EXECUTIVE SUMMARY

Panama is a multiparty constitutional democracy. In May 2014 voters chose Juan Carlos Varela Rodriguez as president in national elections that international and domestic observers considered generally free and fair. Varela assumed the presidency in July 2014. Civilian authorities maintained effective control over the security forces.

The principal human rights problems were harsh prison conditions marked by overcrowding, inadequate health care, and corrupt behavior by civilian custodians and members of the Panamanian National Police (PNP); judicial ineffectiveness, including a judiciary susceptible to corruption and outside influence; and widespread corruption, often practiced with impunity.

Other human rights abuses reported included prolonged pretrial detention, violence against women and children, trafficking in persons, marginalization of indigenous people, societal discrimination based on HIV/AIDS status and sexual orientation, and child labor.

The change in administration resulted in several dozen investigations of corruption charges levied against officials from the previous administration. Individuals facing the same charges received different restrictive measures, resulting in allegations of favoritism.

Section 1. Respect for the Integrity of the Person, Including Freedom from:

a. Arbitrary or Unlawful Deprivation of Life

There were no reports the government or its agents committed arbitrary or unlawful killings.

b. Disappearance

There were no reports of politically motivated disappearances.

c. Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment
The constitution prohibits such practices, but there were some allegations that members of the PNP used harsh physical and psychological tactics in apprehending and detaining high school students participating in violent demonstrations. In July a group of public high school students from the National Institute protested in the streets for several days against internal discipline measures that school authorities implemented. In response, police raided the students’ homes at midnight and arrested four 18-year-old students and seven minors. There were allegations that police used excessive force and verbally abused some of the students during their arrests. Law enforcement authorities allegedly denied the students access to school materials to continue their education while in detention. Nongovernmental organizations (NGOs) expressed doubts regarding some of the detained students’ participation in the riots. In November authorities released all of the students, who returned to their classes.

**Prison and Detention Center Conditions**

Prison conditions remained harsh, due primarily to overcrowding, a shortage of prison guards, lack of adequate medical services, and inadequate sanitary conditions.

**Physical Conditions:** As of September the prison system, with an intended capacity of 14,174 inmates, held 16,485 prisoners. Pretrial detainees shared cells with convicted prisoners due to space constraints. Prison conditions for women were generally better than for men, but conditions for both populations remained poor, with overcrowded facilities, poor medical care, and a lack of basic supplies for personal hygiene. Juvenile pretrial and custodial detention centers also suffered from some overcrowding and a lack of custodians. There were 710 prison guards nationwide, including 112 new guards hired in July, but officials estimated the system required 1,400 guards. In all prisons inmates complained of limited time outside cells and limited access for family members. Small jails attached to local police stations sometimes held prisoners for days or weeks, and police officers who guarded them lacked the necessary custodial training to prevent abuses.

In May the Ministry of Public Security opened in Punta Coco on Isla del Rey what the government characterized as a temporary maximum-security facility to hold high-level gang leaders. In June relatives of three inmates submitted a complaint to the Ombudsman’s Office regarding the transfer of the inmates to this facility without prior notice to their lawyers. According to several sources, one other inmate was moved at his request because he feared for his safety at a larger
maximum-security prison. After a site visit on July 10, the Ombudsman’s Office expressed concerns that the isolated location violated the inmates’ human rights due to their limited access to their lawyers and relatives, as well as their lack of access to medical services. There was no physician on the island; inmates could receive medical assistance only from the sole National Air Naval Service paramedic stationed there. Inmates received 40 minutes of recreation time on the days they did their laundry. While they could go outside, they did not have permission to interact with other inmates. The government argued that isolating these inmates prevented them from provoking prison riots and from managing their gangs via cell phones.

Among the 146 complaints received by the Ombudsman’s Office as of September, the principal prisoner concern related to poor or inadequate medical attention. Hypertension, diabetes, dermatitis, HIV/AIDS, and respiratory illnesses were the most common diseases among the prison population. Prison medical care was inadequate due to lack of personnel, transportation, and medical resources. As of September only 73 medical staff (physicians, nurses, and technical staff) were assigned to all prisons nationwide. La Joyita had a 60-bed clinic, but it remained underused due to the lack of guards to watch detainee patients, as well as a lack of medical equipment for more serious cases. Authorities transferred patients with serious illnesses to public clinics, but there were difficulties arranging for the inmates’ transportation. The penitentiary system did not have an ambulance; inmates were transported in police vehicles or in emergency services ambulances when available, and no medical assistance was provided during transportation. Prison medical units continued to lack sufficient supplies of insulin. Authorities permitted relatives of inmates to bring medicine, although some relatives paid bribes to members of the PNP to bypass the required clearances. Some facilities lacked potable water and adequate ventilation and lighting.

As of September, 29 male inmates had died in detention. These deaths resulted from inmate-on-inmate violence; chronic illnesses, including HIV and tuberculosis; and from other causes.

Of the 1,230 juvenile inmates held in six detention centers, 222 were convicted, and 267 were in pretrial detention, with the remaining juveniles under house arrest. There were only 141 custodians (most of them women) for the six centers and eight medical providers (four general physicians, one psychiatrist, one dentist, and two nurses).
Administration: In October the penitentiary system started using a computerized system to update and ensure accurate information on all inmates. This software included general data on inmates, their legal status, as well as information related to rehabilitation programs in which they participated, but prosecutors at the Attorney General’s Office and legal authorities of the judiciary complained about their inability to edit or input information into the software.

The system continued to apply the “two-for-one” reduction in time served (two days’ work and/or study results in a one-day reduction in time remaining on the sentence). The Technical Committee, however, did not always implement this initiative, in part due to their failure to meet.

Prisoners could submit complaints to judicial authorities without censorship and request investigation of credible allegations of inhuman conditions, but authorities did not make the results of such investigations publicly. The Ombudsman’s Office negotiated and petitioned on behalf of prisoners and received complaints about prison conditions. The Ombudsman’s Office continued to conduct weekly prison visits to prisons in Panama City and Colon, and twice a year to prisons elsewhere in the country, and the government generally did not monitor its meetings with prisoners.

Independent Monitoring: The government permitted prison monitoring by independent nongovernmental observers, including a June visit by a member of the Inter-American Commission on Human Rights (IACHR) to La Joya, La Joyita, and the La Nueva Joya complex. The Roman Catholic NGO Justice and Peace made monthly visits and reported unobstructed access by various religious groups. Human rights NGOs wishing access to the prisons during fixed visiting hours must send a written request to the National Directorate of the Penitentiary System 15 days in advance.

Improvements: The government took steps to reduce overcrowding. From June to August, the government transferred 619 nonviolent prisoners to the underutilized La Nueva Joya complex. As of October the prison was 12 percent occupied. Between January and August, President Varela granted conditional release with probation to 203 inmates who had served two-thirds of their sentences. As of August another 392 inmates were released after sentence reductions. During the year authorities returned 30 inmates to their countries of origin to serve the remainder of their sentences.
In August the government awarded a contract to improve sanitation at the women’s prison in Panama City, which held more than 800 inmates.

**d. Arbitrary Arrest or Detention**

The law prohibits arbitrary arrest and detention, and the government generally observed these prohibitions.

**Role of the Police and Security Apparatus**

The country has no military forces. The PNP is principally responsible for internal law enforcement and public order. Civilian authorities in the Ministry of Public Security and the Ministry of the Presidency maintained effective control over all police, investigative, border, air, maritime, and migration services in the country. The government has mechanisms to investigate and punish abuse and corruption, but information on process and results of investigations was rarely made public.

