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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

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

588

Press
Mis.

Dated

9-5-1876

196-

Not to be folded or roughly handled

No. 61. Read the following letter from the Madras Salt Commission, to
A. O. HUME, Esq., C.B., Secretary to the Government of India, Depart-
ment of Revenue, Agriculture, and Commerce, dated Madras, 19th March
1876, No. 77:—

SIR,

We have the honor to submit the following report on the Bill to restrict the
transport of salt by sea after careful consideration and discussion of the papers
forwarded with your endorsement, No. 59, dated the 22nd ultimo.

2. The circumstances out of which the necessity for the Bill has arisen, and
the objects aimed at by it are fully described in your Circular letter, No. 228,
dated 20th August 1874, to the Governments of Madras, Bombay, and Bengal.
The Governments of Bombay and Bengal, and the Chief Commissioner of British
Burma, to whom reference was subsequently made, have expressed opinions in favor

No. 1,369, 26th October 1874. of the enactment of the Bill, but the
" 111, 19th January 1875. Government of Madras have objected to
" 1,674, 22nd November " it on the following grounds set forth in
their letters noted in the margin:—

1st—That the Bill will probably fail to check the smuggling which it is its
object to prevent;

2nd—That it will seriously interfere with the freedom of traffic.

3. On the first point they observe that, "as there are no means of enforcing
the restrictions (in the absence of a preventive service either sea or land), the pro-
visions of the Bill will probably be, to a great extent, disregarded, and the law fail
of its intended effect. Hitherto a considerable quantity of salt has been legally
imported in pattimars and dhonies. If the Bill becomes law, these vessels, even if
denied salt at Bombay in consequence of their rig and burthen, being still able to
carry the article, will not import it openly, but will smuggle it on shore from some
place where it can be obtained without hindrance, or in a surreptitious manner."

4. And in regard to the second point, they urge that "salt has at the
present time been the ballast of much of the native craft running down the coast.
If this cannot be legally shipped, save after an advance of Rupees 1-13-0 for 84
(sic) lbs., (exclusive of insurance, shipping charges, &c.), except on square-rigged
vessels, a very serious blow will be struck against the trade carried on by small
native craft." They likewise observe that "the restriction proposed will also injure
the trade in salt from the East Coast to Moulmein, &c.; for, though the vessels
employed here are generally square-rigged, their tonnage is less, as a rule, than the
minimum prescribed by Section 2 of the Bill."

5. In the absence of a preventive service there would certainly be difficulty
in enforcing the restrictions prescribed by the Bill. But it is evident from papers
before the Commission that smuggling prevails to a serious extent along the coast of
South Canara and Malabar, and that necessity exists for the organisation of
an establishment to check this contraband trade. We purpose in reporting on
the questions referred to us by your letter, No. 3, dated 6th January 1876,
to submit proposals for the entertainment of a preventive service on the West

Craft, which, if acceded to, will provide machinery for giving effect to the Bill.

"Even if denied salt at Bombay in consequence of their rig and burthen."

From the phrase cited in the margin, the Government of Madras would seem to have misapprehended the scope of the Bill. Any kind of craft will be allowed to carry salt covered by a permit granted under Section 28 or Section 29 of the Act of the Governor of Bombay in Council, No. VII. of 1873.

6. There are no foreign salt-works on the East Coast. Its sea-borne salt trade is small, and confined to the exportation of monopoly salt to Bengal, Burma, and the Straits Settlements, with occasional shipments from one Madras port to another. The vessels employed in the trade are mostly square-rigged, but some of them are of less burthen than 300 tons, and large country dhonies are sometimes used. So far as the Madras portion of the East Coast is concerned, there would seem to be at present no special need for the proposed restrictions, but they can be relaxed whenever necessary under Clause (b), Section 3 of the Bill.

7. The objections urged on the score of injury to the trade of country coasters seem to involve the same misconception as noticed at the end of paragraph 5. In fact, they are directed rather against the orders requiring the prepayment of duty on Bombay salt than against the provisions of the Bill. The Bill does not affect the trade in Bombay salt under existing Regulations, for all such salt will fall under the exception in Section 3, Clause (b). It is even intended, as explained in your Circular of the 20th August 1874, to provide for the carriage in country craft of foreign salt under precisely similar conditions. Those conditions, which compel the payment of duty and the bagging of the salt previous to shipment, have been found to be necessary to prevent losses in the carriage by sea of home-made salt; and while dealers in foreign salt cannot reasonably expect greater freedom in their trade than is accorded to traders in the home-made article, British manufacturers would have fair ground of complaint if exceptional privileges were allowed to the salt-makers of foreign territories competing with them.

