

LL.B IV SEMESTER

# TRADE UNIONS ACT, 1926

REGISTRATION, RIGHTS AND LIABILITIES OF TRADE UNIONS



2020

# REGISTRATION OF TRADE UNIONS

The trade Unions Act, 1926 provides for registration of trade unions with a view to render lawful organisation of labour to enable collective bargaining. It also confers on a registered trade union certain protection and privileges. The Act extends to the whole of India and applies to all kinds of unions of workers and associations of employers, which aim at regularising labour management relations. A Trade Union is a combination whether temporary or permanent, formed for regulating the relations not only between workmen and employers but also between workmen and workmen or between employers and employers. Registration of a trade union is not compulsory but is desirable since a registered trade union enjoys certain rights and privileges under the Act. Minimum seven workers of an establishment (or seven employers) can form a trade union and apply to the Registrar for its registration.

## **Appointment of Registrars(Sec.3)**

- The government will appoint a person to be a Registrar.
- The government will appoint required number of person as the Addition and deputy Registrar of the Trade Unions. These office will be under the Registrar of the Trade Union.

## **Mode of registration(Sec.4)**

### **Minimum Requirement of Registration of Trade Union -**

(1) Any seven or more members of a trade union may, by subscribing their names to the rules of the trade union and by otherwise complying with the provisions of this Act with respect to registration, apply for registration of the trade union under this Act.

Provided that no Trade Union of workmen shall be registered unless at least ten per cent. or one hundred of the workmen, whichever is less, engaged or employed in the establishment or industry with which it is connected are the members of such Trade Union on the date of making of application for registration:

Provided further that no Trade Union of workmen shall be registered unless it has on the date of making application not less than seven persons as its members, who are workmen engaged or employed in the establishment or industry with which it is connected .".

(2) Where an application has been made under sub-section (1) for the registration of a trade union, such application shall not be deemed to have become invalid merely by reason of the fact that, at any time after the date of the application, but before the registration of the trade union, some of the applicants, but not exceeding half of the total number of persons who made the application, have ceased to be members of the trade union or have given notice in writing to the Registrar dissociating themselves from the application.

- It is understood that for the purpose of registration a minimum of seven members are necessary to form a trade union. the reason for fixation of minimum seven members is to encourage formation of more trade unions so that the trade union would grow.
- under the trade union act 1926, employers can register their trade unions.

## **Application for Registration(Sec.5)**

Every application for registration of a trade union shall be made to the Registrar and shall be accompanied by a copy of the rules of the trade union and a statement of the following particulars, namely-

- (a) the names, occupations and addresses of the members making application;
- (aa) in the case of a Trade Union of workmen, the names, occupations and addresses of the place of work of the members of the Trade Union making the application;"
- (b) the name of the trade union and the address of its head office; and
- (c) the titles, names, ages, addresses and occupations of the 8[office-bearers] of the trade union.

If Trade Union has already been existing for one year or more, for its registration the members should submit all the details such as general statement of the assets and liabilities of the Trade Union going to be registered by the Registrar of Trade Union.

#### **Provisions to be contained in the rules of a Trade Union(sec.6)**

For registration of the Trade Union, provision or rules mentioned below should be followed by the member for registration of the Trade Union according to this act.

- (a) The name of the Trade Union.
- (b) The object of the Trade Union.
- (c) General funds of the Trade Union by its members should be properly used for Lawful purpose.
- (d) Maintenances of list of members in the Trade Union and their facilities to be provided.
- (e) Half of the members of the trade union must be the member who actually engaged in an industry with which trade union is connected.
- (ee) the payment of a minimum subscription by members of the Trade Union which shall not be less than—
  - (i) one rupee per annum for rural workers;
  - (ii) three rupees per annum for workers in other unorganized sectors; and
  - (iii) twelve rupees per annum for workers in any other case;
- (f) Disciplinary action against member of the Trade Union and procedures in imposition of fines on members.
- (g) the manner in which the rules shall be amended, varied or rescinded;
- (h) the manner in which the members of the executive and the other of the Trade Union shall be elected and removed
- (hh) executive members and other office bearers should be elected for the period of maximum 3 years..
- (i) Funds of the Trade Union should be safe guarded, annual audit is necessary, and account books should be maintained for the purpose of inspection if necessary.
- (j) Procedure how to wind up the Trade Union

#### **Power to call for further particulars and to require alteration of name. (Sec.7)**

- If Registrar is not satisfy with information provided by the members of the Trade Union going to be registered, Registrar is having power to call its members for submitting the additional and required information for registering the Trade Union.
- If the Name of the Trade Union is already existed or similar to other Trade Unions names, registrar is having power to order for changing of the name.

