

Minutes of the 13th meeting of the Inter Ministerial Committee (IMC) on Ship breaking held on 08.07.11 at Gandhinagar, Gujarat

The 13th meeting of the Inter Ministerial Committee (IMC) on ship breaking was held under Chairmanship of Shri S. Machendranathan, Additional Secretary and Financial Adviser, Ministry of Steel & Chairman, IMC on Ship Breaking at Gandhinagar, Gujarat on 08.07.11 at 1100 hrs. A list of participants is at Annexure.

2 Initiating the discussions, the Chairman, IMC expressed his deep concern on the existing status and observed that most of the decisions taken during the last IMC meeting held on 17.09.10 at Alang, Bhavnagar are yet to be implemented properly by the respective agencies/organisations. The Chairman, therefore, desired that all agencies/organisations responsible should take adequate necessary action immediately and carry out the requisite activities without any further loss of time. The following items were taken up for discussions:-

(i) **Provision of housing and sanitation facilities to workers** :The GMB brought out that a Consultant had been engaged for bringing out a detailed report on the institutional mechanism regarding provision of housing and the maintenance of houses and the report was expected in 120 days .The Chairman, IMC observed that progress made so far in the case of provision of adequate housing and sanitation facilities to the workers in Alang is far from being satisfactory. Accordingly, the Chairman, IMC proposed that without waiting for a detailed project report in this regard from the Agency appointed by the GMB, action for provision of dormitory type accommodation with adequate sanitation facilities etc, to begin with for at least 1000 workers, at a suitable location to be provided by GMB, should be taken up simultaneously. The Alang Development Authority could also be involved for effective implementation of various proposed projects. It was desired by the Chairman that representatives of the Alang Development Authority should invariably be invited for participation in the future IMC meetings. It was decided that the preliminary work relating to construction of dormitory type accommodation/sanitation facilities including preparation of estimates etc. should be completed latest by 30.10.11. The Chairman also mentioned that funds should not be constraint and if required the Ferro Scrap Committee (FSC) could provide suitable grants in respect of housing construction activities .

(Action : GMB, SRIA, FSC)

(ii) **Trust Hospital** : The IMC observed that the Red Cross unit at Alang is lacking minimum required facilities like adequate number of medical and paramedical staff, beds etc to cater to the workers presently employed in the area. The hospital has no ambulance. The Chairman, IMC observed that the Alang/Sosia area require a full-fledged hospital immediately, equipped with modern facilities like x-ray units, ultrasound/CT scan units, blood banks, operation theatre etc. The Chairman, IMC proposed in this context that the Trust which was to run the hospital at Alang, should pass a Resolution to allow the Employees State Insurance Corporation (ESIC) to set up a hospital in the building already constructed at Alang by GMB. The balance funds, if any, available with the Trust should be utilised for purchase of modern equipment for the hospital to be run by the ESIC. The Chairman also desired that both ISSAI and SRIA should take immediate steps to get workers in respective ship breaking yards enrolled under the ESI scheme and also registered under EPF so that setting up of an ESI hospital would become easier. It was also decided that efforts would be made to have the hospital functioning latest by 30.10.11. The Chairman also mentioned that if required, FSC could also be approached for suitable grants on recurring basis for running the hospital. The DG, ESIC has been requested by the Ministry of Steel to expedite action in the matters and the Ministry of Steel (MoS) would further pursue the matters with the ESIC and the Ministry of Labour. The Vice Chairman, GMB also mentioned that they are providing budgetary support of Rs. 12 lakhs a year to the Red Cross Unit and would also initiate expeditious action to equip it with an ambulance fitted with emergency medical and life support system.

