

PANAMA

EXECUTIVE SUMMARY

Panama is a constitutional, multiparty democracy. In 2009 voters chose Ricardo A. Martinelli Berrocal as president in national elections that international and domestic observers considered generally free and fair. Security forces reported to civilian authorities.

The principle human rights abuses reported during the year were harsh prison conditions, judicial ineffectiveness, and discrimination against various groups and individuals, including some cases of violence.

Other human rights abuses included problems with freedom of the press, trafficking in persons, and child labor.

The government did not actively prosecute alleged cases of corruption or abuse of authority by government officials but took steps to improve the functioning of the judiciary and penitentiary systems.

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

a. Arbitrary or Unlawful Deprivation of Life

There were no reports that 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 reports that prison authorities engaged in degrading treatment and inhuman punishment. In January police neglect led to the deaths of five juvenile detainees and injury of two additional detainees during a prison fire (see Prison and Detention Center Conditions).

On September 22, Rafael Perez Castillo reportedly suffered extensive bruises to his face and body after he allegedly questioned officers at a roadblock in an aggressive manner. Police defended their agents and accused Perez Castillo of instigating the incident. A case was opened by the Public Ministry, the Ombudsman's Office, and the PNP's director of professional responsibility (DRP) (internal affairs office). The highly publicized incident prompted other citizens to come forward with new accusations of alleged police abuse. In response the PNP signed an agreement with the Ombudsman's Office to receive additional human rights training.

Prison and Detention Center Conditions

The Ministry of Government oversees all prisons in the country through the National Directorate of the Penitentiary System (DGSP). Prison conditions remained harsh and in some cases life threatening. Problems included overcrowding, use of police stations as detention facilities, and lack of prison guards. Prisons did not have adequate ventilation or lighting. Prisoners suffered from a chronic lack of access to medical care. Most facilities faced problems with potable water, sewage, and rodents.

As of August the prison system had an official capacity of 7,342 persons and held 13,069 prisoners (12,133 male inmates and 936 female). Pretrial detainees shared cells with convicted prisoners. In all prisons the inmates complained of limited time outside cells and limited access to family visits. Small jails attached to local police stations sometimes held prisoners for days or weeks, and police officers who guarded them lacked custodial training to prevent abuses.

Prison medical care was inadequate. HIV/AIDS, tuberculosis, hepatitis B, and other communicable diseases were common among the prison population. A 60-bed clinic at La Joyita Prison remained underutilized due to the lack of guards to watch ill detainees. Lack of transportation prevented most inmates from receiving timely medical attention. Clinics within La Joya and La Joyita pavilions reopened to provide first-aid assistance but lacked the capacity to attend to more serious medical problems. No prison medical facilities were open 24 hours a day.

Female and male prisoners were held separately. Although prison conditions for women were generally better than those for men, both populations remained overcrowded, with poor medical care and lack of basic supplies for personal hygiene.

Juvenile pretrial and custodial detention centers also suffered from overcrowding and poor conditions. Inmates had inadequate education and supervision. The 303 juvenile inmates (296 male and seven female) were guarded by approximately 85 civilian guards (28 were hired during the year, and 16 were on loan from the adult penitentiary system).

In January police launched tear gas canisters into a cell at Panama City's male juvenile detention center during a prisoner protest against inhumane conditions, starting a fire. Seven boys were severely burned, five of whom died. Fourteen others were badly injured by gunshots fired during the protest prior to the fire. The police denied accusations of human rights abuses, but the Ministry of Government accused security forces of intentionally impeding fire department access to the facility and otherwise failing to safeguard inmates' lives. The two police officers who started the fire were put on administrative leave. The Attorney General's Office filed homicide charges against 33 police officers and the center's director as well as additional charges against civilian guards involved in the incident.

On June 20, a three-day riot erupted at a different juvenile rehabilitation center. A fight between rival gangs resulted in the temporary kidnapping of guards and injuries to 15 inmates, including 12 burn victims. Five detainees escaped but were later apprehended. The facilities suffered extensive damage. By August the authorities had repaired the facility and replaced director.

The government took several steps to improve prison and detention center conditions. In February the Public Ministry reactivated its electronic bracelet program for nonviolent criminals and some pretrial inmates. Only 45 inmates participated in the program; a lack of familiarity with the program among prosecutors, judges, and inmates prevented further use of bracelets. In August the UN Office on Drugs and Crime (UNODC) conducted a feasibility study for bracelet use under the new accusatory judicial system to determine the feasibility of expanding the practice.

In January the government created an interagency commission to review protocols and standard operating procedures within the penitentiary system. At the beginning of 2010, Panamanian National Police (PNP) officers provided perimeter and internal security at all prisons but generally lacked training for prison duty. The commission agreed to a four-stage plan for replacing police officers with civilian prison guards for prison internal security. The PNP maintained control of perimeter security. The transfer of responsibilities began in July.

As of August there were 624 prison custodians, including 264 hired during the year. Additionally, 92 new custodians were trained and entered the system by the end of the end of the year, for a total of 716 custodians. In February the government raised guards' salaries to 500 balboas (\$500) per month. By the end of August, the National Penitentiary System under the Ministry of Government had disciplined 40 custodians and fired 15 for either corruption or abuse of authority.

