 2005.

- 14. See http://www.socialwatch.org.
- 15. Personal communication: The author talked with her own housekeeper's sisters, all of whom are housekeepers. One had recently made the transition from low-wage factor worker to housekeeper and was very satisfied. The other had been sent to English and cooking classes so had improved her employability.
- 16. See UNDP site http://www.undplao.org/mdgs/ and World Bank site: http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0,2004.
- 17. From http://www.unsiap.or.jp/completed\_prog/workshop/poverty\_indonesia04\_/projectwork/lao.ppt.
- 18. World Bank. See http://go.worldbank.org/GQAO6SK0J0.
- 19. Ibid.
- 20. Latif, A.I and Lee, P.O. (2007) *Regional Outlook: South East Asia 2007-2008*. Institute of Southeast Asian Studies.
- 21. Further information is in the study: Sisouphanthong, B., Boupha, S., Souksavath, P., Sone, P. (2007) Addressing the Impact of Phasing out of Textiles and Clothing Quotas in Lao PDR: Human Development Assessment in Post Agreement on Textile and Clothing, National Statistical Centre, Committee for Planning and Investment, Vientiane, Lao PDR, August; supported by the UNDP Asia Pacific Regional Office in Colombo. Illegal logging and related cross-border trade is possible because of the collusion between importers, customs officers, the military and local party officials. 'Much of the border trade is conducted informally and illegally, largely in response to customs officials' demands for illicit payments.' Quantities of goods are systematically underreported, with the savings in tariffs shared between the importer and local party officials. Attempts to give more responsibility to the provinces for managing their revenues only aggravated the problem. See p. 96. Many farmers have been driven into poverty as a result of land expropriations that have been expedited through corruption. The report is in four volumes, each of which have a full-length and an abbreviated version; see: www.nsc.gov.la.
- 22. Onphandala, P and T. Suruga (2006) *Education and Earnings in Lao PDR: Regional and Gender Differences*. Graduate School of International Cooperation. Kobe University Technical Papers No 4. July.
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- 24. http://www.fao.org/sd/WPdirect/WPreo0109.htm.
- 25. Onphandala and Suruga (2006).
- 26. Sisouphanthong, B. et al. (2007).
- 27. Ibid
- 28. Report on Occupational Safety Health and Environment. See http://training.itcilo.it/actrav/2001/A3-2387/works/Works/Report/lao\_pat.doc.
- 29. ICFTU (2006) http://www.icftu.org/displaydocument.asp?Index
- 30. Oxfam (2007) Report of Scoping Study for Labour Rights in Vientiane Capital and Savannakhet.
- 31. Vientiane Times, 12 October 2007.
- 32. Oxfam (2007), op. cit.; Robertson (2002).
- 33. Lord Robens, the UK legislator, broke the mould of centralist labour law administration by legislating for workers' participation. What became known as the Robens Act became a hallmark legislative reform enabling of trade union representation and as widely copied in other industrialized countries.
- 34. An example would be 'relocation'. In Lao this translates into 'make a new house', which on the surface sound innocuous if not positively desirable, hiding the social and economic upheaval implicit in relocation.
- 35. Vientiane Times, 24 August 2007.
- 35. World Bank, op cit.
- 36. Onphanhdala and Suruga (2006).
- 37. For this section I am indebted to Carol Ireson-Doolittle and her colleagues from Willamette who volunteered their unpublished research papers. The work is ongoing so some of the data sets are as yet incomplete.
- 38. Doolittle-Ireson, C. and Moreno-Black, G. *Traditional Craft or International Business? Vientiane Textile Companies and their Workers* (unpublished draft paper) Department of Sociology. Willamette University, Salem, 2007.
- 39. From Lao classical literature, cited by Bounyavong, Deuangdeuane
- 40. Personal communication with Rassanikone Nanong, Head of Lao Handcrafts Association, 2008.

41. The supply chains term used by the researchers applies to an intricate domestic network of people who contribute to the finished piece: Weaving, dyeing, growing silk, Many are related to the merchandisers, other are from the same province, and are known through extended family linkages.

- 42. Doolittle-Ireson et al. (op. cit.)
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- 50. Chamberlain et al. (2004)
- 51. http://etna.mcot.net/query.php?nid=41359.
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