

Federación de Trabajadores en Construcción Civil del Perú

# **GUIDANCE DOCUMENT**



From 14 to 17 June 2023

Building workers' power in order to transform Peru!



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he Organizing Committee of the 28th Ordinary National Congress of the FTCCP, in order to ensure a successful congress, convened for June 14, 15, 16 and 17, 2023, makes this document of congress orientation available to our union members.

The congress took place in the midst of a deep crisis of political instability, whose aggravation began on December 7 when Pedro Castillo carried out a failed self-coup, still unexplained, and the congressional far-right installed a repressive and bloody civil-military dictatorship, which to date has produced 65 Peruvians murdered by the police and military forces following orders given from the Government Palace.

With the uncertainty of the outcome of the political crisis, democracy languishes with the government of Dina Boluarte. Every day the democratic spaces tend to narrow dangerously with the delirious terrorism of the elites of gamonal and neo-fascist thinking, through the monopolistic press and from the Congress of the Repu-

blic itself, whose members are also responsible for the crimes against humanity, which are not subject to any statute of limitations.

The large mobilizations of the Peruvian people demanding the resignation of Mrs. Dina Boluarte and the advancement of the elections have not been heard. As well as the discrediting of the ruling class as violators of human rights is an issue in the international community that questions the political regime and leaves Peru in a bad light. The uncertainty of the outcome of the political crisis in the face of the refusal of the president's resignation - who has 78% of rejection - and the position of a delegitimized Congress, with only 91% of disapproval, will bring serious economic, political and social consequences for the country.

At the international level, the military confrontation between the United States and NATO against Russia and China persists. The latter are leading the multipolar change against the unipolar dictatorship imposed on the world by US imperialism. The military confrontation in Ukraine, which is already a Hybrid World War I - NATO-US against Russia - is escalating towards a nuclear hecatomb.

The recent visit of the President of the People's Republic of China, Xi Jinping, to his Russian counterpart, Vladimir Putin, confirms the birth of a new multipolar world order. As workers we advocate the defense of peace, the full sovereignty of the peoples to decide their own destiny without interference of any kind.

In this international and national context, the scaffolding workers will hold our biggest trade union event, the 28th Ordinary National Congress, which will address the main internal and external challenges to continue strengthening



the most important tool: our glorious FTCCP, a reference in the trade union world.

## **Towards the 28th Ordinary National Congress**

In compliance with the statutory mandate, we convened our largest organic event, the 28th Ordinary National Congress. Despite the difficult political situation of the country, the Executive Secretariat of the FTCCP agreed to hold our 28th Ordinary National Congress from June 14 to 17, 2023; the same that ratified the VIII National Assembly of Delegates held in Lima on February 24, 2023. On March 14, the national event was made official with the digital distribution to all the members of the National Council, Boards of Directors of all the base unions of the FTCCP. The digitalized documents notified are: the Call, the Congress Bylaws and Agenda.

We have to take stock of the fulfillment of the agreements of the previous Congress and propose for discussion organic measures that enhance our ability to fight to defend union gains and the rights of workers in the guild. The fundamental function of any union organization is to promote and defend labor rights; otherwise, its existence is peremptory, because it would have no reason to exist.

It is the opportunity to reaffirm the commitment of the members in the various days of struggle at national level called by the CGTP and the FTCCP, for the defense of the labor and trade union rights of the workers of the country, and today to defeat the dark forces that intend to make Peru a platform of the neo-fascism of VOX-Spain and Vargas Llosa, to attack the countries of our continent where processes of change are being developed in favor of the great majorities excluded from the distribution of material wealth and human development, as has been demonstrated with the realization of the "Madrid Forum" in Lima.

Throughout its almost 65 years of existence, our federation has firmly maintained the legacy of the struggle of our founders and their leaders. The national congresses have decided strategic objectives that have taken a long pe-

riod to conquer, such as collective bargaining by branch, the creation of CONAFOVICER, the October 25 of each year as "Civil Construction Workers' Day", the Occupational Safety and Health Law and Sectorial Bylaws, five protocols for monitoring the life and health of civil construction workers, review and updating of the activities of the sector; and, after 30 years of struggle, we have recovered the right to retirement with 55 years of age and 15 years of contribution in the special civil construction regime.

For such reasons, the workers affiliated to our member unions must actively participate in the discussion of the adopted Agenda, in order to put into effect Article 8° of the congress Bylaws which states: "The member unions shall send their proposals that they consider submitting to the 28th National Congress on the items of the Agenda, 21 days prior to the date of the beginning of the event, to be incorporated into the working commissions".

In order to facilitate the participation of the workers with their proposals to the AGENDA, we must point out that it consists of four main topics:

#### A. POLITICAL SCENARIO

- a. International political situation.
- **b.** Domestic political situation.

# B. CONSTRUCTION SECTOR: SITUATION AND OUTLOOK

- a. Macroeconomic evolution of the Sector 2019-2023. Outlook to 2030.
- b. Infrastructure works in progress.
- c. Major pending projects.
- d. The creation of public and private employment.
- e. Informality in the sector.
- f. Corruption and impunity. Emblematic cases.
- g. Delinquency and infiltrated organized crime situation in the sector.
- h. Technological advances in construction.
- Relations of the Federation of the FTCCP with private and public entities in the sector.



#### C. THE FTCCP'S LABOR AND UNION AGENDA

- a. Defense of collective bargaining by branch of activity.
- b. Occupational Health and Safety in the sector.
- c. Promote the improvement of EsSalud's services.
- d. Our fight against crime at work sites.
- e. Situation of the freedom of association rights in the sector.
- f. Actions against labor informality in the sector.
- g. Technical training: SENCICO, CONAFOVI-CER, etc.
- h. CONAFOVICER.
- Updates to the FTCCP Statute, in order to advance institutionally in efficiency and effectiveness in accordance with the new challenges of the union-political struggle of the guild.

# D. STRATEGIC OBJECTIVES FOR THE PERIOD 2023-2027

- a. Compliance with the special labor regime for civil construction in public and private works.
- Application and compliance with the Bylaws, to strengthen union UNITY, unity of action and conscious discipline of FTCCP affiliates.
- c. Union dues. Banking of union dues in general. Legislative Decree N° 1187.
- d. Training policy aimed at defending labor rights and strengthening the organic structure of the FTCCP, establishing new standards for the election of union leaders.
- e. Intensive use of information technology to strengthen communications.
- f. Intensify union membership and strengthen the FTCCP's level of call and mobilizing force
- g. Implementation of Law N° 31550 "Retirement Law for Civil Construction Workers". Promotion and strengthening of the organization of construction retirees, reserve of

- cadres with experience in the union struggle. Our position regarding a new Pension System in Peru.
- Strengthen the implementation of occupational health and safety in the construction sector.
- i. Contribute to the recovery of social security (EsSalud), improving care for the insured.
- Contribute to the strengthening of our labor union, the General Confederation of Peruvian Workers (CGTP, as per the Peruvian acronym).
- k. To build the political referent of the workers "Unidad Patriótica" (Patriotic Unity) to try to take political power.
- I The FTCCP and the policy of alliances with the national and international trade union movement to strengthen the united class front and proletarian internationalism.

There is four CONGRESS SESSIONS:

- Opening session
- Preparatory session
- Plenary session
- · Closing session

According to Article 22°, the National Board of Directors shall submit the Management Balance Report at the first Plenary Session by means of the General Secretary.

After the approval of the Balance Report of the National Board of Directors, Working Commissions shall be appointed to discuss and issue conclusions and resolutions on the different points of the Agenda mentioned above.

Having briefly explained the process of the debate, we will now develop the most relevant points of the political-union objectives of the Congress in order to motivate the contribution of the workers from the union members.

**The Organizing Committee** 



# **POLITICAL SCENARIO**



#### 1. International Political Situation

The neoliberal capitalist system is strengthening a process of fascism in the world with two elements at its core: financial capital and the military industrial complex. We are facing a Hybrid World War -the first in history- characterized by the combination of military confrontation, low intensity wars, economic warfare and communicational warfare, expressed in the conflict in Ukraine, in Syria; the commercial race between China and the United States and the consolidation of new regional blocs. In this context, U.S. imperialism is making the necessary efforts to halt the advance of so-called progressivism in Latin America.

# The tactics of imperialism in the period

As part of this strategy, the United States and the NATO seek to create tension hotspots with the aim of weakening Russia and undermining strategic unity with China; opening new tension hotspots in different areas such as: Kosovo, in the Indo-Pacific Region through the AUKUS alliance that integrates the US, UK, Australia and, as a guest, Japan, in order to counteract the influence of China.

Through the war in Ukraine, the United States and the military industrial complex are getting the Eastern European countries, which have Soviet arsenals, to consume them in order to strengthen their role as arms suppliers to Europe and weaken the European military industrial complex, breaking the economy of the European Union.

Furthermore, the direct support of U.S. imperialism to conservative, ultra-right and neo-fascist movements in Latin America and its operators in the Latin American judiciary, which is currently called the Judicial Party, for its interference in political affairs.

State monopoly capitalist societies combine financial and military pressure on peripheral nations. Although we are not currently facing a "normal" trend in the system, it is because the conditions of confrontation have changed dras-



tically since the crisis of the neoliberal model and the rise of the Chinese economy.

Capitalist societies are turning towards the search for their survival and have found it in corporatism, which they used to manage the monopolies, to replace them with neo-fascist and neo-colonialist proposals.

The demoliberal variant takes the ideas of democracy and develops welfare models that incorporate certain mechanisms of social redistribution, but at the cost of the resources they extract from the colonial empires and peripheral neocolonial countries.

These models expand into their zones of influence without changing center-periphery relations and, in both cases, these models are profoundly anti-democratic.

Since 1991, the neoliberal model has been imposed in the world and a unique discourse of sanctification of neoliberalism. Until 2008, the model proved to be efficient; however, the reconstruction of Russia and the advance of China became an obstacle to its expansion and hegemonic dominance.

Ukraine is the last cartridge of the neoliberal model represented by the United States, where they are trying to wear down Russia - as a strategic ally of China - at the expense of the Ukrainians and the sacrifice of Western Europe, as it was also sacrificed during World War I and II.

#### Birth certificate for the multipolar world

The recent visit of the President of the People's Republic of China, Xi Jinping, to his Russian counterpart Vladimir Putin is being considered the strategic political event that will have an impact on the 21st century; it will alter the global geopolitical chessboard in a way that we cannot yet determine, but what is certain is that it constitutes the birth certificate of the most balanced multipolar world. The hard core is made up of the BRICS community: Brazil, Russia, India, China and South Africa; to them are added Algeria, Iran, Syria, the Arab Emirates, Saudi

Arabia, Egypt, Argentina, among many others. This multipolar alignment represents more than 50% of the world's GDP, two thirds of the world's population and two thirds of the world's population.

For U.S. domestic politics it means the sharpening of the contradictions between the Republicans and the Democrats; the acceleration of recession and inflation. The banking crisis and recession are aggravated by the recent bankruptcies of the American Silicon Valley Bank, in Europe by the bankruptcy of the Swiss bank Credit Suisse and in Germany by the bankruptcy of Deutsche Bank. It is causing alarm worldwide, and, as is well known, the consequences affect more the countries of the so-called third world where poverty will multiply geometrically.

On the other hand, in France, more than one million workers, mobilized since January, are confronting the government of Enmanuel Macron against the pension reform which increases the years for retirement from 62 to 64; the levels of violence in Paris are increasing and the re-foundation of the Republic is being considered. In England, strikes by railway workers and other sectors have been going on for several months. Similarly, discontent over rising food and energy prices is growing throughout Europe, as well as the rejection of their governments' involvement in the conflict in Ukraine.

Latin America has always been considered by the United States as its backyard, its source of raw materials. However, since 1991, as described by Naomi Klein (2002), the United States has deindustrialized to give way to a total imperialism of financial capital and trademark law.

In the U.S., a series of economic and social problems such as unemployment and migration have generated frustration among the American people, which has been directed by the ultra-right through the ideology of "white power" and the "economic patriotism" put forward by Donald Trump, who maintains that the United States must reindustrialize in order to emerge from the crisis, which makes it necessary for it



to recover its sources of raw materials and its markets, abandoned in practice during this period. These markets now have strong ties with China, Russia and the European Union.

The United States will continue prioritizing its economic recovery based on the military industrial complex, being the European Union their great weapons market, forcing the countries that make it up to double their military budgets, in the "interest" of arms modernization, with the argument of the Russian threat.

The U.S. is taking steps to retake the spaces lost in Latin America by criminalizing protest; the judicialization of politics, such as the persecution of Cristina Fernandez in Argentina; the promotion of ultra-right groups; coups and conspiracies, as it happened against Pedro Castillo.

### 2. Domestic political situation



It would not be possible to explain the magnitude of the popular mobilization and the frustration that the fall of Pedro Castillo has caused in broad masses without a brief summary of the conditions in which the majority of Peruvians find themselves, especially in the southern provinces, whose identification with former President Pedro Castillo Terrones raised hopes for a political vindication that had been postponed for so many decades. These compatriots also felt the contempt of those who tried to disregard their vote due to an alleged "fraud" argued by the losing candidate, Keiko Fujimori.

The claims of the population, which condemns the current government of Dina Boluarte,

not only express the above mentioned, but also underlie the abandonment, as well as the distrust of finding a solution to their centenary claims with those who ignored them, such as some pathetic characters of the Congress of the Republic.

The vaunted success of the model only benefited one sector, basically on the coast. Then, in the pandemic, it was revealed as a catastrophe. The proposed solution was more of the same. We continue to be subject to the neoliberal model and to the primary export character of our economy in the mining, gas, agricultural, etc. sectors. The country has become a producer of raw materials and some services; and a consumer of everything that comes through imports, both in terms of finished goods for offices and for direct consumption and of capital goods for secondary works of machine assembly and even of fine and heavy mechanics, chemical inputs for the pharmaceutical industry and others. Our external dependence and the absence of industrial development is very great.

In the last 40 years, none of the governments, neither national nor regional, have seriously considered the need for change in order to reverse these facts, with the aggravating circumstance that it is precisely in areas such as the "mining corridor" or the gas producing areas where there are more shortages due to the erratic management of the State.

