

No.S-13025/4/2017-IR(PL)
Government of India
Ministry of Labour & Employment

New Delhi, dated the 20th July, 2018

To

1. The Labour Secretaries of all the State Governments and UTs Administrations.
(As per list attached)
2. All Central Trade Unions Organizations (As per list attached)
3. All Employers Organizations (As per list attached)

Subject: Amendment of the Trade Unions Act, 1926 to provide provisions for recognition of Trade Unions.

Sir,

As you are aware that the Trade Unions Act, 1926 does not provide for recognition of trade unions or federation of trade unions by the appropriate Government. Presently, the Office of Chief Labour Commissioner(Central) performs a verification procedure and consequently Ministry of Labour and Employment has recognized 13 Central Trade Unions/Federations of Trade Unions after a verification process. The verification is done on the basis of executive guidelines. Besides, a Code of Discipline provides for criteria and procedure for recognition of trade unions operating in the particular establishment/industry. However, there is no statutory provision for either recognition of Trade Union in industry, establishment or recognition of Trade Unions or federation of trade unions at Central and State level. The recognition given by the Ministry of Labour & Employment to CTUOs is used for giving them representation in national and international conferences, committees etc. It has been represented by Trade Unions that other Central Government Ministries and State Government do not give due weightage to these CTUOs in the absence of any statutory backing to this verification and recognition procedure.

2. Ministry of Labour & Employment have been receiving representations from various stakeholders for providing statutory backing either in the Act or by way of Rules of recognition of Central Trade Union Organization so that it has force and the same list is recognized by other Central Government Ministries/Departments for various purpose.

3. In view of above, an amendment to the Trade Unions Act, 1926 to incorporate the provision of recognition of trade unions/federation of trade unions at Central and State level is necessary. Accordingly, it is proposed to amend the Trade Unions Act, 1926 to incorporate new Sections 28A and sub-section (2A) after Section 29(2) of the Act.

4. It is requested that comments on the Draft Trade Unions (Amendment) Bill, 2018 may be furnished urgently latest by 10th August, 2018 to enable this Ministry to finalise the same. A copy of the Draft Bill is enclosed.

Yours faithfully,



(SUBHASH KUMAR)
UNDER SECRETARY TO THE GOVT. OF INDIA
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26.06.2018

THE TRADE UNION (AMENDMENT) BILL, 2018

A BILL

Further to amend the Trade Unions Act, 1926

BE it enacted by the Parliament in the sixty-ninth year of the Republic of India as follows:-

1. Short title and commencement.- (1) This Act may be called the Trade Unions (Amendment) Act, 2018.

(2) It shall come into force on such date as the Central Government may, by notification in the official Gazette, appoint.

2. Insertion of new section 28A.- After section 28 of the Trade Unions Act, 1926 (16 of 1926) (hereinafter referred to as the principal Act), the following section shall be inserted, namely:-

"28A. Recognition of Trade Unions at Central and State level.-

(1) Where the Central Government, for the prescribed purposes, is of the opinion that it is necessary or expedient that the Trade Union or a federation of Trade Unions is to be recognized as Central Trade Union at the Central level, it may recognise the Trade Union or a federation of Trade Unions as the Central Trade Union in such manner and by secret ballot as may be prescribed and if any dispute arises in relation to such recognition, it shall be decided by such authority in such manner as may be prescribed by the Central Government.

(2) Where the State Government, for the prescribed purposes, is of the opinion that it is necessary or expedient that the Trade Union or a federation of Trade Unions is to be recognised as State Trade Union at the State level, it may recognize the Trade Union or a federation of Trade Unions as State Trade Union in such manner and by secret ballot as may be prescribed and if any dispute arises in relation to such recognition, it shall be decided by such authority in such manner as may be prescribed by the State Government.

(3) The Trade Union or a federation of Trade Unions,-

(i) recognised as Central Trade Union under sub-section (1); or

(ii) recognised as State Trade Union under sub-section (2), shall be the recognised Central Trade Union for the purposes of the Trade Unions in respect of which, the Central Government is the appropriate Government or as the case may be, the recognised State Trade Union for the purposes of the Trade Unions in respect of which, the State Government is the appropriate Government."

3. Amendment of section 29.- In section 29 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:-

“(2A) Without prejudice to the generality of sub-section (1),-

- (i) the Central Government may make regulations for the prescribed purposes, the manner of recognition, the authority to decide the dispute and the manner of deciding such dispute under sub-section (1) of section 28A; and
- (ii) the State Government may make regulations for the prescribed purposes, the manner of recognition, the authority to decide the dispute and the manner of deciding such disputes under sub-section (2) of section 28A.”.