

## Labour Force

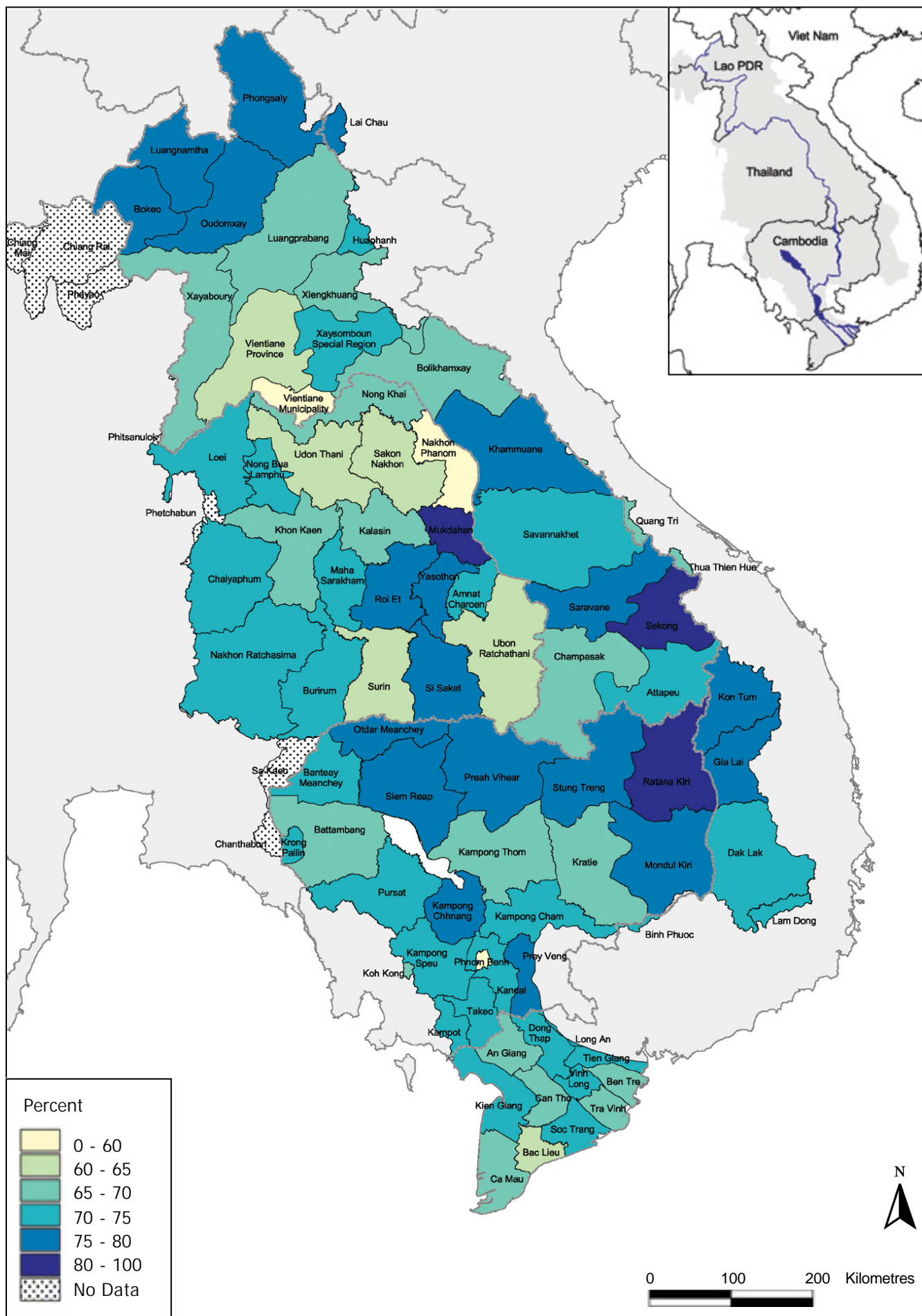
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# Map 20: Labour Force Participation Rate

Proportion of working age people in the labour force



## Map 20: Labour Force Participation Rate

### Proportion of working age people in the labour force

The labour force participation rate measures the proportion of the working age population that is employed, or unemployed but seeking work. Working age people who are not part of the labour force include students, unpaid household workers, the elderly and the infirm.

