

MERCANTILISM VERSUS FREE TRADE IN A BRITISH COLONY

THE SALT INDUSTRY IN NORTH CEYLON (SRI LANKA)
IN THE MID 19TH CENTURY

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The government of Ceylon retained the monopoly of the right of collection and sale of salt,¹ because it was a stable and valuable source of revenue.² While there were salt pans at Hambantota and Puttalam, the salt pans of Jaffna were economically most significant. Salt was collected from pans, and stored and sold by the government for internal consumption or export. In the 1860's the monopoly in salt alone yielded nearly one-tenth of the island's revenue.³ The salt industry also provided employment to the poorer population; and a large amount of seasonal labour was employed in this enterprise.⁴

Those engaged in the manufacture of salt in North Ceylon were a section of the people from Chivisteru in Jaffna, usually from the "Chivia" caste, and a few from the "Kovia" and "Vellala" castes.⁵ Owing to the government monopoly, manufacturers had to sell their produce to the government at fixed prices.⁶

Since salt was so important in the economy and trade of the island, constant attention was paid to the industry by Government Agent, P. A. Dyke, (1829-1867). Salt was collected and despatched from the ports of the Jaffna peninsula. In 1832, December, 54,594 *parrahs* and 7,944 *parrahs* were exported through Point Pedro and Kayts, respectively.⁷ In April 1833, a vessel from Mauritius purchased at Point Pedro a cargo of salt paying in Spanish dollars.⁸

1. Basnayagan, G., *The British Period of the History of Jaffna*, (Colombo, 1934), p. 40; Dickman, C. *The Ceylon Civil Service Manual* (Colombo, 1865), p. 128; Baker, Samuel, *W. Eight Years in Ceylon*, (London, 1855), pp. 332-338; Ward, H. G., *Speeches and Minutes of the late Sir Henry Ward*, (Colombo, 1904), pp. 119-120, for general accounts of the salt industry.

2. Ward, H. G., *op. cit.* pp. 119-120.

3. *ibid.*

4. *ibid.*

5. Martyn, John H., *Notes on Jaffna: Chronological, Historical, Topographical, etc.*, (Ceylon 1923), p. 282.

6. *ibid.*

7. SLNA (Sri Lanka National Archives) - 6/174 - Collector to Chief Secretary, 29 December, a *parrah* was equal to about 1.5 *maunds*; *maund* was an Asian measure of weight of varying value - 88 2/7 lb., derived from Hindusthani and Persian *man*; See SLNA 6/492 - Government Agent to Colonial Secretary, 22 April 1834 for the equivalent of *parrahs* in *maunds*; a *parrah* equalled three-fourths of a bushel, another measure of capacity - see Iovers, R. W. *Manual of the North Central Province*, (Colombo 1899), p. 113.

8. SLNA - 6/1161 - Collector to Chief Secretary, 18 April 1833 (no number) - a Spanish dollar was equivalent to 4s. 2d. in English currency.