

12.15 hrs.

MERCHANT SHIPPING BILL—contd.

Mr. Speaker: The House will now take up clause-by-clause consideration and thereafter the third reading of the Merchant Shipping Bill, 1958, as reported by the Joint Committee, for which 3 hours have been agreed to by the House.

Hon. Members desirous of moving amendments may kindly hand over at the Table within 15 minutes the numbers of the selected amendments. They have already been tabled; only hon. Members must send chits as to which of the amendments ought to be treated as moved.

It is now quarter past twelve of the clock. So, we must conclude this Bill by 3-15 P.M.

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): The whole thing must be finished by 3-15 P.M.

Shri Nath Pai (Rajapur): May I submit that it should not be so very rigid, because there will be a large number of amendments?

Mr. Speaker: That is unnecessary. I shall apply the guillotine at 3-15 P.M.

Since there are no amendments to clause 2, I shall put it to vote.

The question is:

"That clause 2 stand part of the Bill".

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3—(Definitions)

Mr. Speaker: We shall now take up clause 3.

Shri Tangamani (Madurai): I beg to move;

*Page 25,

after line 42, add—

"Explanation.— Notwithstanding anything contained in this sub-clause, vessels of any tonnage so employed may continue to be manned by officers holding Home Trade Certificates of Competency obtained between 1952 and the date of this Act, after the passing of which such holders can serve on a vessel below three thousand tons only." (52)

Page 26, line 19,—

add at the end—

"and also officers holding Home Trade Certificates of Competency plying Home Trade or Foreign going ship". (53)

Shri Naushir Bharucha (East Khandesh): I beg to move:

Page 24, line 6,—

for "continent" substitute "mainland". (64)

Page 24, line 10,—

for "continent" substitute "mainland". (65)

Page 24,—

after line 10, add—

"Explanation.—For the purpose of this clause, the ports of Diu, Daman and Goa, shall be deemed to be ports on the mainland of India." (66)

Page 25, line 38,—

for "three" substitute "ten" (67)

Page 25, line 40,—

for "continent" substitute "mainland" (68)

*The original Nos. of the amendments given in brackets at the end of the text, have alone been reproduced at the stage of the final disposal.

Shrimati Ha Palchowdhari (Nabadwip): I beg to move:

Page 25,—

for lines 38 to 42, substitute—

“(16) ‘home-trade ship’ means a ship which is employed in trading between any port or place in India and any other ports or places in India, Pakistan, Burma, Ceylon, Malaya, Singapore, Aden and ports in the Persian Gulf, Red Sea and the East African Coast upto Suez on the North, including the island territories between India and these regions;” (135)

Shri Raghunath Singh (Varanasi): I beg to move:

Page 25, lines 38 and 39,—

omit “not exceeding three thousand tons gross” (110)

Mr. Speaker: All these amendments together with the clause are now before the House.

Shri Naushir Bharucha: The purpose of my amendments is to make clear....

Mr. Speaker: The hon. Member may kindly resume his seat for a second. I find that there are some Government amendments to this clause. In all cases where Government have moved amendments, I shall give preference to them. Let them move their amendments first. First, they have amendment No. 184. Are they moving it?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): Yes, I am moving amendment No. 184.

Mr. Speaker: Why did he not say so earlier?

Shri Raj Bahadur: I am sorry.

Mr. Speaker: What about amendments Nos. 203 and 250?

Shri Raj Bahadur: I am moving amendment No. 250 and not amendment No. 203, because amendment No. 250 covers amendment No. 203.

I beg to move:

Page 25,—

(i) in line 39,—

for “from” substitute “between”

(ii) in line 40,—

for “to” substitute “and”

(iii) in line 41,—

(a) for “from” substitute “between”

(b) for “to” substitute “and” (184).

Page 25, line 42,—

after “Maladive Islands” insert—

“Federation of Malaya, Singapore” (250)

Mr. Speaker: These amendments are also before the House. Does the hon. Minister want to say anything? He may reply once and for all.

Shri Raj Bahadur: Yes, I shall reply at the end.

Shri Naushir Bharucha: The purpose of my amendments is to clarify the position with regard to the coasting trade of India. I have mentioned that at page 24, after line 10, an explanation should be added to the effect that

“For the purpose of this clause, the ports of Diu, Daman and Goa shall be deemed to be ports on the mainland of India.”

I should like to know exactly what the position of the Portuguese enclaves

will be in connection with the coasting trade.

The other amendments are consequential amendments.

Shrimati Ila Palchoudhuri: The purpose of my amendment to clause 3 is to substitute for lines 38 to 42 at page 25, the following:

"(16) 'home-trade ship' means a ship which is employed in trading between any port or place in India, Pakistan, Burma, Ceylon, Malaya, Singapore, Aden and ports in the Persian Gulf, Red Sea and the East African Coast up to Suez on the north, including the island territories between India and these regions;"

These regions were always considered to be our legitimate ports, and our sailing vessels even touched these places in the ancient times. So, I think these should be included among the ports for home-trade shipping mentioned in this Bill.

श्री रघुनाथ सिंह : अध्यक्ष महोदय, मेरा ११० नम्बर का जो अमेंडमेंट है उस में मैं ने यह चाहा है कि क्लज ३ में 'होम ट्रेड शिप' की डेफिनीशन यह रखी गई है कि ऐसा जहाज जो कि ३००० टन ग्रीम में एंक्मीड न करता हो और जो भारत के किसी भी बंदरगाह में किसी अन्य जगह अथवा बंदरगाह जो कि इंडियन कॉन्टिनेंट में हो या हिन्दुस्तान के बन्दरगाहों से मीलोन, मैलेडाइव आइलैंड्स या बर्मा के किसी अन्य बन्दरगाह या स्थान से व्यापार करने में लगा हो, मैं इस ३००० टन की जो सीमा रखी गई है उस को अपने अमेंडमेंट द्वारा हटाना चाहता हूँ क्योंकि यह हो सकता है कि कोई जहाज ३००५ टन हो, ३०२० टन हो या ३००० टन से कुछ ज्यादा हो। ऐसी अवस्था में इस को फ्लेक्सेबुल रखना चाहिये और अगर कोई जहाज ३००० टन से कुछ ज्यादा भी हो तो उस को भी वह एंवाऊ करे।

अगर मंत्री महोदय सिगापुर का जो अमेंडमेंट है वह उस को स्वीकार करना चाहते हैं और अगर वह एंक्सेप्ट हो जाता है तो यह बर्मा, मलाया, रेड सी और पश्चिम गल्फ, बाला अमेंडमेंट में सरकार के ऊपर छोड़ देना चाहता हूँ कि अगर वे स्वीकार करना चाहते हैं तो स्वीकार कर लें।

12.18 hrs.

[**SHRI MOHAMED IMAM in the Chair.**]

Sardar Iqbal Singh (Ferozepur): I beg to move:

Page 24, line 7,—

add at the end—

"Malaya, Persian Gulf and East Africa". (230)

Page 24, line 7,—

add at the end—

"Maladive Islands and ports of Goa, Diu and Daman." (231)

Page 25, line 21,—

after "ship" insert "coastal-trade ship" (234)

Page 25, line 38,—

for "three" substitute "seven" (235)

Page 25, line 38,—

for "three" substitute "ten" (236)

मभापति महोदय, २३० नम्बर के अमेंडमेंट में मैं ने यह चाहा है कि पेज २४ पर लाइन सात में क्लज ३(१) में आखिर में यह जोड़ दिया जाय : "मलाया, पश्चिम गल्फ एंड ईस्ट अफ्रीका"।

दूसरे श्री भरूचा का जो गोआ, दमन और ड्यू के बारे में अमेंडमेंट है कि यह भी मेनलैंड आफ इंडिया के पोर्ट्स समझे जायें

[Sardar Iqbal Singh]

वह नुनासिब अमेंडमेंट है और मैं भी अपने अमेंडमेंट में यही चाहता हूँ कि मेलेडाइव आईस और पोटैस् आफ गोवा, ड्यू और दमन, इन को भी जोड़ दिया जाये।

तीसरे अमेंडमेंट में मैं यह चाहता हूँ कि क्लाज ३ में जो एक होम ट्रेड शिप की ३००० टन ग्रीस की लिमिट रखी गई है उस की जगह ७००० कर दिया जाय क्योंकि जब आप अपनी जहाजरानी ट्रेड को इन्क्रीज कर रहे हैं तो मैं समझता हूँ कि ३००० टन से बड़े जहाज भी इस ट्रेड में लग सकते हैं और यह कोस्टिंग शिप ३००० टन ग्रीस से ऐकमोड कर सकता है और इसीलिये मैं ने यह ३००० की जगह ७००० सबस्टीच्यूट करने का अपने अमेंडमेंट में सुझाव दिया है।

Mr. Chairman: The amendments are before the House.

Shri Tangamani: My amendments are amendments Nos. 52 and 53. In the original Bill, there was no definition or no restriction of the tonnage of home-trade ships. The Joint Committee have rightly accepted 3000 as the tonnage for the home-trade ships, but as a result of this, some hardship is likely to ensue so far as the home-trade ship captains are concerned. So, my amendment seeks to add an explanation saying that whatever be the tonnage of the vessels, they may continue to be manned by the officers holding Home Trade Certificates of Competency obtained between 1952 and the date of this Act, and the officers holding Home Trade Certificates of Competency plying Home Trade or Foreign-going ship also must be treated as masters.

This is only to mitigate the sufferings of nearly 300 home trade ship officers who have got certificates of competency. I dealt with this in great detail during the general consideration stage, and I know that there will be no difficulty in accepting it. The hon. Minister might say that there is another clause in the Bill which

gives that exemption and by exercising that exemption these people will be able to man the ships. But by way of abundant caution, if my amendments were accepted, that would really remedy the grievances of the home-trade ship officers.

Shri Jadhav (Malegaon): I beg to move:

Page 24, line 10,—add at the end—
“including the ports of Diu, Daman and Goa”. (152)

Many a time, the Prime Minister of India also has admitted the fact that Goa, Diu and Daman are territories of India and they will be included in India by peaceful means. Therefore, it is necessary that while defining the ‘coasting trade of India’, the ports of Goa, Diu and Daman should also be included.

Shri Assar (Ratnagiri): I beg to move:

Page 24, after line 3, add—(1)
“‘Citizen’ means,—

- (a) a citizen of India as per definition in the Indian Constitution;
- (b) persons of Indian origin resident abroad, e.g. in East Africa, Malaya, Burma, Japan, UK, USA etc.;
- (c) citizens of States protected by India such as Sikkim;
- (d) citizens of States such as Nepal and Bhutan having special treaties with India, and ordinarily resident in India or having property or business connections with India.” (219)

My intention in moving this amendment is that the term ‘citizens of India’ should be extended for the purpose of this clause in the Bill with a view that persons who regard themselves practically as Indians or being of Indian descent but residing in foreign

countries should not be debarred from coming to the help of the motherland and the friendly neighbours in a matter in which India is prepared to welcome capital from any part of the world. Therefore, besides citizens of India as per definition in the Constitution, I propose to include persons of Indian origin resident abroad, e.g. in East Africa, Burma, Japan, UK, USA etc. so that these persons should have an opportunity of contributing to the economic development of India.

Moreover, there are citizens of States like Sikkim with which we have treaty obligations to provide protection etc. Surely these citizens and friends of India should not be regarded as foreigners so far as capital for shipping is concerned.

The same also applies to the citizens of Nepal and Bhutan with whom we have special treaties and whose citizens have so much business dealings and facilities for residing in India that at least for our purpose of shipping capital, it will be meaningless to regard their money as foreign capital.

I will now cite a very apposite example of a country whose citizens are spread all over Europe and America and whose money is regarded as national money for the shipping of the country. By a law of 1920 regarding the Polish merchant marine vessels (in article 4) in evaluating the qualifications of individuals and corporate bodies (articles 1-3) in order to decide whether the vessels owned by them shall be recognised as Polish merchant marine vessels, persons of Polish racial origin who are not Polish nationals may be treated on an equality with citizens of the Republic.

So this amendment of mine should be accepted in order to help the shipping industry.

Mr. Chairman: Amendments Nos. 152 and 210 are also before the House.

Shri Mulchand Dube (Farrukhabad): With regard to the definition of "court", what is said is:

"court" in relation to sections 178 to 183 (inclusive) means a civil or revenue court.

Now we have given powers to decide cases not only to civil and revenue courts but also to certain officers. For instance, under the Delhi Rent Control Bill, the Rent Controller has got the power to fix the rent and do other things in regard to tenants. I want to ask whether, if a seaman is a tenant, that protection will be available to him or not. My submission is that the definition of 'court' should be widened so as to include such officers also who have got power to pass any orders against the interests of seamen so that the proceedings may be stayed under sections 178—183 of the Bill.

Shri Raj Bahadur: I have moved two amendments, Nos. 184 and 250. No. 184 is only a verbal amendment. This is to ensure that it applies to home trade ships plying both ways, between India and the places mentioned there in the clause. As the definition stands at present, this has become necessary. Hence this amendment.

The second amendment is in respect of the extent of the home trade territory. The amendment reads:

Page 25, line 42,—after "Maladive Islands" insert "Federation of Malaya, Singapore".

Unfortunately, here also there was a typing error in the amendment itself. It should be "Federation of Malaya, Singapore" and not "Federation of Malaya and Singapore".

Hon. Members have moved certain amendments. Broadly speaking, they can be divided into two categories. Firstly, they want to add a few other countries or territories to the list of places or territories which shall be deemed to be home trade limits for

[Shri Raj Bahadur]

our home trade ships plying. In this connection, I may recall that we have ratified an International Convention, article 2(B) of the Seamen's Requisitioning Agreement Convention which runs as follows, so far as the definition of a home trade vessel is concerned:

"A home trade vessel is a vessel engaged in trade between a country and the ports of a neighbouring country which is geographically determined by the national law".

The words "neighbouring country" essentially limit and restrict the definition which any nation can provide for itself. Obviously, therefore, we cannot include East Africa or for that matter, countries in the Persian Gulf or countries which are not exactly contiguous or adjacent neighbours. Therefore, it is not possible to accept the amendments which seek to broaden the definition beyond that to a further extent.

Another amendment moved by Shri Naushir Bharucha, and Shri Jadhav and also emphasised by Sardar Iqbal Singh, Shrimati Ila Palchoudhuri and Shri Raghunath Singh relates to the inclusion of the territories of Goa, Daman and Diu. Also, instead of the words 'continent of India', Shri Naushir Bharucha wants us to use the words "mainland of India". It is obvious that in the accepted parlance in which we are using these expressions and words 'continent of India' and 'India' as distinguished from each other, 'continent of India' includes all those territories which were part of India before 1947—including Pakistan, Diu, Daman and Goa etc. We have, therefore, purposely chosen that phraseology to describe what our intention is in this particular clause. So, I say that so far as inclusion of these territories is concerned, it goes without saying that when we say the 'continent of India' it includes Diu, Daman etc. Shrimati Ila Palchoudhuri referred to certain islands.

They are already Indian territory—the Andaman, Nicobar and other smaller islands.

Shri Naushir Bharucha: You have not defined the 'continent of India'.

Shri Raj Bahadur: I accept that we have not defined that. But there is the commonly accepted parlance; there is the accepted interpretation in respect of that expression. I think that should be

Shrimati Ila Palchoudhuri: The Laccadive and Minicoy islands are not mentioned.

Shri Raghunath Singh: They are part of India.

Shri Raj Bahadur: They are part of India. My amendment which broadens the definition includes the Federation of Malaya as also Singapore and I hope it will meet our purpose and definitely define the intention that we want to be conveyed by this particular clause.

Now, I come to the other question of the limitation of tonnage to 3000. Some suggestions have been made that we should keep that flexible. I would respectfully submit that it has been at the instance of the seamen themselves that we have adopted this definition. The limit they wanted was 2,000; but that was opposed by the shipowners who wanted 4,000. So, we have taken the golden mean and fixed 3,000 GRT as the limit. That will also satisfy our purpose and does not upset things. When we took stock of the present situation we came to find that of all the ships that are on home trade articles and which may have to change over to foreign going articles as a result of the adoption of this definition for home trade shipping, there are only 7 cargo vessels and 3 passenger vessels that are affected—out of the entire lot of 139 ships. So, it is obvious that this is not going to result in any very great upsetting of things or the present order. It is definitely going to liberalise the definition to the

advantage of the seamen. It will improve their prospects and it also ensures safety. These are the two purposes with which we have fixed this limit of 3000.

I would just mention one word more about this particular clause in view of what dropped from the hon. Member, Shri Tangamani. He was anxious about the lot of seamen who, so far, had been working on the home trade vessels and who might, perhaps, be thrown out in case this definition is accepted—but, he has himself referred to clause 456—the exemption clause. It is wide enough to give the Director-General powers to exempt any such class of people. And, I can assure the House that it is our intention to exempt such people who had been officers on these ships and who had run these ships as officers at least for one year without any slur or bad entry. I am quite sure that clause 456 is going to take full care of such people.

Then comes the question of citizenship. Shri Assar says that we should accept amendment No. 210 and broaden the definition of a citizen, so far as this particular clause is concerned. Here too, I may just refer him to the provisions of our Constitution contained in articles 5 and 6 and also to the provisions of the Citizenship Act. Under section 5(1) (b) of the Citizenship Act, it is open to any of those persons of Indian origin who are now living or residing in foreign countries to adopt our citizenship. An option has been given to them. They can apply for that. In case they do not, it will be dangerous both for ourselves as well as for those persons themselves to be included or classified as citizens for the purpose of owning an interest in an Indian ship or shipping company, and for other purposes to be considered as foreign nationals. They might become suspect in the eyes of the people or of the governments of the lands in which they are now residing. It is, therefore, obvious that

we need not and should not broaden the definition of a citizen for the purpose of this clause. We should rest content with the provisions of the Constitution and also of the Citizenship Act of 1955.

I think I have broadly replied all the points that were made in this connection. If there be any other, I will be glad to reply.

Mr. Chairman: In view of the reply of the hon. Minister, may I take it that the amendments of all the private members are withdrawn or do they want any amendments to be pressed?

Shri Tangamani: They may all be put to vote together.

Mr. Chairman: I will now put the Government amendments to the vote first—amendments Nos. 184 and 250. The question is:

Page 25,—

(i) in line 39,—
for "from" substitute "between".

(ii) in line 40,—
for "to" substitute "and".

(iii) in line 41,—
(a) for "from" substitute "between".

(b) for "to" substitute "and".

The motion was adopted.

Mr. Chairman: The question is:

Page 25, line 42,—

after "Maladive Islands" insert
"Federation of Malaya and Singapore"

The motions was adopted.

Mr. Chairman: I will now put all the other amendments to vote.

The amendments No. 52, 53, 64 to 68, 135, 110, 230, 231, 224 to 236, 152 and 210 were put and negatived.*

Mr. Chairman: I will now put clause 3 to vote.

The question is:

"That clause 3, as amended, stand part of the Bill."

The motion was adopted.

Clause 3, as amended, was added to the Bill.

Clause 4.— (Establishment of National Shipping Board)

Mr. Chairman: Which are the amendments to this clause which hon. Members want to move?

Shri Naushir Bharucha: Sir, I want to move amendments Nos. 69 and 70.

Shri Balasaheb Patil (Miraj): I want to move amendment No. 194.

Shri Barman (Cooch-Bihar—Reserved—Sch. Castes): I want to move amendment No. 37.

Sardar Iqbal Singh: Sir, I want to move amendments Nos. 243, 244 and 245.

Mr. Chairman: The hon. Members may be brief; we have to finish the Bill by 3 o'clock.

Shri Nath Pal: We have to try to.

Mr. Chairman: Now amendments No. 37, 69, 70, 194, 243, 244 and 245 will be moved. Shri Barman may move his amendment.

Shri Barman: Sir, I beg to move:

Page 30, line 15,—

(i) for "five" substitute "six"; and

(ii) for "three" substitute "four"
(37)

The hon. Transport Minister said yesterday in his reply that he is accepting this. So, I need not say anything further about this.

