

C.S.

SECRET

WAR/W2H/1#4

1939

No.

5/11/39.

S. of S. Secret Circular

SUBJECT.

19 39.

and March.

Previous Paper.

DRAFT OF THE SHIPS AND AIRCRAFT (TRANSFER  
RESTRICTION) BILL WHICH WOULD BE INTRODUCED  
AFTER THE OUTBREAK OF WAR.

MINUTES.

1-6

S. of S. Secret Circular of 3/3/39.

See Sec. 7 of Circular and red 1 Bill.  
There do not appear to be any suggestions  
to offer regarding adaptations relative  
to the clauses of the Bill mentioned  
in para. 7.

H.

Submitted

WCH  
CS

2.5.39.

Please put up reply saying that  
the only suggestion I have to make  
in ref to the Act is that for the  
purpose of Administration of it is  
this Clause the necessary powers should  
be delegated to the Colonial Sec.  
at the proper time 13/5

Subsequent Paper.

Jh.

Draft submitted.

MCH

15.5.39.

~~15/5~~ 16/5

Secret despatch to S. of S. of 17/5/39

(4)

Jh.

Despatch submitted.

MCH

cl

17.5.39.

~~15/5~~ 18/5

1 degree Circular No. 13 from S. of S. 26/8/39.

8-9

S. of S. Secret Circular of 23<sup>rd</sup> June, 1939.

10-22.

Reds 8-9 Regulation prepared.

Para: 5 of red (22) appears the same as para: 7 of red (6) which was answered by red (7) of the 17<sup>th</sup> May 1939.

MCH  
cl.

Jh.

Submitted.

2. With the exception of the word "deletion" in the third line of para: 5 the

para: appears the same as  
para: 7 of red (6) which  
was answered by red 7.

MEH

30.8.39

And that is a misprint  
for "delegation"

The fact appears to be that  
the significance of the <sup>adaptations</sup> ~~changes~~ and  
modification required to make the  
Act applicable here does not seem  
to have been understood by us.

The adaptations should be  
as in the Emergency Powers Act  
namely i.e.

~~Clause 12, for Board of Trade~~  
~~substitute Governor in Council~~  
~~the Bill that~~

- (1) The Governor shall be substituted  
for the Board of Trade as the authority  
for doing any act in respect of ships  
or aircraft registered in the Colony
- (2) The Governor in Council shall be  
the <sup>sole</sup> authority for ~~imposing~~ <sup>imposing</sup> charges  
under ~~section 8~~ <sup>clause 8</sup> and all sums received  
(3) should be paid into the general  
revenue of the Colony and under clause 10  
expenses defrayed therefrom

I think that we had better  
send a telegram W.R.C. no 7 and  
no 22 saying that the <sup>only</sup> adaptation  
required are ~~the same as~~ <sup>exactly similar to those</sup> in the  
Emergency Powers / Colonial Defence Order  
in Council 1939 the Governor being  
made the authority throughout in place  
of Board of Trade and Treasury

ttttt 31/8/39

Telegram No. 65 to S. of S. of 31. 8. 39. (23)

Telegram from S. of S. 3/9/39 (24)

cf. Submitted. I have been unable  
to trace the telegram of the  
2nd Sept. As the Ships Restriction  
Act has apparently been passed  
there may be no necessity for  
passing the regulations prepared  
in accordance with red 9.

WCH

4. 9. 39.

The telegram we received here that  
cannot now be traced. The Act has been  
passed. I agree no action necessary here  
now, but no transfers of ships can be  
registered without being ttttt 6/9

Registrar of Shipping.

To note particularly red 9

WCH

C/

6. 9. 39.

Red 24 should be repeated. (1) is not complete and (4) is not understood

McH  
C.S.

6.9.39

Repeat red.

McH

14.9.39

(25)

Telegram from S. of S. Circular  
No. 51 of 13/9/39

Y.S.