**Arrest Procedures and Treatment of Detainees**

The prosecutor’s office issues arrest warrants based on evidence. The law provides for suspects to be brought promptly before a judge, but lack of prompt arraignment continued to be a problem except in the judicial districts operating under the new accusatory justice system (the accusatory justice system is being phased in by geographic region), where lack of prompt arraignment would void the arrest. The law requires arresting officers to inform detainees immediately of the reasons for arrest or detention and of the right to immediate legal counsel. While a functioning bail system exists for a limited number of crimes, it was largely unused for most cases processed under the old inquisitorial system, which remained in effect in the country’s largest judicial districts (Panama, Colon, Darien, and Guna Yala). Under the inquisitorial system, most bail proceedings are at the discretion of the Prosecutor’s Office and cannot be independently initiated by detainees or their legal counsel. Detainees gained prompt access to legal counsel and family members, and the government provided indigent defendants with a lawyer.

The law prohibits police from detaining suspects for more than 48 hours without judicial authorization, but permits the detention of minors for 72 hours. The time for detention of minors was lengthened as a reaction to an increase in killings by youth. Under the inquisitorial system, the preliminary investigation phase of detention may last from eight days to two months, and the follow-up investigation phase can last another two to four months, depending on the number of suspects.
Pretrial Detention: The government regularly imprisoned inmates under the inquisitorial system for more than a year before a judge’s pretrial hearing, and in some cases pretrial detention exceeded the minimum sentence for the alleged crime, largely because of judicial inefficiency and the use of the inquisitorial system. As of August according to government statistics, 65 percent of prisoners were pretrial detainees. Courts in the six provinces that used the accusatorial system reported a decreased case backlog.

e. Denial of Fair Public Trial

While the law provides for an independent judiciary, the judicial system was inefficient and susceptible to corruption and outside influence, and faced allegations of manipulation by the executive branch.

In August following consultation with members of the Judiciary, legal organizations, and civil society, President Varela signed Law 53 to establish hiring practices, merit-based promotions, job stability, salary scales, and retirement plans in the judiciary. Civil society celebrated the signing of the bill as a way to improve performance and reduce corruption and abuse of power.

The Directorate of Judicial Investigation (DIJ), a subunit of the PNP, provides investigative services to the judicial system. At the local level, mayors appoint administrative judges who exercise jurisdiction over minor civil cases and the arrest and imposition of fines or jail sentences of up to one year. Outside Panama City, the system had serious shortcomings. Such judges usually had no legal training or other pertinent expertise. Defendants lacked adequate procedural safeguards. Appeal procedures were generally nonexistent. Affluent defendants often paid fines or were put under house arrest, while poorer defendants faced incarceration.

Trial Procedures

The law provides that all citizens charged with crimes enjoy a presumption of innocence. They have the right to counsel, to refrain from incriminating themselves or close relatives, and to be tried only once for a given offense. If not under pretrial detention, the accused may be present with counsel during the investigative phase of proceedings.
During the year the government continued implementing the new code of criminal procedure (designed to move the country from an inquisitorial to an accusatory system of justice), which is scheduled to be completed in 2016. The new accusatory system already operated in some districts. In September the government implemented the new accusatory system in the western provinces of Chiriqui, Bocas del Toro, and the Ngabe Bugle comarca (an indigenous region with a high degree of administrative autonomy).

Trials are open to the public under the accusatory system. The law provides for trial by jury if one of the charges is murder and if the defendant so chooses. Judges may order the presence of pretrial detainees for providing or expanding upon statements or for confronting witnesses. Trials are conducted based on evidence presented by the public prosecutor. Defendants have the right to be present at trial and to consult with an attorney in a timely manner. Defendants may confront or question adverse witnesses and present their own witnesses and evidence. Defendants and their attorneys have access to relevant government-held evidence. Defendants have a right of appeal. The law extends these rights to all citizens, and the judiciary generally enforced them.

The law obliges the government to provide public defenders for the indigent. In many cases public defenders received the case late in the investigation, after the prosecutor had evaluated most of the evidence and decided to recommend trial. There were no well-established procedures under the inquisitorial system for defenders to challenge the admissibility of evidence.

Trials continued to be problematic in Darien due to the lack of a prison. Inmates who committed crimes in Darien continued to serve their sentences at the La Joya and La Joyita complex but were tried in the remote Santa Fe (Darien) mobile court. From January to September, 38 of the 88 hearings scheduled to take place in Santa Fe were suspended, due primarily to the absence of defendant lawyers or of inmates who the penitentiary system was unable to produce in time for transportation to the mobile court.

The judiciary continued to promote videoconference hearings. The First Judicial District, the country’s largest, opened five new videoconference hearing rooms following the redistribution of underutilized technical equipment within the system. Between January and July, the First, Second and Third Judicial Districts held 1,128 videoconferencing hearings, but some judges in the interior were reluctant to use the new technology.
Political Prisoners and Detainees

There were no reports of political prisoners or detainees. Some individuals detained under corruption charges claimed that their charges were politically motivated, because they had served during the administration of former president Ricardo Martinelli. As of September dozens of corruption investigations against Martinelli-era officials continued, although there was differing treatment of accused officials. Some individuals were placed under house arrest, while others were detained at the PNP or temporary prisons. Only a few were sent to the El Renacer prison. In November, following a complaint by the chief justice of the Supreme Court, the Public Ministry detained 12 low-level judicial employees on corruption charges. The Prosecutor’s Office was investigating the employees for allegedly requesting defendants for bribes to reduce bails, to delay the issuance of arrest warrants, to alter hearing dates, and to grant house arrest or less-restrictive incarceration. These individuals remained in detention at the end of the year.

Civil Judicial Procedures and Remedies

Citizens have access to the courts to bring lawsuits seeking damages for, or cessation of, human rights violations. Most do not pursue such lawsuits due to the length of the process. There are administrative and judicial remedies for alleged wrongs, and authorities often granted them to citizens who followed through with the process. The court can order civil remedies, including fair compensation to the individual injured. Individuals or organizations may initiate cases involving violations of an individual’s human rights by submitting petitions to the IACHR, which in turn may submit the case to the Inter-American Court of Human Rights.

f. Arbitrary Interference with Privacy, Family, Home, or Correspondence

The law prohibits such actions, and the government generally respected these prohibitions. The Attorney General’s Office maintained representatives in each PNP division to approve searches, and they approved numerous searches during the year.

The law also sets forth requirements for conducting wiretap surveillance. It denies prosecutors authority to order wiretaps on their own and requires judicial oversight.

In January prosecutors opened a case for illegal wiretapping against two former intelligence directors in the Martinelli’s administration. Between January and July,
police detained Alejandro Garuz and Gustavo Perez on charges of violation of rights and violation of privacy. By law former president Martinelli was the intelligence directors’ immediate supervisor. In June the Supreme Court permitted a case against former president Martinelli for illegal wiretapping, which resulted in the opening of an investigation. Martinelli did not appear at a December 11 hearing to determine if charges could be filed, and the prosecutor sought a detention order. As of December 15, the court had not issued a detention order or criminal charges against Martinelli.

Section 2. Respect for Civil Liberties, Including:

a. Freedom of Speech and Press

The constitution provides for freedom of speech and press. There were allegations that the government attempted to impede the media’s freedom of expression. Journalists complained of harassment, intimidation, and threats when covering stories of impropriety, corruption, or other crimes involving members of the Ministry of Public Security or members of the public security forces.

Press and Media Freedoms: There were reports the government tried to discourage journalists from writing stories critical of the administration. According to the Journalists’ Union of Panama, as of September, 20 complaints were filed with the National College of Journalists against government attempts to silence media critics.