Shri Naushir Bharucha: Sir, I beg to move:

Page 30, line 15,—

(i) for "five" substitute "seven; and

(ii) for "three" substitute "five".
(69)

Page 30,—

for lines 18 to 27, substitute—

"(b) such number of other members, not exceeding sixteen, as the Central Government may think fit to appoint to the Board, namely:—

(i) seven to represent the Central Government,

*The original Nos. of the amendments given in brackets at the end of the text, have alone been reproduced at the stage of the final disposal.

(ii) one to represent shipowners,

(iii) two to represent seamen,

(iv) two to represent trade, industry, and commerce,

(v) one to represent passenger associations, and

(vi) three to represent such other interests, as, in the opinion of the Government, ought to be represented on the Board:

Provided that the members representing shipowners, seamen, trade, industry and commerce and passengers associations shall be appointed, as far as possible, in consultation with such interest." (70).

My amendment No. 69 says that instead of five Members of Parliament on the National Shipping Board, there should be seven. Further, I have said that there should be such other number of members, not exceeding sixteen as the Central Government may deem fit to appoint. Seven of them should represent the Central Government, one the shipowners, two the seamen and two to represent trade, industry and commerce and one to represent the passenger associations and three to represent such other interests as the Government may think fit. The idea is to make this really a representative board. If this National Shipping Board is to be really representative it should not be vaguely left to the Government to put in 16 members to represent whomsoever they like. There are certain definite interests which ought to be represented such as the shipowners, seamen, trade, industry and commerce, passenger associations and then there may be some left to the Government. I have said that three will represent such other interest as the Government may think fit. But the Government wants to reserve the right to appoint all the 16 members. I submit that this will be lopsided overburden in the National

190-A LSD—5.

Shipping Board which will become virtually a Government department. That is not the type of Board which will have a broad outlook and look at national questions in a statesmanlike manner. Hence, I desire that the representation of the Members of Parliament should be increased.

Mr. Chairman: Amendment No. 243 is the same as 69 which has been moved already.

Sardar Iqbal Singh: Sir, I beg to move:

Page 30, line 18,—

for "sixteen" substitute "twenty". (244)

Page 30,—

after line 23, insert—

"(iiia) passenger association." (245)

माहिबे सदर, मैं यह चाहता हूँ कि नम्बर १६ से २० कर दिया जाये और पैसिजर्स एसोसियेशन्स को भी इस बोर्ड पर नुमायन्दगी दी जाये। आप ने इस में तीन चार इंटरेस्ट्स को नुमायन्दगी दी हुई है, बाकी को नहीं दी है। जिन लोगों को इन जहाजों में सफर करना होता है या जिनको सामान भोजना होता है यानी जिन का इस चीज से लगाव हो सकता है उन लोगों को इस में रिप्रेजेंटेशन मिलना चाहिये ताकि सारी बातें आप मुन सकें और उन के मुताबिक कार्यवाई कर सकें। इसलिये मैं चाहता हूँ कि तादाद १६ से २० कर दी जाये और क्योंकि आप पैसिजर्स की वेलफेयर भी करना चाहते हैं इसलिये पैसिजर्स एसोसियेशन्स को भी इस बोर्ड पर नुमायन्दगी दी जाये।

Shri Balasaheb Patil: Sir, I beg to move:

Page 30,—

for lines 18 to 27, substitute—

"(b) such number of other members, not exceeding sixteen—

(i) two representing the Central

[Shri Balasahab Patil]

Government nominated by the same,

- (ii) three nominated by the Central Government to represent such other interests as in the opinion of the Central Government ought to be represented on the Board,
- (iii) three elected from amongst the shipowners, and
- (iv) three elected from amongst the seamen."

12.45 hrs.

(194)

[MR. SPEAKER in the Chair]

Clause 4(2) (a) says that the Board shall consist of five Members elected by Parliament, three by this House and two by the Council of States from among its Members. Sub-clause (b) seems to give the Government the right to nominate sixteen members from seamen, shipowners, etc. I want that the principle of election should be adopted in respect of seamen and shipowners. Suppose the Government, as is now provided, nominates a certain person from the seamen, he may not be liked by the body of seamen as a whole. There may be unions in the future. In order to safeguard their interests, it is better to have elections so that the persons who will really represent the seamen will come on the board. Secondly, in respect of shipowners also, there is the danger that the Government will appoint its favourites and not persons who will be really representatives of the shipowners.

The Board has to give advice on matters relating to Indian shipping. Sub-clause 5 is rather vague. We do not know whether it is an expert body or it is a body which will consist of persons who will sit once or twice a year and give advice to the Government. If it is an expert body, there is no necessity of persons being taken from this House or the other House. Clause 5 also speaks of the development of Indian shipping. Therefore, my submission is that in-

stead of nominating 16 persons, there may be election of three persons from the seamen and three persons from the shipowners.

Shri Achar (Mangalore): Sir, I would like to make a few observations on this clause. It has raised great hopes in the coastal areas, especially those areas which have considerably suffered in regard to shipping industry and also merchant shipping. I come from a small coastal town—a small port.

Shri Nath Pal: Which is that?

Shri Achar: It has considerable trade. My hon. friend knows that I come from Mangalore; anyhow, he wants that answer from me. The marine States, at least some of them, such as Mysore, have been pleading and saying that they have suffered considerably in this field. I mention this fact not because of any linguistic or other such considerations. I find that there are very good ports for most of the marine States. If we start from Gujarat, they have spent crores of rupees and we have now got Kandla. Bombay is of course the premier port. Kerala has got Cochin and Tamilnad has got Madras. Of course, Orissa is in the same position as Karnatak. Then again Bengal has got Calcutta. But so far as Karnatak is concerned, there is no major port in Mysore. It lies between Cochin and Bombay. Either Karwar or Mangalore ought to be developed into a major port. At least Mangalore should be converted into an all weather port.

Shri Raj Bahadur: How does it arise?

Shri Achar: Because, the idea is to nominate some members to the Board and I want to make a special request to the hon. Minister. I am sure he will consider it very sympathetically. I am not against nomination of some of the marine States. Apart from seamen, shipowners, merchants and people in trade and commerce, the States are very much interested in the

interest of the public as a whole of that State.

The Minister of Transport and Communication (Shri S. K. Patil): I have got the point.

Shri Achar: I was almost inclined to send an amendment that the marine States might be allowed to send one representative elected by the respective Assemblies or the Councils. Even if there is no election or any provision of that nature here, I would request the hon. Minister that this aspect of the question may be reconsidered and there may be one representative, at least by nomination.

Mr. Speaker: The amendments are before the House.

Shri S. K. Patil: Sir, we accept the amendment of Shri Barman that instead of five Members being elected by Parliament, it may be raised to six and instead of three by this House, it may be four. That is according to the ratio of 2:1. So, we accept it.

So far as the proposal to make it seven is concerned, as has been proposed by my hon. friend, Shri Bharucha, for the same reason for which we are accepting the amendment to make it six we cannot agree to make it seven, because that does not lead to any ratio whatsoever. Therefore, let us be content with six.

Regarding his amendment to substitute the words "such number of other members, not exceeding sixteen, as the Central Government may think fit to appoint to the Board, namely: (i) seven to represent the Central Government, (ii) one to represent shipowners, (iii) two to represent seamen, (iv) two to represent trade, industry, and commerce, (v) one to represent passenger associations, and (vi) three to represent such other interests, as in the opinion of the Government ought to be represented on the Board;," if we could really distribute that we would have done it.

I was personally very reluctant to have it like this. It is not that Government is desirous that all powers should be arrogated to Government. We do not want to do that. But, as I said, we are in the beginning, in the starting process and it is very difficult just at present to say as to how many members there would be. It may not be even 18, the number that has been stipulated; it may be less than that. We cannot simply go on adding the number of members. For the time being, the seamen and shipowners have been specially mentioned because those two interests have got to be in. Several other interests have been mentioned, like passengers, industry etc. My hon. friend, Shri Achar says that in the nomination somebody who represents the minor ports etc. should also come in. I can quite understand that. There may be any number of interests. It is very difficult now to bind us down only to some specific interests; it will defeat the very purpose of this section.

Therefore, our attempt shall be, by experience, to include as many representatives of interests in it as it is possible for us to do. We have taken note of these suggestions and we shall bear them in mind, so far as making that number to 16 or less than that is concerned. At this stage let us not bind ourselves down to those particular numbers or interests that have been mentioned in this House.

Mr. Speaker: I shall now put to the vote of the House the amendment that has been accepted by Government.

The question is:

Page 30, line 15,—

- (i) for "five" substitute "six"; and
- (ii) for "three" substitute "four".

The motion was adopted.

Mr. Speaker: I suppose I need not put the other amendments.

Shri Naushir Bharucha: They may be put in a lot.

The amendments No. 69, 70, 244, 245 and 194 were put and negatived.

Mr. Speaker: The question is:

"That clause 4, as amended, stand part of the Bill."

The motion was adopted.

Clause 4, as amended, was added to the Bill.

Mr. Speaker: May I make one suggestion to the hon. House? As we have been doing in the case of all such Bills, hon. Members may concentrate upon certain groups of clauses or sections where there are a number of amendments and so on, so that much time need not be spent on others. Now, clause 21 is there.

Shri Naushir Bharucha: Clause 5A is there. There is also clause 14 which deals with the Shipping Development Fund.

Mr. Speaker: Let me know, for my own information, which of the clauses, according to the House, are the important ones.

Shri Naushir Bharucha: Clause 5, clause 14, clause 21, there is an obvious printing error in clause 42,.....

Mr. Speaker: A printing error won't take much time. Very well, I will include 42.

Shri Naushir Bharucha: There are the clauses 150 and 151 relating to disputes.

Shri Nath Pal: They are very important clauses. Many amendments have been tabled to those clauses.

Mr. Speaker: That is all?

Shri Nath Pal: That is what Shri Bharucha said.

Mr. Speaker: Any other clauses which are considered to be important in the opinion of any other hon. Member?

Shri Jadhav: Clause 6, because I have suggested the addition of New Clauses 6A and 6B in Part IIA. That is very important.

Shri Warior: (Trichur): If clause 14 dealing with Shipping Development Fund is important, there is clause 15 which deals with the application of the Fund.

Mr. Speaker: I have noted down both 14 and 16.

Shri Nath Pal: Clause 78 is also important.

Shrimati Ila Palchoudhuri: Clause 27 also.

Mr. Speaker: All right. We have now got a general idea.

Shri Tangamani: Clauses 193 and 194 are also important.

Mr. Speaker: Very well. We shall proceed now. The House has now a general idea as to which are all the important clauses.

Shri Mohammed Tahir (Kishan-ganj): There are also clauses 269, 271 and 274.

Mr. Speaker: Very well.

Shri Nath Pal: Clause 125 also.

Clause 5.—(Functions of National Shipping Board)

Mr. Speaker: Does any hon. Member wants to move his amendment to this clause?

Sardar Iqbal Singh: I beg to move:

Page 30,—

for lines 34 and 35, substitute—

"(b) on matters of passenger amenities;

(c) on matters of employment, conditions of service and amenities for seamen;

(d) on such other matters as the Board may think proper; and

(e) on such other matters arising out of this Act as the Central Government may refer to it for advice." (246)

जनाब स्पीकर साहब, मैं चाहता हूँ कि इस बोर्ड के फंक्शन्स को डिफाइन कर दिया जाये ताकि यह इफेक्टिव ढंग से चल सके और काम कर सके और सिर्फ रबर स्टैम्पिंग बाड़ी न हो जिसमें यह हो कि दो बंटे मीटिंग हुई, डाइरेक्टर जनरल ने प्रीसाइड किया और वापस चले गये। गवर्नमेंट की जो बहुत सी कमेटीज बनी है उनमें इसी तरह से काम होता है। लेकिन मैं चाहता हूँ कि इस बोर्ड के फंक्शन्स साफ तौर से दर्ज हों ताकि जो मेम्बर इस की मीटिंग्स में जायें वे अपने सजेजन्स भी दे सकें, और उन के सिलसिले में बोर्ड अपना काम कर सके और रिपोर्ट भी दे सके। लेकिन अगर आप बोर्ड को सिर्फ इतना ही रखेंगे कि वह डेवेलपमेंट आव शिपिंग को देखे और जो मामला गवर्नमेंट रेफर करे उस को कंसीडर करे तो यह रबर स्टैम्पिंग बाड़ी हो जायेगी। इसलिये मैं चाहता हूँ कि इस के फंक्शन्स डिफाइन कर दिये जायें ताकि पैसंजर ऐमिनिटीज के सिलसिले में यह बोर्ड काम कर सके और गवर्नमेंट को अपनी राय दे सके और गवर्नमेंट उस राय पर चले कि क्या अमिनिटीज होनी चाहियें।

दूसरी बात एम्पलायमेंट के सिलसिले में है। एम्पलायमेंट के सिलसिले में यह बोर्ड गवर्नमेंट को डेफिनेट राय दे सके और हर मीटिंग में ये बातें सोची जा सकें।

मिनिस्टर साहब ने कहा है कि हम ने अभी इस को शुरू किया है, इस को प्लान्ड करेंगे। तो इस सिलसिले में बहुत सी बातें बोर्ड के कंसीडरेशन के लिये निकल सकती हैं। गवर्नमेंट की तरफ से जो चीजें रेफर होंगी वे बहुत देर से होंगी और बहुत कम होंगी। मैं चाहता हूँ कि बोर्ड अपने तौर पर जो इन बातों पर गौर कर सके या अगर कोई

मेम्बर किसी बात को पेश करता है तो उस पर गौर किया जा सके कि किस तरह से शिपिंग का ज्यादा अच्छा डेवेलपमेंट हो सकता है और क्या क्या ऐमिनिटीज होनी चाहियें। मैं चाहता हूँ कि ऐसा प्रावीजन होना चाहिये कि इन बातों पर भी बोर्ड अपने तौर पर गौर कर सके और साथ ही साथ वह उन बातों पर भी गौर करे जो गवर्नमेंट की तरफ से रेफर की जायें। मैं चाहता हूँ कि बोर्ड के फंक्शन्स वाइड कर दिये जायें और यह बोर्ड अपने तौर पर भी गवर्नमेंट को राय दे सके।

Shri Balasaheb Patil: Mr. Speaker, it seems that this Board is to give advice to the Government, but in sub-clause (b) it has been stated: "on such other matters arising out of this Act as the Central Government may refer to it for advice". Sir, this Bill will be passed and it will become an Act. My request to the hon. Minister at this stage will be that he may only suggest what will be entrusted to the Board. There may be certain contingencies arising in course of time and those things may be subsequently referred to the Board, but, when we are passing this Bill and we are considering the principles as well as the development of merchant shipping, we want to know what will be the matters that will be referred to the Board for consideration and giving advice.

Secondly, in sub-clause (a) it is said: "on matters relating to Indian shipping, including the development thereof;". When you say 'Indian shipping' it may be passenger or cargo ships,—it is about ships—but outside the scope of this Act there may be certain matters relating to dockyard, opening of new harbours, plans for construction of ships and many other things. I would like to know whether all these things that do not come under this Act will be entrusted to this body. If these things are also to be entrusted to this body, I would like to know whether in the number

[Shri Balasaheb Patil]

of members to be nominated some experts on these matters will also be included.

Thirdly, it has not been stated in the Bill whether this body is going to submit a report. It may submit a report to the Government, but I would like to know whether that report will be placed before this House, whether this House will be allowed to consider that report and make suggestions. I want to know the reaction of Government to my suggestion that this House may be allowed to consider that report and make suggestions. There may be a report of this committee or Board which may not be to the liking of Government. What will be the reaction of the Government to the report of this body? In the case of the Railway Board we find that the decisions taken by them are as good as the decisions of Government. I want to know whether the decisions of this body will be acted upon by Government.

13 hrs.

Shri S. K. Patil: The suggestions which have been made by my hon. friends would instead of enlarging the scope of the Bill, in fact cramp it. It has been purposely left as it is. There are two things which I explained in my speech yesterday. The National Shipping Board would be seized of the entire shipping policy. That is what sub-clause (a) says. Sub-clause (b) says that apart from certain things which the National Shipping Board may say or do, there may be certain other things which Government may from time to time refer to them for advice. Government may feel that although it may be competent for it to do a certain thing, it would like to have the advice of the Board on certain matters. A national shipping policy has got to be evolved and formulated. It is impossible to lay them down just now, or even within three or four years. The suggestions that have been made here are also of a nebulous character. It has been felt that there should be

some kind of definition of its functions. But that definition will have to be evolved. I do not say that after some time it will not be evolved, but just now it is difficult to do it. Let us, therefore, rest content that all matters relating to shipping policy will come before them either on their own, or through reference to them by Government.

As I have already said Government will be generally guided by the advice of the National Shipping Board. Suggestions have been made that the reports of the Board should come before the House. If it is possible such reports will be submitted to this House and ultimately the sovereignty, so far as direction of national policy on shipping is concerned, would vest in this House. Therefore the terms laid down in the clause are wide enough to cover all contingencies to which reference has been made by hon. Members.

Mr. Speaker: Is it necessary for me to put the amendment? The hon. Member does not press it.

The amendment No. 246 was, by leave, withdrawn.

Mr. Speaker: The question is:

"That clause 5 stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

New Clause 5A

Shri Naushir Bharucha: Sir, I beg to move:

Page 30,—

after line 35, insert—

"5A(1) The Board shall have power for final determination of the following matters under the Act,—

(a) all matters under Part VI of the Act, including questions of qualifications, grades, of competency of officers, holding of examinations and issue of certificates to officers and other personnel under section 78;

(b) all matters relating to welfare of seamen including questions relating to apprenticeship, engagement and discharge of seamen, their health and accommodation on board the ship, relation of seamen with employment officers, employment of young persons, property of deceased seamen, relief to distressed seamen, treatment of seamen on board the ship, medical attendance and protection of seamen in respect of litigation;

(c) all questions relating to care, accommodation and welfare of pilgrims during transit; and

(d) such other matters as the Government may, by rules made in this behalf, prescribe.

The Board shall have power in the discharge of its functions under this sub-section, to make rules and regulations, which shall come into force on approval of the same by the Central Government, on a date to be prescribed by it by notification.

(2) The Government shall cause an annual administration report of the Board to be laid before each House of Parliament." (71).

Just now the hon. Minister said that several suggestions have been made for enlarging the powers of the Board but there is nothing definite or concrete about them. Therefore my amendment gives something which is concrete. The amendment says that—

"The Board shall have power for final determination of the following matters under the Act,—

(a) all matters under Part VI of the Act, including questions of qualifications, grades, of competency of officers, holding of examinations and issue of certificates to officers and other personnel under section 78."

Yesterday my hon. friend Shri Patil laid great stress on the training of personnel. There is no agency under the Act which is seized of these particular problems.

Then part (b) of my amendment says:

"(b) all matters relating to welfare of seamen including questions relating to apprenticeship, engagement and discharge of seamen, their health and accommodation on board the ship, relation of seamen with employment offices, etc., etc."

Why should not the Board have power for final determination of all these matters? Why should it not have administrative besides advisory power. With the object not of restricting the scope of the Board, but to enlarge it I have also suggested—

"such other matters as the Government may by rules made in this behalf, prescribe."

Government does not want to monopolise all powers under the Shipping Act; then let the Board be given power in this respect. Otherwise, what type of Board will it be?

Shri S. K. Patil: Under the scheme of the Bill the Board is an advisory body. Therefore, you cannot mix statutory powers with its functions. The D.G. Shipping has been given certain statutory powers which he exercises just now and which he will be exercising hereafter. If we enumerate the powers that my hon. friend Shri Bharucha is suggesting, the list will become limited. Its powers may be a hundred, but only half a dozen of them are being mentioned here. Therefore what I would advise this House is this. Rather than stipulating those powers just now, on the limited idea which we have now, let the situation evolve itself. Under the jurisdiction of the Act the National Shipping Board is vested with the power of giving advice. We do not want to curtail anything out of it. All those matters that my hon. friend has mentioned will be included and more will be included. After three or four years the nature of the Board itself will have changed. Then it will not remain an advisory board, it may become a body in which statutory functions could be vested. My humble-

appeal is that until we evolve that national policy, let us not tie ourselves down to a particular thing.