Labour force participation rates are high across the LMB. In the rural livelihood systems of the region, there is a strong economic need for everyone to work. The highest participation rates occur in the more remote parts of the basin - the upland areas of northern and southern Lao PDR and north and northeast Cambodia.

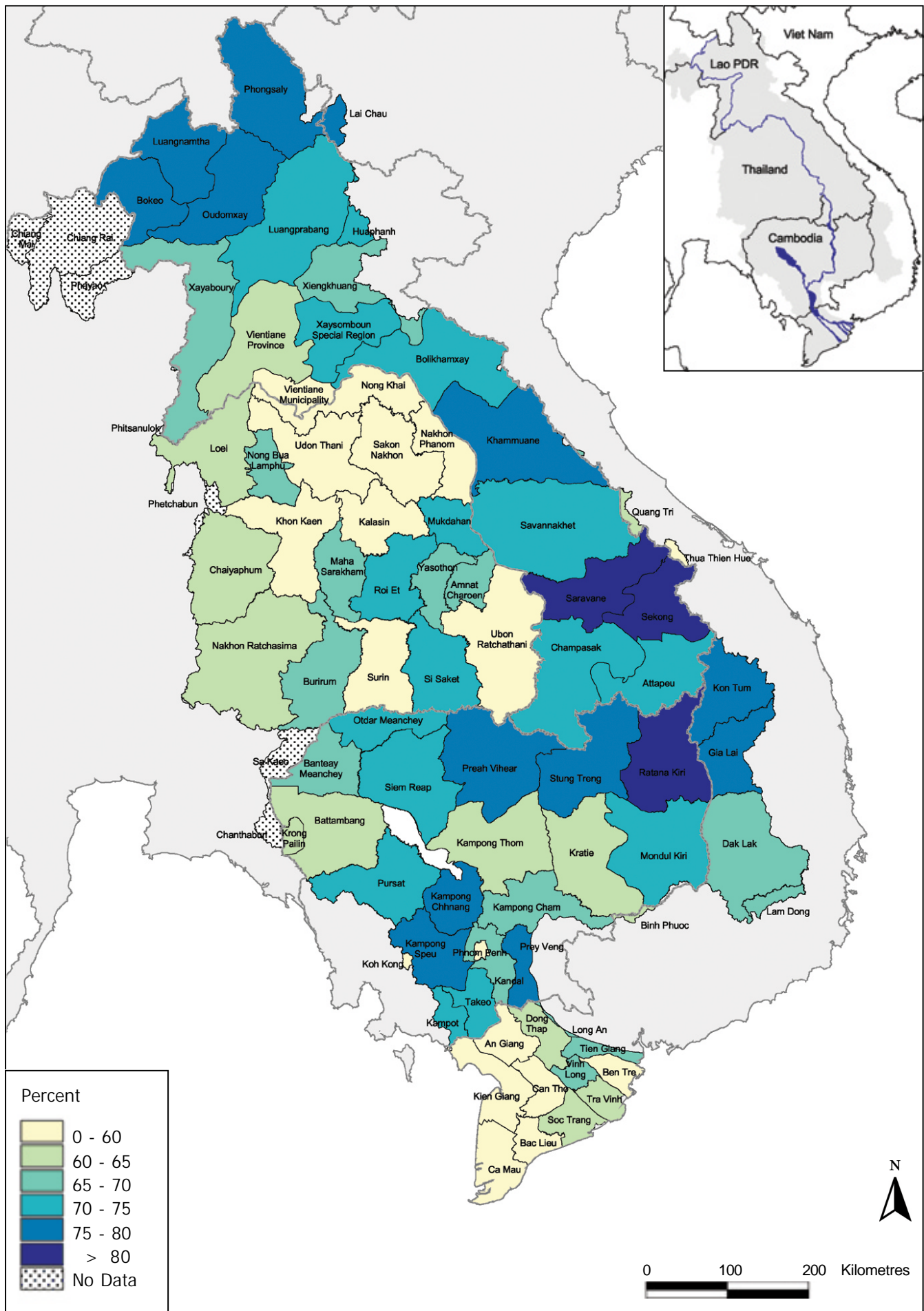
Urban labour force participation rates are lower (59 percent in Phnom Penh). Higher incomes allow for the support of dependents, and greater educational opportunities encourage people to study longer.

