Proceedings of the Madras Government, Revenue Department,
13th September 1873.

No. 106. Read the following letter from A. O. HUME, Esq., C.B., Secretary to the Government of India, Department of Agriculture, Revenue, and Commerce, (Fisheries,) to the Hon. R. A. DALYELL, Acting Secretary to the Government of Madras, dated Simla, 21st August 1873, No. 30:—

I AM directed to forward, for any remarks His Excellency the Governor in Council may wish to offer, copy of a report by Dr. Day, Inspector-General of Fisheries, upon the apprehended effect of the raising of the Salt-tax in Sind on the trade in salt-fish.

2. I am further to inquire, first, whe er the Government of Madras would recommend an Import-duty on all foreig d salt-fish, including that cured in Sind, Burmah, or any other place, where duty equal to that paid in Madras is not levied, and, if so, at what rate; seco hether His Excellency in Council is desirous of trying the experiment of a ment salting enclosure where salt shall be supplied at only a little above cc and, if so, where it is proposed that the experiment should be tried.

ENCLOSURE No. 1.

From F. DAY, Esq., Inspector-General of Fisheries, to the Secretary to the Government of India, Department of Agriculture, Revenue, and Commerce, dated Simla, 25th June 1873.

I HAVE the honour to acknowledge the receipt of papers having reference to a proposal for augmenting the duty on salt in Sind from about 8 Annas, as it at present rules, to about 2 Rupees per maund of 1,280 ounces. I am called upon to state what effect I consider such may be anticipated to have on the trade of salting fish, for which purpose 100,000 maunds are now believed to be employed.

2. I regret that many of the returns called for on this question have not as yet been received, but before commencing a synopsis of those that have been furnished, I propose examining the ground-work of Mr. Whitten's statement that such an augmentation would only cause an increase to the price of salted fish "by not quite *one Pie a seer*, admitting that at present fish is cured with *duty-free* salt;" "that 3 ounces of salt are required to cure one seer of fish."

3. First, I question the correctness of 1 ounce of salt being sufficient to cure $10\frac{2}{3}$ ounces of good fish; even in Nga-pee, made from prawns in Mergui, 1 ounce of salt is required to every 2 ounces of these crustacea; fish, however, should have more, and I will here consider it at 1 ounce of salt for 1 ounce of fish, including wastage (see paragraph 20); and I believe the following figures will be found sufficiently correct respecting the Sind salt-fish trade:—

1,280 ounces of salt now cost 8 Annas, or about $13\frac{1}{3}$ ounces for 1 Pie.
1,280 ounces of salt will cost 2 Rupees, or about $3\frac{1}{3}$ ounces for 1 Pie.

32 ounces of salt-fish require 16 ounces of salt; consequently the cost of salt for 1 seer of salt-fish, which is now $1\frac{1}{2}$ Pie, will be $4\frac{4}{5}$ Pies. However, it is not simply the rise in the price that affects this trade, but the want of capital to purchase the salt; and I need not here remark on the extortionate rate of interest which would have to be paid by the fish-curers.

4. Up to the year 1845 at Kurrachee the "fishermen were all more or less involved in pecuniary embarrassment, and entirely in the hands of Bania creditors." The contract system and certain cesses were removed, and since 1858 they have only had to pay so much a ton license on fishing boats. This, however, has not made a very great difference in the sums or taxes received, yet the Chief Commissioner observes "the fishermen are well of," and the salt-fish trade "is in a natural and healthy state now, and needs no assistance: it is best left alone." If we examine

the exports from Kurrachee, we see the following. The value of the exports of sharks' fins, maws or sounds, and salt-fish, were in—

						Rs.
1844 worth	...	...	...	...	...	12,068
1845 ,,	...	...	...	...	...	38,301
1846 ,,	...	...	...	...	...	42,626

During five years ending 1870-71 the following have been the exports of fish-fins and maws or sounds:—6,410 cwt. of a value from 8 to 12 Rupees a-maund, the total estimated value being Rs. 3,33,696. These are almost entirely for export to China. Of dried and salt-fish for the same period, of a value of 2,28,392 Rupees; consequently the average exports appear to be as follows:—Three years ending 1846, average annual export 30,998; five years ending 1871, average annual export 112,417. In fact, during the last period under review the export of salt and dried fish alone exceeds by 50 per cent. what the whole of the exports, including those for China, were in the first period.

