



Special sitting

Monday, 11 June 2012, 12.20 p.m.

President: Mr Alburquerque de Castro

ADDRESS BY MR OLLANTA HUMALA TASSO, PRESIDENT OF THE REPUBLIC OF PERU

Original Spanish: The PRESIDENT

The International Labour Conference is honoured to receive the visit of Mr Ollanta Humala Tasso, President of the Republic of Peru.

I now give the floor to the Secretary-General of the Conference, Mr Somavia, to welcome and introduce our distinguished guest.

Original Spanish: The SECRETARY-GENERAL

Distinguished President of Peru, Mr Ollanta Humala Tasso, it is a pleasure to welcome you to this 101st Session of the International Labour Conference.

Mr President, at a time of severe economic, social, political and even moral crisis, it is very encouraging to see your country's efforts to overcome this situation by embracing the values of decent work and social justice.

Peru has endeavoured to demonstrate that economic growth and social development are not incompatible but are, in fact, complementary.

This is no easy task: profound changes are required. As you said when you took office, "Peruvian democracy will be fully-fledged when justice and social peace, national sovereignty and the security of our families constitute the foundation on which our nation stands, when equality is the birth-right of every individual, and when social exclusion has been eradicated even in the most remote areas of the country."

The results you have achieved speak for themselves. Macroeconomic indicators reflect a high economic growth rate in Peru, and poverty has been reduced by 3 per cent since last year.

There are other objectives which have already been achieved and which we will highlight here: a 20 per cent increase in the minimum wage; the launching of new social protection programmes targeted at the most vulnerable groups; establishment of the Ministry of Development and Social Inclusion; and the "Pension 65" programme. On May Day this year you launched a national strategy for the prevention and elimination of child labour, with support from public and private entities and, of course, from the ILO.

You also announced specific measures to improve equality in remuneration between men and women. All this has been done in a spirit of tripartism and social dialogue.

The Act on consultation, which will give effect to the ILO Indigenous and Tribal Peoples Convention, 1989 (No. 169), is especially important to this House. You took immediate action on this issue.

As you have said, the purpose of this Act is "to ensure that their voice is important, that it is heard, and that they are treated as citizens".

All of these achievements should be valued and understood in the context of your vision for Latin America, as *pro tempore* President of the Union of South American Nations (UNASUR) and a member of the recently established Pacific Alliance. That vision is also manifested in Latin America's response to the crisis. You made that clear in the United Nations when you said: "We in Latin America are learning to overcome our chronic vulnerability to such crises. We have decided to act in concert by applying coordinated policies to strengthen our economic foundations and to ensure better supervision of our financial systems. ... Latin America will not emerge unscathed from the storm that is heading our way from the North, but we are taking precautions. It is not enough to be connected. We must be united."

As you have pointed out, Mr President, this time Latin America is responding to the crisis with a vision of its own, because we will not be able to overcome it by applying the same policies as those devised in the North, or those imposed on us in the past.

The ILO identifies with your Government's efforts to promote decent work and social justice, as this is one of the pillars of this Organization which is at the heart of our mandate. After all, in many ways the quality of a society is defined by the quality of the jobs it provides to its people.

Mr President, in Lima our ILO Regional Office is aware of your interest in this Organization's work, and you can always count on our support. You may be sure, Mr President, that, as I said, we will stand shoulder to shoulder with you in your efforts to achieve justice and equity.

Thank you very much for being here today.

Original Spanish: Mr OLLANTA HUMALA TASSO (President, Republic of Peru)

As President of the Republic of Peru, it is a great honour to have this opportunity to participate in this 101st Session of the International Labour Conference. We see that the Conference is discussing issues of vital importance to all the countries present here, including social protection, the youth employment crisis and fundamental rights at work.

I should like to pay tribute and express particular gratitude to Mr Somavia for his outstanding work and for being the first representative of the southern hemisphere to be appointed as Director-General of the International Labour Office, which he has served for the last 14 years. During that time the Organization has increased its visibility and presence on the international stage and adopted major concepts and programmes such as decent work, which have become a major part of the worldwide agenda in the context of globalization. Furthermore, the ILO has adopted the Domestic Workers Convention, 2011 (No. 189).

I should also like to extend my congratulations to Mr Guy Ryder on his election as tenth Director-General of the Organization. I am sure that with his recognized ability and experience he will discharge his duties with the knowledge and enthusiasm that are needed in these difficult times with a view to placing the focus on people in the work of this Organization, whose strength lies in its unique tripartite nature. These are times when a more decisive attitude is needed on the part of employers, workers and governments.

When I took office as President of Peru just under a year ago, we said that we were going to lay the foundations for finally ridding the country of the scourge of exclusion, by building a Peru for all Peruvians. I believe this to be a legitimate aspiration of all the Peruvian people. It is an aspiration that calls for political will and commitment in order to honour the promises that I have made to my country and indeed to myself, ever since I had the dream of turning Peru into a different country.

