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SETTLEMENT OF TRADE DISPUTES IN LABOR RELATIONS—A COMPARATIVE STUDY BETWEEN CHINA AND MALAYSIA

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ABSTRACT

Nowadays, the occurrence of multifarious trade disputes has influenced the social stability in certain degree. How to prevent and settle these disputes becomes the focus of each country. In labor relations, trade disputes normally arise over the issues of failure to pay salary, demand for higher payment, demand for better working conditions, and unfair dismissal of an employee. The content of trade disputes always relates to the labor rights and obligations. In China and Malaysia, trade disputes are principally regulated by the Labor Law of the People's Republic of China and the Industrial Relations Act 1967 respectively. Both legislations provide various remedy measures for the settlement of trade disputes. By examining and comparing these remedy measures, this paper aims to find out the similarities and differences of the settlement tactics, settlement procedures and methods for trade dispute prevention between China and Malaysia; particularly focuses on the respective issues of the settlement of personnel disputes in China, and the settlement of collective bargaining disputes in Malaysia. For better resolving future trade disputes in labor relations, this paper proposes that both China and Malaysia should strengthen the labor supervision especially the labor inspection to reduce the occurrence of trade disputes; improve the trade dispute intermediation system; extend the outlet for trade dispute settlement; legislate to resolve the organization, staff arrangement and legal position of trade dispute arbitration committee; constitute the special procedural provisions; evaluate the application of contract law in the process of trade dispute settlement; and reform the arbitration institutions for trade disputes at all levels.

Keywords: China, Labor Relation, Malaysia, Remedy Measure, Trade Dispute

INTRODUCTION

In labor relations, a trade dispute may be defined as a dispute between the employer and workman which is connected with the employment or non-employment or the terms of employment or the conditions of work of such workman. It is also called a labor divergence which takes place between both parties of the labor relations who want to exercise the labor right and fulfill the labor obligation. In practice a trade dispute usually arises over the issues of failure to pay salary, demand for higher pay, demand for better working conditions and unfair dismissal of an employee. It has four significant characteristics in common. Firstly, in a trade dispute one party is an employer (employing unit), and the other party is a workman. Secondly, there are certain labor relations between these two parties. Thirdly, the trade dispute takes place during the same period as the labor relations. Fourthly, the content of trade dispute relates to the labor right and obligation. Generally, the nature of labor relations decides the characteristics of trade dispute.

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SETTLEMENT OF TRADE DISPUTES IN LABOR RELATIONS IN CHINA

China has two dominating legal references for the settlement of trade disputes in labor relations. They are Labor Law of the People's Republic of China (Labor Law) and Regulations of the People's Republic of China on Settlement of Labor Disputes in Enterprises (Labor Regulation).

In the Labor Law, Section 77 provides approaches for the trade dispute settlement. It states that 'in case of a trade dispute between the employer and workman, the involved parties can apply for mediation or arbitration, bring the case to court, or settle them through consultation'. Section 79 particularly states that 'in case of a trade dispute, the parties shall first find solution through negotiations; if the parties are unwilling to go for negotiations or negotiations fail, the case may be referred to the mediation committee of the enterprise in which the dispute has occurred; if mediation fails, the case may be referred to the Trade Dispute Arbitration Committee for arbitration; the parties may also petition directly to the Trade Dispute Arbitration Committee for arbitration; when one of the parties or both parties refuse to accept the arbitration award, he or they may bring a lawsuit before the people's court'. Moreover, Section 78 provides general principles for the trade dispute settlement. It states that 'a trade dispute shall be settled in accordance with the principle of justice, fairness, and promptness to safeguard the legitimate rights and interests of the involved parties'.

