MADRAS RECORD OFFICE.

Government of Madras.

DEPARTMENT

G.O. No.	Press Mis.
Dated	

Not to be folded or roughly handled

Fort Saint George, Public Works Consultation of 30th March 1858.

No. 109. Read the following Extract from the Minutes of Consultation in the Revenue Department, under date the 19th March 1858, No. 354.

Read the following Extracts from the Proceedings of the Board of Revenue.

Reviewing the explanation of the Collector of Vizagapatam respecting the deficiency in the supply of salt in his District with the Board's observations on his suggestions for increasing the manufacture of the article. } (Here enter 28th January 1858, No. 416.)

Reporting on the question of the permanent retention of the Womaravilly Salt Cotaur, and the proposed Canal from Nowpadah to Calingapatam, in the District of Ganjam } (Here enter 29th January 1858, No. 524.)

1. In the two papers recorded above, the Board of Revenue submit the results of the experimental arrangement made under the orders of Government of 10th May 1856, and of 30th January and 8th April 1857, for the conduct of the salt manufacture and sales in the District of Ganjam and Vizagapatam.

2. The object proposed was to check the illicit manufacture and the frauds, which were rife in this Department in the Northern Circars, and in view to this end, the manufacture was to be concentrated, thus facilitating supervision, and by raising the very insufficient pay of the Superintendents, the temptations to peculation were lessened.

3. The result of the experiment so far as these objects are concerned appears to have been satisfactory, but it seems that the reduction in the number of Cotaurs has been carried too low to provide sufficiently even for the existing demand, much less for that which may be expected to arise, under a system of fair and liberal dealing divested of fraud.

4. The Cotaurs formerly in Ganjam District were situated at Ganjam itself, at Munsoorcottah, Nowpadah, and Womaravilly. In Vizagapatam Salt was manufactured at Coopilly, at Conadah, at Carassah and at Nellimookoo.

5. The first orders of Government above quoted directed that only two places of manufacture should be retained in each District, but these were subsequently modified on the representations of the Local authorities, and eventually the existing arrangement was sanctioned, under which the pans at Munsoorcottah and at Carassah have been abandoned, while those of Womaravilly and Nellimookoo have been retained as a temporary arrrangement the former being under the supervision of the Nowpadah Superintendent.

6. The quantity of salt necessary to meet the annual demand of each District was estimated for Ganjam at 3 lacs of maunds, and for Vizagapatam at 2 lacs.

7. In Ganjam, with 4 sets of pans, the average manufacture during the past 10 years to Fusly 1265, had been about 3½ lacs of maunds, and the sales including wastage had been rather more.

In Fusly 1266, the year being most peculiarly favorable in that District for the manufacture, and extraordinary exertions having been made, the amount produced was upwards of 9 lacs of maunds, on the consumption rose to about 4¼ lacs.

This extent of production was however quite exceptional, and in future with only 3 sets of pans, not more than the previous average produce from 4 sets can be confidently relied on.

8. The Board consider that there should always be on hand a stock equal to 2 years' demand, but the latest returns from the District show that little more than 6,87,000 maunds were in store, while the sales and wastage together approached 6 lacs in the year, (that of Woomaravilly alone being nearly 2 lacs of maunds,) and the Collector reckons confidently on a future annual sale of 8 lacs of maunds, when the Brinjaries and inland traders have acquired confidence in this source of supply.

9. Under these circumstances the Collector and the Board press upon Government the advisability of retaining Womaravilly permanently as a third place of manufacture. They alike insist upon the insufficiency of a less number of pans to meet the demand, and the Collector points out that from its position the production of Woomaravilly is of a more certain character than that of the other two places of Manufacture, while the salt itself is more generally approved. The expense of the Canal proposed from Nowpadah to Caliagapatam (near which Womaravilly is placed) will be saved for the present, and its necessity removed so far as the salt market is concerned, while

from the want of fodder at Calingapatam, and the distance of Nowpadah from the shipping port, additional convenience will result from the retention of Womaravilly.

10. The Government accordingly authorise the permanent retention of Womaravilly as a place of manufacture, on the existing establishment, and to remain under the Superintendent of Nowpadah for the present.

11. The Board support the Collector's recommendation for an increase in the price paid by Government to the manufacturers, on the ground of its manifest insufficiency.

12. The average rate per garce paid by Government in the Ganjam District is about Rupees 5-4-8, while at the nearest Cotaur in the Bengal Presidency, the Government price is Rupees 15 for the same quantity.

The monthly earnings of the manufacturer vary necessarily with the quantity of Salt manufactured, but the Collector affirms that at the existing rate of price the manufacturer gets less than 1½ Rupees per mensem at Nowpadah, where the production is most abundant, and circumstances therefore most favorable to him. This gives a daily rate of pay considerably less than that of an ordinary day labourer, and is much below the earnings of the domestic servants in native establishments in that District.