There was talk about productive diversification, that is: having vast natural resources -animal, vegetable and mineral-, diversifying our export basket, demanding that value added be given to all of them before sending them abroad. We should not continue to be mainly a market for imported goods. This proposal was strongly opposed by the business sectors, even though, due to the growth of agro-exports and handicrafts, a process had begun that did not advance to other sectors.

How did this come about? This is due to the fact that the 1993 Constitution grants a subsidiary character to the State, that is to say that



the State can only intervene in sectors that are not of interest to the private sector. In addition, the absurdity of stating in the Constitution that national and foreign investment are subject to the same conditions (Art. 63). That is to say, any impulse or incentive that society or the State wants to give to national industry should also be allowed to foreigners.

A debate for the modification of the economic chapter of the Constitution is necessary to defend the sovereignty over our resources and allow the State the capacity to maneuver for the relevant development strategies.

However, there are aspects whose treatment can begin immediately, such as the struggle for the renegotiation of contracts, a demand that is currently being raised, but it is necessary to disseminate the basis for this in order to educate the population on the justice of such a claim.

Therefore, the fact that these aspects are among the demands of those mobilized means a very high level of awareness, as we have not seen in many decades. In other words, we are in a moment in which the masses learn in days or weeks what in other circumstances would take years.

As will be recalled, the country had the pretension of joining the OECD (the club of developed countries). Unfortunately, without clear development objectives, achieving this goal is impossible.

The growth is not enough, it is not enough to argue that my trade balance is enough to import everything I need, especially food, and to keep family agriculture on the back burner, without giving importance to food sovereignty or to the millions of citizens in rural areas.

We are talking about development, a period in which citizens can satisfy basic needs and where inequality does not have the abysmal indicators that we have here: 1% has an income greater than 30% of the poorest population. Where is the latter located? Well, in Cajamarca, Huancavelica, Puno and Ayacucho; there

is, therefore, a coincidence with the centers of protest.

It is in the social aspect, as far as employment is concerned, where we perceive most clearly the nefarious legacy of neoliberalism: the informality of 85% of the working population, that is the heavy burden that will accompany us for years, a permanent burden for the State. As is well known, the informal workers do not have social security insurance; moreover, to this day it serves to disguise the true rate of open and precarious unemployment.

We must understand that as long as the country does not industrialize, under these conditions it will be increasingly difficult to overcome the current levels of poverty. Without income, the population cannot satisfy its basic needs, nor will it be able to contribute to boosting the country's economy. Social problems such as crime, trafficking and prostitution, teenage pregnancies, begging, drug trafficking and, therefore, corruption throughout the state structure will increase.

It is not possible for the majority of the population to solve the difficulties of health, as well as the search for quality services in education. Therefore, it is necessary to raise the struggle to improve the economic resources of the State and the fight against corruption, in order to improve the quality of health services and, having focused on improving the remuneration of teachers, to improve the infrastructure of educational spaces to provide them with didactic resources; training and updating teachers to raise the quality of service to students.

It is essential to point out that the unequal distribution of the resources obtained in the country not only affects the possibility of obtaining goods and services, but also those fundamental ones such as housing and food, which are suffered by the sectors with the least resources, due to the nature of the government. Neoliberal continuity will only widen the gap between those who earn more and those who have no fixed income; consequently, poverty and extreme poverty will grow.



#### The country's political crisis

The country's political crisis is not new. However, if we want to go back to not-so-distant origins, we will say that in the year 2000 we had what was called a frustrated transition. Much of the Fujimori scaffolding was left untouched and a series of reforms are still pending; thanks to the "super-cycle of high prices for our exports" there were very few of us who insisted that at some point this would provoke a social explosion.

This crisis has had several chapters and has been worsening in the last four years. In 2021, there was a glimpse of the possibility of a government that could lay the material foundations to then carry out the necessary transformations; we understood this and therefore we raised the banners of the defense of the popular will and governability, promoting Pedro Castillo to execute the offers to improve salaries and, therefore, apply the labor agenda of the CGTP. The implementation of the Second Agrarian Reform that will dignify small farmers by providing them with technical assistance and advice to organize and market them collectively; the implementation of the Tax Reform that will quarantee the collection of large debts from SUNAT and ensure that everyone pays, avoiding evasion; the renegotiation of the contract on the massification of gas; as well as the promotion of Petro Peru and the Talara Refinery.

In a short time, Castillo showed that he was not up to these goals; it was not only his bad public management which had the record of more than 80 ministers and 5 cabinets during his short government, without the impetus to defend his own promises and no initiative for the correct public spending, and hints of corruption that are under investigation. The fierce opposition of the right wing against the government of popular content, from the very moment it became evident that Pedro Castillo had won, was a warning to point out directions and show the dangers that lurked for President Castillo, from the opportunism and careerism of some advisors and from the tendencies of the governing party itself.

After Pedro Castillo's failed auto-coup on December 7, the transitional government of Dina Boluarte soon became a civilian-military dictatorship with blood on its hands, brutally repressing protest demonstrations and murdering 65 compatriots with bullets, just for demanding the resignation of the president and calling for an early general election.

When the doors of democracy are closed, the doors of insurgency open, refers to Art. 46 of the Political Constitution of Peru, to which the popular masses have resorted to remove the usurpers:

"No one owes obedience to a usurper government, nor to those who assume public functions in violation of the Constitution and the laws. The civilian population has the right to insurgency in defense of the constitutional order. The acts of those who usurp public functions are null and void."

The fulfillment of Art. 46 refers to three aspects to be considered: The action of the masses that has been implemented from the regions; the political proposals and actions that have not yet been established from the social and political representatives in the broadest unity of the people, as is the National Assembly of the Peoples; and, the application of Art. 46 does not seek to return to the status quo, but seeks to realistically face a way out for all. This is -without a doubt- an exceptional political measure within an exceptional state.

In the short term, the task is to avoid more deaths and that the immediate solution is the resignation of Dina Boluarte and an early election, as clean as possible. Therefore, we must not forget that the right-wing parties are already ready to enter the contest, even with the advantage of being able to change the whole electoral apparatus in their favor.

In this new context, we must persist in the fight against the militarist threats that have been sheltered in the government of Dina Boluarte and in the current Congress, where some retired military personnel advocate violence.



The repression of the Armed Forces and Police Forces has outraged the Peruvian people, and within the Executive itself there have been the resignations of six ministers indicating their rejection of the deaths caused by bullets of war.

We must warn that the ultra-right wants to drag us to the condition of bastion of fascism and battering ram of neocolonial gamonal thinking to attack our brothers of class and ideals in Peru and in the continent.

# The FTCCP facing the political crisis

On February 9, our Federation called for a large mobilization at national level and announced the presentation of a MEMORIAL to Mrs. Dina Boluarte, at the Government Palace. This action was carried out and the central part of the document is presented here (in italics):

"In view of the serious crisis that our country is going through, our trade union organization reaffirms the need to bring forward the presidential and congressional elections to 2023 as a way out of this political crisis that is overwhelming Peru, and then initiate a process of reform and democratic renewal through a Constituent Assembly that will draft a new constitution for our country.

The current crisis is affecting all national activities, economic and productive, social and cultural, political and electoral. The country is practically paralyzed as a consequence of the social protests at national level demanding presidential resignation, early elections and a constituent referendum. The Government and the Congress, instead of giving a political solution to these demands, with their backs to the country, have been in charge of militarizing their confrontation through the state of emergency that has stained the national territory with blood. To date there have been 60 murders and more than 1,200 wounded as a result of this confrontation and there is no sign of a solution.

We demand that the Government and the Congress prioritize the early elections. If this does not happen, the resignation or vacancy of Presi-

dent Dina Boluarte and to contemplate a popular consultation so that the citizens can decide whether they agree or not with a Constituent Assembly. We also demand that the government take into consideration our sectoral and labor demands during its administration in the following aspects:

- Regulate so that no civil, public or private construction work, fail to comply with the labor regime for civil construction workers. In the case of public works, regardless of their modality: concession, direct administration or bidding and avoiding the denaturalization of work by service or work by activity. Civil construction workers cannot be harmed by treating them as informal workers in construction activities.
- Fight violence and organized crime in the construction sector where businessmen are constant victims of extortion and union leaders are victims of assassination attempts and hired killings. The State must guarantee that police arrests cannot be rendered useless by fiscal releases of criminals.
- Promote the re-registration of union organizations in order to prevent the union registry from keeping records of non-existent unions or pseudo-unions dedicated to extortion and pseudo-leaders with various charges and sentences for crimes.
- 4. Encourage public and private investment in the construction sector, which is a lever for development and employment promotion. Housing programs must have the resources to guarantee the Mi Vivienda and Techo Propio programs for the entire year, as well as to ensure that infrastructure works are executed without corruption and within the established deadlines.

The FTCCP reaffirms its will to strengthen democracy in our country, to reactivate the economy and to build a more democratic and fairer Peru. We can achieve this by 2023 with the resignation of the president, early elections and a citizen consultation for a constituent assembly.



In addition to the specifics for our construction sector, we share the political demands articulated with the mobilized people such as:

- Resignation of President Dina Boluarte and general elections in 2023 with a referendum for the election of a Constituent Assembly to draft a new constitution.
- Lifting of the state of emergency and curfew. Respect for the right to peaceful protest.
- Formation of a special commission to investigate the deaths of compatriots and those responsible can be penalized.
- Intervention of the International Human Rights Commission, for the protection of the human integrity of those who protest.
- Strengthen a real and transparent process of unity of the forces of change, prioritizing the demands of the mobilized people and fight for a Peru with justice and equity.

Just over 100 days after the civil-military dictatorship was installed, neo-fascism represented in a sector of the Congress of the Republic shows its claws and intends to stay beyond the year 2026 to consolidate its anti-historical preaching that benefits a handful of individuals and companies, to the detriment of the oppressed majorities.

Power groups from Congress managed to get Castillo out and today they control the Prosecutor's Office, the Constitutional Court, the Executive Branch, the Judiciary, the Armed and Police Forces, the mass media concentrated and advanced towards radical reforms to ensure neoliberal continuity at all social costs. For this, lies and repression are tools that guarantee the permanence of a dictatorship with or without Dina.

Facing these threats requires forging the broader unity of social and political forces that want change and democratic development with social justice.



# CONSTRUCTION SECTOR: SITUATION AND OUTLOOK



# Macroeconomic evolution of the Sector 2019-2023

#### Share of GDP

The construction sector, after mining, is the sector that contributes the most to the national treasury. Thus, while the mining sector accounts for 21%, construction contributes 15%. This is followed by manufacturing with 14%, transportation 12%, real estate activities 12%, commerce 6%, electricity, gas and water 5%, public administration 4%, agriculture and livestock 4%, community and social services 3%; and the rest of the economic activities 4%. This is why the construction industry is extremely important for the development of the national economy, in addition to contributing more labor than mining itself.

#### The growth of the sector

According to the measurements of the annual growth of the construction sector between the years 2021 and 2022 published by the National Institute of Statistics and Informatics (INEI), the index of the behavior of the construction activity is indicated as follows: In 2021, the construction sector recorded a growth rate of 34.7%, a

figure that exceeded the levels reached in 2019, a pre-pandemic scenario.

"After a 2022 in which economic activity, investment and employment had slightly better results than expected, the year that has just begun does not look auspicious, as long as the political impasse and social conflict remain," says a recent Economic Report on Construction (IEC) of CAPECO.

"Construction would have decreased almost 12% in January 2023, according to a preliminary estimate by CAPECO, despite the fact that public works grew more than 16% in that month, which implies that it has been construction with private investment that has been the most affected. In fact, construction companies have reported a drop of almost 4% in their operating levels in the first two months of this year and consider that in the second two months they will practically not grow".

"In addition to the drastic contraction of mining investment expected for this year (almost 17%, according to the BCRP) and of informal construction activity (underemployment in construction fell 25% in the November 2022-January 2023 quarter), there are also difficulties in achieving



the recovery of the residential real estate market. CAPECO considered that this year housing sales in the non-social segment would stop falling -mortgage loans aimed at these segments closed 2022 with a retraction of 28%- and that social housing programs could reach operating records if they were provided with sufficient resources, for which the Government is apparently willing to do so. However, housing sales con-

tracted by just over 4% in the first two months of 2023 and will decline by a similar proportion in March-April, according to this year's IEC expectations survey. The persistent political uncertainty, the rise in interest rates, the growth of construction material prices (3.4% in the September 2022 - February 2023 semester, according to the IEC survey) may be affecting the dynamics of this segment of the construction market".

# 2. Paralyzed infrastructure projects

In spite of the gloomy panorama that the country is going through, we continue to demand the release of large paralyzed projects, such as:

- El Gaseoducto del Sur (The South Gas Pipeline);
- · La III etapa de Chavimochic (The III stage of Chavimochic);
- · Ampliación de Majes-Siguas II (Expansion of Majes-Siguas II);
- · Improvement and Expansion of the Airport passenger terminal (Piura and Trujillo);
- Mass Use of Natural Gas Distribution of Natural Gas by Pipeline Network in the Regions of Apurímac, Ayacucho, Huancavelica, Junín, Cusco, Puno and Ucayali;
- · Comprehensive rehabilitation of the Huancayo-Huancavelica Railway;
- Tingo I, II, III hydroelectric plant in the Amazon, among other works of national importance.

