

opened 27 cases, charged 13 individuals, and convicted three others.

Child, Early, and Forced Marriage: The minimum legal age for marriage is 18. The government prohibits early marriage even with parental permission.

Sexual Exploitation of Children: The law prohibits the commercial sexual exploitation, sale, and offering for prostitution of children, in addition to child pornography. Officials from the Ministry for Public Security prosecuted cases of sexual abuse of children, including within indigenous communities. Ministry officials believed commercial sexual exploitation of children occurred, including in tourist areas in Panama City and in beach communities, although they did not keep separate statistics. As of September, there were no cases reported nationwide of child sexual tourism.

International Child Abductions: The country is a party to the 1980 Hague Convention on the Civil Aspects of International Child Abduction. See the Department of State's *Annual Report on International Child Abduction* at <https://travel.state.gov/content/travel/en/International-Parental-Child-Abduction/for-providers/legal-reports-and-data/reported-cases.html>.

Anti-Semitism

Jewish community leaders estimated there were 15,000 Jews in the country. There were no known reports of anti-Semitic acts.

Trafficking in Persons

See the Department of State's *Trafficking in Persons Report* at <https://www.state.gov/trafficking-in-persons-report/>.

Persons with Disabilities

Persons with disabilities faced difficulty accessing education, health services, public buildings, and transportation on an equal basis with others. Government information and communication is not provided in accessible formats, and there is no law requiring such access. The law mandates that persons with disabilities have access to education and health services, including rehabilitation and therapies,

public transportation, public and private buildings, sports and cultural events, and jobs without discrimination. In practice, however, accessibility was limited.

Private schools started reopening in June, but public schools remained closed during the year due to the pandemic. Public schools taught via the public SerTV radio and television stations. Only occasionally did the Ministry of Education facilitate sign language interpretation for students with hearing disabilities during classes taught on television. Schools did not address other disabilities during home and virtual schooling.

Most of Panama City's bus fleet remained wheelchair inaccessible. Public buses in the rest of the country were small and not adapted for persons with disabilities. The Panama City Metro elevators remained closed for most of the year, according to NGO representatives. A lack of ramps further limited access to older stations, although Metro Line 2 had ramp access.

HIV and AIDS Social Stigma

The law prohibits discrimination against persons with HIV and AIDS in employment and education. Discrimination, however, continued to be common due to ignorance of the law and a lack of mechanisms for ensuring compliance. LGBTQI+ individuals with HIV or AIDS reported mistreatment by public health-care workers.

Employees are not obligated to disclose their condition to the employer, but if they do so, the employer must keep the information confidential. Employers may be fined for not keeping an employee's medical condition confidential. The government was not active in preventing discrimination against persons with HIV and AIDS.

There were fewer public HIV/AIDS medical treatments and supplies available, since most medical resources were dedicated to fighting COVID-19. The University of Guatemala funded stigma-free "friendly clinics" for LGBTQI+ COVID-19 patients, but activists reported that staff members in these clinics were not friendly to their visitors.

During the year there was only one appointment per month at the Ministry of

Health's facilities for the HIV viral load test. Pregnant women who needed the test were prioritized for appointments over members of the LGBTQI+ community.

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

During the COVID-19 pandemic, LGBTQI+ persons reported harassment by public-health officials, but there were no public reports of police harassment during the year.

In June, LGBTQI+ activists organized two Pride Month parades in Panama City. Early in the month, the private Museum of Liberty and Human Rights raised the Pride flag, but days later it was vandalized by a group of "profamily" and anti-same-sex marriage activists during a protest outside the museum. Part of the museum's board decided not to raise the flag again. As a result, five board members submitted their resignations to the board's president in protest. The Canal Museum also raised the Pride flag but later took it down upon receiving a government request citing a law that stipulate only the Panamanian flag can be flown in government buildings. The Canal Museum is a joint private-public venture and received public funding.