13. While throughout the country prices are rising, and that of labour as much so as of any other commodity, the Government fully recognising the duty incumbent on them of removing every obstacle in the way of a sufficient manufacture under their monopoly, consider it absolutely necessary to prevent the evil brought to notice by the Collector from being superadded to those necessarily inherent in the system, and accordingly authorise the adoption of the rates of payment to the manufacturers approved by the Board, which give an average of Rupees 7⅓ per garce, for which the monopoly price at present is Rupees 120.

14. Before quitting the subject of Ganjam it must be remarked that the Canal from Nowpadah to Calingapatam was on 9th January 1857 sanctioned for insertion in the Budget of 1857-58, for execution in the current season at a cost of Rupees 18,100, but has not been commenced under the orders from Bengal suspending all public works.

15. The Collector now reports that his opinion of the utility of this work has been greatly modified by subsequent observation, and that he considers the expenditure may more beneficially be incurred on the Canal to connect Munsoorcottah and the Chilka, lake. As a means for the carriage of grain he considers that it would not have a sufficient traffic to pay its expenses, and the retention of the Womaravilly cotaurs will do away with the necessity for it so far as the salt trade is concerned.

Paras. 23, 25 and 27.

16. The Government observe that Colonel F. Cotton in his report of his tour reviewed in Extract Minutes Consultation of 24th November last appeared to consider that the Canal from Nowpaddah salt works to Calingapatam would aid in the development of that port notwithstanding the existence of the neighbouring salt pans of Womaravilly, which last, he observes, could be advantageously connected with Calingapatam itself by "the *merest* ditch of a Canal," and the Government think it most desirable that this latter junction should be effected as early as circumstances will allow. The Chief Engineer will be directed to call for an estimate for this work at once. It would greatly facilitate the carriage of salt to any inland depôt that may hereafter be established at the highest navigable point of the Calingapatam river, or such navigable Canal as may be carried from that port into the interior.

Para. 27 of his Report.

17. Colonel Cotton's suggestion that the *Salt Stores* should be established at Calingapatam in lieu of at Woomaravilly seems worthy of adoption, and the Board will be good enough to give their attention to the subject.

18. As to the Nowpadah Canal, it was designed and sanctioned as a work likely to aid materially in facilitating the operations of trade at the rapidly rising port of Calingapatam, and the convenience for the carriage of salt was *merely* one of many incidental advantages anticipated from it.

The Government are not disposed to let Mr. Knox's present advocacy of the retention of the Woomaravilly works in preference to the plan of supplying salt to Calingapatam from Nowpadah interfere with the execution of this Canal, which will form a link in the general system of Canals for navigation along the East Coasts.

19. In the Vizagapatam District, as before stated, out of four Salt Cotaurs, two (those of Coopilly and Conadah) have been permanently, and one (that of Nellimookoo) temporarily retained, and the fourth at Carassah near the town of Vizagapatam, has been entirely closed.

20. The result, as reported by the Board, shows that the present means of supply are altogether insufficient to meet the existing demand, much less that of which circumstances warrant the expectation.

21. The estimated necessary annual supply was 200,000 Maunds.

In the past Fusly extraordinary exertions were made, and the season, it would appear from the report of the Ganjam Collector, was unusually favorable for the manufacture, yet the outturn from the existing 3 sets of pans was only 1,71,212 maunds, which however was far above the average of the previous five years with 4 sets of pans, and thus cannot reasonably be expected to be maintained.

22. In the same Fusly the sales had reached 1,76,831 maunds, showing an increase over those of the previous year of 27,695 maunds.

23. On 30th November last, the date of the last return, the salt at Coopilly and Conadah had been entirely exhausted, and the stock in hand at Nellimookoo amounted to no more than 42,609 maunds.

In December, on the application of the Collector, the Board sanctioned the purchase of a cargo of salt, which an accident enabled that Officer to effect.

A limitation in the quantity sold to any one individual has almost necessarily been imposed to prevent the schemes of unprincipled speculators, and at Vizagapatam itself the price of salt has risen 25 per cent.

24. The insufficiency of the present sources of supply being thus placed beyond question, the only doubt is as to the mode of augmenting them, the alternative being the extension of the existing 3 sets of pans (the necessity of permanently retaining Nellimookoo being absolute,) or the restoration of the pans at Corassah.

25. The Collector shows that in point of economy the latter mode is the preferable one, while the advantage resulting from it will be greater. He proposes to restore only the larger division of the works, the produce of which is unexceptionable, and the annual possible out-turn about 200,000 maunds, thus ensuring a sufficient supply for the wants of the District at least.

26. The Board of Revenue suggest that this measure, which they altogether approve, may be carried into effect without any additional expense, and will do away with the necessity for precautions against illicit manufacture there, which must have otherwise been taken, and the Government authorise the permanent retention of the Nellimookoo, and the re-opening of the Carassah pans, on the understanding that the present expense for establishment is not to be exceeded until sanction for an increase has been obtained.

