



GOBIERNO DE CHILE

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NEWS

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President Michelle Bachelet meet El Salvador' President, Elías Saca.

The Casen Survey: progress against poverty

According to the latest National Socioeconomic Characterization Survey, Casen 2006, Chile has achieved substantial reductions in poverty. The survey, covering 74,000 homes, showed a decline in the poverty rate from 18.7% in 2003 to 13.7% in 2006, with extreme poverty falling from 4.7% to 3.2%.



For President Michelle Bachelet, these advances are concrete evidence that it is possible to achieve economic growth while simultaneously providing greater protection to all Chileans. "Growth for inclusion, and inclusion for growth – that is not just a slogan, but a reality," she asserted.



Minister Clarissa Hardy presents the results of the 2006 Casen Survey.

Income inequality also declined, with the gap between the highest and lowest 20% of the population decreasing from a factor of 14.4 to 13.1. If government transfer payments and State education and health care subsidies are included, the index falls further, to a factor of 7.

The regions of the country showing the greatest declines in poverty were the Atacama, with a drop of 14.5%, and the Araucanía, with 9.6%. The zone with the lowest overall rates of poverty and indigence is the Magallanes Region.

The Casen Survey, undertaken every three years, measures the country's progress in the economic and social spheres. It investigates how many people in Chile are able to satisfy their basic needs – defined by a market basket of goods and services – and how many cannot do so. The survey, carried out by the Ministry of Planning, is supported by the University of Chile and validated by ECLAC.



DID YOU KNOW?

- ★ In Puchuncaví, in Valparaíso Region, Chile's largest deposit of fossil whale bones has been discovered. The finds, consisting of ribs and an enormous jaw, stem from the Pliocene period and are approximately five million years old.
- ★ After fifty years, the bony remains of a giant ground sloth – a prehistoric animal which roamed South America over than 10,000 years ago – have been returned to Chile. The bones of the 2.5-meter-tall herbivore, discovered in 1896, have been stored in French museums. Now they will be the object of study in the city of Punta Arenas, where researchers will investigate their living habits and why they became extinct.



QUOTES FROM PRESIDENT BACHELET

“This is the first year in which one hundred percent of the young people in our Military Service are volunteers. What this demonstrates is something very important: it demonstrates that the value of defending our homeland is deeply rooted within our young people. And what does our homeland mean, but our families, our communities, the society in which we live, the world within which we relate to each other”

During the “Oath to the Flag” ceremony.
Osorno, July 10, 2007.

“It is my full, complete and absolute commitment to continue supporting Chile’s involvement, not only in the Minustah (United Nations Mission for the Stabilization of Haiti), but also in other areas we have discussed with President Preval, where Chile’s experience in other aspects of national development and public policy may be very useful for the Haitian people and their democratic development.”

At the inauguration of the photographic exhibition “Una sola mirada, chilenos en Haití” (Just one look: Chileans in Haiti).
Santiago, July 5, 2007.

“This celebration represents a milestone in our effort to build a society that seeks to learn and to enrich itself from the values and cultures of all of its members – a country in which all men and women are recognized as members of this diverse, pluricultural society, where ancestral traditions are present in the deepest reaches of our awareness and in our common life. Because this is the kind of Chile we want: a Chile that can be a home, a shelter for all of its cultures.”

At a celebration of the Indigenous New Year,
La Moneda Palace Cultural Center.
Santiago, June 22, 2007.

“We are the Latin American country with the fewest people living in poverty, and the one that has reduced poverty most effectively during the shortest time. But more importantly, we have achieved this in liberty and democracy. With pride, I say today that our country is writing a page of hope for all nations that seek to achieve humane development and eliminate poverty at the same time.”

O’Higgins Salon, La Moneda Palace.
Santiago, June 8, 2007.

President Bachelet attends regional forums

After 31 years, Chile has returned to the Andean Community of Nations (CAN) as an associate member. At the 17th Meeting of the Andean Presidential Council, held in Tarija, Bolivia on June 14, President Michelle Bachelet formalized Chile’s return to this regional body.