Peru is a marvellous country which is currently going through a crucial stage of its development, and this is an opportunity that we must not waste. It has become an attractive destination for investment and that means that we have to create structures conducive to the creation of decent work, social security and an improved standard of living for the people of Peru.

At present, however, the world situation is very complicated, and scientific and technological development in industry is intensifying the worldwide phenomenon of exclusion from the labour markets, particularly in commodity-exporting nations such as Peru and other countries of Latin America.

That is why trade union leaders need more than ever before to consider alternative ways, in conjunction with the employers, for modifying the relationship between the State and society, in order to build a fairer and more humane world based on solidarity.

In our globalized world we need to firmly establish fundamental standards and respect fundamental rights, such as freedom of association and the right to collective bargaining. We have to prohibit discrimination in employment and eliminate both forced labour and child labour.

Decent work confers dignity on the individual. Hence to promote decent work, it is necessary to invest in human development as a key component of social inclusion. For my Government, individuals are, and will continue to be, at the heart of society, the economy and politics. But social inclusion can only be achieved when those individuals have jobs which give them and their families stability and structure.

Moving on to decent work as a driving force for development, our policy is to promote decent and dignified work to eradicate poverty. Our Ministry of

Labour and Employment Promotion is responsible for laying down solid foundations on which we can create decent jobs and thereby contribute to the growth and development of the country. Our aim is to promote economic policies which tie in with the achievement of our social objectives too.

We have therefore launched a major programme of change based on labour with the aim of achieving real social inclusion. For that we need to provide education, infrastructure and jobs for the poorest and most vulnerable groups in Peru. We also need to establish clear ground rules to ensure constantly improving access to the labour market, especially for young people, women, persons with disabilities and people living in rural areas who face considerable difficulty in entering the labour market.

A particular feature of Peru is that in the same geographical area we have modern, hi-tech industries such as mining existing side by side with small-scale activities such as agriculture and stock-breeding. The first of these generates huge revenue but not many jobs while the second group does the opposite, being the source of limited revenue but also of mass employment. This being the case, we are making changes with regard to the mining industry, seeking to integrate both activities for the benefit of the poorest sections of the population.

There is no point having good macroeconomic figures if these are not reflected in success stories, in children studying and playing instead of working, in health centres with medicines available for everyone, in people with happy faces, in real opportunities for all Peruvians to have decent work.

Industrialization and scientific and technological development will help us to expand our productive base and these are the basic tools for the generation of decent jobs.

National employment promotion programmes are essential for us. Our goal is to promote employment that is sustainable through skills development for thousands of Peruvians who are currently seeking jobs and are currently receiving support from various programmes.

These programmes have been designed to change attitudes in the labour market of my country. More and more companies and corporations need staff with advanced technical skills, who also command higher salaries than in traditional occupations. This is an enterprise on which we are embarking in Peru to encourage our young people to study for technological careers and therefore be more employable in the future, not only in Peru but anywhere in the world. In our globalized world, economic growth and greater investment are becoming an opportunity for more job possibilities.

The Government of Peru is therefore giving priority to training and promotion initiatives for young people of limited means, so as to help improve their quality of life, enhance their personal development and contribute to the development of their communities. This is being done through programmes such as "Beca 18", which is vigorously boosting national and international bursaries for young people with limited resources but considerable talent. We also have programmes to support small and medium-sized enterprises which nowadays account for some 60 per cent of all jobs created in Peru.

Our aim is to ensure that upcoming generations feel secure in building themselves a life which allows them to develop their capacities in a demanding labour market, where their rights will be re-

spected and where they receive proper pay for their work.

As things stand in Peru, young people with low incomes come from vulnerable population groups with low levels of employability. That is why our main concern is to provide young people with sound promotion tools so that they are equipped to deal with adversity. This is the role of the State as promoter.

Fortunately, in this initiative we have had a positive response from the private sector, from academic and educational bodies, which are now joining us in providing specialized technical training to meet demand in the labour market. Companies are beginning to develop job creation programmes as part of a strategic alliance with the public sector through corporate social responsibility initiatives, with the observance of labour rights and the payment of decent wages.

Since it is young people who are facing the most difficulties in finding jobs at present, we have implemented the “Jóvenes a la Obra” programme, whose purpose is to help young people between 15 and 29 enter employment by providing training for jobs in high-demand sectors.

Our goal is to improve the employability of more than 250,000 young people in five years. My pledge is to ensure that no less than 60 per cent of them find a permanent job. In rural areas the target is to provide more than 70,000 young people with training for entrepreneurial activities.