Mr. Speaker: I suppose the hon. Member does not press his amendment?

Shri Naushir Bharucha: May I take this as an assurance?

Shri S. K. Patil: Yes; it is.

The amendment No. 71 was, by leave, withdrawn.

Mr. Speaker: I shall put clause 6 to vote. The question is:

"That clause 6 stand part of the Bill"

The motion was adopted.

Clause 6 was added to the Bill.

New Clauses 6A and 6B

Shri Jadhav: I beg to move:

Page 31,—

after line 12, insert—

"PART IIA

SHIPPING CORPORATION OF INDIA

6A. With effect from the date the Central Government brings into force by notification in the official Gazette the provisions of this Act but not later than 1st April, 1959, the Government shall take steps to float the Shipping Corporation of India.

6B. The Shipping Corporation shall perform the following functions:—

- (i) find out ways and means for raising the necessary capital for mercantile shipping;
- (ii) make rules for the efficient working of the Corporation; and
- (iii) advance the mercantile marine to serve the national interest on all fronts." (172).

The policy of Government, it is declared, is aimed at the achievement of a socialist pattern of society. But, unfortunately, the Government have not taken any steps up to this time. As far as the shipping industry is

concerned, though it may not be the second best, it is the second best industry after steel in India. The Government of India, as a matter of fact, ought to have taken steps to have a Shipping Corporation prior to this measure, but it is never late. Now that we have got our Merchant Shipping Bill, and we are very proud that we are going to have our own register and, at the same time, we have defined 'Indian ship' it is necessary to have a Shipping Corporation.

I want to add some points in favour of this amendment. This is a most profitable business. The Government of India is going to take so many things in the public sector. Therefore, it should venture to enter this field also in the public sector. From the evidence that has been tendered, it has been proved beyond doubt; and there is voluminous evidence to the effect that Indian capital is shared at least in this industry. Therefore, the Government should set up a Corporation. Now, Government too offer loans not at the interests that Government wanted but at a reduced rate that the shipping industry ask for.

As far as freight charges are concerned, India has to pay Rs. 160 crores every year. Ships are at present very cheap and it will be better if the Shipping Corporation purchases the ships after floating the Corporation. Ships are available in large tonnage in Indonesia. They are there. They do not know what to do about it. Also, in Britain, they are having large tonnage. The Government of India has to give foreign exchange, loan and cargo, to carry. Therefore, it will be better if the Government ventures to have the Shipping Corporation. We can have loans from the World Bank for this purpose. It was said yesterday by the hon. Minister that they never asked for loans from the World Bank for this purpose. Though up to date, nationalisation has not been brought into being in any of the countries in the world in this industry, we can take steps at least here and

proceed from the private sector to the public sector in this field.

I would like to quote a few lines from the evidence that has been tendered by Shri Ramaswami Mudaliar in this respect. At page 47 of the evidence, he says:

"I have no objection to nationalisation; I have no objection to the public sector expanding and taking routes which are not covered by the private sector so far. In fact we have been repeatedly told by the Minister of Transport that the public sector will not come into competition with established lines."

At the same time, he said that he has no objection for the public sector to come in this respect. Taking into consideration all these points, I would submit that the hon. Minister should take into consideration these new clauses and have a Shipping Corporation of India and float it with the co-operation of the private sector in this respect.

Shri S. K. Patil: I never thought that nationalisation of shipping could be introduced by such backdoor methods as the hon. Member proposes to do by introducing these new clauses—6A and 6B. As the House would see, clause 6 is almost of a consequential character, because, having created some authorities, we have got to provide for the term of office of the members of the Board, the appointment of officers and other employees to enable the Board to discharge its functions, besides travelling allowance and such other allowances. It is only to take care of all these things that we have created an authority, because some authority must be vested in somebody. Therefore, clause 6 comes in. To that, the hon. Member seeks to add clauses 6A and 6B and by a very circuitous way tries to bring about nationalisation. I do not understand how nationalisation also comes in by that amendment that

he has moved. His amendment says that with effect from a certain date, the Government shall take steps to float the Shipping Corporation of India. The Government have already floated two Corporations—there is the Eastern Shipping Corporation and the Western Shipping Corporation. I do not understand how by floating an All-India Shipping Corporation nationalisation or the public sector that he wants to achieve could come in. I can quite understand his scheme of things, namely, that at some stage the whole merchant shipping should be nationalised. But if it has to be done, it is to be done by a different method and not by adding these new clauses to clause 6 which is not intended for this purpose and which is merely of a consequential nature, to provide for the things which we have created in the preceding clause. Therefore, his amendment seeking to put in two new clauses in this case is very irrelevant.

Mr. Speaker: I shall put the amendment to the vote of the House. The question is:

Page 31, after line 12, insert

"PART IIA
SHIPPING CORPORATION OF
INDIA

6A. With effect from the date the Central Government brings into force by notification in the official Gazette the provisions of this Act but not later than 1st April, 1959, the Government shall take steps to float the Shipping Corporation of India.

6B. The Shipping Corporation shall perform the following functions:—

(i) find out ways and means for raising the necessary capital for mercantile shipping;

(ii) make rules for the efficient working of the Corporation; and

(iii) advance the mercantile marine to serve the national interest on all fronts."

The motion was negatived.

Mr. Speaker: The question is:

"That clause 7 stand part of the Bill".

The motion was adopted.

Clause 7 was added to the Bill.

Mr. Speaker: The question is:

"That clauses 8 to 12 stand part of the Bill."

The motion was adopted.

Clauses 8 to 12 were added to the Bill.

Clause 13.—(Seamen's welfare Officers)

Shri Tangamani: I beg to move:

Page 33, for lines 26 to 28, substitute

"13. (1) The Central Government shall appoint seamen's welfare officers at all major ports in India and in such other ports outside India as the Government may think necessary." (38)

My amendment seeks to replace clause 13(1). Clause 13(1) reads thus:

"The Central Government may appoint seamen's welfare officers at such ports in or outside India as it may consider necessary".

My amendment reads thus:

"13. (1) The Central Government shall appoint seamen's welfare officers at all major ports in India and in such other ports outside India as the Government may think necessary."

The purpose of this amendment is to regularise what is now going on today. This really concerns the welfare of the seamen. There are welfare officers not only in Indian ports but in ports outside India also. The other

day, the Minister of State in the Ministry of Transport and Communications was pleased to state that some of the consular officers are doing the function of the welfare officers. In Bombay, when we visited the harbour, we heard complaints from the seamen that these welfare officers do not look after them, and even the captains of foreign-going ships owned by the foreign companies have very little respect for our welfare officers. So we want to give these powers to the Government here for the appointment of these welfare officers. I want that these welfare officers must be appointed in all these major ports in India and also in the ports outside India. There must be a special conference of these welfare officers; directives should be given to them and suggestions made, and if they are accepted by the captains, they will have to be brought to the notice of the Government. Directions must be given also to the captains of the ships who man these foreign-going ships owned by foreigners. The suggestions given by our welfare officers must be respected.

I can think of one parallel instance here. During the British days, they used to have High Commissioners in the United Kingdom. The students there invariably used to boycott those High Commissioners because the High Commissioners were not looking after the interests of the students. These welfare officers must really look after the welfare of seamen, and it is only for bringing forcibly to the notice of the Government this fact; I have moved this amendment. It is very necessary that not only should they be clothed with power but they should treat the seamen in a way that they have more confidence in them.

Shri Raj Bahadur: I think the clause as it stands meet the needs of the situation, because it makes the provision flexible and allows the Government to provide for the appointment of these welfare officers where

they are needed, depending upon the quantum of work. For example, in India, we have got the welfare officers at Bombay and Calcutta. They are whole-time officers, and recently we have also decided to have a full-time welfare officer at the port of Madras. This depends upon the quantum of work.

As regards ports outside India, there too, as I said the other day, some of our consular officers are empowered to look into this question and also look after the welfare of seamen. I think the present arrangements are good enough to meet the requirements of the situation. I can assure the hon. Member that the welfare of the seamen is closest to our hearts and I think the present arrangements will look after them.

Mr. Speaker: The question is:

Page 33, for lines 26 to 28, substitute—

"13. (1) The Central Government shall appoint seamen's welfare officers at all major ports in India and in such other ports outside India as the Government may think necessary."

The motion was negatived.

Mr. Speaker: The question is:

"That clause 13 stand part of the Bill".

The motion was adopted.

Clause 13 was added to the Bill.

Clause 14.—(Formation of Shipping Development Fund)

Shri Naushir Bharucha: I beg to move:

Page 34, after line 14, insert—

"(cc) proceeds of such surcharge or other levy or tax on

freight rates or passenger fares in respect of cargo or passengers carried by Indian ships;" (73)..

Clause 14 relates to the constitution of a shipping Development Fund and it provides that a certain amount should go to the credit of the fund. I have suggested that if a small surcharge is levied after an examination of the freight structure and if the yield from this surcharge is contributed to the fund, we shall have a very good amount in a small time.

As I said yesterday, the Shipping Development Fund will have to perform a large number of functions, it may have to advance money for the purchase of ships, etc. It may have to guarantee for deferred payments; it may have to encourage the construction of tanker fleet and so on. The amount that the Government will be able to place at its disposal will be too small. Therefore, in future if the Government so desire I am not saying that a surcharge should be levied straightaway here and now—one of the sources of revenue should be the proceeds of a surcharge on freight rates and passenger fares.

Shri Raj Bahadur: Our shipping companies and ships have to compete in the international sphere and if we put any surcharge, unnecessarily we are putting them under a handicap compared to other shipping companies competing in the same field. Secondly, if we put any levy on passenger fares and freight rates, it will be an additional hardship on the passengers or the ships, because such an additional increase will be reflected in the fares and freight rates. So, the question is, shall we or shall we not put an additional burden on our shipping companies, or on our cargoes and passengers? I think the Shipping Development Fund that will come into being should be built up from the resources that have been specified in the particular clause in this Bill.

Mr. Speaker: The question is:

"Page 34, after line 14, insert—

"(cc) proceeds of such surcharge or other levy or tax on freight rates or passenger fares in respect of cargo or passengers carried by Indian ships;"

The motion was negatived.

Mr. Speaker: The question is:

"That clause 14 stand part of the Bill"

The motion was adopted.

Clause 14 was added to the Bill.

Mr. Speaker: The question is:

"That clause 15 stand part of the Bill".

The motion was adopted.

Clause 15 was added to the Bill.

Clause 16.—(Application of the Shipping Development Fund)

Shri Harish Chandra Mathur (Pali): I beg to move:

Page 34, after line 32, add—

"Provided that fifty per cent of the fund will be reserved for the development of merchant shipping in the public sector." (240).

Clause 16 deals with how this Shipping Development Fund is going to be dispersed and utilised. The reason for my amendment is this. The hon. Minister who spoke with all the eloquence yesterday made it absolutely clear to us that is no chance whatsoever for foreign participation and that even this 25 per cent is only symbolic and does not mean that any foreign aid is coming to us.

Anybody who has followed the evidence will understand that no new entrants are likely to enter into this field and that we are completely at the mercy of those people who are already in the trade. Let us

see if these people are in a position to deliver the goods. Our experience of the last seven or eight years has been that they have completely failed to come up anywhere near the target or near our expectations. Foreign assistance cannot come; new entrants cannot come and the present people who are in the trade have failed and there is no reason to believe that there is any possibility of their delivering the goods in the near future. Under these circumstances, there is no other alternative left for the Government, but to enter into this business.

I do not say, nationalise it, although there would be ample justification for it. All other modes of transport have been nationalised. Rail and air transport have been nationalised. Road transport is being nationalised. I am not going to the extent of saying "nationalise it". I only say that as we have put in the preamble and the long title, the purpose of this Bill is to develop shipping. How is that development going to come? It is only through the constitution of a corporation. That is why I have said that fifty per cent of the fund should be reserved for this corporation. The hon. Minister explained yesterday that we are going to have Rs. 8 crores. Even if we have Rs. 5 crores, we can straightaway have 20 or 25 ships in the public sector. So, I say that if proper note is taken of the situation as it exists and if this reservation is made for floating the corporation, the funds may be used in such a manner that we may have real progress in shipping.

Sardar Iqbal Singh: I beg to move:

Page 35, lines 1 and 2, for "at such intervals as the Comptroller and Auditor-General of India may specify" substitute "every year". (256)

There will be no justification for extending the time to two or three years, because if the audit reports are presented after three years, it will be

of no use because the persons responsible who might have committed the mistake might have resigned by that time. Secondly, if the audit reports are not presented in time, the Public Accounts Committee may not be able to scrutinise them. That is why I have suggested in my amendment that instead of "at such intervals as the Comptroller and Auditor-General may specify", it should be done every year. It is not only the right of this House to have the audit reports every year, but if it is not done, it may have other consequences. So, I have moved this amendment.

Shri Parulekar (Thana): I beg to move:

Page 34, lines 30 to 32,

for "to persons of the description mentioned in section 21 for acquisition and maintenance of ships" substitute "to State corporations formed for developing shipping to acquire ships". (47)

Shri Warior: I have my amendment No. 114.

Mr. Speaker: It is the same as 47.
13.29 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

Shri Balasaheb Patil: I beg to move:

Page 35, line 12, after "Committee" insert—

"for each revenue year". (195)

The purpose of my amendment is that the report should be presented every year and not after more time than one year. Sub-clause (2) of clause 16 gives power to the Central Government to specify the terms and conditions. It reads like this:

"The Committee shall not grant any loan or give any financial assistance to any person referred to in sub-section (1) except on such terms and conditions as the

Central Government may from time to time specify."

This means that this Committee is only an executive body. Sub-clause (1) says that the fund shall vest in the Committee and shall be applied towards meeting the expenses of the Committee and for granting loans and financial assistance. What I would suggest is that this Committee should have some more power. The Committee must have power to give loans for purchase of new ships as well as for the maintenance of ships; the maintenance of ships, that portion should at least be given to the Committee. The Committee may give loan to anybody according to the opinion of the Committee for the maintenance of ships, and the Central Government should not come into the picture at this stage. If a company wants a loan of Rs. 50 or Rs. 25 and if that matter will first of all go to the committee and ultimately to the Central Government then so much time will elapse between these two that the ship will become out of order. Therefore, my submission is that there should be some division between the sanction that is to be given by the Committee itself and the sanction that is to be given by the Government.

Pandit Thakur Das Bhargava: I beg to move:

Page 34, line 36—

add at the end—

"regarding matters directly concerned with the loan or any financial assistance such as, in the case of a loan its repayment with interest and the appointment of a Government Director as hitherto." (86).

Clause 16(2) says:

"The Committee shall not grant any loan or give any financial assistance to any person referred to in sub-section (1) except on such terms and conditions as the

[Pandit Thakur Das Bhargava]

Central Government may from time to time specify."

My humble submission is this. Now when Government give loans to companies they generally insist the appointment of a Government director and further ensure that the interest and the principal amount are paid back at the proper time. That is all right. Nobody can object to these conditions. They flow from the very fact that a loan is given. But if the Government want to insist on conditions which are not generally attached to these loans, then the position would be different. Suppose the Government says that audit shall be made by the Auditor-General etc. then those conditions will be too drastic, so far as the companies are concerned. No company would like to accept them and no company will look up to the Government for loans. So, I would request the hon. Minister to kindly clear the point, whether the ordinary conditions that are today imposed are in contemplation or any very strict and drastic terms are going to be insisted upon. I would only submit that Government should not put conditions which are not generally put when such loans are given. It is all right that when a person advances a loan he can insist that the money should be paid back within the due date. But if you insist that the entire accounts of the company shall be audited in a particular manner, that may not be acceptable to the company. Therefore, I would request the hon. Minister to kindly assure us that only the conditions which were hitherto attached will be insisted upon and no special conditions will be attached which will have the effect of making the companies not taking advantage of those loans.

Shri Tangamani: My amendment No. is 39.

Mr. Deputy-Speaker: Hon. Members have already said what can be said. Now they can only just refer to them.

Shri Tangamani: I forget to mention. I beg to move:

Page 34, line 31,—

omit "and maintenance". (39)

Shri Warrior: My amendment No. is 114.

Mr. Deputy-Speaker: It is the same as No. 47, which has been moved.

Shri Warrior: This is one of the crucial clauses of this Bill—"Application of the Shipping Development Fund". In my amendment I have suggested the substitution of the words "to State corporations formed for developing shipping to acquire ships" for the words "to persons of the description mentioned in section 21 for acquisition and maintenance of ships". My first objection is to the maintenance of ships, not acquisition of ships. That should not be there. It must be only for the purpose of acquisition. Maintenance is a question of a confusing character, because we do not know whether the funds are actually utilized for maintenance or not. There are so many things involved in it. So, it must not be there.

Apart from that, my amendment suggests that the fund must be reserved for acquisition by State Corporations which may come into being at any time during the course of the development of the shipping industry. The main objectives of the 1947 Resolution were two, not one. One was that, for the present, the private ship-owners may be encouraged. But the final objective was to place shipping cent per cent in the hands of the Government. That was also stated there. In order to achieve that objective, we must set apart this amount primarily for the acquisition of ships for the State Corporations which may be formed by the Government in future. That is one point.

Then, this fund may be availed of by the ship-owners. They did not avail of so many opportunities during the last 11 years when it was already there. Though Government had initiated this policy and the help was ready there, no single ship-owner wanted this help. There were many opportunities for the acquisition of ships, but they did not take advantage of this. That will come later on when we take up the other question in clause 21. For the present, the fund will be a small amount. But the hon. Minister was pleased to state that in course of time the fund will have large amounts and the fund will be sufficient for having a public sector also, not on competitive lines, along with the private sector. I am not against the private sector. Let them develop in their own way and whatever help we can, legal or other, we will give. At the same time, I would submit that the peoples' fund should not be dissipated or frittered away like this. This is the opportunity when recession is there when ships are cheap and the hon. Minister is confident that we can achieve the targeted tonnage.

Mr. Deputy-Speaker: The amendments are before the House.

Shri S. K. Patil: My hon. friend Shri Harish Chandra Mathur, has suggested in his amendment that statutorily we shall assign half the fund, 50 per cent. of the funds, to the public sector. I could assure him that on second thoughts possibly he will come to the conclusion that such a stipulation may sometimes work against the public sector. A time may come when the entire funds will have to go to the public sector. The idea is that so far as the public sector is concerned, it being hundred per cent the responsibility of the Government of India, any requirements of that sector will be a first charge on this fund. Therefore, the idea is not that at the expense of this the private sector should get the benefit. So, we need not have any rigid application of percentages at this stage. After all,

the Committee is appointed by Government; everything is Government and the public sector is also Government. Therefore, should we go further and qualify as if somebody else, some outside authority, is operating this and unless it is prevented from that operation just now, a difficulty is due to arise? No such difficulties are going to arise. But I could see the motive of the amendment, and I whole-heartedly agree with the idea. Therefore, I would say that not only 50 per cent but if it came to that, for the requirements of the public sector, which is hundred per cent the responsibility of the Government of India, even the entire fund can be diverted for the development of shipping. Therefore, I am not in favour of accepting this 50 per cent, which adds to the element of rigidity in that particular matter, which is not necessary.

Now, so far as the amendment about auditing is concerned, the clause says that the accounts shall be audited by the Comptroller and Auditor-General of India, or a person authorised by him in this behalf, at such intervals as the Comptroller and Auditor-General of India may specify. The amendment seeks to substitute "annual audit" for "such intervals as the Comptroller and Auditor-General of India may specify". Now, the Auditor-General himself prefers this phraseology in preference to "every year". But if the Auditor-General feels that it should be done annually, certainly he is competent to do so. Therefore, this phraseology has been introduced at the express suggestion of the Auditor-General, and if the Auditor-General wants audit annually Government is not against it. It is better if it is done annually, but in the beginning it may not be easy....