(Action : GMB/ISSAI/SRIA/Ministry of Labour/MoS)

(iii) **Radiological study of works** : The Chairman, IMC observed that the actionable issues contained in the report of DGFASLI on radiological study on prevalence of asbestos and asbestos related diseases among workers of AlangSosiya ship breaking yards are still pending for implementation by GMB and SRIA. This should be completed early and necessary steps to prevent such diseases should be taken on war footing basis. The representative of DGFASLI further brought to the notice of IMC that another hazardous material i.e, glass wool may also cause diseases. The Chairman, IMC desired that the DGFASLI and DISH conduct a study on the impact of glass wool on the workers and submit a report early so that GMB, ISSAI and SRIA could take necessary action for prevention of such diseases.

(Action : DGFASLI, DISH, GMB, ISSAI, SRIA)

(iv) **Security concerns** : The representative of Coast Guard brought to the notice of IMC that various foreign made communication equipment like emergency beacons brought on board of the ships and taken to breaking yards are not properly deactivated before dismantling the ships. The Coast Guard expressed concern from security angle as there were a few incidents of false alarms emanating from such equipments. The Chairman, IMC directed the Customs representative and SRIA to take note of the concerns of the Coast Guard and ensure that all such equipments are properly deactivated. Regarding the concerns raised on false flag certification, the DG, Shipping representative suggested to all concerned to check up the database available with the website, 'equasis.org.' and to approach the DG, Shipping if details are not available therein, for exceptional reporting cases. It was also clarified by GMB that the requisite information would also be sent to MOD.

(Action : Customs/SRIA/GMB/MOD)

(v) **Safety of workers** : Analysing the status report submitted by GMB on accidents and casualties which occurred at Alang and Sosiya ship breaking yards during the period from Jan '10 to March '11, the Chairman, IMC expressed serious concern on the high rate of fatal accidents which is not acceptable. He emphasized on the need for provision of adequate safety to all workers so that accidents are prevented. Representative of DGFASLI brought to the notice about the difficulties being faced by the workers while using safety belts. It was stated that the majority of the fatalities are caused by workers falling from heights. There are some constraints in fixing safety belt on worker and anchoring it properly. In order to ensure that fatalities are minimized, feasibility of usage of safety nets was suggested. The Chairman desired that the safety measures suggested by DGFASLI should be given wide publicity and feasibility of usage of safety nets in all plots should be explored forthwith. The GMB should also ensure that permission is denied to Ship Recyclers if they do not adopt strictly the safety measures suggested. The GMB/DISH should submit an updated report in the next IMC meeting on status of prosecution proceedings launched against those ship recyclers who violated safety measures.

Director, Ministry of Environment & Forest suggested that a Standard Operating Procedure (SOP) having check lists on equipments, security, accidents, causes etc should be prepared and all ship recyclers are to follow the SOP in future. The Chairman desired that it should be implemented in a month's time.

(Action : M/o E&F/ GMB/DISH/SRIA/DGFASLI)

(vi) Phasing out of smaller plots :Regarding phasing out of smaller plots it was emphasised guidelines should be followed strictly. The Vice- Chairman, GMB explained that there is a policy regarding phasing out smaller plots and that the policy is being followed by GMB. GMB to ensure reorganisation of larger plots and phasing out of smaller plots in a time bound manner.

(Action : GMB)

(vii) Insurance Scheme for workers : As per the information provided by SRIA, all labourers working under various ship recyclers are covered under Insurance Schemes. Chairman, IMC, however, pointed out that some monitoring system is to be developed so that no eligible labour or his next of kin is left without getting adequate compensation from the Insurance Companies in the event of his death or permanent physical disability etc during work in the ship recycling yard. A list of persons who died/ were disabled and were given compensation under the Insurance Scheme etc is to be prepared by SRIA and placed before the IMC during the next meeting. The Chairman also desired that the State/District Labour Commissioner in charge of the subject should also be invited to be present in all future IMC meetings as a special invitee.

