

(1) Number of Pages.....16.
(2) Date of repair.....15. 5. 1969
(3) Initials of the Referencer.....~~2. 6. 8~~

MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

.....DEPARTMENT

G.O. No. 1161
B.P. No.

Press
Mis.

Dated 24. 8. 1876 - 196 .

Not to be folded or roughly handled

REVENUE DEPARTMENT,
OOTACAMUND,
24th August 1876.

No. 259.

No. 1,161.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,

DEPARTMENT OF REVENUE,

AGRICULTURE, AND COMMERCE.

Separate Revenue, No. 25.

Salt.

SIR,—With reference to your telegram, 1st July, respecting the report of the Salt Commission on the supply of salt in Malabar and South Canara, I am

directed to state that the Governor in Council is prepared to concur in the proposal to substitute, in those two districts, importation by private traders, under an excise system for the present Government monopoly. The Governor in Council consequently adopts the recommendation set forth in paragraph 90 of the report, clauses 1, 2, 3, 4, 7, 10, 12, and 13—subject always to the remark on the 1st clause, that as Government recognize the right of the people to manufacture salt, if they like, under an excise license system, the Government will hold themselves in no way restricted from taking any measures in connection therewith, which they deem expedient, from time to time, for the general interest of the provinces.

2. The Governor in Council differs, however, from the opinion of the Commissioners set forth in the other recommendations. The question raised in clause No. 5,

Vide paragraph 81.

whether a closer supervision, or a preventive cordon, should be adopted to

prevent smuggling on the Canara frontier, must be decided by the local authorities, according to the circumstances which may arise; the distinction between the two systems not being very clear.

3. On the questions involved in clauses Nos. 6 and 8; viz., (I) the restriction to certain selected ports of the importation of salt, (II) the prepayment of duty in Bombay, and (III) the passing of the suggested square-rigged vessels bill, the Governor in Council is entirely at issue with the recommendations of the Commission.

(I.) There is no reason given in the report for the selection of certain particular ports, and exclusion of others. If amongst the Canarese ports—

	Foreign Vessels.	Country Vessels.
Mulki (population 3,612) is included, having a trade of ...	15	& 590
there seems no ground for excluding Udupi (population 3,857)		
with ...	34	& 670

Again, if in Malabar—

Ponani (population 11,472) with ...	& 575
and Chowghaut (population 5,457) ...	& 35

are to be open, it would seem that the port of—

	British Vessels.	Foreign Vessels.	Country Vessels.
Cannanore (population 31,076) the third port in the district			
with a trade of ...	83	2	1,398
should certainly not be excluded, and that—			
Quilandy (population 10,367) with ...	11	1	295
Kallai (population 4,586) ...		2	306
and Tanur (population 11,625) ...			225

may fairly claim to be included. The objection, however, rests not on the ground of comparative merits of the several particular ports, but upon the general ground that such a restriction will be impolitic.

Salt is not a luxury, but a necessity of life, and the free use of it is material to health.

It has been found necessary for State and Revenue purposes, to impose a duty thereon; and, subject only to that duty being obtained, it is the wish and object of Government that no impediments should be created to its free supply, at as low a price as possible.

A prohibition against import of such a necessary of life at any one port, and the necessity of thus obtaining it, by transhipment to land carriage, at some other distant place, will not only tend to raise the price to consumer, but will instantly create a special inducement to its illegitimate introduction. To enforce such a prohibition will, in all probability, cost more than the arrangements for its admission and for collecting the duty.

Prohibition of the import of salt to any ports will be an injury to the trade of such ports, as it will lessen the shipping trade to such ports—because only articles, other than salt, can then be loaded for such ports and cargoes cannot be made up with salt either as ballast with light loads, or as loading for return vessels.

The Governor in Council considers therefore that generally speaking all ports must be open to the import of salt, with proper Bonded warehouse rooms.

(II.) *Prepayment of duty in Bombay.*—The Governor in Council submits that the duty in question is an import duty due to the Government of Madras, not an export duty due to Government of Bombay.

That such duty is not due until the vessel is within the jurisdiction of Madras.

Prepayment of salt for Madras Presidency is not necessary to prevent fraud on Bombay Revenue. The course of procedure proposed in your letter of the 23rd June last, No. 151, is sufficient to this end, and obviates the necessity of any transfer or remittance.

