



THE
CEYLON GOVERNMENT
GAZETTE

EXTRAORDINARY.

No. 8,171 – WEDNESDAY, NOVEMBER 13, 1935.

Published by Authority.

PART I.—GENERAL.

PROCLAMATION BY THE GOVERNOR.

In the Name of His Majesty GEORGE THE FIFTH, by the Grace of God of Great Britain, Ireland and the British Dominions beyond the Seas King, Defender of the Faith, Emperor of India.

PROCLAMATION.

By His Excellency Sir REGINALD EDWARD STUBBS, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Governor and Commander-in-Chief in and over the Island of Ceylon, with the Territories and Dependencies thereof.

Seal.

R. E. STUBBS.

KNOW Ye that We, the Governor of Ceylon, do hereby declare in terms of Article 5 (2) of the Treaty of Peace (Covenant of the League of Nations) Order, 1935, that the several provisions of the said Order set out in Column I of the Schedule hereto shall, for the purpose of adapting the said Order to Ceylon, be modified in the manner and to the extent specified in the corresponding entries in Column II of that schedule.

By His Excellency's command,

G. M. RENNIE,
Secretary to the Governor.

Colombo, November 13, 1935.

GOD SAVE THE KING.

SCHEDULE.

I.	II.
Articles 1, 2, and 6 (3) ..	Every reference to the Commissioners shall be deemed to be a reference to a Collector.
Article 1 (3) ..	The references to the sections of the Customs Consolidation Act, 1876, the Finance Act, 1914, and the Finance Act, 1921, shall be deemed to be references to sections 48, 50, and 51 of Ordinance No. 17 of 1869.
Article 1 (6) ..	The references to the provisions of the Customs and Inland Revenue Act, 1879, and the Exportation of Arms Act, 1900, and to any proclamation or Order in Council made under either of those Acts, shall be deemed to be references to section 95 of Ordinance No. 17 of 1869 and to the provisions of the Necessaries of War Exportation Ordinance, No. 19 of 1914, and to any proclamation made under either of those Ordinances.
Article 2 (2) ..	The reference to the Table of Prohibitions and Restrictions Inwards contained in section 42 of the Customs Consolidation Act, 1876, and to the provisions of that Act and any Act amending or extending that Act, shall be deemed to be references to Schedule C of Ordinance No. 17 of 1869 and to the provisions of that Ordinance or any Ordinance amending or extending that Ordinance.
Article 3 (5) ..	The reference to a fine not exceeding one hundred pounds shall be deemed to be a reference to a fine not exceeding one thousand rupees.
Article 6 (3) ..	(1) The reference to an Act relating to the Customs within the meaning of the Customs Consolidation Act, 1876, shall be deemed to be a reference to an Ordinance making provision in addition to the provisions of Ordinance No. 17 of 1869; and the Act referred to in the expression "that Act", wherever that expression occurs, shall be deemed to be Ordinance No. 17 of 1869. (2) The reference to the Commissioners of Customs and Excise shall be deemed to be a reference to a Collector as defined in section 2 of Ordinance No. 17 of 1869.

GOVERNMENT NOTIFICATIONS.

THE text of the Treaty of Peace (Covenant of the League of Nations) Order in Council, 1935, which applies to Ceylon, is hereby published for general information.

Chief Secretary's Office,
Colombo, November 13, 1935.

By His Excellency's command,
F. G. TYRRELL,
Chief Secretary.

At the Court at Buckingham Palace, the 25th day of October, 1935.

Present,

THE KING'S MOST EXCELLENT MAJESTY IN COUNCIL

WHEREAS by the Treaty of Peace Act, 1919, it is provided that His Majesty may make such Orders in Council and do such things as appear to him to be necessary for carrying out the Treaty of Peace signed at Versailles on the twenty-eighth day of June, nineteen hundred and nineteen, and for giving effect to any of the provisions of the said Treaty :

And whereas it is also provided by the said Act that any Order in Council made thereunder may provide for the imposition by summary process or otherwise of penalties in respect of breaches of the provisions thereof :

And whereas it is expedient for the purpose of carrying out the said Treaty, and for giving effect to the Covenant of the League of Nations contained in Part I thereof, to make the provisions hereinafter contained :

