

INDIAN SHIPPING SERIES.

PAMPHLET No. 3.



THE DEFERRED REBATE SYSTEM

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PREFACE.

As originally planned, this pamphlet was based upon the Report of the Royal Commission on Shipping Rings published in England in 1909. Whilst the pamphlet was going through the press, however, the Final Report of the Imperial Shipping Committee on the Deferred Rebate System was published by the Government of India. It brought out many new and up-to-date facts. The appropriate portions from this Report have, therefore, been incorporated into the body of the pamphlet.

As the present demand of India aims at the creation and development of a National Mercantile Marine, the lukewarm finding of the Imperial Shipping Committee:—

“that the deferred rebate system is plainly open to certain objections and although the agreement system is equally open to objections, we recommend that it should be given to shippers as a running option.”

will not be acceptable to this country. The Imperial Shipping Committee has envisaged the whole subject of its inquiry practically from the view-point of the shippers. It is remarkable, however, that all the evidence put before the Committee from shippers interested in Indian trade, both inward and outward, was unanimously against the operation of the Deferred Rebates. The Calcutta Jute Fabrics Shippers' Association, the Baled Jute Shippers' Association, and the Calcutta Wheat and Seed Trade Association made a representation against the rebate system as applying in the trades from India to United Kingdom, South Africa, the Plate and West Coast of South America and to China, Japan and Java. Besides, ten Trade Associations in the United Kingdom interested in the Indian trade made a joint representation against the rebate system as obtaining in the Calcutta

Homeward trade. However, the question—from the point of view of India today, the very important question—of the entry of a new line into a trade has been very cursorily treated by the Committee; the two paragraphs dealing with the subject do not cover even one page of its Report. The present Indian feeling on the subject of a merchant fleet gathers its strength not merely from the grievances of the shippers but from the unsatisfied patriotic spirit which, looking for an adequate national shipping, is confronted with a foreign monopoly jealously guarding its preserves along the coast of India. As the main unanimous report of the Indian Fiscal Commission points out “the system of shipping rebates is one of the strongest buttresses of monopoly”. It is with a view to help to clear away such a heavy obstacle from the onward path of Indian Shipping that this pamphlet has been written.

DELHI,

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18th February, 1923.