(III.) *The proposed Square-rigged Vessels Bill.*—On this proposal, the objections of the Government of Madras have already been urged—*vide* correspondence ending with my letter, 9th May last, No. 588; but I am to point out that the nature of some of the ports indicated in the list suggested for the importation of salt by

the Commissioners themselves are unsuited to square-rigged vessels; it will be seen*

* *Vide* Statement appended.

that the whole trade of several ports is carried on by native craft of small burthen.

4. Finally, the Governor in Council differs with the Commissioners as to the nature of the preventive establishment necessary. It should not, in the opinion of the Governor in Council, be a boat service, but a coast guard one. Considering the extensive sea-board to be watched—300 miles—with facilities of inland navigation—three men to a mile for patrol duty, including night-work, is the smallest establishment likely to be efficient. The cost of 900 men may be taken at a lakh of Rupees a-year to be lessened only by some of the men being temporarily dispensed with during the monsoon; the

	RS.	
* Canara...	5,580	whole of this sum with the exception of
Malabar ...	2,428	some 8,000 Rupees, the present annual
		charge of salt guards in the two* districts,
		would be a new item in the accounts.

5. The proposals of the Commission are for four guard boats, each boat watching 75 miles of coast; an arrangement the insufficiency of which appears self-evident.

1161/2
The article to be watched is of daily use by every person—a necessary of life—on which a very considerable saving would be made, if possible, by every fisherman or other person in his own consumption; and without most stringent measures and a strong force, it will be impossible to prevent smuggled salt being supplied to fishing boats for the use of the crews, if not for sale. An efficient relay of guards at every point of the coast is therefore absolutely called for. I am especially to draw your attention to the increased cost which will thus arise.

6. Minutes by Sir W. Robinson and the Hon. Mr. Ellis accompany this letter.

I have the honor to be,

Sir,

Your most obedient servant,

(Signed) D. F. CARMICHAEL,
Secretary to Government.

PARTICULARS of the trade of the ports in the districts of Malabar and South Canara with reference to paragraph 3 of the letter to Government of India, dated 24th August 1874, No. 1,161.

Dis- tricts.	Name of Ports.	BRITISH.		FOREIGN.		COUNTRY OR NATIVE.	
		Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
Malabar.	Cannanore... ..	83	92,841	2	1,039	1,398	32,933
	Tellicherry... ..	80	92,359	31	4,738	1,249	18,679
	Kallai... ..	...	...	2	365	306	4,463
	Badagara... ..	6	3,834	...	...	516	15,251
	Quilandy... ..	11	6,076	1	574	295	10,794
	Calicut... ..	72	77,778	2	1,551	2,541	1,12,330
	Beypore... ..	55	65,140	...	...	789	27,543
	Tanur... ..	...	...	...	...	225	7,524
	Ponani... ..	...	...	...	...	575	31,830
	Chowghaut... ..	...	...	...	...	35	2,780
	Cochin... ..	171	1,08,519	27	7,010	1,644	49,215
South Canara.	Total... ..	478	4,46,547	65	15,277	9,573	3,13,342
	Mangalore... ..	148	1,66,435	461	36,232	2,991	61,445
	Mulki... ..	...	...	15	286	590	7,560
	Manjeshwar... ..	...	...	41	1,730	182	3,418
	Kumbla... ..	...	...	10	412	338	4,709
	Hassergode... ..	...	...	40	590	566	6,661
	Udipi... ..	...	...	34	1,073	670	9,046
	Barkur... ..	...	...	193	5,064	925	14,570
	Kundapur... ..	...	...	164	8,320	1,035	20,817
	Baindur... ..	...	...	24	326	497	4,892
	Nackineottah... ..	...	...	...	...	67	758
	Total... ..	148	1,66,435	982	54,033	7,861	1,33,876

(Signed) D. F. CARMICHAEL,
Secretary to Government.

26/2/85

Agriculture 1876 Department

Government of Fort St. George.

Dated 24th August 1876.

No. 1,161.

Received

Enclosures.

5 spare copies.

D. No.

Progs.

D. No.

No.

Submitting remarks on the Report of the Commission on Salt arrangements on the West Coast.



24 August 1876

No 1161 To Mr. Leeg. Esq. of India
Sept of Rev. LC.