The Board will take immediate steps for carrying their proposals into effect.

27. The Government however are not satisfied of the good policy of attempting to continue permanently this increased manufacture with the existing establishments, or with increased establishments, but without any increased expenditure. It is not likely that the first alternative would be found practicable on trial, and the second seems calculated to bring back with it all the evils, in view to checking which, the recent modifications were sanctioned.

28. The expediency of the increase made in the pay of the responsible servants has been proved by the increased production *and* sales, and the present papers show that this increased expense cannot be met by a reduction in the number of places of manufacture.

29. The necessity however for the whole of this increase of pay to the existing establishment would possibly not appear *were there* an Uncovenanted Assistant in each District in charge of the Salt Department, a measure which appears to Government to be fraught with much advantage.

30. The Government therefore resolve to call upon the Board for a Statement showing in detail, the establishment and its cost at each set of pans in Ganjam and Vizagapatam before the

recent changes were made, the existing state of things, both as to establishment and number of sets of pans, and the arrangement that they would propose for the future, with the number of pans sanctioned in these proceedings, and with an Uncovenanted Assistant at the head of the department in each District.

31. On receipt of this information, which will be expected at an early date, application will be made to the Government of India for sanction for the necessary additional establishment.

32. It is to be understood that the opening of the Carassah pans, and the further prosecution of the manufacture at Womaravilly, are not to be delayed in consequence of this call for information, but are to be commenced at once.

(Signed) H. FORBES,
Acting Secretary to Government.

No. 110. ORDER THEREON, No. 584; dated 30th March 1858.

Ordered that the foregoing Extract be recorded.

(Signed) H. FORBES,
Acting Secretary to Government.

REVENUE DEPARTMENT.

No. 351.

Extract from the Minutes of Consultation under date the 19th March 1858.

Read the following Extracts from the Proceedings of the Board of Revenue.

Reviewing the explanation of the Collector of Vizagapatam respecting the deficiency in the supply of salt in his District with the Board's observations on his suggestions for increasing the manufacture of the article. (Here enter 28th January 1858, No. 116.)

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1. In the two papers recorded above, the Board of Revenue submit the results of the experimental arrangement made under the orders of Government of 10th May 1856, and of 30th January and 8th April 1857, for the conduct of the Salt manufacture and sales in the Districts of Ganjam and Vizagapatam.

2. The object proposed was to check the illicit manufacture and the frauds, which were rife in this Department in the Northern Cirkars, and in view to this end, the manufacture was to be concentrated, thus facilitating supervision, and by raising the very insufficient pay of the Superintendents, the temptations to peculation were lessened.

3. The result of the experiment so far as these objects are concerned appears to have been satisfactory, but it seems that the reduction in the number of Cotaurs has been carried too low to provide sufficiently even for the existing demand, much less for that which may be expected to arise, under a system of fair and liberal dealing divested of fraud.

4. The Cotaurs formerly in Ganjam District were situated at Ganjam itself, at Munsurcottah, Nowpadah, and Womaravilly. In Vizagapatam Salt was manufactured at Coopilly, at Conadah, at Carassah, and at Nellimookoo.

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7. In Ganjam, with 4 sets of pans, the average manufacture during the past 10 years to Fusly 1265, had been about 3½ lacs of maunds, and the sales including wastage had been rather more.

In Fusly 1266, the year being most peculiarly favorable in that District for the manufacture, and extraordinary exertions having been made, the amount produced was upwards of 9 lacs of maunds, and the consumption rose to about 4¼ lacs.

This extent of production was however quite exceptional, and in future with only 3 sets of pans, not more than the previous average produce from 4 sets can be confidently relied on.

8. The Board consider that there should always be on hand a stock equal to 2 years' demand, but the latest returns from the District show that little more than 6,87,000 maunds were in store, while the sales and wastage together approached 6 lacs in the year, (that of Womaravilly alone being nearly 2 lacs of maunds,) and the Collector reckons confidently on a future annual sale of 8 lacs of maunds, when the Brinjaries and inland traders have acquired confidence in this source of supply.

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(A true Extract)

Acting Secretary to Government.

To the Board of Revenue.
" Chief Engineer.
" Bgh. Bd. Work.

Public Works 1858 Report
Corrs. Discharged
No. 600

Extract Minute Corrs.
... the Revd. Dept.

Feb.d 19th } March 1858
Rec.d 22nd }

No. 351

Directing the Ch. Engr. to
call for an Estimate, for form-
ing a junction of the Salt
Lakes of Wanaranbegum with the
Calingapatam river, for facil-
itating the Carriage of Salt
to Angiakam & West Nellore
& to offer to establish, at
the highest navigable point
of the Calingapatam river, or
such navigable Canal, as
may be carried from that
River into the Interior

Nos 1094 & 1180

Fort St. George
30th March 1858

No 888

To Revenue