Violence and Harassment: In August, journalist Carmen Boyd, a critic of the government’s treatment of journalists and former employee in the Martinelli administration, claimed vandals broke into her car and stole documents and records of former officials who were part of the movement to remove President Varela. In December, Boyd fell victim to another act of vandalism where only her car’s window was broken after she and other members of the Democratic Change political party criticized the government during a press conference. Boyd claimed the government was responsible for both incidents.

Internet Freedom

The government did not restrict or disrupt access to the internet or censor online content, and there were no credible reports the government monitored private online communications without appropriate legal authority. According to the 2015 Freedom House report, 45 percent of the population used the internet in 2014.
Under Law 59, the government offers in public spaces free Wi-Fi internet readily accessible to approximately 86 percent of the population.

**Academic Freedom and Cultural Events**

There were no government restrictions on academic freedom or cultural events.

**b. Freedom of Peaceful Assembly and Association**

The law provides for the freedoms of assembly and association, and the government generally respected these rights. Nevertheless, police at times used force to disperse demonstrators, especially when highways or streets were blocked. The law states that anyone who, through use of violence, impedes the transit of vehicles on public roads or causes damage to public or private property could be imprisoned for six to 24 months.

**c. Freedom of Religion**

See the Department of State’s *International Religious Freedom Report* at [www.state.gov/religiousfreedomreport/](http://www.state.gov/religiousfreedomreport/).

**d. Freedom of Movement, Internally Displaced Persons, Protection of Refugees, and Stateless Persons**

The law provides for freedom of internal movement, foreign travel, emigration, and repatriation, and the government generally respected these rights, except for some instances of internal movement in Darien province. The government generally cooperated with the Office of the UN High Commissioner for Refugees (UNHCR) and other humanitarian organizations in providing protection and assistance to refugees, persons under temporary humanitarian protection (THP), asylum seekers, and other persons of concern.

**Protection of Refugees**

**Access to Asylum:** The country’s laws provide for the granting of asylum or refugee status, and the government has established a system for providing protection to refugees. The process of obtaining refugee status generally took as long as a year, but ONPAR considered expediting cases involving vulnerable applicants, such as pregnant women and minors.
A Colombian THP group has lived in the Darien region for more than 18 years. Those under THP may obtain legal permanent residency and the law requires the government to complete this regularization process within two years from the passage of the law. ONPAR coordinated with the National Migration Service, the Ministry of Labor, UNHCR, the National Civil Registry, and the Colombian embassy in this process. ONPAR confirmed that, as of October, the National Civil Registry had photographed and fingerprinted for their permanent residency cards all applicants designated with THP status in Darien.

According to ONPAR, as of October it received 2,541 new applications for refugee status. Among this group, 80 percent were Colombian, 5 percent Venezuelan, 3 percent Nicaraguan, 2 percent Cuban, and the rest other nationalities. As of October there were 2,362 individuals recognized with refugee status, 40 of whom were granted the status during the year (36 from Colombia, two from Sierra Leone, one from Venezuela, and one from Syria).

Between January and September, the national border protection force, SENAFRONT, apprehended 17,907 irregular migrants in the Darien, compared with 8,380 individuals in 2014. Among these migrants, 14,712 were Cuban nationals, an increase of 6,053 from the entire previous year. Most passed through Panama on their way north. An executive decree allows Cubans who arrive lawfully to receive transit visas without being detained.

The government reported continued migration of persons from South Asia and Africa en route to North America. As of September, 3,195 migrants from outside the hemisphere, most from Nepal, Bangladesh, Pakistan, and Ghana, had entered through Darien. Authorities temporarily held these migrants in a Roman Catholic-run shelter before transferring them to a detention center in Panama City operated by the government’s migration authority. Authorities typically held migrants from outside the hemisphere in detention while their identities were verified and their asylum applications reviewed. The sharp rise in irregular migration strained detention resources, leading to overcrowding and poor conditions.

According to UNHCR and its NGO implementing partners, thousands of persons living in the country might be in need of international protection. These included persons in the asylum process, persons not granted asylum, and persons who did not apply for refugee status due to lack of knowledge or fear of deportation.

The government discontinued a program that provided undocumented residents an opportunity to legalize their status. Foreigners seeking a work contract must
initiate the process through a lawyer and pay a government fee of 700 balboas ($700) to obtain a work permit that expires upon termination of the labor contract or one year, whichever comes first.

**Employment:** Refugees recognized by the authorities have the right to work, but recognized refugees complained that they faced discriminatory hiring practices. In an effort to prevent this discriminatory practice, ONPAR removed the word “refugee” from recognized refugees’ identification cards.

**Access to Basic Services:** Education authorities sometimes denied refugees access to education, while refusing to issue diplomas to others if they could not present school records from their country of origin. In October the government issued a decree requiring schools to accept students in the asylum process at the grade level commensurate with the applicants’ prior studies.

**Durable Solutions:** The law allows persons legally recognized as refugees or with asylum status who have lived in the country for more than three years to seek permanent residency; ONPAR received 300 applications for permanent residency since 2014, but no information was available on how many were accepted for resettlement in the country. As of October no information was available on whether the government assisted in the safe, voluntary return of refugees to their homes.

The government generally permitted freedom of movement for recognized refugees and asylum seekers. During the year the National Civil Registry, accompanied by the National Office for the Protection of Refugees (ONPAR), traveled to several areas of Darien to help process permanent residency cards for Colombian citizens living in the region as part of the THP regime.

**Temporary Protection:** As of October, ONPAR had yet to issue migration cards to those with recognized THP status, but the National Civil Registry took photographs and fingerprints for permanent residency cards.

**Section 3. Freedom to Participate in the Political Process**

The law provides citizens the ability to choose their government in free and fair periodic elections based on universal and equal suffrage, and citizens generally exercised this right. The law provides for direct popular election every five years of the president, vice president, legislators, and local representatives. Naturalized citizens may not hold specified categories of elective office.
Elections and Political Participation

Recent Elections: In May 2014 voters chose Juan Carlos Varela Rodriguez, the candidate of the opposition The People First Alliance, as president in national elections independent observers considered generally free and fair. Elected at the same time were 71 legislators, 77 mayors, 648 local representatives, and seven council members. In October the Electoral Tribunal held elections for the 128,737 eligible voters to choose delegates to the General Congress, three regional congresses, and nine local congresses of the Ngabe Bugle comarca. While the elections occurred without incident, NGOs expressed concern about the low (10 percent) voter turnout.

Political Parties and Political Participation: The law requires new political parties to meet strict membership and organizational standards to gain official recognition and participate in national campaigns. The law also requires that political parties obtain the equivalent of 4 percent of the total votes cast to maintain legal standing. The Revolutionary Democratic Party, Panamenista Party, Democratic Change Party, and Popular Party all complied with the requirement. The Broad Front for Democracy did not meet the requirement in the 2014 general elections and in September requested a new registration of the party.

Participation of Women and Minorities: Women participated in political life on the same basis as men. Five seats in the legislature are designated to represent the country’s recognized indigenous regions. Afro-Panamanians make up a slight majority of the country’s society. Although possibly only one government official in the legislature, cabinet, and Supreme Court self-identified as an ethnic minority, there appeared to be two Afro-Panamanians on the Supreme Court, and nine Afro-Panamanian deputies in the National Assembly representing the three largest political parties. There were no Afro-Panamanians in the 18-member cabinet or any other high-level government positions.

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. There were allegations that government officials and members of the previous government administration engaged in corrupt practices with impunity. Corruption remained a problem in the executive, judicial, and legislative branches as well as in the security forces.
Anticorruption mechanisms such as asset forfeiture, whistleblower, and witness protection, plea bargaining, and professional conflict-of-interest rules exist. In August, President Varela signed Law 53 establishing the judicial career, considered by many observers as a means to reduce corruption and judicial authorities’ abuse of authority.

