

LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

The Government

No. 76/Gov

Vientiane Capital, Date 28.02.2018

Decree

On the Settlement of Labour Dispute

- Pursuant to the Law on the Government of Lao PDR, No. 04/NA, dated 08 November 2016;
- Pursuant to the Law on Labour, No. 43/NA, dated 24 December 2013;
- Pursuant to the letter of proposal, No. 3724/MOLSW, dated 30 October 2017, of the Ministry of Labor and Social Welfare.

The Government issued the Decree:

**Chapter 1
General Provisions**

Article 1 Purpose

This Decree defines rules and methods regarding the Settlement of Labour Disputes in order to protect the rights and benefits of workers and employers in accordance with the law and regulation, which aims to protect and address the problem of labor movement effectively.

Article 2 The Settlement of Labour Dispute

The Settlement of Labour Dispute is a process of discussing together between workers and employers for solution and dispute termination or resolving by a third.

The Settlement of Labour Dispute consists of compromising resolution, administrative resolution, the Labour Dispute Resolution Committee, judgment of the court, and dispute resolution with international features.

Article 3 Definitions

Terms are used in this Decree shall have the following meaning:

1. **Labour dispute** means the dispute between workers and employers that disagree on labour problems;
2. **New rights and benefits** means rights and benefits that not stated in the Labour Law, individual and collective employment contracts, the internal regulations of a labour unit and other labour legislations;
3. **Third party** means the Labour Administration Organization, the Labour Dispute Resolution Committee and the court;

4. **Labour Administration Organization** means the Ministry of Labour and Social Welfare, the Provincial Department of Labour and Social Welfare, the Labour and Social Welfare Office of the District, and Labour and Social Welfare Units of the Village;
5. **Business Sectors** means the labour units operating the same businesses, productions and services.

Article 4 Basic Principles

The Settlement of Labour Dispute shall comply with the following basic principles:

1. In line with the laws and regulations;
2. Receive benefits without discrimination;
3. Respect and follow the Law on Disputes Settlement;
4. Ensure the resolution of disputes are in group;
5. Be neutral and fair.

Article 5 Scope of Application

This Decree applies to all registered or unregistered employees and employers, household workers, and individual or organizations that relating to the resolution of labour disputes.

Lao employees working for international organizations shall comply with the specific rules.

Chapter 2 Category of Labour Disputes

Article 6 Category of Labour Disputes

There are two categories of Labour Disputes:

1. Legal and Regulatory disputes;
2. Beneficial disputes.

Each of disputes has two features: individual and collective.

Article 7 Legal and Regulatory Disputes

Legal and Regulatory disputes happen when one party does not follow the Labour Law, the internal regulations of a labour unit, individual or collective employment contracts and other labour legislations such as: working overtime that exceeding the limitation in the law, paying wages lower than minimum wage that specified by government.

Article 8 Beneficial Disputes

Beneficial disputes happen when one party does not provide new rights and benefits that request from another party such as: working hours, wages or labour welfare.

Article 9 Individual Disputes

Individual disputes happen when a worker or the minority of workers in a labour unit or in one business sectors claims their rights and benefits to employers or organization that representing employers.

Article 10 Collective Disputes

Collective disputes happen when the majority of workers in a labour unit or in one business sectors claim their rights and benefits to employers or organization that representing employers or it is a dispute between an organization that representing workers and an organization that representing employers or one of these organizations proposes to the Labour Administration Organization.

Chapter 3 Compromising Resolution

Article 11 Compromise

The settlement of labour disputes by compromising is a resolution in a labour unit or in a business levels by discussing together between workers and an employer for solutions which based on a proposal of one party, employment contract, the internal regulations of a labour unit, laws and regulations that relating to labour. In the discussion each party can send their representative or representative organization for participation or a third party can be a mediator.

For individual disputes the result of settlement shall be made within fifteen days after one party receives a written proposal and thirty days for collective disputes. The result of consultation shall be made in written form with signature of all participants.

Compromise also uses in a negotiation for creating collective employment contract.

An employer shall determine the procedure of consultation and dispute resolution in their internal regulations.

Consultation and resolution result shall be made in written form with signature of all participants.

In case of unsolvable by compromise, litigant can decide another scenario to resolve their disputes.

Article 12 Collective Bargaining

Collective bargaining is the negotiation and discussion process between a representative of the majority of workers or an organization that representing workers and an employer or employers or an organization that representing employers in a labour unit or in a business sector.

Article 13 Collective Bargaining Processes

An organization that representing workers can propose to the employers for collective bargaining with participating by the majority of workers, if the labour units or business sectors determine better working conditions and environments.