5. The foregoing is not due simply to extension of trade without a stimulus, but to there existing, if I may so term it, a *protective duty in India in favour of foreign States and localities, where the salt-tax does not exist*, as explained by the Collector of Salt-revenue in Bombay, N.D., that "there can be no doubt that the salt-tax, combined with the repeal of the duty on imports of salt-fish from foreign ports (which was 7½ per cent. prior to 1867), has acted most prejudicially on the interests of the British fishermen, and has deprived them to some extent of their hereditary occupation. Home-cured fish cannot now compete with that cured at Goa and elsewhere, where a salt-excise does not exist; and the trade, with its profits, has now passed almost entirely into the hands of foreigners," amongst whom we must include the people of Sind.

6. The salt-tax, then, may be expected to do anything but stimulate a trade in salt-fish; and here I will digress to another State from whence this article is exported. Gwadur, in Beloochistan, is a great fish-exporting town, where the fishermen pay a tax of one-tenth of the captures to the contractor,—a few years ago a little village, now it has about 2,000 persons solely engaged in this trade. Purchasing good salt delivered at the spot at about 280 lbs. weight for Rs. 1-8-0, they can easily under-sell in the Bombay market any fish home-cured with salt from 2 Rupees upwards a-maund; for, in the former foreign State, about 1,243 ounces of salt cost 1 Pie but in Bombay it is nearly four hundred times more expensive. The exports from Gwadur for ten months in 1870 were as follow:—292,700 fish, irrespective of fish-sounds and sharks' fins.

7. The returns received on the subject of sea-fisheries in places where the salt-tax exists appear to show that the only localities where the fish-curers are doing moderately well is in South Canara and Malabar, as well as in the Native State of Travancore; and this would seem to demonstrate that the salt-tax is not detrimental to the trade. But, if examined into, it will be found that, owing to peculiar local customs, it brings it even more clearly to light.

8. In 1868 it was decided that the manufacture of salt in Malabar and Canara was not illegal. This was originally intended to be for home-consumption only, but now it is largely used for the curing of fish. The amount of salt-fish sent to the Wynaad cannot be ascertained, but the quantity despatched inland by rail from Beypore has been as follows in tons:—1865, 1,641; 1866, 1,465; 1867, 2,068; 1868, 2,565; 1869, 1,863; 1870, 2,604; 1871, 2,274. The Tahsildar of Negapatam on the Eastern Coast, where the salt-monopoly is enforced, having stated that a great increase in the salt-fish trade had taken place since the opening of the rail, I at once wrote to the Traffic Manager, who sent me the following reply:—"During the last 12 months the weight of salt-fish received at stations on the Company's line from the Western Coast was 288 tons. During the same period the quantity forwarded from the Eastern Coast, Negapatam Station, was 16½ tons." Thus the increase of fish was due not to augmented captures on the East Coast but to importation from the Western Coast, where salt-earth is collected duty free and employed for curing fish.

Proceedings of the Madras Government, Revenue Department,
13th September 1873.

9. Of course, if this is a correct explanation of the marine salt-fish trade, the exports from Malabar should have increased since the salt-tax was raised in other districts, and the replies I have received entirely bear out this view. I have been favoured with a return* from Tellicherry, which gives the following:—

* Other returns in figures not yet received.

Export of salt-fish for 5 years	ending	1858-59	.....	18,621
,, ,, 5	,,	1863-64	.....	50,004
,, ,, 5	,,	1872-73	.....	292,311

If we turn to the Native State of Travancore, which, in 1863, was placed on exactly the same footing as the British territory of Malabar, and all transit dues were abolished, we perceive the same result. The imports were—

In 5 years ending	1857-58	..... average cwt.	1,107 yearly.
,, ,,	1862-63	.. ,,	2,995¼ ,,
,, ,,	1867-68	.. ,,	151¼ ,,

The extinction of the import trade comm[enced] after 1862-63, and if we turn to the duty on salt we find it raised two Annas a-maund in [1862]. That year's supply of salt-fish, cured with monopoly salt, having been exported from the [ports] to the Native State, the trade languished for two years, and then entirely ceased. If, on the other hand, we examine the returns from Travancore, we perceive just the reverse: up to 1867-68 the *exports*, much of which go to Ceylon were—