Submitted to Registrar  
of Shipping to see?

McH

C.S.

15.9.39

Registrar of Shipping  
~~11/11/39~~ 16/9

Please note reds 5  
and 9. Sale of ships and  
transfer of Registry is  
prohibited during war.

McH

C.S.

16.9.39

Noted.

George F. Hobbs  
Hobbs & Co.

of 20. 9. 39. - 30.  
 of 28. 19. 39. - 32.  
 Circular Despatch (2) 30. 9. 39. 33-34.  
 35-40.

# Registrar of Shipping.

To note The M. Acc  
 Ships and Aircraft Restriction  
 Act, 1939, applies to the  
 Colonies

M.L.H.

21. XII. 39

## Honourable Colonial Secretary.

Adm. Thank you.  
 rd 85 have been made a posted.

Copies of

W. R. S. 22. XII. 39.

S. of S. Circular Note of 18/2/40.

1+1.

S. of S. Circular Telegram Saving of 18. 6. 40.

42.

P.A.

6. 1. 41.

43.

S. of S. Circular Note of 12th February, 1941.

44-46.

S. of S. Circular Note of 24. 9. 41.

47-48.

" " Savingram of 14. 11. 45

49.

" " " " 27. 6. 46

50.

28. 9. 47

51.

Circular saving tel (2) from S. of S. of 5. 11. 47.

52.

circ savingram from S. of S. of 15. 1. 48

" " " " " 28. 50 54

Shipping Master to see.

55

56

noted th. you.

29/8/50

90/10/24

53

1/2

6/2

29/1/56



5/11/39.

57. Circ. Savingsgram (3) from S. of S of 17/8/50.

58. Circ. No. 617/52 from S of S of 19. 6. 52

59. Circular Savingsgram No. 921/58 from S/S of the 21st August, 1958.

60. Circular Savingsgram No. 1203/58 from S/S of the 5th November, 1958.

61

H.M.

60 for your comments pl  
Don't forget  
8/1/59

H.C.S.

62

I suggest that Government that with each application individually, as no ship registered in Port Stanley has been sold to any foreign country since 1935 and that was the S.S. 'Falkland' sold to Chile.

64

✓ Thank you 8/1/59  
F.H.

63

L.F.B.

14. 1. 59.

Draft S/S 1.5/5 S. f.c. opposite, pl.

65. Savingsgram No. 13 to S/S of the 16. 1. 59.

66. Sgm. No. 705 from S/S of 23/4/59.

19. 59.

67

Shipping master (Mr Gutteridge)

to note 66 pl

21.7.59

.A.C.S.

66 noted about

you,

21.7.59.

22.7.59



(6)

5/11/39.

CIRCULAR.

SECRET.

DOWNING STREET,

3rd March, 1939.

Sir,

I have the honour to transmit to you, for your information and guidance, a draft of the Ships and Aircraft (Transfer Restriction) Bill which would be introduced and passed in the United Kingdom as soon as possible after the outbreak of war. The restrictions which it imposes would be made immediately effective from the outbreak of war, if necessary without waiting for the passage of the Bill, which is so drafted that if its enactment cannot take place on the day of the outbreak of war, the restrictions will have retrospective effect from that day (*see* Clause 14(2)).

2. The question of the application to the Dependencies of the provisions of the Bill relating to aircraft is still being considered in consultation with the Air Ministry, and I propose to address you further in regard to this at an early date. The following paragraphs of this despatch relate solely to the provision relating to ships, and concern only the maritime Dependencies.

3. In my secret circular telegram of the 26th September, 1938, (maritime Dependencies only), I indicated that the procedure to deal with the restrictions on the transfer of ships was under revision. It has now been agreed that the restrictions required to be put into force under the terms of the Bill will, in so far as they concern ships registered in the Dependencies, be imposed immediately on receipt of the "War" telegram, and steps are now being taken for appropriate amendments to be made to Oversea Defence Committee Memorandum No. 664-M (*see* Lord Harlech's secret circular despatch of the 20th August, 1936) including provision for Dependencies to be notified immediately the Bill becomes law. Appropriate entries regarding the revised procedure should, in due course, be inserted in local defence schemes.