### 3. Infrastructure works in progress

With the coordinated work between the National Directorate and the unions, workers have been organized in the following infrastructure works in progress:

- Proyecto Minero Angloamericana Quellaveco Moquegua (Quellaveco Anglo-American Mining Project Moquegua);
- The modernization of the Talara refinery;
- Presa de relaves Las Bambas Apurímac (Las Bambas Apurimac tailings dam);
- Farro Bamba Fase 5 Las Bambas Apurímac (Farro Bamba Phase 5 Las Bambas Apurímac);
- Proyecto San Gabán III, Carabaya Puno (San Gabán III Project, Carabaya Puno);
- Corredor vial vía de evitamiento Olachea San Gabán (Olachea bypass road corridor- San Gabán);
- Autopista Puno-Juliaca (Puno-Juliaca highway);
- Carretera Variante Casa Huiri Carabaya-Puno (Casa Huiri Road Bypass ,Carabaya-Puno);
- Sistema de Tratamiento de Aguas Residuales de la Cuenca del Lago Titicaca Proyecto PTAR-Puno (Wastewater Treatment System for the Lake Titicaca Basin - WWTP-Puno Project);
- Proyecto "Punch List y mtto" Mina Justa Mar cobre en Marcona Ica (Project "Punch List and mtto" Mina Justa - Mar cobre in Marcona – Ica);
- Segunda pista de aterrizaje del aeropuerto Jorge Chávez Callao (Second landing strip of the Jorge Chávez airport Callao);



- Construcción del aeropuerto de Chincheros Cusco (Construction of the Chincheros airport -Cusco);
- Mejoramiento de la Carretera Oyón-Ambo Tramo II Km. 181 (Improvement of the Oyón-Ambo Highway Section II Km. 181);
- Corredor vial Canta-Huallay Lima-Pasco (Canta-Huallay Lima-Pasco road corridor);
- Corredor vial Huánuco-Unión Huallanca-Huánuco (Huánuco-Unión Huallanca-Huánuco road corridor);
- Carretera Bambamarca-Chota Cajamarca (Bambamarca-Chota Cajamarca Highway); Carretera Doble Vía II etapa (Double Track Highway II stage);
- Carretera Chuquicará-Cabana tramo Tauca-Pallasca Áncash (Chuquicará-Cabana Highway
   Tauca-Pallasca Áncash section);
- Filtro de Relaves planta de prueba Quebrada Honda-Toquepala Tacna (Tailings Filter Quebrada Honda -Toquepala test plant – Tacna);
- · Talleres y Mantenimiento Toquepala-Tacna (Toquepala-Tacna Workshops and Maintenance);
- Hospital María Auxiliadora-Rodríguez de Mendoza (María Auxiliadora-Rodríguez Hospital from Mendoza);
- Hospital Arakaki-Satipo (Arakaki-Satipo Hospital);
- Hospital San Martín de Pangoa Satipo (San Martín de Pangoa Hospital Satipo);
- · Hospital Sánchez Carrión Huanta (Sánchez Carrión Hospital Huanta);
- Hospital San Miguel La Mar (San Miguel Hospital La Mar);
- Hospital de Coracora Ayacucho (Coracora Hospital Ayacucho);
- Hospital de Huancavelica (Huancavelica Hospital);
- Hospital de Espinar Espinar, Cusco (Espinar Hospital Espinar, Cusco);
- Hospital de Huamalí Huánuco (Huamalí Hospital Huánuco);
- Proyecto Construcción Línea de Trasmisión San Ramón-Tarma Junín (San Ramón Transmission Line Construction Project -Tarma Junín);
- Carretera Asfaltado Santa María, Santa Teresa La Convención Cusco (Paved Highway Santa María, Santa Teresa La Convención – Cusco);
- Túnel Machu Picchu, La Convención Cusco (Machu Picchu Tunnel, La Convención Cusco);
- Túnel Olaechea Puno (Olaechea Tunnel Puno);
- Construcción de la carretera la Costanera Chimbote (Construction of the Costanera highway - Chimbote);
- Vía de Evitamiento II Chimbote Ancash (Avoidance Road II Chimbote Ancash);
- Hospital Progreso Chimbote (Progreso Hospital Chimbote);
- Hospital de Huarmey Áncash (Huarmey Hospital Ancash);
- Hospital de Recuay Áncash (Recuay Hospital -Ancash);
- Hospital de Casma Ancash (Casma Hospital Ancash);
- Defensa ribereña del Río Cañete Cañete Lima (River defense of the Cañete River Cañete Lima);
- Carretera Ayllo-Andamayo en Castilla Arequipa (Ayllo-Andamayo Highway in Castilla Arequipa);



- Carretera Campo Verde-Nueva Requena Ucayali (Campo Verde highway -Nueva Requena -Ucayali);
- Carretera Neshuya-Curimana Ucayali (Neshuya-Curimana Highway Ucayali);
- Proyecto Minero Cuajone Torata Moquegua (Cuajone Mining Project Torata Moquegua);
- Proyecto Quebrada de León-Trujillo La Libertad (Quebrada de León Project -Trujillo La Libertad);
- Proyecto Quebrada San Idelfonso San Carlos Trujillo La Libertad (San Idelfonso Creek Project - San Carlos - Trujillo - La Libertad);
- · Vía de Evitamiento II Trujillo La Libertad (Avoidance Road II Trujillo La Libertad);
- Obras Misceláneas Mina Justa Mar cobre Marcona Ica (Miscellaneous Works Mina Justa Mar cobre Marcona Ica);
- Carretera Jauja-Tarma Junín (Jauja-Tarma highway- Junín);
- Hospital Fredy Vallejo Oré Sánchez Carrión (Fredy Vallejo Oré Sánchez Carrion Hospital);
- Hospital San Juan de Matucana Huarochirí Lima (San Juan de Matucana Hospital Huarochirí Lima);
- Hospital de Quillabamba, La Convención Cusco (Quillabamba Hospital, La Convención Cusco);
- Obra Mejoramiento y Ampliación de Salud Pedro Sánchez Meza Chupaca Junín (Salud Pedro Sánchez Meza Improvement and Expansion Work Chupaca Junín);
- Defensa Ribereña del río Lacramarca Chimbote (River Bank Defense, Lacramarca River– Chimbote);
- · Construcción del Estadio Centenario Chimbote (Construction of Centenario Stadium Chimbote);
- Construcción de los Residuales Sólidos de la Carbonera, Construcción de Puentes Paquete 8

   Chimbote (Construction of the Carbonera Solid Residuals, Construction of Bridges Package 8 Chimbote);
- Construcción de la Etapa 05 de la Presa de Relave Proyecto Toromocho Yauli La Oroya (Construction of Stage 05 of the Tailings Dam - Toromocho Project - Yauli - La Oroya);
- Asfaltado definitivo de doble carril de la Vía Huancavelica Yauli Pucapampa Huancavelica (Final paving of double lane of the Huancavelica - Yauli - Pucapampa - Huancavelica Road);
- Improvement and Expansion of flood protection services in the Vilcanota River basin in the four districts of the province of Canchis - Cusco Region;
- Construction of the Pachar Bridge in Urubamba Cusco Region;
- Carretera Mejoramiento Cruz Pata Urubamba Cusco (Cruz Pata Highway Improvement Urubamba Cusco);
- Proyecto Mina San Gabriel Omate Moquegua (San Gabriel Mine Project Omate Moquegua);
- Construcción de Sistema de Tratamiento de Aguas fase 2 Mina San Rafael, Melgar Puno (Construction of Water Treatment System phase 2 San Rafael Mine, Melgar Puno);
- Puente Huallaga Santa Lucía Tocache San Martín (Huallaga Bridge Santa Lucia Tocache - San Martin);
- Estadio Mazamari Satipo Junín (Mazamari Stadium Satipo Junín).

The FTCCP participates in these works, where some 50 thousand workers are employed.



## 4. The infrastructure gap

The channels through which the sector is affected are: the creation of physical infrastructure (construction of housing, roads, irrigation canals, etc.); the maintenance of existing infrastructure (repair of housing, schools, etc.), intensive employment of labor and the stimulation of productive sectors with the creation of indirect jobs (cement industry, iron and steel industry, etc.).

The infrastructure gap was estimated between 2016 and 2025 at \$170 billion. With the pandemic and natural phenomena, the situation has worsened.

Due to the amounts of public money invested in infrastructure, they are a focus of corruption if extraordinary measures are not taken to control spending and investment.

According to a report by the Comptroller General of the Republic, there are more than 2 thousand paralyzed works, with an investment budget of 22 billion soles, around 6 billion dollars; our biggest problem is paralyzed works that represent less than 2% of what we need, let alone the remaining 98% to be a competitive country at a regional level; in this we differ from Brazil, Chile, Panama and not to mention other first world countries.

Peru needs to boost the construction sector for its economic recovery and to maintain the growth path of the national economy. When we workers talk about the reactivation of the construction industry, we are referring to the large number of works that we need to be a competitive country and provide jobs for hundreds of thousands of construction workers who are currently in the informal labor market or unemployed.

After the failure of the Reconstruction with Changes, immediate measures are urgently needed to formalize construction, avoiding informal constructions that easily collapse with the overflowing of rivers and the activation of streams, as well as earthquakes that devastate

buildings, but also people. Formal construction saves lives and this is where all the efforts of workers, businessmen and authorities in the field of civil construction should be directed.

#### 5. Public and private employment generation

We have endured the pandemic of 2020-2021 and the ongoing deep political crisis, which has meant the shutdown of important infrastructure projects; however, formal work with rights increased on average from 95 thousand workers to more than 120 thousand, according to MT-PE's electronic payroll records.

Of the 900 thousand workers that make up the construction EAP, only 460 thousand are registered in the RETCC of the Ministry of Labor, and of these, only 120 thousand are in formal employment, that is, we have more than 78% of labor informality in the sector.

In terms of employment in the construction sector, there is a notable increase in unemployment, which calls for solid and sustained programs in which public and private investment participate actively. Factors such as the paralysis of large infrastructure projects due to corruption reduce employment; in other cases, regional, local and central governments are ineffective.

It is necessary to develop employment programs in the construction sector, which has been significantly affected due to corruption. Therefore, more public investment and incentives for private investment such as social housing projects are demanded.

The FTCCP considers that the objective of a Social Agenda of the State is to offer workers a greater possibility of opportunities to improve their quality of life, with equity and sustainability.

#### 6. Informality in the sector

Informality not only stems from the lack of State strategies, but is also promoted by those bad "entrepreneurs" who, in order to obtain higher profits, violate the rights of workers who belong



to a "special labor regime", due to the characteristics of our work and training, as well as the product of our collective bargaining by branch of activity.

Therefore, we demand the implementation of action programs to combat informality in the construction sector -which threatens the rights and integrity of construction workers at the national level-; companies that promote informality, which only seek unscrupulous competition against formal companies that respect the labor rights of civil construction workers, must be confronted.

It is within this framework that the works that are tendered by the State as "provision of services", and not as work sites, are also inscribed; in those works, the violation of the labor rights of the workers obtained by collective bargaining at the branch of activity level, represented by the FTCCP, is covered with a cloak of legality. At the same time that we demand the reactivation of the construction industry, we also demand respect for labor rights.

# 7. Crime situation and organized crime infiltrating the sector

The growth of criminal gangs is a serious problem faced by workers, businessmen and the population of Peru. In Lima and Callao, extortion was born in civil construction works. And, despite the time that has passed, they are still linked to this sector, which has turned out to be a source of illicit money (quota) of 1 or 2% of the cost of the work.

For that reason, they will not leave it, but will be in alliance with front "unions" that - in a similar way - are dedicated to extortion, the placement of lumpen or their members in works and other resources that they can obtain from the control of the work. Along these lines, they have spread throughout the departmental capitals and provinces, both public and private.

However, unlike the criminal "unions" and "federations", the criminal gangs have diversified extortion to other sectors of the public space

(prostitutes, motorcycle taxi drivers, drug dealers, merchants, etc.) and -in this they coincide with the pseudo-guilds- have created companies to launder the money they obtain from a business that has yet to show its limits.

Nowadays it is common to find criminal gangs that move into the interior of the country with the help of pseudo construction unions. One leader told of his encounter with criminals from Lima in Huaraz:

"That happened to me in Recuay in 2022; in July, I think. I arrived at the construction site in Recuay and our leader told us 'Come, let's go to the construction site, I have already talked to the company'. The company was being controlled by Security de Moya. As I approached the construction site, 20 delinguents came out in front of me. I said to the engineer, 'How is that possible? You meet me and confront me with the delinguents.' "No, I didn't call,' he told me. But he was the one who had called. Even in that, businessmen play both sides. Finally, he said to me, 'Come back so that you can enter at 12'. I came back at 12. Why did I come back? There were more than 50 delinguents in front, all with stones. It was a confrontation... These criminals are mobilized from Lima. There is Carlos Mariña, he is a former prisoner who has left here from Pativilca and has gone to Huaraz. These are the people who are extorting money".

The connection between criminal gangs and pseudo guilds has not only been maintained, but strengthened. But due to the diversification of the extortion business and despite the pandemic, criminal gangs have grown. According to figures published by the newspaper El Comercio on the dismantling of criminal gangs, "Until October 2022, the Peruvian National Police (PNP) dismantled 8,552 criminal gangs and, in a coordinated effort with the Public Prosecutor's Office, dismantled 143 criminal organizations".

If we compare the number of gangs dismantled in 2022 with respect to 2016, when the police dismantled 4,525 gangs, they have doubled. The INEI figures are clear and concrete: the



gangs have followed an accelerated process of national expansion combining a double dynamic: extortion of civil construction works with "leaders" of pseudo-unions and pseudo-federations of construction workers and other activities that, due to their massiveness and dynamism, have become attractive and onerous sources of money.

As is well known, criminal groups act under the façade of "unions" that were easily recognized by the Ministry of Labor and Employment Promotion through "automatic union registrations" provided in 24 hours from 2008 to 2014, maintaining their validity and, thus, their impunity.

It is evident that this perception of impunity, as well as encouraging criminals to continue with their actions, discourages businessmen, professionals and construction workers from collaborating with the Peruvian National Police (PNP).

The FTCCP, together with CAPECO, in order to face and eliminate crime, formulated a comprehensive strategy to combat organized crime in civil construction works, through a public-private collaboration scheme, promoted by the Multisectoral Commission created by Supreme Decree No. 087-2015-PCM, whose permanent nature, Its permanent nature, plural conformation and conception as an instance of dialogue,

coordination and follow-up of actions to prevent and punish violence in construction sites, allowed designing, executing and monitoring integrated actions in the different areas involved in this acute social problem, as well as setting short, medium and long term objectives to achieve its effective solution.

With the Multisectoral Commission - which was left in the freezer - we recognize that there was progress in the investigation, identification and capture of criminals, most of them covered by the facade of a "syndicate", which continues to be preserved.

# **Proposals**

- Support the work of the PNP and responsible authorities, reinforcing their competencies at the national level.
- Eradicate the support of on-site delinquency by cancelling and expelling from the MTPE Union Registry all existing union mafias that were identified in the Final Report of the Multisectoral Commission published by Supreme Resolution No. 173-2012-PCM. Today, the Multisectoral Commission does not exist; it was disarticulated due to the deep political instability of the country that has led to six presidents of the Republic in the last years.



