

Trade Union

Introduction

Under the Trade Union Act, 1926, Trade Union means any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business. It includes federation of two or more trade unions. Thus, technically, there can be “union” of employers also, though, almost universally, the term „trade union“ is associated with union of workmen or employees.

Trade union Act 1926, Section 2(h) defines “Trade Union” means any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more Trade Unions:

Provided that this Act shall not affect—

- i. any agreement between partners as to their own business;
- ii. any agreement between an employer and those employed by him as to such employment; or
- iii. Any agreement in consideration of the sale of the goodwill of a business or of instruction in any profession, trade or handicraft.

The Objectives of a trade union are:

- a) Improved wages
- b) Improved terms & conditions
- c) Full employment
- d) Industrial democracy
- e) Voice in government

Advantages of registering a trade union

Registering a trade union means availing the following benefits:

- Protection to trade union members and their interests.
- The trade industry cannot lay-off all workmen at once. At least 10 percent or one hundred employees must always remain employed.

- Registered trade unions are immune to civil and criminal liability. This immunity applies to any acts that further the union objectives.
- Illegal actions are exempt from punishment. One example is a work strike. The only condition is that it should be in furtherance of objectives.

Appointment of Registrars

According to section 3 of the Act, the appropriate government shall appoint a person to be the Registrar of Trade Unions for each state, and the appropriate government shall also appoint as many additional registrars as it may deem fit to carry out the purposes of the Act.

Mode of Registration

According to section 4 of the Act, any seven or more members of a Trade Union in accordance with the provisions of the Act may make an application apply for registration of the trade union. There are two conditions subsequent to the same, firstly no trade union of workmen shall be registered unless at least 10% or 100 of the workmen, whichever is less engaged in the employment of the establishment are its members on the date of making of its application and secondly no trade union shall be registered unless on the date of making of application, minimum seven of its members who are workmen are employed in the establishment or industry.

Also, such application shall not be deemed to be invalid merely on the ground that at any time after the date of the application, but before the registration of the trade union some of the members but not exceeding half of the total number of persons who made the application has ceased to be members.

Application for registration

According to section 5 of the Act, every application for the registration of the 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-

1. The names, occupations and addresses of the members making the application;
2. The name of the trade union and the address of its head office, and
3. The titles, names, ages, addresses and occupations of the office- bearers of the trade union.

Where a trade union has been into existence for more than a year, then a copy of the assets and liabilities shall also be submitted along with the application for registration.

Provisions to be contained in the rules of a Trade Union

According to section 6 of the Act, a Trade Union shall not be entitled to registration under the Act unless the executive committee has been established in accordance with the provisions of the Act and the rules provide for the following-

- i. The name of the trade union;
- ii. The whole of the objects for which the trade union has been established;
- iii. The whole of the purposes for which the general funds of the trade union shall be applicable;
- iv. The maintenance of a list of the members of the trade union;
- v. The admission of ordinary members who shall be persons actually engaged or employed in an industry with which the trade union is connected;
- vi. The conditions under which any member shall be entitled to any benefit assured by the rules and under which any fine or forfeiture may be imposed on the members;
- vii. The manner in which the rules shall be amended, varied or rescinded;
- viii. The manner in which the members of the executive and the other office bearers of the Trade Union shall be elected and removed;
- ix. The safe custody of the funds of the trade union, an annual audit, in such manner, as may be prescribed, of the accounts thereof, and adequate facilities for the inspection of the account books by the office bearers and members of the trade union, and;
- x. The manner in which the trade union may be dissolved.

Registration

According to section 8 of the Act, if the registrar thinks that the trade union has complied with all the provisions of the Act, it shall register the Trade Union by entering in a register all the particulars in accordance with the provisions of the Act.

Certificate of registration

According to section 9 of the Act, the registrar shall issue a certificate of registration to the trade union after registration under section 8 which shall be conclusive proof that a trade union has been duly registered.

Cancellation of registration

According to section 10 of the Act, a certificate of registration of a trade union may be cancelled or withdrawn or an application of the trade union to be verified in such manner as may be prescribed; where the registrar is satisfied that the certificate has been obtained by fraud or mistake or the trade union has ceased to exist or has willfully and other notice from the registrar contravened any provisions of the Act and if the registrar is satisfied that a registered trade union ceases to have requisite number of members.

Registered office

According to section 12 of the Act, all communications shall be made on the registered office of the trade union

Incorporation of registered trade union

According to section 13 of the Act, every registered trade union shall be a body corporate having a common seal and perpetual succession with power to acquire and hold movable and immovable property and shall by the said name sue and be sued.

Procedure for Registration of Trade Union

1. Any group of seven or more persons can form a Trade Union.
2. No Trade Union of the workmen shall be registered unless at least 10% or 100, whichever is less, persons 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.
3. A registered Trade Union of workmen shall at all times continue to have not less than ten per cent, or one hundred 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.
4. The minimum age limit for membership of a Trade Union is 18 years unless the rules of a particular trade union provide for higher age limit.
5. For being an office bearer the person has to be above 18 years of age.
6. Every application for registration of a Trade union shall be made in (Form A) appended to the Trade Unions Act 1926 before the Registrar of Trade Unions and shall be accompanied by a copy of Rules of the trade union and a statement giving following particulars.
 - a) Names, occupations and address of the members making application.
 - b) The name of the Trade union and the address of its lead Office.
 - c) The titles, names, ages addresses and occupations of the (office bearers) of the trade union as per format given in Form A appended to the Trade Unions Act 1926.

In addition, the following documents are required to be submitted along with the application form:-

- Photocopy of Minutes Book
- Photocopy of Membership Forms
- Photocopy of Membership Register
- Specimen of Cash Receipt
- Specimen of Cash Expenditure Voucher
- Photocopy of Cash Book
- Two Copies of constitution incorporating all items as prescribed in (Scheduled II) of the Trade Unions Act, 1926 (Annexure A)
- Photocopy of Service/Employment Proof of all members of union
- Affidavit from General Secretary of Union in prescribed format (Annexure -B)
- N.O.C. from the owner for Union office.

- Duly paid Treasury Challan of RS.25/-(Registration fee) in the S.B.I. Old Sectt. Branch, Delhi-54 under the head “Labor & Employment-Receipts under Labour Law to Registration of Trade Union”.
- (Schedule III) (Where a trade union is in existence for more than a year before making an application to the Registrar the application should be accompanied by a general statement of assets and liabilities of the trade union as Form A appended to the Trade Unions Act 1926).