Corruption: The National Authority for Transparency and Access to Public Information (ANTAI) combats and investigates government corruption. During the year there were multiple credible allegations of corruption against current or former members of the government.

In March the government sentenced then Supreme Court Justice Alejandro Moncada Luna to 60 months in prison for illegal enrichment and document forgery and seized two luxury apartments and several bank accounts. Moncada Luna, who was barred from holding public office for five years after completion of his sentence, remained at the El Renacer prison at year’s end.

In an open letter to the president of the board of directors of the Panama Canal Authority in August, the ANTAI administrator requested the removal of a board member under investigation for corruption during the Martinelli administration. The case demonstrated that the Panama Canal Authority’s internal bylaws do not include sanctions against board members who engage in unethical activities or behavior.

During the year ANTAI opened dozens of investigations of alleged cases of nepotism, resulting in the resignations of 23 public servants. Other cases remained pending.

Corruption and a lack of accountability among the police continued to be a problem. The PNP’s Office of Internal Affairs reported 747 new cases against police from January through September. In August the PNP began implementing a new policy that requires members of the PNP who serve as prison guards to rotate to other police functions after two years. The policy aims to reduce corrupt behavior by members of the PNP who have been at one prison for an extended period.

In January a judge denied former vice minister of commerce Luis Eduardo Camacho Gonzalez’s request to dismiss the 2014 embezzlement case against him, and the case continued during the year.
The investigative phase of the case, filed in mid-2014, against former minister of labor Alma Cortes related to misuse of travel funds and improper claims for reimbursement continued as of September.

**Financial Disclosure**: The law requires certain executive and judiciary officials to submit a financial disclosure statement with the Comptroller General’s Office. The information is not made public unless the official grants permission for public access.

In August, ANTAI instituted a standardized reporting form for all government authorities, including the executive, legislative, and judicial branches, to be submitted for each official trip made overseas.

**Public Access to Information**: The law provides for public access to information about public entities, with the exception of cabinet meeting minutes. ANTAI statistics as of April showed 53 requests for access of information, 23 of which the government offices fulfilled; the others remained pending as of September. Citizens can appeal denials of information to the Supreme Court. Deadlines are 30 days, and there are no processing fees. There are sanctions, primarily fines, for noncompliance.

**Section 5. Governmental Attitude Regarding International and Nongovernmental Investigation of Alleged Violations of Human Rights**

A number of domestic and international human rights groups generally operated without government restriction, investigating and publishing their findings on human rights cases. Government officials generally were cooperative and responsive to their views.

**Government Human Rights Bodies**: The ombudsman, elected by the National Assembly, has moral but not legal authority, received government cooperation, and operated without government or party interference. The Ombudsman’s Office referred cases to the proper investigating authorities.

**Section 6. Discrimination, Societal Abuses, and Trafficking in Persons**

The law prohibits discrimination based on race, sex, religion, political opinion, national origin or citizenship, social origin, and disability, but the government did not always enforce these prohibitions effectively.
Women

Rape and Domestic Violence: The law criminalizes rape, including spousal rape, with prison terms of five to 10 years, or eight to 10 years under aggravating circumstances, such as use of a weapon. The government generally implemented criminal aspects of the law better than protection aspects of the law. Rapes constituted the majority of sexual crimes investigated by the PNP and the PNP’s Directorate of Judicial Investigation. NGOs reported that many women were reluctant to report rapes due to fear of retaliation, inadequate response, and social stigma.

The law against gender violence stipulates stiff penalties for harassment and both physical and emotional abuse and provides for prison terms of up to 30 years for murder. The law criminalizes domestic abuse and family violence with prison terms of two to four years and makes domestic violence an aggravating circumstance in homicide cases. It also mandates education and violence prevention measures, as well as a host of victim support services, but the government did not implement the law effectively.

Domestic violence continued to be a serious and underreported problem. Statistics varied widely between reporting authorities. The Integrated National System for Criminal Statistics (SIEC) reported an average of 1,500 domestic violence cases per month nationwide, an increase of 11 percent from 2014. Through October, 25 women and one man were reported killed by their domestic partners or their domestic partners’ former spouses, according to government statistics. A SIEC report noted, however, that there was a substantial difference in the statistics reported by the PNP from police stations and those reported by the DIJ.

In March the Ombudsman’s Office launched its program “Mujer Conoce tus Derechos” (Woman, Know Your Rights), which included a wide distribution of flyers featuring women of different ages, professions and ethnic groups, with a quotation expressing their views on gender problems. The office developed program plans with the 11 regional offices, including those within the indigenous reservations, and as of September held two workshops in each region with 6,000 participants. The Panamanian Observatory Against Gender-Based Violence, run by the Ombudsman’s Office, translated a 67-page booklet on women’s rights into the Ngabe and Guna languages and distributed it on both reservations, as well as printing the booklet in braille. The observatory also joined private media conglomerate MEDCOM in a campaign to create awareness of domestic violence. The observatory’s director made several nationwide live appearances to discuss
gender problems and domestic violence on television shows hosted by popular MEDCOM outlets.

During the year authorities at the Attorney General’s Office tasked prosecutors and legal staff with conducting outreach with media and community leaders, encouraging women to file complaints, educating women on their rights, and encouraging the public to file anonymous complaints if they are aware of incidents of domestic violence within their own communities.

There is a lack of shelters for victims of domestic abuse. The government, through the National Institute for Women Affairs (INAMU), operated a shelter in Panama City for victims of domestic abuse and offered social, psychological, medical, and legal services. During the year INAMU reopened its shelter in Chiriqui.

Sexual Harassment: The law prohibits sexual harassment in cases of established employer-employee relations in the public and private sectors and in teacher-student relations. Violators face a maximum three-year prison sentence. The extent of the problem was difficult to determine, because convictions for sexual harassment were rare, and pre-employment sexual harassment was not actionable. Despite the lack of statistics, the Ombudsman’s Office shared anecdotal information of a perceived increase in sexual harassment cases against women. The lack of formal reports was attributable to the absence of a follow-up protocol after reports are filed, the difficulty of providing proof in the absence of third-party witnesses, the lack of favorable results in the few past cases, and the likelihood a woman filing a complaint would be fired.

Reproductive Rights: Couples and individuals generally have the right to decide the number, spacing, and timing of their children; manage their reproductive health; and have access to the information and means to do so, free from discrimination, coercion, or violence. Access to information on contraception and skilled attendance at delivery and in postpartum care were widely available except in provincial-level indigenous regions, where it was limited, according to the American Red Cross and the Ombudsman’s Office.

Discrimination: The law prohibits discrimination based on gender, and women enjoyed the same legal status and rights as men under family, labor, property, and inheritance law. The law recognizes joint property in marriages. The law mandates equal pay for men and women in equivalent jobs. The Ministry of Social Development and the National Institute of Women promoted equality of women in the workplace and equal pay for equal work, attempted to reduce sexual
harassment, and advocated legal reforms. Despite a lack of statistics, the Ombudsman’s Office shared anecdotal information of a perceived increase in recently hired women who were fired once their pregnancies were known. Although an illegal practice, many potential employers requested pregnancy tests.

Children

Birth Registration: The law provides citizenship for all persons born in the country, but parents of children born in remote areas sometimes had difficulty obtaining birth registration certificates. The National Secretariat for Children, Adolescents, and the Family estimated the registration level of births at 80 percent.