Sardar Iqbal Singh: If the audit is after two or three years and then the reports are laid on the Table of the House, it will be quite impossible for the Public Accounts Committee and

[Sardar Iqbal Singh]

for the Parliament to consider these reports of audit for 3-4 years.

The House knows that the Comptroller and Auditor-General is an independent authority created by our act in order that he be the watchdog. Surely, the kind of contingency to which the hon. Member, Sardar Iqbal Singh, makes reference is not going to come under the very nose of the Auditor-General. Therefore, the phraseology as has been suggested by the Comptroller and Auditor-General should be accepted.

My hon. friend, Pandit Thakur Das Bhargava, referred to sub-clause (2), which says:

"The Committee shall not grant any loan or give any financial assistance to any person referred to in sub-section (1) except on such terms and conditions as the Central Government may from time to time specify."

I can understand his difficulty. A difficulty may arise. A mad Government sometimes—a mad officer I should say and not Government—may put some condition which ultimately may not be there. But that contingency cannot be covered by any law that we could make here. What is really contemplated is that since the major part of this responsibility is just now being shared by the Government, namely, we give big loans, we referred to a suggestion of the appointment of the director etc. which really we have not yet specifically laid down although we want to lay that down because some of the companies to which we have given loans have not got Government directors. Although we intend doing that now, that need not be done by any change or any provision in the Act. Surely, the debtor will always be obliged to the creditor to have any conditions of this type—a reasonable condition. Therefore, I do not think that we should make any change in this.

Then my hon. friend, Shri Warrior, has said that for the maintenance nothing should be spent out of this account. I agree with him. It is not that the idea is that for maintenance any loan from this Fund should be given. It is really for the purchase of ships and so on and so forth. But in the eventuality, even if it comes, once in a while, that there is a danger to the ships to which the Government has advanced money because its maintenance is not carried on, some kind of power is needed because when you make the prospectus and the articles of association, you cover ever so many things because of the eventuality which, perhaps, may arise which in all likelihood may not be there. Therefore, it is intended that normally for the maintenance of the ship the Fund is not to be diverted.

I will add one word which will rather underscore many of the amendments and the criticism that has been offered. It will be the function of the National Shipping Board hereafter to evolve policies in relation to every one of these things so that they can advise the Government from time to time. All these things should be done so far as the disposal of the Fund is concerned and other aspects of national policy are concerned. Therefore, we should leave it to that body to evolve some kind of a system and convention which will be of lasting character.

Shri Harish Chandra Mathur: There is a misunderstanding which has been created. I am grateful to the hon. Minister for his reassuring attitude but he thinks that my amendment binds him down to 50 per cent for the public sector. It does not. It is only a reservation of 50 per cent for the public sector. The other 50 per cent he can also give to the public sector. What is there in my amendment to stop him from giving cent per cent? It is only to reserve 50 per cent. That is all. The other 50 per cent is absolutely lying with him and he can

give cent per cent to the public sector. So, I think he is under a certain misapprehension.

Shri S. K. Patil: No, that misapprehension has been removed. My only plea is that when I control my hundred per cent why should there be a stipulation that I have 50 per cent by a statute here?

Shri Warior: I had also pointed out that this must be reserved for acquisition by the Corporation when it comes into being and not left in the hands of the private ship owners.

Shri Parulekar: My amendment has not been replied to by the hon. Minister. It definitely says....

Mr. Deputy-Speaker: When he has not replied....

Shri Raj Bahadur: I may say a word about it. On the grounds which the hon. Minister has just now stated, we find it difficult to reserve 50 per cent for the public sector. On the same ground we can say that it will be very unwise for us to exclude the private sector completely from the benefit of this Fund. We have got private companies functioning and operating and we should not like to discriminate against them. This amendment will be discriminatory against those private sector companies. The Fund is meant for both.

Mr. Deputy-Speaker: I shall now put all the amendments to the vote of the House.

The amendments Nos. 240, 256, 47, 195, 86 and 39 were put and negatived.

Mr. Deputy-Speaker: The question is:

"That clause 16 stand part of the Bill."

The motion was adopted.

Clause 16 was added to the Bill.

190-A LSD—6.

Mr. Deputy-Speaker: We have spent about an hour and a half today and we could cover only 16 clauses. As the hon. Speaker declared that he would apply the guillotine at 15.15 hours, would hon. Members like that only another 16 clauses be covered and then a guillotine be applied? I think we should run at a speed with which we might at least discuss those clauses which are necessary.

Shri Harish Chandra Mathur: There are only a few clauses.

Mr. Deputy-Speaker: We might discuss clauses 17 to 149 together and then I put the other clauses one after the other. Will that be all right? Half an hour might be given to these clauses.

An Hon. Member: Clause 21.

Mr. Deputy-Speaker: Clause 21 will be covered here.

Clauses 17 to 149

Mr. Deputy-Speaker: Hon. Members who want to move amendments to this group of clauses may do so now.

Pandit K. C. Sharma (Hapur): I beg to move:

Page 36, line 18,—

for "at least seventy-five per cent." substitute "seventy-five per cent or such other percentage as the Government may direct by notification in the Official Gazette".
(88)

Shri Raghunath Singh: I beg to move:

Page 36, line 13,—

omit "at least". (40)

Page 36, line 13,—

after "per cent." insert—

"or such other percentage as Government may allow from time to time". (41)

Shri Mohammed Imam (Chital-drug): I beg to move:

Page 36, line 13,—

for "at least seventy-five per cent." substitute "such percentage, as the Government may allow from time to time by notification in the Official Gazette". (87)

Shri Parulekar: I beg to move:

Page 36, line 13,—

for "at least seventy-five per cent" substitute "all". (48)

Page 36,—

for line 15, substitute "all the". (49)

Page 36,—

after line 23, add—

"(vi) the master of the ship is an Indian citizen." (50)

Shri Naushir Bharucha: I beg to move:

Page 36, line 12,—

add at the end—

"and the meetings of the Board of such company are normally held at any place in India". (74)

Page 36, line 13,—

for "seventy-five" substitute "sixty-six and two-thirds." (75)

Page 36,—

after line 14, add—

"Provided that for the purposes of sub-clause (ii) above, a transfer or alienation of interest in the equity capital held by a citizen in India, whether by way of mortgage, hypothecation, gift, bequest, lien, charge, sale or otherwise, or by operation of law, to a non-Indian national shall be deemed to be a transfer of ownership in the equity capital so transferred or alienated:

Provided further that equity capital or any interest therein, standing in the name of a proved benamidar shall be deemed to be a transfer of such equity capital or interest therein to the person for whom the benamidar holds." (76)

Page 39,—

after line 33, add—

"Provided that on application by an owner of a ship, the register shall furnish to him as many photostat copies of the documents mentioned in section this, as he may desire, duly certified by the registrar, on payment of actual costs thereof." (77)

Page 43,—

for lines 11 to 14, substitute—

"(2) The Central Government may if it considers it necessary or expedient so to do for the purpose of conserving the tonnage of Indian shipping or in the interest of developing Indian shipping refuse to give its approval to any such transfer or acquisition." (78)

Page 44,—

after line 19, insert—

"44. Every person becoming entitled howsoever to ownership or share of, or interest, in any Indian ship, and any shipping company owner or part-owner of an Indian ship who has notice of such other person becoming so entitled, shall within one month of such person becoming entitled, or of such notice, as the case may be, communicate in writing to the registrar, all essential particulars of such ownership, share or interest." (79)

Page 44,—

after line 28, add—

“Provided that the High Court shall, in making such order, direct that the first option of purchase shall be offered, in case of a share or interest in the ship, to other owners of shares who are Indian citizens, at a reasonable valuation of such share or interest.” (80)

Page 45, lines 32 and 33,

for “is recorded in the register book and not according to the date of each mortgage itself.” substitute—

“is registered under the Indian Registration Act”. (81)

Page 49, lines 24 to 27,—

omit “unless the assumption of Indian character has been made (the burden of proving which shall lie on him) for the purpose of escaping capture by the enemy or by a foreign ship of war in the exercise of some belligerent right.” (82)

Page 83,—

for lines 14 to 26, substitute—

“(1) If a seaman having signed an agreement is discharged otherwise than in accordance with the terms thereof, without fault on his part justifying the discharge and without his consent, he shall be entitled to receive from the master, owner or agent, in addition to any wages he may have earned, as due compensation for the damage caused to him by the discharge:—

(a) in the case of a seaman who has been discharged before the commencement of a voyage, one month's wages; and

(b) in the case of a seaman who has been discharged after the commencement of a voyage, full wages for the balance of the period of his agreement.” (176)

Shri Assar: I beg to move:

Page 36, line 13,—

for “at least seventy-five per cent of the” substitute “the entire”. (178)

Page 36,—

omit lines 15 to 23. (179)

Page 36, line 25,—

for “fifteen” substitute “thirty” (257)

Shri Jadhav: I beg to move:

Page 36,—

omit lines 15 to 23. (154)

Page 36,—

after line 23, add—

“(c) the Shipping Corporation of India.” (155)

Page 43,—

for clause 42, substitute—

“42. No person shall transfer or acquire any Indian ship or any share of interest therein:

Provided that if a person or company wants to transfer any Indian ship it shall be taken by the Shipping Corporation of India and, as far as possible, new ships shall be acquired by the Corporation only.” (156)

Shri Tangamani: I beg to move:

Page 36, line 39.—

for “and Madras” substitute “Madras, Cochin and Visakapatnam”. (42)

Shri Tangamani: I beg to move:

Page 73,—

omit line 23. (91)

Page 83,—

for lines 16 to 28 substitute—

“shall be entitled to receive from the master, owner or agent, the wages for the period for which the agreement is signed.” (92)

Shri Balasahab Patil: I beg to move:

Page 43, line 7,—

after “acquire” insert “by sale” (197)

Page 45, line 11,—

after “consideration” insert—

“in favour of person or body of persons by whatever name designated who satisfies the conditions of section 21”. (198)

Shri L. Achaw Singh (Inner Manipur): I beg to move:

Page 36,—

for clause 21, substitute—

“21. For the purposes of this Act, a ship shall not be deemed to be an Indian ship unless owned wholly by the Government of India or any Indian citizens or any corporate body all of whose share-holders and directors are Indian subjects.” (173)

Shri Ghosal (Uluberia): I beg to move:

Page 59,—

after line 12, insert—

“88A. If the manning scale falls short of the prescribed number at any port other than the port of engagement due to death, discharge, illness etc., the short fall shall be made up at the very next port of calling.” (20)

Page 59,—

after line 26, add—

“(f) to enquire into the complaint of any seaman as to the violation of any term of the agreement made with the crew by the master and to make his recommendation thereon.” (21)

Page 64, line 26,—

add at the end—

“along with the weekly working hours.” (22)

Page 64, line 31,—

after “capacity” insert—

“with specific nature of work”. (23)

Page 81, lines 16 to 18,—

for “either at the time at which he commences work or at the time specified in the agreement for his commencement of work or presence on board, whichever first happens” substitute “from 24 hours after he is selected at the Muster including victual charges at the rate of Rs. 3 per day.” (24)

Sardar Iqbal Singh: I beg to move:

Page 36, line 13,—

for “seventy-five” substitute “sixty.” (131)

Shri Nath Pal: I beg to move:

Page 55,—

after line 23, add—

“Provided that notwithstanding anything contained in clause (16) of section 3, the present officers serving on ships of tonnages higher than three thousand g-r-t which are plying in ‘home-trade’ waters, shall not be affected in their status by the regulations governing certificates of competency.” (261)

I beg to move Amendment No. 163 to clause 150.

Mr. Deputy-Speaker: We are only taking up to clause 149 only.

Shri Nath Pal: I beg your pardon, Sir. I beg to move:

Page 76,—

(i) line 28, omit "either"; and

(ii) line 29, for "or to" substitute "and to". (157)

Page 77, line 20,—

for "four days" substitute—

"forty-eight hours".

Page 77, line 20,—

after "days" insert—

"which four days shall be included in the wage payment." (159)

Page 80,—

after line 17, add—

"(1A). A seaman may require that a stipulation be inserted in the agreement for the allotment, by means of an allotment note, of all the balance of his monthly wages in favour of his account in an Indian Bank and the owner, master or agent of the ship shall remit the balance of his monthly wages to such bank account from month to month." (160)

Page 83, lines 19 to 22,—

omit "such sum as the shipping master may fix having regard to the circumstances relating to the discharge:

Provided that the compensation so payable shall not exceed." (161)

Page 83, line 26,—

for "three months' wages" substitute—

"full wages for the balance of the period of his agreement." (162)

Shrimati Ila Palchowdhuri: I beg to move:

Page 38,

after line 2, add—

"(3) The surveyor before granting a certificate referred to in sub-section (2) shall satisfy himself as to satisfactory conditions of accommodation for the crew of the ship." (138)

Page 43,—

after line 23, add—

"Provided that in the case of a complete transfer of an Indian ship or of entire interests therein by one party to another no instrument of transfer shall be deemed to be complete and effective unless the registrar has satisfied himself that all arrears due to the ship's ratings and officers have been duly paid off by the transferor." (139)

Page 75, line 6,—

for "forty-eight hours" substitute "fifteen days". (140)

Page 76,—

after line 37, add—

"Provided that no seaman shall be disrated by the master of the ship unless the shipping master at the port of engagement has gone into the whole case and given his final decision." (141)

Page 79,—

for lines 4 to 6, substitute—

"(3) An award made by a shipping master under this section shall have the same force as if it was an order of a court of law." (142)

Shri R. D. Misra: I beg to move:

Page 36, line 13,—

for "at least seventy-five per cent." substitute "seventy-five per cent. or such other percentage as the Government may direct by notification in the Official Gazette." (60)

Mr. Deputy-Speaker: It is the same as amendment No. 88, moved.

Shri Nardeo Saatak: Sir, I beg to move my amendment No. 175.

Mr. Deputy-Speaker: That is the same as amendment No. 89, moved.

Shri Raj Bahadur: I would be glad if you kindly say the numbers again.

Mr. Deputy-Speaker: A list will be given to him.

Shri Nath Pai: Am I, Sir, to speak on all my amendments simultaneously or clause by clause?

Mr. Deputy-Speaker: On all the amendments up to clause 149.

Shri Nath Pai: Sir, we have heard heated arguments regarding the percentage of foreign and Indian capital. To ensure that we have a very healthy shipping industry in this country, I would like to draw the attention of the Minister, which I am sure his Advisers must have drawn, to the provisions of the British Navigation Act of Cromwell. It is very pertinent how the British, 300 years ago, to protect their vested interests....

Mr. Deputy-Speaker: Hon. Members will confine their remarks to five minutes. At 2.30, I must close this.

Shri Nath Pai: I should like to point out only this that in that Bill passed 300 years ago, the British Government thought it fit to develop the British shipping industry not by concentrating on such things as capital, which is very important, not the factory where it was manufactured, but by ensuring that it served the vital interests of Britain in all emergencies. This was the provision which was incorporated in this Act:

"...be imported into England, Ireland or the American colonies except in British built ships, owned by British subjects and of which the Captain and not less than seventy-five per cent of the crew, were British subjects."

Too much has been said about capital contribution, about the bottoms, their weight and all those things. But the very vital factor is the human element, the crew and the seamen which matters very much. It does not matter whose the ship is. If we have the entire crew Indian, in an emergency we can rely on that. That is what matters. The danger today has arisen not because the share capital is owned by somebody. I am a hundred-percenter as a previous speaker from my party said. I want to emphasise this particular element which has been overlooked. There is no provision to say that the crew is essential. There is no provision to see that we make adequate provision for the quick training of the crew so that quickly they take over the new ships that are coming. From that point of view I am sorry there has been a very sad omission. My amendments are confined to this aspect. I hope the hon. Minister will give a serious reply to this. More important than 75 per cent and 25 per cent capital, is, who are the crew and how quickly and with what strength our crew becomes exclusively Indian.

I shall take a very simple amendment, No. 261, to clause 78. This arises out of what we have already passed. On page 25, the definition of "home-trade ship" has been given as:

"a ship not exceeding three thousand tons gross which is employed in trading from any port or place in India to any other port or place on the continent of India...."

This has been subsequently suitably amended. I am moving an amendment, with which there cannot be any disagreement, which tries to protect the present office bearers. Today on our coast, there are many ships whose tonnage is more than 3,000

toas. If the present clause is allowed, they will be sadly affected for no fault on their part. We are, therefore, moving this amendment. This is an assurance which was given to us earlier and we ask for its acceptance. I think you will give sympathetic consideration to this amendment which says:

after line 23, add—

"Provided that notwithstanding anything contained in clause (16) of section 3, the present officers serving on ships of tonnages higher than three thousand g.r.t. which are plying in 'home-trade' waters, shall not be affected in their status by the regulations governing certificates of competency."

All that this amendment seeks to achieve is to see that the interests of these men are protected.

After dealing with this, I want to draw his attention very quickly within the few minutes which you have allowed to some other amendments. First is amendment No. 157 to clause 125:

Page 76,

- (i) line 28, omit "either"; and
- (ii) line 29, for "or to" substitute "and to".

There cannot be any dispute about this. This makes it possible that he also gets a copy.

The next is amendment No. 158 in which we demand the substitution of 48 hours for the existing four day. In asking this I again plead with you that this is what the Payment of Wages Act has provided for. It is 48 hours, not 4 days, as the Bill provides. I am merely reproducing what is provided in the Payment of Wages Act. There is no reason why the employees should be made to wait for four days to get their wages. If you are going to make them wait,

those four days' wages should be included when he is paid. This is the substance: either pay within 48 hours as the Payment of Wages Act demands or if you want him to wait for four days, see that those four days are included. This is the purport. I do not wish to say much about amendment No. 159.

Regarding clause 136, in amendment No. 160 we seek to add that a seaman may require that a stipulation be inserted in the agreement. This is a very innocuous one. It only ensures that he takes his money as, very often, they are illiterates. This is the purport of this amendment.

Then, coming to clause 143, you have these words 'such sum as the shipping master may fix having regard to the circumstances relating to the discharge: "Provided that, the compensation so payable shall not exceed—". I am sorry—I have been asked to deal with many things at a time. I want these words to be deleted. At page 83 of the Bill, in clause 143, after the word "discharge", I want to omit the following:

"such sum as the shipping master may fix having regard to the circumstances relating to the discharge:

Provided that the compensation so payable shall not exceed—"

14 hrs.

This gives unnecessarily a power for which there is very often justification to believe that it is abused. Therefore we delete this and say after "discharge":

"in the case of a seaman who has been discharged before the commencement of a voyage, one month's wages".

When you define this, why do you give him the power? You have defined in the following line what wages should be paid.

[Shri Nath Pai]

And in (b) we want it to read like this :

"full wages for the balance of the period of his agreement".

instead of "three months' wages". Equity and fairplay demand that he gets the full balance of what is due to him, and there is nothing wrong in this also.

I think I have finished my five minutes.

Mr. Deputy-Speaker: Seven.

Shri Nath Pai: I rely on his fair-play in making up his mind not to reject the amendments in the habitual way they are rejected because they originate from these Benches.

Mr. Deputy-Speaker: Because Shri Parulekar was absent, I called him. One of them may speak.

Shri Warier: This is the second crucial clause in the Bill in regard to the constitution of the merchant marine in India.

Yesterday the hon. Minister was pleased to remark highly of our proud privilege to have our Indian national shipping and all those things, but the policy envisaged by the Government in the 1947 declaration must be stuck to. Should we stick to it or not? That is also a crucial question, because, in that policy statement, as I stated before, it is clearly stated that the objective is cent per cent. How we can reach that cent per cent is a question which should be considered.