In February the government opened a Penitentiary Training Academy to address human rights, prisoner's rights, and penitentiary law. In August the minister of government signed an agreement to train prison directors under the auspices of UNODC at the Dominican Republic's National Penitentiary School. During the year custodians received training from the Ombudsman's Office, Ministry of Government, and PNP.

Formal panels met during the year to separate convicted criminals from inmates awaiting trial, and the process of transferring only convicted inmates to La Joya prison was underway. Officials also discussed ways to improve ambulance access to prisons in emergencies. In 2010 the Ministry of Government approved plans for the construction of four new cellblocks for 1,300 inmates, but there was no significant construction in 2011.

As of July 505 inmates were enrolled in elementary education programs, 1,005 in junior high programs, and 585 in secondary school programs. A total of 832 inmates were attending job training programs, 54 were engaged in self-study programs, and 152 were participating in work-release programs. There were no rehabilitation programs for drug-addicted inmates.

Throughout the year the DGSP faced a faulty information system that hampered communication among offices dealing with prison issues. In July the National Penitentiary System granted approval for the installation of a new software program that would provide comprehensive information on every inmate, including data on legal status, hearings, and sentencing.

Prisoners were able to submit complaints to judicial authorities without censorship and request investigation of credible allegations of inhumane conditions, but authorities did not document the results of such investigations in a publicly accessible manner. The government investigated and monitored prison and detention center conditions.

The Ombudsman's Office negotiated and petitioned on behalf of prisoners and received complaints about prison conditions. By August the ombudsman had received three complaints of physical abuse against prisoners by PNP agents.

The Ombudsman's Office conducted weekly prison visits, and the government generally did not monitor its meetings with prisoners. Prisoners at most facilities had reasonable access to visitors and were permitted religious observance. The Catholic nongovernmental organization (NGO) Justice and Peace made regular visits and reported unobstructed access by various church groups of different faiths.

d. Arbitrary Arrest or Detention

The law prohibits arbitrary arrest and detention, and the government generally observed these prohibitions. The law permits exceptions when an officer apprehends a person during the commission of a crime or when an individual interferes with an officer's actions.

Role of the Police and Security Apparatus

The country has no regular military forces. The PNP is responsible for internal law enforcement and public order. Civilian authorities in the Ministry of Public Security maintained effective control over all police, investigative, border, air, and maritime forces in the country. The government has relatively effective mechanisms to investigate and punish abuse and corruption, but impunity presented a concern.

Law 18 includes guidelines for the use of force, including deadly force; requires that police respect human rights; and prohibits instigation or tolerance of torture, cruelty, or other inhumane or degrading behavior. According to Law 74, police accused of using excessive force may not be detained prior to trial, suspended, nor face other internal discipline until convicted. In January leaders of the construction workers union submitted a constitutional challenge against Law 74. In February a unanimous ruling by the Supreme Court declared the application of Law 74 in the specific case invalid, but at year's end Law 74 remained in effect.

Between January and October, the DRP opened 515 disciplinary proceedings against police, including 126 for abuse against civilians, 182 for inappropriate conduct, four for abuse against inmates, and four for abuse of physical force, among others. The number of cases opened fell by almost half compared with

2010. Between January and August, the Ombudsman's Office received three complaints against police for abuse of authority. Investigations in most of these cases continued through October, although authorities dismissed 83 PNP officers and placed many others on "semipermanent vacation" (a form of suspension).

Arrest Procedures and Treatment While in Detention

Police generally apprehended persons openly and did not practice arbitrary or secret arrest and detention. Arrest warrants are issued by the Prosecutor's Office, 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. The law requires arresting officers to inform detainees immediately of the reasons for arrest or detention and of the right to immediate legal counsel. The law provides for bail, and a functioning bail system exists for a limited number of crimes. 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. By law the preliminary investigation phase of detention may last up 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 for more than a year before a judge's pretrial hearing, and their pretrial detention sometimes exceeded the maximum sentence for the alleged crime. This was largely due to judicial inefficiency and the use of a written inquisitorial system. As of July, according to government statistics, 66 percent of prisoners were pretrial detainees. In Veraguas Province, courts initiated a system that greatly decreased case backlog in preparation for introduction of the accusatorial system.

Additionally, lack of coordination between judicial authorities, prison authorities, and the PNP over transportation of detainees to trials led to a significant increase in the number of prisoners who missed hearings that were key to resolving their legal cases. Judicial statistics showed that as of June, 53 percent of scheduled hearings had to be cancelled due to the defendant's absence. Due to inefficiencies in the legal system, hearings can take up to a year to be rescheduled. As of August only 24 PNP agents, in a force of approximately 15,000, belonged to the PNP penitentiary unit in charge of inmate transfers. The judicial system initiated the

use of mobile courtrooms and video hearings to address the problem (see section 1.e.).

Amnesty: During the year, in an attempt to alleviate prison overcrowding, the government released 922 inmates who had completed two-thirds of their sentences.

e. Denial of Fair Public Trial

The law provides for an independent judiciary; however, the judicial system was susceptible to corruption and outside influence, and it faced allegations of manipulation of power by other government branches.

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

Trial Procedures

The law provides that all citizens charged with crimes enjoy a presumption of innocence and have rights 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.