### THE FTCCP' UNION AND WORK AGENDA



# 1. The right of collective bargaining by branch of activity

The right of collective bargaining by branch of activity level it been determined within the framework of national and international legislation, and in Perú it has been supported by the FTCCP as the representative entity of construction workers.

That level wasn't easy to recover and maintain after being achieved with great effort and we are going to defend it, based on reality, on Article No. 28 of the Political Constitution, which has as its source of inspiration the Convention No. 98 of the ILO, regarding the application of the principles of the Right to Organize and Collective Bargaining, adopted in June 1949, ratified by the Peruvian Government through Legislative Resolution No. 14712. 98 of the ILO, as declared by the Judicial Power, the Constitutional Court, as well as the pronouncements of the ILO, together with the express recognition of the Peruvian Chamber of Construction (CAPECO), which qualifies us as the valid counterpart.

It is in this line of action that the FTCCP presents annually its draft for collective bargaining agreement or list of demands with national scope, complying with the regulations in force, and in search of the reactivation and sustainability of the country's economy, through productivity.

Therefore, the FTCCP claims for attention to its fair collective demands, which are part of the guarantee and respect for the rights and dignity of construction workers.

Demand to have the guarantees that the State must provide to labor rights, expelling from the labor society those dissociating elements that denaturalize union freedom, as well as the amendment of the rules that obstruct it.

## FTCCP proposal:

 a) It is the State's responsibility to democratically guarantee the right to collective bargaining by branch of activity, conducted annually by the FTCCP along with CAPECO.



- b) The MTPE must adopt the necessary measures for the proper development of collective bargaining by branch of activity, suitable for the FTCCP.
- c) Likewise, the business representatives should be encouraged to improve the working conditions and remuneration of the workers in the civil construction industry.
- d) It is necessary to guarantee the sustainability of the labor market in the construction sector, adopting measures for the continuity and increase of job positions, which benefit the country, the business sector, and the workers.
- e) Likewise, SUNAFIL, through its inspection service, should oversee that in public and private projects, the results of collective bargaining achieved by the FTCCP are always applied in favor of the union's workers.

### 2. Occupational health and safety in the sector



The FTCCP is constantly concerned about the safety and health of workers, currently regulated by Law No. 29783 published on August 20, 2011, known as the "Occupational Safety and Health Law", promoted by the FTCCP. The purpose of occupational safety and health regulations is to guarantee workers in all public and private activities the establishment of means and conditions that protect the life, health, and welfare of all those present at the work, even if they have no direct relationship with the employer.

In the national scenario, and particularly in the civil construction sector, occupational accidents, and even occupational diseases, continue to represent an excessive cost of life and economic cost.

It is urgent to strengthen the capacity of reaction in this area of expertise by specialized inspectors who can prevent, rather than punish, such contingencies.

# FTCCP proposal:

- a) Develop and implement a national policy in alignment to prevent occupational accidents and occupational diseases, as well as reduce the damage that may be caused to workers' health due to the lack of protective measures in the workplace.
- b) This implementation of the national policy shall be related to the work activity, as well as those that occur during the work performed.
- c) Within this framework, the construction activity is of special attention, due to the risk involved, and special actions must be adopted to contemplate the singularities of this work, executing ad hoc programs.
- d) The FTCCP is committed to work with the MTPE to assist in the execution of preventive and inspection actions at the national level.
- e) Specialized inspection services should be strengthened in the supervision of construction activities, considering the progressive existence of construction works, many of which are in the informal employment sector.
- f) It is necessary to develop a policy for the dissemination of occupational health and safety regulations, informing on rights and obligations.
- g) The FTCCP, in line with the principle of consultation and participation, is apt to assist in the implementation of actions and programs in the construction activity, within the framework of a culture of prevention.



## **OCCUPATIONAL ACCIDENTS 2022**

Month	Fatal	Occupational	Hazardous	Occupational	Total
	Accidents	Accidents	Incidents	Diseases	
January	2	113	3		118
February	4	344			348
March	3	353	7		363
April	4	307	4		315
May	5	327			332
June	6	125	2		133
July	3	247	4	3	257
August	4	296	5		305
September	3	320	4		327
October	4	288	3		295
November	3	315			318
December	3	282	5		290
	44			T	otal 3401

One of the Federation's priorities is the defense of the Occupational Safety and Health Law. To address this problem, the Federation achieved the conformation of the "Multisectoral Commission of Temporary Nature for the Elaboration of the Technical Report containing the Draft OSH Regulation for the Construction Sector" constituted by Ministerial Resolution No. 023-2018-TR, the same that was issued and approved by the Sectorial Regulation of Occupational Safety and Health for civil construction. We point out that the regulation proposal was agreed upon by the institutions that formed the commission (MVCS, MTPE, MINSA, ESSALUD, CAPECO and FTCCP).

#### **BREAKTHROUGHS**

The Supreme Decree No. 018-2022-TR approved the specific protocols for health surveillance of workers in the construction sector, which, as annexes, are an integral part of the Supreme Decree aforementioned.

These protocols are as follows:

- a) Protocol for health surveillance of workers in the construction sector with exposure to biological agents.
- b) Protocol for health surveillance of workers in the construction sector with exposure to physical agents.
- c) Protocol for health surveillance of workers in the construction sector with exposure to chemical agents.
- d) Protocol for health surveillance of workers in the construction sector with exposure to ergonomic risk factors.
- e) Protocol for the health surveillance of workers in the construction sector with exposure to psychosocial risk factors.

## **CAMPAIGN "25 Kilograms, NO MORE!"**

We continue with the campaign for the achievement of the reduction of the weight of the cement sack in Perú from 42.5 kg to a 25 kg



called "25 KILOS, ¡NO MÁS!" ("25 Kilograms, NO MORE!").

On November 17th, 2022, the Multisectoral Working Group of a temporary nature called "Working Group to address the problem of the weight of cement sacks", created by Ministerial Resolution No. 00237-2022-PRODUCE, completed its final report. This report is in the office of the Minister of Production to be submitted to the Presidency of the Council of Ministers for the publication of the corresponding supreme decree.

#### 3. Provision of Essalud Services



In accordance with the main theme of this point, there is a need to improve the quality of services and medicines in Essalud, seeking the potential of this institution. In this sense, it is demanded that the system of collection of funds from contributions be conducted through Essalud, and not through third parties that make the service more expensive.

It is necessary to open a special window at the national level for Essalud procedures and formalities for civil construction workers.

#### FTCCP proposal:

 a) We, the workers, request better quality attention by the health provider system, which is marked by its disregard for the insured, by

- its medical appointments that are far away from the contingency, and by its bureaucratic apparatus.
- b) Special treatment is needed for the care of construction workers, who due to the nature and mobility of the worksites must work in places, not urban, which makes their medical care more difficult.

## 4. Our fight against crime at work sites



Crime remains fierce at work sites; extortion, ransom demands, and hired assassinations are still in practice. Organized crime, which uses pseudo-unions as a front to commit its crimes, attacks with greater ferocity every day. Recently, we Peruvians have witnessed how these criminal bands fight for territory and supremacy, for which they do not hesitate to murder entire families.

For this reason, we demand that the Ministry of Labor purge the union registries. Through the PNP (National Police of Peru), the Ministry of Internal Affairs must conduct intelligence to identify the criminals posing as leaders and capture the ringleaders and their criminal bands; likewise, the Public Prosecutor's Office and the judges must apply the corresponding penalties.

The fight against crime must involve the workers and their unions, it is not the exclusive task of the authorities.

Our unions must assume the consistent defense of labor rights and at the same time, with the support of the masses, build the workers' guard to defend us from this threat.



We must remember that the pseudo-unions were created to destroy our federation and that to date they have assassinated 21 leaders, so we must denounce, reject, and fight them.

In the process of tackling the fight against crime, a survey with three questions was prepared and answered by workers from different regions, the result allowed us to structure the following content that evaluates and proposes actions to fight against the scourge of criminality:

#### a. Stakeholders involved and their motivations:

- GOVERNMENTS: Interested in ending the union organization of construction workers and their power (expressed in the negotiation by sector and the improvement of working conditions).
- LAW ENFORCEMENT AGENCIES: Articulate with either criminals or bad businesspeople for the purpose of attacking trade unionists and favoring criminals. As happened in Chiclayo with the "Big Family", whose mafia boss was a former colonel of the PNP, who was dismissed from his institution.
- CRIMINALS ORGANIZATIONS: They are looking for easy money, some have criminal records, and others are just copycats emulating their criminal activities. Undercover by law enforcement agencies trying to destroy the guild by political sectors. Young people without work find an easy option in this.
- POPULATION: Communities near the work sites. The paradox of economic growth and poverty causes populations struggle for work, enter negotiations with the union, or join the dynamics of criminals.
- EMPLOYERS: Some employers seek to encourage the destruction of the union and often support criminals as a way of lowering their labor costs and violating labor rights.
- Some (former) leaders or (former) union members: It was mentioned that many times there are colleagues who become criminals, a situation that is not being addressed.

#### b. Causes:

- Political: Wanting to destroy the union / APRA's political party animosity towards civil construction / Laws that facilitate union parallelism and the incorporation of criminals.
- Social economic: Obtaining money more easily in a context of great social inequality / Businessmen want to make more money and prefer criminals to union members.
- Corruption: At all levels: Judiciary, Government, Police, union members, and corrupt workers.

### c. Consequences:

- All members of civil construction are perceived as criminals, as well as union members.
- · The organization is weakened.
- The physical integrity of union members and leaders is threatened.
- The labor rights of workers are affected.
- It creates a contradiction among the population when they often are confronted with workers related to crime.
- · It generates divisions and parallelism.

#### d. What to do:

- The Worksite Committees are the first area or space of battle against crime. If there is not good organization and awareness, you are defeated.
- Expand and strengthen the union, incorporating new workers.
- The action of the Federation with the police to dismantle the criminal groups.

#### e. Defensive actions:

- To build a new policy for the training of officers oriented to the development of the practical capacity to disseminate the agreements adopted at the organic events, i.e., to be the driving force behind the political and trade union line of the FTCCP.
- Training in the defense of labor rights and organizational capacity, history of the FTCCP's battles to generate a struggle mystique based on the political and ideological principles



of class unionism that affirms working-class awareness.

- The organization is strengthened and organized through the development of the union's political line, in the same way it constitutes a tool for dialogue to resolve concrete issues from the works committees upwards and, finally, it gives us the capacity for mass action through militant mobilizations.
- Today the works committees ask the companies for permission to go out on mobilization and pay the hours afterwards.

## Situation of the right to freedom of association in the sector



We will begin by pointing out that freedom of association is one of the fundamental principles that make up the notion of decent work, in accordance with ILO Conventions No. 87 and No. 98, and has as its components: (i) respect for fundamental principles and rights at work; (ii) generation of productive employment and income; (iii) access to social protection and social security for all citizens; (iv) social dialogue and tripartism.

In these principles is embedded the concept of trade union freedom which, as an element of defense and promotion of workers' rights, is intrinsic to human dignity, contributing to the viability of productive systems and the strengthening of the democratic system.

It is within this framework that organized workers, as in the FTCCP, for the defense and promotion of their professional interests, alert employers and governments about the factors that may hinder the progress of the production process or slow down production or service provision.

It is in this line of union action that the FTCCP, faced with the appearance of criminal organizations in the civil construction sector, denounced and alerted authorities about its origins and proliferation, without no answer, thus allowing its national expansion. Likewise, this inertia, to date, has cost the sacrifice of the lives of 21 of our leaders, who confronted the union mafias, denouncing their crimes and defending the rights of workers and businesspeople against extortion and other illicit activities, such as hired assassinations.

In this way, our organization is being attacked for using the right to freedom of association. This situation is ongoing and originate from the willingness to protect obscure interests, among which is the attack against freedom of association.

This was fully recognized in the Final Report of the Multisectoral Commission, published by Supreme Resolution No. 173-2012-PCM, which established, as stated in Supreme Decree No. 006-2013-TR (published on 6-8-2013), that "... in the civil construction sector there have been organizations formed with the sole purpose of profiting through the extortion of employers and workers of the sector; improperly using union formality and affecting the representative union organizations...", such as the FTCCP.

However, regardless of what has been duly established, the pseudo union organizations have been maintained, which has also led these "union" groups to generate distortion in the right of unionization of the workers in the construction activity, thus affecting collective bargaining by branch of activity, whose representation is held by the FTCCP, creating confusion among the real workers, and thus seeking to attack the construction sector, which is significant for the economic growth of the country, that they are trying to destabilize.



#### For the above mentioned:

- It is necessary to put a stop to the actions of the union criminal groups and provide construction workers of guarantee for their right to freedom of association, the main exponent of the collective bargaining.
- It is urgent for the MTPE to adopt the necessary measures to prevent further attacks on the FTCCP's right to freedom of association.
- To trace a line of research that will allow us to know the reasons why, despite knowing and officially recognizing the emergence of these union criminal groups, the successive governments in power opted for inertia, allowing the country to sink into insecurity, which is becoming increasingly dangerous for human life in general.
- Taking into consideration the quote that states "where there is corruption, there is crime," is necessary to proceed with the adoption of urgent, integral, and well-articulated measures.

#### 6. CONAFOVICER



The National Committee for the Administration of the Fund for the Construction of Housing and Recreational Centers for Civil Construction Workers in Peru is an institution originated as a result of collective bargaining between the FTCCP and the employers' representatives, created by Supreme Resolution

No. 266-77-/NC 1100 (November 3rd, 1977) to administer and control the fund formed with a contribution of civil construction workers amounting of 2% of their basic salary deducted directly by their employers. Its board of directors is made up of members of CAPECO, the Ministry of Housing and Construction, MTPE, and the FTCCP, who act under its bylaws as an internal private law organization, effectively fulfilling its educational, social, welfare, and training objectives. Its management is transparent and regularly audited by independent auditors.

The FTCCP's legitimacy in the ownership of CONAFOVICER, in recent times, has been denied with the endorsement of MTPE officials, which has even given rise to formal complaints before the International Labor Organization (ILO). Therefore, we warn that pernicious and criminal elements are trying to disrupt the smooth running of this institution, with the aim of infiltrating them and using them as political spoils, and seats of pseudo-unions, whose origin is well known.