Yesterday when the hon. Minister was speaking, he was so self-confident about our having full and final control of our shipping. I also wish to share his self-confidence, but things have happened otherwise. This House actually is not possessed with all the relevant papers and what all

have passed outside this House. Many Members might be in possession. Actually there are questions involved in this. We cannot be in a situation analogous to Britain, U.S.A., or for the matter of that Italy because they have been independent maritime countries, while we were depending on the Britishers for our entire shipping. We had to face cut-throat competition from the Britishers. In 1932 when there was the Gandhi-Irwin Agreement, one of the main things in that agreement was about coastal shipping. Why? Because there was cut-throat competition; and that was the main reason why our shipping industry did not develop. It is a story known to all of us. So, in that light, in shipping our situation is not analogous or comparable to U.K., U.S.A., or any other maritime country.

The point is that we are even now facing competition, and in a certain dependant stages especially on the British. And this has to be noted particularly now, that there is a recession. If we analyse the shipping industry's position now in the U.K., we will understand why so many people outside at least are so much eager to raise this proportion from 25-75 to 60-40 or 51-49.

Mr. Deputy-Speaker: The hon. Member will realise that this point has been very elaborately discussed in the first stage.

Shri Warier: Yes, it has been discussed, but it is the real crux of the whole Bill. So, however much we talk, unless we gain this point of cent per cent for Indian shipping, it is no use.

Yesterday the hon. Minister said that the company law is there, and other things are there, but it is not only to enable the ships already on the Indian register automatically to be included. There might be a few shares with outsiders, and the

hon. Minister was taking pains to explain that this is only to include those ships. Those ships are already included under the proviso to clause 22. There is provision for that. So, it is not only for the inclusion of existing ships owned partly by others as the hon. Minister took so much pains to explain. Actually in this ratio of 25-75 there is some substance, some economic substance, and it is a dangerous thing that we allow it. We must have cent per cent.

Shri Jadhav: My amendments read thus :

Page 36, line 13,—

for "at least seventy-five per cent." substitute "all".

Page 36, omit lines 15 to 23.

Page 36, after line 23, add—

"(c) the Shipping Corporation of India."

Page 43, for clause 42, substitute—

"42. No person shall transfer or acquire any Indian ship or any share or interest therein :

Provided that if a person or company wants to transfer any Indian ship it shall be taken by the Shipping Corporation of India and as far as possible new ships shall be acquired by the Corporation only."

In support of my amendments I have to add a few words. An Indian ship has been defined in the Bill and our Register is also there, but I want to see that the ultimate control of the management must be in the hands of Indian nationals. At the same time, the ships should be manned by our personnel. As the majority of the cargo sent from India or coming to India is on account of the Government, it is necessary that the ship should have funds cent per cent from India. Then, if there is some emergency, it is necessary that all the capital should be ours. **Shri M. A.**

Master has said in his evidence that it is a historical truth that in times of emergency your sympathies will lie with the people of the country to which you belong. This fact is very pertinent and it must be taken into consideration, as also the fact that it is also a key industry. It is high time the whole capital is made Indian.

My amendment 156 is self-explanatory.

Shri Naushir Bharucha: My amendments read thus:

Page 36, line 12, add at the end—

"and the meetings of the Board of such company are normally held at any place in India."

Page 36, line 13,—

for "seventy-five" substitute "sixty-six and two-thirds".

Page 36, after line 14, add—

"Provided that for the purposes of sub-clause (ii) above, a transfer or alienation of interest in the equity capital held by a citizen of India, whether by way of mortgage, hypothecation, gift, bequest, lien, charge, sale or otherwise, or by operation of law, to a non-Indian national shall be deemed to be a transfer of ownership in the equity capital so transferred or alienated:

Provided further that equity capital or any interest therein, standing in the name of a proved benamidar shall be deemed to be a transfer of such equity capital or interest therein to the person for whom the benamidar holds."

My amendments relate to clause 21. The purpose is to fix the ratio at two-thirds indigenous capital and one-third foreign capital. I do not agree with the hon. Minister in charge of the Bill who said that this is merely a

[Shri Naushir Bharucha]

nominal ratio that is being fixed, and that no fool of a foreign capitalist is going to invest here. If the return from the shipping industry in India pays, then foreign capital will invariably flow in here, and that has to be taken into consideration. At the same time, my point is to see that the ratio reserved for the foreign capital is not utilised for other purposes of increasing the ratio, for instance, by means of mortgages and other methods.

Suppose foreign capital is given one-third ratio, and then the foreigners acquire more shares in the shipping concern by way of mortgage, then, with the change of ownership, the effective control will pass on to the foreigner. Therefore, I have put down one additional amendment, namely amendment No. 76, to the effect that:

"Provided that, for the purposes of sub-clause (ii) above, a transfer or alienation of interest in the equity capital held by a citizen of India, whether by way of mortgage, hypothecation, gift, bequest, lien, charge, sale or otherwise, or by operation of law, to a non-Indian national shall be deemed to be a transfer of ownership in the equity capital so transferred or alienated:"

Unless this is put in, it will be quite possible through the back-door for foreign equity capital to get an increased share.

The second proviso which I seek to put in is:

"Provided further that equity capital or any interest therein, standing in the name of a proved *benamidar* shall be deemed to be a transfer of such equity capital or interest therein to the person for whom the *benamidar* holds."

It is possible for a foreigner to say that Mr. Bharucha is the holder of the equity capital, whereas I may be

merely a *benamidar* and an absolute tool in the hands of the foreign capitalist.

Shri V. P. Nayar (Quilon): God forbid.

Shri Naushir Bharucha: If a *benamidar* is proved under the Bill even then you cannot challenge it. Therefore, in order to fill up those loopholes it is necessary that these two provisos must be inserted in the Bill.

Coming to clause 32, certain documents are required in original to be submitted by the shipowners to the Registrar, and they remain with the Registrar. Certain documents constitute title-deeds and if they are to remain with the Registrar, there must be some provision made for certified photostat copies to be given to the shipowners. So, my amendment, namely amendment No. 77, says:

"Provided that on application by an owner of a ship, the registrar shall furnish to him as many photostat copies of the documents mentioned in this section, as he may desire, duly certified by the registrar, on payment of actual costs thereof."

I now come to amendment No. 78 to clause 42. Clause 42 is an absolute misprint in the Joint Committee's Report. It reads this way:

"Every such instrument shall be entered in the register book expedient so to do....."

'expedient so to do' is absolutely meaningless. Obviously, some lines have been omitted, or some lines have been massed up. Therefore, I have recast it as follows:

"The Central Government may if it considers it necessary or expedient so to do for the purpose of conserving the tonnage of Indian shipping or in the interest of developing Indian shipping re-

fuse to give its approval to any such transfer or acquisition.”.

Mr. Deputy-Speaker: I understand that some corrigendum has been issued, so far as this is concerned.

Shri Naushir Bharucha: It reads:

At page 43, for line 11, read:

“(2) The Central Government may, if it considers it necessary or”.

That is my amendment.

Mr. Deputy-Speaker: That corrigendum has already been issued.

Shri Naushir Bharucha: There are so many corrigenda issued for everything that though I am keeping track of the corrigenda, I have not been able to find it quickly. The corrigendum reads:

“The Central Government may, if it considers it necessary....”

Even then, it does not read properly. You will have to issue perhaps a corrigendum to a corrigendum. I do not think that these words “The Central Government may, if it considers it necessary” fit in well. Let Government consider this. The whole thing has been misprinted. I am talking of clause 42 which reads:

“Every such instrument shall be entered in the register book....”

That is how it begins. The corrigendum reads:

“For line 11, read: “The Central Government may, if it considers it necessary or....”

Anyway, I have put it that way.

Coming to amendment No. 79, I seek to insert a new clause 44-A for giving of notice in case any person becomes entitled to any interest, and the new clause reads thus:

“Every person becoming entitled howsoever to ownership or

share of, or interest in, any Indian ship, and any shipping company owner or part-owner of an Indian ship who has notice of such other person becoming so entitled, shall, within one month of such person becoming entitled, or of such notice, as the case may be, communicate in writing to the registrar, all essential particulars of such ownership, share or interest.”.

This clause has been sought to be put in to prevent any back-door increase of foreign capital.

Then, I have got amendment No. 80 to clause 45. Here, I want to add the following proviso:

“Provided that the High Court shall, in making such order, direct that the first option of purchase shall be offered, in case of a share or interest in the ship, to other owners of shares who are Indian citizens, at a reasonable valuation of such share or interest.”

Clause 45 relates to order by the High Court for sale, where a ship has ceased to be an Indian ship. Supposing, by operation of law, the foreign capital somehow or other is increased, then the High Court's order can say that the ship should be sold. What would happen then is this. Supposing I am three-fourths owner of the ship, and Mr. X is one-fourth owner, and his share is increased by a small percentage, then the result is that the High Court may order that the whole ship should be sold; there might be a distress sale, and I may suffer. When the High Court orders the sale of the ship, the Indian holders of that ship will undoubtedly suffer for no fault of theirs if a distress sale of the ship takes place. Therefore, I have put in this amendment that the first option must be given to the Indian owner of that ship to buy up the ship at a valuation to be fixed. That is the intention of this amendment.

[Shri Naushir Bharucha]

Amendment No. 82 to clause 64 is a minor amendment on which I shall not take up the time of the House. Amendment No. 103 is also a minor amendment. I leave it to the care of the hon. Minister.

These are the amendments that I have moved, but I shall certainly invite the attention of the hon. Minister to see that even if the 25 per cent is kept, it is not increased by backdoor, and, therefore, there must be some sort of control over mortgages and other transactions, because mortgage does not necessarily mean transfer of ownership—the ownership remains with the Indian citizen—but the result will be that in name the capital will be Indian while actually it will be foreign.

Mr. Deputy-Speaker: Now, Shri Aurobindo Ghosal.

Shri Mahanty (Dhenkanal) rose—

Mr. Deputy-Speaker: Has Shri Mahanty also some amendments

Shri Mahanty: Yes, I have amendment No. 59.

Shri Aurobindo Ghosal: My first amendment is amendment No. 20. Clause 88 in the Bill empowers the Central Government to make rules for the prescription of the minimum manning scale of seamen for the different ships. We have received complaints, when we went to Bombay and Calcutta, from the seamen that the shipowners very often want to run their ships with depleted staff. When the Central Government are being empowered to prescribe the minimum manning staff, there should also be a provision that if at any place the manning scale falls short, that should be made up at the next port of calling. So, I have moved this amendment which reads:

"88A. If the manning scale falls short of the prescribed number at any port other than the port of

engagement due to death, discharge, illness etc., the shortfall shall be made up at the very next port of calling."

If there is no seaman available in that port, then there is no compulsion, but at least the provision should be there so that the shipowner may not run his ship with depleted staff.

My next amendment is amendment No. 21 to clause 89, which deals with the duties of shipping masters. Under this clause, shipping masters are given power to hear complaints from seamen. But if there is any complaint regarding violation of any term of the agreement between the seaman and shipowners, then there is no provision. My amendment seeks to provide that if there is any such violation and the seaman also complains, then the shipping master should be empowered to hear that grievance.

Then, I have got amendment No. 22 which seeks to amend clause 101. I want to provide that in the agreement itself, the weekly working hours should be mentioned. We have received several complaints; and it is a practical difficulty also that because they are on the ship, they are considered as whole-time servants, and they are to work even for 24 hours a day. Therefore, whatever might be the use, it should be mentioned in the agreement clearly so that the seamen can understand that they have to work only for the specified period. So I have brought in this amendment to the effect that the agreement should have stated in it the working hours.

As regards the other amendment, to the same clause, I want to be stated after 'capacity' in item(e) of sub-clause (2) of clause 101, 'with specific nature of work'. I say this because we have heard that seamen whose job has not been specified are asked to do work from sweeping of

the deck board to cooking in the kitchen for the Master. Therefore, we should specifically state the job in order to enable him to know what he is expected to do. So this should also be stated in the body of the agreement.

My amendment No. 24 is to clause 138. Clause 138 says:

"A seaman's right to wages and provisions shall be taken to begin either at the time at which he commences work or at the time specified in the agreement for his commencement of work or presence on board, whichever first happens".

I submit that for "either at the time.. first happens", we should substitute "from 24 hours after he is selected at the Muster including victual charges at the rate of Rs. 3 per day", because as soon as he signs off, he cannot take any other job. Therefore, if he is under contract, he is entitled to the victual allowance. This is actually given also. So I see no reason why it should not be incorporated in the body of the Bill.

Shri Mahanty: I beg to move:

Page 36.—for clause 21, substitute—

"21. For the purposes of this Act, a ship shall not be deemed to be an Indian ship unless owned wholly by the Government of India or any of the States of the Indian Union, or any Corporation or Corporations established under these authorities".

(50)

I do not know how this amendment will commend itself to the hon. Minister in charge of the Bill. I have not much illusion about it either. But I have moved it as an act of faith and my only purpose is to invite the attention of this House in general and that of the hon. Minister in particular to the urgent need of nationalising

the shipping industry. It is well known that two or three houses have practically monopolised the overseas trade in Indian shipping. For them the cargo is made readily available by the Government of India. When we look to their resources, they are sustained by the tax-payers' money. If we turn to the Scindias, the pioneering house in Indian shipping, on 30th June 1957 this total paid-up capital was Rs. 1138.57 lakhs including premiums on shares and debentures. The Government of India have granted them a loan of Rs. 1120.22 lakhs. When we come to the Indian Steamship Company, the pattern is not much different. I do not wish to go over the capital structure of the various companies here. I have neither the time nor the intention. I am only citing this as an illustration, as to how these Indian shipping companies, in the name of cheap patriotism, have been kept sustained by the Indian tax-payers' money. The Government of India are providing them with ready made cargo. Their shipping line is being kept sustained by the Indian tax-payers' money.

Therefore, from the resources point of view, there is every reason why these shipping companies should be nationalised.

Shrimati Ha Palchowdhuri: May I just say that patriotism is never cheap?

Shri Mahanty: Patriotism does not mean making money. Patriotism means something else, losing money for an ideal, for a cause.

Shri Narayanankutty Menon (Mukandapuram): Patriotism brings money!

Shri Mahanty: I fail to understand this type of patriotism.

Shri Nath Pai: They have a variety of patriotisms.

Mr. Deputy-Speaker: This limited time should not be used for a discussion on patriotism.

Shri Mahanty: The sooner we are saved from this type of patriotism, the better for the country and for the taxpayers. Let us not have misguided notions about patriotism.

Apart from the aspects of the resources of these companies and the cargo—as I said, the Government of India, the nation at large, is providing them with ready-made cargo—when we come to the aspects of the technical know-how, we find that it is the Government of India who are sponsoring marine colleges for training of the technical personnel for Indian shipping.

All these considerations apart, there are two most important reasons. In this country, in the name of a socialist pattern of society, we have nationalised even goods trucks—goods transport. We have nationalised road transport, we have nationalised air transport—of course, we have nationalised rail transport. May we know why ship transport should not be nationalised? What overriding reasons are in favour of the Indian shippers that they should not be touched, particularly when they have neither the resources nor the technical know-how.

Then between 1955-56 and 1958-59, these shipping companies have been sanctioned loans to the extent of Rs. 29.69 crores, out of which they have lifted so far only Rs. 18.48 crores because they are not organised on a competent basis to utilise this whole loan. If this money had gone to our shipping corporations in the public sector, they could certainly have much improved upon their existing conditions.

There is another consideration. As is well known, today our Indian marine defence also consists of our Indian merchant navy.

Therefore, from all these points of view, there is a very strong case why Indian shipping should be nationalis-

ed. I hope that even though my amendment is not acceptable to the hon. Minister, he will at least let us know the reasons which stand in the way of nationalising the Indian shipping industry.

Shri Tangamani: My first amendment is No. 42. It is a very formal amendment which seeks to mention five out of the six major ports in clause 23. The other two amendments, Nos. 91 and 92, deal with conditions of labour. The points have been touched upon partly by Shri Nath Pai also.

Clause 130 (1) says:

“When a seaman is discharged from a ship in India, the master shall furnish to the shipping master before whom the discharge is made a report in the prescribed form stating—the quality of the work of the seaman”.

I want “the quality of the work of the seaman” to be deleted because this is a very dangerous provision, when the seaman wants to get employment in other ships.

The other amendment is No. 92 to clause 143. This is similar to what Shri Nath Pai has stated. Where a person has been discharged, he is entitled to the full wages due to him; it should not be left to the discretion of the shipping master.

I would also like to lend my support to amendment No. 22 moved by Shri Aurobindo Ghosal to clause 161 which deals with the terms of agreement between the shipping company and the seaman. If we go through all the terms which have been mentioned, nowhere do we find the hours of work stipulated. There is a very vague reference:

“stipulations relating to such other matters as may be prescribed”.

Now we have accepted an 8-hour day under the Factories Act. In certain industries, even this is being suggested to be reduced. So there must be a specific stipulation in the terms of the agreement about hours of work and the hours of work must be eight-hour day or 48-hour week. Unless this is done, I am afraid, as I mentioned during the first reading itself, we should be recruiting more in the nature of slave trade.

If this is not acceptable, at least the amendment of Shri Ghosal for a new clause 189A, when the time comes for it, should be taken into consideration because nowhere do we find the hours of work for seaman and nowhere do we find the question of social security schemes for the seaman like the Employees State Insurance Scheme or the provident fund mentioned as in the case of other workmen in the country. I request that falling anything else, this amendment No. 22 to clause 127 may be accepted.

Shri Amar: Sir, I have moved my amendment that in page 36, line 25, for the figure 15 substitute 30.

This amendment is meant for country craft vessels because there are so many such vessels which are running for about 30 to 50 miles and they are running with 2, 4 or 6 seaman. Their income is very limited and after the passing of this Bill it would become very difficult for them to run their business. Therefore, this important question may be considered. The country craft and sailing vessel business is so ruined that they cannot maintain themselves without any government contribution. Government contribution is not given up till now but without the contribution it is impossible to run them. Therefore, I request the hon. Minister to exempt these small sailing vessels and country craft up to 30 tons.

The most important thing is that many of the owners of the small sailing vessels are uneducated and they do not know what the law is and how to deal with it. The fear is that they will be harassed by the officers and it will spell the ruin of the small owners.

Shrimati Ila Falchoudhuri: My amendments are mainly for the welfare of the seaman. As my hon. friend, Shri Nath Pai has said, it is really the people who count on a ship. I would request the Government to see their way to accepting some of the amendments at least because they are innocuous.

By amendment No. 138 to clause 27, I say that it should be made clear in this clause that the surveyor before granting the certificate must ensure about the satisfactory conditions of crew accommodation because in the ships manned by Asian crews the arrangements for the accommodation of the crew is very often unsatisfactory. So, I hope the hon. Minister will accept this innocuous amendment because we must look to the welfare of the seamen.

With regard to amendment No. 140 to clause 122, I think it is very necessary. Instead of 48 hours of arrival of the ship it should be made within a fortnight after the incident of desertion or failing to join or hospitalisation has taken place. In almost all cases of failure to join or hospitalisation, the seamen are made to wait inordinately to receive the balance of their wages. If they have to wait till the Master comes, sometimes the ship may not touch the port of engagement at all. Therefore, to avoid harassments to seamen who are landed at foreign port or hospitals, a provision like the one suggested should be included. It does not alter the Bill in its content in any way.

With regard to amendment No. 141 to clause 126 about the disrating of seamen, we also have to be careful

[Shrimati Ila Palchoudhuri]

because disrating is a serious punishment. It is liable, sometimes to be given vindictively. So, unless the Shipping Master is given the final authority to approve or disapprove it should not be done. The provision of this clause is likely to be badly used.

I now come to amendment 142. I think this sub-clause (3) has to be made clear. Here the Shipping Master's decision is intended to be recommendatory and if the owners do not accept his award or do not give effect to it, the aggrieved party will have to go to court. These poor seamen have neither the money nor the time to go to court. They cannot do this. The master's decision in this respect should have the validity of a court's decision. I hope the hon. Minister will find it in his heart to accept the amendment from the point of view of the welfare of seamen.