Child Abuse: The Ministry of Social Development maintained a free hotline for children and adults to report child abuse and advertised it widely. The ministry provided funding to children’s shelters operated by NGOs in seven provinces and continued a program that used pamphlets in schools to sensitize teachers, children, and parents about mistreatment and sexual abuse of children. As of September government statistics reported 2,205 cases of child or adolescent abuse.

Early and Forced Marriage: The minimum legal age for marriage is 18. During the year the government amended the law to remove provisions permitting an earlier age of marriage with parental permission.

Sexual Exploitation of Children: Sexual abuse of children was reported in urban and rural areas, as well as within indigenous communities. As of September government statistics showed 792 cases of child pornography, although how many individuals were charged was unclear.

The law prohibits consensual sex between adults and children ages 14 to 18, except for children who are married with parental consent, and imposes a penalty of up to three years’ imprisonment for the crime. If the child is younger than 14, the act is punishable with four to 10 years’ imprisonment. The law provides for prison terms of three to five years for anyone who practices, facilitates, or promotes the corruption of a minor, and it criminalizes child pornography with the same penalty. The penal code also punishes individuals for selling or negotiating the purchase of sexual favors from persons in prostitution with penalties of up to 10 years’ imprisonment when the victim is younger than 18. Sex tourism involving children is also punishable. The government did not collect statistics on sex tourism involving children.
International Child Abductions: The country is a party to the 1980 Hague Convention on the Civil Aspects of International Child Abduction. For information, see the Department of State’s report on compliance at travel.state.gov/content/childabduction/en/legal/compliance.html and country-specific information at travel.state.gov/content/childabduction/en/country/panama.html.

Anti-Semitism

Community leaders estimated the Jewish population to be approximately 15,000. There were no known reports of anti-Semitic acts.

Trafficking in Persons

See the Department of State’s Trafficking in Persons Report at www.state.gov/j/tip/rls/tiprpt/.

Persons with Disabilities

The law prohibits discrimination based on physical, sensory, intellectual, or mental disability, but the constitution permits the denial of naturalization to persons with mental or physical disabilities. The law mandates access to new or remodeled public buildings for persons with disabilities and requires that schools integrate children with disabilities.

Persons with disabilities experienced substantial discrimination in access to transportation, employment, education, access to health care, and the provision of other government services. Panama City’s bus fleet was not wheelchair accessible. While the city’s metro system includes elevators for access for persons with disabilities, the elevators were frequently locked and could not be used. A lack of ramps further limited access to the stations. Panama Metro committed to fix the problems and invited National Secretariat for the Social Integration of Persons with Disabilities (SENADIS) to be part of the design committee for Line 2 of the Metro, which began construction in September. Most businesses had wheelchair ramps and accessible parking spaces as required by law, but in many cases they did not meet government’s size specifications.

Some public schools admitted children with mental and physical disabilities, but most did not have adequate facilities for other children with disabilities. There were 13,975 students with disabilities in 780 public schools nationwide. The
government installed ramps in some schools and mainstreamed some children with disabilities. Few private schools admitted children with disabilities. The high costs of hiring professional tutors to accompany children to private schools—a requirement of all private schools—burdened parents of students with disabilities.

The 2012 Guardian Angel program, which provides a subsidy of 80 balboas ($80) per month for children with significant physical disabilities, continued during the year. To qualify, the parents or guardian of a child must be living in poverty and must submit a medical certification specifying the degree of the disability and the child’s dependency on another person. A total of 12,213 persons with disabilities received 160 balboas ($160) during the fourth fund disbursement in September.

In late 2014 the Supreme Court ruled unconstitutional, on grounds of discrimination and the protection of private information, Law 35, which mandated that the National Electoral Tribunal include a person’s disabilities as well as blood type and allergies on his or her national identification card in case of emergency. The law also required the National Transportation Authority to include the same information on a government-issued driver’s license.

SENADIS is the agency responsible for protecting the rights of persons with disabilities. According to SENADIS authorities, its annual budget of approximately seven million dollars was half its estimated need. In October the National Assembly approved a budget of eight million dollars for 2016. The Ministries of Education and of Social Development share responsibilities for educating and training minors with disabilities.

In 2014 SENADIS opened the National Directorate for Certification to comply with the World Health Organization’s (WHO) Disability Assessment. In May, SENADIS installed an evaluation board to begin certifying persons with disabilities. At a public event in July, President Varela and Minister of Social Development Alcibiades Vasquez issued the first SENADIS certifications to a group of persons with disabilities. The certifications, in the form of an identification card, allowed persons with disabilities to receive discounts on medications, health services, utilities, transportation, and entertainment. As of October, SENADIS only issued approximately 240 certifications of the 1,150 applications received since 2014. This pace is attributable to a lack of professional staff with the necessary training and certification (based on WHO standards) required to serve on the boards. In October the Ministry of Health assigned two full-time physicians to work at the boards to expedite the process.
The law stipulates a 2-percent quota for persons with disabilities within the workforce. The Ministry of Labor is responsible for referring workers with disabilities to employers for suitable jobs, but successful hiring by private-sector employers remained poor. During the year SENADIS and the Ministry of Labor sponsored three career fairs during which more than 50 large local companies reportedly hired more than 1,500 persons with disabilities. In August, SENADIS, the Ministry of Labor, and local NGO Sumarse sponsored another job fair for persons with visual disabilities at which employers hired 50 blind persons.

SENADIS continued to operate the Family Businesses Project, which assisted low-income families with members with disabilities to start microbusinesses. By October the government provided 50 balboas ($50) per month to 88 new beneficiaries. Throughout the year the government also donated rehabilitation equipment to low-income persons with disabilities. During the year SENADIS held seminars nationwide to create awareness on disabilities problems and to promote its social programs in rural communities, including several in the indigenous Ngabe Bugle comarca.

**National/Racial/Ethnic Minorities**

Minority groups were generally integrated into mainstream society. Prejudice was directed, however, at recent immigrants and the Afro-Panamanian community. Cultural and language differences and immigration status hindered the integration of immigrant and first-generation individuals from China, India, and the Middle East into mainstream society. Additionally, some members of these communities were themselves reluctant to integrate into mainstream society. Members of these groups often owned major trading businesses or worked in the retail trade. A constitutional provision reserving retail trade for citizens of the country was generally not enforced.

The Afro-Panamanian community continued to be underrepresented in positions of political and economic power. Areas where they lived conspicuously lacked government services and social investment. Prejudice toward blacks was generally subtle, taking the form of unofficial “right-of-admission” policies at restaurants and commercial establishments that discriminated against darker-skinned individuals or those of lower social status. The law prohibits discrimination in access to public accommodations such as restaurants, stores, and other privately owned establishments, but few cases complaints were filed.
There were reports of racial discrimination against various ethnic groups in the workplace (see section 7.d.). In general lighter-skinned persons were represented disproportionately in management positions and jobs that required dealing with the public, such as bank tellers and receptionists. Some businesses discriminated against citizens with darker skin through preferential hiring practices.

During the year the National Coordinator for Panamanian Black Organizations, the only NGO that brings together different societal Afro-Panamanian groups, began working with the Comptroller General’s Office to ensure the inclusion of questions addressing Afro-descendant problems in the census. The National Coordinator also worked closely with the Ombudsman’s Office in addressing complaints of racism in public institutions, private companies, and private schools, including the prohibition against black students or employees with dreadlocks.

The terms for board members of the National Council for the Afro Ethnic Group, an organization created in 2005 by an executive decree to combat discrimination against Afro-Panamanians, expired, and they did not have successors as of September. The government appointed a paid manager to work for the council, but the national coordinator reported a lack of communications between the manager, the council, and the national coordinator for the country’s black organizations.

