

Mr. Deputy-Speaker: The question is:

"That the Bill be passed".

The motion was adopted.

Mr. Deputy-Speaker: The next is the Shipping Bill. There are a number of amendments to the Bill. We will take it up at six o'clock. The House will now stand adjourned till 6 P.M.

The House then adjourned till Six of the Clock.

The House re-assembled at Six of the Clock.

[MR. SPEAKER in the Chair]

CONTROL OF SHIPPING (AMENDMENT) BILL—contd.

Shri M. D. Joshi (Ratnagiri South): Mr. Speaker, Sir, I was in the middle of my speech last time.....

The Deputy Minister of Railways and Transport (Shri Alagesan): Almost at the end.

Shri M. D. Joshi: I am not going to tire the patience of the House, I assure hon. Members. However, I have to stress two or three small points which I shall finish just now in a very short time.

Sir, I spoke about the steamer fares last time. Then I spoke about the fleet—the sadly depleted fleet of the Bombay Steam Navigation Company. The fleet is so depleted that the Company is not able to run its normal lines throughout the week. Therefore, it has to curtail the sailings of some of the ships. But the unfortunate part of it is that in spite of the persistent and consistent demands of the people for restoration of certain lines, the Company is constantly refusing to accede to the public demand, and our grouse is that our

Government is not paying sufficient attention to the needs of the public....

An Hon. Member: Perfectly right.

Shri M. D. Joshi: Sir, I belong to a very obscure corner of the country. Formerly, in the days of the mighty British Government, the old companies used to play havoc with public opinion, and the same thing is being repeated in our own time, in the time of our own *Swaraj*. This is a thing which I am very sad to relate here. But facts must be faced, and our Ministry must be informed of what is going on in the country. Therefore, Sir, in all earnestness, I urge upon the hon. Deputy Minister that Government may kindly pay immediate and urgent attention to the problems of coastal shipping on our side.

Then, Sir, all small ports come within the purview of the State Governments. But the carriage and the safety of passengers on board the ships is the concern of the Central Government. Now, the funny situation is this, that when a ship enters a small port, it is guided by the beacon lights that are to be maintained by the State Government. The Bombay State Government, however, does not maintain any beacon lights in the coastal ports. The House will be very surprised to know this fact. In spite of this fact being brought time and again to the notice of the State Government, nothing has been done. When we ask questions—I sent questions here—they were rejected because it was a State subject. What are we to do? As I said, the safety of the passengers is the concern of the Central Government. But how are the passengers to alight and to board safely unless there are good beacon lights? So what has happened is that the Company has put up its own beacon lights and these beacon lights serve other ships also. This is a very sad state of affairs and I say it does not do credit to any civilised government.

An Hon. Member: A very good point.

Shri M. D. Joshi: I therefore request the hon. Minister to induce the State Government to do its duty by the passengers. (*Interruption*) We request him to visit our ports. Let him travel as an ordinary passenger *incognito*, as some hon. Members had suggested.

Shri Joachim Alva (Kanara): As a deck passenger?

Shri M. D. Joshi: Yes.

Shri Joachim Alva: In the crowded B. S. N. ship?

Mr. Speaker: Order, order. Let him proceed.

Shri M. D. Joshi: I can assure you that our Ministers are quite amenable to that; I have no manner of doubt.

One small point and I have done. We have been requesting the B.S.N. Company to start a line to touch some ports. They have refused. Another thing is that we were asking them to change the time table, which they have refused. Simply because there are new managers who do not know anything of the past history,—they fling all sorts of arguments in our face. To tell you a funny story. One manager told me, when I was urging him to re-start an evening steamer that was cancelled, that it was not possible to run evening steamers. I told him, "That is very fine navigation".

My point is that there should be Advisory Committees for every port appointed by this Government to look into the grievances of the passengers and to get them remedied as early as possible. In our State there is a committee looking after the comfort of the passengers. This Government is now going to give an aid of Rs. 16 lakhs for amenities in ports in Bombay State. Therefore this Government should insist that the affairs of

that body should be carried on in such a way that their opinions will prevail upon the Company whose affairs are carried on in a haphazard and arbitrary manner.

I would have liked to give more details but I know the temper of the House and I do not want to tire hon. Members with further arguments. I therefore present my case with all humility for the consideration of the hon. Minister and resume my seat.

