

British High Commissioner. According to Mr. Bennett, Sir Richard told him he would make confederation with Canada an issue at the next Newfoundland election. As matters developed, when that election occurred in 1932 Sir Richard had too much domestic trouble on his hands to dream of introducing confederation or any other issue extraneous to his political survival.

Sir William Stavert, a Canadian banker closely connected with the Bank of Montreal, who had succeeded the British Treasury official, Sir Percy Thompson, as financial adviser to the Newfoundland Government, was that government's nominee to the Amulree Commission. Before taking up his new duties he spent a good deal of his time trying to arrange matters so that the Commission would ultimately recommend confederation. C. A. McGrath, another Canadian banker who had been nominated by the British Government in accordance with the Commission's terms of reference, wrote a long private letter to R. B. Bennett while the Commission was in session. In that letter he recommended Canadian generosity toward Newfoundland so that in the end its people would wish to join Canada. The only Canadian connected with these events who took the opposite tack was R. J. Magor, a Montreal businessman who had been appointed to advise the Newfoundland Government on rationalization of public utilities. In June, 1933, he wrote a long letter to Sir William Stavert, with a copy to the Secretary of State for Dominion Affairs, strongly advising against confederation as a solution of the Newfoundland problem. Mr. Alderdice, the Prime Minister of Newfoundland at the time, does not seem to have considered it, and the Amulree Commission evidently encountered relatively little enthusiasm for it in the course of its investigations. At any rate, in spite of the bias of two of its members, its report merely discussed confederation in objective and indeed rather distant terms and went on to recommend quite a different method of coping with the Newfoundland crisis.

When one confronts the recommendations of the Amulree Commission, one is suddenly at a level of British policy-making which is rather far removed from the libertarian atmosphere of Westminster. It is the level of hard-headed bankers, cool Treasury officials and efficient administrators who were demonstrably honest into the bargain. At least in the period we are discussing they inhabited a somewhat inward-looking world which they casually shared with like-minded colleagues in many parts of the world, Canada included.

The decision to set up the Amulree Commission was as tough-minded as the Commission's findings and virtually foreshadowed them. That decision was anticipated by a letter written a year earlier by the President of the Bank of Montreal to Sir Richard Squires in which the Prime Minister of Newfoundland was informed in so many words that the Bank would have nothing further to do with Newfoundland's finances unless the country were virtually reduced to Crown Colony status. That, in the years leading up to this letter, there had been corruption and inept handling of public finance in Newfoundland has certainly been established, but it is fascinating to observe how easily the imperial seed can be implanted. Clive of India confronting the corrupt maharajahs of the southern confederacy would have understood the President of the Bank of Montreal very well. So, for that matter, would he have understood the Governor of Newfound-