And whereas by treaty, grant, usage, sufferance or other lawful means His Majesty has power and jurisdiction in British protectorates and territories in respect of which a mandate on behalf of the League of Nations has been accepted by His Majesty, and is pleased by virtue and in exercise of the powers vested in him by the Foreign Jurisdiction Act, 1890, or otherwise to extend the provisions of this Order to all such protectorates and to territories in respect of which such a mandate as aforesaid is being exercised by His Majesty's Government in the United Kingdom :

Now, therefore, His Majesty by and with the advice of his Privy Council is pleased to order, and it is hereby ordered as follows :—

1.—(1) On and after the date of the making of this Order, no goods of any of the descriptions set out in Part I of the Schedule to this Order shall be exported to Italian territory from a port or place in the United Kingdom, and, on and after such date as the Board of Trade may by order appoint, no goods of any of the descriptions set out in Part II of that Schedule shall be exported as aforesaid :

Provided that, subject to such conditions as the Commissioners may impose for securing that the provisions of this paragraph are not evaded, this paragraph shall not apply to goods of any of the descriptions set out in the said Part II which are exported after transit through the United Kingdom or by way of transshipment.

(2) No goods which are for the time being prohibited to be exported as aforesaid shall, at any port or place in the United Kingdom, be shipped or delivered as stores on a vessel or aircraft proceeding to Italian territory, unless the Commissioners are satisfied that the goods are required for use or consumption on that vessel or aircraft.

(3) Section one hundred and thirty-nine of the Customs Consolidation Act, 1876, shall have effect as if the reference therein to goods intended for exportation included a reference to goods intended for shipment or delivery as stores, and section eleven of the Finance Act, 1914 (Session 2), as amended by section nineteen of the Finance Act, 1921, shall have effect accordingly.

Prohibition of certain exports to Italy.

(4) The exporter of any goods which, at the time of the exportation thereof, were prohibited by this Article to be exported to Italian territory, shall, if required by the Commissioners, produce evidence to their satisfaction that the goods have not reached Italian territory, and, if the exporter fails to do so, he shall be liable to a customs penalty of treble the value of the goods or one hundred pounds at the election of the Commissioners unless he proves that he did not consent to or connive at the goods reaching such territory and took all reasonable steps to secure that the final destination of the goods was that specified in the customs documents relating to the shipment thereof.

(5) If the Commissioners have reason to suspect that any declaration made in the course of making entry before shipment by a person about to export goods of any description set out in the Schedule to this Order is untrue in any material particular, the goods may be detained until the Commissioners are satisfied as to the truth of the declaration and, failing such satisfaction, the goods shall be forfeited.

(6) The provisions of this Article shall be in addition to and not in derogation of the provisions of section eight of the Customs and Inland Revenue Act, 1879, as amended by any other enactment, of the Exportation of Arms Act, 1900, and of any Proclamation or Order in Council made under the said enactments.

2.—(1) On and after such date as the Board of Trade may by order appoint, no goods consigned from, or grown, produced or manufactured in, Italian territory shall be imported into the United Kingdom, except gold or silver bullion or coin :

Prohibition of Italian imports.

Provided that, subject to such conditions as the Commissioners may impose for securing that the provisions of this paragraph are not evaded, this paragraph shall not apply—

- (a) to goods which had before the date aforesaid left the place from which they were last consigned ; or
- (b) to goods imported for exportation after transit through the United Kingdom or by way of transshipment.

(2) Goods prohibited to be imported by this Article shall be deemed to be included among the goods enumerated and described in the Table of Prohibitions and Restrictions Inwards contained in section forty-two of the Customs Consolidation Act, 1876, and the provisions of that Act and of any Act amending or extending that Act shall apply accordingly.

(3) If at any time a question arises under this Article whether any goods alleged to have been consigned from any country other than Italian territory were so consigned or were not grown, produced or manufactured in Italian territory, it shall be lawful for the Commissioners to require the importer to furnish to them in such form as they may direct proof in respect of the country from which the goods were consigned and in which the goods were grown, produced or manufactured, and unless proof is furnished to the satisfaction of the Commissioners that the goods were consigned from, and grown, produced or manufactured in, some country other than Italian territory, the goods shall be deemed to be goods consigned from, or grown, produced or manufactured in, Italian territory.