The indicators for the four countries are not perfectly comparable. The data for Lao PDR take the working age population to be everybody of 10 years and above, while for the other three countries the data set is limited to people 13 and above. This means that the figures for Lao are underestimated in comparison to those for the other countries. Because the data for Lao include children aged 10-13, who are more likely to be in school than older people, the participation rates are lower than if the data included only people 13 years and over.

Country	Indicator Definition	Source	Table
Cambodia	Employed and unemployed people 13 years and over divided by total population 13 years and over (1998)	Population Census 1998	Table B1
Lao PDR	The proportion of the population 10 years and over supplying labour for the production of economic goods and services (1995)	Population Census 1995	
Thailand	Employed, unemployed, and seasonally inactive people 13 years and over divided by total population 13 years and over (1999)	Northeast Regional Statistics 2000	Table 1.11
Viet Nam	Employed and unemployed people 13 years and over as a percentage of total population 13 years and over (1999)	Population Census 1999	Table 5.3

# Map 21: Female Labour Force Participation Rate

Proportion of working age females in the labour force



## Map 21: Female Labour Force Participation Rate

### Proportion of working age females in the labour force

In general, labour force participation rates for women in the LMB are lower than for men. Nonetheless, female participation rates substantially exceed the average of 51 percent in East Asia and the Pacific (IMF 2002), except in parts of the Korat Plateau.

The highest rates (above 70 percent) occur in Lao PDR, Cambodia and the Central Highlands, in areas where most households practice subsistence agriculture. Men and women work together to cultivate rice. Women also grow vegetables and raise small livestock, process fish and other agricultural products and sell surpluses at markets. Their handicrafts are a major source of household income.

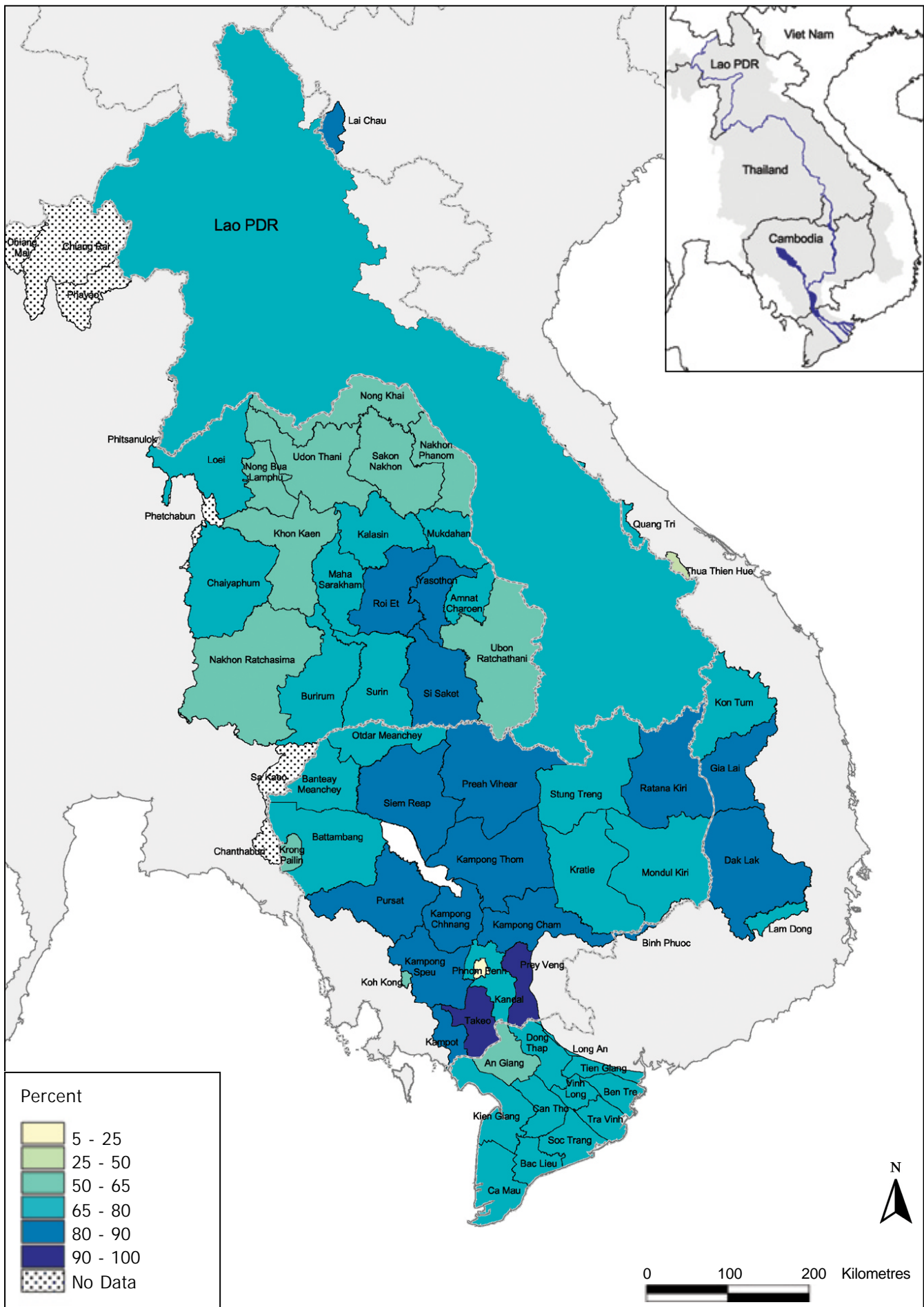
Lower female participation rates and greater differences between the rates for men and women occur in northeast Thailand (below 50 percent in some provinces) and the Mekong Delta (below 65 percent in most provinces), as well as in Phnom Penh and Pailin.