4. I now enclose copies of the following documents :—

- (a) Memorandum prepared by the Board of Trade explaining the provisions of the Bill relating to ships.
- (b) Instructions to Registrars of Shipping regarding the administration of the Bill.
- (c) Notice for issue to shipowners on the outbreak of war.
- (d) Form of application, referred to in paragraph 6 of (b).

5. The Instructions to Registrars are the same as those which are being issued to Registrars of Shipping in this country, and, so far as I am in a position to judge, they appear to be in a form suitable for issue to Registrars of Shipping in the Dependencies. Governors may, however, when issuing them, desire to add an Instruction that applications which Registrars, under the Instructions, are required to forward to the Board of Trade should be forwarded through the Governor, since, in many cases, useful observations may be added by him for the guidance of the Board of Trade in considering the applications.

The Officer Administering  
the Government of

6. You will observe that in the notice for issue to shipowners on the outbreak of war, the phrase " His Majesty's Board of Trade " is used. This is to make it clear that sanction cannot be given by a local trade board or chamber of commerce.

7. I shall be obliged if I may be supplied, at an early date, with any suggestions which you may have to offer for any adaptations (Clause 12(2)), charges (Clause 8), delegations (Clause 9(1)), or general sanctions (Clause 7) which you consider desirable for the purpose of the administration of the Act in the territory or territories with which you are concerned.

I have the honour to be,

Sir,

Your most obedient, humble servant,

MALCOLM MacDONALD.

---

GOVERNMENT HOUSE,

STANLEY.

17th May, 1939.

FALKLAND ISLANDS.

S E C R E T.

Sir,

*Recd*

I have the honour to acknowledge the receipt of your Secret Circular despatch of the 3rd of March, 1939, transmitting for my information and guidance a draft of the Ships and Aircraft (Transfer Restriction) Bill, together with the documents mentioned in paragraph 4 of your despatch.

2. The only suggestion I have to make in reference to the Act is that for the purpose of administering it in this Colony the necessary powers should be delegated to the Colonial Secretary at the proper time.

I have the honour to be,

Sir,

Your most obedient  
humble servant,

(Sgd.) H. HENNIKER HEATON

THE RIGHT HONOURABLE  
MALCOLM MACDONALD, M.P.,  
SECRETARY OF STATE FOR THE COLONIES.



60

PRIORITY

FROM THE SECRETARY OF STATE FOR THE COLONIES

C. O. Ref: COM 201/268/07

SAVINGRAM

CIRCULAR 1203/58

5th November, 1958

TRANSFER OF SHIPS UNDER THE SHIPS  
AND AIRCRAFT (TRANSFER RESTRICTION)  
ACT, 1939

59

My circular savingram No. 921/58 of the 21st August.

600  
605  
608

1. I enclose herewith copies of the General Sanction referred to in my Circular Savingram under reference, together with the General Approval for the transfer of the registry of certain ships, and the Press Notice No. 269 issued by the Ministry of Transport and Civil Aviation.

2. The General Sanction is expressed to supersede all previous General Sanctions except those issued by the Governors of overseas territories: this is the meaning of "in pursuance of arrangements made under Section 9 of the Act" in the penultimate paragraph. Although this General Sanction supersedes all previous General Sanctions in that it allows all transfers of all except former naval craft to all destinations except those in China or the Soviet bloc, it allows only the free transfer within the United Kingdom of former naval craft. Thus the transfer within your territory of former naval craft will fall to be dealt with under the powers already delegated to you which have therefore been left untouched.

N.3

3. I shall be grateful if you will inform me whether you have exercised, or propose to exercise, these powers by yourself issuing a General Sanction or whether you deal with applications individually.

