

RIGHTS, LIABILITIES AND DUTIES OF THE REGISTERED TRADE UNIONS UNDER THE TRADE UNIONS ACT, 1926

The 'Registered Trade Unions have been granted following rights under the different provisions of the Trade Unions Act, 1926—

1. Rights Granted to it as a Legal Person —A Registered Trade Union becomes a legal person by the name under which it is registered and as such it has —(i) Right to have a common seal in its own name;

(ii) Right to acquire, hold and dispose of both movable and immovable property in its own name;

(iii) Right to contract in its own name;

(iv) Right to sue for any infringement of its rights whatsoever. Any aggrieved party may also sue it in its name.

It may be pointed out that these rights are very significant. Unless the Trade Unions has power or competence to enforce its rights by its own name, rights become meaningless.

2. Right to Spend General Funds—It is to be noted that no organization can function efficiently without funds. The Trade Unions Act makes provisions for the constitution of general as well as political funds. However, the Act puts certain restrictions on the trade union in regard to utilization of these funds. The Trade Unions have authority to spend general funds only for the following objects, -

(a) The payment of salaries, allowances and expenses to office. bearers of the Trade Union;

(b) The payment of expenses for the administration of the Trade Union including audit of the accounts of the general funds of the Trade Union;

(c) The prosecution or defense of any legal proceeding to which the Trade Union or any member of the Trade Union is a party, when such prosecution or defence is undertaken for the purpose of securing or protecting any rights of a member with his employer or with a person whom the member employs. Thus, the general funds may be spent for the prosecution or defence of any legal proceeding only when the Trade Union as such or any member of the Trade Union is a party and such prosecution or defence is undertaken for the purpose of securing or protecting rights of the Trade Union as such or any rights arising out of the relations of any member with his employer;

(d) The conduct of trade disputes on behalf of the Trade Union or any member thereof;

(e) The compensation of members for loss arising out of trade disputes;

(f) The allowances to members or their dependents on account of the death, old age, sickness, accidents or unemployment of such members;

(g) The issue of, or the undertaking of liability under policies of assurance on the lives of the members, or under policies insuring members against sickness, accident or unemployment;

(h) The provision of the educational, social or religious benefits for members (including the payment of the expenses of funeral or religious ceremonies for deceased members) or for the dependents of members;

(i) The upkeep of a periodical published mainly for the purpose of discussing questions affecting employers or workmen as such;

(j) The payment, in furtherance of any of the objects on which general funds the Trade Union may be spent, of contributions to any intended to benefit workmen in general; provided that the expenditure in respect of such contributions in any financial year shall not at any time during that year be in excess of one-fourth of the combined total of the gross income which has up to that time accrued to the general funds of the Trade Union during that year and of the balance at the credit of those funds at the commencement of that year.

(k) The general funds of the Trade Union may be spent on any other object notified by the appropriate Government in the Official Gazette subject to any condition laid down in such notification.

3. Right to Constitute a Separate Political Fund —As indicated above; the general funds of the Trade Union cannot be spent for any objects other than expressly mentioned U/S 15 of the Act and the political objects are not mentioned therein. All expenditure of the funds in furtherance of political objects is prohibited, whether direct or indirect. If the Registered Trade Union decides to carry out political objects it has authority to constitute a separate political fund for such activities from contribution separately levied for or made to that fund. From this fund payments may be made for the promotion of the civil and political interests of its members. Thus, the political fund is a fund constituted separately by the Trade Union by way of separate levy on members of the Trade Union for the promotion of civil and political interests of the members of the trade union

4. Right to Change its Name—Any registered Trade Union may, with the consent of not less than two-thirds of the total number of its members and subject to the provisions of S, 25, change its name.

5. Right to Amalgamate — Any two or more Registered Trade Unions may become amalgamated together as one Trade Union with or without dissolution or division of the funds of such Trade Unions or either or any of them, provided that the votes of at least one half of the members of each or every such Trade Union entitled to vote are recorded, and that at least sixty percent of the votes recorded are in favour of proposal of the amalgamation.. Thus, the Registered Trade Unions have right to amalgamate. If the Trade Unions amalgamate, it is not necessary that there' must be dissolution or division of funds-of such Trade Unions. They may amalgamate without dissolution or division of funds of such Trade Unions.

But it is necessary that the votes of at least one-half of the members of each or every such Trade Union entitled to vote are recorded and at least 60 percent of votes so recorded are in favour of the proposed amalgamation.

6. Rights of Trade Unions in respect of Industrial Matters

Besides the rights of a Registered Trade 'Union as granted under the different Provisions of the Trade Unions Act, 1926, the Trade Unions have certain general rights in respect of industrial matters which are exercised with a view to provide safety, protection and safeguards to its members and the well-being of the working class. Labour Unions have got the following important right of representation and taking action on behalf of workmen --

- (a) Right of representation of labour before employer, in committees, before conciliation, mediation and in arbitrations, before courts and tribunals or labour departments;
- (b) Right to negotiate and settle the disputes with the employers and sign the settlement and execute them;

- (c) Right to hold meetings, conferences, post their notices or inspect the places where the members are employed for work;
- (d) Right to accept services of notices, summons, etc.;
- (e) Right To perform other formalities, e.g., attestation of agreements.
- (t) Right to obtain legal aid;
- (g) Right to collect fees on employer's premises.
- (h) Right to stage demonstrations and strikes. This is an absolute or fundamental right, but a common law right, hence it is subject to laws regulating the strikes. However, this is most important right in the armory of labour.

Liabilities and Duties of a Registered Trade Union —

The Trade Unions Act imposes following liabilities and duties on the unions registered under this Act —

1 Duty to Make Provisions in the Rules of Certain Matters—The constitution of the Trade Union must provide for the matters enumerated u/s 6 of the Trade Unions Act, 1926. Sec. 6 contains matters in respect of the Trade Union must provide within its rules. Some of which are rules declaring the object for which the Trade Union has been established, the purposes on which general funds of the Trade Union may be spent, admission of members to the Trade Union, the manner in which the Trade Union may be dissolved etc.

2. Duty to Constitute Executive as Required —Registered Trade Union is under a duty to constitute the executive of the Trade Union in accordance with the provisions of this Act. The provisions relating to the constitution of executive of the Trade Union are contained U/Ss.21-A and 22 of the Act. There are two duties imposed by the provisions of the Act -as conditions precedent to the process of

registration. Unless these duties are complied with, the Registrar is empowered to refuse to register the proposed Trade Union.

3. Duty to Spend General Funds as Required -- The Trade Union is under statutory duty to spend general funds of the Trade Union in accordance with S. 15 of the Act which enumerates certain specific objects on which only the general funds can be spent and not otherwise

4. Duty to Constitute a Separate Political Fund - The Trade Union if decides to promote civil and political interests of its members, has to constitute a separate fund commonly known as political fund in accordance with S. 16 and it may be spent on the objects specified therein.

5. Duty to Provide Access to Books of trade Union- The account books and list of members shall be kept open by a Registered Trade Union for 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.

6. Duty to Send Notice to the Registrar—The Trade Union is under duty to send notice to Registrar in cases of every change of its name, every amalgamation any change in the address of the head office of Trade Union, and dissolution thereof.

7. Duty to Send Notice to the Registrar—There shall be sent annually to the Registrar, on or before such date as may be prescribed, a general statement audited in the prescribed manner, of all receipts and expenditure of every Registered Trade Union during the year ending on the 31st day of December, next preceding such prescribed date, and of the assets and liabilities of the Trade Union existing on such 31st day of December. The statement shall be prepared in such form and shall rise such particulars as may be prescribed.