Labour force participation rates do not fully measure women's contribution to the economy. Official data are based on primary occupations and formal-sector activities that involve monetary transactions. The majority of unpaid family workers are women. Women are generally responsible for household management - collecting fuelwood and water, cleaning, cooking and caring for children, the elderly and the sick. Also, women's trading and small businesses dominate informal sector activities in the LMB (MOP-Cambodia 1998, Sihanat et al. 1997). This work is often a second occupation for women, in addition to agricultural or other activities.

Country	Indicator Definition	Source	Table
Cambodia	Employed and unemployed females 13 years and over divided by total female population 13 years and over (1998)	Population Census 1998	Table B1
Lao PDR	The proportion of females 10 years and over supplying labour for the production of economic goods and services (1995)	Population Census 1995	
Thailand	Employed, unemployed, and seasonally inactive females 13 years and over divided by total female population 13 years and over (1999)	Northeast Regional Statistics 2000	Table 1.11
Viet Nam	Employed and unemployed females 13 years and over as a percentage of female population 13 years and over (1999)	Population Census 1999	Table 5.3

## Map 22: Employment in Agriculture

Proportion of employed persons working in the agriculture sector



Note: Province names and boundaries are not shown where national or regional data are used

## Map 22: Employment in Agriculture

### Proportion of employed persons working in the agriculture sector

The economy of the LMB has traditionally been based on agriculture. In recent years, economic growth has been more rapid in other sectors, accompanied by a relative decline in the contribution of agriculture to GDP. Nonetheless, the majority of the labour force in the basin continues to work in the agriculture sector.

Much agriculture sector employment is based around subsistence production. Such agricultural activity involves very low levels of productivity and income and is an important part of the pattern of poverty in rural areas.

In Cambodia and Lao PDR, approximately 75 to 85 percent of the labour force works in the agricultural sector. The shares of women working in agriculture generally exceed the shares of men by 5 to 30 percentage points.

Agriculture employs two-thirds of the labour force in the Mekong Delta. The proportion is expected to decline as larger-scale commercial enterprises replace traditional agricultural activities. In the Central Highlands, a mixture of rice and cash crop farming employs slightly higher proportions of the labour force.