On September 2, in Veraguas and Coclé provinces, the government began implementation of a new code of criminal procedure designed to transition the country from an inquisitorial to an accusatory system of justice. The government budgeted 38 million balboas (\$38 million) for the four-phase implementation process, pending since 2009. It was expected to conclude in 2014. The system, which aims to expedite justice, includes three stages: prosecutorial investigation overseen by a guarantee judge whose responsibility is to ensure due process, an indictment request by the prosecutor, and oral trials with three judges.

Sixty-six hearings took place in the first 20 days under the new system. According to the judicial system, 50 percent of the cases heard involved either domestic

violence or narcotics violations. According to authorities the new system reduced legal processing time by almost 50 percent compared to the inquisitorial system in effect in the rest of the country.

In January the Supreme Court of Justice ruled in favor of the reactivation of a 1999 law that created a fifth chamber within the Supreme Court. The chamber would handle only constitutional issues. The Supreme Court's January decision allows the administration to appoint three new justices. As a result the Supreme Court will be composed of 12 justices. No appointments were made during the year.

In July three Supreme Court justices from the General Affairs Court appointed three new magistrates to implement the new accusatory system in the Second Judicial District. Four other justices formally and publicly disagreed with the appointments, as the full Supreme Court did not approve them. Civil society organizations also criticized the lack of transparency in the appointments and on August 22 filed a habeas data against Chief Justice Anibal Salas to demand copies of the written agreements issued by the General Affairs Court on the appointments. After internal negotiations all justices agreed that the appointments of the three new magistrates would be valid only for one year and that future appointments would follow the procedures established by law (public advertisement of the positions with appointments made by the full Supreme Court.) In September civil society organizations filed suit against the Supreme Court for the unconstitutional appointment of these magistrates, claiming it was in violation of the constitution.

Under the inquisitive judicial system, which is in force in all but two provinces, trials are open to the public. The law provides for trial by jury if the defendant so chooses, but only if one of the charges is murder. Judges may order the presence of pretrial detainees for providing or expanding upon statements or for confronting witnesses. Trials are conducted on the basis of 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 witnesses against them and present witnesses and evidence on their behalf. 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, and an estimated 80 percent of inmates used them. 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. During the year the government

hired 29 new public defenders to help reduce the system's backlog, but caseloads remained very high, averaging 300-350 cases per attorney per year.

On August 1, the judiciary began a mobile court program within the country's largest prison complex. Trailers placed in La Joya and La Joyita served as official courts to overcome problems in transporting prisoners to trial. The placement of judges, prosecutors, and legal staff within the complex increased the capacity of each court to five hearings per day. As an additional measure to decongest the system, the judiciary accepted hearings via video for charges other than homicide. By June judicial records indicated that 547 pretrial detainees submitted video hearings from La Joya, La Joyita, David, Penonome, Llano Marin, Aguadulce, and Santiago prisons. In July the judicial system spent 208,000 balboas (\$208,000) to expand the program with the installment of video capacity to 10 new facilities.

Political Prisoners and Detainees

There were no reports of political prisoners or detainees.

Civil Judicial Procedures and Remedies

The constitution and the judicial code establish an independent judiciary in civil matters. Alleged political manipulation of the judicial system remained a problem, and bureaucratic delay hindered access to judicial and administrative remedies in some court cases. Problems continued in enforcement of domestic court orders.

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

The law prohibits such actions, and the government generally respected these prohibitions. Nevertheless, there were complaints that in some cases law-enforcement authorities failed to follow legal requirements and conducted unauthorized searches. The Public Ministry 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. During the year several citizens claimed to have been wiretapping targets after making statements critical of the government.

Section 2. Respect for Civil Liberties, Including:

a. Freedom of Speech and Press

Status of Freedom of Speech and Press

The constitution provides for freedom of speech and press, but the government used a variety of means to impede the media's freedom of expression and attempt to silence criticism of its official actions.

Freedom of Press: Legal actions brought by officials of the former government remained pending against many journalists. The Inter-American Commission on Human Rights (IACHR), Inter American Press Association (IAPA), the NGO Reporters Without Borders, and other groups criticized government efforts to censor the press. In January the president supported a bill introduced by his party in the National Assembly to penalize speech that criticized the president and his administration. The bill was withdrawn after debate.

Violence and Harassment: In mid-June the NGO Colegio Nacional de Periodistas alerted the public to verbally aggressive language against *La Prensa* journalist Santiago Cumbreira by Labor Minister Alma Cortes and the secretary general of the Ministry of Labor, Hernan Garcia. Cumbreira was part of an investigative unit that revealed and published irregularities in the governmental program Mi Primer Empleo (My First Job). The IACHR requested preventive measures to guarantee Cumbreira's personal safety. The day after the statement was made, Minister Cortes issued a public apology. In August *La Prensa* reported additional threats against its investigative unit, specifically towards Cumbreira, based on his investigation of the National Land Authority. Cumbreira was also the target of anonymous telephone threats for his reporting on a government scandal involving the improper titling of public lands. The caller, allegedly a poor rural landholder, threatened to take action against Cumbreira if he did not stop his reporting. The government agreed to open an investigation into the threats, but at year's end no legal actions had been taken on the threats.

