Peru: Union Confederation Reports Loss Of 250,000 Jobs In Past Year

Barbara Khol
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by Barbara Khol
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On July 28, Valentin Pacho, secretary general of the General Workers Confederation (CGTP), told reporters that an estimated 250,000 workers were dismissed or forced to quit their jobs in the past 12 months. Pacho blamed severe recession in both the industrial and agricultural sectors caused by the government's drastic austerity policies. According to the union leader, small- and medium-scale mining enterprises have been the most negatively affected by government anti-inflation measures. Since late July 1990, he said, 15,000 workers lost their jobs when mining companies went bankrupt. Pacho said that over the past year, trade liberalization policies caused a 40% decline in the number of industrial establishments registered in Lima. Next, Pacho pointed out that since President Alberto Fujimori came to power last year, the minimum wage has been reduced to the equivalent of less than $45 per month. The minimum wage covers only 25% of subsistence-level foodstuffs for a household of four or five members. (Basic data from AFP, 07/28/91)

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