

## **Statutory Recognition of Trade Unions**

### Why in news?

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Union government has proposed to grant statutory recognition to TUs by amending the Trade Unions Act, 1926 (TU Act).

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#### What is the status of Trade unions in India?

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- The trade union movement in India, for various reasons, has been characterised by a multiplicity of unions.
- Hence, a tripartite national body determines the membership criteria for designating trade union organisations as central trade union organisations (CTUOs).

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- Trade unions with a verified membership of five lakh spread over at least four States and four industries as on December 31, 2002 were given the status of CTUOs by the Office of the Chief Labour Commissioner (Central), as per the 2002 exercise, currently there are 13 CTUOs.

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# What is government's plan on trade unions?

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• The Centre proposes to grant statutory recognition to TUs by amending the Trade Unions Act, 1926 (TU Act), so that other central and state ministries

take them seriously.

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- The proposed Section 28-A in the TU Act would require the Centre and the States to provide for statutory recognition of trade unions.
- The amendment provides that in the event of any dispute over recognition by the Central or the State governments, it will be decided by an authority, and by means provided by the appropriate government.

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### What are the concerns with the proposal?

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 The TU Act merely provides for voluntary registration of trade unions, and not for their statutory recognition by employers for collective bargaining purposes.

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- Despite demands by trade unions and employers, statutory recognition by employers does not exist in the Act.
- In the absence of statutory union recognition and bargaining obligation, any minority union can vitiate industrial relations in a firm either on its own or by connivance with employers.
- The proposal also completely ignores the serious "allegations and complaints" made by various CTUOs that the Labour Ministry has been carrying out several labour reforms without consulting them.

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#### What measures needs to be taken?

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- In a pluralistic democracy, various pressure groups of workers and employers' organisations co-exist.
- The government engages with them to determine policies and laws. As a member of the International Labour Organisation and having ratified Tripartite Consultation (International Labour Standards) Convention, 1976 in 1978, the government is committed to social dialogue.

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- Statutory recognition becomes necessary as employers may not wish to negotiate with a trade union of workers' choice.
- India having ratified the ILO Convention is bound to "recognise" representative trade unions, anyway (determined voluntarily or otherwise).
- In a pluralistic democracy good governance demands consultations with all stakeholders.

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 $\bullet$  Thus any legal reform to improve representative processes must be backed by genuine socio-economic intent.  $\mbox{\sc h}$ 

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**Source: Business Line** 

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