In her remarks to the Presidential Council, the President emphasized that “Chile is coming back from a place where it never should have gone.” She pointed to the double significance of the country’s CAN membership: “It means that my country is rejoining one of Latin America’s most significant integration processes,” while also signifying the strengthening of “our people’s deep ties of brotherhood with the other Andean peoples.” The President also noted that the CAN will provide opportunities to demonstrate that it is unnecessary to choose between economic growth and social justice.



At the meeting, the Presidents of Bolivia, Colombia, Ecuador, Peru and Chile signed the Tarija Declaration, which called for the achievement of “comprehensive integration,” a process that moves beyond the commercial and political spheres to provide more effective citizen participation, including that of indigenous peoples.

Only days later, on June 28 and 29, President Bachelet traveled to Paraguay to attend the Thirty-Third Summit of Mercosur Heads of State. In her address to the assembled leaders, President Bachelet stressed the need to include the social dimension as a central focal point for regional integration processes.



FACTS

Chile's skies are among the world's safest, according to the International Air Transport Association (IATA), which presented the "Eagle Award" to the country's Directorate General for Civil Aeronautics. It is the first time that this honor has been awarded to a Latin American country.

The Chilean firms Copec, CMPC, Banco de Chile and LAN are among the world's 200 most respected companies, according to the "RepTrak" report from the Reputation Institute (RI), which compares over 600 businesses in 39 countries. The companies were recognized for their history of good business practices and excellent relations with customers and interest groups.

During the first five months of the year, exports of Chilean wine expanded by 33%, according to the Agricultural Policy and Research Office (Odepa). The International Organization of Vine and Wine (OIV) identifies Chile as the Southern Hemisphere's second leading wine exporter, after Australia, with 8.3 million hectoliters in 2006.

Chile leads Latin America in the area of governability, reaching the levels attained by developed countries, according to a 2007 World Bank report entitled "Governance Matters." The international study gives Chile the highest ratings on five of the six indicators measured, including the control of corruption, regulatory quality and government effectiveness.

According to the Index of Capacity for the Absorption of Information and Communication Technologies (Icати), prepared by the Center for Studies of the Digital Economy, under the auspices of the Santiago Chamber of Commerce (CCS), Chile remains in 22nd place among 43 countries in its access to new technologies.

Taking care of the children

To protect the development and well-being of the 200,000 underage workers currently employed in Chile – many of them under unacceptable conditions – a new set of regulations has entered into force. Law 20,189, which modifies the existing Labor Code in conformity with ILO Conventions 138 and 182, sets standards for the employment of minors aged 15 to 18 who have not yet completed their mandatory 12 years of schooling.

Published on the World Day Against Child Labor (June 12), the new law requires that minors work only during daytime hours, for a maximum of eight hours per day. The work must consist of light tasks which do not affect the young person's physical well-being. Employment must be approved by the parents and may not exceed 30 hours per week for students who are still in elementary or secondary school. Only if all of these conditions are met may an employment contract be signed.



The law also regulates activities considered hazardous to health and development, such as the use of agricultural pesticides and the operation of sharp-edged tools and machinery without adequate protection. In Chile, 28,000 young people between the ages of five and 17 are currently involved in these types of work.

Economy on the rise

The outstanding performance of Chile's economic indicators and the consistent growth figures observed in the last five months of 2006 (5.8%) presage a growth rate above 6% for 2007.

Among the most notable indicators is the significant drop in the unemployment rate during the March-May quarter of 2007. Its fall to 6.7% – the lowest level in nine years – implies the creation of 210,080 new jobs in the last 12 months. A further piece of good news was the 6.6% increase in minimum monthly income for workers aged 18 to 65.

During the first six months of the year, exports had already reached an accumulated total of 34.767 billion dollars – a 20.9% increase over the same period of the previous year – while imports totaled 19.880 billion dollars, for an increase of 15.7%. Thanks to these excellent results, the country enjoyed an accumulated trade balance of 14.886 billion dollars during the first half of the year.