(4) For the purpose of this Article—

- (a) goods which have been grown or produced in Italian territory and have been subjected to some process in some other country shall be deemed to be goods grown or produced, as the case may be, in Italian territory, unless it is proved to the satisfaction of the Commissioners that twenty-five per cent. or more of the value of the goods at the time when they left the place from which they were last consigned is attributable to a process undergone since the goods last left Italian territory ; and
- (b) goods which have been manufactured partly in Italian territory and partly in some other country shall be deemed to be manufactured in Italian territory, unless it is proved to the satisfaction of the Commissioners that twenty-five per cent. or more of the value of the goods at the time aforesaid is attributable to processes of manufacture undergone since the goods last left Italian territory.

3. (1) On and after such date as the Treasury may by order appoint, no person shall in the United Kingdom—

Prohibition of credit to Italy.

(a) make, contribute to, participate in, or assist in the making or issue of any loan (wherever the loan is made or issued or to be made or issued) to or for the benefit of—

- (i) the government of any Italian territory ; or
- (ii) any person (not being a body corporate) of whatever nationality resident in any such territory ; or
- (iii) any person (wherever resident), being a body corporate incorporated under the law of any such territory ; or

(b) offer for subscription, underwrite or otherwise assist in the issue of, or subscribe for, any shares (wherever issued or to be issued) in any such body corporate.

(2) Without prejudice to the generality of the foregoing provisions of this Article, any person who either—

- (a) by giving a guarantee or becoming a party to a bill of exchange, assumes any liability for the payment of money and thereby enables another person to raise money ; or
- (b) buys a bill of exchange, not being a bill payable on demand, from another person ; or
- (c) in connection with a sale of goods, gives credit in any form to or for the benefit of another person ;

shall be deemed for the purpose of this Article to make a loan to or for the benefit of that other person :

Provided that a person shall not be deemed to make a loan by reason only that he delivers goods the price whereof has been paid on or before delivery in manner provided by Article 4 of the agreement regarding trade and payments embodied in an Exchange of Notes dated the twenty-seventh day of April, nineteen hundred and thirty-five, between His Majesty's Government in the United Kingdom and Italian Government.

(3) Nothing in this Article shall be taken to prohibit the performance of any contract made before the date of the making of this Order with any Government or person other than such a Government or person as is mentioned in sub-paragraph (a) of paragraph (1) of this Article, but save as aforesaid the provisions of this Article shall have effect notwithstanding anything in any contract.

(4) Nothing in this Article shall apply to any loan to or for the benefit of an institution which is certified by the Treasury to have a humanitarian or religious object.

(5) If any person contravenes the provisions of this Article he shall be liable—

- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both such imprisonment and a fine ; or
- (b) on summary conviction, to imprisonment for a term not exceeding twelve months or to a fine not exceeding one hundred pounds or to both such imprisonment and fine.

(6) Where a contravention of this Article by a body corporate is proved to have been committed with the consent or approval of, or to have been facilitated by any neglect on the part of, any director, manager, secretary or other officer of the body corporate, he as well as the body corporate shall be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly.

Exercise of powers of Board of Trade.

4.—Anything authorised to be done under this Order by the Board of Trade, may be done by the President of the Board, or, in his absence, by a Secretary of State.

Application of Order to certain British Possessions, Protectorates and Mandated Territories.

5.—(1) This Order shall extend to the following countries, namely—

- (a) the Isle of Man and the Channel Islands;
- (b) all the colonies, except colonies administered by the government of a Dominion within the meaning of the Statute of Westminster, 1931;
- (c) all British protectorates;
- (d) all territories in respect of which a mandate on behalf of the League of Nations has been accepted by His Majesty and is being exercised by His Majesty's Government in the United Kingdom.

(2) In the application of this Order to any such country as aforesaid, references to the United Kingdom shall be construed as references to that country, and this Order shall be subject to such modifications as may be made by the Governor in Council, Governor or High Commissioner of that country for adapting to the circumstances thereof the provisions of this Order.

Short title, and interpretation.

6.—(1) This Order may be cited as the Treaty of Peace (Covenant of the League of Nations) Order, 1935.

(2) In this Order the expression "Italian territory" means the Kingdom of Italy and the colonies and dependencies thereof and any territory in the effective military occupation thereof.

(3) Articles 1 and 2 of this Order shall be deemed to be an Act relating to the Customs within the meaning of the Customs Consolidation Act, 1876, and shall be construed as one with that Act and the enactments amending that Act, and in those Articles the expression "the Commissioners" means the Commissioners of Customs and Excise.

