jails are seriously overcrowded and frequent reports of torture and brutality indicate that the problem of violence against inmates is serious. Remedial efforts are hampered by poor training and chronic underfunding.

Poverty, unemployment and underemployment are serious problems in Peru and they contribute to the vulnerability of a large segment of the population to human rights abuses. The situation is further exacerbated by the large numbers of people displaced since the early 1980's by terrorist violence in rural areas. President Fujimori has made poverty alleviation one of his government's priorities but income disparity and a lack of social justice are factors which will not be solved in the short term.

## **CANADIAN POSITION**

Canada has made its position on human rights well understood to the Peruvian government. The Ambassador and other Embassy officers regularly express Canadian concerns and interests in both broad and specific terms when meeting with Peruvian government officials and members of the political establishment. The Embassy provides appropriate support and regularly exchanges views on the human rights situation in Peru with Canadian and local NGOs.

The Canada Fund for Local Initiatives contributed \$100,000 to 7 human rights projects during fiscal year 1995/96 and \$41,000 to 4 projects thus far in 1996/97. During the same periods, human rights and democratic development projects funded from other sources totalled \$69,800 and the Canada/Peru Counterpart Fund spent nearly \$5,000,000 on alternative development projects. Canada is also working closely with the Ombudsman and will provide information, expertise and technical assistance to his Office.