

TRADE UNION ACT, 1926

THE TRADE UNION ACT 1926

The Trade Union Act was passed in 1926 under the title of the **Indian Trade Union Act** and was brought into effect from **1st June 1927** by a notification in the Official Gazette by the Central Government. The Act was amended in 1947, 1960 and 1962, Subsequently the word '**Indian**' was deleted from the amended Act of 1964, which came into force from 1st April 1965. A comprehensive trade unions (Amendment) Act was passed in 1982.

OBJECTIVES OF THE ACT

The Act enacted with the object of providing for the registration of trade unions and verification of the membership of trade unions so registered so that they might acquire a legal and corporate status. As soon as a trade union is registered, it is treated as an artificial person in the eyes of the law, capable of enjoying rights

TRADE UNION ACT

DEFINITION

Section 2 (h) of the Trade Union Act 1926 defines the term ‘Trade Union’ as “ any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relation between workmen and employers, 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”.



FUNCTIONS & ROLE OF TRADE UNIONS.

- ❖ To improve working and living conditions.
 - ❖ To secure for workers fair wages.
 - ❖ To enlarge opportunities for promotion and training.
 - ❖ To promote individual and collective welfare.
 - ❖ To provide for educational, cultural and recreational facilities.
 - ❖ To safeguard security of tenure and improve conditions of service.
 - ❖ To promote identity of interests of the workers with their industry .
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TRADE UNIONS IN INDIA

- a) INTUC (Indian National Trade Union Congress)
 - b) AITUC (All India Trade Union Congress)
 - c) CITU (Centre of Indian Trade Unions)
 - d) NLO (National Labour Organization)
 - e) TUCC (Trade Union Congress Committee)
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PROVISIONS OF THE TRADE UNION ACT

- a) Definitions.**
 - b) Formation and Registration.**
 - c) Duties and Liabilities.**
 - d) Rights and Privileges.**
 - e) Amalgamation and Dissolution.**
 - f) Submission of Return.**
 - g) Penalties and Fines.**
 - h) Power to Make Regulations.**
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FORMATION AND REGISTRATION OF TRADE UNIONS

Sections 4 to 9 deals with the procedures for registration of Trade Unions.

1) Mode of Registration [Sec. 4 (1)].

Any seven or more members of Trade Union may apply for registration. All the members applying for registration must subscribe their names to the rules of the Trade Union

2) Application for Registration (Sec. 5).

The application for registration should be made to the Registrar for Trade Union. It contains,

- a) The names, occupation and Address of the members .
- b) The name of the Trade Union and the Address its head office.
- c) The titles, names, ages, addresses and occupations of office bearers of the Trade Union.

3) Contents of the copy of rules (Sec. 6).

The application should also be accompanied with a copy of rules of the Trade Union, it contains.

- i. The name of the Trade Union.
- ii. The whole of the object for which the Trade Union has been established.
- iii. The whole of the purpose for which the general funds of a Trade Union shall be applicable.
- iv. The payment of a subscription by members of the Trade Union which shall not be less than
 - a) one rupee per annum for rural workers
 - b) three rupee per annum other organized sectors
 - c) twelve rupees per annum for workers in any other case.

4) Power of the Registrar to call for further Particulars (Sec. 7).

When the application for registration is filed before Registrar, he has got the powers to call further particulars regarding the Trade Union.

5) Registration and Certificate (Sec. 8 & 9).

If all the requirements of the Act have been complied with, the Registrar of Trade Union shall register the Trade Union and issue “certificate of Registration.

Registered Trade Union [Sec. 2 (e)].

A “Trade Union” which is registered as per provisions under the Trade Union Act 1926 which has the certificate of registration is called Registered Trade Union.

DUTIES AND LIABILITIES OF A REGISTERED TRADE UNION

1) Change of registered office (Sec. 12).

If any change in the address of the head office of a Trade Union takes place, notice of change must be given to the Registrar in writing within 14 days.

2) Objects on which general fund may be spent (Sec. 15).

The general funds of a registered Trade Union can be spent only for the objects.

3) Constitution of a fund for political purposes (Sec. 16).

A registered Trade Union may constitute a separate fund from which payments may be made for the promotion of the civic and political interests of its members.

4) Proportion of officers and bearers to be connected with the industry (Sec. 22).

5) Returns to be submitted (Sec. 28).

Every Registered Trade Unions is required by Section 28 to send annually to the Registrar on or before a prescribed date, a general audited statement of all receipts and expenditure during the year ending 31st day of Dec.

6) Account books and list of members.

The account books of registered Trade Union and the list of members thereof is open to inspection by any office bearer or member of the Trade Union at such times as may be provided of in the rules.

TRADE UNION FUNDS

Registered Trade Union raise their fund through,

- a) General Funds.
- b) Separate Funds

a) **GENERAL FUNDS**

- ▶ Section 15 of the Act provides certain restraints against expenditure out of the general funds of the registered trade union.
- ▶ It lays down that the general fund of a registered trade union shall not be spent on any other objects than the following, namely:
- ▶ The payment of salaries, allowances and expenses to the office-bearers of the Trade Union;
- ▶ The payment of expenses for the administration of the Trade Union including audit of accounts of general funds;
- ▶ The allowances and compensation of members for loss arising out of Trade Unions.
- ▶ The provisions of education, social or religious benefits for members or for the dependants of members.

b) SEPARATE FUNDS

Sec. 16 of The Trade Union Act has made suitable provisions for the constitution of a separate fund for political purposes. The Act empowers a registered Trade Union to constitute a separate fund from contribution separately levied for that fund. Out of this fund payments maybe made for the promotion of the political interest of its members in order to promote the political objects. But the general funds should not be utilized for political purpose .

THANK YOU