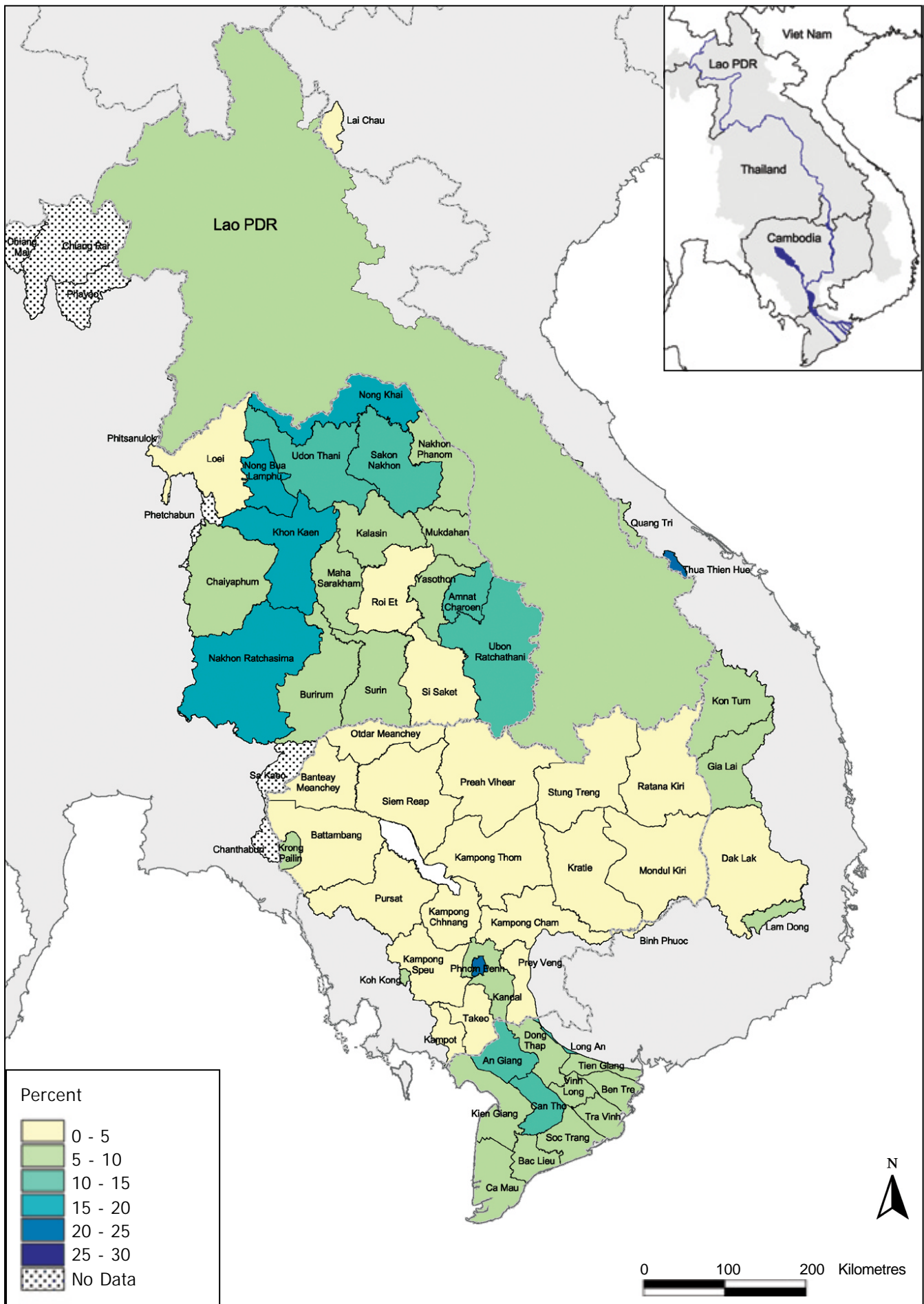
In Northeast Thailand, 70 percent of the labour force works in agriculture, with nearly equal shares for men and women. Lower proportions occur in provinces where transportation facilities and higher levels of urbanization create more non-farm employment opportunities.

Country	Indicator Definition	Source	Table
Cambodia	Percentage of employed persons in agriculture, fishing, hunting, and forestry (1998)	Population Census 1998	PopMap
Lao PDR	Proportion of the labour force engaged in agriculture (1997)	UNDP Lao Social Database	
Thailand	Proportion of labour force 13 years old and over employed in agriculture, forestry, hunting, and fishing (1999)	Northeast Regional Statistics 2000	Table 1.15
Viet Nam	Proportion of labour force 13 years old and over employed in agriculture, forestry, hunting, and fishing (1999)	Population Census 1999	Table 5.7



# Map 23: Employment in Industry

Proportion of employed persons working in the industry sector



Note: Province names and boundaries are not shown where national or regional data are used

## Map 23: Employment in Industry

### Proportion of employed persons working in the industry sector

Except in Northeast Thailand and Phnom Penh, industry employs less than 10 percent of the labour force in the LMB. Although regional economic growth in recent years has been spurred by strong industrial growth, much of this activity has occurred outside the LMB. This is particularly true in Thailand and Viet Nam.