In late February the government deported foreign national journalists Paco Gomez Nadal and Pilar Chato under complaints of disturbing the peace and inciting protesters. In July 2010 authorities briefly detained Gomez Nadal, known for investigative reporting on corruption issues. According to media reports, Gomez Nadal and Chato had the option of leaving the country immediately or remaining and facing potential legal action from law enforcement authorities. They chose deportation and lost authorization to reenter Panama for at least two years.

Internet Freedom

There were no government restrictions on access to the Internet, but there were anecdotal reports that the government monitored private e-mails. In a few cases, law-enforcement monitoring of suspects' computers led to arrests for sex crimes. Individuals and groups could engage in the expression of views via the Internet, including by e-mail.

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 freedom of assembly and association, and the government generally respected these rights in practice. The law also states that anyone who, through use of violence, impedes the transit of vehicles on public roads or causes damage to public or private property may be sentenced to imprisonment for six to 24 months.

c. Freedom of Religion

See the Department of State's *International Religious Freedom Report* at www.state.gov/j/drl/irf/rpt.

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

The law provides for freedom of movement within the country, foreign travel, emigration, and repatriation, and the government generally respected these rights in practice. 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 internally displaced persons, refugees, returning refugees, persons under temporary humanitarian protection (THP), asylum seekers, stateless persons, and other persons of concern.

In-Country Movement: The government generally permitted freedom of movement for documented refugees and asylum seekers; however, it restricted the freedom of movement of Colombian citizens living in the region bordering

Colombia under the THP regime. These individuals could leave those locations only with special temporary permits issued by the National Office for the Protection of Refugees (ONPAR).

Protection of Refugees

ONPAR has five offices to provide access to refugee services.

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. A Colombian THP group has lived in the Darien region for 14 years.

There were approximately 2,500 refugees and asylum seekers in the country at the end of 2010. As of June, 340 persons had approached the government seeking refugee status, according to ONPAR; 99 cases were reviewed and 41 approved. The majority were from Colombia.

Nonrefoulement: The law incorporates protections against refoulement and sanctions for illegal/irregular entry. At times, however, border officials and authorities in large urban centers did not have a clear understanding of their responsibilities when dealing with persons seeking asylum or refugee status. This lack of clarity resulted in arbitrary detention and placed asylum seekers at an increased risk of return to countries where their lives or freedom could be threatened.

On September 12, the Panamanian National Border Service (SENAFRONT) detained and forcibly deported a family of asylum seekers from Colombia upon their arrival in Jaque, Darien. The UNHCR indicated that interventions to prevent the refoulement were unsuccessful and that the family had no access to asylum authorities. The UNHCR lodged an official protest with the government.

Refugee Abuse: Refugee women in border areas and in certain urban neighborhoods continued to be at risk for gender-based violence and trafficking.

The government reported a decrease in migration of people from outside the region, from 45 in 2010 to 32 in 2011. The persons were primarily from South Asia and East Africa, en route to North America. As of August the National Migration Service had detained 25 of these persons for nine months in a men's immigration shelter. ONPAR indicated that language barriers slowed the review

of the cases, but the UNHCR expressed concern that the migrants were denied access to asylum procedures because of discrimination due to their countries of origin.

Employment: The government did not permit displaced Colombians without asylum status to work or move outside of their assigned villages. Unlike in 2010, the government did not issue temporary identification cards during the year.

Temporary Protection: The UNHCR classified approximately 15,000 individuals living in the country as “persons of concern” in need of international protection. These included persons for whom the government had denied refugee status and persons in the country who did not apply for refugee status due to lack of knowledge or fear of deportation. The UNHCR maintained a permanent office in the country to provide services to refugees but was denied access to asylum seekers in detention in the first half of the year. Access improved after the appointment of a new director of migration in July.

People under the THP classification included 899 displaced persons, mainly of Afro-Colombian heritage, and 685 of their dependents, some of whom were citizens born in Panama of marriages between displaced Colombians and Panamanian citizens. Seventy individuals were from the Embera indigenous group. The UNHCR continued to call for the granting of permanent residency rights to this group.

Section 3. Respect for Political Rights: The Right of Citizens to Change Their Government

The law provides citizens the right to change their government peacefully, and citizens exercised this right in practice through periodic, free, and fair elections based on universal suffrage. 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 2009 voters chose Ricardo A. Martinelli Berrocal, the opposition Alliance for Change candidate, as president in national elections considered generally free and fair by independent observers.

Political Parties: The law requires new political parties to meet strict membership and organizational standards to gain official recognition and participate in national campaigns.

Participation of Women and Minorities: Women held six seats in the 71-member legislature and five places in the 17-member cabinet. Five seats in the legislature were designated to represent the country's recognized indigenous regions. In general deputies in the legislature, cabinet members, or members of the Supreme Court did not identify themselves as members of ethnic or racial minorities.

Section 4. Official Corruption and Government Transparency

The law provides criminal penalties for official corruption, and the government generally implemented these laws effectively; however, there were some allegations that government officials 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, whistle blower and witness protection, plea bargaining, and professional conflict-of-interest rules existed.

Although the law provides for judicial appointments through a merit-based system, civil society groups maintained that political influence and undue interference by higher-level judges undermined the system.