(Action : GMB/Ministry of Labour/SRIA)

(viii) Gas cylinders : In response to a query relating to disposal of gas cylinders, the representative of Customs informed that presently about 10,000 gas cylinders are lying in Bhavnagar.It was brought out that the disposal of such cylinders is running into difficulties as these contain CFCs and Ozone depleting substances. In this context the representative of GMB and Mumbai Port Trust informed that they have a list of recognised agencies who are licensed for such disposals. The GMB and MPT were requested to provide the details immediately to the Customs so that the gas cylinders could be disposed off as per the norms.

(Action : GMB/Customs/Mumbai Port Trust)

(ix) Hazardous waste disposal : The GMB has already prepared a detailed project report for treatment of oil wastage disposals from ships to be dismantled, so that water pollution problems are mitigated. Since the existing land-fill can be used only for a few more months, it has been decided to provide two more land-fills, one for hazardous waste and another for municipal

waste, by December, 2012. An incineration plant will also be set up to dispose of some of the waste material.

(Action : GMB/GPCB)

(x) Miscellaneous issues :

- (a) On the queries raised by MOD on security matters relating to foreign ships arriving for recycling, it was decided that MOD's/Coast Guard's representative would also be allowed for inspection of each ship, if they so desire, along with other Members of the Team at the requisite stage. It was also decided that life boats discarded from the recycled ships would be properly sanitized and undesirable identification marks would be removed by the recyclers before being sold.

(Action :Customs/SRIA/ GMB/MOD/Coast Guard)

- (b) The Chairman, IMC also met representatives of Alang Sosiya Ship Recycling & General Workers' Association. The Association members placed the following issues before the Chairman:

- (i) Number of water taps are very limited in labour colonies.
- (ii) There are no street lights in the colonies.
- (iii) Non availability of Ambulance for any emergency use.
- (iv) Payment of wages is to be made through cheque.
- (v) Safety officers are not available for many of the plots.
- (vi) Safety officers even if appointed are not given the charge of safety.
- (vii) Safety training has not been imparted for the last few months in the Safety Institute.
- (viii) PPE is not available or not adequate.
- (ix) A place for the Union office may be provided.
- (x) ESIS & EPF not being provided.

The Chairman, IMC assured that their grievances would be looked into sympathetically and all concerned will be instructed for immediate necessary and suitable action.

(Action : GMB/Ministry of Labour/SRAI)

- (c) The Chairman, IMC met the local representatives of the State Administration at Safety Training Institute, Alang during which it was gathered that the administration relating to Alang area is a responsibility lying with three different Authorities viz., GMB, Notified Area Development Authority and the Panchayat. Due to this diversified administrative set up and diffused responsibilities, there is poor coordination in planning and implementation of various schemes. The Chairman, IMC, therefore, suggested that the matter may be taken up with the Gujarat Govt so that the entire area is placed under a single Authority for easy administrative purposes or if that is not feasible, the responsibility of the agencies may be defined properly so that they are made accountable for the work entrusted to them.

(Action :MoS/GMB)

- (d) The IMC was informed that each ship breaking yard has at least 50 workers and some of the bigger yards were reported to be engaging more than 250 workers in the peak season. Considering that there was more than 150 operational yards, there is an estimated 40,000 to 50,000 workers in the Alang – Sosiya yards. This qualifies for a full fledged ESIC hospital and the worker's need to be fully covered under ESI scheme and should also be registered for PF contributions. But unfortunately, ESI dispensary is also not provided. Hence, the Ministry of Labour, ESIC and PF Commissioner need to place due emphasis and attention on the matters and focus in resolving the health and safety concerns pertaining to the workers involved in ship breaking. The ESIC/EPFO/SRIA/ISSAI should also take immediate action to bring all their workers under PF Coverage/ESI scheme. The Ministry of Labour must ensure coverage of all workers under the ESIS and EPF at the earliest and report the same in the next IMC meeting.