In the Labor Regulation, Article 2 provides scope for the trade dispute settlement. It states that 'the Regulation is applicable to the following trade dispute: (1) dispute arising out of dismissal, discharge or lay-off of workers and employees by enterprise, or resignation by workers and employees or leaving their jobs of their own volition; (2) dispute concerning implementation of relevant State policies on wages, insurance, welfare, training and labor protection; (3) dispute regarding execution of the labor contract; and (4) dispute that other legislations stipulate that it should be handled with reference to the regulation'. In addition, Article 6 provides the similar approaches as Section 77 of the Labor Law for the trade dispute settlement. It complementally states that 'in the course of handling a trade dispute, neither party shall aggravate the dispute'. Article 4 provides the similar general principles as Section 78 of the Labor Law for the trade dispute settlement. It states that 'settlement of a trade dispute shall observe the following principles: (1) emphasis is given to mediation and prompt handling; (2) a trade dispute shall be dealt with in accordance with laws on a fact-finding basis; and (3) the involved parties are equal before applicable laws'.

Specifically speaking, these Sections and Articles indicate four important propositions with regard to the settlement of trade disputes in China. Firstly, intermediation is emphasized as the most basic approach to handle a trade dispute. It should always run through the whole process of trade dispute settlement regardless of the mediation, arbitration or trial. If an intermediation agreement can be reached, the involved parties should voluntarily sign it before the laws in the first place. Secondly, a trade dispute has to be handled in time. Although intermediation is the most important approach to solve the trade dispute, it is not an almighty approach. If the involved parties cannot reach a consensus, the trade dispute should be solved through other approaches as soon as possible. As such Section 83 of the Labor Law provides deadlines for the trade dispute intermediation and arbitration. Thirdly, the trade dispute settlement should be legal. The applicable laws not only refer to the Labor Law and Labor Regulation, but also refer to the Constitution and other relevant Rules and Regulations. The application of laws should follow the sequence of conventions, policies, rules, regulations and laws as well as the principles of specific laws prior to general laws, local laws prior to state laws, procedural laws prior to substantive laws and new laws prior to old laws. Fourthly, the characteristics of labor relations decide that it is a

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kind of affiliation relations, leadership relations, organizational relations and management relations. Thus fairness is the overriding principle for the trade dispute settlement. All involved parties should be treated equally before the laws. Nevertheless, due to such inherent characteristics, trade dispute settlement should incarnate tendency to the workman.

SETTLEMENT OF TRADE DISPUTES IN LABOR RELATIONS IN MALAYSIA

In Malaysia, the Malaysian Industrial Relations Act 1967 (IRA) is the dominating legal reference for the settlement of trade disputes in labor relations. It clearly recognizes the need to have effective machinery for the speedy and equitable settlement of trade disputes.

In order to protect the rights of workmen and employers, Section 4(1) of the IRA provides that no person shall interfere with, restrain or coerce a workman or an employer in the exercise of his rights to form and assist in the formation of and join a trade union and to participate in its lawful activities; no trade union of workmen and no trade union of employers shall interfere with each other in the establishment, functioning or administration of that trade union; and no employer or trade union of employers and no person acting on behalf of such employer or such trade union shall support any trade union of workmen by financial or other means, with the object of placing it under the control or influence of such employer or such, trade union of employers.

In order to promote the role of conciliation in the trade dispute settlement, Section 18 of the IRA provides reference for the trade dispute conciliation. Particularly, Section 18(3) states that 'where a trade dispute exists or is apprehended, which in the Director General's opinion is not likely to be settled by negotiation between the parties, he may, if he deems it necessary in the public interest, take such steps as may be necessary or expedient for promoting a settlement thereof whether or not the trade dispute has been reported to him'. Where after having taken the steps under Section 18(3), the Director General is satisfied that there is no likelihood of the trade dispute being settled, he shall notify the Minister accordingly. The Minister may of this own motion or upon receiving the notification of the Director General refer any trade dispute to the Court if he is satisfied that it is expedient so to do. Provided that in the case of a trade dispute in any Government service or in the service of any statutory authority, reference shall not be made except with the consent of the Yang di-Pertuan Agong or State Authority as the case may require.

In order to make the trade dispute settlement as simple as possible, Section 30(5) of the IRA imposes a duty upon the Industrial Court to have regard to the substantive merits of the case rather than technicalities. It also requires the Industrial Court to decide a case in accordance with equity and good conscience. Parliament has imposed these solemn duties upon the Industrial Court in order to give effect to the policy of a democratically elected government to dispense social justice to the nation's workforce. Section 30(6) of the IRA provides specific powers for the Court to settle a trade dispute. It states that 'the Court shall not be restricted to the specific relief claimed by the parties or to the demands made by the parties in the course of the trade dispute or in the matter of the reference to it but may include in the award any matter or thing which it thinks necessary or expedient for the purpose of settling the trade dispute or the reference to it'.

Where a trade dispute is referred to the Industrial Court, the Court shall have power in relation to a trade dispute referred to it to make an award relating to all any of the issues. Where the Court is not unanimous on any question or matter to be determined, a decision shall be taken by a majority of members and, if there is no majority decision, by the President or Chairman. The Court shall make its award without delay and where practicable within thirty days of the date of reference to it. In making its award in respect of a trade dispute, the Court shall have regard to the

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public interest, the financial implication and the effect of the award on the economy of the country, and on the industry concerned, and also to the probable effect in related or similar industries. The Court shall act according to equity, good conscience and the substantial merits of the case without regard to technicalities and legal form. In making its award, the Court may take into consideration any agreement or code relating to employment practices between organization representative of employers and workmen respectively where such agreement or code has been approved by the Minister. The award of the Court shall be signed by the President or the Chairman of any Division or in the event of the President or the Chairman for any reason being unable to sign the award by the remaining members.

SIMILARITIES IN SETTLEMENT OF TRADE DISPUTES BETWEEN CHINA AND MALAYSIA

Similarity of Approaches for Trade Dispute Settlement

In China, there are normally four approaches for the trade dispute settlement in labor relations, namely negotiation, intermediation, arbitration and litigation.

Negotiation is conducted by the involved parties, under which the case does not need to experience the judicial process. It is the most direct, fast and simple way to solve a trade dispute. Intermediation is conducted by the Trade Dispute Intermediation Committee. This organization was founded as an independent employment unit, and works under the guidance of worker representative conference. It has an independent position among the employment unit activities. Thus intermediation cannot be interfered by any administrative department or individual people. Arbitration is conducted by the Trade Dispute Arbitration Committee. This organization decides the application of trade dispute case, and plays an important role in the trade dispute processing. Arbitration includes three major issues, namely the foundation of Trade Dispute Arbitration Committee, the scope and ruling of Trade Dispute Arbitration Committee and the procedure of trade dispute arbitration. Litigation is conducted by the People's Court. If the trade dispute parties defy the intermediation decision and request for litigation, the court will judge the case according to the judicial procedure. Section 83 of the Labor Law states that 'if the parties defy the intermediation decision, they can initiate public prosecution in fifteen days since they received the intermediation verdict'.

Similarly in Malaysia, there are also four approaches for the trade dispute settlement in labor relations, namely negotiation, conciliation, mediation and arbitration.

Negotiation occurs to establish the settling point for terms of agreement by parties concerned. It is the direct or collective interaction between unions and management in resolving their differences. The administration of the contract or agreement is an integral part of the bargaining process and involves an on-going activity which involves a continuous relationship between the workman and employer. Conciliation is conducted through the Industrial Relations Office where a conciliator is involved to assist in solving a trade dispute. Unlike mediation, a conciliator plays a direct role in the actual solution and even advises the parties on certain solutions. Conciliator develops and proposes the term of settlement, whereas a mediator facilitates the generation of solutions that is fair and workable to both parties. Unlike arbitration and mediation, conciliation may not follow a structured procedure, instead administer the conciliation process as a traditional negotiation which may be in different forms depending on the case. Conciliation is almost preventative. It means that as soon as a dispute surfaced, a conciliator pushes to stop the conflict. Arbitration and mediation are similar in the respect that they

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intervene into a dispute that has already surfaced and difficult to resolve. Mediation is conducted by a mediator through the Director-General/Minister for Human Resources. It facilitates dialogue to reach a mutually satisfactory agreement, and is a peaceful dispute resolution tool that is complimentary to the existing court system and the practice of arbitration. Unlike arbitration, mediation is a voluntary and non binding process. It often successfully offers parties the rare opportunity to directly express their own interests and anxieties relevant to the dispute. Mediator should be neutral and impartial and does not decide or judge. He uses special communicator skills to assist the negotiation in reaching optimal solutions, which is cheaper than court proceedings. Arbitration is conducted by a union, management and arbitrator through the Industrial Court. It can be either compulsory or voluntary. Compulsory arbitration arises from the requirement of law for government to intervene when there is a deadlock between the trade dispute parties. The government may dictate the award of its own arbitrator, and militate against freedom in the process of reaching a collective agreement. Voluntary arbitration arises from the joint agreement made by the trade dispute parties to refer to the matter to a tribunal or court in the element of voluntarism of choice and the level of commitment to the relationship and the outcome. It is not frequently adopted as compulsion is more pervasive in the region.

Comparing the settlement approaches between China and Malaysia, it is clear to see that they are similar in adoption under particular trade dispute circumstances. The only difference is the names of respective administrative and executive organizations. Nevertheless, such organizations have the similar functions in trade dispute settlement, which play important roles to promote the healthy development of labor relations in both countries.

Similarity of Measures for Trade Dispute Prevention

In order to better reconcile labor relations, a trade dispute should be prevented at its roots. In practice both China and Malaysia similarly adopt the following measures to prevent the occurrence of a trade dispute.

Firstly, both China and Malaysia enhance the perception of respective Labor Law, and clarify the involved parties' rights and obligations in labor relations. The generation of a labor relation basically depends on the signature of a labor contract. Thus well signing a labor contract will help to prevent a trade dispute. However, the signature of a labor contract initially needs to clarify the workman's and employing unit's rights and obligations. Only by knowing laws, learning laws and mastering laws, the involved parties can well use laws as a weapon to safeguard their legitimate rights.

Secondly, both China and Malaysia promote to sign a good labor contract. As a treaty between the employing unit and employee, a labor contract provides the rights and obligations for both parties, proves the consensus of both parties on specific employment issues, and contributes to build up a harmonious and stable labor relation. Thus signing a good labor contract is the key to trade dispute prevention.

Thirdly, both China and Malaysia advocate the workmen to exercise their rights and obligations carefully. The workmen shall obey the rules and regulations of employing unit, and try their best to finish the work. During the working period, they shall exercise their rights in a proper way. If the workmen need to resign or terminate the contract, they shall exercise corresponding obligations such as making a notification in advance. If there are some restrictive provisions such as keeping the business secret in the rules and regulations of employing unit, the workmen should obey these provisions after they leave the office.

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DIFFERENCES IN SETTLEMENT OF TRADE DISPUTES BETWEEN CHINA AND MALAYSIA

Although both Chinese and Malaysian legislations provide similar approaches for the trade dispute settlement, they experience different stages in adoption under the supervision and administration of different organizations. These stages are briefly summarized in Chart 1 and Table 1 as below.

Chart 1 Stages of Trade Dispute Settlement in Malaysia

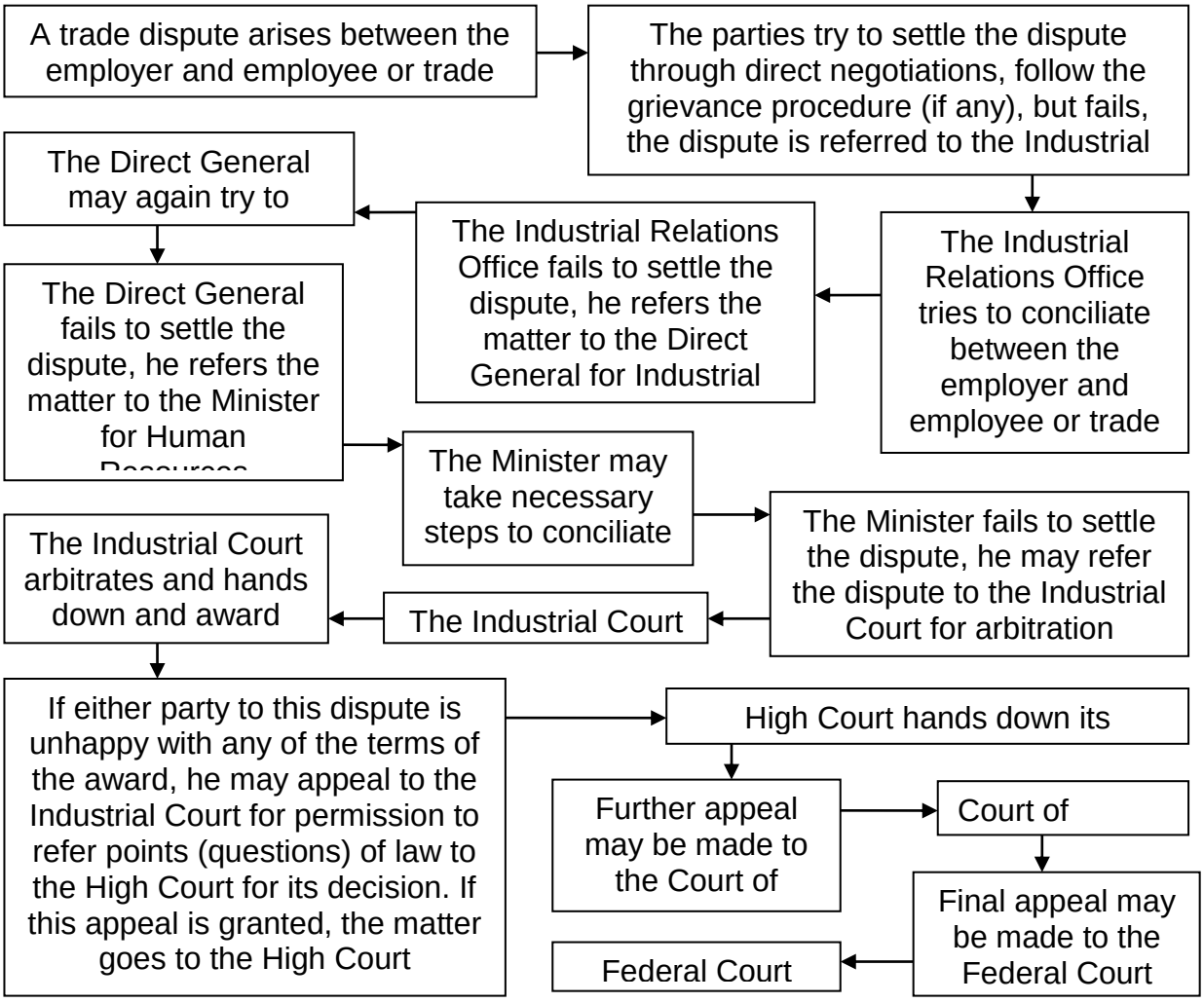

Table 1 Stages of Trade Dispute Settlement in China

A trade dispute arises between the employer and employee or trade union				
Industrial injury		Occupational injury		
Claim for wage, medical care expense	Claim for treatment of industrial injury	Claim for treatment of occupational injury	Other dispute	In 60 days

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<table>
<tr><td>Confirmation of industrial injury</td><td>Identification of work ability</td><td>Certificate of occupational injury</td><td></td><td></td></tr>
<tr><td colspan="4">Apply for arbitration</td><td rowspan="2">In 7 days</td></tr>
<tr><td colspan="3">Notify the acceptance of arbitration</td><td rowspan="2">Not accept</td></tr>
<tr><td colspan="3">Send the case to lawyer</td><td rowspan="5">In 60 days</td></tr>
<tr><td colspan="3">Reply</td><td rowspan="2">Can sue to court</td></tr>
<tr><td colspan="3">Session</td></tr>
<tr><td colspan="2">Send the case to mediator</td><td colspan="2">Send the case to judge (If defy the sentence, can sue to the higher court in 15 days)</td></tr>
<tr><td colspan="2">Not implement</td><td colspan="2">Not sue to court and not implement</td></tr>
<tr><td colspan="5">Apply to court for forcible execution</td></tr>
</table>

The stages of Trade Dispute Settlement in Chart 1 and Table 1 illustrates that although the basic approaches and sequence of trade dispute settlement are similar between China and Malaysia, the corresponding administrative organizations are different from each other. For instance, in the mediation phrase the Trade Dispute Intermediation Committee is responsible for the case in China rather than the Industrial Relations Office in Malaysia; in the arbitration phrase the Trade Dispute Arbitration Committee is responsible for the case in China rather than the Industrial Court in Malaysia. Moreover, due to the different legal system, the trade dispute will go to court only if the arbitration is failed in China rather than the conciliation is failed in Malaysia; once the arbitration is failed, the trade dispute will go to the High Court, Court of Appeal and even Federal Court in Malaysia rather than the People's Courts at different levels in China. In addition, the classification of trade disputes and the duration of trade dispute settlement in each phase are also different between China and Malaysia. For instance, in China the trade disputes may be classified as the implementation of wage, insurance, welfare, vocational training and labor protection in the controversy; the breach of labor contract; and the dismissal, resignation, removal and expulsion of employees. By contrast, in Malaysia the trade disputes may be classified as the recognition of a trade union by the employer, the collective bargaining on the terms and condition of employment, the non-compliance, the interpretation, the breach of contract, the dismissals or termination of service and retrenchment, and the constructive dismissal.

SETTLEMENT OF PERSONNEL DISPUTES IN CHINA

In China, talent flow strongly stimulates the initiative of talents and promotes the national economic development. It however negatively results in a great number of personnel disputes. On the other hand, the further reform of Chinese legal system gradually widens the scope of personnel disputes, and they therefore become the major component of trade disputes in China. Normally, the court prefers to solve a personnel dispute through arbitration. It is considered as an effective administrative and judicial approach to settle a personnel dispute arising from the human resource management, which plays an important role to supervise and administer the talent flow.

In 2007, the Ministry of Personnel of the People's Republic of China promulgated the Provisions on Settlement of Personnel Disputes. It clearly provides the scope, organization, administration, procedure and supervision for personnel dispute arbitration. In particular, Article 2 provides that the personnel disputes include the disputes result from the fulfilment of employment contracts between state administrative organs and civil servants, public institutions and employees, enterprise units and employees as well as military employment units and civil servants. Article 13 provides that the personnel disputes of central authorities and their direct

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agencies shall be settled through central authorities' arbitration committees and their direct agencies' arbitration committees. The personnel disputes of public institutions in each province (autonomous region and municipality) shall be settled through arbitration committees where the public institutions locate. Article 16 provides that the party shall, within 60 days from the date he knew or should know of an infringement, lodge the jurisdictional personnel dispute arbitration committee with written application for arbitration. Article 18 provides that if the arbitration application is approved within 10 working days upon its receipt, personnel arbitration committee shall deliver the notice of approval to the applicant and a copy of the arbitration application to the respondent; if not, personnel arbitration committee shall notify the applicant in writing and state the reasons of disapproval. Article 29 provides that an arbitration tribunal shall settle a personnel dispute within 90 days from the date of acceptance. If an extension is required and granted with the approval of a personnel dispute arbitration commission, the case can be extended not more than 30 days.

Under the guidance of Provisions on Settlement of Personnel Disputes, all provinces and cities in China begin to conduct personnel dispute arbitration through the corresponding arbitration committee. These undertakings not only safeguard the legitimate right and interest of both trade union and individual, but also promote the talent flow and development of human resource market.

SETTLEMENT OF COLLECTIVE BARGAINING DISPUTES IN MALAYSIA

Collective bargaining is generally recognized as the keystone of organized labor management relations. It is a type of negotiation used by employees to work with their employers. The collective agreements reached by these negotiations usually set out wage scales, working hours, training, health and safety, overtime, grievance mechanisms, and rights to participate in workplace or company affairs. Commonly, collective bargaining disputes may arise from two matters: (1) when one party may refuse to bargain on a demand made by the other party, if it questions whether that particularly demand falls within the meaning of the statutory definition of collective bargaining; (2) since obligation to bargain in good faith does not imply a compelling necessity for the parties to reach an agreement, even with good faith or obvious sincerity to reach an agreement, negotiation could be deadlocked.

In Malaysia, Section 2 of the IRA defines collective bargaining as negotiating with a view to the conclusion of a collective agreement, under which both the parties have the obligation to bargain in good faith or bargain with sincere desire to reach an agreement. Such agreement shall be deemed to be an award and shall be binding on (1) the parties to the agreement including in any case where a party is a trade union of employers, all members of the trade union to whom the agreement relates and their successors, assignees or transferees; and (2) all workmen who are employed or subsequently employed in the undertaking or part of the undertaking to which the agreement relates. The settlement of collective bargaining disputes involves conciliation by the government machinery and arbitration by the quasi-judicial authority. In Malaysia arbitration is voluntary when both the parties jointly request the Minister to refer the dispute to the industrial court, failing which compulsory arbitration may ensure at the discretion of the Minister when he refers the dispute to the industrial court under section 26(3) of the IRA.

However, the IRA does not provide any special machinery for the collective bargaining disputes either to spell out behaviors indicative of bad faith bargaining or to enforce the statutory obligation of good faith bargaining between the parties. Instead the IRA seeks to prevent two bad faith behaviors under trade dispute. They are namely the refusal of the employer to respond to the

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invitation by the union to bargain within 14 days leads to a trade dispute under Section 13(4), and the refusal to commence bargaining within 30 days after employer's acceptance of union's invitation leads to a trade dispute under section 13(5). There was no need to spell out other bad faith behaviors such as failure of the employer to send for bargaining session person with authority as required by the labor standards or parties engaging in delaying or dilatory tactics since the IRA provides for an party to report to the Director General of Industrial Relations of failure to reach an agreement. When conciliation by the Director General fails on its notification, the Minister may refer the Dispute to the industrial court for a binding award. In the context of effective conciliation and arbitration provisions in the IRA, the pressure on the parties to bargain in good faith is evident. Thus there is no need for the IRA to provide any specialized machinery to enforce the obligation to bargain in good faith.

CONCLUSION

The settlement of trade disputes in labor relations affects the talent flow, human resource management and even social stability. Well dealing with various trade disputes promotes the healthy development of national economy. China and Malaysia have the similar approaches for respective trade dispute settlement. They however vary in adoption by different organizations. This is particularly reflected in the process of personnel dispute settlement in China and collective bargaining dispute settlement in Malaysia. As the developing countries both China and Malaysia are currently in the transformation period of labor restructuring, they need proper guidance for the further trade dispute settlement. As such some suggestions may be strongly proposed. Both countries should strengthen the labor supervision particularly the labor inspection to reduce the occurrence of trade disputes; improve the trade dispute intermediation system; extend the outlet for trade dispute settlement; legislate to resolve the organization, staff arrangement and legal position of trade dispute arbitration committee; constitute the special procedural provisions; evaluate the application of contract law in the process of trade dispute settlement; and reform the arbitration institutions for trade disputes at all levels.

