

Industrial Court Grants Cease and Desist Order in Trade Dispute

The Firm recently represented **Malayan Banking Berhad (Maybank)** in an Application to Cease and Desist at the Industrial Court.

In a significant interim ruling (Award No. 1147 of 2025), the Industrial Court of Malaysia granted a **Cease and Desist Order** against the National Union of Bank Employees (NUBE).

The effect of this landmark ruling was to direct NUBE to cease making public statements on its website and social media, and to stop organising pickets relating to an ongoing trade dispute with Maybank.

The trade dispute stemmed from allegations of sexual harassment raised by a former employee against her colleague, at one of the Bank's branch. While the incident was already addressed in 2021, it resurfaced in 2024 during an unrelated formal grievance process. Despite no complaint lodged in respect of the earlier allegation of sexual harassment (in accordance with the established policies of Maybank), it became the subject of escalating public campaigns and protests by NUBE.

Maybank took exception to NUBE's approach and referred a trade dispute under Section 18(1) of the Industrial Relations Act 1967 (IRA 1967), which was later referred to the Industrial Court under Section 26 IRA 1967 for adjudication.

Despite the referral to Court, NUBE continued to publish statements and organise pickets relating to the allegation of sexual

harassment. In response, the Bank filed an application for interim relief under Sections 29(g) and 30 IRA 1967, seeking an Order that NUBE cease and desist from carrying out such conduct.

Key Findings of the Industrial Court

1. Jurisdiction to Grant Interim Orders

The Court recognised that although it does not possess injunctive powers akin to a civil court, it is empowered to issue interim or ancillary orders to regulate the conduct of parties during ongoing proceedings. The objective of such orders is to preserve the status quo, prevent further escalation, and ensure the orderly administration of justice.

The Court further acknowledged that it has the statutory power to regulate its own processes under Sections 28 and 29(g) of the IRA 1967, which includes ensuring that the proceedings before it are not undermined by prejudicial public statements, misinformation, or acts that may affect the administration of justice.

2. Conduct of NUBE

While trade unions are entitled to represent members and engage in collective action, these rights are not unfettered. The Court found that NUBE had continued to publish statements and organise pickets that risked prejudicing the ongoing proceedings and undermining the administration of justice.

It held that such conduct did not fall within protected industrial action, but instead amounted to serious misconduct, potentially warranting dismissal. Remarks made in public or online that could affect the impartial resolution of the case were found to be improper.

3. Balancing Freedom and Fairness

In response to the Union's assertion that it was exercising legitimate trade union rights, the Court reaffirmed that while these rights are already well recognised by the Court, such rights do not however include interfering with pending legal proceedings, especially where there is risk of witness intimidation or public prejudice.

Importantly, the Court held that *"The making of disparaging, unfounded, or defamatory remarks against the employer on social media platforms, on the Union's website, or during picketing falls outside the legitimate scope of trade union activities protected by the IRA 1967"*.

4. Preserving Integrity of Proceedings

Reinforcing the Industrial Court's role in ensuring industrial harmony and procedural fairness, the Court observed that it would be rendered *"a toothless tiger"* if it could not restrain conduct that jeopardises its proceedings once a matter has been referred.

It held that NUBE's actions in ignoring requests to cease and desist had the potential to undermine the adjudication process, thereby necessitating the Cease and Desist Order: *"to safeguard the adjudication process and to ensure that the issues in dispute are ventilated and determined within the proper forum, free*

from undue external pressure or interference."

Conclusion

The Industrial Court ordered NUBE to cease and desist from all public dissemination, statements, and pickets relating to the trade dispute, pending its final determination.

This interim order underscores the Court's willingness to exercise its procedural powers to protect the sanctity of its proceedings and maintain industrial peace.

The Bank was represented by Ms. Janice Leo, Ms. Chong Jen Hui and Ms. Adrienne Sena.

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