#### **Registration (Sec.8)**

All the documents submitted with details and information is correct by the members of the Trade Union going to be registered, the Registrar will register the Trade Union.

#### **Certificate of Registration. (Sec.9)**

The Registrar registering a Trade Union under Section 8, shall issue a certificate of registration in the prescribed form which shall be conclusive that the Trade Union has been duly registered under this Act.

### **Minimum requirement about membership of a Trade Union. (Sec.9A)**

A registered Trade Union of workmen shall at all times continue to have not less than 10% or 100 of the workmen, whichever is less, subject to a minimum of seven, engaged or employed in an establishment or industry with which it is connected, as its members.

### **Rights and Liabilities of a Registered Trade Union(Sec.15 to26)**

Here are the rights and liabilities of registered trade unions under the Trade Union Act, 1926.

**Objects on Which General Funds May Be Spent-** Funds of a general trade union cannot be spent on any other objects than the payment of salaries, allowances and expenses to the office bearers of the trade unions; expenses for the administration of the trade union; the presentation or defiance of any legal proceeding to which the trade union or any member thereof is a party; the conduct of trade disputes and compensation of members for loss arising out of trade disputes; provision of education, social or religious benefits for members; upkeep of a periodical published.

**Constitution of a Separate Fund for Political Purposes-**A registered trade union may constitute a separate fund, from contributions, separately levied for or made to that fund, from which payments may be made for the promotion of the civic and political interests of its members, in furtherance of any of the objects such as the payment of any expenses incurred, either directly or indirectly; the holding of any meeting or the distribution of any literature/documents in support of any such candidate; the registration of electors of the selection of a candidate for any legislative body constituted under or for any local authority; the registration of electors or the selection of a candidate for any legislative body constituted under/or for any local authority; holding of political meetings of any kind.

**Criminal Conspiracy in Trade Disputes-**Under this act, no office-bearer or member of a registered trade union shall be liable to punishment under sub-section (2) of Section 120 B of the Indian Penal Code, 1860 in respect of any agreement made between the members for the purpose of furthering any such object of the trade union as is specified in section its unless the agreement is an agreement to commit an offence.

**Immunity from Civil Suit in Certain Cases-** No suit or other legal proceeding shall be maintainable in any civil court against any registered trade union or any office bearer or member thereof in respect of any act done in contemplation or furtherance of a trade dispute to which a member of the trade union is a party on the ground only that such act induces some other person to break a contract of employment, or that is in interference with the trade, business or employment of some other person or with the right of some other person to dispose of his capital or of his labour as he wills.

A registered trade union shall not be liable in any suit or other legal proceeding in any civil court in respect of any fortuitous act done in contemplation or furtherance of a trade dispute by an agent of the trade union if it is proved that such person acted without the knowledge of, or contrary to express instructions given by the executive of the trade unions.

**Enforceability of Agreements-** Notwithstanding anything contained in any other law for the time being in force, an agreement between the members of a registered trade union shall not be void or voidable merely by reason of the fact that any to the subjects of the agreement are in restraint of the trade.

**Right to Inspect Books of Trade Unions-** The account books of a registered trade union and the list of members thereof shall be open to inspection by an office-bearer or member of the trade union at such times as may be provided for in the rules of the trade union.

**Right of Minors to Membership of Trade Unions-** Any person who has attained the age of 18 years may be a member of a registered trade union subject to any rules of the trade union to the contrary, and may subject as aforesaid, enjoy all the rights of a member and execute all instruments and give all acquittances necessary to be executed or given under the rules.

**Effects of Change of Name and of Amalgamation-** The change in the name of a registered trade union shall not affect any rights or obligations of the trade union or render defective any legal proceeding by or against the trade union. An amalgamation of 2 or more registered trade unions shall not prejudice any right of any of such trade unions or any right of a creditor of any of them.