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ABSTRACT

In labor relations, trade disputes normally arise over the issues of failure to pay salary, demand for higher payment, demand for better working conditions, and unfair dismissal of an employee. The content of trade disputes always relates to the labor rights and obligations. In China and Malaysia, trade disputes are principally regulated by the Labor Law of the People's Republic of China and the Industrial Relations Act 1967 respectively. Both legislations provide various remedy measures for the settlement of trade disputes. By examining and comparing these remedy measures, this paper aims to find out the similarities and differences of the settlement tactics, settlement procedures and methods for trade dispute prevention between China and Malaysia; particularly focuses on the respective issues of the settlement of personnel disputes in China, and the settlement of collective bargaining disputes in Malaysia.

INTRODUCTION

In labor relations, a trade dispute may be defined as a dispute between the employer and workman which is connected with the employment or non-employment or the terms of employment or the conditions of work of such workman. It has four significant characteristics in common. Firstly, in a trade dispute one party is an employer (employing unit), and the other party is a workman. Secondly, there are certain labor relations between these two parties. Thirdly, the trade dispute takes place during the same period as the labor relations. Fourthly, the content of trade dispute relates to the labor right and obligation. Generally, the nature of labor relations decides the characteristics of trade dispute.

SIMILARITIES IN SETTLEMENT OF TRADE DISPUTES BETWEEN CHINA AND MALAYSIA

Similarity of Approaches for Trade Dispute Settlement

In China, there are normally four approaches for the trade dispute settlement in labor relations, namely negotiation, intermediation, arbitration and litigation. Similarly in Malaysia, there are also four approaches for the trade dispute settlement in labor relations, namely negotiation, conciliation, mediation and arbitration.

Similarity of Measures for Trade Dispute Prevention

Firstly, both China and Malaysia enhance the perception of respective Labor Law, and clarify the involved parties' rights and obligations in labor relations. Secondly, both China and Malaysia promote to sign a good labor contract. Thirdly, both China and Malaysia advocate the workmen to exercise their rights and obligations carefully.

DIFFERENCES IN SETTLEMENT OF TRADE DISPUTES BETWEEN CHINA AND MALAYSIA

Stages of Trade Dispute Settlement in China

<table>
<tr><td colspan="4">A trade dispute arises between the employer and employee or trade union</td><td>In 60 days</td></tr>
<tr><td colspan="2">Industrial injury</td><td>Occupational injury</td><td rowspan="2">Other dispute</td><td rowspan="2">In 60 days</td></tr>
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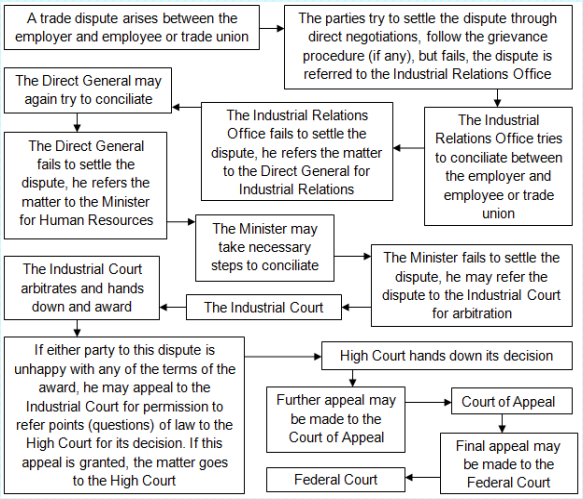
</table>

Stages of Trade Dispute Settlement in Malaysia



CONCLUSION

As the developing countries both China and Malaysia are currently in the transformation period of labor restructuring, they need proper guidance for the further trade dispute settlement. As such some suggestions may be strongly proposed. Both countries should strengthen the labor supervision particularly the labor inspection to reduce the occurrence of trade disputes; improve the trade dispute intermediation system; extend the outlet for trade dispute settlement; legislate to resolve the organization, staff arrangement and legal position of trade dispute arbitration committee; constitute the special procedural provisions; evaluate the application of contract law in the process of trade dispute settlement; and reform the arbitration institutions for trade disputes at all levels.