Shri Alagesan: Sir, I first wanted to thank the hon. Members who participated in the debate. Now, I thank the hon. Members who have taken the trouble to remain behind after the short break that the House had. I may assure the hon. Members that they would not regret having stayed here.

I should like to say that all the hon. Members who took part in this debate made very constructive suggestions. Even Shri Mukerjee, who is not here and who is not particularly known for observing restraint in language, was constructive in his suggestions. The question raised about this Bill was, why is this being extended by two years, every now and then? In fact, it was confused with the issue of a consolidated legislation on shipping. Shri Gandhi, who is otherwise a very sober speaker and whom I am sorry not to find here now, even he confused the issue and said, why not have this Bill only for one year?—as if it is some Press Bill that was being passed! I may tell the House that this is a complete Act. It can stand by itself. Originally, the view was taken that when the consolidated legislation was to be presented, this also may form part of it. Since we are preparing that legislation, we are asking the House to extend the life of this by another two years. In fact, that is a complicated piece of legislation numbering hundreds of clauses, involving a lot of administrative and technical details. Now, I am glad to tell the House

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that we have a Special Officer, who has got a lot of experience in the subject, put in charge of this Bill and we will try to bring the Bill before the House at least next session. As the Deputy-Speaker, who was in the Chair then, pointed out, that is the purpose of the Bill, though Members traversed over the entire field of merchant shipping. I said that I would be presenting the Merchant Shipping Bill, but they spoke as if it had already been presented. That was what I wanted to tell the House in the beginning. This was the Act by means of which we were able to successfully prosecute our policy of cent. per cent. coastal reservation for Indian shipping. A doubt was expressed as to whether even now coastal shipping is reserved to Indian interests completely. That is so. In fact, coastal trade carried in Indian ships in 1950-51 was 80 per cent, in 1951-52 94 per cent, and in 1952-53 cent per cent—of course, there is some little chartered foreign tonnage, which comes to about 25,000 and that also is completely in the control of the Indian shipping interests, and that is considered to be the minimum which cannot be avoided just now. Also, a doubt was expressed whether foreign ships enjoy this privilege under the garb of being Indian ships. Although Indian ships on the British registry enjoy the status of British ships, the converse is not true. All the shipping companies that are at present plying in the coastal trade are Indian, most of the shareholders are Indian and directors and managing agents are all Indian, and the House need not entertain any doubt as to the success of the reservation for Indian shipping.

Again, hon. Members wanted a more rapid rate of expansion of Indian shipping. It is true that the Shipping Policy Committee recommended in 1947 that we should reach a maximum tonnage of two millions by 1954 but

subsequently, the Planning Commission considered this matter and thought that before the Plan period is over, we should reach a target of 6,00,000 tons. That, I can assure the House, is being progressively realised. The tonnage in 1947 was only 1,40,000. At the beginning of the Plan period it was 3,90,000, and now it stands at 4,35,000. In the remaining period of the Plan, we hope to realise the rest of the tonnage. Government policy on this matter has been announced and is being steadily pursued. Loans have been granted and are being granted. In fact, a larger sum than was contemplated in the Plan will be provided for grant of loans to buy ships that will ply in the coastal trade as well as in the overseas trade. As far as loans for coastal shipping are concerned, already Rs. 1.9 crores has been sanctioned and another Rs. 2.89 crores has been promised, which makes it Rs. 4.8 crores, while the Plan contemplated only Rs. 4 crores. Similarly for the overseas shipping, the loan that was contemplated was Rs. 6.5 crores, whereas Rs. 8.5 crores has been promised, and we hope the companies will come forward and utilise this amount.

So also with respect to loans that have to be given for orders placed on the Visakhapatnam Shipyards. It is proposed to give Rs. 5.5 crores, whereas the Plan contemplated only Rs. 4.5 crores; that is to say, a provision of about Rs. 4 crores more will be made than what was contemplated in the Plan. The hon. Mr. Mukerjee quoted some journal where it was said that the Secretary of Transport Ministry said that Rs. 35 crores has been provided for. That is not the correct figure. It is Rs. 23.5 crores.