OVERHEARD

"For me, Chile is a nearby model to consider in the areas of institutional consolidation, respect, and tolerance – both among those in government and those in the opposition. Truly, its leadership class has matured greatly, and that is why Chile is where it is."



Mauricio Macri, mayor-elect of Buenos Aires.
Buenos Aires, June 28, 2007.

"Chile is a very important market for General Motors, and we are learning a lot here, because it is the world's most open industry for the automotive market. More than 40 brands are currently competing here for customers. Therefore, if we can succeed here, we can succeed in any country."

Maureen Kempston, president of the General Motors group for Latin America, Africa and the Middle East.
Santiago, June 21, 2007.

"The economy is already growing, and what we need to do now is see how we can maintain this growth. Among the people I have talked to, there is a strong consensus that Chile is entering a new phase of development, and we must figure out how things will work in this new phase. In an economy such as Chile's – which will move in the near future from an middle-high income economy to an advanced, high-income economy – significant investments are needed in education, infrastructure and all that goes with them."

Michael Spencer, president of the World Bank Commission for Growth and Development, and 2001 Nobel Prize winner in Economics.
Santiago, June 20, 2007.

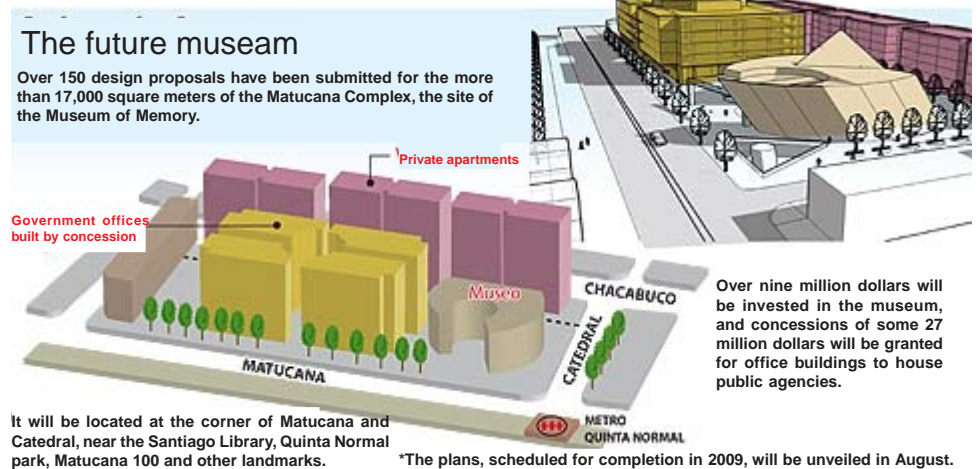
"Chile is an example of democracy and capitalism for the rest of the region, and in my view, also for the United States in many ways. The country's commitment to fiscal discipline has now become more cultural than political, and I would like to see that in the United States. The trade between Chile and the United States is also a good example for other countries. In the years since the free trade agreement, we have seen an increase of 250%; this makes Chile an important example."

Jeb Bush, former governor of Florida.
Santiago, June 18, 2007.

The Museum of Memory

Plans are underway for the construction of a very special museum in Santiago: the Museum of Memory. The idea is to assemble a wide range of artifacts related to human rights violations and display them in a spirit of education and reflection. The announcement was made by President Bachelet in her May 21 Message to the Nation, and the museum is scheduled to open its doors in 2009.

The Museum of Memory will form part of the Matucana Complex, a project dedicated to the country's bicentennial and one of the current government's most significant urban initiatives. Its 5,000-square-meter area will include installations to preserve photographs and writings collected between 1974 and 1990, exhibition halls, a human rights documentation center, offices for working researchers, and a multi-use auditorium for cultural and educational activities related to human rights. The museum will also provide a home for the documentary collections of eight Chilean human rights bodies included in Unesco's "Memory of the World" registry.



A special place among the museum's collections will be given to the most significant documents of the country's transition: the Rettig Commission Report (1990), the results of the 1999 Dialogue Roundtable, the Human Rights Proposal put forth by former President Ricardo Lagos in 2003, "No hay mañana sin ayer" (There is no tomorrow without yesterday), and the 2004 Report of the National Commission on Political Imprisonment and Torture.