**Indigenous People**

The law affords indigenous persons the same political and legal rights as other citizens, protects their ethnic identity and native languages, and requires the government to provide bilingual literacy programs in indigenous communities. Indigenous individuals have the legal right to take part in decisions affecting their lands, cultures, traditions, and the allocation and exploitation of natural resources. Nevertheless, they continued to be marginalized. Traditional community leaders governed legally designated areas for five of the country’s seven indigenous groups, including the Embera-Wounaan, Ngabe Bugle, and Guna communities. The government did not recognize such areas for the smaller Bri Bri and Naso communities. In August the National Land Authority delivered 2.6 million balboas ($2.6 million) and one new title for collective lands encompassing 7,890 acres to the Ipeti Embera community in compliance with a 2014 ruling from the Inter-American Court of Human Rights and an agreement signed with the government in October 2014. The National Land Authority granted no new land titles for collective lands around the Embera-Wounaan comarca in the province of Darien.
There were no reported developments with respect to the 2014 agreement between the government and multiple other actors, including all traditional authorities, outlining the government’s commitments to indigenous people.

There were multiple conflicts between the government and indigenous groups regarding decisions affecting indigenous land. The Ngabe Bugle and the Naso continued to clash with the government over the issue of hydroelectric plants on territorial lands. One example was the Barro Blanco dam project, which would flood approximately 14 acres of “annexed lands,” as well as submerge a pre-Columbian petroglyph that practitioners of the main Ngabe Bugle religion, Mama Tatda, worship. In June a small contingent camped at the Barro Blanco entrance to prevent machinery and workers from entering the project. In July police entered the Barro Blanco dam project and allowed workers access to continue ensuring the integrity of the dam. The government and one of the Ngabe factions agreed that the dam would be finished, but it would not begin flooding or start operations until the parties reached a final agreement. Separately, the Ministry of the Environment fined one of the companies involved in the construction of the dam for failing to negotiate, relocate, and compensate those affected, and it fined a subcontractor for unauthorized discharges into a waterway and a lack of follow-up reports. The Ngabe Bugle people in the area of Bocas del Toro protested against the Chan 75 and Chan 2 dam projects. Chan 75 was completed, but the Ngabe claimed that there were irregularities in the compensation for resettlement. Chan 2 was still under construction.

Indigenous communities continued to challenge illegal settlements on their land.—Late in 2014 the Supreme Court ruled in favor of a settler who holds 370 acres in the collective lands of the Embera. In a separate decision, a municipal court in Darien ruled in favor of a settler family claiming land in the communities of Arimae and Embera Puru. Embera and indigenous organizations contested the legal decisions, because the Embera held these titles since 1982. Authorities did not conduct evictions despite court rulings in favor of the Embera or Guna. As of June indigenous General Congress presidents submitted to the district courts various petitions for the eviction of nearly 500 illegal settlers from tribal lands. One hundred and fifty settler families claimed rights to indigenous land within the comarca, and the National Land Authority was still reviewing pending land titling applications.

In June the Ministry of the Environment reiterated the ban on logging in Darien. The ban applied to permits given to settlers for logging outside the comarca areas.
The community permits issued to the indigenous comarcas for logging were not suspended.

Although the country’s law is the ultimate authority in indigenous comarcas, indigenous groups maintained considerable autonomy. Nevertheless, many indigenous persons misunderstood their rights and failed to employ legal channels when threatened because they did not have an adequate command of the Spanish language.

Societal and employment discrimination against indigenous persons was widespread. Employers frequently did not afford indigenous workers basic rights provided by law, such as a minimum wage, social security benefits, termination pay, and job security. Laborers on the country’s sugar, coffee, and banana plantations (the majority of whom were indigenous persons) continued to work in overcrowded and unsanitary conditions. Employers were less likely to provide adequate housing or food to indigenous migrant laborers, and indigenous children were much more likely to work long hours of farm labor than nonindigenous children (see section 7.d.). The Ministry of Labor conducted limited oversight of working conditions in remote areas due to limited staff.

Education continued to be deficient in the comarcas, especially beyond the primary grades. There were not enough teachers in these remote and inaccessible areas, with many multigrade schools, often poorly constructed and lacking running water. In August the Ministry of Education dedicated 60 million balboas ($60 million) to strengthening educational infrastructures in the Ngabe Bugle comarca. The ministry started to build 1,000 schools in the comarca to replace the “escuelas rancho” (rural impoverished schools) within four years. Access to health care was a significant problem in the indigenous comarcas as reflected in high rates of maternal and infant mortality and malnutrition. Many indigenous laborers migrated seasonally from the country to Costa Rica, and both governments were concerned about public health risks associated with these movements. The Ministry of Health established centers for primary health care near the border crossings for vaccinations and regular health exams for this migrant population.

**Acts of Violence, Discrimination, and Other Abuses Based on Sexual Orientation and Gender Identity**

The law does not prohibit discrimination based on sexual orientation, and there was societal discrimination based on sexual orientation and gender identity, which often led to denial of employment opportunities (see section 7.d).
The PNP’s internal regulations describe homosexual conduct by its employees as an offense. Harassment of lesbian, gay, bisexual, transgender, and intersex (LGBTI) persons by security forces was a major complaint of the New Men and Women of Panama (AHMNP), the main LGBTI organization, but formal complaints were rare due to the perception that the reports were not taken seriously or that complaints could be used against claimants in the absence of nondiscrimination legislation. On June 27, gay rights advocates organized and participated in the 11th annual gay pride parade without impediment, marking the first time an elected authority participated, when Panama City Mayor Jose Blandon and his family led the march with approximately 1,500 supporters in attendance. During the evening of June 26, unidentified individuals destroyed the platform parade organizers had built for their program. The parade proceeded as scheduled. There were no reports authorities opened an investigation on the incident.

Throughout the year the AHMNP, with the support of the Ombudsman’s Office, led awareness training sessions at the governor’s offices in the provinces of Bocas del Toro, Chiriqui, Veraguas, and Panama. Public servants from several agencies attended the training. The Panamanian Association of Transgender Persons reported regular incidents in which security forces refused to accept complaints of harassment of transgender individuals.

The country does not recognize any relationship between LGBTI partners in terms of health care, parental rights, property rights, or any publicly provided services.

An examination of nursing homes by the Central American NGO Center for the Investigation and Promotion of Human Rights (CIPAC) on March 13 revealed that the nursing homes barred gay couples from residing in them together. In addition to mentioning the need for awareness about the LGTBI community among their staff, the respondents, which included nursing homes’ staff members and caretakers, noted that residents faced expulsion from the nursing homes upon discovery of being in a same-sex relationship. CIPAC also interviewed members of the LGTBI community, who confirmed the lack of access to nursing home for members of their community.

**HIV and AIDS Social Stigma**

The law prohibits discrimination against persons with HIV/AIDS in employment and education, but discrimination continued to be common due to ignorance of the law and a lack of mechanisms for ensuring compliance. In August the Ministry of
Social Development launched the new National Network for the Continued Integral Attention of Persons with HIV/AIDS. The network consisted of representatives from the Ministries of Health and Social Development as well as local NGOs.

LGBTI citizens reported mistreatment by health-care workers, including unnecessary quarantines. In September the Citizens’ Observatory for Human Rights and HIV in Panama publicly complained about the lack of HIV/AIDS medicines at public hospitals. Ministry of Health authorities acknowledged delays in procurement processes due to bureaucracy and, at times, insufficient numbers of companies participating in biddings.