8. On the whole, then, we think that it is essential to the security of the revenue that the coasting trade in foreign salt be brought under proper control, and that the Bill under discussion is calculated to effect this object without causing material inconvenience to trade, and we beg to recommend that it be passed at an early date, so that its provisions may come into force at the commencement of the next salt-shipping season.

9. We would observe, in conclusion, that there seems to be no law outside the Bombay Presidency under which vessels offending against the Act, and their cargoes, can be dealt with, and we would suggest that powers to dispose of such cases, similar to those conferred on the Collector of Salt Revenue by the Bombay Salt Act (Sections 48 and 59) and on Customs Officers by Sections 218 and 220 of the Consolidated Customs Act, be reserved in the Bill to the Chief Officers of Customs and Salt at Madras and Calcutta. The profits on a successful run of salt are very large, and we do not think that the risk of fine on conviction before a Magis-

trate will of itself prove sufficient to deter smugglers from continuing to carry salt in defiance of the Act.

We have, &c.,

(Signed) C. B. PRITCHARD,
(") J. GEOGHEGAN,
(") H. E. STOKES,
(") R. M. ADAM,
(") T. VENKASAMI,

(Signed) W. A. WILLOCK,
Secretary, Madras Salt Commission.

To Hon. WILLIAM HUDLESTON, Chief Secretary to the Government of Madras.

(True Copy.)

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

REVENUE DEPARTMENT,
OOTACAMUND,
9th May 1876.

No. 65.

No. 588.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,

DEPARTMENT OF REVENUE,
AGRICULTURE AND COMMERCE.

Separate Revenue, No. 9.

Salt.

SIR,—With reference to the letter addressed to you by the Madras Salt Commission, dated 19th March 1876, No. 77 (copy of which was furnished to

this Government by the President of the Commission), on the subject of the Bill to restrict the transport of Salt by sea, I am directed to state that the arguments therein advanced have not changed the opinion of His Grace the Governor in Council, as to the injustice and inexpediency of the measure.

2. The objections urged by this Government on the score of difficulty in enforcing the restrictions prescribed by the Bill, in the absence of a preventive service, and on the score of injury to the trade, have not lost any of their force, are

unaffected by the arguments of the Commission, and are now in fact, to some extent, admitted in their letter*.

* Paragraphs 5 and 8.

3. Without an efficient preventive force, the provisions of the Bill cannot be enforced. The provision of such a force both by land and sea to prevent smuggling on an extensive coast line must prove exceedingly expensive, while its success will be doubtful: and the Bill will either deprive a large number of Madras vessels of an ordinary article of freight, or will introduce an harassing system of passes and exemptions, which, to the small shipowner, means either cost in money or loss of time.

4. I am directed to request the serious consideration of the Government of India to these points, and to express the hope of this Government that the Bill may not be passed into law.

I have the honor to be,

Sir,

Your most obedient servant,

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

Exd. F. R. Bantleman.

Agriculture (1876) Department

Government of Fort St. George.

Dated 9th May 1876.

Received

No. 588.

Enclosures.

5 spare copies.

D. M.

Progs.

L. M.

No.

1264-65

Requesting the serious consideration of the Government of India to certain points, with reference to the letter from the Madras Salt Commission on the subject of the Bill to restrict the transport of Salt by sea; and expressing a hope that the Bill may not be passed into law.

No. 77

From the Madras Salt Commission,
To A. O. HUME, Esq., C.B., Secretary to the Government of India,
Department of Revenue, Agriculture, and Commerce.
MADRAS, the 16th March 1876.

SIR,

We have the honor to submit the following report on the Bill to restrict the transport of salt by sea, after careful consideration and discussion of the papers forwarded with your endorsement, No. 59, dated the 22nd ultimo.

2. The circumstances out of which the necessity for the Bill has arisen, and the objects aimed at by it, are fully described in your Circular letter, No. 228, dated 20th August 1874, to the Governments of Madras, Bombay, and Bengal. The Governments of Bombay and Bengal, and the Chief Commissioner of British Burma, to whom reference was subsequently made, have expressed opinions in

No. 1,369, 26th October 1874.

111, 19th January 1875.

1,674, 22nd November 1875.

favor of the enactment of the Bill, but the Government of Madras have objected to it on the following grounds set forth in their letters noted in the margin.

1st—that the Bill will probably fail to check the smuggling which is its object to prevent.