In 5 years ending	1857-58	an average of cwt.	32,604 yearly.
,, ,,	1862-63	,,	41,320½ ,,
,, ,,	1867-68	,,	67,103 ,,

Thus Ceylon, with a salt-tax of 4*s.* 8*d.* per cwt., and in Madras where it is 5*s.* 5½*d.*, show that either country will be importers of fish cured with duty-free salt. In fact, in Ceylon, the cause, of the deterioration of the sea-fisheries is laid down to all sorts of reasons, but the chief one appears to be that, with an augmented salt-tax, the fishermen have decreased their captures from the sea.

10. Then, again, if we turn to Burmah, where the price of salt is from Rs. 2-8-0 to Rs. 3 for four maunds, salting fish in their way—Nga-pee—flourishes, and, according to the figures furnished me from the Customs-house there, the following were the exports from British into Upper Burmah:—

3 years ending	1865-66	exported	Rs.	9,10,627 worth.
3 ,, ,,	1868-69	,, ...	,,	15,25,063 ,,

or a yearly increase of nearly 50 per cent.

11. Again, at Akyab, with its cheap salt, the Chittagong fishermen annually come to capture, cure, and take away fish; whilst at the neighbouring district of Chittagong, where the selling price of Government salt is Rs. 5-2-0 per maund, the Collector states the captures are only sufficient to meet the daily requirement, and no privileges are necessary to have fish salted, because the people are not skilled in the salting of fish. In Orissa, the high price of salt renders it impossible for the people to cure fish with it, and this may be generally accepted in the salt-taxed provinces throughout India as the chief cause which has destroyed this industry, except where the people have been and are permitted to collect and use salt-earth free of duty.

12. And what is the condition of the sea fishermen? In Burmah, where the salt is cheap, they are well off, even though they pay taxes to be allowed to fish in the sea; whilst fishermen from the Coromandel Coast are reported to be migrating there. In Chittagong, on the contrary, without any taxes on fishing, they are miserably poor; but salt is there dear. The same state is observable amongst those people all along the coast of the Bay of Bengal to Cape Comorin, except where there are large towns or communities that will purchase the capturer's fish whilst fresh. Up the Malabar Coast, so long as one continues in the Madras Presidency, fishermen are well off, although the salt-tax is identical with that obtaining elsewhere. The cause, however, is easy of explanation; irrespective of fish-oil, they may collect salt-earth free of tax for the purpose of fish-curing. Immediately one steps over into Bombay territory this miserable state of the fisher-

men again comes to sight; no salt-earth may be collected; the salt-tax has destroyed their trade, except at the large towns. But in Sind without a salt-tax but one on the fishing, he is doing a thriving business.

13. The mode in which the salt-tax acts injuriously on this industry appears to be much as follows:—Some capital is requisite, and if we admit that from 10 to 15 Rupees a-month are the earnings of fishermen, how can they invest in salt at 2 or 3 or more Rupees a-maund for the purpose of salting fish? The return would not come in rapidly enough, and they would have to borrow at exorbitant rates of interest in order to carry on their trade. But it may be urged that traders will advance the money for the purchase of salt, and, therefore, the trade may well be left to private enterprise. Unfortunately, this sanguine view of looking at the prospects of this industry is hardly consonant with the facts now coming to light. Traders can purchase the identical article at a cheaper rate in contiguous foreign States, and no duty existing against importing it into the British territory, their advances are made in British salt-taxed districts, but in places where no such tax exists. If a trader finds one Anna for 80 lbs. in Goa, why should he invest his money in Canara, where he probably get 2 lbs. for the same amount with no other differences in the cost of capture of fish or description of supply? It appears in the common course of trade that he will import from the market.

14. If the salt-fish trade is ruined, so the fresh-fish trade, except where there is a large local demand; for, if it does not pay to supply the market with fresh fish for food, it necessarily follows that the supply of sharks' fins and fish-maws will cease. Collecting these articles only pays when the flesh of the fish can also be sold, or some portion of it, as the liver, turned to a commercial use.