Corruption among police officers continued to be a problem, although the Ministry of Public Security improved accountability within the security services. The PNP worked with the ministry to reform the DRP to create a more transparent method for handling traditional internal affairs problems for all security services.

In September the 13th Criminal Court sentenced four police agents and two Colombians involved in the 2008 kidnapping of Cecilio Padron to nine and 12 years in prison, respectively. The court found a fifth Panamanian originally listed in the case not guilty. In the same month an undercover operation led by the Judicial Investigative Unit (DIJ) resulted in the apprehension of the Ministry of Labor's regional director and his assistant for receiving bribes from a foreign businessman who hired workers without work permits.

In 2010 authorities released former minister of education Belgis Castro on bail of 150,000 balboas (\$150,000). In May the 10th Criminal Court called Castro to

stand trial on embezzlement charges. Castro remained free on bail but was forbidden to leave the country while the trial continued.

Public officials were subject to financial disclosure laws, but the information was not made public.

The law provides for public access to information about public entities, with the exception of cabinet meeting minutes. The government often, but not always, responded to inquiries for information. Denials of information can be appealed to the Supreme Court, and journalists generally made use of this recourse. On October 28, the environmental NGO Centro de Incidencia Ambiental appeared before a hearing at the Organization of American States' Inter-American Human Rights Commission to denounce the government's continued denial of public information.

The government made a commitment to publishing public information on official Web sites. However, many government ministries and agencies did not update their sites, and statistics or other information were often more than one year old or unavailable. On October 5, the anticorruption czar, Abigail Benzadon, publicly stated that only six of the 103 government agencies kept their sites up to date with transparency information as mandated by law.

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, gender, disability, language, or social status, but the government allegedly 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 (use of a weapon), and the government enforced the law effectively. Rapes constituted the majority of sexual crimes investigated by the PNP, and its Directorate of Judicial Investigation reported 1,030 cases of rape in the context of domestic violence during the year.

Domestic violence continued to be a serious problem. Although 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, there were few convictions for domestic violence, except in cases of murder. The Directorate of Judicial Investigation reported 186 cases of domestic violence from January to June, while the media reported 249 cases of domestic violence as of early September. Statistics from the Panamanian Observatory Against Gender-Based Violence, run by the Ombudsman's Office, showed that 33 women died as a result of domestic violence from January to November.

The government operated a shelter in Panama City for victims of domestic abuse and offered social, psychological, medical, and legal services. A second government-run shelter opened in David, Chiriqui, during the year, and construction of a third shelter in Colon, Colon, was underway.

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 up to a three-year prison sentence. The extent of the problem was difficult to determine, as convictions for sexual harassment were rare and pre-employment sexual harassment was not actionable. The effectiveness of law enforcement could not be determined due to the small number of cases brought before the courts.

Reproductive Rights: Couples and individuals have the right to decide the number, spacing, and timing of their children and the information and means to do so free from discrimination. 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. The law limits sterilization to women who are 33 or older, have at least five children, and are of a low socioeconomic level (undefined).

Discrimination: The law prohibits discrimination on the basis of gender, and women enjoyed the same rights as men under family, property, and criminal law. The law recognizes joint and common property in marriages. The law mandates equal pay for men and women in equivalent jobs, but according to a 2011 World Economic Forum survey, women received approximately 36 percent less than men for comparable work. The Ministry of Social Development (MIDES) 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.

Children

Birth registration: Although the law provides citizenship for all people born in the country, children in remote areas sometimes had difficulty obtaining birth registration certificates.

Child Abuse: MIDES maintained a free hotline for children and adults to report child abuse and advertised it widely. From January to September, the hotline received 17,726 calls. 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.

Sexual Exploitation of Children: Sexual abuse of children was reported in urban and rural areas as well as within indigenous communities. Lack of reporting on sexual exploitation of minors remained a problem, often because of parental involvement or complicity.

The law prohibits consensual sex with children ages 14 to 18 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 three- to five-year prison terms 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 prostitutes with penalties of up to 10 years' imprisonment when the victim is under 18. Sexual tourism involving children is also punishable.

International Child Abduction: The country is a party to the 1980 Hague Convention on the Civil Aspects of International Child Abduction.

Anti-Semitism

There was a Jewish population of approximately 10,000 persons. There were no reports of anti-Semitic acts.

Trafficking in Persons

See the Department of State's *Trafficking in Persons Report* at www.state.gov/j/tip.

Persons with Disabilities

The law prohibits discrimination based on physical 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 special needs. In practice persons with disabilities experienced substantial discrimination in access to employment, education, health care, and other state services. Some public schools admitted children with mental and physical disabilities, but most did not have adequate facilities for children with special needs. The government installed ramps in some schools and mainstreamed some children with disabilities. Few private schools admitted children with special needs.

In June a group of persons with disabilities challenged Law 35 before the Supreme Court on grounds of discrimination and the protection of private information. The law, passed in August 2010, mandates that the National Electoral Tribunal include a person's disabilities as well as blood type and allergies on their national identification card in case of emergency. The law also requires the National Transportation Authority to include the same information on a state-issued drivers' license. By year's end there was no ruling from the court.