Section 7. Worker Rights

a. Freedom of Association and the Right to Collective Bargaining

The law provides for the right of private-sector workers to form and join unions of their choice subject to the union’s registration with the government. Public servants may not form unions but may form associations that can bargain collectively on behalf of members.

The law provides for the right of private-sector workers to strike. The Administrative Career Law grants public-sector employees the same right, when the strike has been deemed legal and when a minimum percentage of workers cover essential positions, as set out in the law. The right to strike does not apply in areas deemed vital to public welfare and security, including the police. The law provides all private-sector and public-sector workers the right to bargain collectively, prohibits employer antiunion discrimination, and protects workers engaged in union activities from loss of employment or discriminatory transfers. It requires reinstatement of workers terminated for union activity.

The law places several restrictions on these rights, including requiring Panamanian citizenship to serve on a trade union’s executive board, requiring a minimum of 40 persons to form a private-sector union (either by company across trades or by trade across companies), and permitting only one trade union per business establishment. The International Labor Organization continued to criticize the 40-person minimum as too large for workers wanting to form a union within a company. The government, private sector, and unions reiterated their support for keeping the figure at 40 individuals.
Similarly, 50 public servants are required to form a worker’s association. Member associations represent public-sector workers such as doctors, nurses, firefighters, and administrative staff in government ministries. The law stipulates there may not be more than one association in a public-sector institution and permits no more than one chapter per province.

In the private sector, the Ministry of Labor’s Labor Code provides that if the government does not respond to a registration application within 15 days, the union automatically gains legal recognition. In the public sector, unions gain legal recognition automatically if the General Directorate for Administrative Public Sector Careers does not respond to registration applications within 30 days.

A majority of employees must support a strike, which must be related to improvement of working conditions, a collective bargaining agreement, or in support of another strike of workers on the same project (solidarity strike). In the event of a strike, at least 20 to 30 percent of the workforce must continue to provide minimum services, particularly public services as defined by the law, such as transportation, sanitation, mail, hospitals, telecommunications, and essential food materials.

Strikes in essential transportation services are limited to those involving public passenger services. The law prohibits strikes for the Panama Canal Authority’s employees but allows unions to organize and bargain collectively on such issues as schedules and safety. It also provides for arbitration to resolve disputes. By law the National Federation of Public Servants (FENASEP), an umbrella federation of 21 public-sector worker associations, is not permitted to call strikes or negotiate collective bargaining agreements. Individual associations under FENASEP may negotiate on behalf of their members. FENASEP leaders noted that collective bargaining claims were heard and recognized, but they reported a lack of changes afterwards, particularly regarding firings without cause. FENASEP discussed structural changes with President Varela to promote equity and provide adequate treatment of the public sector as a sector with established rights like that of unionized groups. During the year FENASEP focused on the following problems: the lack of job stability, the lack of a policy for salary beyond the minimum wage, salary gap and equal pay for men and women, and the lack of indemnity pay for unjustified firings. In 2014 FENASEP assisted in the reinstatement of 40 percent of labor leaders whom the previous administration fired without cause.

Supreme Court decisions recognize that collective agreements negotiated between employers and unorganized workers have legal status equivalent to collective
bargaining agreements negotiated by unions. Executive decrees provide that an employer may not enter into collective negotiations with nonunionized workers when a union exists and that a preexisting agreement with nonunionized workers cannot be used to refuse to negotiate with unionized workers. The labor ministry’s *Manual of Labor Rights and Obligations* provides that unorganized workers may petition the ministry regarding labor rights violations and may exercise the right to strike.

An executive decree protects employees from employer interference in labor rights, specifically including “employer-directed unions,” and mandates that workers be able freely to choose unions, without penalty.

The government lacked sufficient mechanisms to ensure that laws prohibiting employer interference in unions and protecting workers from employer reprisals were adequately enforced. Fines ranging from 100 balboas to 2,000 balboas ($100 to $2,000) can be imposed on employers engaging in antiunion interference, with the fines doubled each time an employer is found to repeat the act of interference. The Ministry of Labor continued its participation in the Labor Foundation, which brings together organized labor, employers, and the government. Since the beginning of the Varela administration in July 2014, the government approved 15 of 17 applications it received for union formations and denied two based on evidence of company owners’ influence. The three main focal points for Ministry of Labor during the year were to create jobs, to ensure that persons with disabilities had access to the workforce, and to address unjustified firings and payment of back salaries owed to workers.

In addition to the court system, the Conciliation Board of the Labor Ministry has the authority to resolve certain labor disagreements, such as internal union disputes, enforcement of the minimum wage, and some dismissal issues. The law allows arbitration by mutual consent, at the employee’s request, or at the request of the ministry in case of a collective dispute in a public service company. It allows either party to appeal if arbitration is mandated during a collective dispute in a public service company. The separate Labor Foundation’s Tripartite Conciliation Board has sole competency for disputes related to domestic employees, some dismissal issues, and claims of less than 1,500 balboas ($1,500).

For public-sector workers, the Board of Appeal and Conciliation in the Ministry of the Presidency hears and resolves complaints. The board refers complaints it cannot resolve to an arbitral tribunal, which consists of representatives from the
employer, the worker’s association, and a third member chosen by the first two. Tribunal decisions are final.

Although private-sector unions widely exercised the right to organize and bargain collectively, antionion discrimination, loss of employment, and discriminatory transfers occurred. Union leaders continued to express concerns about government actions, such as auditing union budgets. There were allegations that Ministry of Labor representatives revealed the names of workers attempting to form a union to their companies, which allegedly then terminated these employees. Employers in the retail industry frequently hired temporary workers to circumvent legal requirements for permanent workers. In lower-skilled service jobs, employers often hired employees under three-month contracts for several years, sometimes sending such employees home for a month and later rehiring them. Employers also circumvented the law requiring two weeks’ notice for discharges by dismissing some workers one week before a holiday. Article 222, Item 1, of the labor code states that employers have the right to dismiss any employee without a justifiable cause before the two-year tenure term. As a result employers frequently hired workers for one year and 11 months and subsequently laid them off to circumvent laws that make firing employees more difficult after two years of employment. This practice is illegal if the same employee is rehired as a temporary worker after being laid off. While employees often encountered this situation during the year, they rarely reported the illegal practice.

While most labor leaders approved of the public-sector conciliation board, some lawyer groups criticized it as a route for circumventing the judiciary, leaving interpretation of labor laws to the discretion of persons who might lack expertise and opening the labor-dispute resolution system to political pressure.

b. Prohibition of Forced or Compulsory Labor

The law prohibits all forms of forced labor of adults or children. The law establishes penalties of 15 to 20 years’ imprisonment for forced labor involving movement (either cross-border or within the country) and six to 10 years’ imprisonment for forced labor not involving movement.

Reports continued that some forced labor of adults occurred. There were anecdotal reports that Chinese citizens were forced to work in grocery stores and laundries in situations of debt bondage, as well as reports that Nicaraguan and Colombian women were subjected to domestic servitude. According to leaders of the Central
General Autonomy for Workers, forced labor continued to be a growing problem, particularly in the commercial sex industry.

Also, see the Department of State’s *Trafficking in Persons Report* at [www.state.gov/j/tip/rls/tiprpt/](http://www.state.gov/j/tip/rls/tiprpt/).

c. Prohibition of Child Labor and Minimum Age for Employment

The law prohibits the employment of children under age 14, although children who have not completed primary school may not begin work until age 15. Article 716 of the Family Code permits children ages 12 to 14 to perform domestic and agricultural work as regulated by the Labor Code with regard to schedule, salary, contract, and type. Article 119 of the Labor Code allows children ages 12 to 15 to perform light work in agriculture if the work is outside regular school hours. Article 123 of the Labor Code allows children over the age of 12 to perform light domestic work and says employers must ensure the child attends school through primary school. The law does not limit the total number of hours these children may work or define what kinds of light work children may perform. The law prohibits 14- to 18-year-old children from engaging in potentially hazardous work such as work with electrical energy, explosives, or flammable, toxic, and radioactive substances; work underground and on railroads, airplanes, and boats; and work in nightclubs, bars, and casinos.