15. Now I propose adverting to Sir W. Merewether's figures, premising that, although, if we judge the future by the past, we may expect the rise in the price of salt, without any drawback to the fish-curers, will annihilate the sea-salt fish trade, this does not quite follow in respect to that of inland fresh-water fisheries.

16. Out of the proposed sale of 300,000 maunds per annum, 100,000 are appropriated for fish-curing, and if the duty were Rs. 2 a-maund, or Rs. 6,00,000, Rs. 2,00,000 are to be raised from the fish-curers. This, however, I fear may be found an error in several ways; probably, it will not pay to cure fish with salt at such a price. Again, it appears to have been over-looked that the rent of the sea-fisheries or tonnage on boats for five years ending 1870-71 has averaged Rs. 2,719 per annum; this, of course, would not be continued. Raising the price of salt will most probably check its use; but the contractors will have to continue for a short time, say six months or a year, then, if not before, a decrease will probably commence; and I fear the sale of 100,000 maunds for fish-curing will be found to have largely decreased. Irrespective of this, the fishermen will probably migrate into the neighbouring foreign state to ply their trade, which could hardly be carried on at Kurrachee with the proposed increase, unless a duty is imposed on imported salt-fish.

17. Seeing how the salt-tax of India had ruined the industry of fish-curing, and observing the generally impoverished state of the fishing classes, the following question, amongst others, was circulated to all European officials in maritime districts:—"Would the proposition in paragraph 7 be advisable or practicable in your district?" The proposition was, "If large enclosures were made near favourable localities (away from large towns), and where fish could be salted, would the following be impracticable? that salt might be sold inside them at rates just remunerative for the *bona fide* salting of fish." As a rule, the officials are averse to it on the following grounds:—Increase of trouble, increase of expense, and they do not see why salting of fish should have any especial favour: some denounce such an idea as visionary; others as impracticable, evidently unaware that in the Bombay Presidency at least this used to be the rule, also in Great Britain before the salt-tax was swept away.

18. On the other hand, some consider that this might be tried, as it would cause little or no expense; whilst most reporters admit that salt at the present price is beyond the fish-curer's reach, and, in short, I append a letter from the Collector of South Canara, which may be said to

contain the exact principles I should have proposed. The fishermen object to such enclosures in places, because their women salt the fish, whenever the boats come in, often at night-time; in fact, on the principle that it is more pleasant doing business work at home; and others again want salt in their boats to cure fish out at sea.

19. A few remarks are necessary on the salt-fish as sold in the markets inland. It appears that in Madras and Bombay there is an unlimited demand, provided the cost does not exceed Rs. 2 a-maund. There are three general descriptions of salt-fish, (1) good and wholesome; (2) moderately wholesome for a certain time; and (3) often deleterious to the health of the general population.

20. The best description of salt-fish is made with prepared salt (see paragraph 21), as being more wholesome, tasty, and keeping better; the coarse, being, in a great measure, due to the larger quantity of saline materials employed; consequently salt-fish from Sind and foreign states, where a salt-duty or excise does not exist, are invariably of a better description than those cured in British salt-taxed localities. The process, which I saw carried on at Gwadur, is one very suitable for curing fish for the Indian market, but, as the foreigners may import such free of duty, they can sell at a profit far less than country-cured salt-fish (paragraph 21). At Gwadur salt or brine-pits are formed in under a light but high shed, so that, although the direct rays of the sun are not allowed to fall on the fish, any breeze that exists blows freely through the building. These pits are usually six feet square and three deep, but some are shallower. They are puddled with a tenacious mud that prevents the water soaking into the soil. Over this blue mud is laid a clean bamboo mat and a layer of salt. The fish having been split open and cleaned are placed as a second layer, then more salt, next a layer of fish, and so on; the whole being covered up with sea-water. In two or three days, they are removed, well rubbed in with salt, and packed in large heaps under a light cover. This description of salt-fish is now made in Sind and in other places where there are rich people who can afford to purchase it, also by fishermen for their own consumption in India, but not for sale, except as an exception.

21. Secondly, there is, if I may so designate it, the "Indian-cured salt-fish," or that prepared in Malabar or some other places in the India salt-taxed districts with salt-earth. The same process may be said to be gone through; but this will not properly cure large fish, whilst, due to the small amount of saline ingredients that can be employed, the article is of an inferior description, and will not keep long. The western coast salt also is said to engender itch and other skin diseases, whilst the salt-fish, which is sold (when it commences to become bad) to clear off a stock, is a fruitful source of bowel-complaints.