When working conditions and environments have negative impact on their business operation, an employer or an organization that representing employers can request or propose for bargaining with workers in a labour unit or a business sector level or propose to an organization that representing workers in national level.

The employers and workers have the rights to assign their representative for participating in collective bargaining.

Article 14 Collective Employment Contract

Collective employment contract is a document that created for litigant to follow which based on collective bargaining and have been agreed on the rights and benefits.

Collective employment contract can be created in a labour unit or a business sector levels.

Collective employment contract can be officially enforced when signed by both parties and shall be registered with the Labour Administration Organization and certified by the Notary.

In case the collective bargaining is unsuccessful or cannot agree, workers or employers are eligible to propose to the Labour Dispute Resolution Committee.

Chapter 4 Administrative Resolution

Article 15 Administrative Resolution

Administrative Resolution can be resolved by the Labour Administration Organization which based on the administration levels.

1. The Labour and Social Welfare Units of the Village

The Labour and Social Welfare Units of the Village are coordinated with Dispute Mediation Units of the village in order to resolve disputes in village level. In cases of do not have the Labour and Social Welfare Units of the Village; the Dispute Mediations of the village can be a mediator for both unregistered and household workers. The settlement shall be made within fifteen days after receiving written proposal from litigant.

In cases of the Labour and Social Welfare Units of the Village cannot resolve disputes, litigants are eligible to propose to the Labour and Social Welfare Office of the District.

2. The Labour and Social Welfare Office of the District

The Labour and Social Welfare Office of the District is eligible to resolve labour disputes, if the Labour and Social Welfare Units of the Village cannot resolve, or uncompromisable disputes between workers and employers in a labour unit with the number of workers that does not over ten workers.

The settlement shall be made within fifteen days after receiving a written proposal from litigant.

In cases when the Labour and Social Welfare Office of the District cannot resolve or one of the parties does not attend without any reasons for twice, litigant can propose to the Provincial Department Labour and Social Welfare or file a complaint to the court.

3. The Provincial Department of Labour and Social Welfare

The Provincial Department of Labour and Social Welfare is eligible to resolve labour disputes, if the Labour and Social Welfare Office of the District cannot resolve, or uncompromisable disputes between workers and employers in a labour unit that has ten to ninety-nine, or over a hundred workers.

The settlement shall be made within fifteen days after receiving a written proposal from litigant.

In cases when the Provincial Department of Labour and Social Welfare cannot resolve or one of the parties does not attend without any reasons for twice, litigant can propose to the Ministry of Labour and Social Welfare or file a complaint to the court.

4. The Ministry of Labour and Social Welfare

The Ministry of Labour and Social Welfare is eligible to resolve labour disputes, if the Provincial Department of Labour and Social Welfare cannot resolve or uncompromisable disputes between workers and employers in a labour unit that has over a hundred workers.

The settlement shall be made within fifteen days after receiving a written proposal from litigant.

In cases when the Ministry of Labour and Social Welfare cannot resolve or one of the parties does not attend without any reasons for twice, litigant can file a complaint the court.

Article 16 Dispute Mediator

Dispute mediators are appointed by the Labour Administration Organization to resolve administrative disputes.

Article 17 Rights and Duties of Mediator

The mediator has the following rights and duties:

1. Study and consider the application of litigant;
2. Collect information from litigant and relevant sectors;
3. Plans for resolving disputes, and invite litigant and relevant sectors for mediation;
4. Conduct the mediation with litigant and relevant sectors;
5. Ensure the mediation is fair, quick and transparent;
6. Make a mediation report with signature then read to litigant;
7. Report the mediation result to the Labour Administration Organization.
8. Submit dispute documentations to the court for consideration and settlement.
9. Implement rights and duties in accordance with the laws and regulations.

Chapter 5

Settlement by Labour Dispute Resolution Committee

Article 18 The Labour Dispute Resolution Committee

The Labour Dispute Resolution Committee is an organization that has representatives from a tripartite organization which established at the central and provincial level in order to be a central of labour disputes resolution that relating to beneficial.

The Labour Dispute Resolution Committee at the central level is appointed by Minister of Labour and Social Welfare, and at provincial level is appointed by Director General of Provincial Department of Labour and Social Welfare.

The committee comprises of a representative from the Labour Administration Organization is the President, a representative from an organization that representing workers and a representative from an organization that representing employers are Vice-Presidents, and employees from each party are boards.

The Department of Labour Administration and Labour Administration Sector are a secretariat for the Labour Dispute Resolution Committee in its level, and have duties to receive the proposal from workers and employers.