Youths under age 16 may work no more than six hours per day or 36 hours per week, while those 16 and 17 may work no more than seven hours per day or 42 hours per week. Children under 18 may not work between 6 p.m. and 8 a.m.

The Ministry of Labor generally enforced the law effectively in the formal sector, enforcing child labor provisions in response to complaints and ordering the termination of unauthorized employees. It did not do so in the informal economy. By law violators can be fined up to 700 balboas ($700) for a first-time violation. Employers who endanger the physical or mental health of a child may face two to six years’ imprisonment. The law includes punishment of up to 12 years’ imprisonment for anyone who recruits children under age 18 or uses them to participate actively in armed hostilities.

As part of the Ministry of Labor’s program for the prevention and eradication of child labor, the Committee for the Eradication of Child Labor and the Protection of the Adolescent Worker (CETIPPAT) continued to provide outreach and grant scholarships to 1,508 child laborers during the year. The 1,426 grants guaranteed
the laborers access to education through the Institute for Training and Development of Human Resources. The government interviewed the 1,508 children and adolescents identified along with their families to establish their actual need. The ministry, CETIPPAT, and the NGO Casa Esperanza continued a nationwide program that included visits to the Ngabe Bugle comarca and the island of Esmeralda and San Miguel in the province of Panama. The program provided scholarships for working children so they could begin or return to primary school and provided job training and literacy programs for their parents. These scholarships were part of CETIPPAT’s National Program for the Prevention and Eradication of Child Labor. The program provided higher-value private scholarships for grades K-3 to 1,426 children.

The National Office for Children, Youth, and Family implemented programs to identify children engaged in the worst forms of child labor, to remove them from exploitative situations, and to provide them with services. The Ministry of Labor offered training on the topic of child labor and lessons learned to various stakeholders.

According to the government’s 2014 child labor biennial survey, approximately 26,710 children and adolescents under 18 were working. Of working children, 69 percent also attended school. During the year 8,222 minors ages five to 17 worked and did not attend school, compared with the 19,673 reported in the 2012 survey. Of working children and adolescents, 43 percent said they worked fewer than 15 hours per week, 20 percent worked between 15 and 24 hours, 5 percent worked between 25 to 34 hours per week, and 30 percent 35 hour or more.

Child labor violations occurred most frequently in agriculture and fishing, especially during the harvest of melons, tomatoes, onions, coffee, and sugarcane. Children generally worked five to eight hours per day in these activities. Farm owners often paid according to the amount harvested, leading many laborers to bring their young children to the fields to help. The problem of child labor in agricultural areas fell most heavily on indigenous families, who often migrated from their isolated communities in search of paid work and whose frequent migrations interrupted schooling. The government’s 2014 Survey on Child Labor reported that of the 7,241 children who worked in the agricultural sector within indigenous comarcas, 78 percent worked fewer than 15 hours a week. Child labor also occurred in fishing, cattle raising, domestic work, and other areas of the informal sector, including selling goods, shining shoes, washing cars, and woodcarving.
According to Casa Esperanza, child labor continued in agricultural areas in the central provinces and in some sectors of Panama City, Colon, and David. In Colon children scavenged in the ocean for metal and other items from boats to sell. In David children sold flowers, CDs, and DVDs in the streets. The 2014 survey reported that the top reasons that parents permitted their children to work were to acquire a trade, to help with a family business/farm, and to earn an income to supplement the family income.

Also, see the Department of Labor’s *Findings on the Worst Forms of Child Labor* at www.dol.gov/ilab/reports/child-labor/findings/.

d. Discrimination with Respect to Employment and Occupation

Labor laws and regulations prohibit discrimination regarding race, gender, religion, political opinion, citizenship, disability, language, and social status but do not do so on the basis of sexual orientation and/or gender identity, HIV-positive status or other communicable diseases.

Discrimination in employment and occupation occurred with respect to race, sex, gender, disability, sexual orientation and/or gender identity, and HIV-positive status (see section 6). Discrimination against migrant workers also occurred (see section 6).

e. Acceptable Conditions of Work

At year’s end, the minimum wage ranged from 1.22 balboas to 2.36 balboas ($1.22 to $2.36) per hour, depending on the region and sector. Working 40 hours per week, 50 weeks a year, and earning at the median minimum wage, a worker would earn between 432 balboas to 490 balboas ($432 and $490) per month. The poverty line was 98 balboas ($98) in rural areas and 131 balboas ($131) in urban areas. Food and the use of housing facilities were considered part of the salary for some workers, such as domestic and agricultural workers. Salaries for domestic workers ranged from 175 balboas to 200 balboas ($175 to $200) per month. The agricultural and construction sectors received the lowest and highest minimum wages, respectively.

The law establishes a standard workweek of 48 hours, provides for at least one 24-hour rest period weekly, limits the number of hours worked per week, provides for premium pay for overtime, and prohibits compulsory overtime. There is no annual limit on the total number of overtime hours allowed. If employees work more than
three hours of overtime in one day or more than nine overtime hours in a week, excess overtime hours must be paid at an additional 75 percent above the normal wage. Workers have the right to 30 days’ paid vacation for every 11 months of continuous work, including those who do not work full time. The Ministry of Labor is responsible for setting health and safety standards. Standards set were generally current and appropriate for the main industries in the country. The Labor Code requires employers to provide a safe workplace environment, including the provision of protective clothing and equipment for workers.

The Ministry of Labor generally enforced these standards in the formal sector. The inspection office is divided into two groups: the Panama City-based headquarters group and the regional group. Within the headquarters there were 34 inspectors, including 9 general labor inspectors, four child labor inspectors, and 12 safety inspectors in the construction industry. The construction industry paid the salaries of construction industry inspectors, although the inspectors remained ministry employees. The regional branches had 55 inspectors. As of September the Ministry of Labor had conducted labor inspections nationwide. Allowable fines for violations were low and generally insufficient to deter violations. During the year, however, the government levied fines according to the number of workers affected, resulting in larger overall fines. The ministry had issued fines for migration violations, for safety and security violations, for general labor issues violations, and for violations related to child labor.

Inspectors from the Ministry of Labor and the occupational health section of the Social Security Administration reported conducting periodic inspections of hazardous employment sites. The law requires the resident engineer and a ministry construction industry inspector to remain on construction sites, establish fines for noncompliance, and identify a tripartite group composed of the Chamber of Construction, SUNTRACS (the largest union of construction workers in the country), and the ministry to regulate adherence.

Most workers formally employed in urban areas earned the minimum wage or more. Approximately 40 percent of the working population worked in the large informal sector, and many earned well below the minimum wage. In most rural areas, where unskilled laborers, including street vendors and those involved in forestry, fishing, and handicraft production, earned from three balboas to six balboas (three to six dollars) per day without benefits. The Ministry of Labor was less likely to enforce labor laws in most rural areas (see section 6, Indigenous People).
Some construction workers and their employers were occasionally lax about basic safety measures, frequently due to their perception that it reduced productivity. Equipment was often outdated, broken, or lacking safety devices, due in large part to a fear that the replacement cost would be prohibitive.

Workers could not remove themselves from situations that endangered health or safety without jeopardy to their employment, and authorities did not effectively protect workers in this situation.