श्री १० इ० बिच : उपाध्यक्ष महोदय, इस विधेयक के क्लॉज नम्बर २१ पर ६० नम्बर का मेरा जो अमेंडमेंट है वह इस तरीके से है :

Page 36, line 13,—

for "at least seventy-five per cent."

substitute "seventy-five per cent. or such other percentage as the Government may direct by notification in the Official Gazette".

वही अमेंडमेंट मेरे भाई श्री रघुनाथ सिंह ने दी थी और उस को कल हमारे मिनिस्टर साहब ने ज़रीब ज़रीब मंज़ूर कर लिया है। मेरे इस अमेंडमेंट को रखने का सिर्फ़ तात्पर्य यह है कि उस में यह बात बढ़ा दी जाय कि उस का नोटिफिकेशन आफ़िशिएस गज़ट में हो ताकि इन परसेंटेज के बारे में कहीं आफ़िस की गड़बड़ी की वजह से

कोई दूसरी चीज़ न हो जाय। यह मेरा बहुत मामूली सा अमेंडमेंट है और मैं समझता हूँ कि मिनिस्टर साहब इसे मंज़ूर कर लेंगे।

श्री नरदेव स्वामी : उपाध्यक्ष महोदय, मैं क्लॉज २१ पर अपना १७५ नम्बर का अमेंडमेंट मूव करता हूँ जोकि इस प्रकार है :

Page 36, line 13,—

for "seventy-five" substitute "sixty".

कल मंत्री महोदय ने अपने भाषण में भी कहा था और कल इस विधेयक पर यहाँ सदन में बर्बाबली उस में भी घनेक माननीय सदस्यों ने ६० और ५० परसेंटेज रखने का सुझाव दिया था और उस पर मंत्री महोदय ने भी यह कहा था कि यदि इस को करने की आवश्यकता पड़े तो उस को करने में भी कोई आपत्ति नहीं है परसेंटेज चाहे ५१:५६ हो, ६६:२३ और ३३:१३ हो अथवा ५५ और ५५ हो, रेशियो से कोई बहुत अन्तर नहीं पड़ता है अगर फ़ारेन सेयर कैपिटल क्रिकस करने के लिये हव सरकार को अधिकार दे दें। वैसे जो ६० और ५० का सुझाव दिया गया है यदि मंत्री महोदय इस को मान लें तो मैं समझता हूँ कि हमारी शिपिंग इंडस्ट्री के अन्दर काफ़ी तरक्की होगी क्योंकि फ़ारेन कैपिटल उस हानत में अधिक से अधिक आयेगा और हमारा जहाज़रानी का व्यवसाय काफ़ी उन्नति करेगा। मेरी अपनी इच्छा है कि माननीय मंत्री इस को स्वीकार कर लें और यह भी किया जा सकता है जैसाकि कल कुछ सदस्यों ने कहा और मंत्री महोदय ने भी कहा कि गवर्नमेंट को यह अधिकार दे दिया जाय कि इस परसेंटेज के मायके में आवश्यकतानुसार जैसा चाहे परिवर्तन कर सके परन्तु मेरा सुझाव यही है कि ६० और ५० का रेशियो मंज़ूर कर लिया जाय।

Shri Raghunath Singh rose—

Mr. Deputy-Speaker: Shri Raghunath Singh has already said enough.

श्री रघुनाथ सिंह : मेरा अमेंडमेंट है जिस पर कि मैं कुछ शब्द कहना चाहता हूँ ।

सरदार इकबाल सिंह : उपाध्यक्ष महोदय मर्चेंट शिपिंग बिल के क्लॉज २१ पर मेरा १३१ नम्बर का अमेंडमेंट है जोकि इस प्रकार है :

Page 36, line 13,—

for "seventy-five" substitute "sixty".

इस सम्बन्ध में श्री रघुनाथ सिंह ने जो अमेंडमेंट प्रभी दिया है उस का मैं समर्थन करता हूँ । हम कम्पनी के इस शेयर कैपिटल में फ़ारेन और इंडियन उन का क्या रेशियो हो, इस मामले में गवर्नमेंट के हाथ बांधना नहीं चाहते बल्कि उस के हाथ और मजबूत करना चाहते हैं ताकि अगर गवर्नमेंट समझे कि ७५ और २५ का रेशियो रखने से हिन्दुस्तान का जहाज़रानी व्यवसाय तरक्की करेगा तो वह उस को रख सकते हैं लेकिन अगर वह समझे कि इस परसेंटेज में कुछ बदलाव की ज़रूरत है और कम या ज्यादा करने की ज़रूरत है तो वह इस को कर सकते हैं । गवर्नमेंट को यह अधिकार दिया जाना चाहिये और हम वास्ते में श्री रघुनाथ सिंह के अमेंडमेंट का समर्थन करता हूँ ।

श्री रघुनाथ सिंह : उपाध्यक्ष महोदय, मेरा इस विवेक के क्लॉज २१ पर २६२ नम्बर का अमेंडमेंट इस प्रकार है :

In page 36, after line 14, insert the following:—

"Provided that the Central Government may, by notification in the Official Gazette, alter such minimum percentage, and where the minimum percentage is so 100A LSD—7.

altered, the altered percentage shall, as from the date of the notification, be deemed to be substituted for the percentage specified in this clause." (262)

यह बड़े हर्ष का विषय है कि पाटिल साहब ने कल इस सिद्दात को स्वीकार किया और हम सब उन को इस के लिये धन्यवाद देते हैं कि हम लोगों ने स्टेटस को मॉडेन किया और १९४७ में जो गवर्नमेंट की पालिसी थी उसी पालिसी को आज हम स्वीकार करते हैं । १९४७ में जो सिद्दान्त था उस सिद्दान्त को आज स्वीकार किया जा रहा है । इस अमेंडमेंट के द्वारा सेन्ट्रल गवर्नमेंट को यह अधिकार दिया जा रहा है कि अगर वह ज़रूरत महसूस करे तो आफिशियल गजट में नोटिफिकेशन कर के मिनिमम परसेंटेज को बदल सकती है । इस दृष्टि से यह समन्वयी संशोधन है और सब पार्टीज़ को इस से संतोष होना चाहिये । २५ परसेंटे से सरकार कम भी कर सकती है और ज्यादा भी कर सकती है जैसीकि आवश्यकता समझी जाय । जब यह शिपिंग ट्रेड मुल्क को सेकेन्ड लाइन आफ डिफेंस है तो उस के हाथ बांधने नहीं चाहियें उस के हाथ उन्मुक्त होने चाहियें और इस दृष्टि से मैं चाहता हूँ कि यह अमेंडमेंट मंज़ूर किया जाय ।

Shri D. C. Sharma (Gurdaspur):
I second this, Sir.

Mr. Deputy-Speaker: We ought to be more serious; the time is running short. All the amendments are before the House.

Shri S. K. Patil: I am only referring to clause 21. The other clauses will be taken care of by my hon. colleague.

I have hardly anything to add to what I have said yesterday so far as participation of the foreign capital is concerned. But a new point has been raised by my hon. friend, Shri Bharucha that in the case of shares

[Shri S. K. Patil]

being mortgaged and that sort of thing, what should happen. His amendment is in that particular point and so it must be given a serious consideration. I have seen the other enactments of the Government of India in similar circumstances what they have done; whether they have taken care of the contingency, which my hon. friend has in mind.

I would say that this amendment would not serve any useful purpose but will merely complicate matters further. For the purpose of computing percentage of share, it is not necessary to go into the question whether shares are mortgaged, hypothecated, etc. The formula adopted in this clause has been adopted in some other Acts without the limitations now proposed. Section 617 of the Companies Act, 1956, defines "Government company" as a company in which not less than 51 per cent of the share capital is held by the Central Government or by any State Government. Similarly, the Explanation to section 5 of the Mines and Minerals (Regulation and Development) Act, 1957, recently passed by Parliament defines "Indian national" in relation to a public company as a company in which *inter alia* not less than 51 per cent of the share capital is held by persons who are citizens of India. Section 7 (e) of the Representation of the People Act, 1951 also uses the expression "in the capital of which the appropriate Government has not less than 25 per cent share". As regards shares held *benami*, section 163 of the Companies Act does not recognise any trust in respect of shares.

I am merely pointing out that it is not particular to this enactment; there are other enactments of the Government of India where these percentages have been used and therefore we should differentiate and put another thing so far as this particular Bill is concerned.

Arguments were again advanced about 25 per cent and 75 per cent. My hon. friend Shri Mahanty, who does not seem to be here, combined one hundred per cent of the capital being held by the citizens of India with the nationalisation of shipping. These are two things apart. One hundred per cent capital might belong to the citizens of India but that does not mean that the company is nationalised in the sense we understand nationalisation. Therefore, combining these two things together does not produce any nationalisation at all. If this House really feels that at some stage shipping has got to be nationalised, it is another matter altogether. The House is competent to deal with it; it does not arise out of this particular thing. I do not want to repeat the arguments which I have advanced yesterday. These questions do not arise.

So far as the amendment of my hon. friend, Shri Raghunath Singh is concerned, there is no question of my acceptance or non-acceptance. I am merely saying that the Government is empowered. It is empowered both ways. It is not merely to raise the percentage of non-Indian—I do not say foreign—participation from 25 per cent to onwards but if the Government finds that even this 25 per cent should not be had, it can reduce it. Under the scheme that is contemplated here, one-fourth of the directors may be those who represent the one-fourth capital. Therefore, if we do not want any non-Indian to sit as a member of the directorate or to have any other part anywhere else, possibly the Government itself will come to that conclusion that there should not be this 25 per cent. If that works that way, Government should be empowered not merely to raise that but even to lower it in order that the purpose of this Bill could be adequately met. So, we have said that we have no hesitation in accepting that particular amendment.....

Shri Tangamani: It will work the other way also.

Shri S. K. Patil: Therefore, I have said that it is loose enough. That amendment says that Government by notification may, if necessary, either raise or lower the percentage. I have made it abundantly clear. My hon. friend Shri Tangamani should have no apprehension in his mind, that was the whole substance of my speech yesterday. It was just to point out that so far as shipping is concerned, we do not welcome any non-Indian capital. Of course we are talking of our difficulties of foreign exchange. They are thinking that these five or ten years' period is the whole history of India. We may be in difficulties during these years and possibly we may have to do something but that does not mean that we are really limiting the possibilities of our shipping only for the difficulties that we have got during these ten or more years.

My hon. colleague will reply to what Shri Nath Pai has said. He has said that it is not enough that the capital is 75: 25; we should attend to the manning of the ship. I wholeheartedly agree with him. He possibly does not know that when we talk of these percentage of the sailors etc. they are not of the Indian ships. These sailors are mostly taken by the foreign ships and not our ships. That is what we mentioned. I go whole-hog with him in what he said about, manning the ships, about the training facilities, etc. That is our purpose. Here it does not contain 100 per cent. or everything that has got to be done. When the National Shipping Board comes into existence, it will be for that Board to lay down policy which will be of a permanent type and that is why these things have not been covered in this Bill.

Shri Raj Bahadur: Sir, I shall begin with the point raised by Shri Nath Pai about 100 per cent. manning of our ships. I can assure him that clauses 77 and 99 provide for this.

Clause 77 provides that an officer will not be deemed to be duly certificated under this Act unless he holds a certificate of a grade appropriate to his station in the ship or of a higher grade granted in accordance with this Act. He should have an Indian certificate or a certificate recognised by Indian Government. Clause 99 says that only seamen in possession of such certificates shall be engaged under this Bill. Both these provisions give adequate power to the Government to regulate or stop the employment of foreigners in Indian ships.

The next point raised by Shri Nath Pai was in regard to the "Home-trade ships". I refer to his amendment No. 261. I hope he will agree with us that the exemption powers given to the Director-General will suffice for this purpose. We shall see that no seaman or officer he has in view shall suffer on that account.

He referred to clause 129 and wants that all the payments should be made by the shipowners in 48 hours. Perhaps he forgets that this point was thoroughly thrashed out in the Joint Committee and it was a unanimous settlement that we came to in regard to this time of four days. Previously the provision was five days, and we came down to four days. I think when we have come to a compromise, a unanimous compromise on that particular point, and he was also a party to it, we should not go back on that.

Then I come to clause 143(1). I think it would be a very unjust principle if we make no discrimination between seaman discharged before the commencement of a voyage and seaman discharged after the commencement of a voyage. The provision now is that it will be one month's wages in the case of seaman discharged before the commencement of a voyage and three months' wages in the case of seaman discharged after the com-

[Shri S. K. Patil]

mencement of a voyage. I think that discrimination is necessary.

I will now take up the amendment of Shri Naushir Bharucha to clause 32. I only want to point out that there is also another provision in clause 72(1) under which certified copies of entries in the book can be obtained. It may not be possible or economical to make arrangements for photostat copies. The provision for making out and giving copies is already there, and I think that should suffice.

Shri Naushir Bharucha: I was talking about copies of the title deeds which the shipowners may have to surrender. You are only referring to the entries in the book.

Shri Raj Bahadur: If he meant the title deeds and agreements, they are voluminous and lengthy documents, and I do not think it would be possible for us to make photostat copies thereof either.

Shri Naushir Bharucha: Ordinary agreements are being photostated.

Shri Raj Bahadur: He also said that a new clause 44A should be added. I think I may refer him to clause 54 which takes care of the point that he wants to cover or provide for by his amendment. That clause deals with transmission of interest in mortgage in certain circumstances. I think that covers the point that he wants to achieve through his amendment.

Hon. Members Shri Ghosal says that the crew should be completed at any port at which there happens to be any deficiency in the crew according to the manning scale. I only want to say that a minimum manning scale is already laid down under the relevant clause, and no ship can sail without that manning scale. Normally, it so happens that the ships always carry about twice the number, or even more than that, that is provided as the

minimum manning scale. Therefore, the eventuality envisaged by the hon. Member will never occur. Moreover, it will be inconvenient and inadvisable for ships to go on recruiting crew at any other port outside India. So we cannot accept this amendment.

Through his amendment No. 22 he wants to insert the words "along with the weekly working hours" in clause 101. I only want to say that it is not possible to provide for the prescription of weekly working hours or nature of work because, as was thoroughly understood during the discussions in the Joint Committee, according to international conventions we cannot provide for weekly working hours, minimum wage or the nature of work in the terms of agreement. They are always settled between the two parties, between the seamen on the one hand and the shipowners on the other.

Shri Tangamani: There is no question of any convention. Are we afraid that if we stipulate 7 hours or 8 hours work the shipowners may not be willing to recruit our seamen?

Shri Raj Bahadur: I may only remind him that this agreement is between the two parties: seamen and shipowners. In regard to all these matters we have to depend not only on our laws, but our seamen have to depend on foreign laws also. Unless the shipowners recognise our laws and agree to abide by them, it would be futile to provide anything here. They will go to other countries for recruitment, and thereby we shall be doing a very great damage to our own seamen so far as employment opportunities are concerned.

Shri Tangamani said something about ports of registry. As we all know, the number of ships that are registered every year will not be more than a dozen, or twenty or thirty. For that purpose we have provided—I speak from memory only—that Bombay, Calcutta and Madras shall be the ports of registry. I think it is

not necessary for us to provide or make full arrangements for registration at all the major ports.

By his amendment No. 91 he wants to delete those words relating to the quality of the work of the seaman. He wants that the quality of work should not be entered in the discharge certificate given to a seaman. I will only refer him to article 14 of the Seamen's Articles of Agreement, under which it has been provided that seamen shall at all times obtain from the Master a separate certificate as to the quality of work or, failing that, a certificate indicating whether he has fully discharged the obligations of the agreement. In fact, this convention was adopted for the advantage and benefit of seamen, it was not for the benefit or advantage of ship-owners. It is obvious that if there is certificate of good work he may not find any difficulty in his future life or career. It is a certificate of conduct for him, and he should not be afraid to have it.

The last point he made was the same as the one made by Shri Nath Pai, to reduce "96 hours" to "48 hours".

Shri Nath Pai: That is from the Payment of Wages Act. I agree that these points were discussed and decided in the Joint Committee, but we have changed many things that we agreed to.

Shri Raj Bahadur: I did not give all my arguments to economise on time. He knows very well that the ship-owners do require some minimum time to complete their accounts as to how much has been paid to each worker as part of the wages, how much he has been allowed to remit to his home and so on. Without compiling proper accounts it is not possible to make payments. He has to make payments within the prescribed time, failing which penalty will be imposed upon him. If he is not able to complete the accounts in 48 hours, from

the next day he will have to pay double the amount. Therefore, we should not make it so penal for the other side also.

Shrimati Ila Palchoudhuri said something about accommodation for the crew. I can assure her that we have ratified the relevant convention about that. As I said yesterday, all ships which have to perform voyages for more than 120 hours are to be provided with cent. per cent. bunkers even for deck passengers. We have also taken good care to see that all new ships which have been constructed after 1948 are provided with crew accommodation, and care is also being taken to see that this facility is provided in the second-hand ships that are being acquired as far as possible. Apart from that, we are fully alive to the situation and we are ourselves very conscious of the needs of the crew in this respect.

Another point that she made was about the welfare activities. She knows that there is the National Welfare Board for Seamen, which has got many committees. On that Board the seamen and shipowners are represented, as also other interests. I do not think Shri Nath Pai can point out any instance where we have differed from or rejected their advice or we have not given satisfaction in the matter of accepting their suggestions as far as we could. Of course, we have always had to act within our limitations but have respected their advice.

With these remarks, Sir, I think I have covered all the important amendments. There may be some other amendments, but I have only to say that all these points were thoroughly discussed in the Joint Committee and I do not want to repeat those arguments again here.

Shri H. N. Mukerjee (Calcutta-Central): Sir, may I ask for one clarification from my hon. friend, the Minister of Transport? Do I understand

[Shri H. N. Mukerjee]

my hon. friend, Shri Patil to say that he accepts Shri Raghunath Singh's amendment which enables Government to "allow" any other percentage than 25 to foreign capital from time to time? Do I understand him to say that he wishes this power to Government without any reference to Parliament, because in that case I feel, perhaps, some second thought is necessary and no snap decision should be made by the Minister. It is rather extraordinary and, I should say with all respect, improper, if after so much discussion in Parliament in regard to the proportion we are going to give an omnibus authority to Government to change the proportion one way or the other. My friend may have the best of intentions with regard to foreign capital as far as I am concerned I am prepared to accept his *bona fides*; but I do not see how we can accept an amendment which suggests that Government, without reference to Parliament, can change the proportion which Parliament is lawing down. I think we should give second thought to this matter and not take a snap decision.

15 hrs.

Shri S. K. Patil: Without taking much time of the House, I should like to say this. Even the policy resolution of 1947 was on these lines namely, that 75-25 was not absolute. There was also a proviso to that policy, namely, that if in certain circumstances Government thought that there should be a slight change, the Government could make it.

In regard to this case, I can give the House an illustration. There was a case before the Government; a certain party represented that unless that 25 per cent. was raised to 33, he would not be, and he was not, getting the money, that is, obtaining foreign participation.

So far as the Government's position is concerned, I can make it once again

abundantly clear that we are in no need for foreign participation so far as our shipping is concerned. God forbid—we should not so go down in our economic position that it becomes necessary, because that type of shipping is not really ultimately helpful to our country. But it remains there; the policy resolution had remained there. I merely said that I saw a keen sense in the House. There were some Members who wanted 100 per cent. with the Government and no foreign participation at all. There were others who wanted even more, 49 per cent. or 33½ or 25, and many speeches were made where 40—60 was desired. Ultimately this thing came out, namely, that if that power was left with the Government that in certain cases, if they wanted, they can either raise or lower it, such a power should be given.

I made a declaration in my speech yesterday that we are not enamoured of such a power being given to Government. I can quite understand that in sheer democratic way of thinking such a power is really too much to be vested in the Government. But looking to the special necessities of this case, I merely said that while Government does not want those powers, if the House is prepared to invest Government with those powers in special circumstances which have been mentioned....

Shri Nath Pal: How can we impose such a power when a power is not there? How is it that we can say that?