The law does not prohibit discrimination based on sexual orientation. There was societal discrimination based on sexual orientation and gender identity, which often led to denial of employment opportunities. Same-sex marriage continued to be prohibited by law. As of October the Supreme Court had not ruled on the 2016 class-action lawsuit requesting the article of the family code that refers to marriage as "the union of a man and a woman," and thus forbids same-sex legal unions, be declared unconstitutional. Panamanian same-sex couples who were married abroad were not allowed to legally register their marriage. In September the Supreme Court did not admit a writ of mandamus filed by a local law firm against the Civil Registry's decision not to register the same-sex marriage of a Panamanian citizen and his Colombian spouse held in Colombia in 2017.

Section 7. Worker Rights

a. Freedom of Association and the Right to Collective Bargaining

The law provides for private-sector workers to form and join independent unions, bargain collectively, and conduct strikes. Public-sector employees may organize to create a professional association to bargain collectively on behalf of its members, even though public institutions are not legally obliged to bargain with the association. Members of the national police are the only workers prohibited from creating professional associations. There were 14 public-worker associations registered. The National Federation of Public Servants (FENASEP), an umbrella federation of 31 public-sector worker associations, traditionally fought to establish rights similar to those of private-sector unions. The law prohibits antiunion discrimination and requires reinstatement of workers terminated for union activity but does not provide adequate means of protecting this right.

Unions and associations are required to register with the Ministry of Labor. If the ministry does not respond to a private-sector union registration application within 15 calendar days, the union automatically gains legal recognition, provided the request is submitted directly with the supporting documentation required. In the public sector, professional associations gain legal recognition automatically if the Ministry of Government does not respond to registration applications within 30 days. According to FENASEP leaders, most associations were approved, although some cases were denied for political reasons. According to official sources, the Ministry of Labor approved applications for the formation of two private-sector unions and one public-sector association during the year.

The law allows arbitration by mutual consent, at the request of employees or the ministry, in cases of collective disputes at privately held companies. It allows either party to appeal if arbitration is mandated during a collective dispute at a public-service company. The Ministry of Labor Board of Appeals and Conciliation has the authority to resolve certain labor disagreements within the private sector, such as internal union disputes, enforcement of the minimum wage, and some dismissal issues. For example, the Ministry of Labor, as a mediator in biennial minimum wage negotiations between unions and businesses in 2019, announced a minimum wage increase of 3.3 percent when negotiations failed.

Government regulations on union membership place some restrictions on freedom of association. The constitution mandates that only citizens may serve on a union's executive board. In addition, the law requires a minimum of 40 persons to form a private-sector union (either by a company across trades or by trade across companies) and allows only one union per business establishment. The International Labor Organization criticized the 40-person minimum as too large for workers wanting to form a union within a company. Many domestic labor unions, as well as the public and private sectors, reiterated their support for keeping the figure at 40 individuals, since having a greater number of participants can strengthen a union's influence.

In the public sector, professional associations represent the majority of workers. The law stipulates only one association may exist per public-sector institution and permits no more than one chapter per province. At least 50 public servants are required to form a professional association. No law protects the jobs of public-sector workers in the event of a strike. FENASEP contended there was no political will to allow all public servants within ministries to form unions, because this could eliminate positions for political appointees.

The law prohibits federations and confederations from calling strikes. Individual professional associations under FENASEP may negotiate on behalf of their members, but the Ministry of Labor can order compulsory arbitration. According to the labor code, the majority of private-sector employees must support a strike, and strikes are permitted only if they are related to improvement of working conditions, a collective bargaining agreement, repeated violations of legal rights, or support for another workers strike on the same project (solidarity strike). In event of a strike, at least 20 to 30 percent of the workforce must continue to provide minimum services, particularly public services defined by law as essential, such as transportation, sanitation, mail delivery, hospital care, telecommunications, and provision of necessary food.

Strikes in essential transportation services are limited to those involving public passenger services. The law prohibits strikes by Panama Canal Authority employees but allows professional associations to organize and bargain collectively on issues such as schedules and safety and provides arbitration to resolve disputes. The Canal Authority is an autonomous entity, independent of the

national government and as such is subject to its own labor regulation.