Aware of the fact that many young people are facing difficulties in finding jobs because the careers they have chosen are not necessarily in line with labour market needs, we are boosting our national career guidance and information service. This will provide free guidance to students coming to the end of their secondary education and young people between the ages of 16 and 24 so that they can make the appropriate choices of professional or technical careers and thus improve their chances of entering the job market. We hope that over 170,000 young people will benefit from this service.

Another problem encountered by young people when seeking employment is that they are required to provide a series of documents by their future employers. The problem is that because of their youth situation they do not have references, experience or other evidence of their suitability for the posts for which they are applying. That is why, with the support of the ILO, we have set up a single system for work qualifications in Peru. Under this system, in just 20 minutes and free of charge, we provide young persons with a certificate confirming their identity and work experience and showing that they do not have a criminal record. This saves young people both time and money, money which they often lack precisely because they are still looking for work.

We also have two programmes called “*Vamos Perú*” and “*Trabaja Perú*”, which are trying to improve employability standards in my country. These are for Peruvians over the age of 30. Today, approximately 70 per cent of workers, at best, have completed secondary education. We need to ensure that our workers have technical qualifications that make them competitive in the labour market, enabling them to command higher wages for this practical knowledge which traditional education in formal institutions has not been able to provide.

With regard to services for individuals and the informal economy, all these programmes and employment promotion services for young people are offered today through one channel: the Single Window for Labour and Employment Promotion. This is a strategy that we have been implementing at national level, through which we make free employment promotion, employability and enterprise services available to all Peruvians, particularly young people.

The Single Window for Labour and Employment Promotion brings together all labour services and employment programmes that the Government currently offers. More than 11 free services for the public are provided across all regions of the country. They provide information on the labour market, an introduction to business, vocational orientation and information on occupations, training for work, orientation and training for business, a labour exchange, assessment for job-seeking, temporary employment, certification of skills, and even information for migrants – all in one place.

All these public policies and programme activities are intended to ensure that workers can keep their jobs. By preserving the employment relationship, our capacity to withstand external crises is increased, while at the same time each worker also remains a consumer in the domestic market.

Public investment and large-scale social programmes, particularly for health, education and vocational training, are not incompatible with achieving macroeconomic balance. We firmly believe in solidarity as the path to social development.

To this end, we have created the Ministry of Development and Social Inclusion, where inclusive policies are better focused on the individual and result in an improved distribution of public spending. Employment promotion programmes form part of this drive towards a social economy, effective labour market policies, social security institutions that work, and a competitive economy.

We have also proposed taking steps to reduce the informal economy. Twenty years ago, with an economy in crisis and a country compromised by terrorist groups who stained our soil with blood, informality was an understandable survival strategy, and we could understand why emerging entrepreneurs did not fulfil all their obligations to the State. Today, with a country on the up and an economy successfully confronting the challenges of external crises, we have a responsibility to create mechanisms so that thousands of informal workers can become formal workers. This is a national commitment that the current Government will begin. To this end, our promise is that more Peruvians will have formal jobs and decent work.

Funding for this purpose will be directed towards developing infrastructure and scientific and technological research and innovation within the framework of a policy centred on labour and capital, in the sure knowledge that profitability comes from a combination of well-paid and well-qualified workers, not from the relaxation of labour laws.

Let us not forget the mandate of this noble Organization, as expressed in the first sentence of its Constitution: “Universal and lasting peace can be established only if it is based upon social justice.”

On the subject of agreed change, we are conscious that we need to create the right ingredients to improve the quality of life of our people. For this reason, we have also strengthened a negotiating

mechanism – the National Labour Council – the objective of which is to seek national agreement on policies in the areas of labour, employment promotion, vocational training and social protection for national and regional development, and on the regulation of minimum wages.

This forum brings together the country's most representative trade union organizations and employers' associations, along with Government officials at the highest level, such as the Minister of Labour and Employment Promotion, and representatives of civil society organizations connected with the labour sector. A few weeks ago, for the first time in our history, employers and workers unanimously agreed on a second increase to the minimum living wage. This goes to show that it is possible to build a country for all through dialogue and agreement.

We have also set ourselves to strengthening this tripartite consultation mechanism in all the regions of the country. Our hope is that every Peruvian will come to think of dialogue as the best tool for fighting the indifference and intransigence that some sectors seek to use to boycott institutionalism, bend the rules of the game and change a system of coexistence in society that is starting to bear fruit for progress.

Peru is giving communities a voice: more than a decade ago, we ratified the Indigenous and Tribal Peoples Convention, 1989 (No. 169). Today, under its present Government, Peru has become the first country in the world to regulate the situation and implement this Convention, through the Act on prior consultation of indigenous and native peoples.

We respect international treaties and consider that multiculturalism and diversity are our main strengths as a country. As a result, we believe in participation and prior consultation, which is now a reality in Peru.

I am certain that the prior consultation mechanisms that we have institutionalized will become a fundamental tool for our nation's development with respect for diversity and guarantees of equality.

