

BULLETIN

MODIFICATION OF MINIMUM WAGE
Executive Decree No. 75 became effective in January 1, 2018

Labor and Employment
practice area

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About ARIFA

ARIFA’s labor and employment team is one of the leading providers of legal services in this field in Panama.

Lawyers in the labor and employment area frequently work with our lawyers in the M&A and Corporations Practice Group to provide guidance in connection with complex acquisitions and mergers.

Our lawyers in this area also team up with lawyers in our Litigation and Arbitration Practice Group to litigate and settle labor disputes and claims.

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January, 2018. According to Executive Decree No. 75 of December 26, 2017, published in the Official Gazette of December 27, 2017, new minimum wage rates applicable to all workers were set in the Republic of Panama.

The two regions previously established, remain the same for determining the new minimum wage rate applicable. Namely:

Region 1:
It involves the districts of Panamá, Colón, San Miguelito, David, Santiago, Chitré, Aguadulce, Penonomé, Bocas del Toro, La Chorrera, Arraiján, Capira, Chame, Antón, Natá, Las Tablas, Bugaba, Boquete, Taboga, San Carlos, Chepo, Guararé, Los Santos, Pedasí, Dolega, San Félix, Barú, Boquerón, Portobelo, Donoso, Santa Isabel, Santa María, Parita, Pesé, Atalaya, Changuinola y Chiriquí Grande.

Region 2: It involves the remaining districts.

We proceed to list the new minimum wage rates for those economic activities that might be of interest to our distinguished clients.

We remain at your disposal for any further inquiries you might have, or for information on other activities not listed in this release.

Economic activity	Region 1	Region 2
Manufacturing industries		
Small businesses	2.20	1.85
Large businesses (16 or more employees)	2.85	2.35
Distilling, rectifying and blending of spirits	2.85	2.40
Manufacture of concrete and / or cement	3.14	2.99
Processing of sugar cane (National)	2.85	2.85
Electricity, gas, steam and air conditioning supply (National)	3.14	3.14
Ice production	2.72	2.24
Water supply, sewerage, waste management and sanitation activities (National)	3.14	3.14
Sewage system	2.85	2.35
Collection, treatment and waste disposal	2.85	2.35
Processing and recovery of waste materials	2.72	2.24
Wholesale and commissions	2.72	2.23
Sale of products and by-products derived from Sugar Cane (National)	2.72	2.72
Fuel tanks	2.72	2.23
Retailing		
Small businesses	2.20	1.84
Large businesses (11 or more employees)	2.72	2.23
Fuel stations	2.72	2.23
Hotels		
Small businesses	2.26	1.87
Large businesses (11 or more employees)	2.72	2.23
Franchised hotels and resorts	2.85	2.34
Hotels with more than 200 rooms	2.85	2.34
Hourly hotels, motels, inns and residential	2.85	2.34
Information and communication (National)	2.85	2.85
Editing activities	2.85	2.35
Production of radio and television	2.85	2.34
Radio and television broadcasting (National)	3.14	3.14
Activities of employment agencies (National)	2.85	2.85
Activities of travel agencies, tour operators and reservation services	2.85	2.24
Social services and relating to human health	2.85	2.32
Clinics and hospitals	3.14	2.34
Health technicians (National)	3.14	3.14
Arts, entertainment and creativity (National)	2.85	2.85
Gambling and betting activity, casinos (National)	3.34	3.34
Other service activities		
Residential Condos (totaling more than 10 floors) and tenant associations of individual houses (National)	3.14	3.14