

In May, 1947, a delegation was sent to London to discuss with the United Kingdom Government the financial relationship which might be expected to exist between the United Kingdom and Newfoundland under various possible forms of government. The forms specifically mentioned were Commission of Government as presently constituted, a revised form of the Commission, and Responsible Government. The United Kingdom Government stated that under Commission of Government as presently constituted the fiscal and financial relation would continue as close as at present and the United Kingdom would be responsible for Newfoundland's financial stability; under a revised form of Commission the relation would depend upon the precise form of revision; and under Responsible Government the Newfoundland Government would bear full responsibility for Newfoundland's finances and the United Kingdom would no longer assume the responsibilities undertaken under the Commission of Government.

On February 28, 1947, a resolution was passed to send a delegation to Ottawa "to ascertain from the Government of Canada what fair and equitable basis may exist for federal union of Newfoundland and Canada." The delegation was in Ottawa from the end of June to September, 1947. On October 29, 1947, the Canadian Prime Minister sent the Governor of Newfoundland a statement of terms believed by the Canadian Government to constitute a "fair and equitable basis for union."

After prolonged debate the National Convention recommended to the United Kingdom Government that two choices should be placed on the referendum ballot; the restoration of Responsible Government and continuation of the Commission of Government. A motion to include Confederation on the ballot was defeated by 27 to 16 votes. Following this defeat, protests endorsed by, it is said, about 50,000 voters were placed before the Governor in Commission for transmission to the Secretary of State for Commonwealth Relations. The United Kingdom subsequently decided to place Confederation on the referendum ballot on the ground that it would be unfair to the people of Newfoundland to deprive them of the opportunity of expressing their opinion on the question.

At the first referendum, which was held on June 3, 1948, after wide public discussion of the various alternatives, Responsible Government received about 69,000 votes; Confederation about 63,000; and continuation of Commission of Government for a five-year term about 22,000 votes. In accordance with the referendum conditions previously announced by the Secretary of State for Commonwealth Relations a further vote was required on the two forms receiving the most votes, since no form of government had received an absolute majority.

A second referendum was accordingly held on July 22, and was confined to two choices: Responsible Government as it existed in 1933 prior to the establishment of Commission of Government; Confederation with Canada. The vote in this referendum, as in the first, was unusually large, about 85% of the eligible voters exercising their franchise. The total vote showed a majority of approximately 7,000 in favour of Confederation. Eighteen of the 25 electoral districts, including two on the Avalon Peninsula, showed a clear majority in favour of Confederation.

On July 30, 1948, the Prime Minister of Canada stated in a public announcement that the result of the referendum was "clear and beyond all possibility of misunderstanding", and that the Government, and he believed the people of Canada, welcomed the result. He said further: "The Government will also be glad to receive with the least possible delay authorized representatives of Newfoundland to negotiate the terms of union on the basis of my letter of October 29, 1947, to the Governor of Newfoundland and the document transmitted with it. In these negotiations any special problems which may arise in connection with the entry of Newfoundland into Confederation will, I am sure, receive most careful consideration. Before final action is taken, the Government will recommend the resulting agreement to Parliament."

On August 5, 1948, the Governor of Newfoundland informed the Canadian Government that a delegation of seven members had been appointed to meet the Canadian Government in the forthcoming negotiations.