The same pseudo-unions, organized by criminal groups, managed to install a "representative" within the National Training Service for the Construction Industry (SENCICO), a situation that to date remains unchanged, so we alert the competent authorities not to be surprised by those who only seek to destabilize the institutions, with an anti-democratic eagerness.

# 7. Implementation of Law No. 31550 and the strengthening of the retiree's organization





Thirty years ago, after the self-coup of April 5, 1992 and after the ferocious anti-labor flexibilization implemented in Peru, the neoliberal Fujimori government, applying the recommendations of the Washington Consensus, brought down the then Peruvian Social Security Institute (IPSS), which administered the Workers' Health System and the National Pension System; under the pretext of modernizing social security, it implemented EsSalud, created the Office of Social Security Normalization (ONP) and created the Private Pension System in Peru so that, through the PFAs, it could take over the billions of Peruvian workers' social security contributions.

In this context, workers in the construction sector, who since 1982 have had a special retirement system to access a pension with 55 years of age and 15 years of contributions, have been deprived of this fundamental right.

Our Federation with its unions and thousands of affiliated workers never lowered flags and permanently fought to recover this right, we always fought for the recovery of the right to retirement, we were always mobilizing in the streets, always demanding the various governments, and negotiating with the various Congresses that passed through the Plaza Bolivar.

#### **FTCCP Intervention**

We must point out that the Federation, in coordination with Congresswoman Sigrid Bazán, presented Bill N° 487-2021-CR, which included our proposal that considered the interests of civil construction workers.

On July 14, after a long work of coordination and mobilization of the workers around our Federation, the Plenary of the Congress of the Republic approved Bill N° 487-2021-CR, which came with favorable opinions from the Labor and Economy Commissions.

After many negotiations with the Executive Branch, on August 11, the President of the Republic enacted Law No. 31550 which reestablishes the retirement for civil construction

workers, with 55 years of age and 15 years of contributions.

After arduous negotiations with the ONP, the Ministry of Economy, and the PCM, Supreme Decree No. 310-2022-MEF containing the Regulations of Law No. 31550 "Retirement Law for Workers in Civil Construction" was published.

Comrades: after 30 years of struggle, the reconquest of this right is historic, so we must spare no effort to achieve its application. For this reason, in coordination with the ONP, we are developing training talks to learn about the scope and application of the retirement law in our sector.

Now it is a matter of spreading the recovery of our retirement after long years of persistent struggles. In the unions of our Federation, meetings should be organized with workers of retirement age, to provide them with advice to achieve their rights, besides inviting them to organize themselves in the Association of Retirees to fight for new conquests that will benefit them.

#### 8. Political participation of workers



The Federation of Workers in Civil Construction of Peru (FTCCP), founded on December 18th, 1958, faithful to its principles of class unionism, was created to generate policies of vindictive fight: wages, improvement of working conditions, watch over the intellectual development of the workers and their families; and to be an organization that participates in the development of the construction industry to contribute to the common good of our country.



Our Federation, thanks to its strength in combative and responsible union leadership, through dialogue with results, has been able to confront in all fields (legal, mass fight) the defense of collective bargaining by branch of activity at the national level. Likewise, against all the attacks coming from corrupt political sectors and the harassment of the lumpen and organized crime.

We stand firm in our principles of class unionism; criminal violence has taken the lives of 21 of our union leaders. We must recognize that business sectors of the construction industry organized in CAPECO have agreed that the only way to make relations with workers more equitable is collective bargaining by branch of activity, which helps to dignify work.

It is time to point out that the policy of cheap labor sabotages labor rights or tries to reduce them to their minimum by denying them the right to unionize, which leads to the expansion of poverty.

For this reason, we call on the business community in other productive sectors and the central government authorities to promote collective bargaining by branch of activity and not by a corporation.

Our 28th Ordinary National Congress is taking place in a challenging political context amidst a structural crisis: political, economic, and social, which affects the vast majority of the Peruvian people; aggravated by the moral crisis that erodes the foundations of public and private institutions, due to the long-standing corruption, exposed in its great magnitude by the Lava Jato case, which compromises four former presidents of the Republic and high-ranking state officials, regional and municipal authorities, etc.

The 27th Ordinary National Congress of the Federation of Civil Construction Workers of Peru (FTCCP), held in Lima from June 12 to 15, 2019, proposed that construction workers promote a political movement to reach the national government, together with social and political organizations seeking a change of development model with social equity.

This congressional mandate was included in the operational plan for the 2019-2023 period and discussed in the DNAs for its fulfillment, so we decided to participate in the construction of "Unidad Patriótica", a political reference of the workers of the countryside and the city and of the broader democratic sectors of Peruvian citizens.

The Covid-19 pandemic delayed the registration efforts, we were only able to begin the collection of signatures in 2022, but the deadlines were too short to achieve our goal.

Our proposal is to change the Fujimori Constitution of 1993, which allows the handing over of national resources into the hands of big foreign capital and the colonial oligarchy.

For this, unity is necessary with other political forces and trade unions, and social movements, which unite for the cause of a democratic and popular government, leaving aside sectarian practices.

The workers' struggle is not limited to wage increases, or to winning better working conditions; our strategic struggle is for political power. Only the organized workers, together with the people, will be able to build a society with true social justice and participatory democracy.

Lima, March 2023



# LONG LIVE THE 28TH FTCCP ORDINARY NATIONAL CONGRESS!

Building workers' power to transform Peru!

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# **ANNEX**

FTCCP SOCIAL AND LABOR AGENDA 2023

# PRESENTATION



#### WHO WE ARE

The Federation of Workers in Civil Construction of Peru (FTCCP) is a second-degree union organization, officially registered at the Ministry of Labor and Employment Promotion (MTPE), consisting of civil construction workers organized in 200 unions and other workers' grassroots organizations in the territory that agrees to comply with the Statutes and Regulations of the FTCCP. Our more than 64 years of institutional existence are supported by ILO Convention No. 087 ratified by Peru; by the Political Constitution of Peru (Article 28); by the Collective Labor Relations Law (TUO approved by Supreme Decree No. 010-2003-TR) and other international and national instruments that guarantee our operation and, thus, our union freedom and autonomy, which allows our self-organization as well as the exercise of the rights to collective bargaining by branch of activity and strike, within the framework of the Law.

As a representative trade union organization of construction sector workers at the national level, the FTCCP is recognized as a valid interlocutor of the labor sector by the authorities of the distinct levels of government, employers, professional associations, and civil society.

Our leaders belong to diverse sectoral and inter-sectoral commissions, as well as to international organizations.

The FTCCP does not only fight for wage demands, which is legitimate, or to improve our working conditions daily; we fight for a change in society, for a fairer and more equitable society.

We periodically present to the authorities an AGENDA with general and specific issues of concern and interest to construction workers, formulating proposals and calling them into action. This agenda does not include all the problems that may arise in the FTCCP, having given priority to the most relevant ones.

National Executive Secretariat - FTCCP Term 2019-2023

# SOCIAL AND LABOR AGENDA



In the context of socioeconomic and political crisis, in a scenario of deaths and injuries due to social protests and floods and landslides, the construction workers affiliated with the FTCCP, aiming for democracy and the demise of uncertainty in the country-which will only be possible when the measures demanded by the people are adopted-, in compliance with their union function, submit the document called FTCCP SOCIOLABORAL AGENDA 2023.

We express our concern regarding the repressive measures adopted against social protest, the plight of the affected population, and the prompt implementation of measures to prevent and mitigate the effects of the natural phenomena that have been striking the country.

We ratify our conviction in supporting and defending Supreme Decrees No. 001 and 014-2022-TR. Indeed, although outsourcing must exist for specialized activities within the productive process of a company, this modality cannot be used as the core of the business, when activities are ordinary and usual.

It must be considered that the first regulation distorted the Labor Outsourcing Law by allowing outsourcing in all activities, which generated second-category workers in the same company. Third-party workers earn less than half the salary earned by the principal company.

In relation to Supreme Decree 014-2022-TR, it should be noted that this regulation addresses the observations made by the ILO's Committee on Freedom of Association on the Collective Labor Relations Law and its regulation in the 1990s, following ILO Conventions No. 87 and No. 98.

Given the above, the FTCCP, through this document, aims to contribute to the Country's development by addressing certain general and specific situations, which are developed in the AGENDA, and which are briefly summarized as follows:

#### Reactivation of the construction sector

The construction sector is a natural dynamic of the economy, due to its relationship with other productive activities, making it possible to close existing infrastructure gaps throughout the country, and thus raise people's productivity and living standards.

In this sense, the government must continuously reactivate the sector and encourage public and private investment.

# Fight against corruption

Corruption is increasingly affecting institutions and diverting public resources to private groups, affecting the population's access to health, education, housing, and, in general, public services, thus threatening democracy.

The FTCCP has declared itself a frontal enemy of corruption in its various manifestations: businesspeople, power groups, politicians and all those who engage in these practices, particularly in the construction industry. Thus, we join the effort for its eradication that corresponds to the State to execute.



#### The informality

The fight against business informality must be a constant task because it directly harms the worker, whose wages and other social and labor rights are cut, exposing him to precariousness that even threatens the life and subsistence of him and his family.

It is a perverse act, especially in projects where the budgeted costs do not reach the worker.

## **Social Dialogue**

It is essential to establish a climate of trust through social dialogue and tripartism, recognizing the crucial role of employers' and workers' organizations, as advocated by the International Labor Organization (ILO), which emphasizes that social dialogue must take place at all levels (national, sectoral and company) as a necessary policy tool to ensure the adoption of policies and programs.

For social dialogue to be implemented, a government with legitimacy must create appropriate conditions.

### The collective bargaining by branch of activity

On April 4 of this year, the Peruvian Federation of Civil Construction Workers (FTCCP), on behalf of its affiliated unions, submitted to the Ministry of Labor and Employment Promotion (MTPE) the draft of the collective bargaining agreement by branch of activity for the construction sector, thereby initiating our negotiation for the 2023-2024 term, addressing wage increase, and improvement of working conditions.

The negotiation achieved in the year 1962 is an efficient tool that contributes not only to resolving labor claims but also enables workers and employers to boost the sector together; it is worth mentioning that the product of this negotiation applies to all workers who work in the construction activity at the national level.

#### Violence in the construction sector

Citizens' insecurity manifests as "violence at work sites" being one of the main scourges of the construction activity that, unfortunately, the governments in office have not dealt with either efficiently or effectively, allowing it to spill over at the national level.

Let us remember that organized crime arose from the registration of pseudo-unions granted by the MTPE, which remains in place while covering these "union" mafias with impunity. Concrete and comprehensive actions must be taken.

#### Occupational safety and health

During the June 2022 Plenary Session, the International Labor Conference (ILC), in a historic decision, adopted a resolution recognizing occupational safety and health (OSH) as a new right and fundamental principle. In this regard, the MTPE must prioritize OSH supervision and control.

# Regulation of the weight of cement bags to "25 kilos, ¡no más!" ("25 kilos, no more!")

Following OSH regulations, the FTCCP, within the framework of its bylaws, implemented the "25 kilos, ino más!" campaign, which seeks to reduce the weight of cement bags from 42.5 kg to 25 kg. The latter is the maximum weight that a human being can bear. Unfortunately, due to bureaucratic measures taken by the MTPE and PRODUCE, the solution to this problem has been delayed, thus threatening the integrity of construction workers.

These are the main points, not exclusive, of our AGENDA. We request that, within the framework of dialogue, they can be addressed and the FTC-CP commits itself to contribute to their proper solution.

National Executive Secretariat – FTCCP Term 2019-2023

# **TOPICS**



# FTCCP SOCIAL AND LABOR AGENDA 2023

### **GENERAL APPROACHES**

- 1. Reactivation of the construction sector
- 2. Fight against corruption
- 3. Informal employment
- 4. Social dialogue with results.

### **SPECIFIC APPROACHES**

- 5. Collective bargaining by branch of activity
- 6. Violence in the construction sector
- 7. Health and safety in the workplace
- 8. Regulation of the weight of cement bags to 25 kilos, no more!



### 1. REACTIVATION OF THE CONSTRUCTION SECTOR



We will start by noting the interesting data provided by the Comptroller General of the Republic in a recent interview: he states that we need to improve the capacities of the State in the execution of investments in medium and large projects, especially those of high complexity. To this effect, he analyzes three examples:

"First, let's look at what has happened with the reconstruction process with changes. It is clear that, after six years or five, removing 2020 for covid-19, not having managed to rebuild in full the infrastructure damaged by the El Niño Costero phenomenon of 2017, whose progress is less than 70%, nor having managed to build the works for the management of 17 rivers, five

streams, and seven drainages in order to prevent the floods that we are witnessing again today, evidence that something has not worked well.

A second example. In 2022 we will stop spending more than 18 billion soles in investments despite having a massive gap in the existing public infrastructure.

At the regional government level, only 67% of their investment budget was executed, while for the local authority this number reached 63% of their available resources; even in the case of the national government, despite all the support provided, 10% of its budget was not spent.



And, finally, the existence of 1,874 public works paralyzed as of December last year for more than 21 billion soles and still need to invest about 10 billion soles for their completion, if it is decided to reactivate them, of course. All this confirms that we are not managing public investments correctly." (Caretas Magazine 26-03-2023).

On the other hand, the Government announces the approval of the bill to be submitted to Congress for the creation of the National Infrastructure Authority (ANI) that will absorb the Authority for Reconstruction with Changes (ARCC). ANI will have among its strategic objectives the execution of emblematic works throughout the national territory, the prevention and control of hydrographic basins to avoid landslides and floods, and to conduct the improvement of the Rimac river basin, among others, according to the Ministerial Cabinet Chief.

This approach received, on the part of specialists in the subject, several questions about the functions of this new entity. Indeed, it must be clear that the ARCC has failed as FORSUR did, with similar degrees of management incapacity and corruption. In this sense, the announcement of new agencies or authorities for the reconstruction not only changes the name of the failure and gives it a new image, but also generates more spending of the treasury in bureaucracy.

Consequently, after the failure of the Reconstruction with Changes, immediate measures are urgently needed to formalize construction, avoiding unlawful constructions that could easily collapse with the overflowing of rivers and the activation of streams, as well as earthquakes that sweep away constructions, but also people. Formal construction saves lives, and this is where all the efforts of workers, businesspeople, and authorities in the field of civil construction should be directed.

