

Newfoundland

passed, though in a good many respects in a form which departed rather substantially from the terms of the original resolution. Nevertheless Newfoundland was not represented at the conference at Westminster when the draft of the British North America Act was being considered by the conferees and the law officers of the parliament of the United Kingdom.

Provision was made, as all hon. members know, for the entry of Newfoundland on the same terms as were made for the entry of Prince Edward Island. Prince Edward Island did enter the confederation, but not Newfoundland. In 1869 there was an election in which the proponents of confederation with Canada were decisively defeated. The matter was dropped and remained quiescent for a long period of years. In 1895 it was brought up again. Serious financial difficulties had been facing the government of Newfoundland. One of its commercial banks was forced to suspend its payments. At that time there were negotiations with the Canadian government looking to union, but it proved to be impossible to agree upon tentative terms that the participants in the negotiations would undertake to recommend to their respective parliaments.

During the first war, Newfoundland, as we all know, made a magnificent contribution to the cause of the allies. Concurrently with the activity resulting from this contribution to the war a certain amount of prosperity came to the island. However, the world-wide depression of the early thirties again created a serious situation for the people of Newfoundland, who depend so largely upon world trade for their prosperity. An investigation was made by a commission appointed, at the request of the government of Newfoundland, by the government of the United Kingdom. The commission recommended that the constitution of the island be suspended and that the government of the United Kingdom make itself financially responsible for the obligations of the government of Newfoundland. It was also recommended that the government be replaced by a commission of government, made up of a governor appointed by the United Kingdom and six commissioners appointed by the dominions office, three of whom were to be chosen from residents of the United Kingdom and three from residents of the island. It was also provided that when the financial difficulties had been overcome the constitution might be restored, but nothing was done about that during the period of the war.

In the second world war the Newfoundlanders repeated their most generous contribution to the cause of the allied nations. The activities carried on in the island, and the amount of money that had to be spent to

make the island the outpost of defence of the North American continent and the jumping-off place for convoys to Europe brought about a situation of unparalleled prosperity. The commission of government was able to increase materially the public services provided by the government, and in addition to accumulate a surplus of some \$70 million.

Following the cessation of hostilities, to ascertain the wishes of the people of Newfoundland a national convention was called to consider the future form of the government of the island. Forty-five elected representatives met in a national convention early in 1946, considered the economy of the island, its financial position, and dispatched delegates to interview the British government as to what that government's intention might be with respect to the future of the island. The convention also considered the dispatch of delegates to Washington to see what arrangements might be possible with the government of the United States of America, but decided against it. The convention sent an important delegation to Canada to discuss with us the possibility of bringing about the completion of the original scheme of the fathers of confederation.

The delegation arrived here early in June, 1947. It was headed by Mr. F. G. Bradley, and the other delegates were Mr. T. G. W. Ashbourne, Mr. Charles H. Ballam, Rev. Lester L. Burry, Mr. P. W. Crummey, Mr. G. F. Higgins, K.C., and Mr. J. R. Smallwood. Exploratory talks and investigations with a committee appointed by the Canadian government extended into September, 1947. As a result of those studies and discussions the Canadian government prepared a statement of terms believed to constitute a fair and equitable basis for union. This statement was forwarded to the governor of Newfoundland by the then prime minister, with a covering letter. It set forth the terms the Canadian government would be prepared to recommend to this parliament if the people of Newfoundland decided they really wanted to become partners in our union on substantially such terms.

These terms were placed before the national convention in Newfoundland and were discussed at great length. The national convention passed a resolution to the effect that there be submitted, in a referendum to the people, two questions as to the future form of government: (1) the restoration of responsible government, and (2) a continuation of the commission of government. There was a motion before the national convention to include on the ballot a third question: whether or not the people wished union with Canada on substantially the terms expressed in the statement which had been submitted. This