Article 19 Rights and Duties of Labour Dispute Resolution Committee

Labour Dispute Resolution Committee has the following rights and duties:

1. Study and consider the application of labour disputes settlement ;
2. Inquire for additional information from litigant and relevant sectors;
3. Invite litigant, technical officers, and relevant sectors to participate;

4. Consider the settlement of disputes and inform the settlement result to litigant;
5. Report the result to a tripartite organization;
6. Propose to the Labour Dispute Resolution Committee at central level to continue, in cases when the provincial level cannot resolve or have requested from one of litigant
7. Submit the resolution result of the boards to the court, in cases if one of litigant files a complaint to the court.
8. Implement rights and duties in accordance with the laws and regulations.

Chapter 6

The Judgment of the Court and Dispute Resolution with International Features

Article 20 The Judgment of the Court

The Labour Disputes are judged by the court is the considerations that in accordance with the laws and regulations of the court Which these disputes unsolvable by administrative settlement, or one of litigants disagree with the Labour Dispute Resolution Committee and file a complaint to the court.

Article 21 Dispute Resolution with International Features

Dispute resolution with international features shall comply with the Article 153 of the Labour Law.

Chapter 7

Prohibition of work termination and closing workplace

Article 22 Prohibition of work termination

During the process of individual or collective disputes resolution; workers must continue working as normal.

In cases the workers stop working without permission from a tripartite organization or employers, it will be an unreasonable leave and the workers must responsible for the damage that may occur.

In cases the workplace is unsafe and the workers have already informed to the employers, the workers can stop working and must inform the Labour Administration Organization immediately.

Article 23 Prohibition of closing workplace

During the process of individual or collective disputes resolution; the employer permits employees to work as normal.

In cases the employer closed workplace without permission from a tripartite organization or disagreed from employees, the employer must pay wages to employees from the day of unpermitted to work until the disputes have been resolved.

if a worker or many workers' behavior may damage business operations, and the employer has already consulted with the organization that representing employers or the Trade Union in its labour units. The employer must inform the Labour Administration Organization immediately.

Article 24 Beneficial Disputes Termination

Collective labour disputes or administrative disputes will be terminated by the following two cases:

1. When litigants accept or not accept the result of the Labour Dispute Resolution Committee, but none of litigants file a complaint to the court.
2. By judgment of the court.

The Judgment of collective labour disputes or administrative disputes will enter into force after fifteen days.

During fifteen days after the judgment of the court, the workers are eligible not to work as normal, and the employers are eligible to order the workers not to work which none parties will receive benefits from either other including wages.

The employment contract will be cancelled in cases if the workers disagreed with the result of the Labour Dispute Resolution Committee which did not file a complaint to the court or not accept the judgment of the court and stop working. The benefits of employment contract cancellation shall comply with the agreement in the employment contract, the regulations of labour units or the consideration of employers.

The employment contract will be cancelled in cases if the employers disagreed with the result of the Labour Dispute Resolution Committee which did not file a complaint to the court or not accept the judgment of the court and unpermitted the workers to work. In this case the employer must pay compensation to the workers in accordance with the Labour Law from the cancellation of the employment contract.

For the public service sectors are based on the judgment of the court which is not permitted to cancel the employment contract, if there are any violations, the violators must be responsible for the damage that may occur or may in legal proceedings.

Chapter 8 Prohibitions

Article 25 Prohibitions for Mediators, the Labour Disputes Settlement Committee, and litigants

Mediators, the Labour Disputes Settlement Committee, and litigants are prohibited to act as follows:

1. Disclose the disputes information without permission;
2. Use the information for his or her own benefits or eradicate the rights and benefits of others;
3. Falsify documents or information relating to disputes;
4. Apply his or her powers and duties beyond the scopes for his or her own benefits;
5. Obstruct, force, intimidate, prejudice in performing duties;
6. Other behaviors that violates the laws and regulations.

Article 26 Prohibitions for an individual, legal entities and organizations

An individual, legal entities and organizations are prohibited to act as follows:

1. uncollaborative and obstructive the officers, mediators, experts, and the Labour Disputes Settlement Committee;
2. Instigate other people not to use the settlement of administrative disputes and the Labour Disputes Settlement Committee;
3. Intermediary in offering and taking bribes;
4. Other behaviors that violates the laws and regulations.

Chapter 9 Final Provisions

Article 27 Implementation

The Ministry of Labour and Social Welfare is the central of collaborating with relevant sectors to implement this Decree into reality and effectiveness.

The Ministries, the organizations that equivalent to the Ministry, Local Administrative Organization and relevant sectors shall perceive and strictly implement this Decree.

Article 28 Effectiveness

This Decree is effective from the date of signature and fifteen days after it is published in the Official Gazette.

**Government of Lao PDR
Prime Minister**

Signature and seal

Thongloun SISOULITH