

or decrease the rates that were being charged but in the process of rounding off, some small variations have become inevitable.

Customs duty is charged on a little over 150 items and according to a rough calculation, the Government will suffer a loss of about Rs. 2 lakhs on a total income of Rs. 150 crores. It is a pure rounding off according to a fixed principle. Of course where the rate is less than Re. 1 per unit, it has been rounded off to the nearest naya paisa and when the rates exceeding Re. 1 per unit have been rounded off, it has been done to 10 naye paise except where the rates or the margins or preferences are bound under international agreements such as the Indo-U.K. Trade Agreement or the GATT. The duties in such cases have been rounded off after conversion to the nearest naya paisa. The rounding off has been done according to the well known rule of fractions. Fractions equal to or above half are rounded upwards and fractions less than half are rounded downwards. The conversion will not therefore result in any appreciable gain or loss to the revenue. Apart from the Tariff Act, the other Acts, which are sought to be amended are the Indian Lac Cess Act, the Coffee Act, the Coir Industry Act, the Oilseeds Committee Act, the Indian Cotton Cess Act, the Coconut Committee Act, etc. Cesses are levied under the provisions of these Acts. They will all be expressed in terms of metric equivalents. No principle is involved. The House has already accepted the introduction of metric weights and measures and the decimal coins. This is only a consequential measure which, I am sure, the House will accept with pleasure.

*The question was put and the motion was adopted*

MR. DEPUTY CHAIRMAN: We shall now take up the clause by clause consideration of the Bill.

*Clauses 2 to 10 and the Schedule were added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

SHRI SATISH CHANDRA: Sir, I move:

"That the Bill be returned."

*The question was put and the motion was adopted*

# THE INDIAN TRADE UNIONS (AMENDMENT) BILL, 1960

THE DEPUTY MINISTER OF  
LABOUR (SHRI ABID ALI): Sir, I beg to move:

"That the Bill further to amend the Indian Trade Unions Act, 1926, as passed by the Lok Sabha be taken into consideration."

Sir, this is a short Bill, having a few clauses of a non-controversial nature, although very important for the sound development of trade union movement in the country. These clauses were considered at the tripartite conference and agreed to there also by the representatives of the trade union organisations. One of the clauses is to fix membership fee of 25 naye paise per month. The intention is that the trade union movement should stand on its own legs and should not have the need of financial support or help from outside trade union organisations. It is very much felt that the financial position of the trade unions, which had a very bad effect on its working, will improve considerably. Another item in this Bill is regarding giving power to the Registrar or his nominee to inspect the trade union's records. This is with a view to ensuring proper working of trade union organisations and removing complaints which are being received from time to time involving trade union organisations and their office-bearers in litigations in law courts. That would also be minimised to a great extent.

There is an additional clause to give authority in addition to the

[Shri Abid Ali.]

Registrar, which he now already has, to additional Registrars and Deputy Registrars. Now the difficulty in the districts or far-off places is that the offices of trade unions which are spread all over the country, have to approach the Registrar whose office is generally established in the headquarters of the respective States. It is not the intention that there should be Additional or Deputy Registrars appointed for this very purpose but in some of the States there are Additional or Deputy Registrars or where the State Government thinks proper, they can also appoint these officers, in addition to their other work, to attend to the requirements of the Trade Union Act. Now only the Registrar has this power and after the Additional or Deputy Registrar has been appointed, he is also being invested with this power and it would be easier for the trade union office-bearers to get their work done by approaching them, as their office may be situated much nearer to the trade union headquarters.

These are, in brief, the clauses and I do not think I need explain the others. I hope this will have the unanimous support of the House.

*The question was proposed*

DR. R. B. GOUR (Andhra Pradesh): Mr. Deputy Chairman, the hon. Deputy Minister has moved this Bill which he says is not a controversial one and so should be given unanimous support.

SHRI ABID ALI: It will get unanimous support, ultimately.

DR. R. B. GOUR: But, Sir, he has introduced certain amendments in this Bill which have not got the unanimous support of the trade unions and the employees' organisations. In fact, these amendments were never proposed earlier. This matter of amending the Trade Unions

Act of 1926 was discussed at the 17th Indian Labour Conference at Madras. You will kindly note that in this Bill powers are being given to the Registrar of Trade Unions in clause 9 by which he will at all reasonable times inspect certain account books, registers and other documents of the trade union. Mr. Deputy Chairman, the Government memorandum that was circulated to the 17th Indian Labour Conference did not contain these details. They never suggested that such wide powers of inspection of any document would be given to the Registrar. Sir, I may quote here from the book "The Seventeenth Tripartite" published by the All India Trade Union Congress and there you find that in the Government's memorandum to that Conference it is stated:

"Under the present Act, the powers of the Registrars are restricted. They have no power to inspect the record of accounts maintained by the Union with a view to ensuring that the Union is functioning properly and has complied with the legal requirements. It is suggested that the Registrars or their nominees should be specifically empowered to inspect the books of Trade Unions. The Conference may like to endorse this suggestion."

This is what the Government Memorandum said pertaining to the powers of the Registrar to inspect the books of trade unions. In relation to this particular matter, other organisations, for example, the All India Trade Union Congress, represented there said that no more powers be given to the Registrar. So did the representative of the Hind Mazdoor Sabha. The Hind Mazdoor Sabha also took the same stand. I shall quote from the memorandum submitted by the Hind Mazdoor Sabha to that Labour Conference. In their memorandum they state:

"The Hind Mazdoor Sabha opposes the proposal made by the Government to permit the Inspector of

Trade Unions to look into the Union's records and to cancel registration for any non-observance of rules by the Union. The Hind Mazdoor Sabha fears that these powers may be misused."

The House will kindly consider this question, Mr. Deputy Chairman. That the Trade Unions have very persistently opposed the giving of arbitrary powers to the Registrars of Trade Unions for the inspection of books, etc. and also the implied powers of de-registering Unions if certain things were not found in order.