As President of Peru, I am working tirelessly to make this great transformation a reality. I am sure that this desire will be achieved when we have rid the whole of Peru of social exclusion – when economic growth, accompanied by responsible investment and rational use of natural resources, shows respect for the environment, and the voices of communities and of native and indigenous peoples are heeded.

Before this international gathering, I want to say to the native communities and indigenous peoples of Peru, to the women and men who dedicate their lives to tilling the land: you will become our strategic allies.

Finally, eradicating child labour is a priority for my Government. We will do this step by step, implementing a national strategy for the prevention and eradication of child labour. With the support of international organizations like the ILO, we will be able to ensure the all-round development of our boys and girls.

Our political will is to bring together all public bodies and the private sector and mobilize them to the cause of eradicating child labour, and in particular the worst forms of child labour. We want our children to be a priority for state policy, because they are the present and the future of my nation.

The strategy we will follow involves various measures to reach our final goal: we will eradicate child labour by fighting poverty, increasing the incomes of vulnerable families and making those incomes sustainable. We will reduce society's tolerance of child labour and decrease school drop-out rates at all levels, while offering high-quality education. We will create decent jobs for parents and establish a network of assistance to restore the rights of children who until now have been the victims of exploitation at work. Among other measures, these will be valuable tools for eradicating child labour throughout the country.

Peru has a future. As you can see, Peru stands before the world today to say we are ready to offer our toil and the fruits of our experience with optimism and conviction.

I am convinced of this. I am certain that we can transform our society into one that generates wealth and enjoys a high quality of life.

Have no doubt that we will continue working to ensure that new generations of Peruvians will feel the security of building their lives in a society that shares with them its opportunities, protects them from risks, and lets them benefit from more progress and development. In this process of transformation, no doubt, we Peruvians can all be a force for change.

I would also like to say that we believe in and are committed to processes that will allow our country's production activities to diversify. We are currently working on a petrochemical project in the south – the first petrochemical project on the South Pacific coast.

This means that we now need to make provision for training our young people, because much of our experience of bringing natural gas, which is one of Peru's resources, to the population has shown us that, when enterprises want to install domestic gas supplies, they find there are no technicians to install the connections, and we have to bring people in from abroad to perform tasks that our young people could do. We believe that the Government must lay down the lines, the main state policies, to take the country where it wants to go and must take steps to train our young people. The petrochemical project is a big investment and a great development opportunity for Peru, and we need to prepare our young people as part of it.

We have a free market economy, yet we talk of minimum living wages. These are the contradictions we face. A theoretical minimum wage so that people will not complain; a living wage so that they will survive. We need to change these concepts. We need to speak of decent wages. We believe that, with this system, with the great progress being made in science and technology, we need more qualified workers every day, and this is why we are backing education. We believe that education is the key to bringing about transformation and social inclusion. We must make education a tool for inclusion, not exclusion, for integration, not domination. This is why we are now strengthening the National Labour Council, in which workers, employers and the State work together on labour issues, because we are convinced that, while we might advance rapidly on our own, we will go further together.

Original Spanish: The PRESIDENT

Thank you very much, Mr President, for having shared with us your Government's strategic vision

with regard to labour, as well as your determination to ensure that your country's economic development is focused on social inclusion and a better redistribution of wealth. Ensuring that everyone shares in the benefits of prosperity is the major challenge facing the countries of Latin America today, more than ever before.

The ILO welcomes the imminent application of the Act on the right to prior consultation of indigenous peoples and the decisions being taken in your country, to which you referred, to make decent work a reality, to eliminate the worst forms of child labour and to provide social protection.

These are fundamental objectives of the ILO, which the Organization has been pursuing through technical cooperation projects implemented by the ILO Regional Office for Latin America and the Caribbean and the ILO Subregional Office for the An-

dean Countries. Both of those Offices are hosted in Peru, which has, for many years, supported them in Lima.

We are honoured by the fact that, on your first visit to Europe since you were sworn in as President of Peru, you agreed to come here to address the International Labour Conference. We sincerely hope that your forthcoming visits to Belgium, France and Germany will be successful as you meet with the governing bodies of the European Union and senior officials.

Mr President, on behalf of my fellow Officers of the Conference and of all the participants in this Conference, and on my own behalf, I would like once again to convey our profound gratitude to you for having honoured us with your visit.

(The Conference adjourned at 1.05 p.m.)

CONTENTS

Page

Special sitting

Address by Mr Ollanta Humala Tasso, President of the Republic of Peru 1

.....
: This document is printed in limited numbers to minimize the environmental impact of the ILO's activities and :
: contribute to climate neutrality. Delegates and observers are kindly requested to bring their copies to meetings :
: and to avoid asking for additional ones. All ILC documents are available on the Internet at www.ilo.org. :
: