

CONVENIENCE TRANSLATION - ACCURACY NOT GUARANTEED

Law Amending the Labour Dispute Settlement Law for the Second Time (Pyidaungsu Hluttaw Law No. 17/2019) 1st Waxing Day of Nayone, 1381 (3 June 2019)

The Pyidaungsu Hluttaw hereby enacts this law.

- 1. This law shall be called the Law Amending the Labour Dispute Settlement Law for the Second Time.
- 2. Concerning section 2 of the Labour Dispute Settlement Law -
 - (a) Sub-section (a) shall be replaced as follows -
 - "(a) 'Worker' means a person working for an employer for a wage using his physical or mental ability. This term includes trainees, workers on probation and workers who are terminated or dismissed during a dispute. However, this term shall not include public servants, soldiers, members of the Myanmar Police Force, and armed organisations under the command of the Tatmadaw."
 - (b) Sub-section (c) shall be replaced as follows -
 - "(c) 'Employer' means a person responsible for paying a worker for the work done for his or her business. This term includes heirs, legal representatives, authorised persons as well as the head of the management and members the board of directors if the employer is a company formed according to the Myanmar Companies Law."
 - (c) Sub-section (f), sub-sub-section (6) shall be replaced as follows -
 - "(6) Businesses specified, by notification issued by the Ministry, as service businesses that are essentially required."
 - (d) Sub-section (i) shall be replaced as follows -
 - "(i) 'Strike' means collective action taken by a decision of some or all workers resulting in a suspension of work, a refusal to work or to continue to work, or a slow-down or other collective actions that are designed to limit production or services relating to social or occupational matters in any dispute. This expression does not include the exercise of the right of workers to remove



themselves, having reasonable justification to believe that the work situation presents a sudden and serious danger to their life or health."

- (e) Sub-section (k) shall be replaced as follows -
 - "(k) 'Collective bargaining' means the process carried out in order to enable the negotiation and conclusion of a collective agreement by the employer or employer organisations and labour organisations to determine the working conditions and employment terms, their labour relations or measures for the prevention and settlement of disputes."
- (f) Sub-section (I) shall be replaced as follows -
 - "(I) 'Collective agreement' means a bilateral written agreement concerning employment conditions, including the determination of working conditions and employment terms, the terms of the relationship between employers and workers or their respective organisations, the recognition of the legal existence of labour organisations, and the promotion of guarantees protecting workers against social risks."
- (g) Sub-section (m) shall be replaced as follows -
 - "(m) 'Dispute' means a labour dispute or disagreement between an employer, employers or an employer organisation representing them and a worker, workers or a labour organisation representing them in respect of employment, work or termination of a worker, workers or labour organisation [sic]; in respect of allowances or compensation, including pension, gratuity and other expenses; in respect of compensation for work-related loss, accidents, death or injuries; and in respect of other labour matters, including leave, holidays and other matters to which workers are entitled.
- (h) Sub-sections (n) and (o) shall be replaced as follows -
 - "(n) 'Dispute concerning a right' means a dispute concerning a right of employers or workers prescribed in a labour law."
 - "(o) 'Dispute concerning a benefit' means a dispute concerning a collective agreement, disputes concerning the benefits to which most of the workers are entitled, even though they are not within the scope of labour law rights, and disputes concerning the relationship at the workplace."



- (i) The expression "Ministry of Labour" included in sub-sections (t) and (u) shall be replaced with the expression "Ministry of Labour, Immigration and Population".
- (j) The following shall be added as sub-section (v) after sub-section (u) -
 - "(v) 'Department' means the Department of Labour Relations."
- 3. Concerning section 3 of the Labour Dispute Settlement Law -
 - (a) The introduction in sub-section (a) shall be replaced as follows -
 - "(a) If there is a labour organisation, a labour affairs coordination committee¹ shall be formed with the following persons during the specified period in order to conduct collective bargaining -"
 - (b) Sub-section (a), sub-sub-section (1) shall be replaced as follows -
 - "(1) Three worker representatives nominated by each labour organisation;"
 - (c) Sub-section (b) shall be replaced as follows -
 - "(b) If there is no labour organisation, a labour affairs coordination committee shall be formed with the following persons during the specified period -
 - (1) Three representatives selected by the workers;
 - (2) three representatives of the employer."
- 4. Section 4, sub-section (b) of the Labour Dispute Settlement Law shall be replaced as follows -
 - "(b) The term of the coordination committee shall be two years."
- 5. Section 6, sub-section (a) of the Labour Dispute Settlement Law shall be replaced as follows -
 - "6. (a) If a worker, labour organisation or employer complains to the coordination committee in person or through an authorised person concerning a loss, the coordination committee shall handle the matter within 7 days from the receipt of the complaint."
- 6. Section 7 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "7. In businesses where no coordination committee is formed because there are less than 30 workers and a complaint of a loss is made to the employer, the employer shall handle

¹ In English texts often referred to as "workplace coordinating committee", but this is not a literal translation.

the matter within 7 days from the date of the receipt of the complaint, keep a record of the settlement and forward it to the relevant conciliation body if so requested."

- 7. Section 9 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "9. During the bargaining according to sections 6 and 7 -
 - (a) The employers and the workers shall conclude a collective agreement if they can reach a settlement and shall send a copy thereof to the relevant conciliation body.
 - (b) The employers and the workers may complain to the relevant conciliation body if they cannot reach a settlement.
 - (c) The aggrieved person may complain to the relevant conciliation body if the collective agreement has not been complied with.
 - (d) The term of the collective agreement shall be one year; no additional claim shall be made concerning the agreed items during this term."
- 8. Section 10 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "(10) (a) The Regional or State Government or Nay Pyi Taw Council shall form dispute conciliation bodies in the townships of the respective Regions and States and the Union Territory with the following persons -
 - (1) A person appointed by the government of the respective Region or State or the Nay Pyi Taw Council or the administrative board of the self-administered division or self-administered zone Chairman
 - (2) Three representatives who are members of grassroot ["basic"] and township-level employers' organisations selected by grassroot and township-level employers' organisations Member
 - (3) Three representatives who are members of grassroot and township-level labour organisations selected by grassroot and township-level labour organisations

 Member
 - (4) A representative from the respective township-level government department Member
 - (5) A person appointed by the Ministry Secretary



- (b) More than one conciliation body formed according to sub-section (a) may be established in townships where the number of factories, workplaces, workers and disputes are high."
- 9. Section 11, sub-section (b) of the Labour Dispute Settlement Law shall be replaced as follows -
 - "(b) The term of a conciliation body shall be 3 years."
- 10. Section 12 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "12. The conciliation body -
 - (a) Shall handle the filed or received complaints during the specified period as prescribed in order to reach a settlement. During this process, the conciliation body shall categorise the dispute as dispute concerning a right or dispute concerning a benefit and handle the matter as prescribed.
 - (b) Shall advise the respective employers or workers to apply to the relevant department or competent court if the dispute is not within the scope of the conciliation body's functions, or if the matter concerning the non-compliance with a collective agreement reported by the labour affairs coordination committee falls within the scope of rights prescribed in a labour law in force.
- 11. Section 13 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "13. The government of the respective Region or State or the Nay Pyi Taw Council shall perform functions such as re-constituting the conciliation bodies, terminating members and assigning duties to the conciliation bodies formed according to section 10."
- 12. Section 14 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "14. If there is no relevant law for the settlement of disputes adopted in a special economic zone established in Myanmar, the government of the respective Region or State or the Nay Pyi Taw Council shall form special conciliation bodies as prescribed in section 10."
- 13. Section 16 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "(16) The Ministry shall form dispute settlement arbitration bodies in the Regions and States and the Union Territory with the consent of the Union Government with the following persons -
 - (1) A person appointed by the government of the respective Region or State or the Nay Pyi Taw Council Chairman



- (2) Five representatives who are members of grassroot, township-level or regional or state-level employers' organisations selected by the votes of the members of the respective grassroot, township-level or regional or state-level employers' organisations

 Member
- (3) Five representatives who are members of grassroot, township-level or regional or state-level labour organisations selected by the votes of the members of the respective grassroot, township-level or regional or state-level labour organisations

 Member
- (4) Three representatives from the respective regional or state government department Member
- (5) A person appointed by the Ministry Secretary"
- 14. Section 17, sub-section (b) of the Labour Dispute Settlement Law shall be replaced as follows -
 - "(b) The term of an arbitration body shall be 3 years."
- 15. Section 19 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "19. The Ministry shall form the dispute settlement arbitration council composed of 15 moral persons from among legal and labour experts with the consent of the Union Government as follows -
 - (a) Five persons selected by the Ministry;
 - (b) five persons collectively selected by the employers' federation of the relevant Region, State, Union Territory, self-administered region or self-administered zone and the employers' organisations at the level of the relevant Regions, States and townships;
 - (c) five persons collectively selected by labour organisations or labour federations for the whole of Myanmar and labour organisations at the level of the relevant Regions, States, the Union Territory, self-administered regions, self-administered zones and townships."
- 16. The following shall be added as section 19-A after section 19 of the Labour Dispute Settlement Law -
 - "19-A A patron shall, with the votes of the members, be selected in rotation from among the members appointed by the Ministry of the arbitration council formed according to section 19."

- 17. Sub-section 20, sub-section (b) of the Labour Dispute Settlement Law shall be replaced as follows -
 - "(b) The term of the arbitration council shall be 3 years."
- 18. Section 21, sub-section (b) of the Labour Dispute Settlement Law shall be replaced as follows -
 - "(b) A tribunal composed of 3 persons from among the persons in section 19, each from one of the 3 organisations, shall be formed and assigned duty in order to hear the received disputes."
- 19. Section 22, sub-section (a) of the Labour Dispute Settlement Law shall be replaced as follows -
 - "22. (a) The Ministry shall specify the procedure to be conducted by the arbitration council in accordance with the labour laws in force."
- 20. Section 23 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "23. An employer or worker may file, in person or through a legally authorised representative, an application to the relevant department or competent court with regard to a dispute concerning a right."
- 21. Section 24 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "24. If a dispute concerning a benefit is known or received due to a complaint filed by an employer or worker, due to a notice by the Ministry, a government of a Region or State or the Nay Pyi Taw Council, or by other means, the relevant conciliation body shall perform the following functions -
 - (a) Negotiation, in order to reach a settlement, within 7 days from the date of knowing or receiving the dispute;
 - (b) instructing to conclude an agreement in front of the conciliation body if the negotiations according to section (a) have been successful;
 - (c) if a party violates the agreement concluded in front of the conciliation body, an officer appointed by the Department shall sue this party."
- 22. The expression "collective dispute" contained in section 25 of the Labour Dispute Settlement Law shall be replaced with the expression "dispute concerning a benefit".
- 23. Section 26 of the Labour Dispute Settlement Law shall be replaced as follows -



- "26. The dispute conciliation body shall, within 2 days excluding official holidays, transfer the case file to the relevant arbitration body, together with a detailed report including an opinion and remarks on the disputed items."
- 24. Section 27 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "27. With regard to a dispute concerning a benefit transferred by the conciliation body according to section 26, the relevant arbitration body shall decide within 7 days from the date of receipt and shall notify the parties of the decision within 2 days, excluding official holidays. If the decision concerns an essential services business or a public service business, the arbitration body shall send a copy of the decision of the Ministry and the government of the respective Region or State."
- 25. Section 28 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "28. The parties in dispute may do the following if they do not agree with the decision of the arbitration body, except a decision with regard to an essential services business -
 - (a) Filing an application to the arbitration council by a party within 7 days from the receipt of the decision of the arbitration body;
 - (b) carrying out a lock-out or strike in accordance with the relevant law."
- 26. Section 31, sub-section (a) of the Labour Dispute Settlement Law shall be replaced as follows -
 - "(a) A dispute filed according to section 28, sub-section (a) shall be decided within 14 days from the date of receipt."
- 27. Section 32, sub-section (a) of the Labour Dispute Settlement Law shall be replaced as follows -
 - "(a) A dispute filed according to section 29 shall be decided within 7 days from the date of receipt."
- 28. Section 33 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "33. The arbitration council shall send a copy of the decision made by the arbitration body according to section 32, sub-section (a) to the Ministry, the government of the respective Region or State, the Nay Pyi Taw Council or the administrative body of the self-administered region or the self-administered zone."
- 29. Section 34 of the Labour Dispute Settlement Law shall be replaced as follows -



- "34. If both parties agree with or no party files an application to the arbitration council within the specified period concerning a decision of the arbitration body, the decision shall be valid from the date of it having been passed."
- 30. The expression "after 3 months" contained in section 36 of the Labour Dispute Settlement Law shall be replaced with the expression "after 90 days".
- 31. Section 38 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "38. No employer or worker shall fail to be present in person or through a representative without proper reason on the date and time set by the conciliation body for the negotiation of a dispute."
- 32. The following shall be added as section 38-A after section 38 of the Labour Dispute Settlement Law -
 - "38-A. No employer or worker shall fail to form a coordination committee according to the provisions of section 3. Furthermore, there shall be no failure to do so within 60 days after being sentenced by the relevant court for the failure."
- 33. Section 39 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "39. No employer shall, with the intention of harming the interest of the workers, suddenly amend the employment terms specified before the dispute or carry out a lock-out without proper reason during the process of the dispute being heard by the arbitration body or tribunal."
- 34. The following shall be added as section 39-A after section 39 of the Labour Dispute Settlement Law -
 - "39-A No worker shall, during the dispute settlement, do anything in order to cause a decrease of production or harm the interest of other workers."
- 35. Section 43 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "43. No employer or worker shall fail to comply with or enforce an item in the agreement concluded in front of the conciliation body with regard to a dispute."
- 36. The following shall be added as section 45-A after section 45 of the Labour Dispute Settlement Law -
 - "45-A No one shall violate any provision of the rules, notifications, orders and directives issued according to this law."



- 37. Section 46 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "46. (a) Any employer or worker found to have violated a prohibition contained in section 38 shall be sentenced to a fine from Ks. 300,000 to Ks. 1,000,000.
 - (b) Any employer or worker found to hav39e violated a prohibition contained in section 38-A shall be sentenced to a fine from Ks. 300,000 to Ks. 1,000,000.
 - (c) Any employer found to have violated a prohibition contained in section 39 shall be sentenced to a fine from Ks. 1,000,000 to Ks. 3,000,000.
 - (d) Any worker found to have violated a prohibition contained in section 39-A shall be sentenced to a fine from Ks. 100,000 to Ks. 300,000.
 - (e) Anyone found to have violated a prohibition contained in section 45-A shall be sentenced to a fine from Ks. 100,000 to Ks. 200,000."
- 38. The following shall be added as section 46-A after section 46 of the Labour Dispute Settlement Law -
 - "46-A (a) Anyone found to have committed the violation again after being sentenced for a violation of section 46 sub-section (a) shall be sentenced a fine of Ks. 1,000,000 to Ks. 3,000,000.
 - (b) Anyone found to have committed the violation again after being sentenced for a violation of section 46 sub-section (b) shall be sentenced a fine of Ks. 1,000,000 to Ks. 3,000,000.
 - (c) Anyone found to have committed the violation again after being sentenced for a violation of section 46 sub-section (c) shall be sentenced a fine of Ks. 3,000,000 to Ks. 10,000,000.
 - (d) Anyone found to have committed the violation again after being sentenced for a violation of section 46 sub-section (d) shall be sentenced a fine of Ks. 300,000 to Ks. 1,000,000.
 - (e) Anyone found to have committed the violation again after being sentenced for a violation of section 46 sub-section (e) shall be sentenced a fine of Ks. 200,000 to Ks. 500,000."
- 39. Section 47 of the Labour Dispute Settlement Law shall be replaced as follows -



- "47. Anyone found to have violated the prohibition contained in sections 40, 41 and 42 shall be sentenced to a fine of at least Ks. 2,000,000."
- 40. Section 48 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "48. Anyone found to have violated the prohibition contained in sections 44 and 45 shall be sentenced to a fine of at least Ks. 1,000,000."
- 41. Section 48-A of the Labour Dispute Settlement Law shall be replaced as follows -
 - "48-A (a) Any person having concluded an agreement in front of the conciliation body with regard to a dispute and any employer or worker found to have failed to comply with the provision of section 43 shall be sentenced to a fine from Ks. 5,000,000 to Ks. 10,000,000 and ordered to make the payment payable to the worker.
 - (b) Any person obliged according to section 37 who is found to have failed to comply with the provision of section 43-A shall be sentenced to a fine from Ks. 10,000,000 to Ks. 30,000,000 and ordered to make the payment payable to the worker."
- 42. The following shall be added as section 49-A after section 49 of the Labour Dispute Settlement Law -
 - "49-A The Ministry shall, with the consent of the Union Government, terminate any member of the arbitration council or of an arbitration body who is found to be unable to fulfill the specified requirements."
- 43. Section 50 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "50. The coordination committees, conciliation bodies, arbitration bodies and arbitration council shall be elected 30 days prior to the end of their term and shall transfer their functions to the newly elected entities upon the expiry of their term. However, the conciliation bodies, arbitration bodies and arbitration council shall continue to perform their duties until they are newly formed according to this law, irrespective of the expiry of their term."
- 44. The following shall be added as section 50-A after section 50 of the Labour Dispute Settlement Law -
 - "50-A The coordination committees, conciliation bodies, arbitration bodies and arbitration council newly formed according to this law shall continue to handle the collective



bargaining and disputes handled by the expired coordination committees, conciliation bodies, arbitration bodies and arbitration council."

- 45. Section 51 of the Labour Dispute Settlement Law shall be replaced as follows -
 - "51. An employer having done or omitted, without proper reason, an act with the intention of harming the interest of a worker during the settlement of a dispute shall fully pay the amount specified by the arbitration body, arbitration council or tribunal. An officer of the Department assigned by the Ministry shall collect the amount like arrears of land tax."
- 46. The following shall be added as section 51-A after section 51 of the Labour Dispute Settlement Law -
 - "51-A An officer assigned by the relevant department of the Ministry or the agreed person shall sue if there is a failure to comply with an agreement concluded in front of the conciliation body or a decision of the arbitration body, arbitration council or tribunal, a failure to comply with a prohibition under this law or a period of 30 days has passed after a payment due date."
- 47. Section 54-A of the Labour Dispute Settlement Law shall be deleted.

I hereby sign in accordance with the constitution of the Republic of the Union of Myanmar

(Signature) Win Myint
President
Republic of the Union of Myanmar



About Lincoln Legal Services (Myanmar) Limited

Lincoln Legal Services (Myanmar) Limited provides the full range of legal and tax advisory and compliance work required by investors. We pride ourselves in offering result-oriented work, high dependability and a fast response time at very competitive prices. Please do not hesitate to contact us:

Sebastian Pawlita, Managing Director
 Phone: +95-9-262546284 (English)
 E-Mail: sebastian@lincolnmyanmar.com

Nyein Chan Zaw, Director

Phone: +95-9-790488268 (Myanmar)

E-Mail: nyeinchanzaw@lincolnmyanmar.com

Office address: La Pyi Wun Plaza, Room 409 (4th Floor), 37 Alan Pya Pagoda Road, Dagon

Township, Yangon

Web: www.lincolnmyanmar.com