This is consistent with what was announced as Axis 9 of the General Government Policy: "More infrastructure and services for a better quality of life", which, as announced, would reduce the housing gap for families living in poverty; reduce the gap in drinking water, irrigation water, and sanitation services; among other measures.

In this scenario, it is necessary -and urgent- to change the housing construction system in Lima and along the entire coast of the country to adapt to climate change and mitigate disasters when they occur.

For the FTCCP, the reactivation of the construction industry is a permanent and pressing problem, shared with the Peruvian Chamber of Construction (CAPECO). Both institutions have jointly and opportunely presented proposals which unfortunately were not attended. Given the new scenario, we are updating the proposal we submitted in 2017 to address the El Niño Phenomenon, to be prepared for emergencies such as Cyclone Yaku, which caused so much damage to the country.

It should be considered that this type of natural phenomenon will occur more frequently, so the housing construction system must be changed: houses must be covered to withstand heavy rains and be equipped with drainage systems to evacuate the water.

Likewise, cities need storm drains, such as those in jungle cities or in places where it rains heavily. Especially in the coastal cities of Peru, streets must be provided with storm drains so that water can be evacuated quickly in rainy weather.

In this context, the FTCCP ratifies that they are updating the proposal they presented in 2017 to face the El Niño Phenomenon, given that six years have already passed and that, of course, it is still the same problem, and the same treatment must be given, but some new things must be incorporated.

Therefore, the climate scenario in which we find ourselves offers a great opportunity to invest heavily in public infrastructure, not only to



recover the one already lost, but also to carry out prevention programs and build new infrastructure, which, at the same time, will generate a lot of productive employment, not only for construction workers, but also for the people who are unemployed and who could well participate in the construction of all these projects.

To all this must be added the urgent need to review the public procurement system and create a new State Contracting Law to curb corruption linked to the contracting of public works that generate catastrophes representing billions of soles in paralyzed projects that do not allow us to close our enormous and growing infrastructure deficit and that at the same time put under questioning a large part of our institutions and even our democratic system.

# Based on the foregoing, the FTCCP requests that assistance be provided to:

- The restart and completion of thousands of projects that have been halted and abandoned nationwide due to corruption, lack of resources, or faulty construction practices.
- For all large infrastructure projects and public services not to have to wait decades to become a reality, because that is where employment and national development lies, and public and private investment should be promoted.
- That the hundreds of thousands of basic social infrastructure projects (retaining walls, bridges, dirt roads, irrigation canals, water and sewage works, markets, schools, health centers, etc.), that are a necessity in neighborhoods, human settlements, and rural towns be conducted with regional and local governments throughout the country.
- The construction of 500,000 social housing units nationwide, as well as programs to better organize and plan the development of cities.

 The need to provide confidence, participation, and commitment to businesspeople to conduct construction works; so that they do not spend years of years in the process of obtaining licenses and permits and be subjected to countless pressures.





In addition, we **REQUEST** attention to the requirements made by the FTCCP and CAPECO in the "Pact for the construction of a better Peru",

signed in February 2022, which is transcribed as follows:

### PACT FOR THE CONSTRUCTION OF A BETTER PERU

The Peruvian Federation of Civil Construction Workers - FTCCP and the Peruvian Chamber of Construction - CAPECO, on behalf of the workers and businessmen of the national construction activity, have agreed to sign a pact for the construction of a better Peru to promote a profound reform of public policies related to housing, infrastructure, and territorial development, an indispensable condition for our country to achieve sustainable development.

The health crisis caused by COVID-19 has once again highlighted the severe dysfunctionality of our cities, the high infrastructure deficit, the consequences of irregular land occupation and informal housing production, the State's inability to provide high-quality primary goods and services, and the lack of efficient and transparent mechanisms to facilitate collaboration between public and private actors. Political confrontation has prevented these challenges from being addressed by consensus and under the perspective of State policies that transcend governmental administrations.

Nineteen years ago, the FTCCP and CAPECO succeeded in establishing an open and frank dialogue relationship that has enabled the achievement of substantial improvements in the living conditions of construction workers and jointly promoted labor peace in the construction sector at the national level. Taking advantage of this spirit of consensus and being aware of their responsibility for the development of the country, since 2015, both entities have been proposing comprehensive solutions to the problems affecting construction and whose persistence has prevented our country from achieving higher levels of productive competitiveness and social welfare reaching all Peruvians.

Faced with the urgency of addressing these challenges, the Peruvian construction workers and businesspeople represented by the FTCCP and CAPECO assume the commitment to promote this Pact, which must include concrete and articulated measures to achieve the following goals:

- The decentralization of the territorial planning process, as well as better articulation between productive and infrastructure megaprojects and the objectives of territorial development and the well-being of the people.
- 2) The promotion of urban-territorial planning, the cadaster system, and the official provision of land, both public and private, for the development of housing, especially in the social sector, as well as urban infrastructure.
- 3) The articulation of investments in infrastructure and public services, especially water and sewage, with the objectives of formal urban development and the generation of housing supply, especially for the lower-income population.
- 4) The adoption of a new public project management model that allows for an appropriate prioritization of investments and the introduction of more efficient and transparent contracting and control mechanisms, as well as a better performance of infrastructure and equipment throughout their useful life.
- 5) To strengthen state housing subsidy and credit programs, endow them with sufficient resources to effectively meet the current deficit and future demand for social housing in both urban and rural areas.



- 6) The implementation of a policy of innovation and research in the construction activity stimulates the use of technologies that allow for appropriate buildings and infrastructures in economic, social, and environmental terms.
- 7) The improvement of administrative procedures for urbanization and construction, as well as the coordination of competencies between the distinct levels of government, aims to promote quality and safety at work sites.
- The increase of municipal revenues, from property taxes, through more equitable mechanisms and incentives to pay tax obligations.
- The promotion of labor formalization, the strengthening of union representation, and the continuous improvement of the skills of construction companies, professionals, and workers.
- 10) The creation of institutionalized spaces for a transparent public-private dialogue that enables the continuity and improvement of policies and plans of State.

It is evident that implementing the agenda set forth in this pact will require the modification of a substantial part of the legal, regulatory and administrative framework governing territorial development, housing and construction, which is why a broad and transparent debate is indispensable, as well as a commitment by the Executive and Legislative branches and civil society, within the framework of the National Agreement, to reach mutual commitments that guarantee the continuity and legitimacy of these initiatives.

For two decades, the FTCCP and CAPECO have shown commendable signs of the value they place on dialogue and the importance of focusing on mutual benefit. As a result of this commitment to seek understanding, construction workers and businessmen have been able to overcome differences and jointly take on new challenges, preserving what has already been achieved. Today, when Peru has just entered the third centenary as an independent country in the midst of great uncertainty, this fruitful relationship based on a commitment to consensus may inspire other political, social and economic actors to adhere to this pact and contribute to its improvement and sustainability in the long term.

Lima, February 24th, 2022

Luis Villanueva Carbajal Secretary General of the FTCCP

Jorge Zapata Ríos Board President of CAPECO



### 2. FIGHT AGAINST CORRUPTION



There are several definitions of corruption. Thus, taking into account the provisions of Supreme Decree No. 092-2017-TR, corruption is defined as: "The misuse of public or private power to gain an undue benefit; economic, non-economic or advantage; direct or indirect; by public, private or citizen agents; violating principles and ethical duties, norms and fundamental rights".

Corruption has a strong negative impact on the country's development, discourages private initiative and reduces available public resources, due to bribery, embezzlement, nepotism and influence peddling in decision-making processes.

Corruption is a serious problem in our country, it is regressive and hits poor people hardest, affecting the private sector as well.

The FTCCP has declared itself a frontal enemy of corruption in all its manifestations, whether it involves businessmen, power groups, politicians, workers, and all those who engage in these practices, particularly in the construction industry.

The community is outraged to learn that the loss due to corruption and functional misconduct in the year 2022, only in the area of public investments, was almost 7.4 billion, in other words, we lost 16 out of every 100 soles we spent on investments.

These data are alarming and require the adoption of urgent measures to put an end to this scourge.

The construction sector was no stranger to this transversal problem that reached private agents and public officials, that, due to different situa-



tions related to friendship, power and politics, remain unpunished. We must emphasize that this situation particularly affects thousands of workers who are unemployed as a result of the stoppage of construction work.

Therefore, in view of the serious allegations of corrupt practices that have allegedly occurred in the execution of public works and in infrastructure concession processes, together with CAPECO, the associations of engineers and architects, organizations that make up the Permanent Council of Housing, City and Territory, we signed the document entitled "Towards an integrity pact in the construction activity" (February 2017).

In the aforementioned document, we demand a thorough investigation of these deplorable facts that seriously damage the economy; affecting the living conditions, especially of low-income workers; requesting concrete actions to promote the integrity of public contracting processes and, in general, in the relations between the public sector and the guilds linked to the construction activity; as well as other measures aimed at modifying the public contracting model in all its modalities; improving the framework of administrative procedures; as well as the implementation of a strategy to combat the action of organized criminal organizations at work sites constituted by pseudo-unions.

We cannot let the aspiration of citizens to live with integrity, transparency and solidarity, in search of the common good, be frustrated.

### Therefore, the FTCCP proposes:

Its organic commitment to actively participate, from its battlefront, in the calls against corruption at all levels and modalities, whether public or private.



# 3. LABOR INFORMALITY



The INEI reports that, in 2022, urban informal employment increased at a higher rate (4.7%) compared to national employment (3.7%). Thus, informal employment increased on the coast (7.7%) and in the highlands (1.2%), while it decreased in the rainforest (-2.3%). It should be noted that most rural employment is informal.

At the end of 2022, the informal employment rate reached 70.5% at the national level, with a higher representation in the rainforest (81.4%), central highlands (77.8%) and southern highlands (75.9%). The central coastal region, where Lima Metropolitan Area is located, reached a labor informality rate of 63.9%.

These statistics on informality would be justified by the effects of the pandemic and external factors; it is evident that the situation is critical considering that the generation of employment

in the recovery phase since the pandemic has been led by informal employment.

A recent ILO report refers for Latin America and the Caribbean that in the third quarter of 2022 the informality rate was around 50%, close to the record of 2019 and, in turn, of 2012.

"In other words, around one out of every two workers in the region is informal," ILO regional specialist Roxana Maurizio said.

She said that the stability of this record is an extremely high value in nearly a decade and reveals that labor informality continues to be one of the most important challenges for the region's labor markets.

She even pointed out that some countries recorded higher rates of informality in 2022 than in 2019; adding that, in a context of a sharp



slowdown in economic growth expected in 2023, job creation could continue to be biased towards the generation of informal jobs.

In view of this, she considered that this highly complex context demands the implementation and strengthening of different types of policies. Among them, policies to sustain and create more and better jobs, especially formal jobs.

The inflationary context demands the strengthening of labor institutions, especially the minimum wage and collective bargaining. The ILO report emphasizes that social dialogue has a key role to play in allowing this process to be carried out in accordance with the needs and possibilities of workers and employers.

"This is even more relevant in a changing context in the labor organization and where it is necessary to advance in closing persistent labor gaps in order to enhance the positive effects of the digital transition, the demographic transition and the just transition," the ILO specialist concluded.

The aforementioned are valid grounds regarding informality. However, we cannot fail to mention that corruption is a factor that contributes to the existence of informality in the construction sector, since bad businessmen will constantly have to "arrange" with public officials to be allowed to work without problems.

In fact, there are those who only seek to make easy money without complying with their minimum labor and tax obligations. These bad businessmen, in collusion with public officials, make the work more expensive, which cost is passed on to the workers, who are deprived of their labor rights, considerably reducing their income and that of their families.

On the other hand, it is alleged that labor informality is the result of the requirements of legal provisions. This is not accurate; however, there has always been an attempt to justify a labor flexibilization program by arguing the need to formalize workers.

### Informality in the construction sector

As of May 2019, there were around 90,000 construction workers on the payroll, a figure that represented only 16% of the 550,000 who obtained their registration card from the National Registry of Civil Construction Workers (RETCC) issued by the Ministry of Labor and Employment Promotion (MTPE).

In other words, close to 85% of the workers in the industry were working informally or were unemployed, in survival jobs away from their profession, a situation that continues or is increasing.

However, these figures, which already reflected the deteriorated labor scenario, may be much higher if we take into account those who have not yet obtained their RETCC. According to the National Institute of Statistics and Informatics (INEI), there are approximately one million workers in the sector, which would mean that labor precariousness in this sector is even greater.

This reveals the need for greater supervision by the competent entities, mainly SUNAFIL, which should expand and specialize its functions, considering that informality in the sector does not disappear with economic growth: what grows is the evasion of duties and informality.

Subcontracted companies are a major problem, as they are unaware of workers' labor rights and the chain of corporate responsibility is lost.

### The FTCCP against informality

The FTCCP has always fought against informality in the sector, not only because it makes it precarious, affecting workers, but also because it discourages those businessmen who do comply with their conventional and labor obligations, constituting an unhealthy competition.

Therefore, the FTCCP and SUNAFIL signed (2019) an inter-institutional cooperation agreement in order to promote the dissemination on



workers' rights in the sector and the eradication of labor informality. The FTCCP, as part of the agreement, provides SUNAFIL with information on the works in which labor rights are not being complied with for their subsequent inspection, particularly regarding occupational health and safety.

On the other hand, the Framework Agreement for Institutional Cooperation for Labor Formalization in the Construction Sector has been signed between CAPECO, FTCCP and CONAFOVICER, whose purpose is to propose common measures to be taken into account by the com-

petent authorities in order to eliminate informality in the construction sector.

# Considering the aforementioned, the FTCCP requests:

- Effective actions should be adopted, coordinated with different national, regional and local authorities, to combat informality in the Construction Sector.
- Support for the execution of the Agreements signed by the FTCCP with SUNAFIL, CAPECO and CONAFOVICER.



# 4. SOCIAL DIALOGUE WITH RESULTS



The International Labour Organization (ILO) defines social dialogue as any type of negotiation, consultation or simply an exchange of information between representatives of governments, employers and workers on issues of common interest related to economic and social policy. Social dialogue is the ILO's best mechanism for promoting better living and working conditions, as well as social justice. Some of the conditions for promoting social dialogue are as follows:

- The existence of strong and independent workers' and employers' representative organizations, with the relevant technical capacity and access to information to participate in social dialogue.
- A political will and commitment of all parties to participate in good faith in social dialogue.

