

Minimum wage in Lao PDR since 2009

The minimum wage applies to all industries and is calculated as follows:

Basic minimum salary:	348,000 LAK per month
+ food allowance:	3,500 LAK per day
+ daily allowance:	5,000 LAK per day

The allowances are calculated for 26 days per month.

So total minimum wage is **569,000 LAK** per month.

However, in order to qualify for the minimum wage, the employee must have had 30 days of training. Since there are no official training certificates this means in practice that a person who worked, say 5 years in the garment industry and then changes the employer receives more often than not less than the minimum wage in his first 30 days with the new company.

Tripartite negotiations to amend the minimum wage and to possibly put an end to the aforementioned practice are scheduled for the first half of 2011.

April 2011