




# PERU

## A TRADE UNION FOCUS ON THE SDGs

#HLPF2024

**WORKERS DEMAND A NEW SOCIAL CONTRACT**

## WORKERS NEED SUSTAINABLE RESPONSES TO MULTIPLE CRISES

Peru faces multiple challenges stemming from political instability, inflationary pressures, and climate change. Socioeconomic inequality and food insecurity were exacerbated by the Covid-19 pandemic, during which time Peru experienced the highest proportion of deaths worldwide. The Peruvian government is implementing the plan 'Con Punche Perú', which focuses on reactivating three main economic axes: families, regions, and sectors. In response to climate emergencies in different regions of the country, the Peruvian government reactivated disaster prevention programmes in coordination with regional and local governments. However, trade union organisations were not involved in dialogue for these plans.

Trade unions report that government policies remain focused on economic growth and attracting international investment, without sufficient concern for human rights at work. Action plans exist to address the labour situation of vulnerable groups, but are not being adequately implemented or monitored. While some human rights actions are implemented with the support of international cooperation, they are often disconnected from medium- and long-term public policy objectives.

## ARE TRADE UNIONS AT THE TABLE?

The 'Vision of Peru to 2050' is the basis for a Strategic Plan for National Development (PEDN), which specifies how the four national objectives and specific indicators relate to SDGs. Apart from this, while SDGs are mentioned in some specific policy areas, such as national plans on human rights, they are not systematically integrated across all policies. Human rights policies do not receive extra funding.

There is an overall lack of monitoring mechanisms related to the implementation of the 2030 Agenda. The Peruvian state has no public budget to monitor SDG implementation, or systems to verify public spending on their implementation. The National Institute of Statistics (INEI) does not have an ongoing monitoring program and only prepares case-by-case reports at the request of public entities.

Trade union activity is restricted by anti-union policies and the informalisation of the economy. Multi-stakeholder dialogue is the exception rather than the rule. Trade unions attribute this to the ongoing crises, as well as high levels of corruption and technical and professional deficiencies at all levels of government. Limited dialogue does take place for the implementation of national human rights policy, including the National Action Plan on Business and Human Rights. Trade unions have had a few specific exchanges with the UN Resident Coordinator for Peru. They also provide input to a civil society-led working group for the implementation of the 2030 Agenda.

### TRANSPARENCY



No access to information at all

### CONSULTATION



There are information sessions, but no interaction

### SOCIAL DIALOGUE



The national government does not involve the social partners in the definition and implementation of a national SDG plan



# IS THE (DECENT) WORK GETTING DONE?

Peru has a high level of human development with an index (HDI) of 0.762, but challenges remain. With regards to **SDG target 1.1 (extreme poverty)**, while the proportion of the population living below the international poverty line decreased from pandemic levels to 3.78 per cent in 2023, 27.5 per cent of the population were living below the national poverty line in 2022. On **target 1.3 (nationally appropriate social protection systems)**, in 2020, only 29.3 per cent of the population was covered by at least one social protection system. There are significant regional disparities in **access to essential services (target 1.a.2)**. In 2022, 95 per cent of the population had access to basic drinking water and 78.5 per cent to basic sanitation services. In 2021 the proportion of total government spending on essential education services increased to 17.9 per cent.

Peru is making some progress on **target 5.5 (women's full and effective participation)**. The ratio of female to male labour force participation was 84.4 per cent in 2022 and the percentage of seats held by women in national parliament increased to 39 per cent in 2023. In 2021, Peru reported that gender budgeting tools still need to be fully integrated into the budget cycle.

Much remains to be done to implement **target 8.3 (support decent job creation)** as informality remains high: the share of informal employment in the non-agricultural sector was 71.4 per cent in 2021. Trade unions attribute this to a drop in GDP and lack of social spending by the government. For **target 8.5 (full and productive employment and decent work for all)**, the total unemployment rate was 5.2 per cent in 2022 and the gender pay gap stood at 5.7 per cent in 2021. Indicators for **target 8.6 (reduce the proportion of youth not in employment, education or training)** stood at a high 22.8 per cent in 2022, with women (25.8 per cent) being more affected than men (19.9 per cent). While Peru has policy measures in place to address **target 8.7 (eradicate forced labour and the worst forms of child labour)**, child labour remains an issue, particularly in the agriculture, fishing and mining sectors, involving 12.2 per cent of children (11.3 per cent of girls) in 2020. On **target 8.8 (protect labour rights and promote safe and secure working environments**

**for all workers)**, there are data gaps for occupational injury rates and numbers of trained labour inspectors. Fundamental labour rights are not yet guaranteed effectively: in 2021 the level of national compliance with labour rights (freedom of association and collective bargaining) stood at 4.2 out of 10. Trade unions report that implementing the national plan for Business and Human Rights has slowed in the past two years, with many targets not being met. Peru has ratified ILO Conventions No. 87 on freedom of association and No. 98 on the right to organise and collective bargaining.

Inequality remains high in Peru. There is still much to be done to achieve **target 10.4 (progressively achieve greater equality)**: in 2020 the labour income share as a percentage of GDP was 45.2 per cent; with 32.9 per cent of total GDP going to the top 10 per cent of income earners versus only 4.8 per cent of GDP for the bottom 20 per cent of earners. Migration laws and policies are in place but more could be done to ensure migrants' inclusion in society under **target 10.7 (migration and mobility)**. While many young Peruvians still emigrate, Peru has recently seen an increase in immigrants, mostly from Venezuela.

Peru has recently experienced more frequent and extreme weather events. Under **target 13.2 (integrate climate change measures into policies)**, the country has improved its institutional environmental framework to meet Paris Agreement commitments and a long-term strategy for the green transition is being developed. Further efforts are required however, including on renewable energy, reversing deforestation, and environmental pollution.

The situation is worsening with regard to **target 16.10 (protect fundamental freedoms)**. In 2023 Peru was deemed to have systematic violations of rights under the Global Rights Index and its press freedom score had declined to 52.74 out of 100.



## TRADE UNIONS ASK THAT NO-ONE IS LEFT BEHIND

Trade unions call on the Peruvian government to:

- Strengthen social dialogue and incorporate a human rights approach to public policies. Specifically, establish an appropriate consultation mechanism within the National Council for Labour and Employment Promotion (CNTPE).
- Provide a budget, appropriate tools and competencies to monitor implementation of SDGs and the national Business and Human Rights Plan.
- Create decent jobs by diversifying productivity, taking into account the climate and environmental crisis. Implement vocational training policies and ratify ILO Conventions No. 155 on occupational health and safety and No. 158 on termination of employment.
- Ensure social protection by implementing robust social protection floors in accordance with ILO Convention No. 102. Increase health and pension coverage for the most vulnerable groups and put in place unemployment insurance: ratify ILO Conventions No. 168 and part IV of Convention No. 102.
- Put in place minimum living wages, ratifying ILO Convention No. 131 on the fixing of minimum wages. Promote collective bargaining.
- Promote workplace equality with the participation of companies and civil society including trade unions. Establish equal pay and work-life balance policies; and care centres.
- Secure labour rights by implementing all ratified ILO Conventions and addressing the recommendations made by ILO Control Bodies. Strengthen the Labour Administrative Authority and ratify ILO Convention No. 150. Strengthen the labour inspection system and justice bodies.



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