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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No. / B.P. No.	1103	Press / Mis.
Dated	23. 7	196 1875

Not to be folded or roughly handled

No. 238. Read the following letter from A. O. HUME, Esq., C.B., Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, (Customs and Salt,) to A. MACGREGOR, Esq., Acting Secretary to the Government of Madras, dated Simla, 12th June 1875, No. 190 :—

In continuation of my letter of to-day's date, No. 189, I am directed to invite attention to the statement in paragraph 7 of your letter, No. 256, dated the 17th February last, that "each increase in the price of salt in Madras has been accompanied by a diminution in consumption."

2. This assertion, the Governor-General in Council believes, has frequently been made when the question of raising the salt duty in Madras has been under consideration, and it appears very desirable to test thoroughly its foundation.

3. To this end His Excellency in Council would wish to be furnished with a statement showing for each of the last thirty years the rate of duty and the total sales of salt in Madras for home consumption. From the total salt sales recorded should, of course, be deducted all amounts declared for export to Mysore, Coorg, Travancore, Cochin, the Nizam's territories, the Central Provinces, and the Tributary Mehals, and the amounts declared for home consumption only should be entered.

4. But further I am to inquire whether there are good grounds (and if so, what grounds) for believing that no material proportion of the salt declared for home consumption is, after being so declared, exported, being resold at up-country marts to traders. I am to invite attention to the special importance of this point as bearing upon the rate of consumption per head which is usually assumed for Madras,—a rate largely in excess not only of that prevailing in the entire Bengal Presidency where the duty is higher than in Madras, but also of that ascertained by the latest and most careful inquiries for Bombay, where the rate of duty is the same and the original cost of the salt less.

5. The Government of India desire that it may be considered by His Excellency the Governor in Council whether, assuming a consumption of only 10 lbs. per head for the extra Madras population partly or wholly supplied from Madras, and allowing for the amount of salt known to be furnished from Bombay and obtained from petty earth workings in the southern parts of the Nizam's territory and in Chittledroog and other taluqs in Mysore, it will not be found that much larger quantities of salt must be exported to these territories from Madras than are declared at the sales to be for export.

6. The bearing of this question upon the alleged diminution of consumption is obvious, since, so far as His Excellency in Council is at present informed, the central portion of the peninsula has drawn its supplies in fluctuating proportions from both the East and West Coasts, now increasing its demands on one and now on the other side, as communications were improved and articles of trade, which form the exchange for salt, found a readier sale on this or that side. Consequently, unless good and substantial reasons exist for believing that no material portion of the sales declared for home consumption really leaves the Madras Presidency, the Madras figures afford no valid data either for calculating the rate per head of consumption, or for concluding that any increase of duty has diminished consumption. The only way to arrive at a correct conclusion on these points would appear to be to add together for each year

the total sales of Bombay (excluding Sindh) and Madras, and deducting therefrom the amounts sent to the Central Provinces, to deduce thence the yearly consumption of duty-paid salt in the peninsula.

7. If this is done, the Governor-General in Council believes that, in spite of the continuous increase of duty and the fact that till recently smuggling was rife in the Bombay Presidency, it may be found that the steady increase in consumption has been greater than can be accounted for by any rate of increase of population hitherto assumed for peninsular India, and that if the total thus obtained be divided by the total of the population of Bombay, Madras, and the adjacent Native States, certainly supplied almost exclusively from one or other Presidency, the rate of consumption per head may be found to be much lower than has hitherto been assumed for Madras, and possibly nearer that which is now estimated for the Bombay Presidency, *viz.*, 10 lbs. per head.

No. 239. ORDER THEREON, 23rd July 1875, No. 1,103.

Separate Revenue, No. 33.
Customs and Salt.

REFERRED to the Board of Revenue for report.

2. With reference to paragraphs 3 and 4, the Board will be good enough to have the sales for export as well as those for home consumption inserted in sub-heads, so that the Government may have full information before them.

3. It will also be desirable to show what foreign province the salt of each district is exported to, and, if possible, the population of each such province.

(True Extract.)

(Signed) A. MACGREGOR,
Acting Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

Vide R.P. 31-8-75 No. 2450

Govt. of 1875 Madras.

REVENUE.

To

The BOARD of REVENUE.

Dated July, 23rd.

Recd. Encl.

G. O., 23rd July 1875, No. 1,103.

JULY.

Nos. 238-239.

Salt.—Referring to the Board of Revenue for report letter from the Government of India requesting certain information to test the foundation of the assertion that each increase in the price of — in Madras has been accompanied by a diminution in consumption.

No. 190.

From

A. O. HUME, Esq., C.B.,

Secretary to the Government of India,

To

THE SECRETARY TO THE GOVERNMENT OF MADRAS.

Department of Revenue, Agriculture, and Commerce.

