

CDCs in the category of UH -discontinuance of issue etc.

DGS Order No. 3 of 2002

No: 8(24)CR/2001

Dated: July 31, 2002

Sub: CDCs in the category of UH - discontinuance of issue etc.

Merchant Shipping (CDC) Rules, 2001 was notified vide G S R No. 440 (E) dated 19th June, 2001. Note below Rule 4(3) of the aforesaid rules stipulate that "CDC in the category of Utility Hand shall be issued only if candidate is sponsored by shipping company". However, it had been the experience of this Directorate that such offers of employment from the shipping companies, existed only on paper and quite a few of the companies refused to honour them. Also, this requirement encouraged corruption and only the unscrupulous agents of shipping companies and fly-by night operators benefited from such a stipulation.

2. Further, a Tripartite Meeting with various associations of ship owners and Unions of Seafarers, which was held in this Directorate on 24th April, 2000 had unanimously decided that the issue of CDCs in the category of Utility Hands should be limited only to sons/dependents of seamen who died or were physically incapacitated while in service. It was also requested by the representatives of Seafarers Unions to dispense with the requirement to produce an offer of employment to obtain a CDC as Utility Hand, since there were complaints of unscrupulous agents/ex-employee of shipping companies, issuing offers of employment on company letterheads, to unsuspecting seamen, for a consideration.

3. In view of the foregoing, the Director General of Shipping issued an order under Section 456 of the Merchant Shipping Act, 1958 dispensing the requirement to be sponsored by a shipping company for issuance of CDC in the category of Utility Hand, stipulated in the "Note" under Rule 4 (3) of M. S. (CDC) Rules, 2001, vide D.G. shipping Order No. 9 of 2001 dated 23.8.2001. The order also limited issue of CDCs as Utility Hands only to the sons/dependents of seamen who died or were physically incapacitated, while in service.

4. It was conveyed by the Senior Counsel for Union of India, in Writ Petition No.2506 of 2001, in the High Court of Judicature, Bombay, vide letter dated 17th June, 2002, that the "Honourable High Court has expressed an opinion that DG Shipping Order No.9 of 2001 with reference to issuance of CDCs in the category of Utility Hands only on compassionate grounds to the sons or dependants of seamen who have died or medically incapacitated, while in service, is discriminatory and violates constitutional

provisions". Subsequently, a meeting was held on 18th June, 2002 in the Directorate General of Shipping, Mumbai with the representatives of INSA, MASSA and FOSMA to ascertain the employment potential of Utility Hands on board Indian and Foreign Flag vessels and to take a comprehensive review of issuance of CDCs in this category. It was informed by the representatives of INSA that the category of Utility Hands is fast diminishing on board Indian ships and they suggested that the category of Utility Hands may be deleted from CDC Rules since guidelines on safe manning issued by the Directorate General of Shipping does not include Utility Hands. It was also categorically stated, by the representatives of MASSA and FOSMA, that their member companies do not recruit Utility Hands on board foreign flag vessels. After detailed deliberation, a general consensus was arrived that issue of CDC as Utility Hands may be stopped.

5. In the light of the foregoing circumstances, having taken into careful consideration the circumstances of the case, the Director General of Shipping and ex-officio Additional Secretary to the Government of India, is satisfied that the requirement to issue CDCs in the category of Utility Hands ought to be dispensed with. Therefore, in exercise of the powers conferred by clause (1) of Section 456 of the Merchant Shipping Act, 1958 (on the Central Government) read with notification issued by Government of India vide S.O. No. 3144 dated 17th December, 1960 delegating the said power to him, the Director General of Shipping and ex-officio Additional Secretary to the Government of India is pleased to dispense with the requirement to issue CDCs in the category of Utility Hands, provided vide clause (ii) of sub-rule 2 and clause (ii) of sub-rule 3 of Rule 4 of M.S. (CDC) Rules, 2001 and the "Note" under Rule 4(3) of the aforesaid Rules.

6. This order is issued in super-session of D.G. shipping Order No. 9 of 2001 dated 23.8.2001 and will come into effect w.e.f. 01 August 2002. Applications for CDCs in the category of Utility Hands received by the Shipping Masters on or before 31 July 2002 may be processed in accordance with the existing Rules and guidelines issued by this Directorate.

Sd/-
(D.T. Joseph)
Director General of Shipping
ex. officio Additional Secretary
Ministry of Shipping,
Government of India