2nd—that it will seriously interfere with the freedom of traffic.

3. On the first point they observe that, as there are no means of enforcing the restrictions, (in the absence of a preventive service either sea or land), the provisions of the Bill will probably be to a great extent disregarded, and the law fail of its intended effect. Hitherto a considerable quantity of salt has been legally imported in pattimars and dhonies. If the Bill becomes law, these vessels, even if denied salt at Bombay in consequence of their rig and burthen, being still able to carry the article, will not import it openly, but will smuggle it on shore from some place where it can be obtained without hindrance, or in a surreptitious manner."

4. And in regard to the second point, they urge that salt has up to the present time been the bullock of much of the native craft running down the coast. If this cannot be legally shipped, save after an expense of Rupees 1-13-0 for 84 (sic) lbs., (exclusive of insurance, shipping charges, &c.), and on square-rigged vessels, a very serious blow will be struck against the trade carried on by small

relative craft. They likewise observe that "the restriction proposed will also injure the trade in salt from the East Coast to Moulmein, &c. For, though the vessels employed here are generally square-rigged, their tonnage is less, as a rule, than the minimum prescribed by Section 28 of the Bill."

5. In the absence of a preventive service there would be difficulty in enforcing the restrictions prescribed by the Bill. But it is evident from papers before the Commission that smuggling prevails to a serious extent along the coast of South Canara or Malabar, and that necessity exists for the organization of an establishment to suppress this contraband trade. We propose, in reporting on the questions referred to by your letter, No. 3, dated 6th January 1876, to submit proposals for the establishment of a preventive service on the West Coast, which, if acceded to, will provide machinery for giving effect to the Bill. From "Even if salt is smuggled at Bombay in consequence of the phrase cited in the margin, the Government of Madras would seem to have misapprehended the scope of the Bill. Any kind of craft will be allowed to carry salt 'covered by' permit granted under Section 28 or Section 29 of the Act of the Governor of Bombay in Council, No. VII. of 1873."

6. There are no foreign salt-works on the East Coast. Its sea-borne salt trade is small, and confined to the exportation of monopoly salt to Bengal, Burma, and the Straits Settlements, with occasional shipments from one Madras port to another. The vessels employed in the trade are mostly square-rigged, but some of them are of less burthen than 300 tons, and large country dhonies are sometimes used. So far as the Madras portion of the East Coast is concerned, there would seem to be at present no special need for the proposed restrictions, but they can be relaxed whenever necessary under Clause (b), Section 3 of the Bill.

7. The objections urged on the score of injury to the trade of country coasters seem to involve the same misconception as noticed at the end of paragraph 5. In fact, they are directed rather against the orders requiring the prepayment of duty on Bombay salt than against the provisions of the Bill. The Bill does not affect the trade in Bombay salt under existing Regulations, for all such salt will fall under the exception in Section 3, Clause (b). It is even intended, as explained in your Circular of 20th August 1874, to provide for the carriage in country craft of foreign salt under precisely similar conditions. Those conditions, which compel the payment of duty and the bagging of the salt previous to shipment, have been found to be necessary to prevent abuses in the carriage by sea of home-

* I.e., Salt made in British India. made salt; and while dealers in foreign salt cannot reasonably expect greater freedom in their trade than is accorded to traders in the home-made article, British manufacturers would have fair cause of complaint if exceptional privileges were allowed to the salt-makers of foreign territories competing with them.

8. As a whole, then, we think that it is essential to the security of the revenue that the trade in foreign salt be brought under proper control, and that the Bill under discussion is calculated to effect this object without causing material inconvenience to trade and we beg to recommend that it be passed at an early date, so that its provisions may come into force at the commencement of the next salt-shipping season.

9. We would observe, in conclusion, that there seems to be no law of the Bombay Presidency under which vessels offending against the Act, and their cargoes, can be dealt with, and we would suggest that powers to dispose of such cases, similar to those conferred on the Collector of Salt Revenue by the Bombay Salt Act, Sections 48 and 49 and on Customs Officers by Sections 218 and 220 of the Consolidated Customs Act, be reserved in the Bill to the Chief Officers of Customs and Salt at Madras and Calcutta. The profits on a successful run of salt are very large, and we do not think that the risk of fine or conviction before a Magistrate will of itself prove sufficient to deter smuggling. It is anticipated that salt in defiance of the Act.

Yours most obedient servant,

(Signed) *W. A. Willock* CRITCHFIELD.
(") *W. A. Willock* COGHETAN.
(") H. E. STOKES.
(") R. M. ADAM.
(") T. VENKASAY.