Also certain concessions with regard to these loans have been given. It was intended originally to give only 66 and 2/3 per cent. for coastal ships and 75 per cent. for overseas ships. Now that has been relaxed and we propose to give even up to 80 per cent. and 85 per cent. of the

purchase price depending on the merits of the application. Also, the rate of interest to overseas shipping has been reduced to 2½ per cent. In the case of loans to coastal lines if the loan is repayable within four years it will be 4 per cent. For more than four years it will be 4½ per cent.

The question of the Visakhapatnam Shipyard also was raised. I may tell the House that in the Plan period the Visakhapatnam Shipyard has already built 35,000 odd tons; ships under construction there come to 39,770 tons and those for which orders are expected come to 21,000 tons. This comes to nearly a lakh of tons which was what was contemplated in the Plan for construction in the Visakhapatnam yard.

Then, Sir, Prof. Mukerjee spoke of flag discrimination and the difficulties experienced by Indian shipping regarding entry into intermediate trade on the India-U.K. run. In fact, he was quoting in a very apologetic manner Shri A. Ramaswami Mudaliar. When he was quoting Shri Ramaswami Mudaliar, Sir, I felt a little embarrassed at the irony involved in being told that he stood for *swadeshi* more than the Government here.

This question of flag discrimination has not been properly understood, I should say. In fact, Sir, our shipping tonnage is very small, as hon. Members pointed out. All our purchase missions abroad try to make use of Indian bottoms, as much as possible, but it is not as if Indian ships touch those foreign ports very often whenever cargo is available. In those cases it becomes necessary for us to bring our cargo in other ships. It is not possible to wait for Indian ships. For instance as the House knows, we placed orders for locomotives from Japan. We consulted the Corporation. They said they will not be able to bring more than a very small percentage of the cargo that will be available in Japan because they now have only one ship plying regularly on that line. It is not as if Government is unmindful of the interests of

Indian shipping; it is a question of the limitations that obtain. When we are able to expand our shipping, the volume of our overseas trade will certainly increase and the benefit will go to our shipping. It is not a question of being touchy about any discrimination as was pointed out by an hon. Member.

As regards the entry of Indian lines in these intermediate trades, the matter is now being very actively pursued by Indian shipping interests; they have taken it up at commercial level with the other companies of the conference. The conference is purely a voluntary association of the shipping companies engaged in a particular trade and it is for them to mutually discuss the matter and come to an understanding. But if it is proved that these negotiations have been of no avail and that Government should step in and do something we are prepared to look into the matter and take whatever steps that may be necessary at that time.

The question of oil tankers was raised. I think Shri Alva also raised the question and very vehemently pleaded that India should possess at least a fleet of six tankers. I know he is very much interested in these tankers; he has often spoken about it and of the harm resulting from our lack of these tankers. We made enquiries when these agreements were entered into with the foreign oil combines. Enquiries were made if any Indian shipping company was prepared to purchase tankers. The tanker trade is rather a risky one because the tankers have to go in ballast to the oil ports. Our Indian shipping companies—I do not blame them—naturally did not venture to take that risk. It was thought that Government may be in a position to acquire these tankers and certain safeguards have been entered in these agreements with regard to tankers owned by Government or owned by corporations where the majority of the shares are held by the Government. The Production Minister—I am quoting Shri Reddy—in his

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speech has spoken about it when doubts were expressed that Indian shipping interests have been neglected. He replied and said as follows: "Certainly, the implications of the clause in the oil agreement are not as serious as seem to have been misunderstood." That is what he has said. He went on to add: "I need hardly say that Government will welcome Indian shipping enterprise in this field and would readily consider any specific proposals that may be put forward." As it is, we do not—it is an unfortunate fact—own any tanker and as such there is no question of any Indian interest having been affected seriously by these agreements.

Shri Joachim Alva: I want to ask just one question. May I know from Government whether they offered any monetary assistance to ship owners to buy tankers—anything, say, one-third, one-fourth or one-fifth—when they asked for Government assistance for buying tankers?

Shri Alagesan: As I had occasion to point out just at the beginning of my speech, it is for the shipping companies to have come forward and asked for loans for tankers. Loans could have been granted for the purpose of purchasing tankers if shipping companies had come forward. But as I said, the tanker trade is a risky one and the Indian shipping companies did not come forward with any proposal. It is not as if they come forward and Government refused to grant any loan. I should like to make it perfectly clear.