Shri S. K. Patil: I even said that so far as I am concerned my opinion is that if there is any chance of giving those powers, one could perhaps use that power to lower the rate of 'foreign' percentage. Therefore, those powers are permissible. It is absolutely in the hands of the House.

Mr. Deputy-Speaker: There are no amendments to clauses 17 to 20. The question is:

"That clauses 17 to 20 stand part of the Bill".

The motion was adopted.

Clauses 17 to 20 were added to the Bill.

Mr. Deputy-Speaker: We shall now dispose of clause 21. I shall put Shri Raghunath Singh's amendment No. 262. The question is:

Page 36, after line 14, insert the following:

"Provided that the Central Government may, by notification in the Official Gazette, alter such minimum percentage, and where the minimum percentage is so altered, the altered percentage shall, as from the date of the notification, be deemed to be substituted for the percentage specified in this clause."

Those in favour will please say 'Aye'.

Several Hon. Members: Aye.

Mr. Deputy-Speaker: Those against will please say 'No'.

Some Hon. Members: No.

Mr. Deputy-Speaker: I think the 'Ayes' have it.

Some Hon. Members: The Noes have it.

Mr. Deputy-Speaker: Let it be held over. We shall now proceed with the disposal of the other clauses.

Shri Nath Pal: Sir, you must give us a few minutes to speak on clause 150.

Mr. Deputy-Speaker: I shall come to that.

Shri Tangamani: Amendment No. 22 to clause 101, by Shri Aurobindo Ghosal may be put separately.

Mr. Deputy-Speaker: All right. So, I am putting all the other amendments, excepting amendment No. 22 to clause 101 and amendment No. 262 to clause 21, to the clauses that have been moved.

The amendments Nos. 88, 40, 41, 87, 48 to 50, 74 to 82, 176, 178, 179, 257, 154 to 156, 42, 91, 92, 197, 198, 173, 20, 21, 23, 24, 131, 261, 157 to 162, 138 to 142, and 59 were put and negatived.

Mr. Deputy-Speaker: The question is:

"That clauses 22 to 100 and 102 to 149 stand part of the Bill".

The motion was adopted.

Clauses 22 to 100 and 102 to 149 were added to the Bill.

Mr. Deputy-Speaker: Now, I come to amendment No. 262. The question is:

Page 36, after line 14, insert the following:

"Provided that the Central Government may, by notification in the Official Gazette, alter such minimum percentage, and where the minimum percentage is so altered, the altered percentage shall, as from the date of the notification, be deemed to be substituted for the percentage specified in this clause."

The Lok Sabha divided: Ayes 104; Noes. 34.

श्री उमराव सिंह (घोसी) : श्रीमान्, मेरी बत्ती नहीं जली ।

श्री सुरेंद्र प्रसाद (मुजफ्फरनगर) : मेरी राय गलत इंडिकेट हुई है ।

Mr. Deputy-Speaker: The 'Ayes' have 102. With two more added, it would make 104.

Division No. 5]

[15-09 hrs.

AYES

Achar, Shri
Anjanappa, Shri
Arumugham, Shri S. R.
Ayyakannu, Shri
Benerji, Shri P. B.
Basappa, Shri
Bhargava, Pandit Thakur Das
Bhatkar, Shri
Bhattacharyya, Shri C. K.
Birbal Singh, Shri
Boroosh, Shri P. C.
Chanda, Shri Anil K.
Chandak, Shri
Chandra Shanker, Shri
Chavda, Shri
Choudhry, Shri C. L.
Chuni Lal, Shri
Daljit Singh, Shri
Dube, Shri Muichand
Eacharan, Shri I.
Gandhi, Shri Feroze
Ganpati Ram, Shri
Ghosh, Shri N. R.
Gohain, Shri
Gounder, Shri K. Periaswami
Harvani, Shri A. S.
Heda, Shri
Iqbal Singh, Sardar
Jhunjhunwala, Shri
Joshi, Shri A. C.
Kotoki, Shri Liladhar
Kedaria, Shri C. M.
Kekar, Dr.
Kistaiya, Shri
Krishna, Shri M. R.

Krishna Chandra, Shri
Kureel, Shri B. N.
Mafida Ahmed, Shrimati
Manaan, Shri
Mandal, Dr. Pashupati
Manjula Devi, Shrimati
Masuriya Din, Shri
Mehra, Shrimati Krishna
Mishra, Shri S. N.
Mitra, Shri R. D.
Mohammad Akbar, Shaikh
Morarka, Shri
Murmu, Shri Paika
Murti, Shri M. S.
Nair, Shri Kuttukrishnan
Naldurgker, Shri
Nanda, Shri
Nehru, Shrimati Uma
Oza, Shri
"adalu, Shri K. V.
Padam Dev, Shri
Palaniyandy, Shri
Panna Lal, Shri
Patil, Shri S. K.
Pillai, Shri Thanu
Radhamohan Singh, Shri
Raghunath Singh, Shri
Raj Bahadur, Shri
Raiiah, Shri
Ram Krishan, Shri
Ram Shanker Lal, Shri
Ramakrishnan, Shri P. R.
Ramananda Tirtha, Swami
Ranbir Singh, Ch.
Rane, Shri

Rangarao, Shri
Rao, Shri Jaganatha.
Raut, Shri Bhola
Reddy, Shri Narapa
Reddy, Shri Rami
Roy, Shri Bishwanath
Rungsoo Suias, Shri
Sadhu Ram, Shri
Sahodrabai, Shrimati
Samanainhor, Dr.
Sambandam, Shri
Sharma, Shri D. C.
Shobha Ram, Shri
Shukla, Shri V. C.
Singh, Shri H. P.
Singh, Shri M. N.
Sinha, Shri B. P.
Sinha, Shri Gajendra Prasad
Sinha, Shri Satyendra Narayan
Sinhasan Singh, Shri
Snatak, Shri Nurdeo
Sumat Prasad, Shri
Tahir, Shri Mohammed
Tariq, Shri A. M.
Tewari, Shri Dwarikanath
Tiwari, Shri R. S.
Umrao Singh, Shri
Upadhyay, Pandit Munishwer Dutt
Upadhyaya, Shri Shiva Datt
Vedakumari, Kumari M.
Vyasa, Shri R. C.
Vyasa, Shri Radhelal
Wadiwa, Shri
Wazir, Shri Balakrishna

NOES

Banerjee, Shri S. M.
Bharucha, Shri Naushir
Chaver, Shri D. R.
Dasgupta, Shri B.
Dasaratha Deb, Shri
Dige, Shri
Ghosal, Shri
Ghose, Shri Bimal
Godse, Shri S. C.
Halder, Shri
Jadhav, Shri
Kar, Shri Prabhat

Katti, Shri D. A.
Kodiyan, Shri
Kunhan, Shri
Manay, Shri
Matin, Qazi
Menon, Shri Narayanankurty
Mukerjee, Shri H. N.
Nuth Pai, Shri
Nayar, Shri V. P.
Palchoudhuri, Shrimati Ina
Panigrahi, Shri

Parulekar, Shri
Patil, Shri Balasabeb
Ramam, Shri
Rao, Shri T. B. Vittal
Salunke, Shri Balasabeb
Sampath, Shri R. V. K.
Singh, Shri L. Achaw
Sugandhi, Shri
Tangamani, Shri
Valvi, Shri
Wazir, Shri

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 21 as amended stand part of the Bill"

The motion was adopted.

Clause 21, as amended, was added to the Bill.

Mr. Deputy-Speaker: Now amendment No. 22 to clause 101. The question is:

Page 64, line 26, add at the end—

"along with the weekly working hours".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 101 stand part of the Bill".

The motion was adopted.

Clause 101 was added to the Bill.

Clause 150.— (Power to refer disputes between seamen and their employers to tribunals)

Shri Tangamani: I beg to move: Page 86,—

omit lines 23 to 29

(93)

Shri Naushir Bharucha: I beg to move:

Page 86,—

after line 29, add—

"Provided further that when the Government rejects such award or modifies it, it shall cause a copy of the original award and the modification thereof with a statement of reasons for such rejection or modifications to be placed before each House of Parliament."

(94)

Page 86,—

after line 29, insert—

"(4A) An appeal shall lie from an award of the Tribunal, and in the event of such award being rejected or modified by the Government, from such rejection or modification, to the High Court, within thirty days of the date of publication of the award or publication of rejection or modification by the Government.

The High Court may, after hearing parties to the appeal and the Government, if necessary, make such order as it thinks fit, and the decision of the High Court shall thereupon become enforceable."

(95)

Shri Raj Bahadur: I beg to move: Page 86,—

after line 16, insert—

"(2A) No party to a dispute shall be entitled to be represented by a legal practitioner in any proceeding before the tribunal except with the consent of the other party or parties to the proceeding and with the leave of the tribunal."

(185)

Page 86,—

after line 34, insert—

"(5A) Save as otherwise provided in the award, an award shall remain in operation for a period of one year from the date on which it becomes enforceable and shall thereafter continue to remain in operation until a period of two months has elapsed from the date on which notice is given by any party bound by the award to the other party or parties intimating its intention to terminate the award."

(186)

Shri Nath Pal: I beg to move: Page 85, line 38,—

omit "or is apprehended".

(163)

Page 86, line 1,—

after "employment" insert—

"or non-employment or the terms of employment".

(164)

Page 86, line 21,—

after "published" insert—

"in the appropriate State Government Gazette".

(165)

Page 86, lines 21 and 22—

omit "on the expiry of thirty days."

(166)

[Shri Nath Pal]

Page 86,—

omit lines 23 to 29

(167)

Page 86,—

after line 34, insert—

“(5A) the award shall remain in operation for a period of one year from the date of its publication in the State Government Gazette and it shall continue to remain in operation and binding on the parties until a period of two months has elapsed from the date on which notice is given by any party bound by the award to the other party or parties terminating the award.”

(168)

Page 86,—

after line 40, add—

“(8) No party to a dispute shall be entitled to be represented by a legal practitioner in any proceedings before the Tribunal except with the consent of the parties to the dispute and with the leave of the Tribunal.”

(169)

Mr. Deputy-Speaker: My difficulty is that I have to finish the whole Bill at 3.15.

Shri H. N. Mukerjee: Is the guillotine to be applicable to the third reading, Sir? I had an impression that this Bill, being the first of its character since independence, would be given a fair reading in the Lok Sabha. In the other House, they had so much time..

Mr. Deputy-Speaker: My hon. friend would like to go to the other House for this purpose?

Shri Nath Pal: I beg to submit that clause 150 is very important and we should have at least a few minutes to move our amendments.

Mr. Deputy-Speaker: What idea has the hon. Member about ‘few minutes’?

Shri Nath Pal: 10 minutes.

Mr. Deputy-Speaker: All right; I give 10 minutes.

Shri H. N. Mukerjee: We can have the third reading and then Mr. Nanda can hold the fort for the rest of the day.

Mr. Deputy-Speaker: My difficulty is that the Speaker has declared that the guillotine should be applied at 3.15. Nobody objected to that then.

Shri Naushir Bharucha: May I point out that this is a very important clause....

Mr. Deputy-Speaker: If the hon. Member did not object to that when the Speaker announced it in the House, what can I do?

Shri Naushir Bharucha: The House can revise its opinion at any time.

Shri Bimal Ghose (Barrackpore): Did the Speaker mention that the third reading also should be finished by 3.15

Mr. Deputy-Speaker: He said all.

Shri Nath Pal: I have moved amendments 163 to 169....

Mr. Deputy-Speaker: He can only take a share out of the 10 minutes.

Shri Nath Pal: I will take the minimum required. My amendment No. 163 reads:

Page 85, line 38,

omit “or is apprehended”.

If this clause is allowed to be put on the statute-book without this amendment, it will be a monstrosity and it will be nullifying such of the good labour legislation as we have in this country. I have no time to labour on my points; I shall straightaway come to the amendments I have moved. I hope he will give more consideration to it than he has given on the previous occasion when he dealt with our

amendments. The word used is "apprehended". This is notional trouble and this gives extraordinary powers to the executive. Even if any trouble is apprehended, the powers will be vested in the Government. We have tried to fight this for a long time. I plead that only when there is actual dispute or trouble, the Government should come into the scene and not otherwise.

I come to my next amendment, seeking to insert the words "or non-employment or the terms of employment" after "employment". This was incorporated after the Supreme Court had decided that this was necessary in the case Western India Automobile. This particular provision, which I am moving as an amendment, has been taken from a judgment of the Supreme Court, which subsequently was incorporated in the Indian Industrial Disputes Act, section 2(k).

I do not think you can have any objection to my amendment No. 165, which says after "published"—published in what? "In the appropriate State Government Gazette". That is what the amendment seeks to add, in order to make the employees know about it. I do not have to say anything more about it.

Amendment No. 166 seeks to omit the words "on the expiry of thirty days". There is no right of appeal and so, why are you providing for these 30 days? This is superfluous and can be dropped.

Now I come to a very important thing, amendment No. 167. I suggest that lines 23 to 29 be totally dropped. The Government has, under the Industrial Disputes Act, section 70, power to modify the award given even by a judicial or quasi-judicial body only in the case of Government employees. It is an extraordinary thing to first refer the dispute to a judicial body and then to reserve the power to qualify, modify or amend it. It nullifies the whole procedure. We propose that Government try to dispense with

this power and see that the sanctity of the award is maintained.

Having said this much, I come to amendment No. 168. I do not read it since I do not have the time. But the amendment has been given after we looked into the decision given by the Supreme Court in the case Burn and Company, *Res judicata*, 289, and this is what the Supreme Court had to say on this point. This is a very important point and I hope he will agree to look into this. This is the provision further in the Indian Industrial Disputes Act section 19(b).

I come to amendment No. 169 which says,

"(8) No party to a dispute shall be entitled to be represented by a legal practitioner in any proceedings before the Tribunal except with the consent of the parties to the dispute and with the leave of the Tribunal."

The industrial tribunal is not an ordinary court. We do not require the ordinary lawyers. I know some lawyers are likely to be offended by it. I see the angry look which my hon. friend, Shri Bharucha, who normally supports me in a good cause, is casting in my direction.

Shri Naushir Bharucha: This is not a good cause.

Shri Nath Pal: This is a court of social justice, where no legal niceties are required, but only the knowledge of legal justice that we are trying to usher in. A very pernicious point in having lawyers appointed is that very often labour is saddled with the heavy cost. I am a lawyer too, but we should look to the interest of the employees and dispense with it.

I come to amendment No. 170 to clause 151 which says:

Page 87, line 2, before "no" insert—

"in respect of any matter connected with the dispute".

[Shri Nath Pai]

This concession is given to both the sides in the Indian Industrial Disputes Act in sections 23 and 24. This is a very important thing. It reads like this:

"(a) no seamen or class of seamen or union of seamen shall go or remain on strike...."

If the words "in respect of any matter connected with the dispute" are not incorporated before the word "no", they are not putting the employer and the employee on the same level. The employer is bound only in respect of any matter connected with the dispute, as line 12 suggests. But in the case of employees, this inequity is being brought in that he shall not agitate. Certainly he shall agitate with regard to every matter excepting the matter in dispute. This has been accepted in our law, but here they are trying to take that right which has been given in section 36(4) of the Industrial Disputes Act. There both the parties have been placed, so far as disputes are concerned, on a par. I plead with the hon. Minister that this very very important right given to the workers both by the Supreme Court and the Industrial Disputes Act should not be so lightly taken away.

Shri Naushir Bharucha: This is a new principle which has been incorporated in clause 150, whereby it is intended to give the Government power to modify the tribunal's award. My submission is that whenever any variation takes place, the Government must place a copy of the modification on the Table of each House of Parliament and the Parliament must have an opportunity to discuss that.

In my amendment No. 95, I go a step further. I have suggested that,

"An appeal shall lie from an award of the Tribunal, and in the event of such award being rejected or modified by the Government, from such rejection or modification to the High Court, within thirty

days of the date of publication of the award or publication of rejection or modification by the Government."

I can understand the Government saying that the Tribunal may have given an award without taking into consideration the far-flung repercussions of its impact on other industries or other interests. But if the Government makes a modification, what is the objection, if the High Court considers that the Government is justified or not in making such modification. Therefore my amendment provides the facility to the Government to convince the High court, if necessary, that such modifications or rejection was justified. Unless that is done, I should think that the Tribunal under the Merchant Shipping Act will be a farce.

Shri Tangamani: I want only two minutes. This is a very vital provision. My amendment No. 92 seeks to delete the proviso. I would like the hon. Minister to refer to the Industrial Disputes Act from where this particular provision has been taken. When the Labour Appellate Tribunal came under the Industrial Disputes Act there was such a provision and we know what happened. The Central Government intervened in the Bank Appellate Tribunal Award and as a result of that there was a strike, and a special commission had to be set up. The Industrial Disputes Act does not give this power to the Central Government or the State Government to interfere in this award and modify it. So, when they are copying it from the Industrial Disputes Act, at least let them be faithful to the Act and try to bring in the spirit of the Act instead of trying to bring a portion of it and create further disturbance. I will press my amendment, which only seeks to delete this proviso.

Shri Raj Bahadur: I would like the hon. Members to bear two fundamental points in mind while proposing these amendments to this clause. Firstly, in this particular industry we

have got a body with its own stature and utility, namely the National Maritime Board. We have to refer all disputes arising between the ship-owners and the seamen to the National Maritime Board. I do not know whether there is any parallel to this institution in any other industry. The second fundamental point is that we have not only our own Indian ship-owners but we have ship-owners of foreign countries as well, who are not bound by our laws. They are not bound to recruit seamen from India. Out of the 60,000 and odd seamen that we have got, only 5,000 are employed by our ships. Rest of the 55,000 are employed in foreign ships. So we have got this precious possession or precious advantage which we should not miss, lose or lightly tamper with. Therefore, all these amendments, whatever they are, have got to be considered against this background.

I will first come to amendment No. 164 by Shri Nath Pai. By his amendment he seeks to insert the words "or non-employment or the terms of employment" after the word "employment". Of all people he knows very well that seaman's job is not a continuous one. Sometimes he is employed and sometimes he is in lay off; sometimes he is signed on and sometimes he is not signed on or is signed-off. So, that is a peculiar type of job. So the question of non-employment or unemployment will not arise and will not fit in with the scheme of the clause.

Then in amendment No. 165 he says that it should be published "in the appropriate State Government Gazette". We are already putting it in the Central Government Gazette. Ports, seamen and shipping form part of the Government of India business. Therefore, it is published in the Central Government Gazette, and there should be no difficulty about that.

Then, about the enforcement of the award, he wants that the thirty days should be eliminated. I think that is

hardly possible, because some time is required for adjustment and we have got to deal with so many things. Here I would also like to refer to one thing, namely, the parallel that has been drawn between the Industrial Disputes Act and this particular provision. As I said yesterday, the provisions that we have here differ in three respects, even after they have emerged from the Joint Committee, and they are as follows. Under the Industrial Disputes Act there is a ban on the appearance of advocates. Secondly, in the Industrial Disputes Act it was provided that the award shall be in force for a minimum period of twelve months in the first instance and thereafter indefinitely until two months, if it is so desired by one of the parties. Shri Nath Pai has moved his amendment about this clause. There are already Government amendments Nos. 185 and 186 and both these things are provided for. We are incorporating this particular provision so that the difference between the Industrial Disputes Act and this Act is narrowed and minimized.

With regard to the amendment by Shri Bharucha I would only say that there is the National Maritime Board to which all disputes are referred, and it will try to settle all those disputes. Then, if the National Maritime Board fails, there is the machinery of the Director-General of Shipping which also works for conciliation of such disputes as are not settled at the National Maritime Board level. So, all such disputes are settled through the medium or through the agency of the good offices of the Director General of Shipping. So, I do not think it is admissible or practicable for us to allow a further opportunity for reference to the High Court, in case Government choose to modify or reject a particular award.

The essential point to be borne in mind is that in this matter foreign employers are also concerned. Here I may say that occasionally we are confronted with situations where the

[Shri Raj Bahadur]

foreign ship-owners are threatening to go to other countries for recruitment. We should not, at any time, jeopardise the chances of recruitment of our seamen. Unemployment of seamen will be a much more serious calamity than not allowing the Government to be divested of its power in regard to a particular matter.