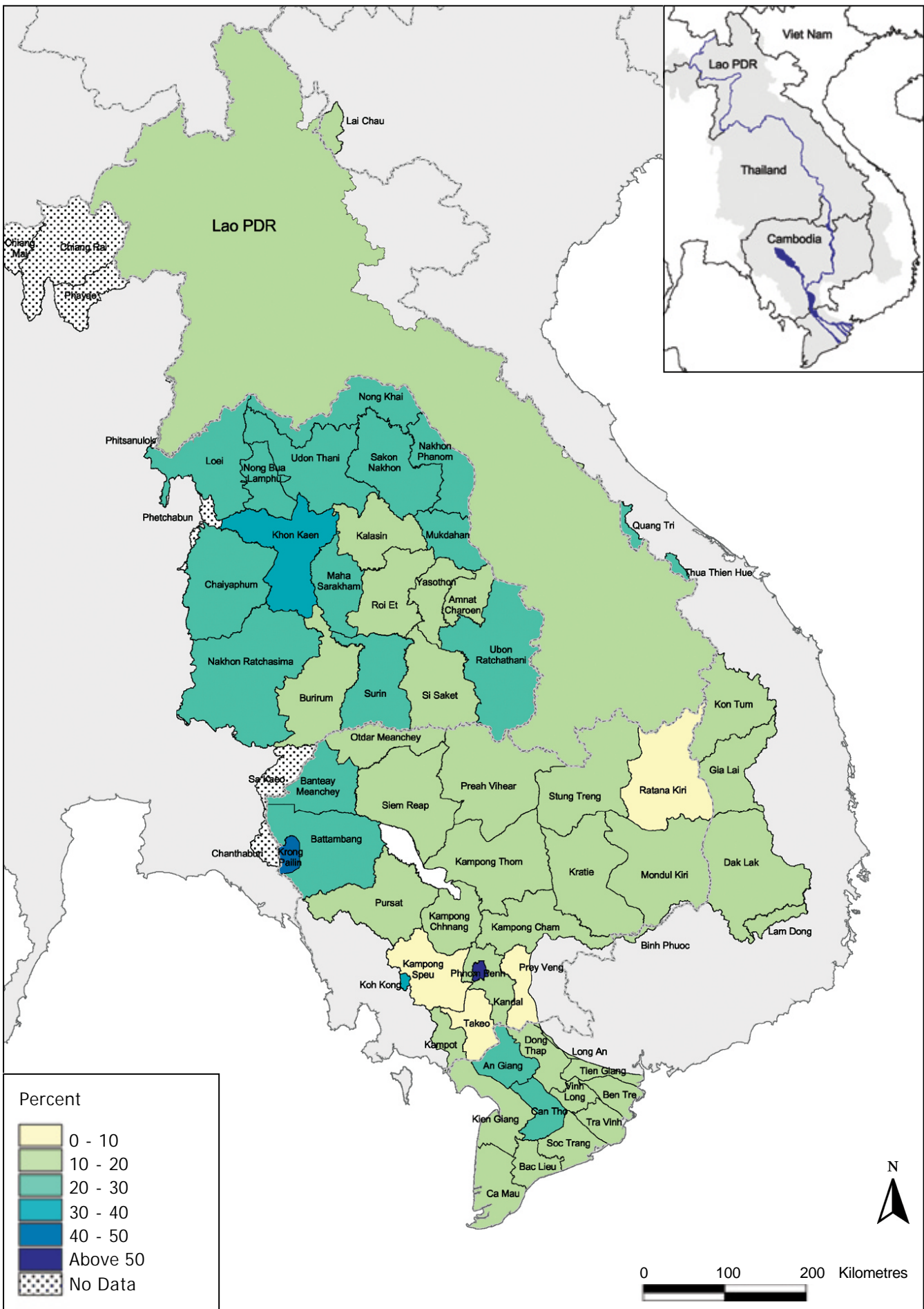
Industrial activities in the LMB consist primarily of agro-processing, production of building materials, and other rural industries. Government policies, particularly in Viet Nam, are promoting further development of rural industry to provide more employment and higher incomes for rapidly-growing labour forces.

Rapid growth of the garment industry in Cambodia and Lao PDR has centred on Phnom Penh and Vientiane. Overall, this industry is a major factor in industrial employment rates of 22 percent in Phnom Penh. In Lao PDR, over 90 percent of garment workers are young women, most of whom are recent migrants from rural communities (Chagnon 1996).