- Appropriate institutional support. Representatives of the social partners should recognize each other on an equal footing.
- Respect for the fundamental rights of freedom of association and collective bargaining (ILO Conventions No. 87 and 98).

In the Social Dialogue, workers, employers and the administration itself have specific roles through their organizations.

It is important to bear in mind that the role of the Labor Administration is that of "Promoter", promoting consultation with the social partners. To ensure the success of the Administration's objective, it is necessary for it to have legality and legitimacy

As noted, social dialogue is the most useful instrument for the solution of socio-economic problems. The ILO, for example, from the begin-



ning of the pandemic (ILO standards and Covid-19, May 2020), stated that it will be essential to establish a climate of trust through social dialogue and tripartism by calling on Member States to recognize the crucial role of employers' and workers' organizations in responding to crises, stressing that social dialogue must be conducted at all levels (national, sectoral and the company) as an essential policy tool to ensure the adoption of policies and programs that effectively address the crisis while mitigating its impact on employment and incomes.

Unfortunately, in our country the pandemic was treated unilaterally, adopting measures that mainly affected workers.

The FTCCP addresses this issue due to its importance and for having experienced this mechanism in the development of collective bargaining by branch of activity with CAPECO, which has helped us to reach direct solutions for more than 20 years.

Finally, it should be noted that social dialogue will ensure social peace as a fundamental guarantee for boosting productivity in the world of work and promoting socioeconomic development, as it is a proven instrument for managing socioeconomic change while maintaining consensus and social stability.

### Within this framework, the FTCCP proposes:

- The promotion of a culture of dialogue in labor relations, fostering the necessary conditions.
- Consider that social dialogue as a mechanism for labor issues is enshrined in ILO Convention No. 144 on tripartite consultation, ratified by Peru (2004) as a democratic and deliberative mechanism for reaching agreement on public policies and other situations of interest to social actors, particularly in collective bargaining.



### 5. COLLECTIVE BARGAINING BY BRANCH OF ACTIVITY



n the construction sector, since 1963, the FTC-CP and CAPECO, through collective bargaining by branch of activity, establish wages, working conditions and other social and labor issues. These negotiations are carried out in accordance with International Labour Organization (ILO) Convention No. 87 concerning Freedom of Association and Protection of the Right to Organize Convention, ratified by Legislative Resolution No. 13281; and Convention No. 98 concerning Organizing and Collective Bargaining, ratified by Legislative Resolution No. 14712.

In the national framework, it is supported by Article 28 of the Political Constitution of Peru; TUO of the Law on Collective Labor Relations approved by Supreme Decree No. 010-2003-TR, and its Bylaws: Supreme Decree No. 011-92-TR, and amendments thereto

The validity of collective bargaining by branch of activity in the construction sector was ratified in 2003 by supreme court decisions of the Constitutional and Social Transitory Chamber of the Supreme Court, as well as by the Constitutional Court, which defined the bargaining level and, in 2004, by decisions of the Constitutional Court which established CAPECO (employers) and FTCCP (workers) as the natural representatives of this bargaining.

The existence and application of collective bargaining by branch of activity was not peaceful; there was a period of suspension of this right; this occurred in the 1990s, when a savage reform was applied to labor legislation. In the collective field, collective bargaining by company was promoted and collective bargaining by branch of activity was eliminated, in other



words, that of the construction sector, which was the only one in force at that level when Decree Law No. 25593 (1992) called "Law of Collective Labor Relations" was enacted.

Within this framework, the FTCCP, in view of the denial to admit our collective bargaining by branch of activity (1996), filed contentious-administrative actions, which were favorably concluded in the Supreme Court, which ordered the nullity of the MTPE's denial resolutions. In view of this, the employers filed amparo actions, which concluded before the Constitutional Court, which also ruled in our favor, without prejudice to our appeal before the ILO's Committee on Freedom of Association.

The judicial authorities and the Constitutional Court took into account that the labor regime of workers in the civil construction sector has very unique characteristics that differentiate it from other sectors, highlighting: a) temporary nature, since the labor relation is not permanent; it lasts as long as the work for which the workers have been hired is carried out or as long as the execution of the work lasts; and b) relative location, since there is no fixed and permanent place where the construction work is carried out.

It was also stated that, during the development of their work activity, civil construction workers provide services for a multiplicity of employers, making it difficult for them to join a union organization at the company level, and making it practically unfeasible for them to negotiate several times a year.

It should be noted that, with regard to the BRANCH OF ACTIVITY LEVEL, the Constitutional Court said:

(...) Likewise, they established that "(...) the civil construction worker provides services to a multiplicity of employers, making it difficult for him/her to join a union organization at the company level, and making it practically unfeasible for him/her to negotiate several times a year. Therefore, given the peculiar situation of the civil cons-

truction sector and in order to prevent collective bargaining from becoming inoperative, it is reasonable and justified for the State to intervene by establishing measures that favor effective bargaining. In this sense, those regulations that are incompatible with an effective promotion of collective bargaining in the civil construction sector should be removed from our legal system and, if necessary, regulations should be issued that, without disregarding that the bargaining level should be set by mutual agreement, establish as bargaining level that of the branch of activity when such agreement cannot be reached". (Case No. 0261-2003-AA/TC, Ground 3.3, and 07957-2005-AA/TC among others).

Regarding the REPRESENTATION OF THE FTC-CP, the Constitutional Court states:

(...) Consequently, it has been proven from the record that CAPECO is the entity that, representing the employers of the civil construction sector, carries out the collective bargaining by branch of activity with the Federation of Civil Construction Workers of Peru, which holds the representation of the civil construction workers. Therefore, the collective bargaining convention by branch of activity in the civil construction sector held by CAPECO and the FTCCP complies with the requirements set forth in Articles 28 of the Political Constitution of Peru; Article 4 of ILO Convention No. 98; and Articles 46 and 48 paragraph b) of Supreme Decree No. 010-2003-TR (STC 01300-2005-AA/TC, STC 6624-2006-AA/TC, among others).

### **Current situation**

Having overcome the questions regarding the maintenance of the bargaining level in the construction sector, it was possible to prove that the existence of a collective bargaining agreement by branch of activity in the construction sector makes it possible to exercise the constitutional right to collective bargaining and allows all workers performing this type of activity to be subject to the same basic labor conditions, regardless of the employer for whom they provi-



de services. Subcontractors derived from actual business or technical needs are subject to the scope of collective bargaining by branch of activity, i.e., collective bargaining by branch not only makes it possible to improve wages and working conditions, but also, through dialogue and bargaining, extends rights equally to all workers performing the same activities.

In fact, this is evidenced by the direct solutions reached for more than 20 years by the valid representatives in collective bargaining by branch of activity in the construction sector, on the one hand, the FEDERATION OF CONSTRUCTION WORKERS OF PERU (FTCCP), and on the other hand, the PERUVIAN CHAMBER OF CONSTRUCTION (CAPECO).

#### **Problems:**

- a. Meddling of false unions
- b. Non-compliance with agreements

#### a. False unions

During the boom in the reactivation of construction activity, politicians interested in destabilizing democracy and the country's progress, with the help of corrupt public officials and in response to the requirements of the current government, registered criminal groups as "labor unions" with the Ministry of Labor and Employment Promotion, a situation that will be discussed in detail in a separate section of this report.

These pseudo-union organizations, validated by their recognition, try - in each annual period in which the FTCCP and CAPECO negotiate the National Statement of Claims of the Construction Sector - to disrupt the action of the valid representatives, presenting parallel statements, with the sole purpose of disconcerting the workers of the activity and creating artificial problems for the business representation against whom they file administrative complaints and lawsuits.

It is urgent that the MTPE put a stop to these malicious interventions, declaring the legitimate representation of the FTCCP in collective bargaining by branch of activity in the construction sector.

### b. Non-compliance with agreements

As a result of the annual collective bargaining FTCCP-CAPECO, agreements are reached between the parties which are applicable nationwide for public and private works whose value of the construction work exceeds 50 UIT (Applicable Tax Unit), as established in Legislative Decree No. 727.

However, although the responsible private companies comply with the provisions of the collective agreement, this does not occur especially in State construction projects, particularly in local and regional governments, which generally fail to comply with the aforementioned agreements, not granting the rights and benefits of the special labor regime for civil construction to the workers who provide direct services to them.

But not only that: certain public entities also fail to comply with the mandate of the Supreme Court justices; for example:

# VI LABOR AND SOCIAL SECURITY JURISDICTIONAL PLENARY SESSION OF THE SUPREME COURT

On September 18th and October 2nd, 2017, the Supreme Justices specialized in labor issues had a meeting in order to establish uniform criteria in the application of the labor regulations. It should be noted that these Plenary Sessions are regulated by Article 116 of the Organic Law of the Judiciary and are intended to agree on criteria, and issue Agreements that constitute guidelines to be taken into account by the Judges of Instance.

Thus, in the case of the VI Plenary Session mentioned above, one of the main agreements



was the application of the labor regime for Civil Construction, establishing:

V. APPLICATION OF THE SPECIAL LABOR REGIME FOR CIVIL CONSTRUCTION IN STATE ENTITIES

The Plenary Session unanimously agreed: "When a public entity executes civil construction works under the modality of direct administration, the special labor regime for civil construction shall be applied to the construction workers hired to carry out said construction work.

This criterion will be applicable whenever a construction project of a temporary nature is involved.

In the case of minor construction projects of a permanent nature, workers are subject to the common labor regime of the private sector".

Despite the clarity of this obligation, public entities, particularly regional and local governments, fail to recognize the special labor regime for civil construction for those workers hired to perform a direct administration work; which must be overcome.

It should also be noted that there are contracted and subcontracted companies that win bids from the State and are the first to fail to comply with their labor obligations.

# In this regard, the FTCCP requests the issuance of regulations that expressly establish:

- The exclusive representativeness of the FTC-CP in collective bargaining at the level of branch of activity in the construction sector, nationwide.
- The obligation of public entities to comply with Agreement V of the VI Labor Jurisdictional Plenary Session of the Supreme Court of the Judiciary, held on September 18th and October 2nd, 2017, published in the Special Offprint of the Official Journal "El Peruano" of December 21st, 2017.
- Compliance with labor obligations derived from collective bargaining agreements by branch of activity negotiated by the FTCCP and CAPECO, in all contracting processes for construction works, particularly in those executed by sub-national governments, both by contract and direct administration; among others.
- Impediment to contract with the State for those companies and/or employers that have labor proceedings before the Administrative Authorities, including SUNAFIL, or that have been sanctioned by the courts. No company may benefit from the State through public bids or tenders that are part of abuse or violation of labor rights.



# 6. VIOLENCE IN THE CONSTRUCTION SECTOR



### Regarding construction activity

Construction is a strategic activity for the economic development of the country and for the population's well-being, due to its contribution to the increase of national competitiveness, through the generation of production infrastructure. Thus, construction works constitute one of the most efficient sources for the generation of adequate and decentralized employment, contributing to the job creation in other activities.

On the other hand, the construction activity requires high and varied security standards, at different levels, such as legal and physical. On this last point, it is necessary to refer to the manifestation of insecurity in view of the factor that since its inception has been called "Violence at work sites".

This is a security area that is linked to the urgency of combating violence on civil construction works, mainly due to the actions of criminal organizations that, under the guise of false unions, extort, injure and murder construction workers, professionals and businessmen.

# Emergence of violence in the construction sector

This criminal modality was born and spread due to the easy complicity with which they obtained authorization from the Ministry of Labor to act under the guise of a "union", the lack of political will to combat it, as well as the limitations of police, prosecutorial and judicial action.

The existence of these organized gangs was recognized by the Ministry of Labor itself, in the Supreme Decree No. 006-2013-TR (Au-



gust 2013) which, alluding to the Multisectoral Commission created by Supreme Resolution No. 173-2012-PCM, stated:

"The report of the Multisectoral Commission mentioned above states that in the civil construction sector, there have been organizations formed with the sole purpose of profiting through extortion of employers and workers in the sector; improperly using labor formality and affecting the representative trade union organizations".

Although administrative measures were taken, such as the creation of the National Registry of Civil Construction Workers (RETCC) and other similar actions, these are insufficient.

Indeed, it has not been taken into account that a large part of the fight against citizen insecurity must be carried out in prisons, from where the leaders of the mafias operate, having their operators on the street, among them teams of professionals (lawyers, accountants, etc.), bad policemen, bad judges and hired killers; all of this, according to reports issued by the National Police of Peru (PNP) itself.

Violence increases because there is quick profit and impunity, and it is installed in the lower strata of society: pedestrians with cell phones, traders and micro-entrepreneurs, among others, and especially in the most populous and poorest districts.

Scaffolding workers are also affected by citizen insecurity. In the specific case of civil construction, the Ministry of Interior has to dismantle the gangs that work hand in hand with pseudo-unions, using their facade of union organization to take over construction works, sell work quotas to the workers, ask for percentages according to the value of the construction budget, coerce businessmen and engineers to buy materials or rent services from certain suppliers of the mafia network, among other criminal modalities.

They should also implement measures to prevent contract killings by hitmen hired by these mafias. Only in the case of the Federation of Civil Construction Workers of Peru (FTCCP), since 2011 to date, 21 leaders of its affiliated unions have been murdered; but the number of deaths in the construction sector is even higher and continues to increase every day; the number of victims increases if we take into account those who have succumbed to extortion.

#### **State Action**

With regard to State action, Supreme Decree No. 087-2015-PCM, issued in accordance with the provisions of Legislative Decree No. 1187, which prevents and punishes violence in civil construction activities, created the Permanent Multisectoral Commission as a body for dialogue, coordination and monitoring of actions to prevent and punish violence in civil construction activities, with the participation of various representatives, chaired by the Minister of Interior.

This Commission has not been able to function regularly, due to various factors that have prevented the implementation of concrete and effective actions (except for the Joint Action Protocol between the PNP-PJ-MP-MTPE).

Likewise, it is noted that despite the representation of the FTCCP and CAPECO, we are not part of the aforementioned Commission, and can only participate as guests, which limits our performance and contribution.

