



**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

SEAMEN'S WELFARE FUND

ACT, No. 24 OF 1984

[Certified on 20th June, 1984]

Printed on the Orders of Government

**Published as a Supplement to Part II of the Gazette of the Democratic
Socialist Republic of Sri Lanka of June 22, 1984**

PRINTED AT THE DEPARTMENT OF GOVERNMENT PRINTING, SRI LANKA

TO BE PURCHASED AT THE GOVERNMENT PUBLICATIONS BUREAU, COLOMBO

Price : 90 cents

Postage : 60 cents

[Certified on 20th June, 1984]

L.D.—O. 15/82.

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF A FUND CALLED THE SEAMEN'S WELFARE FUND AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows:—

1. This Act may be cited as the Seamen's Welfare Fund Act, No. 24 of 1984.

Short title.

2. (1) The provisions of this Act shall apply to every Sri Lankan seaman who signs Articles in Sri Lanka with a local or foreign shipowner, or agent of such shipowner as the case may be.

Application of this Act.

(2) Notwithstanding the provisions of subsection (1), this Act shall not apply to any seaman or the employer of such seaman both of whom contribute to a Government approved provident fund scheme.

PART I

ESTABLISHMENT OF SEAMEN'S WELFARE FUND BOARD

3. There shall be established a Fund called the Seamen's Welfare Fund (hereinafter referred to as the "Fund").

Establishment of Seamen's Welfare Fund.

4. (1) With effect from such date as the Minister may appoint by notification published in the *Gazette* there shall be established a Board called the Seamen's Welfare Fund Board (hereinafter referred to as the "Board").

Establishment of Seamen's Welfare Fund Board.

(2) The Board shall be a body corporate having perpetual succession and a common seal and may in its name sue and be sued.

5. (1) The Board shall consist of the following five members appointed by the Minister:—

Members of the Board.

(a) one member nominated by the Minister to whom the subject of Shipping has been assigned;

(b) the Director of Merchant Shipping;

(c) the Chief Accountant of the Ministry of the Minister to whom the subject of Shipping has been assigned;

(d) one member nominated by the Minister to whom the subject of Labour has been assigned; and

(e) one member to represent the seamen.

(2) The Chairman of the Board shall be appointed by the Minister.

(3) The Minister may, if he thinks it expedient to do so, remove any member of the Board from office without assigning any reason therefor.

(4) A member of the Board who has been removed from office, shall not be eligible for reappointment as a member of the Board.

(5) A member of the Board may at any time resign his office by written communication addressed to the Minister.

(6) If the Chairman or any member of the Board is temporarily unable to discharge the duties of his office on account of ill-health or absence from Sri Lanka or any other cause, the Minister may appoint another person to act in his place.

(7) Every member of the Board shall, unless he earlier vacates office by death, resignation or removal, hold office for a period of three years. Any member of the Board who vacates office by effluxion of time shall be eligible for reappointment.

(8) If any member of the Board vacates his office prior to the expiration of his term of office, his successor shall, unless such successor vacates his office earlier, hold office for the unexpired portion of the term of office of the person whom he succeeds.

(9) No act or proceeding of the Board shall be invalid by reason only of the existence of any vacancy amongst its members or any irregularity in the appointment of a member thereof.

(10) The Board may by rules provide for the conduct of its business.

Remuneration of members of the Board.

6. The members of the Board shall be remunerated in such manner and at such rates as may be determined by the Board with the approval of the Minister.

The objects of the Board.

7. The objects of the Board shall be—

(a) to provide financial assistance to seamen or their dependants particularly in cases of sickness or death;

- (b) to provide *ex-gratia* financial assistance to seamen who become invalid, disabled or otherwise prevented from working on a ship consequent to an accident while working on such ship;
- (c) to provide financial assistance to seamen who intend pursuing higher studies and who wish to improve their skills;
- (d) to provide financial assistance to seamen who may be stranded at foreign ports;
- (e) to provide scholarships to children of seamen who are disabled or have met with a fatal accident while on any vessel; and
- (f) to do all such other acts or things as may be necessary for, or conducive to, the attainment of the objects specified in paragraphs (a), (b), (c), (d) and (e) of this section.

8. The Board shall have such powers and functions as may reasonably be necessary to carry out its objects and in particular—

Powers of
the Board.