The Ministry of the Presidency Conciliation Board is responsible for resolving public-sector worker complaints. The board refers complaints it cannot resolve to an arbitration panel, which consists of representatives from the employer, the professional association, and a third member chosen by the first two. If the dispute cannot be resolved, it is referred to a tribunal under the board. Observers, however, noted that the Ministry of the Presidency had not named the tribunal judges. The alternative to the board is the civil court system, but those procedures can take more than three years and usually result in negative outcomes for the employee. While Supreme Court decisions are final, labor organizations may appeal cases in international human rights courts.

The government did not consistently enforce the law in the formal sector and was less likely to enforce the law in most rural areas (see section 6, Indigenous Peoples). Throughout the year the administration continued to dismiss public workers, mostly without citing a legal basis and all without paying negotiated employment benefits such as paid vacation leave or severance pay. According to reports, these firings were due to the change in government and not the COVID-19 pandemic. An estimated 80,000 public workers had been dismissed since the start of President Cortizo's administration in 2019. In August FENASEP presented a lawsuit to the Supreme Court for noncompliance with Decree 466 of 2020, which prohibits employees from being fired during the state of emergency imposed due to the pandemic. In the lawsuit FENASEP also claimed that workers were not paid for months after being called back to work during the pandemic.

The government and employers generally respected freedom of association. Penalties for violations were commensurate with those for similar offenses.

b. Prohibition of Forced or Compulsory Labor

Although the law prohibits all forms of human trafficking, including forced labor of adults and children, the penal code stipulates that a trafficking offense must include movement, which is inconsistent with international protocols. The law establishes criminal penalties commensurate with those for other similar serious crimes.

The government enforced the law in the formal sector. The Ministry of Labor investigated human trafficking for the purpose of forced labor, granted residency and work permits for foreign trafficking victims, and provided additional food and hygiene support to trafficking victims during the pandemic. Authorities prosecuted and convicted fewer perpetrators of labor exploitation and identified fewer potential forced labor victims, compared with previous years. In July the Public Ministry sentenced a person to 23 years in prison for the crimes of trafficking in persons (sexual servitude), kidnapping, and extortion. The convicted person was also disqualified from exercising public functions for five years after completing the prison term.

Forced labor occurred, mainly with sexual exploitation of adults and children. Labor traffickers reported using debt bondage, false promises, exploitation of migratory status, lack of knowledge of the refugee process and irregular status, restrictions on movement, and other indicators of forced labor. Migrant workers without work permits were vulnerable to forced labor. There also were reports of forced child labor (see section 7.c.).

Also see the Department of State's *Trafficking in Persons Report* at <https://www.state.gov/trafficking-in-persons-report/>.

c. Prohibition of Child Labor and Minimum Age for Employment

The law prohibits all the worst forms of child labor. Minors younger than 16 may work no more than six hours per day or 36 hours per week, while children ages 16 and 17 may work no more than seven hours per day or 42 hours per week.

Children younger than 18 may not work between 6 p.m. and 8 a.m. The law prohibits employment of children younger than 14, and children who have not completed primary school may not begin work until 15. The law allows children ages 12 to 15 to perform light work in agriculture if the work is outside regular school hours. The law also allows a child older than 12 to perform light domestic work and stipulates that employers must ensure the child attends school through primary school. The law neither defines the type of light work children may perform nor limits the total number of light domestic work hours children may perform. The law prohibits children younger than 18 from engaging in hazardous work but allows children as young as 14 to perform hazardous tasks in a work-

training facility, in violation of international standards.

The government inconsistently enforced the law; criminal penalties were commensurate with those for similar crimes but were not enforced in all sectors. Children were exploited in forced labor, particularly domestic servitude, and subjected to sex trafficking and sexual exploitation. After the government prosecuted and convicted its first child-labor case in September 2020, it started investigating a second case and provided social services to 1,500 child victims and children at risk of child labor.

Child labor occurred. According to the observations of a well known NGO on child labor, before the pandemic, child labor was centered in the agricultural sector, but pandemic movement restrictions forced children and adolescents to also become street vendors in urban areas. Children worked in agriculture, where they could be subjected to hazardous work. Children from indigenous and Afro-descendent communities were most vulnerable to the worst forms of child labor.