Shri Narayanankutty Menon: On a point of order. The hon. Speaker has two or three times given the direction that none of the hon. Members should approach the Speaker when he is in the Chair. May I know whether that direction applies only to the hon. Members on this side of the House or that side too?

Mr. Deputy-Speaker: To every side it applies, but not to the Minister of Parliamentary Affairs.

Shri Raj Bahadur: I hope I have set at rest all the doubts raised by the hon. Members and I would earnestly request hon. Members to withdraw the amendments.

Amendments made:

Page 86,—

after line 16, insert—

“(2A) No party to a dispute shall be entitled to be represented by a legal practitioner in any proceeding before the tribunal except with the consent of the other party or parties to the proceeding and with the leave of the tribunal.”

Page 86,—

after line 34, insert—

“(5A) Save as otherwise provided in the award, an award shall remain in operation for a period of one year from the date on which it becomes enforceable and shall thereafter continue to remain in operation until a period of two months has elapsed from the date on which notice is given by any party bound by the award to the

other party or parties intimating its intention to terminate the award.”

[Shri Raj Bahadur]

Shri Tangamani: Amendment Nos. 93 and 187 are the same. They may be put to vote separately.

Mr. Deputy-Speaker: The question is:

Page 86,—

omit lines 23 to 29.

(93)

The motion was negatived.

Shri Tangamani: Now amendment No. 167 may be put to the vote.

Mr. Deputy-Speaker: That is the same as amendment No. 93. So that is barred. Now I will put all other amendments to the vote.

The amendments No 94, 95, 163, 164, 165, 166, 168 and 169 were put and negatived.

Mr. Deputy-Speaker: The question is:

“That clause 150, as amended, stand part of the Bill”.

The motion was adopted.

Clause 150, as amended, was added to the Bill.

Mr. Deputy-Speaker: The question is:

“That clauses 151 to 217 stand part of the Bill.”

The motion was adopted.

Clause 151 to 217 were added to the Bill.

Clause 218.—(Functions of National Welfare Board for Seafarers)

Page 112, line 14,—

add at the end—

"and the manner in which the proceeds of such fees, after deduction of the cost of collection, shall be utilised for the purpose specified in clause (d)."

(187)

[Shri Raj Bahadur]

Mr. Deputy-Speaker: The question is:

"That clause 218, as amended, stand part of the Bill"

The motion was adopted.

Clause 218, as amended, was added to the Bill.

Mr. Deputy-Speaker: The question is:

"That clauses 219 to 322 stand part of the Bill."

The motion was adopted.

Clauses 219 to 322 were added to the Bill

Clause 323.—(Inspection and control of Load Line Convention ships other than Indian ships)

Amendment made

Page 159, line 1,—

for "clauses (a) and (b)" substitute "clauses (c) and (d)"

(206)

[Shri Raj Bahadur]

Mr. Deputy-Speaker: The question is:

"That clause 323, as amended, stand part of the Bill."

The motion was adopted.

Clause 323, as amended, was added to the Bill.

Mr. Deputy-Speaker: The question is:

"That clauses 324 to 426 stand part of the Bill."

The motion was adopted.

Clauses 324 to 426 were added to the Bill.

Clause 427.—(Mortgages of sailing vessels)

Amendment made:

Page 198—

for clause 427, substitute—

"427. Mortgage of sailing vessels.—

(1) Every mortgage of a sailing vessel or of any interest therein effected after the date on which this part comes into force shall be registered with the registrar.

(2) Every mortgage of a sailing vessel or any interest therein effected before the date on which this part comes into force shall, if subsisting on that date, be registered with the registrar within three months of that date.

(3) The registrar shall enter every such mortgage in the sailing vessels register in the order in which it is registered with him.

(4) If there are more mortgages than one recorded in respect of the same sailing vessel or interest therein, the mortgages shall, notwithstanding, any express, implied or constructive notice, have priority according to the date on which each mortgage is registered with the registrar and not according to the date of each mortgage itself:

Provided that nothing contained in this sub-section shall affect the relative priorities as they existed immediately before the date on which this part comes into force as between mortgages of the same vessel or interest therein affected before such date which are registered in accordance with the provisions of sub-section (2)."

(188)

[Shri Raj Bahadur]

Mr. Deputy-Speaker: The question is:

"That clause 427, as amended, stand part of the Bill."

The motion was adopted.

Clause 427, as amended, was added to the Bill.

Mr. Deputy-Speaker: The question is:

"That clauses 428 to 453 stand part of the Bill."

The motion was adopted.

Clauses 428 to 453 were added to the Bill.

Clause 454.—(Powers of persons authorised to investigate, etc.)

Amendment made:

Page 224, line 35,—

for "any" substitute "and" (207)

[Shri Raj Bahadur]

Mr. Deputy-Speaker: The question is:

"That clause 454, as amended, stand part of the Bill."

The motion was adopted.

Clause 454, as amended, was added to the Bill.

Mr. Deputy-Speaker: The question is:

"That clauses 455 to 457 stand part of the Bill."

The motion was adopted.

Clauses 455 to 457 were added to the Bill.

Shri Narayanankutty Menon: May I submit that it is such an important Bill and all these important provisions are being carried with such a speed that some time is allowed.

Mr. Deputy-Speaker: I have rather over-stepped the time limit that was fixed with the approval of the House by the hon. Speaker. I have, therefore, no authority to go beyond that.

Shri V. P. Nayar: We stand for complete co-operation.

Mr. Deputy-Speaker: I admire and appreciate that.

Shri V. P. Nayar: We never indulge.

Mr. Deputy-Speaker: Nobody is insinuating him.

Clause 458.—(Provisions with respect to rules and regulations)

Amendment made:

Page 266—

(i) line 4, for "one year" substitute "two years"; and

(ii) line 5, for "three thousand rupees" substitute

"ten thousand rupees."

(208)

[Shri Raj Bahadur]

Mr. Deputy-Speaker: The question is:

"That clause 458, as amended stand part of the Bill."

The motion was adopted.

Clause 458, as amended, was added to the Bill.

Mr. Deputy-Speaker: The question is:

"That clauses 459 to 461 stand part of the Bill."

The motion was adopted.

Clauses 459 to 461 were added to the Bill.

The Schedule

Amendment made:

Page 228, under the column "Extent of repeal,—

for lines 6 to 10, substitute—

"In so far as it applies to sea-going ships fitted with mechanical means of propulsion and to sailing vessels."

(189)

[Shri Raj Bahadur]

Mr. Deputy-Speaker: The question is:

"That the Schedule, as amended, stand part of the Bill."

The motion was adopted.

The Schedule, as amended, was added to the Bill.

Mr. Deputy-Speaker: The question is:

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

The motion was adopted.

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

Shri S. K. Patil: Sir, I move that the Bill, as amended, be passed.

Mr. Deputy-Speaker: Motion moved:

"That the Bill, as amended, be passed."

Is it the wish of the House that half an hour more be given?

Several hon. Member: Yes, Sir.

Mr. Deputy-Speaker: Even then only one or two speakers can be accommodated.

Shri V. P. Nayar: We may even sit till late.

Mr. Deputy-Speaker: We have already transgressed that limit by fifteen minutes. By 15:15 hours we ought to have passed the Bill.

Shri Naushir Bharucha: We have guillotined 300 clauses of the Bill.

Shri H. N. Mukerjee: Sir, it is not because I love the sound of my own voice that I wish to have a third reading of this Bill. I have spoken too often, but I feel that this Bill is of such importance that at least a decorative conclusion to the debate

ought to be the task of the hon. Members of this House. We have had our differences with Government in regard to the formulations it has made in this Bill and we are rather unhappy that on one occasion we had to ask for a division in order to register our differences. But on the whole it is a proud occasion, it is the first time since Independence that we are putting on our statute-book our first national law on merchant shipping.

There has been a keen debate, particularly in regard to the infiltration of foreign capital and it is in regard to that that I have certain misgivings. As it is known very widely and I do not need to repeat it our attitude towards foreign capital is that we should not have it in our country at all, if we can help it, and we had a feeling, particularly in view of the Shipping Resolution of 1947, that it was about time that we did away altogether with foreign capital. But in the Joint Committee, where I had the privilege of being a member, the discussion proceeded in a very co-operative atmosphere and a kind of compromise was accepted. Government came forward virtually to reiterate the 1947 Resolution and therefore the majority of the Joint Committee agreed to the proportion of 25:75 as far as foreign capital was concerned.

In this connection I should say that I have to refer with great regret to a kind of lobbying which has gone on in Parliament and round about on the part, no doubt, of certain interests which we do not wish to see in this Parliament and its precincts too often. I do not say that we do not want to be educated, and very important people came representing the industry and the seamen and gave evidence before the Joint Committee—we had talks with them and all that—but what I have disliked is the persistent kind of buttonholding of hon. Members, which has gone on, for a number of weeks in order to bring about a certain change in the mental climate which was expressed in the report of the Joint Committee.

[Shri H. N. Mukerjee]

Now, I am unhappy that my hon. friend, Shri Patil, for whom I have great respect—we are very different, but I know with him where we stand and I know at the same time that if he says a thing he means it—when he tells me that he considers the 25 per cent. proportion of foreign capital to be a “notional” matter, I take him at his word. But at the same time when he accepted Shri Raghunath Singh’s amendment, I felt that he was not giving proper form to the entire proceedings. I have a fear that when he goes to the other House, maybe by that time as a result of deliberations he would realise that it is nearly—I should not say contempt—ignoring the wishes of this House. (*Interruption*).

Shri Raghunath Singh: No, certainly not. (*Interruption*).

Shri H. N. Mukerjee: Government can without reference to this House, by virtue only of a notification, change the proportion of foreign capital which is incorporated in the statute. This is a point on which I feel rather strongly and I do wish that the hon. Minister gives more thought to it. There is still time and maybe he will come back to us again after he has been to the other House.

I am happy that the hon. Minister of Shipping has referred to the condition of Indian seaman. Though I know very well that he has not accepted certain amendments, which were put forward from this side of the House, in regard to the applicability of the Industrial Disputes Act and its principles to seamen, I am very sorry that it has not been found possible by Government to accept the idea that in regard to the hours of work of Indian seamen there should be a certain limitation put by the statute. I say this because our seamen go from country to country and they must have facilities so that they can really represent India, if not at its best at least not at its worst. I know that sometimes in foreign countries Indian

seamen, who are among the cheapest and the best in the world, have to go about in such conditions, in such clothing and because of poverty, because of conditions of labour, because of almost brutalising conditions of labour on board ship that they develop certain traits which are by no means satisfactory and which give a very bad impression of Indian life and character abroad. These Indian seamen are the salt of the earth. I know how very well they can work, how expert they are at their jobs, how valuable they are, but at the same time because of brutalising conditions of work sometimes they give a very bad impression abroad. Now that we have a Government of our own, it is very important that seamen are provided with facilities and minimum facilities certainly include a provision of limitation in regard to hours of work and their rights as specified in the Industrial Disputes Act.

I shall finish now. We are all in a hurry. I should only say this that we have still a long way to travel before we reach our targets which are very modest indeed. The 2 million ton target was set up a long time ago. We are nowhere near it. We can only perhaps achieve 900,000 tons by the end of the Second Five Year Plan. But, we have wonderful traditions of seamanship in our country. It was from the port of Tamralipti that Fa-Hien went home in the fifth century A.D. It was from the ports of Eastern India, of the south, and the west that Indians have gone abroad not merely for purposes of business, but for cultural conquest, for the addition of different areas of the world abutting on the Indian ocean to the kind of culture which India represented. To the beginning of the 19th century, ship-building was a flourishing industry in our country and that was strangled by the British imperialists. Therefore, with such traditions of seamanship and ship-building, surely we can build a future

at least as well, at least commensurate with the past. Therefore, I feel that this is an occasion when the Lok Sabha should feel rather happy. I am only sorry that there are certain lacunae in the Bill, certain serious defects which we have tried to point out but the Government have not been able to accept.

Shri Nath Pal: Sir, I should like, in the few minutes which you have been kind enough to give me, to call the attention of the hon. Minister Shri S. K. Patil that he comes from a little town on the coast. There is an old fort that stands there as a standing monument of the glory of a sea power that India was. I say, Sindu Durg; the fort built by Shivaji is there. That is a monument of what India can achieve so far as maritime power is concerned, and the ships built by this country. Compare that and see how poor, how un-imaginary and how legalistic is the approach to the whole Bill. Of the ships that we built, there is the glorious history of the Tweed which, when it came to the port of London, struck terror and jealousy in the hearts of the great ship-builders of London. In the reign of Akbar, the Ain-e-Akbari says that 40,000 vessels were carrying on the trade of this country. Marco Polo pays a tribute to the way Indians were carrying on these great industries. Finally there is Gabriel Snodgrass's note to the East India Company which says, if Britain wants to have its own navy, it has a lot to learn from India. He knows something of it. But, it was a pity that when at last this Parliament got an opportunity of laying down the foundations of building a mighty merchant navy, that opportunity was lost. My regret is that this Bill is totally devoid of any vision or idealism. It has a legalistic approach. It goes on codifying such things that we have had so far as merchant shipping was concerned. It has no vision before it.

I would like to point out to him a thing which he knows, which perhaps some of the Members of the

House do not know. A man coming from the coast knows and knowing something of that glory, I thought that would inspire the new Bill before us. The Americans when they came to it, this is how they draft the Bill and this is how they lay the foundations of the merchant navy. Yesterday he played much with the word when we called it as the second line of defence. We were not concerned whether a ship was fitted with some turrets or something else. It is something far more important. The merchant navy is vitally linked with the defence of the country. We have not one alley or two; we have got three oceans to look after. There is the Arabian Sea, there is the Indian Ocean and there is the Bay of Bengal. If we look at the pathetic figure of our shipping, what is the total? One hundred and thirty-seven ships and the total at the end of the second year of the Second Five Year Plan was 611,000 tons. My hon. friend Shri Raghunath Singh is fretting in his seat because he knows this is his figure. There is no quarrel between your ideal of building a mighty Indian merchant navy and ours. The only thing is, what has this Government done to lay the foundation of this? Here was an opportunity to codify the law as it existed in such a manner that it gives us an opportunity of creating a navy which such a long coast and three oceans demand. We have lost it. This Bill neither looks to the future, nor does it take pride from the past. That is the regret that I feel with regard to this Bill.

I should like to harp on one point which was perhaps most ably dealt with by my friend and senior colleague Shri Goray. They have said, why are we so much worried. It is not a question of worry. There is a proverb which I need not quote, which he knows very well. We lost virtue; we did not get anything. He says, by this 25 per cent. offer also, not much of foreign capital will be coming. If that is so, why are you losing virtue? Why not retain 100 per cent? Our first plea is, let all

[Shri Nath Pai]

new enterprises be State enterprises. If you cannot do it, we do not want Indian capital to be beaten by foreign capital. I stand for State enterprise. If you are not powerful enough, if you have not enough vision, if you are not courageous enough, do not invite foreign capitals.

Then, there is this question of 25 per cent. not being a danger. I should like to quote some authority because they get into the habit of answering everything that everything that we say is only emotional. In the East India Company, out of the total shares of 1865, 350 were controlled by an interest called the Shipping interest. With less than 25 per cent., they could dominate the East India Company. Twenty-five per cent., if it is in a block, can be a menace. Therefore, we were opposed to it. Now comes the danger in a very sinister form. I have not the slightest doubt about the *bona fides* of the Minister. He was himself sincere when he said that it will not be abused. Then, why is this loophole opened? It is a dangerous thing. At least I should like to say that all his assurances will not lay my fears at rest. He has assured us—I am not supposed to quote what transpired in the Joint Committee—that it was as a result of mature deliberation on the part of the Cabinet that this 25:75 was allowed. What has happened during this fortnight that compels you to change and accept an amendment in which Government get additional powers to change this ratio. We are very sorry that this has been done.

Finally, I want to say one thing before I conclude. It is regarding the poor deal that seamen will be getting. I quite understand the anxiety of the Minister that if we make the responsibility and burden on capital very onerous, they may look for labour somewhere else. He has said

it that he does not want additional unemployment in India, if we make all these provisions which I want and which he wants. How long are we going to put up with this trick that Indian labour will be unemployed and so it can be sold at the cheapest? They come here not because they discover any virtue in Indian labour. They have been the cheapest and the easiest to exploit. That is why they come and employ. We must find ways of putting an end to it.

Regarding the last thing, it is not my anxiety. A great Indian com-patriot of ours, a great labour leader, one who belonged to your party, resigned for a principle about which I am pleading with you. It was on this principle of modification of awards that Shri Giri resigned. I plead with you that it was not too late for you to accept this. It would not have been a concession to any opposition. It would have been an upholding perhaps of those principles which you and some of us here had jointly built up.

Shri S. K. Patil: I am very glad at the response that the House has given. I can quite understand the anxiety of my hon. friends that foreign capital should not come either by the front door or the back door. I thought when I explained the Government's position to this House, I also cleared some misunderstanding. After all, it is not the percentage that will ultimately determine what type of shipping policy we shall have in this country. I told the House that where the percentages are much higher, even in places where the percentage is 51:49,—I am talking of maritime countries like Italy, like the U.S.A., like the U.K.—there are percentages of even 66 and 33—not a dollar, not a pound, not a rupee—of course when I come to India, it will be the rupee—has been introduced into national

shipping. Therefore I cannot understand this, as if the law is one thing, the first thing and the last thing that would determine as to what our patriotism should be and what our national policy in Indian shipping should be. I do not accept that position. Here, even if the percentage was kept as 51:49, yet, if I had anything to do with Indian shipping if I were in charge of the portfolio of shipping, I would not accept one rupee of foreign capital, if I can do without it. Therefore, it is not a question that we are enamoured of foreign capital. I even went to the extent of saying that so far as this business is concerned, our difficulty today is a temporary phase. Do you mean to say, is there any Member who would say that we are perennially going to be in difficulty of foreign exchange, and therefore we must look to the other countries in order to help our national shipping? This is a temporary difficulty. It will be got over. I am ashamed to call this 900,000 tons as a target after five or ten years. Poor as the country is, there is a determination of the country that we shall have our merchant shipping of the standard and quality and even quantity which will do credit to our country. Therefore, I went on saying that this 25 per cent. is a notional, is a nominal thing.

Then you ask me how is it that I accept this amendment. He can understand if he puts himself in my shoes and consider this. We did not want this power at all, but the 1947 policy resolution has also got a proviso which my hon. friend Shri Raghunath Singh has introduced. Therefore, if the 25 per cent. is notional even that amendment is going to remain notional. We do not want it at all.

I can tell the House that even if we do not achieve our target, if it has to be done at the cost of inviting foreign capital in a vital industry like national shipping, I would rather remain without that shipping than

really endanger our shipping by inviting capital from outside. Therefore, let there be no misapprehension in the minds of my hon. friends that foreign capital is going to be invited by the mere acceptance of the amendment, merely because the Government is empowered or invested with this power. If the House has got confidence in the Government that it would be used in the right direction, it would have been very unwise on my part not to accept it. Then I come to the question of the seamen. There, my mind is very much exercised. I can assure the House that this Bill was not intended to take that aspect in its entirety into consideration. There are many flaws, many defects, and I know we cannot make them good while we are laying the foundations of our merchant marine by enacting this law. It will be possible for our National Shipping Board to consider all those things, and if after gaining experience of one or two years, a comprehensive law in which the welfare of our seamen is guaranteed could be brought before the House, I shall be a happy Minister, and the House will be entitled to consider all those things. Therefore, if I have not been able to consider half a dozen things, it does not mean I am indifferent to the welfare of the seamen.

With this assurance, once again I must express my profound gratefulness for the live and keen interest hon. Members have taken in national shipping, and I know with a good beginning we shall also see that our national shipping progresses from success to success.

Mr. Deputy-Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.