- (a) shall receive all sums paid under this Act as contributions to the Fund and the income from the investment of moneys of the Fund and shall credit all such sums and income to the Fund;
- (b) shall have custody of the moneys of the Fund;
- (c) shall pay to the persons certified by the Board the benefits to which such persons are entitled under this Act;
- (d) may invest such of the moneys of the Fund as are not immediately required for the purposes of this Act in such shares or securities as the Board may consider fit and may sell such shares and securities;
- (e) shall maintain a general account in respect of the Fund;
- (f) shall cause the books of accounts relating to the Fund to be balanced as on the thirty-first day of December of such year;
- (g) shall cause to be prepared in respect of the Fund for each year, a statement of receipts and payments, a statement of income and expenditure a state

ment of assets and liabilities and a statement of investments showing the face value, purchase price and market value of each of the investments ;

(h) shall transmit to the Minister a copy of each of the statements prepared under paragraph (g) in respect of each year before the thirtieth day of September of the succeeding year ;

(i) shall deduct from the income of the investments of moneys of the Fund in respect of each year, the expenses incurred in that year by the Board in carrying out and giving effect to the provisions of this Act ;

(j) may receive grants, gifts or donations in cash or otherwise whether from local or foreign sources ;

(k) may acquire, hold, take or give on lease or hire, mortgage, pledge and sell or otherwise dispose of any movable or immovable property ;

(l) may appoint such officers and servants as may be required by the Board for exercising its powers, performing its duties and discharging its functions under this Act.

PART II

FINANCE

Financial
year and
audit of
accounts.

9. (1) The financial year of the Board shall be the calendar year.

(2) The Board shall cause proper books of accounts to be kept of the income and expenditure, assets and liabilities and all other transactions of the Board.

(3) The provisions of Article 154 of the Constitution relating to auditing of accounts shall apply in relation to the audit of the accounts of the Board.

Investments
of moneys of
the Fund.

10. Any moneys belonging to the Fund may be invested by the Board in such manner as the Board may determine.

Exemption
of Fund
from certain
taxes.

11. (1) The Fund shall be exempt from any income tax or wealth tax payable under the Inland Revenue Act, No. 28 of 1979.

(2) Where any person makes a gift to the Fund he shall be exempt from the payment of gifts tax under the Inland Revenue Act, No. 28 of 1979 to the extent of the total value of the gift.

(3) Where any person makes a donation to the Fund such donation shall be deemed to be an approved expenditure for the purposes of the Inland Revenue Act, No. 28 of 1979, and the donor shall be entitled to relief under that Act in respect of the total value of such donation.

(4) The provisions of this section shall have effect notwithstanding anything to the contrary in the Inland Revenue Act, No. 28 of 1979.

PART III

CONTRIBUTIONS

12. (1) Where a seaman first becomes liable under subsection (1) of section 13 to pay contributions to the Fund, he shall become a member of the Fund and continue to be a member of the Fund.

Membership
of the Fund.

(2) Neither a member of the Fund nor any person claiming under him shall have any interest in, or claim to, the moneys of the Fund otherwise than by virtue of any of the provisions of this Act or of any regulation made thereunder.

13. (1) A seaman to whom this Act applies, shall, in respect of each month during which he works in an ocean going vessel, be liable to pay to the Fund a contribution of an amount equal to two *per centum* of his total earnings excluding his overtime earnings during that month.

Normal
contributions.

(2) The employer of every seaman to whom this Act applies and who is liable to pay contributions to the Fund, shall, in respect of each month during which such seaman is employed under such employer, be liable to pay to the Fund before the last day of the succeeding month, a contribution of an amount equal to three *per centum* of such seaman's total earnings excluding his overtime earnings during that month.

14. Contributions to the Fund shall be—

Contributions
to the Fund.

(a) received by the Board by way of contributions from seamen and the employers of such seamen ;

(b) received by the Board by way of loans, donations, gifts or grants from any source whatsoever whether in or outside Sri Lanka ;

(c) received by the Board by way of income from investments.

15. Interest at such rate, not less than three *per centum*, as may from time to time be fixed by the Board with the concurrence of the Minister and the Minister in charge of

Interest on
contributions
&c.

the subject of Finance shall be paid for each year, out of the income from the investment of moneys of the Fund as at the thirty-first day of December in that year.

Payment of
moneys out
of the Fund.

16. (1) The Board in carrying out the objects specified in section 7 and in assessing the amount to be paid out of the Fund shall provide financial assistance that is reasonable, having regard to all the matters stated in the application submitted by each seaman.

(2) The amount assessed by the Board shall thereafter as expeditiously as possible, be paid to the seaman who made the application, or, if he is dead, to his heirs, administrators or assigns.

Employer to
pay sur-
charge where
any contri-
butions have
not been
paid.

17. Where any contribution payable under this Act has not been paid to the Fund on the due date and the employer is unable to explain to the satisfaction of the Board that the failure to pay such contribution was due to circumstances beyond his control, he shall be liable to pay to the Fund, in addition to the amount of such contribution, a surcharge of such amount calculated in the following manner :—

(a) where such contribution is in arrear for a period not exceeding one month, a surcharge of ten *per centum* of the amount of such contribution ;

(b) where such contribution is in arrear for a period exceeding one month but not exceeding three months, a surcharge of fifteen *per centum* of the amount of such contribution ;

(c) where such contribution is in arrear for a period exceeding three months but not exceeding six months, a surcharge of twenty *per centum* of the amount of such contribution ; and

(d) where such contribution is in arrear for a period exceeding six months, a surcharge of twenty-five *per centum* of the amount of such contribution.