(Customs and Salt.)

Simla, *the 12th June* 1875.

Sir,

In continuation of my letter of to-day's date, No. 189, I am directed to invite attention to the statement in paragraph 7 of your letter No. 256, dated the 17th February last, that "each increase in the price of salt in Madras has been accompanied by a diminution in consumption."

2. This assertion, the Governor General in Council believes, has frequently been made when the question of raising the salt duty in Madras has been under consideration, and it appears very desirable to test thoroughly its foundation.

3. To this end His Excellency in Council would wish to be furnished with a statement showing for each of the last 30 years the rate of duty and the total sales of salt in Madras for home consumption. From the total salt sales recorded should of course be deducted all amounts declared for export to Mysore, Coorg, Travancore, Cochin, the Nizam's territories, the Central Provinces and the Tributary Mehals, and the amounts declared for home consumption only should be entered.

4. But further I am to enquire whether there are good grounds (and if so, what grounds) for believing that no material proportion of the salt declared for home consumption is, after being so declared, exported, being re-sold at up-country marts to traders. I am to invite attention to the special importance of this point as bearing upon the rate of consumption per head which is usually assumed for Madras—a rate largely in excess not only of that prevailing in the entire Bengal Presidency where the duty is higher than in Madras, but also of that ascertained by the latest and most careful enquiries for Bombay, where the rate of duty is the same and the original cost of the salt less.

5. The Government of India desire that it may be considered by His Excellency the Governor in Council whether, assuming a consumption of only 10 lbs. per head for the extra-Madras population partly or wholly supplied from Madras, and allowing for the amount of salt known to be furnished from Bombay and obtained from petty earth workings in the southern parts of the Nizam's territory and in Chittledroog and other taluks in Mysore, it will not be found that much larger quantities of salt must be exported to these territories from Madras than are declared at the sales to be for export.

6. The bearing of this question upon the alleged diminution of consumption is obvious, since, so far as His Excellency in Council is at present informed, the central portion of the Peninsula has drawn its supplies in fluctuating proportions from both the East and West coasts, now increasing its demands on one

and now on the other side, as communications were improved and articles of trade which form the exchange for salt found a readier sale on this or that side. Consequently, unless good and substantial reasons exist for believing that no material portion of the sales declared for home consumption really leaves the Madras Presidency, the Madras figures afford no valid data either for calculating the rate per head of consumption, or for concluding that any increase of duty has diminished consumption. The only way to arrive at a correct conclusion on these points would appear to be to add together for each year the total sales of Bombay (excluding Sindh) and Madras, and deducting ~~them from~~ the amounts sent to the Central Provinces, to deduce thence the yearly consumption of duty paid salt in the Peninsula.

7. If this is done, the Governor General in Council believes that, in spite of the continuous increase of duty and the fact that till recently smuggling was rife in the Bombay Presidency, it may be found that the steady increase in consumption has been greater than can be accounted for by any rate of increase of population hitherto assumed for peninsular India, and that if the total thus obtained be divided by the total of the population of Bombay, Madras, and the adjacent Native States, certainly supplied almost exclusively from one or other Presidency, the rate of consumption per head may be found to be much lower than has hitherto been assumed for Madras, and possibly nearer that which is now estimated for the Bombay Presidency, *viz.*, 10lbs. per head.

I have the honor to be,

SIR,

Your most obedient Servant,

A O Rivaz

Secretary to the Government of India.

C. 2395

1875.

DEPARTMENT OF REVENUE,
AGRICULTURE, AND COMMERCE.

CUSTOMS AND SALT.

To

THE GOVERNMENT OF MADRAS.

No. 190.

Dated Simla, 12th June 1875.

Rec'd 24th

SUBJECT.

CALLS for certain information in order to test the foundation for the assertion that each increase in the price of salt in Madras has been accompanied by a diminution in consumption.

No 1100. 23 July, 1875
Write order

C. N. 2685

Referred to the Board of Revenue for report.

2. With reference to para 3 of the Board's No 1103 of the 23rd July 1875 the Board will be pleased to submit for Government information the following statement showing the quantity of salt issued for home consumption from the Madras Presidency during the years 1871-72, 1872-73, 1873-74 and 1874-75 and the duty realized thereon.

Year | Quantity issued for home consumption | Duty realized
1871-72 | 9,98,000 | 14,97,000
1872-73 | 10,00,000 | 15,00,000
1873-74 | 9,98,000 | 14,97,000
1874-75 | 9,98,000 | 14,97,000

3. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

4. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

5. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

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9. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

10. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

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13. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

14. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

15. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

16. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

17. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

18. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

19. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.

20. The Board will be pleased to state whether the Collectors of Salt Revenue have been instructed to report the quantity of salt issued for home consumption in each year, and if not, why not.