(4) The Interpretation Act, 1889, as amended by any subsequent enactment applies to the interpretation of this Order as it applies to the interpretation of an Act of Parliament.

M. P. A. HANKEY.

SCHEDULE.

GOODS PROHIBITED TO BE EXPORTED TO ITALIAN TERRITORY.

PART I.

Goods prohibited to be exported as from date of Order.

1. Rifles and carbines and their barrels.
2. Machine-guns, automatic rifles, and machine pistols of all calibres, and their barrels.
3. Guns, howitzers and mortars of all calibres, their mountings, barrels and recoil mechanisms.
4. Ammunition for the arms specified in paragraphs 1 and 2 of this Part of this Schedule; filled and unfilled projectiles and prepared propellant charges for the arms specified in paragraph 3 of this Part of this Schedule.
5. Grenades, bombs, torpedoes and mines, filled or unfilled, and apparatus for their use or discharge.
6. Tanks, armoured vehicles and armoured trains, and armour plate of all kinds.
7. Vessels of war of all kinds, including aircraft carriers and submarines.
8. Aircraft, assembled or dismantled, both heavier and lighter than air, and their propellers or air screws, fuselages, aerials in mounts and frames, hulls, tail units and under-carriage units.
9. Aircraft engines.
10. Revolvers and automatic pistols of a weight in excess of 1 lb. 6 oz., and ammunition therefor.
11. Flame-throwers and all other projectors and machines (including smoke producing apparatus) used for chemical or incendiary warfare.
12. Mustard gas, Lewisite, Ethyldichlorarsine, Methylchlorarsine, Ethyl-iodoacetate, Chloroacetophenone, Chlorosulphonic Acid, Diphenylaminechlorarsine, Bromobenzylcyanide, Diphenylchlorarsine, Diphenylcyanoarsine, Phosgene, Chlorpicrin and all other noxious substances whatsoever intended for offensive or defensive purposes in warfare.
13. Explosives of every description.

PART II.

Goods prohibited to be exported as from date appointed by the Board of Trade.

1. Iron ore and concentrates, ground, unground or briquetted.
2. Iron and steel scrap and waste.
3. Metals, unwrought, of the following descriptions, namely—
 - (a) Aluminium;
 - (b) Chromium;
 - (c) Manganese;
 - (d) Nickel;
 - (e) Tin;
 - (f) Titanium;
 - (g) Tungsten;
 - (h) Vanadium.
4. Alloys, unwrought, containing any metal specified in paragraph 3 of this Part of this Schedule, including ferro-alloys but excluding steel and alloy steel; ores, concentrates and residues, ground, unground or briquetted, and matte containing any such metal: and scrap and waste of the said metals.
5. Aluminium oxide (but not including abrasives).
6. Ferro-molybdenum.
7. Ferro-silicon.
8. Rubber (raw), including crepe; rubber latex.
9. Waste scrap and reclaimed rubber.
10. Horses, mules, donkeys, camels, and all other transport animals.

THE following Explanatory Note on the provisions of Article 3 of the Treaty of Peace (Covenant of the League of Nations) Order, 1935, has been prepared by His Majesty's Treasury and is hereby published for general information.

The General Treasury,
Colombo, November 13, 1935.

By His Excellency's command,
H. J. HUXHAM,
Financial Secretary.

FINANCIAL SANCTIONS AGAINST ITALY.

UNDER ARTICLE 3 OF THE TREATY OF PEACE (COVENANT OF THE LEAGUE OF NATIONS) ORDER, 1935.

Explanatory Notice.

Article 3 of the Order is to come into operation on a date to be appointed by the Treasury, and the Treasury have to-day made an Order appointing Tuesday, 29th October, 1935, as the date on and after which the Article shall have effect.

1. The interpretation of the provisions of the Order-in-Council in their application to individual cases is a matter of law on which a final decision, in any case of doubt, can only be given by the appropriate Court of Law. Subject to this, the following explanation of Article 3 of the Order is published for the assistance of bankers, traders and the public generally.

2. Article 3 applies to loans and credits to or for the benefit of :

- (i) the Government of any Italian territory ;
- (ii) any person (not being a body corporate) of whatever nationality resident in such territory ;
- (iii) any person (wherever resident) being a body corporate incorporated under the law of any such territory.

The above are referred to in this Notice as "Italian(s)". The phrase "non-Italian(s)" is used to mean any other person, corporation or Government.