It should be taken into account that organized crime is waiting for the operation of construction works. In fact, when there is activity in the construction sector, criminals organize themselves to try to control these activities and deprive the businessman, professionals and construction workers of their goods and rights, thus threatening their personal integrity.

In this scenario, the measures to be adopted against crime must be timely and effective, under the coordinated work of all those involved



in the construction sector, hand in hand with a firm and sustained policy, which unfortunately has not been taken as a political action.

As can be seen, the problem of violence in construction is a long-standing problem that began with the extortion of businessmen and workers of the FTCCP, and then escalated to the murder of 21 FTCCP leaders.

### In this scenario, the FTCCP:

- Exhorts the Government to allocate resources to combat delinquency and organized crime that plagues society in general.
- Demands effective measures against the organized crime mafias that extort construction workers and businessmen.

- Demands the purging of union registrations granted to pseudo-unions that are facades of organized crime and are orchestrated by bad businessmen to not comply with labor rights in the construction sector; in addition to working in criminal gangs.
- Dissociates from these pseudo-organizations that act as federations or construction unions and whom the media and public opinion confuse with our organization, the Federation of Civil Construction Workers of Peru (FTCCP).
- Requires the Ministry of Interior the activation and sustained permanence of the Commission created by Supreme Decree No. 087-2015-TR, in which both the FTCCP and CAPECO must intervene as parties.



# 7. OCCUPATIONAL SAFETY AND HEALTH



ext April 28th is the World Day for Safety and Health at Work, established by the ILO with the aim of creating social awareness to reduce the risks and injuries that workers may suffer in their workplace around the world.

It is also an appropriate date to pay tribute to all victims of occupational accidents and to those who suffer from occupational or professional diseases.

Each year the ILO presents a campaign. This year's campaign (2023) focuses on "safe and healthy working environment as a fundamental principle and right at work".

This is because in June 2022 the International Labour Conference (ILC) decided to include "a safe and healthy working environment" in the framework of fundamental principles and rights.

Therefore, the Occupational Safety and Health Convention No. 155 and the Promotional Framework for Occupational Safety and Health Convention No. 187 were declared fundamental conventions.

In this regard, all Member States, such as Peru, have the obligation to respect the aforementioned Conventions, even if they have not ratified them, since the ILO Declaration on Fundamental Principles and Rights is the expression of the commitment of governments and employers' and workers' organizations to respect and defend fundamental human values.

Convention No. 155 contains detailed provisions that create direct obligations for employers. This convention stipulates that governments and employers are obliged to contribute to the prevention of workplace injuries, which requires national authorities to put in place policies and measures to influence safety and



health behavior and performance in all workplaces.

It also requires the participation of employers' and workers' representatives in the formulation and implementation of policies; as well as obliging national authorities to have mechanisms for accessing detailed information on workplace activities.

Convention No. 187 is a framework instrument that focuses on the fundamental objectives of developing a culture of prevention and applying a systemic approach to managing occupational safety and health at the national level.

The ILO's decision to include "a safe and healthy working environment" as a fundamental right is welcomed, which implies occupational safety and health, leading to the protection of life and health and safety, in its configuration as a fundamental and constitutional human right.

#### FTCCP and OSH

The FTCCP has always considered the workers' right to health as paramount. Thus, one of their main objectives is to "Defend compliance with labor, social security, occupational safety and health provisions and, in general, the norms that entail respect for human rights" (article 11, paragraph b) of the FTCCP's bylaws).

For this reason, together with the CGTP, they promoted the issuance of Law No. 29783, Law on Occupational Safety and Health, which aims to promote a culture of occupational risk prevention in the country.

Subsequently, the Bylaws of the aforementioned Law, approved by Supreme Decree No. 005-2012-TR, established that the Ministry of Labor and Employment Promotion should coordinate the issuance of sectoral rules and the development of technical instruments with the relevant sectors.

The FTCCP achieved the issuance of Supreme Decree No. 011-2019-TR, Bylaw on Occupational Safety and Health for the Construction Sector, which was the result of a Multisectoral Commission that included representatives of the Federation of Civil Construction Workers of Peru and the Peruvian Chamber of Construction.

The aforementioned Bylaw develops aspects such as the workers' and employers' obligations in construction works, as well as the planning of the occupational health and safety management system in construction works; taking into account the particularities of this activity, including aspects of organization, coordination, responsibility of construction companies and contractors, in order to guarantee the prevention of work accidents and occupational diseases in the development of their activities.

The purpose of the bylaw was to establish minimum occupational safety and health provisions for the construction sector, at the national level, in order to prevent occupational accidents and diseases in the construction sector, promoting a culture of occupational risk prevention in the country, regardless of the application of the technical standards that are mandatory in the sector's activities, and the application of the OSH Law and its Bylaws.

The Bylaw on Occupational Health and Safety for the Construction Sector also established (Second Complementary Provision) the creation of a Working Group to develop specific protocols for monitoring the workers' health in the construction sector.

In this way, last December 30th, Supreme Decree N° 018-2022-TR was published, approving the specific protocols for the health surveillance of workers in the construction sector, which seek to contribute to the reduction of the harmful effects generated by the risk factors present in our activities, in order to set guidelines for the evaluation of the state of health of workers.



The specific protocols of the construction sector are documents that contain:

- The risk factors to which workers are exposed due to the effects of their activity.
- The risk factors duly explained and defined.
- The action plan to be followed by the treating physician from prevention, localization of the risk factor, and follow-up of the worker's state of health.
- Likewise, the corresponding recommendations are indicated.

These protocols are as follows:

- a) Protocol for health surveillance of workers in the construction sector with exposure to biological agents.
- b) Protocol for health surveillance of workers in the construction sector with exposure to physical agents.
- c) Protocol for health surveillance of workers in the construction sector with exposure to chemical agents.
- d) Protocol for health surveillance of workers in the construction sector with exposure to ergonomic risk factors.
- e) Protocol for health surveillance of workers in the construction sector with exposure to psychosocial risk factors.

The protocols are applicable to all employers in the construction sector that carry out the activities contained in the list of activities approved by Ministerial Resolution No. 251-2021-TR.

It should be noted that the provisions of the protocols are minimum provisions, and therefore do not exonerate employers from monitoring the workers' health with regard to other risk factors and/or agents existing in the workplace

or from adopting greater preventive measures in accordance with scientific advances.

These protocols are effective as of February 13th, 2023.

### **Occupational Accident**

According to the International Labour Organization: "Every day people die as a result of occupational accidents or work-related diseases - more than 2.78 million deaths per year". Analyzing this figure, we have that, in occupational accidents or work-related diseases, 231,667 fatal accidents occur per month, 7722 per day, 322 per hour and 5 per minute.

This is alarming, but it is a worldwide reality, from which our country is not excluded. Thus, only in December 2022, according to the Computerized System for Notifications of Occupational Accidents, Dangerous Incidents and Occupational Diseases (SAT), 2453 notifications were registered; 97.15% of this total corresponded to non-fatal occupational accidents, 1.02% were fatal accidents, and 1.79% to dangerous incidents.

During the same month, there were 2 fatal accidents in the construction sector; 192 occupational accidents and 4 dangerous incidents.

# Hazardous work. Complementary Insurance for Hazardous Work (SCTR)

Occupational accidents are more common in hazardous work such as construction, where contusions and blows with objects and work tools are frequent. In some cases, these accidents occur due to confidence in the daily work routine and, mainly, due to the lack of prevention plans in the companies.

The Complementary Insurance for Hazardous Work (SCTR), which was created by Law No. 26790 and is governed in accordance with the technical standards of S.D. 003-98-SA, provides health and economic benefits for occupational



accidents and diseases to workers, whether dependent, independent or construction workers, affiliated to EsSalud.

We stop at this point to express our concern regarding a draft Supreme Decree that would reduce the coverage of some aspects of the SCTR, and which would be endorsed by the Ministers of Economy, Health and Labor.

### **Labor inspection**

LThe proper enforcement of labor laws is the function of labor inspectors, who can help to avoid problems or conflicts in the workplace and, therefore, stimulate productivity and economic development.

Thus, the control of occupational safety and health (OSH) conditions is one of the functions entrusted to the labor inspection, which will be the guarantee of workers' protection, together with the OSH committees that must operate at work sites.

SUNAFIL fulfills its inspection functions. However, we believe that it is insufficient for an effective labor inspection on occupational safety and health, and therefore we demand an increase in the number of inspectors specialized in this area.

Only by expanding the actions of the labor inspection, in terms of prevention, inspection and sanctions, will it be possible to reduce disabling injuries and, above all, the death of workers, who work to live, not to die.

Therefore, in accordance with our country's new commitment to the ILO on occupational safety and health, IT IS REQUESTED:

To prevent, supervise and sanction, the non-compliance with the following provisions:

- Law N° 29783, Law on Occupational Safety and Health.
- Supreme Decree N° 011-2019-TR, Bylaw on OSH for the Construction Sector.
- Supreme Decree N° 018-2022-TR, which approves the OSH protocols in the civil construction activity.
- Technical standards for construction.

On the other hand, it is requested that SUNAFIL create specialized OSH Brigades, particularly for the construction sector; and that the MTPE opposes any modification to the coverage of the SCTR.

The FTCCP may contribute to the effectiveness of inspection actions on OSH.



# 8. REGULATION OF THE WEIGHT OF CEMENT BAGS: "25 KILOS, ¡NO MÁS!" ("25 KILOS, NO MORE!")



Since 2019, the FTCCP has been requesting that the weight of cement bags be reduced from 42.5 kg to 25 kg, no more, which is the maximum load bearable by human beings, as defined in international conventions, in comparative legislation and even regulated in national legislation.

However, due to various bureaucratic procedures, to date the corresponding legal norm has not been issued, despite the transition between the Ministry of Labor and Employment Promotion and PRODUCE.

# About the 25 kg weight

For the construction sector, compliance with the 25 kg maximum weight a person can lift means assimilating national labor legislation to international instruments, especially ILO Convention No. 127, regarding the maximum weight limits a person can lift, in order to protect the physical integrity of workers.

Next to ILO Convention No. 127, we find ILO Recommendation No. 128 of June 7th, 1967 on the Maximum Weight a Worker Can Carry; thus, the general principle is: A worker should not be required or allowed to manually carry a load which weight could compromise his or her health or safety.

In our country, there are certain sectors that managed to establish 25 kg or less (women) as the maximum weight to be carried; thus, among others, the "New Law of Porters" N° 31614 established a maximum weight of 20 kg (men) and 15 kg (women), Law N° 29088 "Law on Occupational Safety and Health of Stevedores and Porters" establishes that the weight to be carried shall not exceed 25 kg (men only), and in the case of women, the maximum weight shall be 12.5 kg.

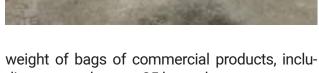
In 2008, M.R. No. 375-2008 was issued, approving the Basic Standards on Ergonomics and Procedures for the Evaluation of Dysergonomic Risk, establishing 25 kg for men and 15 kg for women as the bearable weight.

As we noticed, there are already economic sectors that have regulated the maximum bearable weight, which should be applicable to the construction activity, where workers must bear on their shoulders the weight of a 42.5 kg cement bag.

It is also necessary to specify that the proposed implementation guidelines align us as a country with international standards, and contribute to prevent musculoskeletal injuries associated with the load handling; allowing us to advance in the improvement of standards to promote the prevention and health of workers.







# "25 kilos, no more!" campaign

In the framework of the ILO Centenary (September 2019), the "25 kilos, no more!" campaign was launched at the ILO headquarters in Lima, which seeks to reduce the weight of cement bags, for the consequent improvement in the workers' quality of life.

The initiative, promoted by the Building and Wood Workers' International (BWI) in conjunction with the FTCCP, has the support of the ILO through its Regional Office for Latin America.

"25 kilos, no more!" promotes the generalization in the construction sector of the load weight to 25 kilograms, in order to prevent pitiful diseases to workers. Currently, the weight of cement bags sold in Peru is 42.5 kilograms.

The determination of the load weight at 25 kg already has precedents in other parts of the world. Thus, in European Union countries, manufacturers, governments, employers and unions have agreed that loads over 25 kg represent "a non-tolerable risk". At the regional level, in 2008, Uruguay approved the Decree 423/07 on Reduction of Loads Manually Handled, which regulates the ding cement bags at 25 kg each.

Main procedures carried out:

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- 1. The awareness campaign has been carried out, which, we believe, has fulfilled its obiective.
- 2. Several conversations have been held with public and private entities.
- 3. The MTPE was asked to respond to the FTCCP's request; however, it was referred to PRODUCE.
- 4. PRODUCE formed a Multisectoral Commission in which those involved in the issue agreed to reduce the weight of the cement bags, requesting only a period of time to adapt to the new bags.
- 5. PRODUCE referred the actions to the Secretariat of Public Administration of the Presidency of the Council of Ministers (PCM), which has once again returned it to PRODUCE.
- 6. On the other hand, the MTPE has informed that they will not have the competence to issue a legal norm to determine the weight of cement bags.
- 7. Under these circumstances, it is necessary that the necessary coordination be made be-



tween the MTPE and PRODUCE, in order to issue the corresponding legal norm that determines that the weight of the cement bags must be "25 KILOS, NO MORE!", even more if this has been agreed upon by consensus.

PRINCIPLES: Article 7 of the Political Constitution of Peru guarantees the protection of the right to health; on the other hand, Article 23 of the Supreme Law establishes that work is the object of priority attention by the State and that no relationship may limit the exercise of constitutional rights, nor disregard or lower the worker's dignity.

Based on the aforementioned, the fundamental right to health must be protected by the State, therefore Law No. 29783, Law on Occupational Safety and Health and its Bylaws, approved by Supreme Decree No. 005-2012-TR, aim to promote a culture of occupational risk prevention in the country, the observance of the prevention duty of employers, the role of supervision and control of the State and the participation of workers and their trade union organizations.

Article 16 of Law No. 29783, Law on Occupational Safety and Health, provides that the Ministry of Labor and Employment Promotion is the supra-sectoral agency for risk prevention in occupational safety and health.

Lima, March 2023

# LONG LIVE THE 28TH FTCCP ORDINARY NATIONAL CONGRESS!

Building workers' power to transform Peru!

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