Country	Indicator Definition	Source	Table
Cambodia	Percentage of employed persons in mining, quarrying, manufacturing, construction, and utilities (1998)	Population Census 1998	PopMap
Lao PDR	Proportion of the labour force engaged in manufacturing (1997)	UNDP Lao Social Database	
Thailand	Proportion of labour force 13 years old and over employed in mining, quarrying, manufacturing, construction, and utilities (1999)	Northeast Regional Statistics 2000	Table 1.15
Viet Nam	Proportion of labour force 13 years old and over employed in mining, quarrying, manufacturing, construction, and utilities (1999)	Population Census 1999	Table 5.7

# Map 24: Employment in Services

Proportion of employed persons working in the services sector



Note: Province names and boundaries are not shown where national or regional data are used

## Map 24: Employment in Services

### Proportion of employed persons working in the services sector

The service sector in the LMB has grown rapidly in recent decades. The sector includes a variety of businesses, from small street vendors and restaurants to supermarkets and large-scale hotels. Tourism is also becoming increasingly important, accounting for 13 percent of total GDP in Thailand in 2001.

The service sector, which also includes the public sector and domestic work, provides the most employment after agriculture. Service employment is generally concentrated in urban areas. In Phnom Penh, for example, it accounts for nearly 70 percent of total employment.

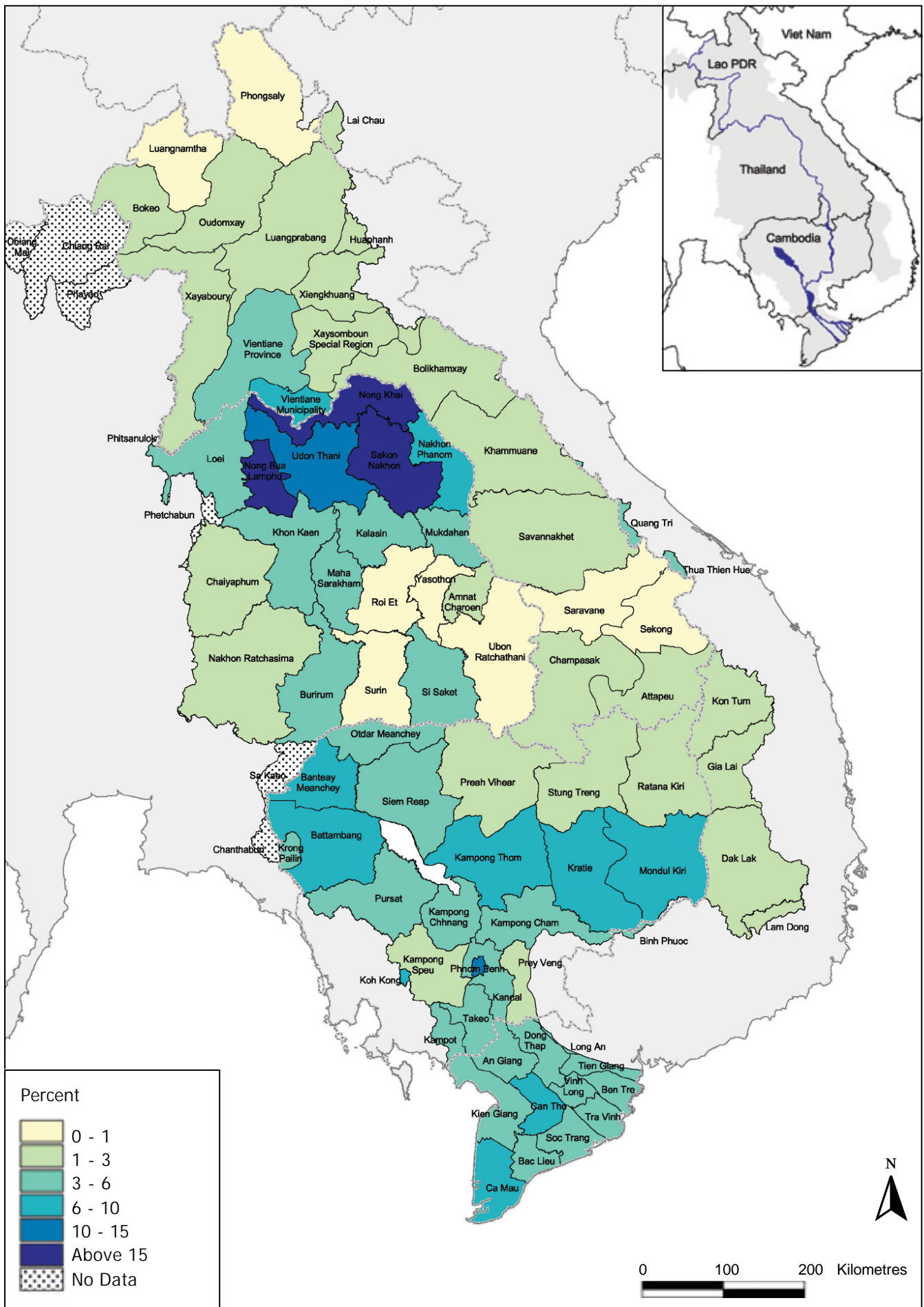
Women who migrate to cities are much more likely than men to work in the growing informal sector. Informal trading and small businesses require little skill, education or capital. Also, many formal sector companies sub-contract to home-based workers, and it is often easier for women to balance this type of work with childcare and household responsibilities.

