

Panamá: Amendment to Law 59 on immunity due to chronic illness

May 4, 2020

Through Law 151 of April 24, 2020, Article 4-A was added to Law 59 of December 28, 2005, through which labor protection standards were adopted for people with chronic, involuntary, and / or degenerative diseases causing occupational disability.

Article 4-A, recently added, establishes that every employee, national or foreign, who is reinstated due to being protected by Law 59 of 2005, will have the right to be paid the wages not received from the day of his/her suspension or dismissal and until the moment in which the reinstatement is executed, having to occupy the same position, unless another one with the same conditions is accepted.

The labor protection granted by Law 59 of 2005 implies that an employee, national or foreign, who is diagnosed with a chronic, involuntary, and/or degenerative disease can only be dismissed for just cause and with prior judicial authorization.