The National Secretariat for the Social Integration of Persons with Disabilities (SENADIS) is the government agency responsible for protecting the rights of persons with disabilities. The Ministry of Education and MIDES share responsibilities for educating and training minors with disabilities. SENADIS also distributes subsidies to NGOs dealing with disabilities issues.

The law stipulates a 2 percent quota for persons with disabilities within the workforce. The Ministry of Labor and Labor Development (MITRADEL) is responsible for referring workers with disabilities to employers for suitable jobs; however, in practice successful hiring by private sector employers remained difficult. From January to September, the Ombudsman's Office received 12 complaints of government violations involving the labor rights of persons with disabilities.

The government inaugurated with international funding four playgrounds accessible to persons with disabilities. In April the government decreed April Autism Month. The decree mandates interagency coordination for the development of educational and service programs for people with autism. In July the government signed an agreement with the Spanish NGO ONCE to provide training of blind and low-vision workers on ways to access the job market.

The government continued to operate the Family Businesses Project, which assisted low-income families with disabled members to open microbusinesses. The government provided them with 50 balboas (\$50) per month and donated rehabilitation equipment to low-income persons with disabilities. The government also provided five vehicles to state-run hospitals and physical rehabilitation centers to allow for the proper transfer of patients in wheelchairs.

In September the Ministry of Social Development launched the Guardian Angel program, which provides a subsidy of 80 balboas (\$80) per month for children with severe physical disabilities. To qualify, the parents or guardian of a child must submit medical certification as to the severity of the disability and the child's dependency on another person. The family must also be living in poverty to qualify.

National/Racial/Ethnic Minorities

Minority groups generally have been integrated into mainstream society, but problems continued with negative attitudes among all ethnic communities toward members not belonging to their particular group. Prejudice was directed at recent immigrants; cultural and language differences and immigration status hindered integration into mainstream society by immigrant and first-generation individuals from China, India, and the Middle East. Additionally, some members of these communities were themselves reluctant to integrate into mainstream society. Members of these groups often owned major businesses or worked in the retail

trade. A constitutional provision reserving retail trade for citizens of the country generally was not enforced.

The Afro-Panamanian community continued to be underrepresented in positions of political and economic power, and many black people remained clustered in economically depressed areas of Colon Province and Panama City. These areas conspicuously lacked government services and social-sector 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. However, cases of discrimination in public accommodation were not commonly filed.

There were reports of racial discrimination against various ethnic groups in the workplace. 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.

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. However, in practice their participation in society continued to be marginalized. There were legally designated areas governed by traditional community leaders for five of the country’s seven indigenous groups, including the Embera-Wounaan, Ngabe-Bugle, and Kuna communities. The government did not recognize such areas for the Bri-Bri and Naso communities.

The Ministry of Government contains an Office of Indigenous Policy. Although the country’s law is the ultimate authority on indigenous reservations, 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.

The Embera-Wounaan community continued to fight against illegal settlements on its land. Attempts to remove settlers forcibly in August resulted in violence, and two indigenous persons were injured in machete attacks. The Ministry of Government negotiated a solution between the Embera-Wounaan and the settlers that same month and agreed to provide land outside of the area for the settlers by December. By year's end all but five settler families had been relocated outside of the Embera-Wounaan territories, but conflicts with settlers in other areas of the reservation continued.

On July 18, an estimated 100 Ngabe-Bugle indigenous people closed three sections of the Pan-American Highway passing through their autonomous territory for seven hours to protest mining and hydroelectric concessions granted by the government. Riot police used tear gas to disperse the group and detained 41 persons. On July 19, all were released without charge.

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 in 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 quality housing or food to indigenous migrant laborers, and their children were much more likely to work long hours of farm labor than nonindigenous children (see section 7.d.). MITRADEL conducted limited oversight of working conditions in remote areas due to limited staff.

On September 11, 26 percent of the 109,000 adult Ngabe-Bugles voted to elect a cacique (chief) general, three regional caciques, and seven local caciques. The elections were organized by the National Electoral Tribunal. Silvia Carrera was elected cacique general with 5,080 votes. Carrera was the first woman to hold the position. Three Organization of American States representatives participated as international observers, together with representatives from the Ombudsman's Office and the Catholic Church NGO Justicia y Paz. International and local observers considered the elections calm and transparent.

Societal Abuses, Discrimination, and Acts of Violence 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. The PNP's regulations describe homosexual conduct as a "grave fault." Harassment of lesbian, gay, bisexual, and transgender (LGBT) persons by security forces was a major complaint of the New Men and Women of Panama (AHMNP), the country's main LGBT 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.

In March police arrested two women in Panama City for kissing in public. The women were taken to a police station, physically searched, and taken to night court, where a judge verbally reprimanded them for their behavior before setting them free. The women publicly complained about their treatment, but police claimed that they were legally arrested for public drinking. In response, the AHMNP held a rally in May called "A Kiss Is Not a Crime."

The Panamanian Association of Transgender People reported regular incidents in which security forces refused to accept complaints of harassment towards transgender individuals. The AHMNP reported six arrests of transgender persons, based on a sodomy law that was repealed in 2008. All the victims were later released.