4. All sales of ships to countries of the Sino/Soviet bloc (listed in the Schedule to the General Sanction) and all sales of former naval craft to a destination outside any particular territory will continue to need individual sanction from the Ministry of Transport and Civil Aviation.

5. The delay in informing you of the issue of the General Sanction and General Approval is regretted.

/6.

Reply at 65.

84/1  
24/12/58

The Officer Administering  
The Government of the  
Falkland Islands.

608

# Ministry of TRANSPORT and CIVIL AVIATION

## **PRESS NOTICE**

**BERKELEY SQUARE, W.1. MAYFAIR 9494 (PLEASE ASK FOR PRESS OFFICE)**

269

9th September, 1958.

### SALE OF SECOND-HAND MERCHANT SHIPS ABROAD

Restrictions on the sale abroad of United Kingdom and Colonial ships, imposed during and since the war for strategic reasons, have been progressively relaxed over the years, and have now been almost entirely relaxed.

On July 30 the Minister of Transport and Civil Aviation, Mr. Harold Watkinson, announced in the House of Commons that he intended to issue in the near future a general sanction under the Ships and Aircraft (Transfer Restriction) Act, 1939, permitting, with certain exceptions, the free transfer or mortgage of ships to all countries abroad. The exceptions related to the sale of certain categories of ships to countries of the Soviet bloc and China, and the sale of former naval craft to any foreign country.

This general sanction has now been issued, which comes into effect forthwith, permitting the free transfer or mortgage of U.K. and Colonial ships, other than sales abroad of former naval craft, and all sales to countries of the Soviet bloc and China. Former naval craft may, as hitherto, be sold freely between persons qualified to own British ships and resident in the United Kingdom, Channel Islands or Isle of Man, but individual sanction will still be needed before these craft may be sold abroad. Sanction will still be needed for the time being for all sales of ships to countries of the Sino/Soviet bloc, but a further general sanction will in due course be issued permitting the sale to these countries of certain categories of ships.

-2-

A consequential general approval has also been issued permitting the free transfer of the registry of ships to the Colonies and Commonwealth, except that the registry of former naval craft may be transferred, as hitherto, only to ports within the United Kingdom.

This general sanction does not imply exemption from requirements which may be made under the Exchange Control Act, 1947.

It supersedes all previous general sanctions except those given by Colonial Governors covering the transfer of former naval craft within their territories.

---

TCA.5623B.

SHIPS AND AIRCRAFT (TRANSFER RESTRICTION) ACT, 1939

General Sanction for the Transfer and  
Mortgage of Certain Ships

The Minister of Transport and Civil Aviation in exercise of his powers under Section 1(1) of the Ships and Aircraft (Transfer Restriction) Act, 1939 (hereinafter referred to as "the Act") and of all other powers enabling him in that behalf, hereby gives his sanction for the purpose of the said Section 1(1) to

- (1) the transfer of any ship to which the Act applies or of any share in such a ship, the mortgage of any such ship or share and the transfer of any such mortgage, being a transfer, mortgage or transfer of mortgage to a person who is, or to persons each of whom is,
  - (a) qualified to own a British ship in accordance with the provisions of the Merchant Shipping Act, 1894, as amended or extended by any subsequent enactment, and
  - (b) resident in, or, in the case of a body corporate, has its principal place of business in, the United Kingdom, the Channel Islands or the Isle of Man;
- (2) the transfer of any ship to which this sub-paragraph applies or of any share in such a ship, the mortgage of any such ship or share and the transfer of any such mortgage, being a transfer, mortgage or transfer of mortgage to any person or persons, not being or including -
  - (a) the government, any government agency or other authority of any of the countries or territories mentioned in the Schedule hereto; or
  - (b) a person who is a national of any country mentioned in the said Schedule or is resident in any such country or in any territory so mentioned or, in the case of a body corporate, is a body corporate established under and subject to the laws of, or having its principal place of business in, any such country or territory.