CHILEANS AROUND THE WORLD

Through Chile's ambassador to the United States, Mariano Fernández, President Michelle Bachelet has received the award for the most outstanding public figure of 2006, presented by the Association of Latin American Chambers of Commerce and Industry (Camacol). The President was selected for the honor in a unanimous vote among 20 Chambers of Commerce representing businesspeople throughout the Americas.

In recognition of her 35 years of work with the British Health Service and as director of England's National Blood Service, Chilean doctor Marcela Contreras will be decorated by Queen Elizabeth II with the title of Dame Commander of the British Empire, a feminine version of knighthood or the title of "Sir."



Félix Mora, a Canadian of Chilean origin, has been named Justice of the Peace in the Canadian province of Ontario. The appointment forms part of Premier Dalton McGuinty's plan to strengthen the provincial judicial system with professionals who reflect the diversity of the population.



Chilean attorney Felipe González Morales has been elected by the General Assembly of the Organization of American States as a new member of the Inter-American Commission on Human Rights (IACHR).

AGENDA

- ★ July 5-6: Visit of the President of El Salvador, Efraín Fisiola. Santiago.
- ★ July 13: Visit of the U.S. Secretary of the Treasury. Santiago.
- ★ July 17-18: Visit of the Prime Minister of Canada, Stephen Harper. Santiago.

World-class skiing
Chile's El Colorado skiing center, located in Andes mountain, only 39 kilometers from Santiago, was chosen by the U.S. periodical *Forbes* as one of the top eight skiing destinations for this time of year.

The center's advantages include its proximity to Santiago (only an hour away by car). Besides its 45 ski lifts and its large number of hotels and rental apartments. However, the resort's greatest distinction is its connection to two other centers in the area, Valle Nevado and La Parva (as in France's "Three Valleys" region). The centers are interconnected, so that visitors can ski at any of them using a single pass.

El Colorado has a maximum altitude of 3,333 meters above sea level and a vertical displacement of 903 meters. It receives frequent, brief snowfalls, totaling an average of 5 meters of snow in a typical year, supplemented by artificial snowmaking systems. This year's season began on June 15 and will last until October 12. Over 150,000 winter sports fans from Chile and abroad are expected to visit the center this year.



CELEBRATIONS OF CHILE

Indigenous New Year

The winter solstice, which occurs between June 20 and 24 in the Southern Hemisphere, is the shortest day of the year.



For the original peoples of South America, this is the start of a new cycle of life, and thus “Indigenous New Year” is celebrated at this time.

In Chile, the Aymara, Rapanui and Mapuche people thank Mother Nature for the previous year’s harvests and calling upon the sun to return with greater force.

Machaq Mara is the ceremony of the Aymara people, in which they express their gratitude and ask *Pachamama* (Mother Earth) to bless the fruits of the soil. They also sacrifice animals in the name of *Tata Inti* (Father Sun), asking him to provide happiness and well-being to every individual.



The Rapanui people of Easter Island pay homage to their ancestors at ceremonial altars during the *Aringa Ora* or *Koro* celebration. They also participate in rituals to herald the new planting and fishing season.



The best known of these ceremonies in Chile is the *We Tripantu*, celebrated by the Mapuche people on the night of June 23. In a vigil lasting until dawn, they follow rituals that symbolize the beginning of the

In Chile, June 24 has been established as the “National Day of the Indigenous Peoples,” thanks to a legislative initiative promoted by former President Eduardo Frei Ruiz Tagle in 1998. The proposal gave rise to Supreme Decree 158, promulgated in 1999. Law 19,253 proclaims the State of Chile’s recognition, respect and protection for the ethnic groups comprising these peoples, as well as their cultures, customs and values.



relationship between mankind and nature, the renewal of productive cycles, and their god Ngnechen’s blessing of the waters, lakes and rivers, in which they bathe to purify their souls. These activities also serve to strengthen the spirit of brotherhood within the community.



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