श्री शीलभद्रराजी (बिहार) : बोगस मेम्बर्स को चेक किया जायेगा ।

فیکیشن ہے ہی - کیوں گھبرا رہے ہیں۔  
ڈاکٹر راج بھادور گروہ - وہ تو دہری

† [ डा० राज बहादुर गौड़ : वह तो बेरी-फिकेशन है ही । क्यों ववरा रहे हैं ? ]

Therefore, the Unions are apprehensive that the wide powers of the Registrars would be misused and the Unions would be put to harassment.

Mr. Deputy Chairman, ultimately when this problem was discussed at the 17th Indian Labour Conference, there was a certain, may I say, overall consideration of the entire thing. For example, there was a proposal by the Government not to register fresh Unions when already Unions were existing in certain industries, or to restrict the registration. There was also a proposal, so far as the trade unions were concerned, to raise their membership fees. When all these things were taken in their totality, the Government gave up this proposal for restriction of registration and in fact it was agreed that registration would not be normally denied and that the matter would be further simplified or made easy. And, therefore, the trade unions, on their

side, agreed, Mr. Deputy Chairman, that some powers to inspect account books, etc. could be given to the Registrar of Trade Unions. Therefore, the decision arrived at was—to quote again from—the same publication of the A.I.T.U.C:

"The Registrar should have powers to inspect the account books, membership registers and minute-books of the Trade Union, to verify the correctness of the Annual Returns."

So the decision of the 17th Indian Labour Conference was that the Registrar of Trade Unions could inspect only the minute books and the account books and the membership register.

SHRI ABID ALI: Etcetera.

DR. R. B. GOUR: There is no such word "etcetera." Where do you find it?

SHRI ABID ALI: It is wrong.

DR. R. B. GOUR: What is wrong? Where is "etcetera" here? Where have you introduced this word "etcetera"? In fact, the phrase, "any other documents" was never used even in the Government Memorandum to that Conference. That Memorandum spoke of only books. It never spoke of documents and other things. It refers only to books of account, books of membership and the minute book. There can be no other book. I don't think papers can be considered books.

However, here in this amending Bill, Government is going much beyond the scope of the decision arrived at at the 17th Indian Labour Conference. Here they speak of "other documents." Why this addition? Wherefrom does this general phrase "other documents" come? What do you mean by these "other documents"? What are the other documents that the Registrar can arbitrarily decide to see and which the Unions should produce? Therefore, my submission is that the Government, in amending this Act, have gone beyond the unanimous recommendation

[Dr. B. B. Gour]  
of the 17th Indian Labour Conference and they have gone beyond not only the final recommendation of that Conference, but also beyond what they themselves had proposed in this particular regard to that Conference in their own memorandum circulated to that Conference. Here, I must say, and I repeat it, that the trade unions are generally apprehensive of the powers of the Registrar of Trade Unions and I think even Mr. Ambekar of the I.N.T.U.C. was a little hesitant to give such powers, because he knew that Unions would be called upon to go ten miles or so to produce their records before the officials of the Registrar of Trade Unions. Here on this particular question, the Government has gone beyond the recommendation of that Conference and also beyond their own suggestions to that Conference. Sir, the Unions are really very much hesitant to give such powers, because they feel they will be put to harassment.

Then again, Mr. Deputy Chairman, I am afraid neither the 17th Indian Labour Conference nor even the Planning Commission discussed this question of membership fee in relation to Agricultural Labour. Of course, the membership was sought to be raised even in the Second Five Year Plan and it was said that the fee should be raised to 4 annas. I have nothing to say against it. The A.I.T.U.C. accepted it. The I.N.T.U.C. has accepted it and the Hindu Mazdoor Sabha has also accepted it. The Hind Mazdoor Sabha is even prepared for a fee of eight annas in organised industries. But all of us have in our minds that this fee of four annas a month would be for only perennial organised industries.

What we have in our minds is that this is mainly for organised industries. In certain cases, the membership fee is much more than four annas;

it is even a rupee per month. The problem arises now because you have brought forward an amendment to the Trade Union Act itself to say whether the factories working only for three months or six months—there are seasonal trades, sugar is there, tobacco is there—will be asked to pay only for that period, I mean the labour working in such undertakings. Even agricultural labour comes under this category. There are highly sweated industries where a minimum wage has not been fixed or where it has been fixed, it is very low. Some of these are also more or less of a seasonal character. Would you like to include agricultural labour in this category or would you like to exempt agricultural labour and such other seasonal labour, labour employed in seasonal factories and seasonal trades? It is a very important question because the movement in this particular sector, in agriculture and in sweated industries, is very weak. The movement is very strong in engineering industries, in organised industries, but it is very weak not only comparatively but even on its own. So, if you refuse registration or if you de-register agricultural labour unions because they do not pay at the rate of four annas per month throughout the year, it would mean killing the trade union movement on very unjust grounds. Let me tell you very frankly, Mr. Deputy Chairman, that on the basis of the documents we have, we can say that neither the 17th Indian Labour Conference nor the Planning Commission considered this question. When we discussed this question, we had the organised industry before us, we had the trade-unions in organised industries before us. Therefore, there is a very strong case for giving exemption to agricultural labour and such other industries which are of a seasonal character. They should be permitted to contribute four annas only for the period of employment. Here is a case where trade unions working in such seasonal employments should get exemption.

The third point is this: We have given certain powers to the Registrars because we want the trade-union movement to be sound, to be organised to work on proper lines. That is what we all want, but let us, at the same time, Mr. Deputy Chairman, consider the basic realities of the situation. The realities of the situation are that the trade unions are weak, irrespective of party affiliations, except, as I said, in the highly organised industries.

[THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) in the Chair.]