Other Societal Violence or Discrimination

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. The Ministry of Health and Social Security provided treatment for HIV/AIDS. The only local NGO dedicated to HIV/AIDS patients, the Foundation for the Welfare and Dignity of People Affected by HIV/AIDS (PROBIDSIDA), received a government subsidy to help defray its payroll and mortgage expenses.

Section 7. Worker Rights

a. Freedom of Association and the Right to Collective Bargaining

The law recognizes the right of private-sector workers to form and join unions of their choice subject to the union's registration with the government, but it prohibits public servants from forming unions. The law permits public servants to form

associations that may bargain collectively on behalf of members. The law provides private-sector workers the right to strike and grants public-sector employees a limited right to strike, except for those in areas deemed vital to public welfare and security, including police and health workers. With some exceptions the law provides all private-sector and most public-sector workers the right to organize and bargain collectively, prohibits employer antiunion discrimination, and protects workers engaged in union activities from loss of employment or discriminatory transfers.

The law places several restrictions on these rights, including requiring citizenship to serve on a trade union executive board, stipulating 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 (ILO) continued to criticize the 40-person minimum, stating that was too high 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--a level the ILO considered too high. Member associations represent public-sector workers, such as doctors, nurses, firefighters, and administrative staff in government ministries. The law stipulates that there may not be more than one association in a public-sector institution and permits no more than one chapter per province. The law provides that if the government does not respond to a registration application within 15 days, the union automatically gains legal recognition.

Strikes must be supported by a majority of employees and related to a collective bargaining agreement. In the event of a strike by administrative workers, at least 25 percent of the workforce must continue to provide minimum services. In the case of a strike by workers in "essential public services," such as transportation, firefighting, mail, and telecommunications, 50 percent of the working force must continue to provide those services.

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.

Law 32, passed in April, eliminates restrictions on collective bargaining that had allowed companies less than two years old and enterprises in export processing zones (EPZs) to refuse to sign collective bargaining agreements. The law obligates those enterprises to bargain collectively and provide 15 (not 35) days of conciliation before a strike is legal; it also extends to EPZ firms the labor code definition of temporary (or “definite”) workers, meaning those who have been employed for less than two years.

Law 30, also passed in April, eliminated restrictions on collective bargaining that Law 29 of 2010 had created in the special economic area in Baru region. In addition, Law 32 creates a special regime for the establishment and operation of free trade zones, which include existing EPZs and some “call centers.”

Supreme Court decisions recognize that collective agreements negotiated between employers and unorganized workers have legal status equivalent to collective bargaining agreements, although collective agreements negotiated by a union have precedence over collective agreements negotiated by nonunionized employees. Executive decrees provide that an employer may not enter into collective negotiations with nonunionized workers when a union exists. However, these decrees had not been tested in court. Based on previous practice, MITRADEL’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 unions be freely chosen by workers without penalty. Two other executive decrees strengthened the ability of workers to bargain collectively by clarifying the criteria for legitimate subcontracting and establishing an enforcement plan to protect the rights of temporary workers.

The government lacked sufficient mechanisms to ensure that laws prohibiting employer interference in unions and protecting workers from employer reprisals were adequately enforced. MITRADEL reported that inadequate personnel resources, large case backlogs, and incomplete or inaccurate information in

applications delayed the processing of new registrations within the required time frame.

In addition to the court system, MITRADEL's Conciliation Board 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, by employee request, or during a collective dispute in a public service company and allows either party to appeal if arbitration is mandated during a collective dispute in a public-service company. The separate 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. If not resolved by the board, complaints are referred to an arbitrage tribunal, which consists of representatives from the employer, the employee association, and a third member chosen by the first two. Tribunal decisions are final.

Union leaders continued to express concerns about government actions, such as auditing union budgets, which they characterized as interference and intimidation. They also asserted that automatic union registration did not occur in practice.

Although private-sector unions widely exercised the right to organize and bargain collectively, antiunion discrimination, loss of employment and discriminatory transfers occurred in practice. Employers in the retail industry frequently hired temporary workers to circumvent labor code requirements for permanent workers. Temporary workers have the same rights established under a collective bargaining agreement as do other employees, except relating to dismissal. 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 a two-week notice for discharges by dismissing some workers one week before a holiday. 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.

While labor leaders approved of the 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

In November the government approved Law 79, which expressly 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 from one place to another, and six to 10 years' imprisonment for forced labor not involving movement. The law was scheduled to take effect on January 1, 2012.

During the year the government did not use existing provisions of constitutional law or other civil and criminal statute to prosecute forced labor cases, and there were reports that some forced labor of adults occurred. There were anecdotal reports that People's Republic of China 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.

Also see the Department of State's *Trafficking in Persons Report* at www.state.gov/j/tip.

c. Prohibition of Child Labor and Minimum Age for Employment

The labor code prohibits the employment of children under age 14, although exceptions can be made for children 12 and older to perform light farm work if it does not interfere with their school hours. However, the law does not set a limit on the total number of hours that children may work in agriculture or define what kinds of light work children may perform.

Children who have not completed primary school may not begin work until age 15. The law prohibits 14- to 18-year-old children from engaging in potentially hazardous work and identifies such hazardous work to include 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 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. Businesses that employ an underage child are subject to civil fines, while employers who endanger the physical or mental health of a child may face two to six years' imprisonment.