(Action: GMB/SRIA/ISSAI/Ministry of Labour)

- (e) The representative of MSTC also brought out that MSTC was earlier the canalizing agent for disposal of scrap from ship recycling. At present MSTC has got a e-portal for sale of scrap, used oil and other end products and is a well established service provider and facilitator for several public and private organisations. It was stated for consideration that MSTC could be the sole e-service provider and facilitator for the scrap and other products arising from the ship recycling. After hearing the representation it was decided that MSTC may take up the matter in detail with the GMB and SRIA. The Chairman also desired that a

visit of the IMC to the Mumbai Port Trust be organized as soon as possible. It was also decided that the next IMC meeting be held after three months at Alang.

(Action: MSTC/SRIA/GMB/ISSAI/MoS)

- (f) It was also decided that a status note on the number of ships recycled, their total purchase value, quantity of scrap recovered, amount realized on selling the scrap and agencies to which the scrap are sold, be made regularly available to the Ministry of Steel by the first week of each month.

(Action: GMB/SRIA/ISSAI)

3. In the concluding remarks the Chairman emphasized the need to carry out concerted and proactive efforts on the part of all concerned, particularly with reference to the issues having a bearing on health, labour welfare, safety and environmental concerns and to come out with detailed progress on the actions taken before the next IMC meeting.

4. The meeting ended with a vote of thanks to the Chair.

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ANNEXURE

List of participants in the I.M.C. meeting on ship breaking held on 08.07.11 at Gandhinagar, Gujarat

1. Shri S. Machendranathan, AS& FA, M/o Steel : in the Chair
2. Shri B.K.Sinha, Chairman, Gujarat Maritime Board.
3. Shri Pankaj Kumar, Vice-Chairman & CEO, GMB
4. Shri J.P. Shukla, Joint Secretary, Ministry of Steel
5. Shri L. Siddhartha Singh, Director, Ministry of Steel
6. Shri M. SubbaRao, Director, Ministry of E&F
7. Shri H. Viswanathan, Director (S), DGFASLI, Mumbai
8. Shri K.B. Nair, Under Secretary, Ministry of Steel
9. Shri Amit Gupta, Assistant Commissioner, Customs, Bhavnagar
10. Cmdr Palvinder Singh, Joint Director (Security), IHQ, MOD (Navy)
11. Cmdt S.K. Sarotra, CSO (Ops), RHQ(WW)
12. Cmdt H. Nautiyal, JD (FE), Indian Coast Guards Hq, New Delhi
13. Shri Miz Ansari, Controller of Explosives, PESO, Vadodara
14. Shri R.N. Shaikh, Dy. Traffic Manager, Mumbai Port Trust
15. Shri Sayan Sen, Manager (Plg), Ferro Scrap Committee, JPC
16. Shri S.S. Gadkar, E&SS cum DDG (Tech), DG Shipping, Mumbai
17. Shri G.K. Panda, AERB, Mumbai
18. Shri B.R. Naidu, Zonal Officer, CPCB, Vadodara
19. Shri Ashok Kumar, GM, MSTC Ltd
20. Shri A.V.Shah, Regional Officer, GPCB, Bhavnagar
21. Shri P.S. Nagarsheth, President, ISSAI
22. Shri V.K. Gupta, President, SRIA
23. Shri Atul Sharma, Environmental Engineer, GMB
24. Shri Priyesh Bham, GEPIL
25. Shri Jayant Vanani, Secretary, IRIS
26. Shri Harshad Dathwala, Joint Secretary, SRIA
27. Shri V.R. Ghadge, Sr. Env Engr, GPCB, Alang
28. Shri D.K. Panchamia, Dy. DISH, Alang
29. Shri K.K. Patel, Joint DISH, Rajkot
30. Shri S.S. Chaudasama, Asst DISH, Alang
31. Dr. Zaluvadiah, Certifying Surgeon, DISH
32. Shri Sahdev Singh, Section Officer, Ministry of Shipping
33. Shri A.K. Mallik, Section Officer, Ministry of Labour & Emp.