(Signed) W. A. WILLOCK,
Secretary, Madras Salt Commission.

To.

Honorable William Rudleston

Chief Secretary to the

Government of Madras.

29 March 1876.
Madras

Exd. W. J. Lewis.

Forwarded to
Madras & Calcutta Salt & Soda

Revenue 1876

No 1470



The Madras

Salt Commission

No 77

Dated 19th May 1876

Read 19th May 1876
Read 11th April 1876

Submitting papers
on the Bill to restrict the
transport of Salt by sea.

Rev. D. ...

64.

Circ & file

8/12/4/6.

to Sir H. Robinson 3.5.76 R 5. May
R. C. to Sir H. Robinson & His Grace the Gov. 1. May R 3. May
to His Grace the Gov. 25. April R 25. April



1876
Must with reference
to the remark of Sir
Paine, the Governor on
copy of letter from the
Madras Salt Com-
mission to the Secy
to the Govt of India. Sept.
19th April 1876. & can. d.
19 March 1876 No 77.

Foreign Salt is salt made
& exported from Foreign
territories, as Goa, be-
longing to the Portug. etc.
etc.

British Salt is salt made
in British territories.

R.C. to Sir Robinson 3.5.76 R 5. May
R.C. 1.5.76 R 3.5.76
C. 25.4.26. R 25.

9
What justification there
can be for saying that
Salt may not be carried
in vessels of less than
300 tons I cannot discern.

It will simply deprive
a large number of
Madras vessels of

an ordinary article of
freight - for a system
of trading under paper
means cost either in
money or loss of time to
the ship owner

It is admitted in the letter
that Paray & Co. that it

will cause some inconvenience
to trade -

I think the matter should be
considered in Council - whether
we should not express a further
opinion on the measure.

B. L. 26/4

To the Secretary to the Govt.
of India. Department of
Rev. Agri. & Commerce

Sir

With reference to the
letter addressed to you
by the Madras Salt Com-
mission of 19 March 1876
No 77 (copy of which was
furnished to this Govt. by
the President of the Com-
mission) on the subject of the
Bill to restrict the trans-
port of salt by sea, I am di-
rected to inform you that the
arguments therein advanced
have not been taken into
consideration in the opinion of
His Grace the Governor-in-Chief
and as to the measure being
a step of expediency of the measure.
2. The objections urged by the
Government on the score of dif-
ficulty in enforcing the
restrictions prescribed by
the Bill, in the absence of a
preventive service, & on the

Ref. 3/5.
circulate as
advised.

MD 5/5

...of ... have
not ...
and ...

arguments of the ...
and ...
... are in fact ...
... in this letter.

The promise of an efficient
detective force both on land
& sea to prevent smuggling
on an extensive ^{coast} line of
... must prove ex-
ceedingly expensive & ...
... will be doubtful
...
fulfill its objects for which
it was intended & the
bill, I am to take much
simply deprive a large
number of ...
vessels of an ordinary
article of freight, because
a system of trading under
passes means cost either
in money or loss of time,
to the ship owner.

I am directed to request
the consideration of the ...
of ... to ...
the bill is ...

... 5-18
without an efficient ...
force the ...
the bill cannot be enforced

... will introduce an
... system of ...
... exemptions which
... the small ... means
... cost in money or
... time

and to express the hope that
... that

... law ...
...
...

Ind. Copy on 9 May 1946
6 Copies sent to

2 The objections raised by
this Government on the same
difficulty

difficulty in enforcing the
restriction ^{on} ~~provisions~~ ^{in the}
Bill, ^{the} absence of preventive
services, and on the score of injury
to the trade ^{and} not lost any of
their force, are ^{not} affected by the
infirmities of the Commission, and
are now in fact, to some extent
admitted in this Bill.

3. Without an efficient
Preventive force, the provisions of the
Bill cannot be enforced. The
provision of an efficient detective
force both on land and sea to
prevent smuggling on an extensive
coast line must prove exceedingly
expensive, ^{while} and its success will be
doubtful; and the Bill will either
deprive a large number of Madras
vessels of an ordinary article of
freight, or will introduce an
horrifying system of passes
and exemptions, which, to the small
shipowner, means either cost in
money & loss of time.

4. I am directed to
request the serious consideration

x paras 5 and 8

such as

of the Government of India ¹³ these
points, and ^{to} express the hope
of this Government ^{that} the
Bill may not be passed.

despatch
in the first L