Women make up a large part of the labour force in the service sector, particularly in urban areas. Typical service sector employment for women includes hotel and restaurant work, as well as informal trading and sales in market stalls. People working in such occupations often face low and insecure wages, long hours and poor working conditions.

Country	Indicator Definition	Source	Table
Cambodia	Percentage of employed persons in commerce, transport, communication, finance, public administration, defence, and other services (1998)	Population Census 1998	PopMap
Lao PDR	Proportion of the labour force engaged in services (1997)	UNDP Lao Social Database	
Thailand	Proportion of labour force (13+) employed in commerce, transport, communication, finance, public administration, defence, and other services (1999)	Northeast Regional Statistics 2000	Table 1.15
Viet Nam	Proportion of labour force (13+) employed in commerce, transport, communication, finance, public administration, defence, and other services (1999)	Population Census 1999	Table 5.7

# Map 25: Unemployment

Proportion of labour force unemployed



## Map 25: Unemployment

### Proportion of labour force unemployed

Unemployment rates are generally low throughout the rural areas of the LMB. In households that practice subsistence farming, everyone works full time. In fact, many people must work at more than one job to ensure basic household needs.

In urban areas, unemployment is much higher. The unemployment rates in Phnom Penh (13 percent) and Vientiane (7 percent) are 2 to 3 times higher than in rural areas. One major cause of urban unemployment is economic reform that downsizes the public and private sectors and privatises state enterprises. Higher rates of joblessness in cities also reflect large numbers of migrants who come from rural areas with limited skills and are unable to find work.

In Northeast Thailand, several provinces have very high unemployment rates. In Nong Bua Lamphu, for example, the rate is nearly 30 percent. Following the financial crisis of 1997, unskilled workers in major centres such as Bangkok and Chiang Mai were among the first to be laid off. Many returned to their home communities to look for work, although there were often no jobs. These data from 1999 may reflect these circumstances.

Unemployment is, on average, slightly higher among women in the work force. Sometimes it is much higher, for example, 17 percent for women and 9 percent for men in Phnom Penh.

Underemployment is a serious and growing problem in the region, although reliable data are limited. Underemployed people are those who do not work during part of the year or who are consistently unable to find more than 35 hours of work per week. In the LMB, the phenomenon is more common in rural areas. In Viet Nam, for example, widespread underemployment occurs in the agricultural sector, where people work an average of 21 hours per week (World Bank 2002d).

Country	Indicator Definition	Source	Table
Cambodia	Unemployed people seeking work 13 years and over divided by employed and unemployed people seeking work 13 years and over (1998)	Population Census 1998	Table B1
Lao PDR	Unemployed people 10 years old and over as a percentage of employed and unemployed people 10 years old and over (1995)	Population Census 1995	Table 5.5
Thailand	Unemployed and seasonally inactive people 13 years and over, as a percentage of total labour force 13 years and over (1999)	Northeast Regional Statistics 2000	Table 1.11
Viet Nam	Unemployed persons 13 years and over as a percentage of employed and unemployed persons 13 years and over (1999)	Population Census 1999	Table 5.3