22. Lastly, we have "sun-dried fish." Sometimes these are soaked in weak brine, or a little salt is rubbed in them; but the usual way now to cure fish in India is without salt. So long as the weather continues dry, they keep for some time; but on the monsoon setting in, they rapidly decompose; still the poorer classes have to buy them, not being able to afford better.

23. I fear that I have already filled up too much space, and so will draw my observations to a close, merely observing that I am now engaged on a full report on the whole subject in all its bearings. My impressions are that, unless the foreign manufactured salt-fish is subject to a 10 per cent. tax, it will be found impossible for the Indian fish-curer to compete, thus driving him to one of two courses: use salt-earth free of duty and produce an inferior article likely to promote disease, or else to retire from his calling, and leave the wealth of the seas to be lost or collected by those who are not British subjects, and who will carry away all the profits, even if they can sufficiently supply the markets, which I almost doubt.

From H. S. THOMAS, Esq., Collector of South Canara, on circuit duty, to J. GROSE, Esq., Secretary to the Board of Revenue, Madras, dated 3rd April 1873, No. 464.

In accordance with the suggestion contained in paragraph 7 of Dr. Day's letter, enclosed in Proceedings of Government, dated 2nd September 1872, No. 1,274, I invited tenders to cure fish with salt given at half the monopoly-price.

2. I first applied myself to the fishermen, and tried my best to induce them or their headmen to undertake enterprise ; but they are an improvident race, always poor, because always drinking their surplus cash ; and the irrational nature of the objections raised showed very clearly that it was vain to hope to persuade them to diverge ever so slightly from their few stereotyped habits of thought and life.

3. I then addressed myself with no better success to the Mussulman dealers in imported salt-fish.

4. I found also that Hindoo merchants held back from connection with what they considered a demeaning trade.

5. I then fell back on the Christian part of the community, whether Protestant or Roman Catholic, and the result, after some inqui[ry] was the enclosed petition, and the promise of two more from others of the same class.

6. The petitioner is prepared to acce[pt] terms I offered, which are—

(1.) That he shall receive as [much] vernment salt as he wants at half-price.

(2.) That he shall pay cash [for] urity for all he receives.

(3.) That he shall receive [it] rded enclosure within which he is to use it, taking out the salt[s] and under inspection.

(4.) That the enclosure a[nd] rd are to be provided by Government, and the curing buildings wit[h] e his own erection on our site and liable to removal on requisitio[n].

7. The petitioner adds one stipulat[ion] nely, that the use of earth-salt shall be prohibited, for he thinks he cannot pay the half-pric[e] alt and thoroughly cure fish in competition against those who half cure with earth-salt, for [which] they pay nothing.

8. The petitioner wished at first to [have] he monopoly of curing for a certain period, but I objected to this on the ground that it would practically give him the power of compelling the fishermen to sell their surplus fish to him at any price he chose to dictate.

9. The arrangement, if confirmed, will stand, therefore, as follows :—Petitioner may perhaps secure the monopoly to himself for a time by fair dealing, that is, by offering the fishermen a fair market-value for their surplus, by curing well, and by selling the cured fish at fairly remunerative and yet not exorbitant prices. As soon as he fails in any one of these points, he will be liable to the competition on the same terms within a contiguous enclosure of any one else who may thereby be led to think he can do better. It will thus become his interest to treat both the fishermen and the public well.

10. This petitioner has the advantage [of] being able to provide ample good security and sale agency at Mercara as long as his honesty in d[eal]ing is to the satisfaction of the heads of the Basel Evangelical Mission, of whose congregation h[e] is a member.

11. Whether the arrangement will be [pro]fitable to Government is the other side of the question. Salt costs Government from the contractor 8 Annas a-maund of Bombay salt or 5 Annas 4 Pies of Goa salt. Sold to the petitioner at half the monopoly price, or Rupee one a-maund, the margin for Government will be 8 Annas, or Annas 10-8 a-maund, and out of this will have to be paid the guard and the carriage to the enclosure and the erection of the enclosure.