The role of a Registrar of Trade Unions is not that of a policeman and of de-registering a union on flimsy grounds. He has to be a guide and help to the trade union; he has to assist the union as to how they should keep the records and books. The powers that union and educate the office-bearers of we are giving to the Registrars should not be used for policing purposes but to help the office-bearers to run the unions on proper lines. Therefore a grave responsibility will be falling on the Registrars of Trade Unions with the increase in powers of inspection, etc. They will have to be utilised for helping the trade unions. After all, Mr. Vice-Chairman, the trade unions have an important role to play in a society like ours where the worker does not get his full share of the national income and where the worker has got to face stubborn resistance even for small things. In such circumstances, the trade union movement has a very important role to play. It has also a very important role to play in the implementation of our policies. If we are earnest and sincere about our Plan, if we are sincere about our objective of socialism, then obviously we have got to strengthen this movement. Obviously, socialism will not descend on this country of ours without the working classes playing their role. What is that role? That role is to contain and restrict capitalism today and completely annihilate it tomorrow. Unless that is done, socialism cannot be achieved. It will not come from thin air. If we

want to take our society to a new stage of production for general use, then capitalism will have to be restricted and fought out. In this task, the trade union movement will play a very important role. This, therefore, is the organisational foundation for our struggle to achieve socialism. From that angle, the entire society, the country, the Government and Parliament, we, who have decided to build up socialism in this country, have to take a different line of approach; we have to adopt a different attitude towards the workers and the trade unions, and that attitude is one of assisting the unions to stand on their legs, one of helping them to go forward. The trade unions have accepted the Code of Discipline. This is a restriction on their inherent rights. They have accepted this for the simple reason that they have accepted a planned development for our country. So, the entire approach has got to be that this organisation, which is so vital for the life of our working classes, which is so necessary for the health of our country, is developed and strengthened from stage to stage. That, Mr. Vice-Chairman, is the business of this Bill. Unfortunately, Mr. Vice-Chairman, we have had bad experiences in respect of certain Registrars in certain States. For example, in Bihar, for the simple registration of a union, The Cement Workers' Union in Chaibasa, we had to knock at the doors of the High Court with a writ petition, and even after that registration has not come easily. That union in Chaibasa has not got registration. It is affiliated to AITUC. Therefore, let us have a radically different approach towards the trade union movement, registration, inspection, etc. Similar is the case with verification. Therefore, Sir, when we are giving these powers we want a very specific understanding that these powers would not be used arbitrarily and bureaucratically to de-register a union or to weaken a union. With these powers, a sense of responsibility must accrue in the case of the Registrars of Trade Unions. I hope, Mr. Vice-Chairman, that the hon. Deputy Labour

[Dr. R. B. Gour.]

Minister would shed a little of his hostility towards me personally and try to look at the problem a little more seriously in its objectivity, in its entirety. Mr. Vice-Chairman, for a change at least, I would expect a sweet and a responsible reply from my friend, Mr. Abid Ali Jafferbhoy.

4 P.M.

SHRI ARJUN ARORA (Uttar Pradesh): Mr. Vice-Chairman, I rise to support the Bill to amend the Indian Trade Unions Act of 1926. The Act of 1926 was an enabling Act which only provided for the registration of trade unions and for their immunity from civil liability. It is well known that before that Act came into being, trade unions were held liable—they were considered as a conspiracy—for the losses suffered by industry during a strike. We in this country have not forgotten the famous Buckingham and Carnatic case which preceded the 1926 Act. Since then the Indian Trade Unions Act is one of the least amended Acts. All that it provided was that you collect a small fee from seven workers, fill in some forms and get the unions registered. The result has been that during the last few years there has been a tremendous growth in the number of trade unions; in U.P., for example, today there are more than 1100 trade unions registered under the Indian Trade Unions Act. That figure exceeds by 300 the number of trade unions registered in the whole of the United Kingdom which, as we all know, is a highly industrialised country. Sir, it is time that we took certain steps to strengthen trade unions, to see that we have industrial unions representing the entire force of workers employed in particular industries rather than have a mushroom growth of unions which get registered this year and disappear next year. I, therefore, welcome this Bill which lays down that every trade union will provide that the subscription by members of the union shall not be less than 25 nP. per month per

member. This, as has been said, is a part of the Code of Conduct, agreed to by all the trade unions. We have during the last few months heard a great deal of argument about the implementation of the tripartite agreement in respect of minimum wages. This provision of 25 nP. per month per member to be collected as membership subscription is also one of the conditions of the tripartite agreement and I am happy that the hon. Deputy Minister has brought this Bill to honour the tripartite agreement. Trade unions are supposed to provide certain services to their members. Trade unions are independent only when they do not depend on any outside help, help from political parties or help from any other interest. Trade unions cannot hope to have any other source of income except the contributions and donations of their own members. It is, therefore, absolutely necessary that trade unions should charge from members a minimum of Rs. 3 per year as membership subscription. Unless that is done trade unions cannot have resources to enable them to provide the minimum services to their members. We have seen that the infiltration of trade unions by political parties, infiltration of whole-timers of political parties into trade unions, does not help them. Trade unions to be healthy should have their own offices, their own staff and their own whole-time functionaries. How can a trade union, which does not charge from its members even a minimum of Rs. 3 per year, ever hope to provide an office, some staff and some whole-time functionaries to lead the union? Therefore it is absolutely necessary that such a provision should be made. It was about two years ago that at Nainital a Code of Conduct was agreed upon. Some enlightened trade unions, particularly the unions which owed allegiance to the INTUC., have changed their constitutions and have a minimum subscription of Rs. 3 per year; but we find that certain other unions, for reasons best known to them, have not yet honoured the undertaking which they gave at Nainital. It is, therefore, absolutely necessary that

the law should make it compulsory for a registered trade union to have that minimum subscription.