Also see the Department of Labor's *Findings on the Worst Forms of Child Labor* at <https://www.dol.gov/agencies/ilab/resources/reports/child-labor/findings> and the Department of Labor's *List of Goods Produced by Child Labor or Forced Labor* at <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>.

d. Discrimination with Respect to Employment and Occupation

The law prohibits discrimination based on race, sex, religion, political opinion, citizenship, disability, social status, and HIV status. The law does not prohibit discrimination based on sexual orientation or gender identity. Although the country is a member of the International Equal Pay Coalition, which promotes pay parity between women and men, a gender wage gap continued to exist, and no law mandates equal pay for equal work. The law puts restrictions on women working in jobs deemed hazardous.

The government did not effectively enforce the law, and penalties were not commensurate with those for similar crimes. Despite legal protections, discrimination in employment and occupation occurred with respect to race, sex, disability, and HIV-positive status. During the job interview process, applicants, both citizens and noncitizens, must complete medical examinations, including

HIV/AIDS testing. The law requires all laboratories to inform applicants that an HIV test will be administered, but private-sector laboratories often did not comply. It was common practice for private-sector human resources offices to terminate applications of HIV-positive citizens without informing the applicant. While private laboratories often informed law enforcement of HIV-positive migrants, the National Migration Service did not engage in deportation procedures based specifically on a migrant's HIV status. NGOs noted that during job interviews, women were often asked if they were married, pregnant, or planned to have children. It was common practice for human resources offices to terminate the applications of women who indicated a possibility of pregnancy in the near future (see section 6, Women). Persons with disabilities continued to face discrimination in hiring and accessing the workspace.

e. Acceptable Conditions of Work

Wage and Hour Laws: The law provides for a national minimum wage only for private-sector workers. The wage was above the poverty line. Public servants received lower wages than their private-sector counterparts, but salaries were above the poverty line. Most workers formally employed in urban areas earned the minimum wage or more. According to some reports, the pandemic eliminated as much as 50 percent of formal jobs in the private sector.

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 of paid vacation for every 11 months of continuous work, including those who do not work full time.

Occupational Safety and Health: The Ministry of Labor is responsible for setting health and safety standards. Standards were generally current and appropriate for the industries in the country. The law requires employers to provide a safe workplace environment, including the provision of protective clothing and equipment for workers. Equipment was often outdated, broken, or

lacking safety devices, due in large part to fear that replacement costs would be prohibitive. After the beginning of the pandemic, all workplaces were required to establish a health committee to enforce the mandatory health standards established by the Ministry of Health.

The Ministry of Labor generally enforced the law in the formal sector. The inspection office consists of two groups: the Panama City-based headquarters group and the regional group. The number of inspectors and safety officers was sufficient to enforce wage, hour, and safety regulations adequately in the formal sector. As of September, the ministry conducted 8,551 safety inspections, an increase of 110 percent from the same period in 2020. Penalties were not commensurate with those for similar violations. Employers often hired employees under short-term contracts to avoid paying benefits that accrue to long-term employees. Employers in the maritime sector also commonly hired workers continuously on short-term contracts but did not convert them to permanent employees as required by law. The law states that employers have the right to dismiss any employee without cause during the two-year tenure term. As a result, employers frequently hired workers for one year and 11 months and subsequently dismissed them 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 dismissed, although employees rarely reported the practice.

In workplaces 83 accidents were registered. Construction was the most dangerous sector for workplace accidents, accounting for 82 percent of all accidents registered. In some cases, equipment was outdated, broken, or lacking safety devices, and in other cases the employee failed to wear appropriate personal protective equipment. In February a construction worker died after falling from the 26th floor of a building under construction. The Public Ministry is charged with investigating these incidents. The most hazardous sectors were construction, agriculture, and mining.

Informal Sector: According to official sources, in September 2020, 53 percent of the working population worked in the informal sector, and some earned well below the minimum wage. The informal sector grew substantially over the past two years due to massive job dismissals in the formal sector because of the COVID-19

pandemic.

In August 2020 the government reformed the law to promote the creation and development of micro, small, and medium-sized enterprises. These reforms assisted the National Authority for Micro, Small, and Medium Sized Businesses to institute policies to help formalize the economy, including the creation of soft loans and policies to help employers pay required social security fees to employees.