PART IV

STAFF OF THE BOARD

Appointment
of officers
and servants.

18. (1) The Board shall appoint such officers and servants as it considers necessary for the efficient discharge of its functions.

(2) The officers and servants appointed under subsection (1) shall be remunerated in such manner and at such rates and shall be subject to such conditions of service as may be determined by the Board.

(3) At the request of the Board, any officer in the public service may, with the consent of that officer and the Secretary to the Ministry of the Minister in charge of the subject of Public Administration, be temporarily appointed to the staff of the Board for such period as may be determined by the Board with like consent, or be permanently appointed to such staff.

(4) Where any officer in the public service is temporarily appointed to the staff of the Board, the provisions of subsection (2) of section 13 of the Transport Board Law, No. 19 of 1978, shall, *mutatis mutandis*, apply to and in relation to him.

(5) Where any officer of the public service is permanently appointed to the staff of the Board, the provisions of subsection (3) of section 13 of the Transport Board Law, No. 19 of 1978, shall, *mutatis mutandis*, apply to and in relation to him.

(6) Where the Board employs any person who has agreed to serve the Government for a specified period, any period of service to the Board by that person shall be regarded as service to the Government for the purpose of discharging the obligations of such agreement.

(7) At the request of the Board any member of the Local Government Service or any other officer or servant of a local authority, may, with the consent of such member, officer or servant and the Local Government Service Advisory Board, or the local authority, as the case may be, be temporarily appointed to the staff of the Board for such period as may be determined by the Board with like consent or be permanently appointed to such staff on such terms and conditions including those relating to pension or provident fund rights as may be agreed upon by the Board and the Local Government Service Advisory Board or that local authority, as the case may be.

(8) At the request of the Board any officer or servant of a public corporation may, with the consent of such officer or servant, and the governing body of the public corporation be temporarily appointed to the staff of the Board for such period as may be determined by the Board with like consent, or be permanently appointed to such staff on such terms and conditions including those relating to pension or provident fund rights, as may be agreed upon by the Board and the said public corporation.

(9) Where any person is temporarily appointed to the staff of the Board in pursuance of subsection (7) or subsection (8), such person shall be subject to the same disciplinary control as any other member of such staff.

PART V

GENERAL

Members and employees of the Board deemed to be public servants.

19. All members, officers and servants of the Board shall be deemed to be public servants within the meaning of, and for the purposes of, the Penal Code.

The Board deemed to be a scheduled institution within the meaning of the Bribery Act.

20. The Board shall be deemed to be a scheduled institution within the meaning of the Bribery Act and the provisions of that Act shall be construed accordingly.

Power of the Minister to give special or general directions to the Board.

21. (1) The Minister may give special or general directions in writing as to the performance of the duties and the exercise of the powers of the Board, and the Board shall give effect to such directions.

(2) The Minister may from time to time direct the Board to furnish to him in writing such information as he may require relating to the work of the Board.

Protection for action taken under this Act or on the direction of the Board.

22. (1) No suit or prosecution shall lie—

(a) against the Board for any act which in good faith is done or purported to be done by the Board under this Act ; or

(b) against any member, officer, servant or agent for any act which in good faith is done or purported to be done by him under this Act or on the direction of the Board.

(2) Any expense incurred by such person as is referred to in subsection (1) in any suit or prosecution brought against him before any court in respect of any act which is done by him under the Act or on the direction of the Board, shall, if the court holds that the act was done in good faith, be paid out of the Fund.

23. No writ against person or property shall be issued against a member of the Board in any action brought against the Board.

No writ to issue against person or property of a member of the Board.

24. Any person who—

Offences.

- (a) contravenes any of the provisions of this Act or any regulation made thereunder ; or
- (b) furnishes for the purposes of this Act any information which is, or any document the contents of which are, or any part of the contents of which is, to his knowledge, untrue or incorrect,

shall be guilty of an offence and shall on conviction after trial before a Magistrate, be liable to imprisonment of either description for a period not exceeding six months or to a fine not exceeding one thousand rupees or to both such imprisonment and fine.

25. (1) The Minister may make regulations in respect of any matter in respect of which regulations are authorized by this Act to be made or required by the Act to be prescribed.

Regulations.

(2) Every regulation made under subsection (1) shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may be specified in the regulation.

(3) Every regulation made under subsection (1) shall, as soon as convenient after its publication in the *Gazette* be brought before Parliament for approval and any regulation which is not so approved shall be deemed to be rescinded as from the date of such disapproval but without prejudice to anything previously done thereunder.

(4) The date on which any regulation shall be deemed to be so rescinded shall be published in the *Gazette*.

26. In this Act, unless the context otherwise requires—
“seaman” shall have the same meaning as in the Merchant Shipping Act, No. 52 of 1971.

Interpretation.

Annual subscription of Bills and Laws of the Parliament Rs. 150 (Local),
Rs. 200 (Foreign), payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS
BUREAU, P. O. Box 500, COLOMBO 1, before 15th December each year in respect
of the year following.