It must be observed that Italian nationals resident outside Italian territory are excluded from the provisions of the Order, but that branches in other countries of corporations incorporated in Italian territory are included. Conversely other nationals (including British) resident in Italian territory are included under the provisions of the Order but branches in Italian territory of corporations incorporated in other countries are excluded.

3. *Loans and Banking Credits.*

(a) *Prohibited Business.*—Generally speaking, the following business is prohibited by the Order :—

- (i) Loans, advances and guarantees to or for the benefit of "Italians".
- (ii) Acceptance or endorsement of any bill of exchange drawn by an "Italian" or for the benefit of an "Italian".
- (iii) Purchase of any bill of exchange (other than a bill payable on demand) from an "Italian" holder.
- (iv) Issue of or subscription for shares in an "Italian" corporation.

(b) *Permitted Business.*—Other banking business with "Italians" which does not involve credit facilities is not prohibited. Thus the Order permits the remittance of funds, the purchase and sale (under ruling market conditions of payment and delivery) of currencies and of stocks, shares and bonds, the payment of interest, dividends, coupons, &c.

(c) *Contracts with "Italians".*—The Order prohibits, as from the date when Article 3 comes into force, the further execution of any contract with an "Italian" to do business prohibited by the Order, and the Order will therefore have to be complied with notwithstanding anything in any such contract. Thus the unavailed portion of any confirmed advance or overdraft credit will be cancelled, but to the extent to which such credits are availed of at the date on which the Article comes into force, repayment need not be called for until the expiry of the period for which the credit was granted. In the case of acceptance credits, bills of exchange accepted before that date need not be taken up by acceptors before maturity, but may not be replaced at maturity by renewal bills.

(d) *Contracts with "non-Italians".*—The Order does not prohibit the further execution of any contract made with a "non-Italian" before the 25th October, 1935 : thus any credit opened under such a contract, even if used for the benefit of an "Italian", may be maintained until the expiry of the contract.

4. *Sale of goods.*—The Order prohibits as from the date on which the Article comes into force, the giving of credit to or for the benefit of an "Italian" in connection with a sale of goods. Goods may not, as from the same date, be supplied on credit under existing contracts, even where the terms of the contract involve the giving of credit. An exception to this is made in the case of contracts made before the 25th October, 1935, with "non-Italians".

The acceptance by U. K. exporters of the method of payment laid down by the Anglo-Italian Exchange of Notes of 27th April, 1935, does not contravene the Order, provided that payment by the deposit of lire is made on or before the delivery of the goods.

5. Customary settlements of account in connection with insurance contracts, stock exchange transactions, railway clearings, &c., are not affected by the Order.

Treasury, 26th October, 1935.

THE TREATY OF PEACE (COVENANT OF THE LEAGUE OF NATIONS) ORDER, 1935.

IT is hereby notified that the Board of Trade has, by order under paragraph (1) of Article 1 of the Treaty of Peace (Covenant of the League of Nations) Order, 1935, appointed the 18th day of November, 1935, as the date on and after which no goods of any of the descriptions set out in Part II of the Schedule to that Order shall be exported to Italian territory as defined in Article 6 of that Order.

The General Treasury,
Colombo, November 13, 1935.

By His Excellency's command,
H. J. HUXHAM,
Financial Secretary.

THE TREATY OF PEACE (COVENANT OF THE LEAGUE OF NATIONS) ORDER, 1935.

IT is hereby notified that the Board of Trade has, by order under Article 2 (1) of the Treaty of Peace (Covenant of the League of Nations) Order, 1935, appointed the 18th day of November, 1935, as the date on and after which no goods (except gold or silver bullion or coin) consigned from, or grown, produced, or manufactured in, Italian territory as defined in Article 6 of that Order shall be imported into Ceylon.

The General Treasury,
Colombo, November 13, 1935.

By His Excellency's command,
H. J. HUXHAM,
Financial Secretary.

THE TREATY OF PEACE (COVENANT OF THE LEAGUE OF NATIONS) ORDER, 1935.

IT is hereby notified that the 29th day of October, 1935, has, by order under Article 3 of the Treaty of Peace (Covenant of the League of Nations) Order, 1935, been appointed by His Majesty's Treasury as the date on and after which the provisions of the said Article shall have effect.

The General Treasury,
Colombo, November 13, 1935.

By His Excellency's command,
H. J. HUXHAM,
Financial Secretary.