12. For the enclosure a high bamboo railing will suffice, and that may be very cheaply run up. The carriage will be a mere trifle ; for the site selected is Sultan's Battery, so as to be inoffensive to the town and near the fishermen and one or two boats a month will carry all that is wanted along the estuary between it and the salt kotaurs ; and this may be borne either by the Government or the petitioner as thought fit. The guard need not be extensive, no great amount of salt being exposed at a time, and the only thing to be guarded against being the carrying of salt out past the gate by any of the employed labourers with a view to selling it at a profit.

13. If the amount of fish cured be small, Government will scarcely be remunerated ; but if it be large, there may not only be no loss but a decided profit. Though the amount cured may perhaps be small at first, there is every reason to anticipate that a man who desires to live by it entirely, and has no lack of means, will endeavour to make it as extensive as he can.

14. I think the enterprise should be given a trial ; for, even if it yield no profit to Government, it will still benefit the fishermen and the curers, and the inland public, which last will thus have an additional food not previously within their reach, and this without any injury to the salt revenue. It is quite possible, moreover, that the demand in the interior may be found sufficiently large to develop an extensive trade ; and, in such case, the Government will be the gainers by so much more of their salt being sold at a price which, [though] not the monopoly price, is still a profitable price.

15. I do not anticipate that the use of salt-[earth] in curries can ever be so general as injuriously to affect the ordinary salt-sales. If it do[es] the time for raising the price of salt to the curer will have arrived.

16. The illicit salt question, which includes [the] use of salt-earth, has been dealt with at [length] by my predecessor, and a decision is needed as much in the interests of the salt-revenues generally as in the decision of [the] matter.

Proceedings Board of Revenue, 8th January 1872, No. 55.

17. I have the honour to request, therefore, [that] the Board will be pleased to instruct me how I may deal with the users of salt-earth, [and] the answer I am to make to the application enclosed.

Petition from HANOCK SOANS, residing at [Kodia]l, Mangalore, to H. S. THOMAS, Esq., Collector of South Canara, 22nd February 1873.

I MOST respectfully beg leave to submit [the] following few lines for your Honour's kind consideration, hoping that your Honour may be [pleased] to grant me a favourable order.

2. Being given to understand that a conce[ssion] will be allowed to any person who is desirous of curing fresh-fish in a best possible manner by selling him salt at half-price from the Government salt depôt, I beg to submit that I am prepared to undertake the profession of curing fresh and good fish by purchasing direct from the fishmongers in Mangalore, and preserving them in a place appointed to me, and one not interfering with the health of the public, and seasoning them with the said salt unadulterated and in the best possible manner.

3. I beg to submit that, in case I undertake this work, I am not aware whether the fishermen who are in the habit of curing their fish with muddy salt will henceforth be permitted to continue as they have done hitherto, or they will be prohibited from curing fish in future.

4. I am also not aware that whether the privilege of purchasing salt at half-price and curing fish may be exclusive, or will be granted to other individuals on application.

5. I, therefore, pray that your Honour will be [pl]eased to grant me a favourable order, for which act of kindness I shall, as in duty bound, ever pray.

No. 107. ORDER THEREON, 13th [Sep]tember 1873, No. 985.

Miscellaneous.

FORWARDED to the Board of Revenue with the request that they will be good enough to submit their views on the questions raised in the Government of India's letter and its enclosure.

(True Extract.)

(Signed) R. A. DALYELL,
Acting Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

8. 10. 8
1-4-27

Revenue 1873 Sept.
No. 2670

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From Govt of Madras Dept Agri Revenue Commerce. No. 30

Dated 21st August 1873. Encl 1
Rec'd 3rd Sept. 1873.

Forwarding for any remarks the Govt of Madras may have to offer copy of a report by Dr Day Insp: Genl of Fisheries upon the apprehended effect of the raising of the salt tax in Madras on the trade in salt fish and enquiring whether an import duty could be levied on all foreign cured salt fish including that cured in Burmah or any other place where a salt duty equal to that paid in Madras is not levied and if so at what rate.

No. 985

Forwarded to the Bd of Rev
with the request that they will
be good enough to submit their
views on the questions raised in
the Govt of India's
the foregoing letter and its
enclosure

To Bd Revenue
Cyf 26-9 13 Septr 13

Just the
usual papers
abt this

3/45

Lush