MITRADEL generally enforced the law effectively in the formal sector. The ministry enforced child labor provisions in response to complaints and can order

the termination of unauthorized employment. The ministry performed inspections to ensure compliance with child labor regulations. Government social workers visited farms in the coffee-growing region of Chiriqui in January and February and found 330 children working in the planting and harvesting of coffee, rice, plantains, and other crops. The government acknowledged that it was unable to enforce some child labor provisions in rural parts of the country; MITRADEL conducted only limited inspections in those areas.

MITRADEL and the National Directorate Against Child Labor and Protection of Adolescent Workers (DIRETIPPAT) continued to grant scholarships to children to encourage them to stay in school. MITRADEL and the National Secretariat for Children, Adolescents, and the Family (SENNIAF) staff visited the provinces of Veraguas, Darien, Bocas del Toro, Coclé, Los Santos, Herrera, and Kuna Yala to inform communities about grants offered through the Institute of Training and Development of Human Resources (IFARHU). The government continued to raise awareness about and provide training for officials and civil society on combating child labor.

SENNIAF published a resource guide to the services offered to children by government, private, and nongovernmental organizations. SENNIAF operated programs that offered comprehensive services to children at risk and their families, including home and school visits, tutoring, and parental counseling. During the year MITRADEL identified 1,628 children and adolescents performing child labor and assisted 1,195 to continue their education and with social follow-up. The Committee for the Eradication of Child Labor and the Protection of the Adolescent Worker (CETIPPAT) provided outreach to 3,369 children engaged in or at risk of child labor. The National Institute of Vocational Training for Human Development implemented programs for parents of those children involved in DIRETIPPAT's outreach program.

In February the ombudsman and UNICEF launched a campaign against the commercial sexual exploitation of children and adolescents designed to combat this crime and promote a culture of zero tolerance.

MIDES, CETIPPAT, and the NGO Casa Esperanza continued a program in the comarca (reservation) of the Ngabe-Bugle, Santiago de Veraguas, and Chorrera that provided scholarships for working children so they could begin or return to primary school; it also provided job training and literacy programs for their parents.

According to the 2010 child labor survey by the government and ILO, approximately 60,700 children and adolescents (7 percent of the overall population in the five-to-17-year-old age group) were engaged in some type of labor. Sixty-nine percent of working children also attended school. Seventy-seven percent of working children and adolescents said they worked less than 25 hours per week, and 57 percent worked with their families.

Child labor violations occurred most frequently in rural areas in agriculture and fishing, especially during the harvest of melons, tomatoes, onions, sugarcane, and coffee. The harvest season for these products is in January and February, with planting occurring in March and April. 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. Child labor also occurred in domestic work and other areas of the informal sector, including selling goods, shining shoes, washing cars, and assisting bus drivers.

According to Casa Esperanza, child labor increased in agricultural areas in the central provinces and was identified in new sectors in Panama City, Colon, and David. In Colon children scavenged in the ocean for metal and other items from boats to sell. Two children drowned during such work during the year. In David children were found selling flowers and CDs/DVDs in the streets.

Also see the Department of Labor's *Findings on the Worst Forms of Child Labor* at www.dol.gov/ilab/programs/ocft/tda.htm.

d. Acceptable Conditions of Work

At year's end the minimum wage ranged from 1.06 to 2.00 balboas (\$1.06 to \$2.00) per hour, depending on region and sector. Working 40 hours per week, 50 weeks a year, and earning the minimum-wage median, a person would earn approximately 184 to 347 balboas (\$184-\$347) per month. The poverty line was 94 balboas (\$94), while the extreme poverty line was 53 balboas (\$53) per month per person. Food and the use of housing facilities were considered part of the salary for some workers, such as domestic and agricultural workers. 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 excessive or compulsory overtime. Workers have the right to 30 days' paid vacation for every 11 months of continuous work, including those who do not work full time. MITRADEL is responsible for setting health and safety standards. The labor code requires employers to provide a safe workplace environment, including the provision of protective clothing and equipment for workers, but it does not specifically recognize the right of a worker to leave a dangerous work situation without jeopardy to continued employment.

MITRADEL generally enforced these standards in the formal sector. There were 197 labor inspectors, of whom 51 were occupation security inspectors. Information on the number of workplace inspections during the year was unavailable. Inspectors from MITRADEL and the occupational health section of the Social Security Administration conducted periodic inspections of hazardous employment sites and responded to complaints. However, the government did not enforce health and safety standards adequately. The law requires that the resident engineer and a MITRADEL safety officer remain on construction sites, establishes fines for noncompliance, and identifies a tripartite group composed of the Chamber of Construction, the construction union Suntracs, and MITRADEL to regulate adherence.

Most workers formally employed in urban areas earned the minimum wage or more. Approximately 40 percent of the population worked in the large informal sector and earned well below the minimum wage, particularly in most rural areas, where unskilled laborers earned from three to six balboas (three to six dollars) per day without benefits. MITRADEL was less likely to enforce labor laws in most rural areas (see section 6, Indigenous People).

As of July seven construction workers in Panama City died due to accidents suffered on the job. Some construction workers and their employers were occasionally lax about conforming to 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. Construction workers and safety inspectors needed training to enable them to use new construction technologies.