[MR. DEPUTY-SPEAKER *in the Chair*]

Both Shri Gandhi and Shri Joshi referred to the question of increase in the fares levied by the Bombay Steam Navigation Company on the Konkan run. The Government appointed a Rates Advisory Board in 1949 under the Control of Shipping Act, to go into the question of fares charged by this particular company. This Board recommended that there

should be reduction of 12½ per cent. But before the Board made that recommendation the company, on its own and on the advice of Government, reduced the fare by 8½ per cent. So it was thought that there was no further necessity of asking the company to reduce the fare. Also, as a result of the report of the Deck Passengers' Committee, whose recommendations had to be implemented by these companies and which meant extra expenditure, it was not thought necessary to ask this company to reduce the fares further. There the matter stands.

But that does not mean that, if it is proved that the fares are really high, a further review cannot be had. In fact a review, I am told, is due towards the end of this year. When that review is undertaken, certainly the question whether the fares charged by this company on the Konkan run are unduly high can be examined and, if it is so, suitable action taken. That is what I would like to tell the hon. Member who raised the question.

Sir, as the Members who raised the points are not here, I do not think I should tire the House by going through all the points raised. (*Some hon. Members:* Yes, yes.) So I shall finish, Sir, with only one remark, and that is with reference to Pakistani seamen. Shri H. N. Mukerjee raised that point. (*An hon. Member:* He is not here). He said that the visa system is causing hardship to Pakistani seamen. The House knows the history and the origin of this visa and passport system. And India was not responsible for it. That also the House knows. And once having agreed to have this system between the two countries, it is not possible to exempt Pakistani seamen. And everything is being done to make it easy for them to obtain these things. For instance it has been decided to threat their C.D.Cs., that is continuous discharge certificates, as their passports. They have only

to obtain visas. And these are issued to them at the time they are discharged at Calcutta. For seamen who are already in Pakistan, visas are issued by the Indian High Commissioner in Dacca. Also, as far as we are aware, no complaint has reached us with regard to any difficulty being experienced by these Pakistani seamen.

Mr. Deputy-Speaker: Are there no Indian seamen at all?

Shri Alagesan: Yes, Sir, there are.

Mr. Deputy-Speaker: A large number are coming from Pakistan, is it?

Shri Alagesan: Sir, a large number belong to Pakistan, but they are recruited at Indian ports.

Mr. Deputy-Speaker: Are similar Indians taken in Pakistan ports?

Shri Alagesan: No Sir, the question is that most of our seamen, say, eighty to eighty-five per cent are employed by foreigners. And those foreign companies recruit seamen here in our ports. They recruit, of course, Indian seamen. I may perhaps add that there is a lot of abuse in this recruitment. To obviate that we are going to establish Seamen's Employment Offices both at Bombay and at Calcutta. Already the office at Bombay has been opened and it will start functioning very shortly. The Calcutta office will also be established soon. So that is the question that is rather important for the seamen, and that is being attended to by us. It is true, since there is no recruitment at Pakistan ports, there is no question of recruiting men other than Pakistanis. Sir, with these words I commend the Motion.

Mr. Deputy-Speaker: The question is:

"That the Bill further to amend the Control of Shipping Act, 1947, as passed by the Council of States, be taken into consideration".

The motion was adopted.

Now, we will take up the Bill clause by clause.

Clause 2.—(Amendment of section 1)

Shri Gadilingana Gowd (Kurnool): I beg to move:

In page 1, line 6, for "1956" substitute "1955".

Mr. Deputy-Speaker: I will put it to the vote of the House because at half-past six I must apply guillotine.

The question is:

In page 1, line 6, for "1956" substitute "1955".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clauses 1 and 2, the Title and the Enacting Formula stand part of the Bill".

The motion was adopted.

Clauses 1 and 2, the Title and the Enacting Formula were added to the Bill.

Shri Alagesan: I beg to move:

"That the Bill be passed."

Dr. S. N. Sinha (Saran East): Sir, I have to say something.

Mr. Deputy-Speaker: The hon. Member, I am afraid, has missed the bus. He will have many opportunities in the Budget Session.

Dr. S. N. Sinha: I will not get any opportunity to speak on shipping which subject I have studied.

Mr. Deputy-Speaker: If the hon. Member would have come up earlier, he would have caught my eye.

The question is:

"That the Bill be passed."

The motion was adopted.