1161/4

With reference to your letter of 1st July, respecting the report of the Salt Commission on the supply of Salt in Malabar & South Canara, I am directed to state that the Governor in Council is quite prepared to concur in the proposal to substitute, in those two districts, importation by private traders, under an excise system for the present Government Monopoly - The Governor in Council consequently adopts the recommendation set forth in the paragraph clause 90 of the report, paragraphs 1, 2, 3, 4, 7, 10, 12 & 13 - subject to the remarks on the

Bul 22/8

22/8

13/10

21 Aug 776 R 230 Aug

the 1st ^{clause,} paragraph, that
as Government recognize
the right of the people to
manufacture salt, if they
like, under an excise li-
cense system, the Govern-
ment will hold themselves
in no way restricted from
taking any measures in
connection therewith, which
they deem expedient, from
time to time, for the general
interest of the provinces.

3. The Governor in Council
differs however from the
opinion of the Commission-
ers set forth in the other
recommendations. The
question raised in ^{clause} No 5, whether
there a closer supervision,
or a preventive cordon, should
be adopted to prevent smuggling
on the Canara frontier,
must

vide para 81.

1161/5
must be decided by the local
authorities, according to the
circumstances which may
arise; the distinction be-
tween the ^{two} systems not
being very clear.

3. On the questions involved
in clauses Nos 6 & 8, ^(I) the re-
striction to certain selected
ports of the importation of
salt - ^(II) the prepayment of
duty in Bombay, and ^(III) the
trading of the suggested
square rigged vessels bill, the
Governor in Council is
entirely at issue
with ^{the} recommendations of
the Commission.

(I) There is no reason
given in the report for the
selection of certain particu-
lar ports, and exclusion of
others. If amongst the
Canara

Canarese ports, Mulki (pop. 3612) is included having a trade of —

Foreign Vessels	Country Vessels
15	590

There seems no ground for excluding Udipi with (pop. 3857) or Barkur with (pop. 1475)

Foreign Vessels	Country Vessels
34	670
193	925

Maybe omitted as Barkur

Again if in Malabar

Ponane with (pop. 11,472)

& Choughant (pop. 5657)

Foreign Vessels	Country Vessels
"	575
"	35

is same as Hangarkota
at big lane
got in here
to be

are to be open, it would seem that the port of Cannanore (pop. 31,076)

more, the third port in the District with a trade of — should certainly not be excluded and that —

British Vessels	Foreign Vessels	Country Vessels
83	2	1398

Landay with (pop. 10367)

Kallai (pop. 2586)

& Tanur (pop. 11,625)

British Vessels	Foreign Vessels	Country Vessels
11	1	295
"	2	306
"	"	225

may fairly claim to be included. The objection however rests not on the ground of comparative merits of the several particular ports, but upon the general ground that such

a

1161/6
a restriction will be impolitic.

Salt is not a luxury, but a necessity of life and the free use of it is material to health.

It has been found necessary for State & revenue purposes, to impose a duty thereon; and, subject only to that duty being obtained, it is the wish and object of Government that no impediment should be created to its free supply, and that it should be obtainable at as low a price as possible.

A prohibition against import of such a necessary of life at any one port, and the necessity of thus obtaining it, by transshipment to land carriage, at some other

distant

distant place, will not only tend to raise the price to consumer, but will instantly create a special inducement to its illegitimate introduction. To enforce such a prohibition will, in all probability, cost more than the arrangements for its admission and collecting the duty.

Prohibition of the import of Salt to any ports will be an injury to the trade of such ports as it will lessen the shipping trade to such ports - because only articles, other than salt, can then be loaded for such ports & cargoes cannot be made up with salt either as ballast with light loads or as loading for return vessels.

The Governor in Council
Considers

116/2
Considers therefore that generally speaking all ports ^{must} be open to the import of salt, with proper bonded warehouse rooms

(II) Prepayment of Duty in Bombay.

The Governor in Council submits that the duty in question is an import duty due to the Government of Madras, not an export duty due to Government of Bombay.

That such duty is not due until the vessel is within the jurisdiction of Madras.

Prepayment of salt for Madras Presidency is not necessary to prevent fraud on Bombay revenues. The course of procedure proposed in 1871

(III) He proposed square rigged vessels. On his proposal, the objections of the Govt of Madras have already been urged - vide correspondence ending with my letter of 9th May last No 508... but I am to point out that the

is. Finally, the Govt. differs with the former as to the nature of the

A letter of the 23rd June last, No 151, is sufficient to this end, & makes the necessity of any transfer unnecessary.

some of the ports indicated in the list suggested for the importation of salt & the Com^{rs} of the ports are requested to sign signed orders, which will be seen that the ports have

