## <u>News story: Trade unions to face new</u> <u>fines of up to £20,000 for breaking</u> <u>governance laws</u>

Trade unions are set to face new fines of up to £20,000 for breaking governance laws under plans being consulted on by the government.

Under the proposals, the union regulator, the <u>Certification Officer</u>, will be able to issue fines of up to £20,000 for breaking the law including serious breaches of election rules or mismanagement of their political funds.

Currently the Certification Officer cannot impose a financial penalty, instead issuing a declaration or an enforcement order if a union breaches its statutory obligations under the Trade Union and Labour Relations Act.

The new proposed powers the Certification Officer will be able to fine unions for breaches like:

- failing to ensure senior positions are not held by someone with a criminal record
- breaching requirements for elections to senior positions
- mismanagement of political funds

A spokesperson for the Department for Business, Energy and Industrial Strategy said:

Trade unions exist to represent workers' interests and make decisions which can affect millions of people's lives, so it is right for the government to ensure they are run responsibly.

The proposed powers will make sure unions are properly regulated in the future to ensure they truly represent the interests of their members.

The government is consulting on these powers as agreed during the passage of the Trade Union Act last year.

The majority of the Act's new powers came into force on 1 March, bringing in tougher ballot requirements for industrial action – particularly for important public services like health, education and transport.

This will save more than 1.5 million working hours a year from being lost to undemocratic strike action.

The <u>consultation on the Certification Officer's powers</u> will run for 6 weeks from 9 April until 21 May.

- 1. The Certification Officer is responsible for regulating statutory functions relating to trade unions and employers' associations.
- 2. The Certification Officer's complaint rulings are published online.
- 3. The Trade Union Act which came into force on 1 March, is expected to reduce strikes:
  - $\circ$  on important public services like transport, education and health by 35%
  - $\circ$  in all other sectors from construction to water supply by 29%