The last foregoing sub-paragraph applies to any ship to which the Act applies except a ship as respects which the following conditions are fulfilled, that is to say,-

- (a) that the ship has at any time formed part of Her Majesty's Navy (whether or not in right of the United Kingdom), and
- (b) that (whether while the ship formed part of Her Majesty's Navy or not) Her Majesty's Government in the United Kingdom or the Government of any other part of the Commonwealth have sold the ship or transferred the property therein to any person.



-2-

This general sanction supersedes all general sanctions heretofore given for the purpose of Section 1(1) of the Act, not being a sanction given in pursuance of arrangements made under Section 9 of the Act, and shall have effect until it is revoked or until it is superseded by any general sanction which may hereafter be given for the purpose of the said Section 1(1).

Signed by authority of the Minister of Transport and Civil Aviation  
this eighth day of September, 1958.

T.F. BIRD

THE SCHEDULE

Albania  
Bulgaria  
China  
Czecho-Slovakia  
Hungary  
North Korea  
North Viet Nam  
Poland  
Roumania  
Soviet Zone of Germany  
Tibet  
Union of Soviet Socialist Republics

Ministry of Transport  
and Civil Aviation,  
Berkeley Square House,  
London, W.1.

---

SHIPS AND AIRCRAFT (TRANSFER RESTRICTION) ACT, 1939

General approval for the transfer of the registry of certain ships

The Minister of Transport and Civil Aviation in exercise of his powers under Section 2 of the Ships and Aircraft (Transfer Restriction) Act, 1939 (hereinafter referred to as "the Act") and all other powers enabling him in that behalf, hereby approves -

- (1) the transfer of the registry of any ship to which the Act applies from a port of registry in any of the countries and territories referred to in Section 11(1) of the Act to another port of registry in the same country or territory and the transfer of the registry of any such ship from a port of registry in any of the said countries or territories (other than the United Kingdom) to a port of registry in the United Kingdom;
- (2) the transfer of the registry of any ship to which this sub-paragraph applies, from any port of registry to any other port to which the registry of that ship can be transferred under the Merchant Shipping Acts, 1894 to 1958.

The last foregoing sub-paragraph applies to any ship to which the Act applies except a ship as respects which the following conditions are fulfilled, that is to say, -

- (a) that the ship has at any time formed part of Her Majesty's Navy (whether or not in right of the United Kingdom), and
- (b) that (whether while the ship formed part of Her Majesty's Navy or not) Her Majesty's Government in the United Kingdom or the Government of any other part of the Commonwealth have sold the ship or transferred the property therein to any person.

This general approval supersedes the approval given by the Board of Trade on the 9th day of September, 1939, relating to the transfer of the registry of certain ships to which the Act applies, and shall have effect until it is revoked or until it is superseded by any general approval which may hereafter be given for the purpose of Section 2 of the Act.

Signed by authority of the Minister of Transport and Civil Aviation this eighth day of September, 1958.

T.F. BIRD

Ministry of Transport  
and Civil Aviation,  
Berkeley Square House,  
London, W.1.

---

65  
F. I. ref: S/11/39

C. O. ref: COM 201/268/07

SAVING TELEGRAM.

*From:* The Officer Administering the Government of the Falkland Islands.

*To:* The Secretary of State for the Colonies.

*Date:* 16th January, 1959.

*No.* 13. SAVING. COLONY.

(50) Your Priority Circular Savingram No.1203/58 of the 5th November, 1958.

Transfer of ships under the ships and aircraft (Transfer Restriction)  
Act, 1939.

The disposal to foreign countries of ships registered in this territory is almost negligible - one has been sold to Chile during the past 24 years. In the circumstances I propose to deal with applications, if any, individually.

GOVERNOR'S DEPUTY.

JB/FH