The provision giving certain powers to Additional and Deputy Registrars is also very necessary. The Act, as it is, provides for the appointment of only one Registrar of Trade Unions in each State. In big States like U.P. people have to travel 300 miles in order to meet the Registrar or to approach his office. In U.P. all the functions of the Labour Department have been decentralised. There is a decentralised conciliation machinery; there is a decentralised machinery for the enforcement of the Minimum Wages Act, Factories Act and other labour legislation. But because of the fact that only one Registrar is provided by law, this function has not been decentralised and people from far off places like Saharanpur on the one hand and Banaras on the other have to come to Kanpur to get their unions registered. The growth of healthy trade unions is necessary and the law should give it every facility. It is, therefore, necessary that Additional and Deputy Registrars should be given some powers under the law so that the function of registration of trade unions can also be decentralised, wherever it is necessary.

My hon. friend from Andhra has said a great deal about the Registrar's power of inspection and he seemed to object to the provision relating to the inspection of records of trade unions by the Registrar of Trade Unions. I am unable to understand his objection. Trade unions are not conspiratorial organisations. It is the enemies of trade unions who at one time labelled them as conspiratorial. Trade unions in the country have come into their own. They are open organisations whose membership is open to all who work in the industry. Trade unions have nothing to conceal. There was a time when employers in the country were powerful enough to victimise the workers merely for the fact of their membership of trade unions.

Then we in the trade union movement were anxious that our records, the registers of our membership, should be our own property and should not be open to the public or to the authorities. Those days are gone. Today the organised workers are strong enough to defend their interests and no employer can hope to victimise a worker merely because he is a member of a trade union. And of course this Bill does not seek to empower all and sundry to inspect the records. It only empowers the Registrar of Trade Unions to inspect the records of a union.

Now, registration of trade union today entitles them to many facilities and it is good that it is so. It should give more facilities. There was a time when trade unions found it difficult to persuade people to become their office bearers. Today there is a race to lead the workers. Today we find people clamouring to hold offices in trade unions. Therefore, we find in a number of cases more than one set of office bearers, claiming to be genuinely elected office-bearers of the union. How is the Registrar going to recognise one set or the other, unless he is authorised to inspect the records of the union? How is the Registrar going to decide who is the properly elected office-bearer of a trade union unless the account book, registers and other documents are made available to him? It is in the interests of the trade unions themselves that the Registrar of Trade Unions, who is a whole-time functionary of the trade union registration authority in the Government, should be able to decide things. As was pointed out by the Deputy Minister, in the absence of such a provision, a number of cases relating to the rivalry of office-bearers among trade unions go to civil courts and then it is a matter of months, any, years for the courts to decide. That paralyses the unions concerned and for the fault of rivals in the office of trade unions, we find trade unions themselves disappearing, or

[Shri Arjun Arora.]  
 at any rate becoming week. It is, therefore, absolutely necessary that the law should provide some machinery for the expeditious settlement of disputes in trade unions and it is necessary that the Registrar of Trade Unions should have the power to inspect the records. The Registrar's power to inspect the records of trade union is also necessary in order that genuineness of a trade union may be determined. We have found that only one little step has been taken by the Government of India, of course, in consultation with the central trade union organisations, and it has revealed many things. The verification of trade unions affiliated to the various central trade union organisations, by an agreed method, has revealed that the claims of many trade unions, particularly a certain central trade union organisation, which was very vocal, proved to be hollow. There, is unfortunately in this country, the presence of rival unions and in each industry we find rival unions claiming to represent workers. We find in many of the plants or particular factories one, two, three or four rival unions, all claiming to represent all the workers employed in the industry or in the plants. How is the Government to decide which is the genuine union. How is anybody to decide which is the correct, representative union? How is public opinion to assert itself in favour of one or the other and claim its recognition, unless facts relating to unions are made public and made known? That can be done by the Registrar going through the records of trade unions where necessary. I once more say that whosoever has the idea that trade unions are conspiratorial organisations should shed it. They are open mass organisations, which depend upon the number of their members. It is, therefore, absolutely necessary that all their records should be open. I whole-heartedly support this Bill and I am sure this Bill, when it becomes a part of the original Act,

will help the trade union movement.  
 Thank you.

SHRI RATANLAL KISHORILAL MALVIYA (Madhya Pradesh): Mr. Vice-Chairman, I rise to support this Bill generally. There are amendments which advance the trade union movement to a great extent. There is clause 5, which seeks to amend section 4 of the Act, about which I will make some observations. But before that I would like to submit that in the amendment inserted in clause 4, that is, amendment of section 3, in which powers of the Registrar have been delegated to Additional and Deputy Registrars, the number has been increased. It is a very welcome amendment. We know how the trade union movement has advanced in the past few years. Though the number of trade unions in the country has gone up, many times more, and the movement is now very well stabilised, the result is that the Act of 1926 makes provision only for a Registrar. The Registrar alone is not sufficient and he requires additional help to expedite the registration process. I know there are difficulties which arise before the Registrar and unless there is some support to him, some additional hands are given to him, it is not possible for one person to deal with the registration work adequately. So, this amendment is a very welcome amendment and I whole-heartedly support it for increasing the number of Deputy Registrars and Additional Registrars.

DR. R. B. GOUR: Does it include Deputy Ministers also?

SHRI ABID ALI: Yes. Satisfied?

SHRI RATANLAL KISHORILAL MALVIYA: It is on the same lines. We used to have not many Ministers, but because of increase in work, we have got Deputy Ministers and even Parliamentary Secretaries.

My friend, Dr. Gour, has raised a point with regard to clause 9. He has objected to the powers which are being given to the Registrar under this clause. I have tried to understand his point of view.



DR. R. B. GOUR: No. The words "and other documents" have got to be deleted. For the rest they have got the power. We have agreed to it.

SHRI RATANLAL KISHORILAL MALVIYA: I would like to bring to the notice of the House the powers which already exist with the Registrar under section 28. Section 28 says:—

"(1) 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 March next preceding such prescribed date, and of the assets and liabilities of the Trade Union existing on such 31st day of March. The statement shall be prepared in such form and shall comprise such particulars as may be prescribed."

There are other provisions also. Now, if we take clause 9, what does it say and what difference does it make, so far as the existing powers of the Registrar are concerned? Clause 9 says:—

"(4) For the purpose of examining the documents referred to in sub-sections (1), (2) and (3)...."

They have not been amended. They are as they are. It says:—

"...The Registrar, or any officer authorised by him, by general or special order, may at all reasonable times inspect to the certificate of registration, . . ."

I stress these words. They are of special significance. Then, it says:—

"...account books, registers, and other documents, relating to a Trade Union, at its registered office ..."

Sir, I find very little difference between the existing powers and the

powers which are being allowed under the new clause. In fact from 1926 the trade unions have been required to maintain all accounts of receipt and expenditure. They have to produce the receipt books and other documents before the auditor and furnish a statement annually to the Registrar. After the Registrar gets this annual return—this provides only this much—after the accounts are audited, if the Registrar wants to satisfy himself with regard to the authenticity of the account books or the Membership Register, then he may do so. So, no extraordinary power is being given to the Registrar, and the powers which are being given to the Registrar under this clause are innocent powers which are not going to do any harm to the trade unions or to the trade union movement, unless there is some *mala fide* intention on the part of the trade unions themselves. I am not afraid of furnishing any accounts to the Registrar or the documents which may be with us supporting our accounts, etc. I am not afraid of furnishing anything to him. So, as has been clarified by my learned friend, he objects only to other documents. It is not possible to say as to what the intention of this is. Maybe, because the words appear here in the clause itself "may at all reasonable times inspect to the certificate of registration", my own interpretation of those words to which my hon. friend has taken objection would be that the Registrar would be entitled to inspect documents pertaining to a certificate of registration and nothing else.

DR. R. B. GOUR: Then you accept my other amendment "relevant documents".

SHRI RATANLAL KISHORILAL MALVIYA: Therefore, I feel that the Registrar will not try to inspect other documents, and I think Government will be able to clear it by the rules which they may be making under this clause, so that the danger or fear which my friend apprehends may prove to be unfounded. I think it is not necessary to amend it

[Shri Ratanlal Kishorilal Malviya.] Now, Sir, there are two clauses on which I have to make some observations. One is clause 5 which is an addition of sub-section (2) to section 4 of the principal Act. The main section provides that a trade union can be got registered by any seven members who sign their application in proper form and get it registered. Sir, during my long service and experience in the trade union field what I find is this that the employers still do create their own rival organisations. Whenever an application is made for registration by any set of workers or by any trade union organisation, the employers do try to win over some of the signatories to the application, and it will not be difficult for them to win over some of the people who subscribed their signatures to the application. My own view is that a very wide power has already been given under section 4 of the Trade Union Act of 1926 to the workers. If a rival trade union or if some of the workers wish to defeat the trade union with the help of the employers or do some damage to the regular trade union organisation, the power provided under section 4 is already more than sufficient. Any seven persons can join and make an application and get a rival trade union registered and do whatever damage they can. There is no provision in the Act nor in the Bill to check that. For instance, the Bombay Industrial Relations Act and the Madhya Pradesh Act, which has been enacted very recently in 1959 or 1960, have given protection to the organisation which is already working in the field. They have provided that if there is a certain percentage of membership of a trade union working in a particular industry, that trade union will be recognised for a period of two years. There is no such provision in this Act. There is no protection to the trade union which is already working, which may be a genuine trade union, doing a very good job. This can lead to mischief. The provision already existing is sufficient to give a handle to the mischief-mongers to injure the

cause of a genuine trade union. Any seven persons can make an application, get themselves registered, join the employers and do any damage.

SHRI ABID ALI: How?

SHRI RATANLAL KISHORILAL MALVIYA: I will tell you.

SHRI ABID ALI: After registration?

SHRI RATANLAL KISHORILAL MALVIYA: Yes, after registration.

SHRI ABID ALI: They cannot do. After registration, even if they attempt otherwise, the registration remains. The process of wrecking an existing Trade Union would start, and can start, only after registration.

SHRI RATANLAL KISHORILAL MALVIYA: That is the danger. That is what I mean to say. My point is that registration itself is a danger in such a case. I am submitting to you instances.

SHRI ABID ALI: What is the suggestion?

SHRI RATANLAL KISHORILAL MALVIYA: My suggestion is that this clause should be removed. This clause is not necessary and it may be deleted. This is my suggestion. I am advancing my arguments. My Federation which has got nine branches came into existence in 1948, and in the year 1949 we requested the Conciliation Officer to persuade the employers to recognise my organisation. You will be surprised, Sir, that out of 9 collieries 5 collieries have not recognised the Federation as yet. They have to deal with us because we are powerful. They have to give relief, they have to participate in conciliation proceedings and go to the tribunal because we have got strength enough; the workers are strong enough to compel employers to settle disputes through conciliation or adjudication. But they can easily refuse settlement with an unrecognised Union. My submission is that

in a given case arising out of a situation which I have just now described, there is a danger that the employers may persuade some of the workers to form a union to wreck the existing union. They will get it. They will get it registered even if 50 per cent workers withdraw from application for registration. There are places where trade unionism is still not ripe and there are hundreds and hundreds of industries where there is no trade union movement and the employers are mortally afraid of trade unionism. They are not trade union-minded; they do not want any trade union. They are found to do their worst to crush the movement and the workers. In an industry where the trade union is newly organised and an application for its registration is made, the employers' attempt to stop registration by winning over some signatories to the application for registration will fail. This clause gives protection to workers in such cases. Even if the employers win some workers over, their trade union can be registered. But if a rival organisation is formed either by the employers or otherwise to harm the other existing trade union, then this clause cannot give any protection. It will only weaken the existing trade union. The workers will not be able to resist the registration. Even in big and established units, this mischief can be played. Any seven persons can go and get themselves registered and create mischief. I would very humbly request the hon. Deputy Minister to look into this and see his way to change it. I do not know whether he will at this stage agree to my suggestion or not. But my definite suggestion would be that this clause is not necessary; it does not advance the cause of the trade union movement and it should be deleted.

Sir, one word more and it is with regard to clause 6 in regard to the increase in the rate of subscription from two annas to twenty-five naye paise. It is a very welcome amendment. Whatever might have been the condition in 1926, after the Industrial

Disputes Act came into operation in the year 1947, the rights of the workers and their liabilities both have increased. They have been given the right to go to the conciliation machinery, to go to the tribunal, to contest their cases up to the Supreme Court, and they are doing it. These rights have terribly increased their expenses also. My organisation wants a subscription of eight annas, not four annas. And my experience says that even this subscription of eight annas per month is not sufficient to meet the requirements of the trade union. You have to keep some paid workers permanently to meet the other expenses of litigation, etc. These liabilities could not be met without raising the subscription. The amendment is therefore very welcome. I would even make a suggestion that the subscription should be increased to six or eight annas. All the same, the case of some workers remains to be considered and I think that the hon. Minister knows the difficulty very well, and he will take care while framing the rules. It is the agricultural worker. Plantation is more sound in comparison to agriculture and plantation workers may be able to pay a subscription of four annas per month. But the agricultural worker is not in a position to pay this subscription of four annas. If this is insisted upon, then it will be very difficult for any agricultural worker like the *harwaha*—ploughman—and others to organise themselves.

DR. R. B. GOUR: Agriculture includes forests also.

SHRI RATANLAL KISHORILAL MALVIYA: Yes, Sir, I would request the hon. Minister to take care of the agricultural workers and workers in the like industries so that this clause may not come in their way. With these observations, Sir, I support this Bill.

SHRI K. L. NARASIMHAM (Andhra Pradesh): Mr. Vice-Chairman, I want to make a few observations on this Bill. The hon. Deputy Minister, while introducing this Bill, stated that the

[Shri K. L. Narasimhan.] contents of the Bill were discussed in the 17th Tripartite Conference and that it was not controversial. I have to submit that the 17th Indian Labour Conference discussed various other matters also. They confirmed the minutes of the 15th and the 16th Conferences. Particularly the item dealing with the recognition of trade unions was an important item. Every trade union is asking the employer to recognise that particular union under the Code of Discipline and many employers deny recognition. Unless there is recognition, there is no bipartite discussion between the employer and the union concerned. In the interests of strengthening the trade union movement in general, legislation regarding the recognition of the unions is very essential. When amending the Indian Trade Unions Act, an omission of that sort in not taking into consideration the question of recognition of the trade unions, I think is a big omission and in this respect this Bill is not comprehensive. It deals with only one aspect of the problem and that problem is with reference to the registration of the trade unions and the powers of Registrars. With this explanation, I submit that this Bill is not comprehensive and needs further amendment.

Coming to the Bill proper, I have to say that clause 9 in this Bill permits the officialdom to interfere in the day-to-day running of the unions. I am not objecting to the inspection of the documents relating to the annual returns; I am not objecting to the Registrar of Trade Unions going into the accounts. "Other documents"—which is not defined here—means that the Registrar can ask for any document which he thinks fit and in this very same clause it is said that the Registrar or any officer authorised by him, even a labour officer, of a particular locality, can inspect the records. From my experience in Andhra Pradesh, I can tell you that the labour officers there deal with the trade unions in such a way that they represent the employers, and not even the

State Government. So, clause 9 permits officialdom to interfere too much in the day-to-day functioning of the unions, which is not good for the healthy growth of the movement.

Coming to clause 6, I am not objecting to the fixation of the subscription rate at not less than twenty-five naye paise per month per member in industries where they can afford to pay, that is in organised industries. In Andhra Pradesh, we have seasonal factories for tobacco, rice sugar, handlooms and others whose nature of work is itself seasonal.

They work only for a few days and a few months in a year. The annual earnings of these workers will not be more than Rs. 175/-. To ask such workers to pay Rs. 3/- for getting their Union registered is, I think, a little hard on them. As suggested by Dr. Gour, the hon. Minister must find a way to see that such employments are excluded from the purview of this clause.

Last, Sir, we find a lot of discrimination against the A.I.T.U.C. Unions at the State level in Andhra Pradesh particularly where our membership is nearly 48,000 when other organisations put together do not come to that figure. We say that the State machinery and the officers under that State Government show discrimination against us in appointing committees, in registering our Unions, in referring cases to conciliation and in referring cases to tribunals, or even in answering our representations. In the face of such a condition, if you give more power to such officers who already show discrimination against one organisation or the other, that will only amount to giving more powers to them to interfere in the day-to-day functioning of the Union. I will illustrate it further.

Suppose in a Union there is a quarrel and one or ten members of that Union make an application to the Registrar of Trade Unions. The Registrar thinks it fit to enquire and then asks the Union to produce records

at a time when that Union is negotiating with the employer or at a time when this Union is arguing its case before a tribunal. That hinders the work of the Union. I know of a case in Gudur. Some workers made a petition to the Registrar of Trade Unions that there was no meeting of that Union on such and such date. The Registrar even now, without powers, asked that Union to submit their records. The Union did submit records and explained to him. The particular Registrar asked the Union to submit explanation, not to him, but to an officer at a local level. So, sometimes there is scope for misuse of the power and that hinders the functioning of the Union. Therefore, there must be some provision here to safeguard the rights of the Unions from the interference of bureaucratic officials who may use these powers for hindering the day-to-day functioning of the Unions.

This clause, as worded, is not happily worded. The words "other documents" must be defined. What are the documents, documents relating to the registration of trade unions or documents relating to the annual returns? That should be defined. The words "other documents" are put in a very sweeping way.

My hon. friend, Mr. Malviya, asked for a certain clarification about clause 5. I feel that clause 5 is an amending thing of the original section. I think it is correct here. The amendment gives the meaning that after making an application, if some members say that they are not members of the Union or they disassociate themselves from the application, that should not be a bar for registration of the Union.

SHRI ABID ALI: Nothing after registration.

SHRI K. L. NARASIMHAM: The clause deals with the time before registration. This is a clause helping in the speedy registration of the Union. If the employer forces some employees to resign or make a state-

ment that they are not a party to the application, the Registrar of Trade Unions can keep them pending for months. This clause helps speedy registration. I do not see how the hon. Member, Mr. Malviya, objected to it.

Anyhow, Sir, I hope the Ministry will consider all the points raised by us and bring a comprehensive Bill dealing with the recognition of trade unions and thus strengthen the process of collective bargaining at the factory level.

SHRI ABID ALI: Mr. Vice-Chairman, as it was anticipated, the proposed enactment has been welcomed by all the Members who participated in this discussion. Of course, there was some disagreement but that was of the usual routine nature, e.g., an hon. Member from Andhra mentioned that a particular trade union organisation has got a substantial number of members there, and that if a Union submits its application for registration, its affiliation is delayed.

Sir, the registration of a Union has nothing to do with its affiliation or non-affiliation, support or no support from any Central trade union organisation. As mentioned in the parent Act, any seven members can submit an application to the Registrar and, after complying with the requirements of law, obtain a certificate of registration. So, the question of alleged attitude of the Government or its officials to a particular trade union organisation is not relevant for the purpose of registration of a trade union.

Again, Sir, if the Registrar does anything which he should not do, then an appeal lies to a court of law. In some isolated case there may be room for complaint, but it should not be generalised and put in the form the hon. Member has chosen to do.

Sir, a suggestion was being made about the decisions of conferences. It is true that this matter was discussed in the Conference but all that cannot

[Shri Abid Ali.]

be taken up here word for word. They only mentioned outlines. These are to be put in legal language and the intention of the Conference is to be translated into legal form and thereafter the B.II is introduced here. It is not, as I submitted, that word for word it can be put here because there is no detailed statement of the provisions which are discussed there. The position about which he was making a reference from the book in his hand is true. But, Sir, as I have said, their intention has to be taken into account while drafting the B.II for the consideration of Parliament.

Now, Sir, it was asked as to what will be the other documents. I would have given the list of documents, but it is not possible to draw up the list which is very exhaustive. Now, account books, without bank pass-books, without vouchers, without counterfoils of the receipts of membership, are useless.

DR. R. B. GOUR: Therefore, they are relevant documents.

SHRI ABID ALI: Unless the Registrar has authority to inspect the documents which are mentioned, and also other documents, the enquiry will be incomplete. I am in a position, Sir, to assure the House that the intention is that the Registrar should not ask for the documents or the production of documents which are not related to the subject matter of enquiry. I assure hon. Members that when rules will be made, if possible, we will incorporate these, otherwise we will incorporate the same in executive instructions. It will be issued through State Governments and conveyed to the inspecting authorities that they should not ask for the production of documents which are not related to the subject matter of enquiry. I am sure that would be quite satisfactory so far as this particular item is concerned.

Sir, with regard to the membership fee of 25 nP. per month, the hon.

Member was complaining that we go beyond the decisions of these conferences. But he himself is raising the issue which is contrary to his own intention. Here is the decision. The proposal for making legal provisions in respect of a minimum fee of 25 nP. was accepted. It is without any reservation or condition. Now, to say that some workers in seasonal factories or otherwise will not be able to pay 25 nP.

DR. R. B. GOUR: He is employed for three months and you want Rs. 3/- from him as membership fee for the year.

SHRI ABID ALI: No seasonal factory is working for only three months.

It is another thing that if the trade union workers have not been able to convince the workers about the utility of the trade union organisation, they may not even pay anything. If the workers have no confidence in such organisations, they are at liberty not to pay anything but if they have confidence and if they appreciate the importance of trade union organisations, certainly in these days 25 naye paise will not be grudged for any trade union organisation which is of a genuine nature and which is meant to safeguard their interests.

My friend from Madhya Pradesh, Malviyaji, was suggesting that this clause should be deleted but I am sorry for not being able to agree with him because, as the clause exists in the parent Act, the trouble has been that when 7 workers submit an application, sometimes efforts are made by employers—there are one or two instances of that kind—and then either the worker is dismissed from service or he is persuaded to withdraw the application. After dismissing him from service, the employer has taken objection that 7 workers did not exist on that date and therefore registration should be refused. Therefore, to take precautions against this, which is

very necessary to safeguard the interests of the workers who have submitted the application, this amendment has been proposed. I am sure, after studying it in more detail and appreciating its necessity, the little opposition that was mentioned by Malviyaji would also not exist.

Regarding recognition a complaint was made here by the last speaker but the fact is that according to the agreement reached unanimously between the representatives of all the four Central Trade Union organisations working in the country and also the employers' organisations, the procedure for recognition has already been settled. According to that action has been taken and in some cases the organisation, to which my hon. friend opposite belongs, has also been given recognition. Therefore I do not see the utility of this complaint after having agreed to the procedure and taking advantage of it.

DR. R. B. GOUR: You have recognised the A.I.T.U.C. I want their unions to be recognised.

SHRI ABID ALI: The unions have received recognition because of the effort of the special section in the Department which has been opened in the Central Ministry of Labour and also in the State Governments but the difficulty is this: They know that a particular union has no status, they know that their organisation has no popularity among particular sections of workers. I cannot force the workers to accept the particular organisations. If workers have disowned them, what can I do? But wherever they are entitled to recognition, they have been submitting their applications to this particular Department about which I have made a mention and the Department has been helping them. If according to the Code adopted at Nainital they are entitled to recognition, certainly there is no intention—it would be dishonesty—to deny recognition and our Department is very much alert to serve the workers. After all, the workers may come

through one organisation or the other, the Labour Ministry and the Labour Departments are meant to serve the workers as such, not their leaders or their intermediaries. Today, they may be coming through them and tomorrow they may disown them. So, we want to ensure that wherever trade union organisations are entitled to recognition, they should get recognition. In case there is any union which is entitled to recognition but is not getting it, I request the hon. Members, instead of making a mention here, to write to us and I assure them that every effort would be made with all sincerity and earnestness to see that the needful is done in case the union has that status to claim recognition.

As it is known to everybody, there are places like Ahmedabad where labour court is not needed. The workers are intelligently organised, they put intelligent demands and once they put such demands, the employer who is sensible, appreciates the strength behind the demands and accepts them. There is settlement, there is bipartite agreement and they do not even need sometimes the presence of the Government officials there. There was a complaint made that a particular Inspector did not respond to the demands of a union or to its requirements. In this country a little over 10,000 unions are on the register. Out of these, 5,000 are submitting returns and half of them do not submit even returns. Out of these 5,000 there may be complaints here and there but, by and large, our officers in the Labour Department and in the Ministry are very much alert to the requirements of the workers and their unions and I am sure of this because not only I make this statement but I find by experience, when I move this when I move about, that there is an over-all satisfaction about their behaviour, about their work and about the earnestness with which they take up the legitimate causes of the workers. When workers are at fault, they try to persuade them to change the system

[Shri Abid Ali.]  
of their working also.. If my hon. friends opposite also, who have made this complaint, would study, after this discussion, the correct position as it now exists in the field, they would also be satisfied that the behaviour of our personnel in the Labour Department and in the Labour Ministry is certainly such which should have the approval of every sensible, honest, person.

I think I have covered the points which needed reference and I hope the Bill will be accepted unanimously.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): The question is:

"That the Bill further to amend the Indian Trade Unions Act, 1926, as passed by the Lok Sabha, be taken into consideration."

*The motion was adopted.*

[MR. DEPUTY CHAIRMAN in the Chair.]

MR. DEPUTY CHAIRMAN: We shall now take up the clause by clause consideration of the Bill.

*Clauses 2 to 5 were added to the Bill.*

5 P.M.

*Clause 6—Amendment of section 6*

DR. R. B. GOUR: Sir, I move:

1. "That at page 2, after line 27, the following proviso be inserted, namely:—

'Provided that this shall not apply to the Trade Unions of agricultural labour and seasonal factories and trades'."

Sir, my point is this particular question of trade unions of agricultural labour and seasonal factories and trades was considered neither by the Planning Commission, nor referred to in the documents sent to the 17th Indian Labour Conference. Therefore, I feel the Government, when they framed this Bill, should have taken this into consideration. If they

did not consider it then, at least let the Labour Minister tell us now now workers in seasonal factories which employ workers only for three or four months can pay this fee for the whole year. Therefore, this amendment that I have moved is intended to protect the workers in agriculture and also in the seasonal factories and trades. I do hope the hon. Minister will accept it.

*The question was proposed.*

SHRI ABID ALI: Sir, I have already submitted that this small amount of 25 Naye Paise will be paid with enthusiasm by every worker who has some idea about the necessity and the importance of good trade union organisation and I do not think it is necessary to accept this amendment.

MR. DEPUTY CHAIRMAN: The question is:

1. "That at page 2, after line 27, the following proviso be inserted, namely:—

'Provided that this shall not apply to the Trade Unions of agricultural labour and seasonal factories and trades'."

*The motion was negatived.*

MR. DEPUTY CHAIRMAN: The question is:

"That clause 6 stand part of the Bill".

*The motion was adopted.*

*Clause 6 was added to the Bill.*

*Clauses 7 and 8 were added to the Bill.*

*Clause 9—Amendment of section 28*

DR. R. B. GOUR: Sir, I move:

3. "That at page 2, line 40, after the words 'and other' the word 'relevant' be inserted."

Mr. Deputy Chairman, the hon. Deputy Minister told us during the first reading stage that documents



meant pass-books, bank-books and the relevant documents. Therefore, I say, let these other documents be only relevant documents. And so let him accept my amendment.

*The question was proposed.*

SHRI ABID ALI: Sir, I have already explained that these documents should be relevant to the subject-matter of the enquiry and these have to be examined. And so I am sure the hon. Member will not press his amendment, in view of the assurance that I have given that instructions will be issued to this effect that the Registrar should ask only for such papers and documents which are relevant to the subject-matter of the enquiry. It is not possible to give their list at this stage. Therefore, I do hope he will not press his amendment.

MR. DEPUTY CHAIRMAN: Do you press your amendment?

DR. R. B. GOUR: Since the hon. Deputy Minister has been, for a change, fair in this, I want to be fair to him also and, therefore, I request leave of the House to withdraw my amendment.

*\*The amendment was, by leave, withdrawn.*

MR. DEPUTY CHAIRMAN: The question is:

"That clause 9 stand part of the Bill."

*The motion was adopted.*

*Clause 9 was added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

SHRI ABID ALI: Sir, I move:

"That the Bill be passed."

*The question was put and the motion was adopted.*

MR. DEPUTY CHAIRMAN: The House stands adjourned *sine die*.

The House then adjourned *sine die* at three minutes past five of the clock.

*\*For text of amendment, vide col. 4332 supra.*